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PARLIAMENTARY STANDING COMMITTEE OF PUBLIC ACCOUNTS MET IN COMMITTEE ROOM 2, PARLIAMENT HOUSE, HOBART ON FRIDAY, 14 MARCH 2025

INQUIRY INTO THE TT-LINE SPIRITS PROJECT

The Committee met at 11:30 am.

CHAIR (Ms Forrest) - Thank you, Minister and Secretary, for appearing before the Public Accounts Committee inquiry into the delivery of, particularly, the berthing facilities for the new vessels in Devonport. As you would be well aware, this is a public hearing. If there was information of a confidential nature that you wish to share with the Committee, you can make that request. It would be our preference that we tried to contain that into a portion toward the end of the hearing to help keep the *Hansard* clearly separate, otherwise, it is all public.

As you would be aware, things are covered by parliamentary privilege that you say before the Committee but may not extend beyond the room. Do you have any questions?

Mr ABETZ - No, I do not. Chair, if I may, I would like to make a brief opening statement.

CHAIR - Yes, before you do that, I will ask the Secretary to make the statutory declaration. I will then invite you to make an opening statement, if you would.

Mr CRAIG ANTHONY LIMKIN, SECRETARY, DEPARTMENT OF STATE GROWTH, WAS CALLED, MADE THE STATUTORY DECLARATION AND WAS EXAMINED.

Mr ABETZ - Thank you, Chair. It is my first appearance before PAC, so I look forward to the questions and the issues that the Committee might wish to raise.

There are four brief areas I want to comment on.

First of all, governance. Since becoming Minister, we have had a new project manager in Paul Kirkwood, appointed. We have had a new chair, Mr Ken Kanofski appointed. We have announced this morning a new CEO of TT-Line, Mr Carbone. With Mr Kanofski and Mr Carbone we have excellent individuals who we are exceptionally fortunate to have been able to have join us. What that indicates to me, Chair, is that there are highly professional, highly regarded individuals who are willing to make a contribution to the TT-Line because they see a bright future for it, as do I. They both have confidence in the TT-Line and that will be, I am sure, reflected in the way that they run the enterprise.

I can also inform the Committee that two directors have resigned - Damian Bugg and Yvonne Rundle. They have just resigned and I want to put on public record my genuine and sincere thanks for their hard work in the interim period of the resignation of Mr Granger to the appointment of Mr Kanofski. They kept the show on the road. They did an exceptionally great amount of work and I publicly thank them both for that.

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Leasing is a matter that I understand, from a Labor press release this morning, there will be questions asked. I look forward to dealing with those matters and, in fact, debunk some of the misinformation in the press release.

In relation to Project Assurance, we have what are called health checks that are undertaken on a regular basis and if there is detail sought about that, the Secretary will be able to assist the Committee.

With that, I look forward to questions.

CHAIR - Thanks, Minister. You did say there were four areas: governance, leasing, Project Assurance - what was -

Mr ABETZ - Governance, leasing, outgoing directors was the second one, sorry, and then leasing and then Project Assurance.

CHAIR - I'll lead off with the first matter, the governance. What changes have been made in terms of the way you expect this business to interact with you, as the Minister responsible, to ensure we don't see a repeat of what's happened in the past?

Mr ABETZ - I think that with the change of personnel we have a group of men and women on the board, and with the CEO and a project manager, all of whom are very cognisant of the fact that they are there to serve the people of Tasmania and their shareholder Ministers and they don't run their own personal fiefdom.

With these things you can ask, what are the governance arrangements? The first and most important point is the quality of the people who are now in charge and I have every confidence in them. That said, we have regular meetings with them. I last inspected or went up to the port on 18 February [2025]. My next visit is 26 March [2025]. I will be making monthly visits, personally, to the port at Devonport to have discussions with Mr Kirkwood. That said, I have met and telephoned with Mr Kanofski on a regular basis, so there is genuine interaction with the new board of the TT-Line and that will soon be the new CEO of the TT-Line as well.

CHAIR - The governance framework that was in place, arguably, should have delivered better communication. It failed. My question was, what changes have been made? The personnel aside, what changes have been made to ensure that there isn't this inadequate reporting perhaps, or whatever it was that led to the problems that we've had? If you've changed nothing, could the same thing not happen again? Personnel aside, have you changed any of the requirements in terms of reporting, the quality of the reporting, the detail of the reporting, all those things?

