

STATE BUDGET

2026-27



Government of
South Australia

STATE BUDGET

2026-27

BUDGET PAPER 1: BUDGET OVERVIEW

A summary publication capturing all highlights from the 2026-27 Budget.

BUDGET PAPER 2: BUDGET SPEECH

A copy of the Treasurer's speech, delivered to Parliament.

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 | VOLUMES 1, 2, 3, 4

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

BUDGET PAPER 5: BUDGET MEASURES STATEMENT

A financial report detailing the state government's expenditure, savings and revenue initiatives.

ACKNOWLEDGEMENT OF COUNTRY

We acknowledge Aboriginal people as the state's first peoples, nations and Traditional Owners of South Australian land and waters. We recognise that their unique cultural heritage, customs, spiritual beliefs and relationship with the land are of ongoing importance today, and we pay our respects to Elders past, present and emerging leaders of the future.

ACKNOWLEDGEMENTS

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TREASURER'S MESSAGE

The 2026–27 Budget is a clear statement of intent from the Malinauskas Government. One that demonstrates our determination to deliver on the priorities South Australians overwhelmingly endorsed with real investment and real action.

We're strengthening the foundations we laid in our first term by deepening investment in health, education, skills, housing, and infrastructure. These are the essentials of a productive, fair, and future focused economy, and we're delivering them.

To accelerate growth, the budget includes a new \$50 million Research and Development Productivity Fund, backing innovation, supporting future industries, and strengthening South Australia's long-term competitiveness. Our government is determined not just to respond to economic change, but to shape it.

We're also focused on cost of living relief for households. The budget delivers practical help where it counts, including free public education, a public transport fare freeze, and targeted support for renters and seniors.

Crucially, this is a fiscally responsible budget with \$1.4 billion in projected surpluses. The government is containing future expenditure growth and has given a continuing commitment to no new taxes to provide businesses with the confidence they need to invest and grow.

This budget sets South Australia up for the future with strength, ambition, and optimism. It does so without surprises or detours. It is exactly what South Australians expect from a government that has been clear about its priorities and is getting on with the job.

Hon. Tom Koutsantonis MP
Treasurer

"This budget delivers on our commitments, eases cost of living pressures and supports our economic growth by building a stronger, more productive and resilient South Australia for the future."



KEY BUDGET INDICATORS

	2025-26 Estimated Result	2026-27 Budget	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
General government net operating balance (\$m)	189	223	285	348	327
General government net lending (\$m)	-2 105	-3 347	-3 952	-2 908	-2 713
General government net debt (\$m)	24 226	28 842	33 417	37 274	40 853
Non-financial public sector (NFPS) net debt (\$m)	34 687	40 265	44 865	49 295	53 654
NFPS net debt to revenue ratio	101.3%	113.2%	122.5%	132.0%	139.7%
General government net debt to revenue ratio	74.2%	85.2%	97.2%	105.2%	111.5%



**THIS BUDGET PROVIDES A RECORD LEVEL
OF COST OF LIVING SUPPORT
FOR SOUTH AUSTRALIANS**



MORE THAN **\$500 million**
IN COST OF LIVING RELIEF

COST OF LIVING



MAKING PUBLIC SCHOOL FREE

\$174 million

OVER FOUR YEARS

This initiative provides free public education from the 2027 school year to ease cost of living pressures for parents, caregivers and independent students in government schools, saving families of non-school card students an average of more than \$8 000 per child across 13 years of schooling.

KEEPING KIDS OFF SCREENS

\$76 million over four years to ensure kids can be active, healthy and connected to their communities, while easing pressure on family budgets by reducing out-of-pocket costs for school and extracurricular activities.

This investment provides free school camps for all Year 7 public school students. It also delivers one free term of before or after-school activities in public schools, alongside free 'come and try' sessions during school holidays through Try.Play.Belong.

The government is also expanding the \$200 sports vouchers plus program to include 16 to 18-year olds, supporting an additional 18 000 young people per year. This builds on the existing program, with over 197 000 sports vouchers issued in 2025, delivering \$19.6 million in direct relief.

DOWNSIZING STAMP DUTY CONCESSION

\$77 million over five years to provide full stamp duty relief for seniors aged 60 and over who purchase a new home valued at up to \$2 million. The previous home must be sold, and the new home must be smaller, supporting seniors to downsize and freeing up larger homes for growing families.

EXPANSION OF THE SOCIAL HOUSING ENERGY PERFORMANCE INITIATIVE

\$36.1 million over three years to enable a further 3 500 homes to receive insulation upgrades and replace inefficient appliances, delivering energy and cost saving benefits to tenants in both public and community housing.

PUBLICLY FUNDED IVF

\$18.5 million over four years for South Australia's first IVF rebate scheme to make IVF treatment more affordable for thousands of families. The initiative will provide a rebate of \$2 000 per IVF cycle for up to two cycles, and a \$250 rebate for pre-IVF fertility testing for eligible applicants.

MURRAY BRIDGE METROTICKET FARES

\$7.9 million over four years to expand the metroCARD zone to Murray Bridge, making bus fares cheaper for those living in Murray Bridge and travelling to Adelaide.

MORE BUSES FOR MURRAY BRIDGE, MORE OFTEN

\$6.6 million over two years to improve bus services for Murray Bridge by increasing frequency to Mount Barker and Adelaide, with more weekday and weekend services and greater local town bus capacity.

SAVINGS FOR FAMILIES

The budget continues to provide meaningful savings for households. A family with two cars and two high school aged children, could save up to \$2 378.

FAMILY SAVINGS

School fee removal (average saving of \$723 per high school student)	\$1 446
Sports vouchers plus program expansion (two \$100 vouchers per student aged 16 to 18 from 1 January 2027)	\$400
Public transport fare saving (includes savings of \$242 per student as announced in the 2025-26 Budget)	\$486
Fuel excise cut: state contribution only (two petrol cars, savings from 1 April 2026 to 30 June 2026)	\$46
Total savings	\$2 378

SAVINGS FOR FIRST HOME BUYERS

First home buyers could save around \$107 per week in rent under the government's Rent to Own scheme. If they buy the property, they could also receive \$30 955 in stamp duty relief (based on a purchase price of \$675 000) and a \$15 000 First Home Owner Grant, totalling around \$57 000 in savings over two years. First home buyers have received around \$180 million in stamp duty relief on new homes.

SAVINGS FOR DOWNSIZERS

South Australians aged 60 and over who purchase a smaller, newly built home or off-the-plan apartment on or after 25 March 2026, that is valued up to \$2 million, could be eligible for up to \$103 830 in stamp duty relief.

SUPPORT FOR RENTERS

Renters moving between properties will now be able to transfer their existing bond to their new rental property, helping to ease cost of living pressures by removing the need to temporarily cover two bonds at once, making it more affordable and practical for renters to move.



\$8.4 million

OVER FOUR YEARS

SENIORS CARD – EXPANDED ELIGIBILITY

for the expansion of the Seniors Card scheme to all South Australians aged 60 and over, and to Aboriginal South Australians aged 50 and over from 1 July 2026.

All eligible recipients will be able to access free 24/7 Adelaide Metro public transport, as well as a range of other discounts and deals, including on heating and cooling systems, home maintenance, pharmacies and more. The expansion will provide important cost of living relief and opportunities for older South Australians to stay connected and engaged with the community.

EXPANSION OF THE PATIENT ASSISTANCE TRANSPORT SCHEME

\$16 million over four years to increase the nightly accommodation subsidy for eligible individuals from \$44 to \$110 and for those travelling with an approved support person from \$88 to \$154, and introduce a cumulative travel subsidy for eligible individuals travelling 300 km or more per week for renal or oncology care.

