



SACOSS

*South Australian Council
of Social Service*

SACOSS
2018-19
STATE BUDGET
SUBMISSION

SACOSS 2018-19 State Budget Submission

ISSN 1836-5035

First published in May 2018 by the South Australian Council of Social Service

Marjorie Black House
47 King William Road
Unley, 5061 Australia

p (08) 8305 4222

f (08) 8272 9500

e sacoss@sacoss.org.au

www.sacoss.org.au

This publication is copyright. Apart from fair dealing for the purpose of private study, research, criticism or review, as permitted under the Copyright Act, no part may be reproduced by any person without written permission. Enquiries should, be addressed to the Communications officer, South Australian Council of Social Service.

Contents

Introduction	2
Election Promises.....	2
Digital Competency in the Community Services Sector	5
Scoping Study for Comprehensive Primary Health Care Centres.....	9
Funding for Health Advocacy	11
Toolkit for running a South Australian not-for-profit organisation.....	12
Tax and Expenditure	14
References	15

Introduction

As the peak body for the non-government health and community services sector in this state, the South Australian Council of Social Service is pleased to make a submission to the 2018-19 State Budget process and propose some modest initiatives which we hope to see funded in that process.

The 2018-19 State Budget follows the election of a new government which came to power in March with a comprehensive agenda it articulated during the election. SACOSS expects that the September budget will reflect that agenda and prioritise the implementation of the policy commitments made at the election. We have tailored our Budget Submission accordingly with the first section simply being a re-counting of the government's election commitments relevant to our sector and the concerns of vulnerable and disadvantaged people in our state.

Beyond that listing, this Budget Submission proposes and provides more detail on two policies that SACOSS promoted at the election and that the Liberal Party agreed to investigate. These are proposals for funding of:

- A project to audit and build the digital capacity of the workforce in the non-government health and community services sector; and
- A scoping study for the potential establishment of two Comprehensive Primary Health Care Centres in South Australia.

In addition, our Submission makes two additional proposals for:

- Funding for health advocacy in South Australia, and
- Support for an initiative from Justice Connect to develop and publish a practical legal toolkit to support good governance and legal compliance for South Australian not-for-profit incorporated associations.

These did not form part of SACOSS' election platform, but the first proposal has been a long-standing SACOSS ask in recognition of the absence of a peak body in the community health sector in South Australia, and the second was being discussed with Consumer and Business Services SA at the time of the election, and fills a sector support gap which SACOSS has long recognised.

Finally, our Submission considers the overall revenue and expenditure position of the budget given election promises, but also the subsequent boost in GST funding to the state. The Submission argues that the proposed "efficiency dividends" (which come on top of those announced by the previous government in the Mid-Year Budget Review last year) are potentially damaging to government departments' functions and our sector, and are fiscally unnecessary.

Election Promises

In light of the policies announced by the Liberal Party during the election campaign and knowing that the government will be keen to implement those promises, we expect to see a number of election promises funded in the budget. SACOSS welcomed the announcement of many of those election policies in areas relevant to the interests of vulnerable and

disadvantaged people. Specifically, we have identified the following Liberal election policies that we look forward to seeing funded in the budget.

(Note: this is not comprehensive of all Liberal policies supported by SACOSS, but focuses only on those initiatives where the policy carried a budget promise or which otherwise clearly need a budget allocation. In that sense, we assume that many other initiatives will be done by reorganising or reprioritising existing departmental funding).

Digital Inclusion

- Establish a \$10 million fund to address Mobile Black Spots across South Australia

Energy Investments

- \$100m in Household Storage Subsidy Scheme (means-tested grants for home batteries for houses with PV)
- \$50m Grid Scale Storage Fund
- \$10m towards integrating distributed generation to ensure system stability
- \$20m for demand response and aggregation trials to reduce prices at peak times