Mr ABETZ - I will allow the Secretary to comment on that, but I can let you know that the Cabinet Sub-Committee restarted on 6 May [2024] of this year and that was shortly after I became the Minister and we have had things under way. Secretary, over to you.

Mr LIMKIN - Thank you, Minister, and through you, as we've previously discussed, the Government about 12 months ago did process improvements to the governance that TT-Line had at that point. That included working with the company to ensure they had a project oversight and steering Committee chaired by the TT-Line board chair with other members of relevant members of the executive and leadership team in place. In addition, we, the

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Department of State Growth in consultation with the Government, have moved Ben Moloney and Peter Gemell to sit on that internal project steering Committee to make sure they are getting that information regularly and reportingly and have free and frank access.

Above that sits a Projects Oversight and Assurance Committee, which I chair. On that Committee there is myself, the Associate Secretary of the Department of Premier and Cabinet, the Secretary of Treasury, the CEO and Chair of TT-Line, and the CEO and Chair of TasPorts. Plus them we have a number of guests, Mr Moloney, Mr Kirkwood, Mr Gemell, et cetera. That is to provide independent project assurance and oversight of the work that TT-Line is doing, but it also looks at the interactions between TasPorts and TT-Line. If there are concerns that they're not interacting appropriately, those can be resolved in a timely manner. We can facilitate conversations and ensure those key integration matters are on track. If they aren't, we can take active engagement to do that. That Committee, and I as chair of that Committee, as the Minister said, reports to a Cabinet Committee and so, Ministers have firm oversight into that.

In addition, the directions that the Government and the Minister and the then-Treasurer signed are still in place. DSG can receive and access all information we believe that is needed, or Mr Gemell and Mr Moloney need, to actually be able to perform that function. Those Committees meet regularly. I chaired one last week on the Quaylink Project review and assurance steering Committee, the next one is next week. They are meeting fortnightly, noting that there may be some change to the schedule, Chair, depending on people's availability, but we do try to keep a regular rhythm so that if issues are identified, they are identified early, resolved early and we can walk a path forward to the successful delivery of this project on the Government's existing commitment timeframe.

CHAIR - Are there representatives from -

Mr ABETZ - If I may, the Secretary might explain also the health check to which I referred in my opening statement.

CHAIR - Yes, I will come back to that. On these Committees, are there representatives of TasPorts?

Mr ABETZ - Yes.

CHAIR - On both of those Committees?

Mr LIMKIN - Through you, Minister, on the TT-Line Committee, which is their Project Oversight and Steering Committee, that is an internal TT-Line Committee, so that is just members of TT-Line. On the Project Assurance Committee, which is the one I chair, TasPorts Chair and CEO are invited plus a number of their executives.

CHAIR - Are invited - do they do turn up?

Mr LIMKIN - They do, Chair.

CHAIR - And so, after those meetings -

Mr ABETZ - If I may quickly, and the Cabinet Sub-Committee, TasPorts appears at that as well.

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CHAIR - Right, so after the meetings are held, I assume, how often are they held, monthly is it, or?

Mr LIMKIN - They are normally on a fortnightly cycle, through you, Minister, of the Project Assurance oversight Committee. I would have to take on notice when the TT-Line Project Oversight Steering Committee because I am not on that, but the ones I chair are held fortnightly.

CHAIR - Okay. There will be minutes recorded from those meetings?

Mr LIMKIN - Yes, there are.

CHAIR - Are they provided to the Minister after every meeting? To you, Minister, do you see the minutes of those meetings?

Mr ABETZ - I am given a summary, fortnightly. I am not provided with the actual minutes, but I am provided with the information from that at the Cabinet Sub-Committee and also at a DSG briefing that I get on a regular basis, as to what they have been dealing with in relation to matters TT-Line, amongst other things.

CHAIR - The reason I ask this is because this is where everything fell apart previously, that there wasn't information passed on, in particular, with regard to the Gemell report, and there was an election called and all of that. So, are you satisfied then, Minister, that the information you get is adequate for you to be assured that the project is progressing according to what has been proposed?

