



SACOSS

*South Australian Council
of Social Service*

SACOSS

State Budget Snapshot

2013-14

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Overview

SACOSS has prepared this snapshot of the 2013-2014 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 the SACOSS's Strategic Plan, our budget submission and the *Blueprint to Eradicate Poverty in South Australia*.

1. Economic Data	2
2. Poverty and Cost of Living.....	3
3. Sector Development.....	5
4. Child Safety and Wellbeing.....	7
5. Disability.....	9
6. Employment, Education and Training	11
7. Health.....	13
8. Housing and homelessness.....	16
9. Justice.....	18
10. Taxes, Fees, Concessions & Charges.....	20
11. Transport and Infrastructure	21
12. Utilities.....	23
13. Young people	24
14. Aboriginal and Torres Strait Islander people.....	25
15. Women.....	27
16. Culturally and Linguistic Diverse Communities	28
17. Older People & Aged Care	29
18. Other Measures.....	30
19. Summary of SACOSS 2012 – 2013 Budget Proposals.....	31

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

This Budget comes against a backdrop of revenue restraints. Revenues revised downward in the Mid-Year Budget Review have been revised down further. Expenditure reductions will lag revenue reductions by 1-2 years necessitating increased short-term and long-term borrowings. An expectation of a return to budget surplus in 2015-16 hinges on a turnaround in housing and consumer spending.

SACOSS continues to call for an urgent conversation about alternative revenue streams in order to protect the long term interests of the state.

SACOSS also notes that many of the estimated results for the 2012-13 financial year are well below last year's Budget projections. These reflect broad economic trends and adjustments in the mid-year financial review, but raises questions about the reliability of current estimates.

The headline economic data for South Australia is as follows:

Item	2013-14 Budget	2012-13 Estimated Result	2012-13 Budget
Gross State Product - growth	2.75%	1.25%	2.75%
Net debt	\$6,951m	\$5,611m	\$5 329m
Employment Growth	1%	0%	0.75%
SA Wages Growth		3.3%	
Unemployment Rate		5.8%	
Gross State Revenue	\$15,271m	\$15,249m	\$15,059m
Gross State Expenditure	\$16,198m	\$16,552m	\$15,926m
State Budget Deficit	\$911m	\$1314m	\$867m

2. 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. Over the last few years cost of living pressures have made meeting these basic costs more difficult with rapidly rising prices for a range of essential goods and services, most notably energy and water, fuel, and in the first six months of the year, food.

These 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. For those whose incomes are pegged to the Consumer Price Index (e.g. those on Newstart and other base level allowances), rising prices are causing major household pressures and the demand for social services has increased markedly in the past year.

SACOSS welcomes four key anti-poverty initiatives. The campaign for a Consumer Credit Legal Service (CCLS) has been a longstanding item for SACOSS and others in the community sector. This is a most welcome development. The allocation of \$1m per annum to fund more financial counselling positions is also vital initiative which will help protect people from financial disaster. An increase in the water concession is an important development. Reforms to the Compulsory Third Party Insurance Scheme are also welcome.

Item	Description	SACOSS Comments
Financial Counsellors \$4.3m	This initiative will provide for additional financial counselling support for people suffering financial stress. This will be provided by community-based groups.	This initiative is long awaited, and will go some way to meeting a very real need in the community to help protect people from financial disaster.
Compulsory Third Party Insurance	Compulsory Third Party Insurance Premiums decrease by 20%. A new Lifetime Support Scheme Levy will commence in 2014-15. Estimates that motorists will be up to \$148 better off over 2 years.	Significant reduction welcomed.
Consumer Credit Legal Service \$1.4m	See section on Justice.	
Water concession increase \$21.1m	See section on Concessions.	

SACOSS' 2013-14 Budget Submission proposals in relation to poverty alleviation were:

- Extend the one-off water rebate.
- Widening eligibility for Families SA financial counseling to all clients of DECD
- Funding for financial counseling in hospital wards and rehabilitation centres
- Increase in Patient Assisted Travel Scheme (PATS)
- Free public transport between 9am and 3pm and Fee Public Transport for people with disabilities on International Day for People with Disabilities

3. Sector Development

The community sector provides a huge range of support and services for the most vulnerable and disadvantaged South Australians. To provide high standard, professional services requires support and investment in the organisations and people who provide those services, and involving those services and their peak bodies in policy formation and implementation.

Last year's Budget included an un-costed commitment for the Government to fund their share of the equal remuneration order (ERO) applying to community sector employees. This year's Budget costs and allocates funds for this purpose. This initiative meets a pre-existing commitment and there are no new initiatives encouraging development of the community sector. SACOSS was one of the key advocates for full funding of the ERO so warmly welcomes this funding measure.

However, SACOSS continues to highlight urgent sector development issues relating to government contracting, for example, inconsistent arrangements relating to CPI and increasing reporting requirements. SACOSS will continue to seek further engagement with government on these issues. In the context of the loss of funding for the Health and Community Services Industry Skills Board, sector development issues such as these will become especially pertinent.