Health

- Separate the roles of Chief Public Health Officer and Chief Medical Officer and appoint a Chief Public Health Officer with expertise in public health policy, practice and health promotion
- Establish Wellbeing SA as a distinct section within SA Health that will focus on health promotion strategy to improve community health outcomes and improve partnerships with the community sector and other relevant organisations
- Funding for a Mental Health Services Plan
- Provide support for permanent renal dialysis in the APY lands via negotiation of a fee-for-service price and \$50,000 transitional funding
- Establish a Healthy Community Program to increase physical activity, healthy food & decrease smoking, alcohol – including \$1m over 4 years for SA Healthy Towns Challenge
- \$2.5m p.a. to establish a specialist state wide Borderline Personality Disorder Service
- \$1m p.a. to establish a Paediatric Eating Disorder Service within the Statewide Eating Disorder Service
- \$7m to implement real-time prescription monitoring of drugs with potential for misuse
- \$20m to develop and implement a Rural Health Workforce Plan
- \$5m for a Bowel Cancer Prevention Initiative which will wipe out (in 12 mths) the overdue waiting list for colonoscopies
- \$110m reinvestment in Modbury Hospital
- Funding establishment of a Commission on Excellence and Innovation in Health
- \$8.7m for the redevelopment of Kalimna Hostel site and development of more aged care facilities in Strathalbyn
- Investment in specialist teams at country chemotherapy units
- \$16m to expand palliative care outreach care to 7 days per week.

Housing

- \$4 million for the purchase and refurbishment of three sites –for additional crisis accommodation for women and children: one 20-room facility in southern Adelaide and two 10-room facilities in regional South Australia, with locations and service model to be determined in consultation with the NGO sector
- \$5 million loan facility to provide NGOs running women’s shelters with no-interest, 20-year loans to fund capital projects including expansions, renovations and upgrades

Justice

- Make healthy living and substance abuse prevention programs available in all schools
- Pilot a community-based outpatient rehab program (Matrix) in the Riverland
- Reinstate full-time community legal service in the Riverland
- Provide funding for the Women’s Safety Service Crisis Hotline to operate 24-hours a day
- Provide the coalition of Women’s Domestic Violence Services with peak body funding

Human Services

- Create a Vulnerable Persons Agency and legislate to empower them to investigate allegations of abuse of vulnerable adults
- Abolish all fees payable by volunteers for DCSI screening (which will see a decrease in revenue in the budget)

TAFE/training

- \$100m to secure matched Federal funding to create 20,815 apprenticeships and traineeships over 4 years
- Establish a new technical college in Adelaide’s western suburbs

Digital Competency in the Community Services Sector

Importance of Digital Inclusion and the Sector

Digital inclusion has been a major theme of SACOSS submission to the 2017-18 State Budget and in the lead up to the 2018 state election. We live in a digital world where government services, commerce, social connection and cultural activity is increasingly moving online, and there is little doubt that the workplaces and jobs of the future will require increasing levels of digital competency and connection. This is about more than owning a computer or smartphone. It is about social and economic participation and about using online and digital technologies to “improve skills, enhance quality of life, educate, and promote wellbeing across the whole society” (Thomas et al, 2016, p7).

Yet it is clear that not everyone is able to make full use of digital technologies – there is a digital divide which threatens to (further) exclude those not digitally connected. Further, the Australian Digital Inclusion Index (ADII), which maps the dimensions of the digital divide in Australia across three crucial indicators of access, affordability and ability/literacy shows that South Australia is significantly below the national average in digital inclusion and is the second worst performing state or territory in Australia (only ahead of Tasmania). For this reason SACOSS was pleased to see the Liberal Party in the state election committing to a package of measures to address digital inclusion, including mobile phone blackspot funding, auditing existing free-wifi provision and the development of a digital inclusion strategy for South Australia (Lucas, 2018).

Crucially for this Budget Submission, the ADII notes that across the country digital inclusion tends to increase as income, education and employment levels rise (Thomas et al, 2017). In this sense, exclusion from digital technologies both reflects and compounds other areas of disadvantage. But this also raises crucial issues for our sector – both in terms of the people we serve, but also our own workforce, many of whom are low paid, with precarious employment or are volunteers (who may have older age profiles than the rest of the population – another potential indicator of digital exclusion). This suggests that our workforce itself may struggle with the use of digital technologies, a fact which will make service provision more difficult and limit the support such workers can give to vulnerable people they work with. Casualised care workers, peer support counsellors, management committees and volunteers who are often the first or primary point of contact with vulnerable and disadvantaged people all need to have good levels of digital access and ability to be able to work efficiently and to assist those vulnerable people navigate a digital world. But again, the patterns of exclusion in the ADII suggest that this may not be the case for our workforce.

