



2012/13 TASMANIAN BUDGET

CPSU MEMBER UPDATE #1 MAY 18

OVERVIEW: Premier Giddings' claims that the budget will relieve pressure on vital services are not supported by the facts.

Despite forecasts that around 1400 Full Time Equivalent jobs will have been slashed from the public

sector by the end of this financial year, another 1000 public sector jobs are likely to go over the next three years as a result of additional savings announced yesterday.

The savings task for Health has been reduced by around \$27M

by increasing savings from other Agencies.

All Agencies other than Health, Education and Police have had their already substantial savings targets increased by 5% over the next three years.

EDUCATION *The 2011/12 savings target of \$45.9M has increased to \$56M in 2012/13. DoE is forecast to make its 2011/12 target and has been quarantined from additional savings. Up to 31 March 2011 total employment in DoE fell by 317 FTE or around 4%. 1813 fixed term positions weren't renewed. A significant proportion of current savings came from freezing SRPs which is simply unsustainable.*

DIER *While on target to achieve \$4.1M in cuts set out in the 2011/12 budget DIER now faces more cuts. Total cuts rise to \$6.9M in 2012/13, \$8.3M in 2013/14 and \$8.5M in 2014/15. There's no detail on how these extra cuts will be achieved but it's reasonable to expect more job losses.*

HEALTH *The budget challenge has been reduced by \$27.3M but 2012/13 will still be a very bleak year for DHHS. Little more than half the \$100M savings target for 2011/12 has been achieved so a further \$30M-\$50M must be found in 2012/13. 547 FTE or around 6% of the DHHS workforce has been slashed. And there's no extra money for Child Protection despite current funding being inadequate to deliver on statutory responsibilities.*

DEDTA *DEDTA has achieved its target of \$4.1M of 2011/12 savings by restructuring tourism and economic development resulting in a reduction of 52 positions or around 12.5% of staff. Additional savings imposed yesterday will see a further \$3.7M cut from its 2012/13 budget rising to \$7.4M in 2013/14 and \$8M in 2014/15. This could see a further 100 jobs slashed.*

DPIPWE *This is a terrible budget for DPIPWE. The Agency has stayed on target to achieve its 2011/12 savings despite a decrease in expected revenues, but as a reward for this good work the government has imposed \$21.9M additional savings over the next 4 years. This could disappear 75 more jobs on top of the 35 already gone. It's unclear how the additional savings will be achieved as DPIPWE has already been pared to the bone.*

DPAC *The 2011/12 savings target of \$1.6M has been achieved but DPAC now faces further savings. The 2012/13 target has risen from \$2.2M to \$2.8M and will rise to \$3.1M in 2014/15. DPAC has undergone significant reform to make the current savings so these extra savings will see more jobs lost and programs scrapped.*

JUSTICE *Justice received an extra \$2M in the mid-year review and therefore seems likely to meet its 2011/12 savings target of \$2.9M. But the savings ask rises dramatically over the next few years - up to \$5.3M in 2012/13, \$6.5M in 2013/14 and \$7.7M in 2014/15. Delivering savings of this magnitude will put courts, corrections and all the other important functions of justice under immense pressure.*

DPEM *The government told Tasmanians DPEM would be quarantined from further cuts, but it's simply not true. DPEM is on target to achieve 2011/12 savings of \$8.1M but this target rises to \$12.1M in 2012/13 and leaps to a massive \$16.7M in 2013/14. Achieving these cuts over the next 2 years will significantly reduce services to the community.*

DOTAF *DoTAF has found the \$1.5M in cuts it was allocated in 2011/12. But the challenge will continue with the target in 2012/13 being increased to \$2.6M, rising to \$4.7M in 2013/14 and \$5.1M in 2014/15. Like other Agencies DoTAF worked hard to make the initial savings and will be extremely challenged to achieve the new targets.*