

FACT SHEET

TT-Line Vessel Replacement Fund Bill 2016

- The purpose of this Bill is to establish an account in the Public Account to be called the TT-Line Vessel Replacement Fund.
- Section 13 of the *Public Account Act 1986* provides for the Treasurer to establish accounts in the Public Account and to define the purpose for which they are to be used.
- The purpose of the Vessel Replacement Fund account is to accrue funds to assist with the funding of replacement vessels for the TT-Line Company's Bass Strait ferry service.
- All dividends paid to the Government by TT-Line Company will be deposited into the Fund.
- Investment of the Fund will be undertaken by the Tasmanian Public Finance Corporation utilising its investment powers under the *Tasmanian Public Finance Corporation Act 1985*.
- Income derived from the investments will be reinvested back into the Fund to assist with capital growth.
- The legislation restricts the use of the money in the Fund whereby it can only be used for the purpose of funding of replacement vessels for the TT-Line.
- The legislation stipulates that if any money is not required for the purpose specified in Act, the Treasurer, in consultation with the Portfolio Minister, may seek Parliament's approval to transfer the money to another account in the Public Account.
- The Fund account needs to be operational before the end of the 2016-17 financial year to facilitate the deposit of the special dividend payable by TT-Line Company in 2016-17.