

2016–17 STATE BUDGET

Budget Paper 5

Budget Measures Statement



Government of
South Australia



2016–17 Budget Papers

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Budget Paper 5 Budget Measures Statement

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Budget Paper 5

2016–17 Budget Measures Statement

*Presented by
The Honourable Tom Koutsantonis MP
Treasurer of South Australia
on the Occasion of the Budget
for 2016–17*

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Introduction

The 2016–17 Budget Measures Statement describes the expenditure, savings and revenue decisions in the general government sector. It contains the following sections:

- Part 1: Revenue measures — reports 2016–17 Budget revenue measures
- Part 2: Budget measures by agency — reports 2016–17 Budget expenditure, savings and agency revenue measures by agency; that is, classified according to the operational and administrative structure of the government. Budget measures are shown on a gross basis; that is, expenditure includes amounts funded by revenues received for the specific purpose. The revenue is then disclosed as a revenue offset.

In addition to the new budget measures, a number of measures were approved in the period following the 2015–16 Mid-Year Budget Review. These measures are shown as memorandum items.

Expenditures are recorded as negative (-) items, while savings and revenues are recorded as positive (+) items.

Full time equivalents are an estimate of the change in general government sector employment levels on 30 June associated with a decision — increases are recorded as positive (+) numbers and decreases are recorded as negative (-) numbers.

Table 1: Budget measures (\$million)

	2015–16 Estimated Result	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Revenue measures — taxation	- 0.1	- 11.0	- 4.0	- 4.9	- 1.4
Revenue measures — other	—	7.3	15.5	22.2	22.3
Operating initiatives	- 184.0	- 310.0	- 322.5	- 285.1	- 244.2
Revenue offsets — Taxation	—	—	—	—	—
Revenue offsets — Other	—	—	36.0	63.0	91.0
Operating savings	—	13.3	57.1	117.4	168.8
Total operating initiatives	- 184.1	- 300.4	- 217.9	- 87.4	36.6
Investing expenditure initiatives	—	- 96.9	- 194.4	- 154.4	- 5.6
Total FTE impact of initiatives	603.5	978.5	919.6	565.6	480.7

Note: Totals may not add due to rounding.

Part 1: Revenue measures

Overview

This part reports all revenue measures since the 2015–16 Mid-Year Budget Review including taxation measures and other non-taxation revenue measures introduced as part of the 2016–17 Budget. Non-taxation revenue measures are identified in table 1.3 by agency. Further information on non-taxation revenue measures can be found in Part 2: Budget measures by agency.

The taxation measures in the 2016–17 Budget build upon the government’s tax reform package announced in the 2015–16 Budget, which will deliver ongoing tax reductions of more than \$268 million per annum from 2018–19. Table 1.1 outlines the tax reforms introduced as part of the government’s response to the 2015–16 State Tax Review.

Table 1.1: State tax reforms introduced in the 2015–16 Budget

Taxes abolished	<ul style="list-style-type: none">• Share duty (18 June 2015)• Stamp duty on:<ul style="list-style-type: none">– Non-real property (e.g. non fixed plant and equipment, 18 June 2015)– Corporate reconstructions (18 June 2015)• Save the River Murray Levy (1 July 2015)• Hindmarsh Island Bridge Levy (1 July 2015)
Taxes being abolished	<ul style="list-style-type: none">• Phased abolition of stamp duty on non-residential real property transfers:<ul style="list-style-type: none">– Duty rates reduced by 1/3rd from 7 December 2015– Reduced by a further 1/3rd from 1 July 2017– Abolished from 1 July 2018• Stamp duty on the transfer of units in a unit trust<ul style="list-style-type: none">– Abolished from 1 July 2018
Tax relief	<ul style="list-style-type: none">• Small business payroll rebate extended to 2015–16• Concessional stamp duty treatment for mining retention tenements (from 18 June 2015)• Conveyance duty and land tax exemptions on principal place of residence properties transferred into special disability trusts (18 June 2015 and 1 July 2015)
Other changes implemented	<ul style="list-style-type: none">• Legislated a number of ex gratia relief schemes, improved anti-avoidance measures and now only require 50 per cent payment of tax for appeals

Taxation measures in the 2016–17 Budget

Table 1.2: Taxation measures in the 2016–17 Budget (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Taxation measures					
Extend the small business payroll tax rebate	—	-9 400	-9 700	-10 200	-10 700
Extend and expand the off-the-plan apartment stamp duty concession	—	-800	-3 100	-3 800	—
Wagering tax reforms	—	—	9 700	10 000	10 200
Expand the principal place of residence land tax exemption	—	-100	-100	-100	-100
Land tax exemption for sporting and racing clubs	-100	-100	-100	-100	-100
Co-produced water levy	—	-638	-653	-670	-686
Total taxation measures in the 2016–17 Budget	-100	-11 038	-3 953	-4 870	-1 386

Note: Totals may not add due to rounding.

Extend the small business payroll tax rebate

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	—	-9 400	-9 700	-10 200	-10 700

The small business payroll tax rebate introduced in the 2013–14 Budget will be extended for a further four years to 2019–20 at a cost of around \$10 million per annum.

The rebate provides a payroll tax saving for employers with taxable payrolls less than or equal to \$1.2 million. Once the rebate has been paid, eligible employers with taxable payrolls of up to \$1 million will have effectively paid payroll tax at the rate of 2.50 per cent rather than the statutory rate of 4.95 per cent. The rebate phases out for employers with taxable payrolls between \$1 million and \$1.2 million.

It is estimated that about 2300 employers will benefit from this initiative each year, with a maximum rebate of \$9800.

The table below summarises the rebate that will be available to eligible employers.

Annual payroll \$	Payroll tax without rebate \$	Payroll tax with rebate \$	Savings to business \$
650 000	2 475	1 250	1 225
700 000	4 950	2 500	2 450
800 000	9 900	5 000	4 900
900 000	14 850	7 500	7 350
1 000 000	19 800	10 000	9 800
1 050 000	22 275	13 500	8 775
1 100 000	24 750	17 500	7 250
1 150 000	27 225	22 000	5 225
1 200 000	29 700	27 000	2 700

Eligibility criteria for the rebate will be unchanged from the rebate that applied in previous years.

Extend and expand the off-the-plan apartment stamp duty concession*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	—	-800	-3 100	-3 800	—

The current stamp duty concession for purchases of off-the-plan apartments that was due to expire on 30 June 2016 has been extended for a further 12 months. The eligibility area will also be expanded from the inner-metropolitan area to the whole of the state for eligible contracts entered into between 20 June 2016 and 30 June 2017.

Eligible contracts entered into for the purchase of an off-the-plan apartment by 30 June 2017 will be able to receive a stamp duty concession of up to \$15 500. The level of concession received varies depending on the value of the apartment and the stage of completion of the residential development.

Wagering tax reforms*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	—	—	9 700	10 000	10 200

A wagering tax will be introduced of 15 per cent on net wagering revenue received from persons located in South Australia by all Australian based wagering operators from 1 July 2017.

This includes, but is not limited to, bets on horse, harness and greyhound racing, bets on sports, such as AFL, cricket and soccer as well as other contingencies, such as bets on the winner of the Academy Awards.

A tax-free threshold of \$150 000 net wagering revenue per year will apply for all operators.

An amount of \$500 000 per annum from the revenue raised under the wagering tax will be provided to the Gamblers Rehabilitation Fund in order to fund additional services to support and rehabilitate people affected by problem gambling.

South Australia will be the first Australian jurisdiction to introduce a wagering tax based on the place of consumption.

Expand the principal place of residence land tax exemption*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	—	-100	-100	-100	-100

Currently, where an individual substantially renovates or rebuilds their existing principal place of residence and is required to live in alternate accommodation, the property being renovated may become liable for land tax if it is unoccupied as at midnight 30 June and the owner holds land that exceeds the value of the tax-free threshold.

The *Land Tax Act 1936* will be amended to allow a principal place of residence land tax exemption to continue to be claimed for up to two land tax years where the residence is unoccupied while being substantially renovated or rebuilt.

Individuals will still only be able to claim one principal place of residence exemption. In instances where an owner ceases to occupy the principal place of residence and moves into another property they own during the renovations, the owner can elect which property receives the benefit of the exemption.

Relief will also be available when a person buys a new property, whether vacant land or other unoccupied property, with the intention to build a principal place of residence, but does not currently receive the principal place of residence exemption.

Land tax exemption for sporting and racing clubs

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	-100	-100	-100	-100	-100

The land tax exemption for sporting and racing associations will be expanded to include all non-residential and non-vacant land owned by an association.

Currently land owned by sporting and racing associations, but not used for sporting or racing purposes, which may include clubrooms or other association facilities including commercial premises, is not eligible for an exemption.

The exemption will apply to land held from 30 June 2016. Sporting and racing clubs will also be eligible for ex-gratia relief for 2015–16 land tax liabilities.

Co-produced water levy

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	—	-638	-653	-670	-686

This measure amends a previous budget initiative to apply the Natural Resources Management water levy to co-produced water extracted by the gas and petroleum industry in the Far North Prescribed Wells Area from 2016. The Minister for Mineral Resources and Energy, as holder of the licences, will pay the levy to the South Australian Arid Lands NRM Board, but will not seek to recover this contribution from industry licensees.

Revenue measures — non-taxation

Table 1.3: Revenue measures — non-taxation (\$000)^(a)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Environment Protection Authority					
Solid Waste levy — increase	—	7 324	14 546	20 948	20 775
Planning, Transport and Infrastructure					
Planning Reform Implementation	—	—	950	1 233	1 533
Total revenue measures (non-taxation) in the budget	—	7 324	15 496	22 181	22 308
Memorandum items — revenue measures (non-taxation) prior to the 2016–17 Budget					
Education and Child Development					
Introduction of School Fees for Students of Visa (Subclass 457) Holders	—	139	2 155	4 713	4 854
Planning, Transport and Infrastructure					
Taxi and Chauffeur Vehicle Industry reform	-4 875	1 900	2 441	2 314	2 138
Total revenue measures (non-taxation) up to budget	-4 875	2 039	4 596	7 027	6 992

Note: Totals may not add due to rounding.

(a) This table does not include revenue offsets.

Further information on non-taxation revenue measures can be found in Part 2: Budget measures by agency.

Part 2: Budget measures by agency

Overview

This part reports 2016–17 Budget expenditure and savings initiatives by agency. New expenditure and savings measures approved since the 2015–16 Mid-Year Budget Review are shown as memorandum items.

Revenue offsets in this section include revenues received from external parties, including the Commonwealth Government, for the specific purpose of, and incidental to, an expenditure measure contained in this part.

Across Government

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	-2 000	-25 000	-55 900	-54 600	-23 700
Operating savings	—	13 342	57 096	117 390	168 849
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	—	—	—	—
Impact on net operating balance	-2 000	-11 658	1 196	62 790	145 149
Impact on net lending	-2 000	-11 658	1 196	62 790	145 149
Across Government					
Operating initiatives					
Job Creation Grant scheme	—	—	-30 900	-54 600	-23 700
SA Made Campaign	-2 000	—	—	—	—
Support for the future of Whyalla steelworks	—	-25 000	-25 000	—	—
Operating savings					
Public sector wage policy	—	13 342	57 096	117 390	168 849
Memorandum items — initiatives prior to the 2016–17 Budget					
Across Government					
Operating initiatives					
Pinery Bushfire — assistance for affected communities	-6 988	-1 457	-50	—	—

Across Government

Job Creation Grant scheme

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	—	-30 900	-54 600	-23 700

To support businesses to grow and create new employment opportunities, grants will be made available for every new employee hired and maintained for two years by eligible businesses with total payrolls of \$5 million or less.

Businesses that increase their number of South Australian employees will be eligible to receive a grant for each additional worker employed by them in a new position between 1 July 2016 and 30 June 2018. The grant will be paid at the first and second anniversary date of employment.