SA COMMUNITY BATTERIES

\$15 million over two years to continue to construct a fleet of 16 community batteries, funded by the state and Commonwealth Government, as well as via a contribution from AGL. This initiative is expected to deliver annual bill savings of 25 per cent to approximately 10 500 low-income households through a reduction in the default market offer with AGL Australia.

INDEXATION SERVICES ADJUSTMENT FOR NOT-FOR-PROFIT ORGANISATIONS

\$8.7 million over four years to support not-for-profit (NFP) organisations. Going forward, annual indexation for eligible NFP organisations providing services to government will align with the annual government fees and charges adjustment rate, which has regard to both wage and CPI increases.

FUEL RESPONSE

STRATEGIC DIESEL RESERVE

\$40 million to secure a strategic reserve of up to 20 million litres of diesel to boost South Australia's fuel security in the context of the current uncertainty as a result of the conflict in the Middle East.

The government has reached a commercial agreement with bulk fuel supplier IOR to utilise capacity at its storage facility at Port Bonython in the Upper Spencer Gulf.

The budget provides for the acquisition and sale of diesel as needed.

FUEL PRICE REPORTING SCHEME COMPLIANCE

\$1.3 million over four years for more inspectors to undertake an additional 100 fuel price compliance inspections per month.

METROCARD PUBLIC TRANSPORT FARE – PAUSE

\$1 million in 2026-27 to temporarily freeze metropolitan public transport fares at 2025-26 levels until at least 1 October 2026 in response to the current fuel price situation. The government will further review fare increases, considering broader economic conditions.

PARTNERING WITH THE RAA

The government has partnered with the RAA to provide consumers with real-time information on the number of service stations experiencing fuel 'stockouts', supported by an interactive map showing fuel availability and pricing in all outlets across the state.



FUEL EXCISE CUT

From 1 April 2026, the government funded an additional 5.7 cent per litre fuel excise cut for South Australians at a cost of \$38.1 million. Combined with the Commonwealth Government's 26.3 cent per litre fuel excise cut, this delivers a 32 cent per litre reduction until 30 June 2026.

STRONGER POWERS

The government has introduced legislation to strengthen emergency powers should the fuel crisis worsen, and to significantly increase penalties for petrol stations who fail to comply with the requirement to provide real-time fuel data.

HEAVY FREIGHT REFORMS

The government has fast-tracked a suite of heavy freight reforms that introduce 100 new network maps for trucks, providing increased operational flexibility and allowing heavier loads to be carried on more routes. The reforms are expected to deliver up to an 18 per cent reduction in fuel usage.



\$2.5 billion

HOUSING PACKAGE

Helping to deliver the government's target of building 13 500 new homes each year.

200 SUPPORTED ACCOMMODATION PLACES

\$110 million over four years to build an additional 200 supported accommodation places to manage more complex South Australian Housing Trust tenants and those with specialised needs.

The supported accommodation model ensures individuals with complex needs, who find it difficult to integrate into suburban neighbourhoods, will also receive wrap around services.

PLAYFORD ALIVE ACCELERATION

\$50 million in 2026-27 for enabling infrastructure to accelerate the delivery of 400 homes exclusively for first home buyers by the end of 2027. This initiative is assisted by an interest free loan from the Commonwealth Government as part of its 100 000 Homes for First Home Buyers program.

300 ADDITIONAL PUBLIC HOUSING UPGRADES

\$30 million over five years to upgrade 300 vacant South Australian Housing Trust homes to reduce public housing vacancy rates and get more families in need into homes sooner.

2 000

NEW RENT TO OWN HOMES

Under the more than \$1.3 billion program, homes will be leased to tenants at 75 per cent of market rent for up to two years, with tenants provided the option to purchase the property by the end of the lease term.

Funds from the sale of dwellings will be reinvested into the program over the eight year period, along with a \$133.6 million contribution from the Commonwealth Government being made as part of its 100 000 Homes for First Home Buyers program.



HOUSING FAST-TRACK FUNDS

\$500 million

HOUSING FAST-TRACK FUND

to secure and sell strategic land for housing development and to fast-track housing supply for South Australians, building more vibrant and accessible communities.

\$500 million

APARTMENT FAST-TRACK FUND

to establish an apartment pre-sale guarantee fund that will unlock more apartment developments in the Adelaide CBD and accelerate the delivery of more homes for South Australians.

PORTABLE RENTAL BONDS SCHEME

\$7 million over four years to establish a Portable Rental Bonds Scheme (PRBS) to allow renters moving properties to transfer their existing bond to their new rental property, with the government guaranteeing the bond amount for the original landlord.

The introduction of the PRBS will make it easier for renters to move between properties, putting an end to renters having to pay a new bond before receiving the refund of their existing bond.

PATTERN BOOK

\$500 000 over two years to create a housing pattern book, comprising a suite of pre-approved architectural designs to reduce design costs and fast-track planning approvals to build new homes, while reducing delivery risks for builders.

NEW HOMESTART FINANCE OPTIONS FOR FIRST HOME BUYERS

\$500 000 over two years to create a one-stop online shop for HomeStart Finance and HomeSeeker customers looking for assistance to buy their first home.

HomeStart will also undertake a range of new initiatives, including:

- increasing the income eligibility thresholds for HomeStart Finance's Advantage Loan and Starter Loan products to \$110 000 in net household income
- broadening HomeStart Finance's shared equity loan scheme to multi-storey apartment purchases
- extending the HomeStart Finance Graduate Loan to include firefighters, police and all technical college graduates.

OVER **\$650 million** TO SUPPORT OUR ECONOMY

WHYALLA TRANSFORMATION, STEEL TASKFORCE AND TURBINE DIVESTMENT

\$6.5 million over two years to provide funding for a range of measures, including:

- **\$3.3 million** in 2026-27 to continue the Whyalla Steelworks Industrial Transformation Unit which will support the transition of the steelworks to a sustainable and modern steelmaking capability
- **\$1.6 million** in 2026-27 to enable the Steel Taskforce to continue for the duration of 2026-27, including for expert advisors supporting the Taskforce.

DROUGHT LOAN SCHEME

\$200 million for low-interest loans to support drought affected grain and livestock farmers in South Australia's Murray Mallee, Riverland and Upper North regions through access to urgent financial assistance of up to \$250 000. Applications will be open until 31 December 2026.

PROJECT 250 WINE PROGRAM

\$800 000 over four years to extend and expand the Project 250 wine program from \$250 000 per annum to \$450 000 per annum, supporting regions to address current supply challenges and enhance the competitiveness, prosperity, and sustainability of South Australia's wine industry.

