



SACOSS

State Budget Snapshot 2016-17



SACOSS

*South Australian Council
of Social Service*

July 7, 2016

Overview

SACOSS has prepared this snapshot of the 2016-2017 South Australian State Budget for the benefit of its members. It is divided into areas of interest to the SACOSS membership, not into specific portfolios, and is underpinned by SACOSS’ Strategic Plan and our budget submission.

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Each of these areas is assigned a table that summarises key Budget initiatives in the relevant area, providing SACOSS members with a quick reference with which to frame responses to the State Budget. Not all areas are covered in this Snapshot due to both time restrictions and availability of detail in the Budget Papers.

Cost figures are for four years unless otherwise referenced.

1. Economic Data

The budget papers suggest that “the South Australian economy performed solidly in 2015-16 despite significant challenges”, yet the budget itself focuses on business and employment stimulus measures as the state’s economic growth is still predicted to lag behind the national average in the coming years.

The headline economic data for South Australia is as follows:

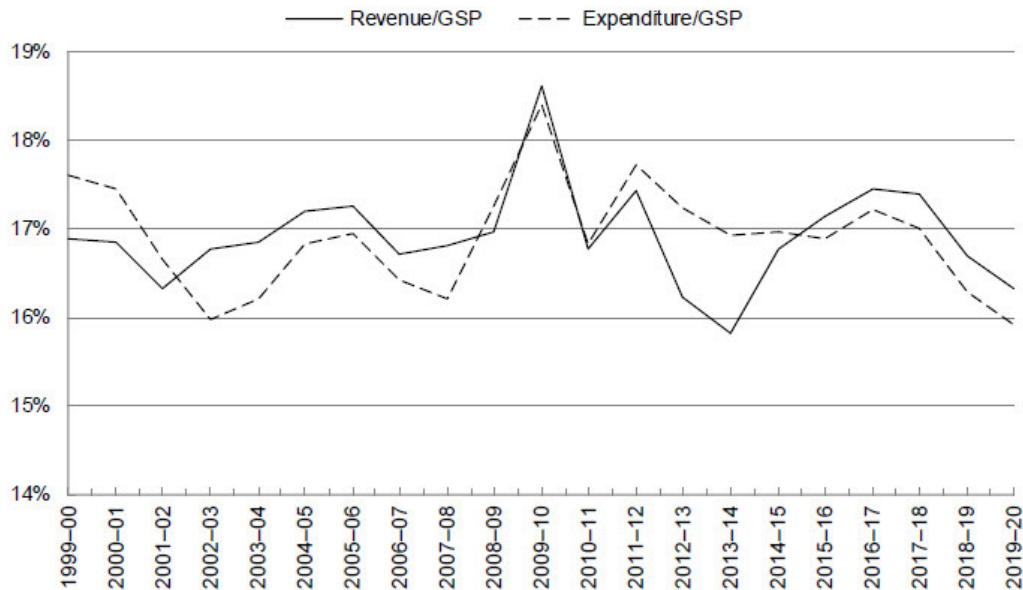
Item	2016-17 Budget	2015-16 Estimated Result	2015-16 Budget
Gross State Product - growth	2%	1.5%	2%
Net debt	\$6,246m	\$4,071m	\$4,238m
Employment Growth	0.75%	0.5%	1%
SA Wages Growth		2.2%	
Unemployment Rate (Trend)		6.9%	
Gross State Revenue	\$18,263m	\$17,295m	\$17,097m
Gross State Expenditure	\$18,009m	\$17,036m	\$17,055m
State Budget Surplus	+\$254m	+\$258m	+ \$43m

The Budget Strategy and Revenue Sustainability

The big economic headline of the Budget is undoubtedly the return to surplus, with the government securing a \$258m surplus in 2015-16 and growing to around \$460m by the end of the forward estimates. However, it is worth noting that this is significantly below the surpluses predicted in last year’s budget for 2017-18 and 2018-19 (a predicted \$961m surplus in 2018-19).

Further, as is widely recognised, this initial surplus and the ability of the government to provide jobs stimulus and infrastructure investment in a surplus budget, is underpinned to a significant degree by the selling off of the business of the Motor Accident Commission. The MAC privatisation contributes over one billion dollars to the 2015-16 outcomes and budget forward estimates.