A grant of up to \$10 000 (\$5000 each year for two years) for each new full time equivalent job created will be available for businesses liable for payroll tax in South Australia with total Australian wages of \$5 million or less.

A small business and start-ups grant of up to \$4000 (\$2000 each year for two years) for each new job created will be available for eligible businesses not liable for payroll tax, including due to their total wages falling below the payroll tax-free threshold.

There is no limit on the number of grants available under this scheme. The budget estimates assume that grants will be provided for 14 000 full time equivalent positions.

Public sector wage policy

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	13 342	57 096	117 390	168 849

In the current environment it is essential that wage increases in the public sector are responsible and sustainable.

The previous wage policy of limiting wage growth to 2.5 per cent per annum is well above recent Consumer Price Index (CPI) outcomes and is not sustainable in the current economic climate.

Over the three years (2014–15 to 2016–17) CPI is estimated to be 4 per cent based on current forecasts. This compares to projected wages growth of 7.5 per cent at the previous policy benchmark of 2.5 per cent per annum.

As a result the government has revised its wages policy to 4.5 per cent (1.5 per cent per annum) over the next three years of each enterprise agreement. As was previously the case, any increases above this level will need to be offset by productivity improvements or other cost reduction measures.

This will still provide for maintenance of real wages over the previous and next enterprise agreements for the public sector. The reduction in wage costs for the next enterprise agreements across the public sector is estimated to save an estimated \$357 million across the forward estimates.

SA Made Campaign*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-2 000	—	—	—	—

This initiative provides \$2 million to undertake an awareness campaign supporting South Australian products, including partnering with retailers to clearly distinguish the South Australian made products that they offer. This will enable the public to identify and purchase products and services that support South Australian jobs.

A grant was made to Brand SA in 2015–16 to undertake this program, which will be launched in 2016–17.

Support for the future of Whyalla steelworks*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-25 000	-25 000	—	—

The state government has committed \$50 million to support a new owner of the Whyalla steelworks.

The funding will only be accessed by a new owner if it is used to support the operations at Whyalla.

The state has also called on the Commonwealth government to contribute \$100 million for this purpose, which would bring the total support to a new purchaser to \$150 million. The investment would support the long term sustainability of steel making at Arrium and maintain the company's operations in South Australia.

The funds will be allocated to technological efficiencies or upgrades in the Whyalla operations, to ensure that tax payer money is spent to benefit the thousands of jobs at Arrium and in the wider supply chain.

Memorandum items — initiatives prior to the 2016–17 Budget

Across Government

Pinery Bushfire — assistance for affected communities

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-6 988	-1 457	-50	—	—
Full time equivalents	3	1	—	—	—

This initiative provides \$8.5 million over three years to assist the community to recover from the Pinery bushfire of November 2015. This includes:

- relief and recovery grants for affected individuals (subject to criteria) including up to \$700 for immediate emergency assistance, up to \$7 800 for temporary living assistance and up to \$10 000 for re-establishment purposes
- clean up grants for primary producers of up to \$10 000
- a donation of \$1 million to the State Emergency Relief Fund Pinery Fire Appeal
- case management and mental health services
- community re-building and resilience programs.

This \$8.5 million is in addition to the cost of fighting the Pinery bushfire. It is estimated the state will receive reimbursement of up to \$3.4 million under National Disaster Relief and Recovery Arrangements.

Attorney-General

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	—	-2 396	-2 816	-1 243	-1 270
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	-1 129	-396	-365	-364
Impact on net operating balance	—	-2 396	-2 816	-1 243	-1 270
Impact on net lending	—	-3 525	-3 212	-1 608	-1 634
Attorney-General's Department					
Operating initiatives					
Child Protection Systems Royal Commission — Response Unit	—	-1 000	—	—	—
Efficient Progression and Resolution of Major Indictable Matters	—	-1 236	-1 109	-1 033	-1 055
Investing initiatives					
Efficient Progression and Resolution of Major Indictable Matters	—	-35	-1	-1	-1
Administered Items for the Attorney-General's Department					
Operating initiatives					
Emergency Communications — Management, Education and Support Program	—	-160	-355	-210	-215
Independent Commissioner Against Corruption and Office for Public Integrity	—	—	-1 352	—	—
Investing initiatives					
Independent Commissioner Against Corruption and Office for Public Integrity	—	-1 094	-395	-364	-363

Attorney-General's Department

Child Protection Systems Royal Commission — Response Unit

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-1 000	—	—	—

This initiative provides \$1.0 million in 2016–17 to establish a Response Unit to address and coordinate the response to the recommendations arising from the Child Protection Systems Royal Commission, including funding for six full time equivalent employees for part of 2016–17.

The Commission is expected to deliver its recommendations in August 2016. This initiative will enable the government to properly assess the Commissioner's findings before commencing implementation of the adopted recommendations.

Efficient Progression and Resolution of Major Indictable Matters

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-1 236	-1 109	-1 033	-1 055
Investing payments	—	-35	-1	-1	-1
Full time equivalents	—	5	5	5	5

This initiative provides over \$1 million per annum to reduce the time it takes for serious criminal matters to come to trial by encouraging their more timely resolution through earlier guilty pleas and an earlier assessment by the Office of the Director of Public Prosecutions (ODPP). In relation to those matters that go to trial, issues in dispute will now be identified sooner.

The ODPP will also assume conduct of circuit and country committals from SA Police.

Administered Items for the Attorney-General's Department

Emergency Communications — Management, Education and Support Program

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-160	-355	-210	-215
Full time equivalents	—	1	1	1	1

This initiative provides additional funding for training and support for users of the SA Government Radio Network to ensure effective use of, and access to, critical radio communications, in particular during major emergencies.

A performance review of the SA Government Radio Network undertaken following the Pinery bushfire found that more training and support for users was required to ensure efficient use during emergencies.

Funding for this initiative is recovered through the Emergency Services Levy.

Independent Commissioner Against Corruption and Office for Public Integrity

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	—	-1 352	—	—
Investing payments	—	-1 094	-395	-364	-363
Full time equivalents	—	—	11	—	—

This initiative provides \$3.6 million over four years to ensure the Independent Commissioner Against Corruption and Office for Public Integrity has appropriate IT systems to support investigations and the discharge of its statutory functions, including an exhibit management system, ICT backup and storage, and continuity of telecommunications interception capability. The initiative also provides additional operating resources in 2017–18 to support investigation activity.

Communities and Social Inclusion

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	-15 500	-15 900	-10 809	-818	-500
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	—	—	—	—
Impact on net operating balance	-15 500	-15 900	-10 809	-818	-500
Impact on net lending	-15 500	-15 900	-10 809	-818	-500
Department for Communities and Social Inclusion					
Operating initiatives					
Disability Services Support	-15 500	-15 000	-10 000	—	—
Micro-Enterprise Development Program	—	-300	-309	-318	—
Secure and Affordable Housing for Older Women	—	-150	—	—	—
Thriving Communities	—	-450	—	—	—
Administered Items for the Department for Communities and Social Inclusion					
Operating initiatives					
Gamblers Rehabilitation Fund	—	—	-500	-500	-500
Memorandum items — initiatives prior to the 2016–17 Budget					
Department for Communities and Social Inclusion					
Operating initiatives					
Continuous Monitoring for Screening	-234	-946	-1 332	-1 360	-1 389
National Disability Insurance Scheme transition	—	-8 200	-42 000	—	—
Investing initiatives					
Continuous Monitoring for Screening	-3 016	-2 316	—	—	—

Department for Communities and Social Inclusion

Disability Services Support

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-15 500	-15 000	-10 000	—	—

This initiative provides \$40.5 million over three years for people living with a disability to access a range of services including accommodation support, community support, community access and respite services. This continues to meet the growing needs of people with a disability as we finalise the transition to the National Disability Insurance Scheme (NDIS).

This is in addition to \$50.2 million of additional funding for the disability sector to enable transition to the NDIS by 2018–19. This is shown as a memorandum item in this budget.

Micro-Enterprise Development Program

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-300	-309	-318	—

This initiative provides \$927 000 over three years to trial a micro-enterprise development program in the northern metro region of Adelaide that will enhance financial self-sufficiency and self-employment opportunities for vulnerable South Australians.

Eligible participants will be able to access micro-credit for small business loans to establish new microenterprises or expand existing ones. The initiative provides for mentoring, and tailored business and financial literacy advice.

Secure and Affordable Housing for Older Women

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-150	—	—	—
Full time equivalents	—	1	—	—	—

This initiative provides \$150 000 in 2016–17 to investigate a range of long term housing options to address the unique challenges faced by older single women.

Thriving Communities*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-450	—	—	—

This initiative provides \$450 000 in 2016–17 to the not-for-profit organisation, Together SA, to continue work in northern and southern Adelaide under the State Government's thriving communities agenda. Funding will be used to host a state-wide leadership group and to lead community conversations on the future of children and young people in the area.

Administered Items for the Department for Communities and Social Inclusion

Gamblers Rehabilitation Fund

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	—	-500	-500	-500

This initiative provides an additional \$500 000 per annum from 2017–18 to the Gamblers Rehabilitation Fund in order to fund additional services to support and rehabilitate people affected by problem gambling. This initiative will be funded from revenue raised by the new 15 per cent place of consumption tax on net wagering revenue introduced in this Budget.

Memorandum items — initiatives prior to the 2016–17 Budget

Department for Communities and Social Inclusion

Continuous Monitoring for Screening

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-234	-946	-1 332	-1 360	-1 389
Investing payments	-3 016	-2 316	—	—	—
Full time equivalents	3	10	10	10	10

This is a joint initiative between the Department for Communities and Social Inclusion, the South Australia Police and the Department for Education and Child Development to develop and implement an IT system. This system will enable the continuous monitoring for screening assessments of people who work or volunteer with children. It provides \$5.3 million in investing expenditure over two years, in addition to ongoing operating support.

All holders of a child-related employment assessment will be regularly monitored for relevant history or any new offences. This will keep screening assessments current and is consistent with recommendations from the Royal Commission into Institutional Responses to Child Sexual Abuse's report into Working with Children Checks.

National Disability Insurance Scheme transition

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-8 200	-42 000	—	—

An additional \$50.2 million has been provided over two years to enable transition to the National Disability Insurance Scheme (NDIS) by 2018–19. This additional funding will mean around 9 000 new clients, who have not previously received support through the South Australian Government specialist disability services, will sooner be able to access services under the National Disability Insurance Scheme (NDIS).

Clients who are eligible for services under the NDIS will progressively transition until 1 July 2018, at which point South Australia will enter full scheme NDIS. Transition of children has already started, with all clients up to the age of 17 years scheduled to transition to the NDIS by 30 June 2017. From 1 July 2017 adults aged 18 to 64 years will begin to enter the NDIS based on where they live in the following order:

- Barossa, Light and Lower North and the local government areas of Playford, Salisbury and Port Adelaide Enfield (East) will commence transition from 1 July 2017
- The local government areas of Tea Tree Gully, Limestone Coast and Murray and Mallee will commence transition from 1 October 2017
- Fleurieu and Kangaroo Island, Southern Adelaide, Eyre and Western, Far North and Yorke and Mid North will commence transition from 1 January 2018
- Adelaide Hills, Eastern Adelaide and Western Adelaide will transition from 1 April 2018.

