PARLIAMENT OF TASMANIA

DEBATES OF THE LEGISLATIVE COUNCIL

DAILY HANSARD

Tuesday 26 May 2026

Preliminary Transcript

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The President, **Mr Farrell**, took the Chair at 11 a.m., acknowledged the Traditional People and read Prayers.

RECOGNITION OF VISITORS

Mr PRESIDENT - Before moving on to our formal business, I would like to welcome to the Chamber today grade 4, 5 and 6 students from Swansea Primary School. We're currently starting a week where we will be noting the recent Budget, so it's going to be a lot of fun for us all and we're very much looking forward to that. All the members in the Legislative Council will have the right to speak on the Budget and then if that concludes, we will move on to other normal business.

In Swansea I believe you're in Prosser. The member for Prosser is the honourable member Mr Vincent. You've probably seen him around your area. He's probably visited your school. If you have any issues that you want to pursue with him, I'm sure he's very happy to take them on.

I know all other members will join me in making you feel most welcome to the Legislative Council and the Parliament of Tasmania today.

Members - Hear, hear.

SPECIAL INTEREST MATTERS

Northern Suburbs Community Centre - Building Resilience Mentoring Program

[11.04 a.m.]
Mr DUIGAN (Windermere - Minister for Sport) - Mr President, I add my welcome to students from Swansea Primary. I hope you have a great day here in Hobart.

This morning, a quiet but genuinely good news story is taking place in the northern suburbs of Launceston, one that reminds us that strong communities are built through relationships, consistency and people showing up for one another.

The Northern Suburbs Community Centre is the epicentre of a whole range of activities in the northern part of Launceston. Although typically for adults, one of the new programs is teaming up with the East Tamar Primary School for the Building Resilience Mentoring program that's available for students from grades 3 to 6. The kids meet one-on-one once a week with their mentor for an hour on school grounds during school time. It's an interaction which is designed to be simple, to be consistent, to be structured and ultimately to build trust.

Mentors are community volunteers. They're carefully selected and supported by the Northern Suburbs Community Centre. They undertake safeguarding training and trauma-informed practice training, and so far the program is supporting around a dozen students each week. These kids have been identified by senior members of staff for participation, and that participation is obviously voluntary and parents and carers are also fully engaged in the process.

One of the goals of the program is to help young people navigate periods of change, whether that be family challenges, confidence issues or as perhaps some of our guests here today might be dealing with, the prospect of transitioning into high school next year, which for many students can be a bit of a leap into the unknown. One grade 6 student reported that having a mentor helped him feel more confident about speaking with teachers and other adults as he prepared for that transition to high school. That same student went on to receive his school's most improved student award for the year, a modest but no doubt an important achievement.

Another story shared with me was a student who spends his mentoring time kicking a soccer ball, pretty much just back and forth without much conversation, just kicking the ball. The mentor felt that perhaps he wasn't making connection and the sessions may not be providing value and thought, in fact, that his student partner might want to change. When this was raised with the student, he told staff how much he enjoyed and looked forward to his sessions each week. It's not always what it looks like on the outside. I guess a bit of quiet mindfulness and evidence of the value in that kind of interaction, something as straightforward as kicking a ball can provide a sense of calm and focus, a chance to step away from the pressures of the day. Then there is the time spent with an adult who is simply showing an interest.

Another of the themes that emerged is the value of consistency. For some students, having a regular, dependable time each week with a mentor offers a sense of stability within the school environment. It gives them something predictable to look forward to and that appears to make a difference in how they engage in school with others and make it through the school week.

There are also encouraging signs of increased confidence in the classroom. School staff have said that students involved with the program are becoming more willing to participate, to speak up and engage with teachers and peers. These are not always dramatic changes, but they are important ones and they build over time.

It should be noted that the program is very much a two-way street; mentors talk about the value they receive, the sense of purpose that comes from connecting with kids, showing up and listening. These things don't happen, obviously, without the thought and work of people behind the scenes. I'd like to acknowledge the individuals and organisations who make the program possible. It's coordinated by Barbara Donaldson, mentoring program coordinator at the Northern Suburbs Community Centre, under the leadership of Trish O'Duffy, the general manager, and this is a strong partnership with the East Tamar Primary School under the gaze of principal Cilla Keenan and a dedicated group of community volunteer mentors.

The Northern Suburbs Community Centre is a really important piece of community infrastructure in the northern suburbs of Launceston responding to local need, and this mentoring program is one of the more recent examples of that long-standing engagement.

Vida Medical and Allergy Clinic in Launceston - Anniversary

[11.09 a.m.]
Ms ARMITAGE (Launceston) - It would be safe to say that all of us have an allergy to something or at least know someone who has. Common allergies like allergic rhinitis or hay fever, eczema and reactions to animal dander can usually be managed with over-the-counter medicines or a small change to their environment; but for some people, their allergies can have a huge effect on their quality of life, making treating and managing them so much more important.

For people who experience this, having access to high-quality care and medical professionals who have a deep understanding of how allergies work and how to treat patients who are dealing with allergies is absolutely necessary. We're so lucky in Launceston to have just that. In April, I was delighted to attend the one-year anniversary of the Vida Medical clinic in Launceston. Vida proudly continues to build upon the longstanding legacy of the Rose Cottage Medical Centre, which served the Launceston community for over 30 years, in allergy and immunotherapy services.

Vida is under the co-ownership of Dr Divya Singh and Dr Preeti Deshpande, whose vision is a healthier, empowered community. Dr Singh has a background in general pathology, which strengthens her understanding of the scientific basis of allergic disease and immunology. This is particularly apt, as Dr Singh is also currently enrolled in a graduate certificate in allergy medicine at Western Sydney University, and is a member of the allergy medicine special interest group at the Royal Australian College of General Practitioners. Dr Deshpande is a highly experienced general practitioner with a special interest in allergy medicine, and is also enrolled in the graduate certificate in allergy medicine at Western Sydney University. Additionally, Dr Deshpande is an active member of the Australasian Society of Clinical Immunology and Allergy.

In addition to specialising in allergy and immunotherapy, Vida Medical offers a full range of comprehensive general practices including the services of gastric surgeon Dr Kheman Rajkomar and Dr Michelle D'souza, with the support of practice manager Pia Bryan; they really do have it all. At the heart of Vida's mission is the vision of a community where every story is heard, every culture is respected, and every patient walks away feeling stronger, healthier and cared for.

In the past year, the allergy testing done at Vida has helped patients understand more about their allergies and learn how they differ from intolerances, and they have been able to access treatment which has been game-changing. Dr Singh has stated that their whole purpose at Vida is to demystify allergies; after all, the more informed a person is about their health, the more empowered they are to take control and manage it effectively. Some Vida patients who've had to miss out on things like work, school or hobbies are now able to access treatment and therapies to be able to live their lives more comfortably, and with a better understanding of how to manage triggers and exposure to allergens. It's exactly these sort of outcomes that Dr Singh and Dr Deshpande and the whole team strive for with each and every patient.

As it happened, the anniversary of the opening of Vida coincided with the discovery of a serious allergic reaction in a member of my own family. My grandson, Thomas, had a severe reaction the previous evening after eating pecan pie and needed to be rushed to hospital. Up until that time, Thomas had never shown any allergic reactions and the family now carry an

EpiPen just to be safe. The testing and education process around that was very eye-opening, as was the importance of always being equipped with an EpiPen and knowing how to use it properly. It really put in perspective for me the idea that quality allergy treatment and management can not only be life-changing but life-saving.

I congratulate the team at Vida Medical on their just over one-year anniversary. Our community is extremely fortunate to have access to the services of this wonderful team and I know how dedicated the whole team is to providing excellent service and care to all their patients.

Tasracing Right to Information - Greyhound Racing Injury/Condition Reports

[11.13 a.m.]

Ms O'CONNOR (Hobart) - Thank you, Mr President. I wanted to take an opportunity to update honourable members on a right to information request that we lodged with Tasracing on 22 April this year and received back on 20 May. The question we asked of Tasracing was, for the period from 1 January to 31 March 2026, please provide details of the racing name or code name, if not yet named, location, injury and/or condition reports of all greyhounds registered to race in Tasmania who've been retired to their owner, been retired as a pet to a third party, or have been listed as deceased.

We got back information which I personally find extremely confronting and worrying. A total of 24 deceased dogs are detailed in the right to information document, and 19 of them, as we can establish through examining steward reports and FastTrack, have died since 1 January this year, and that's just on this table. This table doesn't include the dog Memphis Rains who injured her right ankle or hock on 8 January at Elwick, and within three or four days was sent back to Victoria to be killed. So, because that dog was killed for a broken ankle in Victoria it is not counted in Tasmanian statistics. Also not counted in this table is a dog called Lizzy Milici, and another dog called Myall Clyde. Both dogs were a little over four years old and have died of unexplained causes in the past week.

So, 18 of the deceased dogs on this list were under six years of age. We know that greyhounds can live for 12 to 14 years if they're looked after in good, loving homes. Regrettably, most of the dogs that go into this industry do not live full and happy lives because their lives are shortened by an industry that treats them as a disposable commodity.

Of the 24 dogs, nine died of unknown causes and a further five of unestablished causes. So, 14 of the 24 dogs on the list had no certain cause of death. Two of the dead dogs, trained by the notorious trainer Anthony Bullock, most recently designated by Tasracing as trainer of the year, apparently died in separate snakebite incidents. Seven of the dead dogs were in the custody of Mr Bullock at the time of their death.

I take this moment to note to members that on 20 May, Tasracing determined to suspend Mr Bullock from racing for three months, with two months suspended, for supplying codeine to three of his dogs. So, the carnage on and off the track continues, and it will roll on. The injuries and the deaths will continue each day and each week that this industry continues.

Within the right to information table we also see that there are 42 dogs that are listed as third-party pet dogs, the vast majority of which Tasracing has no idea what happened to. There's no other detail attached to the names of those dogs. The bottom line is that Tasracing really doesn't know what happened to those greyhounds, and almost certainly a number of them will be dead.

We often hear from the industry and its backers that there are no animal welfare issues with greyhound racing. We've heard that they are safer on the track, but the evidence is very clear that they're not safe on the track. Our assessment from steward reports is that there have been 74 injuries to racing greyhounds since 1 January this year, some of those on the track, some of those off the track, and some of those at trial. We would argue that these beautiful dogs are not safe so long as they are part of an industry that treats them as a disposable commodity.

It's important to remember, behind every name on this list is a beautiful, soulful and sentient animal. Anyone who has had anything to do with greyhounds will know that they are a very gentle and special kind of dog. So, every one of the 24 dead dogs in this right to information was a soulful, sentient creature. Every one of the 42 dogs that are listed now as a third-party pet has a name, a character, a soul, and we don't know the fate of the majority of those dogs.

I hope that members will take the opportunity to have a look at this right to information material. I tabled it in the joint standing committee, so it should be online soon, but it can also be obtained through my office or from Tasracing. It's very, very clear that beautiful dogs are being injured and killed as a result of this industry. That is why the policy decision to phase out greyhound racing in Tasmania is the right thing to do.

MOTION

Budget Papers 2026-27 and Appropriation Bills (No. 1. and No. 2.) 2026 - Noting

Continued from 21 May 2026 (page 7).

[11.19 a.m.]
Ms RATTRAY (McIntyre) - Mr President, I advise members that tabling the budget papers and the budget speech that the Treasurer presented in the House of Assembly is it for my contribution as Leader. I'll be part of answering any questions that I can on behalf of the government, but the contribution I make this morning is as the member for McIntyre.

I rise to make my contribution, as I've said, as the member for McIntyre, on the 2026-27 state Budget. My approach to this Budget, as with all budgets, is to assess it on its merits, comment on areas where I believe it falls short on what it delivers, and what it means for the communities that I represent.

There is no doubt that we are operating in a challenging economic environment. Households are under pressure from rising costs, regional communities continue to face service gaps, and broader economic uncertainty remains. In that context, this Budget contains a mix of measures, some that will provide tangible support to communities and others that warrant ongoing scrutiny.

For many of the communities I represent, access to services remains a key concern; whether that be health care, housing or community support. There are a number of investments that will be welcomed locally.

These include targeted upgrades like the Tasman Highway Sideling upgrade. This project has had significant consultation, but there is more consultation to be completed. I trust the minister and his department will fully engage with the community to achieve an outcome that not only benefits those road users but delivers value for money, which was not achieved, in my very humble view, with the recently completed stage of the Sideling upgrade from the lookout area to Whish-Wilson Road. I continue to have this conversation regularly.

The funding of the $145 million of improvements to the Bass Highway from Launceston to Devonport will certainly be part of a better driving experience for those people in my electorate who head out towards the north-west coast as far as Deloraine, out towards Elizabeth Town, then turning and heading into Kimberley and the Railton area. I look forward to the continued works that that $145 million of improvements to the Bass Highway delivers for those constituents and the motoring public there.

A previous announcement about a new Child and Family Learning Centre in Scottsdale saw the local enabling group (LEG) form and there continue to be spirited discussions with the LEG, which represents voices from the community, and the department. At this point, I would like to acknowledge the minister, Ms Palmer, and her team for listening and working through the community expectations, while carefully navigating any negative impacts on the current childcare facilities in the area. That's a really important point. Any announcement has to consider what is already being delivered in the area. In that area in particular, we have a Thrive daycare centre that needs to continue to operate. There is a proposed solution being considered which will create more childcare places sooner by locating outside school hours care to the Scottsdale Primary School. This new CFLC is one of the areas identified in the $24 million project with Longford, also in my electorate, being given the green light. Having the right model to cover all aspects of childcare and learning services is paramount to the success of these facilities and the services that they deliver - in this case to Dorset and Longford in the Northern Midlands community.

The announced support for the regional initiative Better Health 4 Dorset has been well received. There was a cloud over that service as the funding was to expire on 30 June. There are a number of questions about the future funding of the Derby community master plan. For example, who will be consulted on the long-term vision for Derby? Will locals be provided with an opportunity to have a say on what could or should happen to deliver the best outcome, not only for visitors to the area but, importantly, the locals who live in and around the Derby community?

I'm not sure if anyone has driven through Derby of recent times, but it is quite a skill to navigate your way through those people who are riding their bikes and feel like they have a right of way. Obviously, a car meeting a bike and somebody coming off second best would possibly be a person on a bike.

I would like to encourage those people who use that main road, it's the Tasman Highway, a significant part of which is used touring to head to the east coast from Launceston. Also, it's important that we acknowledge that it's a high-traffic farming area and people have large heavy vehicles, often milk tankers, large vehicles that have fertiliser with them, they might have a load of cattle, B-doubles, even, and they might have a load of potatoes or fodder. A myriad of heavy vehicles need to use that road.

There needs to be what I believe is a heavy consultation in regard to what might be the best outcome for that stretch of road. Importantly, $200,000 is given for the master plan, so let's make sure it's effective.

There has been $800,000 allocated to the Ringarooma Primary School. While this may appear to be a relatively modest investment in the context of the overall budget, for a small rural community like Ringarooma, it is certainly significant. Investment in rural schools supports not only students but families, local workforce participation and community cohesion.

It helps ensure that young people in regional areas can access quality education close to home, without the need to relocate or travel long distances. It's particularly important, for those students from kinder, prep, through to grade 6 because travelling on buses to get to the nearest area, for instance from Ringarooma to Scottsdale, is quite a hike, and there'd be plenty of other communities.

I just look at my communities on the east coast where we no longer have a school at Fingal, and so all those students need to travel to Saint Marys to access the school. I know that the Education department did their best to continue to provide kinder to grade 3 at Fingal Primary School for some time, but it ended up being a more efficient and, what I would suggest, a better educational outcome for those students to travel to Saint Marys. Again, we need to continue to support those areas which support our regional communities.

I will be keen to see that this future funding delivers practical improvements that support both staff and students and that it contributes to the long term sustainability of education, not only in the north-east but in the far north-east and in and around the Break O'Day area and others - and I can cite my wonderful Mole Creek Primary School.

What a delight it is to turn up to their presentations. Every child participates in their end-of-school presentation and they sing with gusto. They sing with gusto and it is just the most pleasurable experience we have at the end of a very long year. Disappointingly, the last couple of years have been difficult to attend some of our school presentations because we have worked into early December and that ends up being a challenge for local members to be able to attend some of those school events. It's one to keep an eye on for us to have some input into.

Let's do our best to finish by the end of November in this place so we can get back and support our small schools and some of our communities, who really enjoy having us turn up, I believe.

I will certainly continue to advocate for upgrades to schools and other infrastructure across the McIntyre electorate. Sadly, it feels like it's been a long time, a very long time, since I've had the pleasure, as a member of the Public Works Committee, to be part of considering a large project or any new upgrade in my patch, acknowledging there is a redevelopment at the Deloraine High School of around $16 million. Out of the schools I represent, around 23 or 24, one being on the agenda doesn't feel like necessarily having a huge impact in the McIntyre electorate, but I understand there is a priority list. I continue to ask for that priority list and I continue to be interested in how some schools stay in the very same place and others seem to be able to leapfrog. Obviously, there's a process and I have to acknowledge that process.

In regard to the 2025 election commitment to build a classroom with a mud room attached to the Scottsdale school farm, can the minister provide an update on the funding and the potential timelines? I understand the funding will be sourced from vocational education and training facilities funding of page 40 of the Appropriation Bill No. 1 and budget paper no. 2. If the minister could clarify that it would be appreciated, because there are not a lot of funds. I acknowledge there has been a lot of funding spent on VET facilities in the past. I also acknowledge that there is an efficiency to be gained by every department, but it is an election commitment. I can see for 2026-27 that there's $1 million, and then in 2027-28 in the forward Estimates, there's $7.2 million to be allocated for that VET facilities funding. I'm interested in how that might be distributed and that 2025 election commitment to the Scottsdale school farm that I continued to advocate for many years - they were having a classroom in the old house that was on the school farm that you will recall, Mr President, in your time, not much had changed.

Mr PRESIDENT - I do.

Ms RATTRAY - Not much had changed. The classroom was in the old schoolhouse building. It'd be great to have a proper classroom and a bit of a wet area outside where you can take your muddy gumboots off after you've been out on the farm, done some practical aspects of learning and then into the classroom. I acknowledge the community was fortunate to receive that election commitment before the 2025 election.

The budget papers indicate GP bulk billing clinics to improve access to primary care across our communities and have listed Deloraine and Westbury. My advocacy in recent weeks to the health minister is to have those clinics expanded to Bridport. There is a practice with a number of GPs and a practice manager, with a location purchased and ready to go. Many of us in this place will know the struggle it is to have consistent access to GP services for the people we represent. There needs to be a streamlined pathway where an opportunity such as this presents. I'm very pleased the minister has taken my call, has offered to look into that, but has also advised there is a process underway. Again, I acknowledge we have to go through a proper process when it comes to these types of things, but if there's a way of escalating something like this particular situation, where the current facility at Scottsdale is oversubscribed and under-resourced, then we've got an opportunity in a close proximity to have a clinic that would provide the necessary services, and particularly GP bulk billing clinics; then I think it should be grabbed by the scruff of the neck and progressed as soon as possible.

While large-scale investments are important, it is often the local, place-based services that make the greatest difference in people's day-to-day lives. That's why I acknowledge the continued investment in neighbourhood houses across the state: the allocation of $46.7 million to support 34 neighbourhood and community houses, alongside the $6 million for capital improvements and funding for neighbourhood houses in Tasmania. I recognise the important role these organisations play in communities.

I also understand that the government has actioned a KPMG review to be undertaken, looking at the governance arrangements for neighbourhood and community houses, and also understand this review will need to be time sensitive, or I suggest it needs to be time sensitive, as the role and functions of these houses are vital to the communities they operate in. Certainly one of my communities that I represent, right at this time, has been challenged by some of the governance arrangements that are in place and has raised significant concerns with me. I continue to liaise with the minister and her staff around supporting the community, and also supporting the people who are generous enough to provide their volunteer time to be part of a board of a neighbourhood or community house.

Obviously, there are matters around governance that they possibly need some education and some support with, and I think that's really important. We don't want to say no to any volunteer who is willing to give up their time and provide input into an organisation such as this; but we also have to be mindful that there are certain obligations and certain requirements that would help an effective rollout of the significant amount of money that is put into neighbourhood and community houses around the state, over $50 million, to provide services and support for our communities. So, it's one for the minister to take on board, and I've had a number of conversations with the minister concerning this, and will continue to do so, to make sure that that there are no other organisations in this space that face the challenges that one of my communities is facing right now.

I also note the decision to bring forward $2.33 million into the Community Connector Program, and that's increasing total funding this year to $4.4 million. Community connectors are often the first point of contact for people seeking help, whether it be assistance with housing, navigating government services, or simply maintaining connection with their community. I almost thought I was going to get some increased funding into the McIntyre electorate office, because that pretty much sums up what I feel like we do on a daily basis for our communities. We provide those services, but here we have community connectors. So, if that's going to add to that opportunity for services then I certainly support that, because as we know in regional areas, where services can be fragmented or limited, their role is critical. So, here we have some increased funding in that area.

Not surprisingly, I wouldn't mind taking a moment to speak more broadly about the north-east region. It is a big region, when you include the east coast of the north-east. The Dorset region is a region of strong industries and resilient communities, but it also faces persistent structural challenges, particularly in relation to access to health care, housing availability, workforce attraction and service delivery. This region and its challenges are consistent with other parts of McIntyre. As I said, the Break O'Day communities are equally impacted by distance and scale, which continue to shape the lived experience of people in accessing services and often requires significant travel, and the availability of local options can be limited.

That's why targeted, place-based investment is so important. Investment in our rural and regional areas must recognise both its challenges and its strengths, its agricultural base, its growing tourism sector and its strong community networks. Supporting regions to grow sustainably means ensuring that infrastructure, services and workforce development keep pace with opportunity. Having that support is a really important part of my rural and regional communities; again, I've talked about those community connectors that would, I believe, see people looking for support and services and navigating their way through what they might need on a daily, weekly, monthly or annual basis.

In the budget papers I noticed that there was an allocation of $350,000 over two years for an east coast rock lobster relocation program. Now, I know this has been in place for some time, so the question is: is it for a study on where to next, or is it a practical implementation plan? I'm interested to know if this money is actually going to be spent on relocating rock lobsters from one area to another, which I know has been done previously; or is it to look at what has been done and conclude whether that was a success? It doesn't actually necessarily talk about that in the budget papers and I don't expect that that would be something that they would actually point directly to, on what it achieves or whether it comes under those, a study or a practical implementation plan. I'm interested because certainly I believe it's for the east coast and perhaps up towards the Furneaux Group concerning rock lobster, and the important industry that is for some of those communities and some of the people, again, who may reside in the McIntyre electorate.

I will continue to advocate for a coordinated approach to regional investment, one that recognises that communities require sustained attention, not just one-off funding announcements; how often do we hear that? The Better Health for Dorset program is a fine example of that. It ended up being a wonderful program, funded for two years, and of course then there's an expectation by the community and certainly by the people who work in that area that it will continue to be funded.

I've acknowledged the state government provided some ongoing funding so that remains in place, but it will continue to come up at every budget request because it's not long-term funding. I've got a couple of solutions for some of the cost-saving measures, and I'm working with the minister on those, and on repurposing the James Scott wing at the NESM hospital where there is quite a bit of space that no-one is using it, a peppercorn rent might be a little bit cheaper than paying a commercial rent as well. I think there are some opportunities for supporting some of these programs without perhaps needing to have them funded at the same level that they currently are, or at the same level of funding they received initially. I'm going to continue to advocate in that space.

