

ISSUE 2322

"In Support of Progress" Newsletter

13 November 2023

A scorecard

Energy

Mac Pt.

Fire service Levy

The Middle East

A scorecard of sorts

As we begin the countdown to Christmas, it would be of interest to consider the Government's achievements over the past year. What would be your scorecard?

For the government, top of the list must be their own survival, considering it is now a minority government, what with two of their own now sitting on the crossbench and making life very difficult. And with a senior minister resigning in a huff and firing a few parting salvos as she left.

Apart from that, things look a bit thin. Housing, health and education still languish, and one would be struggling to find any good news in any of these three areas. The Commission into Child Sexual Abuse has provided no comfort, Government plans to reform fire services, including funding for same, has suffered from a lack of consultation, while the BIG infrastructure projects, with the exception of the Bridgewater bridge, seem to have disappeared down a very deep "planning and cost" hole. Marinus, the Robbins Island windfarm and the now-combined Macquarie Point/ stadium proposal, to name but three.

Meanwhile, natural resource-based industries such as salmon, forestry, mining and sustainable energy proposals remain targets for the close-everything-down brigade. We really do need to get out of the slough.

Energy Policy

While the Hydro and fellow travellers continue to talk up the value of Marinus, windfarms and "Battery of the Nation" – actually a very small battery - the Hydro has not been able to offer any more power to local operators. They say – get inventive, which I suspect is simply code for "bugger off – our interest is elsewhere". The trouble is, they might.

The Hydro, it seems, likes the idea of arbitrage (making money out of flows of electrons across Bass Strait), and "helping out the rest of the country" through its Battery of The Nation. idea. It may well give the players a "warm inner glow", but it feels like the eye is no longer "on the ball". Certainly the rest of the country is also spending a poultice of money on renewables development, which is great if you are a renewables developer, but not so great if you are simply a customer.

New transmission lines are required to connect everything together – again great if you are a builder of transmission lines – but all this is at a cost. How can such expenditure make electricity cheaper? Energy prices are soaring, energy supply has become less reliable, and soothing words such as "it's not as bad as it might have been", simply fall on deaf ears.

In Tasmania, Marinus has been scaled back from a dual cable to a single cable, or rather two projects to be treated in sequence, each with a single cable, with costs continuing to balloon out and planning issues still unresolved. The business case remains unresolved. There has been one heck of a lot of money spent so far on a project which is still "undecided".

The Macquarie Point site

This project has had a long and chequered history, due mainly to the fact that no-one actually knew what to do with it. It has eaten up personnel, it has spent a lot of money with nothing to show for it - even the community garden is no more – and it has destroyed government credibility.

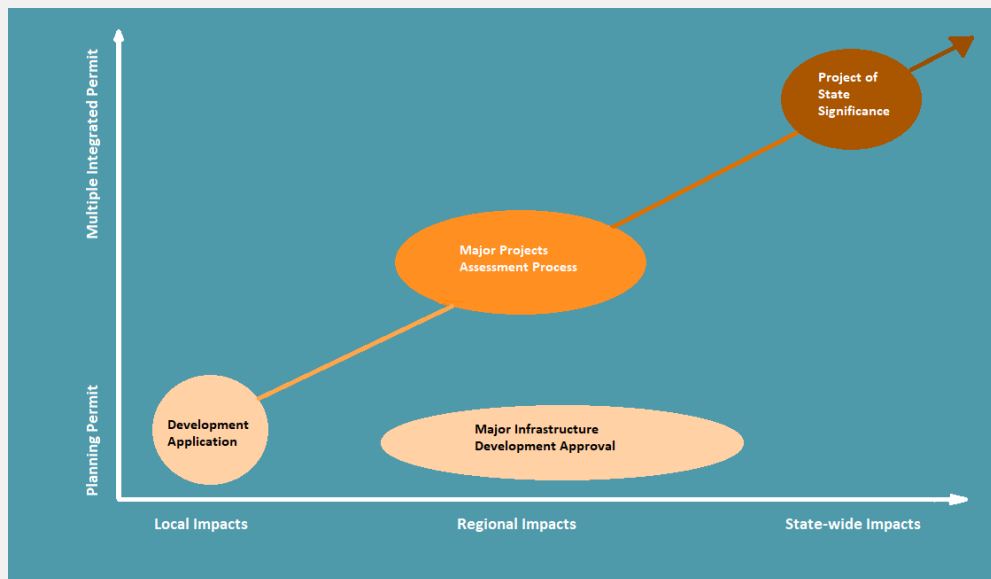
The latest iteration of the GRAND PLAN for the site has been to build a sports stadium, with associated infrastructure, deemed to cost the government a mere \$715 million, but essentially an open-ended arrangement – e.g. who meets the cost of any over-runs?

