



2009 | 10

REGIONAL STATEMENT

BUDGET PAPER 6

Presented by the Honourable Kevin Foley MP
Deputy Premier and Treasurer of South Australia
on the Occasion of the Budget for 2009–10



Government
of South Australia

TABLE OF CONTENTS

Regional Statement 2009–10	1
Regional Economic Conditions	9
2009–10 Budget Measures	13
Growing Prosperity	
Indigenous employment partnership — additional resources	13
Remote Aboriginal communities — electricity supply	14
Olympic Dam Taskforce — extension	15
Government Radio Network — upgrade	15
Improving Wellbeing	
Yalata police station — replacement	16
Community Corrections Centre (Gawler) — lease costs and fitout	16
Rural road safety — increased investment	17
Nation Building — Economic Stimulus Plan — road maintenance	17
Nation Building — Economic Stimulus Plan — level crossings	18
Indigenous health services — additional resources	18
Health workforce reform (sub acute care) — additional resources	19
Royal Flying Doctor Service — contribution for aircraft purchase	19
Attaining Sustainability	
Fire Management — increased capacity	20
Goolwa Channel Water Level Management	20
Complementary State NRM Program — grants	21
Water Security — drought response measures	22
Water Management — water purchases	22
Waste Management Trial — Anangu Pitjantjatjara Yankunytjatjara (APY) Lands	23
Augmentation of the Middle River Water Supply System	23
Murray Bridge Waste Water Treatment Plant Upgrade	24
Barossa Trunk Water Main Field Joint Renewal	24
Morgan Water Treatment Plant Balancing Storage	25

Building Communities

Social Inclusion (Economically disadvantaged and disability program) — operational support.....	26
Staff Accomodation — APY Lands.....	27
Court and Administration Centre — APY Lands	27
Drought — Exceptional Circumstances interest rate subsidies.....	28
Drought — targeted assistance programs and additional support.....	29

Expanding Opportunity

Remote communities — improved service delivery	30
Nation Building — Economic Stimulus Plan — Primary Schools for the 21st Century	31
Nation Building — Economic Stimulus Plan — National School Pride program and administration.....	31
Low socio-economic status schools — additional support	32
Kadina Memorial High School	32
Birdwood High School Stage 2.....	33
Port Augusta Secondary School.....	33
Nairne Primary School.....	33
Kapunda High School Stage 2	34
Roxby Downs Area School.....	34
Social Housing — Nation Building and increased investment	35
Remote indigenous housing — increased investment.....	35

REGIONAL STATEMENT 2009–10

Overview

Introduction

This paper provides information about new initiatives in the 2009-10 Budget, and those implemented since the 2008-09 Mid-Year Budget Review (MYBR), that have a significant regional impact.

The prosperity and wellbeing of people and communities in regional South Australia is critical to the sustainability of the entire state. Viable regional economies contribute significantly to our economic growth and this needs to be partnered with strong social networks and environmental measures that conserve our water and other natural resources.

The achievement of *South Australia's Strategic Plan* objectives for regional communities is affected by distance, population and circumstances specific to each region. Through Community Cabinets, and other community forums conducted by the Regional Communities Consultative Council (RCCC), the government is open to hearing the concerns and issues of regional people and stakeholders.

Regionalisation of South Australia's Strategic Plan

South Australia's Strategic Plan sets down six objectives for strengthening South Australia economically, socially and environmentally — Growing Prosperity, Improving Wellbeing, Attaining Sustainability, Fostering Creativity, Building Communities and Expanding Opportunity. The Plan is for the whole of South Australia and invites collaboration and cooperation between governments, communities and business.

Following extensive community consultation, the government adopted a comprehensive process for 'regionalising' the Plan. With the involvement of the Community Engagement Board and the Director, Community Engagement (Department of the Premier and Cabinet), regional stakeholders developed coordinated regional approaches for pursuing *South Australia's Strategic Plan* targets that reflect priorities specific to each region. All non-metropolitan regions have completed this process. 'Regionalisation' of *South Australia's Strategic Plan* is assisted by the adoption of common regional boundaries across all agencies. The three planning areas, and twelve reporting regions, are as follows:

Adelaide Metropolitan Area

- Eastern Adelaide; Northern Adelaide; Southern Adelaide; and Western Adelaide

Greater Adelaide Area

- Adelaide Hills; Barossa; and Fleurieu and Kangaroo Island

Country Regions

- Eyre and Western; Far North; Limestone Coast; Murray and Mallee; and Yorke and Mid North

Further information can be found at <http://www.planning.sa.gov.au/go/SAGovernmentRegions>.

Regional Development Program

The Government of South Australia's program for regional development comprises a range of resources to support regions and monitor regional service delivery across government. This is provided by the Department of Trade and Economic Development (DTED) through the Office of Small Business and Regional Development.

The Minister for Regional Development is advised by the RCCC on matters concerning regions, including the impact of decisions on regional communities and opportunities for initiatives to advance social, economic and environmental development that will improve quality of life in regional South Australia.

DTED (through the Office of Small Business and Regional Development) has coordinated a cross-government approach to regional development, working with regional development boards (RDBs) and other stakeholders, providing support to the RCCC, and promoting the interests of South Australia's regions.

DTED employs eight staff in regional South Australia. These include five regional managers who are based in Clare, Berri, Mount Gambier, Port Lincoln and Port Augusta, and three tradestart officers who are based in Mount Gambier, Port Augusta, and Port Lincoln. A further regional manager and tradestart officer are based in Adelaide.

The regional managers focus on:

- regionalisation of *South Australia's Strategic Plan*;
- working with RDBs to achieve economic outcomes;
- facilitating projects in the regions;
- providing local information, policy development and advice to government; and
- providing a DTED and whole of government program link to the local community.

The tradestart officers focus on building exports throughout South Australia, as part of a national program with Austrade.