This is important because the MAC funding, plus the extra income from the Commonwealth over the forward estimates, disguises a continuing fall in the state’s own tax base. Tax receipts for 2016-17 were revised down by \$196m from last year’s budget – a 4.1% decrease in state taxes. As the graph below shows, as a proportion of the economy, state government revenue and expenditure both decline over the forward estimates.



Source: Budget Paper 3, Figure 1.2

SACOSS remains concerned about the level of service provision possible under this smaller government model.

Revenue Measures

Within the framework noted above, there were a number of revenue measures in this budget. The payroll tax rebate for small businesses has been extended, costing the budget some \$40m over the next four years, while the extension till 2018-19 of the off-the-plan apartment Stamp Duty concession will cost the budget \$7.7m. While these initiatives may provide some stimulus to employment and for new housing, they come at a cost to the government’s revenue base.

There are two major initiatives which will raise revenue – a move to point of consumption online gambling taxes from 2017-18, and the increase in the solid waste levy. The later appears to be hypothecated with the money being invested back into recycling waste and carbon reduction initiatives. While this may be desirable, it means its direct impact on the budget bottom line is limited.

The move to point-of-consumption taxation of online wagering will limit jurisdiction-shopping and the use of tax havens by certain bookmakers. This will ensure that gambling expenditure is taxed at the place at which money is spent (and where the damages of problem gambling happen), not where some corporate licence is held.

SACOSS called for point-of-consumption taxation in our recent major report on gambling taxation, *Losing the Jackpot*, but the proposed tax changes will only contribute an estimated \$10m a year to state revenue. This goes nowhere near countering the long term decline in gambling taxes identified in *Losing the Jackpot* –

or even the losses in other gambling taxes in this budget (gambling tax receipts have been revised down by between \$22m and \$36m a year over the forward estimates.

SACOSS continues to believe that the major part of the necessary state tax reform lies outside of gambling taxes. While introduction of point-of-consumption taxing of betting is welcome, it is not a substitute for broader reform of state taxes.

2. Employment, Education and Training

South Australia currently has the highest rates of unemployment in the nation. Given the difficult economic circumstances and outlook for our state, SACOSS' budget submission this year focused on employment, education and training. These are vital for a strong economy and vibrant society, and are especially important to enable young people in particular to have access to future employment opportunities.

SACOSS was pleased that this year's budget was focused on jobs and economic development. There were many initiatives that were focused on attracting and supporting business and industry, as well as entrepreneurs and startups. While this may have the potential to create jobs, SACOSS questions whether our significant investment will in fact create the number of jobs we need now and into the future. Further, given growing inequality in our society, SACOSS is disappointed that the budget does not contain initiatives that are specifically designed and targeted to address the needs of vulnerable and disadvantaged jobs seekers, such as younger or older workers, or those from non-English speaking backgrounds.

Item	Description	SACOSS Comments
Job Creation Grant scheme \$109.2m (over 3 years)	Grants (available now but payable from 2017-18) of up to \$10,000 (\$5,000p.a. for two years) for each new full time equivalent job created by businesses with total payrolls of \$5 million or less. The grant is \$4,000 for businesses below the payroll tax threshold of \$600,000.	SACOSS welcomes support for business to take on additional employees, however it is disappointing that the initiative is not targeted at vulnerable and disadvantaged job seekers.
Employment Support for Whyalla \$59.6m	Among its broader support for Whyalla, there were two employment initiatives: <ul style="list-style-type: none"> • \$50 million to support the long term sustainability of steel making at Arrium by allocating funds for technological efficiencies or upgrades. • \$9.6m interest free loan scheme to support Whyalla small businesses experiencing cash-flow challenges as a result of Arrium entering administration. 	SACOSS acknowledges the dire consequences of the possible closure of the Whyalla steelworks on the economic and social viability of the community. Accordingly we support these initiatives but believe that any industry assistance should be in the form of equity investment rather than a simple handout.
Micro-Enterprise Development Program \$927,000 (over 3 years)	This initiative provides funds to trial access to micro-credit, mentoring, tailored business and financial literacy advice to establish new microenterprises or expand existing ones in the northern metro region of Adelaide.	SACOSS welcomes this initiative and notes that it will be crucial for the mentoring and advice to be of the highest quality given the challenges for new businesses in that region.