Item	Description	SACOSS Comments
Funding Community Sector Pay Equity \$14.3m (over 4 years) plus an additional \$597k (paid in 2012-13)	On 8 June 2011 the State Government announced a commitment to fund its share of the increased costs that result from the Fair Work Australia ERO for workers in the community services sector. Until this year's Budget the state government's funding allocation has not been fully costed but this initiative provides funds for the government's share over the next four years.	The extra funds have been allocated in response to community sector feedback that the government's previous budgetary commitment would not cover the costs of implementing the ERO. SACOSS strongly welcomes the government following through on its commitment to pay its share of the costs incurred by non-government organisations in paying employees entitlements under the ERO.
Land tax exemption for NGOs \$1.5m (over 4 years)	See commentary under taxes, fees and charges.	

SACOSS' 2013-14 Budget Submission proposals in relation to sector development were:

- Funding for an independent Corporate Social Responsibility brokerage service for the community sector.
- Funding for a SACOSS health reform engagement officer position.
- Funding for trials of models of community development and engagement activities that foster greater social participation (e.g. "Collective Impact" approaches).
- An independent audit of government compliance with funding contracts and arrangements.

4. Child Safety and Wellbeing

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

Last year's Budget contained initiatives aimed at addressing a growth in the numbers of children in state care but was weighted towards institutional care and not specifically aimed at reducing the incidence of child abuse and family breakdown. This year the Budget continues funding to out of home care alternatives and the Family by Family initiative. New funds are primarily directed at infrastructure for early childcare services.

Item	Description	SACOSS Comments
Out of home care for vulnerable children \$27.2m (over 4 years)	This initiative provides funding for the government to further support the growth in foster care placements.	SACOSS welcomes funding that supports appropriate placements for children and young people in out of home care. However, SACOSS notes that this is an existing funding allocation and does not include significant new investment.
Family by Family \$2.8 m (over 3 years)	This initiative provides funding to continue the Family by Family initiative aimed at early intervention and helping build resilience before families reach crisis point.	SACOSS welcomes the focus this program has on strengthening families who may otherwise be at risk of entering the child protection or juvenile justice systems.
Blakeview North Children's Centre \$10.1m	This initiative will add another centralised children's service to the northern Adelaide region. The service will provide preschool programs, childcare, family and parenting support programs, and information on nutrition and other health services	SACOSS welcomes improved access to services for children's health and development. The services provided by the children's centres are important early intervention programs and co-location of services may increase utilisation through cross referral.
Relocation of preschools \$15.9m	Funding for the relocation of six preschools onto school grounds	SACOSS welcomes the co-location of schooling hubs to enable easier drop-off and pick-ups for multiple children in different forms of care and education.
Preschool upgrades \$11.3m	This initiative will upgrade six preschools in line with national quality guidelines	SACOSS welcomes improvements to preschool education.

SACOSS' 2013-14 Budget Submission proposals in relation to child safety and wellbeing were:

- An independent review of the adequacy of the current child protection system in meeting the needs of children and young people.

5. Disability

Support for people living with disability and for disability services will be particularly important in this Budget in order to build on the Federal Government commitment to the National Disability Insurance Scheme, and to implement the State Government's own Stronger Together disability plan.

SACOSS is therefore very pleased to see that in this Budget the government has included measures commensurate with their previously announced commitments to expand the Disability Care scheme fully in South Australia by 2018. Measures in relation to expanding services and opportunities for people living with disability are long overdue and SACOSS is delighted that the government has demonstrated leadership and resolve in relation to this issue in the current Budget. We do note that funding is only a part of the solution to ensuring the active participation and contribution of people who live with disability. However, we are cautiously optimistic about the direction of government policy in adopting these measures.

Item	Description	SACOSS Comments
<p>Additional disability services support</p> <p>\$97.4m (over the next 4 years)</p>	<p>This initiative provides for additional support to people living with disability and for their carers, including accommodation support, community support, community access and respite services.</p> <p>This initiative enables South Australia to fully implement the National Disability Insurance Scheme from 2018–19.</p>	<p>SACOSS welcomes this measure and lauds the government for allocating necessary and substantial funding to realise its commitment to the full implementation of the Disability Care system for all South Australian living with a disability by 2018.</p>
<p>Equipment services</p> <p>\$2.5m</p>	<p>This initiative will assist in providing additional adult and children's equipment.</p>	<p>SACOSS welcomes this measure and has long advocated for adequate access to supports – including equipment supports – for people living with disability. However we note that this is a one-off funding commitment for 2012/2013 and would like to see it revisited in future estimates should community need for disability equipment supports exceed the current allocation.</p>

SACOSS' 2013-14 Budget Submission proposals in relation to people living with disability were:

- Free Public Transport for people with disabilities on International Day for People with Disabilities (3 December).

6. Employment, Education and Training

Education and training are vital for a strong economy and vibrant society. They are vital to enable young people in particular, to have access to employment opportunities. South Australia has historically had lower levels of educational attainment and workforce participation than other states and territories. The continued investment in targeted industry training in this year's Budget is a welcome measure, in particular as relates to the Skills for All courses, although there does need to be attention to whole-of-workforce/population initiatives. SACOSS remains concerned that the long term unemployed and other marginalised groups are at risk of being left behind in the design of employment, education and training programs.

