

2013-14 Heads of Treasuries Competitive Neutrality Matrix Report

Summary

- Following are the competitive neutrality (CN) compliance reporting matrixes from the Commonwealth and all States and Territories (States), in observance with the CN reporting requirements under the *Competition and Infrastructure Regulation Agreement (CIRA)*.
- Each of the criteria paraphrased in the matrix directly reflects an obligation under either the Competition Principles Agreement (CPA) or the CIRA.
- In each column it is noted whether the criterion in the column heading has been observed.
- In cases where there has been non-compliance, the reason for the failure to comply or inapplicability of the requirement generally has been noted in the matrix or a footnote.
- The CN provisions under clause 6.1 of the CIRA cover ‘government business enterprises (GBEs) engaged in significant business activities in competition with the private sector.’
- For GBEs that are assessed by the relevant jurisdiction as not falling into this category, this exemption has generally been noted in the ‘Assessed subject to CN’ column.

Background

- The Council of Australian Governments’ (COAG) *National Competition Policy Review* document, released on 10 February 2006, stated that the operation of the enhanced competitive neutrality principles in the CIRA would be monitored by Heads of Treasuries.
- From the 2011-12 matrix onwards, the CN matrix is no longer required to be considered by COAG, but instead should be agreed to by Heads of Treasuries before being published on the Council on Federal Financial Relations website (rather than the COAG website).

Commonwealth Competitive Neutrality Matrix 2013-14

Principles GBE	Assessed subject to CN ⁽¹⁾	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Australian Rail Track Corporation Ltd (ARTC)	Yes	Yes	Yes	Yes	Yes	Yes Disclosed in Statement of Corporate Intent (SCI).	Yes	Yes These are outlined in Part 2 of GBE Guidelines. ARTC is also subject to the requirements prescribed under the Corporations Act.	Yes Part 3 of GBE Guidelines requires broad financial and non-financial performance measures to be published in the SCI. ARTC also publishes quarterly network performance indicators on their website.	Yes	Yes	Yes Dividend policy outlined in Part 4 of GBE Guidelines. ARTC has been on a dividend holiday from 2004-05 to 2012-13 and this has been outlined in their annual reports.	Yes Required under Section 6.1 of the CN Guidelines.	Yes Covered as part of Annual Report.	Yes Part 1 of the GBE Guidelines requires all Ministerial directions to be in writing and tabled in Parliament.	N/A No enabling legislation.

Principles GBE	Assessed subject to CN ⁽¹⁾	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Australian Government Solicitor (AGS)	Yes	Yes	No current borrowings. If AGS were to borrow, it must do so from the private sector and must comply with CN.	Yes	Yes	Yes Disclosed in SCI and prescribed in enabling legislation.	Yes	Yes Under the <i>Judiciary Act 1903</i> , the CEO was the sole director of AGS for the purposes of the CAC Act and had the function of managing AGS. The responsibilities of the CEO as sole director reflect the principles, mandate and objectives of GBEs as set in Part 1 of GBE Guidelines	Yes Part 3 of GBE Guidelines broad financial and non-financial performance measures to be published in the SCI.	Yes CEO (who was the sole director of AGS) is appointed on basis of relevant skills.	Yes	Yes Dividend policy outlined in Part 4 of GBE Guidelines.	Yes Required under Section 6.1 of the CN Guidelines.	Yes Covered as part of Annual Report.	Yes Part 1 of the GBE Guidelines requires all Ministerial directions to be in writing and tabled in Parliament.	N/A Enabling legislation amended to reflect CN requirements (e.g. make tax equivalent payments (TEPs) where required). Note: AGS pays income tax but makes TEPs for all other taxes.

Principles	Assessed subject to CN(1)	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
GBE																
Australia Post (Post)	Yes	Yes	Yes Post is able to borrow from the private sector and must comply with CN.	Yes	Yes	Yes Disclosed in SCI and prescribed in enabling legislation.	Yes	Yes These are outlined in Part 2 of GBE Guidelines and enabling legislation.	Yes Part 3 of GBE Guidelines requires broad financial and non-financial performance measures to be published in the SCI.	Yes	Yes	Yes Dividend policy outlined in Part 4 of GBE Guidelines.	Yes Required under Section 6.1 of the CN Guidelines.	Yes Covered as part of Annual Report.	Yes Part 1 of the GBE Guidelines requires all Ministerial directions to be in writing and tabled in Parliament. Enabling legislation also provides for directions to be in writing and tabled in Parliament.	N/A Enabling legislation is consistent with CN (e.g. Post is liable for all C'wealth and State taxes).

Principles GBE	Assessed subject to CN ⁽¹⁾	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Defence Housing Australia (DHA)	Yes	Yes	Yes DHA borrows from the C' wealth. The terms must comply with CN.	Yes	Yes	Disclosed in SCI and prescribed in enabling legislation.	Yes	Yes These are outlined in Part 2 of GBE Guidelines and enabling legislation.	Yes Part 3 of GBE Guidelines requires broad financial and non-financial performance measures to be published in the SCI.	Yes	Yes	Yes Dividend policy outlined in Part 4 of GBE Guidelines	Yes Required under Section 6.1 of the CN Guidelines.	Yes Covered as part of Annual Report.	Yes Part 1 of the GBE Guidelines requires all Ministerial Directions to be in writing and tabled in Parliament. Enabling legislation also provides for directions to be in writing and disclosed in Annual Report.	N/A Enabling legislation amended to reflect CN requirements (e.g. make tax equivalent payments where required). Note: DHA pays income tax but makes TEPs for other taxes.

Principles GBE	Assessed subject to CN ⁽¹⁾	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
ASC Pty Ltd (ASC)	Yes	Yes	No current borrowings. If ASC were to borrow, it must do so from the private sector and must comply with CN.	Yes	Yes	Yes Disclosed in SCI.	Yes	Yes These are outlined in Part 2 of GBE Guidelines. ASC is also subject to the requirements prescribed under the Corporations Act.	Yes Part 3 of GBE Guidelines requires broad financial and non-financial performance measures to be published in the SCI.	Yes	Yes	Yes Dividend policy outlined in Part 4 of GBE Guidelines.	Yes Required under Section 6.1 of the CN Guidelines.	Yes Covered as part of Annual Report.	Yes Part 1 of the GBE Guidelines requires all Ministerial Directions to be in writing and tabled in Parliament.	N/A No enabling legislation.

