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Victoria Faces Deadline for Public Sector Job Cuts Plan

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The Victorian government has three weeks to unveil its plan for public sector job cuts, with up to 6,500 roles at risk, far exceeding the Australian Labor Party's (ALP) initial estimate of 3,000.

The Victorian government, led by the Australian Labor Party (ALP), faces a tight three-week deadline to release its blueprint for slashing up to 6,500 public sector jobs, a figure double the 3,000 initially projected by Treasurer Jaclyn Symes, according to a 2025 report by The Age. Announced in February 2025, the independent review, led by former Department of Premier and Cabinet secretary Helen Silver, aims to curb a ballooning wage bill that reached \$37.52 billion in 2023-24, nearly double the \$18.8 billion in 2014,

per The Guardian. The review targets inefficiencies and program duplication to address Victoria's soaring net debt, forecast to hit \$194 billion by 2028-29, per ABC News.

Premier Jacinta Allan emphasized to 9News that frontline roles, such as teachers, nurses, and police, will be spared, with cuts focusing on back-office functions. However, Community and Public Sector Union (CPSU) secretary Karen Batt warned that slashing up to 6% of the 55,000-strong Victorian Public Service (VPS) workforce could erode essential services, stating to The Age, "These cuts threaten the delivery of services as Victoria's population grows." The CPSU estimates the higher 6,500 job loss figure, citing internal government documents, and plans to fight the reductions, per cpsuvic.org.

Opposition treasury spokesperson James Newbury called the review a "smokescreen" to mask the ALP's fiscal mismanagement, arguing to The Australian Financial Review that rising debt and project cost blowouts, like the \$11 billion increase in 518 budget-funded projects, demand accountability. Economist Saul Eslake told ABC News that the ALP's failure to control spending during the pandemic inflated the public sector, questioning the necessity of its growth. The review's interim findings, due in April 2025, will shape the May 20 budget, with a final report by June 30, per The Mandarin.

Business groups support the cuts to rein in spending, but the CPSU's rival Voice for Members (AVFM) group proposed a counter-plan to cut 450 executive roles instead, potentially saving \$530.1 million by 2029-30, per The Guardian. As Victoria grapples with a \$10.56 billion annual debt interest bill by 2028-29, the ALP's job cuts plan faces scrutiny for risking service delivery.