



SACOSS

State Budget Snapshot 2018-19



SACOSS

*South Australian Council
of Social Service*

September 4, 2018

Overview

SACOSS has prepared this snapshot of the 2018-2019 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 Treasurer acknowledged in the Budget lock-up that it has been a common experience in Australia that when a new government takes office they claim the previous government left an economic mess, unfunded liabilities and budget black holes – and therefore the new government has to cut expenditure and/or abandoned election promises. While this budget is accompanied by similar rhetoric, the government has nonetheless honoured its key election commitments in areas of concern to SACOSS and without massive program cuts which sometimes accompany new governments. Although there are significant expenditure cuts in the detail of the Budget.

This Budget sees an operational surplus for 2018-19 and over the forward estimates, although the story behind this is complicated. The 2017-18 surplus predicted in last year’s Budget has disappeared with the estimated result being a deficit of \$397m, driven by substantial over-runs in the health and other departmental budgets. The macroeconomic indicators have remained relatively steady, with state economic growth at 2¼% and inflation between 2 ¼% and 2 ½% over the budget and forward estimates. Employment growth has been revised upwards for last year and this Budget year, but returns to the earlier predicted 1% growth for the rest of forward estimates.

The headline economic data is as follows:

Item	2018-19 Budget	2017-18 Estimated Result	2017-18 Budget
Gross State Product - growth	2.25%	2.25%	2.25%
Net debt	\$6,288m	\$5,331m	\$6,072m
Employment Growth	1.5%	2.1%	1%
Gross State Revenue	\$19,580m	\$19,198m	\$19,148m
Gross State Expenditure	\$19,532m	\$19,595m	\$19,076m
State Budget Surplus	\$48m	-\$397m	\$72m

Perhaps the biggest macroeconomic story is that, despite the budget surplus predicted (which increase steadily from a thin \$48m in 2018-19 to \$211m in 2021-22), the state’s net debt will increase substantially over the period due to the significant infrastructure expenditure. Net debt increases from \$6,288m in 2018-19 to \$8,651m in 2021-22 – or more dramatically, from 32.1% of revenue in the Budget year to 41.1% in 2021-22. This raises some questions over the long term viability of the budget strategy.

Revenue

The budget comes against a background of South Australia being the third lowest taxing jurisdiction per capita in Australia and the fourth lowest in terms of tax effort (according to Commonwealth Grants Commission standards). So, South Australia already had relatively low taxes and last year (2017-18) the state tax collection was \$72m below the budget forecast. In real terms SA taxes fall again in 2018-19 and don't recover to last year's level until 2020-21. The Budget papers also show the extent to which previous government revenue (and surpluses) were underpinned by the Motor Accident Commission sale. While the money from that has petered out in this budget, the state's overall revenue is bolstered by a massive GST windfall. Grants to South Australia from the GST pool were \$72m above the budget estimate last year, and are predicted to increase by a further \$512m for 2018-19 with continued growth over the forward estimates.

SACOSS does not see reliance on GST revenue as a sound long term independent budget strategy, although some of these concerns are mitigated by the long term changes to the GST-sharing arrangements announced by the Federal Government in July, which will see additional Federal funds go into the GST pool and ensure that no state is worse off. With the Commonwealth now proposing to contribute to the GST pool there may be increased pressure to control state government expenditure, and the increasing importance of the GST to state revenue leaves South Australia vulnerable to political and economic changes beyond the state. For this reason SACOSS sees a stable and adequate state tax base as being crucial to providing a reliable independent revenue base to fund vital services

The fact that previous revenue was underpinned by one-off privatisation revenue (MAC) and the current surpluses are underpinned by the GST windfall suggests that there remains a long term structural problem with state revenue. The revenue initiatives in this budget not only do not address this structural problem, but actively decrease the state tax base.

The revenue measures in the Budget are in the table below.

Item	Description	SACOSS Comments
Payroll Tax Cuts \$156.8m	Increase the tax-free threshold from \$600K to \$1.5m per annum, with a graduated tax schedule up to \$1.7m. This was an election promise and legislation has already been introduced to the parliament.	As with all tax cuts, there is a concern about the erosion of the state revenue base and the subsequent inability to fund vital services. In its first full year (2019-20) this represents a 3.5% cut in one of the state's largest revenue streams.
Reduction of Emergency Services Levy \$360m	Reintroduction of the general remissions on fixed property value cutting the tax/revenue by \$90m per annum. This was an election promise.	The ESL is essentially a land tax and most economists agree that land taxes are efficient and relatively progressive. While the hypothecation to emergency services is problematic, cutting land tax undermines a key state revenue base.
Land tax changes \$95.9m (two years from 2020-21)	Increase (from 1 July 2020) the tax free threshold from \$369K to \$450K, and cut top marginal tax rate from 3.7% to 2.9% for holdings between \$1.2m and \$5m. This was an election promise.	Apart from the concern above about the revenue base, the cut in the top marginal tax rate provides a tax break for businesses and investors with up to 10 median priced houses – which we do not think is warranted.
Non-Tax Revenue Measures \$21.6m	A range of changes in fees and other revenue sources, including: Increases in: <ul style="list-style-type: none"> • mining royalties and cost recoveries; • Environment Protection Authority licence fees • Court enforcement fees • Firearms control system Decreases in: <ul style="list-style-type: none"> • Hospital car park revenue • Screening fees (abolishing fees for volunteers) • Public transport fares 	The measures which will increase revenue are small scale by comparison with the large tax cuts, although the 3 measures which decrease revenue are welcome as they provide direct benefits to the community and particularly low income households.