SACOSS has noted in the past a lack of funding for schools. This remains the case with the current Budget, however, it is acknowledged that the government has made a welcome commitment to the Commonwealth Government's 'Gonski' reform package. Information on what this will translate into in terms of a resource investment is not yet clear as negotiations with the Federal Government are ongoing.

Item	Description	SACOSS Comments
Increased Skills for All industry training \$27m	This measure provides for additional funding to free and subsidised courses.	Though overall expenditure decreases over the forward estimates (from \$20m in 2013-14 to \$7m in 2014-15), SACOSS welcomes the continued funding commitment to invest in skills.
Skilled and high net worth migrant attraction \$600,000 (over 2 years)	This initiative targets additional skilled and high net worth migrants.	While we recognise and support the need for the government to ensure that there are appropriately skilled workers and SACOSS supports migration to South Australia and the contribution migrants continue to make to our community, we do have concerns that appropriate social supports are provided for migrants.
High-Value Food Manufacturing Centre \$4.1m	This new centre aims to develop South Australia's food manufacturing industry.	SACOSS is supportive of investments in skills, learning and jobs growth. While it is, at this stage, unclear whether this Budget measure will actually create new jobs, it seems likely that it will at least contribute to sustaining existing jobs and this is a very welcome move.

SACOSS 2013-2014 State Budget Snapshot

June 2013

<p>Reduction in annual capital program</p> <p>\$3.3m saving</p>	<p>This measure represents a 10 per cent per annum reduction in the current annual capital program expenditure from 2013–14.</p>	<p>SACOSS continues to be concerned about the level of investment available for education infrastructure and this measure appears to diminish support for much needed infrastructure.</p>
<p>Improving Literacy and Numeracy reward payment for government schools</p> <p>\$9.6m (over 2 years)</p>	<p>This initiative uses reward payment funding to employ coaches to provide intensive training in government schools to improve the literacy and numeracy performance of students.</p>	<p>SACOSS is broadly supportive of the provision of additional funds to address the ongoing issue of literacy and numeracy in schools. However additional detail on how the ‘reward’ system will work is required in order to make a judgement on the fairness and potential efficacy of this measure.</p>
<p>Improving Literacy and Numeracy for non-government schools</p> <p>\$1.8m for 2013-14</p>	<p>This initiative aims to improve student performance in literacy and numeracy at Independent and Catholic schools.</p>	<p>As above.</p>

7. Health

Health spending has more than doubled in the last 10 years. We do note however that the great majority of health spending continues to be directed towards tertiary treatments rather than primary prevention and early interventions.

SACOSS has previously expressed disappointment in the state's decreased funding in preventive and community health initiatives and notes that this trend has continued. We believe that the focus on health services provision has to move from tertiary to primary community and preventive health care. The discussions around the shifting of funding responsibilities between the federal and state levels creates ongoing concern for the sector in relation to the sustainability of health funding into the future.

However, SACOSS welcomes the commitment to Aboriginal Health through continued funding of Closing the Gap health programs. We are pleased to see some balance within this initiative between programs that have a tertiary or clinical focus and some that target primary health care and early intervention.

In addition, SACOSS is pleased to note the continued investment in mental health. However, we note that the majority of the spending is on infrastructure. SACOSS also understands that there is an additional 3% efficiency dividend for community mental health services, and is extremely alarmed about these reports for what should be a priority area.

Significant capital expenditure continues with improvements to health facilities and infrastructure. SACOSS is pleased to note the additional investments in regional health facilities and infrastructure including the new dental clinic in Murray Bridge and Country Community Rehabilitation Centres in Mt Gambier and Whyalla.

While spending on infrastructure and services is welcome, there is no evidence of a strengthened investment in partnering with consumers and non-government service providers to deliver real health reform and sustainability. Furthermore SACOSS remains concerned regarding the lack of importance given to primary care and preventive health.

SACOSS understands that as a result of savings measures in this Budget, Country Health SA are facing major cuts and we remain concerned about the implications for service delivery across regional South Australia.

Item	Description	Comments
<p>Closing the Gap on Indigenous health outcomes</p> <p>\$32 m</p>	<p>Funding to health programs including Quit Smoking initiatives, Aboriginal Well Health Checks, Aboriginal Step Down Services, Child and Adolescent Mental Health Services in the APY Lands, Aboriginal Focus Schools and Investing in Aboriginal Youth.</p>	<p>SACOSS welcomes continued investment in Aboriginal Health. In particular SACOSS is pleased to see at least some focus on primary care and prevention services such as Quit Smoking initiative. SACOSS is aware of recent announcements to increase</p>

