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Government walks a Budget fine line

THE LABOR/GREEN Government has failed to live up to the leader's promises made before the March Election.

The State Budget is a mixed bag for a Public Sector that provides critical services to the community.

Some Agency and Division budgets have been further diminished with just a couple receiving long overdue additional resources.

Mr Bartlett and Mr McKim promised to restore Agency funding when revenues improved so we should've seen the winding back of 'efficiency dividends', reinstatement of indexation for non-salary costs and scrapping of the policy of not fully funding Agencies for salary

increases agreed between unions and government.

But this budget sadly persists with moves to reduce financial allocations to some areas, continues the freeze on indexation for non salary costs and doesn't fully fund agreed wage increases.

These omissions mean most Agencies will keep suffering unsustainable pressures and services will erode further.

The Treasurer has assured the CPSU all wage increases in agreements already signed have been fully funded but we haven't seen evidence in the figures so will seek further explanation from the Treasurer and Premier.

Your CPSU will also seek meetings with every Agency to determine how each intends to manage its allocation.

It appears significant savings still need to be made so Agency strategies will be critical in our shared efforts to provide high level services to Tasmanians.

With a couple of exceptions, areas suffering serious under-resourcing and risking service delivery failures have been ignored in the budget.

Many of you suffering from work overload while struggling to provide services to the community have received no relief in this budget.

Agency Cost Reduction Requirement

THE 2010/11 Budget does not set explicit savings targets for Agencies - it simply requires savings to be made by failing to recognise increased costs in the allocation of funds.

In the previous budget savings were explicitly stated and a series of employment management strategies were presented including vacancy controls and targeted redundancies.

This year it's apparent savings are still required but no guidelines to help meet these demands have been presented, so Agency-level strategies for meeting budgets will be pivotal - the CPSU will doggedly pursue details.

Despite the election promise to "increase funding to Agencies as revenues improve" this budget does not deliver to the majority of sections in the service.

Efficiency Dividends

ON THE face of it "efficiency dividends" are no longer demanded of Agencies.

But it's apparent the dividends have simply been absorbed into Agency allocations thereby cutting the amount of money made available to them.

Many areas have seen flatlining or a dip in budget allocations despite rising costs of doing business as petrol, energy, consumables and labour costs go up.

Most Agencies will be expected to simply find the money for these increased cost from static or reduced budgets.

This can only result in cut corners and compromises in service delivery as most innovative efficiencies were squeezed out over the past 18-24 months.

Non-Salary Indexation

GOVERNMENT has persisted with the unsustainable practice of refusing to increase Agency

budgets to deal with increased costs for non-wage items.

There's no indication in the forward projections that pressure will be relieved.

From family budgets and small business to multinational enterprise, the allocation of additional budgeted funds to cover external increases in costs is standard practice.

Not doing so means you have to find the savings from other areas of your operation and Agencies have almost no options for absorbing the costs elsewhere.

Salary Increases

According to the Budget, salary increases are to be funded at 3% regardless of the actual agreed amounts, so any shortfall will only add to the demand on agency budgets. This is in addition to requiring agencies to increase their contributions to defined benefit superannuation from 11.5% to 12.3%.

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PROMISES ARE FOREVER NOT JUST FOR ELECTIONS

WORK OVERLOAD

This budget will exacerbate pressures in some areas of the State Service so while the CPSU seeks further details it's worth bearing in mind the legal provisions in your Awards:

1. WORKLOAD MANAGEMENT

(a) The employer is to ensure that supervisors and managers are aware that the tasks allocated to employees must not exceed what can reasonably be performed in the hours for which they are employed.

(b) The employer is to ensure that supervisors and managers implement procedures to monitor the hours worked of the employees they supervise and where employees regularly work hours in

excess of the hours for which they are employed to perform their jobs, changes (technology, responsibility, and extra resources) will be implemented.

(c) To minimise workload issues the employer is to make every effort to ensure vacancies are filled within three months. If it appears likely this period will be exceeded supervisors and/or managers will consult affected employees, giving the reasons why the vacancy will

not be filled and advising how the workloads will be managed having regard to (a) and (b) above.

(d) In most circumstances temporary vacancies will be filled as they arise. Where a vacancy is not to be filled supervisors and managers will consult affected employees, giving the reasons why the vacancy will not be filled and advising how the workload will be managed having regard to (a) and (b) above.

We're aware of many of the areas suffering from work-overload due to chronic underfunding. So we can compile a complete list and offer you as much assistance as possible please register with the CPSU by emailing cpsu@tas.cpsu.com.au. Once we know about workload issues in your area we'll send some questions about your workload and the impact on services you and your colleagues can answer and send back. When we have the details we can work with you on strategies to minimise the damage unsustainable workload does to you and your colleagues and lobby for increased resourcing at Agency and government level.



Budget Report Card

Subject: 2010/11 Budget Assessment: F

ELECTION PROMISE 1

To provide the Public Sector with sufficient resources to deliver high quality services to all Tasmanians regardless of where they live.

FAILED

ELECTION PROMISE 2

To increase Agency funding when revenue improves to make up for the 2009/10 State Budget cuts.

FAILED

ELECTION PROMISE 3

To have Treasury fully fund Agencies for all agreed salary increases and to increase on-costs in line with CPI as a minimum.

FAILED

This is a disappointing effort. Must keep working over the next 12 months to honor the promises made to have any chance of passing the next electoral test.