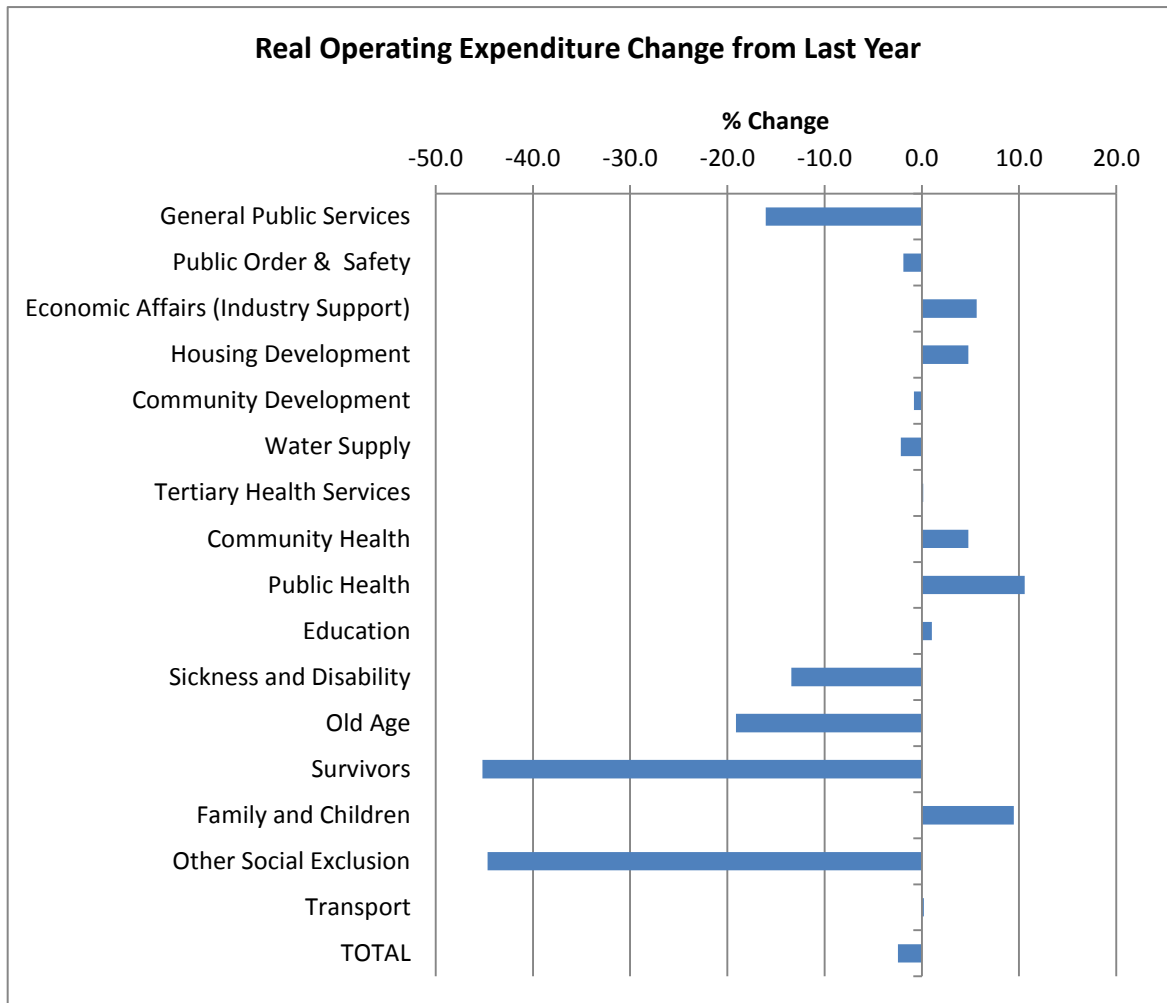
Expenditure

Government expenditure is the means by which the government provides public infrastructure and services that the community needs. However, as part of the background to this budget, the government inherited significant expenditure cuts (“efficiency dividends”) already mandated in the Mid-Year Budget Review last December. Efficiency dividends are simply cuts to departmental funding where the Minister escapes having to announce program cuts by moving responsibility for the cuts onto the Department itself. Rather than “efficiencies”, such cuts can often result in fewer or poorer quality services.

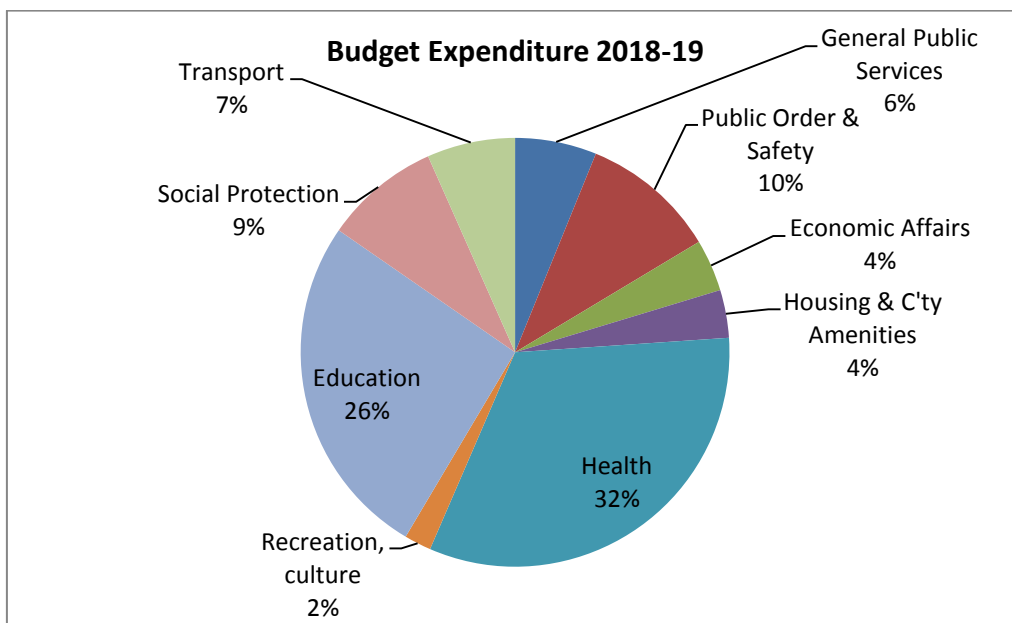
Most of the MYBR cuts have not been felt yet, but we note there are effectively three lots of efficiency dividends rolled into this year’s Budget (savings measures from previous budgets, efficiency dividends from the MYBR, and new savings targets introduced in this budget). For the 2018-19 year, the government inherited expenditure cuts of \$247m or 1.26% of the operational budget. With the exception of the health budget, where new – lesser savings targets have been implemented, this budget maintains the previous government’s efficiency dividends and adds a further \$212.5m expenditure cuts. The end result is a decline in government expenditure of 2.5% in real terms from last year to this year.

The figure below shows the percentage real change from the estimated outcomes for 2017-18 to the budget for 2018-19 in key areas of government expenditure of interest to SACOSS. This is operational expenditure and so does not include capital expenditure (which is more volatile). The general negative balance reflects the overall funding cuts discussed above, but there is also a shifting in priorities: for instance,

- expenditure on family and children increases (with the great majority focused on providing additional tertiary child protection services) while most other social support services decrease;
- industry support increases significantly;
- community and public health both increase, but from a very low base: public and community health account for just 10% of the tertiary care budget.

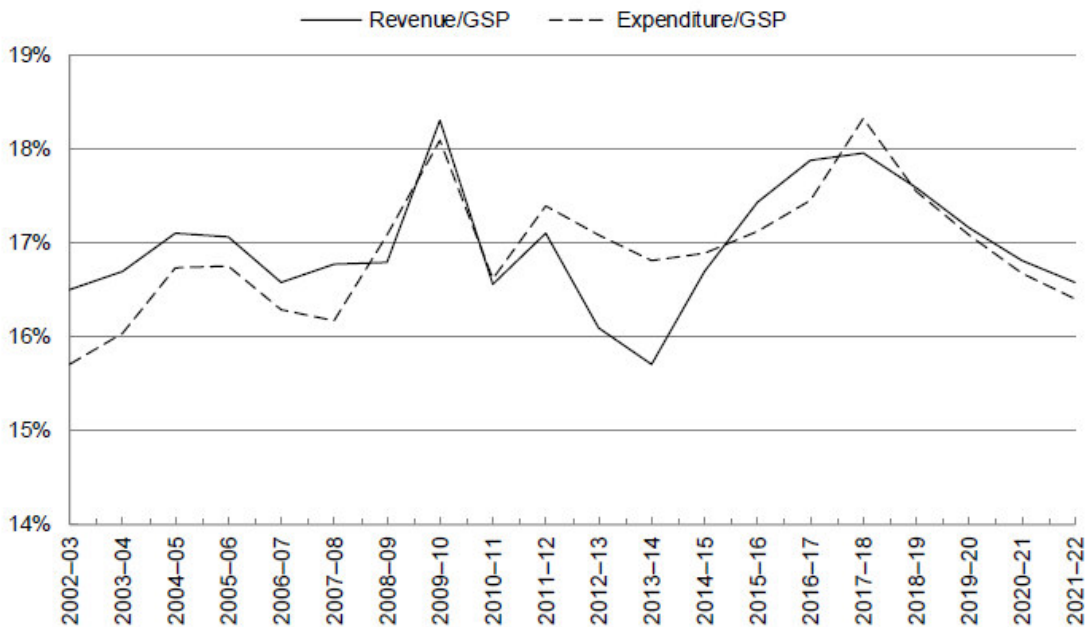


The end result is total expenditures in key areas are shown in the graph below with health and education accounting for over half of current government expenditure.



Long Term

The discussion above has highlighted long term concerns about the increasing debt over the forward estimates, the robustness of the revenue stream, and the impact of the expenditure cuts. The net results of the above revenue and expenditure changes are tracked in the graph below from Budget Paper 3. It shows revenue and expenditure as a percent of the state economy, with both set to fall over the next four years. This brings into question the ability of government to provide vital services with expenditure declining to proportions not seen in a decade. Similarly revenue is set to decline to below the long term average and is heading back towards the disastrous levels of 2013-14 which saw significant deficits and an inability to adequately fund services and infrastructure.



