

## LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

### WRITTEN QUESTION

Mr Higgins to the Treasurer:

#### Power and Water Corporation

1. What are the current compensation arrangements for the Chair of the Board for the Power and Water Corporation Board?
2. Has the Power and Water Corporation Board been informed of the potential conflict of interest posed by the Chair acting as a paid consultant for the Northern Territory Government in conjunction with the report entitled: '*A plan for budget repair; Interim report—an independent assessment of the Northern Territory's fiscal position and medium-term outlook*'?
3. What is the current borrowings position of the Power and Water Corporation, as at 21 January 2019?
4. How does the current borrowings position of the Power and Water Corporation compare to the forecasted increase of \$58 million for financial year 2018-19 as stated at page 29 of the Statement of Corporate Intent 2018-19?
5. What is the current projection for borrowing for financial year 2019-20 and how does that compare with the projected borrowings of \$284 million as presented at page 38 of the Statement of Corporate Intent 2018-19?
6. What was the total interest paid for the Power Water Corporation for financial year 2017-18 and how does that compare to the forecast of \$47 million at page 39 of the Statement of Corporate Intent 2018-19?
7. What is the forecast interest expense for financial year 2018-19 and how does that compare to the budgeted amount of \$52.1 million for financial year 2018-19 at page 39 of the Statement of Corporate Intent 2018-19?
8. How much debt, if any, has been retired for this financial year through to 31 January 2019?

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#### ANSWERS

##### QUESTION 1:

The annual rate of remuneration for the Chairperson is \$125 000. The Chairperson is also entitled to an annual rate of \$7 622 if the Chairperson is a member of a committee established by the Corporation. On production of receipts and other information verifying the expenses, the Chairperson is entitled to be reimbursed any travelling or other expenses reasonably incurred by the director for the purpose of attending a

meeting or conducting the business of the Corporation. Details of actual board remuneration are published in the Power and Water Corporation Annual Reports.

**QUESTION 2:**

The Chairperson of Power and Corporation has confirmed that he advised the Board of his engagement. He also advised that he recorded the potential for a conflict of interest arising from the Fiscal Strategy Panel role with his position as Chairperson of Power and Water Corporation as part of the engagement papers for the role.

**QUESTION 3:**

Loan principal outstanding as at 21 January 2019 was \$1.219 billion, consistent with the forecast for the same period.

**QUESTION 4:**

The current forecast borrowing position for 2018-19 is consistent with that forecast in the 2018-19 Statement of Corporate Intent and year to date actuals.

**QUESTION 5:**

The \$284 million presented at page 38 of the 2018-19 Statement of Corporate Intent relates to estimated current borrowings as at 30 June 2020. The forecast position remains unchanged and is in line with year to date actuals.

**QUESTION 6:**

Actual interest paid in 2017-18 was \$47.97 million which is consistent with the 2018-19 Statement of Corporate Intent forecast and year to date actuals.

**QUESTION 7:**

The forecast interest expense for 2018-19 is \$52.1 million consistent with the 2018-19 Statement of Corporate Intent and year to date actuals.

**QUESTION 8:**

As at 31 January 2019, borrowings of \$155 million had matured and new borrowings of \$190 million were issued (net movement of \$35 million) consistent with the forecast for the same period.