Mr ABETZ - Yes, I am and the basis of that is - and the interim chair, when he appeared before you, previously gave four reasons as to why we are in this unfortunate predicament, and the reason that he gave was, one, TT-Line should never have taken on the project and they were far too confident about their capacity to deliver. When you have a person of Paul Kirkwood's capacity as project manager, you say 'big tick there'. When you have a Chairman of the board, Ken Kanofski, who has a CV as long as you like, with a lifetime of experience, that gets a big tick. Mr Carbone, who has now come from Toll, although I think Toll has been renamed to some other brand -

CHAIR - Strait Link.

Mr ABETZ - Yes, thank you. Mr Carbone is highly regarded in the sector.

CHAIR - I'm not questioning the capacity of the people who have been appointed. I'm talking about the process, that you are assured you're getting all the information you need to ensure the project is on track.

Mr ABETZ - Yes, because we are now dealing with people - I'll be blunt - who now know what they are doing and, as Mr Bugg previously indicated, a project was undertaken by people who should not have undertaken the project and were overconfident as to their capacity to deliver.

Mr EDMUNDS - Following on from those updates and reports, have there been any delays to the expected project with the works at Berth 3 and is the program on schedule?

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Mr ABETZ - That is a difficult question for me to answer at this stage. Mr Kanofski might be able to give you a better indication when he appears in a fortnight. A lot of work, and I cannot stress that enough, is being undertaken by Mr Kanofski and Paul Kirkwood just to see - and going back to basics and reworking the project. They can provide you with the expertise because, as I've been willing to say, the building of a berth and those matters are beyond my expertise. Other than that, I always want to know what's going on, what the timelines are. At this stage, the timelines that are on the public record, I suppose, are still the timelines on the public record that we should be getting better information. I would guess Mr Kanofski can give you the full detail of that.

CHAIR - You'll provide us with current, up-to-date timelines, is what you're suggesting?

Mr ABETZ - We are hopeful that'll be ready by middle of next month and then we will be able to advise the Committee, the parliament and the people of Tasmania with more information.

Mr EDMUNDS - Right, so you can't say definitively that it's still on schedule?

Mr ABETZ - At this stage, I would say, in rough terms, things are on schedule, but we are getting detailed advice because they are basically reworking the whole program and doing a fantastic job, with health checks, et cetera, taking place.

CHAIR - Is the bespoke barge with the bespoke drill on it in the river yet?

Mr ABETZ - Well, I know that the barge is. What is on it, I'm not sure.

CHAIR - Hopefully, it has come with a drill. That was the purpose.

Mr ABETZ - One assumes so, but I'm not sure whether the drill came separately to the barge across Bass Strait. Once again, I'm not across that sort of mechanical detail. I've been advised that the barge has arrived.

Mr EDMUNDS - Has the independent director, Mr Kirkwood, reported any concerns or changes in the confidence level of achieving the early 2027 completion date?

Mr ABETZ - Look, not completely as yet because the full review hasn't been finalised.

CHAIR - Just to go to the health check matter, which might address some of these matters too. What is that telling you?

Mr LIMKIN - Thank you, Minister, and through you. Madam Chair, I am very happy to table the highlights of the health check. I would ask that we do that in camera with your permission and the Committee's permission and I'll explain why.

A project assurance framework, which a health check is part of - they're traditionally called the Gateway Framework - is an independent review where the independent reviewers look at the life cycles of the project. Normally there are seven gates. Investment decision is gated to benefit realisation, ready for procurement, et cetera. A project assurance framework is used around the world. It initiated originally in the UK under the Blair Government and it's used in every major jurisdiction in Australia. The Australian Government has had it as well.

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This is designed to actually provide advice to what's known as the senior responsible officer, so the responsible officer accountable for the project and, normally, at the most highest level.

In the TT-Line's case, it's the CEO or the acting CEO. It provides opportunities for independent reviewers to do a couple of things.

First, look at all the documents - so, program, cost. Even some of the technical specialists - you know, we've talked about here previously the gantry, and so, they've spent time looking at the design and construction of the gantry.