Again, just as the increasing debt levels and reliance on the GST windfall (and previous one-off revenue fixes) raises questions about the long term structural problem with the revenue base, the declining revenue and expenditure figures raises long term questions: are we heading down a path to a low(er) tax, small government, low service and an infrastructure economy? This is a model with very different (and poorer) outcomes for vulnerable and disadvantaged people who rely on government services. The graph shows that we are not there yet (despite SA’s relatively low tax effort), but the trends at least raise questions for discussion.

2. Poverty and Cost of Living

Poverty remains a persistent feature of South Australian society. [New SACOSS data](#) produced last month found that 8.9% of all SA households were surviving on below-poverty line incomes in 2015-16. This meant that some 131,000 people, including 22,000 children were living in poverty in our state.

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

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.

Item	Description	SACOSS Comments
Emergency Services Levy remissions \$360m	See Economic Data section	
Local government rate capping and variation framework \$197,000 (over 2 years)	Funding for the Essential Services Commission of South Australia to prepare advice on the development of a local government rate capping and variation framework, with the view for the rate capping scheme to be operational by December 2018.	This was a government election commitment, but SACOSS is unsure that it would deliver long term cost of living savings. In any case, it is unclear if the necessary legislation will pass the parliament.
Public Transport Fare Reductions \$15.4m	Reducing the cost of the 28 day unlimited pass for regular, concession commuters, introducing a new 14 day unlimited pass, introducing free metro cards and free interpeak (9.30 am – 3.00 pm) travel for primary school students travelling on school excursions.	Any fare reductions are welcome for low income households, but the reductions are limited to people with the means to “buy in bulk”. Casual commuters, or those without the income to purchase in this way don’t benefit.
Farm debt mediation \$341,000	Provides for the administration of a scheme for mandatory mediation prior to executing a foreclosure of a farming operation.	A modest but welcome initiative that delivers on the government's election commitment.

3. Child Safety and Wellbeing

SACOSS has long maintained an interest in issues of child wellbeing and safety. As vulnerable members of our society, children must be supported to develop their full potential as contributing adults of the future. Where there are failures in our ability to provide opportunity and protection to our children in our families and communities, there is both individual suffering and significant flow on effects, feeding other areas of social breakdown and disadvantage.

SACOSS continues to argue for the need for 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.

We are disappointed that the new government has not changed our broken approach to expenditure. This budget is a missed opportunity to make initiatives in the area of child wellbeing that would yield savings over the forward estimates.

Item	Description	SACOSS Comments
Child protection - additional resources \$7.3m (over 1 year)	Additional costs of providing out of home care for children and young people.	We are extremely disappointed that SA's expenditure continues to increase in the area of commercial and residential care. Investments in prevention and in the provision of intensive family supports are desperately needed to curb this trend.
Extending foster care support up to 21 years \$8.8m	This provides funds to extend foster and kinship support to carers of young people up to the age of 21 years.	SACOSS supports this initiative, but we note that it would be desirable to make similar levels of support available to young people in other forms of care under the Guardianship of the Minister.
Breakfast Program \$800,000	This funds an election commitment to provide breakfast programs to schools where it will assist learning outcomes for children.	SACOSS supports this measure to assist learning outcomes for disadvantaged students.
Commissioner for Aboriginal Children and Young People \$1.3m	This provides indexed funds to establish and support the role and functions of the Commissioner for Aboriginal Children and Young People.	SACOSS supports this election commitment which will bring attention to the concerning rates of overrepresentation of children and young people in child protection and justice systems.

<p>Engagement and Wellbeing program</p> <p>\$15.5m</p>	<p>This is a package of measures to support schools, preschools and children's centres to address bullying, truancy and substance abuse.</p>	<p>We welcome this program which brings together initiatives on a number of important areas for children and young people.</p> <p>The complex drivers and impact of bullying, poor educational attendance and substance abuse means that responses should be restorative rather than punitive.</p> <p>There are significant NGOs with experience in the areas of child and youth engagement, mental health and substance abuse that should be engaged in the development and design of effective programs in these areas.</p>
<p>Grandparents for Grandchildren SA</p> <p>\$369,000 (over three years)</p>	<p>This initiative funds the work in supporting grandparents caring for grandchildren.</p>	<p>Unpaid carers provide important care and support, and this funding is a welcome support for niche providers of services.</p>
<p>Domestic Violence Prevention Package</p>	<p>See Justice Section.</p>	
<p>SAVINGS/CUTS</p>		
<p>Operating Efficiencies</p> <p>\$13.4m (savings)</p>	<p>Savings to be delivered by reducing the number of executive leadership positions and outsourcing the delivery of the financial wellbeing counselling services to the NGO sector.</p>	<p>Financial counselling services are important for some families in contact with child protective services. We believe these services are best provided in an NGO setting and so support their outsourcing. However we are concerned, given this is a savings measure, that services are not reduced in quality or quantity.</p>
<p>Residential care facilities</p> <p>\$3.9m (savings over 1 year)</p>	<p>This saving is made by not proceeding with a budgeted investment for residential care facilities.</p>	<p>We continue to be alarmed by the growing numbers of children and young people under guardianship needing to be cared for in residential and commercial care instead of family based settings. In the absence of measures in this budget that would reduce the need for residential care facilities, we are concerned that children and young people may be placed in inappropriate settings in need of upgrade.</p>

4. Digital Inclusion

Digital technologies are taking a key role in economic and social life. Yet large numbers of South Australians are on the wrong side the “digital divide” and in particular people with disability, seniors, Aboriginal people, people who have not finished secondary school and people living in country regions are being left behind in a digital world.

[ABS data](#) shows that 15% of South Australians don’t access the internet. Many don’t have online access to help them with job hunting, education and training, social interaction and other supports or they may not have the necessarily the skills to ensure they can make the best use of available technologies. For many people access is compromised by simply being unable to afford data or keep up with continuously evolving and updating technology.

SACOSS is very disappointed that the state budget contains few digital inclusion initiatives that would benefit our economy and society, and importantly drive future jobs growth.

Item	Description	SACOSS Comments
Mobile phone black spot funding \$10m (over 3 yrs)	This initiative provides new funding to address mobile phone black spots across South Australia.	This initiative delivers on the government's election commitment and is a welcome initiative after years of under-investment.
Mobile phone charging stations \$100,000 (over 1 year)	This initiative provides for the installation of mobile phone charging stations across suburban train stations.	This initiative delivers on the government’s commitment and may complement free public transport wi-fi promised by the previous government.
SAVINGS/CUTS		
Cessation of the laptops for students program (savings) \$69.93m	The department will not proceed with the previous government's announced laptop for students program, with funding reallocated to other education priorities.	SACOSS is concerned that there is a cohort of students who may not have the means to purchase laptops which are essential education materials.
Digital Game Development Program discontinued	No details provided in Budget Papers.	Gaming is both a new economic industry for SA and can build skills in the population, so SACOSS is disappointed that this program is being cut.

5. Energy & Water

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. In the last year, electricity prices increased by 19.6%, water increased by 2.6%, and gas by 7.5%.

SACOSS recognises that the energy market is in transition to a zero carbon future and that there are costs associated with this transition. For this reason, SACOSS is strongly supportive of the implementation of a percentage-based energy concession which would help the most vulnerable deal with the costs associated with the transition. SACOSS notes the pre-election commitment by the Liberal Party to engage in further discussions about the percentage based energy concession and welcomes the ongoing conversation with the government on this matter.