Correctional Services

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	—	-21 640	-21 203	-21 716	-22 240
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	-4 490	—	—	—
Impact on net operating balance	—	-21 640	-21 203	-21 716	-22 240
Impact on net lending	—	-26 130	-21 203	-21 716	-22 240
Department for Correctional Services					
Operating initiatives					
Additional Prisoner Accommodation	—	-3 209	-4 753	-4 887	-5 024
Additional Prisoner Accommodation — Port Augusta Prison	—	-4 206	-9 617	-9 834	-10 056
Criminogenic Rehabilitation Programs	—	-2 478	-2 431	-2 483	-2 535
Implementing Home Detention	—	-2 041	-4 402	-4 512	-4 625
Temporary Bed Costs	—	-9 706	—	—	—
Investing initiatives					
Additional Prisoner Accommodation	—	-4 490	—	—	—

Department for Correctional Services

Additional Prisoner Accommodation

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-3 209	-4 753	-4 887	-5 024
Investing payments	—	-4 490	—	—	—
Full time equivalents	—	11	11	11	11

This initiative provides 70 additional beds to meet immediate and medium term prison demand pressures from continued growth in prisoner numbers. It incorporates:

- \$4.5 million in investing expenditure to establish 42 additional beds consisting of 26 beds at Mobilong Prison and 16 beds at Mount Gambier Prison.
- \$3.2 million in 2016–17 and \$4.8 million per annum (indexed) from 2017–18 in operating expenditure to commission and operate the above 42 beds as well as a further 24 beds at Mount Gambier Prison and 4 beds at Port Augusta Prison.

An additional 11 full time equivalent employees are required for the additional beds at Mobilong Prison and Port Augusta Prison. Mount Gambier Prison is managed and operated by G4S Custodial Services Pty Ltd.

Additional Prisoner Accommodation — Port Augusta Prison

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-4 206	-9 617	-9 834	-10 056
Full time equivalents	—	52	52	52	52

This initiative provides \$4.2 million in 2016–17 and \$9.6 million per annum (indexed) from 2017–18 to commission and operate an additional 128 prisoner beds at Port Augusta Prison.

The new accommodation at Port Augusta Prison is expected to be operational from April 2017.

Criminogenic Rehabilitation Programs

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-2 478	-2 431	-2 483	-2 535
Full time equivalents	—	19	19	19	19

This initiative provides \$2.4 million per annum (indexed) ongoing plus \$97 000 for set-up costs in 2016–17 to increase the capacity of the Department for Correctional Services (DCS) rehabilitation programs and introduce new programs to assist in reducing the rate of recidivism.

It will allow DCS to implement the following new programs specifically tailored to criminogenic needs:

- Domestic and Family Violence Intervention Program
- Moderate Intensity Violence Program — Living Without Violence
- Moderate Intensity Sex Offender Program
- Drug and Alcohol Therapeutic Community.

Implementing Home Detention

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-2 041	-4 402	-4 512	-4 625
Full time equivalents	—	8	16	16	16

This initiative provides \$2.0 million in 2016–17 and \$4.4 million per annum (indexed) from 2017–18 to operationalise the Statutes Amendment (Home Detention) Bill 2015 by implementing supervision and management of offenders subject to new court-ordered home detention and by continuing to expand the use of the Department for Correctional Services' sentenced home detention program.

Funding will also allow the procurement of a new range of rehabilitation and re-integration services from the non-government sector to support the expanded use of home detention.

Temporary Bed Costs

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-9 706	—	—	—
Full time equivalents	—	83	—	—	—

This initiative provides additional resources to manage prisoner numbers across a number of sites while new prisoner accommodation is being constructed.

Defence SA

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	-350	-1 920	-500	-450	-450
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	—	—	—	—
Impact on net operating balance	-350	-1 920	-500	-450	-450
Impact on net lending	-350	-1 920	-500	-450	-450
Defence SA					
Operating initiatives					
Defence Teaming Centre	-350	-500	-500	-450	-450
EURONAVAL 2016	—	-420	—	—	—
Techport Australia Master Plan	—	-1 000	—	—	—
Memorandum items — initiatives prior to the 2016–17 Budget					
Defence SA					
Revenue offsets					
Techport Australia Wharf Extension	1 100	3 900	—	—	—
Investing initiatives					
Techport Australia Wharf Extension	-1 100	-3 900	—	—	—

Defence SA

Defence Teaming Centre

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-350	-500	-500	-450	-450

In April 2016 the Commonwealth announced the establishment of a continuous naval shipbuilding program in South Australia commencing with the first of the Offshore Patrol Vessels with construction to begin from 2018, and followed by the Future Frigates program to commence in 2020. The Commonwealth Government has also announced the construction of 12 submarines to be built at Techport Australia.

This initiative provides continued annual funding to the Defence Teaming Centre, South Australia's peak defence industry association. The funding will be used for the delivery of programs and services that maintain and further develop the state's defence industry and its associated skilled workforce in preparation for these programs. The previous funding ceased as at 30 June 2016.

An amount of \$350 000 was also provided in 2015–16 to the Defence Teaming Centre to promote South Australia's defence capabilities and encourage defence industries to locate in the state.

EURONAVAL 2016

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-420	—	—	—

This initiative provides \$420 000 in 2016–17 for state representation at the EURONAVAL 2016 international maritime trade exhibition in Paris in October 2016. Defence SA will lead a delegation of defence industry representatives to showcase the state's industry capability and capitalise on new business opportunities resulting from the recently announced submarine and shipbuilding programs.

Techport Australia Master Plan

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-1 000	—	—	—

This initiative provides \$1.0 million in 2016–17 to progress master-planning design works at Techport Australia at Osborne. This is preparatory work to assess the options and potential scale of civil works and infrastructure that may be required to accommodate future naval shipbuilding projects, including ensuring an efficient supply chain can locate within the site if required.

Memorandum items — initiatives prior to the 2016–17 Budget

Defence SA

Techport Australia Wharf Extension

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	1 100	3 900	—	—	—
Investing payments	-1 100	-3 900	—	—	—

This initiative provides \$5.0 million over two years from 2015–16, to be met by ASC AWD Shipbuilder Pty Ltd (formerly Australian Submarine Corporation), for the extension of the wharf at the Techport Common User Facility (CUF) at Port Adelaide. The extension will enable two Air Warfare Destroyers (AWD) to berth alongside the wharf concurrently for fitting out.

The CUF is a state-owned facility and is licensed to the ASC AWD Shipbuilder Pty Ltd and Commonwealth government for the construction of three AWD vessels for the Royal Australian Navy. The proposed wharf extension is required in order to ensure that the shipbuilder meets agreed timelines for the delivery of the three vessels.

Education and Child Development^(a)

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	—	-433	-572	-675	-764
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	-39 580	-113 240	-116 640	-1 550
Impact on net operating balance	—	-433	-572	-675	-764
Impact on net lending	—	-40 013	-113 812	-117 315	-2 314
Department for Education and Child Development					
Investing initiatives					
Advanced Science and Technology Labs	—	-35 000	-100 000	-115 000	—
Families SA Northern Office	—	-3 400	-11 600	—	—
Non-Government Schools Capital Support	—	—	—	—	—
SACE Board of South Australia					
Operating initiatives					
South Australian Certificate of Education Modernisation	—	-433	-572	-675	-764
Investing initiatives					
South Australian Certificate of Education Modernisation	—	-1 180	-1 640	-1 640	-1 550
Memorandum items — initiatives prior to the 2016–17 Budget					
Department for Education and Child Development					
Operating initiatives					
Introduction of School Fees for Students of Visa (Subclass 457) Holders	-18	-322	-369	-478	-520
Preschool staffing ratios	-248	-11 646	-8 787	-8 607	-8 801
Revenue measures					
Introduction of School Fees for Students of Visa (Subclass 457) Holders	—	139	2 155	4 713	4 854

(a) Includes Families SA

Department for Education and Child Development

Advanced Science and Technology Labs

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Investing payments	—	-35 000	-100 000	-115 000	—

This initiative provides \$250 million over three years to refurbish and redevelop 139 public primary and secondary schools to deliver contemporary science, technology, engineering and mathematics (STEM) programs.

The upgrade of STEM facilities in public schools will provide opportunities for students to develop the skills required to work in advanced manufacturing, including major projects such as the building of future submarines.

This measure will require a range of building, trade and construction services providing support and stimulus to the construction sector and the broader South Australian economy.

Families SA Northern Office

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Investing payments	—	-3 400	-11 600	—	—

The Families SA offices at Elizabeth, Gawler and Salisbury will be consolidated into one location at the former Smithfield Plains High School site. A \$15 million refurbishment of the site will be partially funded from the sale of surplus sites owned by the Department for Education and Child Development.

The consolidation will enable Families SA to deliver assessment and support, protective intervention and guardianship services in a more effective manner and improve support for vulnerable children.

Non-Government Schools Capital Support

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Investing payments	—	—	—	—	—

This initiative provides a low interest loan facility of \$250 million for non-government schools. Schools will be able to apply for loans for the construction of new and updated learning facilities, which will support construction jobs and ensure students have access to quality education facilities.

All loans will be subject to demonstrated educational merit and appropriate financial assessment criteria.

SACE Board of South Australia

South Australian Certificate of Education Modernisation

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-433	-572	-675	-764
Investing payments	—	-1 180	-1 640	-1 640	-1 550
Full time equivalents	—	11	14	12	12

This initiative provides investing expenditure of \$7.5 million over five years (including \$1.5 million in 2020-21) and operating expenditure of \$3.1 million over five years (including \$700 000 in 2020-21) to enable the modernisation of South Australian Certificate of Education (SACE) operations, including the transition from paper-based to online assessment of examinations.

Modernisation will provide better alignment between SACE assessment and the ways in which students learn in the classroom, increased reliability of marking and enable the delivery of professional learning to teachers online. In addition, the introduction of a mid-year assessment will support the expansion of services provided by the SACE Board to other countries, encouraging more international students to undertake tertiary studies in South Australia.

Modernising the SACE will also ensure that its viability and reputation, both domestically and internationally, is maintained.

Memorandum items — initiatives prior to the 2016–17 Budget

Department for Education and Child Development

Introduction of School Fees for Students of Visa (Subclass 457) Holders

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	—	139	2 155	4 713	4 854
Operating expenses	-18	-322	-369	-478	-520

The government will introduce school fees for dependents of Temporary Work (Skilled) visa (subclass 457) holders to attend South Australian government schools, to support additional investment in early childhood education. This will bring South Australia into line with other jurisdictions. The fee will apply from Term 1, 2017 for dependents of new visa holders who arrive on or after 1 January 2017, and will extend to all existing enrolments of dependents of current visa holders from Term 1, 2018.

A fee of \$5100 will be charged for primary students (per annum, indexed) and \$6 100 for high school students (per annum, indexed) which will be subject to means testing as well as discounts where a family has multiple children at school.

Preschool staffing ratios

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-248	-11 646	-8 787	-8 607	-8 801
Full time equivalents	142	149	146	149	153

This initiative provides additional ongoing support for government funded preschools to meet new educator to child ratios from 1 January 2016.

Under the National Quality Framework, South Australian preschools are now required to have one educator for every 11 children. South Australia has also maintained its commitment to have one educator for every 10 children in disadvantaged preschools.

Emergency Services — CFS

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	—	-2 338	-3 074	-2 588	-1 339
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	-1 300	-412	-1 109	-1 346
Impact on net operating balance	—	-2 338	-3 074	-2 588	-1 339
Impact on net lending	—	-3 638	-3 486	-3 697	-2 685
Country Fire Service					
Operating initiatives					
Improved Fire Truck Safety Equipment	—	-1 325	-2 040	-1 532	-261
Volunteer Training and Support	—	-1 013	-1 034	-1 056	-1 078
Investing initiatives					
Improved Fire Truck Safety Equipment	—	-1 300	-412	-1 109	-1 346
Memorandum items — initiatives prior to the 2016–17 Budget					
Country Fire Service					
Operating initiatives					
Extraordinary bushfires — response	-3 830	—	—	—	—

Country Fire Service

Improved Fire Truck Safety Equipment

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-1 325	-2 040	-1 532	-261
Investing payments	—	-1 300	-412	-1 109	-1 346
Full time equivalents	—	2	2	2	2

This initiative provides funding to retrofit safety systems to existing Country Fire Service (CFS), Metropolitan Fire Service (MFS) and Department of Environment, Water and Natural Resources fire trucks; and to accelerate the replacement of CFS fire trucks to ensure that fire crews are protected from burn-overs.

