The Deputy Chief Minister David Tollner has met with the new Power and Water Corporation Board to discuss how the former Labor administration’s mismanagement of government finances has impacted on their organisation.

Mr Tollner said the combined effects of Labor’s projected $5.5B debt and rapid economic growth being driven by the Adam Giles Country Liberals government has put the need for change squarely on the table.

The Deputy Chief Minister discussed with the Board a governance and implementation framework to guide the PWC reforms.

From July 1 next year the Power and Water Corporation (PWC) will be restructured to create two new stand-alone government owned corporations with separate boards.

The new corporations will be for electricity retail and generation.

This streamlined and focussed approach will ensure appropriate investment and ability to be able to drive efficiency through more effective structures in a competitive environment.

“This change will mean that potential new entrants will be able to operate on a level playing field and not have to compete with a monopoly operator (PWC),” Mr Tollner said.

“It is not privatisation. This is about fixing the mess Labor made of Power and Water. Its irresponsible investment decisions and operating practices that turned PWC into a debt-burdened business that could only operate with large taxpayer subsidies.

“I am determined that Territorians will not have to go through the same sorts of price increases caused by Labor in January. That’s why this new structure is so important. It is part of the package of reforms I announced earlier this year.”

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