This issue takes on particular importance when we consider the size and importance of the non-government health and community services sector. Using data from the Australian Charities and Not-for-Profit Commission (ACNC, 2016) SACOSS calculates that in 2015 the SA-registered community services organisations provided more than 30,000 jobs and had an aggregate turnover in excess of \$3.1 billion, representing some 3.1% of Gross State Product. These are conservative estimates that do not include the contribution of community service organisations registered in other states but operating in South Australia. The 4 largest organisations in our sector have annual turnover in excess of \$100m per year, but most

organisations are much smaller and over half have turnovers under \$1m per year (ACNC, 2016).

Further, the sector as a whole faces significant digital challenges with minimal investment in information technology and small charities often have little money for infrastructure and may be accessing only limited or dated digital technology (Infoxchange, 2016). This is in part a function of funding models which don't allow for organisational savings and investment, and in part the voluntary nature of the sector. However, given the size and importance of the sector, the role it plays in the lives of vulnerable and disadvantaged people and the importance and challenges of digital technology in our whole community, the potential digital exclusion of parts of our workforce is both a broad economic/workforce training issue and care-quality issue.

The Sector Development Proposal

SACOSS is proposing that the state government fund a sector development project to support the sector to become better digitally engaged and resourced. Or more specifically, given the modest size of the funding envisaged, the project proposed aims to identify the current state of the sector workforce in relation to digital access and competency, and the opportunities that exist to build that capacity.

Infoxchange and its partners (2016) have surveyed NFP organisations nationally on their use of IT and digital communications, but there is no reliable data on the NFP workforce's level of digital competence. As is apparent, the rationale outlined above for this proposal is based on extrapolation from the generic ADII data – as well as SACOSS' consultation with our member groups, but we recognise that good data is crucial in addressing digital inclusion in our sector.

Accordingly, SACOSS, as the sector's peak body, is seeking funding from the government for a three-year workforce development project to:

- Assess the use of digital technology and level of digital literacy in our sector by utilising the government's self-assessment tool and aggregating and analysing the data from the sector;
- Scope opportunities for increased/better use of digital technology in community services; and
- Build digital capacity in our sector.

SACOSS is well-placed to conduct this project. As the peak body in our sector we represent the non-government organisations providing front-line services, and we have a past record of similar "service-need scoping" exercises which led to the funding of the consumer credit legal service (SACOSS, 2013). SACOSS also has the requisite knowledge and policy background developed through our cost of living work, the survey and focus group research with low income South Australians on telecommunications affordability (Ogle & Musolino, 2016), and our ongoing engagement with the Australian Digital Inclusion Alliance.

The funding required would be up to \$150,000 per year for the next three years.

Details on Each Phase of the Project

The first phase (year) of the project would be primarily focussed on gathering data on the state of digital inclusion in the sector workforce. The ICT and Digital Government section of the Department of Premier and Cabinet has developed a survey tool to assess the digital competency of the government workforce, and we have been in consultation with the relevant department officers about using that tool to do assessments in the non-government health and community services sector. This would be done either through back-end data-sharing with government hosting the survey, or simply by us duplicating the survey – but either way we have a ready-built assessment tool that will also give us comparable data for benchmarking the workforce.

SACOSS proposes in the first year to identify and recruit to the project a representative range of sector organisations from different parts of our sector (e.g. aged care, youth, migrant, multi-service agencies), including a mix of large and small, and regional and metro areas, and to promote the use of the assessment tool to those workforces. We would then work with those organisations to promote the use of the survey within their organisations (including where appropriate providing paper versions of the survey for staff who are not online at work). The data from the survey would then be gathered and analysed, with the following outputs:

- provide each individual participant with their own scorecard on their digital capacity;
- provide aggregate (de-identified) assessments of the digital capacity of the workforce to participating organisations;
- aggregate and analyse the data across sub-sectors and the sector as a whole to identify patterns and gaps;
- benchmark the data against government workforce data in similar areas.