Funding is also provided for two bulk water carrier pods to support MFS teams operating in remote locations without reticulated water supply.

Funding for this initiative is recovered through the Emergency Services Levy.

Volunteer Training and Support

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-1 013	-1 034	-1 056	-1 078
Full time equivalents	—	9	9	9	9

This initiative provides \$1.0 million per annum (indexed) from 2016–17 to transition once-off funding provided in the 2015–16 Budget for training resources for South Australian Country Fire Service (CFS) volunteers into an ongoing program. This will ensure the CFS has the capacity to continue to deliver training to volunteers across a range of capability areas to national standards.

Funding for this initiative is recovered through the Emergency Services Levy.

Memorandum items — initiatives prior to the 2016–17 Budget

Country Fire Service

Extraordinary bushfires — response

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-3 830	—	—	—	—

Funding of \$3.8 million was provided in 2015–16 to meet expenses incurred in responding to significant bushfires, including those at Pinery, Kyeema, Mosquito Hill and the Messent Conservation Park.

Of these costs, \$2.8 million will be recovered in 2016–17 through the Emergency Services Levy to meet the following firefighting and incident response costs for the Pinery bushfire:

- \$2.4 million incurred by the South Australian Country Fire Service
- \$206 000 incurred by the Department of Environment, Water and Natural Resources
- \$153 000 incurred by the South Australian Metropolitan Fire Service
- \$100 000 incurred by the South Australian State Emergency Service.

Emergency Services — SAFECOM

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	—	-1 400	-1 025	-1 051	-1 077
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	—	—	—	—
Impact on net operating balance	—	-1 400	-1 025	-1 051	-1 077
Impact on net lending	—	-1 400	-1 025	-1 051	-1 077
South Australian Fire and Emergency Services Commission					
Operating initiatives					
Additional support	—	-1 400	-1 025	-1 051	-1 077

South Australian Fire and Emergency Services Commission

Additional support

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-1 400	-1 025	-1 051	-1 077
Full time equivalents	—	12	12	12	12

This initiative provides additional funding to the South Australian Fire and Emergency Services Commission to ensure that it can continue to provide key emergency management support functions, including volunteer support, work, health and safety, public information, and procurement support functions, enabling emergency services agencies to focus on the delivery of front-line services.

Funding for this initiative is recovered through the Emergency Services Levy.

Emergency Services — SES

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	—	-1 479	-1 989	-1 999	-2 009
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	-500	-500	-500	-500
Impact on net operating balance	—	-1 479	-1 989	-1 999	-2 009
Impact on net lending	—	-1 979	-2 489	-2 499	-2 509
State Emergency Service					
Operating initiatives					
Enhanced Flood Response and Incident Management Capabilities	—	-500	-1 000	-1 000	-1 000
Volunteer Training and Support	—	-479	-489	-499	-509
Zone Emergency Risk Management	—	-500	-500	-500	-500
Investing initiatives					
Enhanced Flood Response and Incident Management Capabilities	—	-500	-500	-500	-500

State Emergency Service

Enhanced Flood Response and Incident Management Capabilities

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-500	-1 000	-1 000	-1 000
Investing payments	—	-500	-500	-500	-500
Full time equivalents	—	4	7	7	7

This initiative provides \$1.0 million in 2016–17 and \$1.5 million per annum from 2017–18 to establish the Flood Resilience SA Program to enhance the flood response and incident management capabilities of the South Australian State Emergency Service. The funding provides for a team of seven full time employees to manage and deliver the program, and for the purchase of flood response equipment and temporary flood protection systems, including rapid deployment mobile flood barriers and high-volume pumps.

Funding for this initiative is recovered through the Emergency Services Levy.

Volunteer Training and Support

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-479	-489	-499	-509
Full time equivalents	—	4	4	4	4

This initiative provides \$479 000 per annum (indexed) from 2016–17 to transition once-off funding provided in the 2015–16 Budget for training resources for South Australian State Emergency Service (SES) volunteers into an ongoing program. This will ensure the SES has the capacity to continue to deliver training to volunteers across a range of capability areas, including in accordance with legislative requirements and national standards.

Funding for this initiative is recovered through the Emergency Services Levy.

Zone Emergency Risk Management

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-500	-500	-500	-500
Full time equivalents	—	4	4	4	4

The State Emergency Management Plan divided the state government regions across South Australia into eleven Emergency Management Zones, with each Zone having a Zone Emergency Management Committee responsible for emergency risk management, planning and implementation of mitigation strategies. This initiative provides \$500 000 per annum to enable the Committees to continue to plan and implement actions in support of the Plan.

Environment, Water and Natural Resources

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	—	-5 274	-5 273	-7 491	-10 286
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	—	—	—	—
Impact on net operating balance	—	-5 274	-5 273	-7 491	-10 286
Impact on net lending	—	-5 274	-5 273	-7 491	-10 286
Department of Environment, Water and Natural Resources					
Operating initiatives					
Carbon Neutral Adelaide	—	-518	-1 042	-3 700	-6 400
Cleland Wildlife Park	—	-500	—	—	—
Enhanced capacity to respond to bushfire threats	—	-4 256	-4 231	-3 791	-3 886
Memorandum items — initiatives prior to the 2016–17 Budget					
Department of Environment, Water and Natural Resources					
Operating initiatives					
Murray Futures Riverine Recovery project	-863	-3 973	-3 000	—	—
Revenue offsets					
Murray Futures Riverine Recovery project	3 089	7 200	20 600	—	—
Investing initiatives					
Murray Futures Riverine Recovery project	—	-6 436	-20 049	—	—

Department of Environment, Water and Natural Resources

Carbon Neutral Adelaide

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-518	-1 042	-3 700	-6 400
Full time equivalents	—	2	2	2	2

This initiative provides \$518 000 in 2016–17, rising to \$1.0 million per annum thereafter to deliver on the state government's commitment to make Adelaide the world's first carbon neutral city by mobilising businesses, organisations, property owners and residents to reduce their emissions. Key elements include seed funding for community activity in support of Carbon Neutral Adelaide (e.g. green infrastructure, community waste recovery and reduction, shared transport initiatives), partnering with the Adelaide City Council to leverage private investment in renewable energy and storage, building energy efficiency and electric vehicles infrastructure, and strategic communications and engagement.

The measure includes \$2.7 million in 2018–19 and \$5.4 million in 2019–20 for climate change initiatives to be identified in the future.

This initiative is funded from an increase in the solid waste levy.

Cleland Wildlife Park

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-500	—	—	—

This initiative provides \$500 000 in 2016–17 to complete a business case for the redevelopment of Cleland Wildlife Park to enable the park to become a global destination for koala experiences.

Enhanced capacity to respond to bushfire threats

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-4 256	-4 231	-3 791	-3 886
Full time equivalents	—	10	10	6	6

This initiative provides funding to enhance the state's capacity to respond to bushfire threats by:

- providing \$2.4 million per annum (ongoing) for increasing the state's capacity to plan and implement strategic fuel management strategies focused on high risk areas in the Mount Lofty Ranges and across the state, and respond to bushfire emergencies through the employment of 25 additional firefighters (23 seasonal, two full time)
- increasing the on-ground works program of bushfire mitigation strategies including prescribed burning on both public and private property, through the employment of two specialist fire management officers with operating support at a cost of \$900 000 per annum (ongoing)

- increasing the capacity within the state's mapping support functions provided to all state emergency services ensuring life-saving data and mapping of hazards are provided on demand through the employment of two additional mapping support officers at a cost of \$400 000 per annum (ongoing)
- ensuring state emergency service personnel are provided with accurate and up to date map book information including rural property information facilitating faster response times. Four additional officers will be employed for two years from 2016–17 at a total cost of \$1.2 million.

Memorandum items — initiatives prior to the 2016–17 Budget**Department of Environment, Water and Natural Resources****Murray Futures Riverine Recovery project***Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	3 089	7 200	20 600	—	—
Operating expenses	-863	-3 973	-3 000	—	—
Investing payments	—	-6 436	-20 049	—	—
Full time equivalents	6	14	14	—	—

This initiative provides \$34.3 million over three years for phase 2 projects of the Riverine Recovery project. The Commonwealth Government is providing 90 per cent of funding and the state government 10 per cent. The project aims to achieve measurable long-term improvements in the health of the riverine environment within the South Australian borders of the River Murray. This funding will be used for:

- the Phase 2 Wetlands project which involves the construction and implementation of wetland management projects from the South Australian border to Mannum.
- the Phase 2 Communications, Partnerships and Project Management project which will assist in negotiating agreements with landholders for construction and ongoing wetland management.

Environment Protection Authority

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	—	-2 233	-2 879	-4 366	-4 803
Operating savings	—	—	—	—	—
Revenue measures	—	7 324	14 546	20 948	20 775
Revenue offsets	—	—	—	—	—
Investing initiatives	—	—	-465	-625	-410
Impact on net operating balance	—	5 091	11 667	16 582	15 972
Impact on net lending	—	5 091	11 202	15 957	15 562
Environment Protection Authority					
Operating initiatives					
Environmental Assessment and Remediation	—	-1 809	-2 000	-2 000	-2 000
Waste Reform and Compliance	—	-424	-879	-2 366	-2 803
Revenue measures					
Solid Waste Levy — increase	—	7 324	14 546	20 948	20 775
Investing initiatives					
Waste Reform and Compliance	—	—	-465	-625	-410

Environment Protection Authority

Environmental Assessment and Remediation

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-1 809	-2 000	-2 000	-2 000
Full time equivalents	—	6	6	6	6

This initiative provides ongoing funding to deal with site contamination issues arising from poor waste management practices in the past where there is no liable party. It includes:

- \$1.6 million in 2016–17 and \$1.8 million per annum from 2017–18 to enable assessment of contamination on land and in groundwater which pose a risk to the health of residents where there is no responsible party to undertake the assessment
- \$200 000 per annum from 2016–17 to provide remediation and mitigation assistance where individuals are exposed to unacceptable levels of harmful contamination. Grants will be provided for the implementation of site contamination mitigation measures on eligible properties.

This initiative is funded from an increase in the solid waste levy.

Solid Waste Levy — increase

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	—	7 324	14 546	20 948	20 775

This initiative will increase the solid waste levy. The metropolitan solid waste levy will increase from \$62 on 1 July 2016 to \$76 on 1 September 2016, \$87 in 2017–18, \$100 in 2018–19 and \$103 in 2019–20.

A fifty per cent reduction in the current solid waste levy will apply to asbestos disposal from 2016–17 to assist in the proper disposal of this highly hazardous material.

The revenue from the increase in the solid waste levy will be applied to protect public health and realise the waste sector's potential through the funding of a package of expenditure initiatives in the Environment Protection Authority and the Office of Green Industries SA. The additional revenue will also fund climate change initiatives including improved infrastructure to promote low carbon forms of transport, and Carbon Neutral Adelaide.

The purpose of the Waste to Resources Fund will be expanded to allow the Minister to use the Fund for climate change and disaster waste management initiatives.

	2015–16 \$000	2016–17 \$000	2017–18 \$000	2018–19 \$000	2019–20 \$000
Revenue measure	—	7 324	14 546	20 948	20 775
Expenditure measures:					
Office of Green Industries SA					
Local government programs	—	-1 100	-2 870	-4 908	-5 158
Waste Infrastructure, Investment and Innovation	—	-1 383	-1 431	-4 349	-4 004
Scrap metal recyclers rebate scheme	—	-408	-809	—	—
Environment Protection Authority					
Environmental assessment and remediation	—	-1 809	-2 000	-2 000	-2 000
Waste reform and compliance	—	-424	-1 344	-2 991	-3 213
Climate change initiatives					
Low carbon transport investment program	—	-2 000	-5 000	-3 000	—
Carbon Neutral Adelaide	—	-518	-1 042	-3 700	-6 400
Climate Knowledge and Innovation Community	—	-200	-50	—	—
Total expenditure	—	-7 842	-14 546	-20 948	-20 775

Further information on the expenditure measures is included under the relevant agencies.

