



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 2023 Update.

Recommended GST relativities and GST distribution

South Australia’s recommended GST relativity will increase in 2023–24. It is estimated to receive \$8,671 million in GST payments. Its share of the GST pool is estimated to remain steady at 9.7%. Taking into account growth in the GST pool, South Australia’s estimated GST distribution in 2024–25 would increase by \$457 million (\$242 per capita), or 5.6%.

Under the 2018 legislated arrangements, 2024–25 is the fourth year 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, 2023–24 and 2024–25 (excludes no worse off payments)

	GST relativities		GST shares		GST distribution		
	2023–24	2024–25	2023–24	2024–25	2023–24	2024–25	Difference
			%	%	\$m	\$m	\$m
New South Wales	0.92350	0.86736	29.0	27.1	24,535	24,224	-310
Victoria	0.85169	0.96502	21.9	24.8	18,541	22,227	3,686
Queensland	1.03118	0.95232	21.2	19.5	17,929	17,460	-469
Western Australia	0.70000	0.75000	7.6	8.1	6,419	7,257	838
South Australia	1.39463	1.40312	9.7	9.7	8,214	8,671	457
Tasmania	1.79080	1.82832	3.8	3.9	3,257	3,476	219
Australian Capital Territory	1.19540	1.20419	2.1	2.1	1,778	1,889	111
Northern Territory	4.98725	5.06681	4.7	4.8	4,002	4,257	256
Total	1.00000	1.00000	100.0	100.0	84,675	89,462	4,787

Note: The estimated GST pool distribution for 2024–25 was calculated by applying 2024 Update relativities to estimated state populations (as of December 2023) and the estimated GST pool for 2024–25.

Source: Commission calculation.

Change in GST distribution

Change in estimated GST distribution from 2023–24 to 2024–25, South Australia

	\$m	\$pc
Change in population	-31	-16
Growth in GST pool	463	245
Changes in assessed GST needs		
Revised populations from census	-286	-151
Other data revisions	69	37
State circumstances	263	139
Total	46	25
Blended relativities and GST floor	-21	-11
Total change	457	242

Note: Table may not add due to rounding.

Source: Commission calculation.

Change in assessed needs

- South Australia's assessed GST needs increased largely due to:
 - a reduction in its relative capacity to raise mining revenue
 - below-average growth in taxable payrolls
 - revisions to national urban transport investment spending.
- South Australia's increase in assessed GST needs was partly offset by revisions to socio-demographic composition and urban population data from the latest 2021 Census release, below-average wage costs growth and strong growth in national urban transport investment.
- South Australia's estimated GST distribution also increased due to expected growth in the GST pool.
- Compared with 2023–24, blended relativities and the GST floor resulted in a reduction (\$21 million) in South Australia's GST distribution.

South Australia: Main changes in assessed GST needs, 2024 Update

Changes in circumstances			
Driver	Change		Explanation
	\$m	\$pc	
Mining production	388	205	A large increase in coal prices and average coal royalty rates between 2019–20 and 2022–23 increased the revenue raising capacity of the coal producing states. This reduced South Australia's relative mining revenue capacity.
Wage costs	-92	-49	Below-average growth in South Australia's assessed wage costs between 2019–20 and 2022–23 decreased its assessed service delivery costs.
Capital improvements	-89	-47	Strong growth in national urban transport investment reduced the relative needs of states with below-average needs for urban transport, including South Australia.
Taxable payrolls	79	42	Below-average growth in South Australia's taxable wages and salaries per capita decreased South Australia's relative revenue raising capacity.
Revisions			
Driver	Change		Explanation
	\$m	\$pc	
Census – Urban Characteristics	-167	-88	Incorporating 2021 Census data led to downward revisions to South Australia's urban population share and below-average growth in its urban population-weighted density. This reduced its assessed needs for urban transport.
Census – socio-demographic composition data	-106	-56	New 2021 Census data showed South Australia's non-Indigenous population is relatively less disadvantaged compared with the 2016 Census. This decreased South Australia's assessed GST needs.
Capital improvements	37	19	A downward revision to national investment in urban transport in 2021–22 increased the GST needs of states with below-average urban transport needs, including South Australia.

Source: Commission calculation