

LANDCORP — DIVIDEND PAYMENT

1044. Hon SAMANTHA ROWE to the minister representing the Minister for Lands:

I refer to page 306 of the 2013–14 Economic and Fiscal Outlook and the reference to the one-off \$62 million dividend payment in 2012–13 following the implementation of savings initiatives by LandCorp.

- (1) What were the savings initiatives achieved by LandCorp in 2012–13?
- (2) Was the one-off \$62 million dividend payment achieved solely through these savings initiatives?
- (3) What component of the one-off \$62 million dividend payment came from LandCorp's cash reserves?

Hon KEN BASTON replied:

I thank the honourable member for some notice of the question.

- (1) LandCorp has implemented a number of initiatives over a number of years to support the state government's fiscal position, including in 2012–13. These include provisions of additional special dividends; five per cent per annum efficiency dividend each year from 2012–13, announced in the 2011–12 state budget; a further 2.5 per cent efficiency dividend in 2013–14, escalating to six per cent per annum in 2015–16, announced in the 2012–13 budget, and a market expenditure dividend of \$556 000 per annum from 2009–10 to 2012–13; and an increase in the payout ratio for LandCorp from 50 per cent after-tax profits to 65 per cent from 2009–10, resulting in an increase in the normal dividend from \$15 million to \$17.25 million per year. Each year LandCorp has also, as requested by the Treasurer, deferred expenditure or brought forward sales totalling \$66 million in the 2012–13 to 2016–17 strategic development plan and \$50 million development expenditure in the 2013–14 to 2017–18 strategic development plan from the current forward estimates.
- (2) No; the one-off payment was achieved on the back of a rise in 2011–12 profits.
- (3) None.