Two new Territory Government computer systems put in place by the previous Labor administration, which were originally costed at a combined total of $21 million, have now cost taxpayers more than $110 million.

Treasurer David Tollner said Territory taxpayers have unnecessarily paid out tens of millions of dollars because of the previous Labor Government’s bungling.

“Government has assets of around $11 billion – over $8 billion of which is fixed assets held in its asset management system. This replacement system was originally estimated to cost $7.2 million and replace nine older systems,” Mr Tollner said.

“The bill for the implementation of the former Labor Government’s new asset management system has now blown out from $7 million to more than $50 million.

“That’s more than seven times the original projected cost.

“At the same time the previous Labor Government splurged $60 million on a separate Power and Water Corporation system that was originally supposed to have cost $15 million.

“The bill for the government system is expected to grow higher because the system is still not working properly and needs expensive fly-in-fly-out interstate staff to keep it running.

“As a result of Labor’s bungling, of the nine ICT systems that were supposed to be replaced, only two have been retired. The other seven systems remain switched on because the new asset management system still isn’t working effectively.

“It is a scandal of epic proportions which could have been avoided because the former Labor Government could have invoked a get out clause for non-performance by the company that was the contracted systems integrator for the new system.

“Over the life of this project the contracted systems integrator has had more than 11 different project managers and at least 100 different specialist contractor resources working on AMS. On the day this system went live there were 70 known defects in it. Today there are 200 known defects that require fixing.”
“To make matters worse not only did the former Labor Government stuff things up and waste millions with AMS, it poured millions of taxpayer dollars into the PWC project.

“The final cost of the Power and Water project was more than four times the initial budget that was approved.

“The Power and Water system went live in August 2012 with 570 defects, 29 of which were major.

“In 2006 this PWC project was supposed to cost $15 million.

“In 2009 the cost was $27.4 million.

“In 2010 the cost had grown to $32.4 million and the go live date had shifted from March 2011 to August 2011.

“By December 2011 the figure was $43.7 million and the revised go live date was March 2012.

“In March 2012 the cost had blown out to almost $54 million.

“This was increased to $57.81 million in July 2012.

“It’s this waste by the previous Labor Government which is hurting Territory families as the Country Liberals government works to fix up the mess and reduce the level of debt Territorians are burdened with."

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