The energy reform the government is introducing has a major focus on distributed energy resources including PV and batteries and SACOSS considers this is an important recognition of the transformation which is occurring at a rapid rate in the energy market. The reform proposed recognises that there is no silver bullet to solve the affordability, reliability and emissions trilemma and that a suite of technologies at various scales is required in the South Australian context. SACOSS cautions against any investment in technologies which may become redundant in the future and the residual costs of which are then borne by consumers.

Item	Description	Comments
Input into Interconnection Fund \$4.0m	Direct assistance to enable transmission network operators to commence early works on additional interconnection between South Australia and the eastern states.	This measure delivers on a pre-election commitment. SACOSS strongly supports conducting robust scenario analysis, calculating option values and developing and assessing reasonable scenarios of future supply and demand to ensure any preferred interconnection option is prudent.
Home Battery Scheme \$100.0m	Grants to deliver battery storage systems in up to 40,000 homes across the state.	This measure delivers on a pre-election commitment, although SACOSS recognises that typically many low income households may not be able to access the scheme, although we understand the government is working to enable opportunities for these households.

<p>Grid Scale Storage Fund</p> <p>\$50.0m</p>	<p>Facilitate development of new storage technologies to address intermittency within the state’s electricity system.</p>	<p>This measure delivers on a pre-election commitment. SACOSS supports the development of grid scale storage as a key plank of the move to a zero carbon future.</p>
<p>Demand response, aggregation and integration of distributed generation trials</p> <p>\$30.0m (over 3 years)</p>	<p>Implement a series of trials to reduce peak demand to lower energy system costs. Trials will also seek to improve the integration of distributed generation into the network.</p>	<p>This measure delivers on a pre-election commitment. SACOSS supports reduction in peak demand and further integration of distributed generation.</p>
<p>Funding to establish an independent inquiry into water pricing in South Australia</p> <p>\$1.0m (over 1 year)</p>	<p>The Inquiry into water pricing will test the valuation of the regulated asset base and the efficiency of capital and operation expenditure.</p>	<p>This measure delivers on a pre-election commitment. SACOSS welcomes the independent nature of this inquiry and will seek to input into the process.</p>
<p>Royal Commission Murray-Darling Basin</p> <p>\$8.5m (over 2 years)</p>	<p>Funding for the Royal Commission established after the last state budget into the operation and effectiveness of the Murray-Darling Basin Agreement.</p>	<p>A healthy and sustainable Murray River is vital to our state’s environment and economy. SACOSS welcomes the Royal Commission as we remain concerned about the sustainability of Riverland communities if MDB commitments are not fulfilled.</p>

6. Health

An efficient and effective state health service is vital for health equity in our state, but SACOSS has long been concerned about the lack of focus on and funding for non-hospital based services preventing chronic conditions and measures that keep people well and out of hospitals. This will ultimately reduce the cost to the Budget of delivering health care.

The government has primarily delivered on specific election commitments but we are disappointed that there are not much more significant investments in disease prevention or health and wellbeing initiatives.

Item	Description	Comments
Additional suicide prevention services \$2.5m	This initiative provides support for additional suicide prevention services, including the development of both prevention services and postvention services to support people bereaved by suicide.	This initiative delivers on the government's election commitment.
Additional support for the Royal Adelaide Hospital \$52.0m	This initiative provides for the additional nursing and public hospital staffing costs at the hospital	This may be necessary investment but provides further funding to the tertiary health sector (rather than prevention).
Ardrossan Hospital – expansion of services \$720,000	Funding for Ardrossan Hospital, a community-owned private not for profit hospital.	This initiative delivers on the government's election commitment
Barossa Hospital business case \$100,000 (over 1 year)	Funding the development of a business case for a new Barossa Hospital.	This initiative delivers on the government's election commitment
Commission on Excellence and Innovation in Health \$16.0m	The Commission will provide leadership and advice within SA Health on clinical best practice with a focus on maximising health outcomes for patients, improving care and safety, monitoring performance, championing evidence-based practice and clinical innovation, and supporting clinical collaboration.	This initiative delivers on the government's election commitment, although at this stage it is unclear what will be achieved.

Elective surgery strategy \$40m (over 2 years)	This initiative provides funds to reduce elective surgery waiting lists in South Australia's public hospitals.	This initiative delivers on the government's election commitment.
Establishment of a specialist borderline personality disorder service \$10.0m	This initiative provides resources to establish a specialist statewide borderline personality disorder (BPD) service for at risk clients, their families and carers.	This is a welcome initiative which delivers on the government's election commitment and one of the key primary health measures in the budget.
Expanding country cancer services \$12.0m	This will provide additional chemotherapy services in regional areas, thereby enabling patients to receive treatment closer to home.	If this improves country services and limits the need for cancer patients to travel to Adelaide, it is a welcome initiative and fulfils an election promise
Healthy towns initiative \$1.0m	Under this initiative rural and regional communities will be able to apply for a grant of up to \$50 000 to help improve the health and wellbeing of people in their area.	This initiative delivers on the government's election commitment and is welcome even if it is only a small preventive health initiative.
Improved services for paediatric eating disorders \$3.3m	This initiative provides funds to establish and operate a dedicated paediatric eating disorder service for young people under 15 years of age.	This is a welcome primary health care initiative which delivers on the government's election commitment.
Increase paediatric services at Mount Barker Hospital \$337,000	This initiative provides funds to increase paediatric services at the Mount Barker Hospital.	This initiative delivers on the government's election commitment.
Increased palliative care support \$16.0m	The increased support includes: <ul style="list-style-type: none"> the extension of community outreach palliative care services to operate 24 hours, 7 days a week a statewide workforce analysis for SA Health palliative care services, and the establishment of a statewide clinical network to deliver a new palliative care services plan. 	This is a welcome initiative, particularly given our ageing population and will enable more people to be supported to live and die at home. This delivers on the government's election commitment.
Introduction of local health network governing boards \$13.3m	This initiative provides funding for the establishment of one statewide, three metropolitan and six regional governing boards for the state's health networks.	We hope the delivery of this election commitment will bring greater levels of accountability and community governance.

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Investing in Noarlunga Hospital \$14.5m	This initiative provides funds to establish a 12 bed acute medical unit at Noarlunga Hospital.	This initiative delivers on the government's election commitment.
Investing in our country health facilities \$56.0m	This initiative provides for a country health capital works renewal strategy to help address the backlog of sustainment works, and significantly improve the amenity of our regional hospitals and health infrastructure	This is a welcome initiative delivering on the government's election commitment to people in regional areas.
Meningococcal B Immunisation program \$30.7m (over three years)	This initiative introduces a fully funded Meningococcal B Immunisation program for South Australian babies and young people. The immunisation program will be evaluated at the end of the three year period.	We welcome this prevention initiative.
Modbury Hospital high dependency unit \$23.0m	This initiative provides funds to support the re-establishment of a four bed high dependency unit at Modbury Hospital.	This initiative delivers on the government's election commitment, but demonstrates the high cost of tertiary treatment.
More affordable hospital car parking \$280,000	This initiative will reduce weekly car park charge at the Royal Adelaide Hospital for relatives of long-stay patients from \$65 per week to \$38 per week.	This initiative delivers on the government's election commitment and will be particularly important for those on low incomes.
Mount Gambier renal dialysis expansion \$2.1m (over two years)	This initiative provides funds to expand and upgrade facilities within the renal dialysis unit at the Mount Gambier Hospital	This initiative delivers on the government's election commitment and presumably will be welcomed by the local community.
National digital health — contribution to the Australian Digital Health Agency \$6.9m (over three years)	This initiative provides South Australia's contribution to support the Australian Digital Health Agency in delivery of the national digital health work program. Projects are aimed at improving coordination of care and defining the future capabilities of the national database of health records (My Health Record).	We recognise that digital platforms can be an efficient mechanism for helping to deliver health services and that privacy and practitioner literacy as well as patient literacy are all vital in order to maximise the opportunities and benefits.
Permanent dialysis on the APY Lands \$50,000 (over one year)	This initiative provides funding to support the establishment of a permanent renal dialysis unit to be run by Western Desert Dialysis in Pukatja.	This initiative delivers on the government's election commitment, but we note this is only transitional funding. A permanent renal dialysis is needed in the APY lands, but it is not clear if the proposed fee-for-service model will work/meet needs.