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NBN Co Ltd (NBN)	Yes	Yes	No current borrowings. If NBN were to borrow, it must do so from the private sector and must comply with CN.	Yes	Yes	Yes. Disclosed in the Corporate Plan.	Yes	Yes These are outlined in Part 2 of GBE Guidelines. NBN is also subject to the requirements prescribed under the Corporations Act.	Yes Disclosed in the Corporate Plan. Part 3 of GBE Guidelines requires broad financial and non-financial performance measures to be published in the SCI.	Yes	Yes	Yes Dividend policy outlined in Part 4 of GBE Guidelines.	Yes Required under Section 6.1 of the CN Guidelines.	Yes Covered as part of Annual Report.	Yes Part 1 of the GBE Guidelines requires all Ministerial directions to be in writing and tabled in Parliament.	N/A No enabling legislation.

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Moorebank Intermodal Company Limited (MIC)	Yes	Yes	No current borrowings If MIC were to borrow, it must do so from the private sector and must comply with CN.	Yes	Yes.	Yes. Disclosed in SCI	Yes	Yes These are outlined in Part 2 of GBE Guidelines. MIC is also subject to the requirements prescribed under the Corporations Act.	Yes Part 3 of GBE Guidelines requires broad financial and non-financial performance measures to be published in the SCI.	Yes	Yes	Yes Dividend policy outlined in Part 4 of GBE Guidelines.	Yes Required under Section 6.1 of the CN Guidelines.	Yes Covered as part of Annual Report.	Yes Part 1 of the GBE Guidelines requires all Ministerial directions to be in writing and tabled in Parliament.	N/A No enabling legislation.

Notes:

There is no overarching Commonwealth legislation mandating compliance with competitive neutrality policy. The enabling legislation of the Australian Government Solicitor and Defence Housing Australia (as GBEs) contain provisions that allow for competitive neutrality-like payments. Other GBEs may also be required in their enabling legislation or company constitution to make dividend payments to the Commonwealth.

New South Wales Competitive Neutrality Matrix 2013-14

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner	Annual public report on commercial performance and performance of any non-commercial activities	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published
Ausgrid Endeavour Energy Essential Energy Macquarie Generation Delta Electricity Eraring Energy Green State Power TransGrid	Yes to all	All comply except Eraring Energy and Green State Power (Note 1)	All comply except Eraring Energy and Green State Power (Note 1)	All comply	All comply (Note 2)	All comply (Note 3)	All comply	All comply (Note 4)	All comply except for Green State Power (Note 5)	All comply	All comply	All comply except for Green State Power (Note 6)	All comply (Note 7)	All comply except for Green State Power (Note 8)	All comply (Note 9).	N/A (Note 10)
Hunter Water	Yes	Yes	Yes	Yes	Yes (Note 2)	Yes (Note 3)	Complies	Yes (Note 4)	Yes (Note 5)	Yes	Yes	Yes (Note 6)	Yes (Note 7)	Yes (Note 8)	Yes (Note 9)	N/A (Note 10)
Sydney Water	Yes	Yes	Yes	Yes	Yes (Note 2)	Yes (Note 3)	Complies	Yes (Note 4)	Yes (Note 5)	Yes	Yes	Yes (Note 6)	Yes (Note 7)	Yes (Note 8)	Yes (Note 9)	N/A (Note 10)

Public

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(iii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published
Forestry Corporation of New South Wales	Yes	Yes	Yes	Yes	Yes (Note 2)	Yes (Note 3)	Complies	Yes (Note 4)	Yes (Note 5)	Yes	Yes	Yes (Note 6)	Yes (Note 7)	Yes (Note 8)	Yes (Note 9)	N/A (Note 10)
Landcom	Yes	Yes	Yes	Yes	Yes (Note 2)	Yes (Note 3)	Complies	Yes (Note 4)	Yes (Note 5)	Yes	Yes	Yes (Note 6)	Yes (Note 7)	Yes (Note 8)	Yes (Note 9)	N/A (Note 10)
Newcastle Port Corporation	Yes	Yes	Yes	Yes	Yes (Note 2)	Yes (Note 3)	Complies	Yes (Note 4)	Yes (Note 5)	Yes	Yes	Yes (Note 6)	Yes (Note 7)	Yes (Note 8)	Yes (Note 9)	N/A (Note 10)
Superannuation Administration Corporation (trading as Pillar Administration)	Yes	Yes	No debt	Yes	Yes (Note 2)	Yes (Note 3)	Complies	Yes (Note 4)	Yes (Note 5)	Yes	Yes	Yes (Note 6)	Yes (Note 7)	Yes (Note 8)	Yes (Note 9)	N/A (Note 10)

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Sydney Cricket and Sports Ground Trust	Yes	Does not pay tax equivalent payments	Exempt	Yes	Yes (Note 11)	Yes (Note 11)	Complies	Yes (Members of the Trust are governed by the <i>Sydney Cricket and Sports Ground Act 1978</i>)	Yes (Note 12)	Requirements not published	Yes	Does not pay dividends	N/A (does not pay dividends)	Yes (Note 8)	Not specified in the <i>Sydney Cricket and Sports Trust Act 1978</i>	N/A
Sydney Opera House Trust	Yes	Does not pay tax equivalent payments (operates as a not-for-profit entity)	Does not pay debt neutrality charge (operates as a not-for-profit entity)	Yes	Operates as a not-for-profit entity	Yes	Complies	Yes (Members of the Trust governed by the <i>Sydney Opera House Trust Act 1961</i>)	Yes (Note 13)	Yes (as provided in the <i>Sydney Opera House Trust Act 1961</i>)	Yes	Does not pay dividends (operates as a not-for-profit entity)	N/A (does not pay dividends)	Yes (Note 8)	Not specified in the <i>Sydney Opera House Act 1961</i>	N/A (Note 10)
Venues NSW	Yes	Yes	No debt	Yes	Yes (Note 11)	Yes (Note 11)	Complies	Yes (as provided in the <i>Sporting Venues Authorities Act 2008</i>)	Yes (Note 12)	Requirements not published	Yes	Yes (Note 6)	Yes	Yes (Note 8)	Not specified in the <i>Sporting Venues Authorities Act 2008</i>	N/A