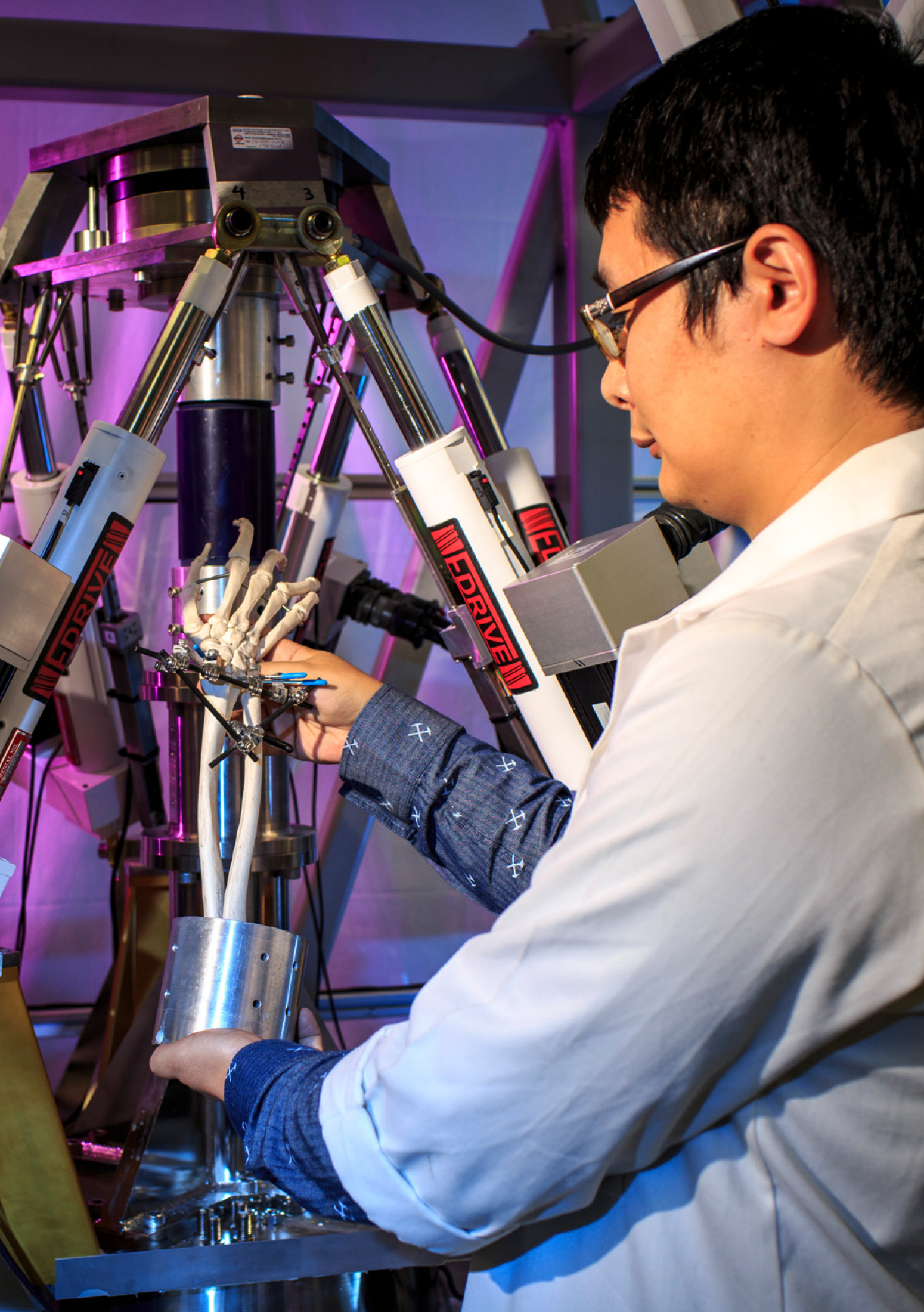


WHYALLA STEELWORKS SUPPORT FUNDING

\$319 million

OVER TWO YEARS

to continue to support the sale of the steelworks by funding its operations during administration.



RESEARCH AND DEVELOPMENT PRODUCTIVITY FUND

\$50 million

OVER FOUR YEARS

to increase the scale and impact of research activity in South Australia. The initiative will support high-impact programs, strengthen collaboration between universities, industry and government, and accelerate commercialisation. It aims to attract talent and investment, enhance productivity and drive economic growth through innovation, creating skilled jobs and improving long-term competitiveness.

DIGITAL INVESTMENT FUND – ADDITIONAL FUNDING

\$50 million in 2029-30 to increase capacity in the Digital Investment Fund to support new public sector efficiency initiatives, bringing the total amount for investment in government digital initiatives to \$376.5 million.

AUKUS PLANNING AND BUSINESS CASE

\$15 million over two years to deliver a business case and the necessary planning and design for transport infrastructure solutions to enable access to the Lefevre Peninsula for the expected increase in workforce required at the Osborne Naval Defence precinct. Funded in partnership with the Commonwealth Government.

PLAN FOR ACCELERATING EXPLORATION (PACE) PARTNERSHIPS

\$12.4 million over four years to accelerate minerals exploration, recognising the importance of the mineral resources industry in South Australia's next chapter of mineral exploration and discovery.

SA GAS AND WATER TRUST

\$2 million over two years towards the planning and establishment costs of the new SA Gas and Water Trust.

SOUTH AUSTRALIAN STRATEGIC GAS RESERVE

The government has secured a long-term domestic gas supply agreement with Santos, ensuring gas currently sold overseas will instead be used in South Australia to help underpin the transformation of the Whyalla steelworks.

The South Australian Strategic Gas Reserve will see Santos supply 20 petajoules of gas each year for 10 years from 2030.

RED TAPE REDUCTION

The South Australian Productivity Commission will undertake a 'red tape reduction' review to identify and consider opportunities to reduce regulatory burden, streamline business dealings with government, unlock investment and lower costs for business. The process will be informed by consultation with industry.



THREE NEW TECHNICAL COLLEGES

\$150 million

OVER FOUR YEARS

to establish and operate three new technical colleges, including one regional campus in Murray Bridge and two metropolitan campuses in Marden and Gawler, expanding the network of five technical colleges built and opened since 2022, with over 1 000 students enrolled for the 2026 school year.

\$261.5 million

TO BUILD A SKILLED WORKFORCE FOR A STRONGER SOUTH AUSTRALIA

HOUSING SKILLS

\$29.5 million over eight years to build the capability and capacity of South Australia's workforce by creating 1 000 new pathways for South Australians to enter the construction workforce through apprentice training, industry partnership incentives and scholarships.

NON-GOVERNMENT TRAINING PROVIDERS – TRAINING SUBSIDIES

\$28.2 million in 2025-26 to non-government training providers to meet higher training demand in areas such as care, hospitality, personal services and higher demand in VET in Schools delivery, funded from the National Skills Agreement.

AUKUS SKILLS

\$26.8 million over five years to build South Australia's AUKUS skills workforce by supporting more than 1 000 new university, trade and upskilling opportunities including in mechanical and fabrication engineering, electrical and electronic engineering, and maritime, nuclear and submarine naval architecture.

NEW MOUNT BARKER TAFE TRADES WORKSHOP

\$25.5 million over four years to construct and operate a new multi-trade vocational training workshop at the TAFE SA Mount Barker campus, expanding capacity for up to 1 200 additional apprentices in electrical, plumbing and carpentry, reducing travel time for regional apprentices, and supporting vocational training delivery under the National Skills Agreement.

MASTER BUILDERS ASSOCIATION TRADES OUTREACH TO SCHOOLS

\$1 million over four years to the Master Builders Association to expand its school outreach program, aimed at encouraging students to pursue a building trade as a future career pathway, increasing the support to \$2 million over four years.

TRADES TRAINING INFRASTRUCTURE TO TRAIN MORE PLUMBERS

\$498 000 in 2025-26 to expand training capacity for South Australia's plumbing apprentices, including funding and in-kind support to the Trainee and Apprentice Placement Service to construct two new training sandpits.



\$210 million

OVER SIX YEARS

SCHOOL INFRASTRUCTURE PROGRAM

to support the redevelopment and upgrades across 37 public school sites and facilities, including:

- **\$87 million** for the redevelopment of Mount Barker High School, adding to the existing \$9 million to upgrade classrooms, workshops, food and technology facilities and outdoor sporting areas
- **\$63 million** to upgrade sites, classrooms and facilities across 11 schools
- **\$50 million** to build new gyms or halls at six schools
- **\$10 million** in new and upgraded inclusive education facilities, including improvements to learning and sensory spaces at 20 schools.