Waste Reform and Compliance

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-424	-879	-2 366	-2 803
Investing payments	—	—	-465	-625	-410
Full time equivalents	—	4	8	19	22

This initiative provides ongoing funding for waste management reform and enhanced compliance in the waste and resource recovery sector.

Key reforms that will be introduced include recording the flow of all waste materials through waste facilities, enabling the collection of levy for waste that exceeds storage levels and time limits, broader stockpiling controls, robust assessment processes for recovered resource proposals and improved tools to successfully prosecute illegal dumping.

A new information technology system will be provided to support the reforms. The reforms will assist in creating certainty in the waste industry and promote innovation and investment.

This initiative is funded from an increase in the solid waste levy.

Green Industries

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	—	-2 891	-5 110	-9 257	-9 162
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	—	—	—	—
Impact on net operating balance	—	-2 891	-5 110	-9 257	-9 162
Impact on net lending	—	-2 891	-5 110	-9 257	-9 162
Office of Green Industries SA					
Operating initiatives					
Local Government programs	—	-1 100	-2 870	-4 908	-5 158
Waste Infrastructure, Investment and Innovation	—	-1 791	-2 240	-4 349	-4 004
Memorandum items — initiatives prior to the 2016–17 Budget					
Office of Green Industries SA					
Operating initiatives					
Trade Waste Initiative	-2 043	-2 070	-1 180	—	—

Office of Green Industries SA

Local Government programs

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-1 100	-2 870	-4 908	-5 158

This initiative provides support to local government waste management through Local Government Waste and Resource Recovery programs. The programs include local government infrastructure grants, waste education programs, household hazardous waste collection and grants for innovative solutions for problematic waste.

This initiative is funded from an increase in the solid waste levy.

Waste Infrastructure, Investment and Innovation

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-1 791	-2 240	-4 349	-4 004

This initiative will facilitate greater investment, innovation and employment in the waste sector. It includes:

- Grants to the waste sector from the Waste and Resources Recovery Infrastructure Fund and the Innovation Fund, to facilitate infrastructure investment and innovation. This will help industry build the waste and resource recovery infrastructure required to achieve the South Australian Waste Strategy 2015–2020 waste diversion targets.
- \$1.2 million over two years (2016–17 and 2017–18) for rebates to scrap metal recyclers in recognition that they receive residual materials for which no further recovery is possible.
- project support costs to facilitate introduction of the programs.

This initiative is funded from an increase in the solid waste levy.

Memorandum items — initiatives prior to the 2016–17 Budget

Office of Green Industries SA

Trade Waste Initiative

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-2 043	-2 070	-1 180	—	—
Full time equivalents	3	3	—	—	—

This initiative provides \$5.3 million over three years to enable the Office of Green Industries SA to undertake two programs to minimise impacts for trade waste customers, particularly those in the food and beverage industry:

- resource productivity assessments to provide recommendations for improved trade waste management systems and associated resource efficiency improvements, reducing the costs associated with resource use and disposal
- implementation grants to support food and beverage manufacturers to implement the trade waste management recommendations arising from resource productivity assessments.

The identification and implementation of improved trade waste management through this program will lead to improvements in the environmental performance of the food and beverage manufacturing industry. The programs aim to reduce trade waste output and improve re-use options.

Health and Ageing

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	-144 405	-170 016	-152 346	-118 243	-139 722
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	35 000	61 000	91 000
Investing initiatives	—	—	—	—	—
Impact on net operating balance	-144 405	-170 016	-117 346	-57 243	-48 722
Impact on net lending	-144 405	-170 016	-117 346	-57 243	-48 722
Department for Health and Ageing					
Operating initiatives					
Closing the Gap in Aboriginal Health Outcomes	—	-10 701	-10 963	-11 231	-11 505
Community Mental Health Rehabilitation services in Whyalla	—	-2 197	-2 098	-2 151	-2 204
Country Patient Administration System	—	-500	—	—	—
Health Services additional resources	-144 405	-156 618	-139 285	-104 861	-126 013
Revenue offsets					
Health Services additional resources	—	—	35 000	61 000	91 000
Memorandum items — initiatives prior to the 2016–17 Budget					
Department for Health and Ageing					
Revenue offsets					
Diagnostic Services	—	-3 114	-3 114	-3 114	-3 114

Department for Health and Ageing

Closing the Gap in Aboriginal Health Outcomes

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-10 701	-10 963	-11 231	-11 505
Full time equivalents	—	50	50	50	50

This initiative provides \$10.7 million per annum (indexed) from 2016–17 to continue investment in programs that have achieved positive health outcomes for Indigenous South Australians. These programs include Quit Smoking initiatives; Child and Adolescent Mental Health Services in the Anangu Pitjantjatjara Yankunytjatjara Lands; Aboriginal Well Health Checks which provide health and wellbeing assessments to assist in the early detection of chronic conditions; and Aboriginal Step Down Services that provide accommodation support services for Indigenous patients and their families when travelling from remote areas to access health services.

This initiative continues the State Government's contribution to improving the outcomes of Indigenous South Australians after the agreement with the Commonwealth for Closing the Gap in Indigenous Outcomes was not renewed beyond 30 June 2013.

Community Mental Health Rehabilitation services in Whyalla

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-2 197	-2 098	-2 151	-2 204
Full time equivalents	—	15	15	15	15

This initiative provides \$2.0 million per annum (indexed) from 2016–17 to continue the operation of the 10-bed Community Mental Health Rehabilitation Service in Whyalla, which was established in 2014 under the National Partnership Agreement on Improving Public Hospital Services. Commonwealth government funding for this service ceases on 30 June 2016, with the State Government stepping in to ensure this important service is maintained, particularly in the context of the challenges currently facing the region.

This initiative also includes \$150 000 in 2016–17 for the development of an industry specific suicide prevention program within the Whyalla community.

Country Patient Administration System

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-500	—	—	—

This initiative provides \$500 000 in 2016–17 for the development of an implementation plan for the replacement of the existing Patient Administration System in country hospitals.

Health Services additional resources*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	—	—	35 000	61 000	91 000
Operating expenses	-144 405	-156 618	-139 285	-104 861	-126 013
Full time equivalents	605	635	608	245	166

This initiative provides funding of \$526.8 million over four years (in addition to \$144.4 million in 2015–16) to further address the funding shortfall created by the ongoing impacts of the 2014–15 Commonwealth budget cuts to health, which totalled \$1 374.7 million between 2015–16 and 2019–20, and to support ongoing reforms in the State’s Health system. In the 2014–15 State Budget, the government removed general remissions for the Emergency Services Levy (ESL) to partly offset the impact of the Commonwealth’s 2014–15 Budget cuts to healthcare. Removal of the ESL remissions generated revenue sufficient to partially offset the Commonwealth cuts.

The remaining Commonwealth cuts to the health system were passed through as reductions in the Health budget; requiring the health system to meet this cost.

The State Government has continued to argue with the Commonwealth Government that the previous funding arrangements should be re-instated in full. That is, for the Commonwealth to continue to be a partner in meeting the nation’s growing health costs.

At the Council of Australian Governments (COAG) meeting in April 2016 the Commonwealth agreed to continue activity based funding beyond 2016–17, but at a much reduced rate than was agreed before the 2014–15 Budget cuts. For South Australia, this agreement will provide \$187.0 million over three years to 2019–20. This only restores 18 per cent of the Commonwealth’s budget cuts to healthcare over those three years. There remains a substantial gap as shown in the following table.

	2015–16 \$ million	2016–17 \$ million	2017–18 \$ million	2018–19 \$ million	2019–20 \$ million
2014–15 Commonwealth Budget Cuts	-125.1	-186.4	-275.3	-351.3	-436.6
ESL remissions removed	87.6	87.5	88.2	90.3	92.5
COAG funding (18 per cent reversal from 1 July 2017)	—	—	35.0	61.0	91.0
Remaining gap	-37.5	-98.9	-152.1	-200.0	-253.1

Even with the removal of ESL remissions and the extra health funding agreed at COAG, the ongoing impacts of the remaining Commonwealth cuts cannot be absorbed through increased efficiency of the health system. The reductions to health services required by the Commonwealth funding cuts are not acceptable. The state will provide additional funding to maintain services in the state health system.

The government has been working to transform the health system to provide improved health outcomes and more efficient services, which remains an ongoing task, and this budget provides additional resources to enable that transformation to continue in a measured way.

The number of patients that present and are treated in our health system continues to rise. In 2015–16, it is forecast more than 11 400 additional inpatients will be treated in our hospitals and more than 13 600 additional South Australians will present to our Emergency Departments compared to 2014–15, representing around a 3 per cent increase in 12 months.

Memorandum items — initiatives prior to the 2016–17 Budget**Department for Health and Ageing****Diagnostic Services***Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	—	-3 114	-3 114	-3 114	-3 114

This initiative provides \$3.1 million per annum to make up the shortfall in revenue resulting from the Commonwealth Government’s decision to limit or remove bulk-billing incentives for pathology and diagnostic imaging services, as per the announcement in the 2015–16 Mid-Year Economic and Fiscal Outlook. The State Government will fund the shortfall to ensure the ongoing sustainability of services provided at SA Pathology and SA Medical Imaging.

Legislature

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	—	-65	-133	-136	-139
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	-1 362	—	—	—
Impact on net operating balance	—	-65	-133	-136	-139
Impact on net lending	—	-1 427	-133	-136	-139
Legislature					
Operating initiatives					
Streaming of Parliamentary Proceedings	—	-65	-133	-136	-139
Investing initiatives					
Streaming of Parliamentary Proceedings	—	-1 362	—	—	—

Legislature

Streaming of Parliamentary Proceedings

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-65	-133	-136	-139
Investing payments	—	-1 362	—	—	—

This initiative provides \$1.4 million to install cameras in both Houses of Parliament to enable the public the opportunity to view the proceedings of Parliament from any internet or WIFI enabled device. In addition \$65 000 is provided in 2016–17 and \$133 000 (indexed and ongoing) from 2017–18 to operate and maintain the equipment and systems.

