

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Additional Estimates 2016 - 2017

Prime Minister and Cabinet Portfolio

Department/Agency: Indigenous Land Corporation
Topic: ILC Refinance

Senator: Senator Siewert

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Question:

Senator SIEWERT: How long from when ILC first started working out that they needed to refinance to when the agreement was reached? You can take it on notice.

Ms Lindsay: Yes.

Senator Scullion: I understand what the senator is asking is in two parts. Firstly, is the government seeking money to pay, but the other is renegotiating the loan with the original vendors. So, there were two parts to that question.

Senator SIEWERT: Yes. So, we have the six weeks. Could you take the other on notice then?

Ms Lindsay: Yes.

Senator SIEWERT: Let us go back to my question.

Ms Lindsay: I will take the question on notice. The refinance was due in May 2016. We knew that we had that deadline in terms of refinance, so we started the refinancing process very early in the piece. We made sure that we had that deadline cut off. I will come back to you as to where we started negotiating with the government in that timeline.

Answer:

The ILC acquired Ayers Rock Resort in May 2011. The finance negotiated for the acquisition had an initial 5 year term so it was always known that part of the debt would need to be refinanced in May 2016.

The ILC commenced work on the refinance in October 2014.

Meetings with the Department of the Prime Minister and Cabinet (PM&C) on the refinancing of the Ayers Rock Resort debt occurred throughout 2015. In December 2015 a formal working group of officers from the ILC, PM&C, the Department of Finance and The Treasury was formed to develop options for refinancing including an option which ultimately lead to the provision of a loan from the Commonwealth to the ILC.

The ILC was formally provided with an offer for a Commonwealth loan on 12 April 2016.
The loan from the Commonwealth was settled on 1 July 2016.

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