The government's decision making processes are guided by the Regional Impact Assessment Statement policy to ensure that it is better informed about regional interests. As well as requiring that Cabinet submissions include regional impact statements, the government also requires that significant decisions about services include a full regional impact assessment before they are implemented.

Regional Communities Consultative Council

The Regional Communities Consultative Council (RCCC) provides advice on regional matters to the Minister for Regional Development. Members are community leaders from regions across the state who have insight and expertise on regional issues. The RCCC has strong links with, and consults directly with, regional South Australian communities through quarterly forums at which local issues for education, transport, infrastructure, environment, and health are identified and considered by the RCCC.

RCCC members maintain their involvement with *South Australia's Strategic Plan* with key roles on regional steering committees set up under the regionalisation process. The council met and consulted with communities in the following locations during 2008-09:

- Melrose — September 2008;
- Fleurieu Peninsula — November 2008;
- Limestone Coast — February 2009; and
- Whyalla — May 2009.

Regional Development Infrastructure Fund

The Regional Development Infrastructure Fund (RDIF) is a key part of the government's regional program. The RDIF is administered by DTED to provide grants for, and leverage further investment in, regional infrastructure projects.

The RDIF aims to increase investment in strategic areas of regional infrastructure that support job creation, exports and economic growth. Since its inception (1999), the RDIF has committed approximately \$27 million to support projects estimated to have contributed \$1.3 billion in total regional investment, creating an estimated 5444 jobs.

Regional Development Australia

The Government of South Australia, in partnership with the Commonwealth Government and local government, plans to launch a new era in regional development, beginning from 1 July 2009.

In South Australia, state and local government already have a strong partnership in the funding of regional development services. The new Regional Development Australia (RDA) network will also bring the Commonwealth into partnership at the service level, allowing for more effective use of joint resources of the three levels of government, and providing a one-stop integrated approach to regional service delivery.

The proposal in South Australia is to transition from the current thirteen RDBs and five Area Consultative Committees to eight RDAs based on the government's common regional boundaries, with seven of those in regional South Australia and one covering the metropolitan area.

There will be no loss of service locations under the new arrangements — all locations covered by the current arrangements will continue to have a service presence under the RDA network, and the state government will continue to provide substantial funding to the state's regional development organisations.

The RDA network will also maintain the provision of a service delivery function in regional South Australia for existing state and Commonwealth programs, including 'SA Works' (Department of Further Education, Employment, Science and Technology), Regional Food Program and Far North Economic Development initiatives (Primary Industries and Resources South Australia), and skilled migration and Tradestart programs for DTED.

The Government of South Australia wishes to acknowledge the contribution of the RDBs to the communities of regional South Australia on behalf of state and local governments. RDA builds on these contributions and strengths in order to forge a partnership that will further serve the people of regional South Australia.

Regional Highlights

The new initiatives in this budget that specifically relate to regional South Australia, along with ongoing and statewide commitments, will enable government, in partnership with regional communities and business, to implement *South Australia's Strategic Plan*. This includes where the Government of South Australia has entered into partnership with the Commonwealth Government to undertake a number of new initiatives, including in the areas of health, housing, education and roads.

The new initiatives detailed in this document for statewide commitments are consistent with the amounts shown in Budget Paper 3, Chapter 2. New initiatives of this budget, and those implemented since the 2008-09 MYBR, are summarised below.

Growing Prosperity

- \$100.6 million over four years to upgrade the SA Government Radio Network.
- \$5.2 million over four years, in addition to \$0.4 million in 2008-09, to assist in generating employment opportunities for indigenous Australians.
- \$3.2 million over three years to extend the role of the Olympic Dam Taskforce as part of the state's commitment to the expansion of the Olympic Dam project.
- \$0.9 million over two years, in addition to \$1.2 million in 2008-09, for the supply of electricity to remote off-grid Aboriginal communities and to conduct a feasibility study of options for future electricity retailing in these communities.

Improving Wellbeing

- \$53.9 million over four years to improve indigenous health outcomes.
- \$40.0 million over four years to provide support for improving and increasing sub-acute care in the community including expanding home based rehabilitation and expanded palliative care teams.
- \$23.0 million over four years to extend the successful rural road safety program, which is targeted at addressing roadside hazards, improving signage and providing minor junction improvements.
- \$15.0 million in 2008-09, in partnership with the Commonwealth, for maintenance on national highways.
- \$6.0 million in 2010-11 to the Royal Flying Doctor Service to contribute towards the purchase of new aircraft.
- \$3.3 million in 2010-11 for a new police complex at Yalata.
- \$2.0 million in 2009-10 to install additional protection measures at level crossings.
- \$1.1 million over four years to establish a new community corrections centre at Gawler to meet the growth of activity in Northern Adelaide, Barossa, Yorke and Mid North regions.

Attaining Sustainability

- \$28.2 million over five years for upgrade and construction of water and waste water supply infrastructure by SA Water:
 - \$10.0 million over three years for the augmentation of the Middle River Water Supply System on Kangaroo Island;
 - \$7.8 million over five years to upgrade the Murray Bridge Waste Water Treatment Plant;
 - \$6.0 million over five years for improvements to the Barossa Trunk Water Main; and
 - \$4.5 million over three years to augment the existing water storage capacity at Morgan.
- \$24.4 million in 2008-09 for the purchase of 64 gigalitres of water for the River Murray corridor.
- \$21.9 million in 2009-10, in addition to \$4.3 million in 2008-09, for the construction of environmental flow regulators in the Goolwa Channel to help protect the channel and associated wetlands from acidification caused by falling lake water levels.
- \$16.0 million in 2008-09 to support natural resource management issues throughout South Australia.
- \$8.2 million in 2009-10 for River Murray Water Security measures and \$3.1 million in relief from fees and levies for irrigators and others in the drought affected River Murray Catchment Area.
- \$4.5 million over four years to increase firefighting capacity and assist with the planning and implementation of bushfire fuel management in the Department for Environment and Heritage. This is in addition to the \$0.9 million for 2008-09 announced in the 2008-09 MYBR.
- \$0.1 million in 2009-10 for the purchase of two balers as part of the waste management trials being undertaken in the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands.

