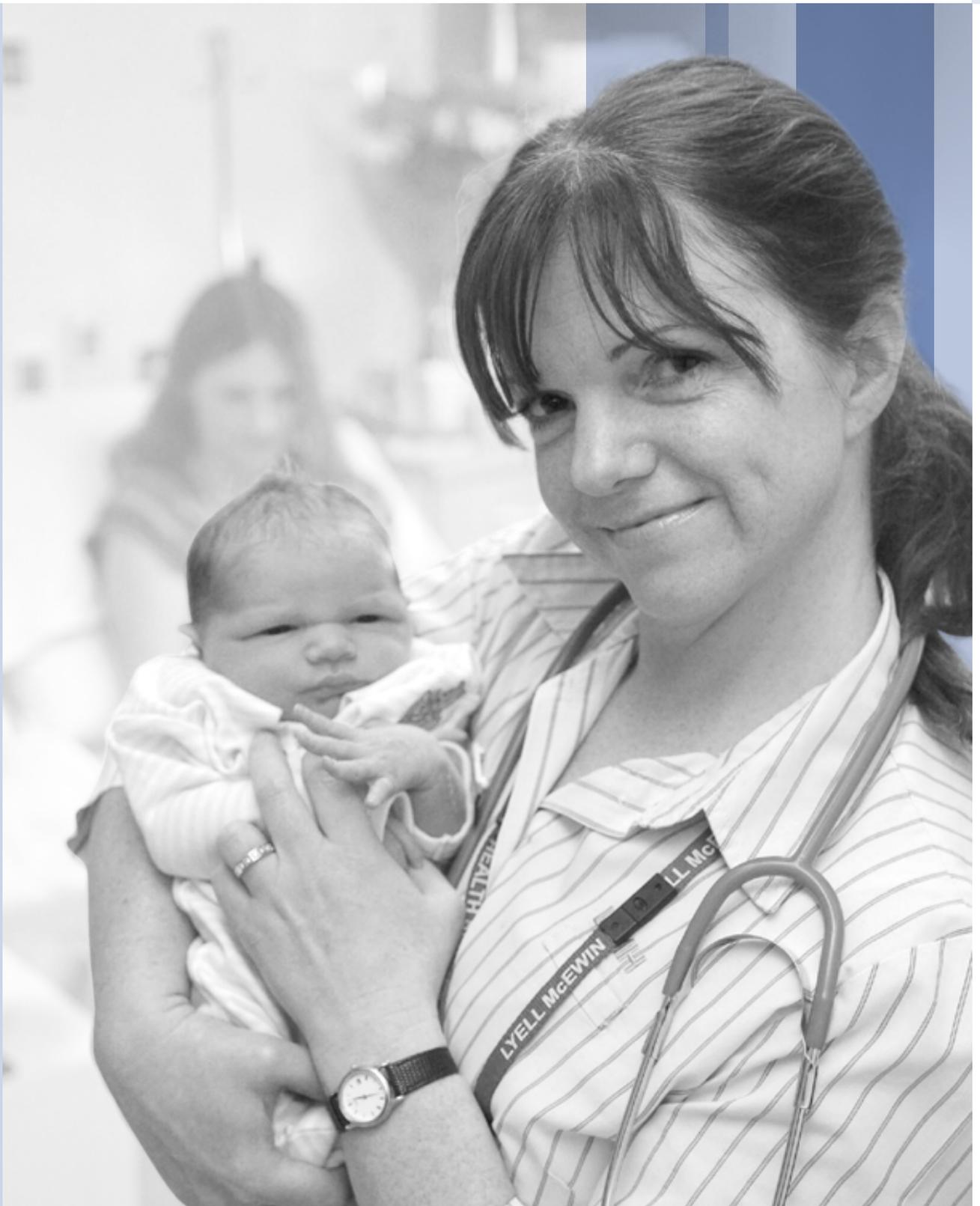




Strong. Secure. Supportive.





2011–12 Budget Papers

- Budget Paper 1** Budget Overview
- Budget Paper 2** Budget Speech
- Budget Paper 3** Budget Statement
- Budget Paper 4** Agency Statements – Volumes 1, 2, 3, 4
- Budget Paper 5** Capital Investment Statement
- Budget Paper 6** Budget Measures Statement

Acknowledgements

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Treasurer's message

The 2011–12 State Budget was framed against the backdrop of a global economy undergoing a slow recovery from recession.

These economic conditions have resulted in Australian exports being challenged by the high Australian dollar while consumers cautiously spend less and save more.

While this lower spending is prudent for many people in this current climate, the result for South Australia is a drop in revenue.

As Treasurer, my role is to make sure that the Budget not only provides essential services for South Australian families, but that our debt remains low so that our children won't be paying off the State's credit card for years to come.

For this reason, the Budget's new spending is relatively modest and directed to those who need it most.

This includes extra support for some of our most vulnerable families and communities, and new initiatives in disabilities and health.

The Government continues its massive infrastructure program, recognising that it is providing jobs and investment for South Australians today while ensuring that we build the hospital and transport systems of

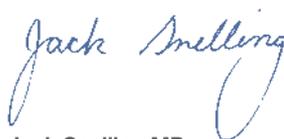
tomorrow. Our infrastructure spending will renew the city of Adelaide and transform the State.