Public

Notes:

- (1) Eraring Energy, which was disposed as at 1 August 2013, had not held debt and had not been under the tax equivalent regime since GenTrader arrangements began on 27 February 2011. The business was converted into a Corporations Act company on 25 July 2013 and sold to Origin Energy on 31 July 2013. From this date, the State-owned Green State Power Pty Ltd began operating the small portfolio of renewable generation assets formerly owned by Eraring Energy. Established as a transaction company, Green State Power was not included under the tax equivalent regime and has never held debt. A majority of Green State Power's assets were sold to Trustpower on 18 July 2014.
- (2) State Owned Corporations (SOCs) have commercial objectives that are clearly specified in the *State Owned Corporations Act 1989* (SOC Act) and/or their individual enabling legislation, e.g. *Energy Services Corporations Act 1995*. All SOCs in this matrix have a legislated objective to be a successful business and, to this end:
 - to operate at least as efficiently as any comparable businesses,
 - to maximise the net worth of the State's investment in it.
- (3) Where the SOCs have non-commercial objectives, they are specified in the SOC Act and/or their enabling legislation. For example, most SOCs have legislated objectives to:
 - protect the environment by conducting their operations in compliance with the principles of ecologically sustainable development contained in the *Protection of the Environment Administration Act 1991*, and
 - exhibit a sense of responsibility towards regional development and decentralisation in the way in which they operate.Also, non-commercial obligations are specified in the Statement of Corporate Intent (SCI), which is tabled in Parliament.
- (4) Director's duties are published in the SOC Act. Green State Power directors are subject to requirements of *Corporations Act 2001 (Cth)*.
- (5) All SOCs have a Statement of Corporate Intent, which is an annual agreement between the Board and its shareholders. It represents the performance measures against which the Board is accountable to the shareholders. SCIs are tabled in Parliament. This is not applicable to Green State Power as it was a transaction company being prepared for sale.
- (6) See TPP14-04 *Financial Distribution Policy for Government Businesses*. This is not applicable to Green State Power as it was a transaction company being prepared for sale.
- (7) Forecast dividend payments are reported in SCIs. Year-end actual dividend and income tax payments are reported in GBE's Annual Reports. Debt guarantee fees are reported at the aggregate level in Budget Papers, but not at individual business level.
- (8) GBEs (excluding Green State Power) are subject to the *Annual Reports (Statutory Bodies) Act 1984* and as such are required to prepare an Annual Report that includes commercial and non-commercial performance issues.
- (9) Directions given under sections 20O and 20P of the SOC Act are to be published in the gazette and tabled in Parliament. Directions given under sections 20N and 21 do not need to be published in the gazette but must be tabled in Parliament.
- (10) The legislation establishing the GBEs does not derogate from competitive neutrality principles.
- (11) Commercial and non-commercial objectives are specified in Statements of Business Intent (which are not publicly available) and Annual Reports.
- (12) Performance benchmarks are specified in Statements of Business Intent, although benchmarks are not explicitly applied to governing boards. Statements of Business Intent are not publicly available.
- (13) Sydney Opera House Trustees have a Trustee Code of Conduct, which includes seven core performance requirements. The Trustee Code of Conduct is reviewed and individually signed by Trustees on an annual basis.

Public

Defining ‘significant business activities in competition with the private sector’ for the purposes of applying competitive neutrality principles

Under Clause 6.1 of the CIRA, ‘the parties agree to enhance the application of competitive neutrality principles to government business enterprises engaged in significant business activities in competition with the private sector’.

The Competition Principles Agreement does not formally define the term significant.

NSW Treasury’s *Policy Statement on the Application of Competitive Neutrality* (2002) states that an assessment of whether a business activity has a significant impact on a market can only be made on a case by case basis. Considerations include:

- the size of the business;
- influence on the market;
- resources commanded; and
- the effect of poor performance.

For the purposes of the Competitive Neutrality matrix the above criteria have been used in assessing the significance of government businesses.

Similarly, for the purposes of the Competitive Neutrality matrix, government businesses have been assessed as being *in competition with the private sector* if the business has actual competitors or if it was judged that there was likely potential for competition.

It should be noted however, that all NSW government businesses are subject to NSW’s Commercial Policy Framework. This Framework seeks to replicate appropriate disciplines and incentives that lead private sector businesses towards efficient commercial practices and promotes the principles of competitive neutrality between Government businesses and private sector enterprises of similar risk.

Victoria Competitive Neutrality Matrix 2013-14

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3(4)(b)(i))	Debt neutrality charge (CPA 3(4)(b)(ii))	Regulatory neutrality (CPA 3(4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
State Trustees Limited ACN 064 593 148	Yes.	Yes – State Trustees is required under Tax Compliance Framework to observe obligations of the National Taxation Equivalent Regime. S88 SOE Act also requires compliance with Directions from Treasurer in respect of tax equivalency payments. Payments are detailed in Annual Reports .	Yes Limited Gov. guarantee is provided to extent insurance is inadequate and State Trustees assets are insufficient to satisfy liabilities. Treasurer may require reasonable fee for any guarantee provided. STL is not listed in Schedule 1 of Borrowing and Investment Powers Act 1987.	Yes – STL does not have the power to set regulation.	Yes – Strategic Plan and Corporate Plan are given to DTF.	CSO Agreement is not publicly reported other than by reference in the Annual Report and is essentially a commercial contract that may be entered into with State Trustees and Department of Human Services.	Yes – STL does not exercise reg. or planning functions .	Yes – see the Directors’ Report and the Corp. Gov. Statement in the Annual Report.	Financial performance is published in the annual report.	Yes – skills based board appointment process used to appoint members.	Yes.	Yes – see Directors’ Report in the Annual Report.	Yes – see Directors’ Report in the Annual Report and in the Financial Statements.	Published in annual report.	No directives have been issued.	Establishing legislation does not derogate from CN.