SACOSS 2013-2014 State Budget Snapshot

June 2013

		the number of health workers in remote Indigenous communities and it is likely that these positions will be funded from this Closing the Gap allocation. These positions will be particularly welcome where they provide employment opportunities for Aboriginal people from local communities.
SAHMRI grant funding \$9.1m	Additional operational support to the South Australian Health and Medical Research Institute to help it become the leading health and medical research institute in South Australia.	SACOSS recognises the importance of medical research, however there is significant need for further research into primary health care and prevention.
Dental Facilities \$5.3m	Funding for the Adelaide Dental Hospital to replace facilities that will no longer be available with the closure of the existing RAH New Community Dental Clinic in Murray Bridge	SACOSS welcomes increased investment in much needed dental services. SACOSS continues to argue that dental services need ongoing funding commitment and investment to improve services for disadvantaged South Australians.
Hospital and Health Service Infrastructure \$2.6b	This initiative includes upgrades to state hospitals (RAH, Repatriation General Hospital, WCH, TQEH, Lyell McEwin, Modbury and Noarlunga), country hospitals (Berri and Wallaroo), health services (Parks Community Centre, Pt Lincoln, Mt Gambier, Whyalla, Victor Harbour), GP plus facilities (Pt Pirie and Noarlunga) as well as funding for new medical imaging equipment, patient administration systems, and the development of Country Community Rehabilitation Centres in Mt Gambier and Whyalla.	SACOSS supports the increased investment in metro and rural health facilities however it is important to note that investing in infrastructure does not always translate directly to improvements and increases in services. SACOSS remains concerned that funding is weighted towards infrastructure rather than directly targeting improvement of services.
Mental Health \$303.6m	This includes; James Nash House redevelopment to a 50-bed centre 6 Community Mental Health Centres Three new intermediate care mental health centres in the	SACOSS notes that much of the funding is towards infrastructure. While this is welcome SACOSS would like to see a growing focus on preventative community initiatives.

	metropolitan Glenside Campus Redevelopment 5 Older Persons Mental Health Community Facilities Mental Health Early Intervention Care Facilities	
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SACOSS' 2013-14 Budget Submission proposal in relation to Health and Wellbeing was:

- Fund a program of financial counseling in hospital wards and rehabilitation centres for patients and families experiencing major illness or disability
- Increase Patient Assisted Transport Scheme (PATS) to assist with transport for regional people to obtain health services

8. Housing and homelessness

Housing remains the largest expenditure item in most household budgets and is a key determinant of health, well-being and life experience. This Budget features a major investment in affordable housing construction which should help to ensure desperately needed social and community housing becomes available.

The achievements of the South Australian Government in delivering housing outcomes through National Partnerships for Remote Indigenous Housing and Nation Building — Economic Stimulus Plan are also recognised, with South Australia outperforming some of the other states. Housing SA exceeded targets in the number of affordable home purchase and rental opportunities, the number that were experiencing housing stress and the number of Aboriginal people sleeping rough who were assisted. Specialist Homelessness Services assisted 600 rough sleepers.

Despite these significant achievements, SACOSS notes that the number of affordable home purchase and rental opportunities provided by Housing SA is projected to fall 958 short of the target for 2012-13.

Item	Description	SACOSS Comments
Affordable Housing Stimulus Package \$220m (over 18 months)	This initiative provides for construction of 930 houses and includes: <ul style="list-style-type: none"> • \$50m for 175 new affordable houses • \$27m to fast track construction of Housing SA homes, including specialised homes for people with disability and Aboriginal people • \$23.6m for the Better Neighbourhoods Program • \$38.7m for housing construction grants • \$12.4m to continue the stamp duty concession 	SACOSS congratulates the Government on bringing forward \$150m of expenditure. The stock of Housing SA homes has been reduced by 10,000 over the last decade, and while this initiative does not fully redress this loss, it is still very welcome. SACOSS also recognises that the economic benefits which flow from this direct investment are very important for South Australia. See detailed comments on specific items below.
Affordable housing construction \$50m	This initiative provides for construction of 175 new affordable houses, including new community social housing and unlocking stalled commercial developments.	SACOSS welcomes the commitment to build additional affordable housing for which we have long advocated. This initiative includes \$20m for capital grants for community housing associations which will hopefully be able to use that capital to leverage additional finance, and therefore build an extended number of properties.
Housing SA homes – fast tracking construction	This initiative provides for fast tracking construction of Housing SA homes, including specialised homes for people with disability and Aboriginal people.	All social housing targets for 2013-14 are welcome, but in particular those that benefit Aboriginal people and people living with a disability which are

SACOSS 2013-2014 State Budget Snapshot

June 2013

\$27m		required as a matter of urgency.
Extend Housing Construction Grant \$38.7m (over 2 years)	This initiative extends the \$8,500 Housing Construction Grant for six months to the end of 2013 to assist with the cost of building or buying a new house.	SACOSS remains cautious about this initiative, particularly if it only has the impact of bringing forward home purchases and therefore leaves industry facing a building slump.
Stamp duty concession for off-the-plan apartments \$12.4m (over the next 5 years)	This initiative continues the stamp duty concession for people who buy eligible apartments off-the-plan.	SACOSS is supportive of the government's move to continue the stamp duty concession for off-the-plan apartments. This measure will assist with housing affordability for young people who want to become home owners.
National Partnership Agreement on Homelessness \$17.2m in 2013-14	This initiative enables the continuation of services provided under the National Partnership Agreement on Homelessness for one year. These services include early intervention, medium term accommodation options and home based support to sustain the transition to independent living. This measure is jointly funded with the Commonwealth Government providing \$8.6m.	SACOSS welcomes the continuation of early intervention measures in relation to homelessness. SACOSS has advocated on the need to adopt early intervention strategies in response to homelessness – a move that has not always been adopted by the government. SACOSS has consistently advocated on the need to adopt a diversity of housing options in response to community housing needs and welcomes this move as reflected in this Budget measure. SACOSS notes that it is imperative that the state and Commonwealth reach a long term agreement as this initiative is only an extension for one year.
Better Neighbourhoods Program \$23.6m	This initiative brings forward up to 18 projects from the Better Neighbourhood Program to assist local small to medium sized civil engineering and construction companies.	This initiative will support local jobs and growth to the local economy while also contributing to growth in housing stock. SACOSS is supportive of this measure along with other government commitments to stimulate the local economy.