South Australia's economy has already changed markedly over the last decade to enable prosperity to continue through growth in industries such as mining.

The Government has created the conditions to support these industries to flourish so that people have confidence about the future of their State and the opportunities that will be available for the next generation of South Australians.

When I set out to frame this Budget, I wanted to ensure our economy remains **strong**, our financial position was **secure** and that we were **supportive** of those who need it most.

This is what the 2011–12 State Budget delivers for South Australia.



Jack Snelling MP
Treasurer

The Treasurer with his wife Lucia and six children at their family home



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Budget summary

The State Government continues to deliver a *Strong* Budget through its capital investment program to create employment and meet the State's infrastructure and public transport needs.

To *Secure* our financial future, savings measures continue and new spending and debt have been kept to low levels.

The 2011–12 Budget is *Supportive* of people in need, with new initiatives aimed at increasing services in health, families and communities.

With the decline in South Australia's GST revenue, a net operating deficit is now forecast for 2011–12; however, through a sensible approach to spending and forecast growth in revenue, the Budget will return to surplus in 2012–13, with the net operating balance growing to \$655 million in 2014–15.

The large surplus and reduced debt forecast in 2014–15 will help the Budget to absorb the costs of the new Royal Adelaide Hospital.

The Government will continue spending on crucial infrastructure over the next four years and this will keep net lending in deficit until 2013–14 with a corresponding increase in net debt.

Net debt is forecast to peak at \$4.2 billion in 2013–14, before declining to \$3.6 billion in 2014–15.

This means that net debt will peak at just 4.3 percent of Gross State Product over the next four years (compared to the national position where net debt peaks at 7.2 percent of Gross Domestic Product).

Tax relief

The Government remains dedicated to bringing in previously announced taxation relief measures.

Over the next four years this includes:

- *\$170.7 million in tax relief from indexing land tax brackets from 1 July 2011, in line with average site value increases.*
- *Abolishing stamp duty on non-real property transfers and non-quoted marketable securities from 1 July 2012. This will provide around \$131.2 million in tax relief to 2014–15.*

The general government sector estimated budget (\$million)

		2010–11 Estimated Result	2011–12 Budget	2012–13 Estimate	2013–14 Estimate	2014–15 Estimate
Net operating balance	\$m	- 427	- 263	114	80	655
Net lending	\$m	-1 821	-1 252	- 489	- 56	542
Net debt	\$m	3 217	3 825	4 098	4 213	3 615
Net financial liabilities to revenue	%	94.4	95.6	95.8	96.3	88.5

The Government's 2011–12 operating expenses: **Front line community services receive most of the dollars**

29.5%
Health



24.7%
Education



Savings and revenue

The Government is continuing to find savings and has introduced targeted revenue measures to help secure the State's financial future.

Savings

The following new savings measures will be introduced in the 2011–12 Budget:

- A reduction of 400 full-time public sector employees over two years (2012–13 to 2013–14) will deliver savings of \$31 million a year (indexed) by 2014.
- Reducing the \$8,000 first home bonus grant to \$4,000 from 1 July 2012 and then abolishing it from 1 July 2013 will result in savings of almost \$10 million in both 2013–14 and 2014–15.
- Streamlining the South Australian Fire and Emergency Services Commission's (SAFECOM) functions will result in savings of \$2 million a year (indexed).
- Introducing an online payment and management system for residential tenancy bonds will deliver savings of \$120,000 in 2013–14, and \$245,000 a year from 2014–15.
- Deferring several capital projects will result in lower expenditure of \$396.4 million over the next four years.

The 2010–11 Budget measure to replace some public sector employee's recreation leave loading with an extra two days recreation leave a year will not proceed. As a consequence, the Government will forego the \$22 million a year in savings from 2012–13.

Revenue

The Budget contains some modest revenue measures, including:

- Increasing the light motor vehicle registration fee by around 1 percentage point more than the standard indexation increase. This will raise around \$2 million every year to fund extra road resurfacing and rehabilitation works to improve the condition of SA's regional road networks. Kangaroo Island will be the first beneficiary of this measure.
- Introducing an annual liquor licence fee to raise \$3.6 million (indexed) to recover costs of regulating the liquor industry.

While the South Australian economy has grown since the global financial crisis, general government taxation and GST revenues remain lower than expected due to soft property market conditions and restrained household spending.

Total taxation, GST and royalty revenue for the period 2010–11 to 2011–12 will be almost \$650 million lower than estimates made for the same period as part of the 2008–09 Budget (before the global financial crisis). This has a major impact on the Budget's net operating and net debt positions.