BETTER QUALITY EDUCATION

\$65 million over six years to support programs aimed at improving student outcomes, including:

- establishing a specialist Science, Technology, Engineering and Mathematics (STEM) pathway to increase the supply of specialist teachers in STEM related subjects
- introducing early employment opportunities for student teachers in government schools
- improving workplace safety and wellbeing for teachers and educators
- rolling out the autism inclusion program in all government secondary schools
- introducing a second phonics check for Year 2 students, providing an opportunity to assist kids who need support with reading and writing.

EXPANDING OUT OF SCHOOL HOURS CARE (OSHC)

\$45.5 million over four years to establish OSHC services at 68 government primary schools across the state. The total cost of \$94.7 million will be partially offset by \$49.2 million from Commonwealth Child Care subsidies and parental out-of-pocket (gap) fees. The expansion will create an additional 2 300 places, delivering a 20 per cent increase in capacity.

KEEPING KIDS OFF SCREENS

The government is dedicated to ensuring that kids have active and healthy lifestyles. The \$76 million keeping kids off screens initiative builds on the government's achievements since 2022, including championing the social media ban for under 16-year olds. The government will also support families to delay children's use of smartphones through the Wait Mate program, which encourages parents to pledge to wait until at least Year 8, alongside strengthened social media protections.



NO INTEREST AGED CARE LOAN SCHEME

\$250 million

to incentivise the construction of up to 650 new aged care beds, including a minimum requirement for dementia support beds. This will help free up hospital capacity and acute beds within the public health system.

\$45.4 billion

TOTAL HEALTH SYSTEM SPEND OVER FOUR YEARS

ADDITIONAL INVESTMENT IN SOUTH AUSTRALIAN HEALTH SERVICES

\$1.7 billion over five years to address the increasing levels of demand experienced across our public health system, and the higher cost of service delivery across local health networks.

NEW MENTAL HEALTH ASSESSMENT UNITS

\$28 million over four years to deliver a specialised mental health assessment unit at the Royal Adelaide Hospital (RAH) adjacent to the emergency department, providing a purpose-built space for people experiencing a mental health or drug and alcohol crisis. Two additional units at Lyell McEwin and Noarlunga hospitals will also be delivered following successful implementation of the RAH unit.

EXPANSION OF THE PATIENT ASSISTANCE TRANSPORT SCHEME

\$16 million over four years to increase the nightly accommodation subsidy for eligible individuals from \$44 to \$110 and for those travelling with an approved support person from \$88 to \$154, and introduce a cumulative travel subsidy for eligible individuals travelling 300 km or more per week for renal or oncology care.

NEW EMERGENCY DEPARTMENT FOR CLARE HOSPITAL

\$22 million over four years from 2028-29 to deliver a new emergency department for Clare Hospital, providing Mid North communities with around-the-clock care in a dedicated modern facility.

MURRAY BRIDGE MATERNITY WARD, BIRTHING CENTRE AND RENAL CLINIC

\$15 million over four years to support infrastructure upgrades at the Murray Bridge Soldiers' Memorial Hospital, including redevelopment of the maternity ward and birthing unit to increase beds from six to eight, and a new purpose-built renal unit to replace existing infrastructure and increase treatment capacity from four to six chairs.

NATIONAL HEALTH REFORM AGREEMENT

The Commonwealth Government is providing an additional \$2 billion over the next five years to support South Australia's health system. This is projected to bring the Commonwealth's contribution to 37.5 per cent of hospital funding by 2030-31. This is below its commitment of 42.5 per cent made at National Cabinet.

REGIONAL AMBULANCE STATION CREWS AND FACILITIES UPGRADES

\$13.9 million over four years to provide additional support for a stronger regional ambulance service including two community paramedics in Ceduna from 2026-27, a new 12-person ambulance crew in Yorketown from July 2028, a new ambulance station at Millicent, and station upgrades at Yorketown and Barmera.

MEDICAL SCHOOL TRAINING CENTRE IN MOUNT GAMBIER

\$13 million over two years to deliver a new, purpose-built medical education and training facility, in partnership with Flinders University, adjacent to Mount Gambier Hospital. This will increase the number of medical students studying in regional South Australia.

WOMEN'S HEALTH CLINICS

\$10 million over four years to support five GP clinics to establish specialised women's health clinics, offering services including endometriosis and pelvic pain management, pregnancy and fertility support, contraceptive implant services, menopause care and preventative health checks, with clinics located in northern, southern and central Adelaide, as well as two in regional South Australia.

PUBLICLY FUNDED IVF

South Australia's first IVF rebate scheme will make IVF treatment more affordable for thousands of women and families.

This investment will help eligible families pay for the critical tests and procedures involved with IVF treatment, including blood and imaging tests, removal of eggs and implanting of embryos.

PERMANENT AMBULANCE CREW FOR MURRAY BRIDGE

\$5.6 million over four years for a dedicated transfer team to help ease the pressure on local emergency crews and retain volunteer capacity in the Murray Bridge community.

VIRTUAL PELVIC PAIN CLINIC AND ENDOMETRIOSIS PUBLIC HEALTH CAMPAIGN

\$4.6 million over four years to establish South Australia's first Virtual Pelvic Pain Clinic, providing dedicated care for women experiencing pelvic pain and endometriosis, alongside gynaecological support, and to launch an endometriosis public health campaign.

CONTINUED SUPPORT FOR DEDICATED LUNG CANCER NURSES

\$2.6 million over four years to continue the provision of dedicated specialist lung cancer nurses across the hospital system.

MOTOR NEURONE DISEASE (MND) BIOMARKER RESEARCH CENTRE OF EXCELLENCE

\$1.8 million over four years to establish Australia's only dedicated MND Biomarker Research Centre of Excellence in collaboration with FightMND and Flinders University. The centre will be based at the Health and Medical Research Building at Flinders University in Bedford Park.

ADDITIONAL SUPPORT FOR MOTOR NEURONE DISEASE (MND)

\$1.6 million over four years to support people living with MND through improved access to equipment and relevant health professional support. This is in addition to the \$2.4 million provided as part of the 2022-23 Budget, bringing total support for MND to \$4 million.

NEW GREATER NORTHERN ADELAIDE HOSPITAL BUSINESS CASE

\$3 million over two years to deliver a business case to commence planning for the new Greater Northern Adelaide Hospital, which will service the growing outer northern suburbs and the Barossa Valley region.

WOMEN'S AND CHILDREN'S HOSPITAL SITE BUSINESS CASE

\$3 million over two years to undertake a business case for the planned transformation of the current Women's and Children's site into a dedicated health and aged care precinct, expected to be home to a mix of public and private services, as well as 600 aged care beds.

TRAINING FOR 120 ADDITIONAL PHARMACISTS

\$1 million over four years to fund training for 120 additional pharmacists, doubling the number of pharmacists with graduate training needed to deliver expanded services and treat acute health conditions.

GP TRAINING FOR ATTENTION DEFICIT HYPERACTIVITY DISORDER (ADHD) DIAGNOSIS

\$350 000 over two years to train an additional 100 GPs to diagnose and prescribe medication for ADHD, doubling the number of specially trained GPs in South Australia.

PAIN MANAGEMENT FOR IUD PROCEDURES

\$55 000 over four years to support improved options for pain management of intrauterine device (IUD) procedures in public outpatient clinics and across primary care.



\$13.2 million

OVER FOUR YEARS

THREE MORE 24-HOUR PHARMACIES

to expand the 24-hour pharmacies initiative and establish three new 24-hour pharmacies in the west, north-east and Adelaide Hills (Mount Barker) to help reduce pressure on hospitals and GP clinics.



\$350.2 million **OVER FIVE YEARS** **OUT OF HOME CARE RESOURCES**

to support children and young people in care through ongoing service optimisation, ensuring effective and efficient service delivery. The government is committed to supporting family-based carers and increasing the number of children and young people being cared for in a family-based environment.

