The Hon Jeremy Rockliff MP

Premier

By email: jeremy.rockliff@parliament.tas.gov.au

#### **Dear Premier**

## The University of Tasmania (Protection of Land) Bill 2024 and related issues

I am writing to express my disappointment at the 'last minute' amendment made to the *University of Tasmania (Protection of Land) Bill 2024* (the UTAS Land Bill) when tabled for second reading on 28 November 2024 – an amendment that, despite the Government's protestations, clearly and completely subverted the original intent of the UTAS Land Bill.

I also raise my concern that the Minister responsible for the UTAS Land Bill, the Hon Madeleine Ogilvie MP, appears to have misled the Parliament, not in the 'rough and tumble' of Question Time or debate, but in her second reading speech for the Bill. Second reading speeches should be the subject of deep consideration and – as both documents introducing bills and important historical records – should contain no errors of fact.

I also wish to state my view that the Government will shortly come under pressure to make a major funding contribution to consolidate the University of Tasmania's (UTAS') STEM presence at Sandy Bay or – if it cannot make such a contribution - to allow UTAS to build a new STEM facility in the Hobart CBD, with UTAS providing funding by sale and/or development of UTAS' Sandy Bay campus site. In this circumstance, the Government could well face a vote of no-confidence.

The best option for STEM, and indeed the best option for housing, is for UTAS to refurbish/upgrade STEM facilities at Sandy Bay and sell its CBD properties for immediate housing development. This option is not being considered in UTAS' STEM business plan – a conspicuous omission that should lead to serious questioning.

## <u>Subversion of the intent of the original UTAS Land Bill by the Government</u>

The clear intent behind the UTAS Land Bill, when it was introduced to the House of Assembly on 20 June 2024, was that any and all proposals for sale or long-term leasing of land <u>by</u> UTAS at UTAS' Sandy Bay campus should be subject to agreement by both chambers of Parliament, with a full business case provided by UTAS. Indeed, as recently as 7 November 2024, Minister Ogilvie stated:

"...what I have said is I want to see the full business case of what the proposal is.

And my view is that business case ought to come through Parliament. So that's our

position." (*Mornings Tasmania* with Leon Compton, ABC; full reference in <u>Attachment A</u>; my bolding)

Instead, only one week prior to the second reading of the UTAS Land Bill on 28 November 2024, an amendment to the Bill was circulated providing for rezoning of significant parts of UTAS' Sandy Bay campus above Churchill Avenue (preparatory to sale by UTAS).

Not only did the Government do UTAS' work for it, by embodying a UTAS proposal for rezoning in legislative form, but it completely cast aside due process, notably:

- UTAS provided no business case instead it provided a letter to Minister Ogilvie (even then, only on 25 November 2024, <u>after</u> the amendment had been circulated), committing to the provision of a 'final' business case in the first quarter of 2025 and a deed poll of undertaking a commitment that contained more holes than Swiss Cheese, particularly in light of the issue of contingency, which I will fully address below. (A copy of the letter is provided for ease of reference at <u>Attachment B</u>).
- The Government (at UTAS' bidding) overrode the current City of Hobart Mount Nelson and Sandy Bay neighbourhood planning process.
- The Government overrode other normal elements of the land planning and rezoning process, which is governed by legislation.
- The Government thereby removed the opportunity for community involvement and input <u>and</u> the opportunity for review by the courts (claims that the normal opportunities for input and review will exist <u>after</u> rezoning are a smokescreen).
- The Government even failed to update the explanatory statement to take account of the amendment, while the amendment itself included a map that was an insult to the Parliament.

In contrast, a UTAS proposal, even when approved by both chambers of the Parliament under the operation of the unamended UTAS Land Bill, would still have been subject to these important community and legal checks and balances.

Community speculation is mounting that UTAS' proposal was pushed through the House of Assembly in legislative form, without a business case and without any government commitment of funding, and with a complete abandonment of due process, due to a deal between the Government and the Labor Opposition (perhaps involving the Development Assessment Panels Bill, on which Labor changed its position), and UTAS.

I have a number of Right to Information (RTI) Applications currently with you and your Department, other Government Ministers and agencies, and UTAS that I hope will shed light on the last minute amendment to the UTAS Land Bill. I believe that it is incumbent upon you, as Premier, to take the lead in responding promptly, fully and transparently.