<p>Advanced Science and Technology Labs</p> <p>\$250m (over 3 years)</p>	<p>This initiative is to redevelop 139 public primary and secondary schools to upgrade science, technology, engineering and mathematics (STEM) facilities.</p>	<p>SACOSS is pleased that the government is providing much needed investment in public schools, particularly in areas that are likely to support future economic development and employment opportunities. The economic stimulus provided by this investment is also timely and welcomed.</p>
<p>Non-Government Schools Capital Support</p> <p>Budget neutral</p>	<p>This initiative provides a \$250m low interest loan facility for non-government schools to construct new and updated learning facilities.</p>	<p>SACOSS welcomes the provision of a loan facility and would like to see this initiative expanded into other areas, such as loans for community housing organisations to build additional social housing.</p>
<p>Preschool staffing ratios</p> <p>\$38m (over 5 years)</p>	<p>See description and analysis in child safety and wellbeing section.</p>	
<p>Continue to Invest in the State's Cultural Capital</p> <p>\$15m</p>	<p>This initiative aims to enable the South Australian arts sector to maximise job opportunities and economic benefits for the state.</p>	<p>SACOSS acknowledges the important role the arts plays in boosting economic activity and employment in the State, as well as in building community.</p>
<p>Office of the Industry Advocate — additional resources</p> <p>\$1.4m</p>	<p>This initiative supports the development of a comprehensive understanding of the capabilities of businesses in South Australia that have the potential to either supply directly or indirectly to the State Government.</p>	<p>SACOSS welcomes assistance for local companies to benefit from government procurement spending. However, SACOSS would like to see an evaluation of whether or to what extent these policies are also delivering opportunities for vulnerable and disadvantaged job seekers.</p>
<p>Northern Economic Plan</p> <p>\$24.2m (over 3 years)</p>	<p>This initiative supports job creation, innovation, business and industry growth and community programs in northern Adelaide through the following initiatives:</p> <ul style="list-style-type: none"> the implementation of the Small Business Development Fund (\$10.5m) the development of the 	<p>SACOSS supports assistance for the north as it transitions from the closure of car manufacturing to minimise the social consequences for local communities.</p>

	<p>Northern Adelaide Food Park (\$7m)</p> <ul style="list-style-type: none"> • the creation of a disability employment hub (\$4m) • the development of electric and low carbon buses (\$2m) • support for the Advanced Modular Systems Alliance to assist the development of a modular construction industry (\$500,000) • the creation of the Live Music Activation Strategy with the City of Playford (\$100,000) • financial assistance to Power Community Ltd to deliver youth resilience, wellbeing and leadership programs in northern Adelaide (\$50,000). 	
<p>Business and Industry Assistance and Attraction</p>	<p>A range of initiatives announced including:</p> <ul style="list-style-type: none"> • France engagement strategy (\$4m) • South Australian Venture Capital Fund (\$53m) • Economic Investment Fund (\$20m) • Defence Industry Attraction (\$6m) • Investment in Innovation (\$29m): <ul style="list-style-type: none"> • South Australian Early Commercialisation Fund • Investment in the UniSA's Future Industries Institute • Gig City to create an entire ultra-high speed broadband innovation network. • Support for Entrepreneurial Development (\$160,000) 	<p>While SACOSS supports initiatives to attract business and industry to South Australian and new start-ups, we are concerned that there is no process to monitor and evaluate the return on investment and ensure that actual jobs are created.</p>

3. Poverty and Cost of Living

Poverty remains a persistent feature of South Australian society and is multi-dimensional. The inability to meet basic living costs is a key indicator of poverty and in turn a driver of other aspects of poverty and disadvantage.

Cost of living pressures affect all households, but impact more significantly on lower income households both because they tend to spend proportionately more of their income on the necessities (prices of which are rising), and because they do not have the reserves or flexibility in their budgets.

Government taxes, fees and charges add to cost of living pressures, although the revenue is needed to fund the vital services that our community relies on. In this context, the fairness of taxes is crucial, and a system of proper concessions and support services for low income households is vital for protecting vulnerable and disadvantaged people.

