

South Australia Budget 2004 – 2005

May 2004

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Budget Overview

This paper provides a summary of South Australia's 2004-2005 Budget, released on 27th May.

Recent coverage has focused on the determination of Premier Rann to affirm the state's financial credentials by achieving a triple A status from the ratings agencies. The 2004 Budget maintains this commitment, with a \$52 million surplus this year, and a projected elimination of general government net debt by 2006-07.

The budget also contains a number of major spending commitments on health, roads and industry.

The government's relatively favourable financial position was helped by tax gains from the rising property market, increased payroll tax receipts and higher than expected GST payments. These gains were offset slightly by a renegotiation of the Commonwealth's general purpose grants.

Key fiscal measures include:

- relief for first-home buyers through stamp duty concessions;
- payroll tax reduction and removal of building and lease duties for business;
- abolition of cheque duty from July 2004; and
- abolition of debits tax from July 2005.

Government fees and charges rose in other areas, including car registration, public transport, and compulsory third party payments.

Major New Projects

Health and Science

- \$239 million allocated to the health system over the next four years for existing operations.
- \$121.3 million for capital works in health, including redevelopments at the Lyall McEwin Health Service, Royal Adelaide Hospital and Queen Elizabeth Hospital.
- \$9 million for the construction of an incubator at the Bioscience precinct.
- \$8 million for the Premier's Science & Research Fund.

Transport and Infrastructure

- \$30 million for replacement of the Bakewell Bridge.
- \$24 million for continued work on the Port Expressway Project.
- \$18.1 million for the upgrade of South Road.
- \$10 million for infrastructure at the new deep-water port to be located at Outer Harbor.
- \$14 million for new trams on the Glenelg line.

Agriculture and Industry

- \$14.7 million for the expansion of the mining and energy industries.
- \$12.9 million for the expansion of the fisheries, aquaculture and marine ecotourism industries.
- \$14 million for the Farmbis III program to develop skills for farm and land managers.
- \$6.4 million to develop a South Australian Food Centre to promote the state's food sector.

Public Private Partnerships

The regional police stations and courts project is currently undergoing a select tender process where three short-listed private sector consortia are bidding for this project.

In addition, the Government sought Expressions of Interest from the private sector in early 2004 for the PPP delivery of the new State Swimming Centre. Submissions from that process are currently being evaluated.

The Government has decided to defer the procurement of the women's prison and the youth detention centre due to difficulties in locating adequate sites for the facilities. The Government still considers that these facilities need to be redeveloped and the project assessment for both facilities will be completed in 2004-05, including the selection of appropriate sites.

Budget Documents

Online information on the 2004-05 South Australian State Budget is available at <http://www.statebudget.sa.gov.au/budget200405/statebudget.html>

About Hawker Britton

Hawker Britton was founded in 1997 by Bruce Hawker and David Britton, former chief of staff and senior media adviser respectively to Premier Bob Carr. From Sydney, Hawker Britton has grown to eight offices in Australia, the United Kingdom, the United States and New Zealand.

Hawker Britton is Australia's only national and international public affairs firm, working with Top 100 companies, peak bodies, and not-for-profit organisations. Hawker Britton specialises in providing services tailored to the unique needs of each business, in the areas of government relations, strategic communications, and campaigns.

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Key services in Government Relations include:

- High-level strategic advice on all areas of government
- Expertise in infrastructure developments
- Unrivalled experience in public-private partnerships

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Hawker Britton's Strategic Communications include:

- Media and issues management
- Crisis management
- Media training
- Stakeholder communications
- Financial communications
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Key Campaigning services include:

- Community campaigns and consultation
- Corporate and association elections
- Public affairs campaigns
- Corporate campaigns

Hawker Britton brings to the corporate boardroom a unique approach to strategy and campaigns, borne out of corporate and political experience. Our specialist consultants are drawn from the ranks of former ministers, members of parliament, chiefs of staff, and senior policy and media advisers. Corporate clients appreciate our political and strategic communications heritage and the value that it brings to corporate planning.

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