

# SECOND READING SPEECH

## State Service Amendment (Redeployment) Bill 2013

Lara Giddings MP  
Premier

I move – that the Bill now be read for the second time.

Mr Speaker, the primary purpose of this Bill is to amend the *State Service Act 2000*.

Specifically, this Bill seeks to amend Section 47(10) of the State Service Act by increasing, from 6 to 12 months, the period during which the employer must seek alternative duties for an employee who has been declared surplus to the requirements of an Agency.

In 2011, the State Budget was under severe pressure due to the impact of the Global Financial Crisis and the loss of more than \$1.5 billion in GST and State tax revenue – a figure which later rose to \$1.8 billion.

At that time, the Government was faced with a stark choice. We could either:

- keep spending at the same rate, which would have plunged the Budget back into the same levels of net debt that Labor inherited from the Liberals in 1998;

OR

- we could take the responsible path and reduce our spending to match our reduced income.

And that is what we chose to do.

At the time, I said that while we would try to minimise the pain, we needed to make tough decisions to avert a Budget crisis, and we needed to be open to using all of the tools at our disposal in doing so.

Three years later, we have successfully reduced the annual growth in Government expenditure from 8.8 per cent to 1.8 per cent.

Tasmania is still net debt free, and if we do go into net debt it is expected to peak at just over \$200 million – or \$440 per head of population compared with more than \$4000 in Victoria.

Mr Speaker, the need for strong and disciplined financial management has not ended, and we do not expect to see a return to the strong revenue growth that prevailed before the Global Financial Crisis anytime soon.

But because of the strong decisions that we made, we are now in a position to take off the table one of the savings measures that we had to consider using in 2011.

Members would be aware that during my Premier's address of March this year, I announced that public sector forced redundancies would no longer be available as a budget management tool.

Employment directives were changed in line with this commitment.

Importantly we have returned the Budget to a more sustainable position without a single Tasmanian public servant losing their job through an involuntary redundancy.

Today, through this Bill, we can now revert the waiting time for redeployment from six months back to the original twelve months as intended in the 2000 Act.

The State Service Structural Reform and Productivity Strategies introduced in 2011 provided a number of measures in the area of strategic human resource management, including:

- internal and whole of government vacancy control;
- incentivised targeted voluntary redundancies; and
- workforce renewal incentive programs.

These were designed to assist agencies in meeting the significant budget challenges they faced at the time.

Mr Speaker, the strict internal vacancy management and incentivised voluntary redundancies that were implemented across the State Service have had a significant impact in alleviating the staffing and budget challenges which required the redeployment period to be amended.

The reinstatement of the original period is consistent with the improved outlook enjoyed by State Service Agencies.

Increasing the period during which opportunities for redeployment are to be considered, indicates a level of trust on the Government's part that employees will continue to participate positively in the process.

Mr Speaker, this Bill makes no change to any other employment right, entitlement or benefit enjoyed by a State Servant.

The Bill proposes that all the redeployment processes of Section 47 are retained unchanged, other than the timeframe for that process.

In light of the hard work that has been done across Agencies to rein in costs and return the Budget to a sustainable basis, this is an appropriate and affordable measure and I commend the Bill to the House.