THRIVING KIDS

\$230.3 million over five years to implement South Australia's commitments under the National Agreement on Foundational Supports to deliver the Thriving Kids program. This will support children aged 8 and under with developmental delay and/or autism who have low to moderate support needs, along with their families and carers.

GRANDPARENTS FOR GRANDCHILDREN

\$340 000 over four years to increase the grant to Grandcarers SA to support grandparents and other informal carers to achieve positive outcomes for themselves and the children in their care through financial assistance, support, information and advocacy.

CONNECTING FOSTER AND KINSHIP CARERS SA INC. – ADDITIONAL FUNDING

\$120 000 over two years to Connecting Foster and Kinship Carers SA Inc., the peak representative body for foster and kinship carers across South Australia, to provide additional assistance for the carer peer support program.





\$55.1 million

OVER TWO YEARS

COMMUNITY GRANTS

for almost 60 sporting clubs and community groups to support various local community events and fund a range of community projects and facility upgrades.

COMMUNITY INFRASTRUCTURE GRANTS

\$29.7 million over four years to fund a range of local community infrastructure projects.

KEEPING KIDS OFF SCREENS

As part of the keeping kids off screens initiative, the government will support communities to stay active by improving access to and use of local facilities. This includes a dedicated fund to improve community access to school facilities, support student volunteering, and establish streamlined community booking systems.

This investment complements the broader initiatives that reduce cost of living pressures for families by making it easier and more affordable for children and young people to participate in sport and other recreational activities.

TRUTH-TELLING AND TREATY

\$8.5 million over four years to support the establishment of a commission to undertake statewide Truth-telling and Treaty activities.

HOMELESSNESS SUPPORT SERVICES

\$6 million over four years to Catherine House, St Vincent de Paul Society, and Hutt Street Centre to provide homelessness support services in the Adelaide CBD.

SURF LIFE SAVING SA

\$2.5 million over four years to double ongoing core funding from \$1 million per annum to \$2 million per annum by 2029-30 to help keep South Australians safe at our beaches.

SUPPORT FOR CAR CLUBS

\$2 million over four years to continue supporting local car and motorcycle clubs across South Australia to meet their growing operating costs, increase club participation, host events, improve or upgrade facilities, build capacity and streamline operations.

BACKPACKS 4 KIDS – NEW FACILITY

\$500 000 in 2026-27 towards the construction of a new Backpacks 4 Kids facility to be built at Rundle Reserve, Salisbury South on land provided by the City of Salisbury.

DEMENTIA SA

\$500 000 in 2026-27 to deliver a specialised education and wellbeing program to better support unpaid carers of people living with dementia across South Australia.



\$29.1 billion

OVER FOUR YEARS

TOTAL PUBLIC SECTOR INFRASTRUCTURE SPEND

SOUTH EASTERN FREEWAY UPGRADE – ADDITIONAL FUNDING

\$90 million over five years (including **\$4 million** beyond the forward estimates)

towards safety upgrade works including replacement of retaining walls and stabilisation of slopes on the South Eastern Freeway, with the new expenditure funded in partnership with the Commonwealth Government on a 50:50 basis.

This brings the total project cost to \$440 million (\$265 million Commonwealth Government funding and \$175 million state funding).

SAFER HORROCKS HIGHWAY

\$90 million over four years for upgrades along the Horrocks Highway, including the construction of overtaking lanes, lane extensions, culvert replacements and road widening to improve traffic flow and enhance safety.

A Commonwealth Government contribution towards this critical project will be sought on an 80:20 basis.

MOUNT BARKER TRANSPORT IMPROVEMENT – ADELAIDE AND HAWTHORN ROAD INTERSECTION

\$80 million over five years to upgrade the Adelaide and Hawthorn Road intersection, including improved signalling and widening of the intersection, installation of additional turning lanes and widening of Adelaide Road.

HAPPY VALLEY DRIVE INTERSECTION IMPROVEMENTS

\$16 million over three years to deliver an upgraded roundabout at the Chandlers Hill Road and Happy Valley Drive intersection and a new roundabout at Windebanks Road and Happy Valley Drive, to improve traffic flow on Chandlers Hill Road, enhance safety at the Windebanks Road intersection and reduce peak-time queuing and delays.

TORRENS PARK PARK 'N' RIDE

\$7 million over three years to build a new Park 'n' Ride at Torrens Park railway station to improve access to public transport for commuters in the area.

BATTERY ELECTRIC TRAIN TRIAL

\$3.5 million over three years for a battery-powered passenger train trial operated on the Belair rail line, providing a cleaner, greener and quieter service.

EMERGENCY SERVICES



\$17.2 million

IN 2025-26

BUSHFIRE, STORM AND FLOOD RESPONSE

including \$13 million for the Country Fire Service (CFS), \$1.9 million for the Department for Environment and Water, \$1.8 million for the State Emergency Service, and \$589 000 for the Metropolitan Fire Service for additional response costs for large scale bushfire, storm and flood events that occurred across the state.

Significant incidents include the Deep Creek fire in difficult terrain and widespread storm activity leading to flooding in the north of the state.

CFS costs include extensions to firefighting aircraft availability to cover the extended period of bushfire risk.

MOUNT GAMBIER PRISON – IMMEDIATE ADDITIONAL CAPACITY

\$16.5 million over four years to support the operation of 59 temporary beds at Mount Gambier Prison to provide immediate additional prisoner capacity until the Yatala Labour Prison expansion is complete.

DRONE OPERATIONS

\$11.3 million over four years to establish a dedicated drone operations capability that will provide SA Police with the ability to undertake unmanned aerial surveillance and policing functions. Up to four drone base stations will be established in the metropolitan area and up to nine units will be distributed across regional South Australia.

TWO NEW POLICE STATIONS – MOUNT BARKER/MURRAY BRIDGE

\$5 million over two years to undertake the necessary planning work for two new police stations at Mount Barker and Murray Bridge. The government is committed to delivering the necessary infrastructure to meet the ongoing community requirements, and this planning work is a key first step in determining the necessary scope and sequencing of future works.

ELECTRONIC MONITORING FOR OFFENDERS

\$2.7 million over five years for an additional 60 electronic monitoring devices and resources to manage the supervision of offenders across the state. Electronic monitoring is effective in the enforcement of non-custodial sentencing alternatives and other supervision orders.

CRIME STOPPERS SA ONLINE REPORTING PORTAL

\$300 000 in 2026-27 to Crime Stoppers SA for the establishment of a new online reporting portal.

BANNING OFFENDERS FROM ONLINE DATING

The government will introduce legislation to ban domestic violence and sexual offenders from using online dating platforms.



A BOOST TO OUR POLICE FORCE

The government has made significant investment to boost SA Police resources with more than 800 police officers sworn in since 2023.

For the first time in nearly a decade, South Australia has its full complement of police officers and the highest number of sworn police per capita of any state.

ENVIRONMENT & PRIMARY INDUSTRIES

\$102.8 million

OVER FOUR YEARS

FOR RESILIENT ENVIRONMENTS AND INDUSTRIES

ADELAIDE BEACH MANAGEMENT

\$55.9 million over five years for the short-term mass restoration of sand at West Beach and a long-term operational solution for the management of sand within Adelaide's central and northern beach system between West Beach and North Haven, delivering on the government's commitment to implement recommendations from the Adelaide Beach Management Review.

PRIMARY INDUSTRIES FUTURE FORWARD FUND

\$8 million in 2026-27 for a Future Forward Fund including \$6 million to drive innovation in industry sectors and \$2 million to support the Wood Fibre and Timber Industry Masterplan.

