



MEDIA RELEASE

FOR IMMEDIATE RELEASE

21 July 2017

Appalling Politics Delays Investment in Water and Sewerage Infrastructure

LGAT President, Mayor Doug Chipman said the Infrastructure Tasmania report released yesterday is based on an assumption of no financial constraints to a faster delivery of the TasWater capital program.

“The Local Government sector simply can’t understand why the State Government would undertake a protracted, unnecessary and likely illegal takeover of TasWater, rather than working collaboratively with Local Government and providing an immediate injection of funds into TasWater,” said Mayor Chipman.

“It now seems that this is more about generating an election trigger than real improvement in water and sewerage services in Tasmania.”

“Having waited since February for more detail from the State Government, owner councils will now seek the expert advice of TasWater as to the robustness of proposed plan.”

“However, at first glance, the report appears so heavily caveated that it is almost meaningless,” said Mayor Chipman.

“It is easy to suggest the capital plan can be accelerated with no inhibition on spending, no indication of debt and pricing impacts, and sweeping statements about governance and project delivery, with no detail on how things would be different under at Government Business Ownership model.”

“If the Government’s solution is simply to throw money at TasWater, then we say they can do that immediately, without the huge impact of forming a new company under new ownership.”

“In any organisation it takes months, even years, to recruit a new Board, establish a new leadership team and develop new policies and a capital program that meets the approvals of regulators,” Mayor Chipman said.

“These time factors are totally ignored in the Infrastructure Tasmania report.”

“Of course, the Tasmanian public might want to know more about where this money is coming from and what other services or infrastructure might suffer as a consequence,” he said.

“The Tasmanian public might also want to know what the impact on medium-sized Tasmanian companies is when the State Government’s report clearly outlines a reliance on large interstate consultants and contractors.”

“It is important that it is also broadly understood that the State Government’s plan does not halve the time frame as they like to suggest. The Infrastructure Tasmanian Report outlines a 7-year plan.”

“It is a high-risk proposition, with a lot of upheaval just to accelerate the capital program by three years, especially when the 24 boil water alerts will be all but removed by the time the State Government could take control,” Mayor Chipman said.

“TasWater have a fully funded ten-year capital plan that keeps prices affordable beyond an election cycle. They have an expert and independent board, and they have community oversight through the council ownership model. They should be allowed to get on with the job,” he said.

**For media enquiries, please contact
LGAT CEO, Dr Katrena Stephenson on 0488 610 341**