9. Justice

This Budget delivers some important improvements to access to justice for disadvantaged and vulnerable South Australians. The establishment of a Consumer Credit Legal Service will give specialist support to consumers dealing with credit and debt related legal problems, and will provide them with a much-needed voice in policy debates. This is a positive step towards addressing the significant unmet legal need identified in the SACOSS study on this issue. Investment in bail support accommodation will prevent alleged offenders from being remanded in custody because of lack of appropriate housing, which will ease the over-representation of people from a disadvantaged socio-economic background on remand.

The Budget also focuses on improving the efficiency of the justice system and on investment in infrastructure. SACOSS remains concerned that spending on infrastructure far outweighs investment in crime prevention, early intervention, rehabilitation, reparation and access to justice.

Item	Description	Comments
Consumer Credit Legal Service \$1.4m	Funding for a consumer credit legal service to provide specialist casework services and engage in policy development and advocacy	This initiative was the result of a long-standing campaign by SACOSS and other members of the community sector for enhanced assistance for vulnerable and disadvantaged South Australians. SACOSS warmly welcomes this funding.
Justice Reform Project \$450,000 in 2013-14	Additional funding for a broad review of the justice system to improve its effectiveness and efficiency (total funding \$1m combined with existing resources).	Insufficient detail to allow further comment at this time.
New Courts Precinct \$2m in 2013-14	Funding for the first stage of the development of a new courts precinct.	SACOSS is hopeful that development of modern infrastructure will improve access to justice (e.g. improved disability access).
South Australian Civil and Administrative Tribunal \$6.4m	Establishment of the Tribunal as a single body for resolving disputes relating to administrative decisions	SACOSS is supportive of the objectives of this measure to improve efficiency and promote equitable, independent and transparent decision making.
Fines Enforcement and Recovery Unit \$8m expenditure \$6.2m revenue over the forward estimates	Establishment of a Fines Enforcement and Recovery Unit, which will have broad powers in collecting and enforcing payment of fines.	SACOSS has major concerns about this initiative and in particular the wide discretion given to the unit to enforce payment of fines and the implications this will have for South Australians struggling with debt. We are also concerned that the imposition of further penalties on existing fines for people who don't have access to decent incomes will push them directly into grinding poverty. We also question whether imposing such

SACOSS 2013-2014 State Budget Snapshot

June 2013

		measures is justified in light of the expenditure/expected revenue.
Independent Commission Against Corruption and Office for Public Integrity \$8.9m	Additional funding to implement the complaints, investigations and examinations functions of a new anti-corruption body.	This is a continuing initiative. SACOSS supports this investment which will add transparency and give the public greater confidence in government and the justice system.
Bail Accommodation Support Program \$2.9m	Funding for the establishment and operation of accommodation support for low risk alleged offenders who do not have suitable bail accommodation.	This initiative was proposed by SACOSS in its 2013 Budget Submission and is welcomed. However, SACOSS is concerned that there continues to be a lack of suitable alternative accommodation specifically for young people.
Mount Gambier Prison Developments \$51.1m	Construction and operation of a new cell block with 108 prisoner beds at Mount Gambier Prison in addition to a 60 bed low security accommodation unit.	This is a positive measure in light of critical bed shortages, but SACOSS is concerned that expenditure on additional beds does not address the underlying issues of crime prevention, early intervention, rehabilitation, reparation and access to justice.
Port Lincoln Prison Developments \$5.5m	Construction and operation of 20 additional prisoner beds.	As above.
Support for Courts Services \$2.9m	Additional support for coronial, psychiatric reporting and interpreting services to meet additional demand.	SACOSS welcomes additional supports to improve access to justice for people with mental health issues and people who require an interpreter.
Additional Police Resources \$34.9m	Commitment to recruit 313 new police officers, with funding for 50 new recruits in 2013-14. Includes commitment to enhance recruitment of youth, and culturally and linguistically diverse members of the community.	SACOSS notes that levels of crime in South Australia are as low as they have been in more than a decade yet the police force continues to expand through to 2017/18. We would like to target some of those new resources at enhancing the capacity of SAPOL in keeping with the disability access to justice priorities outlined in the Attorney-General's recent discussion paper.

SACOSS' 2013-14 Budget Submission proposal in relation to Justice was:

- Funding for bail accommodation services for young people involved with the justice system, and for prisoners on remand in the adult population.
- Funding for a Consumer Credit Legal Centre and strengthening of existing services.

