

# **APPROPRIATION (SUPPLEMENTARY APPROPRIATION FOR 2024-25) BILL 2025 (No. 1)**

## **Second Reading**

[12.05 p.m.]

**Mr BARNETT** (Lyons - Treasurer) - Deputy Speaker, the Appropriation (Supplementary Appropriation for 2024-25) Bill 2025 seeks a supplementary appropriation of \$467.5 million out of the public account for the operating services of government for this financial year. The supplementary appropriation is required to meet above budget expenditure for operating and demand cost pressures for existing government services and programs since the finalisation of the 2024-25 Budget.

Tasmania has not been immune to cost pressures in our health system and we will always prioritise providing the best quality healthcare to our patients. We also know that the federal Labor government's failure to meet their obligation of 45 per cent of the cost of servicing our hospitals has also contributed to cost pressures in our health system. An appropriation of \$345 million is sought for the Department of Health across the health and mental health and wellbeing portfolios. This includes \$340 million to address health services demand growth, together with increases in the cost of health service delivery, particularly in relation to hospital-admitted and non-admitted services; and \$4.97 million to address continuing demand pressures on the delivery of mental health services in Tasmania, including an increase in registered statewide mental health services, consumers and emergency department presentations.

Additional appropriation of \$42.9 million is required for the Department of Justice across the justice, corrections, and rehabilitation portfolios. This includes \$25 million to meet cost pressures for the Tasmanian Prison Service, including overtime due to continuing difficulty attracting and maintaining sufficient levels of correctional staff, growth in the prison population, increases in workers compensation premiums and general prison expenses such as food and clothing; and \$17.9 million to meet the anticipated above budget payments for redress and civil claims compensation payments.

The bill provides an additional operating services appropriation of \$21.2 million for the Department of Education, Children and Young People, which includes: \$14.1 million to support an increase in the number of children accessing special care packages and an increase in the cost of these packages; \$2.95 million for additional staff resourcing to meet increased calls to the advice and referral line; and \$4.14 million for staff resourcing at the Ashley Youth Detention Centre.

For the Department of Police, Fire and Emergency Management, \$14.5 million is required to meet anticipated above-budget expenditure for the rising cost of workers compensation premiums, which is driven by an increase in case complexity and number.

Additionally, for the Department of Natural Resources and Environment Tasmania, \$8 million is required to meet above-budget operational costs in Tasmanian national parks and reserves, including additional programs and associated expenditure to meet land management and legislative obligations, increased maintenance and other costs associated with increased visitation, new visitor facilities and fly out waste from remote toilets.

In addition to operating and demand cost pressures for existing government services

Tuesday 11 March 2025

and programs, the bill seeks \$35.9 million for expenditure related to decisions of the government since the finalisation of the 2024-25 budget. Of this amount:

- \$11 million is sought to meet the cost of the government's response to the severe weather events across Tasmania in August and September 2024. The government response provided grants for the purpose of emergency food relief, flood assistance, and recovery and restoration programs following the storms.
- \$10.5 million to support the reopening of the Dolphin Tungsten Mine.
- \$4.5 million for a tourism and hospitality support package to assist operators impacted by cost-of-living pressures and the delays to the new *Spirit of Tasmania* vessels becoming operational.
- \$8 million to increase the state's contribution to TasRail to improve the ongoing reliability, efficiency and safety of its services.
- \$1.2 million for Homes Tasmania to implement the government's commitment to a Women in Crisis accommodation initiative supporting women and their children at the former Bethlehem House site in Hobart.
- \$500,000 for a grant to Wine Tasmania to support the wine industry with export market development activities and domestic market promotion.
- \$180,000 to fulfil final payments under the Tasmanian Home Builder Grant program.

Deputy Speaker, I commend the bill to the House.