



The Hon Paul Fletcher MP
Minister for Families and Social Services



**Government
of South Australia**

The Hon Rob Lucas MLC
Treasurer

\$5 million to support South Australia's most vulnerable through social impact investing

14 May 2019

The Liberal National Government today announced a commitment of up to \$5 million for a social impact investment initiative to support young people in South Australia leaving out-of-home care.

Federal Minister for Families and Social Services, Paul Fletcher, said that this initiative will help young people leaving out-of-home care achieve better outcomes.

“Social impact investments bring together funding and expertise from the public, private and not-for-profit sectors to achieve a social objective. The Morrison Government has committed over \$57 million to support the Australian social impact investing market, including \$22 million over 10 years to partner with state and territory governments to support social impact investments,” Mr Fletcher said.

“This initiative will form part of the Government’s commitment to supporting vulnerable young people achieve better outcomes.”

“The project will combine Commonwealth funding with state funding, expertise and experience,” Mr Fletcher said.

South Australian Treasurer Rob Lucas welcomed the Commonwealth funding commitment, which will help support young people transition to independence, with better education and job outcomes.

“We are delighted to partner with the Commonwealth Government on an important initiative to help improve the lives of young South Australians,” said Mr Lucas.

“This initiative will also help ease the pressure on our state child protection system and also reduce the burden of welfare costs to the Commonwealth,” Mr Lucas said. “We intend to approach the market and seek expressions of interest from service providers in the near future.”

Final details of any possible project will not be known until after the market testing process has concluded.

Possible positive results from the initiative might include lower levels of unemployment, less reliance on taxpayer-funded welfare, greater family preservation and potential reunification with families, where safe and appropriate.

Minister Fletcher said this partnership with South Australia is the first of a number of social impact investment initiatives in which the Commonwealth will partner with state and territory governments to make a difference in the lives of vulnerable Australians.

In total, the Commonwealth will contribute \$17 million in outcome payments over the next eight years in partnership with state and territory governments.

These partnerships recognise state government experience in the social impact investing market and the importance of governments working together to tackle complex social issues. Joint investment in social impact investing initiatives provides cost savings at multiple levels of government.

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