

TRS21D0814

Hon Stephen Mullighan MP Member for Lee Unit 1, 62 Semaphore Road SEMAPHORE SA 5019 Treasurer
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Dear Mr. Mullighan

APPLICATION UNDER THE FREEDOM OF INFORMATION ACT 1991

I refer to your application made under the *Freedom of Information Act 1991* (the Act), dated 9 April, 2021.

Your application seeks access to:

"All minutes, briefings and correspondence titled 'Commonwealth 2020-21 Mid-Year Economic and Fiscal Outlook (MYEFO)- Impact on GST revenue' as described on the Objective document management system." From 26 October 2020 to 9 April 2021.

The purpose of this letter is to advise you of my determination. An extensive search was conducted within this office. A total of 1 document was identified as answering the terms of your application.

I grant you access in full to 1 document; a copy of which is enclosed.

Please note, in compliance with Premier and Cabinet Circular PC045 - *Disclosure Logs for Non-Personal Information Released through Freedom of Information* (PC045), the Department of Treasury and Finance is now required to publish a log of all non-personal information released under the Act.

In accordance with this Circular, any non-personal information determined for release as part of this application, may be published on the DTF website. A copy of PC045 can be found at the following address: https://dpc.sa.gov.au/resources-and-publications/premier-and-cabinet-circulars. Please visit the website for further information.

As I am determining this application as Principal Officer, section 29(6) of the Act does not provide for an internal review. If you are dissatisfied with my determination you are entitled to exercise your rights of external review with the Ombudsman.

Alternatively, you can apply to the South Australian Civil and Administrative Tribunal. If you wish to seek a review, section 39(3) of the Act states you must do so within 30 calendar days of receiving the determination.

If you require any further information, please contact Vicky Cathro on (08) 8226 9769.

Yours sincerely

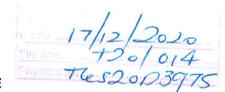
Hon Rob Lucas MLC

Principal Officer

¹⁵ May 2021

RELEASE

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MINUTES forming ENCLOSURE

Doc No A1681841

To

The Treasurer

COMMONWEALTH 2020-21 MYEFO - IMPACT ON GST REVENUE

Timing:

ROUTINE — For information

Recommendations/Issues: It is recommended that you:

- note the Commonwealth has provided, on a confidential basis, details of the GST estimates that will be included in the Commonwealth's 2020-21 Mid-Year Economic and Fiscal Outlook (MYEFO). This information should not be publically disclosed prior to the release of the 2020-21 MYEFO on 17 December 2020.
- note that the 2020-21 MYEFO includes upward revisions to the national GST pool from 2020-21 to 2022-23. The impacts on South Australia's grant share as a result of the pool revisions are shown in the table below.

CW 2020-21 MYEFO - GST Grant Revenue Revisions

	2020-21	2021-22	2022-23	2023-24
	\$m	\$m	\$m	\$m
Total	302	97	54	3

- note the 2020-21 MYEFO also includes revisions to South Australia's population share.
 These estimates would have a positive impact on South Australia's share of GST. DTF is still working through these estimates, particularly in the out years.
- note the media may quote an upwards revision of \$300 million in 2020-21, which
 represents the difference between estimates of South Australia's GST revenue
 contained in the Commonwealth's 2020-21 Budget and Commonwealth's 2020-21
 MYEFO. The Commonwealth does not publish GST revenue estimates for any
 jurisdiction beyond the current year (i.e. 2020-21).

Noted

Hon Rob Lucas MLC Treasurer

19/12/251

SOUTH AUSTRALIA

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Key Points:

The Commonwealth's 2020-21 MYEFO will be released on 17 December 2020.

GST Pool

- The 2020-21 MYEFO includes an upward revision to the national GST pool of around \$3.2 billion in 2020-21 corresponding to a growth rate of 4.8 per cent compared to the -0.5 per cent growth forecast in the Commonwealth's 2020-21 Budget.
- The higher national GST pool in 2020-21 flows through to future years as a base effect, but is partially offset by lower growth forecasts from 2021-22 compared to assumptions in the Commonwealth's 2020-21 Budget. This results in progressively smaller GST pool revisions in future years as reflected in the table below.

CW 2020-21 MYEFO - GST Pool Revisions

CW 2020-21 MILE O COT FOR MOUNTAIN	2020-21	2021-22	2022-23	2023-24
CW 2020-21 Budget (\$m)	59,920	66,140	70,752	74,587
Growth (%)	-0.5%	10.4%	7.0%	5.4%
CW 2020-21 MYEFO (\$m)	63.150	67,180	71,317	74,616
Growth (%)	4.8%	6.4%	6.2%	4.6%
Change (\$m)	3,230	1,040	565	30
Growth Change (percentage points)	5.4%	-4.0%	-0.8%	-0.8%
Growth Change (percentage points)	31470			

SA Population Share

- The 2020-21 MYEFO also includes revisions to South Australia's population share. The
 impact of the Commonwealth's current estimates would result in an increase to GST
 collections over the 4 years to 2023-24 in the order of \$300 million across 4 years to
 2023-24.
- Further work is being undertaken to analyse the population revisions and consider the appropriateness of the estimates.

GST Share Revisions

South Australia's share of GST grant revenue (relativity) will also be impacted by the
profile of Commonwealth payments included in the 2020-21 MYEFO. DTF will analyse
the impact of these on South Australia's share of GST grant revenue following the
release of the 2020-21 MYEFO.

Summary of GST Revisions

 The table below shows the overall GST pool impacts on South Australia's GST revenue compared to estimates published in the 2020-21 Budget. The population impacts referred to above would be in addition to these impacts.

CW 2020-21 MYEFO - GST Grant Revenue Revisions

CVV ZOZO-ZI WITE	2020-21	2020-21 2021-22		2023-24
	\$m	\$m	\$m	\$m
Total	302	97	54	3

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- The media may quote an upwards revision of \$300 million in 2020-21, which represents the difference between estimates of South Australia's GST revenue contained in the Commonwealth's 2020-21 Budget and Commonwealth's 2020-21 MYEFO. The \$2 million difference compared to what is shown in the table above reflects that the estimates in the table above do not include the revised population impacts.
- The Commonwealth does not publish GST revenue estimates for any jurisdiction beyond the current year (i.e. 2020-21).

Tammie Pribanic

EXECUTIVE DIRECTOR

BUDGET AND PERFORMANCE

17, 12, 12020

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