

MEDIA RELEASE – Monday, 25 May 2026

Auditor-General finds the Department of Health’s project to update its HR systems did not deliver the intended outcomes and remains at risk as a whole of government program

The Tasmanian Government has recognised an urgent need to modernise its human resources information systems. The systems in use date back to the early 1990s, supplemented by a range of other systems and paper-based processes. They are expensive to maintain and are not fit for purpose. The need for this reform has been recognised within Government since at least 2013.

In 2025-26 the Auditor-General reviewed the planning and early implementation of the Government programs to replace the outdated HR systems. He found that the Department of Health had ineffective project governance, did not resolve key system design requirements, and that the program evolved as a project led by technology rather than a business-led organisational change program. Between 2020 and 2024, the Department of Health spent \$47 million in public funds and did not deliver any intended modules of the system.

In mid-2024, responsibility for the program was transferred to the Department of Premier and Cabinet to implement as a whole-of-government solution.

According to Mr Thompson, "While there have been improvements in governance and some dependencies are being addressed, it is too early to provide assurance on the likely outcome of the program". Latest estimates and already expended funds, forecast a total program cost of \$119.8 million.

Mr Thompson provided recommendations to Health for future IT projects and to DPAC for managing the current whole-of-government solution.

Mr Thompson urged all State entities to learn from "past mistakes", insisting they must "either demonstrate effective digital program capability, or transfer program management, to prevent further waste of public funds." The Auditor-General warned that "it is critical that Health addresses the recommendations of this report before progressing with more expansive digital solutions planned as part of its 10 year \$478 million Bluegum Health Transformation."

Click on this [link to read the Report](#).

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