In addition to the new initiatives outlined in this Statement, in 2008-09 the government has facilitated, in partnership with the Commonwealth, the construction of the \$105.5 million irrigation pipeline from Jervois to Langhorne and Currency Creeks to provide water to irrigators that were previously reliant on the Lower Lakes, and an \$11 million feasibility study to develop a long-term management plan for the Coorong, Lower Lakes and Murray Mouth.

Building Communities

- The drought continues to have a significant impact on regional South Australia. Since 2006-07, the state has provided substantial support through its own drought response programs and through the Commonwealth/State Exceptional Circumstances program. The 2009-10 Budget allocates:
 - \$104.0 million over two years to continue the Exceptional Circumstances interest rate subsidies for drought affected areas for a further 12 months, of which the Commonwealth will provide up to \$93.6 million and South Australia will contribute up to \$10.4 million; and
 - \$18.9 million over two years, in addition to \$1.9 million in 2008-09, for the continuation of drought response measures.

- \$19.2 million over four years to assist the learning and employment opportunities for highly disadvantaged South Australians in Port Augusta and Adelaide's northern suburbs.
- \$7.5 million in 2009-10 to provide additional accommodation on the APY Lands to house government staff providing essential services.
- \$4.5 million in 2009-10 for the construction of a court and administrative centre on the APY Lands.

Expanding Opportunity

- \$782.9 million over two years, in addition to \$59.7 million in 2008-09, in partnership with the Commonwealth, for new facilities and refurbishment in government schools across all regions of South Australia in accordance with the Nation Building — Economic Stimulus Plan, for the following two programs:
 - the Primary Schools for the 21st Century program, which will provide new infrastructure for primary schools, R-12 schools and special schools including libraries, multi-purpose halls or classrooms, or to upgrade existing facilities; and
 - the National School Pride program, which will enable primary and secondary schools to undertake construction of small-scale infrastructure and/or minor refurbishment projects.

In addition, the Science and Language Centres for 21st Century Secondary Schools program will provide in the order of \$59 million in 2009-10 for government secondary schools in South Australia that demonstrate the greatest need and the capacity to be able to build the facilities in 2009-10.

- \$472.6 million over three years, in addition to \$34.4 million in 2008-09, in partnership with the Commonwealth, for the construction of new social housing and upgrade and maintenance of existing social housing stock across the state. Including construction of 1500 new houses, 20-30 per cent of which will be in the Country Regions under the Nation Building — Economic Stimulus Plan.
- \$124.1 million over four years, in addition to \$54.5 million in 2008-09, for the construction of new houses, and upgrade of existing houses, to reduce overcrowding and homelessness in indigenous communities.
- \$107.7 million over four years, in addition to \$1.1 million in 2008-09, to deliver reforms across the state within government schools.
- \$21.1 million over three years, in addition to the Nation Building — Economic Stimulus Plan initiatives, to upgrade six schools in regional areas:
 - \$7.1 million for the construction of a new library resource centre and visual art facilities, redevelopment of technical workshops and home economics areas at Kadina Memorial High School;
 - \$4.4 million for the construction of new visual and performing arts facilities at Birdwood High School;
 - \$3.8 million for consolidation of the Port Augusta Secondary School onto one site;
 - \$2.6 million for the construction of additional facilities to accommodate enrolment growth and to replace the existing child-parent centre at Nairne Primary School;

- \$2.3 million to upgrade Kapunda High School’s heritage listed administration building; and
- \$0.9 million to provide new transportable accommodation for special education services at Roxby Downs Area School.
- \$7.1 million over four years, in addition to \$0.8 million in 2008-09, for improved government service delivery in the APY Lands.

REGIONAL ECONOMIC CONDITIONS

Despite the continued impact of low rainfall, the value of primary production occurring in the regional economies of South Australia recovered in 2007-08 from drought ravaged levels in 2006-07. Significant gains in the value of field crops and wine grapes, along with continued growth in the petroleum and minerals sectors were recorded in 2007-08. The 2008-09 winter crop production is expected to be down slightly compared to the 2007-08 season.

All regional areas of the state recorded growth in population during 2007-08.

Population and Unemployment

The estimated resident population of South Australia's Country Regions (based on the government's common regional boundaries) was 297 200 persons as at 30 June 2008. Country Region population increased by 2000 persons or 0.7 per cent from a year earlier and accounted for 18.5 per cent of the total population of the state, which was 1.6 million.

Growth in the population of Country Regions has been increasing for the last three consecutive years, and the growth recorded over the year to 30 June 2008 of 0.7 per cent was the highest annual growth rate recorded in over 25 years.

All Country Regions recorded population growth during 2007-08, with the Far North recording the highest percentage growth over the year to 30 June 2008 at 0.9 per cent, followed by the Limestone Coast at 0.8 per cent, both the Yorke and Mid North, and Eyre and Western at 0.7 per cent, and Murray and Mallee at 0.4 per cent.

The estimated resident population of the Greater Adelaide Area was 177 900 at 30 June 2008, 3000 persons or 1.7 per cent higher than a year earlier. The Adelaide Metropolitan Area had an estimated resident population of 1.1 million, 12 600 persons or 1.1 per cent higher than a year earlier.

According to the Commonwealth Department of Education, Employment and Workplace Relations, the unemployment rate for South Australia's Country Regions averaged 5.2 per cent during 2008. The Adelaide Metropolitan Area unemployment rate averaged 5.1 per cent during 2008. During 2008, the average unemployment rate was lowest in the Greater Adelaide Area (3.1 per cent) and highest in the Far North region (7.5 per cent).