Item	Description	SACOSS Comments
Emergency Services levy increase	The average household faces a \$268 ESL in the coming year as the tax rises for the third year in a row to pay for equipment and the cost of fighting bush fires.	This follows substantial increases in the ESL last year, although we note the important exemptions for a broad range of low income households. SACOSS believes that the ESL is a proxy land tax, but is confusing and sits uncomfortably with other land taxes. The ESL should be rolled into a revamped land tax with appropriate protections for low income households.
Increase In Solid Waste Levy \$63.6 million revenue	Levy will increase from \$62 to \$103 a tonne over four years. Households face a \$3 increase in council rates if the increase is passed on in full and another \$7 annually until 2020.	The levy is designed to increase recycling and jobs in the recycling industry – all of which would be a good outcome, but the impost on local councils may see Council rates rise even further which will impact particularly on low income rate payers. The government should look at increasing the Cost of Living Concession to cover this rate increase.

<p>Government Fees and Charges: motor registration, public transport</p>	<p>Average rise in fees and charges will be 1.7% across MetroCard fares, car registration, drivers' license renewals and speeding fines.</p> <p>Metroticket price rise from \$5.20 to \$5.30 (1.9%).</p> <p>Motor vehicle registration fee price rises of \$2, \$4, and \$6 for 4, 5-6, and 7+ cylinder cars respectively.</p> <p>Driver's licence up by \$1 per year (2.4%).</p> <p>Compulsory Third party up \$378 to \$389 (2.9%) with the Lifetime Support scheme Levy up \$110 to \$111 (0.9%).</p>	<p>All these rises (bar one) are more than CPI (0.75% over the last year) and so will impact particularly on people whose incomes are fixed to CPI (such as those on Newstart or Youth Allowance) or grow at a rate lower than the rate of actual increases.</p> <p>SACOSS encourages the government to implement a system of fines proportionate to income, rather than the current regressive flat rates.</p>
<p>Full automation of Cost of Living Concession</p> <p>\$12m</p>	<p>This aims to improve the management of the Cost of Living Concession.</p>	<p>SACOSS notes the range of difficulties with the administration of a number of different concession payments. While we support this measure, a thorough review of current arrangements is needed to ensure existing failures are addressed.</p>

4. Utilities

The cost of utilities (electricity, gas and water) has been a focus of cost of living debates and a particular concern for vulnerable and disadvantaged people because these expenditures are essential, hard to budget for, and impact disproportionately on low income households. Last year’s budget delivered on a number of utilities programs, including the Consumer Advocacy and Research Fund and the Utilities Literacy Program.

In the last year, utility prices in Adelaide have in fact dropped by 5.1%, although this was not uniform. Electricity prices decreased by 11.2%, which was good news for consumers, but prices will increase in the next financial year. Water rates increased by 1.7% last year and gas prices increased by 3.8% (both above the general inflation rate).

Item	Description	Comments
South Australian Energy Consumer Advocacy Project \$830,000	This initiative provides \$200 000 per annum (indexed from 2017–18) to SACOSS to ensure that residential energy consumers are effectively represented in energy regulatory determinations, policy making and market monitoring and development.	SACOSS warmly welcomes this funding. Our research, advocacy and sector support is critical to ensuring balance in public policy debates on energy and that the interests of vulnerable and disadvantaged people are considered. In the last year our advocacy has contributed to an average South Australian residential consumer saving \$369 over 5 years in gas charges and \$721 over 5 years in electricity charges.
Interconnection to Support Renewable Energy Growth \$500,000 (for 1 year)	This initiative provides for a detailed assessment of increased electricity interconnection between South Australia and the National Electricity Market.	High wholesale prices, system security and reliability issues in South Australia due to the high penetration of renewable energy supplies. SACOSS welcomes this study to determine the feasibility of additional interconnection to the eastern seaboard states as a potential means of addressing these issues.

5. Child Safety and Wellbeing

SACOSS continues to argue for instituting a public health model for child safety and wellbeing in South Australia that directs resources towards prevention and early intervention, rather than a crisis model that directs funds and services towards the tertiary end.

Aside from the support for preschools, this budget provides few new initiatives that will provide any significant improvement in child wellbeing in South Australia.

SACOSS continues to be frustrated that the government child protection system seems paralysed, waiting for recommendations from the Child Protection System Royal Commission while there continues to be growth in the numbers of children needing attention and care. There are substantial changes that can be made now in conjunction with the community sector, and we further believe that it is imperative that the recommendations from the Royal Commission are considered in genuine partnership with non-government organisations rather than simply adopted or rejected by government in isolation.

