



2024-25 B U D G E T

E C O N O M I C A N D F I S C A L O U T L O O K

Budget Paper No. 3

**PRESENTED TO THE LEGISLATIVE ASSEMBLY
ON 9 MAY 2024**

2024-25 Economic and Fiscal Outlook

(Budget Paper No. 3)

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Acknowledgement of Country

The Government of Western Australia acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of Aboriginal communities and their cultures; and to Elders past and present.

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2024-25 BUDGET
ECONOMIC AND FISCAL OUTLOOK
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Under Treasurer's Certification

The *Government Financial Responsibility Act 2000* (GFRA) requires that the Treasurer release a Government Financial Strategy Statement at least once every year (section 11), and a Government Financial Projections Statement when the Budget Papers are tabled in the Legislative Assembly (section 12). The required content of these statements is detailed in sections 11 and 12 of the GFRA.

For the purposes of these GFRA requirements:

- the Government Financial Strategy Statement and associated financial targets disclosures are detailed in Chapter 3: *Fiscal Outlook and Strategy* in this Budget Paper;
- Chapters 1 to 7 and Appendix 1 in this Budget Paper, and the Government's summary Budget strategy detailed in Budget Paper No 1: *Treasurer's Speech*, together form the 2024-25 Government Financial Projections Statement required by sections 12(1) and (2) of the GFRA. In particular:
 - Appendix 1 details the projections required by section 12(2)(a) of the GFRA;
 - Chapters 1, 2 and 3 detail the economic and other assumptions underlying the Budget projections (section 12(2)(b));
 - Chapter 3 details the compliance of the projections with the Government's financial targets (section 12(2)(c)); and
 - the Statement of Risks in Chapter 3 details the sensitivity of the projections to various economic and financial assumptions and other risks (sections 12(2)(d) and (e)); and
- this certification gives effect to the requirements of sections 12(2)(f) and 12(8).

The Government Financial Projections Statement presented in this Budget is based upon Government decisions that I was aware of or that were made available to me by the Treasurer, together with other relevant information known to Treasury, on or before the Budget planning cut-off date of 8 April 2024 and which have a material effect on the State's financial projections.

2024-25 Economic and Fiscal Outlook

It has been prepared in accordance with applicable Australian Accounting Standards and Government Finance Statistics principles, and is based on the economic forecasts and assumptions outlined in Chapter 1: *Overview*, Chapter 2: *Economic Outlook* and Chapter 3: *Fiscal Outlook and Strategy*. These assumptions were finalised by Treasury, under my direction, on 8 April 2024.

Forecasts for 2023-24 to 2027-28 included in this Budget are based on estimates prepared by agencies. Final outcomes for 2023-24 will be available in the *Annual Report on State Finances*, to be released by 28 September 2024.



Michael Barnes PSM
UNDER TREASURER

9 May 2024

Overview

HIGHLIGHTS

- Western Australia's economy continues to lead the nation, with domestic economic activity growing by 4.7% in 2023 – twice the pace of growth nationally – and employment reaching a record 1.6 million people. Our strong economy and abundant job opportunities are seeing people migrate to the State in record numbers.
- The State's Budget also remains in a strong position, with a sixth consecutive general government operating surplus (of \$3.2 billion) expected in 2023-24, and a \$2.6 billion operating surplus budgeted for 2024-25. Net debt at 30 June 2024 is estimated to be \$28.6 billion, down from the \$29.4 billion forecast in the 2023-24 Budget.
- The Government is using this strong position to continue its record investment in infrastructure, with \$10.6 billion expected to be spent in this current financial year and a further \$42.4 billion over the next four years, supporting our economy and local jobs now and benefiting Western Australians for decades to come.
- Key initiatives in the 2024-25 Budget include:
 - additional cost of living support totalling \$762 million, delivering record assistance to Western Australian families, including a \$400 electricity credit for all households and small businesses, the WA Student Assistance Payment, a \$100 increase in the Regional Pensioner Travel Card, and a significant funding boost for the Regional Airfare Zone Cap scheme;
 - additional investment of \$1.1 billion to boost housing supply and affordability, including \$400 million for social and affordable housing, and additional support for first home buyers and homelessness services;
 - another record investment totalling \$3.2 billion in health and mental health, boosting the capacity of our hospitals and improving access to quality care for patients across the State;
 - an additional \$1.3 billion investment in education and training to meet the needs of our rapidly growing population; and
 - measures to further diversify our economy and set up Western Australia's clean energy future, including additional electricity transmission infrastructure and a new \$500 million Strategic Industries Fund to support new and emerging industries.

Economic and Fiscal Outlook

Western Australia's economy continues to lead the nation, with domestic economic activity (as measured by State Final Demand or SFD) expanding by 4.7% in 2023 – the strongest of any State or Territory, and double the growth in national domestic demand (2.3%).

SFD growth is forecast to strengthen to 5.25% in 2023-24, marking a fourth consecutive year of above-average growth. All key components of domestic economic activity are contributing to growth, with the strongest contributions from business investment, Government investment (underpinned by the State Government's record Asset Investment Program) and household consumption (supported by the strongest population growth in the nation).

Activity in the domestic economy is expected to moderate from 2024-25, as migration levels normalise and business investment consolidates at high levels.

The recent strength in the economy has driven record employment outcomes, with Western Australia's total employment exceeding 1.6 million people for the first time in February 2024, and an annual average unemployment rate of just 3.7%. Wage growth has also accelerated, at the same time as inflation has eased from its post-pandemic highs.

This Budget includes a modest growth outlook for the external trade sector, with the State's major exporters already operating at close to capacity, agricultural exports normalising after a record harvest in 2022-23, and goods imports picking up in support of strong business investment. In addition, a gradual return to normal international travel patterns (with more Western Australians travelling overseas) is also expected to detract from net exports. Notwithstanding strength in the domestic economy, these factors are combining to limit growth in Gross State Product (GSP) to a forecast 2% in 2024-25.

The external economic environment has also become increasingly uncertain and volatile, impacting key commodity prices and underscoring the need for conservative Budget assumptions.

The economic assumptions underpinning the 2024-25 Budget are outlined in the following table.

Table 1

KEY BUDGET ASSUMPTIONS
Western Australia

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
Real Gross State Product growth (%) ^(a)	3.5	1.75	2.0	2.0	2.25	2.25
Real State Final Demand growth (%) ^(a)	3.9	5.25	3.25	3.0	3.0	2.75
Employment growth (%)	3.1	3.75	1.75	1.5	1.5	1.5
Unemployment rate (%) ^(b)	3.6	3.75	4.0	4.25	4.5	4.75
Wage Price Index growth (%) ^(c)	4.2	4.25	3.75	3.5	3.0	3.0
Perth Consumer Price Index growth (%) ^{(c)(d)}	5.0	4.0	3.0	2.5	2.5	2.5
Iron ore price, \$US/t, CFR ^{(b)(e)}	109.6	116.1	75.0	71.0	71.0	71.0
Iron ore volumes (million tonnes)	862	862	886	885	885	893
Crude oil price (\$US per barrel) ^(b)	86.5	84.4	83.3	77.5	74.1	71.8
Exchange rate (US cents) ^(b)	67.3	65.5	65.9	67.0	68.2	69.4
Population growth (%) ^(c)	3.2	2.8	1.8	1.7	1.7	1.7
Interest rate assumptions (%) ^(b)						
– Public Bank Account interest earnings	2.6	4.0	4.0	3.6	3.5	3.2
– Consolidated Account borrowings	3.0	3.6	3.5	3.3	3.3	3.4

(a) Based on 2022-23 annual State Accounts data, updated with the latest State Final Demand and Balance of Payments data for the December 2023 quarter.

(b) Data expressed as annual average during the financial year.

(c) Data expressed in year-ended terms.

(d) The CPI growth rates are based on the total index excluding the electricity sub-index as a result of the successive Household Electricity Credits provided across the State.

(e) The benchmark (62% Fe) iron ore price delivered to north China inclusive of cost and freight (CFR).

A \$3.2 billion general government operating surplus is now estimated for 2023-24. An operating surplus of \$2.6 billion is forecast for 2024-25, with broadly similar operating surpluses forecast across the remainder of the forward estimates period.

The positive operating outlook has provided the Government with the fiscal capacity to meet the demands for essential services associated with record population increase, help alleviate household budget pressures, and continue investment in priority infrastructure projects. The Budget includes cost of living support for all households and small businesses, a range of initiatives aimed at improving housing supply and affordability, a significant investment in health and mental health, continued support for education and training, and further measures to diversify and decarbonise the State's economy.

The Asset Investment Program (AIP) is on track for a record outturn of \$10.6 billion in 2023-24, with a further increase to \$12.1 billion in 2024-25 (and a forecast total of \$42.4 billion over the four years to 2027-28).

Reflecting the record infrastructure program and new initiatives accommodated in this Budget, together with the Government’s conservative economic and revenue assumptions, total public sector net debt is projected to rise across the forward estimates from an estimated \$28.6 billion at 30 June 2024 to \$40.9 billion by 30 June 2028, broadly in line with the profile in previous Budgets. Despite this, net debt remains affordable, averaging just 9.2% as a share of the economy (GSP) over the period 2024-25 to 2027-28. This remains significantly lower than all other States, and around half the level of the Commonwealth.

The key fiscal aggregates for the 2024-25 Budget are outlined in the table below.

Table 2

KEY BUDGET AGGREGATES						
Western Australia						
	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
GENERAL GOVERNMENT SECTOR						
Net Operating Balance (\$m)	5,120	3,158	2,603	2,431	2,833	2,458
Revenue (\$m)	43,601	45,075	46,194	44,113	44,561	45,113
Revenue Growth (%)	4.7	3.4	2.5	-4.5	1.0	1.2
Expenses (\$m)	38,481	41,917	43,591	41,683	41,728	42,655
Expense Growth (%)	8.0	8.9	4.0	-4.4	0.1	2.2
TOTAL PUBLIC SECTOR						
Net Debt at 30 June (\$m)	27,358	28,636	32,712	36,947	39,800	40,897
Net Debt as a Share of GSP (%)	6.1	6.5	8.2	9.2	9.7	9.7
Asset Investment Program (\$m)	9,235	10,635	12,079	11,569	10,592	8,170
Cash Surplus/Deficit (\$m)	2,120	-900	-3,618	-3,891	-2,508	-730

Key Initiatives in the 2024-25 Budget

The 2024-25 Budget includes additional expenditure on the following high priority initiatives:

- a **\$762 million cost of living support package**, delivering record support for Western Australian families, including a \$400 electricity credit for all households and small businesses, the WA Student Assistance Payment of \$150 for kindergarten and primary school students and \$250 for secondary school students, a \$100 increase in the Regional Pensioner Travel Card and various other measures to assist with the cost of transport (see Feature Box later in this chapter for more detail);
- a **\$1.1 billion funding boost to increase housing supply and affordability**, including a \$400 million top-up of the re-purposed Social and Affordable Housing Investment Fund, increased transfer duty assistance for first home buyers, \$44 million to deliver additional Government Regional Officer Housing dwellings, and \$85 million to expand the residential construction workforce (see Feature Box later in this chapter for more detail);

- a record additional investment of **\$3.2 billion in health and mental health**, including \$1.2 billion for increased hospital activity, \$405 million to improve regional health service delivery, \$200 million for the Electronic Medical Record and Critical Health ICT Infrastructure programs, and \$155 million for various initiatives to improve access to emergency departments and the flow of patients across the system (see Feature Box in Chapter 5);
- **\$1.3 billion of additional expenditure for education and training** that includes \$391 million for higher student enrolments (including students with a disability or who speak English as an additional language), a \$410 million investment in school infrastructure, with five new primary schools to open across 2026 and 2027, and a range of programs to assist training in the building and construction industry and promote trade pathways to school students;
- additional funding to **promote stronger communities**, including \$214 million for out-of-home care services, \$96 million to bolster and reform family and domestic violence responses, and \$92 million for homelessness initiatives including expanding Housing First Support Services in metropolitan and regional areas;
- further funding to **diversify and decarbonise** the economy, including a new \$500 million Strategic Industries Fund to de-constrain the State's industrial areas and activate sites for new and emerging industries, \$200 million for a new Critical Minerals Advanced Processing Common User Facility¹, and \$324 million for planning and long lead items supporting investment in transmission network infrastructure for the South West Interconnected System to meet industry demand and expand renewable generation; and
- **\$165 million for an Outdoor and Adventure Tourism Package** to provide new and improved visitor facilities and services to encourage Western Australians to explore the State, including upgrades to boating and maritime facilities, new walking and mountain biking trails, upgraded and new camping facilities, and improvements to tourism experiences (see Feature Box in Chapter 6).

¹ Subject to a matching (\$100 million) contribution from the Commonwealth Government.

COST OF LIVING PACKAGE

This Budget includes a \$762 million cost of living support package delivering record assistance to Western Australian families for everyday costs such as electricity, education and transport. This package increases the total investment the Government has made to support households and small businesses to over \$3.5 billion since 2019-20. New measures in this Budget include:

- \$492 million in energy bill relief, with all Western Australian households and small businesses (with an annual electricity consumption of less than 50 megawatt hours) to receive a \$400 electricity credit (to be paid in two instalments over 2024-25);
- \$103 million for the WA Student Assistance Payment to provide support to families for school expenses, with a \$150 payment for kindergarten and primary school students and a \$250 payment for secondary school students;
- a \$124 (or 2%) reduction in the overall cost of Government tariffs, fees and charges for the 'representative' household in 2024-25;
- an additional \$65 million to meet strong demand for the Regional Airfare Zone Cap Scheme, capping the cost of one-way airfares to and from Perth at either \$199 or \$299 (depending on the distance from Perth) for residents of regional communities;
- \$61 million to assist with the cost of transport, comprising:
 - \$21 million for school students to access free public transport to and from school;
 - \$20 million to provide free public transport to all SmartRider holders, with the Summer of Free Public Transport (December 2023 and January 2024) and Fare Free Sundays; and
 - \$20 million across the forward estimates to increase the Regional Pensioner Travel Card by \$100 from 1 July 2024 (from \$575 to \$675), to assist eligible pensioners in the regions with the cost of fuel and/or taxi travel;
- \$8 million to provide free flu vaccinations to all Western Australians in preparation for the 2025 flu season;
- \$8 million to deliver Fee-Free TAFE settings, making more than 130 fee-free qualifications and skill sets available again in 2025. This support will run through to 2029-30 to assist students for the full duration of their courses; and
- \$1.5 million will be provided in 2024-25 to Foodbank, OzHarvest and Second Bite to support the provision of food relief to vulnerable Western Australians.

This package builds on \$3.6 billion of Government social concessions that will continue to provide cost of living support to eligible households (those with a means-tested concession card) as outlined in Appendix 6: *State Government Social Concessions*. In 2024-25, examples of this support include:

- \$92 million for the Energy Assistance Payment (\$334 to around 330,000 households – this payment is on top of the \$400 electricity credit);
- \$22 million for the Electricity Dependent Child Rebate (\$352 for one child and \$92 for each additional child to around 68,000 recipients);
- \$9 million for the Secondary Assistance Scheme (\$235 Education Program Allowance and \$115 Clothing Allowance for around 25,000 high school students);
- \$7 million for KidSport Vouchers (up to \$300 to around 28,000 children towards their club sporting fees); and
- \$4 million to increase the Student Transport Conveyance Allowance supporting regional families getting children to and from school, with the allowance more than doubling (from 25.24c to 55.6c per kilometre) in 2024.

By way of example, a family with two high school children can receive \$1,460 in cost of living assistance (comprising the \$400 electricity credit, two WA Student Assistance Payments totalling \$500, and savings of \$560 on public transport to and from school for their children). A family with eligible concessions may receive more than \$3,500 including the Energy Assistance Payment, Dependent Child Rebate, Secondary Assistance Scheme and KidSport Vouchers.

HOUSING INVESTMENT

The Government is continuing to explore all opportunities to increase housing supply and improve housing choice and affordability.

New investment totalling \$1.1 billion in this Budget is underpinned by a further \$400 million top-up to the expanded Social and Affordable Housing Investment Fund, which has now been broadened to include projects aimed at improving the affordability and diversity of housing in Western Australia.

This brings total investment in the Fund to \$1.6 billion since 2021-22, and increases the Government's target for new social housing dwellings to 4,900 by 2027-28. The State Government has delivered an additional \$3.2 billion for housing initiatives during this term of Government. Other new investments and initiatives are aimed at:

- improving the liveability and useful life of the State's social housing stock through an uplift in spending on maintenance (\$179 million) and support for upgrades to improve the energy performance of social houses in the Kimberley (\$25 million);
- actively unlocking land supply for residential housing development in partnership with community housing providers and developers on projects in Busselton, Perth and Fremantle (\$144 million); and
- addressing accommodation needs in the State's regions, through an additional investment of \$44 million for Government Regional Officer Housing and \$35 million to deliver serviced land to meet housing demand in Kalgoorlie, Broome and Karratha.

The Government is also increasing the existing transfer duty concession for first home buyers, with the exemption threshold for purchases of established properties increasing from \$430,000 to \$450,000, and the maximum property value threshold for a concessional rate of duty increasing from \$530,000 to \$600,000. This measure is expected to benefit almost 5,000 first home buyers per year, with additional savings of up to \$7,182 and an estimated cost of \$82 million over the forward estimates period.

The Government is also offering a \$5,000 grant as an incentive to owners of vacant properties to bring these houses into the long-term rental market. The Government's \$5 million investment in this incentive scheme may support the addition of up to 1,000 new rental properties.

The residential construction industry will be supported with \$85 million in training initiatives including a \$21.5 million extension of the successful Group Training Organisation Wage Subsidy program with a further 150 places in 2024 to support small and medium enterprises with the cost of taking on an apprentice; and a further \$37 million for a four-year apprenticeship program through the Construction Training Fund, including a tool allowance program and annual milestone payments.

In addition, the Government is taking a strategic, whole-of-government approach to leverage Commonwealth funding (through the Housing Australia Future Fund and the National Housing Accord Facility). The Government will partner with community housing providers to progress priority residential development projects that aim to deliver social and affordable housing options, many located within METRONET precincts, for improved amenity and liveability.

More details on these and other measures are provided elsewhere in this Budget Paper.

2024-25 Economic and Fiscal Outlook

Economic Outlook

HIGHLIGHTS

- Western Australia's domestic economy (as measured by State Final Demand or SFD) grew by 4.7% in 2023 – the strongest of any State or Territory, and twice the pace of growth nationally. Over 2023-24, this is expected to further accelerate to 5.25%.
- All key components of domestic economic activity are contributing to growth, with the strongest contributions from business investment (which grew by a massive 10.7% in 2023), Government investment (underpinned by the State Government's record Asset Investment Program) and household consumption (supported by the strongest population growth in the nation).
- This strength in the economy has driven record employment outcomes, with Western Australia's total employment exceeding 1.6 million people for the first time in February 2024, and an annual average unemployment rate of just 3.7%.
- Growth in SFD is expected to moderate from 2024-25 to be more in line with its long-run average, as business investment consolidates at a high level and as population growth normalises. At the same time, the external economic environment has become increasingly uncertain and volatile, impacting key commodity prices and underscoring the need for conservative Budget assumptions.
- With the State's major exporters already operating at close to capacity, net exports are projected to grow only modestly from 2024-25, resulting in overall Gross State Product (GSP) growth of 2-2.25% per annum across the forward estimates period.

Western Australia

Gross State Product

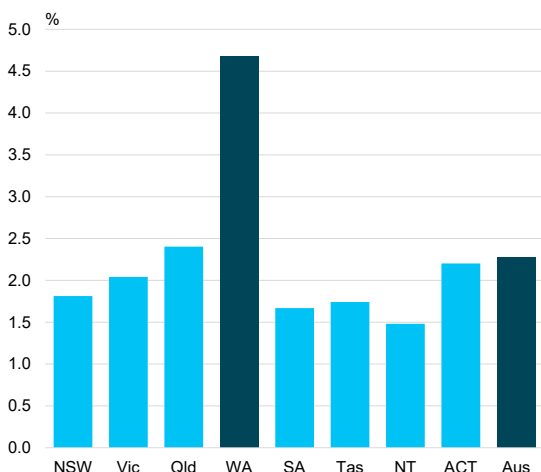
Western Australia’s domestic economy (measured by **State Final Demand** or SFD) was the national standout over 2023, with growth of 4.7% more than double the national equivalent of 2.3%. This reflected a more resilient household sector in Western Australia, supported by the strongest population growth in the nation and robust labour market conditions, combined with strong growth in both business and Government investment.

SFD growth is forecast to strengthen to 5.25% in 2023-24, marking a fourth consecutive year of above-average growth. This is largely underpinned by business investment, with spending on resource projects and machinery and equipment propelling growth to its strongest rate in over a decade. Government investment is also lifting, in line with the State Government’s record Asset Investment Program.

Notwithstanding strength in the domestic economy, total economic growth (**Gross State Product** or GSP) is expected to slow to 1.75% in 2023-24 and to 2% in 2024-25 following growth of 3.5% in 2022-23 – a nine-year high. This reflects subdued growth in the external sector, with resource producers operating at close to capacity, agricultural exports normalising after a record harvest in 2022-23, and goods imports picking up in support of business investment. In addition, a gradual return to pre-pandemic international travel patterns (with more Western Australians travelling overseas) is also expected to detract from net exports.

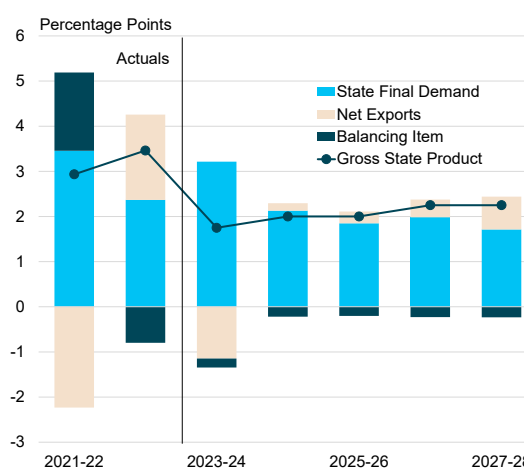
Figure 1

STATE/DOMESTIC FINAL DEMAND
Annual Growth, 2023



Source: ABS Catalogue 5206.0 and Treasury.

GROSS STATE PRODUCT
Contributions to Growth



Source: ABS Catalogue 5220.0, 5206.0, 5302.0, and Treasury.

Activity in the domestic economy is expected to moderate from 2024-25, as migration levels normalise and business investment consolidates at high levels. At the same time, the public sector is expected to make a larger contribution to domestic growth, with Government spending on health, education, other front-line services and infrastructure to meet the demands from a larger population.

GSP growth is expected to remain steady at 2-2.25% in the outyears, mainly reflecting a levelling of export volumes, with producers operating at close to capacity and most new investment being sustaining rather than expansionary. As such, the domestic economy is expected to remain the predominant driver of GSP growth over the period.

Table 1

ECONOMIC FORECASTS
Western Australia, Annual Growth (%)

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
Demand and Output ^(a)						
Household Consumption	3.5	2.0	2.25	2.75	3.0	3.0
Dwelling Investment	-2.7	6.75	7.5	2.5	3.25	2.25
Business Investment	4.5	13.25	1.75	3.75	4.25	2.25
Government Consumption	4.8	3.25	4.0	2.5	2.25	2.5
Government Investment	10.8	10.0	15.0	1.0	1.0	-0.25
State Final Demand	3.9	5.25	3.25	3.0	3.0	2.75
Goods Exports	4.7	-0.5	1.5	1.25	1.25	1.5
Goods Imports	7.8	10.0	1.25	2.0	2.25	1.75
Net Exports ^(b)	3.8	-2.25	0.25	0.5	0.75	1.5
Gross State Product ^(c)	3.5	1.75	2.0	2.0	2.25	2.25
Labour Market						
Employment	3.1	3.75	1.75	1.5	1.5	1.5
Unemployment Rate ^(d)	3.6	3.75	4.0	4.25	4.5	4.75
Participation Rate ^(d)	68.7	68.9	68.8	68.5	68.4	68.3
Population ^(e)						
Population	3.2	2.8	1.8	1.7	1.7	1.7
Working Age Population (15+)	3.8	3.1	2.0	1.9	1.9	1.9
Prices						
Consumer Price Index ^{(e) (f)}	5.0	4.0	3.0	2.5	2.5	2.5
Wage Price Index ^(e)	4.2	4.25	3.75	3.5	3.0	3.0
Perth Median House Price	4.7	12.4	4.5	2.5	1.2	0.8
Other Key Parameters ^(d)						
Exchange Rate \$US/\$A (US cents)	67.3	65.5	65.9	67.0	68.2	69.4
Iron Ore Price (\$US per tonne) Cost and Freight Inclusive (CFR)	109.6	116.1	75.0	71.0	71.0	71.0
Crude Oil Price (\$US/barrel)	86.5	84.4	83.3	77.5	74.1	71.8

(a) Based on 2022-23 annual State Accounts data, updated with the latest State Final Demand and Balance of Payments data for the December 2023 quarter.

(b) Net exports include international trade in both goods and services.

(c) Forecasts for ownership transfer costs, international trade in services and the balancing item are not separately reported.

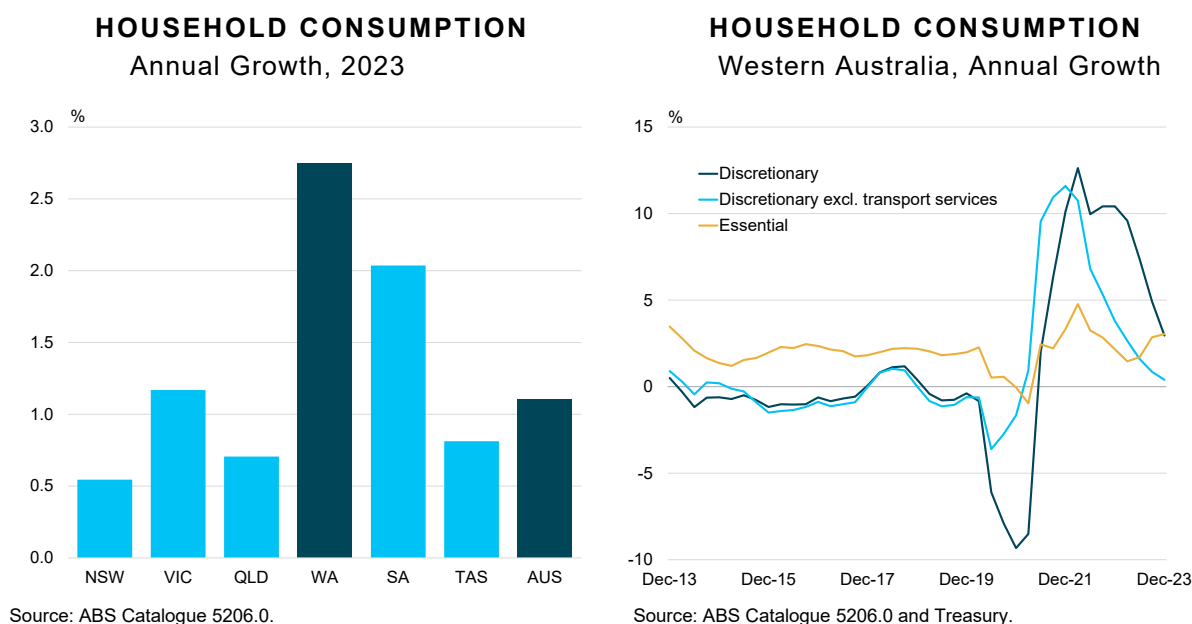
(d) Data expressed as annual average during the financial year.

(e) Data expressed in year-ended terms.

(f) The CPI growth rates are based on the total index excluding the electricity sub-index as a result of the successive Household Electricity Credits provided across the State.

Growth in **household consumption** eased to 2.7% in the 2023 calendar year, down from 5% in 2022 but still the strongest rate of growth in the nation (see figure below). Growth in 2022 was supported by consumers collectively starting to return to interstate and international travel, holidays and recreational activities following the easing of restrictions and opening of State borders at the start of the calendar year. However, consumers have since reprioritised their expenditure towards necessities and pulled back on non-essential purchases in response to elevated price growth and interest rates.

Figure 2



Despite household consumption declining in per capita terms in 2023, total household consumption is holding up better in Western Australia than in other States, supported by the strongest population growth in the nation, strong labour market conditions and higher rates of savings.

Growth in household spending is forecast to gradually strengthen from 2% in 2023-24 to 2.25% in 2024-25 and 3% by 2026-27. Solid population growth is expected to provide support for growth in household consumption together with a lift in per capita spending, underpinned by ongoing income and employment growth, lower cost of living pressures and rising house prices (see figure below, left-hand panel).

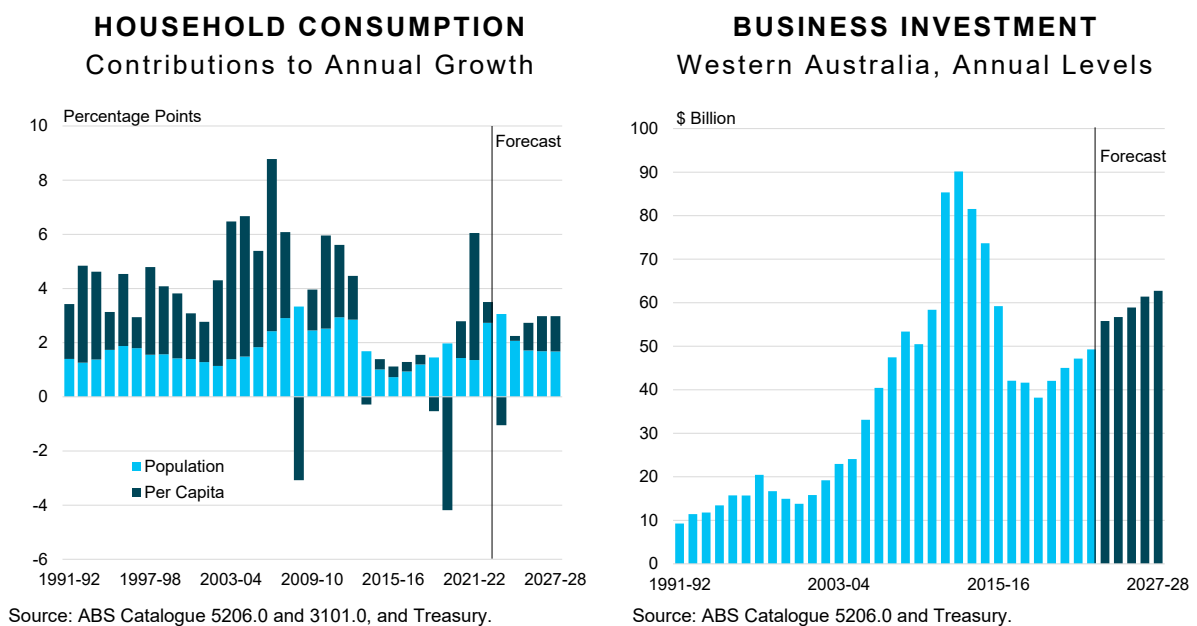
Business investment is forecast to grow by 13.25% in 2023-24 – the strongest growth in over a decade – up from 10.7% in the 2023 calendar year. This lift in growth reflects work ramping up on large resources projects including the Scarborough/Pluto LNG project, Crux, Onslow Iron and Western Range.

In 2024-25, business investment is projected to consolidate at a high level, underpinned by ongoing construction on major LNG projects, as well as minerals projects, some of which had previously experienced delays caused by cost pressures, labour availability and sourcing materials.

Over the remainder of the forecast period, business investment will be supported by sustaining capital expenditure in the resources sector, as companies look to maintain current high levels of production, as well as significant decarbonisation spending. A solid pipeline of current and prospective projects across industries including oil and gas, iron ore, other minerals, and non-mining infrastructure is also expected to support growth in the outyears.

Overall, business investment is expected to rise by more than 25% over the forecast period to reach around \$63 billion by 2027-28, the highest level in more than a decade.

Figure 3

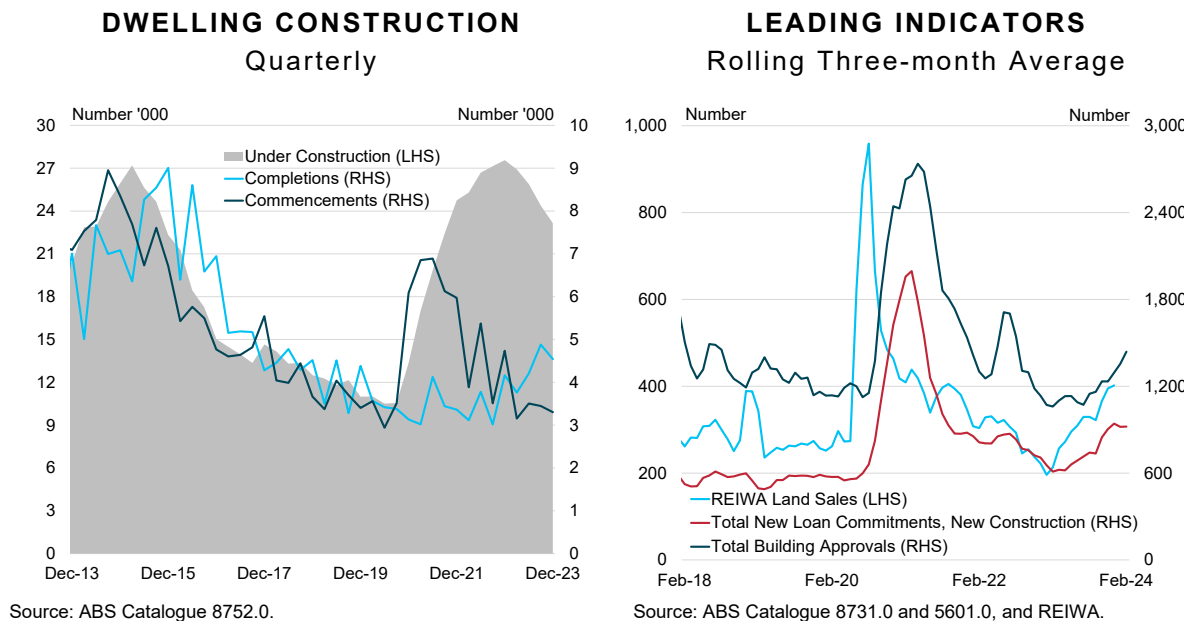


Dwelling investment resumed growing in 2023, expanding by 4.5% following a decline of 2.7% in 2022-23, as the large volume of outstanding work (23,153 dwellings under construction at December 2023) continues to be completed. While the availability of skilled trades remains an issue, the rate of completions in the second half of 2023 was at its highest level since 2017 (see figure below, left-hand panel).

Growth in dwelling investment is expected to lift further to 6.75% in 2023-24 and 7.5% in 2024-25, supported by ongoing work as well as an expected pick-up in starts in line with lead indicators of new residential construction. Recent increases in land sales, building approvals, and finance commitments for new construction (for both owner occupiers and investors) all suggest that demand for new buildings is strengthening (see figure below, right-hand panel).