The second phase would be to utilise the data from stage 1 and to consult with the participating organisations, agree and identify measures to address any capacity gaps or weaknesses revealed by the data, and plan the roll-out of pilot projects to build capacity in the identified/agreed areas. This is estimated to take six months

The third phase (18 months) of the project would be, in conjunction with participating organisations, to run the pilot projects agreed in phase two and then do an assessment of their impact – again, using the DPC assessment tool. A report would then be prepared assessing the success or otherwise of the specific pilot projects and, if applicable, making recommendations for broader application of those successful initiatives.

This project outline broadly mirrors the project being undertaken within government, but at a slight time delay so that its implementation should be easier and it represents a relatively inexpensive value-add to the government project and a great support for our sector.

Funding

As noted above, the funding envisaged is \$150,000 per year for three years. Given that we do not know what the first phase data will show, this could be done as a one-year contract with a two year extension if the data does in fact identify gaps and weaknesses, but the project is best envisaged as a whole.

Obviously if the funding was agreed, we would work with the relevant department(s) to develop a more detailed project budget. However, broadly speaking the funding would be used primarily for the employment of a project officer to recruit participating organisations, promote the use of the assessment tool within those organisations, analyse the results, do the follow-up sector consultation, guide the development and support the implementation of the workforce development strategies. In addition, the funding would provide for:

- communications materials to promote the project,
- (minimal) infrastructure to support sector engagement consultations;
- IT support (including if applicable data hosting costs),
- executive and statistical support for the project officer; and
- documentation of outcomes of the project – in particular, the data from the initial survey, and the overall outcomes at phase 3.

We have already had preliminary in-principle interest in the project from a range of our member organisations including St John's Youth Services and Uniting Communities, and we believe that for a modest investment this project offers good potential for building workforce skills and capacity in our sector in an area critical for our (and their) future work.

SACOSS also notes that investing in developing the literacy and competence of the sectors workforce is likely to have major additional benefits because of the close relationship these workers have with population groups who are typically "hard to reach. In this context investing in developing the sector workforce's competence in the use of digital technologies can be leveraged for many of the people they assist as they model and support them to access and use relevant and helpful digital technologies.

Scoping Study for Comprehensive Primary Health Care Centres

Over the last year or more, and during the election campaign, SACOSS has worked alongside the Australian Health Promotion Association, the Anti-Poverty Network SA and the Public Health Association of Australia in the Public Health Consortium to advocate for better approaches to community and public health. South Australia was once recognised as a community health leader (Lawless & Baum 2014), but sadly, this is no longer the case as the health system has become dominated by tertiary care and treatment. In the 2016-17, the state government spent an estimated \$4,750m on acute care institutions, by comparison with \$457m on community health services and \$149m on public health (Govt of SA, 2017a).

In this context SACOSS has welcomed many of the policy initiatives announced by the Liberal Party over the last 12 months directed towards disease prevention, health promotion and community and public health. These include the appointment of a stand-alone Public Health Officer, the establishment of “Wellbeing SA” as a Prevention, Health Promotion and Primary Health Care agency within SA Health, funding to reduce colonoscopy waiting lists and the establishment of the Health Communities Program for towns in the Country Health SA region.

SACOSS looks forward to the government implementation of those policies, but more generally we note that international evidence demonstrates that in terms of building population health, the most effective health care systems are based on a strong, comprehensive primary health care system (Lawless & Baum 2014). We, along with the other Public Health Consortium Partners, believe that Comprehensive Primary Health Care Centres (CPHCCs) are crucial to building such a system, and in the election campaign put forward a proposal for the establishment of two non-government CPHCCs to pilot this model of health care.

