

Parliamentary Standing Committee of Public Accounts

Media Advisory

Tuesday, 11 November 2025

TT Line Spirit of Tasmania Vessel Replacement Project – Interim Report

The Interim Report of the Parliamentary Standing Committee of Public Accounts inquiry into the delivery of Tasmania's new Spirit of Tasmania vessels and associated infrastructure at Devonport is focused on the additional funds provided to Rauma Marine Constructions (RMC)(Finland) and matters related to the failure of TT Line to construct a suitable Berth in Devonport for the new vessels prior to the vessels being ready for service.

The Spirit of Tasmania replacement project represents one of Tasmania's most significant infrastructure delivery and governance failures. Vessels originally promised for 2021 will not be operational until at least late 2026, a delay of more than five years. The cost to Tasmanian taxpayers includes not only the direct financial burden of vessel cost increases and infrastructure expenditure, but the substantial ongoing opportunity costs to Tasmania's tourism industry and broader economy.

The Interim Report reveals a project characterised by multiple design, management and supplier changes and associated cost increases, governance failures, and inadequate oversight.

The Committee made an overarching finding that the failure to deliver suitable berthing infrastructure for the new Spirit of Tasmania vessels represents a fundamental breakdown of governance in, and collaboration between, two government-owned entities TT-Line and TasPorts. The Committee found systemic failures with respect to:

- unresolved commercial arrangements
- inadequate governance framework
- absence of independent oversight
- capability deficiencies
- interface management breakdown, and
- information flow failures.

The Committee made 69 more focussed findings across vessel replacement and infrastructure delivery, highlighting failures in:

- project planning and coordination
- commercial agreement timing
- governance structures and capability
- information flows and ministerial briefings, and
- caretaker period decision-making.

The Committee made five recommendations that focus on project governance, reporting, particularly during caretaker periods, and further investigations by Government required to ensure lessons are learnt.

This Interim Report covers evidence received related to the Spirit of Tasmania vessel replacement program, including historic matters, leading up to the Committee's decision to conduct an inquiry on 21 June 2024. The



Committee received evidence to inform this report up until late 2024, when a referral from the House of Assembly was received and the Committee's terms of reference revised accordingly. The matters in the revised terms of reference and evidence received since the end of 2024, will be reported in a future report.

The Committee is continuing oversight and scrutiny of the delivery of Berth 3 and related infrastructure in Devonport and will report matters related to evidence received beyond December 2024 in a future report. Ongoing scrutiny by the Public Accounts Committee will continue at least until the new Spirit of Tasmania vessels are in full service and beyond if deemed necessary.

The Members of the Committee are:

Legislative Council
Hon Ruth Forrest MLC (Chair)
Hon Luke Edmunds MLC
Hon Bec Thomas MLC (Deputy Chair)

Mr Roger Jaensch MP Mr Marcus Vermey MP Mr Dean Winter MP

Further information on the Committee's activities and current inquiries is on the <u>Committee webpage</u>. ends

Further information: Hon Ruth Forrest MLC (Chair) - 0419 879 524