They also interview in confidence a number of members of the project team, interested parties, et cetera. They then provide a number of recommendations to the senior responsible officer to actually move those through, and they can come through in a couple of things. There are critical recommendations that need to be done urgently, significant recommendations that should be done within a six-month period, and then the low recommendations that should be just done as a good matter of practice.

These documents are normally held very carefully, which is why I would request the Committee hear the detail. I am happy to table it in-camera, because it enables interviewees, contractors, project managers, internal/external stakeholders to be really open with our gateway reviewers. We use them across a number of our projects in this state. Bridgewater bridge, for example, has gone through a gateway review. So, what we would not want to do is stop that openness, that transparency, that frankness that we get through these types of reviews, to help the Government and businesses and those activities to actually make those decisions and make sure projects are delivered on time and on budget.

Subject to the Committee considering that request, I'm happy to go through and table the documents and talk about the recommendations and what has happened with some of those recommendations in more detail in-camera, should the Committee agree to that request.

CHAIR - Okay, we may come back to that. We'll leave time - yes, we'll try to do that probably about 10-past. We'll try to do the rest of the questions before that - for the Committee to deliver out on that first, obviously.

Mr EDMUNDS - Could I go back to the earlier answer about whether Mr Kirkwood had expressed concern about the 2027 completion date? You said, 'not completely,'. Do we take from that that it's accurate to say that he has expressed some concerns, and if he has, what are they?

Mr ABETZ - Look, there are matters that are being considered at the moment, and there will be, potentially, also commercial in-confidence matters related to that, so I would beg your patience and indulgence. There are negotiations taking place as we speak, and I don't want to talk about them in detail lest that should prejudice any discussions. Hopefully things will be clearer by about this time next month.

Mr EDMUNDS - Without wanting to breach any commercial in-confidence arrangements or whatever, with regards specifically to the delivery date of early 2027, are there concerns about these matters which mean that we might be looking at a further delay to the delivery of the berth?

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Mr ABETZ - Given the sort of review that is currently taking place, the date that has been put in the media is, I suppose, best estimate. Until such time as advice is provided to the contrary, that remains the date - albeit, with this review, you have to accept it might be earlier than 27 February or 27 March, or after. I don't want to countenance and get a headline that then says, 'Oh look, it's now going to be delayed further.' Let's be patient: wait and see what the review provides us.

Mr EDMUNDS - But the matters you've heard so far - do you have any concerns that we will face further delay?

Mr ABETZ - I have received very basic preliminary information, bits and pieces, and until such time as the review is complete, I'm not going to give my - what is, quite frankly, and it would be, I assume, around this table - amateur assessment of the date. I'll leave that to the experts.

Mr EDMUNDS - Is BMD construction management working well, in your view?

Mr ABETZ - I haven't heard anything to the contrary at this stage. Yes.

CHAIR - Just a follow-up from yours, Luke, a little bit there: without going to the details of the health check, knowing what's in it yourselves, do you feel confident that we are on track? You have obviously done a health check. We have talked about people being frank and open about what the challenges are, and we heard about a lot of the challenges in previous hearings, about the nature of the riverbed, for example. Do you believe that we are not going to see another new, major problem pop up that might delay the project further?

Mr ABETZ - Look, to the best of my information, at this stage, nothing major has been put on my radar or horizon.

Mr EDMUNDS - Will specialist equipment be needed to be flown in from Canada to drive the piles for the gantry? If so, when was it discovered that equipment would be needed, and what impact will that have on the timetable? Is the equipment here? If not, when will it be here?

Mr ABETZ - Look, all that detail, I would invite you to ask in a fortnight's time when the TT-Line people will be present.

Mr EDMUNDS - You don't know those details?

Mr ABETZ - No, I don't, but TT-Line can clearly provide that information.

Mr EDMUNDS - In regards to that question and earlier questions, what is being reported through these Committees, et cetera, to you?

Mr ABETZ - Look, quite commercially sensitive matters as to what the finding in relation to previous design work, et cetera, and yes, I'm -

Mr EDMUNDS - Does it frustrate you?

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Mr ABETZ - Absolutely, it frustrates me, but one thing that alleviates that frustration is that we now have a body of men and women who actually know what they're doing in charge of this project. The fact that we have been able to attract such quality individuals to the board as project manager, as CEO, suggests to me that these quality individuals have absolute confidence in the future of the TT-Line. That is what alleviates that frustration, Mr Edmunds.