Housing continues to be one of the most pressing issues facing Tasmania. While there are measures within the Budget aimed at increasing supply and supporting housing delivery, the reality for many Tasmanians, particularly in regional areas, is that access to secure, affordable housing remains out of reach. An opportunity to unlock additional land for housing, particularly well-located land, should be pursued carefully but proactively with a strong focus on long-term community benefit. With the MyHome Shared Equity Program in place and the additional opportunity for Tasmanians to find their way into first home ownership through the Commonwealth scheme which we passed in this House last week, I expect we all look forward to seeing the benefits of these schemes. Certainly, the MyHome shared equity scheme being expanded and the Commonwealth scheme being taken up. We heard about the 210 opportunities the Commonwealth scheme would provide to Tasmanians. With those two schemes let's hope that we see the benefits.

An observation of one area which would, in my view, benefit from a timelier process, is the issuing of land titles. Now, I've never worked in the Land Titles Office. I'd like to, but not just at the moment -

Ms O'Connor - Why do you want to work in the Land Titles Office?

Ms RATTRAY - Because I think I could make things happen quicker, but I haven't worked there so I'd probably have to preface that.

Ms O'Connor - You've got another job.

Ms RATTRAY - It's common for me to hear that people are waiting for lengthy periods to have a title issued. Lengthy periods - months and months. We know that without a title it is often impossible to progress a build of any description, especially a new home, as finance institutions require a title to hold when you require borrowings. Have you tried getting one back of recent times? That's not easy either.

Mr Vincent - No, they don't like to give them back.

Ms RATTRAY - It's not an easy process, and reasonably expensive in my view, when it's your title, you've finished paying and you still have to pay to have it released. Anyway, that's an aside.

Addressing this issue surely would assist with those looking to build and the opportunity so we know exactly when to inform their selected contractor to commence the building works. Most people have a building contractor ready to go or would like to be able to give them some indication of when they are likely to start their build. I'm just interested in that process. It seems to me I don't hear a lot of positives on the issuing of titles.

While I'm commenting on land and titles, when Crown land has been through a lengthy and rigorous process and deemed to be surplus to the requirements of the Crown, it also appears that slow action to place parcels of land out for a sale process is, again, in my view, delaying and unnecessarily delaying funds going back to government for other use and purposes. If there were more sales of land identified as surplus to requirement - I mean, they go out to a public process -

Ms O'Connor - Not really.

Ms RATTRAY - Yes, they do.

Ms O'Connor - Well, not the disposal of Crown land. It's not particularly that a decision is made to dispose and then -

Ms RATTRAY - I mean, it goes out to a public purchase process. I just can't put my hand up and say, 'I'd like to buy that piece of land over there'. It's got to be put on the market.

Ms O'Connor - Okay, well, a person bought some of the former Mt Roland Conservation Area last year, in this place anyway.

Mr PRESIDENT - Order.

Ms O'Connor - Sorry.

Ms RATTRAY - That's something that I'm not aware of. I was of the understanding that there was an open and transparent process when it comes to purchasing Crown land. I would definitely like to have that confirmed.

Ms Thomas - Not Wilkinsons Point.

Ms O'Connor - Yes, a good point.

Ms Forrest - You can confirm it for yourself later, hopefully.

Ms RATTRAY - I've certainly had that down as one of the questions that I could be provided an answer to and share with members because there appears to be some varying views in this place.

Ms O'Connor - It depends on who you know and who you've donated to.

Ms RATTRAY - I won't enter into that, Mr President.

Mr PRESIDENT - No.

Ms RATTRAY - My last point on this is to suggest that people get tired of waiting and choose other options and potentially a more competitive sale process may be lost. There are some missed or delayed opportunities.

Turning to the economy, Treasury forecasts indicate continued growth in per-capita terms over the forward Estimates. This is a positive sign, particularly in an environment where many jurisdictions are facing stagnation. However, economic growth must translate into lived outcomes. It must mean more secure jobs, stronger local businesses, and improved living standards.

I certainly appreciated the member for Nelson organising for Mr Saul Eslake to speak to us this morning. It's always interesting to listen to someone of Mr Eslake's ability and capacity when it comes to the Tasmanian budget. It's not included in my contribution because I put this together over the weekend, but I will certainly continue to look at some of the evidence and suggested matters that he raised this morning. I thank the member for Nelson for that.

In regional Tasmania, the connection between economic growth and community wellbeing is, in my view, direct. When local industries are supported, infrastructure is delivered, and people can find and keep work in their own communities, the benefits flow widely. I also note the importance of investment in infrastructure and major projects. Certainly, it's important that Tasmanians have confidence not only in the opportunities that these projects present, but also in their delivery and long-term value. I've always been a big supporter of infrastructure. It's tangible and it usually has intergenerational positive attributes.

In communities like Scottsdale, St Helens, and Deloraine, the importance of local services cannot be overstated. Facilities such as local health services and community organisations play a vital role in supporting people day to day, and particularly those doing it tough. These areas have enormous potential and it's important that budget decisions continue to recognise both the opportunities and the challenges facing communities like the ones I'm fortunate to represent.

Not to take anything away from other communities, but I was surprised to see the delivery of a permanent breast-screening clinic at Triabunna. I'm curious to understand if that clinic is expected to service the entire east coast community, say from the St Helens, Bicheno, and perhaps even from the St Marys area. I've always known since being the member formerly of Apsley and now of McIntyre, of the northern and southern tendencies for medical specialist services. People from Bicheno upwards tend to head into Launceston for key medical services, whereas the people from the Swansea and Cranbrook area tend to head south. Their 'town' is effectively Hobart and for the northern communities, their 'town' - when we go to 'town' - is the Launceston area. Can I have some understanding of that because as we know, we have only one breast-screening bus operating at this point in time. I want to have some understanding of this particular permanent breast-screening clinic at Triabunna and what's presented as being the reason for having that there. As I said, I'm not taking anything away from that community. I was fortunate enough to represent that community for 13 or 14 years. I'm not speaking against it; I just want to have some understanding.

What I did note this year, is that there are four sets of budget papers, which I found interesting. I don't think we've had four before. This particular one, the Supplementary Budget Reports is very helpful. I feel like others have as well because I was speaking to one of my colleagues last night and they said they found it really important.

I had a look through it and on page 23 of that budget paper no. 4, I noticed under the Stadiums Tasmania that the sale of goods and services for 2025-26 was $3.335 million and the estimated outcome for 2025-26 was $1.593 million. Then, obviously the budget for 2026- 27 is also for comprehensive income, revenue and other income is also flagged at less, another $60,000, less at $1.539 million.

I'd just like some understanding of what happened there, and why was it thought there would be the sale of goods and services in 2025-26 of $3.335 million and yet the outcome was well effectively less than half? Then the budget goes on to look at very - well, a little bit lower, a little bit higher, a little bit higher, a little bit higher forward Estimates. Just looking for something, it doesn't have a note to it. I mean, there is some explanation, but I had a look at that and didn't really glean a lot from that. I'm interested in the answer to that and I will seek the answer and probably provide it back to the parliament.

I've got to shout out. Some members will have heard me talk often about the contract that is in place regarding state road maintenance. Actually, they've probably heard me far too many times talk about it, but I'm going talk about it again. At times, I've been very critical of the standard of works being undertaken to meet the contract obligations and community expectations and I'm included in that community.

But today, my feedback is of a very positive nature. I've seen the contract for road maintenance. I've asked for that contract and seen it. It is voluminous. I wondered how come they got it so wrong for so long, but the road-verge vegetation growth slashing is at its optimum. Two weeks in a row I've travelled between Launceston and St Helens on the Tasman Highway and pretty much it's the best job I've seen since my time here. In 22 years, it's the best job I've seen. I want to congratulate - I don't know who is actually carrying out the works, I think there's the same operator in the north and north-west and a different one in the south. I'd say the north and north-west operator and the people who are driving those machines and undertaking the work are doing a first-class job.

I've given them a big tick here now, so please don't let me down in the future because that can happen. My expectation is being elevated up here and I don't want to get it back to here. That's a shout-out, Mr President.

Mr Gaffney - They will do it before your next budget speech.

Ms RATTRAY - I hope so. It's a little bit later than normal and the minister might have a comment about that. It is a little bit later than we normally see, particularly right through to

St Helens. It's usually something that's done around December - January and we are a bit later, but if this is the job we're achieving, then I'm happy with a little bit later.

Mr Vincent - Trying to work off growth cycles.

Ms RATTRAY - There we are, the minister has already explained. I hope it's not costing any more. We often talk about first impressions, and if you're leaving Launnie and heading to the east coast, your impression of a job well done has to be a positive one. The standard has been set, and as I've said, let's not drop it by any means. I get off script pretty easily, don't I, repeating what I've virtually already said.

One of the matters I do want to raise while talking about road verges is the feral deer problem in this state. I think most of us will see or know of an incident or a near-miss as we're travelling. I am seeing more and more of those feral deer. I note from an article in one of the local dailies recently that the RACT data showed there were 122 deer-related insurance claims between 2021 and 2025. Over those five years, it's increased yearly. There were crashes that were totalling almost $800,000 in repairs while insurance costs were also climbing. That doesn't help anyone's premium when you have to make a claim. I am quite cautious on the road of an evening, particularly after about 5.30 p.m. this time of the year, and they seem to be heading further and further away from the areas I would have normally perhaps seen one. On the Esk Main Road you were travelling not in the middle of the road, I won't say that, but you were trying to keep away from the side of the road when you were travelling on that road because you expected them there. Now we're onto the Tasman Highway and we're heading right into Springfield -

Ms O'Connor - All up through the highlands.

Ms RATTRAY - Exactly.

Ms Palmer - In Riverside.

Ms RATTRAY - There we are, Riverside. A built-up area.

Ms O'Connor - Yes, unfortunately they're a protected species under Tasmanian legislation.

Ms RATTRAY - Yes, there's a report about that. The former-former-former member for Huon is probably reading it as I speak thinking 'well, not much action there', but it's a significant issue. It certainly doesn't help what our people are expected to pay in insurance premiums and costs. It is keeping car repairers in work but I'm sure they've enough without that. It's a big issue, there's a report and it needs to be looked at more closely.

Budgets are ultimately about choices. This Budget reflects a set of priorities, and while there are areas of positive investment, there are also areas where I will continue to seek further detail, greater clarity and stronger outcomes for regional Tasmania. As the member for McIntyre, and I consider myself still with the independent tag, you can ask some of my team that sometimes things get changed and apparently that wasn't the right thing to do, but I've done it. I consider my role is to ensure that the voices of my constituents are heard, that their concerns are raised and that their interests are represented in this place. I will continue to engage constructively on the measures contained within this budget and work towards outcomes that genuinely improve the lives of the people I represent - and all Tasmanians, that's equally as important to me. I certainly look forward to hearing other members' contributions. I always do and I always will.

I note the Budget.

[12.03 p.m.]

Ms FORREST (Murchison) - Mr President, I want to begin by congratulating the Treasurer on his budget speech, not for fiscal content, which I will come to shortly, but for its literary opening. The Treasurer told this parliament: 'As the Good Book reminds us, there is a season for most things', and then he declared 'a season for deficit budget and now is the season for balancing the books'. It's a memorable phrase and I think the Good Book had considerably more to say about this budget than the Treasurer actually let on.

Last Friday, after having read much of the budget papers, it became apparent to me this budget is like walking through an old mine site where every few steps you take you risk breaking your ankle as you stumble across past exploration drill holes and hidden mine shafts. The cost pressures are real, the efficiency measures demanded are real, and the absence of any coherent plan to reconcile the two or explain where the cuts will fall is very, very real. The Treasurer speaks of a dispensable backroom staff. I know for a fact that many in the backroom support those in the front rooms. If the back room staff are dispensable, will the frontline staff absorb their work as well? I will return to this matter a bit later.

Before examining the Budget itself, I want to spend some time on the document that provides the most honest account of Tasmania's fiscal position: Treasury's *Fiscal Sustainability Report 2026* (FSR), released in February this year. Members will recall I tabled a PAC report last week following the committee's assessment of the Fiscal Sustainability Report. The Fiscal Sustainability Report needs to be read alongside this Budget because together they reveal a tension the budget speech of the Treasurer does not acknowledge. When we look at the scale of the problem, the Fiscal Sustainability Report is unambiguous; and I'll quote from the report a number of times in my contribution. It says, 'Tasmania's public finances have worsened significantly since the previous FSR undertaken in 2021,' and confirms that Tasmania's fiscal position is 'unsustainable' and the budget's structural problems will 'rapidly deteriorate' if it's left unaddressed.

What it's saying is, without corrective action, GFS net debt for the general government sector will grow from $4 billion in 2024-25 to $129.5 billion by 2039-40. Total non-financial public sector debt, which is the government-owned business sector, is projected to reach $146.3 billion. Debt servicing costs would grow from 2 per cent of our revenue to more than 50 per cent over 15 years. Within 15 years, Tasmania would be borrowing money simply to pay the interest on the existing debt.

Tasmania now has the lowest net financial worth of any Australian state when debt and unfunded superannuation liabilities are combined. I think that's really important because if you're going to compare apples with apples between this state and others, you need to look at the whole picture. A superannuation liability is not something to say, 'Oh well, we won't worry about that, that'll be somewhere in the future.' It's real, it doesn't go away, and it needs to be addressed.

The FSR delivered a blunt message: Tasmania has a structural deficit, persistent not cyclical. The state's operating position is unsustainable and the government must take immediate material steps. It called for structural reform, credible savings, not tinkering. The FSR is explicit on three points that this Budget directly contradicts or ignores.

First, growing the economy will not fix the problem. Government revenues correlate poorly with economic growth. Tasmania's major revenue sources, GST and Commonwealth grants, are largely outside the state's control. The Treasurer's opening comments about our economic strength are not wrong, but the FSR says it's insufficient, it's not enough.

Second, efficiencies alone are not good enough. The FSR states plainly, and again from the report itself:

> Improvements to productivity and the planning and delivery of services can be beneficial. However, they are not sufficient on their own and will take time to have an effect. The repair task needs greater and more urgent action.

The entire revenue side of this Budget rests on efficiency. The FSR says that's not enough.

Third, on the mix of measures, the FSR does not equivocate on this matter. It says, 'A combination of revenue and expenditure measures will be required. No single class of intervention is likely to be sufficient to achieve peak debt.' That sentence appears twice actually, in the executive summary. The conclusion chapter adds:

> The size of the corrective action required to stabilise debt means that no one measure will be sufficient, rather it will require a combination of measures, and the longer they are delayed the harder the repair task will be.

On what happens if the combination is not applied, as we see in the budget papers here, it says, 'In the absence of significant corrective budget measures to arrest the growth in debt, the State may reach a point where it is not able to return to a position of fiscal sustainability'. That's Treasury's own language. Not the Treasurer's, that's the Treasury's language, telling the government, in writing, three months before this Budget landed, that there exists a trajectory beyond which fiscal repair becomes structurally impossible. The FSR cites Tasmania's own 1990s repair as a relevant precedent. That repair comprised targeted job reductions, service restructures, expenditure reductions and, critically, revenue-raising measures. Tasmania has been here before and the instrument that worked included revenue measures. The Treasurer has ruled these out entirely, despite the FSR explicitly contradicting that position.

The FSR notes that Tasmania has relatively low car registration fees, mining royalties, property-based emergency service levies, and a high payroll tax threshold. The Budget addresses none of these except a fees and charges review buried in a single bullet point in budget paper 1, with what appears to be a $3 million figure attached to it, but no timeline and no expected outcome. The Treasurer did not even mention it in his speech to parliament. The good book of budgeting reporting, which I would suggest here is the FSR, is clearly not the one that the Treasurer is relying on for inspiration.

The FSR modelled three repair scenarios: a five-year path to peak debt, which requires $3.3 billion in cumulative correction and 25 per cent of projected expenditure on services; a 10-year path, which requires $6.5 billion of cumulative corrective action; and a

15-year path, which requires $11.3 billion. What the government has committed to is peak debt by 2028-29, a three- to four-year scenario more aggressive than the FSR's fastest model pathway, yet the Budget's total savings across the forward Estimates only reach approximately $440 million by year four, a fraction of what the FSR's own modelling requires. Either the savings assumptions are wrong, the peak debt target will be missed or services will have to be cut far more severely than acknowledged, and possibly all three.

The FSR also warns that longer fiscal repair pathways increase the risk that the repair is derailed by a shock. Global bond market pressures from the Middle East conflict, fuel price uncertainty and Commonwealth grant risks are not hypothetical shocks. We need to be alert to them. Who knows what's coming down the line next? The ones I just listed are live risks. The FSR says that any one of those we know about now could derail even the best constructive repair pathway and this pathway is not the best constructed. Maybe there's a fourth, another loaves and fishes moment perhaps.

I want to move now to what the policy and parameter statement (PPS) says and what it tells us. The PPS divides all changes into two categories. Policy changes are deliberate decisions of the government - new programs, election commitments, service expansions, operational efficiencies, machinery of government changes. They're discretionary and they reflect political choice. Parameter changes are different. They are external or technical - Commonwealth grants, GST pool movements, demand pressures, wage drift, inflation indexation, unavoidable cost pressures, actuarial adjustments. They are not discretionary and they reflect an operational reality, something you can't avoid. The distinction is critical to understanding the 2026-27 Budget because this year's PPS tells two completely different stories.

When we look at what the PPS reveals on the revenue side, across the three forward Estimate years, total revenue increased by $1.97 billion compared to last year's forward Estimates. That sounds like strength, but the composition of that increase is the whole story. This is the revenue side for the parameter adjustments. Commonwealth grants account for $1.16 billion of that growth. That's a lot, more than 80 per cent. Specific purpose grants and national partnership payments alone count for $920 million. The overwhelming driver of Tasmania's improved revenue position is Canberra, not anything the state government has done. I say this despite the constant criticism of the Australian Government by the Treasurer in his speech: blame anybody else but ourselves.

State taxes contribute approximately $200 million, and I note that this growth is driven primarily by conveyancing duty, a volatile, property-market-driven revenue source that the government cannot control, and that may not sustain itself across the forward Estimates with current cost of living and other global pressures. Lest anyone think that assessment is overstated, you need look no further than page 81 of budget paper 1 itself, where the budget acknowledges, in its own risk chapter, and I quote from budget paper 1, the Treasurer's document, the good book, that:

> Conveyance duty is particularly sensitive to a range of factors including interest rates, population growth and housing supply, which can result in volatility from year-to-year.

And that also a little bit further on:

> ... given uncertain economic conditions and the potential impacts on property transaction volumes and prices, the timing, direction or duration of conveyance duty changes is challenging to forecast.

Here we are; we're relying on that for the big uptick, but Treasury is telling us it's a huge risk, we shouldn't be relying on it. The same document, which projects $200 million in revenue growth driven primarily by conveyancing duty, simultaneously warns parliament that conveyancing duty is volatile, sensitive to interest rates and genuinely difficult to forecast. I have little faith, as I usually do, in the forward Estimates figures. That is the government's own description of one of the two pillars holding up its revenue story. It's not a stable foundation for a fiscal repair strategy. It is, by Treasury's own account, an unpredictable one.

Agency own-source revenue contributes $217 million, mostly driven by three agencies. This is the revenue that agencies pull in from various sources, Health, State Growth and DPFEM, or the police and emergency services: more than double last year's equivalent figure, so they're going to bring in almost double what they brought in last year in revenue. There are many questions that need to be asked of agencies to understand how the increases in agency revenue, including through fees, charges and internal revenue streams, are being used to fill the gap. These are questions for Estimates; they will have to tell us how they're going to fill the gap to make the numbers stack up.

It is worth pausing on this. The agencies that are now being told to shed staff and cut their back offices, or back rooms, as the Treasurer refers to them, these are the same people within the agencies that have been asked to look at how they can generate the strongest discretionary revenue growth in this budget. The back rooms the Treasurer describes as dispensable appear to have, in fact, been working. Well, someone will need to do it to improve the budget's headline figures, so who do they think will do this work if they're cut? These aren't the people on the front line delivering the service, these people are in the back room trying to get the money from the private health funds in Health, and fees and charges.

GBE returns, according to the policy and parameter statement, are down $151 million. Hydro, TasNetworks, MAIB and TasPorts are all weaker in the policy and parameter statement over the years that are reported. The commercial arm of government is not contributing to repair; it is detracting from it. I note the claimed 2029-30 uplift in returns from Hydro does not appear. There aren't 2029-30 figures in the policy and parameter statement, and I will say a bit more about that later, and probably next week as well. The revenue story in summary is this: this Budget is being held up by Canberra, conveyancing duty, and the effort of agencies to drag more money in from somewhere - not by the state's own economic base, not by its government businesses, and emphatically not from any revenue reform.

Let's look at what the policy and parameter statement says on the expense side. That was the revenue side; we will look at the expense side. What the PPS reveals on the expense side is this: total parameter expense changes - these are the changes that are outside the control of government - across the forward Estimates are $1.207 billion. These are the parameter expenses outside the government's control: $1.21 billion. This figure is materially misleading unless it is further unpacked. Approximately $300 million of this is the reversal of last year's productivity efficiency dividend in the 2027-28 and 2028-29 financial years. In the 2025-26 budget, Treasury treated the productivity and efficiency dividend as assumed savings that would occur naturally through vacancy control, procurement tightening and administrative efficiencies within agencies; that's why it wasn't allocated. It's sitting in Finance-General; it will happen somewhere, surely.

This year, Treasury has abandoned that assumption entirely and has allocated savings requirements across agencies as operational efficiencies. If you want to see them, they're all in the policy and parameter statement. Every area has got them, some bigger than others. This is done at the very same time all agencies have a recognised, unavoidable administrative parameter adjustment. These are the unavoidable increases in costs. If you look at the policy and parameter statement, on the expense side you have the operational efficiencies, and on the parameter side you have the adjustments that can't be avoided, they just can't be cut. They cross both sides. They're being asked to save money while also recognising that they just can't say this.

Treasury is acknowledging, in the structure of the policy and parameter statement, that the savings included in last year's budget were not organic or parameter changes; they were imposed. They did not materialise as expected and now they must be deliberately and explicitly reimposed. Once you've set that reversal of $300 million of the productivity efficiency dividend side, the remaining parameter expense growth is approximately $900 million. This is how much extra that is just unavoidable costs across our agencies, and it's almost entirely driven by $920 million in additional Commonwealth specific-purpose payments and national partnership payments. The Commonwealth gives more and the state must pay more to match. We know that most Commonwealth funding comes with a requirement to put some in ourselves.

Here is what is absent: there is almost no recognition of real state cost pressures in the parameter figures, the cost pressures that agencies actually face: the gap between 2.5 per cent wage indexation and no enterprise agreement outcomes; the gap between 2 per cent of non-salary indexation and actual inflation; the Tasmanian Risk Management Fund shortfall; the leave liabilities; they don't appear as parameters. They were either assumed away or left to the agencies to absorb. I will come to these more fully in a moment, because these make the figures even more rubbery.

Another matter that is not considered for inclusion in the policy and parameter statement is the cost of staff separations. Staff separations cost money, even if it's a voluntary redundancy. The budget appears to make no provision for the costs associated with the separation of possibly 1800, or thereabouts, people: staff the government says it needs to let go. Staff separation is not a neutral cost. The cost will depend on when the staff leave and the years of service, even when they're voluntary redundancies. I will be asking the Treasurer next week about what modelling has been done on the cost of these separations. Without a provision in the Budget, an agency making, say, a $2 million saving in 2026-27 by reducing staff and reducing salaries must then also generate payouts associated with those separations. Even with a minimum payout, the cost of advice and other costs associated with separations, there will be little to no savings to be found in the first 12 months, and this presumes that most of the separations occur at the beginning of July this year, otherwise you can't because it just goes on.