Growth in dwelling investment is expected to moderate in the outyears, to around 2.7% per annum on average, in line with sustained activity in the broader economy and population growth, particularly in the prime first home buyer age cohort of 25 to 34 years.

Figure 4



Government consumption is estimated to increase by 3.25% in 2023-24 and a further 4% in 2024-25, mainly reflecting State Government spending on priority areas of service delivery, including health, education and community services to meet the demands of a growing population, and to provide additional cost of living support. Growth in Government consumption is expected to moderate to around 2.5% per annum from 2025-26 as the impact of short-term spending initiatives unwind.

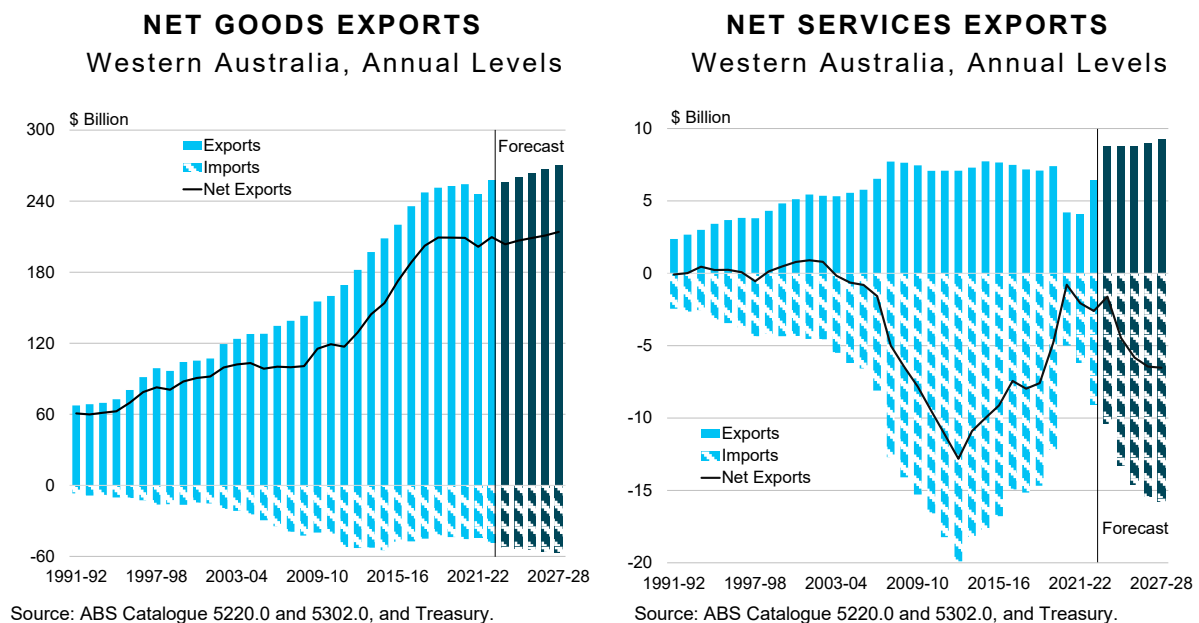
In line with the State Government’s record Asset Investment Program, **Government investment** is forecast to expand by 10% in 2023-24 and a further 15% in 2024-25. Growth is then projected to average around 0.5% per annum in the outyears as Government investment stabilises at elevated levels.

Goods exports are expected to decline by 0.5% in 2023-24, following solid growth of 4.7% in 2022-23 – the strongest growth in five years. The expected moderation primarily reflects declines in grains exports resulting from a significantly smaller harvest in 2023 after the record harvest in 2022, and weaker LNG exports as production eases from record high levels in 2022-23.

In 2024-25, goods exports are projected to grow by 1.5%, underpinned by a lift in iron ore export volumes, reflecting new production coming online from the Iron Bridge and Onslow Iron mines, as well as an increase in lithium exports, with a ramp-up in production at the Mt Holland, Bald Hill, Kathleen Valley, and Pilgangoora projects.

In the outyears, growth is projected to be supported by ongoing strength in lithium exports and steady iron ore volumes, with a pick-up in LNG exports from 2026-27 as production from Scarborough/Pluto comes online.

Figure 5



Goods imports are estimated to grow by 10% in 2023-24, primarily reflecting higher imports of capital goods underpinned by stronger business investment, before a sharp moderation in growth to 1.25% in 2024-25, consistent with the expectations for growth in business investment. Growth in imports is then expected to lift slightly over the outyears, averaging around 2% per annum, in line with steady growth in business investment.

Services exports are anticipated to grow by a strong 36.25% in 2023-24 supported by strength in international education and the continued recovery in overseas visitors to Western Australia. Services exports are expected to level off in 2024-25 and 2025-26 as education exports consolidate and visitor arrivals stabilise.

Growth in **services imports** is anticipated to ease from 47.1% in 2022-23 to 14.75% in 2023-24, with recent trends suggesting services imports (primarily Western Australians travelling overseas) continue to recover from pandemic lows at a slower pace than services exports. The more gradual than previously forecast recovery in services imports to date means that the full recovery in activity has been pushed out to 2025-26. Imports are anticipated to level off in the final outyear as conditions normalise.

Total net exports are expected to fall by 2.25% in 2023-24 due to a decline in goods exports combined with a sharp lift in goods imports. Net exports are forecast to resume growing in 2024-25 (up by 0.25%) and average growth of around 1% per annum in the outyears. This mainly reflects a topping-out of goods export volumes, with producers operating at close to capacity and most new investment being sustaining rather than expansionary, as well as a normalisation of services trade conditions.

Housing Market

Strong population growth and increased demand from investors (including from interstate, due to relative affordability and attractive rental yields) have supported activity in the established housing market. With fewer properties listed for sale, property prices have subsequently risen to record levels in 2023-24, which has lifted the value of equity of all home owners.

The median house price in Perth is forecast to grow by 12.4% in 2023-24, after increasing by 4.7% in 2022-23. Prices are then forecast to rise by a more moderate 4.5% in 2024-25, as overseas migration eases from current record levels and the overall supply of homes in Western Australia expands as homes currently under construction are progressively completed. In recognition of higher house prices, the Government is providing further assistance to help first home buyers to enter the property market. Eligible purchases of established properties will receive a full transfer duty exemption for purchases up to \$450,000 (up from \$430,000) and a concessional rate of duty for purchases up to \$600,000 (up from \$530,000), to apply for agreements entered into from 9 May 2024.

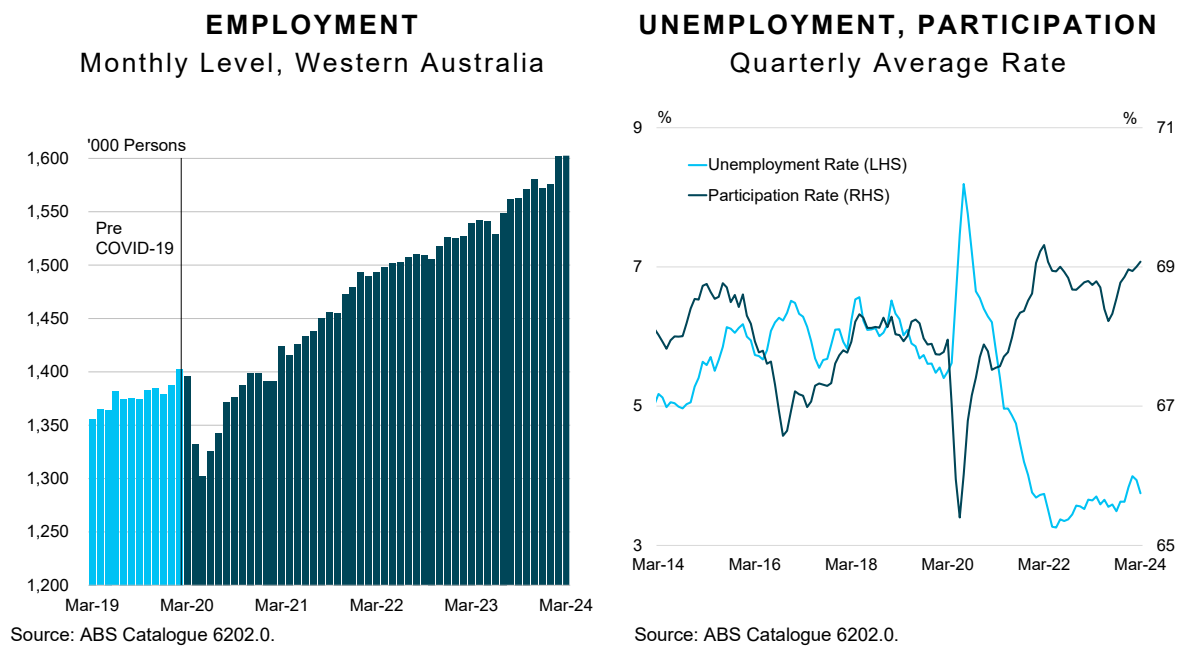
The rental market in Western Australia also remains very tight, with the vacancy rate in Perth falling to just 0.4% in March 2024 according to the Real Estate Institute of Western Australia. To help increase the supply of rental properties, this Budget includes a new Vacant Property Rental Incentive Scheme, which provides a \$5,000 grant to eligible owners of vacant residential properties to make those properties available on the long-term rental market.

Labour Market

The strength in the domestic economy has driven strong labour market conditions in Western Australia, with employment reaching a record 1.6 million people and the unemployment rate remaining low at 3.7% in annual average terms in March 2024.

Employment growth strengthened to 3.4% in annual average terms in March 2024, building on strong hiring since the onset of the pandemic. There has been a shift toward part-time employment recently, with the pace of growth for full-time employment slowing from a record seen in the second half of 2022.

Figure 6



Employment is anticipated to grow by 3.75% (or 57,100 people) in 2023-24, the most annual jobs added outside of 2021-22, when 81,300 additional people were employed during the initial pandemic recovery. Employment growth is forecast to moderate to 1.75% in 2024-25 and 1.5% per annum in the outyears, consistent with trends in the domestic economy and in line with average growth over the last decade. While hiring is anticipated to slow from its current pace over the forecast period, it builds on a period of exceptionally strong growth in recent years.

As employment growth moderates, the **unemployment rate** is forecast to lift slightly to 4% in 2024-25, from 3.75% in 2023-24. In the outyears, the unemployment rate is expected to slowly rise as labour demand is outpaced by additions to labour supply, reaching 4.75% by 2027-28. This remains well below the long-run average unemployment rate of 6%.

The **participation rate** is projected to average 68.9% in 2023-24, the strongest annual rate in over a decade. The participation rate is forecast to ease slightly to 68.8% in 2024-25. Softer labour market conditions, along with an ageing population, are expected to see participation continue to ease over the forecast period, falling to 68.3% by 2027-28 (but remaining above the decade average of 68%).

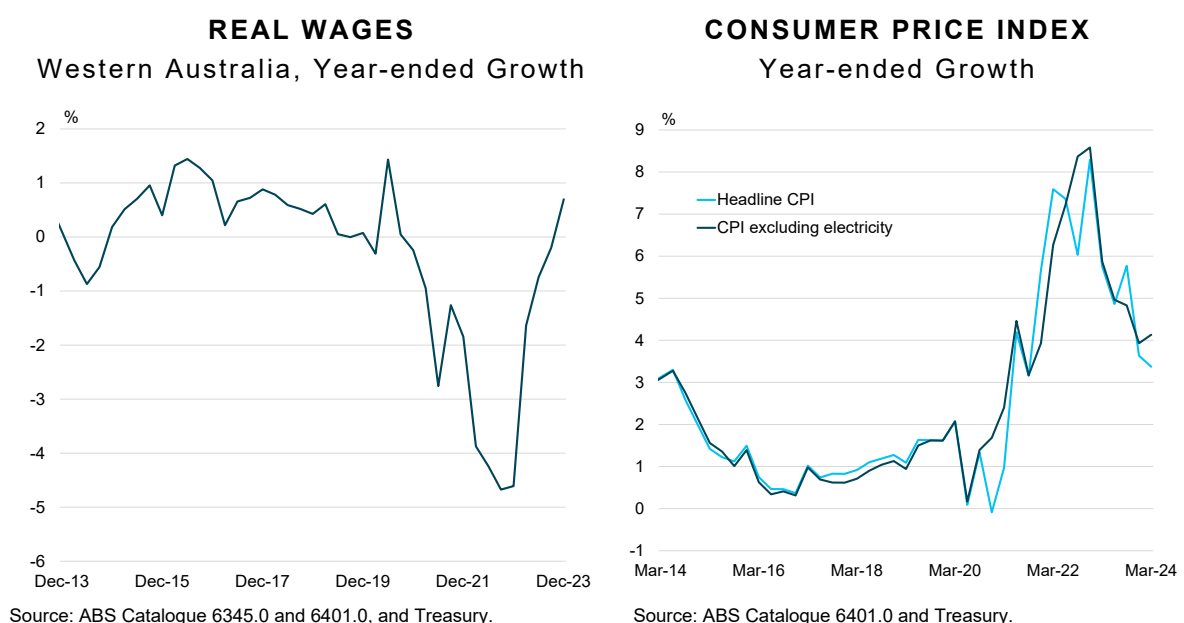
Wages, Prices and Population

Western Australia's **Wage Price Index (WPI)** grew by 4.7% in year-ended terms to December 2023 – the strongest rate of growth since June 2012. The combination of rising wages and slowing inflation has seen real wage growth return to positive territory (see figure below, left-hand panel) – a situation that is forecast to be maintained across the forward estimates period.

Year-ended growth in the WPI is likely to peak in 2023-24 and ease to 3.75% by June 2025. This coincides with a modest easing in the labour market, slower inflation in response to interest rate rises, and a focus on business cost control¹. It is also consistent with a slowing in leading indicators of wage growth, such as SEEK’s advertised salaries and trends in the National Australia Bank labour costs measure².

Nonetheless, growth is expected to remain above its historical average over the near-term, reflecting a degree of inertia in some wage settings (particularly for workers on multi-year agreements) and a lift in the public sector WPI as the State Government’s new wages policy (announced in the 2023-24 Mid-year Review) is implemented.

Figure 7



Growth in Perth’s **Consumer Price Index** (CPI³) fell sharply to 4.1% in year-ended terms to March 2024⁴ – less than half the peak growth of 8.6% in the December 2022 quarter. This substantial fall in inflation was led by prices of goods as pandemic-related supply chain issues dissipated, and consumer demand slowed. At the same time, holiday travel and accommodation prices have also trended downwards after peaking in December 2022, as capacity has gradually been restored post-pandemic.

Year-ended inflation is expected to remain steady at around 4% to June 2024, with price pressures persisting for housing-related costs (new dwellings and rents), insurance premiums and some services (given the likely pass-through of business expenses such as labour).

¹ As indicated in the Reserve Bank of Australia’s February 2024 Statement of Monetary Policy.
² Based on a monthly survey of firm expectations of growth in labour costs.
³ References to CPI refer to the CPI excluding the electricity subindex. This reflects that the successive Household Electricity Credits have resulted in significant volatility in the headline CPI for Perth.
⁴ Headline inflation in Perth over the year to the March 2024 quarter dropped to just 3.4%.

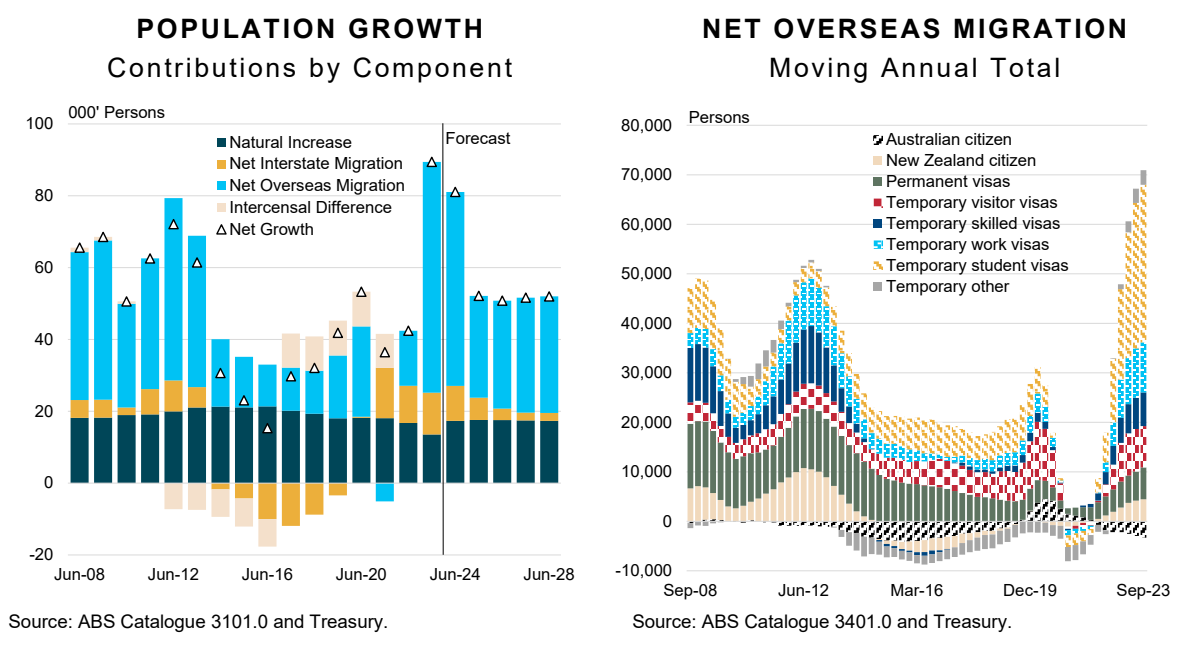
Inflation is forecast to ease to 3% by June 2025 (which is at the top of the Reserve Bank of Australia’s target band), as weaker consumer demand contains price hikes, wage pressures lessen, and supply keeps pace with demand.

Western Australia has the fastest growing **population** in the nation, rising by 3.3% over the year to September 2023, equivalent to almost 94,000 people – the largest increase on record. Growth has been fuelled by record levels of Net Overseas Migration (NOM), with Western Australia also one of only two States to record positive Net Interstate Migration (NIM).

The strength in NOM, both at the State and national level, reflects a strong inflow of overseas migrants, particularly overseas students, combined with fewer temporary migrant departures (see figure below, right-hand panel). While NOM to Western Australia is expected to remain elevated in 2023-24, levels are forecast to normalise during 2024-25, as temporary migrants who arrived in recent years begin to leave, and as policy measures outlined in the Commonwealth’s Migration Strategy released in December 2023 take effect⁵.

Population growth in the State is projected to moderate slightly to 2.8% in 2023-24, followed by growth of 1.8% in 2024-25 as overseas migration flows (arrivals and departures) return to normal levels and NIM eases in line with moderating labour market conditions. Growth is projected to stabilise at 1.7% per annum from 2025-26, in line with Western Australia’s long-run average population growth.

Figure 8



⁵ Measures include the cessation of COVID-19 concessions such as the Pandemic Event visa (closed to new applicants on 1 February 2024), efforts to improve the integrity of the international education sector and enhancing the targeting of temporary skilled migration by indexing the minimum Temporary Skilled Migration Income Threshold.

Domestic Risks

The outlook for Western Australia's economy is subject to several key risks. This includes domestic risks and external risks (see *Global Risks* section).

Western Australia's economy is heavily reliant on the mining industry, which directly accounted for almost 50% of total output in 2022-23 and is the State's second largest employer. Many of Western Australia's key commodity prices have been very volatile over recent months, including iron ore, nickel and lithium. This has seen several investment projects delayed and has coincided with a potential peak in mining employment. If commodity price volatility continues, this could have ramifications for the State's economic activity and revenue collections.

Progress on the State's residential construction pipeline continues to be impacted by skills shortages, especially in the finishing trades. While dwelling investment growth is expected to pick up over the remainder of 2023-24, further delays could prolong the current supply and demand imbalance within the industry. This in turn could flow through to higher inflation (through rent and new dwelling prices) and house price growth. The State Government is committed to boosting the supply and affordability of housing, with a number of new initiatives underway including investments in training to support the residential construction industry (see Feature Box in Chapter 1).

Cost of living pressures have seen household spending growth moderate. A continuation of elevated costs (including mortgages) could see consumers reduce their discretionary spending for longer as they re-prioritise their budgets towards essentials. As the largest component of the domestic economy, this would have a noticeable impact on total growth. To help alleviate household budget pressures, the State Government has delivered further cost of living support in this Budget (see Feature Box in Chapter 1).

DIVERSIFYING AND DECARBONISING OUR ECONOMY

Diversifying and decarbonising the State's economy remains a key priority of this Budget as the Government continues to focus on attracting investment and creating secure, quality jobs for the future.

This Budget includes additional investment of \$1.8 billion to diversify and decarbonise our economy, bringing total investment to almost \$11.2 billion in this term of Government. New initiatives in this Budget include:

- a new \$500 million Strategic Industries Fund to provide project-ready industrial land, supporting new and emerging industries like critical minerals and hydrogen, and paving the way for Western Australia to become a global clean energy powerhouse. This builds on the \$160 million industrial lease incentive scheme approved at the 2023-24 Mid-year Review, to attract clean energy projects to Strategic Industrial Areas;
- investing in economic infrastructure, including \$373 million in critical port facilities across the State and a further \$116 million to continue progress on Westport;
- building capacity in science, innovation and technology, with a \$53 million investment in programs such as the Commonwealth's National Collaborative Research Infrastructure Strategy, increasing our competitiveness in industries such as space and defence; and
- undertaking regulatory reform and red tape reduction, including \$36 million to prioritise our approvals system and accelerate the roll-out of Environment Online.

The Government is also making targeted investments in industries that are growing internationally and align with Western Australia's unique strengths. This includes:

- \$200 million for a new Critical Minerals Advanced Processing Common-User Facility that leverages the State's resource sector expertise to focus on upstream and midstream minerals processing activities, conditional on the Commonwealth matching the State's \$100 million contribution;
- \$165 million for an Outdoor and Adventure Tourism package that makes the most of our natural attractions and ensures Western Australia remains a world class destination of choice for international visitors and to encourage people to holiday at home (see Feature Box in Chapter 6);
- a \$37 million boost for tourism initiatives, to bolster Western Australia's reputation as an events destination; and
- an additional \$13 million for a Screen Industry Workforce Development Plan and other initiatives to turn Western Australia into an international screen production destination – building on the Government's \$233 million commitment to construct the new Screen Production Facility in Malaga.

Decarbonisation is critical to the Government’s economic diversification and clean energy goals, presenting an opportunity to establish new and emerging industries as the world transitions towards a lower carbon future. Building on an already substantial investment in decarbonisation, this Budget includes a further:

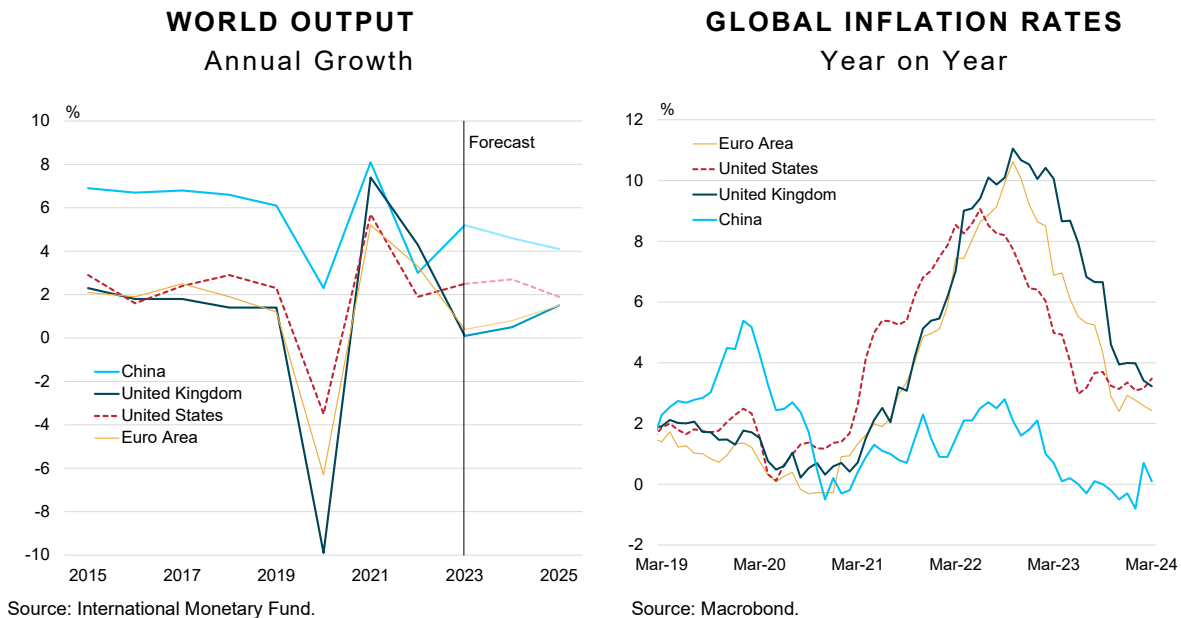
- \$324 million to undertake planning and procure long lead items for transmission network infrastructure in the South West Interconnected System; and
- \$148 million to construct additional network infrastructure in the North West Interconnected System.

These investments will support future jobs and reinforce Western Australia’s role as the engine room of the nation’s economy for many years to come.

Global Outlook

Global economic growth is estimated to have moderated from 3.5% in 2022 to 3.2% in 2023. Growth rates differ across major economies due to the uneven impacts of monetary and fiscal policy and varying exposure to global conflicts. Resilience in the United States has offset some of the weakness elsewhere, particularly in the United Kingdom and Euro Area (see figure below, left-hand panel).

Figure 9



In its April 2024 World Economic Outlook, the International Monetary Fund (IMF) revised up its global growth forecast for 2024 to 3.2% (from 3.1% in its January 2024 update) and left its 2025 forecast unchanged at 3.2%. Forecasts are below the historical (2000-19) average of 3.8% reflecting several factors that are weighing on growth, including tight monetary policy to fight inflation, a tapering of fiscal support amid high sovereign debt levels, and low underlying productivity growth.

The IMF notes that with slowing inflation (see figure above, right-hand panel) and steady growth, the likelihood of a hard landing has receded, and risks are now broadly balanced. Downside risks to the global outlook include commodity price spikes and supply disruptions stemming from geopolitical tensions, underlying inflation and ongoing troubles in the Chinese property sector.

The IMF forecasts growth in advanced economies to rise from 1.6% in 2023 to 1.7% in 2024, with continued strength in the United States projected to support the modest growth. However, restrictive monetary policy continues to impact growth, and many economies still face the risk of mild recessions, including the United Kingdom (which went into recession in the December quarter), Japan and Euro Area economies. In emerging and developing economies, growth is projected to moderate from 4.3% in 2023 to 4.2% in 2024, with easing growth in India and China.

Advanced Economies

In the **US**, growth is projected to strengthen from 2.5% in 2023 to 2.7% in 2024. The US economy continues to surprise on the upside, supported by relatively accommodative fiscal policy, with its 2024 growth forecast revised up from 2.1% in the IMF's January 2024 update. However, growth is forecast to fall to 1.9% in 2025, as a softening labour market and tighter fiscal policy slows demand.

The **Euro Area** is estimated to have grown by just 0.4% in 2023, due to the lingering impact of high energy prices stemming from the Russia-Ukraine conflict, negative consumer sentiment and high exposure to interest rate-sensitive manufacturing – this has particularly weighed on growth in Europe's largest economy, Germany, which contracted by 0.3% in 2023. The IMF forecasts a modest rebound to 0.8% growth in 2024 on the back of stronger household consumption as the effects of the shock to energy prices subsides and inflation falls.

Headline inflation has continued to fall in most advanced economies although divergences are starting to appear, with some stickiness in the US and a clearer downward trend in the United Kingdom and Euro Area. Rising fuel and housing prices are the major contributors to recent inflation in the US.

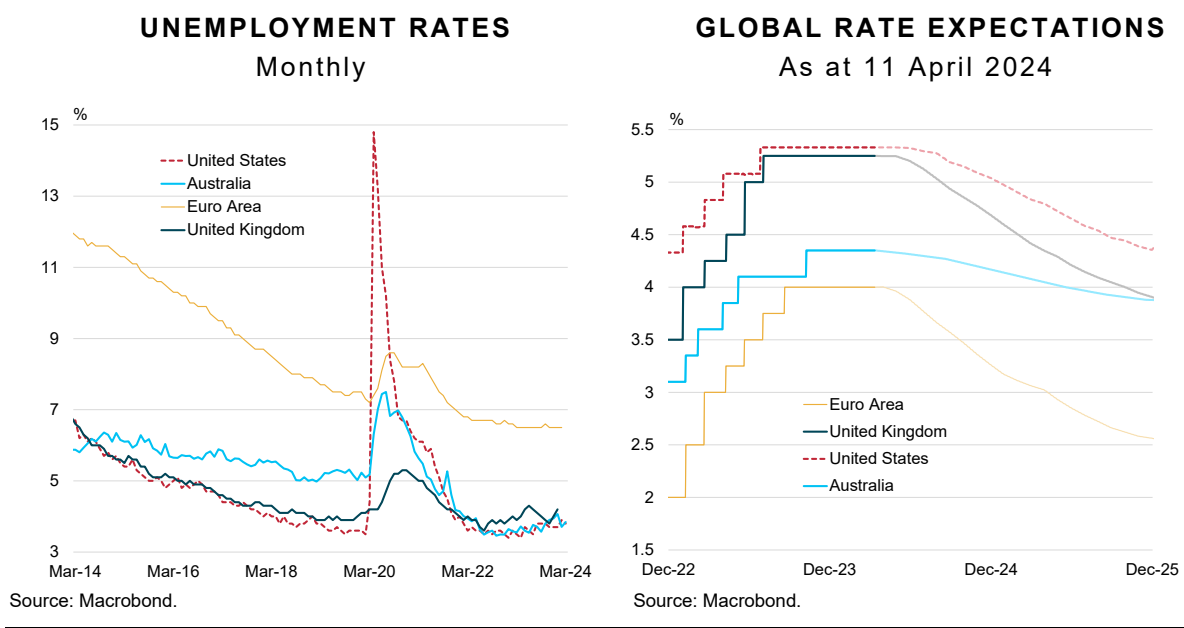
Core inflation (which excludes volatile items such as food and energy) is now exceeding headline inflation in many countries, with robust wage growth supporting services inflation, while goods inflation has been subdued. However, signs of recovery in manufacturing PMIs⁶ in recent months may indicate a turning point in demand for goods.

Labour markets remain historically tight albeit there are some indications that they are starting to loosen, as job advertisements and vacancies continue to fall from their early 2022 highs, and unemployment rates across advanced economies are beginning to rise (see figure below, left-hand panel). Previous soft landings have not seen a notable rise in unemployment rates.

⁶ PMI (Purchasing Managers' Index) is a measure of the prevailing direction of business conditions in a given sector and is based on a periodic survey of how managers in each sector view the economy as performing.

Given the trajectory of inflation and labour market indicators, it is likely advanced economies are at their highest **policy rates** for this cycle (excluding Japan). Central banks have begun to discuss the timing of rate cuts, with markets pricing in cuts starting around the middle of 2024 across economies (see figure below, right-hand panel), with the European Central Bank and the Bank of England expected to cut earlier and faster than the US Federal Reserve.

Figure 10



China

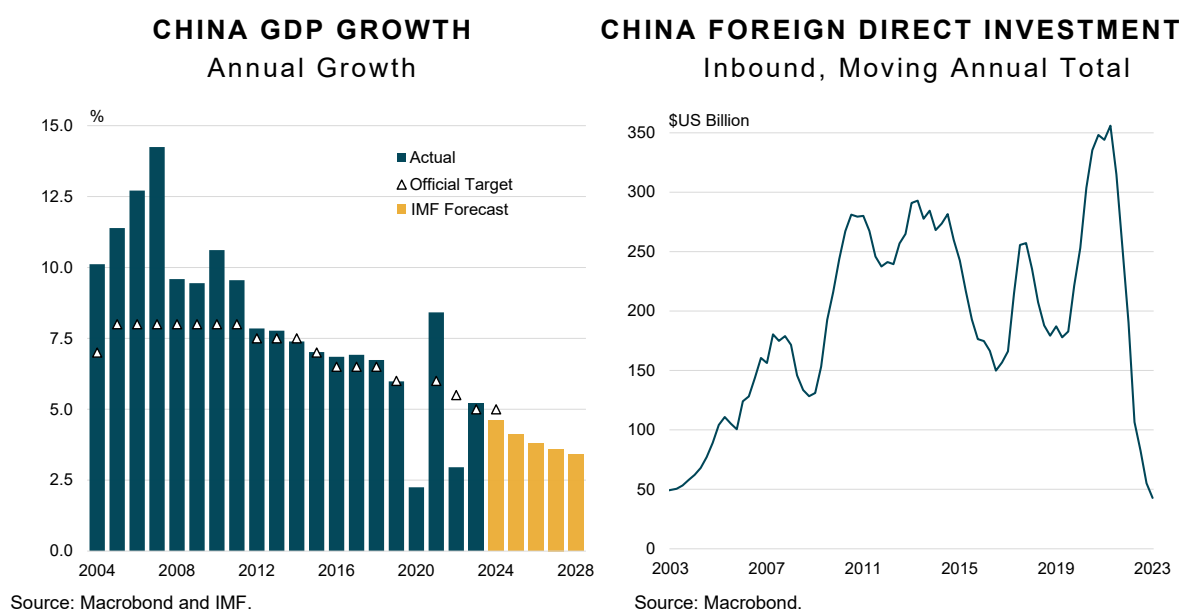
China's economy grew by 5.2% in 2023, surpassing the official forecast of around 5% (see figure below, left-hand panel). Household consumption emerged as the key driver of growth in 2023, supported by the recovery of services demand after pandemic restrictions were lifted in early 2023. This rebound follows a slowdown to 3% growth in 2022, the second-lowest growth rate in over four decades, largely due to pandemic lockdowns.

The Chinese Government is once again targeting growth of around 5% for 2024, focusing on 'new productive forces' such as the electric vehicle (EV) supply chain, renewable energy, and advanced technology to support growth. However, it will be more challenging to sustain growth at this level in 2024 as base effects become less supportive.

The economy also continues to face significant challenges, including a prolonged downturn in the property sector and subdued consumer and business sentiment, prompting Chinese authorities to adopt a more accommodative monetary and fiscal policy stance. Despite monetary policy easing over the past year, there is yet to be a meaningful pick-up in credit growth in the broader economy.

Meanwhile, net foreign direct investment into mainland China has fallen to a 23-year low of \$US42.7 billion in 2023, likely influenced by regulatory changes in recent years that have eroded investor confidence (see figure below, right-hand panel).