<u>Minister Ogilvie's apparent misleading of Parliament – UTAS is not committed to remaining at Sandy Bay</u>

In her second reading speech on 28 November 2024 for the UTAS Land Bill, Minister Ogilvie stated that:

"UTAS has remained - and will remain - at Sandy Bay. Full stop."

This unequivocal statement is in total contrast to UTAS' own position on the matter, which is that consolidation of STEM below Churchill Avenue at Sandy Bay is "contingent" on significant government funding.

This quote is from the minutes of the UTAS Council meeting of 17 October 2024:

"Council provided support for the positioning in relation to the future of the southern campus as outlined [including consolidation of STEM at Sandy Bay], **noting that the development of Sandy Bay was contingent on securing support and significant funding from the State and Federal Governments**." (see <u>Attachment A</u> for fuller quotes and referencing of UTAS documents referred to in this section; my bolding)

UTAS has repeatedly articulated this position in a number of public and semi-public forums, including in UTAS staff emails by Vice-Chancellor Black and others and it is prominent on UTAS' website, including in this quote from UTAS' *Alumni Magazine* that was posted on 17 December 2024:

"Our plan, which is contingent on securing support and significant government funding, is for a Hobart presence with four campus sites providing students with experiences built around the best the city has to offer....[including] A Science, Technology, Engineering and Mathematics (STEM) Campus at Sandy Bay". (my bolding)

It is hard to fathom how Minister Ogilvie could possibly have missed, or disregarded, such clear statements by UTAS in making her second reading speech. (I fully expect any UTAS deed poll to reflect UTAS' 'contingent' approach).

UTAS has been equally clear on what its contingency plan is, if it fails to obtain significant Government funding.

In the Public Accounts Committee on 2 October 2024, UTAS stated that its STEM business plan was examining two options: to consolidate STEM below Churchill Avenue and to build a new STEM facility in the Hobart CBD. This position was also repeated in numerous other places, as highlighted in Attachment A.

It is thus clear that if significant government funding is not obtained, UTAS will seek approval to build a new STEM facility in the Hobart CBD, funded by sale of major parts of the Sandy Bay campus both above Churchill Avenue <u>and</u> – I assume – development (rather than sale) of the Sandy Bay campus below Churchill Avenue.

In this regard, I note that in the second reading debate of the UTAS Land Bill, the Leader of the Opposition, repeatedly stressed his preference for UTAS, including STEM, to totally relocate to the Hobart CBD. I have good reason to believe that this is also the preference of senior UTAS management.<sup>1</sup>

# The scenario facing the Government

So far, UTAS has publicly indicated that consolidation of STEM below Churchill Avenue would involve a combination of complete retrofitting of some existing buildings and new buildings costing "in the order of \$500 million" (<u>Attachment B</u>). As indications to date are that UTAS could make a contribution of \$100 million, based on sale of the identified land above Churchill Avenue, this leaves a funding shortfall of some \$400 million.

You may know more than me, but I believe it is highly unlikely that either the Commonwealth Government or the Federal Opposition will commit to making a funding contribution to UTAS at anything like this level in the current 'shadow' federal election campaign. This is the only circumstance in which it is conceivable that a commitment of this scale might be made in time to enable <u>commencement</u> of consolidation of STEM below Churchill Avenue within the 12-18 month time frame UTAS has said is necessary (see Attachment B).

If the Commonwealth Government does not provide \$400 million, the State Government will come under pressure from UTAS and the State Opposition to make up the funding shortfall (how strong this pressure will be may depend on the sincerity of their commitment to a Sandy Bay campus). However, I note that then Treasurer Ferguson is on the record in 2024 as ruling out a State Government contribution and Minister Ogilvie stated in the second reading debate on the UTAS Land Bill that:

"We [the Government] have not agreed to make a financial contribution to STEM."

If the Government cannot - or will not - make up the funding shortfall, it will definitely come under pressure from UTAS and the State Opposition to allow UTAS to build a new STEM facility in the Hobart CBD funded by proceeds from sale/development of the Sandy Bay campus.

Given that the State Government has taken it upon itself to assume responsibility for securing Commonwealth funding for consolidation of STEM below Churchill Avenue (while

<sup>&</sup>lt;sup>1</sup> See: https://theutaspapers.com/vc-blacks-cynical-500-million-stem-con-job/

not even knowing the contents of UTAS' business case), failure to secure funding can be expected to lead to a no confidence motion in the Government.