This is a further hidden impost for agencies cutting staff and the expected agency savings to be made through operational efficiencies, with no apparent funding support for the decision. Agencies cutting staff will have to make an even greater saving or potentially cut even more staff to make their savings. For long-serving staff who seek a voluntary redundancy, they may receive up to 48 weeks pay: that's a year. They will get a year of pay, so this would guarantee no savings in the first year, and that also assumes that these staff leave on 1 July. So, at the same time agencies may be making savings by reducing staff, and thus reducing the salary cost, they will need to find money to generate the separation payout for those staff, with no obvious source of funding or mechanism to achieve the agency savings that are baked into the budget. That's what the numbers rely on, but there's no funding for it, or they're going have to cut far more staff. Does anyone seriously think this is achievable? It won't all be long-term staff that leave, I acknowledge that, but it still costs money.

Before the Treasurer even arrived at imposing his operational efficiencies, the policy and parameter statement shows that expense policy changes increase spending by $1.068 billion across the three forward Estimates years, and $1.433 billion if the fourth year is included. This is the scale of the policy cost reduction problem that the Treasurer faced. Election commitments are still hitting the books, with the increased costs, previously announced policies materialising, new initiatives scattered across agencies: $1 billion in new policy spending. That's what that is, there's $1 billion in new policy spending and no policy revenue to offset it. That is the context in which the efficiency task must be understood. It is not primarily about fiscal repair; it's about neutralising a policy blow-out that the government has created through its own choices over the last 10 years, 12 years.

When the Treasurer faced a $1 billion policy cost problem, parameter expenses dominated by tied Commonwealth grants, wage and indexation assumptions he knew were understated and a commitment to no new taxes, he had only one lever available: that's described in the budget papers as 'operational efficiencies'. The policy and parameter statement shows what he reached for: $210.9 million in efficiencies in 2026-27; $353.8 million in 2027-28; $409.7 million in 2028-29; and $429.6 million in 2029-30. I want to be clear about what those numbers are and what they're not: they are not identified savings; they are not attached to program functions or service lines; they are not operational plans; they are not the product of service redesign or productivity analysis. They are the numbers required to make the bottom line appear consistent with the government's fiscal targets. Because they are imposed rather than organic, they must be classified in the policy and parameter statements as policies, not parameters, and that's why they're under the policy section.

This is the budget's central truth, and the policy and parameter statement reveals it plainly. The pressures are real, they're there; the savings are invented. The parameter side of the policy and parameter statement show genuine, unavoidable cost growth. The policy side shows a savings task reverse-engineered from a desired fiscal outcome, imposed on agencies without a plan, and classified as deliberate government policy because there is no other honest way to classify it.

I want to give us a little brief illustration, to lighten the mood for a minute, of what this means in practice: imagine a hospital, busy, under pressure, with rising demand and exhausted staff. One morning, two visitors arrive. The first is the Treasury nurse. She reviews the charts. 'You're in trouble. Demand is rising, costs are rising, case load is rising. Here is a bunch of funding, some parameter adjustments for the unavoidable cost pressures of your work. Here's the money we know you need.' The hospital breathes a sigh of relief. Finally, someone understands. Then the second visitor bursts through the doors, wearing a suit two sizes too small and carrying a calculator. 'Good news! I'm here to take a large sum out of your budget. These are the operational efficiencies, also unavoidable.' The hospital says, 'How can both be unavoidable? How can I need more funding because demand is rising and less funding because the budget needs a bottom line? Is there a plan?'

'I am the plan,' the second visitor in the tight suit boldly announces. The Treasury nurse quietly says, 'He's not the plan, he's just a number the Treasurer typed into a spreadsheet.' This is what is described in the policy and parameter statement. This is what's happening. The need that's unavoidable has been recognised, but still, you have to save all of this money because we need to make the books balance. The funding for cost pressures is real. The efficiency task is imposed to offset; it is not grounded in operational reality. The agencies caught between the two will absorb the difference through deferred maintenance, unfilled vacancies and the quiet erosion of services, or, more than likely, in reality: it just won't be achieved.

The people who will feel it most are the Tasmanians who rely on these services every day. The policy and parameter statement divides all changes into two categories: policy changes are deliberate decisions of government, new programs, as I said, election commitments, service expansions, operational efficiencies. They're discretionary and they reflect political choice. The parameter changes are different. They are external or technical, things like the Commonwealth grants, GST pool movements, demand pressures, wage drift, inflation and indexation. These are unavoidable cost pressures. They are actuarial adjustments. They're not discretionary; they reflect the operational reality. The distinction is critical to understanding the 2026-27 Budget, because this year's policy and parameter statement tells two completely different stories from the rhetoric around the budget.

To move on, the savings task grows - and we will look at how it will all work - by more than $440 million by year four, with no framework, no implementation plan, no agency breakdown, no milestone structure and no accountability mechanism of parliament to track delivery. Obviously, these things will be followed up next week, but that's what we're looking at right now. Had this House supported it, the proposed budget accountability and oversight committee would have provided quarter-by-quarter transparency in what this task requires. Instead, we will now have to rely on fiscal faith.

Before I leave the matter of targets or where we need to get to, I want to update the record on the pattern I've spoken about over previous budget replies. Previously I've noted that between 2020-21 and 2024-25, the government had projected a net operating balance surplus on 13 occasions. This is prior to the Liberal Party taking government, obviously, but this is the history, this is the pattern. The government had projected a net operating balance surplus on 13 occasions and failed to deliver one. Including the 2025-26 estimated outcome, now available, that figure has risen to 16: so, 16 times we've been promised, 16 times the government has failed;16 occasions across budget and revised estimate reports on which the Tasmanian people were told a surplus was coming; yet 16 times a deficit was delivered instead of a surplus. Not one surplus, not one. The government has zero credibility in this space even before we begin examining what is now being proposed. A sceptic once defined faith for me: believing in something you know to be untrue. I'm beginning to believe he may be correct.

I want to spend a brief time on chapter 3 of budget paper no.1, the Fiscal Strategy, because it deserves acknowledgement alongside scrutiny. I say this genuinely, it is good to see a greater focus on the fiscal strategy framework. However, unless they have meaningful measures that make sense to everyone, are we actually achieving the targets or even meaningfully heading toward them? Because if it's not clear, they're meaningless.

That said, a strategy is only as credible as its assumptions, and when you read chapter 3 alongside everything else I've observed in the budget papers, the strategy's credibility raises a serious question. The Fiscal Strategy projects that the government will achieve its net operating balance surplus target and reach peak general government sector debt by 2028-29. That projection relies on a chain of assumptions all holding simultaneously.

For that to be achieved, these things all have to happen simultaneously: GBE dividends recovering sharply from a low base; Commonwealth grants flowing as projected - and we heard from Saul this morning that's not always the case and we know that from reality; efficiency savings of more than $400 million being delivered on time and in full; wage outcome staying at or below a 2.5 per cent index cap - that's not even a reality now; non-salary costs inflating at 2 per cent; no significant fiscal shocks materialising; and the no worse off GST guarantee remaining in place through 2029-30.

Some of these things are outside our control. As I've demonstrated at length, each of these assumptions is under serious question. The probability of all of them holding up simultaneously is not high. I draw members' attention to the fact that almost all measures in the Fiscal Strategy are still heading in the wrong direction.

Even in chart 3.8 in budget paper no.1, which projects general government sector purchases and non-financial assets and depreciation projected to almost converge, meaning that we will not be spending much more on maintaining and updating or building new infrastructure than the rate of depreciation - that's not a good place to be in.

There are several specific features of the new Fiscal Strategy that also warrant attention. The new target measuring employee expenses as a percentage of total revenue in table 3.7 is set at 44 per cent. What the accompanying chart reveals is that this target was already met in 2026-27 and then, on the basis of the saving assumptions, keeps falling to levels not seen since 2011-12. This invites the obvious question: if the employee expense target is being met from next year, why is the government simultaneously arguing that thousands more positions need to be cut across the forward Estimates? The chart undermines its own narrative.

The annual growth and the operating expenses chart, chart 3.7 is equally revealing. It shows a sharp decline in expenditure over the next two years - two years dominated by the invented savings task; but then, in the following two years, the growth in operating expenditure increases significantly, returning to precisely this problem zone where expenditure growth matches or exceeds average revenue growth.

If nothing structural changes and nothing in this budget structurally changes it, the chart is telling us that by 2030-31 the government will face exactly the same problem it has today. The Fiscal Strategy contains within its own charts the evidence that the repair is temporary, not structural.

We've been here before, I have spoken previously about this and noted previously adopted government fiscal strategies comprising 11 strategic actions and targets. All but one or two of those targets were well outside the reach of the target and there was absolutely no plan for fixing them. Whilst there's been a review, a new shiny fiscal strategy to some extent, I don't see the measurability much improved. So, even though we have a revised fiscal strategy, the so-called plan doesn't really line up with the expectation.

In recent years, almost all key indicators have gone the opposite direction. Between 2020-21 and 2024-25, the government produced estimates on 13 occasions showing net operating surplus will be achieved. Not one was actually achieved, not one, and here we're going to get it in a couple of years.

The pattern has become so well established and time will tell, I guess, but I cannot see from the available information, despite most measures still heading in the wrong direction, that we will see any real improvement next year. As I said, time and a lot of good luck will possibly tell.

I'm not saying the Fiscal Strategy of this budget is wrong, I'm not saying that at all. I'm saying the strategy which it requires everything to go right, in a fiscal environment where almost nothing has gone right for five years, and which relies on savings that the policy and parameter statement reveals were invented rather than identified, it deserves to be treated with far more scepticism than the budget speech invites.

The Fiscal Sustainability Report made this point with precision. It noted that credible repair pathways are those that reach peak debt within 5 to 10 years, and the longer the pathway, the greater the risk of derailment by a shock. It also warned that scenarios that work are those that combine revenue and expenditure measures. This strategy relies on expenditure alone.

As a final aside, the policy and parameter statement points out how $100,000 has been allocated to provide an independent review of the fiscal strategy each year - something, I might add, that would have been welcome as funding for the budget accountability and oversight committee, if only we had got that up. But then in the next breath, Treasury are told operational efficiencies of $100,000 will have to be found to outsource the work that Treasury should be doing themselves but find themselves less able to do because the government keeps outsourcing what they should be doing.

Is this because an outside consultant may be more likely to give a favourable tick to what the government is doing? Treasury didn't give a favourable tick in the FSR or the models they give a favourable tick for what they're not doing perhaps, but it may be more accurate. Consultants have been known to give favourable reports so as to increase their chances of retaining the job. Governments have a history of ignoring internal reports like the Fiscal Sustainability Report if they find them uncomfortable.

There is one further accountability matter I want to place on the record. In the record in the 2014-15 budget, delivered by this same Liberal government in its first term, Treasury was required to prepare quarterly public reports on the implementation and progress of savings measures, including that budget. These reports were published on the Treasury website and continued for approximately two years. New governments want to blame everything on the old government, just put it out there. They're no longer there, they've been removed. The government was happy to publish progress reports in what was trying to pin the savings task on the Labor and the Greens. It appeared far less enthusiastic about doing so when the savings task is its own.

And the contrast with 2014 is worth dwelling on. When the Liberal government took office in March 2014, it delivered a first budget in August of the same year that included a whole chapter on agency-by-agency savings, identified measures and implementation mechanisms. By October 2014, five months after the election, the then treasurer was making a ministerial statement to the House detailing progress, confirming the savings implementation was underway and announcing the government's response to the failure of the wages freeze.

As of 30 June 2014, general government sector net debt was negative $208 million and the net operating deficit balance deficit was $165 million, 3.4 per cent of revenue. Today, general government sector net debt is an estimated $6.8 billion as opposed to a negative $208 million, and a net operating balance deficit for 2025-26 is approximately $923 million, up from $165 million. At around 9.5 per cent of revenue as opposed to 3.4 per cent of revenue, the fiscal position is incomparably worse than when the Liberal Party came to government here. If the government is now telling us that it will take just three budgets, just three - 2025-26, 2026-27 and 2027-28 - before any substantive understanding of the repair strategy will be available, with many agency actions described in the budget repairs as to be determined beyond 2026-27. Doesn't sound like a plan to me. In 2014, with a dramatically smaller population, there was a plan and a public accountability mechanism within months. In 2026, with a dramatically larger problem, parliament is now being told to wait. How can we actually believe anything here?

I note the new April 2026 State Service Management Office document titled Managing Positions in the State Sector. In terms of transparency and accountability, I call on the government to publicly release the reports that are required under this report. These reports should be made public, with information that could identify individuals redacted. But they're required to report against this. There's a new document that's been produced in DPAC, by SSMO, and they should be releasing those reports. That's a matter for Committee B to take up with the Premier, but I will also be taking it up with the Treasurer. This is the minimum expectation of public reporting on savings, implementation targets and achievements, and it should also include a comprehensive update in the revised estimates report that allows parliament to assess progress before the 2027-28 budget is handed down. That's the minimum requirement, absolute minimum requirement. I genuinely hope we do see improvement in the next budget, because by gosh, we need to, but hope is not a fiscal strategy and from the numbers before us today that we see here, the trajectory is more likely to deteriorate than to improve.

The Treasurer's complaints against Canberra and the Commonwealth government are sometimes justified. Health underfunding through the National Health Reform Agreement is a genuine grievance. I agree. I don't dispute that. NDIS cost shifting risks are real, and I'm sure the minister is well aware of that. The 66 per cent dependency on Commonwealth revenue is a genuine structural vulnerability, but the specific complaint the Treasurer makes most emphatically, the 2018 changes to the GST distribution, require scrutiny of his own role. He told parliament those changes and, in his own words, undermined horizontal fiscal equalisation and created a two-tier federation. That's right. I agree with him. It's exactly what it did. In 2018, he was a senator for Tasmania, sitting in the government of the federal parliament that passed them. It was his government that did this. It was supported by the opposition federal Labor Party at the time too, but he was in government. Tasmanian Liberal senators initially stated that they were united in opposition to any change that would disadvantage Tasmania. That opposition did not hold. The legislation was passed with their support. Now, I acknowledge the pressures of party discipline, and I acknowledge the Treasurer is now fighting the right battle, but honesty about how we arrived there is a precondition for credible advocacy about where we need to go.

We do need to get back to full horizontal fiscal equalisation. I'm not sure we're going to get there. The no worse off guarantee expires in 2029-30, the very year that this budget projects fiscal stabilisation. If it lapses without full horizontal fiscal equalisation being restored, the budget's own projections completely unravel. The Treasurer has my support in the campaign for restoration, but it will be more credible with a frank account of the political history, including the role of the party that now leads it.

I now want to turn to the issue of wages funding, because it goes to another issue in the heart of the budget's credibility. Budget paper 1, page 86, states that a 1 per cent point increase in wages above the 2.5 per cent indexation rate could increase costs by up to $470 million across the forward Estimates. Last year, the same scenario was costed at $250 million. The new figure appears materially overstated, but for the moment I'll use Treasury's own number to illustrate the real position facing agencies.

The Budget funds wages at 2.5 per cent. Known enterprise agreement outcomes, already accepted by unions and proceeding to registration, are running at 3 per cent or more in headline terms. That means the Budget is already 0.5 per cent short of what agencies will actually have to pay. If Treasury's own sensitivity figure is applied, that 0.5 per cent gap equates to $235 million in unfunded wage costs across the forward Estimates. Agencies are told to absorb that gap, I don't know how, through internal savings, service reprioritisation and workforce adjustments. In plain language, cut more staff. On average, the employment cost of that shortfall translates to 400 to 500 additional positions that will need to be removed simply to make the budget numbers add up. That's an additional 400 to 500 jobs, not because of any deliberate workforce strategy, but because the wage index assumption does not reflect reality. These agreements have already been passed and agreed to.

And here is the critical point. The inflated sensitivity figure actually understates how few job losses are required to achieve the government's preferred bottom line because the real underfunding comes from the 2.5 per cent wage cap, not the hypothetical future wage drift. The workforce contraction is already baked into the base. The sensitivity assumption detracts from that fact. It shifts attention to the hypothetical risk, while obscuring the real and immediate pressure on agency budgets.

There is also a striking inconsistency. The same budget assumes 3.5 per cent wage growth for the purposes of calculating the defined benefit superannuation liability, yet funds agencies at 2.5 per cent. Treasury tells the actuary one thing, 3.5 per cent wage growth, and tells the agencies another, 2.5 per cent wage growth. The result is a hidden impost that agencies must find from their so-called back office or backroom on top of the operational efficiency targets already imposed. This is not a technical matter, it's a structural underfunding of wages that forces job losses, undermines service delivery and makes operational efficiency, even the task of that, even more unrealistic.

Then we look at the non-salary indexation, which is capped at 2 per cent. The Budget's own economic chapter projects CPI at 4.5 per cent in the near term, moderating to 3.5 per cent, a structural inconsistency within the same document. Police, ambulance and fire services still need to put fuel in their vehicles. Hospitals must still pay electricity bills and the ever-increasing costs related to supplies and consumables. Courts still have to heat their buildings. These are not discretionary costs. A 2 per cent cap on the non-salary indexation - these are the things you have to buy and pay for to deliver your services - does not reduce the cost increases agencies have to meet. This means that agencies must identify further savings to keep the same level of service: savings made by further reductions in staff, deferred maintenance, reduced consumables - maybe they are going to reuse some more stuff - and the further erosion of service capacity that never makes it into any ministerial statement.

I'm sure if the Treasurer looked closely at his good book, he might find that honesty and integrity are not seasonal. An open and transparent government would be upfront with the Tasmanian community and identify where and how these hidden savings measures will impact on the services agencies provide.

We're told that 438 public servants have volunteered 735 ideas. That's admirable, but ideas are not separations. If the headcount reductions required across the forward Estimates can't be met through voluntary separations, they will require compulsory redundancies. Regardless of whether they are voluntary or compulsory, redundancies impose costs on agencies, including separation entitlements, as I said earlier, of up to 48 weeks pay, costs for legal and taxation advice and transition support. You can't push someone out the door without providing that sort of support for them.

Industrial consequences also need to be managed. None of this appears to be costed or funded in the Budget. Any significant workforce reduction will also crystallise leave liabilities - annual leave, long-service leave and other accrued entitlements paid out in separation - all unfunded. And it assumes they leave on 1 July. Machinery of government changes carry productivity transition costs that the Fiscal Sustainability Report warned are real even when unquantifiable. The Treasurer acknowledged transition challenges and upfront costs in his speech, but where are they in the numbers?

To move on to Homes Tasmania. Homes Tasmania's debt sits outside the general government sector. The government's peak debt target of 2028-29 is a general government sector measure. Homes Tasmania's borrowings, projected to reach $720 million in June 2028, are not captured in it. That's a bit of a gap. The government has included efficiency savings from the Homes Tasmania amalgamation in the forward Estimates, while leaving the amalgamated entity's debt off the ledger. You cannot take credit for the savings of a consolidation while excluding its liabilities. You can't take the asset without the liability in this case. You just can't do it. That's not budget repair. Some may say it's a bit of creative accounting, but it leaves a big gap, a big hole.

Large savings figures are attached to the establishment of Building Tasmania and the Tourism, Events and Creative Tasmania entities across the forward Estimates. What is absent is any explanation of which functions will be reduced, which positions will be cut or which services will change. The savings have been included in the Budget. The basis for them has not. The Fiscal Sustainability Report warned that effective repair requires knowing what you're actually going to do. The Budget does not meet that standard.

Let's look at the Tasmanian Risk Management Fund shortfall. There's $74.7 million not in the Budget. The $183 million in the 2025-26 Budget, the gap between the Tasmanian Risk Management Fund's assets and liabilities for personal injury in particular, has deteriorated to a shortfall of $74.7 million at June 2026. That shortfall is not in the Budget. Another gap. How it will be funded is unknown. Will it be funded centrally? Will we see another top-up? From where? Will it be attributed to the agencies absorbing this $74.7 million into their savings on top of everything else? Either way, it's a real cost and it's not included in the budget papers.

We look at the Service Tasmania transaction fees. Buried on page 116 of budget paper 1 is a plan for Service Tasmania to introduce a transaction fee from 2027-28, raising $3 million per annum. The Budget doesn't say who pays for it, but I think we know who pays for it. Given Service Tasmania is the unavoidable channel for licence renewals, registrations and a whole range of government transactions, the answer is Tasmanians will pay for it. This is not called a tax, it does not appear in the Treasurer's revenue measures, but a fee paid by Tasmanians to access their own government is a charge on Tasmanians, whatever name you apply to it.

I think there may be a little error as well. I'm sure the former member for Huon would have picked it up if he was here. On page 164 of budget paper 1 it states that the Commonwealth will a make $113 million equity contribution to TasPorts. The Commonwealth cannot hold equity in TasPorts. It is a Tasmanian government-owned corporation. If this is not an equity contribution in the conventional sense, parliament is owed an explanation of what it actually is. One assumes it's probably a grant, a loan, a payment for an asset or something. No explanation is provided. It's most likely an error. In the way of support, I'm sure the minister's noting that down right now - page 164, budget paper 1.

We look at GBE dividends and some of the optimistic assumptions. The Budget projects significantly increased Hydro Tasmania dividends based on improved Basslink access, an anticipated coal exit from the National Electricity Market (NEM) -

Sitting suspended from 1.00 p. m. to 2.30 p.m.

QUESTIONS

Exportation and Importation of Electricity

Ms FORREST question to MINISTER for ENERGY and RENEWABLES, Mr DUIGAN

Minister, with regard to the operations of the National Electricity Market and directional pools and allocation rules:

(1) Can the minister confirm and/or explain:

(a) that interregional settlement residues are separated into two directional pools - one for flows from Victoria to Tasmania and one for flows from Tasmania to Victoria;

(b) that according to National Electricity Rules, each directional pool is allocated between the two regions, and is this a specific rule or a convention; and

(c) that the importing region receives the majority share of each directional pool?

(2) For electricity flows from Tasmania into Victoria, can the minister confirm the percentage of the pool allocated to the Victorian transmission network operator?

ANSWER

Mr President, I will seek some advice. I would note that question forms part of a question on notice that I will provide to the House tomorrow. I have a substantive answer to that question, which I would be happy to provide later in Question Time in terms of the specific issues around interregional revenues and so on. I'm happy to put myself in the member's hands.

Exportation and Importation of Electricity

Ms FORREST question to MINISTER for ENERGY and RENEWABLES, Mr DUIGAN

[2.33 p.m.]
Is it your intention to answer question number 30 in its entirety, on the Notice Paper since 14 April this year, tomorrow?

ANSWER

Mr President, I would note that the question on notice is a very detailed question and a large body of work covering some areas that have been extensively canvassed in other forums, but, yes, it is my intention to provide it tomorrow.

Department for Education, Children and Young People - Breakdown of Budget Cuts

Ms O'CONNOR question to MINISTER for CHILDREN and YOUTH and MINISTER for EDUCATION, Ms PALMER

[2.33 p.m.]
I have a couple of questions. The first relates to the Budget. Minister, in an effort to try to fill the enormous black hole which your government, the government you're a part of, has created across the forward Estimates, around $220 million will be cut out of the Department for Education, Children and Young People (DECYP). Are you able to provide to the Council a relative breakdown of how much of that money will come out of education and how much will come out of children's services - noting of course that in Estimates next week I'm sure these matters will be further explored?