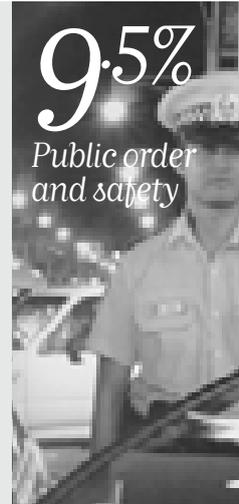
Revenue by source

\$4.5 billion from GST revenue grants (from the Commonwealth)	29%
\$4.1 billion from state taxes	26%
\$3.9 billion from other grants (mainly from the Commonwealth)	25%
\$3.2 billion from goods and services sales, dividends and other revenues	20%



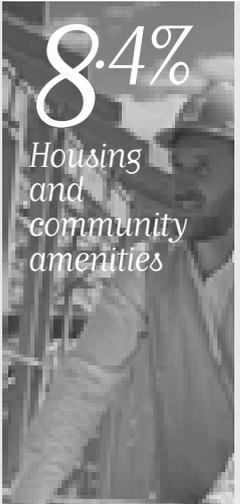
15.1%

Agriculture, recreation, culture and others



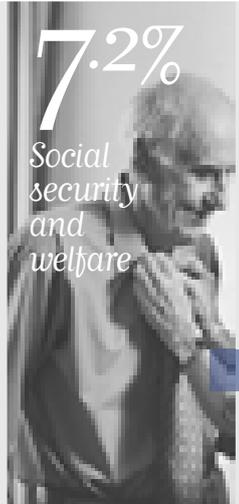
9.5%

Public order and safety



8.4%

Housing and community amenities



7.2%

Social security and welfare



5.6%

Transport and communications



The Glenside Core Library is recognised by the resources and petroleum industries as one of the best purpose-built drill core reference libraries in the world

Jobs and industry

South Australia's labour market continues to grow, with more than 129,000 extra jobs created since the Government came to office in March 2002.

To ensure that South Australians continue to have the right skills for our job market, the State Government's *Skills for All* initiative, announced in 2010–11, is making a massive investment in vocational education and training in our State.

Skills for All will provide South Australia with a modern, dynamic, demand driven training system which will give everyone the chance to get a passport to world class skills.

Several other initiatives continue to support our economy and invest in our industries:

- supporting clean technology product development through a *Cleantech Partnering Program* and helping in the commercialisation of SME manufacturers through a *Small and Medium Enterprise Investment Development Program*
- helping industry to develop in the South East through the *South East South Australian Innovation Investment Fund* (in partnership with the Commonwealth)
- supporting initiatives for economic development infrastructure through the \$2 million *Strategic Industry Development Fund* (introduced in 2010–11)
- encouraging further investment in existing Riverland businesses by providing financial support through the *Riverland Sustainable Futures Fund*
- supporting projects for economic and community development within the Upper Spencer Gulf and Outback regions through the *Enterprise Zone Fund*.

Employment growth is also supported through further investment in vocational education infrastructure, including investment in TAFE SA campus upgrades and equipment, and the planned \$125 million Sustainable Industries Education Centre at Tonsley Park.

Mining

The 2011–12 Budget provides funding to investigate options for the long term future of core library facilities.

The Glenside Core Library is recognised by the resources and petroleum industries as one of the best purpose-built drill core reference libraries in the world and is fundamental to identifying the State's mineral and petroleum resources inventory.

Delivery of this pre-competitive data will continue to attract and sustain international investment in mineral, petroleum and geothermal exploration in the State.

Support for mining and exploration also continues through:

- the *Plan for Accelerated Exploration (PACE) Program*
- the *Resources and Engineering Skills Alliance (RESA)* to boost training in the State's expanding mining industry
- the establishment of a new mining trades centre as part of a \$6.5 million upgrade at the Whyalla TAFE campus.

Health

South Australia's Health sector will benefit from an investment of \$497.8 million in infrastructure during 2011–12.

Mental health is a priority with \$79.4 million dedicated to improving supported accommodation, rehabilitation and intervention services, and youth sub-acute services in metropolitan and rural locations over the next four years.

South Australia's *Health Care Plan* continues to ensure quality services and care are accessible across the State.

Hospitals

Thirteen of the State's major metropolitan and regional hospitals continue to be upgraded and redeveloped.

\$668.6 million over the next four years will be invested into the Flinders Medical Centre, Lyell McEwin Hospital, Women's and Children's Hospital, Women's and Children's Cancer Centre, Modbury Hospital, The Queen Elizabeth Hospital, Ceduna Health Service Hospital, Berri Hospital, Whyalla Hospital, Port Lincoln Hospital, Mount Gambier Hospital, Noarlunga Health Service, Glenside Hospital and the Repatriation General Hospital.

Also, the Port Lincoln Country General Hospital and Mount Gambier Hospital will collectively receive \$55.9 million over the next four years for the redevelopment of health services and infrastructure.

Resources

Health will benefit from another \$152.6 million over the next four years to support the increased cost and volume of services including nurses, doctors and other health professionals.

Services

Regional cancer services will be expanded and improved through an investment of \$69.5 million over the next three years, in partnership with the Commonwealth, delivering:

- extra beds and equipment for the Whyalla Regional Cancer Centre
- new chemotherapy chairs in regional locations
- extra radiation oncology services at the Lyell McEwin Hospital.

Also, the establishment of a new cancer research centre in Adelaide will be the result of donations and Government contributions totalling \$4.9 million over the next five years.

Mount Gambier will receive a new purpose-built ambulance station costing \$3.5 million over the next two years.