<p>Planning for a new Women's and Children's Hospital</p> <p>\$5.3m</p>	<p>Funding for planning and design of a new Women's and Children's Hospital to be co-located with the Royal Adelaide Hospital, with a view to complete the new build by 2024.</p>	<p>This initiative delivers on the government's election commitment.</p>
<p>Real-time monitoring of prescription medicine</p> <p>\$7.5m (over three years)</p>	<p>This initiative provides for real-time prescription monitoring in South Australia to minimise abuse of prescription drugs.</p>	<p>This is a very welcome initiative delivering on the government's election commitment.</p>
<p>Rehabilitation in the Riverland</p> <p>\$160,000 (over two years)</p>	<p>This establishes a pilot program for intensive outpatient addiction rehabilitation in the Riverland.</p>	<p>This is a welcome harm minimisation measure that delivers on the government's election commitment.</p>
<p>Rural health workforce strategy</p> <p>\$20m</p>	<p>This initiative provides for the development and implementation of a rural health workforce strategy to address the shortage of health practitioners in rural areas.</p>	<p>This is a welcome measure that delivers on a government election commitment, but funding for delivery of the strategy will be crucial.</p>
<p>Strength for Life — COTA SA</p> <p>\$400,000</p>	<p>Provides funding for the Council of the Ageing South Australia (COTA SA) to extend the Strength for Life program which helps older South Australians with strength and balance training sessions.</p>	<p>SACOSS supports the extension of this prevention initiative for older South Australians.</p>
<p>Strengthening cardiac services at The Queen Elizabeth Hospital</p> <p>\$9.m</p>	<p>This initiative strengthens The Queen Elizabeth Hospital as a key cardiac centre with a focus on the common acute chronic cardiac conditions of an ageing population. Funding for this initiative has been provided by a reallocation from within existing departmental resources</p>	<p>This initiative delivers on the government's election commitment, but is largely returning services previously available.</p>
<p>Targeted prevention and bowel cancer</p> <p>\$5m</p>	<p>This initiative is designed to improve bowel cancer prevention and detection through a reduction in waiting lists for colonoscopies in South Australian public hospitals.</p>	<p>This is a welcome early intervention initiative promised in the election to reduce outrageously long waiting periods which may act as a disincentive to good primary health.</p>

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Upgrade Murray Bridge Soldiers' Memorial Hospital emergency department \$7m (over three years)	This funds an upgrade of the emergency department at the Murray Bridge Soldiers' Memorial Hospital.	This initiative delivers on the government's election commitment.
Yorketown surgical services \$605,000 (over four years)	This initiative provides \$300 000 to upgrade surgical facilities at Yorketown Hospital and \$100 000 (indexed) from 2019–20 for the employment of skilled nursing staff.	This initiative delivers on the government's election commitment.
SAVINGS/CUTS		
Health Consumers Alliance of SA — discontinue \$1.6m (saving over 3 years)	From 2019–20 the government will discontinue its funding of the Health Consumers Alliance of SA. Consumer engagement will be a responsibility of local health networks.	We are very concerned that this unexpected cut discontinues an effective advocacy organisation.
Reduction in funding for HIV/STI prevention and non-government sexual health services	Minister Wade's media release notes a reduction in funding for Shine (SA) for these services, suggesting the funding can be obtained through the MBS, but the cuts are not detailed in the Budget Papers.	We note this with caution recognising the vulnerability of the patient group, and will be seeking clarification on the funding.
Discontinued individualised support program for people with HIV	This program is largely focused on supporting homeless people with HIV and is run by Centacare. The funding cut is referenced in the Minister's media release but not in the Budget Papers.	We note this with caution recognising the vulnerability of the patient group, and will be seeking clarification on the impact.

BUDGET CHANGES		
<p>Establishment of a sustainable, efficient health system</p> <p>\$548m</p>	<p>The funding re-sets the savings targets for the department of health over the forward estimates inherited from the former government (\$1,478m).</p> <p>The government is continuing to pursue savings by:</p> <ul style="list-style-type: none"> • Reductions in staffing at DHW central office (\$49.4m) • A cut of 2% to SA Health grant and service contracts with NGOs (\$10m) • Recover the public system costs of providing clinicians rights of private practice (\$39m over three years) • Cuts to public pathology service—(\$105m over three years) • Reform of hotel services at SA Health sites (\$10.1m over three years) • Efficiencies in public imaging and diagnostic service (\$18.4m over three years) • Achieving national efficiency benchmarks by 2021-22 – (\$698m) 	<p>The revision of forecast savings in effect provides more funding for a health sector which is currently oriented towards tertiary services.</p> <p>We welcome the drive to efficient services but remain concerned this should not come at a cost to quality or accessibility.</p>

7. Housing and Homelessness

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

Given the centrality of housing to being able to build a secure and stable lifestyle, SACOSS has long argued the importance of the State Government continuing to make clear, as well as deep investments in the development of both low cost but high quality, energy efficient and accessible housing infrastructure as well as support to ensure people who would otherwise be homeless are assisted to transition to a secure housing and lifestyle as quickly as possible.

Item	Description	SACOSS Comments
Domestic violence package — forty new crisis accommodation rooms and interest free loans for domestic violence projects \$4m capital expenditure \$5m interest free loan \$491,000 operating expenses	This initiative provides an additional domestic and family violence crisis beds through direct government investment (\$4m) and \$5 million in an interest free loan facility to non-government domestic violence organisations for capital projects.	This initiative delivers on the government's election commitment which provides a relatively cheap way to support NGOs and increase shelter accommodation.
National Housing and Homelessness Agreement \$38.4m Commonwealth contribution: \$432.9m	This initiative provides housing and homelessness programs in accordance with the National Housing and Homelessness Agreement (NHHA) entered into in June 2018.	This is the major funding mechanism for homelessness services and extends previous agreements which were welcomed by SACOSS. We note that there is no additional funding from the state government beyond previous commitments despite continuing need.
SAVINGS/CUTS		
Marni Wodli Youth Accommodation Services \$1.7m (savings)	See Aboriginal and Torres Strait Islander section.	

<p>Reduction in grant payment to SA Housing Trust</p> <p>\$48.8m savings</p>	<p>This measure provides savings through the reduction in grant payments to the South Australian Housing Trust (SAHT) with the expectation that revenue will be recouped from public housing residents.</p>	
<p>Increase rent assessments of some Housing Trust property</p>	<p>This initiative phases-in increases rent for bed-sits and one-bedroom cottage flats which were previously capped at 19% of income to the standard 25% of income, and increasing rent payments for those on moderate incomes to 30% of income.</p>	<p>SACOSS is concerned about the impact of this initiative on the most vulnerable tenants. In this context, we note that Shelter SA calculates that for a public housing tenant on Newstart who is currently paying \$102.20 per fortnight, their rent could increase to \$134 over time. There is less concern over the increases for moderate income earners.</p>

8. Employment, Education and Training

South Australia has one of the highest rates of unemployment in the nation and continues to experience stubbornly high long term unemployment and underemployment levels. In this context it is pleasing that the state budget is focused on economic development which ideally will lead to increased employment. However, SACOSS notes that a number of initiatives are focused on attracting and supporting business and industry. While this may have the potential to create jobs, SACOSS would like to see corresponding investment in robust monitoring and evaluation to ensure the state is seeing a sufficient return on its investment and that jobs are being created.