Mr EDMUNDS - Has the civil works scope at Berth 3 been increased?

Mr ABETZ - Not to my knowledge. The detail of that, I'm not sure if you have anything in mind, but to the best of my recollection, no. But, again, in a fortnight's time, hopefully, TT-Line can provide you with that information.

Mr EDMUNDS - Sure. Just back to the point. I'm trying to figure out, through these questions, what is making its way to you. We're here because of the lack of information flow and -

Mr ABETZ - Look, a lot of the work that is being done, which is checking, rechecking, looking at design, do we need a particularly designed section or not? Can it be done cheaper? Better? Et cetera.

Mr EDMUNDS - Faster?

Mr ABETZ - Yes, all those things in the mix that the new team, if I can describe it as such, are looking at exceptionally methodically, with the added confidence that these are a body of men and women who actually know what they're doing.

Mr EDMUNDS - One last one, if that is okay. If we were to look at a deadline later than early 2027, would you expect that that is something that would be updated about this time next month?

Mr ABETZ - I would like to think so, but I don't want to commit TT-Line, in the event, in their oversight and reviewing everything in an exceptionally methodical manner, that they might find something that allows it to be a lot earlier. But, at this stage, the date is the date and when we have something concrete and material, we will of course report it.

CHAIR - Can I ask, Minister, how you are ensuring that the interaction between TT-Line and TasPorts is occurring in a way that we would all expect, so that any problems that TT-Line identify with the associated infrastructure, or TasPorts have concerns about with regard to the work that TT-Line is responsible for - how are you overseeing that?

Mr ABETZ - As I understand it, the relationships are a lot better today than they previously were.

CHAIR - We'd hope so, but how are you overseeing that?

Mr ABETZ - Well, with the meetings that we have at the Cabinet Sub-Committee. Just noting the way they interact with each other to how they interacted when I first became Minister, there is a material difference.

CHAIR - They're both in the room together? Meeting with the Sub-Committee?

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Mr ABETZ - Yes. I know that the chair of the TT-Line - I was going to say has met, I think he has, but definitely has spoken with the interim chair of TasPorts on a regular basis. He can speak for himself in a fortnight's time, but he says that they have a good working relationship.

CHAIR - You're satisfied that there's not any animosity or ineffective dealings between these two companies, who do need to work together because they're both working in the river?

Mr ABETZ - They're both working in the river and they are both, dare I use the term, part of 'Team Tasmania.' Their task is to work cooperatively to deliver the best possible result for our fellow Tasmanians who we are here to serve in this Committee, and they are here to serve in the various roles that they have in TT-Line and TasPorts. This sort of siloed behaviour that was witnessed in the past is completely unacceptable, but - oh, right. I've just been reminded that the project assurance Committee has a specific discussion point of integration at each meeting.

CHAIR - Okay. Unless there's anything else on that particularly, I'll move on to the leasing matter.

Minister, can you provide the cost to date of the time from when - what was cost to the state, or TT-Line, or whoever is responsible for paying the bill here -

Mr ABETZ - TT-Line.

CHAIR - The cost of transferring the *Spirit IV* to Leith in Scotland, the cost of berthing it there, and now the additional cost of bringing it back out to Tasmania? I know there would have been a cost of bringing it from Finland to Tasmania, but there's a whole level of cost in the middle. What I'm interested in looking at is the total cost to date of those decisions.

Mr ABETZ - Yes. As I understand, a figure - is it \$1.04 million has been publicly displayed - and with further - that was the latest figure - keeping in mind that keeping the vessel in Leith only requires six staff members on board. When she comes out here, there will be at least double that requirement, so the wages bill will be substantially higher. So, keeping her in Leith -

CHAIR - I'm happy for you provide all this information and qualifying that various costs, that's fine - but I'd like you to -

Mr ABETZ - We will provide that to you once the final figures are known. The interim figure, if I recall - was that at the end of February, or January - but a figure has been - I was nearly there. TT-Line has previously advised the costs to December for berthing in Leith were \$1.005 million, with estimated ongoing monthly costs of around \$600,000, excluding departure costs. Once the overall cost has been confirmed, I'll be able to share, as much as is possible, with Tasmanians, as previously committed.