Item	Description	SACOSS Comments
Families SA Northern Office \$15m (over 2 years)	The Families SA offices at Elizabeth, Gawler and Salisbury will be consolidated into one location at the former Smithfield Plains High School site.	SACOSS recognises the need to upgrade facilities, but is concerned about the accessibility and cultural appropriateness of a single office location not in the communities they are servicing. We believe this proposal should be reviewed.
Preschool staffing ratios \$37.8m	This initiative provides additional ongoing support for government funded preschools to meet new educator to child ratios.	SACOSS welcomes this initiative which is aimed at improving the early education outcomes of children in SA preschools.
Child Protection Systems Royal Commission – Response Unit \$1m (over 1 year)	This initiative provides funds for a Response Unit to address and coordinate the government response to the recommendations arising from the Child Protection Systems Royal Commission.	SACOSS recognises the government’s need to resource their response to the Royal Commission. Proper consideration should include consultation with the NGO sector.
Thriving Communities \$450,000 (over 1 year)	This initiative provides funds to Together SA to continue work in northern and southern Adelaide. Funding will be used to host a state-wide leadership group and to	SACOSS appreciates funding of community-led development and believes that the relevant peak bodies must be integrated into the process.

	lead community conversations on the future of children and young people in the area.	
Continuous Monitoring for Screening \$7.3m	This funding is to develop and implement an IT system which will enable continuous monitoring for screening assessments of people who work or volunteer with children.	<p>SACOSS recognises the importance of checking workers’ criminal records and therefore their suitability for working in environments with children and vulnerable adults to minimise the risk of abuse and exploitation.</p> <p>Given there has been significant increase to expenditure on screening initiatives in this and previous budgets, SACOSS believes it is imperative that there is an evaluation of whether increased expenditure is achieving improved protection for children and vulnerable adults.</p>

6. Disability

Given the federal government’s commitment to the National Disability Insurance Scheme (NDIS) state government support for people living with disability and for disability services is particularly important throughout the roll out of the Scheme. It is important that state government services complement and support the NDIS’ underpinning purposes of social inclusion and self-determination.

The pace of the rollout or transition to the NDIS creates major risks for the ongoing wellbeing of some people who live with disability. SACOSS believes it is imperative that the state government maintains an active oversight of implementation of the NDIS and its consequences. Further SACOSS calls for the state government to urgently strengthen the advocacy of people who live with disability and their families in order to ensure their concerns are met.

Item	Description	SACOSS Comments
Disability Services Support \$25 million (over 2 years)	This initiative continues to meet the growing needs of people with a disability as we finalise the transition to the NDIS.	This is a welcome additional contribution to ensure people who live with disability can access proper support while awaiting transition to the NDIS.
National Disability Insurance Scheme transition \$50.2 million (over 2 years)	Additional funds have been provided to enable transition to the NDIS by 2018–19. This additional funding will mean around 9,000 new clients, who have not previously received support through the South Australian Government specialist disability services, will sooner be able to access services under the NDIS.	This is an appropriate measure which recognises the number of people who are in need of support under the scheme.

7. Health

An efficient and effective SA Health Service is vital for health equity in our state. Health costs make up a substantial proportion of state government expenditure and are an ongoing challenge for our state.

SACOSS recognises that the South Australian Government is still responding to a significant withdrawal of funding from the federal government.

SACOSS remains concerned that the state government’s Transforming Health strategy is focused on tertiary health services (hospitals and beds), despite the strong evidence that investment in primary and preventative health initiatives would have a positive impact on the health of South Australians. A preventative approach would also reduce the cost associated with treating chronic diseases. Similarly, investment in mental health services that are placed in the community can reduce repeat presentations to emergency services. Failure to invest in these activities almost certainly results in pressure on tertiary services – almost all of which will cost SA taxpayers more to fund.

In this context, SACOSS was extremely disappointed to note a lack of any new budget initiatives addressing drug and alcohol dependency.