Table 1: Regional population and labour force data^(a)

	Adelaide Metropolitan Area	Greater Adelaide Area	Yorke & Mid North Region	Murray & Mallee Region	Limestone Coast Region	Eyre & Western Region	Far North Region
Estimated resident population ^(b) ('000)	1 128.3	177.9	75.1	70.1	65.4	58.1	28.5
Unemployment ^(c) ('000)	29.6	2.7	1.8	2.0	1.4	1.7	1.1
Unemployment rate ^(c) (%)	5.1	3.1	5.2	5.2	3.7	5.8	7.5

(a) Regional classifications are in accordance with SA government common regional boundaries. This differs from previous years, which were in accordance with the Australian Bureau of Statistics, Australian Standard Geographical Classification Structure.

(b) Estimated resident population is at the end of June 2008.

(c) Unemployment and unemployment rate estimates are averages for 2008.

Source: ABS Catalogue no. 3218.0; Department of Education, Employment and Workplace Relations.

Primary Production

Detailed information on primary production activity is not yet available for 2008-09. However, the Australian Bureau of Agricultural and Resource Economics (ABARE) estimate that the 2008-09 winter crop production for South Australia will be 4.5 million tonnes, a 0.4 million tonne (or 8.0 per cent) decrease from the 2007-08 season. This result is below mid-year expectations, with rainfall predominantly below average across the whole state. Conditions from September through to October were particularly dry, leading to a significant fall in potential yield. Grain yields and quality were reported to be highly variable because of the dry conditions and overall crop yields were estimated to have been significantly below average. The winter crop includes wheat, barley, oats, lupins, canola, field peas, chickpeas, faba beans, and lentils.

Primary Industries and Resources South Australia (PIRSA) estimates that the overall value of South Australia's primary (agricultural and mineral) production was \$8.9 billion in 2007-08. This represents an increase of 28 per cent from the 2006-07 estimate. Most of the increase was due to a major rebound in the field crop sector from a drought affected 2006-07, along with strong growth in the wine grapes, petroleum and minerals sectors.

Field crops and wine grapes were the two sectors that recorded the largest gains. The growth in the value of field crop production resulted from the combined effect of very strong price increases for grains as well as a rebound in production levels following a very poor 2006-07 season. Although rising by 313 per cent in 2007-08, total field crop production was still 6 per cent below the six-year average. Wine grapes experienced growth in both price and volume terms. Compared to 2006-07, there was a 42 per cent increase in wine grape production and an 82 per cent increase in the farm gate value of the harvest.

Despite a 7 per cent decline in the volume of dairy production in 2007-08, strong price rises resulted in a 26 per cent increase in value terms in 2007-08. Livestock production declined slightly in 2007-08, down 8.3 per cent in value terms with declines in beef and sheep farming partially offset by increases in poultry and pig farming.

The minerals sector remained the largest in value terms during 2007-08, recording an increase of 5 per cent in the value of production to a total of \$2.6 billion.

While commodity prices have dropped significantly across many areas due to the global financial crisis, prices remain comparatively strong for commodities for many of South Australia's operating mines:

- gold (Challenger, Prominent Hill, Olympic Dam);
- uranium (Olympic Dam, Beverly, Honeymoon); and
- heavy mineral sands (Jacinth-Ambrosia, Mindarie, Tripitaka).

Over the longer-term, there remains a solid pipeline of around 30 mineral development projects, as well as the planned expansion of Olympic Dam. Feasibility studies are progressing and gaining approvals, and while some operations may be delayed, most companies have projects ready to move quickly into production as world economic demand recovers.

Table 2: Selected Regional Primary Output (\$million)^(a)

	Adelaide Metropolitan Area	Greater Adelaide Area	Yorke & Mid North Region	Murray & Limestone Mallee Region	Limestone Coast Region	Eyre & Western Region	Far North Region	Total
2007-08								
Field crops	2	115	838	219	210	393	—	1 776
Livestock	20	313	159	229	402	63	66	1 252
Dairy	1	86	7	77	101	—	—	273
Horticulture	210	106	3	245	62	—	—	626
Seafood	19	36	68	—	64	264	—	452
Wine grapes	94	250	31	230	161	—	—	765
Minerals	39	49	40	50	13	4	2 430	2 625
Petroleum	—	—	—	—	5	—	1 028	1 033
Forestry	—	11	1	—	133	—	—	146
Total	385	966	1 147	1 051	1 151	724	3 525	8 948
2006-07								
Field crops	1	18	162	51	38	119	41	430
Livestock	64	202	134	269	413	57	226	1 365
Dairy	11	57	6	54	89	—	—	217
Horticulture	143	42	2	360	77	—	21	645
Seafood	2	29	41	2	64	267	1	406
Wine grapes	91	108	20	125	75	—	1	420
Minerals	62	23	40	48	13	4	2 311	2 501
Petroleum	—	—	—	—	11	—	866	877
Forestry	—	11	1	—	132	—	—	145
Total	374	490	407	910	911	447	3 467	7 005

Note: Totals may not add due to rounding

(a) Values represent nominal farm gate, mine gate, or petroleum refinery gate levels, which, in turn, may represent different levels of value-add or refining depending on the activities involved. For example, mineral values do not include all refining (processing) that occurs beyond the mine gate within the state (such as One-Steel, Whyalla, or Zinifex, Port Pirie, activity), although do include the refining that occurs within a mine site (such as within the Olympic Dam example).