Also, how is the department, which is relied upon so heavily by Tasmanians, Tasmanian families and Tasmanian children, supposed to be able to absorb $220 million worth of cuts? Where do you expect those cuts to come from?

ANSWER

Mr President, I will seek some advice.

I thank the member for the question. The budget efficiencies across the department are already reflected in the budget papers. What I can say is that this Budget is delivering on the investment that Tasmania needs: record funding for education, a significant uplift in child safety services and responsible efficiencies that ensure we can continue to support children and families now into the future.

The 2026-27 Budget includes nearly $10 billion across DECYP across four years for the department. That's including a net increase of more than $107 million in the Children and

Youth portfolios over four years. Our investment in the Education portfolio alone has increased by 76 per cent since 2014. However, we know that more money doesn't always mean better outcomes, so our focus must shift from the level of investment to how effectively it is used to deliver real outcomes.

We are reshaping the Department for Education, Children and Young People to ensure that it is fit for the future. We're looking at how we can improve our structure and systems to be more efficient, financially sustainable and responsive to the needs of children and young people. This marks the next step in the department's evolution as a single integrated agency for children and young people.

In recent years, the department has grown and evolved significantly. The Commission of Inquiry into the Tasmanian Government's Responses to Child Sexual Abuse in Institutional Settings and the Independent Review of Education in Tasmania have driven an extensive program of reform to strengthen safety, wellbeing and learning outcomes. While essential, this work has also increased service expectations and added to organisational complexity.

From 2027, the department will be realigning to better connect support functions with frontline service delivery, looking to reduce duplication, simplify the processes, and focus effort on the work that has the greatest impact for children and young people. This is about creating a more efficient operating model that supports sustainable service delivery, while maintaining a strong focus on quality and outcomes. It's ensuring that we are investing in the areas we know have the greatest impact on our children and our young people.

A really practical example that I can share with the member and with the House of this approach is the recent establishment of the central early years outcomes and regulation unit. This has brought together two separate business units. Previously they were spread across two departmental divisions and they were actually reporting to two different deputy secretaries. We've now moved that into a single more coordinated function, which has improved clarity, reduced that overlap and strengthened the delivery.

The department will streamline corporate and back office functions by around 10 per cent. These operational efficiencies will set the department on a pathway to sustainability and enable us to continue to prioritise investment in the people and services working directly with children and families. We are not proposing cuts to frontline services or to schools.

Department for Education, Children and Young People - Budget

Ms O'CONNOR question to MINISTER for CHILDREN and YOUTH and MINISTER for EDUCATION, Ms PALMER

[2.39 p.m.]

We heard a lot of, with respect, gobbledegook then about streamlining and efficiencies. The bottom line is nearly $250 million is being cut from the Department of Education, Children and Young People over the next four years. Perhaps the minister could provide some clarity on what that means in terms of headcount and FTE within that agency. What is the modelled or projected headcount reduction in DECYP, and how does that translate to full-time equivalent positions?

ANSWER

Mr President, I thank the member for the question. As I said, the department will streamline the corporate and back office functions by around 10 per cent. When you look right across the portfolio, you're talking about 1500 positions that fall into that back office function space, so about 10 per cent of that is about 150 positions.

Department for Education, Children and Young People - Use of AI

Ms O'CONNOR question to MINISTER for CHILDREN and YOUTH and MINISTER for EDUCATION, Ms PALMER

[2.40 p.m.]
I'm sure other members will follow that up in Estimates. I have a question that ended up being put on notice to the minister, Ms Palmer. It was about the use of artificial intelligence in education. The Innovation minister, Ms Ogilvie, has said the AI accelerator project will work across agencies to drive adoption and implementation. At the moment, there's no AI initiative register, even though it was promised by the government, of which you're a part, 18 months ago.

Are you able to tell the Council what your expectations would be about how artificial intelligence will be used in the agency for which you will have responsibility? For example, will any decisions be made by artificial intelligence and where the will accountability lie once there's higher adoption of AI in the Department for Education, Children and Young People?

ANSWER

Mr President, artificial intelligence (AI) is rapidly emerging as an area of focus for education departments across Australia, with governments and schools actively exploring its potential to enhance teaching, learning and administrative efficiency. At the same time, careful consideration is being given to issues such as data privacy, academic integrity and ethical use, ensuring that adoption is both responsible and aligned with educational values.

The Department for Education, Children and Young People is preparing to launch a range of proof-of-concept pilots this year, exploring the use of AI tools for teachers and students in personalised learning, curriculum design, workforce support, and efficiency. These pilots form part of the Tasmanian government's response to the Independent Education Review, recommendation 7:

> Consider partnering with other organisations and education jurisdictions to inform Tasmania's position on expanding the safe and effective use of digital teaching and learning tools, especially to improve outcomes for disadvantaged and special needs students ...

And finding 11,

> Continuity of curriculum and consistent teaching practices are crucial to support student engagement across key transition points.

They are also aligned to keep priorities such as Lifting Literacy and making time for teaching.

DECYP has established an artificial intelligence working group to progress this work. The group is represented on the whole-of-government AI Working Group to ensure visibility and co-ordinated oversight of AI projects through the government's Data and Digital Committee.

The Department for Education, Children and Young People has policies, procedures and support resources for principals and teachers relating to generative AI in schools, including an academic integrity guide. Further resources are underway for release in 2026 in alignment with the draft Tasmanian Government Policy for the Responsible Use of Artificial Intelligence in the Tasmanian Government.

DECYP staff have access to Microsoft Copilot chat with enterprise data protection. AI is not being used by DECYP to inform or make decisions affecting members of the public. DECYP's use of AI is currently limited to basic chat functionality. AI apps and websites are currently blocked for all students on DECYP devices and networks.

Greyhound Racing Transition

Ms THOMAS question to DEPUTY LEADER of the GOVERNMENT in the LEGISLATIVE COUNCIL, Mr VINCENT

[2.44 p.m.]
My question is in response to the Premier's request for the Joint Standing Committee on Greyhound Racing Transition to undertake further inquiry into the matters presented in the second reading speeches of the Greyhound Racing Legislation Amendments (Phasing Out Reform) Bill 2025 in the Legislative Council. I note that the committee has rejected the Premier's request to inquire further into those matters raised, noting that answers to these questions are for the government to provide.

Given that the committee has not accepted the Premier's referral to inquire further into the bill, Deputy Leader, can you advise this place when you intend to bring that bill back on for debate and decision?

Ms O'CONNOR - Point of order, Mr President. I think there's been a slight misrepresentation of the situation. The Joint Standing Committee will continue to do work and make further inquiries.

Ms Thomas - Is that a point of order, Mr President? Which number point of order?

Mr PRESIDENT - It's a point of -

Ms O'Connor - I just thought it was important that was put on the record because it's not like we don't have plenty to do.

ANSWER

Mr President, I thank the member for the question. I will just seek some advice. The bill is coming through with me, but the work is not necessarily allocated from me. It's allocated from the Leader of the House. For more information on that I will need to take it on notice through the Leader.

New Bridgewater Bridge - Structural Integrity

Ms FORREST question to MINISTER for INFRASTRUCTURE and TRANSPORT, Mr VINCENT

[2.47 p.m.]
I'm sure you've seen the ABC reporting on some concerns about the structural integrity of the foundations of the Bridgewater Bridge. Are you concerned about that, minister? If you're not, how do you reassure Tasmanians, and me, that it's still okay to drive back home over it?

ANSWER

Mr President, I thank the member for the question. Yes, I have seen and read the ABC article. It was disappointing because a lot of the things that were said in that article were from quite some time ago and had already been worked through around the time of the opening of the bridge. The Bridgewater Bridge is safe. There's no doubt about that.

The design of the structural elements of the new Bridgewater Bridge was undertaken by the contractor and its design engineers, all of whom have extensive experience in designing and building bridges. The structural designs were reviewed and checked by a proof engineer and the overall process was reviewed and verified by an independent verifier. These activities were undertaken with the oversight of the Department of State Growth project team with support from the department's consultant technical advisers.

Additional verification was obtained on a range of technical matters from the contractor and its design engineers, the proof engineer and the independent verifier. The proof engineer and the independent verifier all certified the final structural designs as being compliant and fit for purpose, including the pile designs.

I wish to reiterate again: the Bridgewater Bridge is safe. When all this happened earlier on at the opening, we went through quite an extensive process to make sure that, as far as humanly possible, all boxes had been ticked, and we've been reassured that they have.

MOTION

Budget Papers 2026-27 and Appropriation Bills (No. 1 and No. 2) 2026 - Noting

Resumed from above (page 27).

[2.49 p.m.]
Ms FORREST (Murchison) - Before the lunch break, I started speaking about the falling dividends and somewhat optimistic assumptions associated with some of our government owned businesses. I will repeat what I said so that it's in context to recommence.

The Budget projects significantly increased Hydro Tasmania dividends based on improved Basslink access, anticipated coal exit from the National Electricity Market, and from 2028-29 stronger wholesale market conditions. Each of those assumptions is contestable. The Auditor-General's November 2025 report recorded Hydro Tasmania's underlying profit at $3.09 million in 2024-25, down from $189.77 million in the prior year, a 98 per cent collapse. The Budget projects a sharp recovery. If any of the coal exit, wholesale price or water storage assumptions do not materialise as projected, the dividend revenue underpinning the fiscal aggregates will just not be there, and parliament should be told that clearly. It's like everything relies on everything going perfectly to even have a shot. The income tax equivalents from Hydro in 2029-30 of $155 million implies underlying profits from Hydro that year $515 million with a regulated Basslink operating when Hydro receives the Tasmanian regulated price for all its electricity, including all the higher-priced electricity supposedly sold into the Victorian market when coal closes. That's a huge turnaround: $515 million profit from a $3 million profit in 2024-25. This is the volatility of the climatic conditions that Hydro operates in.

It's also important to remember this: that the high prices in that volatile period, which no doubt will occur when coal comes off, aren't received directly by Hydro. Contrary to what the minister would like us to believe, they are paid into an interstate trading pool, which I was asking the minister about in Question Time today, which Hydro has to bid for the pool at auction. I wonder if the minister will be able to tell us what part of Hydro's 2029-30 profits come from the interregional revenue pool, and how much Hydro expects to pay at auction to gain access to the pool funds as you actually have to pay to gain access. Obviously, these are questions that can be further explored next week, but it must be in Hydro's business plan. If it's in the budget papers, it must be in their business plan, surely, which I understand the minister received in March this year. We deserve to know and we would like to understand the situation before the $470 million from Marinus each year starts arriving, because we've been told after Marinus starts there's going to be $470 million in returns annually from Hydro. Again, if that's not right, the minister needs to tell us. Hopefully, he will tell me tomorrow and all of us. If that's true, will our coffers actually be large enough to take it all? I think there'll be plenty of holes to fill, so we will probably be alright.

I want to move on to another matter, which is about commitments of government and whether we can take the government at its word. When the Legislative Council voted on the Macquarie Point Stadium in December, the government secured the then member for Huon's vote through Premier-signed commitments, including a $500 million public non-financial corporation debt reduction - that's a debt reduction from our government businesses, and revenue measures to be public before this Budget. I'm not going to go through the whole lot, but these are the ones I want to focus on. This Budget apparently is that public accountability.

On the commitment of $500 million to be removed or reduced from the PNFC debt, page 73 of budget paper no.1 states that this target of $500 million has been achieved, and I quote from the budget paper, 'through the removal of debt funding for Hydro Tasmania's Cethana project'. That project, the budget paper now acknowledged, and I quote again 'has not yet progressed to a level of design maturity or preparatory work sufficient to warrant inclusion in the Budget at this time'.

Was it ever there? The Fiscal Sustainability Report published just three months earlier said the same thing. Cethana had neither reached a final investment decision nor formal procurement, with timing and cashflows insufficiently certain to project. The $500 million commitment has been met by not retiring debt, but by removing a budget line the government's own Treasury had flagged as inappropriate to include. On what basis was it included in the first place, and is its removal genuinely a $500 million improvement of the state's fiscal position, or the correction of a projection that should never have been there? It's truly an extraordinary way to meet the genuine commitment - well, what I believe the former member for Huon took as a genuine commitment - to reduce the PNFC debt by $500 million.

I've examined this matter carefully to understand whether the Cethana project was actually in the 2025-26 Budget in the first place, and perversely, the answer is yes, but not in the way you would expect; and that's precisely the problem. Cethana did not appear in the 2025-26 Budget as a named project with specific appropriation, in the way that the Tarraleah project, for example, did. What it appears in is Hydro's aggregate projected borrowings in the out-years of the 2025-26 forward Estimates, specifically 2027-28 and 2028-29, not this financial year. Either way, it doesn't meet that commitment. We know this because the 2026-27 budget paper 1 describes the removal of Cethana debt being from 2027-28 onwards. That phrase tells you exactly where it's at.

Here is the question that I believe the parliament deserves an answer to: on what basis was Cethana embedded in Hydro Tasmania's borrowing projections in the 2025-26 forward Estimates, given that the government's own Treasury, in the Fiscal Sustainability Report, published just three months before this Budget, regards the project as insufficiently certain to include in its own fiscal projections? Yet those same projections apparently found their way into the 2025-26 PNFC borrowing estimates, and then their removal has been presented as the delivery of a $500 million commitment to the former member for Huon.

Treasury excluded Cethana because it was too uncertain a project; the Budget included it, then removed it and counted it as fiscal repair. On the revenue commitments made to the former member for Huon, this Budget contains no substantive new revenue measures despite the commitment. The fees and charges review, as I mentioned, this bullet point with no numbers and no timeline, perhaps $3 million, I don't think that really counts. The short-stay levy was not part of Mr Harriss's commitments, and who knows where that's going to go. The commitment also included increased and adequate funding to Audit Tasmania, and this has also not been delivered. These are the commitments that were made to secure the former member for Huon's vote.

Ms Thomas - And the Integrity Commission, wasn't it?

Ms FORREST - Yes, the Integrity Commission too. I haven't looked at that one. I was more interested in the ones I'm looking at. Yes, probably the same. I don't know. I'm sure there are other members who have looked at that. The Premier signed a letter; the stadium was approved. The commitments have not been delivered in any meaningful sense. I raise this not to relitigate the stadium debate, but because it goes to the credibility of the commitments this government makes to parliament when it needs something and what those commitments are worth once it gets what it needs.

I will keep going. Chapter 4 of budget paper 1 identifies governance safeguards for Macquarie Point, including a cap on the state government funding contribution. We all know that sounds reassuring; after I've just read what I've just read, you may be starting to doubt, but the same chapter notes that the risks may materialise through increased expenditure on consultants, assurance activities, design revisions or contract variations, particularly as the project moves into procurement and construction.

My question is: are those costs within the cap or additional to it? If within it, how will a project in procurement and construction absorb those pressures without squeezing delivery? If additional, the cap is not a cap on total state exposure, it's a cap on one category with an open-ended commitment alongside it. PAC will continue to ask these questions too, but this is an important matter to consider in the budget process, in line with commitments made to the member for Elwick.

What interest rate is the government modelling on MPDC borrowings, presumably from TASCORP, and fully underwritten by the state? Budget paper 2, page 222, suggests approximately $35 million in grants and subsidies will be provided to Macquarie Point Development Corporation for debt servicing, with around $27 million over the forward Estimates for operations. It just keeps ticking up. It is a material question: is the interest cost accruing during construction within the cap at current rates over the multi-year build before even a single AFL game is played? These are questions we will no doubt pursue next week. The club funding and development agreement makes the government solely responsible for cost overruns, with $4.5 million penalties per missed completion milestone. These are significant contingent liabilities. They don't appear to be in the disclosures with the specificity they warrant. Are they included in the cap? Are they likely to not be met? Some of them are unlikely to be met.

If the government or MPDC funds consultants and interest payments outside of the headline cap and does not count them against the total cost, it will be pure deception. As I said, I will continue to pursue this through Estimates and the Public Accounts Committee.

So, taken together, the structural inconsistencies in this Budget paint a coherent picture of holes everywhere: a revenue outlook built on optimistic GBE dividend assumptions that may not materialise; machinery of government savings with no identified source; wage indexation capped below known enterprise agreement outcomes; non-salary indexation less than half the CPI the Budget's own economic chapter projects; a multi-million-dollar human information resource system gap, which I was concerned about when I read the budget paper, and it was confirmed by the Auditor-General's report in his briefing today - because this project will not be completed this year, yet funding only appears for 2026-27, not the out years. I think it's a $40-50 million black hole, another mine shaft to fall down. Homes Tasmania debt is excluded from the general government sector, while its amalgamation savings are included; the $74.7 million shortfall in the Tasmanian Risk Management Fund - that has to come from somewhere, no doubt from agencies. New transaction fees on Tasmanians with no disclosed terms.

Any one of those items would warrant an examination. Together they describe a budget constructed to achieve the desired headline result, the optics of fiscal repair, rather than provide the parliament and people of Tasmania with an honest account of the state's financial position and a credible plan to improve it.

So, the Treasurer told parliament Health continues to be the largest area of expenditure, and we know that it is. At $15 billion across the Budget and forward Estimates, the government walks the talk, but the Budget tells us a little bit more complicated story. I've touched on this when I talked about the policy and parameter changes, but Health faces unavoidable cost pressures of $209.4 million in 2026-27, growing to $245.2 million in 2028-29. The budget has to fund these. This is the parameter changes I was referring to. Simultaneously, Health must deliver efficiency savings of $131.4 million in 2026-27 growing to $191 million in 2028-29. As my short parable outlined a while ago, both are unavoidable. There used to be a saying when there's Indian giving: take with one hand and pull back with the other.

Despite Tasmania's high per-capita health spend, among the highest of any state, emergency department performance remains the poorest in the nation. This is not a picture of a well-funded system delivering strong outcomes that can afford to be trimmed. It is a system already under pressure, performing below benchmark, facing simultaneous additions and reductions, with no published plan for how the savings will be achieved, where they will come from or where the service impact will be.

Are we expecting, perhaps, the paramedics to meet the patients they need to attend halfway to manage the operating costs associated with fuel? Are we to see expectations of reusing medical equipment? I think not, but there is no coherent plan and the pressures are real and expectations likely to be unachievable. But they're modelled in the Budget, so one assumes they'll happen because if they don't, we're in a bigger world of pain.

I spoke last week on a motion about the arts funding. I want to touch on that just here as well. The Treasurer spoke of supporting the Tasmanian brand, cultural participation, excellent pathways across the arts. The budget papers tell quite a different and more complicated story. The arts industry development line is not transparent. It includes competitive grants, four-year funded organisations, the Premier's Arts Prize, other initiatives and a grant to the Queen Victoria Museum & Art Gallery that is not publicly identified. The $5 million for the TSO, Ten Days on the Island and the Theatre Royal sits in a separate grants and subsidies line, so they're outside of that. The result is, parliament basically cannot determine from the budget papers how much of the arts industry development figure reaches the competitive grants program for artists and organisations that depend on it. On my analysis, only approximately $5 million does, but the budget papers do not say.

The number in 2023-24 was $9.985 million. In 2024-25 it was $11.614 million but included a $1.5 million uplift with no public detail on application. Underlying $10.114 million in 2025 was $14.126 million, but that included $4.5 million in one-off TSO capital funding related to the stadium, so the underlying was $9.626 million. In 2026-27, this financial year coming, it is $9.175 million. Comparing like with like, arts funding appears to have fallen by approximately $450,000 in real terms with no indexation.

The Department of State Growth's 2024-25 annual report recorded an arts industry development budget of $12.318 million and actual expenditure of $11.01 million, a $1.37 million gap from the released budget papers for that year. In a program where only approximately $5 million reaches competitive grants, a variation of that scale is material. We're talking about a poorly funded sector, not millions and millions and millions of dollars, so $5 million is a lot of money here.

The arts sector has been telling government for more than three years that funding has not kept pace with inflation, employment costs or the real cost of producing work in a small regional economy. Organisations are in a cycle of survival, not sustainability. Three specific structural failures remain unaddressed - these are matters I raised last week: the absence of CPI indexation, the inefficiency of annual grant cycles that force proven organisations to reapply for funding that they receive consistently, and the problem of festivals competing with the arts they present for the same limited grant pool because federal portfolios in tourism do not adequately fund artist payments. These pressures now see festivals mostly competing for federal and philanthropic dollars as they've been unable to, or told they no longer can apply for Arts Tasmania grant rounds. Everywhere there's pain in this sector.

A new creative industries key delivery is cited in the budget papers as driving future growth in the arts industry development line, but there's no detail on what this is, who funds it, on what terms, or whether it represents new money or reallocation of existing grants. Another question for next week, no doubt. We're being asked to appropriate funding for an initiative that has not been explained.

This is a very real challenge in the arts sector that raises a question on community sector indexation more broadly. The same problems that the arts sector faces, the community sector faces. In the 2025-26 Budget, organisations with indexed grant arrangements received 3 per cent indexation per annum across the budget year and the first year of the forward Estimates. In the 2026-27 Budget, that 3 per cent applies across the budget year and 2027-28 only, dropping to 2 per cent for the remaining two forward Estimate years. This means community-sector organisations, many of whom are already operating on razor-thin margins, are facing a real reduction in the purchasing power of their grants in the out years, at precisely the moment when the Budget's own economic chapter projects sustained cost pressures from the Middle East conflict flowing through freight, energy and goods. Even if that war finishes today, there will be a year of impact. We know that. We're at the very end of a very long chain.

I'll be seeking confirmation through Estimates of exactly what this means for grant recipients, both in the community sector and in the arts space, and whether the reduction was a deliberate policy decision or an artefact of the budget construction.

Another area I want to talk to is the funding of parliament. People might think, 'Oh my god, here we go talking about ourselves.' Well, yes, we are, because parliament is not just about members, it's about the staff who work in it. It's about everyone in this place. Members will recall - some of the new members may not be so familiar - but Sarah Bolt undertook a review of workplace culture in this parliament and produced quite a scathing report. The Workplace Culture Oversight Committee has been working to see the implementation of all the recommendations that she made and members would have seen interim reports. Members would also recall - and the new member for Huon when she was sworn in affirmed her agreement with - the code of conduct, which includes the Independent Complaints Commissioner process.

Our parliament, and particularly this House, is not being funded adequately to provide the work that we need. The Independent Complaints Commissioner is a critical part of this for the workplace safety of not just members - in fact it's just as important, if not more important for the people who work in this building - the staff, the ministerial advisers. This parliament agreed to establish the Independent Complaints Commissioner and what do we see in the Budget? $50,000. You could hardly even recruit a person for $50,000, but we can give $98,000 to Scott Roth to promote Tasmania. The government doesn't care enough about the safety and welfare of the people who work in this place to put a decent amount into this provision. $50,000 - I won't go into all the other problems with it, but it's just breathtaking. As I said, this $50,000 per annum would not sustain a part-time investigator for a quarter of a year.

In a budget of almost $10 billion, $50,000 for parliamentary workplace safety oversight is an insult. It's an insult to the Clerks. It's an insult to the staff. It's an insult to everyone who works in this place. I'm ashamed to think that I sat around that table and chaired that committee for so long, and we ended up with a really good outcome, a code of conduct, an alcohol statement - the only jurisdiction in the nation to have one - and approval to establish an Independent Complaints Commissioner. Then the government gives the parliament $50,000 for it. It's a statement of priorities, isn't it? It's an insult to everyone this office is meant to protect. As I said, what a contrast - $98,000 allocated to Scott Roth without a tender process because it's less than $100,000. It's appalling. I could go on and I will go on, but I'll talk about something else that's interesting: TasInsure.

