

**Minister for Finance
Minister for Infrastructure and Transport
Minister for State Development, Construction and Housing
Minister for Science and Technology
Leader of the House**



Level 5, 4 Salamanca Place, Hobart
Public Buildings, 53 St John Street, Launceston
GPO Box 123, HOBART TAS 7001
Phone: (03) 6165 7701; Email: Michael.Ferguson@dpactas.gov.au

Hon Ruth Forrest MLC
Chair
Government Business Scrutiny Committee "A"
Email: jenny.mannering@parliament.tas.gov.au

10 DEC 2021

Dear Ms Forrest

Thank you for your letter of 3 December 2021 requesting additional information about TT-Line Company Pty Ltd (TT-Line) following its Government Business Scrutiny hearing on 2 December 2021.

Following is the requested information from TT-Line, and also from the Department of Treasury and Finance in relation to question three.

1. What was the percentage breakup for the loss of revenue (freight/passenger) for 2020/2021

Over many years, the historical the revenue split for TT-Line has been 60% Passengers and 40% Freight. For the 2020/21 year revenue from the provision of passenger services was \$98.584m and the revenue from the provision of freight services was \$106.736m (48% Passengers and 52% Freight). The border restrictions in place during the period resulted in a significant reduction in passenger revenue, however the resultant available deck space and strong freight demand meant that some of this loss was offset by increased freight revenue.

2. What is the gender pay gap currently and will you report and monitor this in the future?

TT-Line does not currently calculate the gender pay gap and therefore is unable to advise what it is at this time. The Company will consider this in the future.

3. TT-Line paid tax of \$20m to Government (noted on page 20 of Financial Statements) this does not appear to be recorded in the PO Report in the last Budget Papers? Treasury response.

The difference between the 2020-21 taxation equivalent amount of \$20 million presented in TT-Line's 2020-21 Annual Report and the amount of zero dollars presented in Table 5.9 of 2021-22 Budget Paper No 1, reflects the difference between cash and accrual accounting.

The \$20 million amount is included in TT-Line's Statement of Cash Flows and presented on a cash basis, whereas, Table 5.9 in the Budget Paper is presented on an accrual basis. A preliminary estimate of TT-Line's 2020-21 taxation equivalent, on a cash basis, was reflected in the General Government Cash Flow Statement presented in 2021-22 Budget Paper No 1.

4. Please explain why the \$30m investments is included under financing activities in the Cash Flow Statement on Page. 20

The \$30 million represents the movement in term deposits held by TT-Line. This was previously reported as cash and cash equivalents under Operating Activities, but in consultation with Tasmanian Audit Office, it was determined that due to funds being held for greater than 30 days, an investment classification was more appropriate.

What is the total cost of the new vessels?

It has previously been reported that the contract price for the new vessels was in the vicinity of \$850m AUD. The total cost of the new vessels cannot be determined until after delivery once all approved variations, exchange rate implications and other associated costs can be established.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'M Ferguson', with a horizontal line extending to the right.

Michael Ferguson MP

Minister for Infrastructure and Transport