

Will Hodgman MP
Shadow Minister for Major Projects
Friday August 29, 2008

10 Years of Failure on Major Projects

The State Government's inability to manage major projects in Tasmania has been a hallmark of its ten years in office.

"Major projects are a weak spot for this Government," Mr Hodgman said.

"From the pulp mill to natural gas, to the management of the Hobart waterfront redevelopment and a new Royal Hobart Hospital, the Government has shown it does not have the capacity to manage major projects.

"Examples of Labor's ineptitude are numerous and have come at the expense of Tasmanian people and current and future investment."

Some examples include:

New Royal Hobart Hospital

In a media release on February 28, 2006, David Llewellyn said:

"We are building a new hospital. The Labor Government is already building a new Royal Hobart Hospital from the inside out at the current site. "It is a massive waste of money to propose a new site – at least \$500 million worth – almost half the entire health budget."

The State Government has changed its mind, and decided to build a new hospital on a questionable site, without consulting appropriately, but still doesn't know how much it will cost and is continuing to upgrade the existing site.

Waterfront

When announcing the creation of a Sullivans Cove Waterfront Authority to oversee development of the waterfront on 6 September 2006, then Premier, Paul Lennon, said:

"The new arrangements put in place a strong, cohesive, independent and transparent regulatory framework which delivers everything the community has told us it wants."

On 19 July, 2008, the new Premier, David Bartlett, said:

“Development and planning issues are confused in the current structures. I will ask the secretaries of the Departments of Premier and Cabinet, Treasury and Planning to report back to me within six weeks on improving structures that deal with development, consultation and planning processes around the waterfront.”

Princes Wharf

On September 1, 1999, the former Premier, Jim Bacon, said:

“I want to see this (development at Princes Wharf) finalised and a project under way as soon as possible because we have had a delay on the site and certainly I would be hoping by Christmas we would have a firm proposal in place and ready to proceed. We want to make sure this time that we clearly set out for developers what is possible on the site and what is the preferred use of the site. That’s the way we get a development that actually happens, rather than one that is only a pipe dream”

Today, Princes Wharf is still an empty shed and the State Government has not even developed a master plan for the redevelopment of the Hobart waterfront.

Spirit III

The then Premier, Jim Bacon, said on June 24, 2004:

“The business case points to a third ship being a self-funded opportunity for Tasmania to pierce the heart of Australia's fastest growing and most lucrative market, Sydney. The business case for the service is cash-positive and sustainable. The business case points to the new service creating 1 126 jobs made up of 695 direct jobs and 431 indirect jobs and of course that does not allow for the flow-on effect of some 50 000-plus extra visitors coming to Tasmania.. I would like to reiterate, Mr Speaker, that a new service would present a once-in-a-lifetime opportunity to further grow the Tasmanian tourism industry and economy.”

After bleeding taxpayers with its losses, Spirit III was axed soon after the 2006 State election.

Natural gas

In 2002, Paul Lennon, said that:

“The Government is committed to seeing the roll-out of the gas distribution network that will grow over time to encompass the type of roll-out that formed the basis of the tender, that is a roll-out to commercial and industrial customers in our major towns and a domestic roll-out in the order of 100,000 premises.”

As at 2008, the pipeline has past approximately 43,000 premises, with only about 5000 customers having signed on.

Fibre optic

In December 2003, David Crean said:

“That is precisely what this project is about – giving Tasmanian homes and businesses more choice and lower process in the provision of telecommunications services such as high speed internet access...since outlining our strategic plan, the government has been inundated with interest from commercial providers expressing an interest in developing the government’s infrastructure further and providing competitive telecommunications services for Tasmanian business and homes.”

The fibre optic cable is still dormant.

Crest Magnesium

On December 24 1998, the *Advocate* newspaper reported the then Premier, Jim Bacon, as saying that the Crest Magnesium project would be seen as a test for his government:

“That project would send a very strong message not only to Tasmanians but to the rest of the world, that Tasmania is a place where you can develop major projects.”

The project never happened.

“Labor cannot be trusted to manage major projects in Tasmania and have established a well documented and long history of incompetence and mismanagement,” Mr Hodgman said.

“There is a better way.”

For further comment: Ella Woods-Joyce 0418 338 774