Figure 11



The IMF anticipates China's growth to ease from 4.6% in 2024 to 4.1% in 2025, and further to 3.3% by 2029, consistent with a long-term trend toward lower growth rates. Adding to concerns over China's longer-term growth prospects, the country's population fell for a second consecutive year in 2023.

Global Risks

The global outlook remains highly uncertain. A slowing Chinese economy, conflict in the Middle East, and volatile international markets all heighten risks to global economic growth – and Australia and Western Australia will not be immune from any further deterioration. Gold prices have risen by around 13% since the start of March 2024 amid increasing demand for safe haven assets, and oil prices have risen to their highest point in six months with growing concerns about disruptions to supply.

Ongoing geopolitical conflicts increase the likelihood of commodity price shocks and supply disruptions. Global freight indices have risen in recent months as the attacks in the Red Sea have forced shipping companies to use a much longer route around southern Africa. Any sustained recovery in global demand in combination with these supply challenges and rising oil prices could cause a reacceleration in inflation.

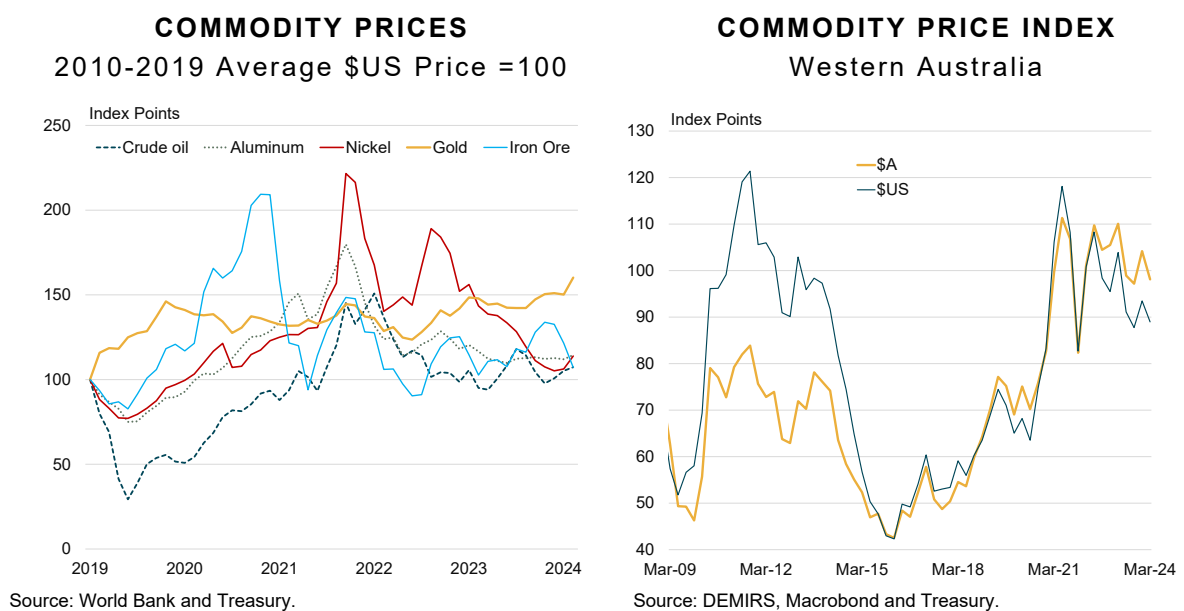
There are elections for over half the world's population in 2024, which may result in political instability and could have significant impacts for trade and global climate policy.

Monetary policy still needs to 'thread the needle', not staying restrictive for too long leading to deep recessions or loosening too early leading to a resurgence in inflation. Further, the property market in China shows little sign of improvement, and elevated sovereign debt levels globally limit the fiscal capacity to respond to future crises.

Commodity Markets

Despite some volatility, global commodity prices converged towards their pre-COVID decade averages during 2023. Those commodity prices which either increased during the COVID-19 rebound and/or spiked following Russia’s invasion of Ukraine have largely corrected, reflecting softening global demand, improvement in global supply chains and increases in supply (figure below, left-hand panel). A notable exception is the gold price, which has risen to record levels in 2024.

Figure 12



2023 was a challenging year for battery raw materials such as lithium and nickel, as prices fell rapidly due to cyclical and structural factors (see *Other Commodities* section below). Iron ore prices have been volatile, continuing to fluctuate with changes in Chinese demand and global iron ore supply (see *Iron Ore* section below).

The Western Australian Commodity Price Index⁷ has fallen since the first quarter of 2023, reflecting a decline in prices of key commodities relevant to Western Australia, including LNG, iron ore, nickel, and lithium (figure above, right-hand panel). The depreciation of the \$A/\$US over the last year has resulted in commodity prices in Australian dollar terms falling less than prices in US dollar terms.

Commodity price assumptions and mining revenue estimates can be found in Chapter 4: *General Government Revenue*.

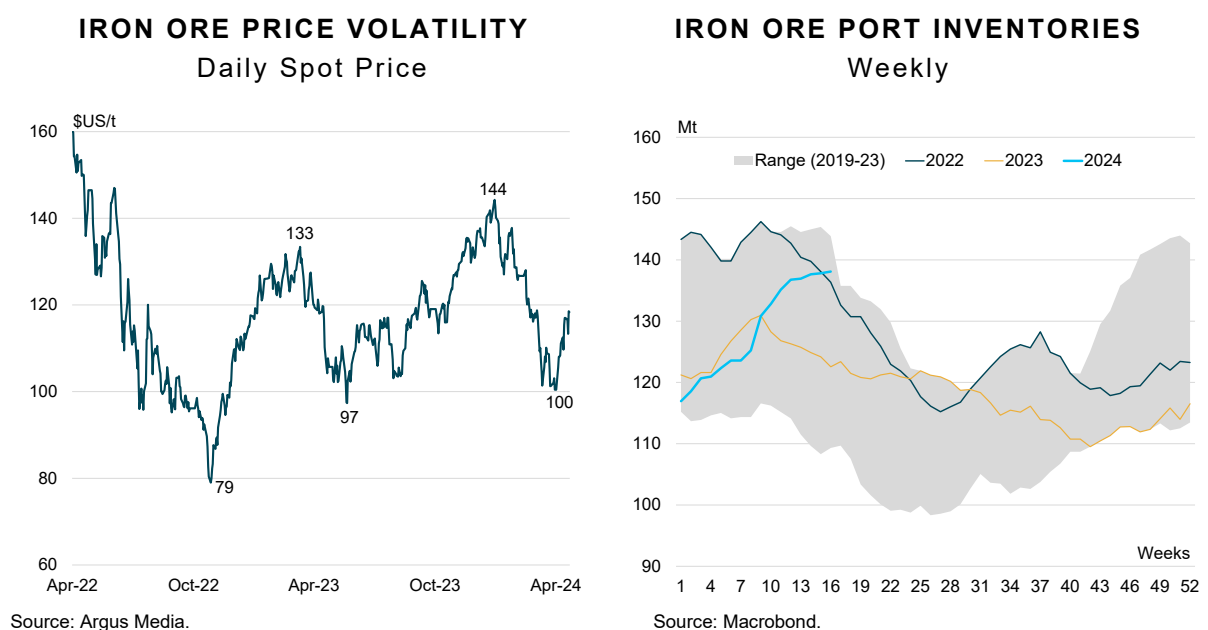
⁷ The commodity price index is a weighted index of iron ore, gold, oil, condensate, LNG, copper, nickel, zinc, lithium and alumina.

Iron Ore

Iron ore prices remain highly volatile, falling from an 18-month high of \$US144 per tonne at the start of 2024 to around \$US100 per tonne at Budget cut-off (8 April 2024), reversing the momentum observed in the second half of 2023 (see figure below, left-hand panel). This 30% decline in prices reflects weak downstream steel demand and rising iron ore inventory levels in China, alongside a pick-up in global iron ore supply.

Market sentiment deteriorated in mid-March after there were no major announcements from China's annual National People's Congress (NPC), suggesting China is committed to stabilising its slowing economy without resorting to large scale stimulus. The absence of supportive measures from the NPC raised concerns about near-term steel demand, contributing to a sharp decline in steel and iron ore prices in March 2024.

Figure 13



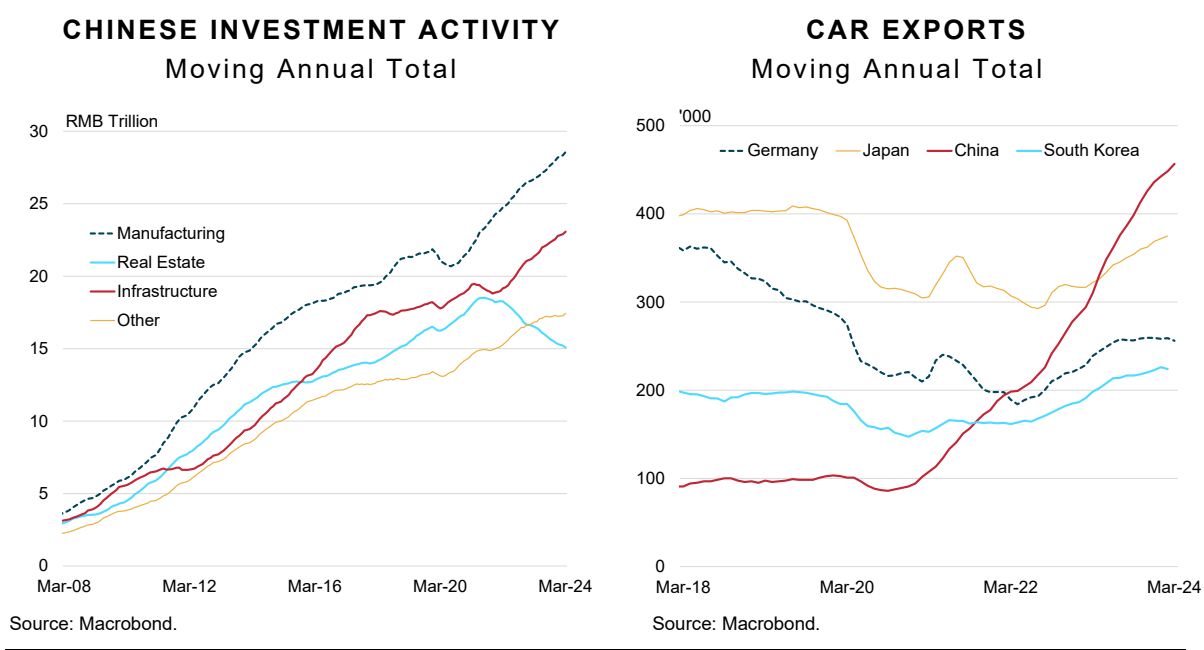
China's domestic steel consumption remains relatively subdued, dragged down by continued weakness in its property sector. This has been compounded by a slow start to construction activity so far this year due to extremely cold weather in northern parts of the country. These factors have contributed to a sharp rise in iron ore port stocks (see figure above, right-hand panel), which have reached their highest level in two years.

Nevertheless, strong growth in direct steel exports has played a key role in supporting China's steel sector (and iron ore demand) over the past year, with steel exports up 35% in 2023 – to a seven-year high. Considerable investment in infrastructure and manufacturing has also helped offset the drag from property investment (see figure below, left-hand panel). These factors are expected to persist in the near term, with Chinese demand for steel anticipated to track sideways in 2024 before moderating over the outlook period.

Infrastructure spending is expected to continue providing support to China’s economy. The Chinese Government has allocated substantial funding, including an RMB3.9 trillion target for local government special bond issuance in 2024, dedicated to infrastructure projects, as well as RMB1 trillion of ultra-long special sovereign bonds to finance long-term projects. This follows the issuance of RMB1 trillion worth of sovereign bonds in late 2023 for disaster relief and recovery efforts. Collectively, these measures convey a positive signal that fiscal policy will support traditional construction materials.

New investment in **manufacturing** has focused on emerging industries such as EVs, lithium batteries, and solar cells, bolstering steel-intensive exports. These industries are likely to continue to expand rapidly in 2024, driven by policy measures and still resilient external and domestic demand in these areas. China is now the world’s leading exporter of vehicles, surpassing major exporters like Japan, Germany, and South Korea over the past two years (see figure below, right-hand panel).

Figure 14



The outlook for China's **property sector** remains downbeat. A negative feedback loop persists between poor homebuyer confidence (affecting new home sales and home prices) and new construction activity (linked to cash-strapped developers, who are heavily reliant on pre-sold properties to commence new and finish existing projects).

Recent data indicates that new property sales fell 24.9% year-on-year in January and February 2024, while property completions, a primary focus for authorities, contracted by 21.1% year-on-year during the same period. This marks the first decline in completions since the end of 2022 when homebuyers initiated a mortgage payment boycott to pressure authorities for action.

The indicator most aligned with steel and iron ore demand – floor space of new construction starts – has fallen by more than 50% in annual level terms since late 2020 (when authorities imposed the three red lines policy⁸ to reign in property developer leverage). As a result, real estate is no longer the main contributor to Chinese steel demand and has been overtaken by infrastructure.

Outside of China, steel production remains subdued. The EU economy continues to face challenges with high interest rates and energy costs weighing on manufacturing activities. Other major steel producing economies like the US, Russia, and South Korea saw steel output fall modestly year-on-year in February 2024. This has been partly offset by robust steel production in India, driven by government spending on infrastructure.

Global iron ore supply is anticipated to increase in the medium term, as new production comes online in Western Australia, Brazil, and West Africa. Iron ore production in Western Australia is projected to rise from 862 million tonnes in 2023-24 to 886 million tonnes in 2024-25 and then remain relatively stable at this level across the outlook period. This increase primarily reflects a ramp-up in production from Fortescue’s Iron Bridge project and new production coming online from Mineral Resources Limited’s Onslow project over the next year.

Notable progress has been made on the Simandou project in Guinea over the past year. Rio Tinto’s Board conditionally approved a \$6.2 billion investment in the project in February 2024. Production from the project is expected to commence during the Budget period, with ramp-up to full production beyond 2027-28.

Detail on iron ore price assumptions can be found in Chapter 4: *General Government Revenue*.

Other Commodities

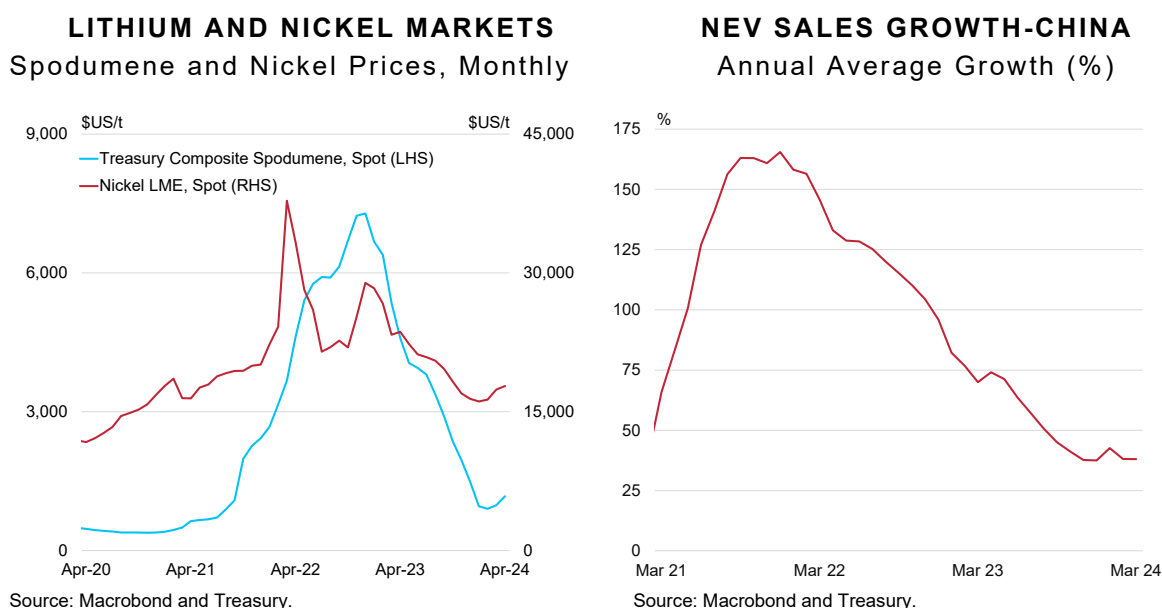
Lithium prices fell sharply during 2023 after reaching record highs at the end of 2022 as the market moved into surplus after two years of deficits (figure below, left-hand panel). The additional supply, which was incentivised by high prices, came into the market at a time when demand was slowing due to a combination of decelerating growth in global New Energy Vehicles (NEV) production and sales, and advancements in battery technology requiring less lithium. CRU (a commodity advisory firm) estimates that following growth of 40% in 2022, global lithium demand grew by 21% in 2023, while global supply grew by 42%, leading to a positive market balance. Consequently, in January 2024, lithium prices fell to their lowest levels since mid-2021.

Lithium prices may have bottomed, with spodumene prices rising slightly since late-January 2024 as some producers have curtailed production or deferred supply additions. The impacts on Western Australian producers have been limited as they are not among the higher cost global lithium producers.

⁸ The three red lines policy was introduced in August 2020 to manage debt and risk in the real estate sector. The policy enforces strict financial requirements on property developers who wish to access additional leverage, including maintaining a debt-to-asset ratio of 70%, a net debt ratio of 100%, and a cash-to-short-term debt ratio of 1x.

The growth of NEV sales in major markets decelerated in 2023. In China, the pace of domestic NEV sales growth slowed to 37% in 2023 from 96% in 2022 (figure below, right-hand panel). Similarly, growth was slower than expected in the US and the EU as sales were dampened by high vehicle prices and a lack of infrastructure for charging. Although the gradual reduction of NEV subsidies has impacted demand, growth prospects remain strong and NEV’s are expected to account for around half of global vehicle production by 2030.

Figure 15



Australia’s lithium production is expected to grow over the forecast period. However, Australia’s share of the global lithium supply will likely fall with more production from Argentina and Zimbabwe coming online within the next few years. Accordingly, Australia’s market share of 39% of world supply in 2023 is expected to fall to around 29% by 2028 (figure below, left-hand panel).

Nickel prices have fallen by around 50% from their recent peak in January 2023 to around \$US15,500 per tonne by early February 2024. The nickel price is highly volatile, with large swings around an average of \$US18,000 over the last 20 years. Structural oversupply has been the primary driver of a recent sharp drop in prices (see figure above, left-hand panel).

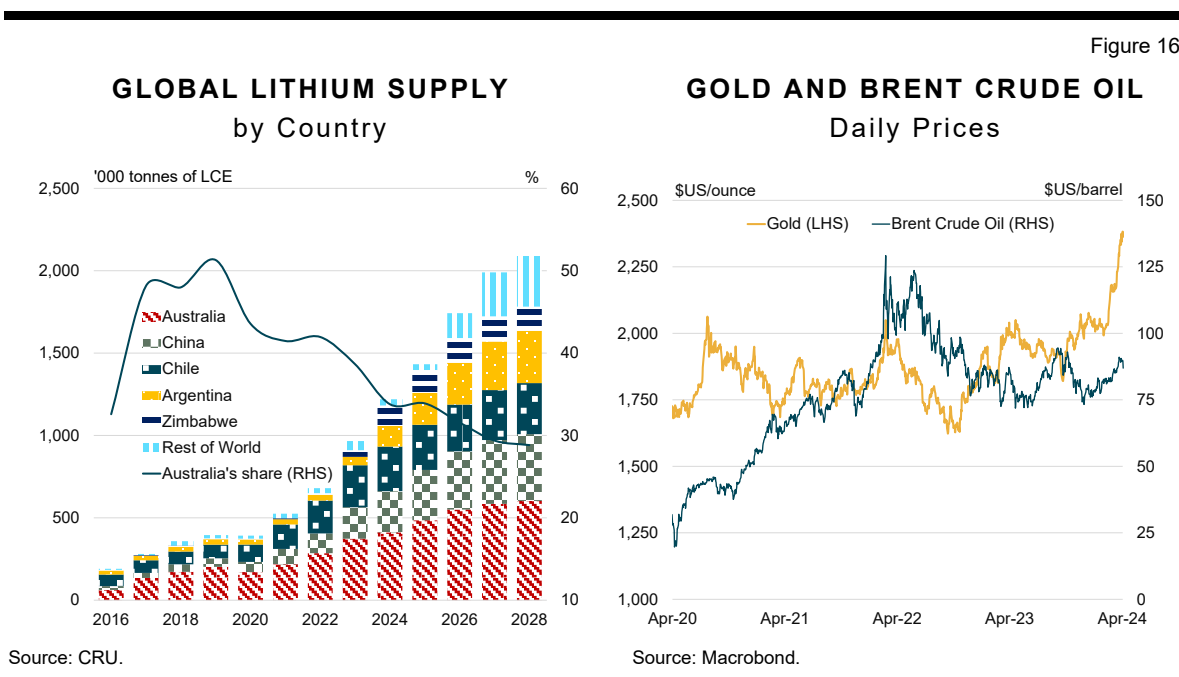
There has been a rapid ramp-up in global nickel supply, particularly from Indonesia, supported by substantial Chinese investment in new processing capacity. Also, technological advances have enabled Indonesia to produce battery-grade nickel using laterite ore. Consequently, the Indonesian share of global nickel mine output has grown from 10% in 2016 to 55% in 2023.

The demand for nickel continued to grow in 2023, yet at a lower rate compared to the previous two years. Production of stainless-steel, which accounts for around two-thirds of nickel demand, increased in 2023 supported by increased Chinese infrastructure spending. While NEV sales have decelerated, the share of total nickel demand coming from its use in NEV batteries is still rising.

The sharp fall in prices has resulted in several mine closures and production cuts in Western Australia and overseas. These supply curtailments have provided some support to prices with a moderate rise since early February 2024. Nickel prices are expected to bottom out in 2024 and reach \$US20,000 per tonne by June 2028, as oversupply in the market disappears.

To support nickel producers, the State Government has provided a Nickel Financial Assistance Program. This Program provides a 50% rebate on royalties paid on nickel sales each quarter from the March quarter 2024 through to the June quarter 2025. The rebate will be provided if the average price of nickel is below US\$20,000 per tonne for a given quarter. The rebate will be repayable by the companies in equal quarterly instalments over the following 24 months.

Figure 16



The **gold** price rose to an average of \$US1,943 per ounce in 2023 from \$US1,802 per ounce in 2022, supported by safe-haven demand, purchases by central banks and an increased appetite for gold from Chinese investors due to the downturn in Chinese stock and property markets. Gold achieved record highs of over \$US2,300 per ounce at Budget cut-off (figure above, right-hand panel). Gold prices are expected to remain elevated at around US\$2,300 per ounce in 2024-25, reflecting heightened geopolitical tensions and expectations that major central banks will soon start reducing interest rates, increasing gold's relative appeal to investors as a secure asset.

2024–25 Economic and Fiscal Outlook

Oil prices have risen in recent months as OPEC+ has extended supply cuts and conflicts in the Middle East and between Russia and Ukraine disrupt supply and lengthen global trade routes (figure above, right-hand panel). Oil prices are important for Western Australia as they represent a major input cost for business and through the linkage between LNG and oil prices, a major determinant of export income.

LNG prices continued to decline in the March quarter 2024 but prices in both Europe and Asia remain well above levels over 2016 to 2020. The European market has been the key driver of LNG import growth, but an exceptionally mild winter and the expansion of alternative energy sources has enabled it to keep its gas storage levels high, easing the pressure on LNG prices. Global LNG markets are expected to remain tight in 2024 until significant supply enters the market from the United States in 2025 and then Qatar in 2026.

Fiscal Outlook and Strategy

HIGHLIGHTS

- The Government will deliver its sixth consecutive general government operating surplus in 2023-24, with a surplus of \$3.2 billion expected. A further operating surplus of \$2.6 billion is forecast for 2024-25.
- The lower operating surplus for 2024-25 reflects the Government's conservative economic and revenue assumptions, as well as increased expenditure in support of record cost of living assistance for Western Australian households and substantial new funding injections for health, education and training, housing and homelessness, and other community services.
- At the same time, this Budget continues the Government's unprecedented investment in economic and social infrastructure, with a record \$12.1 billion Asset Investment Program in 2024-25 coming on top of an estimated \$10.6 billion program in 2023-24, which will be the largest annual infrastructure spend ever delivered in Western Australia.
- Total public sector net debt at 30 June 2024 is estimated to be \$28.6 billion, down from the original 2023-24 Budget forecast of \$29.4 billion. Net debt is projected to rise across the forward estimates period broadly in line with the debt profile in previous Budgets, in support of the Government's record investment in infrastructure.
- At just 9.7% of Gross State Product by 2027-28, Western Australia's net debt levels remain significantly lower than all other States, around half that of the Commonwealth, and compared to 13.8% in 2016-17.
- Western Australia continues to be the only State or Territory with a triple-A credit rating from both S&P Global and Moody's ratings agencies.

Fiscal Outlook

General Government Sector

Summary

The general government sector financial outlook is summarised in the following table.

Table 1

GENERAL GOVERNMENT						
Summary Financial Statements						
	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
			\$m			
OPERATING STATEMENT						
Revenue	43,601	45,075	46,194	44,113	44,561	45,113
Growth (%)	4.7	3.4	2.5	-4.5	1.0	1.2
Expenses	38,481	41,917	43,591	41,683	41,728	42,655
Growth (%)	8.0	8.9	4.0	-4.4	0.1	2.2
Net Operating Balance	5,120	3,158	2,603	2,431	2,833	2,458
BALANCE SHEET						
Assets	194,950	204,998	210,631	215,206	220,639	224,108
Liabilities	42,973	45,382	45,860	45,705	46,723	46,169
Net Worth	151,977	159,615	164,772	169,501	173,916	177,939
STATEMENT OF CASHFLOWS						
Net Cash Flows from Operating Activities	7,827	5,484	5,193	4,573	5,041	4,379
Asset Investment Program	3,870	3,553	3,565	4,064	4,492	3,414
Sales of Non-financial Assets	86	108	104	67	67	67
Cash Surplus/Deficit	4,043	2,038	1,732	577	615	1,032
Net Debt at 30 June	18,223	20,775	25,298	27,917	29,109	29,215

A general government operating surplus of \$3.2 billion is now estimated for 2023-24, in line with the forecast at the 2023-24 Budget.

An operating surplus of \$2.6 billion is forecast for 2024-25. This surplus accommodates additional expenditure approved as part of this Budget, including the Government's cost of living assistance package (see Feature Box in Chapter 1) and higher spending on health, education and training, housing and homelessness, and other community services.

Operating surpluses are also forecast across the remainder of the forward estimates period, providing an important non-debt source of funding for the Government's \$42.4 billion infrastructure program (see *Asset Investment Program* later in this chapter).

Operating Statement

Changes to the outlook for general government revenue and expenses since the 2023-24 Mid-year Review are summarised in the following table.

Table 2

SUMMARY OF GENERAL GOVERNMENT REVENUE AND EXPENSE VARIATIONS SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	Total \$m
2023-24 MID-YEAR REVIEW - NET OPERATING BALANCE	3,719	3,457	2,360	2,906		
Revenue						
<i>Revenue Policy Decisions</i>						
First Home Buyers Transfer Duty Threshold Change	-	-20	-21	-21		-62
<i>Other Revenue Movements</i>						
<i>Taxation</i>	587	565	544	521		2,216
- Total Duty on Transfers	478	431	334	284		1,527
- Motor Vehicle Taxes	56	52	93	97		299
- Land Tax	_(a)	44	60	57		161
- Insurance Duty	_(a)	23	48	76		147
- Gambling Taxes	42	6	3	2		53
- Other Taxes	11	8	6	6		30
<i>Commonwealth Grants</i>	-1,439	1,473	707	-364		376
- GST Grants	-119	-25	17	-678		-804
- North West Shelf/Condensate Compensation	-7	55	-15	-14		18
- Disaster Recovery Funding	34	352	-68	-210		109
- Transport Grants	-1,391	935	610	392		546
- Health Grants	61	63	98	135		357
- Critical Minerals Advanced Processing Common-User Facility	-	48	49	2		99
- Other Commonwealth Grants	-17	46	15	8		51
<i>Royalty Income</i>	542	643	557	797		2,539
- Iron Ore	879	903	632	669		3,084
- Gold	-8	61	124	147		324
- Lithium	-260	-250	-128	23		-615
- Nickel	-31	-39	-49	-49		-168
- Other Royalties	-39	-32	-21	7		-86
Revenue from Public Corporations	43	12	24	37		116
Sales of Goods and Services	75	66	29	114		283
Mining Tenement Rentals	13	26	26	26		92
Road Transfers from Local Governments	-278	-136	-	-		-414
All Other	54	34	-44	-51		-8
TOTAL REVENUE	-403	2,683	1,842	1,079		5,201

Note: Columns/rows may not add due to rounding.

Table 2 (cont.)

**SUMMARY OF GENERAL GOVERNMENT REVENUE AND EXPENSE
VARIATIONS SINCE THE 2023-24 MID-YEAR REVIEW**

	2023-24	2024-25	2025-26	2026-27	2027-28	Total
	\$m	\$m	\$m	\$m	\$m	\$m
Expenses						
Cost of Living Assistance Package ^(b)	132	553	35	5		725
WA Health						
- Hospital Services	261	493	123	114		991
- Regional Services	86	213	58	21		378
- Health Support Services	1	41	40	5		87
- Non-Hospital Services	30	33	12	-4		71
- All Other	99	196	174	93		563
Main Roads						
- Delivering METRONET	-	68	291	-		359
- Depreciation Updates	-22	52	79	91		200
- All Other	-7	151	49	109		302
Communities						
- Key Service Cost and Demand Pressures	200	-	-	-		200
- Maintenance Uplift for Social Housing	88	92	-	-		179
- Investment in Homelessness Services	-	23	23	24		70
- Investment in Family and Domestic Violence Services	-	21	22	20		63
- Investment in Child Protection Services	1	19	19	16		55
- National Partnership Agreement on Family, Domestic and Sexual Violence Responses 2021-2027	10	9	-	-		19
- All Other	46	151	26	16		238
Education						
- Student Enrolment Growth	39	77	64	53		233
- Grants to Non-Government Schools	7	16	24	27		75
- RiskCover Fund Insurance Premiums	-	33	-	-		33
- All Other	30	42	35	27		134
Operating subsidies ^(c)	-19	194	120	110		406
Justice	95	141	32	26		294
Transport	-46	175	123	41		293
Critical Minerals Advanced Processing Common-User Facility	-	96	98	3		197
Biodiversity, Conservation and Attractions	21	72	52	34		178
Primary Industries and Regional Development	-92	109	46	34		97
Local Government, Sport and Cultural Industries	-132	193	16	17		94
Jobs, Tourism, Science and Innovation	-188	19	122	96		49
All Other	-483	259	89	173		38
TOTAL EXPENSES	158	3,537	1,771	1,152		6,619
TOTAL VARIANCE	-561	-854	71	-73		-1,417
2024-25 BUDGET - NET OPERATING BALANCE	3,158	2,603	2,431	2,833	2,458	

(a) Amount less than \$500,000.

(b) The total cost of the Government's cost of living assistance in this Budget is \$762 million. The \$725 million in this table reflects the increase in general government expenses relative to the Mid-year Review. It does not include lower revenue as a result of decisions to reduce household fees and charges or allocations from existing provisions, and excludes the impact of spending on this package in the new outyear (2027-28).

(c) Represented in general government expenses as grants and subsidies paid through the Department of Treasury.

Note: Columns/rows may not add due to rounding.

2023-24 Estimated Actual

A general government operating surplus of \$3.2 billion is now expected for 2023-24, \$561 million lower than the Mid-year Review forecast. This mainly reflects the net impact of:

- lower Commonwealth funding for transport projects (down \$1.4 billion), largely reflecting the retiming of project cashflows for METRONET and road projects;

- higher taxation revenue (up \$587 million), mainly due to:
 - a \$478 million increase in total duty on transfers¹, due to higher revenue expected from large commercial property transactions, as well as a sharper than expected rise in residential property prices;
 - a \$56 million increase in motor vehicle taxes, reflecting a higher than forecast level of new car transactions, with stronger demand due to higher than expected population growth; and
 - a \$42 million increase in gambling taxes, primarily due to an increase in Lotteries Commission sales;
- higher royalty income (up \$542 million), largely due to a stronger than expected iron ore price (now estimated to average \$US116.1 per tonne over 2023-24 compared to the \$US104.2 per tonne assumption in the Mid-year Review), partly offset by lower lithium and nickel prices;
- the 2023-24 impact of the Government's cost of living assistance package, including \$103 million for the WA Student Assistance Payment (which provides a \$150 and \$250 payment for each primary and secondary student respectively); and
- higher spending on frontline services, particularly health (\$477 million) and community services (\$345 million), partly offset by underspending in a range of other agencies.

Final outcomes for the financial year ending 30 June 2024 will be detailed in the *2023-24 Annual Report on State Finances* (to be released by 28 September 2024).

2024-25 and Beyond

A \$2.6 billion operating surplus is forecast for 2024-25, down \$854 million on the Mid-year Review forecast. Largely in line with Mid-year Review projections, operating surpluses ranging between \$2.4 billion to \$2.8 billion are forecast in each of the outyears.

Revenue

Relative to 2023-24, general government revenue is forecast to increase by 2.5% in 2024-25, to \$46.2 billion. This mainly reflects an increase in transport, disaster recovery, disability and GST grants from the Commonwealth, as well as the resumption of dividend payments by public corporations (following the Government's Mid-year Review decision for Government Trading Enterprises to retain 2023-24 dividends as a funding source for future infrastructure projects). These increases are partly offset by lower royalty income, with the iron ore price assumed to revert to its long-run average of \$US71 per tonne from November 2024 (see Chapter 4 for further detail).

General government revenue is then expected to decline by \$2.1 billion (or 4.5%) in 2025-26, largely reflecting a reduction in Commonwealth transport grants and the one-off nature (in 2024-25) of the State's share of the Disability Care Australia Fund. Modest growth in revenue is forecast for the remaining two outyears.

¹ The sum of transfer duty, landholder duty and foreign buyer duty.