CPHCCs services are local and act as the first point of contact for people with health issues and as a focus to assess and act on community health. They engage in a wide range of activities in the promotion of health, prevention of chronic disease and early intervention, which are essential in reducing reliance on expensive hospital services. As we envisaged in our election platform, the pilot centres – one based in metropolitan Adelaide and one in a regional area - would need investment to fund approximately 60 full time staff plus program and research and evaluation costs. The sums of money required for such an initiative are therefore substantial, and given the previous government’s focus on tertiary care, it was unwilling to commit such funding to primary health care.

In response to our election platform, the Liberal Party recognised “the importance and value of providing South Australians with greater and more timely access to community and primary health services and the important role that non-government organisations can play in achieving that goal” (Lucas, 2018). However, as the then Shadow Minister recognised at the Public Health Forum (1 March 2018) given the sums of money involved and difficulties of costing such proposals without the resources of government, the Party was not in a position at that time to commit to establishing the CPHCCs. The formal Liberal response to SACOSS echoed that, noting that “we would want to consult more broadly on such a significant investment: (Lucas, 2018).

Accordingly, ***this Budget Submission is proposing the funding of a scoping study to undertake that consultation, to identify gaps and unmet needs in current primary health provision, and to make recommendations as to whether the establish of the proposed CPHCCs could make a significant contribution to public health and the state health system.***

SACOSS envisages that this scoping study would be a considerable body of work, carried out by an independent expert person or organisation. At a minimum, the consultation would need to include:

- health promotion and public health professional organisations
- doctors', nurses' and other health professional organisations
- health consumer and other relevant community organisations (including those representing specific groups such as Aboriginal and Torres Strait Islanders)
- academics and research institutions with an interest in community health
- regional Health Boards which the government has committed to establishing
- The new Chief Public Health Officer
- SA Health.

Further, if it was clear from the consultation and analysis that there were gaps and unmet needs and that CPHCCs could potentially fill some of those gaps, a second phase of the study would scope the potential roles of such CPHCCs, the potential locations and costs of establishing them, and how the population-level impacts of their work would be evaluated.

Given that SACOSS is not proposing to do this scoping study, we are not in a position to estimate the cost of the study. However, as noted above, the international evidence is clear that a comprehensive primary health care system is vital to building better population health and we see the scoping study as an important investment in mapping out how South Australia might begin to (re)develop that system.

Funding for Health Advocacy

In proposing the scoping study above SACOSS is clear that in developing and undertaking such a study it would be vital to ensure that SACOSS and the other key members of our consortia along with other key stakeholders are engaged in the design and implementation of the study. However, those stakeholders may need to be funded in order to dedicate time and resources to this project.

This is a particular example of a broader problem in health policy in this state, in that there is no peak body covering the community health sector in South Australia – a fact which severely limits the potential policy input into government health policy. SACOSS was previously funded for work on health issues, but this was re-directed some years ago to assist in the establishment of the Health Consumers Alliance (HCASA) which was specifically formed to support the greater and more effective participation of consumers in health care settings and contexts. However, by definition HCASA is a consumer body and does not cover the whole sector. Similarly, the Aboriginal Health Council, while clearly recognised as a peak body in its area, obviously does not cover the whole health sector. While both HCASA and the Aboriginal Health Council do important work in their areas, this is not a substitute for having representation for whole-of-sector representation.

In the absence of a health sector peak body, **SACOSS is therefore seeking funding for health advocacy under our own banner**. This applies both for input into any consultation on the above Comprehensive Primary Health Care Centres, but also more broadly in relation to all government health policies. At this point in time we have no dedicated policy resources which enable us to focus on population health issues, yet we as the peak body for the whole health and community services sector we are ideally placed to draw the links between health and the things that historically have been shown to impact on health (i.e. the Social Determinants of Health).

Accessing renewed funding to allow SACOSS to play a much stronger role in advocating for work and investments in health activity that drives disease prevention and early intervention across population groups, as well as bringing together work on the social determinants of health, has been the subject of repeated SACOSS Budget Submissions over the years. We hope that a new government will see the benefit of such community policy expertise and input.