Item	Description	Comments
Closing the Gap in Aboriginal Health Outcomes \$44.4m	See Aboriginal and Torres Strait Islander People Section	
Community Mental Health Rehabilitation services in Whyalla \$8.7m	This initiative provides for the continued operation of the (previously Commonwealth funded) 10-bed Community Mental Health Rehabilitation Service in Whyalla. It also provides for the development of a suicide prevention program within the Whyalla community.	SACOSS is supportive of mental health and suicide prevention services that are within community health settings where ongoing support can be provided to the people and their families.
Additional resources \$526.8m	This initiative is to partially address the funding shortfall created by the 2014–15 Commonwealth budget cuts, which will total \$1,374.7m between 2015–16 and 2019–20, and also to support ongoing reforms in the State’s Health system.	SACOSS supports the reinstating of funds under the National Partnership Agreements, but notes that the state government has also reduced funding to prevention services in primary health care (McCann Review). SACOSS believes that this should be reinstated.

<p>Diagnostic Services</p> <p>\$12.4m</p>	<p>This initiative makes up the shortfall in revenue resulting from the Commonwealth Government’s decision to limit or remove bulk-billing incentives for pathology and diagnostic imaging services. The State Government will fund the shortfall to ensure the ongoing sustainability of services provided at SA Pathology and SA Medical Imaging.</p>	<p>SACOSS is supportive of bulk billing for these vital services that help prevent disease. Removing the bulk billing option would prevent many low income Australians accessing these services.</p>
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8. Housing and homelessness

Access to safe and secure housing is a key determinant of health, wellbeing and life experience. Having affordable housing supply remains a critical issue for South Australia, as does the issue of homelessness.

Beyond a couple of minor items, the lack of new initiatives in the homelessness space is disappointing. The state government has made no further commitment beyond the current National Partnership Agreement on Homelessness which expires in June 2017.

SACOSS notes the loan arrangements suggested for private schools' development of infrastructure and proposes a similar scheme be made available to the community housing sector to increase social housing supply.

Item	Description	SACOSS Comments
Stamp Duty Concessions \$7.7m (over 3 years)	The budget extends and expands the off-the-plan stamp duty concession to cover all new apartments across the state. An estimated 600 apartment purchasers will benefit from the stamp duty concession, with a maximum concession of \$15,500 available to off-the-plan purchases.	While these initiatives may provide some stimulus to employment and for new housing, they come at a cost to the government's revenue base.
Secure and affordable housing for older women \$150,000 (1 year)	To investigate a range of long term housing options to address the unique challenges faced by older single women.	SACOSS welcomes this initiative.

9. Justice

SACOSS has long been concerned that the overwhelming priority of government justice policy is around surveillance and punishment. Although there are a few welcome initiatives in rehabilitation and home detention, this budget appears to continue this broad direction. A comprehensive justice policy would make investments in crime prevention, early intervention, rehabilitation, restoration, reparation and access to justice. SACOSS is particularly disappointed that the budget contained no initiatives directed at justice reinvestment programs. We are also disappointed that there are no initiatives focused on reducing the overrepresentation of Aboriginal people in the justice system, and in particular young Aboriginal people.

Item	Description	Comments
Additional prisoner accommodation Port Augusta, Mobilong, Mount Gambier \$68m	198 additional prisoner beds across Port Augusta, Mobilong and Mount Gambier prisons	This may address overcrowding in our current prison system. However SACOSS is not convinced that continued investments in prison infrastructure is efficient without parallel investments that seek to prevent incarceration and contact with the justice system in the first place.
Criminogenic Rehabilitation Programs \$10m	An initiative to increase the capacity of the Department for Correctional Services rehabilitation programs and introduce new programs to assist in reducing the rate of recidivism.	SACOSS welcomes measures that will assist prisoners to return to and remain in the community.
Implementing Home Detention \$15.6m	This initiative will expand the use of home detention and allow the procurement of a new range of rehabilitation and re-integration services from the non-government sector.	SACOSS welcomes measures that will relieve prison overcrowding and assist prisoners to return to and remain in the community.
Temporary Bed Costs \$9.7m (for 1 year)	This initiative provides additional resources to manage prisoner numbers across multiple sites while new prisoner accommodation is being constructed.	This measure highlights the failings of the current system. SACOSS continues to call for increased investment in rehabilitation and measures that will prevent incarceration and contact with the justice system in the first place.