ST (SOC) Act refers to the State Trustees (State Owned Company) Act 1994 (Vic)

SOE Act refers to the State Owned Enterprises Act 1992 (Vic)

Public

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
<p>Rural Finance Corporation of Victoria (RFC)</p> <p>Please note that the Government divested the commercial business and assets of the RFC to Bendigo and Adelaide Bank (BAB) following a comprehensive independent review. The sale was completed on 1 July 2014. As part of the conditions of sale, the Government has ensured that important non-commercial and community service programs such as the Young Farmers' Finance Scheme and Natural Disaster Relief and Recovery Arrangement programs will continue to be maintained on the same terms and conditions through a service contract with BAB.</p>	Yes	Yes. Rural Finance is required under section 26 of the Rural Finance Act 1988 to pay the total amount of income tax payable to the Consolidated Fund.	N/A	Yes	Yes - Corporate Plan is given to DTF	Yes – Schemes of Assistance and other exceptional circumstances programs administered by Rural Finance are documented in its annual report.	Yes	Yes – in each year's annual report.	Yes, measures are published in each year's annual report.	Yes	Yes	Yes – in each year's annual report.	Yes – in each year's annual report	Yes	Where Act requires – schemes of assistance under Treasurer's direction are published in the annual report. S19 and S8 of Rural Finance Act 1988 govern process for the Treasurer's directions to RFC. Standing Directions and Specific Directions are fully disclosed under Government Gazettal. Individual directions under standing direction are not gazetted as they are only used in matters of emergency where funds are immediately required.	N/A

Public

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Places Victoria	Yes	Yes – Places Victoria pays income tax equivalent payments in accordance with the National Tax Equivalent Regime.	Yes - Places Victoria pays the Financial Accommodati on Levy in accordance with the Borrowing and Investment Powers Act 1987	Yes	Yes - outlined in legislation and annual report	Places Victoria’s legislation states that all of its functions are to be carried out on a commercial basis Under Places Victoria’s legislation, the responsible Minister may (with the approval of the Treasurer) direct Places Victoria to undertake certain non-commercial activities for urban renewal projects. These requirements would be disclosed in the Annual Report	Yes	Yes – Board performance measures are included in the annual report	Yes - published in annual report	Yes	Yes	Yes – legislation requires Places Victoria to pay a dividend as determined by the Treasurer. Places Victoria discloses its dividend payments in its Annual Report	Yes - reported in annual report	Yes - annual report	Yes – any direction given is required to be published in Places Victoria’s Annual Report	Yes – legislation provides for the Governor in Council, on recommendation of Minister, to declare an urban development project. As a result Places Victoria can exercise particular powers to facilitate development. As such, this exempts declared projects from competitive neutrality requirements. Similarly, Places Victoria has functions conferred by the <i>Docklands Act 1991</i> which provide for development in Docklands to also be exempt from CN in some instances.

Public

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Docklands Studios Melbourne Pty Ltd (DSM)	Yes.	Exempt – ATO provided a private ruling that the income of DSM is exempt from income tax pursuant to S24AM of the Income Tax Assessment Act 1936 as it is considered to be owned “beneficially” by the State. DSM is not subject to tax under the Public Sector Tax Equivalent Regime.	N/A - DSM does not have any borrowings.	Yes.	Yes – outlined in the corporate plan.	N/A.	Yes – DSM does not have a regulatory function.	Yes.	While DSM has a range of performance measures in its corporate plan, performance reporting is not reported in its annual report.	Yes.	Yes.	N/A – DSM currently generates significant accounting losses and is expected to continue to generate accounting losses due to annual depreciation expenses related to property, plant and equipment.	N/A.	Yes – reported in annual report.	N/A – as a <i>Corporations Act 2001</i> company, there is no provision for power of direction.	N/A.

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Fed Square Pty Ltd (FSPL)	Yes	Exempt – ATO provided a private ruling that the income of Fed Square Pty Ltd is exempt from income tax pursuant to S24AM of the Income Tax Assessment Act 1936 as it is considered to be owned “beneficially” by the State. Fed Square is not subject to tax under the Public Sector Tax Equivalent Regime.	Does not apply to borrowings relating to the completion of the construction of Federation Square but will apply to any new borrowings	Yes - Federation Square operates in a standard commercial environment. Other than the income tax exemption detailed earlier, the only benefit is an exemption from land tax on the public spaces and any buildings used for charitable purposes including the National Gallery of Victoria and Australian Centre for the Moving Image. However, this is a charitable exemption which would apply to any privately owned building used for similar purposes.	Yes – it is expected to conduct its activities according to commercially acceptable practices.	Yes. Federation Square does have many non-commercial objectives (being all the events and programming conducted at FSPL's expense and free of charge for the public to enjoy). These objectives are documented in the Cultural and Civic Charter (which is referred to in the company's Constitution)	No reg. function	Yes – Annual Report	Yes – Board performance measures are published in the Annual Report	Yes	Yes	N/A - Although the Constitution of Federation Square permits the payment of dividends, it currently generates a significant accounting loss, and is expected to continue to generate an accounting loss in future financial years due to annual depreciation expense relating to property, plant and equipment.	N/A	Annual Report published	N/A – as a <i>Corporations Act 2001</i> company, there is no provision for power of direction.	N/A

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Victorian Interpreting and Translating Service (VITS)	Yes	No - does not pay income tax equivalent payments in accordance with the National Tax Equivalent Regime (NTER) as it is deemed to be too small. However, pays dividends based on a benchmark of 65% of Net Profit before Tax (c.f. standard government benchmark of 50% net profit after tax). This increased dividend rate fully compensates for the absence of NTER.	An Order in Council to provide VITS with borrowing powers under the Borrowing and Investment Powers Act 1987 was approved by the Governor in Council on 15 March 2011. This allowed VITS to undertake borrowing through Treasury Corporation of Victoria. However, as VITS' total debt is less than \$5 million, VITS is relieved from paying the Financial Accommodation Levy.	Yes	Yes - VITS is required to submit a corporate plan and it is expected to conduct its business on a commercial basis	N/A	Yes	Yes - published in annual report	Yes - broad measures provided in annual report	Yes	Yes	Yes - VITS discloses its dividend payments in its Annual Report	Yes - reported in annual report	Yes - annual report published each financial year	No directions issued	Established legislation does not derogate from CN.

