

**DIVISION 12: TREASURY —**

*[Supplementary Information No A9.]*

*Question:* Dr M.D. Nahan asked: Did any of the government enterprises that shifted their interim dividend from 2019–20 to 2020–21 have to borrow to pay that interim dividend?

*Answer:* Government Trading Enterprises (GTEs) borrowing to fund dividend repayments would have taken place in the context of their overall management of cash balances.

Based on 2019–20 year-end cash positions it is likely that the following GTEs would have had to draw down debt to fund their dividend payment:

- (1) Busselton Water Corporation;
- (2) Water Corporation;
- (3) Western Power; and
- (4) Western Australian Land Authority.

It is not possible to identify the quantum of borrowings that each GTE may have required as this would ultimately be contingent upon how other receipts and payments at the time were impacting on their overall cash position.

However, deferring the interim dividend payments prevented the need to further drawdown on debt and in turn potentially returning to capital markets during a period of financial market volatility caused by COVID-19 in the June quarter 2020.