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Spending cuts a risk to Tasmania's healthcare and services

Tasmania's plan for budget repair unfairly sacrifices healthcare and other services people depend on, according to a new report from progressive think tank the McKell Institute.

The analysis shows the Tasmanian Government's 2026-27 Budget proposes the largest cuts to public spending of any jurisdiction this century.

Tasmania's health and education outcomes are some of the poorest in the nation. Its population is ageing, which increases demands on healthcare. The state's economy is the smallest and among the slowest growing in Australia.

The report argues the government's savings measures risk Tasmania's long-term economic outcomes, a view shared by the Department of Treasury and Finance and leading economist Saul Eslake.

Tasmania cannot lift healthcare services and education outcomes without investment, or without a strong workforce.

The report is the first in a series to be released by the McKell Institute in coming months, making the case for spreading the cost of budget repair and identifying fairer measures to reduce spending.

Tasmania does need a plan for budget repair. But a way forward that promotes economic optimism, encourages investment in the state, and doesn't leave people worse off is essential for the state's future.

A copy of the report can be viewed at www.mckellinstitute.org.au

Attributable to McKell Institute Victoria and Tasmania Executive Director, Rebecca Thistleton

"The cuts, especially for health, are unprecedented and this will significantly weaken Tasmania's capacity to provide the services people need.

"Given Tasmania's aging population, the government must recognise its obligation to find other ways to fix the finances without cuts to healthcare."

About the McKell Institute

The McKell Institute is an independent, not-for-profit research organisation advancing practical policy solutions.

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