Given the State’s high youth unemployment and the recent closure of the car industry, SACOSS is very pleased that this year’s State Budget has supported the employment of apprentices and trainees. It is vital that young people and others looking to retrain are provided with opportunities to gain the skills and experience needed to obtain useful qualifications and satisfying employment. SACOSS is however disappointed that the budget does not contain more initiatives that are specifically designed and targeted to address the needs of other vulnerable and disadvantaged jobs seekers, such as older workers, Aboriginal people, people in regional communities and those from non-English speaking backgrounds. Continuing efforts are needed for these groups to overcome barriers to participate in any jobs growth that results from this State Budget.

SACOSS welcomes the major investment in education and training provided in this Budget but remains concerned about support for the most vulnerable and disadvantaged.

Item	Description	SACOSS Comments
Skilling South Australia Initiative \$202.6m (Commonwealth provides \$102.6m)	For participation by the state in the new National Partnership Agreement on the Skilling Australians Fund. The fund will support a range of initiatives to create an additional 20,800 apprenticeships and traineeships in South Australia.	SACOSS welcomes this initiative which fulfils an election commitment.
Economic and Business Growth Fund \$100m	This Fund will be available to support the attraction of key businesses to South Australia, provide support to existing businesses where their expansion will provide a strategic industry development benefit to the state, and provide industry sector support.	SACOSS welcomes the investment in economic development but is unclear whether this initiative will result in long term employment creation.

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Regional Growth Fund \$60m	This Fund has been established to unlock new economic activity in regional areas, to deliver critical economic infrastructure, and to strengthen regional communities. Funding for this initiative has been provided by re-directing funding previously allocated to the former Regional Development Fund.	SACOSS welcomes a continued focus on strengthening regional economies.
Increased funding to schools \$515m	Increased funding to the schooling system.	SACOSS recognises this is a massive increase and welcomes this support, especially if it flows to improving public education.
Year 7 students to high school \$27.7m	Funding to commence the transition of Year 7 students from primary school into high school and for additional resources to educate Year 7 students in a secondary school setting.	SACOSS recognises this is an important time for transition and welcomes the additional focus on supporting effective learning.
Literacy guarantee \$20.9m	Provides for funding to implement a comprehensive program to improve literacy and numeracy outcomes for all South Australian students. Includes phonics checks for all year one students and free dyslexia workshops for parents.	SACOSS welcomes this measure in its focus on enhancing literacy and numeracy.
Languages in schools \$12.2m	Funding to support South Australian children learning a second language in order to develop the intercultural capabilities needed to succeed in an increasingly globalised world.	Oui.
Whyalla secondary education renewal \$100m	Provides for funding to establish a new Year 7 to Year 12 public secondary school for 1500 students in Whyalla with completion in 2021.	SACOSS welcomes this measure to increase ready access to education for the Whyalla community.
Breakfast program \$800,000	See Child Safety and Wellbeing section.	
School bus review \$250,000 (over 1 year)	Funding to undertake a review of bus services to ensure that nongovernment school students have fair access to school buses in regional areas.	SACOSS welcomes this as long as it does not result in fewer places for government school students.

<p>Resources for TAFE SA</p> <p>\$109.8m (over 5 years) \$32.8m savings</p>	<p>The provision of additional funding is also accompanied by cuts which include the closure of several campuses with reportedly low utilisation rates (including the Tea Tree Gully, Port Adelaide, Urrbrae, Parafield, Wudinna, Roxby Downs and Coober Pedy campuses).</p>	<p>SACOSS believes TAFEs are a very important part of the training delivery system especially for more vulnerable South Australians however we recognise they too have to be run in an efficient manner. However we are deeply concerned that closure of campuses will impact particularly on people who are marginalised and note the particular regional economic consequences.</p>
<p>Changing attitudes towards skilled careers</p> <p>\$3.9m</p>	<p>Career development marketing including funding to promote the Vocational Education and Training (VET) pathways and the Australian Apprenticeship Ambassador Program and a review of best practice in relation to careers counselling in schools.</p>	<p>SACOSS supports this initiative to help encourage knowledge of career pathways necessary for employment.</p>
<p>Entrepreneurial specialist programs</p> <p>\$5.6m</p>	<p>Funding to implement entrepreneurial specialist programs in four high schools across South Australia, including two in metropolitan areas and two in rural and regional areas which will include a focus on engaging with primary industries.</p>	
<p>New technical college</p> <p>\$6m (over 2 years)</p>	<p>Provides for at least one new technical college in the western suburbs of Adelaide with a focus on encouraging students to prepare for work in the defence sector.</p>	<p>SACOSS welcomes the provision of specialised technical training, and note this fulfils an election commitment.</p>
<p>Cessation of the laptops for students program</p>	<p>See Digital Inclusion section</p>	

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SAVINGS/CUTS		
Career services program — discontinue \$5.08m savings	Discontinuing the career services program as activity will be re-focused under the new Skilling South Australia initiative to enable targeted projects and support for apprenticeships and traineeships.	
Automotive supplier diversification program — discontinue \$1.7m savings (over 1 year)	Discontinuation of the program to assist automotive supply chain manufacturers to diversify in the period prior to the closure of GM Holden's operations at Elizabeth in October 2017.	SACOSS is disappointed that this program has been discontinued and remains concerned about the long term job opportunities for those who had previously worked in the car industry.

9. Infrastructure

Modern, attractive, safe and accessible infrastructure is vital, not just for the economy, but for society. The government has an important role to play in building and maintaining public infrastructure for jobs growth and the life of the community. People rely on public infrastructure such as transport systems, hospitals, social housing and community facilities to connect them with employment, education and training opportunities, health and community services, and for social participation.

This budget commits to a total government investing programme of \$11.3 billion over the forward estimates. SACOSS welcomes the proposed significant infrastructure investment with its job creation and public service outcomes. It is important that such projects pay particular attention to being constructed in ways that account for and address the needs of vulnerable and disadvantaged South Australians. This must include using standards that meet universal design and energy efficiency expectations.

The new infrastructure measures in this Budget are dealt with in the sections dealing with Health, Transport, Justice, Education and Housing, with some discussion of the funding of the infrastructure spend in the Economic Data section.

10. Transport

Safe, affordable transport and associated infrastructure is vital, not just for the economy, but for our community more broadly. People (especially those on low incomes) rely on access to affordable transport to connect them with employment, education and training opportunities, access to health and community services, as well as for daily living activities and social participation.

Given that many South Australians do not own vehicles, public transport is vital and particularly for low income and disadvantaged people. SACOSS has repeatedly called for further attention to be paid to the needs of people living in the outer metropolitan, regional and rural areas of our state and specifically to their needs and access to forms of public transport.

Note: issues relating to increased transport fees and charges are canvassed in the Poverty and Cost of Living section.

Item	Description	SACOSS Comments
Regional Roads and Infrastructure Fund \$315m	Provides for 30% of mineral and petroleum royalty revenues to be reallocated into a new Fund, to ensure dedicated funding for roads in regional areas, including road maintenance infrastructure, road rehabilitation and reseals and for works on outback roads.	SACOSS welcomes the commitment to regional communities, but generally opposes hypothecation as initiatives should be funded from general revenue.
Commonwealth – state major transport projects \$395m	Three major transport projects - Regency Road to Pym Street upgrade, Gawler Rail Electrification project and Joy Baluch AM Bridge.	SACOSS welcomes this expenditure which will stimulate employment and enhance services, but notes that the increased expenditure is derived from an increased Commonwealth contribution.
Port Wakefield overpass and road widening \$88.5m (includes \$70.8m C'wealth funding)	Construction of the overpass at the intersection of the Copper Coast Highway and Augusta Highway and widening of Augusta Highway at Port Wakefield.	SACOSS welcomes this expenditure which will address a long-standing black spot, stimulate employment and enhance regional services.
Establishment of South Australian Public Transport Authority \$2.5m (over 1 year)	The new Authority (SAPTA) will be responsible for all operational and customer service matters. SAPTA will be tasked with investigating how to make public transport more customer friendly and more efficient.	SACOSS is keen to engage with this proposed Authority to ensure the interests of low income and disadvantaged South Australians are taken into account.