2024-25 Economic and Fiscal Outlook

The general government revenue estimates have been revised up by a total of \$5.6 billion (or 4.3%) over the period 2024-25 to 2026-27 relative to the Mid-year Review. This is mainly due to:

- higher royalty income (up \$2 billion), including:
 - increased iron ore royalties (up \$2.2 billion), due to an upward revision to forecast iron ore prices, reflecting higher recent spot prices and a revised long-term price assumption of \$US71 per tonne (compared to \$US66 per tonne at Mid-year Review²);
 - higher gold royalties (up \$331 million), reflecting higher gold prices, with demand for gold increasing in the face of heightened global uncertainty;
 - lower lithium royalties (down \$355 million), largely due to lower assumed lithium prices as supply has been growing faster than demand; and
 - lower nickel royalties (down \$137 million), with the recent decline in nickel prices resulting in some production cuts;
- a net increase in Commonwealth funding of \$1.8 billion, including:
 - higher transport grants (up \$1.9 billion), largely reflecting additional funding to meet cost increases across a number of existing METRONET and road projects (\$771 million) and the retiming of project cash flows from 2023-24 for jointly funded projects (\$1.1 billion);
 - lower GST grants (down \$686 million), primarily due to lower estimates of Western Australia's share of national GST grants from 2026-27 as a result of the Commonwealth Grants Commission's 2024 Update;
 - higher health funding (up \$296 million), reflecting an increase in National Health Reform Agreement revenue projections included in the Commonwealth's *2023-24 Mid-Year Economic and Fiscal Outlook*, and programs under various Commonwealth funding agreements, including Public Dental Services for Adults, Smoking and Vaping Cessation Activities and the expansion of colonoscopy services;
 - \$99 million of assumed Commonwealth funding over the period 2024-25 to 2026-27 towards a total \$200 million spend on the establishment a Critical Minerals Advanced Processing Common-User Facility; and
 - higher Commonwealth disaster recovery funding (up \$75 million), mainly reflecting the partial reimbursement of recovery assistance for communities in the Kimberley impacted by Ex-Tropical Cyclone Ellie and updates to reimbursements in relation to a number of other natural disaster events;

² This revision is consistent with a broadly equivalent increase implemented in the Commonwealth's 2023-24 Budget.

- higher taxation revenue (up \$1.6 billion), including:
 - a \$987 million increase in total duty on transfers, reflecting stronger property market conditions and a revised level of transfer duty from large commercial transactions assumed over the forecast period, to align with average revenue collected over the last decade;
 - a \$243 million increase in motor vehicle taxes, including the flow-through impact of increased registrations in 2022-23 and 2023-24 (noted earlier) and the revised outlook for the domestic economy over the forecast period;
 - a \$161 million increase in land tax³ collections, mainly due to a stronger outlook for residential property values; and
 - a \$147 million increase in insurance duty, reflecting stronger anticipated growth in insurance premiums;
- higher goods and services revenue (up \$208 million), largely due to:
 - higher revenue for WA Health (up \$113 million), reflecting an increase in forecast revenue from overseas patients and higher recoveries under the Pharmaceutical Benefits Scheme; and
 - higher revenue for Main Roads (up \$86 million), primarily reflecting additional works being delivered on behalf of the Public Transport Authority⁴;
- delayed (non-cash) revenue from the transfer of local government roads (down \$136 million), reflecting the impact of scheduled major roadworks;
- higher mining tenement rentals revenue (up \$78 million), following an increase in mining tenement rates and elevated activity; and
- higher revenue from public corporations (up \$72 million), mainly from increased dividend and tax equivalent revenue from the Water Corporation.

Further detail on the revenue forecasts is provided in Chapter 4: *General Government Revenue*.

³ Includes revenue from land tax and the Metropolitan Region Improvement Tax.

⁴ Main Roads collects goods and services revenue for road works conducted on behalf of third parties in other sectors, including the Public Transport Authority (a public corporation), local governments and other external contributors.

Expenses

General government expenses are forecast to total \$43.6 billion in 2024-25, an increase of \$1.7 billion (or 4%) on 2023-24. Expenses are then forecast to decline by 4.4% in 2025-26, largely reflecting lower grant and subsidy expenses as finite support and other activities – such as the 2024-25 Household and Small Business Electricity Credit, the Stolen Wages Class Action settlement and various grants or subsidies tied to specific projects – cease. In addition, forecast moderation in population growth, inflation and wage growth in 2025-26 are expected to ease current cost and demand pressures on key Government services. A return to modest growth is forecast in 2026-27 and 2027-28.

Over the period 2024-25 to 2026-27, general government expenses have been revised up by \$6.5 billion (or 5.4%) since the Mid-year Review. Material revisions include:

- a \$1.6 billion increase in spending by WA Health, largely reflecting:
 - a \$778 million increase for hospital services, primarily to reflect the substantial increase in nursing and medical FTE and additional bed capacity that has been added to the system;
 - \$273 million for regional healthcare services including workforce initiatives and the extension of priority programs, including the Kimberley Ambulance Service;
 - an additional \$127 million to address cost and demand pressures for non-hospital and health support services, including to support the delivery of health system reform projects;
 - \$70 million for emergency department reform initiatives to improve patient flow and access to emergency care; and
 - \$60 million for the expansion of child development services and various Commonwealth funding agreements (noted above);
- higher recurrent spending by Main Roads (up \$890 million), primarily driven by an increase in grant payments to the Public Transport Authority (\$359 million, for METRONET road-related works), higher depreciation costs (\$222 million), and the reclassification of capital expenditure to recurrent spending (\$118 million);
- \$592 million over 2024-25 to 2026-27 (out of a total \$762 million package) for additional cost of living assistance (see Feature Box in Chapter 1);
- higher expenses for the Department of Communities (up \$479 million), primarily due to the combined impact of:
 - cost pressures incurred on head maintenance contracts to service the Department's 45,000 housing assets (\$92 million) and grants spending provided to regional community housing providers to deliver new and refurbished social housing (\$50 million);

- additional spending to support a range of family and domestic violence (FDV) responses, including to support FDV System Reform Plan actions that seek a more coordinated and connected system in providing response and support to victim-survivors (\$71 million);
- additional spending to address homelessness services, including to provide a baseline uplift to enable contracts to be recommissioned at more sustainable funding levels (\$70 million); and
- service costs in the child protection system for vulnerable children and at-risk youths, including to meet increased demand for the Home Stretch WA program in metropolitan and regional areas (\$58 million);
- higher spending by the Department of Education (up \$397 million), mainly due to higher student enrolments in government schools (\$193 million) along with higher grants to non-government schools (\$68 million), and upward revisions to both Government Regional Officer Housing costs (\$45 million) and RiskCover premiums (\$33 million);
- an increase in spending by the Department of Transport (up \$339 million), including costs to complete the Westport business case and commence associated enabling works (\$88 million), traffic infringement management processing costs (\$47 million), higher costs of delivering licensing, registration and other key services (\$43 million), and spending on aviation initiatives, including regional airstrip upgrades (\$32 million);
- a \$315 million increase in operating subsidies provided to the Public Transport Authority, including for new public transport services (the Morley-Ellenbrook Line bus services, the Byford Rail Extension, and the new elevated rail stations being delivered through the Victoria Park-Canning Level Crossing Removal program and the new Midland Station);
- an increase in spending by the Department of Jobs, Tourism, Science and Innovation (up \$237 million), with further investments in event tourism, science, innovation and technology, activating Strategic Industrial Areas and expenditure carried over from 2023-24;
- an increase in spending by the Department of Local Government, Sport and Cultural Industries (up \$226 million), largely due to the reflow of expenditure for grants programs (\$146 million), higher salary costs (\$24 million), and further funding for the Western Australian Screen Industry Strategy (\$10 million);
- higher spending by the Department of Justice (up \$199 million), including increased RiskCover premiums, higher payments to victims of crime, additional staff for the Parliamentary Counsel's Office, delivery of the Criminal Law (Mental Impairment) reforms, extension of the Casuarina Prison Alcohol and Other Drug Rehabilitation Unit, and expansion of FDV Response Teams;
- \$197 million (out of a total \$200 million investment) to establish a Critical Minerals Advanced Processing Common-User Facility to be co-funded with the Commonwealth on a 50:50 basis;

2024-25 Economic and Fiscal Outlook

- a \$189 million increase in spending by the Department of Primary Industries and Regional Development to support various initiatives, including an increase in biosecurity and emergency management response, the continuation of Shark Hazard Mitigation Strategy and Services, the implementation of Phase One of the Kalbarri Foreshore and Beaches Revitalisation package, spending on the Peel Regional Trails Program, and spending carried over from 2023-24 due to updated program delivery schedules; and
- a \$158 million increase in expenditure by the Department of Biodiversity, Conservation and Attractions, primarily reflecting the continuation of funding for the 2024-2033 Forest Management Plan, additional expenditure on Indigenous Land Use Agreements, creation of reserves and central support resourcing under the Government's Plan for Our Parks initiative, resourcing enhancements for bushfire mitigation and response capability, increased service delivery costs combined with higher levels of forecast visitation at Rottnest Island, new Commonwealth-funded environmental initiatives, and expenditure deferred from 2023-24.

Further details on material changes to general government expenses since the Mid-year Review are provided in Chapter 5: *General Government Expenses*.

Balance Sheet

The net worth of the general government sector (i.e. the value of the sector's assets less the value of its liabilities) is forecast to increase in each year of the forward estimates period, rising from an estimated \$159.6 billion at 30 June 2024 to \$177.9 billion by 30 June 2028.

Total assets are projected to increase by \$19.1 billion over the four years to 30 June 2028, largely reflecting the net impact of:

- an increase in non-financial assets (up \$14.8 billion), driven by significant increases in property, plant and equipment (up \$10 billion) and land (up \$4.9 billion), mainly reflecting high levels of infrastructure spending;
- an \$11.7 billion increase in the net worth of public corporations⁵, reflecting high levels of infrastructure investment by public non-financial corporations; and
- a \$6.7 billion reduction in liquid financial assets (cash and deposits, advances paid and investments, loans and placements), reflecting the use of cash and other liquid investments over the outyears to fund infrastructure and other Government initiatives.

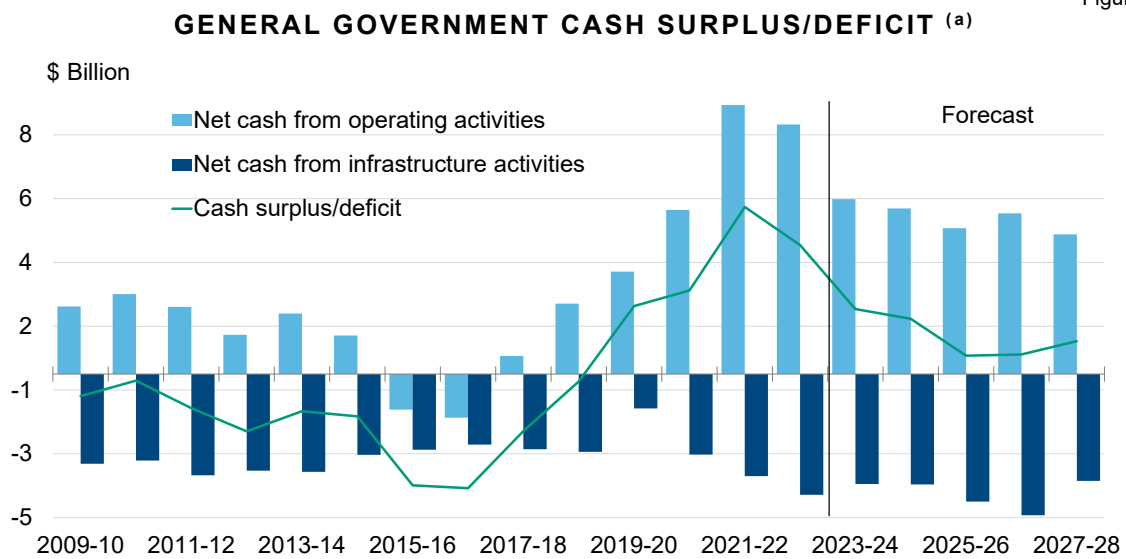
General government liabilities are forecast to be \$46.2 billion at 30 June 2028, \$787 million higher than the estimated outturn at 30 June 2024. This largely reflects a projected increase in borrowings to support infrastructure spending (up \$1.8 billion), partly offset by a reduction in unfunded superannuation (down \$652 million) and payables (down \$320 million).

⁵ The net worth of public corporations sectors is included as an asset on the general government balance sheet. This represents the ownership interest of central government in the net value of public sector businesses outside the general government sector.

Cashflow Statement

General government cash surpluses are projected for each year of the forward estimates. A cash surplus of \$1.7 billion is forecast for the general government sector in 2024-25, following an estimated \$2 billion cash surplus in 2023-24. An aggregate \$2.2 billion cash surplus is forecast across the three outyears. These outcomes reflect the general government sector’s operating outlook which, in cash terms, is sufficient to meet record levels of infrastructure spending over the same period. While general government cash surpluses are in prospect, net debt will still increase, mainly to cover the cash requirements of equity contributions to support infrastructure spending by the public corporations.

Figure 1



(a) Data for years prior to 2019-20 adjusted for the impact of accounting standards changes.

Total Public Sector⁶

Key financial aggregates for the total public sector are shown in the following table.

Table 3

TOTAL PUBLIC SECTOR						
Summary Financial Statements						
	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
OPERATING STATEMENT						
Revenue	78,341	82,781	85,619	84,682	86,061	86,985
Expenses	73,604	79,376	83,929	83,615	85,043	86,171
Net Operating Balance	4,738	3,405	1,691	1,067	1,018	814
BALANCE SHEET AT 30 JUNE						
Assets	237,808	246,585	252,175	259,437	267,699	272,200
Liabilities	85,831	86,969	87,404	89,936	93,782	94,262
Net Worth	151,977	159,615	164,772	169,501	173,916	177,939
STATEMENT OF CASHFLOWS						
Net Cash Flows from Operating Activities	10,872	9,298	7,964	7,046	7,331	6,898
Asset Investment Program	9,235	10,635	12,079	11,569	10,592	8,170
Sales of Non-financial Assets	483	438	497	632	754	542
Cash Surplus/Deficit	2,120	-900	-3,618	-3,891	-2,508	-730
Net Debt at 30 June	27,358	28,636	32,712	36,947	39,800	40,897

Note: Columns may not add due to rounding.

Operating Statement

An operating surplus of \$1.7 billion is forecast for the total public sector in 2024-25, down \$672 million from the \$2.4 billion operating surplus projected in the Mid-year Review. Operating surpluses are also forecast across all years of the forward estimates period.

The following table summarises the components of the operating surplus for the total public sector.

⁶ The total public sector (also known as the whole-of-government) consolidates the general government sector (discussed earlier in this chapter), the public non-financial corporations sector (which includes entities operating on a predominantly cost-recovery basis like the State's ports and the electricity and water utilities), and the public financial corporations sector (which includes agencies mainly engaged in financial activities, such as the Western Australian Treasury Corporation, the Insurance Commission of Western Australia, and Keystart).

Table 4

TOTAL PUBLIC SECTOR OPERATING BALANCE
By Sector

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
Net Operating Balance						
General government sector	5,120	3,158	2,603	2,431	2,833	2,458
Public non-financial corporations sector	-596	375	633	314	-26	198
Public financial corporations sector	437	100	24	-8	-21	-41
<i>less</i>						
General government dividend revenue	145	211	1,571	1,673	1,771	1,804
Public non-financial corporations dividend revenue ^(a)	81	19	-	-	-	-
Agency depreciation costs on right of use assets leased from other government sectors ^(b)	-3	-2	-2	-3	-3	-3
Total public sector net operating balance	4,738	3,405	1,691	1,067	1,018	814

(a) Dividends received from Keystart (a PFC) by the Housing Authority (a PNFC).

(b) Depreciation costs incurred by agencies for right-of-use assets leased from other agencies within the same sub-sector of government are eliminated directly on consolidation. Equivalent costs between internal sectors of government contribute to expenses (and the operating balance) in the sector in which the lessee is classified, but is not matched by a 'depreciation revenue' by the sector in which the lessor is classified. This gives rise to an adjustment against equity for this unmatched internal cost when consolidating the total public sector.

Note: Columns may not add due to rounding.

Public Non-Financial Corporations (PNFCs)

An operating surplus of \$633 million is forecast for this sector in 2024-25, up from \$481 million in the 2023-24 Mid-year Review. In aggregate, PNFC operating surpluses have increased by a total \$295 million over the four-year period to 2026-27 since the Mid-year Review. This largely reflects:

- higher revenue for the Public Transport Authority, mainly increased capital grant funding for joint State and Commonwealth funded METRONET works and higher operating subsidies for the delivery of public transport services, including the new METRONET services and their supporting bus networks;
- increased Water Corporation revenue reflecting increasing residential customer demand and higher developer contributions, partially offset by an increase in energy costs;
- higher expenses and lower revenue for Racing and Wagering WA, largely due to recent activity levels and lower gaming revenue;
- higher revenue for DevelopmentWA, mainly due to an increase in rental income, and additional Royalties for Regions funding for the Nyamba Wuru Yawuru Health and Wellbeing Campus in Broome and to deliver development-ready residential lots in the Goldfields, Pilbara and Kimberley;
- a net increase in operating costs for Synergy, primarily due to electricity and gas costs and higher maintenance costs to ensure the safety and reliability of electricity generation assets, partially offset by operating subsidies to facilitate the Household and Small Business Electricity Credit;

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- higher revenue for Western Power, due to the recovery of increased Tariff Equalisation Contributions (which are provided to Horizon Power to subsidise the provision of electricity to regional customers), higher equipment maintenance and repairs expenditure, and higher interest costs;
- higher revenue and expenses for Horizon Power largely reflecting additional operating subsidy and grants expense to facilitate the Household and Small Business Electricity Credit, partially offset by increased borrowing costs and higher depreciation and decommissioning expenses for infrastructure assets;
- higher expenses for the Housing Authority (Department of Communities), driven by increased maintenance spending on head maintenance contracts for social housing, and grants expenditure provided to regional community housing providers to deliver new and refurbished social housing; and
- higher revenue for Pilbara Ports Authority, primarily due to an increase in interest revenue and higher port fees, partially offset by increased depreciation expenses and higher staffing costs (mainly for the employment of additional marine pilots).

Public Financial Corporations (PFCs)

In aggregate terms, the operating outlook for the PFC sector remains largely unchanged from the Mid-year Review. This mainly reflects the net impact of:

- a stronger operating outlook for the Insurance Commission of Western Australia, mainly reflecting higher projected investment income, partly offset by higher forecast motor injury insurance claims expenses; and
- lower Keystart operating surplus, mainly reflecting lower customer demand as interest rates have moved higher, and eligible existing customers migrate to commercial lenders.

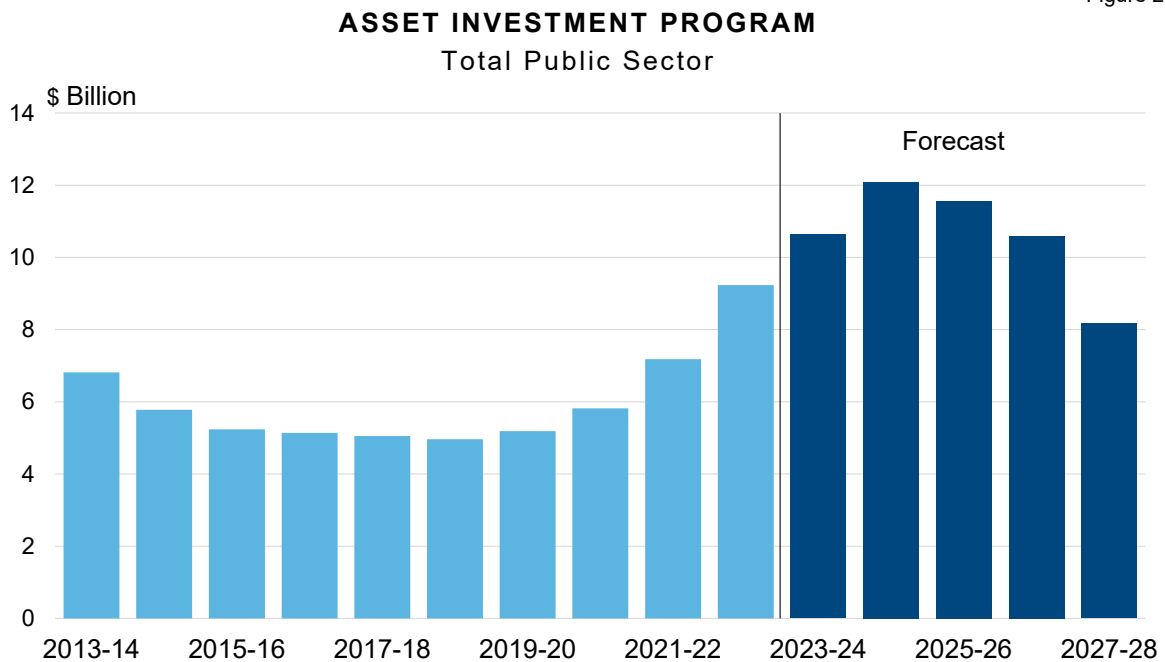
An operating surplus of \$24 million is forecast for this sector in 2024-25, with small operating deficits projected from 2025-26.

Asset Investment Program

This Budget includes a forecast \$42.4 billion Asset Investment Program (AIP) over 2024-25 to 2027-28, including a record \$12.1 billion investment for 2024-25.

Infrastructure spending by the general government sector totals \$15.5 billion (or 36.6% of the total program), with the PNFC sector projected to spend the remaining \$26.9 billion of the four-year AIP. Key areas of investment across the forward estimates continue to be road, rail and transport (\$11.8 billion), electricity (\$7 billion), water corporations (\$6.4 billion), housing services and land development (\$3.8 billion), health (\$3.3 billion), ports (\$2.1 billion) and education (\$1.6 billion).

Figure 2



Asset investment spending has increased by a net \$1 billion over the period 2023-24 to 2026-27 since the Mid-year Review. Key changes include:

- an additional \$1.2 billion for public transport projects, including increased costs for a number of joint State and Commonwealth funded projects, and additional investment for electric buses;
- a \$570 million increase in spending by WA Health, primarily relating to:
 - cost increases for the Sir Charles Gairdner Hospital Emergency Department and Urgent Critical Care Toxicology project, the Bentley Health Services Surgicentre, and redevelopments at Bunbury Hospital, Geraldton Health Campus and the Joondalup Health Campus (\$233 million);
 - Electronic Medical Record and Critical Health ICT Infrastructure programs (\$178 million);
 - Medical Equipment and Imaging Replacement and Minor Building Works programs (\$113 million); and
 - Anti-Ligature Remediation Program (\$28 million);
- an additional \$369 million for road projects, primarily reflecting increased costs associated with a number of joint State and Commonwealth funded projects;
- a \$355 million increase in spending by the Department of Education, mainly for additional investment in new primary schools (\$114 million), transportable classrooms (\$80 million), new or improved secondary schools (\$57 million), and preventative maintenance (\$37 million);

2024-25 Economic and Fiscal Outlook

- a \$328 million increase in spending by the Water Corporation, primarily for the relocation and expansion of network assets across the metropolitan area (\$157 million), the implementation of a water and wastewater pipeline renewals program (\$80 million), and cost increases in the Onslow Town Water Supply Upgrade and Burrup Seawater Supply Scheme Expansion projects (\$64 million);
- a \$292 million spending increase by DevelopmentWA, largely to acquire and develop strategic and general industrial land across the State (\$180 million), develop apartments and townhouses, including social housing, in the Burt Street Fremantle project (\$39 million), and deliver development-ready residential lots in the Goldfields, Pilbara and Kimberley (\$33 million);
- a \$285 million increase in spending by the Department of Communities, primarily for the construction and spot purchase of new social housing dwellings (\$132 million), spot purchasing of expiring National Rental Affordability Scheme dwellings for use as affordable rental housing (\$54 million), a boost to baseline investment in new Government Regional Officer Housing dwellings (\$44 million), and to address a cost increase on the Mandurah Common Ground project (\$21 million);
- a \$217 million increase in spending by Western Power, mainly for planning, scoping works and long lead item commitments for new transmission infrastructure to meet projected electricity demand in the South West Interconnected System, and the establishment of community batteries;
- a \$178 million spending increase by Horizon Power, mainly to support the development of network infrastructure in the North West Interconnected System, continue to deliver on the Government's election commitment on Standalone Power Systems, and for investment relating to regional and remote power stations;
- a \$144 million expenditure increase by Pilbara Ports Authority, mainly for cost increases on the Dampier Bulk Handling Facility (\$101 million), road works at the Utah Point Bulk Handling Facility (\$17 million), and construction of a Seafarers Centre in Port Hedland (\$14 million);
- a \$139 million increase in spending by the Department of Biodiversity, Conservation and Attractions, primarily for additional investment in essential infrastructure at Rottnest Island (\$84 million), development and improvement of outdoor and adventure tourism offerings (\$23 million), and expenditure on Plan for Our Parks initiatives (including development of start-up and visitor infrastructure for two new reserves and to meet other capital cost pressures across five existing reserves);
- a \$121 million increase in expenditure by the Department of Local Government, Sport and Cultural Industries, mainly related to the construction of the Screen Production Facility (\$126 million);
- a \$106 million investment increase by the Fremantle Port Authority, including works on the Fremantle Passenger Terminal berths, upgrades to the erosion protection system and deck repairs at the Kwinana Bulk Jetty, and replacement and refurbishment of bollards across the port; and

- an increase in spending by the Department of Transport (\$104 million), primarily for maritime and boating projects (\$97 million, including for Ocean Reef Marina, Barrack Street Jetty One, and initiatives as part of the Outdoor and Adventure Tourism package).

The 2024-25 Budget includes a provision to smooth the AIP over the forward estimates, reflecting industry capacity constraints that can affect project delivery and spending. The new Budget-time smoothing provision replaces a similar global allowance reflected in the Mid-year Review, and results in a \$3.4 billion reduction in infrastructure spending over the period 2023-24 to 2026-27 (with \$2.5 billion of this smoothing provision allocated to 2027-28).

Further detail on infrastructure investment initiatives is available in Chapter 6: *Asset Investment*.

Balance Sheet

Net worth of the total public sector is identical to that of the general government sector (discussed earlier). This is because the net worth of public corporations is reported as an asset in the general government sector balance sheet.

Total public sector net debt is discussed in more detail below.

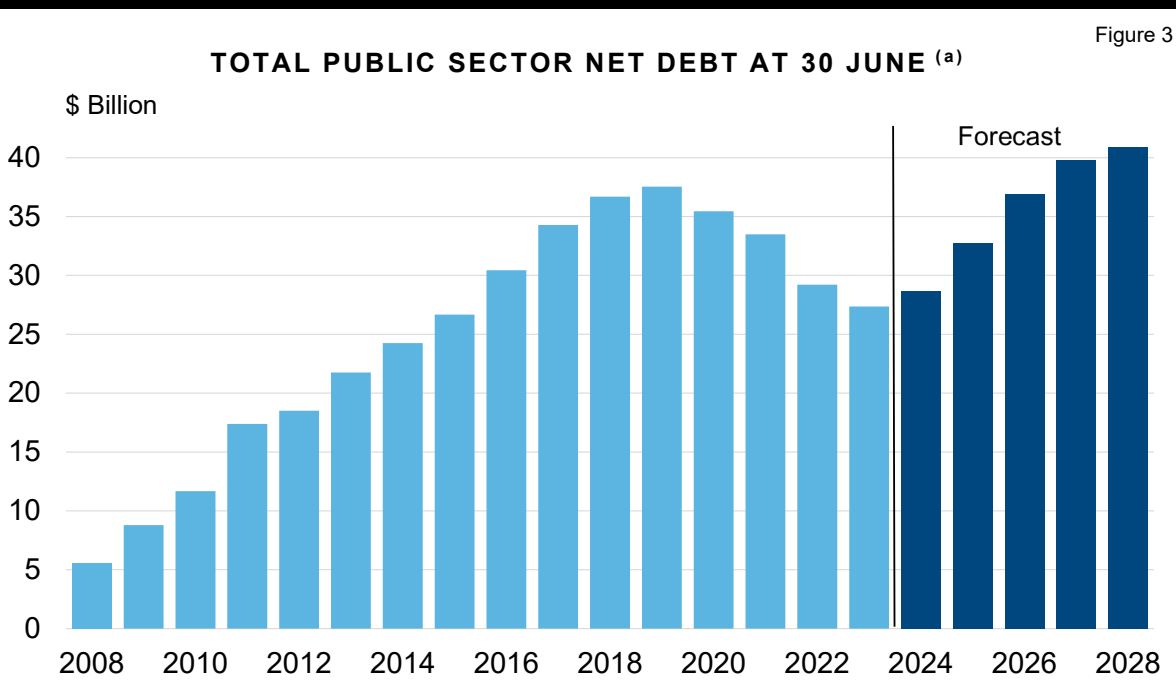
Cashflow Statement

A \$3.6 billion cash deficit is forecast for the total public sector in 2024-25, \$361 million higher than projected in the Mid-year Review. In line with Mid-year Review expectations, cash deficits are also predicted in each of the outyears.

These cash deficits reflect the continued roll-out of the Government's massive investment in infrastructure, which is only partly funded by cash from operating surpluses.

Net Debt

Total public sector net debt is estimated to be \$28.6 billion at 30 June 2024, and rise to \$32.7 billion at 30 June 2025. As illustrated in the chart below, net debt levels are forecast to rise across the forward estimates period, reflecting the Government's record AIP and conservative economic and revenue assumptions (see discussion earlier in this chapter).



(a) Data prior to 30 June 2020 adjusted for implementation of AASB 16: *Leases*.

The following table summarises changes to projected net debt levels since the Mid-year Review.

NET DEBT OF THE TOTAL PUBLIC SECTOR AT 30 JUNE					
	2024	2025	2026	2027	2028
	\$m	\$m	\$m	\$m	\$m
2023-24 Mid-year Review - Total Public Sector Net Debt	27,167	30,886	35,139	38,109	
<i>Less change in net cash flows from operating activities and dividends paid</i>					
- general government	-830	-260	144	74	
- public non-financial corporations	194	77	139	-50	
- public financial corporations	2	29	68	49	
<i>Total public sector</i>	<i>-634</i>	<i>-154</i>	<i>351</i>	<i>73</i>	
<i>Plus purchases of non-financial assets</i> ^{(a) (b)}					
Road, Rail and Transport	-219	406	947	540	
WA Health	-190	297	289	174	
Education	47	20	180	109	
Water Corporation	-4	198	95	39	
DevelopmentWA	27	182	81	2	
Communities	28	122	90	44	
Western Power	- ^(d)	39	87	90	
Horizon Power	-	87	50	41	
Pilbara Ports Authority	-108	92	160	1	
Biodiversity, Conservation and Attractions	-16	69	41	45	
Local Government, Sport and Cultural Industries	-79	1	128	72	
Fremantle Port Authority	-19	49	42	33	
Smoothing Provisions:					
- Reverse Mid-year Review Provision	4,000	1,500	-2,000	-3,500	
- New Budget Provisions	-2,400	-3,000	-	2,000	
All other	-257	58	3	204	
<i>Total purchase of non-financial assets</i>	<i>811</i>	<i>119</i>	<i>194</i>	<i>-106</i>	
<i>Less proceeds from sale of non-financial assets</i>	<i>-11</i>	<i>-72</i>	<i>-70</i>	<i>8</i>	
<i>Plus all other financing</i> ^(c)	<i>13</i>	<i>13</i>	<i>69</i>	<i>70</i>	
<i>Cumulative impact on net debt at 30 June</i>	<i>1,469</i>	<i>1,826</i>	<i>1,808</i>	<i>1,690</i>	
2024-25 Budget - Total Public Sector Net Debt	28,636	32,712	36,947	39,800	40,897

(a) Material changes to infrastructure spending are outlined in Chapter 6.

(b) Includes timing changes and other movements in agency infrastructure programs.

(c) Includes changes in lease liabilities and other movements in net debt attributable to issues such as revaluations of investment assets and debt liabilities, net acquisitions of financial assets for liquidity purposes, etc. These transactions have no associated operating or infrastructure cash flows reflected in other items in this table. Lease movements are matched by changes in (non-debt) related right-of-use assets and have no associated operating or infrastructure cash flows reflected in other items in this table.

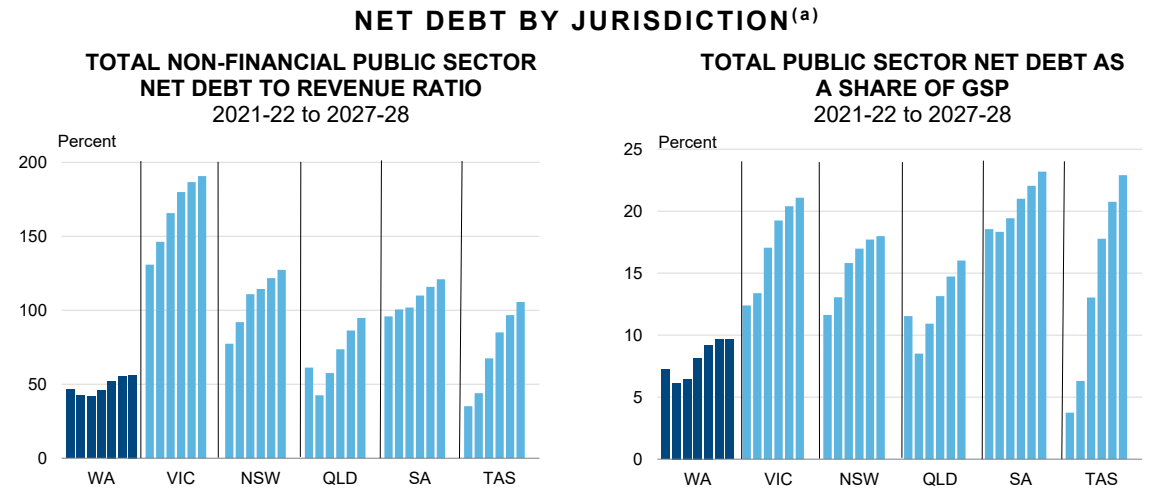
(d) Amount less than \$500,000.

Note: Columns may not add due to rounding.

Net debt at 30 June 2027 is forecast to be \$39.8 billion – \$1.7 billion higher than forecast in the Mid-year Review. This primarily reflects additional infrastructure investment in this Budget, with asset investment \$1 billion higher across the four years to 2026-27 compared to Mid-year Review. The cash impact of the general government sector operating changes (outlined earlier) increases net debt by a further \$872 million over the same period since Mid-year Review.

Despite the projected rise across the forward estimates period, total public sector net debt is forecast to reach just 9.7% of the State's economy (GSP) by 2027-28. This is slightly lower than forecast at Mid-year Review (10% in 2026-27), and is much lower relative to other States (see following figure).

Figure 4



(a) Data for other States from 2023-24 Mid-year Review publications. Net debt levels shown for New South Wales, Queensland and South Australia are for the total non-financial public sector as total public sector forecasts are not published by these jurisdictions.

Government Financial Strategy Statement

The Government's financial strategy is focused on the achievement of general government operating surpluses through careful management of recurrent expenditure, and applying these surpluses to investment in the State's future. This strategy is operationalised through the Government's financial targets.

Financial Targets

The Government's financial targets are to:

- maintain a net operating surplus for the general government sector on average over the forward estimates period;
- maintain disciplined general government expense management by:
 - delivering public sector wages outcomes in line with Government wages policy; and
 - ensuring key service delivery agency recurrent spending outcomes are in line with budgeted expense limits in Resource Agreements; and
- maintain or increase the net worth (i.e. net assets) of the total public sector.