That's very interesting, isn't it? We all knew this was nonsense from the outset, but not every Tasmanian understood. They were misled. The Treasurer's speech states:

> New funding has been allocated over the next two years to support the next phase of work to establish TasInsure and commence the delivery of services and functions for the community.

We know they're not going to provide insurance. What are we paying this money for? I have searched the budget papers for what TasInsure will do, how it will operate, who will govern it, what services it will provide to whom and on what terms and at what cost, and I found none. I was not surprised. After an election promise that Tasmanians would save hundreds of dollars on insurance, promises built on, at best, wishful thinking, this initiative was presented to parliament as a line of funding with a name attached and nothing else - a name they don't even own, actually. Tasmanians deserve to know what they're being asked to fund and why, and there's a bigger number on that than there is for the Independent Complaints Commissioner. Enough said on that one.

When I turn my mind to what responsible budgeting would look like, I want to be clear about what I'm saying and what I'm not saying. I'm not saying Tasmania does not face serious fiscal challenges. It does. I've been saying this for years. I have said it consistently and I'm not saying expenditure reduction is never appropriate. It is needed and it's necessary and I support genuine efficiencies where they exist. I'm not opposed to budget repair. I've been asking for it for years. What I am saying is that the repair plan in this Budget is structurally deficient in ways that the government's own Fiscal Sustainability Report makes clear.

A responsible approach would be honest that repair requires a mix of measures including revenue. I've seen the social media posts of the Liberal Party having a crack at the Labor Party with spinning dials looking at more taxes. We can't even have an adult conversation without the Liberal Party putting out stupid memes. I'm sure there will probably be something about me pretty soon, too. It just beggars belief we can't have a proper conversation about this.

The government needs to be honest that repair does require a mixture of measures. Their Treasury has said it. They should just listen to their Treasury. The promise of no new revenue measures is politically understandable but is fiscally irresponsible, and I'd rather be fiscally responsible than politically - well, I am politically exposed now because I'm saying what I'm saying.

A responsible approach would publish agency-by-agency savings plans with timelines, milestones and accountability mechanisms so parliament and the community can assess where the targets are being met and what the service consequences are. It's not too much to ask. I spoke about this earlier, it's critical. Reports, as I said earlier in my contribution, will be required under the 20 April 2026 SSMO document titled Managing Positions in the State Sector. These reports should be made public, with information that may identify individuals redacted.

A responsible approach would also budget honestly for transition costs, redundancy payouts, leave liability crystallisation and the productivity drag of structural reform. A responsible approach would use accurate wage and non-salary indexation assumptions, and report transparency on employment consequences. A responsible approach would provide substantive detail on new initiatives like TasInsure before allocating public funds to them. None of these things have been done.

Rather than calling for divine intervention, blaming the federal government for problems that the Treasurer helped create when he was in the federal parliament, and not taking responsibility for the actions of the government he serves, I suggest this is the season not just of balancing the books, but of telling the truth about how he planned to do it.

In conclusion, I know I've made quite a substantive contribution, and this may be the last time I can speak for more than an hour, so I'm just making the most of it. The Treasurer opened his budget speech with the Good Book's counsel that there was a season for most things, and he was right about that at least. There is a season for deficit budget, there's a season for balancing the budget, and there is apparently a season for presenting a budget that appears to do the second while still doing the first.

As I said at the outset, reading this Budget felt like walking through an old mine site. Having now walked the full length of it, I want to report back on what I found and how many holes I fell in.

I found a revenue story built almost entirely on Canberra's generosity and the property market, neither of which the government controls.

I found GBE dividends projected to recover sharply from the base year in which Hydro Tasmania's underlying profit collapsed by 98 per cent.

I found the backroom staff the Treasurer calls dispensable generating the strongest discretionary revenue growth in the Budget by collecting the fees and taxes that we do collect, and being told they're no longer needed. They're the background people, surely. Who else are?

I found a savings task of more than $400 million by year four with no plan, no milestones, no accountability. Savings, the policy and parameter statement reveals, were reverse engineered from a target not built from operational reality. The pressures are real and the savings are invented. I found wage indexation capped below known enterprise agreement outcomes which if achieved, would quietly require the cutting of between an extra 400 and 550 staff from positions in the public sector that no-one has been told about.

I found non-salary indexation capped at a rate less than half the CPI the Budget's own economic chapters report, with the gap absorbed silently, apparently through agencies that can no longer afford to operate at the standard Tasmanians accept.

I found redundancy costs, leave liabilities, the machinery of government transition costs, which are real, material and are entirely absent from this Budget.

I found Homes Tasmania debt off the ledger, while the savings are on it.

I found a $74.7 million hole in the Tasmanian Risk Management Fund that nobody is funding.

I found $3 million in new transaction fees on Tasmanians that the Treasurer did not mention in his speech.

I found a $500 million debt reduction commitment honoured by removing a project that the government's own Treasury said should not have been in the forward Estimates.

I found a stadium cap that may not cap what it purports to cap, with interest costs and consultant fees flowing through separate lines, whose treatment requires explanation.

I found another gap in the human information resource system funding. Who knows how much that will be?

I found TasInsure, the proposed government-owned insurance company that promised hundreds of dollars in savings for every Tasmanian, presented as a funding line with a name and nothing else.

I found a paltry $50,000 for the body this parliament agreed to establish to protect the people who work within it, in a budget of around $10 billion.

I found an art sector at breaking point, receiving real-terms funding cut, dressed up as continuity with a new initiative nobody can define. Well, maybe the minister can next week.

Throughout the whole document I found the government blaming Canberra for a GST problem the Treasurer helped create while invoking a 1990s fiscal repair precedent that included tax increases in a budget that rules them out.

The Fiscal Sustainability Report said no single class of intervention is likely to be sufficient. This Budget relies on a single class of intervention without a plan, without monitoring, without management. The Fiscal Sustainability Report said the repair task needs greater and more urgent action. This Budget's savings target is less than half of what the Fiscal Sustainability Report's own modelling says it requires for a credible five-year repair pathway. And the Fiscal Sustainability Report said there exists a trajectory beyond which the fiscal repair becomes structurally impossible. The Budget moves along that trajectory while describing this journey as responsible fiscal management.

That said, I will support the passage of the appropriation bills. The state must function and essential services must be funded. I'm not seeking a constitutional crisis and I'm certainly not seeking another election. Not for us, for them.

But I want to be plain about what support for passage of the appropriation bills at a later time means and doesn't mean. It does not mean confidence in this plan or the plan, because there is no plan. It's just a few targets. It does not mean acceptance of the transparency standards on offer. They are far too inadequate because this transparency on offer is insufficient on the scale of the challenge. It does not mean agreement that the government has been honest with the parliament and the Tasmanian community about what the Budget will actually do to agencies, to the workforce, to the services Tasmanians rely on.

As I said, the mine site that I've walked through this week has real dangers. Some I've named today, and there'll be far more that other members will have identified. And more we'll no doubt find throughout Estimates. The reckoning for those that remain unaddressed - the indexation gaps, the unfunded liabilities, the invented savings, the off-the-book debt - will come whether or not parliament has been told about them.

The Treasurer invoked the Good Book's wisdom that there was a season for most things. I want to suggest there is a season for something this Budget has not provided: an honest account of what fiscal repair actually costs, who bears it and how we will actually know whether it's working. As I've raised in this place before and will continue to, we need to have an honest, frank and open dialogue with the people of Tasmania to help them fully understand the challenge and be part of forming future solutions. They're not stupid: the people aren't stupid and we don't need stupid memes. What we need is an open, honest, mature conversation.

I will continue to work towards finding ways to engage with our population, as I said previously, through a properly constructed citizens' assembly, and work with all Tasmanians to be part of the solution. I can't see any other way, with the attitude that we've seen from this government. It is this government who have presided for 12 years over the decline of our financial position through policy decisions - some critical decisions such as our response to COVID and the commission of inquiry, acknowledged - but the problems are far deeper and wider than those. They are just now being used as excuses. Our state and economy need to be in a position to weather storms when they inevitably come, because they will and it has absolutely no capacity to do so at the moment.

I do have some sympathy for the Treasurer. He's only recently joined the Tasmanian Liberal team and the Tasmanian Liberal government, and at least he acknowledged we have a problem and he seems to have a willingness to tackle it. I can't say the same for the Premier, who has been in the leadership position during the whole deterioration of our state's finances since 2014. It is his government who made these policy decisions to get us here, and his government that refuses to take the advice of his own Treasury.

Treasury have been clear. The Fiscal Sustainability Report offered three pathways to fiscal repair: five, 10 and 15 years. The five-year path required the most aggressive cumulative correction: $3.3 billion, equivalent to 25 percent of projected expenditure on services. The Fiscal Sustainability Report endorsed both the five- and 10-year scenarios as credible repair pathways. It said beyond 10 years the risk of shock derailment became unacceptably high, and that if uncorrected, Tasmania could reach a point where return to fiscal sustainability is not achievable at all.

Critically, the Fiscal Sustainability Report was unequivocal: all credible repair pathways require all three levers of reduced expenditure, increased revenue, and reduced or reprofiled infrastructure investment. No single class of intervention is likely to be sufficient, but the government and the Treasurer have said they can achieve peak debt, or that point, in just three years: more aggressive than Treasury's fastest modelled scenario using only one of the three levers, cutting costs predominantly through cutting staff. Their likelihood of success, as I've outlined, is completely fanciful.

I look forward to Estimates, and I look forward, one day, to a budget that tells the truth from the first page.

[3.28 p.m.]
Mr HISCUTT (Montgomery) - Thank you, Mr President, and I thank the honourable members who have spoken so far for their valuable contributions to this budget reply. I rise today to comment on the 2026-27 state Budget. As I often do, I want to start by acknowledging that budgets are not easy. They are about choices, they are about priorities, and they are about balancing competing needs when resources are limited.

Ms Rattray - I think I said that in my speech.

Mr HISCUTT - Well, you must have said some pretty good words, then. They are about trying to do the right thing for Tasmania, not just today but into the future. There is only so much to go around. I also think it is important to say at the outset that not everything in this Budget should be criticised. There are some things in the Budget that I support, and there are things in the Budget that I think many Tasmanians would expect to see. There are also a lot of assumptions in this Budget and a lot of pain.

There is one particular initiative that I'm going to highlight right at the start, and that is the new initiative to make the meningococcal B strain vaccination free to Tasmanians. As some of you in this Chamber may know, I lost my brother to this disease at 16; here one day, gone the next. The vaccine wasn't available back then, but when my children were of an age to get vaccinated, of course, I ensured that they were. These cost our family around $400 each to get them vaccinated. We were fortunate to be in a position to afford this, and I'm glad it will not be through cost that another child is denied the option to protect themselves from such an insidious disease that affected our family. I want to acknowledge the government for including this initiative.

From the outset, this Budget is one of savings; some would say slashings, others would say rightsizing. I will not shy away from the fact that I've said in the past that our public sector needs to be looked at. In areas such as Health and Education, we spend more per capita than any other state and we're delivering some of the worst outcomes. I've said before in this House: our issue is not in spendings but in delivery. It is probably the first time lyrics from the British rock band Muse may have been quoted in this place, but in their song 'The 2nd Law: Unsustainable', there is a spoken piece talking about Newton's second law, that in a closed system entropy can never decrease. It says:

> Energy continuously flows from being concentrated
> To becoming dispersed, spread out, wasted and useless
> New energy cannot be created and high-grade energy is being destroyed
> An economy based on endless growth is unsustainable

The spending cannot grow endlessly. It will lead to mass entropy, decay and ultimate downfall. It is unsustainable. However, the road to recovery is long. Government cannot continue to spend more than it makes; if it existed in the private sector, it would have been sent to the administrator long ago.

I want to reveal something here today: a few weeks before my election, I myself had actually been laid off from my workplace. This happened as the business was not able to keep itself afloat and something had to change. Management made the decision that a downsize was necessary. Now, obviously, a government is different: services can't necessarily be downsized. The same number, if not more, people will need to be seen in hospitals. Kids will still need to be educated. But this does not mean that we shouldn't look at where efficiencies can be made. No organisation should assume that its structure is right, even more so if it has always been this way.

I do not think I'm being unreasonable to ask whether systems can be leaner, smarter or better organised. This is a legitimate question, but - and this is the important part - the question is whether the numbers are right, ensuring that the work still gets done, that our services are protected and, most importantly, that the assumptions are realistic. This is where scrutiny matters. No-one can seriously look at Tasmania's financial position and pretend that there are no issues. There is growing debt and the government continues to borrow to fund today's living standards without a credible pathway back to sustainability. Eventually somebody pays: usually future Tasmanians.

So I accept the Treasurer's broad position that budget repair matters, that we must be disciplined and that difficult decisions are necessary; but I also think Tasmanians deserve honesty about exactly where we are, and one of the things governments of all persuasions are very good at is choosing language carefully. This Budget speaks of a surplus in 2027-28, this is the headline, return to surplus. Some people will be relieved to hear this. Well, I don't think the public realises these supposed surpluses are not realised unless the assumptions come true. This year's budget still has state spending this year at $317 million more than it makes. If you include full borrowings, including capital spending, then it is closer to $1 billion dollars.

Debt continues to rise across the forward Estimates until 2029-30. The proof will be in the pudding, as they say. So, while the direction may be improving, the journey is far from complete. That distinction matters because there is a difference between beginning repair and finishing repair. This is the true essence of the budget: execution. How will this be achieved? This is where the real debate will need to be thrashed out, maybe next week in Estimates, or over the months and years to come. The government is promising some amazing results, and they are doing so through a lot of buzzwords, not actual details: operational efficiencies, structural reform, machinery of government changes, digital transformation, workforce restructuring, and procurement reform. All of these things sound sensible in theory, but theory and delivery are two different things.

This government has promised red tape reduction and improvements in efficiencies before. I'm not so sure their record on delivering those promises is apparent.

I would also pose the question: how has the government allowed their management to get so inefficient? If there are millions or billions of savings to be made, I'm certainly not happy that they've been allowed to go on for so long. I would like to ask what actually changes, who actually leaves, and what work actually stops or doesn't get done. Another question, what if the assumptions do prove optimistic, what then? While I'm on my crusade with questions, what consultation has the government done? It has been shown again and again that this government doesn't talk to people. They just make decisions, then make everybody else live with them.

On the public sector specifically, as I said earlier, I support looking carefully at size and structure. I think the public would expect it would be looking closely at the biggest expenditure. It is our duty to scrutinise and find out exactly what savings the government is expecting to make. This must not come at the expense of frontline delivery because if the government says it's reducing back office functions, I want to understand exactly what that means. Sometimes 'back office' means genuine administrative duplication, but sometimes it means support roles that quietly keep frontline services functioning. It is very important that our attempts at savings are genuine, and it will be up to the parliament to scrutinise the government and ensure that they are held to account on these issues. This cannot just be a number plucked from thin air - a number that is politically convenient to ensure the budget papers look good. Tasmanians deserve clarity. I'm not sure it has been delivered.

The Health department is an area that Tasmania spends a significant amount in. I think that Tasmanians would expect that legitimate questions need to be asked. We spend an extraordinary amount, especially when it is compared to the outcomes. We hear stories about people waiting in emergency departments, waiting for ambulances, ramping, delays and frustrations. This is clearly complex, but our answer for the past number of years seems to have been to throw more money at it. Has it helped? I would suggest that it hasn't. This is not to say that the problem isn't complex. It will take true leadership, and it will take structural change. It may even take some of those operational efficiencies. We must ensure that this is done delicately, so that the service that Tasmanians deserve is still enshrined.

Credit must be given to the government and those of our other states who have fought hard to ensure additional funding from Canberra. However, this does highlight another area of our budget: our over-reliance on the federal government. The question must be asked in Health, are we getting the performance Tasmanians should reasonably expect for the money we spend? This is not an attack on the hard-working members in our Health department. It is a governance question that must be asked of our leaders. We must do better. When I say better, I'm talking about strategy, not patient care, because that's being done well by the frontline staff. Spending more money without materially better outcomes achieves nothing.

The same can be said for Education. The operational efficiencies are named up in this particular department, 10 per cent of 1552, or 155.2 people. The same again in the following year and again the year after that. Real people doing real jobs. I doubt there are many people working in that sector who think that their job is unnecessary. However, I do remember my school days. I remember them well as they are probably a bit more recent than those of most in this Chamber, no offence. However, there were a lot less staff in the system at that time and we need to ask why. Are educational outcomes better? Instead of blaming the people, do we need to blame the regulations that sit behind the services that are provided? We must ensure that the frontline staff are not affected by the elimination of back office, as the Budget calls them, the back office staff who support essential delivery. What are the assumptions behind who, what and where our reductions are made? We need to make our money go further and get better outcomes.

I want to say something about Tasmania's broader structural financial position. The Treasurer has made much of Tasmania's dependence on GST revenue and Commonwealth funding and to be fair, that is a legitimate issue. Tasmania is clearly more dependent on external revenue than some larger jurisdictions. That is a matter of fact. But to just state the problem and not do anything to fix it is a serious concern. We can spend our political capital complaining in Canberra, telling them we're not getting what we deserve, or perhaps we could look at other options. Most other states have closer to 50 per cent own-source revenue. We need to raise the bar. Further, regarding our own-source revenue, page 70 of budget paper 1 shows that our GBEs will return a surplus in 2029 and be a boon for us in 2030. This needs further scrutiny. We need to review our GBEs and ensure that if a dividend can be produced, it is.

Instead of going to the federal government with hat in hand saying, 'Please, sir, may I have some more?' perhaps it is time, as the old-timers say, to pull ourselves up by our bootstraps and stop the dependence on the federal government by doing more. We cannot always blame others. This is obviously a lot easier said than done, but I'm disappointed that the government is not up to the challenge. They have ruled out any new sources of revenue through tax. I do not necessarily agree with this position. I think it needs to be explored to understand what we are deciding against. The other thing is that we also ruled out any forms of commercial activity to drive our own-source revenue. There are many areas that the government could be commercially successful in. As long as we enshrine the concept of competitive neutrality and we find the right people to lead our ventures, there is a significant opportunity in the market to change our reliance on the federal government. We need to explore all options to become less dependent because I do not think that Tasmanians want a future where the state remains permanently vulnerable to decisions made elsewhere. It is in Tasmanians' natures to go hard and we should be the holders of our own destiny, not reliant on others who will not always have our best interests at heart.

I welcome the decision of the government to support free transport in Tasmania for the following 12 months. This is a cost-of-living relief that, in general, gets to those who need it most. There is a cynic in me, however. Is this decision one of goodwill by the government or, as I fear, perhaps they just needed another year to get their over-budgeted ticketing system in order? It does seem like a bit of a get-out-of-jail-free card.

Ms O'Connor - I think that's finished.

Mr HISCUTT - I'm not sure. They won't have to worry about it if they don't have to pay for a year. At least they have a year to figure that out. I hope the purpose is not nefarious. However, I'm not confident.

Ms O'Connor - I think it's been cocked up.

Mr HISCUTT - That's a bit unparliamentary.

I do want to turn to the TT-Line because, quite frankly, this is one of the areas where many Tasmanians have legitimate concerns. Let's face it, 'ferry fiasco' barely begins to describe it. The entire project, including associated costs, is apparently more than $700 million above estimates. That's not total costs. That's how much they got it wrong. A $506 million, I believe, equity injection on top of a $75 million injection just five months ago, and let's not forget having to pay back the borrowings on this.

Let me be clear here. I support the importance of TT-Line, the connectivity it provides us across the Strait, the strong freight links. I recognise its importance for tourism and its contributions to regional Tasmania. No reasonable person is against the importance of TT-Line, but supporting it does not mean that we should support poor governance, it does not mean that we should not continue to scrutinise this. Tasmanians are being asked to support a very significant taxpayer contribution. They're entitled to ask a very simple question: is this an investment, a rescue, or both?

Genuine long-term productive infrastructure strengthens Tasmania's economy, but taxpayers are being asked to absorb the consequence of cost overruns, poor planning, governance failures, delayed delivery and debt repair. I would like to know when the *Spirit*s will begin to pay for themselves. What is the return on that investment? They are obviously necessary, but we should have these answers. All we have are more questions.

I also think this naturally leads into a broader discussion about capital priorities. Government and infrastructure projects are often what keep the private sector humming. This can be a useful tool but needs to be based on the right priorities. It is good to see infrastructure in hospitals and roads which need upgrades, but we need to understand what is spent and where. It's difficult to understand some of the changes. In my region, the Lake Cethana project has been delayed. This may have been appropriate, and the member for Murchison spoke about that in length, but it is also regional jobs that are being delayed. It also seems that some school infrastructure is delayed - still there, but in the forward. Once again, I ask how confident they are that they will still be there when we get to 2028 or 2029. The government's inability to predict how much they can do is also evident with continual years of committing funds to capital works but not reaching their target. This sets up community disappointment. I was always told to underpromise and overdeliver. Apparently, the government has not heard that idiom.

It is a going concern around our projects and our major departments, like Health and Education, that I think we need to have a review of our leadership, ensuring that those making decisions are equipped with the skills to make the demanding choices. What are our KPIs, who determines if our leaders are successful, is there accountability? Is there independent internal and external performance management?

I'm also concerned about chart 3.8 in budget paper 1, which was also referenced by the member for Murchison. This notes depreciation versus purchase of non-financial assets. To me this is: are we building as much as it is deteriorating? If you spend less than depreciation, your assets are going backwards and will need to be righted. There's a trend over the past 10 years of spending a lot more than is being depreciated. This tells a story of why our operational costs are escalating, as now there are obviously more assets to maintain. This graph shows a massive decline over the predicted years. I would just hope that this stays above depreciation, or otherwise we will be a world of hurt in years to come.

Now, I know there will be debate around the stadium, and understand the passion around that issue. It is our responsibility to hold the government to account to their promises. It is pleasing to see a continued prediction in the Budget and forward Estimates that there has been no escalation.

Ms O'Connor - Be a realist though.

Mr HISCUTT - I think I said earlier in the speech, the proof will be in the pudding.

Ms O'Connor - Well.

Mr HISCUTT - Decisions on this issue - that was not a retort that was actually on the page. It was just perfectly timed.

Ms O'Connor - But imagine though.

Mr HISCUTT - Yes, I knew there'd be an interjection there. Decisions around this issue were not taken lightly. If restraint and operational efficiencies are required elsewhere, then they also need to be evident in our capital works.

The outcome of the Tassie Devils has already shown to be something that our state can get behind. Success is paramount, and so is keeping the public on side by showing discipline and oversight.

What I am most worried about is expectations. An example of this is the first home owner's initiative. The government have claimed in their media a doubling of the first home owners grant. Well, this is technically true. This financial year they were at $30,000 and next year they will be at $20,000. This is a real reduction in the real world, not in the world of the technical.

I'm also alert and alarmed by the government's rhetoric delivered in the budget speech regarding workers compensation and psychosocial impacts. This really needs a lot more explanation. It has often been said that mental health workers compensation claims are the back pain of the '90s, however a lot harder to see. It is a delicate and difficult space to play in, as there are legitimate mental health concerns that need to be addressed. With the state of the budget and where it's heading, we can only expect this to be exacerbated.

However, I'm glad to see the government is looking into this. We need to ensure genuine workplace pressures are not allowed to become workplace compensation claims. Sometimes life is hard, and sometimes work is hard. That is a fact of life. Although this area must be handled with compassion, it is also important that it is reviewed.