CHAIR - Can you provide to the Committee then a breakdown of the \$1.005 million - and then, obviously, the departure costs are a separate cost - so that the Committee can have a clear vision of what costs have been attributed to what aspect of this?

Mr ABETZ - Yes, absolutely. More than happy to provide that.

CHAIR - Hopefully, we're going to get to more recent than to December [2024].

Mr ABETZ - That's the most recent figure that I have, yes. When TT-Line appears before you, they may have - and given this hearing, I'm sure they will have - updated figures for you in a fortnight's time, because I'm sure somebody is listening in.

CHAIR - Well, we expect they would be. Luke?

Mr EDMUNDS - Has the crusher been offline? If so, for how long? What impact has this had on the timeline for works?

Mr ABETZ - The crusher - is that for the on-land work?

Mr EDMUNDS - Yes.

Mr ABETZ - I'm not aware of the particular detail of the crusher. Suffice to say that the land works aren't what's going to delay the arrival of *Spirit IV* and *V*. It's going to be 'the what' on the water and berthing facility.

Mr EDMUNDS - To that, the geotech in the river sounds challenging and that part of the project will be what's expensive. Do you have any concerns about cost escalations?

Mr ABETZ - That always has to be a possibility, and I hope that that doesn't get another headline. The simple fact is that TT-Line does have a platform, a barge, whatever, in the river doing further geotechnical work. I can't say any more, but I've been advised as to some of the things that have been determined.

CHAIR - Is the technical work complete, or is it ongoing?

Mr ABETZ - Last time I was up there, they were still doing it. I don't have an update.

CHAIR - When were you last there?

Mr ABETZ - I've been advised by the Secretary that the geotechnical work is still taking place. I was up there on 18 February 2025.

Mr EDMUNDS - Have you received any advice that cost escalations are possible based off that work so far?

Mr ABETZ - No, I haven't.

Mr EDMUNDS - Have either of you?

Mr LIMKIN - Through you, Minister. The Department, as part of their project assurance role, works through a number of matters with TT-Line - its time, cost, et cetera. As you would imagine, there are a variety of different things that can go over and under through a project, and that can change throughout the project. At this stage, as the Minister said, BMD is currently undertaking a piece of review and work with TT-Line based on the finalisation of the designs.

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Some of that relates to the additional geotechnical work that the Minister indicated was happening. So, at this stage, the advice I have is there has been no change.

Mr ABETZ - I can quickly answer another question. I've been advised that it's approximately, if I'm reading this correctly, A\$24,000 per month for the cost in Leith, so you can add that on to the -

CHAIR - We'll get the complete breakdown? That will be helpful.

Mr ABETZ - Yes, you will.

CHAIR - Has the vessel actually left Leith?

Mr ABETZ - No. It'll take quite a while for her to be crewed and ready. When she makes her trip out, they have to organise safe ports for refuelling. I understand they do that in consultation with the Federal Government's security services, and those sorts of matters are taken into account as well, given what occurs sometimes off the coast of Africa.

CHAIR - Do you have an expected date that she'll be leaving Leith?

Mr ABETZ - I don't want to be held to it, but as I understand it, May [2025], with an arrival time of July [2025]. They're just rough. We have to get a crew over, et cetera, then get her to sail here.

CHAIR - The cost, then, of the crewing to sail here, then the cost of mooring wherever here, do you have any vision of that yet?

Mr ABETZ - The cost of bringing her out, as a round figure, is \$4 million. That is sort of bunker fuel, as I understand it, crewing costs, et cetera.

CHAIR - Some of that would be regardless of whether she came straight from Finland or not?

Mr ABETZ - That's right. This was going to be a cost incurred in any event.

CHAIR - That would be then factored into their costs, into TT-Line's costing? The same for *Spirit V*?

Mr ABETZ - Yes.

CHAIR - We were informed that TasPorts wasn't actually asked whether they could berth *Spirit IV* here. What's the plan for when she gets here?

Mr ABETZ - Could I invite you to ask that specific detail of TT-Line in a fortnight's time? I understand TasPorts, they run all the ports in Tasmania and there are discussions with the TT-Line as to where she will be berthed.