Source: PIRSA

2009–10 BUDGET MEASURES

Growing Prosperity

Portfolio: Premier and Cabinet

Agency: Department of the Premier and Cabinet

Expenditure Initiative: Indigenous employment partnership — additional resources

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	-432	-1 296	-1 296	-1 296	-1 296

Explanation

This initiative, in accordance with the Indigenous Economic Participation National Partnership Agreement, provides additional resources to assist in generating employment opportunities for indigenous Australians through the following mechanisms:

- creating real sustainable employment in areas of government service delivery that have previously relied on subsidisation through the Community Development Employment Projects (CDEP) program;
- strengthening current government procurement policies to maximise indigenous employment; and
- reviewing all public sector indigenous employment and career development strategies, with the aim of increasing indigenous employment levels to the national indigenous working age population share by 2015.

Portfolio: Premier and Cabinet

Agency: Department of the Premier and Cabinet

Expenditure Initiative: Remote Aboriginal communities — electricity supply

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	-1 165	-716	-189	—	—

Explanation

The Government of South Australia provides subsidised electricity to remote Aboriginal communities that are not connected to the electricity grid. This initiative provides:

- additional resources to meet the increased cost of diesel fuel used in electricity generation; and
- additional resources for the preparation and implementation of a long-term strategy for electricity generation and retailing in remote Aboriginal lands.

The Aboriginal communities affected by this initiative are on the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands, Maralinga Tjarutja Lands and at Yalata.

Portfolio: Trade and Economic Development

Agency: Department of Trade and Economic Development

Expenditure Initiative: Olympic Dam Taskforce — extension

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	—	—	-1 046	-1 068	-1 091

Explanation

The Olympic Dam Taskforce was established by the state government to facilitate BHP Billiton's Olympic Dam expansion. This initiative provides resources to extend the functions of the Olympic Dam Taskforce beyond 2009-10.

The taskforce has two roles: to negotiate indenture arrangements between the Government of South Australia and BHP Billiton, and to facilitate the Olympic Dam development.

In facilitating the development, the taskforce is to:

- coordinate interactions between BHP Billiton and the government;
- project manage the government's response to the proposed expansion in terms of infrastructure, policy and regulatory requirements; and
- act, as necessary, so that maximum regional and state benefits are derived from the project, particularly in terms of skills development, local content, regional development, infrastructure and indigenous economic development.

Portfolio: Transport, Energy and Infrastructure

Agency: Department for Transport, Energy and Infrastructure

Expenditure Initiative: Government Radio Network — upgrade

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	—	—	-1 051	-1 615	-2 208
Investing Payments	—	-828	-46 163	-26 212	-22 540

Explanation

This initiative provides for the upgrade of the current SA Government Radio Network, which is used by all state emergency service organisations and other key government agencies, from the existing mixed mode analogue-digital signal system to a fully digital system.

Improving Wellbeing

Portfolio: Justice

Agency: South Australia Police

Expenditure Initiative: Yalata police station — replacement

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	—	—	-3 321	—	—

Explanation

This initiative will provide a new police complex at Yalata in 2010-11.

The complex will comprise of a police station, holding cells, courts facility, two apartment style units (to provide temporary accommodation for relief officers or specialist visitors), a carport and a double garage.

Portfolio: Justice

Agency: Department for Correctional Services

Expenditure Initiative: Community Corrections Centre (Gawler) — lease costs and fitout

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	—	-12	-162	-168	-175
Investing Payments	—	-550	—	—	—

Explanation

This initiative will establish a new community corrections centre at Gawler to cope with the increasing caseloads at the Elizabeth Community Corrections Centre.

The new centre at Gawler will initially service approximately 270 offenders who reside outside the northern metropolitan area of Adelaide such as the Barossa Valley, Mid North, Yorke Peninsula, Two Wells, Virginia and Gawler.

Portfolio: Transport, Energy and Infrastructure

Agency: Department for Transport, Energy and Infrastructure

Expenditure Initiative: Rural road safety — increased investment

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	—	-5 250	-5 550	-5 900	-6 250

Explanation

This initiative will extend and expand the successful Rural Road Safety program over the next four years.

It continues a program of targeted rural infrastructure projects that aim to create safer roads and roadsides by addressing roadside hazards, improving signage and providing minor junction improvements on targeted high priority roads thereby reducing the incidence and severity of crashes.

Portfolio: Transport, Energy and Infrastructure

Agency: Department for Transport, Energy and Infrastructure

Expenditure Initiative: Nation Building — Economic Stimulus Plan — road maintenance

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	-15 000	—	—	—	—

Explanation

In accordance with the Nation Building — Economic Stimulus Plan, South Australia, in partnership with the Commonwealth, has increased its program of routine maintenance on national highways.

The amount has been allocated for works on the Port Wakefield Road, Port Wakefield to Port Augusta Road, South Eastern Freeway, Gawler Bypass and Main North Road, Stuart Highway and Dukes Highway.

Portfolio: Transport, Energy and Infrastructure

Agency: Department for Transport, Energy and Infrastructure

Expenditure Initiative: Nation Building — Economic Stimulus Plan — level crossings

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	—	-2 000	—	—	—

Explanation

In accordance with the Nation Building — Economic Stimulus Plan, South Australia, in partnership with the Commonwealth, will grant \$2.0 million to Genesee Wyoming Australia to install additional protection measures on six level crossings.

The project provides for the installation of boom gates and lights at Edith Street, Gawler and flashing lights at Lyndoch, Bethany and at three locations in Tanunda.

Portfolio: Health

Agency: Department of Health

Expenditure Initiative: Indigenous health services — additional resources

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	—	-6 208	-12 280	-16 059	-19 343

Explanation

This initiative is aimed at closing the gap in indigenous health outcomes by implementing programs that focus on:

- primary care;
- patient journey through hospitals;
- transitions to adulthood;
- making indigenous health everyone's business;
- adverse impacts of smoking;
- improved data collection and evaluation; and
- establishing Child and Mental Health Services on the APY lands.

These initiatives will impact positively across urban, rural and remote areas in South Australia.