All of the Government's financial targets are forecast to be met across the period 2023-24 to 2027-28 except for the expense management target in 2023-24 to keep recurrent spending in line with budgeted expense limits. The higher than budgeted expenses in 2023-24 reflect spending to meet cost and demand pressures associated with the State's rapid population growth.

Table 6

2024-25 BUDGET FINANCIAL TARGET COMPLIANCE

	2023-24 Estimated Actual	2024-25 Budget Year	2025-26 Outyear	2026-27 Outyear	2027-28 Outyear
Maintain a net operating surplus for the general government sector on average over the forward estimates period					
- General government net operating balance (\$m)	3,158	2,603	2,431	2,833	2,458
- 2024-25 Budget compliance	Yes	Yes	Yes	Yes	Yes
Maintain disciplined general government expense management through:					
- delivering public sector wages outcomes in line with Government wages policy					
- 2024-25 Budget compliance	Yes	Yes	Yes	Yes	Yes
- ensuring key service delivery agency recurrent spending outcomes are in line with budgeted expense limits in Resource Agreements					
- 2024-25 Budget compliance	No	Yes	Yes	Yes	Yes
Maintain or increase net worth of the total public sector					
- Total public sector net worth (\$b)	159.6	164.8	169.5	173.9	177.9
- 2024-25 Budget compliance	Yes	Yes	Yes	Yes	Yes

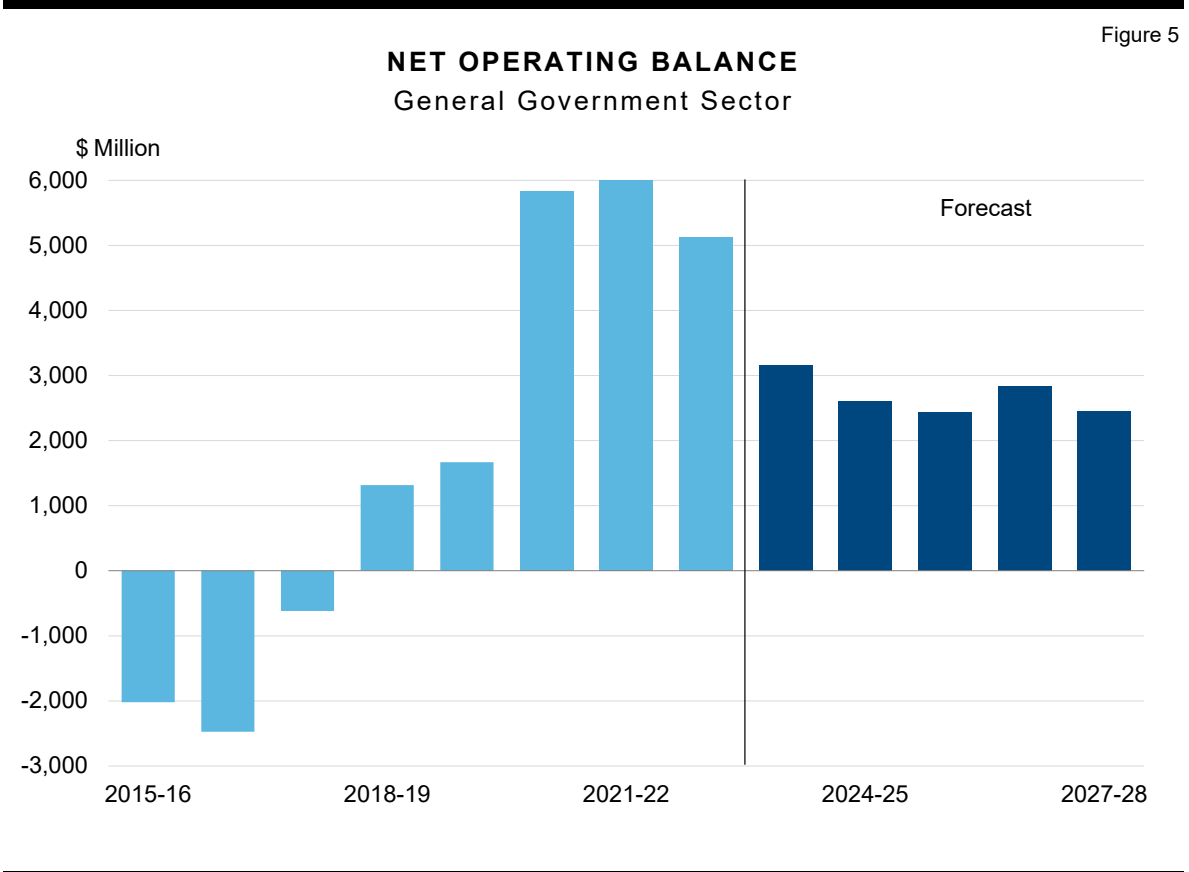
Maintain a net operating surplus for the general government sector on average over the forward estimates period

This target is forecast to be met in each year from 2023-24 to 2027-28.

The net operating balance for the general government sector is the State’s headline Budget measure. An operating surplus indicates that the delivery of day-to-day services can be financed from revenue generated during the financial year. Operating surpluses provide an important non-debt source of funding for the AIP.

This Budget forecasts an operating surplus of \$2.6 billion for 2024-25, which follows an estimated \$3.2 billion surplus in 2023-24. Operating surpluses between \$2.4 billion and \$2.8 billion are projected in each of the outyears. The general government sector has maintained an operating surplus position since 2018-19.

Figure 5



Maintain disciplined general government expense management

The Government's expense management target is measured by two criteria, as detailed below. Wage outcomes in 2023-24 have been met within the parameters of the Government's Wages Policy. This is also expected to be achieved in 2024-25. Reflecting the impact of high demand for the services provided by several agencies, the recurrent spending component of the target is not expected to be met in 2023-24. All agencies are expected to comply with their Resource Agreement targets for 2024-25.

Delivering public sector wages outcomes in line with Government wages policy

Wage outcomes are forecast to be in line with the Government's wages policy in 2024-25 and each of the outyears. At the 8 April 2024 cut-off date for this Budget, there were numerous agreements under negotiation, including those for teachers, transit officers, and police officers. Agreements for prison officers and miscellaneous public sector employees are due to expire in June 2024.

EXPIRING KEY INDUSTRIAL AGREEMENTS (a)

Table 7

Agreement	Employees (b)	Expiry Date	Status
2023-24			
PTA Transit Officers	314	6 Oct 2023	Under Negotiation
School Teachers and Administrators	28,753	5 Dec 2023	Under Negotiation
TAFE Lecturers	2,606	15 Dec 2023	Under Negotiation
VenuesWest	495	31 Dec 2023	Under Negotiation
Arts and Culture Trust	349	31 Dec 2023	Under Negotiation
Main Roads Salaried Officers	1,081	31 Jan 2024	Under Negotiation
Prison Officers	2,915	10 Jun 2024	Upcoming Agreement
Public Servants and Government Officers	33,365	12 Jun 2024	Under Negotiation
Social Trainers	442	12 Jun 2024	Under Negotiation
School Support Officers	4,821	12 Jun 2024	Under Negotiation
Insurance Commission Employees	473	12 Jun 2024	Under Negotiation
AWU Miscellaneous Public Sector Employees	453	30 Jun 2024	Upcoming Agreement
WA Health PACTS (Health Salaried Officers)	22,738	30 Jun 2024	Under Negotiation
WA Police	6,905	30 Jun 2024	Under Negotiation
2024-25			
Hospital Support Workers	6,307	4 Aug 2024	Under Negotiation
WA Health System Medical Practitioners	5,500	2 Sep 2024	Under Negotiation
Enrolled Nurses	3,518	6 Oct 2024	Under Negotiation
Registered Nurses	20,794	11 Oct 2024	Upcoming Agreement
PTA Salaried Officers	1,326	26 Oct 2024	Upcoming Agreement
WA Police Auxillary Officers	360	1 Nov 2024	Upcoming Agreement
Government Services (Miscellaneous)	4,674	31 Dec 2024	Under Negotiation
Education Assistants	11,859	31 Dec 2024	Under Negotiation
PTA Train Drivers	365	16 Mar 2025	Upcoming Agreement
Firefighters	1,250	8 Jun 2025	Upcoming Agreement

(a) Includes key agreements that cover more than 300 employees.

(b) Number of employees have been updated since the 2023-24 Mid-year Review to align with employee numbers contained in industrial agreements published by the Western Australian Industrial Relations Commission.

Ensuring key service delivery agency recurrent spending outcomes are in line with budgeted expense limits in Resource Agreements

This target is met when key service delivery agencies’ recurrent spending outcomes are within 2% of the approved expense limits contained in their Resource Agreements set at the time of the Budget.

Above-budget outcomes in excess of 2% are expected to be recorded for four key agencies in 2023-24, meaning that this target is not expected to be met in this current financial year⁷. Details on the factors driving these outcomes will be available in the 2023-24 *Annual Report on State Finances*, to be released by 28 September 2024.

The 2024-25 expense limits for the 15 largest appropriation-funded agencies (applicable for this target) are shown in the following table. Progress against these limits will be reported in the 2024-25 Mid-year Review.

2024-25 AGENCY RESOURCE AGREEMENTS		Table 8
	2024-25 Budget Resource Agreement	
	\$m	
WA Health	12,801	
Education	6,833	
Communities	2,797	
Public Transport Authority	2,235	
Commissioner of Main Roads	2,089	
Justice	2,040	
Western Australia Police Force	1,984	
Finance	1,884	
Mental Health Commission	1,453	
Training and Workforce Development	919	
Transport	840	
Primary Industries and Regional Development	665	
Local Government, Sport and Cultural Industries	635	
Biodiversity, Conservation and Attractions	626	
Jobs, Tourism, Science and Innovation	614	

⁷ Agencies in excess of the 2% upper limit for the financial target in 2023-24 are WA Health, the Public Transport Authority, and the Departments of Justice and Biodiversity, Conservation and Attractions.

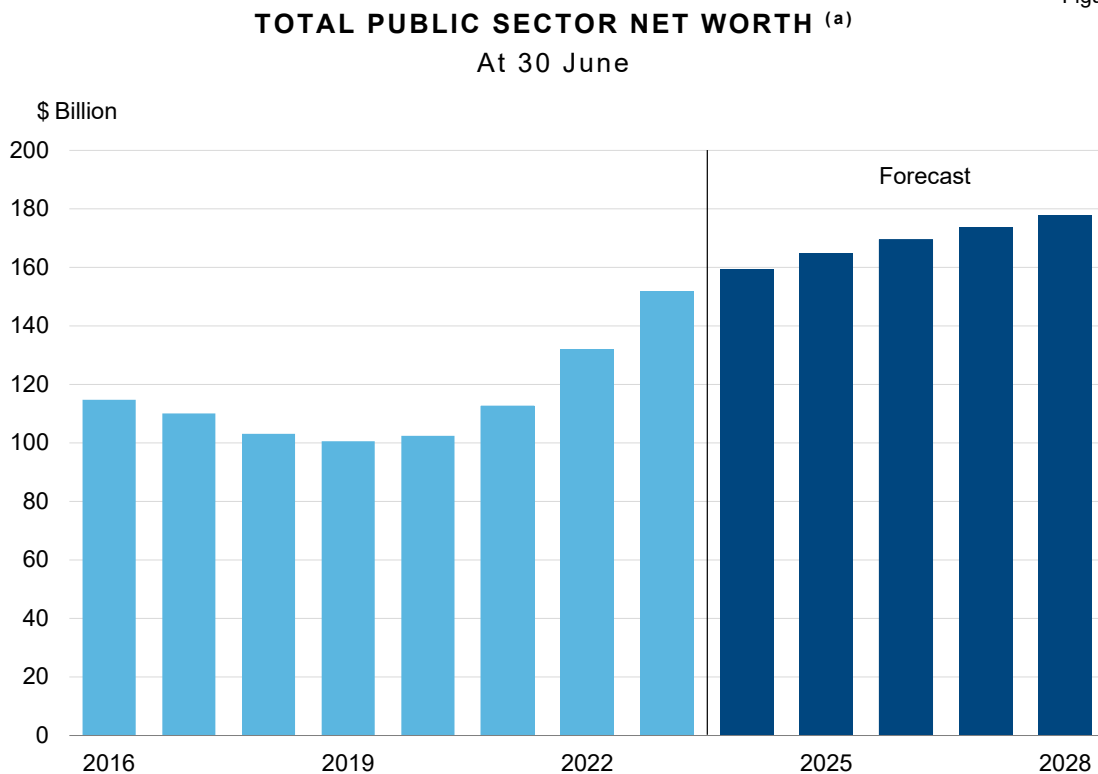
Maintain or increase net worth of the total public sector

This target is forecast to be met in each year over the period 2023-24 to 2027-28.

Net worth is the broadest measure of value on the balance sheet. It represents the combined net value of the total public sector, expressed as the value of total assets less total liabilities.

Net worth is forecast to be \$177.9 billion by 30 June 2028. This includes annual increases totalling \$18.3 billion over the four-year forward estimates period. The projected increase in net worth reflects the impact of operating surplus outcomes for the total public sector (particularly the general government operating surplus) and the forecast value of non-financial assets, particularly for land, property, plant and equipment (reflecting growth driven by the State’s investment in infrastructure).

Figure 6



(a) For comparability, prior years up to and including 2018-19 have been adjusted for accounting standards changes which took effect from 2019-20.

Statement of Risks

The inherent uncertainties associated with producing forecasts for an approximately \$400 billion economy and a general government sector recurrent budget of over \$43 billion mean that there will always be differences between the forecasts of key aggregates and the final audited results. This Statement of Risks provides an overview of the known issues that have the potential to materially affect the financial projections contained in this Budget.

Revenue Estimates

The revenue estimates are highly sensitive to changes in key economic parameters, including the exchange rate, commodity prices (especially iron ore), employment and wage growth, and house prices and transaction volumes. Approximate annual impacts of changes in these variables are outlined in the following table.

Table 9

APPROXIMATE PARAMETER SENSITIVITY OF REVENUE ESTIMATES
2024-25

	Variability (\$m)	Detail
Royalty income and North West Shelf grants	±127	For each US1 cent decrease/increase in the \$US/\$A exchange rate (royalty income is inversely related to the \$US/\$A exchange rate).
Iron ore royalties	±94	For each \$US1 per tonne increase/decrease in the price of iron ore.
Petroleum royalties and North West Shelf grants	±7	For each \$US1 increase/decrease in the price of a barrel of oil.
Payroll tax	±58	For each 1% increase/decrease in taxable wages or employment growth (i.e. the total wages bill).
Underlying transfer duty		
• Prices	±29	For each 1% increase/decrease in average property prices.
• Transactions	±19	For each 1% increase/decrease in transaction levels.

State Taxes

Payroll Tax

The mining industry is the largest direct contributor to payroll tax of all industries. Any material changes in activity and employment in this sector (e.g. as a result of changes in commodity prices or economic conditions in key trading partners like China) would substantially impact payroll tax collections.

Total Duty on Transfers

Residential property transactions are the largest contributor to total transfer duty. Both the number of residential property transactions and prices are susceptible to fluctuations in market sentiment and are therefore inherently volatile and difficult to forecast. Strong population growth and demand for housing in recent years have led to a sharp rise in prices. If tight market conditions persist, further pressure on property prices presents an upside risk to transfer duty.

A change in the number or size of high value commercial transactions (such as transfers of mining tenements or commercial property), which are inherently difficult to anticipate, also presents risks (both upside and downside) to the transfer duty outlook.

Royalty Income

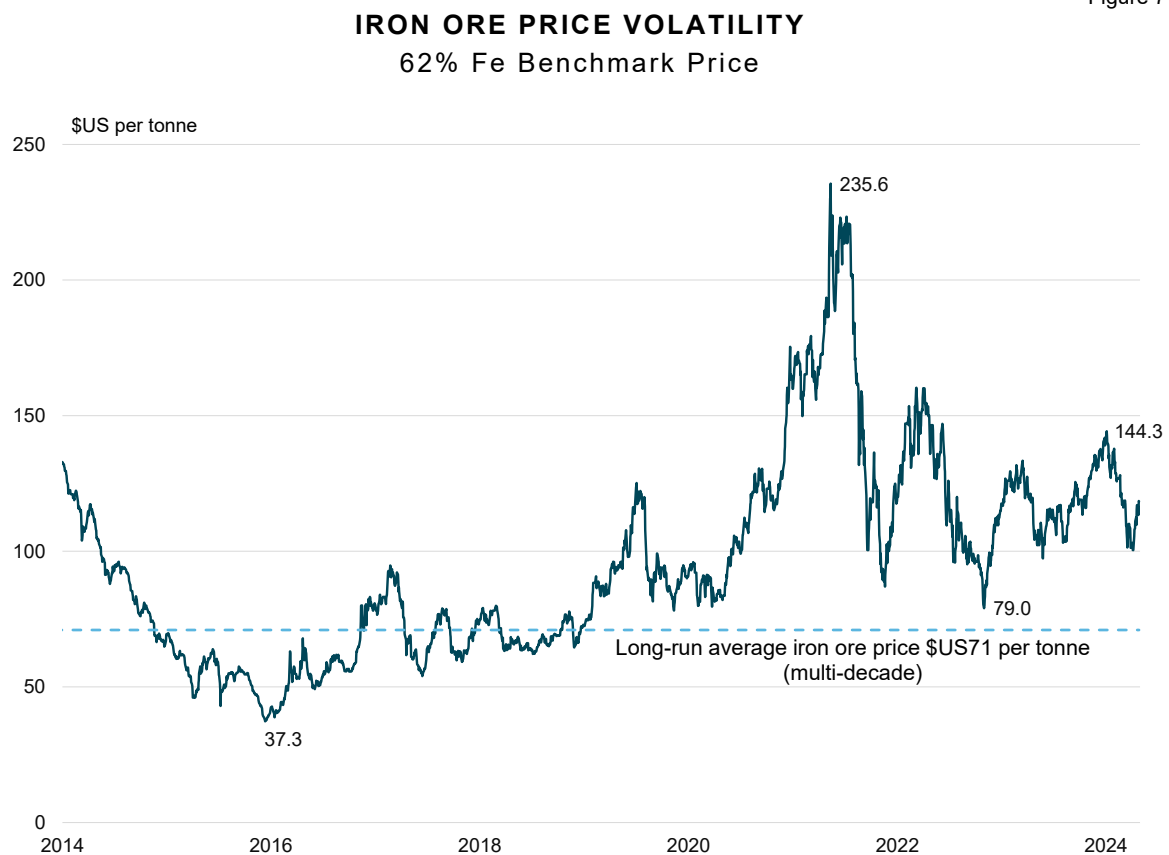
Movements in the iron ore price and exchange rate represent the largest risks (both upside and downside) to general government revenue, as the majority of Western Australia's commodities are sold through international markets and are priced in US dollars.

The iron ore market is highly concentrated, with China accounting for around 70% of global imports, making the market susceptible to changes in economic conditions and policies in one country. This has resulted in the inherent price volatility seen in recent years.

The iron ore price reached an 18-month high of \$US144 per tonne in early January 2024. It subsequently fell back to \$US101 per tonne by the middle of March 2024 in response to weak downstream steel demand and rising iron ore inventory levels in China, but has partially rebounded since the 8 April Budget cut-off date.

To mitigate against this inherent volatility, this Budget continues the Government's conservative approach of assuming that the iron ore price will revert to its long-run average (revised to \$US71 per tonne in this Budget, consistent with a broadly equivalent increase implemented in the Commonwealth's 2023-24 Budget) over the next six months (i.e. from November 2024).

Figure 7



Source: Argus Media.

Commonwealth Grants

The Commonwealth’s 2024-25 Budget will be released after the 8 April 2024 Budget cut-off date. The State Budget may therefore reflect different assumptions from those of the Commonwealth in some areas.

GST Grants

Despite the GST ‘floor’ introduced as part of the 2018 GST distribution reforms, there is substantial scope for the State’s GST grants to change in response to variations in the national GST pool and the State’s population share.

This Budget uses projections of the national GST pool and each State’s population growth estimates from the Commonwealth’s 2023-24 *Mid-Year Economic and Fiscal Outlook*. There is a risk that national GST collections could vary from those currently projected as they are dependent on national economic conditions.

From 2026-27, Western Australia's GST share is expected to be above the 75% floor and is dependent on the pre-reform relativities of New South Wales, Victoria and Western Australia. This is because, under the GST reforms, Western Australia's relativity is raised towards the lower of the New South Wales and Victorian relativities. For example, a substantially lower than expected relativity for New South Wales for 2024-25 resulted in a \$1.5 billion write-down in expected GST grants for Western Australia over 2026-27 and 2027-28.

The Commonwealth Grants Commission (CGC) is currently undertaking a review of its methods for calculating the recommended distribution of GST grants. This review will be completed in February 2025 and will apply from 2025-26 onwards. While the review could alter Western Australia's final GST share, it cannot change the protections provided under the 2018 GST reforms.

However, a risk arises from the Productivity Commission's review of the 2018 GST distribution reforms. Any changes that may be implemented by the Commonwealth Government in response to the Productivity Commission's review (due by the end of 2026) may alter the protections provided under those reforms, thereby altering Western Australia's GST share from 2027-28. It is noted, however, that National Cabinet agreed in December 2023 to extend current GST 'no worse-off' arrangements for a further three years, until the end of 2029-30.

Expiring Commonwealth Tied Grants

The Budget includes funding for more than 60 tied grant agreements with the Commonwealth Government that involve State Government policy responsibilities over the period 2023-24 to 2027-28. There is also a range of generally more prescriptive agreements in relation to Commonwealth own-purpose spending programs.

Agreements involving State policy responsibilities take the form of National Agreements (e.g. National Health Reform Agreement), Schedules to five overarching Federation Funding Agreements, and some bespoke arrangements. They provide funding for core services, delivery of specific projects, improvements in service delivery and reform.

While a number of (particularly larger) tied grant agreements have an ongoing Commonwealth commitment, many smaller agreements operate for a limited period (which may be as short as one year) without assurance of renewal. In the absence of likely ongoing Commonwealth commitment, it is generally assumed that there is no continued funding past an agreement's expiry date, and that the additional, or enhanced services, generated by the agreement will also cease.

Further details are provided in Appendix 12: *Commonwealth Tied Grants*.

Significant Agreements Under Negotiation

National Health Reform Agreement

The current Addendum to the National Health Reform Agreement (NHRA) is due to expire on 30 June 2025. Following a decision by National Cabinet in December 2023, negotiations on a new Addendum are underway. This Budget assumes the continuation of funding under the NHRA over the forward estimates in line with existing arrangements, as negotiations for the new Addendum are not yet finalised.

National School Reform Agreement: Better and Fairer Schools Agreement

The National School Reform Agreement (NSRA) is due to expire on 31 December 2024. In January 2024, Western Australia signed a Statement of Intent for a Better and Fairer Schools Agreement (BFSA). As negotiations are ongoing on the BFSA, this Budget assumes the continuation of funding over the forward estimates period on terms consistent with existing arrangements.

National Housing and Homelessness Agreement

Western Australia's bilateral Schedule to the National Housing and Homelessness Agreement (NHHA) is due to expire on 30 June 2024. Negotiations are underway regarding a new NHHA. However, as negotiations have yet to be finalised, this Budget assumes the continuation of funding over the forward estimates period consistent with the current NHHA.

Commonwealth Funding for Jointly Funded Transport Projects

This Budget assumes that the State will receive additional Commonwealth funding for market-driven cost increases across a range of jointly funded major transport projects, with matched State funding contributions for these projects also budgeted for.

At the time of drafting, the State Government had not received formal written confirmation regarding the Commonwealth funding. However, given the projects are all existing joint commitments that are in delivery, the funding has been assumed in the forward estimates in line with each project's existing funding arrangements. It is anticipated that this will be confirmed in the Commonwealth's 2024-25 Budget and/or 2024-25 *Mid-Year Economic and Fiscal Outlook*.

Spending Risks

Independent Review of the National Disability Insurance Scheme (NDIS Review) and Disability Royal Commission

Significant reform of the national disability service system is anticipated, arising from recommendations from the NDIS Review and Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability.

This involves redesigning the delivery of disability services across Australia and changes to the roles and responsibilities of all levels of Government, including implementation of new foundational supports, alongside the NDIS and mainstream services.

As the potential cost imposed on Western Australia of the proposed disability support ecosystem is still unknown, any financial implications associated with implementation of the recommendations will be considered by the Government as part of future Budget processes.

Of note, Western Australia's transition agreement for the NDIS expired on 30 June 2023, with negotiations for the next agreement likely to be impacted by the proposed reforms. This Budget assumes that Western Australia's contributions to the NDIS will continue on terms consistent with the transition agreement over the forward estimates.

Interest Rates

The Consolidated Account interest cost forecasts incorporated in this Budget are based on projections for Consolidated Account borrowings and the Western Australian Treasury Corporation's (WATC's) expected outlook for interest rates.

These interest rate expectations are anchored by an average of WATC's, and each of the 'Big 4' Australian banks', expectations for the future path of the Reserve Bank of Australia's cash rate and Australian Government Bond 3 year and 10 year fixed rates. WATC also produces a 'high' scenario to allow sensitivities to be calculated. The approach to producing the 'high' path is to add an increasing spread to the 'expected' path for each point across the interest rate maturity curve (i.e. 90 days, 180 days, 3 years, 5 years and 10 years) at each successive quarter.

The table below provides a comparison of the interest rate outcomes under the 'expected' and 'high' interest rate paths. As indicated, average effective annual interest rates are between 12 and 78 basis points higher over 2024-25 to 2027-28 and annual Consolidated Account interest expenses are \$182 million per annum higher by 2027-28, under the 'high' scenario.

CONSOLIDATED ACCOUNT INTEREST RATE SCENARIOS				
	2024-25	2025-26	2026-27	2027-28
'Expected' (%)	3.45	3.31	3.34	3.38
'High' (%)	3.57	3.61	3.86	4.16
Variance (Basis Points)	12	30	52	78
Variance (\$m)	26	64	115	182

Nurse/Midwife-to-Patient Ratios

To ensure safe and sustainable workloads for Nurses and Midwives, the Government has committed to a phased transition from a Nursing Hours per Patient Day workload monitoring system to a Nurse/Midwife-to-Patient Ratios staffing model. The first stage will see Nurse/Midwife-to-Patient Ratios implemented across general medical and surgical wards in the metropolitan area over a twelve-month period.

2024-25 Economic and Fiscal Outlook

While initial modelling has estimated the staffing levels required to adhere to Nurse/Midwife-to-Patient Ratios, any potential financial impacts and resulting funding requirements will be informed by the roll-out of the first stage.

Asset Investment Program (AIP)

This Budget includes a record \$12.1 billion AIP in 2024-25 and a total \$42.4 billion over the four years to 2027-28.

Delivery of the Government's unprecedented pipeline of works continues to be affected by global and national supply chain volatility (stemming from geopolitical tensions), construction market capacity constraints and population growth driving up demand for infrastructure to support public services. Projects continue to experience rising costs, including from labour and skills shortages, scarcity of construction materials and delays in equipment delivery. These sustained and challenging market conditions increase the risk of project delays and/or spending increases.

The Budget includes a global smoothing provision to redistribute some AIP spending from 2023-24 and 2024-25 into the outyears to account for unforeseen and unavoidable delays that can affect project delivery and spending.

The Government continues to work with the construction industry to implement innovative procurement approaches, increase productivity and improve the long-term sustainability of the State's infrastructure delivery.

Decarbonisation

In June 2022, the Government announced its plan for the gradual retirement of the State's coalfired power stations by 2030 to meet the Government's net zero emissions target by 2050. This Budget includes an additional \$324 million investment by Western Power to commence planning and scoping works and long lead commitments for new transmission infrastructure. Since 2017, the Government has allocated more than \$5.4 billion for decarbonisation initiatives. Additional investment to support the remaining components of the plan will be considered as part of future Budget processes and will be informed by updated market information, including any changes in private electricity generation activity.

Investments by industry, including into new generation and storage, are also anticipated to increase as stakeholders manage their own transition towards lowering emissions from their operations. This may require supporting infrastructure investment by the State's electricity network operators, retailers and generators that will have an impact on the State's finances. The extent of the financial impact will be investigated on a project-by-project basis and will depend on a number of factors including the financing and cost-recovery arrangements pursued and the life of the assets.

RiskCover Premiums

Western Australian Government agencies contributing to the RiskCover Fund are provided with financial protection through self-insurance and reinsurance cover that is designed to meet the diverse needs of the public sector. The cover is designed to protect agencies against liabilities arising from the risk of injuries to employees, damage to property and legal liability arising from the wide range of activities and services delivered to the community.

Workers' compensation, property, liability and cyber premiums have increased over recent years due to the higher number of claims and their quantum, increased scope and value of risks covered, and reinsurance costs. The workers' compensation claims pool has also experienced a sustained increase in the proportion of long-duration claims associated with increased severity of injury.

As part of this Budget, additional funding has been provided to several agencies facing immediate and unavoidable premium increases. In addition, an independent review of a selection of agencies has been undertaken considering workplace injury management practices, and the impact on RiskCover Fund premiums. The Department of Treasury is currently examining the recommendations of this review in consultation with the agencies involved, and implementation options will be provided to the Government.

Contingent Assets and Liabilities

Contingent assets usually consist of the potential settlement of lawsuits of contractual claims. Typically, contingent liabilities consist of guarantees, indemnities and sureties, as well as legal and contractual claims. They constitute a potential risk or benefit to the financial projections should they eventuate.

The disclosures below update previous contingent assets and liabilities disclosed over the last year. A more comprehensive update of contingencies will be disclosed in the 2023-24 *Annual Report on State Finances*, due for release by 28 September 2024.

Physical and Sexual Abuse Insurance Coverage for Non-Government Providers of Out-of-Home Care and Youth Accommodation Services

Since 2021, Non-Government Organisations (NGOs) delivering out-of-home care (OOHC) and youth homelessness accommodation services on behalf of the State have reported difficulties in renewing and obtaining insurance against Physical and Sexual Abuse (PSA) claims. This has adversely impacted the OOHC and youth homelessness sectors, where several NGOs have indicated the inability to obtain PSA coverage might result in the cessation of services.

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To ensure continued service delivery, the Government has approved an interim solution through the provision of temporary indemnities to NGO providers of State-funded OOHC and youth accommodation services against PSA claims up to 30 June 2024, with an extension currently being considered. This provides certainty to NGO providers. This interim response creates an unquantified contingent liability for the State regarding potential future damages from events occurring within the indemnity period. Any additional costs to the State will be assessed and funded on an emerging basis should any claims be made and settled, noting no claims have been lodged to date.

Long Service Leave for Casuals

The Western Australian Industrial Relations Commission has issued declarations that impact long service leave (LSL) entitlements for casual public sector employees in Western Australia. The number of public sector casuals who may have historical or current LSL entitlements is currently unclear. Further work with public sector agencies to identify casuals who may have LSL entitlements is ongoing, with the quantum and financial implications of these entitlements to be addressed on an emerging basis.

General Government Revenue

HIGHLIGHTS

- General government revenue is forecast to total \$46.2 billion in 2024-25, an increase of \$1.1 billion or 2.5% from 2023-24. This is a slower rate of growth than the 4.7% revenue growth recorded in 2022-23 and the 3.4% growth estimated for 2023-24, primarily reflecting:
 - an expected moderation in property market activity (and associated transfer duty revenue) in 2024-25, from the very high levels of activity and price growth experienced in 2023-24; and
 - the Government's conservative budgeting assumption that the iron ore price (estimated to average \$US116.1 per tonne over 2023-24) will revert to its long-run average from November 2024.
- This Budget incorporates a revised long-run iron ore price assumption of \$US71 per tonne, up from \$US66. This remains a conservative assumption, with the revision reflecting strength in the iron ore price over recent years and movements in the global cost curve for iron ore producers. It is also consistent with a very similar revision implemented by the Commonwealth in its 2023-24 Budget.
- Western Australia's GST grants are projected to increase by \$847 million in 2024-25, including as a result of an increase in the GST 'floor' from 70% to 75% of the State's population share of the national GST pool. However, Western Australia's GST grants have been reduced by \$1.5 billion in the outyears due to a lower than expected relativity for New South Wales. Even at the higher 75% floor, Western Australia continues to provide by far the largest net fiscal subsidy to the Federation of all States and Territories.
- The 2024-25 Budget includes an important measure to assist first home buyers, with the existing property value threshold for a full transfer duty exemption increased from \$430,000 to \$450,000, and the threshold for a concessional rate of duty increased from \$530,000 to \$600,000. This will provide an additional saving of up to \$7,182 for almost 5,000 first home buyers per year.

Introduction

Following estimated growth of \$1.5 billion or 3.4% in 2023-24 (to reach \$45.1 billion), general government revenue is forecast to be relatively flat across the forward estimates period (remaining at \$45.1 billion in 2027-28). This mainly reflects:

- a significant decline in tied grants from the Commonwealth after 2024-25, as finite funding for certain initiatives and projects ceases;
- the Government's conservative budgeting assumption that the iron ore price will revert to its long-run average (updated to \$US71 per tonne in this Budget) from November 2024;
- an assumption that the \$A/\$US exchange rate will increase to its five-year average of US70 cents by the end of the forward estimates (a higher exchange rate reduces the State's royalty income); and
- an expectation that property market activity (and associated transfer duty revenue) will moderate from 2024-25, and demand for motor vehicles (and associated vehicle licence duty) will unwind from post-pandemic highs.

The following table summarises the general government revenue forecasts underpinning this Budget.

Table 1

GENERAL GOVERNMENT
Operating Revenue

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
Level (\$m)						
Taxation	12,427	13,508	13,577	13,949	14,427	14,943
Commonwealth grants	14,898	14,980	18,119	15,849	15,630	15,706
Sales of goods and services	3,296	3,139	3,236	3,246	3,331	3,421
Interest income	333	373	342	269	304	266
Revenue from public corporations	850	1,017	2,473	2,628	2,760	2,751
Royalty income	11,045	11,243	7,773	7,488	7,446	7,358
Other	752	815	674	685	663	668
Total	43,601	45,075	46,194	44,113	44,561	45,113
Annual Growth (%)						
Taxation	6.8	8.7	0.5	2.7	3.4	3.6
Commonwealth grants	10.7	0.5	21.0	-12.5	-1.4	0.5
Sales of goods and services	8.9	-4.8	3.1	0.3	2.6	2.7
Interest income	161.1	12.1	-8.2	-21.5	13.0	-12.3
Revenue from public corporations	-44.0	19.7	143.0	6.3	5.0	-0.3
Royalty income	-0.4	1.8	-30.9	-3.7	-0.6	-1.2
Other	-5.9	8.3	-17.2	1.6	-3.2	0.6
Total	4.7	3.4	2.5	-4.5	1.0	1.2

Note: Columns may not add due to rounding.

The remainder of this chapter focuses on new revenue measures implemented since the 2023-24 Mid-year Review, and the detailed basis for the estimates through to 2027-28 in each of the major revenue categories.

