



Association of
Independent Schools
of South Australia

SPECIAL EDITION BULLETIN

2 June 2022

State Government Budget 2022-23

Overview

The State Government Budget 2022-23 has been released. This is the first budget of the Peter Malinauskas Labor Government. The budget provides an additional \$2.4 billion in health services from 2021-22 to 2025-26. The budget delivers support for additional public housing and a low deposit home loan scheme to increase home ownership levels. Cost of living concessions will be doubled in 2022-23 to provide additional financial support to meet the rising cost of essential goods and services.

SA's GST revenue grants have been revised up by \$94 million in 2021-22 and a further \$793 million between 2022-23 and 2024-25 with the Budget papers noting that this "largely reflects an upward revision to the national GST pool across all years in the Commonwealth Budget, partially offset by a reduction in South Australia's grant share from 2022-23".

The budget includes a range of measures for education, including five new technical colleges and additional funding for mental health and autism support for South Australian government school students. Significantly, the budget includes \$72.4 million over three years to introduce an annual mid-year intake (in addition to the January intake) from July 2023 for preschool students and July 2024 for Reception students in government preschools and schools.

In a break in a longstanding approach which treats both sectors equally in terms of specific grants, the State Government has provided targeted grants to specific schools in each sector. The AISSA and Catholic Education South Australia (CESA) both have serious concerns with this new approach and are jointly following this up with the Minister as a matter of urgency.

New Measures – Education

A range of measures have been announced:

Independent Schools – Special School Grants

\$2 million has been budgeted over four years to provide funding support to the sector's two special schools, Aspect Treetop School and Suneden Specialist School.

Catholic Schools – Regional Bus Transport

\$500,000 per annum will be provided over four years to increase grants to the Catholic school sector to assist in providing regional transport services to their students.

Government High School Developments

\$118.8 million has been budgeted over three years to accommodate an additional 700 students at Adelaide Botanic High School and 300 students at Roma Mitchell Secondary College.

Preschool Reform Agreement

\$117 million will be spent over five years to support continued access to at least 15 hours of preschool per week for all children in the year prior to commencing school.

Mid-Year Intake – Government Schools and Preschools

\$72.4 million has been budgeted over three years to introduce an annual mid-year intake (in addition to the January intake) from July 2023 for preschool students and July 2024 for Reception students in government preschools and schools.

Mental Health and Learning Support – Government Schools

\$50 million over four years will be spent on 100 new mental health and learning support specialists to provide support and guidance for government primary and secondary school students and staff.

Autism Support – Government Schools

\$28.8 million has been budgeted over four years to appoint an autism lead teacher in every government primary school.

School Infrastructure Upgrades – Government Schools

\$26.6 million has been budgeted over two years to deliver school upgrades at 19 government school sites across regional and metropolitan South Australia, including upgrading Avenues College, Westport Primary School and Yankalilla Area School.

Royal Commission into Early Childhood Education and Care

\$2 million over two years has been committed for a Royal Commission into Early Childhood Education and Care. The Commission will examine the extent to which South Australian families are supported in the first 1,000 days of a child's life, how universal quality preschool programs for three and four year olds can be delivered in South Australia and how families can have access to out-of-hours-school care (OHSC) at both preschool and primary school ages.

Teaching Profession Scholarships

\$2 million funding budgeted over four years to offer university scholarships of \$5,000 each to strengthen and diversify the teaching profession in government schools.

Technical Colleges

\$208.8 million budgeted over four years for five new technical colleges in South Australia, including two in regional areas (Mount Gambier and Port Augusta).

TAFE/Skills and Apprenticeships

A program aiming to provide 750 supported apprenticeships and traineeships across government departments and agencies will be scaled back. So far 350 trainee and apprenticeship places have been filled in the program. It is estimated that \$15.5 million will be saved by reducing the program.

New Measures – Children and Families

Children in Care

\$128.9 million has been budgeted over five years in additional funding to meet the cost of caring for an increased number of children and young people in non-family based care and expected higher growth in the number of children and young people requiring a child protection statutory response to keep them safe from abuse.

Child Protection Grants

\$7.5 million has been budgeted over four years for services to support children and young people in care and their carers, and young people who have left care.

New Measures – Other

State Sporting Organisations — COVID-19 Grant Assistance

\$1.1 million was provided in 2021-22 to assist state sporting organisations in recovery from COVID-19 and provide resources to enable them to review and address operating and governance models to promote long-term financial sustainability



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Key Economic Indicators

Net operating Balance and Net Lending

Net operating excesses are forecast in 2022-23 and across the forward estimates. Net lending deficits are forecast in 2022-23 and across the forward estimates.

Net Debt

The non-financial public sector (NFPS) net debt estimated result was \$24.7 million in 2021-22. It is budgeted to be \$27.3 million in 2022-23, and is estimated to increase to \$30.2 million in 2023-24, \$32 million in 2024-25 and \$33.9 million in 2025-26.

Gross State Product (GSP)

GSP is forecast to increase by 2.25% each year from 2022-23 to 2025-26.

Employment

Employment levels are expected to grow by 1% each year from 2022-23 to 2025-26.

Adelaide Consumer Price Index (CPI)

The Adelaide CPI is forecast to rise by 5% in 2022-23, 3.25% in 2023-24, 2.75% in 2024-25 and 2.75% in 2025-26.

Fees and Charges

The annual indexation factor for fees and charges has been set at 2% for 2022-23, which is less than half the recent CPI increase. The Emergency Services Levy (ESL) bill for a median valued metropolitan residential property will increase by around 2% in 2022-23. Public transport fares will increase by 2.6%, and low range speeding fines will increase by 2.2%. \$5.2 million over four years has been budgeted to provide free public transport for eligible seniors on the Adelaide metropolitan transport system 24 hours a day, seven days a week.

Further information on the full range of measures outlined in the State Budget 2022-23 is available in the SA State Budget 2022-23 Papers: <https://statebudget.sa.gov.au>.

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