



# SACOSS

## State Budget Snapshot 2021-22



**SACOSS**

*South Australian Council  
of Social Service*

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## Introduction

This Budget Snapshot provides a quick summary of SACOSS' "budget day" response to the 2020-21 South Australian State Budget.

The Snapshot summarises expenditure changes and new policy measures in areas of interest to vulnerable and disadvantaged South Australians and to the non-government health and community services sector.

SACOSS will publish a more comprehensive budget analysis in the coming days which will include:

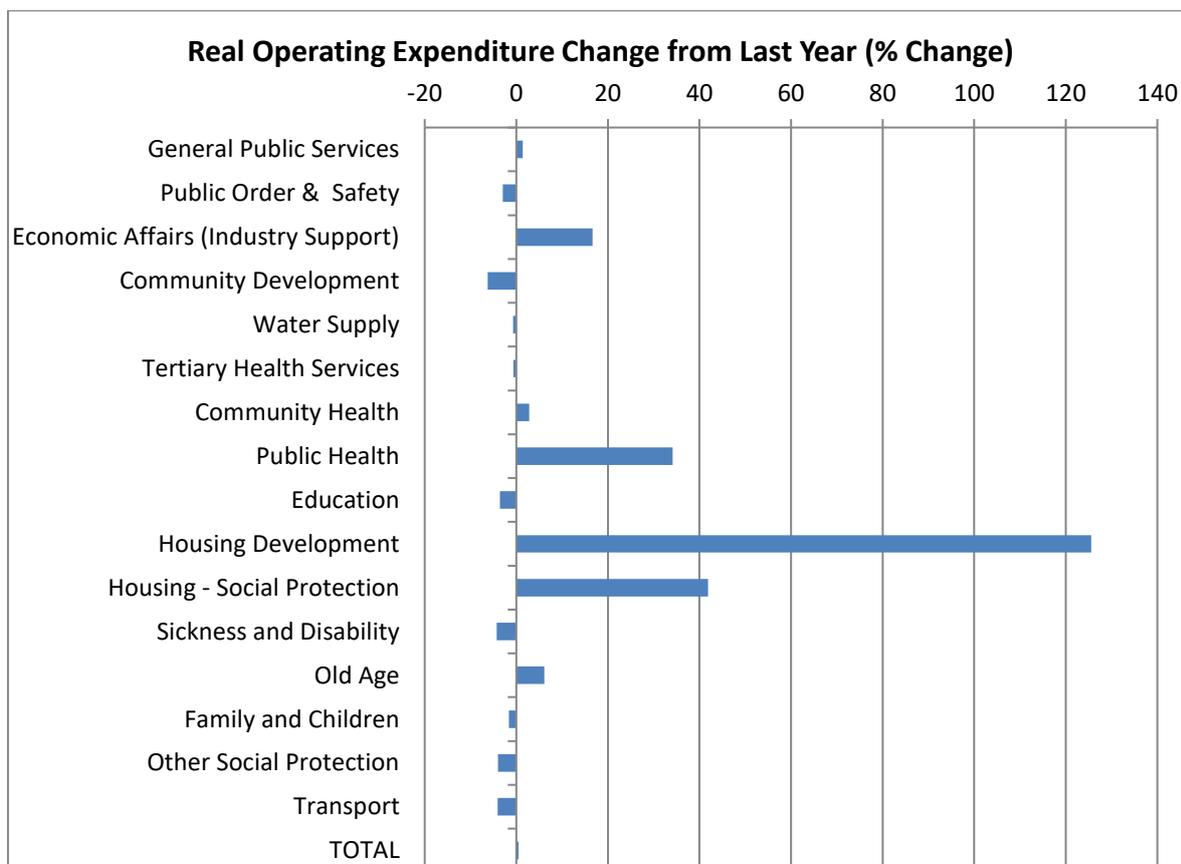
- a summary of economic trends and macro-economic indicators underpinning the budget;
- analysis of long-term revenue and expenditure data;
- more detailed commentary on the budget measures highlighted in the Snapshot;
- analysis of the Agency Statements for relevant departments and agencies.

## Expenditure Changes

The following graph shows changes in government operating expenditure between the estimated expenditure for 2020-21 and the budgeted expenditure for 2021-22 in areas of interest to vulnerable and disadvantaged South Australians. The data and categories are drawn from the Uniform Accounting Framework (Appendix A) in the Budget Statement, with the 2020-21 figures adjusted for inflation<sup>1</sup> and does not include capital investments.