10. Taxes, Fees, Concessions & Charges

Government fees and charges are set to rise an average of 3% in this year's Budget. Increases in the price of public transport will have the greatest impact on low income households, although the reduction in vehicle registration resulting from changes to compulsory third party insurance will be welcomed. Adelaide CPI for the last year (March Qtr 2012-March Qtr 2013) was 2.2%. This means that a number of the government fees and charges price rises are above CPI and will impact particularly on people whose incomes are fixed to CPI.

While SACOSS recognises the necessity of fees and charges, the state government must recognise the need for equity in setting these charges, and ameliorate the impact on those most vulnerable.

Item	Description	SACOSS Comments
Water concession increase \$21.1m	Increase of \$30 per annum	The increase in the concession is welcome, but SA continues to have the nation's highest water prices.
Motor registration fees, public transport fares	<p>Metroticket price rise from \$4.90 to \$5.00 and multitrip from \$31.90 to \$32.90.</p> <p>Registration fee price rises of \$3.00, \$7.00, and \$10.00 for 4, 5-6, and 7+ cylinder cars</p> <p>Driver's licences up by \$1 per year (2.7%)</p>	SACOSS notes that these increases are above CPI which is of concern.
Compulsory Third Party Insurance	Compulsory Third Party Insurance decreases by 20%. A new Lifetime Support Scheme Levy will commence in 2014-15. Estimates that motorists will be up to \$148 better off over 2 years.	The significant reduction is welcomed.
Extend land tax exemption \$1.5m	This initiative will extend the scope of land tax exemptions in areas such as literature, science, the arts, and preserving traditional cultural heritage.	SACOSS welcomes this extension which will support additional not-for-profit community associations to purchase property.

11. 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.

The transport and infrastructure spending includes a mix of road, rail and public transport initiatives. It is pleasing to see the recognition of the continued need to improve public transport in the southern suburbs and provision for electrification of the Gawler rail line.

SACOSS is cautious about provision of increased infrastructure revenue through transfer of Motor Accident Commission funds. It is hoped that increased spending on transport and infrastructure translates to fewer accidents.

Item	Description	SACOSS Comments
Upgrade South Road \$530m (over 4 years) plus \$366m from Commonwealth	This joint state and Commonwealth Government funded initiative is to upgrade South Road from Torrens Road to the River Torrens.	SACOSS recognises that the South Road upgrade is very important for freight and passenger transport.
Rail Electrification \$152.4m (over 3years) plus \$76.2m from the Commonwealth	The initiative will provide for electrification of the Gawler rail line between Adelaide and Dry Creek rail depot and build a new electrical sub-station.	SACOSS welcomes this initiative as the first step towards electrification of the Gawler rail line, a project suspended in the 2012-13 Budget.
Tonsley Park Public Transport Project \$63m (over 2 years) from 2014-15	This joint state and Commonwealth Government funded initiative will provide for improvements to transport services from the southern suburbs, including making provision for an increase in frequency of train services on the Tonsley rail line, and additional bus infrastructure.	This is a very welcome initiative which will improve access to essential services and reduce congestion.
South Eastern Freeway \$24.9m (over 3 years) from 2014-15	This initiative provides for improvements to the safety and efficiency of the freeway.	SACOSS recognises that safety and efficiency are important objectives.
APY Roads \$21m	See comments in Aboriginal and Torres Strait Islander people section.	

SACOSS' 2013-14 Budget Submission proposal in relation to Transport was:

- Free Public Transport:
 - For all between 9am and 3pm daily
 - For those with a disability on International Day for People with Disabilities

12. Utilities

The most significant initiative in the 2013-14 State Budget is an increase in the water concession from 25% to 30% at a cost of around \$5m per annum mainly funded by the “implementation of additional operational efficiencies” by SA Water. This translates to an increase of around \$25 per annum for the average household and replaces the once-off Water Security rebate in last year’s Budget (of \$45 for small users and \$75 for larger users). The net result will be a small increase in water prices and sewerage charges in 2013-14.

From July 2013, SA Water will be regulated by the Essential Services Commission of South Australia. Recent months have seen an incomplete ‘handover’ of this role from the Department of Treasury and Finance, with the Treasurer exercising powers granted under the Water Industry Act 2012 to set a number of key parameters in the economic regulation framework. The end result has been asset valuations that do more to protect revenue to government than protect the interests of consumers. Arguably the increase in concessions goes some way to address equity in the arrangements but South Australian’s will still enjoy the highest drinking water prices in the nation.

Budget papers identify 2012-13 expenditure on the Consumer Advocacy and Research Fund established in the Water Industry Act 2012 (after much lobbying by SACOSS) and the Utilities Literacy Program. However, the sector has seen limited activity in these categories and will be seeking further explanation from the relevant department.

The Budget makes little mention of the role of energy bills in the Cost of Living other than to acknowledge that the deregulation of energy pricing in February 2013 saw reduction in what were, arguably, over inflated prices.

February 2010, just prior to the last State Election, saw a commitment to increase the energy concession by 5% per annum until 2012-13. The absence of any further commitment means that there will be no indexation of the energy concession in 2013-14 but leaves the door open for a further pre-election commitment. SACOSS will be advocating for a percentage-based energy concession similar to that for water in the lead up to the election. Unfortunately there was also no commitment to index the water concession in this Budget.