The funding sought would be used to employ a suitably skilled senior policy officer and to fund consultations and information dissemination in our sector.

The funding required would be up to \$150,000 per year for the next three years.

Toolkit for running a South Australian not-for-profit organisation

More than a decade after SACOSS ceased publishing a *Constitutions Handbook* and other materials to support South Australians in forming and running not-for-profit organisations, we still receive calls and requests for these materials. SACOSS' old materials were in paper form and were not transitioned online as it proved impossible to make them comprehensive and keep them up to date with changing laws, regulations and governance regimes. The same fate has befallen the *Just a Tick* guide which was formerly promoted by Volunteering SA & NT. It is on CD and is seriously out of date. It contains references to laws or sections of Acts which have been repealed or replaced and to industrial regulators which no longer exist, and it contains no reference to the ACNC as national regulator (which is crucial given SA reforms which tied state reporting requirements to ACNC registration). And in both cases, the organisational understandings and requirements around workplace issues like bullying and harassment, working with children and vulnerable people, and organisational risk management have advanced beyond what was contemplated at the time of these publications.

It is clear that there is a gap in easily-accessible, up-to-date South Australian specific materials to support the formation and good governance of not-for-profit organisations. This is important because a vast number of the 20,000 not-for-profit organisations in South Australia are run by volunteers and many may be daunted by the legal requirements of running an organisation. This can deter volunteers from being involved and contributing, or it may mean that those organisations are poorly run or do not comply with relevant laws. As organisations get bigger, the level of professionalism/knowledge usually increases. However, the risk and complexity of legal issues faced also increases, which creates additional needs for support for people involved in the governance of those organisations. With such supports, we get more (and more skilled) volunteers and more efficient organisations able to spend more time on their core purposes of making the community a better place through social services, community development, arts, sport, or environmental protection.

Given this, SACOSS was very pleased to hear that Justice Connect, the national Not-for-Profit Law organisation was proposing to develop such a guide or "toolkit" to help South Australian organisations understand the legal requirements and best practices in running not-for-profit organisations. SACOSS has worked with Justice Connect on a number of projects from national fundraising reform to the recent South Australian NFP Funding reforms and we can attest to the quality of their work. In this proposal they are also partnering with the SA-based Justice-Net, so we are confident that the South Australian specifics will be right.

The Justice Connect proposal, which we understand has been discussed with Consumer and Business Services SA, is to develop a toolkit which would be available for free from the Justice Connect Information Hub (www.nfplaw.org.au). It is proposed to have about 8 different parts including an overview of the incorporated association framework, the appointment, role, power and duties of public officers, reporting, registers and records and AGMs and management meetings. It would also include supporting documents (such as template agendas and meeting notices, flowcharts and checklists). Similar guides and

materials exist for other states, but they are not useful here unless they are adapted to SA legal requirements so that the user can be sure that they are legally compliant.

Our understanding is that Justice Connect is proposing to put considerable resources into this project and to leverage pro bono legal assistance both in South Australia and beyond. However, they can't cover all costs and are seeking \$30,000 to support the initial development of the South Australian materials. After that, they undertake to keep the materials up-to-date, which would be a huge step in overcoming the problems identified above in relation to the previously available resources.

SACOSS believes that there would be great return for what would be a modest investment by the SA government in supporting the not-for-profit sector. There is a clear need for such resources, and it is hard to imagine them being obtained in a more cost-effective manner. If the government were to fund the initial costs and the proposal were to go ahead, SACOSS would be keen to promote the toolkit for use in our sector as we believe it would be of direct benefit to many organisations.

Given all of the above, ***this Budget Submission proposes that the government provide \$30,000 to Justice Connect Not-for-Profit Law to contribute to the production of a toolkit for those running not-for-profit organisations in South Australia.***

Tax and Expenditure

SACOSS has long had a concern about the fragility of state tax revenue and the impact that has on the ability of government to provide the infrastructure and services that our community needs.