The data is dominated by housing development, some of which appears to be a flow through from last year’s budgeted housing stimulus and the affordable housing program, but we are seeking further clarification as it appears inconsistent with the absence of new budget measures. Further, as SACOSS has consistently noted, the government’s focus on affordable housing for home buyers will not assist those most excluded from the housing market and there is a need for significant investment in public housing.

The increase in public health expenditure is expected in a COVID-era, but this has had a specific focus on COVID measures rather than broader investment in public health programs (e.g. we found only one public health initiative in the new measures). Most other expenditure areas saw little change. It is also noteworthy that there were no new cuts to government department funding via “efficiency dividends” or “operational savings”.



<sup>1</sup> The 2020-21 expenditure was indexed at 2%.

## Budget Measures

In the listings below, the page numbers refer to the Budget Paper 5: Budget Measures Statement.

### Significant Measures welcomed by SACOSS

There were a range of budget measures of relevance to vulnerable and disadvantaged South Australians which are welcomed by SACOSS, although we note that some of these are very modest in scale or ambition:

- The **mental health package (\$163m over 4 years)**, including \$8.4m per year for community mental health services, \$5m for accommodation for people with mental health disability and outreach into communities (pg 47).
- A further **\$77.7m for a range of measures to reduce the spread of COVID** (pg 46).
- **\$8.2m rising to \$11.5m per year for more ambulance staff**, and an additional \$2m for additional ambulances (pg 43).
- A further \$49m for the **COVID-19 vaccine roll out** in state facilities (pg 43).
- A one-off **\$20m investment to reduce elective surgery backlogs** (pg 44).
- **A two-year extension of payroll tax exemption for apprentices and trainees** to encourage employment and training of young people (pg 7).
- More than \$8m over four years to **support the Office of the Public Advocate and South Australian Civil and Administrative Tribunal to manage complex NDIS and restrictive practices cases** (pg 11).
- Additional \$4.2m in 2021-22 for **country bus operators** (pg 63).
- Almost \$10m over four years to **support domestic and family violence prevention programs for Aboriginal Men**, as part of Closing the Gap commitments (pg 16).
- \$4m for **additional rounds of the Great State voucher scheme** which will support regional jobs (pg 79).
- \$34.4m in state funding to **extend the existing JobTrainer Fund National Partnership Agreement** (pg 66).
- \$18.2m over seven years to establish **Newpin SA Social Impact Bond (reunification) program** to support families with children in temporary care (pg 13).
- \$11.3m over six years to establish **Resilient Families Social Impact Investment program** delivered by Benevolent Society to keep children with families and not in out-of-home care (pg 52).
- \$30m over the next two years for **COVID-19 policing** for border patrols, medi-hotel security, cross border travel authorisations and compliance activities (pg 68).
- \$17.2m over five years (2020-25) for **new and expanded school bus services** (pg 60).

- \$18.3m over three years, with \$16.7 annually once the model is established to **increase the number of developmental health checks for children from birth to age five** (pg 23).
- \$42m over three years for **capital works at government schools and pre-schools**. (pg 23).
- \$4m (over four years) to establish **the position of Commissioner for Aboriginal Children and Young People**. (pg 24).
- **No new operational savings in this budget** (which are hidden cuts to departmental expenditures) (pg 7).

### Smaller Measures welcomed by SACOSS

The following measures are welcomed as good initiatives, but SACOSS recognises that they are small in scale and may have limited impact.

- **Land tax reductions for build-to-rent projects** will encourage building rental stock, although concession could be overly generous and is locked in until 2039-40 (pg 6).
- Around \$240,000 a year for the **Aboriginal Legal Rights Movement for justice advocacy** on initiatives to reduce the rate of incarceration (pg 71).
- Funding of between \$650,000 and \$800,000 per annum for the creation of **an elected Aboriginal Engagement Body** to provide representation to government (pg 73).
- A one-off \$2m expansion of **funding to two multicultural grants programs to upgrade community infrastructure** (pg 73).
- \$3m rising to \$5.3m per year to continue the **Meningococcal B immunisation program** (pg 45).
- \$855 000 per year (indexed) from 2021-22 to establish **Child Protection family group conferences** (pg 13).
- \$939,000 for the Coroner's Court and \$339,000 for the Youth Court to **address case backlog** (pg 18).
- \$2.6m over four years for pilot **Stability Post-Care program** to support young people up to the age of 21 years leaving care at risk of homelessness (pg 14).
- \$1.3m over two years for **Child Diversion program (Youth Justice)** triage and support service for children at risk of being remanded into custody due to lack of accommodation (pg 51).
- \$952,000 per year to **support an additional 100 community corrections places** to divert people from custodial corrections (pg 15).
- \$1.6m for two years and \$776,000 per annum (indexed) from 2023-24 to provide for **continued operation of disability access and inclusion directorate** (pg 51).
- **Implement telephone voting for South Australian electors living with a disability and electors who are overseas** (pg 26).