CHAIR - Do you know where she's going to be berthed?

Mr ABETZ - Not exactly. No, I don't.

Mr EDMUNDS - Just on that, what's the plan for *Spirit V*? Is that going to come straight to Tasmania or is that potentially going to be stored?

Mr ABETZ - Might I add, the placement of the vessel in Leith was not for the purposes of storage, but to have her available for the possibility of a charter or a lease. The most likely market, we were advised, was in the Northern Hemisphere. Therefore, it made sense to keep her, if you like, in the active marketplace. That was the reason that she went to Leith, as well as to get her out of the ice in Finland over the winter period, which would have interfered with the film that they put over the vessel to make her go through the waters more efficiently and, as a result, lower the fuel costs.

Spirit V, it's intended to bring her out unless - in this game you never say never - if somebody comes up and says, 'We want to give you \$100 million for a one-month lease' we'd be duty-bound to grab it. The chances of it, I would say, are exceptionally minimal, but we never say never. The anticipation is that she will come to Tasmania as well, but I don't want to be told, if we do receive a you-beaut offer, that you promised to bring her out and now you're breaking a promise.

The options are open. We're always looking for commercial opportunities for TT-Line to recoup some money. However, as we previously said, with *Spirit IV*, there's the possibility - unlikely, difficult, but nevertheless, we were willing to test the market, which we did.

CHAIR - Has *Spirit IV* been completely fitted out?

Mr ABETZ - No. There is, if you like, the basic fit-out to take place here with mattresses, bedding - I believe they're called throws, not exactly sure what they are.

CHAIR - That's what you sleep under.

Mr ABETZ - All right, thank you very much. Throws, artworks.

CHAIR - Or maybe it might be different things.

Mr ABETZ - Blankets, doonas, that sort of stuff, as I understand it. In the list I was given 'throws' was part of the list and I thought, interesting, but I confess I didn't bother looking at it in any greater detail. There will be the last bit of the fit-out, keeping in mind the vast majority of local content - and I stress local content - from as early as May 2021 was always Australian and Tasmanian, and the vast bulk of that is already in the ships.

CHAIR - Okay, so *Spirit V*, what is the situation with *Spirit V*, regarding the fit-out, the local content fit-out?

Mr ABETZ - Same as will be for *Spirit IV*. Last I was told she was 95 per cent complete. I assume there's some advance on that. The first sea trial is still anticipated for 7 April [2025]. They do a sea trial on the diesel bunker fuel engine and then they do another one on LNG, and they do some basic sea trials before she is handed over and the warranty period starts.

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CHAIR - One assumes *Spirit IV* will need to be berthed somewhere in Tasmania to enable people to get on board to complete the fit-out. She won't be moored off in the river somewhere.

Mr ABETZ - I assume that: that makes sense. I have no information to suggest otherwise, but once again, if you want the detail of how that works, the TT-Line people will be able to assist in a fortnight's time.

CHAIR - Okay, so the request was made earlier about going in camera to discuss the health check and the details within that, if we could ask you to leave the room while the Committee deliberates on that request. We will inform you as soon as we can.

The Committee proceeded to in-camera hearing.

The public hearing recommenced.

CHAIR - Thank you, Minister. As agreed, we'll take those documents in camera. You did, during that process, also provide to the Committee a summary of the health check and delivery that you're happy to be made public, so we'll receive that as a public document.

Thanks, Minister, for appearing before the Committee. Unless there are any other pressing questions, we thank you for your appearance today.

Mr ABETZ - Chair, can I say, happy to appear before the Committee at any time that the Committee would wish. The Government is of the view that as much as can be, subject to commercial-in-confidence considerations, should be out in the public arena. The people of Tasmania own these vessels, and the TT-Line, and they're entitled to know what's going on as much as is reasonably possible to share without prejudicing the commercial negotiations and commercial interactions the TT-Line is involved in.

CHAIR - Thank you for that. We will write to you with a couple of those questions with information you've agreed to take. We will also be obviously asking further questions of TT-Line when they appear in a couple of weeks. Thank you for your time today.

Mr ABETZ - Thank you.

THE WITNESSES WITHDREW.