



Hon Tim Nicholls MP
Member for Clayfield
Treasurer and Minister for Trade

TOQ-03130

11 APR 2013

Mr Neil Laurie
The Clerk of Parliament
Queensland Parliamentary Service
Parliament House
George Street
BRISBANE QLD 4000

Dear Mr Laurie

Thank you for your letter of 21 March 2013 regarding petitions 2079-13 and 2056-13, received by the Queensland Legislative Assembly, in relation to the hardships faced by many Queenslanders following recent natural disasters and the need to assist and encourage recovery following those disasters. The petitioners request an immediate moratorium on reductions in public sector jobs and a moratorium on the transfer or sale of any government services to non-government organisations.

The Queensland Government has established a significant disaster response effort to support communities affected by recent natural disasters, particularly in relation to the impact of ex-Tropical Cyclone Oswald. Three Disaster Recovery Coordinators have been established to lead disaster recovery efforts throughout affected areas of Queensland. In addition, the Minister for Local Government has been appointed to an expanded portfolio of Local Government, Community Recovery and Resilience, to deliver on the recovery effort and lead a resilience program to strive to mitigate the impact of natural disasters in the future.

These resilience programs are in addition to the Natural Disaster Relief and Recovery Arrangements jointly set in place by the Queensland Government and Australian Government, which provide a range of assistance, grants and loans to individuals, businesses and primary producers.

While the Queensland Government is working hard to assist communities to recover from these disasters and to enhance resilience for the future, the key Budget issues faced by the State – a series of fiscal deficits and rising debt levels – still need to be addressed to ensure the sustainability of the State's activities and its economy.

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As detailed in the 2012-13 Budget, the Government has had to make a number of hard decisions to get Queensland's finances back on track, with a plan to stabilise Queensland's debt.

Advice received by the Government indicated that nearly 20,000 full time equivalent (FTE) positions in the general government sector would need to be removed to assist in the fiscal repair task. However, the Government identified other savings of \$600 million that it directed toward retaining 6,000 positions, reducing the expected number of FTE losses to 14,000. Of these, it was anticipated that 10,600 people would receive a redundancy, with the difference relating to not filling currently vacant positions and removing temporary and contract staff when their contracts ended.

The 2012-13 Budget also announced reforms in the delivery of services, with an estimated \$500 million of spending shifting from the public sector to the private sector. The Government's vision is to deliver smarter, simpler and better outcomes that respond to the needs of all Queenslanders by allowing businesses, large and small, to show what services they can deliver and how well they can deliver it.

While the Independent Commission of Audit's Final Report discusses increased contestability in the provision of services, it is important to note that the Queensland Government is still considering its response to this Report.

I can assure the petitioners that the Queensland Government is dedicated to ensuring communities recover from the recent natural disasters, but note that the natural disasters also serve to highlight the importance of restoring the State's strong fiscal position to allow us capacity to establish resilient communities and respond to future challenges. Therefore, I can confirm that the Government intends to continue the reforms of public sector service delivery announced in the 2012-13 Budget.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tim Nicholls', written in a cursive style.

Tim Nicholls
Treasurer and Minister for Trade