## A better option for STEM, and a better option for housing

As you may be aware, I have written a number of blog posts arguing that UTAS' construction cost estimates for its move to the CBD and total redevelopment of the Sandy Bay campus were ridiculously low.<sup>2</sup> Supporting this argument, I have more recently published a blog post, *Senior UTAS officer misled Public Accounts Committee*, outlining UTAS' appalling record in estimating the construction costs and completion dates of past and current projects, with its performance on the Forestry Building being the latest example (my blog post also deals with the way UTAS' dismal record was obscured in its Public Accounts Committee hearing on 2 October 2024).<sup>3</sup>

As a matter of course, UTAS should be considering a fully developed third option in its business plan – refurbishment/upgrading of the current STEM facilities at Sandy Bay, both above and below Churchill Avenue.

Refurbishment/upgrading could be managed over time, would be affordable within UTAS' current resources, would avoid the risk of cost blowouts associated with new builds and could start almost immediately. Indeed it could be said to have already started with the recent upgrades of the pharmacy and chemistry laboratories, low cost works of high quality, which clearly demonstrate what could be done above Churchill Avenue where upgrading is required.

I make these further points in support of this option:

- It would fully preserve UTAS' point of difference from other Australian universities its unique river to mountain location, 2.7 kilometres from the Hobart GPO. This provides a competitive advantage that UTAS senior management should be utilising rather than disparaging.
- UTAS has major STEM facilities above Churchill Avenue and I do not believe that it
  would be possible to replicate these facilities below Churchill Avenue and provide the
  mix of new and retrofitted facilities that UTAS has foreshadowed for its current \$500
  million cost estimate. I would be happy to provide more detail on this point.
- A consolidated \$500 million STEM precinct below Churchill Avenue would almost certainly involve a loss of laboratories, outdoor facilities such as glasshouses, and the room to expand in response to scientific developments. Such expandability is

<sup>&</sup>lt;sup>2</sup> See most recently at: <a href="https://theutaspapers.com/utas-relocation-is-unaffordable-email-sent-to-members-of-the-state-parliament/">https://theutaspapers.com/utas-relocation-is-unaffordable-email-sent-to-members-of-the-state-parliament/</a>

<sup>&</sup>lt;sup>3</sup> https://theutaspapers.com/senior-utas-officer-misled-public-accounts-committee/

- absolutely critical and, in this regard, I cite the recent example of the construction of the PC2 laboratory, for genetically modified organisms, above Churchill Avenue.
- UTAS needs fully functional and practical STEM facilities, not just buildings that look
  nice or win architects' awards. Failure to provide such facilities could be expected to
  lead to a loss of STEM students to universities in other states, adding to the
  increasing brain drain of Tasmanian students to other universities.<sup>4</sup> This is a matter of
  core business that UTAS should be seeking to address rather than depending on
  what suits it most at the time brushing the brain drain off as normal or blaming it
  on a lack of STEM facilities (both claims are unsupportable and again I would be
  happy to provide more detail).
- The issues I have raised in my blog posts about the quality of UTAS' cost estimation are echoed in parts of the Gruen report on Macquarie Point, but one issue that Gruen appears to have missed is the impact of simultaneous construction work on an AFL stadium and major new STEM facilities. This would create competition for scarce construction resources that would blow the cost of both projects 'out of the water', and have other compounding adverse effects, such as increased traffic congestion and environmental impacts. A program of refurbishment/upgrade of STEM facilities at Sandy Bay could be staged to minimise, if not avoid totally, such issues.

Crucially, this option would allow UTAS to sell its Hobart CBD properties <u>for immediate</u> <u>housing development</u> that would be close to all services. Such a move would help to reinvigorate the Hobart CBD and avoid the long time lines that would be certain to arise with housing development on UTAS' Sandy Bay campus above Churchill Avenue, given geotechnical and other issues. At the same time options for rezoning UTAS' campus above Churchill Avenue outside of the current STEM could still be considered.

### UTAS' engagement in the political process

In December 2024, under RTI, I received copies of communications between UTAS and ALP MPs (State and Federal) and their staff, for the period 1 January 2024 to 23 September 2024, from UTAS.