Planning, Transport and Infrastructure

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	-21 100	-28 212	-3 897	-3 409	-93
Operating savings	—	—	—	—	—
Revenue measures	—	—	950	1 233	1 533
Revenue offsets	—	—	—	—	—
Investing initiatives	—	-46 492	-73 092	-6 932	-1 411
Impact on net operating balance	-21 100	-28 212	-2 947	-2 176	1 440
Impact on net lending	-21 100	-74 704	-76 039	-9 108	29
Department of Planning, Transport and Infrastructure					
Operating initiatives					
CBD Court Facilities — Planning Study	—	-1 000	—	—	—
Football Federation South Australia	-10 000	—	—	—	—
Footpath renewal program for Tea Tree Gully Council	-3 000	—	—	—	—
Kenhans Road and Candy/South Road — Planning Study	—	-350	—	—	—
Market to Riverbank Laneway Revitalisation	—	-7 300	—	—	—
Modbury Bowling Club	-750	—	—	—	—
New community recreation and sport facility at the former Ross Smith Secondary School site	—	-4 600	—	—	—
O'Halloran Hill BMX facility	-2 000	—	—	—	—
Planning Reform Implementation	—	-3 462	-897	-409	-93
Port Pirie Memorial Oval Redevelopment	-5 000	—	—	—	—
Solomontown Boardwalk and Pontoon	-350	—	—	—	—
St Clair Recreation Facility	—	-7 500	—	—	—
Women's Sporting Facilities Fund	—	-4 000	-3 000	-3 000	—
Revenue measures					
Planning Reform Implementation	—	—	950	1 233	1 533
Investing initiatives					
City Trams — extension to Old Royal Adelaide Hospital site	—	-15 000	-35 000	—	—
Low carbon transport investment program	—	-2 000	-5 000	-3 000	—
Mechanical upgrade of the diesel railcar fleet	—	-23 000	-25 000	—	—
Planning Reform Implementation	—	-6 492	-8 092	-3 932	-1 411

Planning, Transport and Infrastructure

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Memorandum items — initiatives prior to the 2016–17 Budget					
Department of Planning, Transport and Infrastructure					
Operating initiatives					
AdeLINK Investigation	—	-3 500	-500	—	—
Kangaroo Island Airport Upgrade	-1 200	-6 500	-1 300	—	—
Leigh Creek Township Future	—	-4 888	-5 034	-5 225	-2 764
Leigh Creek transition planning	-239	-761	—	—	—
Remote Airstrip Upgrade Program	-811	—	—	—	—
SA Ice Sports Federation Incorporated	-1 070	—	—	—	—
Taxi and Chauffeur Vehicle Industry reform	—	-20 597	-19 451	-2 130	-2 185
Revenue offsets					
Leigh Creek Township Future	—	2 987	179	331	339
Revenue measures					
Taxi and Chauffeur Vehicle Industry reform	-4 875	1 900	2 441	2 314	2 138
Investing initiatives					
Establishment of New Office in Port Adelaide	—	-4 895	-7 343	—	—
Leigh Creek Township Future	—	-715	-733	—	—
Asset sales					
Leigh Creek Township Future	—	—	445	456	467

Department of Planning, Transport and Infrastructure

CBD Court Facilities — Planning Study

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-1 000	—	—	—

This initiative provides \$1 million in 2016–17 for the development of a business case that considers the future accommodation requirements of the criminal and civil functions of the Courts Administration Authority and the civil and tribunal functions of the Attorney-General's Department.

City Trams — extension to Old Royal Adelaide Hospital site

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Investing payments	—	-15 000	-35 000	—	—

This initiative provides \$50 million over two years to extend the existing tram network along North Terrace to the Old Royal Adelaide Hospital site.

The return of tram services to inner and middle Adelaide will support the development of the inner city as a well-connected, dynamic, safe and attractive area, enhance Adelaide's reputation as a highly liveable city, and support the market demand for residential development in the CBD, inner and middle Adelaide.

This represents the first stage of delivering the AdeLINK tram network.

Football Federation South Australia

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-10 000	—	—	—	—

This initiative provided a grant of \$10 million in 2015–16 to Football Federation South Australia to develop eight artificial pitches and upgrade soccer facilities across the state. This will support and encourage football participation and development from grass roots to elite levels across South Australia.

Footpath renewal program for Tea Tree Gully Council

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-3 000	—	—	—	—

This initiative provided a grant of \$3 million in 2015–16 to the Tea Tree Gully Council, which will be equally matched by the council, for a footpath renewal program.

This project includes footpaths in the areas of Banksia Park, Fairview Park, Highbury, Hope Valley, Redwood Park, Ridgehaven, St Agnes, Tea Tree Gully, Vista, Surrey Downs and Yatala Vale. Resources used in the construction of the new footpaths will be sourced from South Australia and utilise local employment.

Kenihans Road and Candy/South Road — Planning Study

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-350	—	—	—

This initiative provides \$350 000 for a Road Management Plan for the management of traffic on Kenihans Road and Candy Road.

The Road Management Plan will contain proposals for the management of traffic on Kenihans Road from the intersection with Chandlers Hill Road (Happy Valley) to the junction of Panatalinga Road (Reynella East) and the junction of Candy Road and Main South Road, O'Halloran Hill.

The plan will consider road function and objectives and the needs of people who drive on, cross, live or work alongside the arterial roads within the area.

The Road Management Plan will provide an overview of existing operational and safety issues along Kenihans Road, as well as identifying short to medium term traffic management treatment options to be implemented including treatments for intersections at Tripoli, Bishop Hills and Regency Roads as well as the junction of Candy Road and Main South Road.

Low carbon transport investment program

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Investing payments	—	-2 000	-5 000	-3 000	—

Greenhouse gas emissions from transport use account for over one third of overall emissions in the city of Adelaide. This program will invest \$10 million over three years to provide improved infrastructure to promote low carbon forms of transport, increasing cycling and public transport journeys.

This initiative is funded from an increase in the Solid Waste Levy.

Market to Riverbank Laneway Revitalisation

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-7 300	—	—	—

This initiative provides a contribution of \$7.3 million to the Adelaide City Council towards the revitalisation of the Market to Riverbank laneway link, at a total cost of \$14.6 million jointly funded by the Council.

The Market to Riverbank link connects Bank Street, Leigh Street, Topham Mall, Bentham Street and Pitt Street, to form a vibrant pedestrian connection between the Adelaide Railway Station and the Central Market.

It will incorporate paved footpaths, street canopy, public art, lighting and street furniture.

Mechanical upgrade of the diesel railcar fleet*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Investing payments	—	-23 000	-25 000	—	—

This initiative provides \$48 million over two years for a major electronic upgrade of 50 diesel railcars including the overhaul of bogies, brakes and traction power systems.

Modbury Bowling Club*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-750	—	—	—	—

This initiative provided a grant of \$750 000 in 2015–16 to the Modbury Bowling Club, adjacent to the Modbury Sporting Complex, towards the upgrade of its facilities including the installation of synthetic grass and shade covers.

New community recreation and sport facility at the former Ross Smith Secondary School site*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-4 600	—	—	—

This initiative provides land valued at \$4.6 million at the former Ross Smith Secondary School site to the City of Port Adelaide Enfield to construct a community recreation and sport facility.

O'Halloran Hill BMX facility*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-2 000	—	—	—	—

This initiative provided a \$2 million grant in 2015–16 to the City of Marion council for the construction of a regional level BMX facility at Majors Road, O'Halloran Hill Recreation Reserve.

Planning Reform Implementation*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	—	—	950	1 233	1 533
Operating expenses	—	-3 462	-897	-409	-93
Investing payments	—	-6 492	-8 092	-3 932	-1 411

This initiative provides \$24.8 million over four years for the development of an e-Planning information technology solution to move planning documents and processes online. A streamlined planning framework will provide faster approvals, consistent planning rules, and ready access to information.

The investment implements the reform of South Australia's planning system, brought about by the passage of the Planning, Development and Infrastructure Bill 2015.

The costs will be met from a staged development application fee increase and introduction of a Council levy as the benefits from the reforms are delivered.

Port Pirie Memorial Oval Redevelopment

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-5 000	—	—	—	—

This initiative provided \$5 million to the Port Pirie Regional Council for the redevelopment of the Port Pirie Memorial Oval Multi-Use Sport Facility at a total cost of \$15 million. Equal funding of \$5 million will be provided from the Commonwealth Government and the Council.

Solomontown Boardwalk and Pontoon

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-350	—	—	—	—

This initiative provided \$350 000 in 2015–16 for new pontoons adjacent to the Royal Port Pirie Yacht Club and a foreshore boardwalk. This will be completed as part of the Solomontown Boat Ramp and Dredging Project works.

The floating pontoon will enable safe berthing for yachts at Port Pirie.

St Clair Recreation Facility

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-7 500	—	—	—

This initiative provides \$7.5 million towards the redevelopment of the St Clair Recreation Facility.

The redevelopment will include a 5,700sqm multi-use indoor recreation centre and associated facilities, including five indoor courts, a flexible community meeting and learning space, gym and weights room. The surrounding space will be redeveloped to incorporate a nature playground and skate facility.

The State Government's contribution is contingent on a similar investment from Charles Sturt Council.

Women's Sporting Facilities Fund

Budget implications (\$000)

	2015-16 Estimate	2016-17 Budget	2017-18 Estimate	2018-19 Estimate	2019-20 Estimate
Operating expenses	—	-4 000	-3 000	-3 000	—

This initiative provides \$10 million over three years for the establishment of a Women's Sporting Facilities Fund which will provide grants to community sporting clubs to provide facilities for female participation in sport.

Memorandum items — initiatives prior to the 2016–17 Budget

Department of Planning, Transport and Infrastructure

AdeLINK Investigation

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-3 500	-500	—	—

This initiative provides \$4 million over two years to allow the completion of a detailed business case for the AdeLINK tram network as part of the public transport plan for metropolitan Adelaide.

The business case will include planning, design, identifying the precise tram routes and stops, as well as environmental and land value benefits, and costs.

Establishment of New Office in Port Adelaide

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Investing payments	—	-4 895	-7 343	—	—

This initiative provides \$12.2 million to fit-out a new privately owned office building in Port Adelaide, to accommodate more than 500 public sector workers as part of the government's Our Port policy to revitalise the port.

The development will provide opportunities for local businesses and the community to capitalise on the influx of workers, and encourage more new businesses into the area.

Kangaroo Island Airport Upgrade

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-1 200	-6 500	-1 300	—	—

This initiative provides \$9 million towards the \$18 million joint state and Commonwealth Government project to upgrade the Kangaroo Island Airport.

The upgrade includes works to the existing terminal and runway to accommodate larger aircraft for direct flights, including from interstate cities.

Memorandum items — initiatives prior to the 2016–17 Budget

Department of Planning, Transport and Infrastructure

Leigh Creek Township Future

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	—	2 987	179	331	339
Operating expenses	—	-4 888	-5 034	-5 225	-2 764
Investing payments	—	-715	-733	—	—
Investing receipts	—	—	445	456	467
Full time equivalents	—	2	2	2	2

This initiative provides additional expenditure of \$19.4 million over four years for essential and municipal services to support the continuation of the Leigh Creek Township as a regional government service centre for government workers, surrounding communities and tourist visitation following the early transition to government ownership on 1 January 2017.

This expenditure includes maintenance of road infrastructure, parks, township facilities, residential buildings and the town's aerodrome. Residential buildings which are no longer required will be demolished and remaining housing will be maintained and upgraded for current use.

Additional revenue of \$3.8 million comprises:

- a once-off payment in 2016–17 from Alinta associated with the early transition of the township
- \$180 000 per annum (indexed) from 2017–18 from rental payments
- \$150 000 per annum (indexed) from 2018–19 for a council rate equivalent charge.

Investing receipts of \$1.4 million are included for housing sales.

Leigh Creek transition planning

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-239	-761	—	—	—
Full time equivalents	4	—	—	—	—

This initiative provides \$1 million over two years for a transitional plan regarding the future of the Leigh Creek township.

The transitional plan will be developed by the Department of Planning, Transport and Infrastructure in association with the Outback Communities Authority. The plan will include an analysis on the township's future planning and development options, asset management and ongoing cost implications for servicing the township.

Remote Airstrip Upgrade Program*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-811	—	—	—	—

This initiative provided \$811 000 in 2015–16 for nine South Australian projects as part of the Remote Airstrip Upgrade Program. This includes Umuwa Aerodrome, Yalata Aerodrome, Cummins Airstrip, Amata Aerodrome, Fregon Aerodrome, Pukatja Aerodrome, Pipalyatjara Aerodrome and Cleve Airstrip.

The Commonwealth Government has also separately provided \$811 000 towards the program.

SA Ice Sports Federation Incorporated*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-1 070	—	—	—	—

This initiative provided a grant of \$1.1 million in 2015–16 to the South Australian Ice Sports Federation Incorporated to meet the estimated cost of the replacement, upgrading and installation of the refrigeration system, ice floors and associated works at the Ice Arena.