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3(4)(b)(i))	Debt neutrality charge (CPA 3(4)(b)(ii))	Regulatory neutrality (CPA 3(4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
<p>Port of Melbourne Corporation (PoMC)</p> <p>Please note that in May 2014 the Government announced that it will lease the operations of the Port of Melbourne, with an expression of interest period to commence in early 2015.</p>	Yes	Yes - PoMC pays income tax equivalent payments in accordance with the National Tax Equivalent Regime.	Yes – PoMC pays the Financial Accommodation Levy in accordance with the Financial Management Act 1994.	Yes	Yes – PoMC objectives in the Transport Integration Act 2010 (TIA) include managing the Port of Melbourne in an economically sustainable manner and providing cost effective essential services. TIA also requires the PoMC to have regard to the benefits of increased competition between persons and bodies that provide services related to the operation of the Port of Melbourne.	Yes – included in the Annual Report.	Yes – any planning approvals are subject to Ministerial approval.	Yes – included in the Corporate Governance section of the Annual Report	Yes – performance measures are published in the Annual Report.	Yes – skills of the Board detailed in the Corp. Gov. section of the Annual Report.	Yes	Yes – included in the Statement of Corporate Intent in the Annual Report.	Yes – included in the Statement of Corporate Intent in the Annual Report.	Yes – included in the Statement of Corporate Intent in the Annual Report.	Yes – directions issued pursuant to sections 141H and 163(1)(b) of the TIA are reported in the Annual Report.	Establishing legislation does not derogate from CN.

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3(4)(b)(i))	Debt neutrality charge (CPA 3(4)(b)(ii))	Regulatory neutrality (CPA 3(4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
South East Water Corporation (SEW)	Yes	Yes - SEW pays income tax equivalent payments in accordance with the National Tax Equivalent Regime.	Yes - SEW pays the Financial Accommodation Levy in accordance with the Borrowing and Investment Powers Act 1987	Yes	Yes - outlined in legislation and annual report	Yes – included in the Annual Report.	Yes	Yes - published in annual report	Yes - published in annual report	Yes	Yes	Yes – legislation requires SEW to pay a dividend as determined by the Treasurer in consultation with the portfolio Minister and the Board. SEW discloses its dividend payments in its Annual Report	Yes - reported in annual report	Yes - annual report	Yes - published in the Gov. Gazette and/or SEW's Annual Report	Establishing legislation does not derogate from CN.

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3(4)(b)(i))	Debt neutrality charge (CPA 3(4)(b)(ii))	Regulatory neutrality (CPA 3(4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Victorian Rail Track (VicTrack)	Yes	Yes – subject to the National Tax Equivalent Regime	N/A – no borrowings	Yes	Yes – although VicTrack has a custodial role which is non-commercial, it has other activities that have commercial objectives in its core business.	Yes – Section 119 (1) of Transport Integration Act 2010 specifies VicTrack’s primary object as the custodial owner of State’s transport-related assets. Details of VicTrack’s custodial role is published in its annual report.	Yes	Yes – in Annual Report	Yes – the annual report includes an outcomes /business performance report for the year.	Yes	Yes	Yes – as per annual report. However, VicTrack currently generates significant accounting losses and is expected to continue to generate accounting losses due to annual depreciation expenses related to custodial property, plant and equipment	N/A	Yes – full details of directions are include in the Annual Report.	Yes – full details of directions are include in the Annual Report.	N/A

Victorian GBEs assessment against threshold criteria

		GBE	Significant	Competes with private sector	Enhanced CN applies
1	Port of Melbourne Corp.	Yes	Yes	Yes	Yes
2	Victorian Regional Channels Authority	Yes	Yes	No	No
3	Victorian Rail Track (VicTrack)	Yes	Yes	Yes	Yes
4	V/Line Passenger Corp.	Yes	Yes	No	No
5	Places Victoria	Yes	Yes	Yes	Yes
6	Australian Grand Prix Corp.	Yes	Yes	No	No
7	Docklands Studios Melbourne	Yes	Yes	Yes	Yes
8	Fed Square Pty Ltd	Yes	Yes	Yes	Yes
9	Victorian Interpreting and Translating Service	Yes	Yes	Yes	Yes
10	Energy Safe Victoria	Yes	No	No	No
11	Barwon Region Water Corp.	Yes	Yes	No	No
12	Central Gippsland Region Water Corp.	Yes	Yes	No	No
13	Central Highlands Region Water Corp.	Yes	Yes	No	No
14	Coliban Region Water Corp.	Yes	Yes	No	No
15	East Gippsland Region Water Corp.	Yes	Yes	No	No

		GBE	Significant	Competes with private sector	Enhanced CN applies
16	Gippsland & Southern Rural Water Corp.	Yes	Yes	No	No
17	Goulburn-Murray Rural Water Corp.	Yes	Yes	No	No
18	Goulburn Valley Region Water Corp.	Yes	Yes	No	No
19	Grampians Wimmera-Mallee Water Corp.	Yes	Yes	No	No
20	Lower Murray Urban & Rural Water Corp.	Yes	Yes	No	No
21	North East Region Water Corp.	Yes	Yes	No	No
22	South Gippsland Region Water Corp.	Yes	Yes	No	No
23	Western Region Water Corp.	Yes	Yes	No	No
24	Westernport Region Water Corp.	Yes	Yes	No	No
25	Wannon Region Water Corp.	Yes	Yes	No	No
26	Melbourne Water Corp.	Yes	Yes	No	No
27	Water For Rivers	Yes	Yes	No	No
28	City West Water Corp.	Yes	Yes	No	No
29	South East Water Corp.	Yes	Yes	Yes	Yes
30	Yarra Valley Water Corp.	Yes	Yes	No	No
31	State Electricity Commission of Victoria	Yes	Yes	No	No

		GBE	Significant	Competes with private sector	Enhanced CN applies
32	Victorian Plantations Corp.	Yes	No	No	No
33	VicForests	Yes	Yes	No	No
34	Transport Accident Commission	Yes	Yes	No	No
35	Victorian WorkCover Authority	Yes	Yes	No	No
36	Victorian Managed Insurance Authority	Yes	Yes	No	No
37	Treasury Corporation of Victoria	Yes	Yes	No	No
38	Victorian Funds Management Corp.	Yes	Yes	No	No
39	Rural Finance Corp.	Yes	Yes	Yes	Yes
40	State Trustees Ltd.	Yes	Yes	Yes	Yes
41	Young Farmers' Finance Council	Yes	No	Yes	No

Queensland Competitive Neutrality Matrix 2013-14

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Far North Queensland Ports Corporation Limited ¹	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A
Gladstone Ports Corporation Limited	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A
North Queensland Bulk Ports Corporation Limited ²	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A
Port of Townsville Limited	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A

1 – Includes all ports north from Mourilyan with the exception of Weipa.