It is also interesting the new financial strategy has been delivered. I must say it has made some comparisons hard at times, but in my view, it seems to have moved away from numbers and towards words. That is not necessarily a good trend. An example of this is in the targets on table 3.16 in budget paper 1. One of the targets is to cap total infrastructure investment funds and any other equity injections at $1 billion - a noble goal and a requirement to achieve our targets.

The budget paper shows that we do not achieve that this year, nor the next, nor the next, but finally in the fourth year of the forwards we might achieve it, if the assumptions come true. Do you know what score the government gave itself in this target, Mr President? Their status was 'commenced'. Well, definitions are important, but the status of that target is 'failed'.

The only way they have achieved their other targets is by moving capital projects down the road. This is not great governance; it's just using English instead of maths.

There are some concerning notes to be made in table 5.2 on page 111 of budget paper no. 1. The table shows our net financial worth. This is described as our financial assets less our total liabilities. The figures are not good and although our government is different to other businesses, this figure normally describes your ability to pay your debts. Even in 2030, this is still negative. We have problems.

The government have set in motion a series of actions. Can they deliver? Should they deliver? Will they deliver? These are the structural questions which need to be answered, and the budget before us doesn't answer them, it just puts some numbers on a page. I've looked and I cannot find where the savings are explained. Words, words, words - let's see if action follows. And will services improve? Will they fail? Will our communities feel safer? Will our vulnerable be looked after?

I also feel that the real pain is to be hidden. Although next year's budget, what we are looking at, shows some spending cuts, it is in the first year of the Estimates, the 2028-29 year, that the real pain begins. This government is expecting an increase in spending next year of approximately 1.4 per cent. The following year is a real shrinkage of 3.7 per cent. The worst is yet to come. If difficult decisions are being made in the name of budget savings and reform, then Tasmania is entitled to expect real results.

This is my third budget in 12 months, although I've only debated on one. I'm not sure if this is something that has been shown in the past, but I must congratulate the government on budget paper no. 4. This includes targets and actuals for the performance of our departments. This is useful information. I do find some of the targets interesting. They appear to just be as close to the actuals as possible when they can get away with them. There doesn't seem to be a lot of aspiration.

They also don't seem to reflect policy objectives. For example, on page 79 of budget paper no. 4 it references targets for growing the value of Tasmanian premium exports to international markets. Last week we had a letter from the minister regarding the government's Trade Strategy 2030, showing that there had been an increase in that area, and yet there is no uptick in that target. That goes backwards. They don't seem to reflect policy. It also shows a massive decline in apprentices or trainees in training on page 83, and this is a big concern. Also, I advise looking away from the health targets: it's very confronting to see how we are doing versus where we should be.

When preparing for a budget reply speech, I have often been told by others to talk a little bit about what's in the budget for your electorate. I'd like to do so, but I can't find much for Montgomery. It seems that we might have been missed off the map this year, and to be fair, I can't claim that austerity is needed and then demand action for my portion of the world.

But I would like to continue to highlight the need for modest changing facilities for oval B at Dial Park. I'm also pleased to see in subsequent media releases since the Budget that the Forth Primary School will be receiving funding for the new outside-school-hours care. This will be welcomed by the community, which currently does not have a lot of options available to it. There is also the inclusion of the West Ulverstone Primary School (WUPS) into the healthy lunches program. I'm sure the students at WUPS will be thrilled.

I would like clarification on a few items that were included in last year's Budget but are not shown explicitly in this year's Budget. I'm hopeful that they are just hidden behind the numbers. In particular, I would like to be assured by the government that the following projects are continuing to be funded: the Dial Park Tier 4 stadium upgrades; the proposed investment to Central Coast Council to assist with the master planning for the Ulverstone waterfront; the proposed funding for upgrades to Camp Clayton; the funding to support the Emu Valley Rhododendron Garden; and the proposed funding for the Penguin Sports and Services Club, which was part of the $7 million investment in sporting facilities across the north-west coast.

I also note in the Budget that there seems to be no mention regarding the old Penguin Primary School site, my former primary school. Could the government please advise their plans in regard to that site? I don't think I can quite make this stretch to five minutes; sorry to the next person.

There are things in this Budget I support. There are decisions I understand. Although it is the government's fault that we are in this position, it is in this position that we find ourselves. We need to do something. We've been asking the government to do something and now there's a line in the sand. Supporting decisions does not mean that they will be scrutinised or necessarily that we even assume that they will come to fruition. If the government is asking Tasmania to accept difficult change, then the government must also accept hard questions and answer truthfully. That is how accountability works.

I note the Budget.

[3.56 p.m.]
Ms ARMITAGE (Launceston) - Thank you, Mr President. I appreciated listening to the previous contributions as well. I don't think the member for Murchison went anywhere near the three hours that she mentioned she was going to.

Ms Forrest - I didn't want to upset you.

Ms ARMITAGE - This Budget arrives at a time when households across this state are tightening their belts. When families are making hard decisions about mortgages, rent, groceries, fuel and energy bills, they expect government to do the same. They expect discipline. They expect transparency, and above all else, they expect delivery. The numbers in this Budget are not abstract. They equate to real and tangible outcomes in our communities. Our health facilities, schools, community programs and sports amenities depend on state government resourcing to function. Those numbers decide whether a ward is staffed, whether a classroom is supported, whether a community service can meet demand, and whether the local places that keep communities healthy and connected can be maintained.

For my community in Launceston and across the wider north, that connection between budget decisions and lived reality is immediate. Our region relies on meaningful engagement with government, on being heard and listened to, especially when decisions affect local livelihoods, local services, and local confidence. Unfortunately, that does not always occur. That's why this debate is not just about dollars and cents; it's about trust. One point must sit above all others: the fiscal challenge facing Tasmania requires an apolitical approach. This is not a problem that belongs to one party alone, and it cannot be solved by slogans or spin. It's structural: rising service demand, demographic realities, inflationary pressures, and the hard arithmetic of debt. If we do not approach this with maturity and seriousness, Tasmanians will pay twice: first, through reduced capacity in services and again, through the interest bill that crowds out future investment.

I acknowledge that it's appropriate that the government is attempting to rein in expenditure and search for efficiencies. The task is necessary. The direction towards sustainable spending and a credible pathway back to surplus is, in principle, the right conversation to be having. However, an apolitical approach does not mean an unquestioning one. That means we can be constructive while being rigorous, support restraint, insist on detail, and defend the basic right of Tasmanians to access services when they need them most in a timely manner. It also means being honest about this: unchecked spending and wastage cannot continue, but neither can governance failures and cost blowouts be treated as an acceptable cost of doing business. Independent economist Saul Eslake has observed that this Budget is 'a genuine, serious, and for the most part, credible attempt to impose ... restraint on ... spending and borrowing'.

However, that acknowledgement must sit alongside the warning from S&P Global, which has said Tasmania's fiscal turnaround carries high execution risk and is hard to achieve. Taken together: support for the intent, concern about execution. This is precisely why parliament must insist on clarity, transparency and proof that frontline services will not be impacted.

Sitting suspended from 4.00 p.m. to 4.30 p.m.

MOTION

Budget Papers 2026-27 and Appropriation Bills (No. 1 and No. 2) 2026 - Noting

Resumed from above.

Ms ARMITAGE (Launceston) - Mr President, the Budget forecasts a significant operating deficit in 2026-27, followed by surpluses in the years that follow. It also relies on a rare outcome, a reduction in operating expenses in nominal terms in the year after 2026-27. That should not be treated as routine, it should be treated as a warning sign about how much rides on implementation.

We should be candid about the pressure points. Debt is projected to rise before it begins to fall. The cost of servicing that debt rises sharply over the forward Estimates, taking hundreds of millions of dollars each year that could otherwise be directed to care, classrooms, safety and prevention.

Every additional dollar spent on interest is a dollar not spent on nurses, teachers, ambulances, police, child safety or community services. The interest bill is not ideology, it's arithmetic.

So, yes, fiscal repair matters, but it must be done properly. The centrepiece of this Budget is the government's operational efficiencies program, with $1.47 billion in savings over the forward Estimates and a reduction of around 1700 public service jobs by 2029-30. I want to be clear, the concept of finding efficiencies is sensible. There's no organisation, public or private, that cannot improve processes, reduce duplication and deliver better value. But efficiency cannot become a euphemism for reduced access or care.

Tasmania needs a public service that's efficient, modern and properly structured. At the same time, Tasmanians have a right to timely emergency care, timely ambulance response, timely support in schools and timely access to police, mental health and community services. That is why it is not enough to promise that frontline services will not be impacted. That promise must be backed by a plan, because operational efficiency is not a plan, it's a label.

What matters is what changes on the ground, which functions are cut, consolidated, digitised, redesigned or stopped, and how those choices affect wait times, workloads, safety and service quality. We've been told the focus is back office, that frontline workers will be protected. But in real systems, back-office functions often keep the frontline operating, such as rostering, procurement, payroll, IT, compliance, training, governance and school operations. Strip too much away, and frontline staff spend time chasing systems rather than serving the public. Further clarity and detail are needed about what efficiencies departments will be targeting, and what impact those changes will have on service delivery.

The savings task is not evenly spread. Health carries the largest share, with hundreds of millions in efficiencies expected across the forward Estimates. Education is tasked with substantial efficiencies, including a focus on back-office functions. State Growth, now being reshaped into Building Tasmania, is expected to deliver major savings through restructure and workforce reduction. Justice is expected to find efficiencies through management changes and expanded digital processes. Police, Fire and Emergency Management also carry a sizeable efficiency task.

Put simply, these are not marginal agencies, these are core service systems. When we're told frontline services will not be impacted, the government must be held to that promise. Because if we see ambulance ramping worsen, emergency departments further strained, schools losing essential support capacity, or slower police response times, the community will not accept that as efficiency. They will call it what it is: a service impact. It's not only spending that matters.

The Budget also flags a whole-of-government fees and charges review to align charges with the efficient cost of delivering services. That may be presented as rational reform, but Tasmanians will experience it as higher costs if it becomes a broad uplift in everyday fees, licences, registrations, permits, park access and more. If government proceeds, it must be transparent, fair and cautious. If the government wants Tasmanians to accept restraint, it must apply the same discipline to the biggest and most visible governance failures of recent years.

That brings me to TT-Line, TasPorts and the *Spirit of Tasmania* debacle. This has not been a minor oversight; it's been a saga defined by extraordinary cost blowouts, delays, and consequences that stretch beyond the immediate project into economic confidence and public trust. We've now seen a $506 million equity injection for TT-Line, effectively a half-billion-dollar bailout. Half a billion dollars, at the same time as departments are being asked to cut; at the same time as the public service is being reduced; at the same time as efficiency is the watchword across government. It's in this moment that Tasmanians ask: when is enough enough? How much can unelected bureaucrats, boards and faceless, nameless decision-makers get away with? The public sees a pattern: state-owned entities and major projects receive repeated leeway, repeated rescues, repeated second chances, while the rest of the system is told to tighten belts and accept short-term pain.

That's why this Budget must be clear about its approach to state-owned corporations and capital discipline. It's not enough to say we will find efficiencies, while leaving a blank-cheque culture in parts of the public sector that have already demonstrated weak governance and weak cost control. I say this respectfully but firmly: there must be earlier intervention when costs and timelines shift. There must be clear accountability, clearer consequences, and clearer disclosure to parliament and the public. There must be a clear message that repeated blowouts do not simply lead to repeated bailouts. A too-big-to-fail mentality will send our state broke.

Another thread running through this budget debate is the government's credibility. Credibility is built on consistency, saying what you would do, consulting properly and delivering what you promised. We've seen too many instances where communities believe government has said one thing and delivered another, or where consultation has come too late after decisions are effectively locked in. The greyhound racing backflip is one example. Whatever one's view of the policy outcome, the process left many participants feeling blindsided and under-consulted. That damages trust. TasInsure is another. It was presented with a particular promise and a particular model and has since been reshaped in substance. Whether one supports the revised model or not, it reinforces the sense that the headline and the delivery do not always align.

It's also interesting, now, to see the 12-month trial of the SkyBus from Launceston Airport to the city re-emerge. It's hoped the government do work with SkyBus, the Launceston Airport and other stakeholders to determine the best location points and timetables, as listed in their media release of 28 June 2025. I do have a question: along with the free bus services, is this service free, given that buses between regions, for example Hobart and Launceston, are free? My understanding is they're owned by Kinetic as well, which owns SkyBus. If they're free, how does that affect the current airport bus? Will they be compensated?

I do recall last year when this came out that I don't believe the airport had been consulted. We'd had a group that had just purchased the airport bus who were absolutely blindsided and devastated. I'm just wondering, will that bus happen? Will that bus be free? If that bus is free, how will that affect the current bus operator and will they be compensated? These examples matter because this budget asked Tasmanians to accept restraint and reform.

Restraint and reform require trust. Trust is eroded when people feel decisions are made without genuine engagement or when commitments change without adequate explanation. The level of cynicism held by the average person out there to all sides of politics is really very sad to see. People feel like their priorities, their wants, their needs, their votes don't matter. It shouldn't be this way. People are more disengaged than ever, and we can see this pessimism translating into a dramatic shift on the political horizon.

The Budget also raises questions about revenue measures such as short-stay levies. Government should reflect carefully on the fairness of extracting additional revenue from parts of the economy while major failures elsewhere remain unresolved and, in some cases, repeatedly underwritten. If the government is serious about fiscal repair, it should first demonstrate it has dealt with waste, tightened governance and restored discipline in its own machinery. That's the sequence that passes the pub test.

It's important to acknowledge that this Budget contains significant funding for the services Tasmanians rely on. Health remains the largest area of expenditure. There are investments in hospital infrastructure and service initiatives; there's support for emergency departments and ambulance services; there are commitments to education and to important community programs; and there are infrastructure investments across the state. I also acknowledge practical steps that can improve access and reduce pressure on hospitals, including better use of primary care pathways such as expanded community pharmacy scope and training, so that more Tasmanians can receive timely care closer to home. These allocations matter. They support lives, families, communities and productivity.

Our hospital staff work extremely hard, often under very difficult circumstances, and it's imperative that we show them the support and respect they deserve. Long hospital waits for surgery or treatment can cause disease progression, irreversible health complications and chronic pain. You can also inflict immense mental distress, reduce overall treatment efficacy and severely diminish a patient's quality of life. While I'm often told waiting lists are long because of a lack of clinicians and that they're advertising for staff, it's imperative that conditions and salaries are comparable to other parts of the country, of course taking into account our lifestyle. It's very easy to sell your advertising, but if you're not being realistic, the problem will continue.

While there are long waits in many of our outpatients and surgical lists, I believe a really good example of our waiting list is the endoscopy clinic. The federal government spends lots of money on advertising and sending out kits for people over a certain age for faecal samples to indicate bowel cancer to save lives. Unfortunately, unless you're lucky enough to be able to afford private health insurance, the wait could be long, and in some cases causing disease progression. It's a simple fact that the sooner you're treated, the better the outcome.

The public will judge the Budget not by the size of the numbers, but by whether they can access services when they need them. If efficiencies are delivered by shifting pressure onto the front line, by increasing waiting times, reducing service availability, stretching staff, or cutting preventative and community supports, then we will have repaired a spreadsheet while harming the community. That would be the wrong outcome.

Nowhere is the consequence of decision-making without meaningful transition clearer than in the north. While our state gears up to accommodate the Tasmania Devils football team, it was recently announced that the decades-long deal with the Hawthorn Football Club would be canned, effectively putting all of our state's eggs in one basket. To be clear, I'm not saying we should be ignoring the Tasmania Devils in favour of the Hawks; there's enough love and appetite for footy in Tasmania to go around, but what has happened over the past two-and-a-half decades is that our northern economy has carefully shaped and calibrated itself to the Hawks' home matches every season.

Every winter, when tourist numbers drop off and locals tend to stay at home or indoors a bit more often, it's absolutely vital for our hospitality, accommodation and entertainment businesses and all those businesses who support them to have some certainty around the work that will be available. They've invested in supply chains, staff and facilities over many years to ensure that visitors to Launceston and football lovers have somewhere to go to eat, to sleep and to be entertained when they're not watching the footy. I know from personal experience, when my husband owned a hotel, that the football time in winter was the one time when you could pick up some cash to keep you going through the bad times. It's very important to many of the businesses, particularly in the north of the state.

Independent analysis reported that Hawthorn's northern Tasmania matches generated $20.8 million in direct expenditure in 2022, and $23.6 million in total economic impacts, supporting 96 indirect jobs. That's beds filled, meals served, taxis booked and shifts created during the quieter winter months - exactly when many local operators rely on events to stay afloat. That rug has now been pulled.

Again, I emphasise I'm not saying that we should not be throwing our support behind the Devils. What I am saying is that the northern winter economy has built itself up around the activity generated by the Hawks over two-and-a-half decades. That has now changed in the blink of an eye. Generating momentum for the Devils' entry to the AFL will take time, so, while there'll be some activity generated by the Devils playing in the north in the interim, what will happen to the northern economy after the Macquarie Point Stadium is finished is anyone's guess as this government and the AFL have made no concrete guarantees as to how many matches Launceston will receive when the new stadium's turnstiles are in action.

Former premier Peter Gutwein has said that dropping back to only four games from 2030 would be felt across the northern economy. Others, including prominent voices associated with the Hawks arrangement and respected business leaders, have called the decision short-sighted and I agree. What I hope for is consideration that we return to a similar arrangement in the future, or implement a more meaningful transition plan for the north in the medium and longer term. This is millions of dollars our region cannot afford to lose. It translates into people's ability to pay mortgages, buy groceries and support their families. It's more than just an arrangement the state has with the AFL. It's directly about the wellbeing of the northern half of Tasmania and it does matter.

There are initiatives in the Launceston area that have received funding and will benefit our community. Ongoing funding to progress the Launceston General Hospital redevelopment to the tune of $364 million, including the Mental Health Precinct and Northern Health Complex, will help address significant needs. Regional communities experience higher rates of chronic disease, more complex health issues and barriers to access. These investments matter and they must translate into improved care and capacity.

I was pleased to see $3.54 million over the next two financial years for Laurel House and the Sexual Assault Support Service, to support therapeutic services for victim/survivors of sexual assault. However, I note there's nothing in the forward Estimates from 2028-29 onward. I ask what the plan is after that.

I'm also pleased to see the Elphin Sports Centre has not been forgotten. The allocation of $1.05 million across 2027-28 and 2028-29 for essential safety and compliance upgrades is welcome, but once again I note the absence of funding beyond that. This is a much-loved asset and it should not be left to deteriorate.

I also acknowledge ongoing support for healthy school breakfast and lunch programs in government schools, and investment in local schools including Glen Dhu Primary School, Newstead College, Norwood Primary, Prospect High, Summerdale Primary and Youngtown Primary. These investments support families and improve educational outcomes.

I note funding allocated to the Launceston and Tamar Valley Traffic Vision, including consideration of a second Kanamaluka/River Tamar crossing. This is all terrific in theory, but when anyone mentions a bridge across the Tamar, I can say without a shadow of a doubt that no-one I've spoken to believes it will ever happen. Launceston has heard traffic visions and bridge concepts before. I have a file in my office, reams of pages thick with decades of reports, so I've learnt to keep my expectations low until delivery is real. I truly hope this funding leads to tangible solutions to Launceston's traffic issues and we will have to watch closely.

It's also good to see $10 million to support construction of a purpose-built convention centre in Launceston. Our business and event communities are keen to showcase our region and the economic benefit from conventions should not be underestimated. This is the kind of investment that can grow the visitor economy and support jobs.

If we are to succeed in fiscal repair without harming the community, there are practical steps the government should take. First, publish clearer detail on efficiencies, not just targets but plans; department by department, showing what changes, what stops, what is redesigned, and what the service impact will be.

Second, provide service assurance. Set clear performance measures and report publicly on them, so Tasmanians can see whether access is improving or deteriorating.

Third, apply capital discipline to major projects and state-owned corporations, clearer disclosure to parliament, earlier intervention when costs and timelines shift, and guardrails on repeated equity injections without demonstrated governance reform.

Fourth, fix consultation. Meaningful engagement must occur before decisions are made, not after announcements. A good example is the plethora of emails we're now receiving, seeking community feedback on the local government bill which cuts councillor numbers as part of it.

Fifth, focus on genuine efficiency, digital transformation that reduces burden and improves access, procurement that delivers value, workforce planning that reduces churn, and reforms that relieve system pressure rather than shifting it.

Budgets are ultimately about choices, and the choices before us are not whether we repair the budget, it's how we repair it, because fiscal discipline without service delivery is failure and service delivery without fiscal discipline is unsustainable. Tasmanians deserve both.

I commend the government for attempting to rein in expenditure and pursue efficiencies, but I say plainly: further clarity and detail is needed around what efficiencies departments will be targeting and what impact those decisions will have on service delivery. Tasmanians have a right to access services in a timely manner when they need them and the government must be held to account to its promise that frontline services will not be impacted.

This Budget will not be judged by projections. It will not be judged by assumptions. It will be judged by outcomes, by whether services remain accessible, by whether communities remain supported, and by whether Tasmanians feel the impact for better, not worse. That's the test and that's the standard this government must meet.

[4.52 p.m.]
Ms PALMER (Rosevears) - Mr President, it certainly is a pleasure to rise today to speak on the 2026-2027 Tasmanian state Budget. I want to commend the Treasurer. It's not an easy budget and he does not have an easy job. It is hard, but it must deliver a responsible budget that tackles significant fiscal challenges, while staying focused on what matters most.

This is a budget that clearly reflects this government's commitment to a continued investment in education, children, young people, their families and people living with disability, laying the foundations for a stronger future for all Tasmanians. This is particularly important for the most vulnerable members of our communities.

Our government continues to be a strong advocate for Tasmanians with disability, ensuring their voices remain central to nation reform efforts. This is a budget that strengthens our economy while supporting caring, connected communities and demonstrates our government's continued commitment to shape a stronger, fairer and more inclusive Tasmania for years to come.

The 2026-27 Budget delivers record investment in Tasmania's children and young people, including our education system, with nearly $2.5 billion allocated in 2026-27 alone to the Department for Education, Children and Young people, adding up to almost $10 billion across four years. This significant investment reflects our government's ongoing commitment to a strong economy and a caring community by continuing to invest in the services that Tasmanians rely on.

Importantly, this investment is achieved while making responsible, targeted operational efficiencies that are focused on how services are delivered, not cutting frontline services. At its core, this Budget continues to ensure children and young people are safe, supported, learning and thriving, and our community members living with disability continue to be supported.

In our 2026-27 Budget, we are not only funding services, we are also investing in the infrastructure that supports learning for decades to come. This Budget includes a number of key deliverables to progress education priorities over the next four years, including $16.7 million in additional funding to lift student outcomes through our structured literacy and numeracy reforms. These reforms have been designed and delivered with input from professional experts with ongoing engagement with key stakeholders, including principals and unions, throughout implementation.

There's $15.5 million to deliver the Violence in Schools Action Plan to support our staff and students. This is an action plan that looks at preventative measures to prevent violence in our schools. What can we do? When can it be done to stop incidents before they escalate? This allocation includes:

- funding to deliver learning and support hubs in two primary schools to provide intensive trauma-informed support for students;
- support for 20 schools identified as those most in need to form two professional learning networks that will focus on strengthening trauma informed approaches to behaviour and fostering inclusive school cultures that support staff safety and wellbeing;
- funding for teacher assistants to participate in targeted professional learning increasing skills and confidence in de-escalation strategies and trauma-informed practice. This is a really important one because we know, more often than not, it is our teacher assistants who work with some of our more complex children in our classrooms.