<p>O-Bahn Park 'n' Rides</p> <p>\$18.5m (over 1 year)</p>	<p>Primarily extends the Park 'n' Rides car parks at Golden Grove and the Paradise O-Bahn Interchange.</p>	<p>This initiative is a pre-election commitment. SACOSS welcomes this measure to enhance access to public transport.</p>
<p>Public transport services review</p> <p>\$46.6m savings</p>	<p>This measure will seek to improve the efficiency of the public transport network through reviewing duplicated or low patronised services across the bus and rail network, identifying opportunities to optimise timetables and leveraging bus contractor's expertise to identify customer improvements to maximise public transport outcomes for the community.</p>	<p>SACOSS is extremely concerned that the level and access to public transport services, which are vital for low income and disadvantaged consumers, is not reduced.</p>

11. Aboriginal and Torres Strait Islander people

Many Aboriginal and Torres Strait Islander South Australians are well educated, employed, valued for their contribution, and enjoy good health and lifestyles. However, as a proportion of population there are still vastly more Aboriginal children, young people and adults who do not enjoy the same opportunities as the non-indigenous population and suffer chronic disadvantage.

SACOSS has argued repeatedly that Aboriginal people need to be central to determining and governing services for their own communities. Besides funding their election commitment regarding establishing the Commissioner there is little investment to assist in tackling Aboriginal disadvantage.

Item	Description	SACOSS Comments
Commissioner for Aboriginal Children and Young People \$1.3m	This provides indexed funds to establish and support the role and functions of the Commissioner for Aboriginal Children and Young People.	SACOSS supports this election commitment which will bring attention to the concerning rates of overrepresentation of children and young people in child protection and justice systems.
SAVINGS/CUTS		
Marni Wodli Youth Accommodation Services \$1.7m (saving)	Savings from the restructure of this accommodation service for at risk Aboriginal young people, which will include working more closely with mainstream NGO sector and youth homelessness system.	Marni Wodli has been an important Aboriginal-specific service, but seek assurances that the restructure will not lead to a reduction in culturally appropriate and Aboriginal-led accommodation for Aboriginal young people.
Alternative approach to Aboriginal affairs \$1.9m (saving)	The government is not proceeding with the negotiation of treaties with the state's Aboriginal people and therefore is saving funds allocated for this. Instead they have said they will engage Aboriginal people in developing a statewide plan with defined outcomes across areas including education, child protection, health and jobs.	SACOSS is disappointed that the new government has abandoned treaty negotiations and has seen this as an area to find budget savings. We are supportive of a statewide plan if it empowers Aboriginal people and organisations and is supported by substantial investment.

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Discontinuing SA Native Title Service Grant \$2.2m (savings)	The grant paid the SA Native Title Service to participate in SA native title negotiations with the state.	SACOSS is concerned that this may lead to native title claims being under-resourced and justice may not be served.
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12. Culturally and Linguistically Diverse Communities

Approximately 25% of the South Australian population is composed of people from culturally and linguistically diverse backgrounds. 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.

There were no specific initiatives for culturally and linguistically diverse communities, although older people from culturally and linguistically diverse communities were noted as a target cohort for the Strength for Life — COTA SA initiative (detailed in the Older People and Aged Care section).

13. Disability

SACOSS, in its continuing support for the National Disability Insurance Scheme (NDIS), has sought a successful transition to the NDIS for all eligible participants and support for those people who do not meet the eligibility criteria.

However, there are problems arising in this transition and particular concerns in relation to supports of people with mental health issues, many of whom SACOSS understands will not be eligible for the NDIS and yet are supported through existing State Government funded services. We note the government has recognised this issue and provided some interim funding to address some of the problems, but more work and long term solutions are still required.

SACOSS believes it is imperative the State Government maintain active oversight of the implementation of the NDIS, so as to ensure optimal outcomes for both participants, and those who fall outside the Scheme.

Item	Description	SACOSS Comments
Transition of state disability services to the non-government sector \$2.6m (over 1 year)	Provides funding to transition state disability services to the non-government sector as a result of reforms under the National Disability Insurance Scheme.	This measure delivers on a government election commitment. SACOSS welcomes the funding and the recognition of the critical role of the non-government sector.
Intergovernmental agreement on NDIS worker screening \$486,000	Provides for the state's contribution to the costs of the development and continued operation of the National Clearance Database for screening workers in the National Disability Insurance Scheme.	SACOSS supports a national approach, but maintains our concerns that screening is an expensive mechanism which may not result in better safer services.
SAVINGS/CUTS		
Discontinuing Communication Partner Service \$646,000 for two years from 2020-21 (savings)	This is a volunteer service to support adults or children with complex communication needs in the criminal justice system so that those people can give accurate and coherent accounts of their experience in police interviews and court hearings.	Given the vulnerability of the people who benefit from this program, SACOSS opposes this cut and calls for the reinstatement of funding.

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<p>Discontinuing the Disability Justice Specialist Training Grant</p> <p>\$336,000 (over 3 years commencing 2019-20) (savings)</p>	<p>The grant provided specialist interview training to assist in the interviewing of vulnerable witnesses.</p>	<p>This removes a good initiative to protect vulnerable people. SACOSS opposes this cut and calls for the reinstatement of funding.</p>
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14. Justice

SACOSS continues to support a restorative approach to justice involving victims and the community in a manner which seeks to heal the relationships damaged by crime and to reduce the likelihood of further offending. Prison is an expensive response to criminal behaviour but worse, prison alone does little to reduce the likelihood of future offending and therefore has little impact on community safety.

SACOSS hopes that the State Government will move to introduce and fund a range of services and activities that would act to prevent people turning to crime. This would likely to be better for the community, and be vastly more cost effective over the long term.

SACOSS welcomes the new (albeit still fairly modest) investment in domestic violence; however we note that the majority of measures are directed at tertiary or crisis interventions with significant expenditure on policing and correctional facilities expenditure, but less preventative measures to address recidivism and prevention.

Item	Description	Comments
Riverland Community Legal Services \$600,000	Additional funding for community legal service in the Riverland, reinstating previous funding to enable a full-time service	SACOSS welcomes this election commitment to improve access to community legal services to those in the regions.
Domestic Violence Disclosure Scheme trial \$510,000 (over 1 year)	Funding for the Office for Women to support a 12 month state-wide trial of a scheme allowing women to request information on their partner's criminal history. The scheme will provide support to deal with any information disclosed and plan for their safety if required.	This initiative delivers on the government's election commitment.
Domestic violence personal protection app \$150,000 (over 1 year)	Funding for the development of a personal protection app linking at-risk individuals directly to South Australia Police and women's domestic violence services.	SACOSS welcomes this initiative.
24 hour Women's Safety Services SA crisis hotline \$1.7m	Funding for Women's Crisis Hotline to enable the Women's Safety Service Crisis Hotline to operate 24 hours a day	SACOSS welcomes expansion of this service as was promised in the election.