2 – Subsidiaries include existing Ports Corporation of Queensland Ltd (Weipa, Hay Point and Abbot Point) and Mackay Ports Ltd.

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Queensland Rail	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A
SunWater Limited	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A
SEQ Water	Yes	Yes	No ³	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A

3 – In line with Government’s decision to accept only a cost-of-debt return on all SEQ Water assets as a measure to moderate bulk water prices, the application of the debt neutrality charge was discontinued with effect from 1 January 2013.

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
CS Energy Limited	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A
Stanwell Corporation Limited	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A
ENERGEX Limited	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A
Ergon Energy Corporation Limited	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A
Powerlink Queensland (Queensland Electricity Transmission Corporation Limited)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A

Western Australia Competitive Neutrality Matrix 2013-14

Principles Government Business Enterprise ¹	Assessed subject to CN ¹	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Public Non-Financial Corporations																
Albany Port Authority ²	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ³	Yes	Yes	Yes	Yes	Yes	Yes
Animal Resources Authority	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No ⁴	Yes	Yes	Yes	Yes

¹ Assessment of whether the Government Business Enterprise complies with competitive neutrality requirements is limited to those enterprises considered significant and, therefore, subject to a competitive neutrality review. Explanatory material for non-compliance with the *Competition and Infrastructure Reform Agreement* and the *Competition Principles Agreement* obligations is only provided for those enterprises assessed as being subject to competitive neutrality.

² The amalgamation of WA Port Authorities under the *Ports Legislation Amendment Act 2014* was effective from 1 July 2014 and will be reflected in the 2014-15 Matrix.

³ Not explicitly required in relevant legislation. 'Yes' in practice.

⁴ No dividends accrued. All transactions are clearly set out in annual report which is tabled in Parliament and available on website.

Principles Government Business Enterprise ¹	Assessed subject to CN ¹	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Broome Port Authority ²	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ³	Yes	Yes	Yes	Yes	Yes	Yes
Bunbury Port Authority ²	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ³	Yes	Yes	Yes	Yes	Yes	Yes
Bunbury Water Board (AQWEST)	Yes	Yes	Yes	No ⁵	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ⁵	Yes	Yes	Yes
Busselton Water Board	Yes	Yes	Yes	No ⁵	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ⁵	Yes	Yes	Yes

⁵ In 2013-14, the Bunbury and Busselton Water Boards were exempt from some regulations, and were not required to make dividend payments. The *Water Services Act 2012* and the *Water Services Legislation Amendment and Repeal Act 2012* received Royal Assent on 2 September 2013 and will commence from 1 July 2014. These Acts will remove regulatory exemptions, and require the water boards to make dividend payments. The 2014-15 Matrix will be updated to reflect these legislative amendments.

Principles Government Business Enterprise ¹	Assessed subject to CN ¹	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Chemistry Centre	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes ⁶	Yes	Yes	Yes	Yes	Yes	Yes
Dampier Port Authority ²	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ³	Yes	Yes	Yes	Yes	Yes	Yes
Electricity Generation and Retail Corporation (Synergy)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Electricity Networks Corporation (Western Power)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

⁶ Legislation requires that the members of the board are appointed by the Minister with the Minister to ensure that each board member has expertise that, in the Minister's opinion, is relevant to the functions of the Chemistry Centre.

Principles Government Business Enterprise ¹	Assessed subject to CN ¹	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Esperance Port Authority ²	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ³	Yes	Yes	Yes	Yes	Yes	Yes
Forest Products Commission	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fremantle Port Authority	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ³	Yes	Yes	Yes	Yes	Yes	Yes
Geraldton Port Authority ²	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ³	Yes	Yes	Yes	Yes	Yes	Yes
Gold Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Principles Government Business Enterprise ¹	Assessed subject to CN ¹	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Lotteries Commission (Lotterywest)	Yes	No ⁷	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Metropolitan Cemeteries Board	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	No ³	Yes	No	Yes	Yes	Yes	Yes
Metropolitan Redevelopment Authority	No	No	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Perth Market Authority	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ⁸	Yes	Yes	Yes	Yes
Port Hedland Port Authority ²	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ³	Yes	Yes	Yes	Yes	Yes	Yes

⁷ Legislation requires that Lotteries Commission pays revenue to State Government, which is designated for funding of health, sports and arts programs.

⁸ The Perth Market Authority is not required by legislation to pay dividends to the State.

Principles Government Business Enterprise ¹	Assessed subject to CN ¹	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Potato Marketing Corporation of Western Australia	No	No	Yes	Yes	Yes	Yes	No ⁹	Yes	Yes	Yes	Yes	No ¹⁰	Yes	Yes	Yes	Yes
Public Transport Authority of Western Australia	No	No	Yes	Yes	Yes	Yes	Yes	N/A (no board)	N/A (no board)	N/A (no board)	Yes	Yes	Yes	Yes	Yes	Yes

⁹ The Potato Marketing Corporation does not compete with the private sector in WA for the supply of ware potatoes. All other potatoes (seed, export and processed potatoes) are de-regulated.

¹⁰ The Potato Marketing Corporation is cost-neutral to Government and no dividend policy has been applied. The Corporation is funded entirely by grower contributions.

Principles Government Business Enterprise ¹	Assessed subject to CN ¹	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Racing and Wagering Western Australia	No	Yes ¹¹	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ¹²	Yes
Regional Power Corporation (Horizon Power)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Rottnest Island Authority	Yes	No ¹³	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ¹³	Yes	Yes	Yes	Yes

¹¹ Racing and Wagering Western Australia pay tax, at the rates imposed by and in accordance with the *Racing and Wagering Western Australia Tax Act 2003* sections 4 and 5, on moneys received by it in respect of wagers made but does not make National Tax Equivalent Regime (NTER) payments.

