



Association of
Independent Schools
of South Australia

SPECIAL EDITION BULLETIN

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State Government Budget 2019-20

Overview

The State Government has released the State Government Budget 2019-20. The Budget has a significant focus on infrastructure spending, which will be financed through increased debt levels. Other key spending initiatives include \$1.1 billion over eight years on regional road projects and transport infrastructure upgrades, \$550 million which has been provisioned to commence the construction of a new Women's and Children's Hospital and \$104.5 million for a housing sector package to support home buyers, builders and associated trades in the housing market. Measures were also announced in relation to payroll tax compliance and land tax aggregation.

New Measures – Education

A range of measures have been announced related to the education portfolio targeted at the Government school sector and TAFE SA. There are no new measures specific to South Australian Independent schools.

Glossop High School Redevelopment

This initiative allocates investing expenditure of \$17.2 million over five years to 2022-23 to redevelop the Berri Senior Campus of Glossop High School to allow for the consolidation of the school's two campuses onto the Berri Senior Campus to accommodate a Year 7 to 12 cohort of approximately 800 students. Funding includes \$8.5 million of previously announced capital works expenditure.

Investing in Government High Schools

An additional \$163.3 million will be provided over five years to 2022-23 in investing expenditure as part of an overall capital investing strategy totalling \$1.3 billion to address enrolment growth and other capital works at Government schools, including increasing capacity at a number of schools to facilitate the transition of Year 7 students into high school in 2022.

Student Contribution Fee Exemption for Dependents of 457 and 482 Visa Holders attending Regional Government Schools

An exemption from student contribution fees has been introduced for dependents of 457 and 482 visa holders attending Government schools in all regional areas, commencing from 1 January 2019.

Departmental Efficiency Measures

This measure will deliver savings of \$12.0 million per annum from 2019-20 from operational efficiencies in non-teaching and non-school based areas of the Department and savings of \$472,000 per annum from 2019-20 from operational efficiencies in art institutions including the History Trust of South Australia, Carclew Youth Arts and Windmill Theatre Company.

Additional Resources for TAFE SA

The Government is providing \$25.2 million over four years in response to lower forecasts for external revenue growth, as TAFE SA reforms its operations to be competitive in the provision of Vocational Education and Training services. This initiative also provides additional resources of \$1.6 million in 2018-19, in recognition of delays in the implementation of existing efficiency measures.



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New Measures – Child Protection

Child protection — additional resources

This initiative provides \$26.9 million over three years from 2019-20 to meet additional costs for children in out-of-home care. The additional resources reflect that the number of children and young people in care during 2018-19 is higher than expected.

Family group conferences

This initiative provides \$568,000 in 2019-20 and \$1.1 million in 2020-21 for the Department to pilot family group conferences convened by the Chief Executive under the Children and Young People (Safety) Act 2017. Family group conferences provide an opportunity to identify a family care option for a child or young person that addresses the Department's care concerns.

Key Economic Indicators

Net operating Balance and Net Lending

Net operating surpluses are forecast in 2018-19 and across the forward estimates. Net lending deficits are forecast in 2018-19 and across the forward estimates reflecting the Government's significant capital expenditure program.

Net Debt

Net debt is expected to total \$13.5 billion in 2018-19, rising to \$16.7 billion in 2019-20 and reaching \$21.3 billion in 2022-23.

Gross State Product (GSP)

GSP is forecast to grow by 2.5% in 2019-20 and 2.25% in 2020-21 and 2021-22.

Employment

Employment growth is forecast to be 1% in 2019-20, 2020-2021, 2021-22 and 2022-23.

Adelaide Consumer Price Index (CPI)

The Adelaide CPI is forecast to rise by 1.75% in 2019-20, 2.25% in 2020-21 and 2.5% in 2021-22 and 2022-23.

Fees and Charges

The Government will index most fees and charges by 5% in 2019-20. Public transport fares will increase by 2%, and low range speeding fines will increase by 1.7%.

Further information on the full range of measures outlined in the State Budget 2019-20 is available in the SA State Budget 2019-20 Papers: <https://statebudget.sa.gov.au>.

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