Revenue Measures

New measures implemented in the lead-up to, or as part of, the 2024-25 Budget are outlined below. In addition to these measures, a number of tariffs, fees and charges have been amended in this Budget. These are outlined in Appendix 8: *Public Corporations and Major Tariffs, Fees and Charges*.

Table 2

SUMMARY OF REVENUE MEASURES IN THE 2024-25 BUDGET

	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m	Total \$m
Revenue Measures						
First Home Owner Transfer Duty Concession	-	-20.0	-20.8	-21.2	-20.4	-82.3
Removal of Road User Charge for Zero and Low Emissions Vehicles	-	-	-	-	-	-
Total	-	-20.0	-20.8	-21.2	-20.4	-82.3

Note: Columns may not add due to rounding.

First Home Owner Transfer Duty Concession

For agreements entered into from 9 May 2024, first home buyers of established properties will receive a full transfer duty exemption for purchases up to \$450,000 (up from \$430,000) and a concessional rate of duty for purchases up to \$600,000 (up from \$530,000). This measure is estimated to reduce transfer duty revenue by \$82.3 million across the forward estimates period.

Around 4,800 first home buyers per annum are expected to benefit from this change, with an average additional saving of \$4,163 and a maximum saving of \$7,182.

The new duty arrangements are expected to be implemented by 1 July 2024 following required legislation and systems changes. First home buyers who pay duty on agreements entered into between 9 May 2024 and the policy being implemented will be eligible for a refund as necessary.

The existing thresholds for purchases of vacant land by first home buyers (a full duty exemption up to \$300,000 with a concessional rate of duty for purchases up to \$400,000) remain unchanged.

Removal of Road User Charge for Zero and Low Emission Vehicles

In the 2022-23 Budget, the State Government announced it would implement a per kilometre road user charge on electric, hydrogen, or plug-in electric vehicles registered in Western Australia from 1 July 2027, similar to a scheme under operation in Victoria.

However, on 18 October 2023, the High Court of Australia ruled Victoria's distance-based road user charge applying to low emissions vehicles as unconstitutional (the Vanderstock decision), declaring it imposed a duty of excise, for which the Commonwealth has exclusive rights.

Following the High Court's Vanderstock decision, the State Government has decided not to proceed with its planned road user charge on zero and low emissions vehicles, noting the Commonwealth Government will need to consider the future decline in fuel excise revenue.

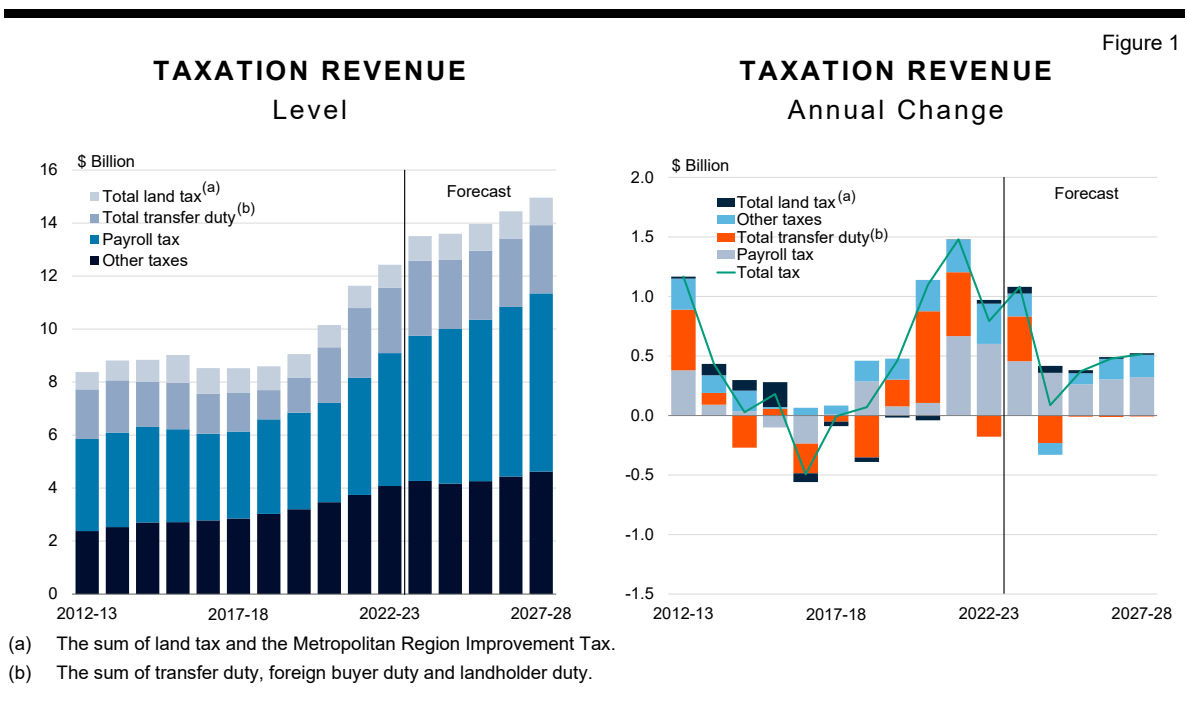
This decision will have no financial impact, as previous Budgets did not include revenue from the anticipated road user charge given it was not expected to be implemented until 2027-28 (outside of previous forward estimate periods). Other measures previously announced by the State Government to support the transition to zero and low emissions vehicles, including rebates of \$3,500 on the purchase of eligible vehicles and electric vehicle grants to support fast charging infrastructure, remain unaffected.

Taxation Revenue

Summary

Taxation revenue is anticipated to broadly stabilise in 2024-25, growing by just 0.5% (or \$69 million) to \$13.6 billion. This follows strong growth averaging 9.5% per annum over the five years to 2023-24. The forecast taxation levels in 2024-25 are underpinned by robust growth in payroll tax, and modest increases in revenue from vehicle registrations, land tax and insurance duty. This is partly offset by an expected return to more typical levels of revenue from high value commercial property transactions, and a decline in vehicle licence duty (due to anticipated easing in demand for motor vehicles).

Over the three years to 2027-28, taxation revenue is forecast to grow by an average of 3.2% per annum, broadly in line with domestic economic conditions.



Detail

Payroll Tax

Payroll tax is expected to grow by 9.1% in 2023-24, moderating from 13.6% growth in 2022-23 and 17.8% in 2021-22. Growth in payroll tax in recent years has been supported by strong employment growth, particularly in the high wage resources sector.

The easing in growth in 2023-24 largely reflects the conclusion of a temporary measure on 30 June 2023, which required Western Australian employers with an Australia-wide, annual taxable payroll exceeding \$100 million to pay a marginal tax rate of 6% (compared to the current 5.5%) on the part of their payroll above \$100 million but less than or equal to \$1.5 billion, and a marginal tax rate of 6.5% on the part of their payroll exceeding \$1.5 billion.

Payroll tax growth is forecast to moderate further to 6.5% in 2024-25, in line with labour market conditions in the State, with employment growth forecast to ease to 1.75% while wages growth remains elevated. Payroll tax collections are then projected to grow by around 5% per year, broadly in line with forecast employment and wages growth.

Taxes on Property

Taxes on property include transfer duty (the State's second largest tax after payroll tax), landholder duty, the foreign buyer duty surcharge, land tax, the Metropolitan Region Improvement Tax (MRIT), the Emergency Services Levy, loan guarantee fees, the Perth Parking Levy, and the Building and Construction Industry Training Fund Levy.

Total Transfer Duty¹

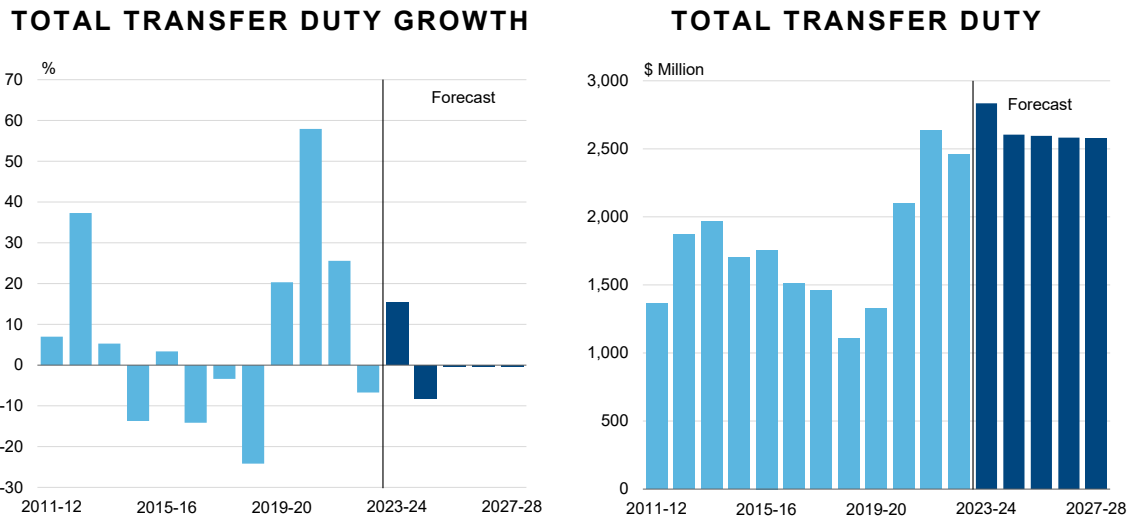
Total transfer duty is estimated to grow by 15.3% (or \$376 million) to reach \$2.8 billion in 2023-24. This reflects a sharp rise in residential property prices, while revenue from large commercial transactions is anticipated to remain at elevated levels seen in 2021-22 and 2022-23.

Duty is forecast to decline by 8.8% (or \$249 million) in 2024-25. This is primarily due to revenue collected from high value commercial property transactions returning to decade average levels. Transfer duty from residential transactions is also anticipated to ease from levels seen in 2023-24 as population growth moderates and housing supply progressively increases.

Over the remaining forecast period, total transfer duty is forecast to remain broadly stable, with the impact of modest increases in median house prices largely offset by a slightly lower number of transfers, including as the rate of turnover of housing slows from currently elevated levels (see figure below).

¹ The sum of transfer duty, landholder duty and foreign buyer duty.

Figure 2



Total Land Tax²

Total land tax collections are forecast to increase by \$58.2 million (or 6.3%) to \$987 million in 2024-25, consistent with a lift in unimproved land values. This growth follows an estimated increase of 6.4% in 2023-24.

Total land tax collections are then forecast to grow by an average of 1.8% per annum in the outyears, in line with expectations that the property market will stabilise across the State.

Other Taxes on Property

Other taxes on property comprise revenue from the Perth Parking Levy, the Emergency Services Levy, loan guarantee fees, and the Building and Construction Industry Training Fund Levy.

Other taxes on property are estimated to remain broadly steady in 2023-24 (increasing by only \$3.1 million or 0.5%), following 8.5% growth in 2022-23. Growth of 3.1% (or \$20.1 million) is forecast in 2024-25, primarily due to a 5% increase in ESL residential charges (see Appendix 8), partially offset by a reduction in revenue from the Building and Construction Industry Training Fund Levy.

In 2025-26 and beyond, other taxes on property are projected to grow by an average of 5.6% per annum.

Taxes on Gambling

Taxes on gambling comprise lotteries, casino, and betting taxes. Due to the prohibition of gaming machines in hotels and clubs in Western Australia, gambling taxes account for a much smaller share of total taxes than in other jurisdictions.

² The sum of land tax and the Metropolitan Region Improvement Tax (MRIT).

2024-25 Economic and Fiscal Outlook

Following an estimated decline of 1.2% in 2023-24, gambling taxes are expected to fall by a further 9.3% (or \$37 million) in 2024-25, in line with softer discretionary spending and an unwinding in gambling activity following a strong increase during the pandemic.

Revenue from gambling is expected to grow modestly in the outyears, by an average of 1.3% per annum.

Taxes on Insurance

Taxes on insurance mainly consist of duty on insurance policy premiums (with a number of key exemptions, including health insurance and life insurance).

Insurance duty collections increased by 13.2% in 2021-22 and 14.9% in 2022-23, coinciding with above-average rises in insurance premiums and buoyant economic conditions, and also boosted by large transactions in 2022-23 (such as compliance activity). Collections are expected to increase by a further 3.6% in 2023-24, with growth slowing from the elevated base in 2022-23.

Growth in duty is forecast to strengthen to 5.2% in 2024-25, in line with the State's growing population and the expectation of further increases in premiums. Across the remaining forecast period, insurance duty is forecast to grow by around 5.3% per year, broadly in line with decade-average growth.

Motor Vehicle Taxes

Motor vehicle taxes predominantly consist of duty from the transfer of vehicles (vehicle licence duty) and annual vehicle registration fees, with permit fees for oversize vehicles and loads also contributing (to a lesser degree).

Vehicle licence duty is estimated to grow by \$91 million (or 13.6%) in 2023-24, supported by a lift in new car sales (as outstanding orders for vehicles are filled) as well as elevated vehicle prices. Since the onset of the pandemic, strong demand for vehicles resulted in duty growing by an average of 19.4% per year over the four years to 2023-24, with the period of elevated growth extended as a result of supply chain challenges (which have now abated).

As demand for vehicles unwinds to more normal levels, vehicle licence duty is projected to fall by a substantial 28.8% in 2024-25 and a further 13.3% in 2025-26. In the remaining outyears, vehicle licence duty is forecast to grow by around 2.6% per year, reflecting a return to more usual market conditions.

Revenue from annual motor vehicle registrations is estimated to rise by \$89 million (or 7.4%) in 2023-24, reflecting an increase in the stock of vehicles and increases in both light and heavy vehicle registration fees. Revenue growth from vehicle registrations and related fees is then expected to moderate to 5.6% in 2024-25 and average around 4.5% per annum in the outyears.

Royalty Income

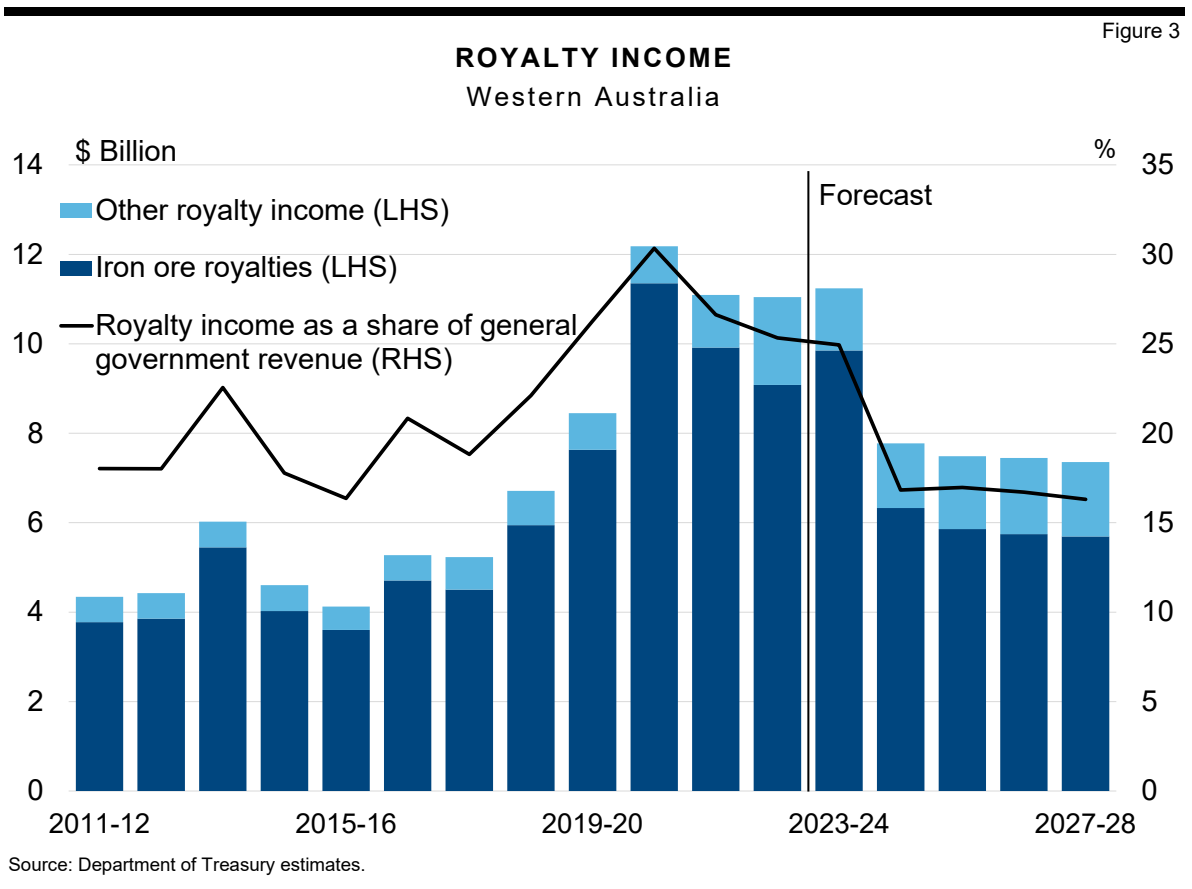
Summary

Royalty income is estimated to reach \$11.2 billion in 2023-24, up \$198 million (or 1.8%) from 2022-23. Over the year, higher iron ore royalties (up \$771 million, primarily due to higher prices) are partly offset by a decline in other royalties (down \$573 million, largely due to a sharp fall in lithium prices).

In 2024-25, royalty income is projected to decline by \$3.5 billion (or 30.9%) to \$7.8 billion. This is primarily due to lower iron ore royalties as the iron ore price is assumed to revert to its long-run average from November 2024. Royalty income is projected to decrease by a further \$285 million (or 3.7%) in 2025-26, largely because the iron ore price is assumed to remain at its long-run average price for the entire year.

Royalty income is then expected to decrease marginally in 2026-27 and 2027-28, primarily as a result of forecast rises in the \$A/\$US exchange rate (reducing the Australian dollar value of royalty payments).

Volatility in commodity prices (particularly the iron ore price) is a significant ongoing risk, as outlined in Chapter 3: *Fiscal Outlook and Strategy*.



Iron Ore Royalty Income

Iron ore royalty income is estimated to increase by \$771 million (or 8.5%) in 2023-24, largely due to a rise in the iron ore price from \$US109.6 per tonne in 2022-23 to an estimated \$US116.1 per tonne in 2023-24. Also contributing to the increased royalties is a decline in the \$A/\$US exchange rate from US67.3 cents in 2022-23 to an estimated US65.5 cents in 2023-24. However, higher shipping deductions³ are expected to provide a partial offset.

In 2024-25, iron ore royalty income is projected to decline by \$3.5 billion (or 35.7%). This largely reflects an assumed decline in the iron ore price from \$US116.1 per tonne in 2023-24 to \$US75 per tonne in 2024-25.

The iron ore price is assumed to reach its long-run (inflation-adjusted) average of \$US71 per tonne from November 2024. Reverting to a long-run average is consistent with recent practice – both in Western Australia’s Budget and the Commonwealth’s Budget. It is considered a prudent budgeting assumption given the highly volatile nature of the iron ore price.

The long-run average price of \$US71 per tonne has been updated since the 2023-24 Mid-year Review (\$US66 per tonne) to incorporate more recent data. This price level is consistent with increases in the costs of production in recent years, which have lifted the price at which a significant proportion of production becomes uneconomic. The magnitude of the upward revision in the long-run price is also consistent with the increase implemented in the Commonwealth’s 2023-24 Budget (also \$US5 per tonne, from \$US64 to \$US69 per tonne on an equivalent CFR basis).

In 2025-26 iron ore royalty income is projected to decline by \$473 million (or 7.5%) as the iron ore price is assumed to remain at its long-run average price for the entire year. Iron ore royalty income then declines by \$113 million in 2026-27 and \$51 million in 2027-28 largely due to a rising exchange rate.

After falling in 2023-24, the \$A/\$US exchange rate is projected to gradually rise over the forward estimates period, to its five-year average level by June 2028.

Iron ore volumes are assumed to be flat in 2023-24 at 862 million tonnes before growing to 886 million tonnes in 2024-25 with the ramp-up of the Iron Bridge and Onslow Iron projects. Volumes are then assumed to rise to 893 million tonnes by 2027-28 as replacement projects add incremental tonnes. Since the 2023-24 Mid-year Review, the iron ore volume assumption for 2023-24 has been lowered by around 5 million tonnes to reflect weather-related and other disruptions.

Iron ore royalty income is forecast to account for 88% of total royalty income in 2023-24, and to average around 79% of total royalty income from 2024-25 onwards.

³ The benchmark iron ore prices referenced in sales typically include cost and freight (CFR) for ore delivered to China, whereas royalties are calculated based on the free on board prices, excluding freight, from Western Australia. As such, projected shipping costs are deducted from benchmark CFR price forecasts in calculating iron ore royalty revenue.

For further detail regarding the outlook for the iron ore market, refer to Chapter 2: *Economic Outlook*.

Other Royalty Income

Royalty income from all other commodities (excluding iron ore) is estimated to fall by \$573 million (or 29.2%) in 2023-24, largely due to lower lithium royalties (down \$621 million, as a result of a sharp decline in the lithium price). Other notable movements are a decrease in nickel royalties of \$33 million (primarily due to a large decline in nickel prices) and a rise in gold royalties of \$76 million (as gold reaches record prices reflecting heightened safe-haven demand). For further detail on the lithium, nickel and gold markets, refer to Chapter 2: *Economic Outlook*.

In 2024-25, royalty income from all other commodities (excluding iron ore) is projected to rise by \$51 million (or 3.6%), with gold royalties rising by a further \$76 million, partly offset by a reduction in lithium royalties of \$44 million.

Royalty income from other commodities is then projected to increase by \$188 million in 2025-26 and \$71 million in 2026-27. These increases largely reflect an expected recovery in lithium prices. In 2027-28, royalty income from other commodities is projected to fall by \$37 million, largely reflecting a decline in gold volumes due to depletions at existing mines.

Table 3

ROYALTY INCOME AND KEY ASSUMPTIONS Western Australia

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
Royalty Income (\$m)						
Iron ore	9,079	9,850	6,329	5,856	5,744	5,693
Lithium	1,043	422	378	520	607	623
Gold	457	533	609	616	581	526
Nickel	138	105	88	95	94	95
Alumina	110	109	99	95	102	108
Copper	57	56	47	58	61	59
Mineral Sands	49	37	56	68	59	53
Petroleum - State component	16	20	33	34	29	25
Other	96	111	134	145	170	176
Total Royalty Income	11,045	11,243	7,773	7,488	7,446	7,358
KEY ASSUMPTIONS						
Exchange rate \$US/\$A (US cents)	67.3	65.5	65.9	67.0	68.2	69.4
Iron ore price (CFR, \$US per tonne)	109.6	116.1	75.0	71.0	71.0	71.0
Iron ore volumes (million dry tonnes)	862	862	886	885	885	893
Crude oil price (\$US per barrel)	86.5	84.4	83.3	77.5	74.1	71.8

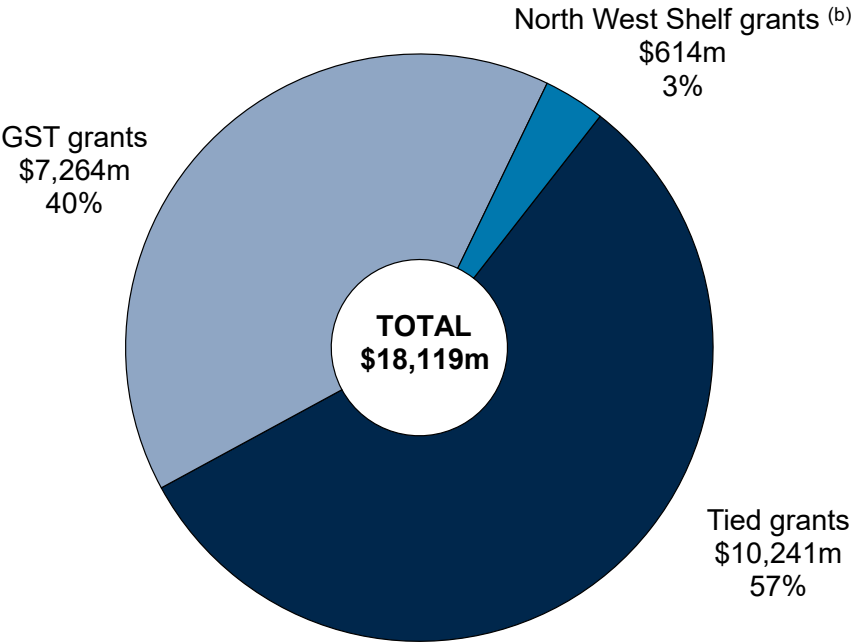
Note: Columns may not add due to rounding.

Commonwealth Grants

Commonwealth grants are estimated to total \$18.1 billion in 2024-25 and account for 39% of total general government revenue. There are no restrictions on the spending of GST grants or North West Shelf grants. Other grants ('tied grants') are provided for specific activities (e.g. health, education, roads and social housing).

COMMONWEALTH GRANTS TO WESTERN AUSTRALIA (a)
2024-25

Figure 4



(a) Includes recurrent and capital grants.

(b) Includes Commonwealth compensation for the removal of the exemption of condensate from crude oil excise.

Note: Segments may not add due to rounding.

Table 4

COMMONWEALTH GRANTS TO WESTERN AUSTRALIA						
	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
General Purpose Grants						
GST grants (\$m)	6,306	6,417	7,264	7,744	8,591	9,090
North West Shelf grants (\$m) ^(a)	1,482	689	614	405	294	233
Total General Purpose Grants (\$m)	7,788	7,106	7,878	8,149	8,885	9,323
Tied Grants (\$m) ^(b)	7,110	7,874	10,241	7,700	6,745	6,383
TOTAL COMMONWEALTH GRANTS (\$m)	14,898	14,980	18,119	15,849	15,630	15,706
Growth (%)	10.7	0.5	21.0	-12.5	-1.4	0.5

(a) Includes Commonwealth compensation for the removal of the condensate exemption from the crude oil excise.

(b) Includes recurrent and capital grants.

Note: Columns may not add due to rounding.

Commonwealth grants are forecast to peak at \$18.1 billion in 2024-25, and then stabilise at just under \$16 billion per annum.

Grants in 2024-25 are particularly impacted by a high level of transport infrastructure grants (up \$1 billion on 2023-24), the one-off payment of Western Australia's allocation under the Commonwealth's DisabilityCare Australia Fund (\$1 billion), growth in GST grants (up \$847 million on 2023-24) and funding for recent natural disasters (up \$346 million).

Across the outyears, transport infrastructure grants are forecast to drop significantly (as major projects are completed), only partially offset by continued growth in GST grants.

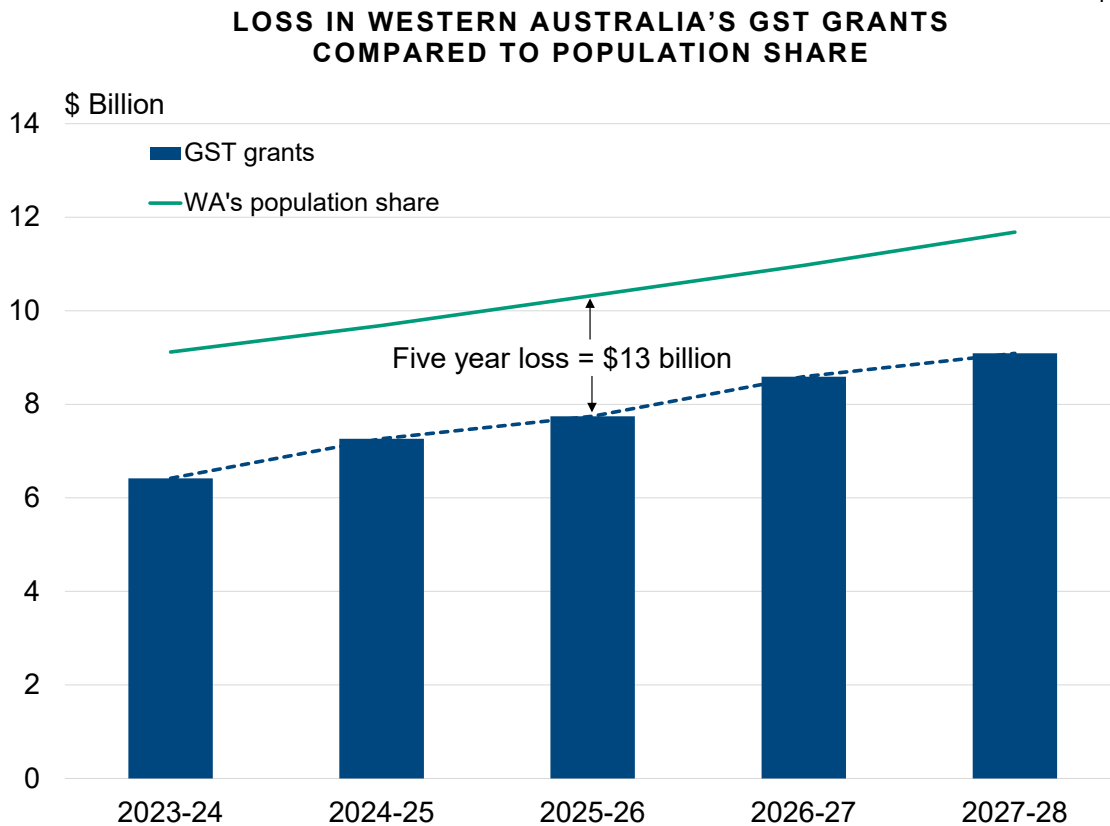
GST Revenue

Western Australia's GST grant is expected to increase to \$7.3 billion in 2024-25, up from \$6.4 billion in 2023-24, reflecting a larger national GST pool and an increase in the minimum share (or 'floor') of GST the State can receive.

The 2018 GST distribution reforms provide that every State will receive a minimum 70% of its population share of the national GST pool, increasing to 75% from 2024-25.

Even with the reforms to the GST distribution, Western Australia will continue to receive far less GST than its population share. Over the five years from 2023-24 to 2027-28, Western Australia will receive \$13 billion less than its population share of the GST (see figure below) – effectively a GST subsidy from Western Australia to other States.

Figure 5



Source: Western Australian Department of Treasury estimates.

Despite the size of this GST subsidy from Western Australia to the other States, it is just one part of the State's overall net contribution to the Federation. For 2022-23 (the latest year of complete data), the Western Australian Treasury estimates the State's net contribution to be \$35.3 billion (see Appendix 11: *Western Australia's Net Contribution to the Federation*).

Forecast of GST Grant

Estimates of Western Australia's GST grant across the forward estimates period are based on:

- projections of GST relativities beyond 2024-25;
- GST pool projections from the Commonwealth's 2023-24 *Mid-year Economic and Fiscal Outlook*; and
- projections of State shares of the national population.

In addition to the relativity floor outlined above, the 2018 GST distribution reforms include a transition over six years to a new equalisation benchmark, eventually ensuring no State's relativity will fall below the lower of New South Wales or Victoria. By 2025-26, Western Australia will be five-sixths along that transition, and fully transitioned in 2026-27.

In line with the reforms, Western Australia's relativity will be raised to the 75% floor in 2024-25. The Western Australian Treasury estimates the State's relativity to be above this floor in 2026-27 and 2027-28, reflecting the transition to the new equalisation benchmark.

Under current forecasts, Western Australia's relativity will be pegged to that of New South Wales from 2026-27. Hence, the extent to which Western Australia's relativity will be above 75% will depend on movements in New South Wales' relativity. During formulation of this Budget, Western Australia's forecast GST grants in the last two outyears (2026-27 and 2027-28) were revised down by a total of \$1.5 billion. This was due to a reduction in New South Wales' forecast relativity in those two years, following finalisation of the Commonwealth Grants Commission's 2024 Update report in March 2024.

Table 5

WESTERN AUSTRALIA'S PROJECTED GST RELATIVITY AND GST SHARE

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
WA GST relativity ^(a)	0.700	0.700	0.750	0.750	0.783	0.778
WA population share (%)	10.8	10.8	10.8	10.8	10.8	10.9
WA share of national GST pool (%) ^(b)	7.6	7.6	8.1	8.1	8.5	8.5

(a) This is the ratio of Western Australia's GST grant to Western Australia's population share of the GST. These figures include the in-system GST floor.

(b) Western Australia's GST share equals Western Australia's population share multiplied by its relativity.

Every State, not just Western Australia, has benefited from high iron ore prices. Compared to the 2018 projections that were used to quantify the initial impact of the GST reforms, the other States can now expect to receive about \$22 billion extra GST over 2020-21 to 2026-27, because of the higher than expected iron ore prices to date. These higher prices have also benefited the Commonwealth's Budget (through higher company tax collections) by more than the increased cost of the GST distribution reforms. For example, the three largest iron ore miners paid \$9.8 billion to the Commonwealth in company tax in 2018-19 on their Western Australian operations, and \$18.8 billion in 2022-23. This increase far outweighs the cost of the reforms.

Commonwealth Grants Commission (CGC) 2025 Methodology Review

The CGC updates GST relativities annually, and undertakes a major review of its methods every five years.

The 2025 Methodology Review Terms of Reference specify that the CGC should consult regularly with the Commonwealth and States to review the methods it uses to calculate the GST distribution. Western Australia has actively engaged with the CGC during this review with evidence-based submissions and representations to support improvement in the CGC's methodologies.

The final report for the review will be released publicly in March 2025.

Current CGC methods that determine the distribution of GST among the States are based on the existing principle of horizontal fiscal equalisation (HFE). The 2025 Review is an important opportunity for the CGC to improve on those methods, including by addressing inherent inequities and perverse incentives. It will not consider the 2018 GST distribution reforms, which will be reviewed, as legislated, by the Productivity Commission.

Although the CGC's 2025 Review will not consider the GST reforms, an outcome that includes more justified methods would result in a fairer overall system and reduce the cost of the reforms to the Commonwealth. The CGC's review will also provide valuable input to the Productivity Commission's review of the GST reforms.

Productivity Commission review of the 2018 GST distribution reforms

The Productivity Commission's 2018 report into Australia's system of HFE acknowledged that the current system results in a redistribution of GST that is too extreme, too complex and has the potential to distort State policies.

In response to the Productivity Commission's findings, the Commonwealth Government developed the 2018 GST distribution reforms. The reforms provide that every State will receive a minimum 70% of its population share of the national GST pool (rising to 75% from 2024-25), and transition over six years to a new equalisation benchmark, ensuring no State's relativity will fall below the lower of New South Wales or Victoria from 2026-27 onwards. The Commonwealth also provides an annual top-up to the GST pool, and a no-worse-off guarantee that no State will receive less funding than they would have under the previous arrangements. This no-worse-off guarantee was extended until the end of 2029-30 at the National Cabinet meeting in December 2023.

