

Josh Willie MP

Labor Member for Clark



Michael Bailey OAM
Chief Executive Officer
Tasmanian Chamber of Commerce and Industry

Via email: michael.bailey@tcci.com.au

Dear Michael

Thank you for your recent correspondence regarding election policies.

I have attached below a copy of Labor's current new spending commitments as of 10 July 2025, broken down by category and whether they involve operational or capital expenditure.

Please note these are exclusive of commitments that involve the continuation of existing government programs, commitments that involve the allocation of funding from existing Federal funding agreements (such as Labor's education commitments), the revision of existing government programs (such as changing the eligibility criteria for aviation funding), or reallocating existing funding to a similar purpose (such as our commitment to divert \$20 million previously committed to Nyrstar for their cell room to an emergency support package).

I have also attached an extract from Labor's plan to save more than \$1 billion across the budget and forward estimates, which was released publicly on 28 June. A full copy, including our broader fiscal strategy, is available on our website [here](#).

As you will see, Labor has identified more than five times as many savings as it has proposed new spending initiatives.

Such fiscal discipline during a campaign is unprecedented in recent Australian elections.

Further, and as we have previously discussed, I share your concern about the trajectory of Tasmania's finances under the Liberals.

After coming to office in 2014 with zero net debt—in fact, with more than \$200 million in the bank—11 years of the Liberals has left Tasmania on track to have more than \$13 billion of debt by 2027-28.



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Should they be re-elected, it is clear Tasmania's finances will be made worse by the approach of the Liberals during this campaign, who have announced a substantial amount of new spending so far without any plan to pay for it.

This reckless approach shows exactly why it's time for a Fresh Start under Labor.

Thank you for the opportunity to update your members on our approach to the budget, and for your ongoing engagement regarding Tasmania's currently unsustainable finances.

Kind regards

Josh Willie MP
Shadow Treasurer

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New operational expenditure	2025-26	2026-27	2027-28	2028-29	Total
Health	15.5	11.8	12.2	11.8	51.3
Cost of living	12.8	10.3	1.4	1.4	25.9
Housing	3.4	0.3			3.7
Economic development	5.2	0.2	0.2	0.2	5.8
Education and childcare	2.4	0.4			2.8
Other public and social services	7.3	7.0	1.7	1.7	17.7
Total new operational spending	46.6	30.0	15.5	15.1	107.2
New capital expenditure	2025-26	2026-27	2027-28	2028-29	Total
Health	7	2	3.2		12.2
Housing	20				20
Economic development		10	10		20
Education and childcare	10	10			20
Total new capital spending	37	22	13.2	0	72.2

Identified budget savings - Operational and TOTAL

Operational Budget Repair Measures	2025/26	2026/27	2027/28	2028/29	TOTAL
10 Point Plan for Budget Repair	41.15	36.65	42.7	43	\$163.5
Abolish Associate Secretary establishment and associated costs	2	2	2	2	\$8m
Axe the debt-funded dinner voucher program	10	0	0	0	\$10m
Cut 25 Senior Executive Service positions	6.25	6.25	6.25	6.25	\$25m
Cut spin doctors	1.25	1.25	1.25	1.25	\$5m
Initial reprioritisation of Waste and Resource Recovery Board grants	6.9	6.9	6.9	6.9	\$27.6m
Cut government advertising	10	10	10	10	\$40m
Impose hard cap on departmental travel budgets	12.7	12.7	12.7	12.7	\$50.8m
Reduction in unbudgeted spending from Treasurer's Reserve	30	30	30	30	\$120m
Cancel Treasury privatisation process	1	0	0	0	\$1m
Special dividend from MAIB	50	0	0	50	\$100m
Operational Savings TOTAL	\$171.25m	\$105.75m	\$111.8m	\$162.1m	\$550.9m

Identified budget savings - Capital and TOTAL

CAPITAL SAVINGS WITHIN CURRENT FORWARD ESTIMATES	2025/26	2026/27	2027/28	2028/29	TOTAL
Indefinitely defer Southern Outlet Fifth Lane and reallocate Federal Funding	1.25	2.5	2.5	12.5	\$18.75m
Ensure capital works are profiled accurately	26.7	44.9	48.9	51	\$171.5m
Transfer Tasmania's share of Marinus Link	100	0	0	0	\$100m
Marinus Link Equity Injection	98.5	0	0	0	\$98.5m
CAPITAL SAVINGS BEYOND CURRENT FORWARD ESTIMATES					
Indefinitely defer Southern Outlet Fifth Lane and reallocate Federal Funding					\$81.25m
Capital Savings TOTAL					\$470m
All Budget Repair Savings TOTAL					\$1020.9m