MUNDOO ISLAND STATION ACQUISITION

\$7.5 million in 2025-26 for the acquisition of Mundoo Island, Ewe Island and Long Island off the eastern tip of Hindmarsh Island, converting a former cattle station into wetlands habitat and expanding the national park to protect native species, support migratory birds, reduce nutrient runoff and strengthen environmental resilience across the Murray Mouth. Funded in partnership with the Foundation for National Parks and Wildlife, and the Commonwealth Government.

RECREATIONAL FISHING PACKAGE

\$6.7 million over four years for a range of initiatives aimed at strengthening participation, infrastructure and the long-term sustainability of recreational fishing across South Australia, including:

- **\$3 million** towards the creation of a South Australian recreational fishing authority
- **\$1.8 million** to increase funding provided to RecFish SA to ensure the organisation continues to represent the interests of the recreational fishing community
- **\$1 million** for community fishing infrastructure such as jetty rod holders, bait boards and filleting tables in coastal and river locations
- **\$900 000** to support junior fishing clinics across metropolitan Adelaide and regional communities, in partnership with RecFish SA.

MURRAY-DARLING BASIN – JOINT PROGRAMS CONTRIBUTION

\$6.1 million in 2025-26 to increase South Australia's contribution to the Murray-Darling Basin Joint Programs initiative. In 2025, the member states agreed to increase contributions from 2025-26 to further assist in managing deteriorating infrastructure throughout the Murray-Darling Basin.



PHOTO CREDIT: JOSIE WITHERS

GRANTS TO PRIVATE LANDHOLDERS – HERITAGE

\$6 million over four years for native vegetation heritage agreements on privately managed properties to support improved biodiversity.

RIVER RESTORATION

\$5 million over three years to regional landscape boards to develop and implement a plan to clean and revitalise rivers and waterways, regenerate ecosystems, reverse habitat decline, and stabilise riparian zones, reducing erosion and runoff and improving the quality of water flows into the ocean.

FRIENDS OF PARKS AND NATURE

\$3 million over four years to the Friends of Parks and Nature groups to work in national parks and across the landscape, including weeding, planting, seed collecting and other nature restoration activities.

BATTERIES IN KERBSIDE BINS PUBLIC AWARENESS CAMPAIGN

\$1 million over two years to deliver an educational campaign and increase community awareness regarding the life cycle and disposal pathways for lithium batteries.

LANDCARE FUNDING

\$1 million over four years to Landcare SA to employ a state landcare coordinator and assist with ground planting, weeding and other conservation work.

PASTORAL LANDS UNIT

\$1 million over four years to the Pastoral Lands Unit to assist with the completion of land condition assessments.

FERAL CAT MANAGEMENT

\$800 000 over two years to the Kangaroo Island Landscape Board to support the eradication of feral cats on Kangaroo Island.

INDUSTRIAL HEMP TRIALS

\$500 000 in 2026-27 to fund a program to assist the industrial hemp industry in South Australia.

A STRONGER FUTURE FOR MCLAREN VALE STRATEGY

\$250 000 in 2026-27 for the development of a comprehensive strategy to strengthen the long-term prosperity of the McLaren Vale region by supporting agricultural diversification, expanding market access for local producers and driving high quality tourism investment.



\$158 million

OVER FIVE YEARS

PROMOTING COMMUNITY PARTICIPATION AND ATTRACTING VISITORS

NEW STATE GYMNASTICS CENTRE

\$100 million over three years for the delivery of a state-of-the-art facility supporting community, national and international gymnastics events, and providing opportunities for shared use including for other indoor sports.

STATE ARTS MEDIA HUB AT TAPANGKA

\$49.3 million by 2029-30 towards the development of a new state-of-the-art Arts and Media Hub to be delivered in partnership with the Australian Broadcasting Corporation, co-locating the State Theatre Company, State Opera and Country Arts South Australia.

KAREN ROLTON OVAL UPGRADE

\$5 million in 2026-27 towards the upgrade of facilities at Karen Rolton Oval, including the installation of new lighting, accessible terracing and landscaping.

NATURE-BASED TOURISM PROJECTS

\$1.2 million in 2026-27 to improve the iconic Heysen Trail by purchasing land near Cudlee Creek to remove a road diversion, and upgrade infrastructure at Flinders Chase National Park to ensure tourists can continue to experience the natural wonder of Admirals Arch.

ADELAIDE FRINGE

\$1.5 million over four years in additional support to the Adelaide Fringe, reinforcing South Australia's reputation as the nation's festival capital, enabling the Fringe to strengthen its Honey Pot initiative, attract national and international arts programmers, and create more opportunities for artists. This brings government support for the Fringe to \$20 million over four years.

GAWLER HARNESS RACING CLUB

\$1 million in 2025-26 to the Gawler Harness Racing Club to contribute towards upgrades of its facilities.

MAJOR EVENTS

Building on the success of Gather Round, the government is bringing more major events including the Australian Open Golf Tournament and the MotoGP to Adelaide. These events will attract visitors, boost tourism and hospitality spending, and strengthen the state's global reputation as a premier sporting and major event destination, driving economic growth, investment, and long-term benefits for local businesses.

WOMEN'S STATEMENT

South Australia is in the midst of embracing the most remarkable economic opportunity to shape our state for future generations, and the government is determined to harness this to progress equality of opportunity. Now more than ever there is a need to advance gender equality in ways that see women equally, safely and actively participating in our economy and in every aspect of community life.

The 2026-27 Budget measures align with the Women's Equality Blueprint 2023-26, addressing health, safety, leadership and economic participation, including a broad range of initiatives which will support and empower women across all stages of life.

Achieving equality for women and girls requires a collective effort, and this budget includes initiatives to meet this vision, with a focus on advancing gender equality by removing structural barriers that limit women's participation in work, study and public life, while strengthening safety and wellbeing.



ROYAL COMMISSION INTO DOMESTIC, FAMILY AND SEXUAL VIOLENCE

\$673.6 million is being invested **over 10 years** (including \$231.6 million to 2029-30) to strengthen services and lay the foundations needed to build an effective and efficient domestic, family and sexual violence (DFSV) system, including:

- **\$182.8 million** to boost resourcing for SA Police to establish a dedicated DFSV service
- **\$82.6 million** to provide new services to children and families experiencing violence
- **\$43.7 million** to expand prevention programs to support behavioural change for people using violence
- **\$36.2 million** to improve access to forensic medical examinations
- **\$25 million** for a 24/7 central telephone and digital support line.



ACHIEVEMENTS

- **\$9.2 million** for women and girls sport funded through Power of Her Round 3
- **390** female apprentice and trainee completions in technical and trade occupations in the year to 30 June 2025
- Constructed **50** studio apartments for women at risk of homelessness
- Trained **1 343** educators under the Embrace program to build positive body image for children and young people in schools, early learning and sport settings
- Installed **243** dispensers to date, providing TAFE SA students with access to more than **600 000** free period products in 2025-26
- Supported **712** women-owned businesses to accelerate their growth and profitability.

LEADERSHIP & PARTICIPATION

EXPANDING OSHC

\$45.5 million over four years to deliver a 20 per cent expansion of OSHC services, helping reduce barriers to workforce participation and career progression for women.

NORWOOD FOOTBALL CLUB WOMEN'S CHANGEROOMS

\$310 000 to build new women's changerooms at Norwood Oval, to ensure women and girls can participate in sport with dignity, safety and respect.

ECONOMIC WELLBEING

AUKUS SKILLS

\$26.8 million over five years including a commitment to increase participation of women and underrepresented cohorts to enter the defence industry.