<p>Additional resources for police</p> <p>\$19.9m (over multiple initiatives)</p>	<p>Multiple initiatives including:</p> <ul style="list-style-type: none"> • Counter terrorism rapid response (unfunded) • Firearms control system • Hoon driver reporting • Light armoured vests • Extending police station opening hours • Police prosecution resources • Review of police work 	<p>None of these are objectionable in themselves, but again are all tertiary level service funding.</p>
<p>Correctional facilities</p> <p>\$201.2m (over multiple initiatives, not including operating savings)</p>	<p>Multiple initiatives including:</p> <ul style="list-style-type: none"> • Adelaide Remand Centre – transfer of operations to private provider • Yatala Prison expansion • Adelaide Women’s Prison – additional beds and expansion • Digital electronic security systems • Introducing a new smoking ban across all SA prisons • Mobile phone jamming 	<p>As above, all these are expensive tertiary level measures. In addition, SACOSS is cautious about the transfer of the Adelaide Remand Centre to a private provider because of long-standing concerns about the delivery of important community being compromised by the for-profit model.</p>
<p>National Redress Scheme for survivors of institutional child sexual abuse</p> <p>\$146.4m in 2017-18</p>	<p>Funding to support South Australians who have been abused within South Australian Government institutions, as per a recommendation from the Commonwealth's Royal Commission into Institutional Responses to Child Sexual Abuse.</p>	<p>This is a welcome initiative.</p>
<p>SAVINGS/CUTS</p>		
<p>Cut to Legal Services Commission</p> <p>\$4.8m (savings)</p>	<p>Application of an “efficiency dividend” which will see a 6.7% decrease in state grants to the Commission in 2018-19.</p>	<p>The Legal Services Commission provides vital legal support to those without resources to be able to get justice in the legal system. SACOSS opposes this cut and seeks reinstatement of funding to the Commission.</p>

15. Older People and Aged Care

There are many challenges and opportunities associated with our ageing population and one of our key challenges is to ensure our elders are supported to 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 and we particularly note the need for investment in affordable housing, digital competency and support for older unemployed people.

Item	Description	SACOSS Comments
Establishment of an Adult Safeguarding Unit \$2.6m	The Adult Safeguarding Unit will establish a body with statutory responsibility for responding to reports of abuse, neglect or mistreatment of vulnerable adults. Grant funding for elder abuse phone line will transfer from ARAS to the new unit.	We cautiously welcome this initiative that delivers on the government’s election commitment, but note that this is a modest investment and that the safeguarding outcomes will depend on implementation.
Strength for Life — COTA SA \$400,000	See Health section	
Lighthouse Lodge Aged Care Home — safety upgrades \$1.0m (over 1 year)	Provides for upgrades to the fire protection system at the Lighthouse Lodge Aged Care Home in Kingston to ensure it is code compliant	This initiative delivers on the government’s election commitment.
Strathalbyn Aged Care \$8.5m (over 3 years)	This initiative provides for the construction of a new 24 bed aged care facility at Strathalbyn and future fit out of the Kalimna Hostel. The Commonwealth Government has also committed capital funding to further expand the facility's beds from 24 to 36 beds.	This initiative delivers on the government’s election commitment.

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Increased palliative care support \$16.0m	See Health section	
Reallocation of Elder Protection Grant	The Grant which currently goes to Radio of the Third Age will be reallocated to Aged Rights Advocacy Service to deliver a Safeguarding the Rights of Older ATSI Communities Program	

16. Sector Support

The non-government health and community services are a vital part of the fast-growing health and community services sector and they continue to provide an extensive range of important support and services for the most vulnerable and disadvantaged South Australians. The Budget did not fund the SACOSS proposal to audit and improve the digital literacy of the sector, and has relatively few sector support initiatives overall.

Item	Description	Comments
Abolish volunteer screening checks fee \$5.0m (revenue forgone)	This initiative provides funding to abolish fees payable by volunteers for screening by the Department of Human Services. The current cost to volunteers is \$59.40 per check. Commences of 1 January 2019.	While SACOSS continues to believe that the screening system is cumbersome, inefficient and not necessarily effective or the best response, it is welcome that volunteers will no longer have to pay to volunteer. This was an important election commitment.
Women’s Domestic Violence Services peak body funding \$624,000	Funding for the South Australian Coalition of Women’s Domestic Violence Services as the peak body lobbying and advocating for the elimination of domestic and family violence in South Australia.	SACOSS welcomes the fulfilment of this election promise as peak bodies play an important role in providing a voice to their sector.
MarionLife Community Centre \$120,000	This initiative provides funding to the MarionLife Community Centre. The grant will allow MarionLife to employ a part-time Community Development Officer to help provide care and support to individuals and families in need.	
Whalers Peninsula Community Association \$45,000 (over 1 year in 2017-18)	This initiative provided funding to Whalers Peninsula Community Association in Victor Harbor to support its provision of community services. The grant will be used towards rental costs for the association’s current office and towards a deposit for the purchase of a property to be used as future headquarters.	This initiative delivers on the government’s election commitment.

Transition of state disability services to the non-government sector \$2.6m (over 1 year)	See Disability section.	
SAVINGS/CUTS		
Discontinue Northern and Southern Connections \$2.8m (savings)	This savings measure will result in the closure of the North and Southern Connections business units responsible for providing support to existing DHS grant programs.	This measure delivers on the government's election commitment to abolish these offices, but we hope there are other adequate supports in place to assist grantees in those areas.
Health Consumers Alliance of SA — discontinue \$1.6m (saving over 3 years)	See Health section.	

17. SACOSS’ 2018 – 2019 Budget Proposals

In framing its 2018-19 State Budget submission, SACOSS was aware the government’s priority would be to implement the promises it had made in the lead up to the March election. We welcomed many of these promises that related to the interests of vulnerable and disadvantaged people, and we incorporated those proposals into our budget submission. The budget outcomes from those promises are recorded below. In addition to these election promises, the SACOSS Budget Submission included five proposals which we hoped to see funded in this budget. The outcomes are in the second table below.

Government Election Commitment	Outcome
Digital Inclusion	
Establish a \$10 million fund to address Mobile Black Spots across South Australia	Funded
Energy	
\$100m in Household Storage Subsidy Scheme (means-tested grants for home batteries for houses with PV)	Funded
\$50m Grid Scale Storage Fund	Funded
\$10m towards integrating distributed generation to ensure system stability	Funded
\$20m for demand response and aggregation trials to reduce prices at peak times	Funded
Health	
Establish Wellbeing SA within SA Health to focus on health promotion strategy	Not separately funded. We await clarification as to how this will be resourced.
Funding for a Mental Health Services Plan	Plan is listed as a departmental target in 2018–19, but no specific funds allocated in the budget.
Support for permanent renal dialysis in the APY lands via negotiation of a fee-for-service price and \$50,000 transitional funding	Funded
Establish a Healthy Community Program to increase physical activity, healthy food &	Healthy towns component funded

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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	Funded
\$1m p.a. to establish a Paediatric Eating Disorder Service	Funded
\$7m to implement real-time prescription monitoring of drugs with potential for misuse	Funded
\$20m to develop and implement a Rural Health Workforce Plan	Funded
\$5m for a Bowel Cancer Prevention Initiative	Funded
\$110m reinvestment in Modbury Hospital	Modbury Hospital high dependency unit funded (\$23m)
Funding establishment of a Commission on Excellence and Innovation in Health	Funded
\$8.7m for the redevelopment of Kalimna Hostel site and development of more aged care facilities in Strathalbyn	Funded
Investment in specialist teams at country chemotherapy units	Funded
\$16m to expand palliative care outreach care to 7 days per week	Funded

Housing	
\$4 million for the purchase and refurbishment of three sites –for additional crisis accommodation for women and children	Funded
\$5 million loan facility to provide NGOs running women’s shelters with no-interest, 20-year loans to fund capital projects	Funded

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

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Human Services	
Create a Vulnerable Persons Agency	Funded
Abolish all fees payable by volunteers for DCSI screening (ie. decrease budget revenue)	Funded

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

SACOSS Proposal	Outcome
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Fund proposed project to audit and build the digital capacity of the health and community services sector workforce	Not supported
A scoping study for the potential establishment of two Comprehensive Primary Health Care Centres in South Australia	Not supported
Funding for health advocacy in South Australia	Not supported, and health advocacy has been seriously eroded with the defunding of the Health Consumers Alliance
Support for Justice Connect proposal to develop a practical legal toolkit for South Australian not-for-profit incorporated associations	Not supported
No further "efficiency dividends" in this budget (over and above those flowing from the MYBR)	Not supported See Economic Data section