



South Australia

This fact sheet provides an overview of the major causes of change in relativities and the distribution of the GST pool since the 2022 Update.

Recommended GST relativities and GST distribution

South Australia’s recommended GST relativity will increase in 2023-24. It is estimated to receive \$8,420 million in GST payments. Its share of the GST pool is estimated to increase from 9.0% to 9.8%. Taking into account growth in the GST pool, South Australia’s estimated GST distribution in 2023–24 would increase by \$943 million (\$509 per capita), or 12.6%.

Under the 2018 legislated arrangements, 2023-24 is the half-way point in a 6-year transition away from distributing the GST pool based on assessed relativities. At the end of the transition, no state will have a GST relativity lower than the fiscally stronger of New South Wales or Victoria.

GST relativities, shares and estimated GST distribution, 2022-23 and 2023-24 (excludes no worse off payments)

	GST relativities		GST shares		GST distribution		Difference
	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	
			%	%	\$m	\$m	\$m
New South Wales	0.95065	0.92350	29.7	28.8	24,717	24,870	152
Victoria	0.85861	0.85169	21.9	21.8	18,175	18,796	621
Queensland	1.03377	1.03118	21.1	21.1	17,547	18,220	673
Western Australia	0.70000	0.70000	7.5	7.5	6,228	6,482	254
South Australia	1.28411	1.39463	9.0	9.8	7,477	8,420	943
Tasmania	1.85360	1.79080	4.1	4.0	3,404	3,409	5
Australian Capital Territory	1.09250	1.19540	1.9	2.1	1,609	1,831	223
Northern Territory	4.86988	4.98725	4.8	4.9	3,965	4,219	255
Total	1.00000	1.00000	100.0	100.0	83,122	86,248	3,126

Note: The estimated GST pool distribution for 2023–24 was calculated by applying 2023 Update relativities to estimated state populations (as of December 2023) and the estimated GST pool for 2023–24.

Source: Commission calculation.

Change in GST distribution

Change in estimated GST distribution from 2022–23 to 2023–24, South Australia

	\$m	\$pc
Change in population	-16	-8
Growth in GST pool	281	151
Changes in assessed GST needs		
Revised populations from census	216	117
Other data revisions	28	15
State circumstances	474	256
Total	719	388
Blended relativities and GST floor	-41	-22
Total change	943	509

Note: Table may not add due to rounding.

Source: Commission calculation.

Change in assessed needs

- South Australia's assessed GST needs increased due to:
 - an upward revision to its population in the 2021 Census
 - an upward revision in its natural disaster relief spending
 - a fall in its relative capacity to raise revenue from mining activity and property sales
 - slower growth in Commonwealth payments
 - a decline in its population growth between 2018–19 and 2021–22 that was smaller than average.
- The increase in its assessed GST needs was partly offset by the effects of a national increase in urban transport investment.
- South Australia's estimated GST distribution increased due to expected growth in the GST pool and the increase in its assessed GST needs. These exceeded the combined effect of blended relativities and the GST relativity floor.

South Australia: Main changes in assessed GST needs, 2023 Update

Changes in circumstances			
Driver	Change		Explanation
	\$m	\$pc	
Mining production	203	109	The growing value of production in other states reduced South Australia's relative revenue raising capacity and increased its assessed GST needs.
Commonwealth payments	199	107	South Australia's share of payments, particularly for road and rail infrastructure, was lower in 2021-22 compared with 2018-19. This increased its assessed GST needs.
Property sales	191	103	Below-average growth in property sales decreased South Australia's relative raising capacity and increased its assessed GST needs.
Capital improvements	-134	-72	National urban transport investment more than doubled between 2018-19 and 2021-22. This decreased the assessed GST needs of states with below-average urban transport investment needs, including South Australia.
Population growth	82	44	The decline in South Australia's population growth between 2018-19 and 2021-22 was less than the national average decline. This increased its share of investment needs.
Revisions			
Populations from census	216	117	Downward revisions to urban populations in New South Wales and Victoria reduced their assessed needs for urban transport investment, increasing the assessed needs of other states.
Natural disaster relief	44	24	An upward revision to South Australia's natural disaster relief expenses increased its assessed GST needs.

Source: Commission calculation