- \$2.2m over three years to ensure the **continuation of the rural financial counselling and family and business support mentors programs** (pg 76).
- A further \$1m to **support the delivery of clean energy initiatives**, including the expansion of the Virtual Power Plant and Home Battery Scheme (pg 34)
- \$5.8m over four years to **expand the sports vouchers program to include students in years 8 and 9** (pg 64).

## Measures with good potential, but more information needed

There were also a range of initiatives announced that could potentially be good, but SACOSS would need more information before supporting the initiatives. These include:

- The **Medic Nurses in Custodial Facilities program** (\$2.7m for 2021-2022) is welcome if it improves health care access for detainees (though appears to be only a 1 year measure) (pg 45).
- A \$300m addition of funding which effectively **expands the health budget** due to the inability to reach previous expenditure targets. Given very little overall change in expenditure (see graph above), some clarity is needed as to whether this is a problem of expenditure or of the targets (pg 44).
- Investment of **\$12.7m over two years for TAFE to deliver improved technology across regional infrastructure** to enable digitisation of education and training, but offset with savings from blended learning and it is unclear what impact this will have on the quality of education (pg 85).
- **Increased funding for Aboriginal heritage assessments** may be useful, but is explained as an enabler of economic development rather than heritage protection (pg 71).
- \$1.2m over two years to establish a **significant incident reporting unit in Child Protection** may be useful for children at risk, but it is unclear why a separate unit is required (pg 13).
- Approx. \$1.1m per annum as a state contribution to the **Voluntary Out-of-Home Care program** to provide care of children with disability, but it is unclear what circumstances lead to children being in the program (pg 51).
- A one-off \$500 000 funding for the development of new **safeguarding smartphone app** for people living with disabilities, their families and supporters to help them connect to support and services, but it is unclear how the app will ensure privacy and complement face-to-face interaction (pg 53).

## Measures not supported by SACOSS

There are a number of measures which are likely to have a disproportionately negative impact on disadvantaged South Australians and so are opposed by SACOSS. These include:

- **\$10.7m in land taxes given away** to further compensate landlords who were impacted by the government 2021 decision to close a loophole allowing them to minimise tax (pg 9).

- **One-off increase in remissions on ESL** will see \$5.4m lost from one of the more progressive state taxes (pg 5).
- **Sell-off of \$80m of public land** reduces government assets which may have been used for housing or other social purposes (pg 9).
- \$2.1m over two years to **administer the Federal government HomeBuilder fund**, which itself is poorly targeted and will increase inequality (pg 82).

## Missed Opportunities

SACOSS has also identified a number of missed opportunities where the budget should have addressed areas of concern, but either did not address them, or the budget initiatives did not go far enough. These include:

- The biggest missed opportunity for support of vulnerable and disadvantaged is again, the failure to invest in public housing.
- Another significant missed opportunity is that, while there has been significant investment in infrastructure and employment, there is a lack of programs to ensure that those who are disadvantaged in the labour market (e.g. long term unemployed, women, Aboriginal people and migrant communities) are able to access these opportunities.
- A number of initiatives to improve government information and data systems builds on the \$120m digital restart funding (announced last year), but does not address digital inclusion in the community (pg 50, 53, 72,73).
- \$9.9m in 2021-22 growing to \$12.2m per annum by 2024-25 to meet costs of children requiring **child protection statutory response**, but the funding is premised on increasing numbers of children in the system – which means we are missing opportunities for early intervention (pg 12).
- A range of expenditures on prisons which may be of use, but are spending at the wrong end of the justice system, including:
  - \$14.4m over two years to **add 270 places at Yatala Labour Prison** (pg. 17);
  - \$1.5m to **develop a proposal for a new prison** (pg. 16);
  - \$1.9m to **upgrade security at the Adelaide Remand Centre** (pg. 16);
  - \$8m **upgrade to Adelaide Women’s Prison** reception and digital security (pg 16).
- Finally, the budget papers contained virtually no mention of measure to limit climate change or address its impacts on vulnerable and disadvantaged people.

A full Budget Analysis will be done in the coming days and released at the SACOSS [Post-Budget Breakfast with the Treasurer](#) on Thursday 1 July 2021.