

Department of Treasury and Finance

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Ms Tabatha Badger
Chair
Select Committee on Caretaker Conventions

By email: caretaker@parliament.tas.gov.au

Dear Ms Badger

Invitation to provide submission to Select Committee on Caretaker Conventions

Thank you for your invitation for the Department of Treasury and Finance to provide a submission in response to the Committee's inquiry into the Tasmanian Government's adherence to caretaker conventions during the 2025 State Election.

Treasury's involvement in matters referenced in the Committee's Terms of Reference was limited and specific. Treasury's role related to the provision of administrative, financial and advisory support in respect of Project Marinus and matters concerning TT-Line. Treasury was not involved with the other activities outlined in your letter.

Treasury's role was undertaken in accordance with its statutory responsibilities and the continuation of ordinary government administration during the caretaker period, consistent with the *Guidelines on the Caretaker Conventions and the Operations of Government During the Caretaker Period (2025)* (the Guidelines).

The Guidelines make clear that advice, coordination and whole-of-government oversight in relation to the caretaker conventions are the responsibility of the Department of Premier and Cabinet, and that responsibility for observing the conventions ultimately rests with Heads of Agencies, government business entities and the Government of the day.

This submission focuses on clarifying Treasury's specific role and distinguishing that role from matters of Government decision-making and caretaker convention compliance, which sat outside Treasury's remit.

Intergovernmental agreement to progress Project Marinus

Treasury involvement during the caretaker period for Project Marinus was in an advisory and administrative capacity, consistent with its responsibilities and its role in supporting the Treasurer and Cabinet.

Treasury participated as a member agency in the Project Marinus Executive Steering Committee and the Project Marinus Taskforce. Both bodies were chaired by the Department of State Growth, which held portfolio responsibility for the project and led coordination across participating agencies. Treasury's participation involved providing financial, economic and whole-of-state advice to inform interdepartmental discussions and the development of material for Ministerial and Cabinet consideration. Much of Treasury's advice was based on the Project Marinus Whole-of-State Business Case completed by Treasury in April 2025, ahead of the caretaker period.

Treasury also contributed to briefing material to support consideration by Cabinet of the Project Marinus Final Investment Decision (FID) during June and July 2025. This advice formed part of a broader body of information provided to Government including from the Project Marinus Executive Steering Committee and the decisions of the TasNetworks and Marinus Link Pty Ltd (MLPL) Boards. The Australian and Victorian Governments were also engaged in the process through intergovernmental communications during the caretaker period.

The Secretary of Treasury met with and wrote to the Chair of TasNetworks seeking advice on the potential impacts on the NWTD of any delay to the Tasmanian Government FID due to entering the caretaker period. Treasury subsequently provided advice to the Treasurer on this matter as outlined in the attached timeline.

Post the 2025 Election, but still within the caretaker period, Treasury participated in briefing processes with Members of Parliament and non-government parties during the period surrounding FID. These briefings were organised and coordinated as part of a whole-of-government approach led through ReCFIT and the Department of Premier and Cabinet. Treasury's contribution to these briefings was focussed on the Whole of State Business Case. Responsibility for the organisation, scope and conduct of the briefings, and for consultation undertaken during the caretaker period, rested with the Government and the relevant coordinating agencies.

Treasury released a redacted version of the Project Marinus Whole-of-State Business Case on its website following the Government's decision to take a Final Investment Decision on Project Marinus.

Ultimately, decisions in relation to Project Marinus and for determining the application of caretaker conventions to those decisions including the timing and making of a FID, were matters for the Government and the Minister for Energy and Renewables as the MLPL Tasmanian shareholding Minister.

Attachment 1 sets out a timeline of relevant key Treasury advice and meetings in relation to Project Marinus during the 2025 Caretaker Period – 11 June 2025 to 19 August 2025.

TT-Line financial assistance

Treasury has an ongoing performance monitoring role for the Government business portfolio and provides advice to the Treasurer on shareholder matters.

During the caretaker period, Treasury undertook specific activities in relation to TT-Line's financial situation, in response to emerging issues.

The Auditor-General contacted Treasury to communicate concerns in relation to TT-Line's solvency, and TT-Line requested guidance from Treasury on the process for seeking additional debt and potentially equity support.

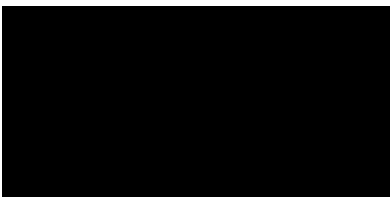
These discussions informed Treasury's written advice to the Treasurer on 25 July 2025, the same day that TT-Line wrote to the Treasurer to seek an increase in its maximum guaranteed borrowing limit. Treasury's advice was that any Government support provided to TT-Line, at the time, would be subject to the caretaker conventions.

Further advice was then provided by Treasury to the Treasurer in response to subsequent developments, including further correspondence from TT-Line to the Shareholding Ministers, and from the Auditor-General to Treasury.

Attachment 2 sets out a timeline of relevant Treasury advice and meetings in relation to TT-Line during the 2025 caretaker period – 11 June 2025 to 19 August 2025.

Should you have any queries or require any further information regarding this matter, please contact Dean Burgess on (03) [REDACTED] or email [REDACTED].

