

SOUTH AUSTRALIAN DEPARTMENT OF TREASURY AND FINANCE COMMENTS ON THE NEW ISSUES FOR THE 2020 REVIEW STAFF DISCUSSION PAPER (CGC 2019-01-S)

South Australia supports the recommendations proposed by Commission staff in the New Issues for the 2020 Review discussion paper.

Further advice is provided below on the treatment of Remote Housing funding to South Australia in 2018-19 and Commonwealth funding for the South Australian immunoGENomics (SAiGEN) Cancer Institute commencing in 2019-20.

Welfare Assessment – Treatment of the National Disability Specific Purpose payment

South Australia supports the staff recommendation to assess the National Disability Specific Purpose payment on an EPC basis in the 2020 Review and until the payment drops out of the assessment years. It reflects the full implementation arrangements that will be in place for the NDIS in the 2020-21 application year.

Treatment of new Commonwealth payments

Treatment of Commonwealth payments that commenced in 2018-19

South Australia supports the treatments proposed by Commission staff in Table A-1 of Attachment A.

National Partnership on Remote Housing

In March 2019, the Commonwealth Minister for Indigenous Affairs, the Hon Nigel Scullion, confirmed that the Commonwealth Treasurer will be directing the CGC to ensure that the \$37.5 million payment to South Australia for Remote Housing in 2018-19 will not impact on the calculation of GST revenue sharing relativities. It is expected that this direction will be confirmed in supplementary term of reference for the 2020 Review.

Treatment of Commonwealth payments that commenced in 2019-20 or 2020-21

South Australia supports the recommendation of Commission staff that the Commonwealth payments commencing in 2019-20 or 2020-21 as set out in Table A-2 should not be backcasted, as they are not the result of a major change in Commonwealth-State financial arrangements.

We note that the Commonwealth Treasurer has formally advised that \$80 million in funding for the South Australian immunoGENomics (SAiGEN) Cancer Institute will not impact on GST sharing relativities due to the national nature of the project. The timing of payments for this project is still to be determined.