¹² Where Racing and Wagering Western Australia is directed by Government, there are no specific requirements to publish those directions only that the directions be laid before each House of Parliament.

¹³ The Rottnest Island Authority is exempt from paying tax or tax equivalents, and dividend payments. Similar to formal dividend requirements, the *Rottnest Island Authority Act 1987* currently provides for the Treasurer to determine an amount to be paid by the Authority for the credit of the Consolidated Account, from the net profits of the Authority for a financial year.

Principles Government Business Enterprise ¹	Assessed subject to CN ¹	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Housing Authority (State Housing Authority)	No	No	Yes	Yes	Yes	Yes	Yes	N/A (no board)	N/A (no board)	N/A (no board)	Yes	Yes	Yes	Yes	Yes	Yes
Water Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
West Australian Land Authority (Landcorp)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Public Financial Corporations																
Country Housing Authority	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Insurance Commission of Western Australia	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Principles Government Business Enterprise ¹	Assessed subject to CN ¹	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Keystart Housing Scheme	No	No	Yes	No	Yes	Yes	N/A ¹⁴	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Riskcover	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
WA Treasury Corporation	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

¹⁴ Keystart is a lender of finance and not involved in regulatory/ planning approvals.

South Australia Competitive Neutrality Matrix 2013-14

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3(4)(b)(i))	Debt neutrality charge (CPA 3(4)(b)(ii))	Regulatory neutrality (CPA 3(4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Forestry SA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Urban Renewal Authority	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A (a)	Yes
Adelaide Cemeteries Authority	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Public Trustee	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A (b)	N/A (b)	N/A (b)	Yes	Yes	Yes	Yes	N/A (a)	Yes
SA Water Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
HomeStart Finance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A (a)	Yes
West Beach Trust	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A (a)	Yes

Motor Accident Commission (c)	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	N/A
Adelaide Festival Centre Trust	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Adelaide Convention Centre Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Adelaide Entertainments Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Notes:

- (a) There is no legislative requirement for the Urban Renewal Authority, the Public Trustee, HomeStart, or the West Beach Trust to publish any directions given to the enterprise by the Government.
- (b) The Public Trustee does not have a Board but it does have an Audit and Risk Management Committee, and an Investment and Advisory Committee. The responsibilities of the Public Trustee are set out in the Public Trustee Act 1995.
- (c) The Motor Accident Commission is exempt from Competitive Neutrality principles.
 - The SA Lotteries Commission moved from the public non-financial sector to the general government sector effective 1 July 2013.

Tasmania Competitive Neutrality Matrix 2013-14 – update for submission

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3(4)(b)(i))	Debt neutrality charge (CPA 3(4)(b)(ii))	Regulatory neutrality (CPA 3(4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Hydro Tasmania	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ²	Yes	Yes	Yes ¹	Yes	Yes	Yes	Yes
Aurora Energy Pty Ltd	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes ¹	Yes	Yes	Yes	Yes
Transend Networks Pty Ltd	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes ¹	Yes	Yes	Yes	Yes
TasNetworks Pty Ltd ⁴	Yes	Yes	Yes	Yes	Yes	N/A	No ⁵	Yes	Yes	Yes	Yes	Yes ¹	Yes	Yes	Yes	Yes
Motor Accident Insurance Board	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes ¹	Yes	Yes	Yes	Yes
TT-Line Company	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ²	Yes	Yes	Yes ¹	Yes	Yes	Yes	Yes
Forestry Tasmania	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes ¹	Yes	Yes	Yes	Yes

Principles	GBE															
	Assessed subject to CN	Tax or tax equivalent payments (CPA 3(4)(b)(i))	Debt neutrality charge (CPA 3(4)(b)(ii))	Regulatory neutrality (CPA 3(4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Tasmanian Irrigation Pty Ltd	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes ¹	Yes	Yes	Yes	Yes
Metro Tasmania Pty Ltd	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No ²	Yes	Yes	Yes ¹	Yes	Yes	Yes	Yes
Port Arthur Historic Site Management Authority	Yes	No ³	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes ¹	Yes	Yes	Yes	Yes
Tasmanian Port Corporation Pty Ltd	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes ¹	Yes	Yes	Yes	Yes
The Public Trustee	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes ¹	Yes	Yes	Yes	Yes
Tasrail Pty Ltd	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes ¹	Yes	Yes	Yes	Yes
Tasracing Pty Ltd	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes ¹	Yes	Yes	Yes	Yes

Notes:

The Tasmanian Economic Regulator (TER) is an independent authority responsible for regulatory activities in respect of: the electricity industry; the gas industry; the water and sewerage industry; and a range of prices oversight issues. The Regulator is also responsible for conducting investigations into competitive neutrality complaints and investigations into the pricing policies of monopoly service providers. The TER incorporates the functions of the former Government Prices Oversight Commission.

Tasmania considers it has an appropriate regulatory framework for ensuring competitive neutrality principles are applied to GBEs engaged in competition with the private sector.

1. The Dividend Guidelines for Tasmanian Government Businesses apply to all GBEs and SOCs. This policy is publicly available and provides sufficient flexibility for individual arrangements to be entered into with each business to appropriately reflect specific circumstances. During the corporate planning process, Shareholder Ministers will agree to a specific dividend with each business. The dividend amount that is paid to the Government is published in the Government business annual reports and in the Tasmanian Government December Quarterly Report each year.
2. The Tasmanian Government has released a Governance Framework Guide, Corporate Governance Principles and Guidelines for Tasmanian Government Businesses to ensure GBEs adopt and maintain best practice corporate governance arrangements. Of the guidelines to assist GBEs, '*Guidelines for Assessing Board Performance*' recommends:
 - that the Board publicly disclose the performance evaluation for the Board;
 - to state whether the evaluation took place in the Annual Report; and
 - that the Shareholder Ministers be advised of the outcome of the Board performance evaluation.

It is the Government's expectation that all Government businesses will adopt the guidelines in full. Any departure from the guidelines is to be disclosed in the Annual Report of the business.

In addition, since 2012-13 all Government businesses have been required to publish a Statement of Corporate Intent (SCI) in their Annual Reports. The SCI will include a performance agreement with key financial other performance targets for the Budget year and estimates for the remaining years of the Corporate Plan.