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Domestic Violence Multi Agency Protection Service \$683,000	This measure provides additional funds to expand the service to include non-government women's domestic violence services in MAPS.	SACOSS welcomes the extension of the initiative.
National Domestic Violence Order Scheme — IT system \$1.3m (over 3 years)	This initiative implements an IT system that will enable sharing of information on domestic violence orders within and across jurisdictions.	SACOSS welcomes measures that further protect vulnerable women and children.

10. Transport and Infrastructure

Transport and infrastructure is vital, not just for the economy, but for society. People rely on our transport system and other public infrastructure to connect them with employment, education and training opportunities, health and community services, and for social participation. Given that many South Australians do not own a car, public transport is even more vital for low income and disadvantaged people.

Some of the new infrastructure measures in this Budget are dealt with in the Employment, Education and Training section. Transport fees and charges are in the Cost of Living section.

Item	Description	SACOSS Comments
City Trams – Extension to Old Royal Adelaide Hospital Site \$50m (over 2 years)	This initiative extends the existing tram network along North Terrace to the Old Royal Adelaide Hospital site.	SACOSS welcomes the investment in new public transport infrastructure. However, SACOSS would like to further emphasis placed on outer metro, regional and rural public transport.
Her Majesty’s Theatre Redevelopment \$35.2m (over 3 years)	This initiative provides for the redevelopment of Her Majesty’s Theatre.	SACOSS welcomes the additional infrastructure investment with its job creation outcomes. It is important the jobs growth flowing from the construction phases of infrastructure projects are inclusive of vulnerable and disadvantaged South Australians.
Advanced Science and Technology Labs \$250m (over 3 years)	See Employment, Education and Training section	
Non- Government Schools Capital Support Budget neutral	See Employment, Education and Training section	

11. Aboriginal and Torres Strait Islander people

Aboriginal and Torres Strait Islander South Australians are significantly more likely to live on a lower income than the wider population, and have a much lower life expectancy. Aboriginal and Torres Strait Islander people are also more likely to be incarcerated in the overstretched and under-resourced prison system. There is an urgent need to address the societal contributors to poverty and disadvantage within this community and to improve standards of, and access to, health, housing, employment and essential services to ensure a fairer and more equitable South Australia.

SACOSS has argued repeatedly that Aboriginal people need to be at the heart of determining and governing services to their own communities. We have also argued that the state government should move to implement an Indigenous Justice Agreement with local Aboriginal communities to address the overrepresentation of Aboriginal people in our justice system.

Item	Description	SACOSS Comments
Closing the Gap in Aboriginal Health Outcomes \$44.4m	This initiative provides continued investment in programs including Quit Smoking initiatives; Child and Adolescent Mental Health Services in the APY Lands; Health Checks; and Aboriginal Step Down Services. The State Government is continuing to fund this initiative after the Commonwealth government's funding was not renewed.	SACOSS welcomes the continuation of this funding.
Aboriginal Regional Authority Policy \$1.6m	This initiative provides funding to resource three new Aboriginal Regional Authorities.	SACOSS supports measures that work toward the empowerment of Aboriginal communities in the development and implementation of their priorities. We hope that the regional authority framework will be extended to other Aboriginal communities and capacity building activities undertaken to ensure this is possible.

<p>Extension of the North West Indigenous Pastoral Program</p> <p>\$1.5m (over 2 years)</p>	<p>This initiative continues the North West Pastoral program which aims to engage Indigenous employees in pastoral work in the northwest of South Australia, and return Indigenous-owned land to primary production, thereby establishing viable agricultural enterprises.</p>	<p>SACOSS welcomes support for economic development that benefits Aboriginal people on their traditional lands. However it is crucial that Aboriginal people be supported to lead this development to develop environmentally sustainable enterprises.</p>
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12. Culturally and Linguistically Diverse Communities

Approximately 25% of the South Australian population is composed of culturally and linguistically diverse people. These communities are an essential part of the rich and vibrant South Australian landscape, and positively shape a multicultural and harmonious society. Through promoting community capacity and community harmony, the South Australian community enables the cultural, linguistic and religious diversity in our society to flourish.

As with last year, we note that there are limited initiatives for culturally and linguistically diverse communities.