Taxi and Chauffeur Vehicle Industry reform*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	-4 875	1 900	2 441	2 314	2 138
Operating expenses	—	-20 597	-19 451	-2 130	-2 185
Full time equivalents	—	3	3	3	3

This initiative incorporates the new arrangements associated with Taxi and Chauffeur Vehicle Industry reform in South Australia. This includes:

- the reduction of fees and charges and red tape
- a \$30 000 compensation payment per taxi licence as a result of opening up of the market
- a weekly \$50 compensation to licence lessees up to 11 months
- subsidising lifting fees for wheelchair accessible taxis and providing additional funding towards enforcement and compliance
- a freeze on the release of taxi licenses for at least five years.

The assistance package will be partly funded by a \$1 levy on all metropolitan trips, across all platforms, including taxis, chauffeur vehicles and new entrants such as UberX. This is partially offset by the reduction of red tape as part of this initiative, associated with taxi and chauffeur vehicle operating fee reductions.

Police

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	—	-400	-3 700	-5 500	-6 500
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	-341	-787	-141	—
Impact on net operating balance	—	-400	-3 700	-5 500	-6 500
Impact on net lending	—	-741	-4 487	-5 641	-6 500
South Australia Police					
Operating initiatives					
Operational policing — additional resources	—	-400	-3 700	-5 500	-6 500
Investing Initiatives					
National Domestic Violence Order Scheme — IT system	—	-341	-787	-141	—

South Australia Police

National Domestic Violence Order Scheme — IT system

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Investing payments	—	-341	-787	-141	—

This initiative provides \$1.3 million over three years to implement an IT system that will enable sharing of information on domestic violence orders within and across jurisdictions, as part of the National Domestic Violence Order Scheme.

Operational policing — additional resources

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-400	-3 700	-5 500	-6 500
Full time equivalents	—	15	30	45	45

This initiative provides additional funding for both continued support to ensure that South Australia Police (SAPOL) is able to meet the government's commitment to recruit 313 additional police officers and to support reform initiatives to ensure more sworn police officers are tasked to provide front line services.

Premier and Cabinet

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	—	-5 340	-1 050	-1 000	-1 000
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	—	—	—	—
Impact on net operating balance	—	-5 340	-1 050	-1 000	-1 000
Impact on net lending	—	-5 340	-1 050	-1 000	-1 000
Department of the Premier and Cabinet					
Operating initiatives					
Climate Knowledge and Innovation Community	—	-200	-50	—	—
France engagement strategy	—	-1 000	-1 000	-1 000	-1 000
Response to the Nuclear Fuel Cycle Royal Commission report	—	-3 600	—	—	—
Support for Entrepreneurial Development	—	-160	—	—	—
State Governor's Establishment					
Operating initiatives					
Security upgrade at Government House	—	-380	—	—	—

Department of the Premier and Cabinet

Climate Knowledge and Innovation Community

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-200	-50	—	—

This initiative will support the proposed establishment of a South Australian node of Climate KIC Australia, a business, research, and industry partnership based on the successful climate innovation model pioneered by Europe. Delivering entrepreneurial, education and systems-level flagship projects in collaboration with its partners, Climate KIC Australia will accelerate the commercialisation of innovative new climate change solutions.

This initiative is funded from an increase in the solid waste levy.

France engagement strategy

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-1 000	-1 000	-1 000	-1 000

This initiative provides \$1 million per annum from 2016–17 to maximise the economic and job opportunities for South Australia presented by the Commonwealth selection of DCNS of France for the submarine contract, including enhancing the capability of local industries to participate in the supply chain, developing a local workforce with the required skills, and identifying broader social and cultural opportunities for the state.

Response to the Nuclear Fuel Cycle Royal Commission report

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-3 600	—	—	—

This initiative provides \$3.6 million to enable the government to engage with the community to develop an informed response to the Nuclear Fuel Cycle Royal Commission Final Report which was released on 9 May 2016.

Support for Entrepreneurial Development

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-160	—	—	—

This initiative provides \$160 000 in 2016–17 to Renew Adelaide to foster and support potential entrepreneurs through the initial stages of starting a new business.

State Governor's Establishment

Security upgrade at Government House

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-380	—	—	—

This initiative provides \$380 000 to upgrade electronic security at Government House.

Primary Industries and Regions

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	—	-1 195	-1 210	-473	-484
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	—	—	—	—
Impact on net operating balance	—	-1 195	-1 210	-473	-484
Impact on net lending	—	-1 195	-1 210	-473	-484
Department of Primary Industries and Regions					
Operating initiatives					
Extension of the North West Indigenous Pastoral Program	—	-743	-747	—	—
Growth in horticultural production and exports	—	-452	-463	-473	-484
Memorandum items — initiatives prior to the 2016–17 Budget					
Department of Primary Industries and Regions					
Operating initiatives					
Fruit Fly Eradication	-1 500	—	—	—	—

Department of Primary Industries and Regions

Extension of the North West Indigenous Pastoral Program

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-743	-747	—	—
Full time equivalents	—	1	1	—	—

This initiative provides \$1.5 million over two years to continue the North West Pastoral program which aims to engage Indigenous employees in pastoral work in the northwest of South Australia, and return Indigenous owned land to primary production, thereby establishing viable agricultural enterprises. This initiative will leverage previous and ongoing investment in employment and training by other partners including the Indigenous Land Corporation, Native Title Services and BHP Billiton.

The initial program was focused on infrastructure reinstatement, repair and installation. The program extension will continue this, but focus more on agistment, management and purchase of livestock to build the enterprises.

Growth in horticultural production and exports

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-452	-463	-473	-484
Full time equivalents	—	3	3	3	3

This initiative provides \$452 000 per annum (indexed) to further enhance South Australia's clean green image through the implementation of biosecurity measures in the horticultural industry.

Working closely with peak industry bodies, this initiative will establish and maintain an on-farm biosecurity accreditation scheme based on market phytosanitary requirements supported by surveillance and commodity specific codes of practice to target high value market opportunities.

Endorsement of new pest free areas on the Northern Adelaide Plains and in the Adelaide Hills will be sought through Interstate Certification Agreements and the Commonwealth, allowing producers to access international markets without pest treatment, as well as improving the quality of the product in premium markets. This will facilitate access to high value domestic and international markets under new Free Trade Agreements and underpin growth in production.

Memorandum items — initiatives prior to the 2016–17 Budget

Department of Primary Industries and Regions

Fruit Fly Eradication

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-1 500	—	—	—	—

This initiative provided \$1.5 million in 2015–16 for fruit fly eradication responses in metropolitan Adelaide.

State Development

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	-238	-17 493	-26 284	-28 227	-14 756
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	1 000	2 000	—
Investing initiatives	—	-1 715	-5 557	-28 059	—
Impact on net operating balance	-238	-18 131	-25 937	-26 897	-14 756
Impact on net lending	-238	-19 846	-31 494	-54 956	-14 756
Department of State Development					
Operating initiatives					
Adelaide Contemporary Gallery — Business Case	—	-500	—	—	—
Advancing the South Australia China Engagement Strategy	—	-665	-690	-703	-719
Continue to Invest in the state's Cultural Capital	—	-3 000	-4 000	-4 000	-4 000
Export Business Coaching Program	—	-300	-300	—	—
Her Majesty's Theatre Redevelopment	—	—	-360	-760	—
Interconnection to support renewable energy growth	—	-500	—	—	—
Investment in Innovation	—	-6 176	-6 493	-8 751	-8 393
Mining Industry Support	—	-240	-160	—	—
Mobile Black Spot Programme	—	-1 000	—	—	—
Office of the Industry Advocate — additional resources	—	-350	-350	-350	-350
OzAsia Festival	—	-750	-770	-790	-810
South Australian Energy Consumer Advocacy Project	-200	-200	-205	-210	-215
Support for Steelmaking and Steel Fabrication Industries	-38	-312	—	—	—
The Cedars	—	-1 000	—	—	—
UNESCO City of Music Events Fund	—	-250	-700	-400	—
Revenue offsets					
Her Majesty's Theatre Redevelopment	—	—	1 000	2 000	—
Investing initiatives					
Advancing the South Australia China Engagement Strategy	—	-160	—	—	—
Her Majesty's Theatre Redevelopment	—	-1 555	-5 557	-28 059	—

State Development

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Administered Items for the Department of State Development					
Operating initiatives					
Office of the Small Business Commissioner	—	-250	-256	-263	-269
Investment Attraction South Australia					
Operating initiatives					
Defence Industry Attraction	—	-2 000	-2 000	-2 000	—
Economic Investment Fund	—	—	-10 000	-10 000	—
Memorandum items — initiatives prior to the 2016–17 Budget					
Department of State Development					
Operating initiatives					
Aboriginal Regional Authority Policy	—	-330	-455	-400	-400
Adelaide Festival of Arts	—	-700	—	—	—
Grant to Foodbank SA	-300	—	—	—	—
Northern Economic Plan	—	-11 473	-11 347	-1 389	—
Screen Production Investment Fund	-1 000	—	—	—	—

Department of State Development

Adelaide Contemporary Gallery — Business Case

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-500	—	—	—

This initiative provides \$500 000 to further progress the business case for a new contemporary gallery.

Advancing the South Australia China Engagement Strategy

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-665	-690	-703	-719
Investing payments	—	-160	—	—	—

This initiative provides \$665 000 per annum (indexed) from 2016–17 towards the South Australia China Engagement Strategy by increasing the state's presence in the Shandong province. The measure also provides \$160 000 of investing expenditure in 2016–17 for the fit-out of the relocated Jinan representative office and for a new satellite office in Qingdao.

Continue to Invest in the State's Cultural Capital

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-3 000	-4 000	-4 000	-4 000

This initiative provides \$3 million in 2016–17 and \$4 million per annum thereafter to Arts South Australia to enable the South Australian arts sector to drive sustainable and attractive levels of activity, to maximise job opportunities and economic benefits for the state and to enhance the tourism potential of South Australia.

Export Business Coaching Program

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-300	-300	—	—

This initiative provides \$600 000 over two years to assist Business SA in developing South Australian small to medium enterprises for the export market. The program includes coaching and an advisory service.

Her Majesty's Theatre Redevelopment*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	—	—	1 000	2 000	—
Operating expenses	—	—	-360	-760	—
Investing payments	—	-1 555	-5 557	-28 059	—

This initiative provides \$35.2 million in investing expenditure over three years for the redevelopment of Her Majesty's Theatre. The redevelopment presents an opportunity to renew and restore Her Majesty's Theatre to its original grandeur and will include a brand new entrance and foyer to be built on adjoining land. This will allow for an expansion of the seating capacity in the auditorium within the existing historical building, making the theatre a more viable option for hosting touring commercial productions.

The Adelaide Festival Centre Trust will contribute \$3 million towards the project through fundraising initiatives.

An additional \$1.1 million in operating expenditure over two years is provided to support the Adelaide Festival Centre Trust while the theatre is closed for renovations.

Interconnection to support renewable energy growth*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-500	—	—	—

This initiative provides \$500 000 to support a detailed assessment of increased electricity interconnection between South Australia and the National Electricity Market.

Investment in Innovation*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-6 176	-6 493	-8 751	-8 393
Full time equivalents	—	1	1	1	1

To assist in transforming the South Australian economy, the government is committed to a series of innovation programs to support emerging early-stage businesses and existing businesses looking to diversify and engage with the science and research sector. The government's \$53.6 million pre-existing commitment to innovation over the forward estimates includes the Premier's Research and Industry Fund and the Bio-Innovation SA Industry Development Grants.

The 2016–17 Budget measure provides an additional \$29.8 million over four years to support a series of additional initiatives and bring the government's annual commitment to innovation programs to at least \$20 million. The new initiatives include:

- South Australian Early Commercialisation Fund — \$10 million fund over four years to assist companies at the pre-seed and seed stage of development
- investment in the Future Industries Institute — \$7.5 million over three years to the University of South Australia's new multi-million dollar Future Industries Institute to increase collaboration between the university and industry

- Gig City — \$4.7 million over four years to allow Adelaide the opportunity to benefit from the city's ultra-high speed internet to drive innovation. The program will connect up existing innovation spaces to create an entire ultra-high speed broadband innovation network, building an environment for start-ups and existing businesses to compete on a global scale.

