CM’s “In today’s dollar terms” Qualification to Hide $550 million Waterfront Commitment

Last week the Chief Minister refused to answer a question as to how much the Waterfront Project was going to cost. The repeated assertion that it is only going to cost $144 million is always qualified with the phrase ‘in today’s dollar terms.’

The upfront cash for the project will be $100 million. The rent that will be paid will be $12 million per annum, indexed, over twenty five years.

“It is a very interesting qualification the “in today’s dollar terms”, statement. Treasury has put it through what the Chief Minister describes as a ‘complex formula’ to get that result.” Opposition Leader Jodeen Carney said today.

“This is a new way of expressing Government spending. The fact is that if you allow for the arithmetic then $12 million per year over 25 years is $300 million. If there is an allowance for 3% CPI over that time then the final figure works out to be $450 million. Add that to the upfront $100 million for the Convention Centre and the bill comes in at $550 million.

“According to the Chief Minister that’s $144 million, in ‘today’s dollar terms’.

“Why can’t she just be honest and tell Territorians what they are going to pay. Why does there have to be a qualification with the bill.

“The standard excuse coming from the Office of the Chief Minister is that its like a house loan and that you actually pay more for a house than what it costs over the life of the loan. That may be true but most people look at what they pay to the bank in interest on their bank statements and feel every dollar they’re paying.

“It is not a legitimate comparison and the question still needs to be asked of the Chief Minister, ‘How much will the project cost in dollars and not just today’s dollar terms?”

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