Item	Description	SACOSS Comments
Support for OzAsia Festival \$3.1m	Initiatives to expand the OzAsia Festival including outdoor hub, bigger Moon Lantern parade, international conferences and support for new artistic work.	SACOSS supports funding for culturally and linguistically diverse communities as a positive recognition of the contribution made to South Australia’s economic, cultural and artistic life by these communities.

13. Older People & Aged Care

There are many challenges and opportunities associated with our ageing population and our challenge is to ensure our elders remain as valued contributing members of the community.

As the second fastest ageing state in Australia, South Australians over the age of 60 have a diversity of ageing experience. Geographical location, cultural and linguistic diversity, gender, income and wealth, Aboriginality and remoteness are all important considerations in addressing the needs of the ageing population.

This Budget has limited new initiatives that directly address the interests of older people.

2016 – 2017 Budget Proposals

SACOSS Proposal	Outcome
Growing Employment Opportunities	
<p>Increase expenditure on infrastructure projects of social and economic benefit to South Australia, with priority given to increasing total public housing stock and expanding public transport.</p>	<p>Partially supported</p> <p>There were a number of infrastructure initiatives to provide social and economic benefit to South Australians and their communities, however there was only one initiative targeted at public transport (Tram extension – see transport and infrastructure section) and none that increase the total public housing stock.</p>
<p>Fund a review of the Workforce Participation in Government Construction Procurement Policy to determine the levels of compliance with the policy and its overall effectiveness.</p>	<p>Not supported</p>
<p>Grow entry level jobs for young South Australians by:</p> <ul style="list-style-type: none"> a. Immediately doubling the intake of trainee and graduate positions to 400/year under the Public Sector’s Jobs4Youth program; b. Reintroducing the payroll tax exemption for wages paid to apprentices and trainees c. Funding the establishment of a working group tasked with developing links with employers to support job creation and employment of young South Australians. 	<p>Not supported</p>

Training, Skills and Employment Support	
<p>Increase investment in Adult and Community Education:</p> <ul style="list-style-type: none"> a. Increase the funding available to ACE providers through the Foundation Skills Grants b. Develop a new ACE Preparation Program to prepare participants for classroom based learning 	Not supported
<p>Ensure WorkReady better addresses the needs of vulnerable and disadvantaged South Australians:</p> <ul style="list-style-type: none"> a. Reinstate subsidised training places for community sector RTOs delivering high quality specialised ‘niche’ training for vulnerable and disadvantaged South Australians a. Ensure the Funded Training List/ Subsidised Training List includes all courses that are essential for workforce development within the health and community services sector, including the Certificate IV Mental Health Peer Work b. Provide time-limited wage subsidies to employers who employ jobseekers who have previously participated in WorkReady’s Jobs First projects c. Expand the exemption for student course fees to include unemployed South Australians receiving Centrelink benefits 	Not supported
<p>Commit to ongoing funding of the Building Family Opportunities program of \$2 million a year for at least three years</p>	Not supported
<p>Expedite the evaluation of the 12 month Successful Transitions pilot, and if found to be successful, commit ongoing funding</p>	Not supported

Fund SACOSS, or another independent organisation, to undertake a scoping study that examines outreach legal services for vulnerable workers	Not supported
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Supporting Vulnerable and Disadvantaged South Australians	
Increase the funding allocated to the Community Benefit SA Fund to \$6 million per year (plus indexation).	Not supported
Free public transport in the non-peak period between 9am and 3pm for people eligible for concession fares	Not supported
Commit to ongoing funding of the Utilities Literacy Program	Not provided for in the budget, however we understand that there may be funding for the continuation of this program and we will seek urgent clarification
Commit to ongoing funding of SACOSS Energy Program for \$200,000 per annum (plus indexation) for four years from 2016–17 onwards	Supported (see utilities section)
Create a Compensation Fund for Government Funding Contract Delays for Non-Government Organisations	Not supported The issue has been considered in discussions around broad NFP Funding Guidelines, but that process has been flawed and there has been no outcome to date.

Maintaining a Fair and Sustainable Revenue Base	
Allocate any additional revenue available in 2016–17 to employment and other initiatives for the benefit of all South Australians, rather than further business tax cuts.	Partially supported Additional revenue has been put to jobs creation but a number of measures aimed at creating jobs are tax cuts which will once again undermine the sustainability of the budget.