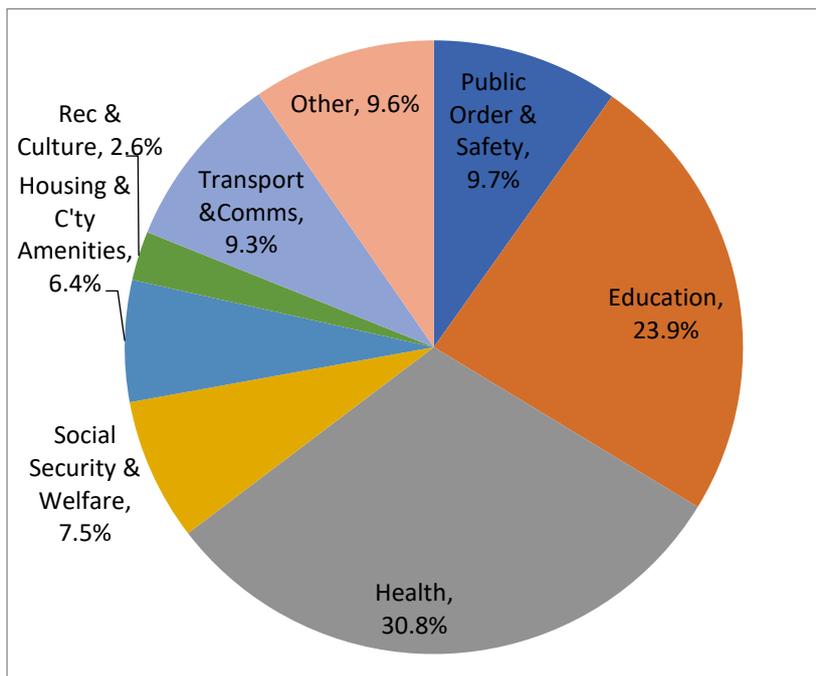


South Australian Government Expenditure

State taxes pay for a variety of government services and public infrastructure that benefit all the community, but are particularly needed by vulnerable and disadvantaged people.



In 2015-16, the South Australian government spent \$18,272m on state government operations and capital expenditure.

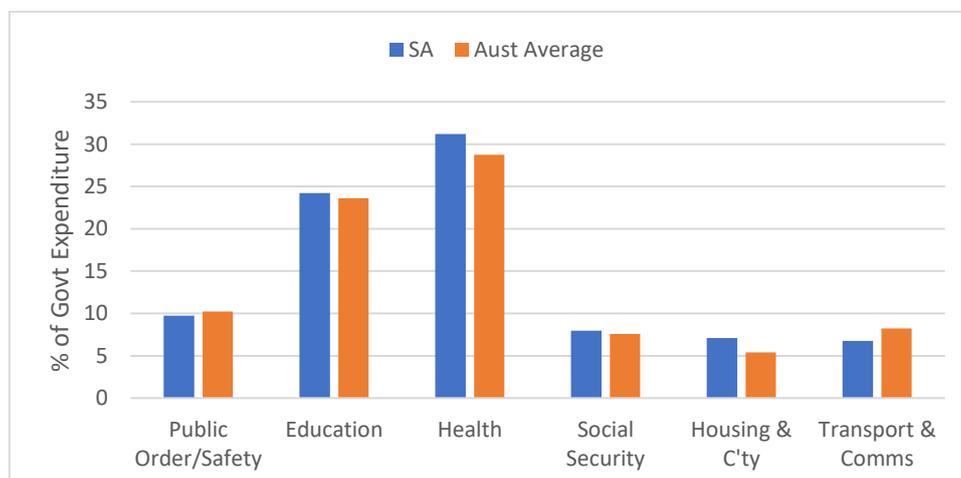
93% of SA government expenditure goes to current operational expenditure.

7% goes to capital expenditure.

About half of all general operating expenditure goes to wages, salaries and superannuation.

How does South Australian expenditure compare?

As a proportion of total government operational expenditure, South Australia spends more than any other Australian state or territory on health, and above the national average in health, education, social services and housing and community amenities.



What do people want?

A SACOSS survey of 1,000 South Australians shows that 68% of people want more spending overall on services, especially in health, education and community services.

	Want more spending in area % of respondents
Police and Justice	64%
Roads	65%
Public Transport	55%
Education	70%
Health	82%
Community Services	72%
Industry/Business Support	49%

But total state government expenditure is forecast to decline in real terms in the coming years, and most people also want lower state taxes. **This does not add up.**

Government Waste

The budget problem won't simply be fixed by cutting waste:

- 70% of the examples of waste cited in the SACOSS survey were capital expenditures on big infrastructure projects – but infrastructure is often controversial in its planning and construction phase, and then welcomed when it is operational;
- Projects which were often cited as examples of waste, like the Adelaide Oval revamp or the O’Bahn extension, constitute only 0.7 and 0.3 respectively of state budget expenditure;
- Politicians’ wages and entitlements may seem extraordinary, but the entire state parliament – including MP wages, accounts for only 0.18%, or one fifth of one percent, of the state budget.

Even if these expenditures were somehow saved, it would not make a massive difference to the amount of taxes needed to be collected or the services the government could provide.

Might be time for a reality check!

And maybe we need to be ask whether our tax system raises enough money to meet our expectations of services

Technical Notes:

South Australian data is drawn from the Govt of South Australia’s, *2016-2017 Budget Paper 3- Budget Statement*. The comparative state analysis is from the Uniform Presentation Framework data in the latest Budget Papers of each state or territory government. Where 2016-17 estimates results are available (from a 2017-18 budget), these have been used – otherwise 2016-17 budget figures have been used. All comparative data is “general government expenditure” and does not include capital expenditure.

Public opinion survey data is from a survey by Mint Research commissioned by SACOSS. See *Reality Check: Public Perceptions of South Australian Government Expenditure and Waste*.

SACOSS is calling for further reform of state taxes to ensure a fair and adequate tax system to fund vital services.

More information: <https://www.sacoss.org.au/fair-and-adequate-tax-system>