LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM
JEREMY HANSON MLA (CHAIR), MICHAEL PETTERSSON MLA (DEPUTY CHAIR), SUZANNE ORR MLA, MARK PARTON MLA

Inquiry into referred 2015–16 Annual and Financial Reports
ANSWER TO QUESTION ON NOTICE 1
27 February 2017

Asked by Alistair Coe MLA:

Chief Minister, Treasury and Economic Development Directorate 2015-16 Annual Report, Loose Fill Asbestos Insulation Eradication Scheme, Output 9.1

In relation to: the Loose Fill Asbestos Insulation Eradication Scheme

1. For each of the financial years to 2015-16 and for 2016-17 (to date), what advances have been received from the Commonwealth Government for the Scheme;
2. How were the advances referred to in question 1 above determined;
3. What part of each annual advance was for non-current purposes and for current purposes;
4. What advances are expected from the Commonwealth Government for the Scheme in the remainder of the 2016-17 financial year and in each financial year thereafter; and
5. What are the expected annual interest payments and annual principal repayments until the loan is extinguished?

Mr Andrew Barr MLA: The answer to the Member's question is as follows:–

1. The loan from the Commonwealth was provided in two tranches as per the terms and conditions of the loan agreement.
   - Tranche 1, $750,000,000, 29 January 2015; and
   - Tranche 2, $250,000,000, 15 July 2015.

2. The timing and quantum of the advances were established as part of the loan negotiations with the Commonwealth.

3. The advances were provided to the Territory in two lump sum payments. The proceeds of the loan were paid into the Territory Banking Account. The amounts required to meet the costs of the Asbestos Eradication Scheme are appropriated and drawn down as required.

4. Nil, the loan has been fully advanced.

5. The agreed principal and interest repayment schedule is detailed below.
   - Principal and interest is payable annually in arrears; and
   - Early principal repayments may be made without penalty.

Principal and Interest Repayment Schedule

Advance	1st	2nd	Total
Advance Amount	750,000,000.00	250,000,000.00	1,000,000,000.00
Advance Date	29-Jan-15	15/07/2015	
Interest Rate	2.605%	3.015%	

Date	Opening Balance	Advance	Interest Accrued	Principal Repayment	Interest Repayment	Closing Balance
29-Jan-15	-	750,000,000.00	-	-	-	750,000,000.00
30-Jun-15	750,000,000.00	-	8,189,691.78	-	8,189,691.78	750,000,000.00
15-Jul-15	750,000,000.00	250,000,000.00	-	-	-	1,000,000,000.00
30-Jun-16	1,000,000,000.00	-	26,786,680.33	-	26,786,680.33	1,000,000,000.00
30-Jun-17	1,000,000,000.00	-	27,075,000.00	-	27,075,000.00	1,000,000,000.00
30-Jun-18	1,000,000,000.00	-	27,075,000.00	50,000,000.00	27,075,000.00	950,000,000.00
30-Jun-19	950,000,000.00	-	25,721,250.00	50,000,000.00	25,721,250.00	900,000,000.00
30-Jun-20	900,000,000.00	-	24,367,500.00	50,000,000.00	24,367,500.00	850,000,000.00
30-Jun-21	850,000,000.00	-	23,013,750.00	100,000,000.00	23,013,750.00	750,000,000.00
30-Jun-22	750,000,000.00	-	20,306,250.00	100,000,000.00	20,306,250.00	650,000,000.00
30-Jun-23	650,000,000.00	-	17,598,750.00	100,000,000.00	17,598,750.00	550,000,000.00
30-Jun-24	550,000,000.00	-	14,891,250.00	550,000,000.00	14,891,250.00	-
		1,000,000,000.00		**1,000,000,000.00**	**215,025,122.11**	

Approved for circulation to the Standing Committee on Economic Development and Tourism

Signature: Andrew Barr | Date: 15.3.17

Mr Andrew Barr MLA
Chief Minister