For the 2013-14 Financial Year, Metro Tasmania, TT-Line and Hydro have not met this requirement. However, Metro was unable to meet the requirement due to timing issues between publishing the annual report and approval of its SCI.

3. Port Arthur Historic Site Management Authority is not a prescribed entity for NTER.
4. TasNetworks is a proprietary limited company incorporated on 4 February 2014. On 1 July 2014 the assets and liabilities of Transend and the electricity distribution network owned by Aurora were transferred to TasNetworks via a gazetted Transfer Notice dated 25 June 2014.
5. In exceptional circumstances only, TasNetworks has, or may have, a role in regulatory/planning approval in situations where developers use contractors for work involving minor connection assets.

Australian Capital Territory Competitive Neutrality Matrix 2013-14

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3(4)(b)(i))	Debt neutrality charge (CPA 3(4)(b)(ii))	Regulatory neutrality (CPA 3(4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Land Development Agency (LDA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	n/a
ACTTAB	Yes	Yes	Yes	Yes	Yes	Yes	n/a	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	n/a
CIT Solutions ¹	Yes	Yes ²	n/a	Yes	Yes	n/a	Yes	Yes ³	Yes ³	Yes	Yes	Yes ³	Yes	Yes ⁴	n/a ¹	n/a

Notes:

- (1) CIT Solutions Pty Limited (CIT Solutions) is a proprietary limited company wholly owned by the Canberra Institute of Technology (CIT), which is a Territory Authority. CIT Solutions operates under CIT's status as a Registered Training Organisation and has been the commercial arm of the CIT since 1988. CIT Solutions' audited financial statements are consolidated within CIT's financial statements on a calendar year basis. Unlike most other public trading enterprises, its relationship with Government is indirect, in that it is the Chief Executive of CIT who owns the shares in CIT Solutions rather than a Government Minister. In this respect, directions are not given to the enterprise by Government directly. Directions could only be considered to come from Government in the sense that the only Shareholder is the Chief Executive of a Territory Authority.
- (2) CIT Solutions is liable to all state taxes but is assessed as being exempt from income tax or income tax equivalents as it is exempt by being an educational institution managed by a public body.
- (3) These responsibilities are published in the CIT Annual Report which is due for release in March each year.
- (4) Annual reporting of CIT Solutions performance is included in the CIT Annual Report.

Northern Territory Competitive Neutrality Matrix 2013-14

Principles GBE	Assessed subject to CN	Tax or tax equivalent payments (CPA 3 (4)(b)(i))	Debt neutrality charge (CPA 3 (4)(b)(ii))	Regulatory neutrality (CPA 3 (4)(b)(iii))	Enterprise has clear commercial objectives (CIRA 6.1(a))	Non-commercial objectives or obligations specified and publicly reported (CIRA 6.1(b))	Does not exercise regulatory/ planning approval where competes with private sector (CIRA 6.1(c))	Governing board responsibilities published (CIRA 6.1(d))	Performance measures against which board accountable published (CIRA 6.1(d))	Governing board appointed on basis of particular skills needed by board (CIRA 6.1(e))	Operational autonomy in day to day management of affairs (CIRA 6.1(f))	Dividend policy applicable to the enterprise clearly and publicly specified (CIRA 6.1(g))	Payments to government as shareholder or for purposes of CN identified in transparent manner (CIRA 6.1(h))	Annual public report on commercial performance and performance of any non-commercial activities (CIRA 6.1(i))	Any directions given to enterprise by the government are published (CIRA 6.1(j))	Where the legislation establishing an enterprise derogates from CN, the derogation has been published (CIRA 6.1(k))
Darwin Port Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A ¹	Yes	Yes	Yes	Yes	Yes	Yes	Yes ¹
Power and Water Corporation ⁵	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes ³
Territory Insurance Office	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A
Land Development Corporation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A ⁴	Yes	Yes	Yes	Yes	Yes	Yes	N/A

Notes:

- (1) Darwin Port Corporation Board is advisory only.
- (2) Section 45 of the Darwin Port Corporation Act exempts Darwin Port Corporation (DPC) from local government rates. However, DPC pays rate equivalents under the Northern Territory Local Government Rate Equivalent Scheme. Equivalent payments are reported annually in Government budget papers.
- (3) Section 19 Power and Water Corporation Act exempts the Power and Water Corporation (PWC) from local government rates. However, PWC pays rate equivalents under the Northern Territory Local Government Rate Equivalent Scheme. Equivalent payments are reported annually in Government budget papers.
- (4) Land Development Corporation Board is advisory only.
- (5) Note: On 1 July 2014, the Power and Water Corporation was separated into three government businesses, the Power and Water Corporation, Jacana Energy and Territory Generation.

Overview of Northern Territory Government Business Enterprises (GBEs)

Significant GBEs:

The Northern Territory Government's threshold for determining whether a GBE is significant is as follows:

- does the GBE have considerable presence in the local market; and
- is the GBE in direct competition with the private sector.

The following GBEs are classified as significant:

- Darwin Port Corporation (Public Non-Financial Corporation)
- Power and Water Corporation (Public Non-Financial Corporation)
- Territory Insurance Office (Public Financial Corporation)
- Land Development Corporation (Public Non-Financial Corporation)

Excluded GBEs:

The Northern Territory Treasury Corporation is excluded due to its classification as a Central Borrowing Authority under Government Financial Statistics Classifications.

Other Northern Territory Government entities subject to principles of Competitive Neutrality:

The Northern Territory Government also operates the Government Business Divisions (GBDs) listed below. Due to their small size these enterprises have been commercialised rather than corporatised, and do not meet the criteria of a significant GBE. It is Northern Territory Government policy that all GBDs comply with the principles of competitive neutrality.

- Construction Division¹
- Data Services Centre
- Darwin Bus Service²
- Government Printing Office³
- NT Fleet
- Territory Discoveries³
- NT Home Ownership
- Territory Wildlife Park

Notes:

- (1) Construction Division will cease operating as a government business division from 1 July 2014.
- (2) On 6 July 2014, a transfer agreement was entered into to outsource the provision of urban and school bus services, currently undertaken by Darwin Bus Services, to a new operator. The transfer is to take effect on the 5 October 2014.
- (3) Government Printing Office and Territory Discoveries ceased operations during 2013-14.