Portfolio: Health

Agency: Department of Health

Expenditure Initiative: Health workforce reform (sub acute care) — additional resources

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	—	-8 900	-9 300	-10 300	-11 473

Explanation

This initiative provides support for improving and increasing sub-acute care in the community, specifically relating to rehabilitation, palliative care and geriatric evaluation and management services. Strategies include:

- increasing the number of ambulatory (community) places for people requiring rehabilitation to enable more services to be provided at home;
- increasing the number of beds available for people living in country areas requiring rehabilitation, palliative care, geriatric evaluation and management;
- expansion of community based psycho-geriatric care teams in country areas;
- development of regional aged care teams to provide care in the community and reduce avoidable hospital admissions; and
- expansion of community based palliative care teams.

These initiatives will impact across urban and rural areas in South Australia.

Portfolio: Health

Agency: Department of Health

Expenditure Initiative: Royal Flying Doctor Service — contribution for aircraft purchase

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	—	—	-6 000	—	—

Explanation

This initiative represents South Australia's contribution to the Royal Flying Doctor Service (RFDS) to assist in the purchase of new aircraft.

The RFDS provides emergency, primary and a range of other health care services to people who live, work and travel in regional and remote South Australia. In this way RFDS supports the government's aim to ensure healthier, longer and better lives for all South Australians through a comprehensive and sustainable health system.

Attaining Sustainability

Portfolio: Environment and Conservation and the River Murray

Agency: Department for Environment and Heritage

Expenditure Initiative: Fire Management — increased capacity

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	—	-1 137	-1 072	-1 095	-1 119
Investing Payments	—	-90	—	—	—

Explanation

This initiative will provide additional resources to increase firefighting capacity and assist with the planning and implementation of bushfire fuel management, including fuel hazard reduction and ecological prescribed burning, developing risk based fire management plans and monitoring the impacts of fire on public lands.

This initiative is in addition to the \$0.9 million announced in the 2008-09 MYBR to provide additional firefighting capacity to the Department for Environment and Heritage during 2008-09.

Portfolio: Environment and Conservation and the River Murray

Agency: Department of Water, Land and Biodiversity Conservation

Expenditure Initiative: Goolwa Channel Water Level Management

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	-100	-5 100	—	—	—
Operating Revenues	4 325	21 875	—	—	—
Investing Payments	-4 225	-16 775	—	—	—

Explanation

This initiative provides for the construction of environmental flow regulators in the Goolwa Channel to help protect the channel and associated wetlands from acidification caused by falling lake water levels.

The project will be funded through a contribution from the Murray Futures program and the Murray–Darling Basin Authority. The Government of South Australia contributes funding to the Murray–Darling Basin Authority.

Portfolio: Environment and Conservation and the River Murray

Agency: Department of Water, Land and Biodiversity Conservation

Expenditure Initiative: Complementary State NRM Program — grants

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	-15 350	—	—	—	—
Investing Payments	-650	—	—	—	—

Explanation

This initiative provides \$16.0 million to support natural resource management (NRM) issues throughout South Australia. Initiatives supported include:

- restoring urban and peri-urban watercourses;
- delivering on-ground support programs for improved water efficiency in the South Australian Murray–Darling Basin natural resource management region;
- supporting adaptation to climate change on the Eyre Peninsula and upgrading the groundwater monitoring network in the southern Eyre Peninsula;
- building knowledge of soil carbon, impacts of climate change and opportunities for carbon storage in South Australian soils;
- controlling weeds in the South East and on Kangaroo Island;
- managing pests to protect biodiversity and sustainable pastoralism in the South Australian Arid Lands natural resource management region and goat eradication on Kangaroo Island;
- rabbit control in the South Australian Murray–Darling Basin, Northern and Yorke, and South East natural resource management regions; and
- building the capacity of school communities through natural resources management education in the South Australian Murray–Darling Basin, Eyre Peninsula and Kangaroo Island natural resource management regions.

Portfolio: Environment and Conservation and the River Murray

Agency: Department of Water, Land and Biodiversity Conservation

Expenditure Initiative: Water Security — drought response measures

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	—	-8 214	—	—	—
Operating Revenues	—	-3 101	—	—	—

Explanation

This initiative provides \$8.2 million in additional resources for a range of River Murray water security initiatives including:

- monitoring and scientific investigations of water quality;
- education and compliance programs;
- community liaison managers;
- acid sulphate soil mitigation strategies; and
- accelerating applications for top-up water allocations.

Also, \$3.1 million of fees and levies will be waived for irrigators and others in the drought affected River Murray Catchment Area, in particular:

- \$2.3 million in relief from the Natural Resource Management Levy; and
- \$0.8 million in relief for River Murray irrigators from fees incurred to top-up water allocations.

Portfolio: Environment and Conservation and the River Murray

Agency: Department of Water, Land and Biodiversity Conservation

Expenditure Initiative: Water management — water purchases

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	-24 359	—	—	—	—

Explanation

This initiative is for the purchase of 64 gigalitres of water for permanent plantings in the River Murray corridor.

Portfolio: Environment and Conservation and the River Murray

Agency: Zero Waste SA

Expenditure Initiative: Waste Management Trial — Anangu Pitjantjatjara Yankunytjatjara (APY) Lands

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	—	-60	—	—	—

Explanation

This initiative provides for the purchase of two balers as part of the waste management and resource recovery (recycling) trials being undertaken in key APY Lands communities.

The trials will seek to develop a strategic approach to reduce waste, increase resource recovery and improve landfill management across the APY Lands.

Portfolio: SA Water

Agency: SA Water

Expenditure Initiative: Augmentation of the Middle River Water Supply System

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	—	-500	-7 000	-2 500	—

Explanation

This initiative provides for the augmentation of the Middle River water supply system on Kangaroo Island to improve the reliability of the water supply to Kingscote and surrounding areas.