Walleroo will receive a new five-chair dental clinic costing \$3.3 million over the next two years.

179 An extra 179 sub-acute beds will be delivered across the State over the next four years (in partnership with the Commonwealth)

Early detection is crucial

Breast cancer remains the most commonly reported cancer in South Australian women.

Research shows that regular screening is the most effective way to detect breast cancer early and reduce related deaths.

In response, the State Government, in partnership with the Commonwealth, is providing \$36.7 million over the next four years to provide extra resources to support breast screening services.

This investment will provide for extra state-of-the-art digital mammography technology, as well as replacing a BreastScreen SA mobile unit in the Adelaide Metropolitan area.

Through this investment, BreastScreen SA will be better equipped to provide expanded free screening services across South Australia to the growing number of women in the screening target age group (50 to 69 year olds).

Early detection is crucial. With today's advanced digital technology, a mammogram only takes a few minutes and can help save a life.

Delivering 21st century health care

The new Royal Adelaide Hospital will be Australia's most advanced public hospital and the single largest infrastructure project in the State's history.

The hospital will replace the existing Royal Adelaide Hospital and provide:

- 800 beds (700 multi-day beds and 100 same-day beds), compared to the current 680
- 30 percent more operating theatres, procedural rooms and intensive care beds
- a massive increase in emergency care capacity
- a comprehensive range of tertiary level patient care
- the use of smart technology to deliver advanced patient care and services
- continuation of critical state-wide services.

To be delivered through a public private partnership, the new Royal Adelaide Hospital is expected to be completed in 2016.

Families and communities

The 2011–12 Budget is dedicated to supporting those South Australian families and communities most in need.

Over the next four years, around \$128 million will be invested in our communities through:

- extra resourcing for people with a disability, their families and carers (\$37.5 million)
- extra disability equipment and resources to reduce waiting lists (\$10.8 million)
- extra alternative care services for children to address the anticipated growth in children entering State care (\$69.2 million). Funding will provide for:
 - extra resourcing for children who need alternative care arrangements (\$41.7 million)
 - construction of new community residential care facilities (\$8.4 million)
 - increasing the level of reunification of children in State care with their families (\$19.0 million)
- the opportunity for 32 residents currently accommodated at the Strathmont Centre to move into community living arrangements using custom built housing constructed under the *Nation Building — Economic Stimulus Plan* (\$7.7 million)
- a new medical heating and cooling concession for pensioners and eligible low income earners who need the regulation of temperature to control the symptoms of certain conditions (\$1.8 million)
- support for Netball SA's operations at ETSA Park (\$880,000)
- the upgrade of the Mount Gambier BMX Club in preparation for the national championships (\$300,000 in 2011–12).

The delivery of affordable housing options to the State's most disadvantaged will continue to grow through an investment of \$254.1 million during 2011–12. This support will provide for:

- the maintenance, upgrade and replacement of existing dwellings and the purchase and construction of new dwellings
- accommodation for remote indigenous communities, people with a disability, the homeless, young people and those in need of emergency housing
- the completion of an extra 1,360 dwellings being constructed across the State through the Commonwealth Government's *Nation Building — Economic Stimulus Plan*.

Also, urban and neighbourhood renewal remains a focus with the State providing new affordable housing in Playford North, Elizabeth Park, Woodville West and Westwood through a \$31.5 million investment in 2011–12.



Keeping families together

Reconnecting children in alternative care with their families is a State priority.

A total of \$19 million has been allocated over the next four years to services aimed at increasing family reunification.

Services will include:

- providing improved court-supported interventions
- providing improved engagement and continuing support to parents to enable children to be returned to their care
- providing home-based support to families after reunification to ensure a safe and stable home environment.

The Government wants to see the length of time children spend in alternative care reduced.

This investment will expand the opportunities available to reunify children with their families safely.

New concession to ease financial burden

Eligible low income earners and pensioners who need regulated temperatures because of a medical condition will receive up to \$316 in energy concessions in 2011–12.

\$1.8 million will fund a new heating and cooling concession over the next four years and will specifically help eligible people with Multiple Sclerosis, Parkinson's Disease, Lymphoedema, some neurodegenerative disorders and severe inflammatory skin conditions.

As they're often forced to run heaters or air conditioners for long periods of time, people who suffer from a condition affected by temperature will have their financial burden eased by the State Government.

This new concession is on top of the energy concession which was increased by 25 percent from 1 July last year (and which will continue to increase by 5 percent every year until 2012–13).

Supporting those who need it most

More than 20,000 people receive disability support services in South Australia, with more than 5,000 new clients since 2003–04.

The State Government is responding by providing \$56.1 million over four years to support those with the highest need.

The investment will be specifically targeted to help new clients in emergency situations who urgently need support and those who need extra help because of increased needs.

Funding will also deliver around 600 items of complex disability equipment or major home modifications every year to improve the independence and quality of life of people with a disability.

Extra support has also been provided to enable 32 residents currently living in an institutional setting at the Strathmont Centre to move into community living arrangements.



More than 20,000 people receive disability support services in South Australia, with more than 5,000 new clients since 2003–04

Improving train safety

Adelaide metropolitan train commuters will benefit from the introduction of new, state-of-the-art train safety technology that will greatly reduce the likelihood of a train collision or derailment on the metropolitan rail network.

