**State Budget 2016-17 Initiatives – Schools**

**Overview**

The State Budget 2016-17 was delivered on 7 July 2016. The Budget contained two key announcements for SA Independent schools – the reaffirmation of the State’s commitment to the full six years of “Gonski” funding and a low interest loan facility for non-government schools. The AISSA welcomes both commitments.

**Gonski Funding**

The State Government has reaffirmed its commitment to delivering its full six-year commitment to “Gonski” funding. Over the life of the agreement, this is anticipated to deliver, on average, a 32% increase in State government per student funding to non-government schools.

**Non-Government Schools – Low-interest Loan Facility**

The Budget provides a new low-interest loan facility of $250 million over five years for the state’s non-government schools to modernise their facilities. The loans will be offered at the Government borrowing rate and will be administered by the South Australian Financing Authority. All loans will be subject to demonstrated educational merit and appropriate financial assessment criteria.

**SACE Modernisation**

$10.6 million will be invested over 5 years to modernise the delivery of the SACE including electronic assessments and subject renewal.

**Continuous Monitoring for Screening**

A continuous monitoring system will be implemented for employment screening of people who work and volunteer with children to enable new offences to be identified on an ongoing basis.

**Advancing Science and Technology Labs – Government Schools**

$250 million will be provided over three years to refurbish and redevelop 139 public primary and secondary schools to deliver contemporary science, technology, engineering and mathematics (STEM) programs.

**Introduction of School Fees for Students of Visa (Subclass 457) Holders – Government Schools**

School fees will be introduced for dependents of Temporary Work (Skilled) visa (subclass 457) holders to attend South Australian government schools.

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**Key Economic Indicators**

A Budget surplus of $258 million is estimated for 2015-16, rising to $466 million by 2019-20.

Net Debt is predicted to rise to $6.2 billion in 2016-17, from $4.1 billion in 2015-16, as the new Royal Adelaide Hospital appears on the balance sheet.

GSP is expected to grow by 1.5% in 2015-16 reaching 2.25% by 2017-18.

Employment growth is forecast to be 0.75% in 2016-17 rising to 1% in 2017-18.

The Adelaide Consumer Price Index (CPI) is forecast to be 1.75% in 2016-17, 2.25% in 2017-18 and 2.5% by 2018-19.

Public sector wages growth will be limited to a maximum of 1.5% per annum over the next 3 years of each enterprise agreement.

Annual SA wages growth, based on ABS hourly rates of pay index, was 2.2% in the year to the March quarter 2016.

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Source: 2016-17 State Budget.