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13 September 2021

Director – Budget Estimates Secretariat
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Director,

Budget Estimates, August 2021

I write to advise of a correction and clarification that is required to evidence given by myself at the Budget Estimates hearing for the Treasury portfolio held on Friday 20 August 2021.

Please find attached the section of the transcript to which the correction applies and the requested correction to be made.

Yours faithfully,

David Deverall

Chief Executive, New South Wales Treasury Corporation

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The correction applies to page 26 of the transcript.

The **uncorrected** version states:

Mr DEVERALL: Sorry, I am new to this, apologies. The cost of borrowings for New South Wales TCorp move up and down, as you can imagine, with market movements. The cost of 10-year debt at the moment for New South Wales is about 1.47 per cent per annum, which is lower than what it was a couple of months ago. That is the absolute level. The point that you are making, Mr Mookhey, is the spread relative to the Commonwealth and relative to other semis. The spread relative to Commonwealth in the last two years has traded in a range of between about 20 basis points, which is 0.2 per cent, up to about 70 basis points, which is about 0.7 per cent – that is higher than the Commonwealth. Currently, it is at around about that midpoint. So it has traded in a range and it is currently in that midpoint. Then you have got the spread difference between ourselves and the other semi-governments. We closely track one another. Sometimes one State is higher or lower than the other. At the moment, the cost of New South Wales debt, or the spread for New South Wales debt, is slightly higher than some of the other semis. For example, it is about five basis points, **which is 0.5 per cent**, higher than Victoria.

The **corrected** version states:

Mr DEVERALL: Sorry, I am new to this, apologies. The cost of borrowings for New South Wales TCorp move up and down, as you can imagine, with market movements. The cost of 10-year debt at the moment for New South Wales is about 1.47 per cent per annum, which is lower than what it was a couple of months ago. That is the absolute level. The point that you are making, Mr Mookhey, is the spread relative to the Commonwealth and relative to other semis. The spread relative to Commonwealth in the last two years has traded in a range of between about 20 basis points, which is 0.2 per cent, up to about 70 basis points, which is about 0.7 per cent – that is higher than the Commonwealth. Currently, it is at around about that midpoint. So it has traded in a range and it is currently in that midpoint. Then you have got the spread difference between ourselves and the other semi-governments. We closely track one another. Sometimes one State is higher or lower than the other. At the moment, the cost of New South Wales debt, or the spread for New South Wales debt, is slightly higher than some of the other semis. For example, it is about five basis points, **which is 0.05 per cent**, higher than Victoria.