The \$50 million Automatic Train Protection system monitors and controls a train's speed to ensure that speed limits are not exceeded and displayed signals are complied with, ensuring public safety.

Trains have increased in size and frequency on the Adelaide network. A train weighs 100 times more than a car and, as a result, needs a long distance to stop safely. Investing in this system will improve overall safety of the local rail network.

This investment is part of the State Government's \$2.1 billion redevelopment and upgrade of the public transport network to 2018.



The installation of a new computerised train protection system will greatly improve train safety on the Adelaide metropolitan rail network

Transport

The State Government continues to roll out a massive transport infrastructure program ensuring that South Australia remains a great place to live and work.

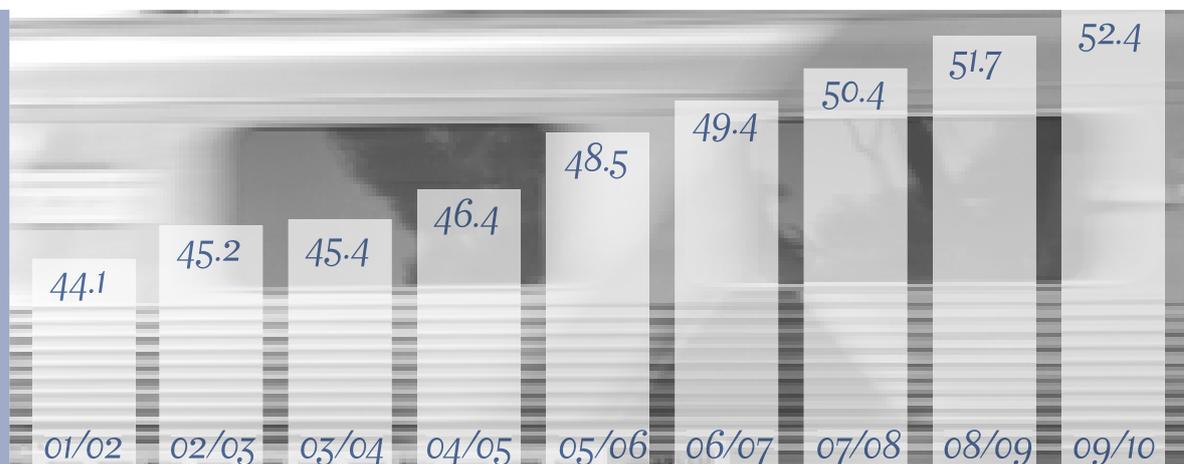
The program includes major road works such as the new South Road Superway, the upgrade and electrification of the metropolitan rail network and improved information and communications technology.

The 2011–12 Budget delivers several new transport investments including:

- the installation of a new computerised train protection system that will greatly improve train safety on the Adelaide metropolitan rail network (\$35 million over four years, as part of a \$50 million project)
- improvements to regional roads and freight routes through extra shoulder sealing, road resurfacing and rehabilitation works, road widening and intersection improvements (\$54.8 million over four years)
- increasing the capacity of existing Park 'n' Ride facilities and improved passenger amenities on the O-Bahn bus corridor (\$17.1 million over two years)
- improved public transport accessibility for people with a disability (\$8.0 million over four years)
- an extra seven buses and increased services from 2014–15 (\$8.7 million)
- repairs to flood-damaged roads across the State (\$9.6 million over two years, including \$5.5 million in 2010–11)
- the installation of road safety cameras at selected school pedestrian crossings and at mid-block locations on major arterial roads (\$3.5 million over four years)
- extra rail infrastructure including a new rail turn-back at Elizabeth (\$12 million over two years)
- planning and design activity for proposed road and rail upgrades at Oaklands Park, Mount Barker, Port Adelaide, Gawler East and at metropolitan road intersections (\$5 million over two years, including \$600,000 in 2010–11).

The number of people using public transport continues to grow each year

Public transport boardings from 2001–02 to 2009–10 (millions):





More teachers for students

In 2000 there was one primary school teacher for every 17 students. In 2010 there was one primary school teacher for every 15 students

Education

School infrastructure is a priority with continuing investment and reform being undertaken for the benefit of today's school children and future generations.

New investments include:

- relocating preschools to primary school sites to improve educational outcomes for children through providing a seamless transition from early childhood development to education (\$14.4 million over four years)
- expanding and improving facilities through the construction and refurbishment of infrastructure at the Eastern Fleurieu R–12 School, Cleve Area School, Keith Area School and Eden Hills Primary School (\$18.8 million over four years).

Delivery of six new schools in the northern and north-western suburbs of Adelaide is almost complete through a public private partnership. The final school will open in term 3 of 2011.

The Budget provides \$503 million in 2011–12 to support the continuing delivery of quality vocational education and training for South Australians. This includes helping to drive better quality standards of regulation across vocational education and training (VET) by joining in the Commonwealth's *National VET Regulator*.