South Australian households will see increases in charges for the delivery of electricity and gas from July 2013. The most substantial increases will be for Natural Gas. Envestra’s network charges for households will increase in excess of 20% from July 1st (around \$105 pa for the average residential gas user). Consumers of small amounts of gas can expect this to flow through as a retail gas bill increase of around 15%, while larger users will see gas prices increase around 12%.

The regulated cost of accessing the SA Power Networks electricity distribution network in SA will increase by 10-12% in 2013-14 but will be mostly offset by reductions in ElectraNet’s Transmission charges and the expiration of a once-off recovery of past year’s Solar Feed-in Tariff payments. The net result will be an increase of around 3-4% of the Network component of electricity bills with the likely impact of a 1.5-2% nominal increase in retail electricity bills.

13. Young people

It is pleasing to see the explicit recognition of young people in this Budget through the provision of funds for two Adelaide hubs. Many of the policies covered elsewhere in this Snapshot also have particular impacts for young people. For instance, the investment in affordable housing, changes to providing for industry training needs and the stamp duty concession for off-the-plan apartments. Despite these changes, home ownership remains an intractable issue for many young people and there is much work to be done in supporting young renters, particularly in overcoming age-based discrimination.

Item	Description	Comments
Adelaide Hubs \$1.4m (over 5 years)	This initiative provides for two hubs: an entrepreneurial hub to foster graduates and entrepreneurs in emerging businesses and a creative hub that will assist emerging artists and creative industry members to build their commercial and creative capabilities.	SACOSS welcomes this initiative with a view to monitoring access and outcomes.
Out of home care for vulnerable children Cost \$27.2m	See comments in child safety and wellbeing section.	
Affordable housing construction \$50 m	See comments in housing and homelessness section.	
Skills for All expansion \$27m	See comments in education, employment and training section.	
Stamp duty concession for off-the-plan apartments \$12.4m (over next 5 years)	See comments in housing and homelessness section.	

14. 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 their standards of environmental health, housing and essential services to ensure a fairer and more equitable South Australia.

SACOSS continues to be concerned that most initiatives tackling Indigenous issues are directed at Anangu Pitjantjatjara Yankunytjatjara (APY) communities, potentially at the expense of Aboriginal communities in the rest of the state. SACOSS recognises the significant social need in the APY Lands and welcomes action in this area. However, SACOSS notes that there are few new innovative initiatives directed at Aboriginal people in metropolitan Adelaide or in other communities around regional SA. In addition, new initiatives in this Budget tend to focus on infrastructure which, while important, is not directly aimed at job creation and economic growth in Aboriginal communities. SACOSS would welcome further investment in employment and community development in Indigenous communities.

Item	Description	SACOSS Comments
APY roads \$21m	In addition to the \$85 m allocated by the Federal Government, this initiative will provide upgrades to the main access road between the Stuart Highway and Pukatja (Ernabella) and 21 kilometres of community roads in the APY Lands. Access to all-weather airstrips will be upgraded at Pukatja, Umuwa, Kaltjiti (Fregon), Mimili, and Iwantja (Indulkana).	SACOSS welcomes upgrades to road infrastructure in the APY as poor access compounds issues of remoteness.
Landfill sites in the APY Lands \$3.6m (over 3 years)	This initiative will cap, close and/or replace existing landfill sites in the APY lands.	SACOSS welcomes improvements to essential services on the APY Lands. Effective waste disposal is important to public health and a sustainable environment.
Therapeutic services for problem sexual behaviour on APY Lands \$3.5m (over 2 years)	This initiative continues and expands upon funding for therapeutic services to support children and families affected by problem sexual behaviour on the APY Lands.	Problem sexual behaviour can cause significant ongoing trauma for people involved. SACOSS welcomes services that support those affected but would also see value in further investment in preventative initiatives aimed at reducing the incidence of problem behaviour.

SACOSS 2013-2014 State Budget Snapshot

June 2013

Closing the Gap \$32m (over 3 years) 2013-16	See commentary under Health.	
Aboriginal Housing	See commentary under Housing.	

15. Women

While South Australia has historically been pioneering in reforms which improve equality for Australian women, violence against women and women’s unequal participation in leadership and decision-making remain intractable issues.

The Office for Women plays an important role in pursuing gender equality in the social and economic life of South Australia. The budget for the Office for Women for 2013/14 has largely remained stable relative to previous years.

SACOSS is pleased to note that addressing violence against women and improving women’s participation in leadership and decision making have been identified as priority issues by the Office for Women for 2013/14. SACOSS believes that the Multicultural SA 2013/14 target of facilitating leadership of women from culturally and linguistically diverse backgrounds recognises an important priority group.

SACOSS notes that improving women’s economic independence is a key antipoverty measure, and welcomes the Office for Women’s prioritisation of this issue.

A target of the Office for Women to Host the State Aboriginal Women’s Gathering in 2013/14 is also very welcome.

Item	Description	SACOSS Comments
Women’s and Children’s Hospital upgrade \$13.3m in 2013-14	See comments in health section.	
eMums randomised control trial Costing not provided	This initiative uses technology to link mothers to social networks and to evidence based information to assist their child’s development	While supportive of this trial, SACOSS believes that technology linkages should not be a replacement for personal interactions.