The government entered into private discussions with the AFL, who offered an AFL team (with dollars attached) and \$15m, in exchange for a roofed stadium to be built AT THAT SITE.

Two Liberal backbenchers, concerned at the way this and other projects were being handled, left the government and now sit on the cross-bench.

They were prepared to provide the government with continuing support, subject to a number of conditions, of which one was that this project had to come before the parliament for final approval. Under this scenario Parliament now had to vote twice – the first to start the process and the second to approve (or otherwise) the project at the end of the process.

The government agreed, and the project, once deemed to be a "Major Project" was reclassified as being a "Project of State Significance". (Planning can be a complicated business - see Diagram)



Major Projects come under the **Land Use Planning and Approvals Act 1993**, and once determined by the Minister to be such a project are assessed by an independent panel assembled by the Tasmanian Planning Commission. The panel makes the decision, and it is not subject to appeal.

Projects of State Significance come under the **State Policies and Projects Act 1993**, and require the support of both houses of parliament for them to be so determined. The process of assessment is conducted by the Tasmanian Planning Commission, and if approved by the Planning Commission, final approval is given by the Governor on the recommendation of the Premier. If the Premier's recommendation differs from that of the TPC then it must come back to be approved by both Houses of Parliament. At least until this week, when an amendment was passed making such projects come back to parliament for final clip off irrespective.

In both instances, opportunity for public input is guaranteed.

The recent vote in the parliament was for the stadium project to be treated as a "Project of State Significance".

To do this the government needed to amend the legislation. However, when introducing the legislation, the government forgot to allow for the project to come back to the Parliament for final approval, and had to then further amend this amending legislation. One can only presume this was an oversight! However, in amending the legislation every Project of State Significance now has to come back to parliament for final approval.

So... the project must now go before the Tasmanian Planning Commission, which must first establish guidelines for assessing the project. Once done, the MPDC, being the proponent, will need to fill in a Development Application, prior to any assessment. And that is not going to happen overnight. And that is simply because the MPDC, after all this time, still has no detail, not even a concept plan (but that is another story).

Once this process is concluded – and one can only guess how long that will be – the project will then need to come back before state parliament for final approval.

Supporting this amending legislation means that support has been given for a long and tedious process – nothing more. Unlike the comments made from various quarters, this vote does NOT mean that the stadium has the support of those voting for this long and tedious process to be followed.

The question then arises, what if the legislation was voted down? Essentially, we would be back at the beginning, with the two ex-Liberal crossbenchers threatening to bring down the government.

Meanwhile, a far more complete proposal for a far more detailed and more integrated stadium project languishes on the sidelines. The government says it has an open mind but needs more detail, which is a bit rich considering the total lack of detail in its own proposal.

Fire Services

It's back to the drawing board for the government on this one. Having stirred the possum with its proposed changes to the fire services levy (see #2321), it has now conceded defeat and referred the matter to a still-to-be-established working group. Best of luck with that one!

The Minister said he was "grateful for the frank and fearless feedback", which is another way of saying he received a right royal bollocking. The Minister says he is committed to "listening and consulting". Yet according to the Premier's media release in September, the amending Bill was the result of more than six years of "comprehensive reviews and consultation". So, what IS going on?

Comprehensive reviews of taxation and "levies" always seem to end up in the too hard basket, which is where this one is doomed to follow.

The Middle East.

The world is now witnessing horrors being perpetrated by both sides in this existential conflict. Innocents being slaughtered, disproportionate responses being pursued, utter destruction being wrought, lives being destroyed, and escalation of the conflict a live option.

The Israeli government has wreaked its revenge, but in doing so is now at risk of turning the world against it. The response has been such as will keep the conflict alive for generations to come. Which is exactly what Hamas wants. A self-fulfilling prophecy, but at such a cost.

It is so easy for such a conflict to boil over onto our own streets, and our government must walk a very careful path in its response to this matter. Hostages need to be freed, fighting needs to cease. It is the right call.