MODERNISING LONG SERVICE LEAVE

The government will amend legislation to ensure that unpaid parental leave will count towards the accrual of long service leave, and that workers who move employment between different franchisees of the same franchisor will have their continuity of service recognised.

EX-GRATIA SCHEME

The government has established an ex-gratia scheme to enable eligible victim-survivors of domestic, family or sexual violence to access first home buyer benefits, including stamp duty relief and the First Home Owner Grant.

PAID REPRODUCTIVE HEALTH LEAVE

The government will provide public sector employees with up to 10 working days of paid leave per year to be used for chronic reproductive health conditions, reproductive health treatments and preventative screenings.

SAFETY & SECURITY

COMBATTING HOMELESSNESS

\$6 million over four years shared between Catherine House, Hutt Street Centre and St Vincent de Paul Society.

BANNING OFFENDERS FROM ONLINE DATING

To keep women and children safer from predators with reforms to ban domestic violence and sexual offenders from using online dating platforms.

WOMEN'S HEALTH

PUBLICLY FUNDED IVF

South Australia's first IVF rebate scheme to make IVF treatment more affordable for thousands of women and families.

MURRAY BRIDGE MATERNITY WARD, BIRTHING CENTRE AND RENAL CLINIC

\$15 million over four years for infrastructure upgrades at the Murray Bridge Soldiers' Memorial Hospital. A new maternity ward and birthing unit will increase capacity to eight beds.

WOMEN'S HEALTH CLINICS

\$10 million over four years to support five GP clinics in establishing specialised women's health clinics, offering services including endometriosis and pelvic pain management, pregnancy and fertility support, contraceptive implant services, menopause care and preventative health checks.

VIRTUAL PELVIC PAIN CLINIC AND ENDOMETRIOSIS CAMPAIGN

\$4.6 million over four years to establish South Australia's first Virtual Pelvic Pain Clinic, and launch an endometriosis awareness campaign.

REGIONS

\$1.2 billion

NEW MEASURES SUPPORTING REGIONAL SOUTH AUSTRALIA

ACROSS REGIONS

\$200 million drought loan scheme to support drought affected grain and livestock farmers.

\$90 million over five years towards safety upgrade works on the South Eastern Freeway.

\$29.5 million over four years to establish OSHC services across regional South Australia.

\$27.9 million over four years for upgrades and redevelopment projects across various regional government school facilities.

\$21.5 million over four years for the expansion of the social housing energy performance initiative in regional areas.

\$19 million over two years to build affordable homes in regional areas under the Rent to Own scheme.

\$17.2 million in 2025-26 for additional response costs for bushfire, storm and flood events.

\$16 million over four years to expand the Patient Assistance Transport Scheme.

\$13.9 million over four years to provide additional support for regional ambulance services, including in Barmera, Ceduna, Millicent and Yorketown.

\$12.4 million over four years to drive mineral exploration through the Plan for Accelerating Exploration partnership initiative.

\$12.2 million in 2026-27 to deliver property and tenancy management services for select remote Aboriginal communities.

\$11.7 million over two years to support the Alternative Water Supply Efficiency Measures program.

\$9 million over four years to upgrade vacant regional South Australian Housing Trust homes.

\$8 million in 2026-27 to drive innovations in industry sectors and support the Wood Fibre and Timber Industry Masterplan.

\$6.1 million in 2025-26 to increase South Australia's contribution to the Murray-Darling Basin Joint Programs initiative.

\$6 million over four years for native vegetation heritage agreements on privately managed properties.

\$6 million over four years to fund local community infrastructure projects.

\$5 million over three years to support regional landscape boards, restore and revitalise rivers and waterways.

\$5 million over two years to undertake the planning work for two new police stations at Mount Barker and Murray Bridge.

\$4.4 million in 2025-26 to support the Remote Area Energy Supply Scheme.

\$4 million over four years to establish specialised regional women's health clinics.

\$2.9 million over two years for a range of grants to support community initiatives.

\$2.4 million over four years to support the Friends of Parks groups in work across national parks and landscapes.

\$1.2 million in 2026-27 to improve the iconic Heysen Trail and upgrade infrastructure at Flinders Chase National Park.

\$1 million over four years to Landcare SA to employ a state landcare coordinator and assist with conservation work.

\$1 million over four years to the Pastoral Lands Unit to assist with the completion of land condition assessments.

\$800 000 over four years to extend and expand the Project 250 wine program.



ADELAIDE HILLS

\$80 million over five years

to upgrade the Adelaide and Hawthorn Road intersection in Mount Barker.

\$25.5 million over four years

to construct and operate a new multi-trade vocational training workshop at the TAFE SA Mount Barker campus.

BAROSSA/ LIGHT AND LOWER NORTH

\$3 million over two years

to deliver a business case for the new Greater Northern Adelaide Hospital.

\$916 000 in 2025-26

to the Adelaide Plains Council for road sealing works at Thompson Beach.

EYRE AND WESTERN

\$319 million over two years

to continue to support the sale of the steelworks by funding its operations during administration.

\$6.5 million over two years

to oversee the Whyalla steelworks industrial transformation, divestment of the state's gas turbines, and the extension of the Steel Taskforce.

FAR NORTH

\$5.3 million over two years

to upgrade the air-conditioning system at Port Augusta Prison.

\$4.9 million over four

years to continue to improve public safety at the Leigh Creek Coalfield site.

FLEURIEU AND KANGAROO ISLAND

\$7.5 million in 2025-26

for the acquisition of Mundoo Island, Ewe Island and Long Island to expand the national park and strengthen environmental resilience across the Murray Mouth.

\$800 000 over two years

for the Kangaroo Island Landscape Board to support the eradication of feral cats on Kangaroo Island.

\$250 000 in 2026-27

to develop a strategy to strengthen the long-term prosperity of the McLaren Vale region.

LIMESTONE COAST

\$16.5 million over four years

to support the operation of 59 temporary beds at Mount Gambier Prison.

\$13 million over two years

for a new medical education and training facility adjacent to Mount Gambier Hospital.

MURRAY AND MALLEE

\$54.5 million over four years

to establish a technical college in Murray Bridge.

\$15.1 million over four years

to expand Murray Bridge public transport by improving services, lowering fares, and increasing bus frequency.

\$15 million over four years

to support infrastructure upgrades at the Murray Bridge Soldiers' Memorial Hospital.

\$5.6 million over four years

for a dedicated ambulance transfer team at Murray Bridge.

YORKE AND MID NORTH

\$90 million

for upgrades along the Horrocks Highway, including overtaking lanes, lane extensions and road widening.

\$22 million over four years

(including \$12 million beyond the forward estimates) to deliver a new emergency department for Clare Hospital.

2026-27 BUDGET

SUSTAINABLE BUDGET

The 2026–27 Budget delivers a sustainable fiscal position by maintaining operating surpluses while continuing to invest in key services and infrastructure.

The government is forecasting a net operating surplus in 2025–26 as well as surpluses across all years of the forward estimates, ensuring that operating expenses are funded from revenues. This approach is supported by disciplined fiscal targets, including limiting expenditure growth to align with household income growth, and maintaining debt at sustainable levels over time.

