

21 September 2026

Mr Brian Mitchell MP
Chair
Inquiry into AI Data Centres in Tasmania
Parliament of Tasmania
Sent via email: assemblygaa@parliament.tas.gov.au;

Dear Mr Mitchell,

Inquiry into AI Data Centres in Tasmania

Thank you for inviting the Local Government Association of Tasmania (LGAT) to submit to the Inquiry into AI Data Centres in Tasmania. This submission has been prepared on behalf of Tasmanian local government in collaboration with our members; all 29 councils.

LGAT is incorporated under the *Local Government Act 1993* and is the representative body and advocate for local government in Tasmania. Where a council has made a direct submission to this process, any omission of specific comments made by that council in this submission should not be viewed as a lack of support by the LGAT for that specific issue.

We note the high level of concern within some elements of the community regarding the increased development of data centres associated with AI. The concerns are broad, and our submission focuses on the council/community interface, where there is currently insufficient clarity in process and resource planning. We also note that the State Government has recently released a draft Statement of Expectations for AI data centres. At the time of writing this submission, councils were still reviewing this document.

1. Protect public resources and the environment

A key component of the community concerns in Tasmania relate to the cumulative impacts of AI data centres. There is a clear need for the State Government to assess and maintain oversight of resource consumption for the centres so that the cumulative impacts can be managed.

We noted in our [submission](#) to the draft Economic Diversification and Investment Strategy that the State Government can support strategic development by:

front-loading the work that individual proponents currently must do project by project. This includes identifying the right precincts and regional opportunities, articulating utility capacity (water, sewerage, power), assessing risks, understanding transport and land constraints, and aligning the community with the intended future of a place. The aim is to de-risk investment before proponents arrive. These are the real impediments to development, not the statutory planning processes.

2. *Ensure Tasmania's Resource Management and Planning System adequately recognises and addresses the specific impacts of the development and construction of AI and data facilities*

The Resource Management and Planning System can only manage the individual site impacts of these facilities, with the cumulative impacts not assessed.

In addition, there is ambiguity regarding the appropriate use class for these facilities within the Tasmanian Planning System, with both the 'research and development' and 'utilities' use class applied by different councils. Further clarity is needed to ascertain how this land use will be assessed. Although councils have mixed views on the most appropriate pathway, ranging from creation of a specific use class and performance requirements in the Tasmanian Planning Scheme, through to assessment via the Tasmanian Planning Commission. Importantly, assessment of proposals needs to focus on actual resource use and infrastructure impacts and not broad assumptions about the industry, recognising one data centre can be vastly different to the next.

3. *Provide Parliamentary oversight and accountability for new facility construction and resource allocation*

Provided the regional and state impacts can be assessed and managed, the Resource Management and Planning System does not require Parliamentary oversight. The Parliament is generally not involved in other land use, resource, and planning decisions.

4. *Ensure transparent public disclosure of resource consumption*

As mentioned earlier, it is essential to understand and manage the cumulative impacts of proposed resource use. As part of this, consideration should be given to public reporting of energy and water consumption, renewable energy plans and contributions towards related infrastructure renewal or upgrades.

5. *Provide the Tasmanian community with adequate opportunities for consultation*

While the *Land Use Planning and Approvals Act 1993* requires public notification of relevant applications and provides a statutory period for community members to make representations, this may fall short of genuine community consultation for developments of this scale and public interest.

The lessons learnt and the subsequent community requirements for the renewable energy industry are useful, and a similar framework should be considered for AI data centres to support early engagement, clearer information sharing and stronger community confidence.

6. *Ensures the Tasmanian community receive tangible benefits from all AI and data facilities constructed in the state*

Tasmania is a favourable place to develop data centres, given our cooler climate, energy and water resources. Data centre developments should seek opportunities to support local employment, training and digital capability where appropriate.

Please contact Ben Morris, if you have any questions or would like further information, at: [REDACTED] or [REDACTED]

Yours sincerely

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Dion Lester
CHIEF EXECUTIVE OFFICER