16. Culturally and Linguistic Diverse Communities

Approximately 25% of the South Australian population is comprised of culturally and linguistically diverse people. In recognition of the diversity of the South Australian community SACOSS advocates for appropriate social supports. SACOSS strongly supports the ongoing commitment to Multicultural Services. However, we note that in this Budget income and expenses in this area are basically unchanged from 2012/2013 and Multicultural Services (along with Women) continues to have a marginal share of the agency budget.

SACOSS would ideally like to see additional funding supports made available in this area in recognition of the growing numbers of new migrants to South Australia. While there are some Budget measures which are expected to positively benefit culturally and linguistically diverse communities, such as changes to land tax for home owners, the Budget has failed to invest in innovative supports for migrants and multicultural communities in South Australia.

SACOSS notes that funds were saved from last year's predicted expenditures through the replacement of the land tax grant scheme with a land tax exemption for not for profit multicultural community organisations from 2013–14. It is unclear whether this change will be of any real benefit to multicultural community organisations.

Item	Description	SACOSS Comments
<p>Skilled and high net worth migrant attraction</p> <p>\$600,000 (over 2 years)</p>	<p>This initiative targets additional skilled and high net worth migrants.</p>	<p>(As commented on in the Employment, Education and Training section) SACOSS shares the goal of improving services and settlement outcomes for migrants in South Australia, however we support advocates of additional services for our multicultural community which would provide greater and more adequate services for migrants than what is currently offered in the Budget.</p>

17. Older People & Aged Care

As the second fastest ageing state in Australia, South Australia's 1.6 m people 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.

While this Budget has limited new initiatives for older people, the expansion of older persons mental health community facilities is important.

Item	Description	SACOSS Comments
<p>Expansion of Older Persons Mental Health Community Facilities</p> <p>\$1.3m for 2013-14</p>	<p>This initiative goes towards the \$4m expansion of Older Persons Mental Health Community Facilities providing five older persons mental health service facilities to accommodate expanded community teams.</p>	<p>SACOSS welcomes this expansion with its emphasis on community facilities.</p>

18. Other Measures

Item	Description	SACOSS Comments
<p>Expansion of Adelaide Casino \$54.3m revenue</p>	<p>New arrangements for the Adelaide Casino include expansion of operations (505 new gaming machines and 110 new table games) and revised tax rates.</p>	<p>SACOSS notes with continuing concern that there is an expansion of gaming machines and gambling opportunities as well as an increased dependence for Budget revenue from gambling. At the same time the state government continues <i>not</i> to fund community advocacy on gambling policy nor is there an expansion of gambling help services.</p>
<p>Efficiency Dividend Savings in 2016-17</p>	<p>Extension of mid-year Budget review efficiency dividend of 1% of government agencies net cost of services.</p>	<p>SACOSS appreciates the implications that this has for service delivery but also acknowledges the Budget climate of reduced revenue. This highlights the need to prioritise discussion of additional revenue streams.</p>
<p>Targeted Voluntary Separation Package (TVSP) Scheme \$37.9m in savings (over 3 years)</p>	<p>This measure reduces the maximum payout for targeted voluntary separation packages to less than half.</p>	<p>TVSP's have been taken up by people approaching retirement and therefore were probably unnecessary and were highly costly so reducing the upper limit is welcome.</p>

19. Summary of SACOSS 2012 - 2013 Budget Proposals

SACOSS Proposal	Outcome
Cost of Living	
Extend the one-off water security rebate.	Not adopted, but \$30 per year increase to water concessions from 1 July 2013.
Funding for a Consumer Credit Legal Centre and for strengthening of existing consumer credit legal services.	Adopted, although on a smaller scale than was recommended in the SACOSS report into consumer credit legal services.
Widening of eligibility for Families SA financial counseling services to all DECD clients	Not adopted, but \$4.3m for additional financial counselors in community based organisations.
Funding financial counseling in hospital wards and rehabilitation centres for patients and families experiencing major illness or disability	As above.
Increase the Patient Assisted Travel Scheme (PATS) to assist with transport for regional people to obtain health services	Not adopted, but a decision to review the PATS was announced in April 2013.
Free Public Transport between 9am and 3pm and Free Public Transport for people with disabilities on International Day for People with Disabilities (3 December)	Not adopted.

SACOSS 2013-2014 State Budget Snapshot

June 2013

Support for the Health and Community Services Sector	
Funding for an independent Corporate Social Responsibility (CSR) brokerage service for the community sector	Not adopted.
Funding for a SACOSS health reform engagement officer position to connect the sector into reform processes	Not adopted.
Funding for the community sector to trial several models of community development and engagement activities that foster greater social participation, for example, "Collective Impact"	Not adopted, although SACOSS notes an extension to the Family By Family program.
Miscellaneous	
An independent review of the adequacy of the current child protection system in meeting the needs of children and young people in care	Not adopted.
An independent audit of government compliance with funding contracts and arrangements	Not adopted.
Funding for bail accommodation services: for young people involved with the justice system, and prisoners on remand in the adult population	\$2.9m for an adult bail accommodation service but no additional supports for young people in the criminal justice system.