The Budget also provides for investment in:

- the upgrade of lighting and air conditioning at the Regency TAFE Campus to increase energy efficiency
- improving the appearance, comfort and space usage at the Adelaide TAFE campus by refitting classrooms as part of the *Campus Refurbishment Project*
- improving online access, speed and accuracy for students with the introduction of the new Student Information System as part of a \$16.4 million project that began in 2008–09.

The Government is also building the \$125 million *Sustainable Industries Education Centre* at the Sustainable Technologies Precinct at Tonsley Park. This project will provide state-of-the-art training for trades in the building and construction, water and renewable energy industries. The centre is scheduled to open in 2014.

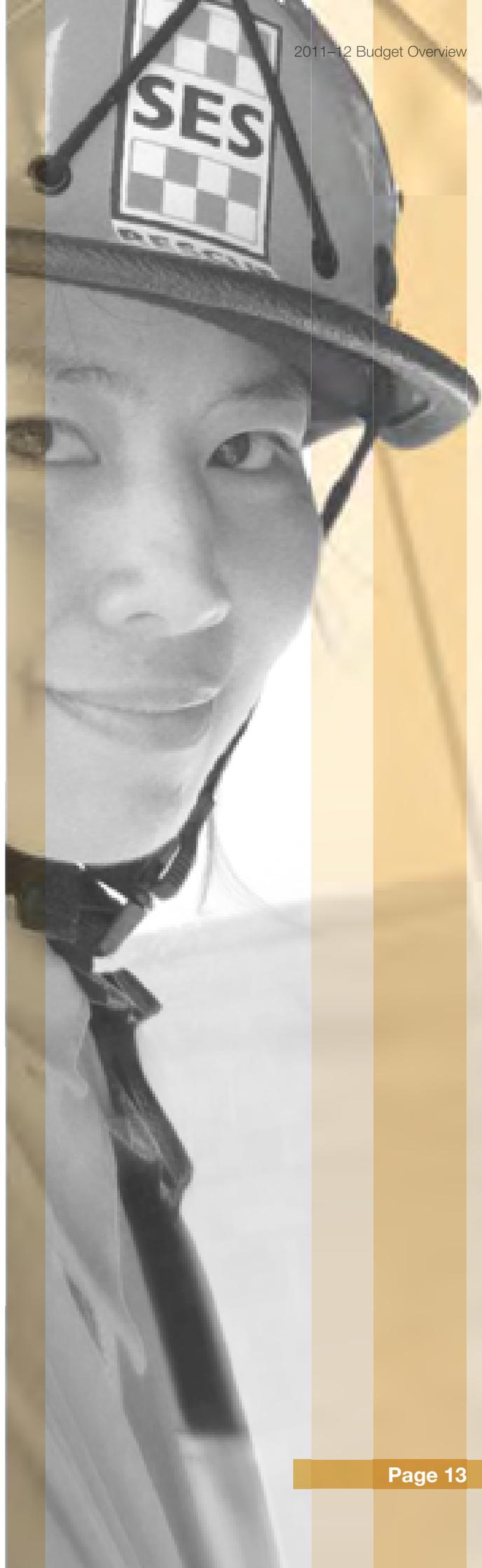
Justice and emergency services

Community safety, wellbeing and justice will receive around \$1.5 billion in 2011–12 to ensure South Australia continues to be a safe and fair place to live and work.

Over the next four years, around \$22 million in new spending will deliver:

- improvements to courts (\$6.4 million)
- upgrades to prisons across South Australia (\$3.8 million in 2011–12)
- reductions in red tape to benefit businesses associated with national occupational licensing and business name registration (\$3.5 million)
- extra support for the State Emergency Information Call Centre (\$2.5 million)
- more support for DNA analysis and forensic services (\$2.1 million)
- extra training resources for CFS and SES volunteers to provide valuable emergency response services to the public (\$2.1 million)
- prisoner rehabilitation and reintegration programs (\$1.6 million).

The Government also continues to recruit police to deliver on the 2010 election promise of 300 extra police over four years.



Environment and water

Securing South Australia's water supply remains a priority and in July 2011 the \$1.8 billion, 100 gigalitre desalination plant will begin delivering its first water.

Several environmental initiatives will be delivered in 2011–12:

- Adelaide's largest wastewater treatment plant, the *Bolivar Waste Water Treatment Plant*, will be upgraded to become more efficient by using up to 85 percent of its on-site biogas to generate power (\$25.9 million).
- Investment in an ongoing prescribed burning program to reduce the risk of major bushfires on public land, including 56 extra fire-fighters on public land, including 56 extra fire-fighters (\$7.3 million a year by 2014–15).
- Extra resources for the operation and maintenance of the 2,475 kilometre Upper and Lower South East drainage system to protect industry and the environment from salinity and flooding (\$5.4 million a year, indexed). From 2012–13, the extra expenditure will be offset by revenue raised through a levy paid by beneficiaries of the drains.
- Upgrade and repair of the Patawalonga Lake System to reduce the risk of flooding in Glenelg.
- More resources for environmental protection, including improvements to the management of illegal landfills and dumping (\$814,000 per year).

Consistent with the National Water Initiative (NWI) pricing principles, the Government recently announced new drinking water and sewerage charges to apply from 1 July 2011. These charges will help to recover the cost of securing future water supplies, including the Adelaide Desalination Plant.

