

DRAFT SECOND READING SPEECH

HON ERIC ABETZ MP

Superannuation Liability (GST Windfall Fund) Bill 2025

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Speaker, I move that the Superannuation Liability (GST Windfall Fund) Bill 2025 now be read a second time.

This House has already endorsed this Bill once. Unfortunately, before the Legislative Council could debate it, Parliament was prorogued and the House of Assembly dissolved, causing the Bill to lapse. Today, we have the opportunity to reintroduce it and deliver on our promise to Tasmanians.

This Bill delivers on a key commitment of the Government's 2024 election platform, our Strong Plan to Fix Labor's Unfunded Super Liability, which is a key element of the Government's *Strong Plan for Tasmania's Future*.

This Bill represents a prudent and forward-looking measure to strengthen the financial position of the State by addressing a significant long-term liability.

Tasmania's unfunded superannuation liability is a legacy that is placing a growing burden on future generations of Tasmanians. This Government is committed to taking real, practical steps to address that liability and secure the State's long-term financial sustainability.

The purpose of this Bill is clear: to ensure that when Tasmania receives more GST revenue than forecast, that is when there is a windfall, we lock away a portion of that funding to pay down the State's superannuation debt.

Speaker, the Bill will apply retrospectively and is taken to have commenced on 1 July 2025. This will ensure that the benefits to the State, as outlined in the legislation, are realised as soon as possible.

Under the provisions of this Bill, where actual GST revenue, as reported in the Commonwealth's Final Budget Outcome Report, exceeds budgeted expectations for a given financial year, 50 per cent of that excess will be deposited into a newly created Specific Purpose Account, known as the Superannuation Liability Fund.

This ensures that temporary or unexpected revenue increases are not absorbed into general expenditure, but instead are used to improve the long-term fiscal sustainability of the State.

The establishment of this Superannuation Liability Fund under the *Financial Management Act 2016* will ensure that these windfalls are used solely for the purpose of offsetting the State's unfunded superannuation liability. In doing so, we are creating a legislative safeguard that protects these funds from being diverted to other purposes.

To be clear, the Fund cannot be used for anything else without the explicit approval of both Houses of Parliament nor can it be closed without the approval of both Houses of Parliament.

Under the legislation, the Secretary of the Department of Treasury and Finance will be responsible for determining whether a GST windfall has occurred in a financial year. This determination will be made within three months of the public release of the Australian Government's Final Budget Outcome, which must be released no later than 30 September each year.

Once a windfall is determined, 50 per cent of that amount will be allocated to the Superannuation Liability Fund. The Treasurer will then, from time to time, transfer money from the Fund to the Retirement Benefits Fund to directly reduce the State's unfunded superannuation liability.

Speaker, this is a smart, responsible and future-focused reform. It strengthens our financial position. It ensures intergenerational fairness. And it sends a clear message that this Government is serious about managing the State's finances prudently.

I commend the Bill to the House.