At the election the Liberal Party promised a number of tax cuts which would impact on government revenue, most significantly:

- \$44m per year to fund payroll tax cuts
- \$90m per year to cut the Emergency Services Levy
- \$32.2m loss of land tax from increase to tax free threshold and decrease top marginal rate from 2020.

While SACOSS remains concerned about the impact of such cuts on the long term sustainability of budget revenue, given the election commitments we expect that these cuts will be implemented in this State Budget.

However, in the party's costings of the election promises released prior to the election, the Liberal Party announced an "efficiency dividend" of 1.7% to be applied to all department budgets (with the health savings to be reinvested into SA Health). This was presumably on top of the cuts to the department announced in the Mid-Year Budget Review by the previous government. These cuts are still to play out through departments, but in 2018-19 they amount to \$92m or 0.6% of total operational expenditure. These are significant cuts and include cuts of \$26.8m to health and \$7.2m to the Department of Human Services. Of other departments of concern to SACOSS, the Attorney-General's Department had a 3% efficiency dividend applied and the courts 2%.

SACOSS supports efficiency in government, but such "efficiency dividends" are really just cuts in funding and we are concerned that these cuts will result in loss or downgrading of services to the community. We are particularly concerned that the cuts to departmental budgets may result in departments in turn cutting funding to our sector, or alternatively, reducing back room functions which (unless procedures and internal policies are changed) will result in undermining support for both government and NGO front line community services or passing administrative burdens on to those front line services.

However, SACOSS notes that since the state election the Commonwealth Grants Commission has released its *2018 Update*. It shows that the South Australian budget will receive a windfall of \$467m more in GST distribution in 2018-19 than in 2017-18 (CGC, 2018). This is \$136m above even the estimates in the Mid-Year Budget Review (Govt of SA, 2017b). SACOSS does not see reliance on GST revenue as a sound long term budget strategy and (like the government) we are mindful of potential adverse impacts from future changes to GST sharing arrangements following the forthcoming Productivity Commission report. However, any such change (if it eventuates) is still some time away, and for this budget we question whether the proposed efficiency dividend is necessary this year to fund the government's program and maintain fiscal responsibility. As noted, there is already the Labor efficiency dividend in the system, and in the light of the GST bonus, we believe that further cuts would be both unnecessary and counterproductive in that they would impact on vital services. **SACOSS therefore calls for no further efficiency dividend in this budget.**

References

ACNC (2016) *Australian Charity Report 2015*, Interactive Website - Explore Sector Detail <http://australiancharities.acnc.gov.au/visualisations/explore-sector-detail/>

CGC (2018) *2018 Update Report*, Commonwealth Grants Commission, Australian Government, Canberra.

Govt of SA (2017a) *State Budget 2017-18: Budget Paper 4 – Agency Statement, Vol 1*, Government of South Australia, Adelaide.

Govt of SA (2017b) *Mid-Year Budget Review, 2017-18*, Government of South Australia, Adelaide.

Infoxchange (2016) *Digital Technology in the Not-for-Profit Sector*, Infoxchange, ConnectingUp, TechSoup NZ, May 2016.

Lawless, A & Baum, F (2014) SA Health and Community Complaints Commissioner Discussion paper on Primary Health Care in South Australia. Southgate Institute for Health, Society and Equity, Adelaide.

Lucas, R (2018), "Response to SACOSS Election Platform", Letter to SACOSS from Shadow Treasurer, Hon Rob Lucas, 8 March 2018, downloadable at: <https://www.sacoss.org.au/sites/default/files/public/documents/Election%20SA%202014/Liberal%202018%20Response%20to%20SACOSS.pdf>

Ogle G & Musolino V (2016) *Connectivity Costs: Telecommunications Affordability for Low Income Australians*, Australian Communications Consumer Action Network, Sydney.

SACOSS (2013) *South Australian Consumer Credit Legal Services: A Scoping Study*, South Australian Council of Social Services, Adelaide.

Thomas J, Barraket J, Wilson J, Ewing S, MacDonald T, Tucker J & Rennie E (2017) *Measuring Australia's Digital Divide: The Australian Digital Inclusion Index 2017*, RMIT University, Melbourne, for Telstra.