The GST reform legislation requires the Productivity Commission to inquire on whether the reforms are operating efficiently, effectively, and as intended, and their fiscal implications on States. Given the critical importance of the GST distribution to the financial stability of the State, additional resources were allocated to the Western Australian Treasury in last year's Budget for the period of the Productivity Commission review. These resources are anticipated to be on-board by the end of 2024 and will support active engagement in the review, with evidence-based submissions and representations to support retention of the reforms.

The Productivity Commission will be required to deliver a final report to the Commonwealth Government by the end of 2026.

North West Shelf Grants

The Commonwealth provides general purpose financial assistance to Western Australia from ad valorem wellhead royalties in respect of the North West Shelf oil and gas project. The Commonwealth collects these royalties because it has jurisdiction over offshore areas. These royalties are shared between the Commonwealth (approximately one-third) and Western Australia (approximately two-thirds).

The Commonwealth also provides compensation to Western Australia for the loss of North West Shelf royalty revenue from a Commonwealth 2008-09 Budget decision to remove the exemption of condensate from crude oil excise, which increased royalty deductions.

In 2024-25, North West Shelf grants⁴ are expected to be \$614 million, a decrease from \$689 million in 2023-24. This is mainly due to a forecast decline in sales volumes of oil, condensate and gas in 2024-25.

Revenue from North West Shelf grants is projected to continue to decline to 2027-28. This is due to the combined impact of lower assumed oil and gas prices and a gradual decline in sales volumes, with the North West Shelf project forecast to process higher volumes of gas sourced from areas outside the revenue-sharing agreement.

Tied Grants

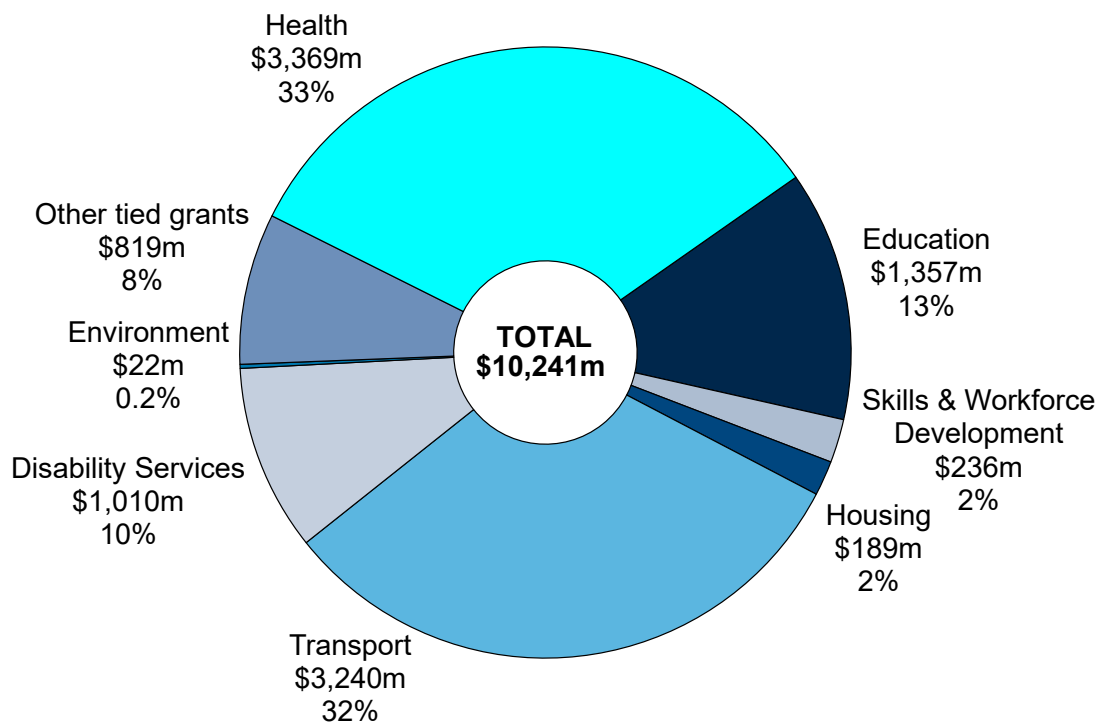
A variety of Commonwealth-State agreements facilitate tied grants for specific services and infrastructure in areas such as health, education, roads and housing. Western Australia is estimated to receive \$10.2 billion in tied grants in 2024-25 (up \$2.4 billion on 2023-24).

A break-down of tied grants by functional activity is provided in the following figure. Further detail is provided in Appendix 2: *General Government Operating Revenue* and Appendix 12: *Commonwealth Tied Grants*.

⁴ Includes Commonwealth compensation for the removal of the exemption of condensate from crude oil excise.

Figure 6

**TIED GRANTS FOR WESTERN AUSTRALIA
2024-25**



Note: Segments may not add due to rounding. Includes grants that the Commonwealth characterises as its own purpose expenditure.

Tied grant funding in 2024-25 comprises:

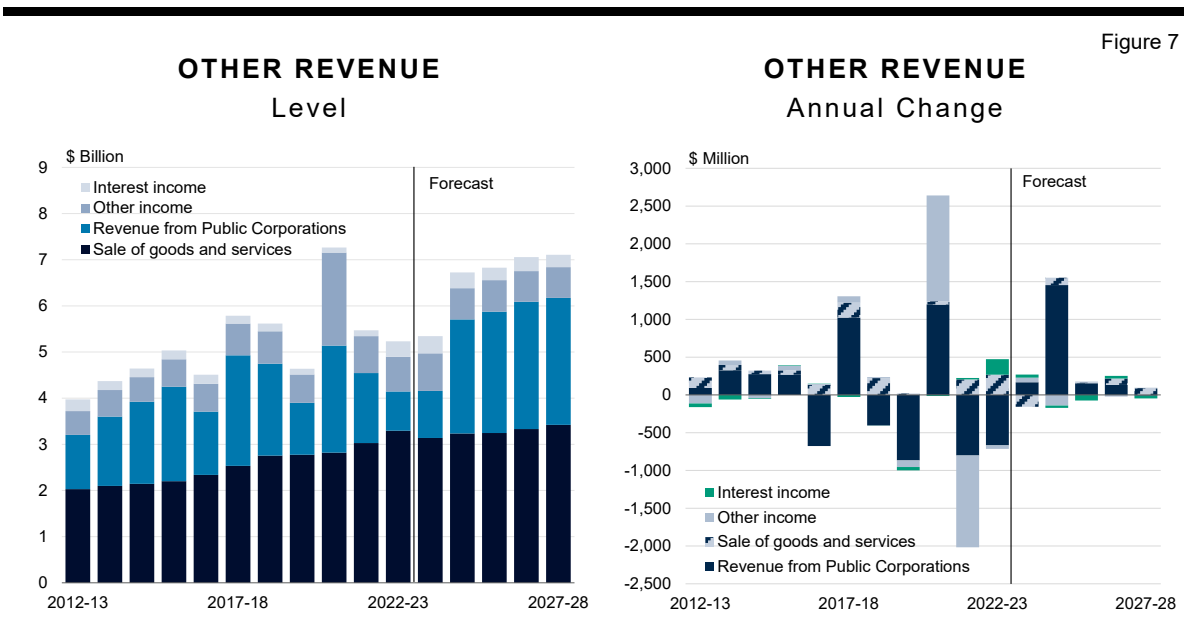
- major National Agreements, including the National Skills Agreement (\$236 million), the National Housing and Homelessness Agreement (NHHA) (\$185 million), the National Health Reform Agreement (NHRA) (\$3,209 million) and the National School Reform Agreement (NSRA) (\$1,275 million). The NHHA, NHRA and NSRA are all being renegotiated, with funding assumed to continue in line with existing arrangements;
- Federation Funding Agreements that collate many individual agreements as Schedules, including the National Preschool Reform Agreement (\$48 million), the Land Transport Infrastructure Projects Agreement (currently being renegotiated) (\$3,238 million) and the National Legal Assistance Partnership (\$64 million);
- Disaster Recovery Funding Arrangements (\$419 million);
- Memorandum of Understanding on Provision of Fire Services (\$2.5 million); and
- payments from the Commonwealth in relation to its own-purpose spending programs.

Significant changes in funding between 2023-24 and 2024-25 include:

- funding for the Land Transport Infrastructure Projects Agreement, which is forecast to increase by \$979 million, reflecting the expected payment profile for projects (with funding projected to decline in subsequent years as a number of major road and rail projects are completed);
- a one-off payment of the State’s share of funding from the Commonwealth’s DisabilityCare Australia Fund (estimated at \$1 billion) in 2024-25; and
- an increase in funding under the Disaster Recovery Funding Arrangements of \$346 million, largely reflecting lagged payments for the impact of past tropical cyclones.

Other Revenue

The majority of ‘other’ revenue is generated from sales of goods and services by general government agencies, and revenue from public corporations (in the form of dividends and revenue from the Tax Equivalent Regime).



Sales of Goods and Services

Revenue from the sale of goods and services is estimated to decline by 4.8% in 2023-24, following growth of 8.9% in 2022-23. Growth of 3.1% is forecast in 2024-25 before a more modest 0.3% increase in 2025-26. This volatile annual growth profile is heavily influenced by Main Roads, which is undertaking works on behalf of the Public Transport Authority for projects such as the Tonkin Gap Project and the Stirling Bus Interchange.

Abstracting from the impact arising from variable Main Roads revenue, goods and services revenue is forecast to rise by 2% in 2024-25, and an annual average increase of around 3% in the outyears.

Interest Income

The general government sector earns interest income from investments in cash and other liquid asset holdings. Interest revenue is estimated to total \$373 million in 2023-24, up \$40 million from 2022-23. This reflects both higher holdings of interest earning assets and increases in interest rates. In 2024-25, interest income is forecast to decline marginally, to \$342 million (reflecting a projected decline in cash and investment holdings, with interest rates broadly unchanged), and then average around \$280 million per annum across the outyears (reflecting a combination of lower interest rates and lower projected cash and investment holdings).

Revenue from Public Corporations

The general government sector receives dividends and tax equivalent revenue from the State's corporatised public corporations (also referred to as Government Trading Enterprises).

Revenue from public corporations is forecast to total \$2.5 billion in 2024-25.

- Relative to 2023-24, dividend income in 2024-25 is forecast to rise by \$1.4 billion following the Government's decision in the 2023-24 Mid-year Review for most Government Trading Enterprises to retain their 2023-24 dividends and apply this funding to future infrastructure investment.
- Tax equivalent revenue is forecast to total \$902 million in 2024-25. This is \$95 million (or 11.8%) higher than the 2023-24 estimated actual, largely reflecting increases in revenue from the Water Corporation and Western Power as a result of higher profitability.

Revenue from public corporations is expected to average \$2.7 billion across the three years to 2027-28, with annual dividend revenue averaging around \$1.8 billion.

Significant general government subsidies (expenses) are also provided to the public corporations, funding a range of non-commercial activities. Further information on revenue from, and payments to, individual public corporations is available in Appendix 8.

Other Income

Revenue from all other sources (which includes fines for traffic infringements, court fines and penalties, penalty tax, donations and gifts from private organisations, asset transfers, and mining tenement rentals revenue) is forecast to decrease from an estimated \$815 million in 2023-24 to \$674 million in 2024-25. Across the three outyears, 'other' revenue is projected to remain around this level, averaging \$672 million per annum. This revenue source can be variable from year to year given the nature of transactions that are classified to this aggregate, in particular asset transfers such as roads and bridges (usually passed to the State by local governments), and private sector contributions to specific projects.

General Government Expenses

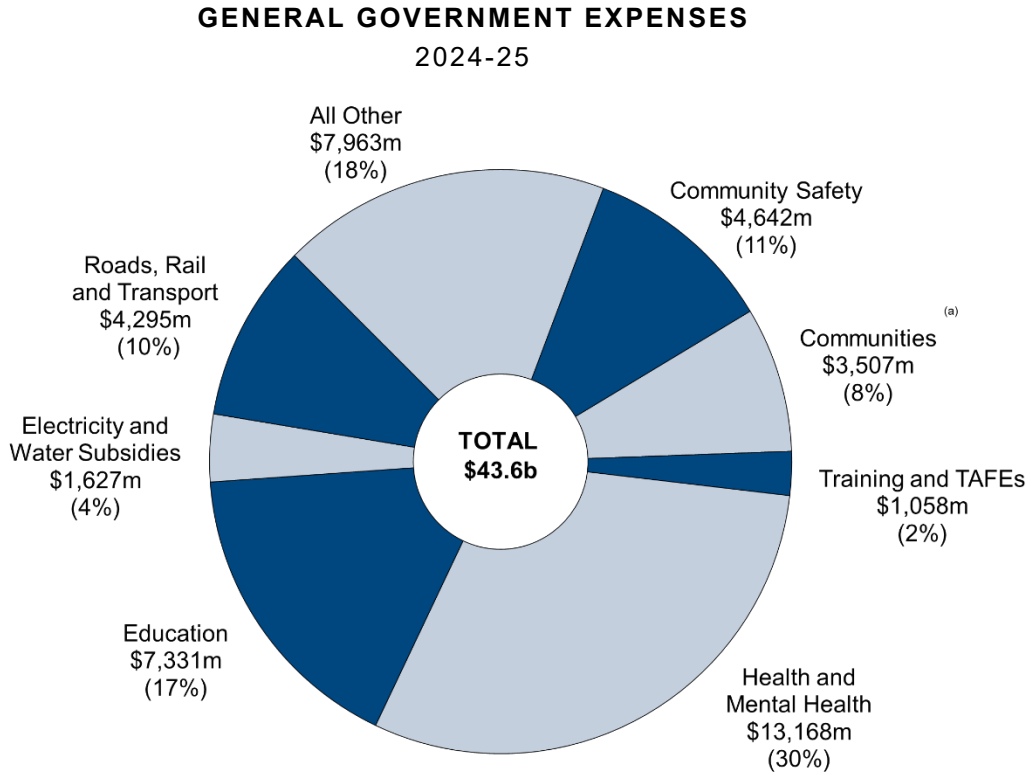
HIGHLIGHTS

- General government expenses are budgeted to total \$43.6 billion in 2024-25, an increase of \$1.7 billion (or 4%) on 2023-24. This follows above-average expense growth of 8.9% in 2023-24, with the Government responding to rapidly increasing demand for services (due to a record increase in the State's population) and elevated cost pressures.
- A key focus of this Budget is cost of living support for Western Australian households and small businesses, with additional support totalling \$762 million. This brings total cost of living support to over \$3.5 billion since 2019-20, and includes a \$400 electricity credit for all households and small businesses, the WA Student Assistance Payment, free public transport for school students, and a \$100 increase in the Regional Pensioner Travel Card.
- Expanding and enhancing health and mental health services remains a major priority in this Budget, with another record investment totalling \$3.2 billion over 2023-24 to 2027-28. This includes additional spending of \$1.2 billion for increased hospital activity, \$405 million for regional health service delivery, and \$155 million for new and expanded initiatives to improve Emergency Department access and system flow.
- Other key spending priorities in the 2024-25 Budget include education and training (with additional spending totalling \$1.3 billion), community services (including additional investment of \$96 million in family and domestic violence responses and \$92 million for homelessness services), and further initiatives to diversify and decarbonise the State's economy, including a new \$200 million Critical Minerals Advanced Processing Common-User Facility and additional funding for major tourism events and the State's screen industry.

Introduction

Recurrent spending by the general government sector is budgeted to increase by \$1.7 billion (or 4%) in 2024-25, to a total of \$43.6 billion.

Figure 1



(a) The total cost of services disclosed in Budget Paper No. 2: Budget Statements for the Department of Communities is \$2.8 billion in 2024-25, with a further \$1.3 billion in National Disability Insurance Scheme contributions administered by the Department. The \$3.5 billion in this chart represents the general government portion of the Department's recurrent spending (with some expenditure from the former Housing Authority remaining within the public non-financial corporations sector for the purpose of whole-of-government reporting).

Note: Segments may not add due to rounding.

The State's health and mental health systems continue to be a major area of focus in the 2024-25 Budget and account for around 30% of total recurrent spending in 2024-25 (see following Feature Box).

HEALTH AND MENTAL HEALTH

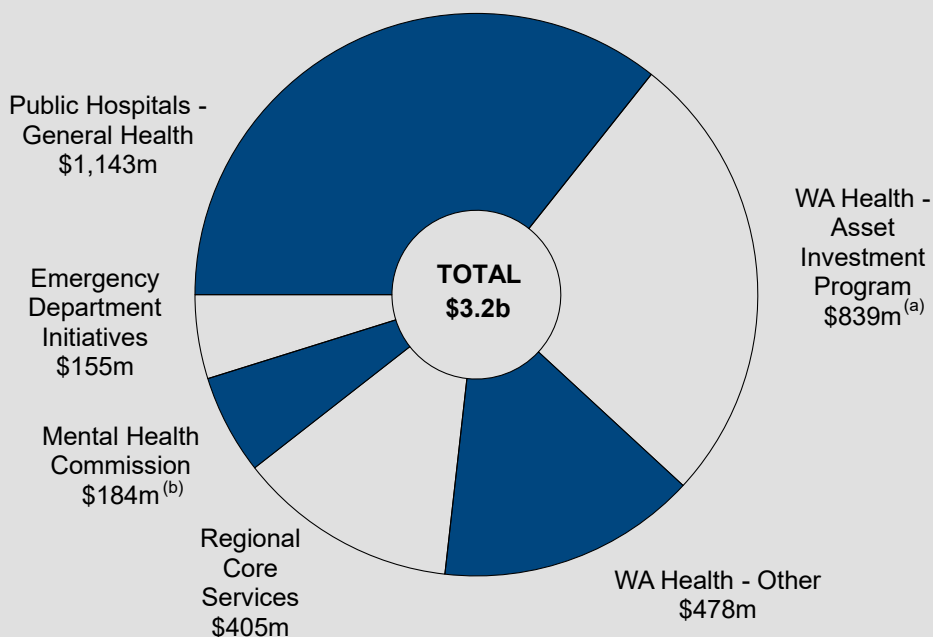
The 2024-25 Budget continues to build on the Government’s record investment in sustaining high quality health and mental health services, with an additional investment of \$3.2 billion over 2023-24 to 2027-28. This takes the Government’s total new investment since the 2021-22 Budget to an unprecedented \$14.3 billion, which has funded a substantial expansion of the State’s hospital system, additional services, and system reforms to improve patient flow and reduce wait times.

The Government’s record investment has delivered substantial growth in our frontline health workforce, with nursing FTE increasing by 33% (more than 4,400) and medical FTE increasing by 41% (more than 1,800) since June 2017.

Figure 2

\$3.2 BILLION ADDITIONAL HEALTH AND MENTAL HEALTH INVESTMENT

Since 2023-24 Mid-year Review



(a) Total additional investment for WA Health’s Asset Investment Program includes \$5 million in capital that is also included under regional services.

(b) Total additional investment for Mental Health Commission is \$260 million when including \$76 million for mental health-related Emergency Department initiatives.

Hospital Services

The 2024-25 Budget includes additional spending of \$1.2 billion for public hospital services over 2023-24 to 2027-28, including \$75 million for mental health hospital services. This investment reflects a continued increase in bed capacity since June 2021 (709 beds) and a substantial increase in nursing and medical FTE to operate hospital services, to keep pace with a rapidly growing State.

In this regard, following several years of relatively subdued activity due to the impact of the COVID-19 pandemic, hospital activity levels are exhibiting strong growth in 2023-24. The Government's elective surgery boost that was announced in the 2023-24 Mid-year Review has also contributed to higher activity, and has driven a large reduction in the elective surgery waitlist.

Regional Services

The Budget provides for an additional \$405 million in targeted expenditure on regional health services over 2023-24 to 2027-28, over and above the system-wide uplift in hospital services funding. The additional funding provides for increases in the regional medical workforce (which has grown by 37% since June 2021), the unavoidable cost of securing nurses at hard-to-staff locations, and continuation of temporary nurse and midwife attraction and retention incentives for a further 12 months.

Additional funding is also allocated to continue or extend various dedicated regional health programs. This includes an additional \$32 million for the Patient Assisted Travel Scheme that supports regional residents to travel to Perth for specialist medical care, and \$15 million for the Kimberley Ambulance Service.

WA Health Asset Investment Program

The Government will spend an additional \$839 million over 2023-24 to 2027-28 on health system infrastructure, to deliver additional capacity, ensure health facilities remain functional and fit-for-purpose, and support the implementation of health system reforms. This includes:

- \$217 million in additional funding for regional hospitals including the Bunbury Hospital Redevelopment project and the Geraldton Health Campus Redevelopment project;
- \$200 million for the transformational Electronic Medical Record and Critical Health ICT Infrastructure programs, which will deliver a suite of capabilities that support clinical decisions and workflows and improved network security, accessibility and performance;
- \$167 million (and a further \$37 million in 2028-29) for Murdoch Health and Knowledge Precinct infrastructure;
- \$113 million of additional funding for the Medical Equipment and Imaging Replacement and Minor Building Works programs;
- \$48 million for unavoidable cost increases across a range of projects, including the Sir Charles Gairdner Hospital Emergency Department and Urgent Critical Care Toxicology project, Bentley Health Services Surgicentre and the last stage of the Joondalup Health Campus Redevelopment;
- \$29 million to address critical maintenance requirements including safety, electrical and fire infrastructure and back-up generator replacement at Fremantle and Royal Perth Hospitals, as well as nurse call systems at Broome and Kununurra Hospitals; and

- \$15 million for a Magnetic Resonance Imaging (MRI) suite at Hedland Health Campus.

New investment this Budget is in addition to projects already underway, including the \$152 million Peel Health Campus Redevelopment (for which enabling works are expected to commence in late 2024) and the \$1.8 billion new Women and Babies Hospital.

Since June 2021, the Government has delivered an additional 709 beds in the State's hospital system, with over 550 further beds in the pipeline from hospital investments approved to-date (excluding the new Women and Babies Hospital).

Mental Health

This Budget includes further investment of \$260 million in mental health (including \$76 million for Emergency Department (ED) initiatives), contributing to a 7.3% increase in the Mental Health Commission's operational budget in 2024-25.

The Budget includes a further \$61 million to continue the Government's response to the Infants, Children and Adolescents (ICA) Taskforce Report. This includes an additional \$14 million to refurbish and reconfigure Ward 5A at the Perth Children's Hospital, \$22 million to continue and expand Acute Care Response Teams in metropolitan and regional areas, \$19 million to extend the Crisis Connect Service and \$5 million for an extension of the Brief Crisis Intervention Service, bringing total investment in ICA initiatives to \$144 million since the 2022-23 Budget.

In addition, the Budget includes \$32 million of additional funding for Western Australia's Suicide Prevention Program, to provide ongoing funding certainty for both the recipients and the providers of these important programs.

Emergency Department (ED) Reform Initiatives

Building on the Government's historic reforms to address the underlying causes of ambulance ramping and improve patient flow and access to emergency care, a further \$155 million will be invested in new and continuing ED reform initiatives. This includes an additional \$28 million for WA Virtual ED (WAVED) operations, a further \$8 million to expand WAVED to include a mental health ambulance co-response function, \$22 million to continue the *From Hospital to Home* Disability Transition Care Program, \$6 million to continue and expand the Patient Transport Coordination Hub, \$11 million for a new Sobering Up Centre in Broome, and \$11 million for an extension of the Active Recovery Team pilot.

This brings the Government's total investment in ED initiatives to \$827 million since the 2021-22 Budget, which is continuing to deliver improvements in ambulance ramping performance with a 28% reduction in ramping hours over July 2023 to March 2024 relative to the same period the previous year.

Other Health System Supports

The 2024-25 Budget also provides additional investment in a number of other programs and initiatives to improve the quality and responsiveness of health services, including:

- \$93 million to boost health support services, in light of increased demand (including for the Peel Health Campus once it becomes a public hospital) and to support the delivery of health system reform projects;
- \$39 million for the rapid expansion of Child Development Services, facilitating an additional 114 FTE including paediatricians, clinical nurse specialists, speech pathologists, occupational therapists, psychologists and audiologists, to address demand in both the metropolitan and regional areas; and
- additional spending on priority non-hospital services, including the Mental Health Patient Transport service, the Medical Respite Centre, End of Life Choices, and other community health services.

A Stronger Western Australia

The 2024-25 Budget continues the Government's priority focus to diversify and decarbonise the State's economy, as well as investing in initiatives to help our local and regional communities thrive.

WA Jobs Plan – Economic Diversification and Support

This Budget builds on the Government's ongoing commitment to supporting a strong, resilient and diversified economy, with an additional \$1.8 billion across various initiatives that are focused on economic diversification. The investments include:

- a new \$500 million Strategic Industries Fund to de-constrain the State's industrial areas and activate sites for new and emerging industries;
- a \$100 million State Government contribution towards a new \$200 million Critical Minerals Advanced Processing Common-User Facility to focus on upstream and midstream minerals processing activities (noting that this investment is conditional on a matching contribution from the Commonwealth);
- an additional \$36 million to further streamline the State's regulatory approvals system; and
- a \$37 million boost for tourism initiatives, including major and metropolitan events.

The Government is also making investments to the State's future workforce, with new initiatives including:

- a \$37.2 million four-year apprenticeship support program through the Construction Training Fund, comprising a tool allowance program that provides a \$1,000 payment on commencement and a further \$1,000 payment on completion, as well as an annual milestone payment bonus program; and
- \$21.5 million for an additional 150 places in the Group Training Organisation Wage Subsidy program to subsidise wages for new apprentices and trainees commencing in the building and construction industry in 2024.

Safe, Strong and Fair Communities

The Government remains focused on creating liveable communities and providing support for the most vulnerable members of our community, with new investment in this Budget including:

- \$242 million for the operating costs of the Morley-Ellenbrook Line bus services, the Byford Rail Extension, the upgraded Armadale Line and the new Midland Station, which will provide the services required to connect our rapidly growing communities to the city;
- \$186.3 million for the Department of Biodiversity, Conservation and Attractions, for Plan for our Parks commitments (\$72.9 million), continued implementation of the 2024-2033 Forest Management Plan (\$67.2 million), enhanced bushfire mitigation and response at priority locations across the State (\$30.2 million), and the Urban Rivers and Catchments Program (\$15.9 million);
- \$96.4 million for FDV responses, including \$42.4 million to support actions under the System Reform Plan developed by the FDV Taskforce, which are aimed at achieving a more coordinated and connected system in providing FDV response and support for victim survivors;
- \$92.2 million for homelessness services and a further \$46.3 million to meet increased demand for the Home Stretch WA program; and
- \$69.9 million to fund additional demand and an uplift in services resulting from the *Criminal Law (Mental Impairment) Act 2023*, which comes into effect on 1 September 2024.

Major Expense Changes

Summary

The following information provides details of major changes in general government expenses by agency since the 2023-24 Mid-year Review. Any timing changes and accounting adjustments that are broadly net debt neutral across the forward estimates period, and changes to depreciation expense, are not generally included in this chapter. Timing changes of a material nature are discussed in Chapter 3: *Fiscal Outlook and Strategy*.

A number of recurrent spending changes since the 2023-24 Mid-year Review are common to multiple agencies. These include:

- incentive funding for smaller and low risk agencies under the Streamlined Budget Process¹;
- increased spending of \$44.3 million to index the Non-Government Human Services Sector (NGHSS) service contracts delivered by community service organisations on behalf of public sector agencies. NGHSS indexation is applied to a broad range of community services including statutory child protection, homelessness, family and domestic violence and mental health services. Agency allocations are disclosed in Budget Paper No. 2; and
- \$185.7 million to reflect the impact of updated parameters and modelling under accounting standard AASB 16: *Leases* for Government Regional Officer Housing leases across the public sector, for which agency allocations are disclosed in Budget Paper No. 2.

Changes in total public sector infrastructure spending (i.e. the Asset Investment Program) since the 2023-24 Mid-year Review are outlined in Chapter 6.

¹ The Streamlined Budget Process (SBP) seeks to reduce the number of Budget bids put forward by smaller and low risk agencies through the provision of a financial incentive. For the 2024-25 Budget, incentive funding provided to agencies that opt-in to the SBP equates to a 2.75% increase in service appropriation in 2024-25, with eligible agencies limited to those with service appropriations of less than \$100 million.

PARLIAMENT

Table 1

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
LEGISLATIVE ASSEMBLY					
– 2024-25 Streamlined Budget Process Incentive Funding	-	0.2	-	-	-
PARLIAMENTARY SERVICES DEPARTMENT					
– Digital Capability Fund – Parliamentary Information Management System ^(a)	-	-	-	-	0.9
– 2024-25 Streamlined Budget Process Incentive Funding	-	0.6	-	-	-
PARLIAMENTARY COMMISSIONER FOR ADMINISTRATIVE INVESTIGATIONS (OMBUDSMAN)					
– Alternative Energy Scheme	-	0.3	0.2	0.2	0.2
– 2024-25 Streamlined Budget Process Incentive Funding	-	0.3	-	-	-

(a) This item has both recurrent and capital expenditure, the majority of which is capital and is therefore detailed in Chapter 6.

Note: Rows may not add due to rounding.

Parliamentary Commissioner for Administrative Investigations (Ombudsman)

Alternative Energy Scheme

The Ombudsman has been allocated additional expenditure of \$1 million over 2024-25 to 2027-28, subject to the passage of legislation, for the administration of new Alternative Energy Scheme functions. These functions will be incorporated into the existing Energy and Water Ombudsman Western Australia Scheme and are intended to ensure that adequate protections are available for consumers of alternative electricity business models and services. This new function is expected to be self-funded from 2027-28 onwards.

GOVERNMENT ADMINISTRATION

Table 2

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
PREMIER AND CABINET					
– Digital Capability Fund					
– Western Australian Government Cyber Security Operations Centre – Service Expansion	-	3.4	3.4	3.4	3.4
– Whole of Government Digital Platforms – Operations and Support	-	5.0	6.0	-	-
– ServiceWA App	-	4.4	2.2	0.5	0.5
– Electronic Invoicing Program – Stage Two	-	1.9	1.9	-	-
– Implementation of Artificial Intelligence Policy	-	0.5	0.5	0.5	0.6
– Modernisation of ICT Environments – Guidance Development	-	0.4	-	-	-
– Corporate ICT and Cyber Security Uplift	1.5	5.9	4.8	4.8	4.8
– Native Title Negotiation and Implementation	-0.8	6.6	3.1	3.1	1.7
– Secure Management and Release of Government Information	0.8	3.6	1.7	0.9	0.9
– State Security and Emergency Management	-	1.6	1.7	1.7	1.7
– Establishment of General Counsel	-	1.4	1.5	1.5	1.6
– Energy Decarbonisation – Resourcing	0.5	1.1	1.0	1.0	1.0
– Closing the Gap – Coordination	-	0.2	0.9	0.9	1.6
– Investment in Family and Domestic Violence Services – Central Information Point ^(a)	-	0.6	0.6	-	-
– Support for Western Australian Regional Papers	1.0	-	-	-	-
– Cost of Living – Western Australian Student Assistance Payment ^(b)	1.0	-	-	-	-
– Tourism Investment Committee of Cabinet – Resourcing ^(c)	0.1	0.1	0.1	0.1	0.2
PUBLIC SECTOR COMMISSION					
– Western Australian Public Sector Learning Initiative	-	-	4.9	7.7	8.9
– Public Sector Training Programs	-	0.4	0.4	0.4	0.4
– 2024-25 Streamlined Budget Process Incentive Funding	-	0.8	-	-	-
GOVERNOR'S ESTABLISHMENT					
– Government House Security	-	0.6	0.6	0.6	-
– Asset Maintenance Fund – Maintenance Program	-	0.5	0.5	0.5	-
– Staffing for Governor's Program	-	0.1	0.1	0.1	0.1
WESTERN AUSTRALIAN ELECTORAL COMMISSION					
– Rockingham By-election	0.9	-	-	-	-
– 2024-25 Streamlined Budget Process Incentive Funding	-	0.2	-	-	-
SALARIES AND ALLOWANCES TRIBUNAL					
– 2024-25 Streamlined Budget Process Incentive Funding	-	- ^(d)	-	-	-

Table 2 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW					
	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
WORKCOVER WA AUTHORITY					
– Updated Financial Estimates	4.3	4.7	3.3	2.9	3.0
REGISTRAR, WESTERN AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION					
– 2024-25 Streamlined Budget Process Incentive Funding	-	0.3	-	-	-
(a) See Department of Communities.					
(b) See the Cost of Living Feature Box in Chapter 1.					
(c) See Department of Jobs, Tourism, Science and Innovation.					
(d) Amount less than \$50,000.					

Note: Rows may not add due to rounding.

Premier and Cabinet

Digital Capability Fund

Additional spending has been allocated through the Digital Capability Fund (DCF) for the following initiatives:

- \$13.7 million over 2024-25 to 2027-28 to expand the Western Australian Cyber Security Operations Centre services to operate 24/7, with an associated uplift in cyber security threat detection and monitoring tools;
- \$11 million over 2024-25 and 2025-26 to continue operational support for whole-of-government digital platforms, including the ServiceWA App;
- \$7.7 million over 2024-25 to 2027-28 for further development of the ServiceWA App functionality and storage. A further \$2.2 million in capital expenditure over the same period has been approved to deliver this project (see Chapter 6);
- \$3.8 million over 2024-25 and 2025-26 on Stage Two of its e-Invoicing Pilot to enable receipt of electronic invoices and automation of accounts payable functionality for participating agencies;
- \$2.1 million from 2024-25 to 2027-28 to commence the coordination of artificial intelligence matters across the public sector in line with the Government’s Artificial Intelligence Policy and Assurance Framework; and
- \$350,000 in 2024-25 to develop whole-of-government advice on the modernisation of ICT environments across the public sector.

Corporate ICT and Cyber Security Uplift

The Department will spend \$21.8 million over 2023-24 to 2027-28 on additional resourcing to modernise its ICT ecosystem and capability, including investment in a Shared ICT Common Operating Environment to enhance the security of hardware, software and telecommunications.

An additional annual capital allocation of \$1 million has been established to enhance the rolling ICT program to replace and/or upgrade critical corporate ICT infrastructure, including assets to securely store digital information.

Native Title Negotiation and Implementation

To address the growing complexities of negotiations and management of native title matters, an additional \$13.8 million over 2023-24 to 2027-28 will be spent to expand the native title team and replenish the Land and Equity Fund to support ongoing native title compensation negotiations.

Secure Management and Release of Government Information

To support the public sector in securely handling highly sensitive information, the Government will spend \$4.2 million over 2023-24 to 2027-28 to provide for a centralised coordination of processes and systems to enhance the protection of highly sensitive information.

An additional \$3.7 million, funded from the Digital Capability Fund, will be spent over 2024-25 to 2026-27 to procure a secure Digital Cabinet platform.

State Security and Emergency Management

To address new priorities in defence, national security and emergency management, the Government will invest an additional \$6.7 million over 2024-25 to 2027-28 to expand the functions of the Office of State Security and Emergency Management, with a focus on providing a coordinated whole-of-government approach to the Government's state security and defence policy.