The Government recognises the impact of the increases in these charges and so the 2011–12 Budget provides funding for water concessions to help pensioners and other eligible low income earners. This will include:

- an extra \$22.1 million for water rate concessions over the next four years
- an increase in the concession to 25 percent of eligible customers' total water bills from 1 July 2011 (from the current 20 percent)
- both the minimum and maximum concession amount increasing by \$55 over the next two years (for eligible owner-occupier recipients).

Reducing bushfire hazards – Saving lives

Many towns and suburbs in the Adelaide Hills, Fleurieu Peninsula, Kangaroo Island and other parts of South Australia are in bushfire prone areas.

To minimise the risk of bushfires proactively, \$23.1 million will be provided over the next four years to reduce the risk of bushfires on public land and ultimately minimise the impact of bushfires on communities.

This investment follows the Victorian Bushfire Royal Commission's (July 2010) recommendation that bushfire mitigation strategies should be significantly increased on public land.

This initiative includes:

- funding growing to \$7.3 million a year by 2014–15
- an extensive prescribed burning program that will focus on high risk areas of the State, including the Mount Lofty Ranges, Lower Eyre Peninsula, Southern Flinders Ranges, South East and Kangaroo Island
- an extra 56 fire-fighters, 13 ongoing and 43 seasonal
- purchasing of fire management equipment, including fire-fighting appliances and large bulk water carriers.

Public sector

The Government will honour its pledge of no forced redundancies for the remainder of this term of government.

Recreation leave loading will be restored for all public sector employees, reversing the decision made in the 2010–11 Budget to replace leave loading with an extra two days of recreation leave a year (for specified public sector employees).

- A senior group of representatives will be formed with the Public Service Association and other public sector employee unions to work with Government to ensure appropriate mechanisms are in place to retain specialised public sector skills.

Public sector management

In an effort to streamline the Government's workforce and manage redeployees more effectively, the following management approach will be adopted:

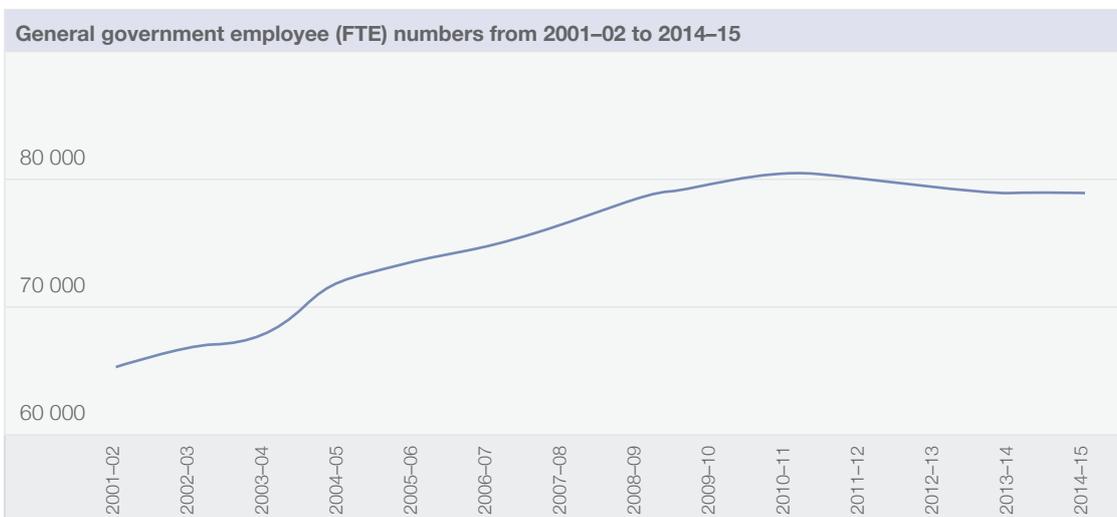
- A centralised whole-of-government unit will be established to provide training, support and alternative placements for redeployed public sector employees. This unit will have the authority to match redeployees to appropriate jobs anywhere across government.
- Beginning in July 2014, a public sector employee who has been on the redeployment list for longer than 12 months (and after receiving formal help to find alternative employment for at least that period) would be able to be separated with an appropriate financial package in accordance with the *Public Sector Act 2009*.

Staff numbers

Extra employees will be funded in the 2011–12 Budget across the health, disability and family support sectors.

By 2013–14, these extra resources will almost be offset by savings measures through the reduction of another 400 employees (being 200 employees in 2012–13 and another 200 employees in 2013–14).

The number of full-time equivalent employees has increased by more than 15,000 since 2002



Regions

Regional communities will benefit from new initiatives in health, education, bushfire management, environment, transport and infrastructure.

Health

*\$132.2 million over four years
(in partnership with the Commonwealth)*

- Expanding of regional cancer services in Whyalla.
- Redeveloping the Mount Gambier and Port Lincoln Hospitals.
- Constructing a new five-chair dental clinic at the Wallaroo Hospital.
- Developing a new purpose built ambulance station at Mount Gambier.

Infrastructure

\$10.9 million over four years

- Providing essential service infrastructure upgrades and extra maintenance in remote Aboriginal communities.

