



LEGISLATIVE ASSEMBLY

FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2024-2025

Ms Nicole Lawder MLA (Chair), Ms Suzanne Orr MLA (Deputy Chair),
Miss Laura Nuttall MLA

ANSWER TO QUESTION ON NOTICE

Asked By: Ms Leanne Castley MLA

Addressed to: Minister for Health

Reference: Output 1.3 in the ACT Health Directorate (Page 12)

Hearing Date: 25/07/2024

In relation to: Enabling a strong and safe health system

QON lodgement Date: 25/07/2024

Answer Due date: 02/08/2024

Whole of Government savings

The brief description on page 113 is very clear in saying *“Savings have been applied to directorates and agencies and will be achieved by the relevant Director-General or agency head but must have no impact on frontline service delivery.”*

Output 1.3 in the ACT Health Directorate (Page 12) which is titled *“Enabling a strong and safe health system”*.

- (1) Were you briefed on these cuts before the 2024-25 budget? When were you aware that you would receive such a large cut in funding?
- (2) Have you considered how you will accommodate the funding cuts imposed by the Minister? Will you have to let staff go?
 - a. Have any staff had to reduce their hours because of these cuts?
 - b. Is there any hiring freeze in place at ACT Health at the moment?
 - c. Over the past 3 months how many staff have been hired excluding contractors and how many staff have left the organisation?

Page 3 of the 2024-25 budget forecasts that there will be an increase of 10 FTE in ACT Health. However, page 23 forecasts that ACT Health are forecasting a reduction of \$22 million in employee expenses between 2024-25 and 2025-26.

- (3) Do you plan to cut staff expenses by \$22 million and the number of ACT Health that cut will impact?

Minister Rachel Stephen-Smith: The answer to the Member's question is as follows:

- (1) The Expenditure Review Committee (ERC) confirmed whole-of-government savings on 3 June 2024 and directorates were made aware of this decision on 4 June 2024.
- (2) The ACT Health Directorate (ACTHD) is still formulating options for achieving the savings target, but I am informed staffing cuts are not expected to be considered, consistent with ERC's decision.
 - a. No staff have had to reduce their hours due to any financial cuts.
 - b. There is no hiring freeze in ACTHD.
 - c. ACTHD staff commencements and separations from 1 April 2024 to 30 June 2024:
 - Separations: 22
 - Permanent transfer to other ACTPS directorates: 8
 - Commencements: 29
 - Permanent Transfer from other Agencies: 9
- (3) No, the reduction in employee expenses relates mainly to the ceasing initiatives for the Northside Hospital Transition Team and one-off funding for the ongoing delivery of the Digital Health Strategy (noting that out-year funding has been provisioned).

Approved for circulation to the Select Committee on Estimates 2024-2025

Signature:



Date:

21/8/24

By the Minister for Health, Rachel Stephen-Smith MLA