The Middle River water supply system supplies the communities of Kingscote, Parndana and Emu Bay, as well as rural customers from the small Middle River Reservoir.

Portfolio: SA Water

Agency: SA Water

Expenditure Initiative: Murray Bridge Waste Water Treatment Plant Upgrade

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	-118	-670	-1 000	-1 000	-5 000

Explanation

This initiative provides for the investigation into and implementation of a strategy to increase the capacity and reduce the environmental impact of the Murray Bridge Waste Water Treatment Plant.

The treatment plant is approaching capacity and recent urban growth is now in close proximity to the plant, raising operational odour issues. Treatment options and plant location will be investigated to accommodate the projected long-term growth and required environmental outcomes.

Portfolio: SA Water

Agency: SA Water

Expenditure Initiative: Barossa Trunk Water Main Field Joint Renewal

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	-50	-500	-1 450	-2 000	-2 000

Explanation

This initiative provides for the installation of externally welded collars to all field joints to significantly improve the structural integrity of the pipeline for both current operational reliability and anticipated growth in demand.

The Barossa Trunk Water Main is the main distributor of water from the Barossa Water Treatment Plant through to the metropolitan water supply networks at Craigmore and Elizabeth. Along its route, the main also supplies Sandy Creek, Gawler, Evanston Park and the growing communities of Uleybury/Blakeview.

Portfolio: SA Water

Agency: SA Water

Expenditure Initiative: Morgan Water Treatment Plant Balancing Storage

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	-260	-2 200	-2 000	—	—

Explanation

This initiative provides for the installation of a larger filtered water balancing storage to augment the existing storage tank. The objective is to improve water supply reliability and water quality for the townships connected to the Morgan to Whyalla Pipeline, including Port Pirie, Port Augusta, Whyalla, and all areas in the Mid North and on the Yorke Peninsula.

The new balancing storage, will improve the integration of treatment and pipeline pumping operations at the Morgan site, with benefits to water quality management and power consumption.

Building Communities

Portfolio: Premier and Cabinet

Agency: Department of the Premier and Cabinet

Expenditure Initiative: Social Inclusion (Economically disadvantaged and disability program)
— operational support

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	—	-4 529	-4 738	-4 854	-5 049

Explanation

The objective of this initiative is to place highly disadvantaged South Australians into entry level jobs and to ensure a pathway to learning or earning for young people.

Priority groups in Port Augusta and Adelaide's northern suburbs include young people at high risk of not transitioning from school to work (especially those with a disability) and jobless families (particularly those experiencing entrenched disadvantage).

The program has a two-pronged approach with clearly defined outputs for two specific client groups as follows:

- early intervention, mentoring support to 500 young people with a disability (diagnosed and/or borderline indicators for diagnosis) attending Year 9 to Year 12 in secondary school; and
- engagement, training and employment for long-term jobless families. Individualised and family case management will support up to 400 jobless families where complex family issues impact on the capacity of family members to learn or earn.

Portfolio: Premier and Cabinet

Agency: Department of the Premier and Cabinet

Expenditure Initiative: Staff Accommodation — Anangu Pitjantjatjara Yankunytjatjara (APY) Lands

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	—	-7 500	—	—	—

Explanation

This initiative provides additional accommodation on APY Lands to house government staff providing essential services.

The project includes the construction of eight duplexes in the following communities:

- Pipalyatjara (2);
- Pukatja (2);
- Umuwa (2);
- Mimili (1); and
- Amata (1).

Portfolio: Premier and Cabinet

Agency: Department of the Premier and Cabinet

Expenditure Initiative: Court and Administration Centre — Anangu Pitjantjatjara Yankunytjatjara (APY) Lands

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	—	-4 500	—	—	—

Explanation

This initiative provides for the construction of a court and administrative centre on the APY Lands. The primary aim of the new centre is to provide accommodation for specialist police officers and child protection workers recommended under the Mullighan Inquiry.

The centre will provide these officers with working areas and appropriate rooms that will enable them to undertake interviews, and will also provide appropriate waiting areas for families.

Portfolio: Primary Industries and Resources

Agency: Department of Primary Industries and Resources

Expenditure Initiative: Drought — Exceptional Circumstances interest rate subsidies

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	—	-101 000	-3 000	—	—
Operating Revenues	—	90 900	2 700	—	—

Explanation

This initiative reflects the total contribution by the South Australian and Commonwealth governments under the Exceptional Circumstances interest rate subsidies assistance program.

Exceptional Circumstances are rare and severe events, such as the prolonged drought conditions, which are outside those a farmer could normally be expected to manage using responsible farm management strategies. Where the Commonwealth has declared an Exceptional Circumstances area, interest subsidies are available for interest payable on commercial borrowings taken out by farm business enterprises, with 90 per cent of the cost met by the Commonwealth and the state government contributing 10 per cent.

Portfolio: Primary Industries and Resources

Agency: Department of Primary Industries and Resources

Expenditure Initiative: Drought — targeted assistance programs and additional support

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	-1 946	-14 568	-4 375	—	—

Explanation

These initiatives provide additional resources for the continuation of drought response measures, including:

- the Planning for Recovery program to assist farming businesses develop and implement business plans;
- community support grants and farm debt mediation;
- regional drought coordinators;
- health and wellbeing support, including community counsellors; and
- an apprenticeship retention program.

Expanding Opportunity

Portfolio: Premier and Cabinet

Agency: Department of the Premier and Cabinet

Expenditure Initiative: Remote communities — improved service delivery

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	-800	-1 700	-1 850	-1 850	-1 650

Explanation

This initiative, in accordance with the Indigenous Remote Service Delivery National Partnership Agreement, will provide additional resources to improve government coordination and service delivery in the APY Lands. Investment will focus on the communities of Amata and Mimili, although expanded service delivery will include outreach services for surrounding communities. This includes:

- introduction of single government interfaces at Amata and Mimili, which will be supported by state and Commonwealth Government Service Coordinators and/or Business Managers;
- development and negotiation of service delivery plans between governments and communities;
- community capacity building activities, with a focus on training and development of Aboriginal organisations and people working in governance and service delivery roles;
- interpreter and translator services, including training of additional interpreters / translators and agency subsidies for interpreter and translator use; and
- cultural awareness training for front-line public servants in the identified focus communities.