Yours sincerely



Gary Swain
Secretary

11 May 2026

Encl

Attachment 1 – Project Marinus

Timeline of Treasury advice and meetings in relation to Project Marinus relevant to the 2025 Caretaker Period – 11 June 2025 to 19 August 2025

Date	Item
17 April 2025	Whole of State Business (WoSBC) Case provided to the Treasurer
20 May 2025	WoSBC presented to Cabinet
11 June 2025	State Election called and caretaker period commenced.
16 June 2025	The Secretary of Treasury wrote to the Chair of TasNetworks seeking advice on the implications to the NWTD project of a potential delay to the Tasmanian Government FID due to entering the caretaker period.
17 June 2025	Correspondence to the Secretary received from the TasNetworks Chair noting response to correspondence would be provided as soon as possible post 18 June 2025 Board meeting.
20 June 2025	Correspondence to the Secretary from the TasNetworks Chair advising that while early works on NWTD could continue during a delay to State FID, timely FID outcomes were critical to enable execution of CEFC financing and avoid escalating impacts on TasNetworks' funding, cashflow, and borrowing capacity.
21 June 2025	Advice provided to the Treasurer's Office on a draft letter from the Treasurer to the Australian Treasurer re: GST treatment of proposed Federation Funding Agreement grant to mitigate cost impacts of Project Marinus
19 July 2025	State Election
25 July 2025	Treasury advice to the Treasurer: <ul style="list-style-type: none"> noting Treasury has been asked to participate in a caretaker briefing for Members of Parliament ; seeking approval for Treasury's briefing on the WoSBC; approving Treasury making the unredacted WoSBC available as part of the caretaker briefing; and raising commercial information considerations for a potential public release of the WoSBC.
29 July 2025	Treasury advice to the Treasurer: <ul style="list-style-type: none"> Cabinet Minute drafted for the Treasurer seeking Cabinet's approval to a future public release of a redacted version of the WoSBC.

29 to 30 July 2025	Treasury participates in Departmental briefings on Project Marinus to Members of Parliament and future members.
1 August 2025	WoSBC documents released on Treasury Website
1 August 2025	Treasury advice to the Treasurer, in the context of recent TasNetworks correspondence, regarding challenges associated with the State resolving TasNetworks' NWTD FID conditions due to the the lapsing of the 2025-26 State Budget bills and entering the caretaker period. Letter drafted for the Shareholder Ministers to the TasNetworks Chair in the event a FID was taken for Project Marinus.
4 August 2025	<p>Treasury advice to the Treasurer:</p> <ul style="list-style-type: none"> • noting an updated redacted version of the WoSBC had been prepared following further consultation with Hydro Tasmania; • raising issues with having different versions in public circulation and an alternative option for an in-camera briefing and release to future members of the Parliament or a Parliamentary Committee.
19 August 2025	DPAC advises caretaker period has ended.

*During the Caretaker period, numerous Energy Executive Steering Committee and Project Marinus Taskforce meetings were held. These bodies were chaired by the Department of State Growth. Treasury officials contributed to advice and decisions through these forums.

Attachment 2 – TT-Line

Timeline of Treasury advice and meetings in relation to TT-Line during the 2025 caretaker period – 11 June 2025 to 11 August 2025

Date	Item
11 June 2025	State Election called and Caretaker period commenced.
17 June 2025	<p>At the request of the TT-Line Chair, Treasury officials met virtually with the TT-Line Board on 17 June 2025.</p> <p>The purpose of that meeting was to explain the process for TT-Line to seek additional debt as well as the process for the potential provision of future equity, noting that the any equity contribution would require an appropriation through the Parliament.</p>
25 June 2025	<p>The Treasurer forwarded to Treasury a letter from the Chair of Tascorp to the Treasurer, dated 25 June 2025, requesting Treasury to prepare advice and response for incoming Treasurer to action. The Tascorp letter was in relation to TT-Line’s borrowing facility.</p> <p>This was not actioned by Treasury in the caretaker period and was superseded by later correspondence.</p>
26 June 2025	A Treasury official contacted Tascorp requesting a copy of its credit assessment for TT-Line. This was provided by Tascorp to Treasury on 27 June 2025.
9 July 2025	<p>A Treasury official called the TT-Line Chief Financial Officer to note that Treasury had received a copy of Tascorp’s advice regarding TT-Line’s request for additional borrowing capacity.</p> <p>TT-Line advised it would submit a request for an increase in its maximum borrowing limit to the incoming Treasurer, immediately once the new Government has been sworn in.</p>
15 July 2025	The Auditor-General verbally advised the Acting Secretary of Treasury that he was considering concerns in relation to TT-Line’s solvency.
18 July 2025	<p>The Auditor-General met with officials from Treasury to discuss in detail his concerns about TT-Line’s solvency and to discuss the Auditor-General’s potential next steps.</p> <p>The Acting Secretary verbally advised the Treasurer of this issue.</p>

18 July 2025	The TT-Line CEO called a Treasury official to further enquire about the process for seeking an increase in TT-Line's maximum guaranteed borrowing limit.
19 July 2025	State Election
24 July 2025	The Crown Solicitor provided advice to Treasury concerning the potential form and scope of any indemnity the State may provide to the directors and officers of TT-Line.
25 July 2025	Treasury advice to the Treasurer: <ul style="list-style-type: none"> • Treasury provided advice to the Treasurer in relation to TT-Line's solvency concerns and recommended that TT-Line's maximum guaranteed borrowing limit be increased, as requested by the Board in a letter from the Chair to the Treasurer dated the same day. • Treasury's advice noted the caretaker arrangements that applied at that time.
30 July 2025	The Auditor-General provided advice to Treasury that he had lodged a notification with ASIC, earlier that day, in relation to a suspected breach of the Corporations Act by TT-Line.
3 August 2025	Treasury advice to the Treasurer: <ul style="list-style-type: none"> • Treasury provided advice to the Treasurer on the Auditor-General's concerns with TT-Line's solvency. Treasury's advice noted that any decision of Government at the time would be subject to the caretaker conventions.
19 August 2025	DPAC advises caretaker period has ended.