We will also see $8.5 million to grow our teaching workforce through the Change to Teaching pilot program, which targets mid-year professionals from different sectors who are interested in making a switch into teaching.

There's also $38.3 million to support student learning and wellbeing through healthy school lunch and breakfast programs. We're extremely proud of our school lunch and breakfast programs, which assist the schools with the greatest need. I have certainly heard some great feedback from principals and teachers on how these programs are directly supporting attendance strategies and the wellbeing of our students. I just love seeing for myself how much students appreciate this service when I volunteer at a local primary school in my area. You certainly had the best conversations with kids when you're having a conversation over a meal. Some parents would blush. There's no doubt I would if I knew what my children were telling their teachers.

Ms Forrest - Only believe half of what they tell you, and only believe half of what your kids tell you about them. That was always the golden rule when my kids were at school. Don't believe everything.

Ms PALMER - Fair enough. They're pretty convincing. There's also $9.3 million to strengthen pathways for students in years 9 to 12 by expanding access to vocational education, work-based learning and flexible learning options. This funding includes our recently announced extension of Beacon's work-based learning program, along with funding to expand virtual learning, support growth in VET delivery and provide training and assessment resources.

There's $9 million to procure a modern and integrated student and school management system, and this is really responding to feedback that we have received directly from teachers about the need to have a modernised system that will go a long way to reducing their workloads.

There's $7.8 million to review and boost school resourcing on a needs basis; $5.2 million to progress education system reform through school groupings, which is an investment of $4.48 million over four years; and multi-school organisations (MSOs), which is an investment of $750,000 over two years.

I would like to expand on this particular investment. Our government is undertaking bold, system-wide changes to lift outcomes and wellbeing for every student in every school regardless of postcode. This includes a five-year trial of multi-school organisations, an initiative the independent education review found merit in Tasmania trialling. MSOs seek to lift student outcomes by uniting families of schools under one executive leadership team. The aim is to strengthen support for principals and teachers, reduce administrative burdens on our educators and school staff, and allow for our schools to focus more on learning and wellbeing together.

Our first MSO is now operating with three southern schools: Moonah Primary School, New Town Primary School and Risdon Vale Primary School. While it's early days, principals from MSO 1 have already provided some great feedback. In their words:

> Teachers from all three schools genuinely value the opportunity to work together, share expertise and build consistency in practice.

Another comment:

> For principals, having trusted colleagues to share the mental load with and to collectively plan next steps has been incredibly beneficial.

From another:

> There is real momentum building around curriculum implementation, particularly with the Ochre units. Seeing staff show initiative, engage deeply with the work and contribute to improved processes and shared understandings is both exciting and encouraging. High-quality professional learning has also been a significant highlight. The Teach Well sessions have been especially appreciated, offering meaningful development for teachers, middle leaders, and teacher assistants.

In time, we will see how these system improvements for our teachers and leaders will drive school turnaround and excellence and start to really see a further lift in student outcomes. This nation-leading trial will be independently evaluated, which is really important. It will be refined and adapted through ongoing consultation and engagement to ensure a successful rollout for Tasmanian schools and for communities.

Schools not yet part of our first MSO trial are now in formal groupings. School groupings are ensuring that all students and teachers and principals can benefit from closer collaboration, shared expertise and localised support.

Our investment in the Education portfolio alone has increased by 76 per cent since 2014. However, we know that more money doesn't always mean better outcomes, so, our focus must shift from the level of investment to how effectively it is used to deliver real outcomes. This is such a great opportunity for Tasmanian children. Our Budget also includes over $314 million across four years to progress capital projects for the education portfolio, including:

- the School Building Blitz of major upgrades and redevelopments for 15 schools around the state;
- a new Devonport campus for the North West Support School and major upgrade of its Burnie campus;
- new Child and Family Learning Centres in Scottsdale, Smithton, and Longford;
- new teacher residences in Smithton, Queenstown, Scottsdale, and Flinders Island; and
- upgrades at schools to support new or expanded on-site, out-of-school-hours care services.

Just this week I had the great fortune to be part of two celebrations at school redevelopments. At Cambridge Primary School, which the member for Rumney joined me at, we had the opening of the redevelopment's first phase, where the kids had rolled on the carpet to check it was comfy before it was purchased. They stress-tested the furniture, and there was this beautiful window that had been especially placed to ensure that the students could see two wedge-tailed eagles who live nearby. Then, today, I was at Hobart City High School, a $23.1 million development. There, young Harry told me that on the first day he came back to school, he looked around and said to himself, 'Is this my school?' He said before school and during lunch, 'This feels like home.'

I'm so proud of the work we continue to do in delivering these game-changing capital works. In the member for McIntyre's contribution, she asked for an update on the Scottsdale High School agricultural facility. I can advise that the project is underway and is currently in site master planning phase. What that means is that our architects are working with the department and the school, most importantly, to develop the preferred master plan. Funded through the VET facilities fund line item in the Budget, we see $1 million set aside in 2026-27 and then $1.5 million in the 2027-28 financial year. The project is expected to be completed in the 2028 school year, and I can't wait and no doubt the member for McIntyre can't wait either.

Ms Rattray - Agreed, minister. Agreed.

Ms PALMER - Protecting the health, safety and wellbeing of Tasmania's vulnerable children and young people is a clear priority for our government, and that commitment remains as strong as ever in this Budget. This Budget continues our important work to implement the recommendations of the commission of inquiry with new and ongoing investment into children and youth over the next four years. As the Minister for Children and Youth, I remain dedicated to ensuring every child and young person in Tasmania feels safe, supported and valued, and has the opportunity to grow, belong and thrive. At the heart of the 2026-27 Budget is a commitment to care.

Looking at youth justice, this government continues to drive the comprehensive reform of the entire youth justice system through implementation of the commission of inquiry recommendations and the Youth Justice Blueprint 2024-2034. While this government remains committed to closing the Ashley Youth Detention Centre, we have a clear responsibility to ensure the safety and security of the children, young people and staff while it remains open. This is why we are investing $4 million over two years to continue AYDC operational staffing to support workforce stability. This investment into our frontline services staff provides continuity and enables predictability in routines for young people at AYDC.

Provision of a relational therapeutic care model is also enabled through investment in the frontline staff working directly with our young people. Research and evidence tells us this approach is the most effective way to reduce youth and people returning to detention, and importantly, it supports community safety. The delivery of the new Tasmanian youth justice facility also remains a key deliverable with an investment of $142.4 million across four years. The 2026-27 Budget has factored in time for planning approvals to occur, and the Budget reflects this timeframe adjustment. We are continuing our focus on youth justice reform and implementation of the commission of inquiry recommendations that focuses on improved outcomes for children and young people.

The Budget delivers a record investment and uplift in child safety services. As Minister for Children and Youth, I recognise the challenges the child safety workforce faces every day, and I have certainly seen their dedication first hand. Our Budget recognises the importance of our child safety workforce, supporting a further $3 million over two years for child safety workforce initiatives to support the attraction and retention of frontline workers. This makes it very clear that frontline services remain a priority for this government and for me.

The Budget includes $100 million over four years to support the increased demand of out-of-home care services. This demonstrates a responsible budget that ensures we can support children and families now and also into the future. We remain focused on delivering improved outcomes for children and young people, and not cutting frontline services. In September 2025, during Foster and Kinship Carers Week, the Tasmanian government delivered on its commitment to increase the base rate of support payments for all foster and formal kinship carers for one year.

This government deeply values the vital role of foster and kinship carers in providing safety, stability and support to children and young people. I've met many of our foster and formal kinship carers in my role as Minister for Children and Youth, and I recognise how deeply committed they are to keeping vulnerable children safe. They provide them with a home and an opportunity for our children and young people to thrive and succeed by simply welcoming them into their families and welcoming them into their homes. The Tasmanian government genuinely values the vital role of foster and kinship carers in providing safety, stability, and support to children and young people. They are an integral part of the care system. As Minister for Children and Youth, I am delighted to confirm ongoing support to our carers in the Budget, with investment of $8 million over four years to continue the increase to the base foster and kinship carers allowance.

We also know that timely triage and assessment of child safety concerns reported through the child safety Advice and Referral Line (ARL) is key to safeguarding children and young people. We're delivering on this commitment by allocating new funding of $5 million over two years to support continuation of ARL staffing levels. Our government is continuing to deliver on its commitment to ensure every child and young person is known, safe, well and learning, by providing further investment into the Children and Youth portfolio frontline services. By doing this, we are actively supporting improved outcomes to children, young people and families.

I have proudly held the Minister for Disability Services portfolio for over four years now, and my passion and dedication to this role has never wavered. I will never stop working to ensure our disability community is supported, heard, included and empowered. Importantly, it comes at a time of significant national reform and change across the disability landscape, and many Tasmanians with disability and their families, their carers, and our service providers are feeling uncertainty about the future direction of the NDIS. Our government remains focused on ensuring the voices of Tasmanians are front and centre in the national discussion: they must be.

In 2026-27, the Tasmanian government will invest more than $311 million across disability services, the National Disability Insurance Scheme and the Office of the Disability Commissioner. This includes more than $286 million as Tasmania's contribution to the NDIS, ensuring specialist disability supports continue to be available for Tasmanians living with disability.

But this Budget is about more than funding; it's about continuing to build a disability system grounded in rights, inclusion, safeguarding and dignity. The key focus of this Budget is the continued implementation of the historic *Disability Rights, Inclusion and Safeguarding Act 2024*, legislation that places Tasmania at the forefront of disability reform in this country. This landmark reform was shaped by the voices of Tasmanians with disability and reflects the principle of 'nothing about us without us'.

Through this Budget, we continue to invest in the systems and safeguards required to bring this act to life. That includes continued support for the Office of the Senior Practitioner, which plays a critical role in protecting and promoting the human rights of people with disability through oversight of restrictive practices. Since the commencement of the act in July last year, this office has worked extensively with the disability sector to provide education, support and guidance regarding restrictive practices and positive behaviour support. Importantly, the office is strengthening safeguards and compliance processes, while also improving education and support for providers, for families and for carers. This work matters because restrictive practices should only ever be used as a last resort and for the shortest time possible, and with the strongest possible safeguards in place.

This Budget also continues investment in the Office of the Disability Commissioner, another major reform delivered through the *Disability Rights, Inclusion and Safeguarding Act 2024*. Our inaugural Disability Commissioner, Catherine Whitington, brings both extensive professional expertise and lived experience as a person with disability to the role. The commissioner and her office are already making a significant contribution through advocacy, engagement, safeguarding and systemic oversight. Importantly, this role provides Tasmanians living with disability with an independent voice and an independent pathway for raising concerns and for driving systemic change. The establishment of our Disability Inclusion Advisory Council is also a key measure under the act, and one the commissioner has carriage of. I look forward to be able to say more about the establishment of this council soon.

This Budget also invests strongly in the future of disability supports for children and families. Through the National Agreement on Foundational Supports, Tasmania is partnering with the Australian Government to deliver Thriving Kids, a new system of early supports for children aged eight and under with developmental delay or autism and low to moderate support needs. The Tasmanian government will contribute more than $8.3 million each year towards this initiative. Thriving Kids is about ensuring children receive support earlier in the places where they live, learn and play, and ensuring families can access help before challenges escalate. Importantly, this initiative recognises that children thrive best when supports are connected, family-centred and grounded in community. Consultation on Thriving Kids is already underway right across Tasmania, with strong participation from families, advocates and service providers helping shape what this system will look like in our state.

Our government understands that Tasmania is different, we are regionally dispersed, we are closely connected and we need service models that reflect the realities of the Tasmanian community. That is why we are committed to ensuring these reforms are informed by lived experience and tailored to the unique needs of Tasmanian children and families. Consultation sessions are underway with more than 150 families, service providers and individuals attending both face-to-face sessions last week, and there are more online sessions to be held this week.

While we support reforms that are strengthening the long-term sustainability of the NDIS, we have also been clear that changes must not come at the expense of people living with disability. Tasmania has joined other states and territories in expressing concern about aspects of recently proposed Commonwealth legislation that would centralise decision-making powers and reduce opportunities for consultation with states and territories and the overall impact these changes will have for people with disability. We know many Tasmanians with disability are anxious about proposed changes to eligibility, planning and supports, and we will continue to advocate strongly for Tasmanians with disability and ensure that their voice remains at the centre of these national discussions.

Importantly, in relation to my beautiful electorate of Rosevears, which I'm honoured to now have the opportunity to represent for a further six years, this Budget contains a suite of important commitments to northern Tasmania, particularly in health, infrastructure, transport corridors and cost-of-living relief, including continuation of the Northern Roads Package, which includes upgrades to the East and West Tamar Highway, $2 million for the Launceston and Tamar Valley Traffic Vision, $2.5 million for the Tamar Island Wetlands boardwalk replacement, and $364 million for the Launceston General Hospital redevelopment, including the Mental Health Precinct and the Northern Health Complex. And, of course, extending free public transport for a year, a game changer for many, ensuring Tasmanians get where they need to without cost.

This Budget also has a significant investment of $831,000 to support efforts in the fight against motor neurone disease. There are a number of families in Rosevears, as there are in many of our electorates, who've been deeply impacted by this horrendous disease. It's through those families that I have been involved for over a decade now in fundraising efforts to increase awareness and support research into how we can slow down the progression of MND and indeed find a cure. During that time I've had the opportunity to meet the amazing Neale Daniher, his wife, Jan, and one of his three children, his daughter Bec, who I worked with just recently this year in a huge fundraising lunch which was hosted by the amazing Anne Page, who lost her own daughter Catherine to MND. Today I acknowledge the passing of Neale and the impact his passing will have on his family, especially Bec who is due to have her third child in just a few weeks, and I know she would have loved for her dad to have met that little baby. His legacy, and the legend of a great man, will be a story shared with his new grandchild when that little one arrives, as it will be shared with many others for decades to come. On behalf of my electorate, we send our deepest sympathy to the Daniher family, and our sincere thanks to Neale.

Family is everything, isn't it? We live in a beautiful place and I've certainly loved raising my children here. Perhaps one of my greatest sources of happiness came when my eldest son, who left Tasmania to study in Victoria, then worked and lived all over Australia, but then realised his home state was the best place to be and came home. There is no doubt that Tasmania is a very special place to live, work and raise a family and I'm so proud to call it my home. In uncertain global times, what matters most is the strength of our communities and how we care for one another, especially for our children, our young people and Tasmanians living with disability. I note the Budget.

[5.20 p.m.]
Mr VINCENT (Prosser) - Mr President, I rise to speak in support of the 2026-27 state Budget. Back when I was sitting in the mayor's chair in Sorell, all 12 years of it, the importance of the budgeting process was never lost on me. It's no different at this level. It was never lost on me, the importance of the whole process, but the stakes are much higher now that I'm a minister and you all know I'll be honest and frank about things, which to me is the real test of me as a minister. Not the glossy brochures, not the press releases, the moment you stand up and explain honestly what the government that you're part of is actually doing with the people's money. I'll certainly try to do that today.

This is a tough budget. There's no need to dress it any other way. I think it's the right budget, not because it's comfortable but precisely because it isn't. The easy path would have been to keep spending, keep borrowing and leave the bill for someone else to pay. We've chosen not to do that and I'm satisfied with our choice. The world is turbulent. There's global political upheaval. The cost of living is pinching everyone. Interest rates are higher than we've expected for some time. War is causing supply chain chaos, something only ever experienced a few times in history. These aren't issues you drop into a speech to sound serious - they are things I hear from people in Dodges Ferry, Bicheno, Ross, Dunalley, Sorell, and everywhere else I go. They are things being discussed around the kitchen table and any government that pretends otherwise isn't being straight with the people it represents and serves. Savings where we must, investment where it matters, and an eye on efficiency and sustainability are essential. I'd like to tell you about both of those.

Housing is an issue close to my heart, I don't say that lightly, but because I've spent the better part of my adult life watching what happens to people and communities when you don't get housing right. As a parent, I watched it; as a mayor, I watched it; and in this role I deal with it every single day. It's not abstract. It has faces, hearts and very deep feelings. As always, let me be straight with this Chamber before I give you the figures. The housing market is tough. Of course, there are many applications on the housing register, a lot more than we want to acknowledge and we want to see. Private rental vacancies in Hobart and Burnie are sitting at 0.4 per cent and represent a market not functioning for ordinary people. I'm not going to pretend it away or with a string of completions - even though these completions are real and significant. Mums and dads are struggling to get into their own homes, let alone having the confidence to build rentals that we quite often talk about in this place.

The 2026-27 Budget provides over $900 million in housing funding over the next four years. It's not a promise, it's a committed investment. Roofs over heads - from crisis accommodation through to a first home; and on the measure of actually building, Tasmania is generally leading the nation. The national Revival of Social Housing Construction report shows Tasmania delivered a 14.8 per cent increase in social and affordable rental homes between 2020-21 and 2024-25. Every other jurisdiction sat behind us. The national average is 5.4 per cent. We were nearly three times that. Since 2020, we've achieved a net increase of 1547 social homes, and that's an 11.2 per cent growth against the national average of 4.4 per cent.

But I know we can do more and need to do more. In 2024-25 alone, we added 309 dwellings on a net basis. I could reel off the list of Queens Walk, Glenorchy, Berriedale, Smithton, Somerset, Devonport, Shorewell Park, Latrobe, and Wynyard. These are real Tasmanian communities where families are getting real homes. We are on track to reach, and ultimately exceed, our target of 10,000 additional social and affordable homes by 2032, and as of 4 April, 4791 have been delivered. We're approaching the halfway mark, with a strong pipeline ahead of us as demand grows and we will work to meet that.

More than $50 million a year continues to fund specialist homelessness services, including crisis accommodation, Housing Connect support and emergency brokerage. Putting it simply, these services exist for people at the worst moments of their lives; when everything else has gone wrong these services are what stand between someone and the street. I do not take the responsibility of understanding each service and ensuring there is funding for them lightly.

The First Home Owner Grant has now been paid to almost 3350 Tasmanians since June 2020. That's more than $80 million. We've ensured this grant continues and will provide $20,000 towards building your first home. Our MyHome shared equity scheme has assisted over 2830 Tasmanians into home ownership, averaging more than one settlement per day. One per day is a good average to keep up and work on. That's someone, somewhere in Tasmania getting the keys to their first home every single day.

With the legislation passing the parliament last week, we're also signed up to the Australian Government's Help to Buy Scheme. We've also locked in Tasmania's share of the 100,000 homes for the first home buyer program, with up to 4000 being with us, 2101 of which are earmarked exclusively for first home buyers, supported by enabling infrastructure at Brighton, Sorell and Meander Valley.

On planning, we are nearing the end of a major reform journey. The Tasmanian Planning Policies will soon be fully in effect and the Southern Tasmanian Regional Land Use Strategy is expected to be declared in July, with the northern and Cradle Coast strategies to follow.

The Business Council of Australia's Regulation Rumble report 2025 has again ranked Tasmania among the top jurisdictions in the country for efficiently processing development applications. Importantly, Tasmania was ranked number one in Australia for certainty in the planning system. This gives us a great platform to build on. Our focus now moves to the continual improvement and review of the State Planning Provisions. The initial focus is on improvements that support housing diversity, building on previous work on improving residential standards.

The establishment of Building Tasmania, a new agency that brings whole-of-government infrastructure under one roof is a significant step that I believe will increase delivery dramatically.

I've been around long enough to know when you bring the right functions together under clear leadership and direction, you get things done faster and far more efficiently. That's what Building Tasmania is designed to do and is what I've been endeavouring to deliver.

Tasmania's infrastructure story is one I'm generally proud to tell, and I don't say that as a press release. I say it as someone who has been watching this state build for almost 60 years. We are investing strongly in road and bridge infrastructure in all parts of the state, and that includes the north, the south, the north-west, east and west, just to let everybody who's parochial in Tassie know that it's pretty even right around the state.

Ms Rattray - That's all of us. We're all parochial.

Mr VINCENT - It covers us all, and the islands.

Over the Budget and forward Estimates, a total of $1.76 billion will be invested in our capital investment program. This year alone it represents a combined state and Australian government investment of $473 million for roads, bridges and community facilities; $269 million from Tasmania and around $204 million from partners in Canberra. This is serious money for a small state and it's being put to serious use. I acknowledge the good relationship we have with our fellow ministers in Canberra and their willingness to work with us to achieve what we need to.

The new Bridgewater Bridge is done. It opened on 1 June last year. It was Tasmania's largest ever infrastructure investment in a single transport project at $786 million. I joined around 12,000 people to walk across the bridge on its opening day, which blew me away. It was a pretty cold sort of day, so I think it blew everybody away a bit. People just wanted to be part of such a significant project, and it was great to see the community come together for such an important piece of infrastructure. It just shows how a major project does captivate the people.

The Midland Highway 10-year action plan, a $605 million joint investment, has seen approximately 143 km progressively upgraded. The final 10 km, north of Campbell Town to Conara, commences this spring subject to environmental approvals, which are becoming the bane of my life at the moment. When complete, Tasmania will have a three-star AusRAP rated highway connecting our north to the south. Every person who drives that road, our truckies, families and tourists, will be safer on it. For those who are interested, the data strongly indicates that the work that has been done already has improved safety. Anywhere the wire rope barriers are hasn't had a head-on since that time, which is proof of how it works to save lives.

Work on the Macquarie Point Northern Access Road, the Northern Suburbs Transit Corridor, and the Greater Hobart Rapid Bus Network continues. Better public transport for Hobart is a priority and we're doing the work to get this right before we commit because infrastructure done poorly is infrastructure that you're apologising for, for a generation.

When it comes to road safety, I want to be very clear: I'm not satisfied with where we are and I want us to do more. The Towards Zero strategy continues and automated traffic enforcement is expanding. Safe system infrastructure is being delivered across the state, and, through the RACT, we're developing a youth driver safety program for schools because if we can change the culture before people get behind the wheel, we know that it saves lives.

On public transport, half-price fares from July 2025, then free fares from March to June this year, and now free fares continuing for the next 12 months. The long-term fare policy question is generally complex and we haven't fully resolved it. In the meantime, we've taken a real practical pressure off household budgets and that does matter to a lot of people. In the metro areas of the state we've seen about a 25 per cent increase in usage under the free fares. In some of the regional areas, that is running at around the 40 per cent mark, which is extremely encouraging and shows people are starting to get behind it. I'd like to see those numbers grow a lot more, but we'll certainly see steady increase now and, as the reliability and the time factors of those buses worked, I think we will see that increase.

To our island and coastal communities, being Bruny Island, Flinders Island and King Island, and Cape Barren Island, I want you to always feel noticed at a ministerial level. The subsidised Bruny Island ferry, the Bass Strait island shipping contingency and our own Bass Island Line support, and support for island air travel, the vital infrastructure on Cape Barren - these are all important strategies that we must maintain focus on.

Cost escalations are real. Environmental approvals take time, and that can be sometimes generally frustrating, to say the least. Construction capability is not infinite. Our project assurance framework provides independent expert oversight on major projects over $50 million. We're developing a strategic infrastructure framework and Tasmanian infrastructure priority list to make sure decisions are well sequenced and well justified. Good infrastructure takes time to plan, scope and build, and this is not the same as going slowly; it's about getting it right. I think that's one of the areas that Building Tasmania will make a big difference in the fact of making sure we scope projects right, that we do it right from day one and get the whole system right. That includes communication to the communities, councils, contractors and everybody else involved. I honestly believe that scoping and planning to start with makes a big difference to the viability and the cost of the project over time.