While there were clear gaps in the communications, I believe it is clear that UTAS - a public institution — actively engaged in the political process by providing briefing to the State Opposition that was hostile to the policy on UTAS that the Government took to the electorate in 2024 and the (unamended) UTAS Land Bill. The situation was made worse by the fact that the briefing was full of errors and self serving nonsense. I will shortly publish a

<sup>&</sup>lt;sup>4</sup> See: <a href="https://theutaspapers.com/utas-is-failing-tasmania/">https://theutaspapers.com/utas-is-failing-tasmania/</a>; <a href="https://theutaspapers.com/utas-brain-drain-utas-continues-to-fail-tasmania-where-it-matters-most/">https://theutaspapers.com/utas-brain-drain-drain/</a><a href="https://theutaspapers.com/utas-strategic-plan-refresh-fails-to-address-tasmanian-student-brain-drain/">https://theutaspapers.com/utas-strategic-plan-refresh-fails-to-address-tasmanian-student-brain-drain/</a>

detailed blog post on this issue, with copies of many relevant communications, but provide an example at Attachment C, on which I have already published specific comment in a blog post.<sup>5</sup>

The Government must – I assume – also have considered UTAS' claims about the UTAS Land Bill to have been erroneous and/or nonsensical, as I could find no indication that they were addressed in the amended legislation, supporting my view that they were totally without merit.

UTAS' political activism should be seen in the context of the report of the Legislative Council Select Committee Inquiry into the Provisions of the *University of Tasmania Act 1992* (LegCo Inquiry) and the many serious concerns raised about the UTAS Council and senior UTAS management in submissions to that Inquiry and elsewhere.<sup>6</sup>

## Conclusion

The Government's last minute amendment to the UTAS Land Bill subverted the original intent of the Bill and totally cast aside due process.

The fact that the Government took this drastic and pre-emptive step without provision of a business case from UTAS or without any assurance of Commonwealth funding is little short of astounding. The Government has left itself open to pressure by UTAS and the State Opposition, and to the prospect of a no-confidence motion, if a \$400 million funding commitment cannot be promptly obtained from the Commonwealth for UTAS' (flawed) STEM consolidation plan.

I request that the Government withdraw the UTAS Land Bill until it has received UTAS' business case and a Commonwealth funding commitment. As a (poor) alternative, it could make a further amendment so that the land for STEM facilities, and expansion of STEM facilities, above Churchill Avenue would not be rezoned. This alternative, however, would not address issues of due process.

I also request that the Government ask UTAS to address the third option for STEM that I have identified in this letter – refurbishment/upgrading of current STEM facilities (above and below Churchill Avenue) – as part of its business case. Given UTAS' appalling record in cost estimation, the fact that UTAS' previous business cases have only become public through RTI action and the intervention of the Ombudsman (amounting to a failed commitment to transparency by UTAS), and the lack of community trust in UTAS' senior management

<sup>&</sup>lt;sup>5</sup> https://theutaspapers.com/the-farrelly-winter-letter-the-redacted-text-revealed-here-says-a-lot-about-utas/

<sup>&</sup>lt;sup>6</sup> See, for example, the submission of Emeritus Distinguished Professor Jeffrey Malpas to the Inquiry at: <a href="https://www.parliament.tas.gov.au/committees/legislative-council/select-committees/lc20select20-20university20of20tasmania/submissions/submissions, number 97">https://www.parliament.tas.gov.au/committees/legislative-council/select-committees/lc20select20-20university20of20tasmania/submissions/submissions, number 97</a>

(witness, for example, the Hobart Elector Poll in 2022), I suggest UTAS' business case be published in draft form to allow for public scrutiny.

As a final thought, as UTAS is Tasmania's only university, Tasmania's future is tied inextricably to the future of the University. This is a fact that makes the (erroneous) assumption by the States' politicians that UTAS always speaks with authority and accuracy, and the 'hands off' approach adopted, shameful in its complacency and negligence. Under UTAS' current senior management, with – I believe - its fixation on CBD relocation at all costs, UTAS is embarked on a course of continuing decline and an increasing brain drain of Tasmania's best students. While the LegCo Inquiry has produced an excellent report, warranting the fullest consideration by Government, its Terms of Reference were limited. I believe the time has come for a Royal Commission into UTAS, with broad terms of reference.

I would be grateful for your attention to the matters that I have raised and would welcome the opportunity to meet with you.

Yours sincerely

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R. Hay