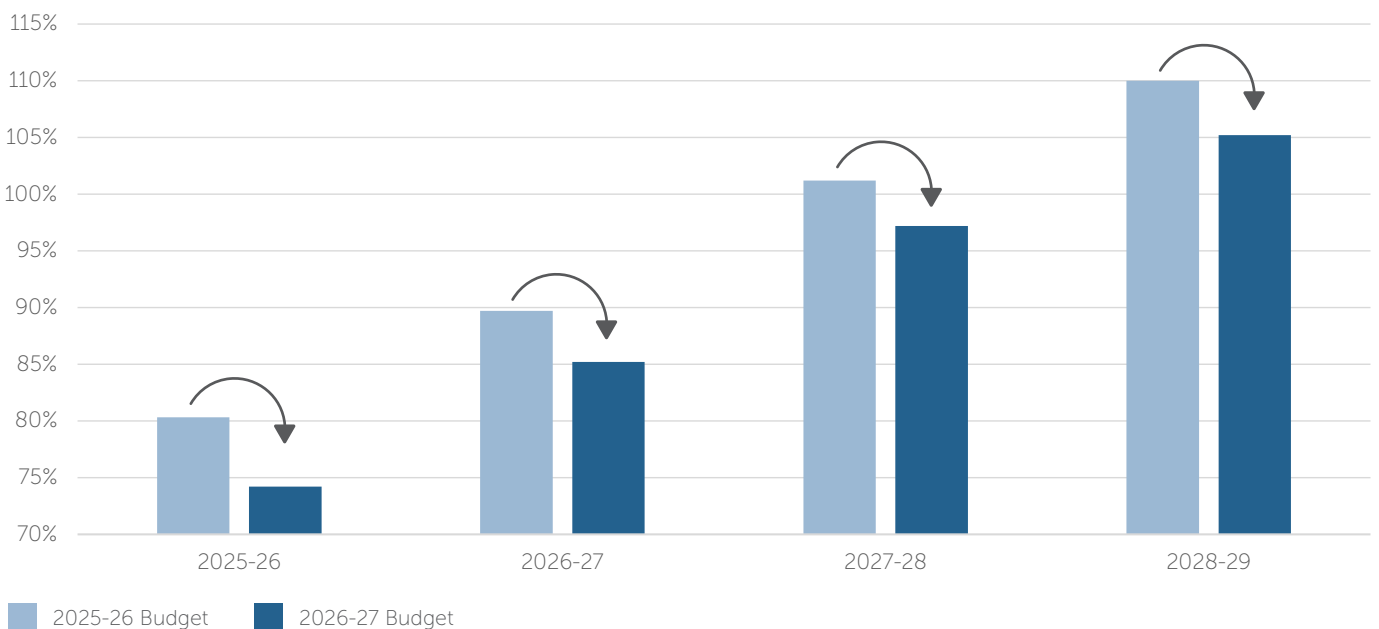
A key element of sustainability is the government’s restraint on spending growth and focus on improving public sector productivity. Agencies will pursue efficiency measures including reducing non-frontline costs over time. To this end, the government will implement a 12-month partial freeze on non-frontline recruitment to reduce costs. Under this measure, only one in every two vacancies can be recruited, still enabling key positions to be filled.

The budget does not introduce any new taxes or tax increases.

The government manages debt carefully by investing in productivity-enhancing infrastructure projects, while ensuring debt remains manageable over the medium term. While net debt increases to deliver key infrastructure such as the North-South Corridor, River Torrens to Darlington project, and the new Women’s and Children’s Hospital, the debt-to-revenue ratio is lower over the forward estimates than projected in the 2025-26 Budget.

Overall, this strategy supports economic growth and service delivery while maintaining long-term fiscal sustainability.

GENERAL GOVERNMENT SECTOR NET DEBT TO REVENUE RATIO



ECONOMIC OVERVIEW

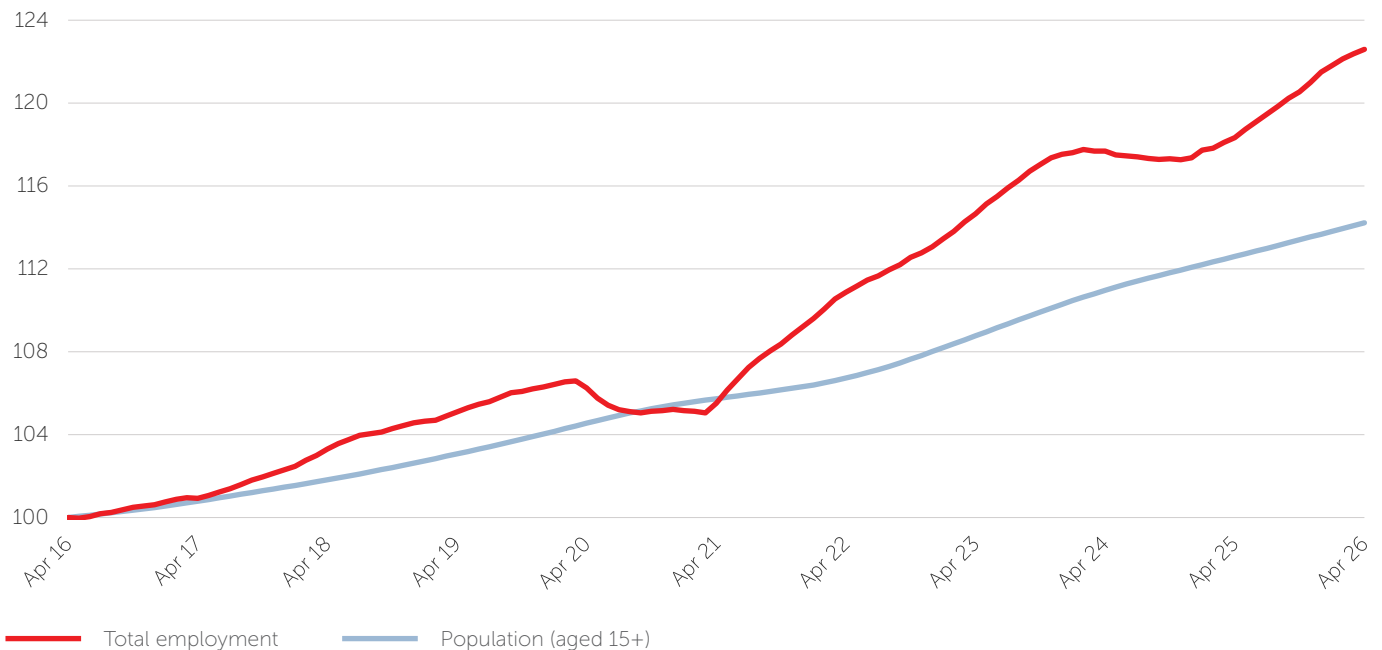
South Australia's economy has performed strongly in 2025-26, supported by nation leading growth in state final demand, driven by public investment and consumption, private new capital expenditure and private investment in new dwellings. Agricultural production and exports have recovered following previous drought conditions, supporting stronger growth in Gross State Product in 2025-26.

Employment has grown substantially faster than previously forecast, with strong participation and an ongoing low unemployment rate. South Australia's unemployment rate has been in line with, or below, the national rate in recent years. Net overseas migration, while slowing over the past year, continues to drive population growth.

While there are headwinds from the conflict in the Middle East, the state is facing these from a position of strength. Temporary higher inflation is expected to reduce growth by a quarter of a percentage point in 2026-27. Inflation is forecast to return to the Reserve Bank of Australia's target range by the June quarter 2027, in line with Commonwealth Budget forecasts.

EMPLOYMENT GROWTH HAS OUTPACED POPULATION GROWTH

South Australian employment and population growth
(original, index, moving annual average)



KEY ECONOMIC INDICATORS UNDERLYING THE BUDGET AND FORWARD ESTIMATES – SOUTH AUSTRALIA

	2025-26 Estimate	2026-27 Forecast	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
Gross State Product – real growth (%)	2¼	1¾	2	2¼	2
State Final Demand – real growth (%)	3¼	1¾	2	2¼	2
Employment – growth (%)	3¼	1	1	1	1
Adelaide CPI (%)	3¾	3½	2½	2½	2½

NOTES

STATE BUDGET

2026-27

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**Government of
South Australia**