Education

\$15.9 million over four years

- Upgrading and improving Cleve Area School, Eastern Fleurieu R-12 School and Keith Area School.

Environment

\$22.5 million over four years

- Extra resources for the operation and maintenance of the Upper South East drainage system. The drainage system (drains, wetlands and environmental assets) of the Upper and Lower South East includes 2,475 kilometres of drainage network.

Flooding

\$13.5 million in 2010–11 and 2011–12

- Repairing flood-damaged roads and bridges across the State, including helping the Clare and Gilbert Valleys Council with urgent infrastructure repairs.
- Improving communications to manage flood hazards associated with rising levels in the River Murray.
- Investing in six rapid flood response units to be stationed at State Emergency Service units across South Australia.

Bushfire Management

\$25.1 million over four years

- Providing extra resources and fire fighting equipment to reduce the risk of major bushfires on public land and the impact of bushfires on communities.
- Providing extra training and accreditation courses for Country Fire Service and State Emergency Service volunteers.

Roads

\$54.8 million over four years

- Improving regional road networks by investing in shoulder sealing, rehabilitation and resurfacing on high priority regional roads and the continuation of the *Rural Freight Improvement Program*.

Also, drought relief will be extended for communities living along the River Murray and Lower Lakes Corridor as part of the Commonwealth Government's *Exceptional Circumstances Program* (\$11 million in total).



Major infrastructure for SA

By Jun 2011	<ul style="list-style-type: none"> • Education Works — Stage 1 \$200million
By Dec 2011	<ul style="list-style-type: none"> • Southern Urban Water Re-use \$65million • Women's and Children's Hospital — Children's Cancer Centre \$24million
By Jun 2012	<ul style="list-style-type: none"> • Rail Revitalisation — Gawler Line Upgrade \$125million • Cavan Youth Training Centre \$67million • Police Academy Redevelopment \$53million • Modbury and Noarlunga GP Plus Super Clinics \$50million • Adelaide Studios \$47million • Port Bonython Jetty Refurbishment \$30million • Adelaide Living Beaches Pipeline \$26million
By Dec 2012	<ul style="list-style-type: none"> • Adelaide Desalination Plant \$1 824million • Flinders Medical Centre Redevelopment \$163million • The Queen Elizabeth Hospital Stage 2 Redevelopment \$127million • James Nash House Redevelopment \$19million
By Jun 2013	<ul style="list-style-type: none"> • North–South Interconnection System \$403million • Seaford Rail Line \$29million • Modbury Hospital Redevelopment \$46million • Public Transport Ticketing System \$42million • Repatriation General Hospital — Sub-acute Care Beds \$32million
By Dec 2013	<ul style="list-style-type: none"> • Sustainable Industries Education Centre \$125million • Whyalla Hospital Redevelopment and Regional Cancer Services \$85million
By Jun 2014	<ul style="list-style-type: none"> • South Road Superway \$843million • Southern Expressway Duplication \$446million
Other projects	<ul style="list-style-type: none"> • New Royal Adelaide Hospital \$2 095million • Adelaide Oval Redevelopment \$535million • Riverbank Precinct Redevelopment \$394million



Spending in SA mineral exploration continues to recover from the impact of the global financial crisis

Economic outlook

A greatly improved export performance and record winter crop have boosted the South Australian economy in 2010–11.

The number of South Australians who are employed has grown by more than 129,000 since the Government took office in March 2002.

Public investment in new infrastructure remained at high levels during 2010–11 reflecting a continuation of major investment by the government in transport, health, education and public housing and the continuing construction of the Adelaide Desalination Plant.

The South Australian economy is expected to maintain solid economic growth over the next four years. Economic growth of 2¼ percent a year is forecast from 2011–12 through to 2014–15. Employment growth is expected to be 1½ percent in both 2011–12 and 2012–13.

Nevertheless, several risks to the economic outlook remain:

- While the world economy has continued to recover from global recession, there are still risks associated with the sovereign debt problems of some European Union nations, the United States' fiscal position and the speed and strength of the Japanese recovery following the recent earthquake and tsunami.
- The performance of some sectors of the South Australian economy continues to be challenged by the high Australian dollar.
- As has been the case nationally, household spending has been subdued as consumers increase savings and seek to reduce their debt.



Guide

to the 2011–12 Budget Papers

Budget Paper 1: Budget Overview

A summary publication capturing all highlights from the 2011–12 Budget.

Budget Paper 2: Budget Speech

A copy of the Treasurer's speech, the Hon. Jack Snelling MP, delivered to Parliament on 9 June 2011.

Budget Paper 3: Budget Statement

A financial report presenting the State Government's current and estimated future economic performance, fiscal strategy, budget priorities, expenditure, revenue, assets, liabilities, risks and government business.

Budget Paper 4: Agency Statements

Various financial reports presenting the State Government's current and estimated revenue, expenses and performance by agency.

Budget Paper 5: Capital Investment Statement

A financial report presenting the State Government's current and estimated capital investment program by agency.

Budget Paper 6: Budget Measures Statement

A financial report detailing the State Government's expenditure, savings and revenue initiatives.

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