Portfolio: Education and Children’s Services

Agency: Department of Education and Children’s Services

Expenditure Initiative: Nation Building — Economic Stimulus Plan — Primary Schools for the 21st Century

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	-36 485	-401 529	-316 936	—	—

Explanation

In accordance with the Nation Building — Economic Stimulus Plan, new initiatives, in partnership with the Commonwealth, have been implemented to provide new facilities and refurbishment in schools across all regions of South Australia.

The Primary Schools for the 21st Century program provides new infrastructure for government primary schools, R-12 schools and special schools including libraries, multi-purpose halls or classrooms, or to upgrade existing facilities.

Portfolio: Education and Children’s Services

Agency: Department of Education and Children’s Services

Expenditure Initiative: Nation Building — Economic Stimulus Plan — National School Pride program and administration

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	-23 179	-59 718	-4 754	—	—

Explanation

In accordance with the Nation Building — Economic Stimulus Plan, new initiatives, in partnership with the Commonwealth, have been implemented to provide new facilities and refurbishment in schools across all regions of South Australia.

The National School Pride program will enable government primary and secondary schools to undertake construction of small-scale infrastructure and/or minor refurbishment projects.

Portfolio: Education and Children's Services

Agency: Department of Education and Children's Services

Expenditure Initiative: Low socio-economic status schools — additional support

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses	-1 106	-14 929	-20 152	-36 863	-35 756

Explanation

The Low Socio-Economic Status Schools National Partnership will contribute towards the improvement of student engagement and educational achievement of students from disadvantaged backgrounds so that they have the knowledge and skills to participate effectively in society and contribute to the state's future and prosperity.

This initiative will deliver reforms across government schools, including incentives to attract high quality teachers and principals, more flexibility for school staffing, management and operational arrangements, provision of innovative and tailored learning opportunities, strengthened school accountability, improved partnerships with parents, other schools, businesses and communities, and access to a range of extended services.

Approximately 77 schools in Country Regions will have access to this initiative.

Portfolio: Education and Children's Services

Agency: Department of Education and Children's Services

Expenditure Initiative: Kadina Memorial High School

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	-	-200	-1 000	-5 900	—

Explanation

This initiative provides for the construction of a new library resource centre and visual art facilities, and redevelopment of technical workshops and home economics areas.

Portfolio: Education and Children's Services

Agency: Department of Education and Children's Services

Expenditure Initiative: Birdwood High School Stage 2

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	-	-527	-2 173	-1 700	—

Explanation

This initiative provides for the construction of new visual and performing arts facilities.

Portfolio: Education and Children's Services

Agency: Department of Education and Children's Services

Expenditure Initiative: Port Augusta Secondary School

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	-	-200	-1 300	-2 300	—

Explanation

This initiative provides for consolidation of the Port Augusta Secondary School onto one site (Stirling Campus) by upgrading within existing buildings and construction of minor extensions.

Portfolio: Education and Children's Services

Agency: Department of Education and Children's Services

Expenditure Initiative: Nairne Primary School

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	-	-200	-1 000	-1 400	—

Explanation

This initiative provides for construction of additional facilities to accommodate enrolment growth and to replace the existing child-parent centre with new facilities.

Portfolio: Education and Children's Services

Agency: Department of Education and Children's Services

Expenditure Initiative: Kapunda High School Stage 2

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	-	-300	-1 900	-100	—

Explanation

This initiative provides for the upgrading of the school's heritage listed administration building.

Portfolio: Education and Children's Services

Agency: Department of Education and Children's Services

Expenditure Initiative: Roxby Downs Area School

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Investing Payments	-	-200	-660	—	—

Explanation

This initiative provides new transportable accommodation for special education services.

Portfolio: Families and Communities

Agency: Department for Families and Communities

Expenditure Initiative: Social Housing — Nation Building and increased investment

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses ^(a)	-34 441	-319 076	-130 214	-23 285	—

(a) Reflects the transfer of Commonwealth revenue from the general government sector to the South Australian Housing Trust (SAHT). SAHT's expenditure profile and accounting classification (investing and operating) may differ.

Explanation

This initiative provides for the construction of new social housing and upgrade and maintenance of South Australia's existing social housing stock. It incorporates:

- \$457.7 million over three years (plus \$19.5 million in 2008-09) for the construction of 1500 new houses and additional upgrades and maintenance on around 390 existing housing dwellings in accordance with the Nation Building — Economic Stimulus Plan; and
- \$15.0 million in 2008-09 and \$14.9 million in 2009-10 associated with other social housing initiatives, which will provide a minimum of 90 additional dwellings.

Under the Nation Building — Economic Stimulus Plan, it is estimated that between 20–30 per cent of new dwellings constructed will be in Country Regions.

Portfolio: Families and Communities

Agency: Department for Families and Communities

Expenditure Initiative: Remote indigenous housing — increased investment

Budget Implications (\$000s)

	2008-09	2009-10	2010-11	2011-12	2012-13
Operating Expenses ^(a)	-54 459	-52 696	-20 282	-23 257	-27 858

(a) Reflects the transfer of Commonwealth revenue from the general government sector to the South Australian Housing Trust (SAHT). SAHT's expenditure profile and accounting classification (investing and operating) may differ.

Explanation

This initiative provides for the construction of new houses, and upgrade of existing houses, to reduce overcrowding and homelessness in indigenous communities, with the first investment commencing in the APY Lands.



**Government
of South Australia**