



AMA SA's Budget verdict: the good, the bad and the ugly

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The Australian Medical Association in South Australia (AMA SA) has outlined 'the good, the bad and the ugly' in the health measures contained in the 2026–27 State Budget.

AMA SA President Associate Professor Peter Subramaniam welcomed the \$1.7 billion investment in healthcare over five years but says it is unclear how that funding will improve care for patients.

'Ahead of the Budget we told the State Government we would measure all funding announcements against three tests: is it genuinely new, is it staffed, and does it treat the cause of the crises in our health system,' A/Prof Subramaniam says.

'There is some progress here, but this Budget is missing what matters: smart funding and bold investments to treat the cause, not just the ambulance queue.'

The Good

A/Prof Subramaniam has commended the Government for following through on what it promised prior to the election, especially in regard to rural healthcare.

'We know regional patients often find it a lot harder to access timely, affordable healthcare compared to those living in the city,' A/Prof Subramaniam says.

'The Government's \$22 million investment in upgrading the Clare emergency department and the \$15 million investment in the Murray Bridge Maternity Ward, birthing centre and renal clinic are positive steps.

'We also support the \$16 million expansion of the Patient Assistance Transport Scheme, which is vital for ensuring those living in regional areas can continue to travel for care.'

A/Prof Subramaniam has also welcomed the investment of \$28 million over four years in new Mental Health Assessment Units adjacent to The Royal Adelaide, Lyell McEwin and Noarlunga hospitals, and is seeking more detail about when these facilities will be ready to treat patients.

The Bad

A/Prof Subramaniam says one of the most disappointing gaps in the Budget was the lack of bold investment in community care – something AMA SA has long called for.

'Investing in community care makes good financial sense,' A/Prof Subramaniam says. 'That is because every dollar spent in preventive community care has been shown to save about \$14 elsewhere in the health system.'

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'AMA SA has long been calling for targeted investment in initiatives like after-hours GP services and expanded community mental healthcare – initiatives that help keep people well and reduce avoidable hospital presentations.

'While there was some incremental investment in community care, the failure to fund it at the level required is a disappointing missed opportunity.'

The Ugly

A/Prof Subramaniam says the 'ugly truth' is that without smart investment in community care, the healthcare crisis will persist, affecting the health and wellbeing of people across the state, potentially for generations.

'This is not about spending more – it is about spending smarter,' A/Prof Subramaniam says.

'What we need is political will to address the underlying pressures in the system, and an acknowledgement that we cannot keep doing the same thing and expect different results.

'AMA SA appreciates the working relationship we have with the Government and will continue to provide clinical input into reform.

'The focus now has to be on delivery — making sure this funding reaches patients and addresses the underlying pressures in the system.'

For interview requests with A/Prof Subramaniam, please contact media manager Ben Terry on 0478 847 604.

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