In addition to these new measures, the government will also establish a \$50 million South Australian Venture Capital Fund to partner with private sector financiers to support innovation and help build high growth companies in South Australia.

Mining Industry Support

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-240	-160	—	—

This initiative provides a grant of \$400 000 over two years to the South Australian Chamber of Mines and Energy (SACOME) to support the following initiatives:

- the employment of an industry connections manager to enable SACOME to work closely with core industry service providers
- a safety summit to be conducted in 2016–17
- the establishment of an annual innovation summit to commence in late 2016
- sponsorship of the Mines Rescue Competition.

Mobile Black Spot Programme

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-1 000	—	—	—

This initiative provides \$1 million in 2016–17 for the purpose of providing a conditional offer of a co-contribution amount to Telstra and/or Optus for inclusion in their applications to the Commonwealth's Mobile Black Spot Programme. Improving mobile coverage within the state will contribute to improved productivity, improved safety and enhancing the reputation of the state's key tourist destinations.

Office of the Industry Advocate — additional resources

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-350	-350	-350	-350

This initiative provides \$350 000 per annum to the Office of the Industry Advocate, to support the development of a comprehensive understanding of the capabilities of businesses in South Australia that have the potential to either supply directly or indirectly to the State Government.

The Office will be a key point of contact for government agencies conducting market research prior to an approach to market. It will also assist local businesses to build their tendering skills to capitalise on the wide range of opportunities resulting from Government procurement.

OzAsia Festival*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-750	-770	-790	-810

This initiative provides additional ongoing support of \$750 000 per annum (indexed) towards enhancing the OzAsia Festival.

South Australian Energy Consumer Advocacy Project*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-200	-200	-205	-210	-215

This initiative provides \$200 000 per annum (indexed from 2017–18) to the South Australian Council of Social Services to ensure that residential energy consumers are effectively represented in energy regulatory determinations, policy making and market monitoring and development.

Support for Steelmaking and Steel Fabrication Industries*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-38	-312	—	—	—

This initiative provides an additional \$350 000 to assist small to medium sized South Australian steel fabrication and manufacturing businesses to capitalise on the opportunities from being accredited under national certification.

The Cedars*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-1 000	—	—	—

This initiative provides \$1 million to secure the Cedars, the former home of South Australian artist Sir Hans Heysen, for public viewing in perpetuity. The project is to be coordinated by the Hans Heysen Foundation. The Commonwealth Government has also committed \$1 million to the project and the District Council of Mount Barker has committed a further \$1.5 million.

UNESCO City of Music Events Fund*Budget implications (\$000)*

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-250	-700	-400	—

This initiative provides \$1.35 million over three years to create a new live music events start up fund. The fund will provide financial support to promoters to assist in the development of new music festivals.

Administered Items for the Department of State Development

Office of the Small Business Commissioner

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-250	-256	-263	-269

This initiative provides an additional \$250 000 per annum (indexed) to the Office of the Small Business Commissioner to facilitate business mediation services and other functions performed by the office.

Investment Attraction South Australia

Defence Industry Attraction

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-2 000	-2 000	-2 000	—

This initiative provides \$6 million over three years for defence industry attraction. This funding will secure new investment in South Australia through the provision of targeted assistance to support the attraction and development of defence-related industries. The investment will promote job creation and builds on the naval infrastructure opportunities in the state.

Economic Investment Fund

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	—	-10 000	-10 000	—

This initiative provides \$10 million in each of 2017–18 and 2018–19 for the continuation of the Economic Investment Fund. This fund will secure new investment in South Australia through the provision of targeted assistance to support the attraction of business to the state and development of key industries within the state. The investment will promote job creation and builds on funding of \$5 million in 2015–16 and \$10 million in 2016–17 provided in the 2015–16 Budget.

Memorandum items — initiatives prior to the 2016–17 Budget

Department of State Development

Aboriginal Regional Authority Policy

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-330	-455	-400	-400

The Aboriginal Regional Authority Policy aims to provide formal recognition to Aboriginal Regional Authorities operating across the state, and to support the Government and Aboriginal leaders to work together in areas of agreed priority through the Leader to Leader relationship.

The initiative provides funding to support policy implementation and the recognition of eight Aboriginal Regional Authorities over four years. It will create a network of Aboriginal peak bodies responsible for representing communities and driving regional priorities, and will streamline government engagement with Aboriginal peoples.

Adelaide Festival of Arts

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-700	—	—	—

This initiative provides a \$700 000 grant to the Adelaide Festival Corporation for additional support for the 2017 Festival of Arts.

Grant to Foodbank SA

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-300	—	—	—	—

This initiative provided government owned land and building at Whyalla to Foodbank SA. Foodbank is a non-profit, charitable organisation that facilitates the redistribution of surplus food to those in need within the community.

Northern Economic Plan

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-11 473	-11 347	-1 389	—
Full time equivalents	—	6	6	1	—

This initiative provides \$24.2 million over three years to support job creation, innovation, business and industry

growth and community programs in northern Adelaide through the following initiatives:

- the implementation of the Small Business Development Fund (\$10.5 million)
- the development of the Northern Adelaide Food Park (\$7 million)
- the creation of a disability employment hub (\$4 million)
- the development of electric and low carbon buses in northern Adelaide through a strategic alliance between Transit Australia Group and Precision Components Australia, supported by ZF Lemforder Australia as a strategic partner (\$2 million)
- support for the Advanced Modular Systems Alliance to assist the development of a modular construction industry in northern Adelaide (\$500 000)
- the creation of the Live Music Activation Strategy with the City of Playford (\$100 000)
- financial assistance to Power Community Ltd to deliver youth resilience, wellbeing and leadership programs in northern Adelaide (\$50 000).

Screen Production Investment Fund

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-1 000	—	—	—	—

This initiative provided an additional \$1 million in 2015–16 in television and film production funding to the South Australian Film Corporation to enable it to compete for high profile screen projects to be produced in South Australia.

This is in addition to the \$1 million per annum funding to the Screen Production Investment Fund to attract film production projects to the state.

Tourism

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	—	—	-17 500	-17 500	—
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	—	—	—	—
Impact on net operating balance	—	—	-17 500	-17 500	—
Impact on net lending	—	—	-17 500	-17 500	—
South Australian Tourism Commission					
Operating initiatives					
Marketing and Events for South Australia	—	—	-17 500	-17 500	—

South Australian Tourism Commission

Marketing and Events for South Australia

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	—	-17 500	-17 500	—
Full time equivalents	—	—	8	8	—

This initiative provides \$17.5 million in each of 2017–18 and 2018–19 to secure new events and market the state’s tourism and events offerings in key international and domestic markets. The initiative builds on funding of \$17.5 million in each of 2015–16 and 2016–17 provided in the 2015–16 Budget. The initiative provides:

- \$15.0 million over two years to secure additional major events and conventions to further drive visitation and economic development of the state
- \$14.0 million over two years to continue to grow tourism opportunities from the emerging international markets of China, India and South East Asia whilst maintaining the traditional markets of the United Kingdom, Europe, United States of America and New Zealand
- \$6.0 million over two years for destination development and domestic marketing campaigns to promote Adelaide and regional tourism experiences to the Australian market.

Treasury and Finance

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	—	-3 569	-5 279	-4 329	-3 904
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	—	—	—	—
Impact on net operating balance	—	-3 569	-5 279	-4 329	-3 904
Impact on net lending	—	-3 569	-5 279	-4 329	-3 904
Department of Treasury and Finance					
Operating initiatives					
South Australian Venture Capital Fund — Administration	—	-750	-750	-750	-750
Costs					
State Valuation Office — additional support for valuations	—	-2 819	-4 529	-3 579	-3 154
Memorandum items — initiatives prior to the 2016–17 Budget					
Department of Treasury and Finance					
Revenue offsets					
ANZAC Centenary Memorial Garden Walk	5 500	500	500	—	—
Investing initiatives					
ANZAC Centenary Memorial Garden Walk	-9 500	—	—	—	—
Industry Financial Assistance Deposit Account					
Operating initiatives					
Interest free loan scheme to support Whyalla small businesses	—	—	—	—	—

Department of Treasury and Finance

South Australian Venture Capital Fund — Administration Costs

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-750	-750	-750	-750

This initiative provides \$3.0 million over four years to the South Australian Government Financing Authority to administer a new \$50.0 million Venture Capital Fund. The fund will be established to partner with private sector financiers to support innovation and help build high growth companies in South Australia.

State Valuation Office — additional support for valuations

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	-2 819	-4 529	-3 579	-3 154
Full time equivalents	—	12	12	12	12

This initiative provides additional support to the State Valuation Office to undertake improvements in the processes for the Valuer-General's valuations of properties in South Australia. The five year initiative will improve valuation accuracy through additional data collection and revaluation to inform site assessments and capital value assessments for prioritised property classifications and locations where required. Whilst revaluation work is undertaken on a continual basis, this initiative will be undertaken in a more rigorous manner as a project of this magnitude has not occurred since the 1990's.

Memorandum items — initiatives prior to the 2016–17 Budget

Department of Treasury and Finance

ANZAC Centenary Memorial Garden Walk

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating revenue	5 500	500	500	—	—
Investing payments	-9 500	—	—	—	—

This initiative provided \$9.5 million in 2015–16 for the joint state, Commonwealth and local government project for the construction of the Anzac Centenary Memorial Walk along Kintore Avenue in Adelaide.

The walk links the South Australian National War Memorial and the Torrens Parade Ground to provide a place of reflection, recognition and education to honour the original Anzacs and all South Australians who have served their nation at war.

The \$9.5 million project is funded through the Commonwealth's Anzac Centenary Public Fund (\$5.0 million in 2015–16), the South Australian government (\$3.0 million in 2015–16) and the Adelaide City Council (\$1.5 million over three years).

Industry Financial Assistance Deposit Account

Interest free loan scheme to support Whyalla small businesses

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	—	—	—	—	—

On 2 May 2016 a \$9.6 million interest-free loan scheme was introduced to support small businesses experiencing cash-flow challenges as a result of Arrium entering administration.

The program has been established to support suppliers to Arrium through the administration period where payments which are due may have been frozen.

Interest-free loans of up to \$750 000 will be available to South Australian businesses. Grants may also be offered in special circumstances in place of a loan or in combination with a loan.

Urban Renewal Authority

2016–17 Budget initiatives (\$000s)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating initiatives	-420	-794	—	—	—
Operating savings	—	—	—	—	—
Revenue measures	—	—	—	—	—
Revenue offsets	—	—	—	—	—
Investing initiatives	—	—	—	—	—
Impact on net operating balance	-420	-794	—	—	—
Impact on net lending	-420	-794	—	—	—
Urban Renewal Authority					
Operating initiatives					
Port Adelaide precinct initiatives	-420	-794	—	—	—

Urban Renewal Authority

Port Adelaide precinct initiatives

Budget implications (\$000)

	2015–16 Estimate	2016–17 Budget	2017–18 Estimate	2018–19 Estimate	2019–20 Estimate
Operating expenses	-420	-794	—	—	—

This initiative provides \$1.2 million over two years to continue a program of economic development initiatives aimed at revitalising the Port Adelaide Regional Activity Centre. The program delivers infrastructure projects and a comprehensive range of events and activations to support local businesses and rejuvenate and change public perceptions associated with the area. The Port Adelaide Enfield Council will also be committing funding to deliver these initiatives with specific joint venture projects with the government being for the car parking strategy for the Port Centre and the Commercial Road North upgrades.

2016-17 State Budget

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**Government of
South Australia**