I spent 14 years on Sorell Council and now I'm the Minister for Local Government, and I know what the sector looks like from both sides. Many of us in this Chamber have come from local government, and we know reform designed to improve the sector when we see it and how essential it is. What we're doing in local government right now is real reform. It's what the sector has been asking for the last six years. Some of the existing arrangements are generally not serving communities very well at all, and I want to help fix that. We're on the doorstep of the 26 October local government elections and this is a significant moment. We have the targeted reform bill before this Chamber at the moment, so I won't dwell on its contents, but shortly I will be introducing the local government electoral bills to modernise the mechanics of local democracy. We ask sequencing this carefully, not because we lack urgency but because getting it right matters more than doing it fast.

I want to acknowledge the Local Government Association of Tasmania (LGAT) and the councils across the state. The constructive relationship we maintain through the Minister's Local Government Forum and our consultation agreement, not just a formality, reflects a genuine understanding on both sides and that the state-local government relationship works best as a partnership. It's something I'm very proud of in my time as minister, that we've been able to develop those relationships. Whether we agree or not, the conversation is always forthright and the legislation we see before us at the moment is testimony to that. I believe that relationship will continue to produce sensible results on behalf of local government to make that sector stronger. Once the new councillors take their seats in October, there is important work ahead. The new local government charter, community engagement strategies and workforce development plans, consistent performance reporting: we will progress all of these in a staged way in partnership with LGAT and councils. We have a blueprint, and the partnership is genuine and is working.

In my inaugural speech to this Chamber, I spoke about spending evenings in the 1980s - I won't say that too loud, a long time ago - reading through *Hansard*, long before I had any idea I would one day stand in this place.

Mr Gaffney - What year was that, sorry?

Mr VINCENT - About 1980.

Mr Gaffney - Oh, thank you, I didn't hear it.

Mr VINCENT - Yes, I still remember it well. I was a young bloke then, too - I don't feel the same anymore, Mr President - from northern Tasmania, who thought parliament mattered, and I still think and do firmly believe that. What I've learned from a life in business, serving the community, and now from this role, is that the hardest thing in public life isn't making decisions, it's being honest about them and that not everyone can make a decision. Not everyone can explain it, own it or make it work, or defend it and live with its consequences. They are things that we need to do every day of our working life, and they are vital for what we need to do.

I've always been honest, and trust everyone here realises my seriousness towards what I do in my ministries. From my view, this Budget is also honest. It's honest about the fiscal position, it's honest about the cost of the housing crisis, it's honest about where our infrastructure program still has work to do and needs to be done. It doesn't promise things it can't deliver, and it delivers things we promised. This Budget is a step in the right direction, and it is not yet a destination, just a step; but I believe in doing the hard work, being straight with people and turning up day in day out for the communities we have the privilege of serving.

I commend the Budget to the Council.

[5.42 p.m.]
Mr DUIGAN (Windermere - Minister for Energy and Renewables) - Thanks very much, Mr President. I rise today to, of course, speak on the 2026-27 Tasmanian state Budget, a budget that gets the balance right. For those of us here, budget week, and those that follow, are always a significant time in this place. It's also when I appreciate the opportunity to get out and about in the community and speak to the people of my division of Windermere, in particular, about what matters to them, because ultimately that's what the state budget is about: it's about the people of Tasmania.

This Budget delivers strong investment in health, infrastructure and essential services while continuing to provide support through ongoing cost-of-living pressures. It is a budget that invests in our people, our communities and our future, to deliver a strong economy and a caring community.

This past weekend I was really pleased to join the Rocherlea and George Town football clubs for the short Long Walk, which is a bit of an oxymoron, but it's from Brooks to the Rocherlea footy ground, takes about 20 minutes, not too bad. It was part of the NTFA Aboriginal Round, an event grounded in connection, wellbeing and community spirit. It was great to see all the teams lining up there, and it's a powerful reminder that strong communities are built on participation, inclusion and opportunity.

Of course, that's what the government seeks to provide for all Tasmanians through this Budget, and indeed budgets previous, a budget that continues to build on the work we've done to keep Tasmania strong, while giving us the headroom to handle challenges that may lie ahead. We are making the savings needed, while continuing to deliver the services and build the infrastructure Tasmania needs now and for the future.

Across Windermere, and in my portfolios of Energy and Renewables, Parks, and Sport, I'm very proud of the work we are doing to deliver on what matters most to Tasmanians. I will start in the northern suburbs of Launceston, and the East Tamar in Windermere: the Budget delivers meaningful investment in the things that matter most to those communities.

We're continuing, as we've heard, to invest in health care across Tasmania with more than $15 billion over the next four years, $10 million a day, 35 per cent of the Budget. This includes a really welcome investment of $360 million for the Launceston General Hospital redevelopment, which includes a new mental health precinct and expanded emergency capacity. There is $110 million for the Northern Heart Centre, improving access to critical specialist care. These are vital projects that will benefit not just Launceston but the entire northern region. We're also improving access to primary care, expanding bulk-billing GP services so families can access care closer to home.

We're also continuing to invest in the infrastructure that keeps communities moving. This includes ongoing upgrades to the East Tamar Corridor, $145 million for the Bass Highway improvements, continued work on the Tasman Highway, and $7.5 million for Launceston's park-and-ride facilities. I look forward to working with the minister in regard to particularly the northern suburbs and around the Northern Suburbs Community Recreational Hub, where the success of that venue has given us some parking challenges.

These are practical investments that make a real difference to how people live, work and move around our region. As part of the School Building Blitz, we're upgrading primary schools, particularly in my electorate, at Mowbray Heights, Port Dalrymple, and South George Town. I know how extremely welcome those investments are to those school communities. They don't come around every year, but I know when your school gets tapped on the shoulder, it is very, very exciting.

Importantly, we're supporting families through cost-of-living pressures. The Budget delivers more than $650 million in relief and concessions, which in turn support around 70,000 Tasmanians. We are extending free public transport, continuing Ticket to Play and Ticket to Wellbeing and supporting families through initiatives like the IVF rebate and the First Home Owner Grant. We're also continuing the healthy school lunch and breakfast program in communities across the north. The Tasmanian government is expanding its healthy school lunch program to a further 15 government schools in 2026. Invermay Primary School students will be among those to benefit from free healthy school lunch, joining existing participant schools at Waverley, Ravenswood and Port Dalrymple in ensuring our young people are supported to learn and thrive.

We are investing in local community and sporting infrastructure, including across Windermere, because we know how important our local clubs are. They are central not only to supporting active recreation and participation, but for overall wellbeing and that all-too-important connection to community. The Budget includes $4.7 million for important accessibility upgrades at the Elphin Sports Centre, $18.9 million to deliver additional indoor courts in stage 3 of the Northern Suburbs Community Recreational Hub, and we're supporting upgrades at Invermay Park to support local football and cricket clubs. The Silverdome is one of the state's most iconic sporting venues, and the Tasmanian government is locking in its longevity with a $12 million redevelopment, which is currently underway and will ensure its longstanding use will continue as a multipurpose venue. This investment will improve the facilities for everyone from our elite athletes to community-level sports, create better accessibility, attract more live entertainment and concerts, boost the fan experience for patrons, and increase business opportunities at the venue.

This Budget also locks in funding toward a new Launceston convention centre designed to provide a dedicated modern events and conference facility for northern Tasmania. It will support Launceston in attracting business events, conferences, exhibitions, and cultural and community functions. We know the size and scope of the conference business across the nation and having Launceston be a more active participant is very welcome.

As Minister for Energy and Renewables, I'm proud of the work we're doing to secure Tasmania's future as a renewable energy powerhouse, which of course we already are. We have an ambitious energy agenda in this state. Renewable energy is not just an environmental opportunity, it is an economic one.

The Budget continues to progress Project Marinus, a once-in-a-generation opportunity to grow our economy, create jobs and deliver long-term benefits for Tasmanians. It is expected to, on average, deliver around $470 million per annum in additional returns to government once operational, supporting those essential services that Tasmanians rely on.

Our equity contribution to the North West Transmission Developments is budgeted through this year's Budget, with most of the project funded by the Commonwealth through concessional finance from the Clean Energy Finance Corporation (CEFC), and those are deeply concessional arrangements which will materially reduce the cost to energy users here in the state.

Additionally, the Budget also includes funding of $16.1 million to shield direct connected transmission customers, including our major industrials, as we committed to as part of the Project Marinus final investment decision. Project Marinus is a project of national significance and we have always maintained that Tasmanians should only pay what is fair.

Our decision at FID to cap Tasmania's contribution to Marinus Link construction costs has saved the Tasmanian budget a total of at least, as of today, $98.5 million, based on current project cost estimates. With Project Marinus progressing, we expect to see even more confidence from renewable energy developers to invest in our state, supported by case managers in ReCFIT under the renewable energy approvals pathway. With our green electricity grid and world-class renewable energy opportunities, it comes as no surprise that there is strong and broad interest in investing in Tasmania, and we're continuing to capitalise on Tasmania's renewable capabilities.

It is essential that there are investments in productive assets while driving efficiencies in government spending while we can. Over the next four years - and I've been fortunate enough to visit a couple of the upgrades - Hydro Tasmania will be investing around $220 million each year to boost the safety, reliability and efficiency of our hydropower system. It's important to note, many of those upgrades are happening in remote and regional areas of the state and that's very welcome in those communities.

Also, TasNetworks will be investing around $300 million each year to make improvements to our electricity network, ensuring the lights stay on regardless of the weather. Again, that's work that happens in the regions.

At the same time, we recognise the pressure households are feeling, and that's why we continue to support Tasmanians through the Energy Hardship Fund and provide around $234 million in electricity concessions over the forward estimates, around $56 million, if memory serves, in this year's Budget alone. That's reaching some of our most vulnerable Tasmanians.

We recognise that global events in the Middle East are having real impacts on our communities. While I'm pleased to say Tasmania's fuel supply remains secure and stable, we are taking a proactive approach to planning for all scenarios and we continue to work closely with the Australian Government on this important national issue. To that extent we have extended free bus and ferry services for a further 12 months, recognising those ongoing costs of global events.

The 2026-27 Budget recognises the challenges ahead but continues to build the infrastructure Tasmania needs now in order to secure our future. It is, as always, about striking the right balance, building for the future while supporting people right now.

I've already touched on the importance of sport and active recreation, and we cannot underestimate the role they play in our communities. They bring people together, they support our young people and they help us keep active and engaged. I should also mention they support people of all ages, and it's been my great pleasure to visit a number of sporting organisations that reach into people of all ages and lives as I've had this job. The Budget continues strong investment in sport and recreation with $196 million supporting clubs, facilities and programs across Tasmania. We are delivering upgrades to community infrastructure right across the state, which include $28 million for the Glenorchy Sports Centre, more than $30 million for the Devonport Oval Sports Complex, and $12.5 million committed to the New Town Bay basketball facility.

The Budget provides $350,000 for Football Tasmania's business case for its home of football, while Pembroke Park at Sorell will benefit from over $2 million for upgrades. Local clubs, including the Taroona Bowls Club and Burnie Surf Life Saving Club, are also set to receive investment for their facilities. The Budget commits a continued investment of another $7.5 million over three years for Active Tasmania infrastructure grant funding to ensure clubs and sporting organisations can provide the facilities they need to support growing and diverse memberships. We're also focused on the future, investing in initiatives like the Talent ID for 2032 program to support the next generation of Tasmanian athletes to fulfil their Olympic dream. Importantly, we continue to support our clubs and their hardworking volunteers, providing opportunity for all Tasmanians, regardless of age or ability, to stay active and enjoy doing something they love.

Tasmania's natural assets are part of who we are and they are a key driver of our regional economies. We are committed to sustainable management, balancing protection with sharing our unique places now and into the future. This Budget invests $116 million into our parks and reserves, including significant capital works to improve access, infrastructure and visitor experiences. This includes improving disability access, investing in key destinations like Ben Lomond, Mount Field and Maria Island, and delivering new tourism experiences like the Tyndall Range multi-day walk. The Budget includes $2.5 million to upgrade ageing boardwalks and bridges at Tamar Island Wetlands. An additional $12 million is committed over three years to support ongoing upgrades and maintenance of critical public assets.

Our firefighting capacity is strengthened through $700,000 in funding for a critical bushfire winching program.

To improve visitor experiences, we're spending $2.9 million improving camping areas and better access for motorhomes, caravans and trailers at Cockle Creek. The next stage of the Maria Island Rediscovered project will deliver further improvements through infrastructure to support visitation, with $3.78 million funded through this Budget. Here in Hobart, we continue to deliver the Royal Tasmanian Botanical Gardens' biggest upgrade in their history.

Tasmanians are really fortunate that wherever we live, we can enjoy the benefits of our natural areas. Of course, they also draw people from around the world to experience their wonder, showcasing our unique floral, fauna and landscapes. Our government is proud of our world-class national parks, reserves and Crown lands. That's why we continue to invest strongly in our natural assets, making them accessible and able to be enjoyed now and for generations to come.

The Budget continues the work of building a strong economy and a caring community. It supports our communities, invests in our future and delivers real outcomes, as I've mentioned, particularly as I see it in my division of Windermere. It ensures our economy continues to be strong, resilient and well positioned for the future. It makes the savings needed to return to a balanced budget sooner and we are getting the balance right. I commend the work of the Treasurer and his team on the Budget and look forward to delivering for the people I represent.

I note the Budget.

[5.59 p.m.]
Ms LOVELL (Rumney) - Mr President, I rise to give my reply to the Budget handed down by the Treasurer, Mr Abetz, on 21 May 2026. This is our second Abetz budget, and I know there was a lot of speculation about what we would see in this Budget in the lead-up to budget day. Would we see another budget that kicks the can down the road? A budget with big spending and growing debt? Or would we see a budget that cuts essential services to pay for the 13 years of waste under successive Liberal governments?

The Budget we have before us has really exceeded all expectations, and not in a good way. There has been no escaping the fact that Tasmania's budget under the Rockliff Liberal government is in a worse state than it has ever been before, and it's not because of events outside of the government's control. It's because of 13 years of waste, wasted money, budgets blown year after year. Now here we are, with $1.5 billion cut from essential public services because this government hasn't been able to manage the budget. This didn't happen overnight; this train has been heading down the line for some time, gradually building speed, until now it's right before us, headed at rocket speed.

The cuts outlined in the Budget, operational efficiencies on page 103 of budget paper 4, make the impact of this wasteful government plain for all to see, and you know what? Credit where it's due: at least this year it's here in black and white, broken down by agency and by year: Brand Tasmania, $588,000 over four years; Education, Children and Young People, $228 million; Justice, $67 million; Ministerial and Parliamentary Support, $2 million; Natural Resources and Environment Tasmania, $59 million; Police, Fire and Emergency Management, $72 million; Premier and Cabinet, $41 million; State Growth, $264 million; Tourism Tasmania, $13 million; Treasury and Finance, $9 million; and Health, the biggest cuts of all, $700 million over four years. I've rounded down with most of those figures. There's a note to make it absolutely clear:

> Table 19.1 does not include the value of the 2023-24 Budget efficiency Dividend nor the savings of the Budget Better Under Tasmanian Liberals 2025 election commitment introduced in the 2025-26 Budget.

These cuts are on top of the cuts agencies have already had to find, cuts that we have asked about at every budget Estimates hearing and had real trouble getting any concrete information about what those cuts mean and who they've impacted; but we all see it and hear it every day, the Tasmanians who are affected, whether that's the public sector workers working with growing demand and shrinking resources year on year, working under increased pressure, or whether it's the Tasmanians relying on those services: health care, education, emergency services, planning, national parks, infrastructure and services, the justice system. Day after day, week after week, year after year, the services of this government are delivering poorer outcomes, not because the people delivering them are doing anything wrong but because they too are being let down by a government that has wasted the 13 years they've had in office and wasted the budget along with it.

I'm going to focus on Health, because while that's not my only shadow portfolio responsibility, it is the biggest one and the one with the most impact on the most Tasmanians. There are $700 million in cuts: there is no other way to spin this. You can call them whatever you want, operational efficiencies or savings; they are key deliverables in the Budget. There is no denying that there are more efficient ways to spend money in Health. We've seen how much money this government has wasted on agency nurses and locum doctors instead of staffing services with permanent employees of the state, as an example.

The Auditor-General has handed down his report just yesterday into the delivery, or non-delivery, of the Human Resource Information System: six years and $66.7 million so far, with not a single module completed. So, there's some waste for you. I'm sure we could have spent that money more efficiently. Before I'm misrepresented again, in saying that there are more efficient ways to spend money, it's not news that stakeholders like the AMA are supportive of more efficient spending in Health either. I think we all would be, but unless you are reinvesting any money saved or found from being more efficient back into the budget for that department, then that is what it is: it's a cut.

Let's look at some of the responses from those key stakeholders in Health to the Budget, remembering that these are the organisations that represent those workers on the ground delivering health care to Tasmanians each and every day. The assistant secretary of the Health and Community Services Union, Tammy Munro, said:

> It's ridiculous that the Treasurer has come out and said we're going to find $700 million worth of savings from the back office. What is the back office? And he talks about frontline staff - every member is essential.

The AMA, who the minister for Health was quoting this morning in Question Time in the other place, so let me quote the Health minister:

> I note and welcome the comments of the Australian Medical Association (AMA) this morning, who agrees that there are efficiencies that must be made and that hard questions must be asked of the department about what they can do better because, as the AMA noted, at this end this is about patient care.

Let me remind the government of what else the AMA has said about the Budget because I don't for a second think they were suggesting that efficiencies must be made without that money being reinvested back into Health. The AMA has also made this statement:

> The budget doesn't reflect reality. We know we need efficiencies, but it's impossible to find them when we don't have the resources to care for patients in 2026. Every doctor involved in the system looks at these numbers and thinks they're a joke. It's not okay that patients wait three years for surgery. It's not okay that patients wait 10 weeks for a pathology result that shows cancer. There's a lot of smoke and mirrors in this budget.

CPSU general secretary Thirza White has said:

> After three years of cuts the Rockliff government is still hiding behind agencies, forcing them to make cuts while refusing to be honest with Tasmanians about the impact.
>
> There's no transparency about what $1.47 billion in cuts actually means for schools, hospitals, parks and justice in Tasmanians. But CPSU members will tell you, it means that services in key parts of this state will be defunded to the point of extinction.

ANMF branch secretary Emily Shepherd said:

> Tasmania cannot afford to fall further behind on safe staffing, wages and workplace safety while nurses and midwives continue working under enormous pressure every day.
>
> Our members know you cannot cut your way to a safer, stronger health system.
>
> There is a complete disconnect between the existing challenges occurring within the health system, and the current budget.

Ms Shepherd also said:

> Whichever way you want to look at it, there are real cuts to the health system coming following the release of the 2026-2027 budget.

Let's not forget, either, that we've seen immediate cuts to services, with funding for the Cygnet Family Practice having their funding cut for their urgent and after-hours service. Their statement:

> Unfortunately, due to a lack of ongoing funding from the state government budget, this service will cease from 30th June 2026.
>
> This nationally Medicare awarded, innovative service, led by nurse practitioners and community paramedics, has been available to the people of the Huon Valley for the past 4 years. It has provided access to an additional 100 'on the day' appointments for health care needs when waiting times to see GPs was 4 weeks.
>
> 99% of people seen at our service have had their health care needs met by the knowledge, skill and expertise of the nurse practitioners and community paramedics. Potential savings to the state budget is conservatively over $1,000,000 per year, by decreasing call-outs to ambulances and people going to the Royal Hobart Hospital emergency department for urgent needs.
>
> This Urgent and After Hours model of care is safe, cost effective and sustainable. It meets the government health policies for providing the right person to provide the right care in the person's own community.

Another example is the Moreton Group Medical Services. Its statement:

> Today's Tasmanian State Budget confirmed that funding for our Southern Outreach Healthcare Program will not continue beyond this year.
>
> While this news is disappointing, today we want to focus on what this program has achieved for vulnerable Tasmanians.
>
> Through this partnership, our team has delivered around 4000 episodes of care each year across five outreach clinics every week, providing free healthcare directly to people facing homelessness, financial hardship, housing instability, mental health challenges, and barriers to accessing traditional healthcare.
>
> We are incredibly proud to have worked alongside amazing community organisations, including:
>
> - New Norfolk Neighbourhood House
> - Salvation Army Doorways Glenorchy
> - Chigwell Community House Karadi Aboriginal Corporation
> - Salvation Army Huonville
> - Bridgewater Community House
> - Flint House
> - Warrane Neighbourhood Centre
> - NoBucks Hobart.
>
> This program has shown what is possible when healthcare is taken directly to the community. Importantly, services like this not only improve lives, they also reduce pressure on Tasmania's healthcare system. We operate around 260 clinics each year, and if just one patient per clinic avoided going to hospital by ambulance, the estimated saving to the healthcare system would be approximately $468,000 annually.

These apparent savings in the health budget are anything but. They are short-sighted decisions that will have a detrimental impact on the budget bottom line as patients rely more heavily on ambulance and emergency services that are already under such enormous pressure and need more complex and expensive care due to delaying treatment because they have no other option. Moreover, these decisions do nothing to deliver better health outcomes for Tasmanians. It's an absolute shame and the first examples of how this Budget is going to impact frontline services. There is no escaping that.

The Health minister has so far refused to admit there will be any cuts in the health system, unlike the Minister for Education and Minister for Children and Young People who, to her credit, has at least acknowledged the jobs that will be lost from her department. But the Health minister won't even admit it, relying on an inaccurate claim that health funding is increasing across the forward Estimates. I say inaccurate because when you look at increases in funding in real terms, they are not there. Nobody is buying that. The same old lines we hear every year, 'record funding in health', 'increased funding' - it's the same smoke and mirrors as pointed out by the AMA. The so-called increases in funding will not even account for inflation, let alone health inflation. They won't cover increases in demand, which the government knows all too well are expected.

There is a lot more that I could talk about. I've really enjoyed listening to the contributions of other members because we all bring a different perspective to these debates, and it's always interesting to hear those different perspectives around the Chamber. I will keep talking about all of the other impacts of this Budget through Estimates and beyond that. There is so much more to unpack. We all will do that because we all take our jobs scrutinising this Budget very seriously.

We joke about four-hour speeches, but I feel like I could do it. I'm not going to, don't worry, but I feel like I could. I feel like I could easily stand here for four hours or longer to talk about all the ways this Budget is going to let down Tasmanians, all the waste the government has expended over the last 13 years. I could do it, but I don't feel like it would really be a good use of anyone's time, so I won't. I often don't know where to start with these budget replies, and I don't know where to finish because there is so much we could be talking about.

The Treasurer wants budget repair. We all do, but not budget repair that cuts essential services. The question here is: who pays for the budget repair that we so badly need after 13 years of Liberal government mismanagement and waste? This Budget puts that burden fair and square on the people who can least afford it.

I note the Budget.

Mr President, I move -

That the debate be adjourned.

Debate adjourned.

ADJOURNMENT

[6.14 p.m.]
Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - Mr President, before I move the adjournment, I acknowledge all those members who have made their presentations to the budget reply today that were very much appreciated and, as the member for Rumney and other members have said during the day, I look forward to the contributions that will be provided tomorrow. Again, thank you very much. I move -

That at its rising the Council adjourn until 11 a.m. 27 May 2026.

Motion agreed to.

[6.14 p.m.]

Ms RATTRAY (McIntyre - Leader for the Government in the Legislative Council) - Mr President, I move -

That the Council do now adjourn.

The Council adjourned at 6.14 p.m.