Establishment of General Counsel

The Department will spend \$6 million over 2024-25 to 2027-28 to establish a General Counsel function to effectively manage priority whole-of-government legal matters, including strategic reform initiatives and legislative proposals.

Energy Decarbonisation – Resourcing

To coordinate and oversee the work of the Energy Decarbonisation Expenditure Review Sub-Committee (the Sub-Committee), \$4.7 million will be spent over 2023-24 to 2027-28 for additional resources to co-ordinate governance, oversee whole-of-government energy decarbonisation policy and report to the Sub-Committee on risks and progress with the implementation of decisions required to meet the State's energy decarbonisation objectives.

Closing the Gap – Coordination

To continue supporting the Government to address its commitments under the National Agreement on Closing the Gap (CTG), an additional \$3.5 million will be spent over 2024-25 to 2027-28 to support implementation of CTG initiatives, to enhance establishment of the East Kimberley Place Based Partnership, and to continue supporting the Aboriginal Advisory Council of Western Australia. These programs contribute to CTG Priority Reform 1 – Formal partnerships and shared decision making, and Priority Reform 3 – Transforming government organisations.

Support for Western Australian Regional Papers

The Department will spend \$1 million in 2023-24 to deliver Phase Two of the Western Australian Regional Papers Support Package. This project will support approximately 30 publications for regional communities across Western Australia.

Public Sector Commission

Western Australian Public Sector Learning Initiative

The Commission will spend \$21.5 million over 2025-26 to 2027-28 to deliver an integrated, high-quality training program to provide an uplift in the capability of public sector staff. The centralised program will be tailored to meet the current and future needs and priorities of the public sector, replacing the existing fragmented approach to public sector training.

The initiative's running costs over 2025-26 to 2027-28 will be offset by matching expense reductions across the participating agencies' approved budgets. A further \$19.2 million of capital expenditure will be spent in 2025-26 on development of the courses, the technology platform and interface set up, and establishment of the service centre (see Chapter 6).

Public Sector Training Programs

Two new development programs aimed at boosting the capability of Senior Executive Service employees and Chief Finance Officers will be implemented over the Budget period, at a cost of \$388,000 per annum.

Governor's Establishment

Government House Security

A further \$1.7 million will be spent over 2024-25 to 2026-27 to maintain a staffed security presence at Government House.

Asset Maintenance Fund – Maintenance Program

The Establishment will spend an additional \$1.5 million over 2024-25 to 2026-27 to improve safety and the conservation of Government House.

Staffing for Governor's Program

The Government has allocated \$539,000 in additional expenditure over the forward estimates to maintain staffing levels within the Governor's events and engagement program.

Western Australian Electoral Commission

Rockingham By-election

The Western Australian Electoral Commission spent \$875,000 to conduct the Rockingham By-election in 2023-24.

WorkCover WA Authority

Updated Financial Estimates

The Authority will spend an additional \$18.2 million over 2023-24 to 2027-28 to meet revised forecasts of compensation payments made to workers of uninsured employers, as well as provide additional resources to address an increase in demand for in-house prosecution activities. A further \$2.2 million will be spent over 2023-24 to 2027-28 to replace the Authority's obsolete Regulatory Services Management System and undertake other minor asset replacement/maintenance (see Chapter 6).

FINANCIAL ADMINISTRATION

Table 3

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW					
	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
TREASURY					
– Supporting Government Priorities	0.4	1.6	0.9	0.4	0.4
– 2024-25 Streamlined Budget Process Incentive Funding	-	1.5	-	-	-
OFFICE OF THE AUDITOR GENERAL					
– Audit Services	-	2.0	3.6	3.6	3.3
– 2024-25 Streamlined Budget Process Incentive Funding	-	0.4	-	-	-
FINANCE					
– Cost of Living – Electricity Credit (Administered) ^(a)	-	6.6	-	-	-
– Digital Capability Fund – Cyber Security Enhancement	-	1.1	1.6	0.6	0.6
– Cost of Living – Electricity Credit ^(a)	-	2.6	-	-	-
– Government Office Accommodation – Department of Energy, Mines, Industry Regulation and Safety’s Office Accommodation Consolidation	-	0.4	0.4	0.4	0.5
– Aboriginal Business Capability Building Program	-	0.4	0.4	-	-

(a) See the Cost of Living Feature Box in Chapter 1.

Note: Rows may not add due to rounding.

Treasury

Supporting Government Priorities

An additional \$3.6 million over 2023-24 to 2027-28 will be spent to support the delivery of Government priorities. This includes delivering coordinated policy advice on housing supply and affordability; improving cash and liquidity management and financial management capability across the public sector; enhancing costing and benchmarking of community services; supporting the development of a Training and Workforce Development Cost and Demand Model; and ensuring effective monitoring and delivery of priority programs across the public sector.

Office of the Auditor General

Audit Services

The Office will spend up to an additional \$12.5 million over the forward estimates on auditing services that are fully recoverable from State and local government entities. This includes audit contract cost increases and the implementation of new Auditing Standards.

Finance

Digital Capability Fund – Cyber Security Enhancement

The Department will spend \$3.9 million over 2024-25 to 2027-28 to further enhance security of its ICT systems against potential cyber threats.

Government Office Accommodation – Department of Energy, Mines, Industry Regulation and Safety’s Office Accommodation Consolidation

A total of \$1.8 million will be spent by the Department over the four years to 2027-28 on project planning, project management and associated agency transition activities to progress the relocation of the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) into new leased premises in the Perth CBD by 1 July 2028.

A further \$3.8 million over 2024-25 to 2027-28 will be spent by DEMIRS to assist with transitioning into the new work environment. This expenditure is reflected in the DEMIRS (see Table 4 below).

Aboriginal Business Capability Building Program

A further \$800,000 will be spent over 2024-25 and 2025-26 to extend the Aboriginal Business Capability Program for a further two years, enabling the Department to complete comprehensive evaluation of the program by collecting performance data from suppliers, and engaging with other agencies/programs that provide similar support to Aboriginal businesses.

The program contributes to the CTG Outcome 8 – Strong economic participation and development of Aboriginal and Torres Strait Islander people and communities.

JOBS AND ECONOMIC DEVELOPMENT

Table 4

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
JOBS, TOURISM, SCIENCE, AND INNOVATION					
– Science, Innovation and Technology ^(a)	6.5	18.0	12.1	12.3	4.1
– Event Tourism	0.1	21.5	6.8	0.8	0.8
– Grants Administration ^(a)	1.3	4.3	5.1	6.0	6.0
– Strategic Industries Fund	-	6.0	5.0	5.0	5.0
– Defence West ^(a)	10.0	4.5	1.2	-	-
– Invest and Trade ^(a)	-0.2	3.7	3.6	3.6	3.6
– Global Marketing Campaign	-	7.1	1.0	0.8	0.9
– Approvals Reform ^(a)	0.1	1.9	2.5	2.5	2.6
– Tourism Destination Development	-	2.6	2.4	1.2	1.2
– Affordable Airfares and Kimberley Tourism Support ^(a)	2.6	3.1	0.4	0.4	-
– Builders Support Facility	0.6	1.0	1.0	0.7	0.7
– Commonwealth Tourism Grants	0.3	3.0	-	-	-
– International Education	-	1.9	0.1	-	-
– Tourism Investment Committee of Cabinet	0.4	0.5	0.3	0.3	0.3
– Outdoor and Adventure Tourism – Tourism Attraction Feasibility ^(b)	-	0.5	-	-	-
PRIMARY INDUSTRIES AND REGIONAL DEVELOPMENT					
– Biosecurity Incident and Emergency Response	23.5	17.4	6.0	5.1	-
– Shark Hazard Mitigation	-	-	5.7	5.8	5.9
– Outdoor and Adventure Tourism					
– Kalbarri Foreshore and Beaches Revitalisation – Phase 1 ^(b)	-	4.1	4.0	-	-
– Houtman Abrolhos Islands Sustainable Development Activation Plan ^(b)	-	0.2	0.4	- ^(d)	- ^(d)
– Peel Regional Trails Program	0.2	3.3	2.0	2.5	-
– Fisheries Digital Transformation Program – Stage 2	-	2.0	2.0	-	-
– Cost Increase – Dawesville Community Centre ^(c)	-	3.2	-	-	-
– Vertebrate Pest Management Program	-	1.0	1.0	1.0	-
– Voluntary Fisheries Adjustment Scheme – West Coast Demersal Scalefish Resource	1.6	-	-	-	-
– International Conference – South West Development Commission	0.2	0.4	0.5	0.5	-
– Dung Beetle Soil Health Grants Initiative	-	0.5	-	-	-
– Collie Industry Attraction and Development Fund ^(e)	-	-1.4	-	-	-
ENERGY, MINES, INDUSTRY REGULATION AND SAFETY					
– Social Housing Energy Performance Initiative – Co-Investment	-	0.5	8.1	15.5	-
– Electricity System Security Demand Management Measures ^(f)	-	-	-	-	-
– Residential Tenancies Legislation Amendments – Commissioner’s Determinations Dispute Resolution Functions	-	3.3	1.8	1.9	1.9
– Vacant Property Rental Incentive Scheme	0.3	5.0	-	-	-
– Office Accommodation Consolidation ^(g)	-	0.3	0.5	1.5	1.5
– Approvals Reform – Cross-Government Triage Team ^(g)	-	0.8	0.8	0.8	0.9
– Gas Network Regulation Team	-	0.7	0.8	0.8	0.8
– Digital Capability Fund – Cyber Security Enhancement	-	1.6	1.1	-	-
– Election Commitment – Building and Construction Consultative Committee	-	0.2	0.2	0.3	0.3
– Road Repairs at the Kalgoorlie State Explosives Facility	-	0.8	-	-	-

Table 4 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
MINERALS RESEARCH INSTITUTE OF WESTERN AUSTRALIA					
– Critical Minerals Advanced Processing Common-User Facility	-	96.0	98.0	3.0	3.0
WESTERN AUSTRALIAN MEAT INDUSTRY AUTHORITY					
– Asset Maintenance Fund – Muechea Livestock Centre	-	0.3	-	-	-
SMALL BUSINESS DEVELOPMENT CORPORATION					
– Evolving Business Model	-	0.8	0.8	0.8	0.8
– Approvals Reform – Small Business Friendly Approvals Program ^(g)	-	0.7	0.7	0.7	-
– Digital Capability Fund – Service Delivery Platform	-	0.3	0.3	0.3	0.3
– Cost of Living – Electricity Credits ^(h)	-	0.5	-	-	-
– Builder’s Support Facility ⁽ⁱ⁾	0.3	0.1	-	-	-
RURAL BUSINESS DEVELOPMENT CORPORATION					
– 2024-25 Streamlined Budget Process Incentive Funding	-	- ^(d)	-	-	-
ECONOMIC REGULATION AUTHORITY					
– Alternative Electricity Services Registration Framework	-	0.8	0.8	0.9	0.9
– License Scheme Improvements	-	0.1	0.1	0.1	0.1
BURSWOOD PARK BOARD					
– Lake A and Fountain Maintenance	-	0.3	-	-	-
– Asset Maintenance Fund – Carpark 8 Bitumen	-	0.1	-	-	-

(a) Expenditure has been reprioritised from within the Department’s existing budget to support part or all of this initiative.

(b) See the Outdoor and Adventure Tourism Feature Box in Chapter 6.

(c) The Dawesville Community Centre is an election commitment that is being delivered by the City of Mandurah.

(d) Amount less than \$50,000.

(e) Funding reallocated to the Collie Future Industry Development Fund managed within the Department of Jobs, Tourism, Science and Innovation.

(f) Amounts are not disclosed due to the confidential nature of the commercial agreements.

(g) See Department of Finance.

(h) See the Cost of Living Feature Box in Chapter 1.

(i) See Department of Jobs, Tourism, Science and Innovation.

Note: Rows may not add due to rounding.

Jobs, Tourism, Science and Innovation

Science, Innovation and Technology

Science, innovation and technology is a key enabler of accelerating growth under the State’s economic development framework, Diversify WA. The Department will spend \$53 million over 2023-24 to 2027-28, consisting of:

- \$18 million to build Science, Technology, Engineering and Mathematics (STEM) capabilities, largely comprised of the State’s contribution towards the National Collaborative Research Infrastructure Strategy program (subject to Commonwealth funding);

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- \$10.3 million for the State's space program, largely comprised of the State's contribution towards the Australian Remote Operations for Space and Earth Consortium's Trailblazer Stage 2 project (subject to Commonwealth and industry funding);
- \$8.2 million to encourage innovation by industry, including to establish a Founders Factory, supporting entrepreneurs and start-ups;
- \$8 million towards the Wind Turbine Manufacturing program;
- \$7.5 million to further support the competitiveness of Western Australia's small business sector, including an increase in grants from the Local Capability Fund; and
- \$1 million for new exhibits at Scitech focused on Western Australian scientists and First Nations science, attracting the next generation of skilled STEM workers.

Event Tourism

Attracting large blockbuster events to Western Australia encourages international and domestic visitation. Building on the success of recent major tourism events, the Government will invest a further \$30 million in event tourism over 2023-24 to 2027-28, including to top-up the Major Events Fund and establish a new Metro Events Program. This takes the 2024-25 budget for securing block-buster, major and homegrown events to \$77.5 million.

Grants Administration

The Department administers approximately \$200 million of grants annually to attract investment, increase jobs and drive diversification and innovation in Western Australia. To ensure the agency's grants administration continues to meet the State's needs and desired outcomes, an additional \$22.7 million will be spent over 2023-24 to 2027-28.

Strategic Industries Fund

The State has 13 Strategic Industrial Areas (SIAs) across its regions that are designed for downstream processing and other heavy or strategic industrial activities. Activating these SIAs, along with nearby general industrial areas, will achieve economic development outcomes for the State by allowing new and emerging industries to establish.

Activating these SIAs requires significant coordination and effort across Government. Examples of considerations include native title and cultural heritage, land supply, water and power supply, road and port access and environmental approvals.

The Government has established a \$500 million Special Purpose Account to de-constrain these industrial areas and activate sites for new industries. Of this, spending of \$186 million has been allocated over the forward estimates, including:

- \$145 million to be spent by DevelopmentWA to acquire and develop land. Project-ready sites are required for new industries, but land is also required for road access, infrastructure corridors and to allow for the necessary supply chains;

- \$21 million to be spent by the Department to establish a new program management office and ensure the successful delivery of this program. With significant demand from industry for project-ready land, it is necessary to undertake planning to prioritise and sequence the Government's investment and establish appropriate governance structures; and
- \$20 million on planning activities in the Goldfields and South West regions, including for native title, heritage surveys and for water supply and power studies.

A further \$314 million is expected to be spent beyond the forward estimates on future initiatives.

Defence West

Defence West advocates for the State's defence industry and helps small and medium enterprises to market their projects and win defence contracts. An additional \$15.7 million will be spent over 2023-24 to 2025-26 to support the State's defence industry and enable participation at trade shows.

Invest and Trade

The Government will invest a further \$14.3 million over the forward estimates on the State's network of invest and trade offices. This includes establishing a new Invest and Trade Commissioner in Singapore in early 2025 and to strengthen the Perth office's ability to attract and act on investment and trade proposals.

Global Marketing Campaign

To continue marketing Western Australia, \$9.8 million will be spent over the forward estimates. This global campaign promotes the State as a place to visit, study, invest and work.

Approvals Reform

Western Australia's regulatory and approvals system is a critical enabler of attracting investment and jobs to the State. Building on the investment at the 2023-24 Mid-year Review, the Government will spend \$36.4 million over the forward estimates to streamline approvals. This consists of \$10.6 million to continue developing Environment Online (refer to the Department of Water and Environmental Regulation in Chapter 6) and \$25.8 million, including:

- \$14.1 million to establish cross-Government triage teams to prioritise and support significant State proposals at the Departments of Water and Environmental Regulation (\$4.4 million); Local Government, Sport and Cultural Industries (\$3.4 million); Energy, Mines, Industry Regulation and Safety (\$3.3 million); and Biodiversity, Conservation and Attractions (\$3 million);
- \$9.6 million for a new team at the Department to coordinate approvals reform across government; and

- \$2.1 million to the Small Business Development Corporation to expand the Small Business Friendly Approvals Program, which aims to reduce the regulatory burden on small businesses.

Tourism Destination Development

Tourism WA plays an important role in developing Western Australia's tourist destinations by increasing and improving accommodation, attractions, workforce and amenities. The Government has approved an additional \$7.4 million over the forward estimates to further develop tourism destinations, including to boost the State's cruise tourism program and to continue the tourism workforce development program.

Affordable Airfares and Kimberley Tourism Support

To encourage tourism to the Kimberley and continue the recovery of the tourism industry following the impacts of Ex-Tropical Cyclone Ellie, \$6.5 million will be spent over 2023-24 to 2026-27. This includes a continuation of the Affordable Airfares Program, subsidising the cost of airfares from Perth to Broome, Kununurra and Exmouth.

Builders Support Facility

The Government is investing \$14.4 million over the forward estimates (including a \$10 million Builders Support Loan Facility) to help residential builders complete unfinished properties and get Western Australians most affected by delayed construction timeframes into their new homes. This includes \$400,000 to the Small Business Development Corporation to support the administration of the loan facility.

Commonwealth Tourism Grants

Commonwealth grants of \$3.3 million will be spent over 2023-24 and 2024-25 on projects outlined in the Jina: WA Aboriginal Tourism Action Plan 2021-25 and on the Choose Tourism workforce marketing campaign.

International Education

To build the sustainability of the State's international education sector, an additional \$2 million will be spent over 2024-25 and 2025-26, including to continue support for a vocational education and training organisation and teacher training course subsidies. This brings total additional spending on international education to \$89 million since 2020-21.

Tourism Investment Committee of Cabinet

The Government will spend \$2.4 million over the forward estimates to establish a Committee of Cabinet focused on tourism investment, including \$600,000 to the Department of Premier and Cabinet for administrative support.

Primary Industries and Regional Development

Biosecurity Incident and Emergency Response

The Department will spend an additional \$51.9 million over 2023-24 to 2026-27 on biosecurity incident and emergency management (IEM) response activities, which includes both expenditure on IEM activities in Western Australia as well as the State's contribution to IEM responses in other jurisdictions under national cost-sharing arrangements. A significant amount of this spending (\$35.6 million) relates to expenditure on IEM activities in Western Australia that is recoverable under these cost-sharing arrangements.

Shark Hazard Mitigation

The Government has allocated \$17.3 million over 2025-26 to 2027-28 to continue aerial surveillance and associated services delivered by Surf Life Saving Western Australia and other key shark mitigation measures, including the personal shark deterrent rebate, safe swimming enclosures, shark tagging and the shark monitoring network.

Peel Regional Trails Program

The Peel Regional Trails Program aims to improve and expand the network of trails and visitor opportunities in the Peel region and is fully funded by the Commonwealth Government as part of the Priority Community Infrastructure Program. The Department will spend \$8 million under this initiative over 2023-24 to 2026-27.

Fisheries Digital Transformation Program – Stage 2

An additional \$4 million has been allocated over 2024-25 to 2025-26 to commence Stage 2 of the Fisheries Digital Transformation Program. The additional expenditure will enable the Department to procure a new licensing and registration system.

Vertebrate Pest Management Program

The Government has approved an additional \$3 million over 2024-25 to 2026-27 to increase efforts to manage and control high priority vertebrate pests, including feral deer, feral pigs and wild dogs.

Voluntary Fisheries Adjustment Scheme – West Coast Demersal Scalefish Resource

The Government has committed an additional \$1.6 million in 2023-24 to the West Coast Demersal Scalefish Resource (WCDSR) Managed Fishery Voluntary Fisheries Adjustment Scheme (VFAS). The VFAS is a voluntary buyback scheme of commercial and recreational fishing entitlement, approved as part of the Government's \$10 million WCDSR Recovery Support Package.

International Conference – South West Development Commission

Expenditure of \$1.6 million over 2023-24 to 2026-27 has been approved to enable the South West Development Commission to host an annual international conference in Bunbury, with the first conference to be held in November 2024. The conference will promote the South West as a prime location for emerging industries, particularly in renewables and critical minerals.

Dung Beetle Soil Health Grants Initiative

The Dung Beetle Soil Health Grants Initiative has been established with an initial allocation of \$500,000 in 2024-25. The program will provide grants to organisations to undertake initiatives to improve dung beetle activity in Western Australia. The benefits of improved dung beetle activity include reducing pest bush flies, improved pasture quality and soil structure, and increasing productivity of regional producers.

Energy, Mines, Industry Regulation and Safety

Social Housing Energy Performance Initiative – Co-Investment

An additional \$25.2 million over 2024-25 to 2026-27 in matched funding with the Commonwealth Government has been provisioned for a Social Housing Energy Performance Initiative program to deliver energy performance upgrades in social housing properties in the Kimberley.

This includes an additional \$1 million over 2024-25 to 2026-27 for the Department of Communities to manage program delivery.

Electricity System Security Demand Management Measures

The Government approved additional expenditure in 2023-24 to facilitate agreements with large energy users to manage their electricity usage during demand peaks associated with extreme temperatures and maintain the stability of the electricity system. Reflecting commercial sensitivities the amount of these payments is not disclosed.

Residential Tenancies Legislation Amendments – Commissioner’s Determinations Dispute Resolution Functions

To support implementation of the Commissioner’s Determinations Dispute Resolution functions upon enactment of the Residential Tenancy Amendment Bill 2023, \$8.9 million will be spent over 2024-25 to 2027-28 on additional resources and upgrades to ICT systems.

Vacant Property Rental Incentive Scheme

To help increase housing supply, the Government has allocated \$5.3 million over 2023-24 and 2024-25 to deliver and administer a Scheme to provide a \$5,000 grant to eligible owners of vacant residential properties towards the costs of making those properties available for long-term rental. To be eligible, the property will need to be self-contained, have been vacant for at least six months as at 9 May 2024, and be leased under a residential tenancy agreement of at least 12 months by 9 November 2024. The initial investment will provide grants for up to 1,000 properties.

Gas Network Regulation Team

The Department will spend \$3.1 million over the forward estimates to establish a dedicated gas specialist team to respond to emerging issues around proposed gas-fired generation facilities and provide advice to the Government on national energy policy and gas regulatory matters.

Digital Capability Fund – Cyber Security Enhancement

To enhance the Department's cyber security capability, \$2.7 million will be spent over 2024-25 and 2025-26 to progress a program of works in line with the Government's Cyber Security Policy.

Election Commitment – Building and Construction Consultative (BCC) Committee

The Government has allocated \$1 million over 2024-25 to 2027-28 for administrative support costs and sitting fees for the Members of the BCC Committee.

Road Repairs at the Kalgoorlie State Explosives Facility

The Department will spend \$797,000 in 2024-25 on road repairs at the Kalgoorlie State Explosives Facility to ensure the transportation of explosives is compliant with relevant Australian safety codes.

Minerals Research Institute of Western Australia (MRIWA)

Critical Minerals Advanced Processing Common-User Facility

The Government will spend \$200 million over the forward estimates period on engineering design works, equipment and operating costs to establish a Critical Minerals Advanced Processing Common-User Facility (CMAP), co-funded with the Commonwealth. The State's contribution of \$100 million is conditional upon the Commonwealth confirming its \$100 million matching contribution to the CMAP.

Western Australian Meat Industry Authority

Asset Maintenance Fund – Muchea Livestock Centre

The Government will invest \$300,000 in 2024-25 to undertake urgent maintenance works at the Muchea Livestock Centre to ensure the health and safety of employees, the public and livestock and prevent disruptions to service delivery.

Small Business Development Corporation

Evolving Business Model

Additional expenditure of \$3.2 million has been approved over the forward estimates to address increased demand in the Corporation's corporate services area, including financial management and ICT.

Digital Capability Fund – Service Delivery Platform

To improve support provided to small business clients across Western Australia, the Corporation will spend \$1.1 million over the forward estimates on licensing fees for its upgraded Service Delivery Platform. An additional \$223,000 in capital expenditure has also been committed to purchase the platform (see Chapter 6).

Economic Regulation Authority

Alternative Electricity Services Registration Framework

The Government has approved expenditure of \$3.5 million over 2024-25 to 2027-28 for four additional staff to resource the development and administration of the registration framework for providers of alternative electricity services. The positions will be industry funded from 1 January 2026.

Capital expenditure of \$700,000 over the same period has also been approved for the design, build and implementation of a registration system as part of this project (see Chapter 6).

License Scheme Improvements

The Economic Regulation Authority will spend \$308,000 over 2024-25 to 2027-28 under amended Retailer of Last Resort arrangements, improving electricity and gas customer protections and enhancing the efficiency of the energy licensing regime.

Burswood Park Board

Lake A and Fountain Maintenance

The Burswood Park Board will undertake maintenance and cleaning of \$300,000 in 2024-25 for Lake A South (\$150,000) and the Swan Fountain (\$150,000) to prevent further deterioration of these assets.

Asset Maintenance Fund – Carpark 8 Bitumen Replacement

The Government will spend \$150,000 in 2024-25 on Carpark 8 to repair large cracks and potholes in the bitumen.

HEALTH

Table 5

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
WA HEALTH					
- Hospital Services	261.1	493.0	122.9	114.1	151.8
- Regional Services	85.7	213.3	57.8	21.0	22.7
- Health Support Services	1.3	40.5	39.7	5.4	5.6
- Non-Hospital Services Expenditure	30.2	33.1	11.7	-3.8	9.9
- Emergency Department Reform Initiatives	0.9	28.0	35.2	7.1	7.4
- Child Development Services	0.3	15.7	23.1	-	-
- Commonwealth Agreements	13.2	15.3	2.6	2.7	2.4
- Mental Health Patient Transport	-	2.9	6.1	6.2	6.4
- Digital Capability Fund – Critical Health ICT Infrastructure Program ^(a)	-	9.7	11.9	-	-
- Respiratory Syncytial Virus Infant Immunisation Program	10.8	0.1	-	-	-
- Palliative Care and End-of-Life Choices	-	2.5	2.2	2.5	2.6
- Cost of Living – Free Flu Vaccination Program ^(b)	-	8.2	-	-	-
- Health Practitioner Regulatory Settings Review	-	4.6	-	-	-
- Early Years Partnership Implementation ^(c)	-	1.7	0.7	0.7	0.7
- Medical Respite Centre	-	2.1	1.5	-	-
- Public Sector Casual Long Service Leave	3.1	-	-	-	-
- Ronald McDonald House	-	2.3	-	-	-
- Medical Recruitment System	0.5	0.4	0.3	0.3	0.3
- Therapeutic Approaches in the Children’s Court – Health Navigator Pilot Program ^(d)	-	0.8	0.8	-	-
- Investment in Family and Domestic Violence Services – Short-Stay, Mother-Baby Developmental, Behavioural and Parenting Interventions Pilot ^(c)	-	0.2	0.3	-	-
- Newman Renal Accommodation Facility	-	0.1	0.1	-	-
- Cockburn Mental Health Clinic ^(e)	-	-	-	-	-
- Royal Flying Doctor Service ^(e)	-	-	-	-	-
MENTAL HEALTH COMMISSION					
- Mental Health Hospital Services ^(f)	2.6	12.9	15.4	19.9	24.6
- Infants, Children and Adolescents Taskforce					
- Acute Care Response Teams	-	3.8	6.2	8.2	4.2
- Crisis Connect	-	4.6	4.8	4.9	5.1
- Brief Crisis Intervention Service	-	2.4	2.4	-	-
- Suicide Prevention	-	0.1	10.3	10.7	11.1
- Election Commitment – <i>Criminal Law (Mental Impairment) Act 2023</i> ^(d)	-1.0	6.6	7.0	6.7	6.9
- Emergency Department Reform Initiatives	-	15.0	3.5	-	-
- Private Psychiatric Hostels	-	3.2	3.4	3.5	3.6
- Election Commitment – Aboriginal Social and Emotional Wellbeing	-	3.3	9.0	-	-
- Community Contracts Uplift	-	5.0	5.2	-	-
- Administered Entities	-	0.7	0.8	0.9	0.9
- Aboriginal Regional Governance Group Policy and Secretariat Team	-	0.9	0.9	0.9	-

Table 5 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
HEALTH AND DISABILITY SERVICES COMPLAINTS OFFICE					
– 2024-25 Streamlined Budget Process Incentive Funding	-	0.1	-	-	-
(a)	This item has both recurrent and capital expenditure, the majority of which is capital and is therefore detailed in Chapter 6.				
(b)	See the Cost of Living Feature Box in Chapter 1.				
(c)	See Department of Communities.				
(d)	See Department of Justice.				
(e)	Confidential – subject to ongoing negotiations.				
(f)	See WA Health – Hospital Services.				
Note: Rows may not add due to rounding.					

WA Health

Hospital Services

As part of its record \$3.2 billion investment in Western Australia’s health and mental health system in this Budget, the Government will spend an additional \$1.2 billion over 2023-24 to 2027-28 on hospital services – of which \$1.1 billion relates to general health and \$75.4 million to mental health hospital activity.

This investment will bolster health system capacity to provide safe, high-quality services in light of strong State population growth and a return to more normalised hospital activity following the impact of COVID-19.

Record spending on health and mental health reflects the Government’s commitments to increase bed capacity in the public health system (with 709 additional beds delivered since June 2021), and substantially increase the workforce (with nursing and medical FTE increasing by 33% and 41% respectively since June 2017) to support improvements in patient care and system flow.

Regional Services

To ensure the continuation of high-quality health services in regional Western Australia and to meet workforce challenges, the Government will spend an additional \$405.5 million over 2023-24 to 2027-28 (including \$5 million in capital expenditure – see Chapter 6). This investment reflects the cost of ensuring service capacity across the breadth of Western Australia’s regional and remote locations. Specific initiatives include:

- \$296.3 million over 2023-24 to 2027-28 for unavoidable cost pressures for the WA Country Health Service, reflecting growth in the workforce to ensure safe and reliable services and the cost of securing nurses to fill shifts in difficult-to-staff regional and remote locations;
- \$38.7 million in 2024-25 and 2025-26 to continue six dedicated programs – Palliative Care, Hospital Avoidance Program, Renal Support Services, Cancer Strategy, Eye Services in the Kimberley and the Country Patient Health Support Service;

- \$32.5 million over 2023-24 to 2027-28 for the Patient Assisted Travel Scheme to meet additional demand and costs;
- \$14.6 million over 2024-25 to 2027-28 to continue the Kimberley Ambulance Service;
- \$11.9 million in 2024-25 for the continuation of temporary nurse and midwife attraction and retention incentives for a further 12 months; and
- \$11.5 million over 2024-25 and 2025-26 (including \$5 million in capital costs for equipment, security and staff housing (see Chapter 6)) for 12 Remote Area Nursing Posts that were previously operated by Silverchain Group and are transitioning to delivery by the WA Country Health Service.

Health Support Services

To continue the provision of uplifted Health Support Services (HSS) and address increased demand, an additional \$92.5 million will be spent over the forward estimates period, comprising:

- \$67.9 million over 2024-25 and 2025-26 to address increased HSS demand and support the Peel Health Campus after it becomes a public hospital;
- \$21.6 million over 2024-25 to 2027-28 for the operational costs of the Real-time Demand Data Platform, which provides access to real-time data critical to the delivery of health system reform projects (including Emergency Department reform initiatives); and
- \$3.1 million over 2023-24 and 2024-25 to undertake an Enterprise Service Management proof-of-concept process.

Non-Hospital Services Expenditure

Spending on non-hospital services will increase by \$81 million over 2023-24 to 2027-28 to enable WA Health to meet its contractual obligations, update cost and demand indexation forecasts and address various cost and demand pressures to maintain services delivered to the community.

Emergency Department Reform Initiatives

The Government will invest an additional \$154.6 million in Emergency Department (ED) and system flow initiatives across the Health and Mental Health portfolios over 2023-24 to 2027-28, of which \$46.6 million forms part of the Infants, Children and Adolescents Taskforce response. This includes (see also Mental Health Commission):

- \$28 million over 2024-25 to 2027-28 for operational costs of the WA Virtual ED (WAVED), which provides patients the option of being seen virtually in the comfort of their own home when safe and appropriate to do so, rather than waiting in an ED;
- \$22.2 million over 2024-25 and 2025-26 to extend the *From Hospital to Home* Disability Transition Care pilot by 18 months and to expand the program State-wide;

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- \$8.6 million over 2024-25 and 2025-26 to extend the East Metropolitan Health Service Community Health in a Virtual Environment (Co-HIVE) Residential Aged Care Facilities program;
- to improve planned non-emergency patient transfers between hospitals, \$6.2 million will be spent over 2024-25 and 2025-26 to continue and expand the Patient Transport Coordination Hub;
- \$5.8 million over 2024-25 and 2025-26 to continue the Long Stay Patient Fund, which provides a pool of funding to implement tailored patient-by-patient support measures to safely transition long stay patients out of hospital and into more suitable accommodation;
- \$4.4 million over 2024-25 and 2025-26 to continue a pilot program supporting aged care facilities to provide temporary respite care for long stay patients awaiting permanent placement;
- to trial advanced paramedics assessing and treating patients on scene without needing transport to hospital, \$1.4 million over 2023-24 to 2025-26 will be spent on a 24-month Extended Care Paramedics pilot program;
- \$1.1 million in 2024-25 to continue the delivery of services under the Integrated Older Adults Model of Care at the North Metropolitan Health Service; and
- \$1.1 million in 2024-25 to continue to deliver the Residential Care Line service seven days per week.

Child Development Services

The Government will spend an additional \$39.1 million over 2023-24 to 2025-26 to expand services in metropolitan and regional areas. The funding will provide for an additional 114 FTE, including paediatricians, clinical nurse specialists and allied health staff, to help meet demand.

Commonwealth Agreements

Under various Commonwealth funding agreements, an additional \$36.1 million will be spent over 2023-24 to 2027-28. This includes \$19.4 million to continue public dental services for adults, \$10.6 million to continue breast screening services for the 70-74 year old cohort, \$2.7 million to help improve vaccination rates and prevent vaccine-preventable diseases, \$1.6 million for smoking and vaping cessation activities, \$1 million for the expansion of colonoscopy services, and \$0.8 million for access to HIV treatment for people who are not eligible for Medicare.

Mental Health Patient Transport

The Government has allocated \$21.7 million over the forward estimates period for the continuation of the Mental Health Patient Transport service. This service redirects the flow of mental health patients from emergency departments by providing road-based patient transport in the metropolitan area for mental health patients requiring non-emergency transfer between facilities, home to hospital, or community to hospital.

Respiratory Syncytial Virus Infant Immunisation Program

In an Australian first, the Government has allocated \$10.9 million over 2023-24 and 2024-25 for a respiratory syncytial virus infant immunisation program. Respiratory syncytial virus is the leading cause of infant hospitalisation in Australia, and the immunisation program is expected to prevent around 700 infant hospitalisations this year.

Palliative Care and End-of-Life Choices

The Government will spend an additional \$9.8 million over 2024-25 to 2027-28 for palliative care and end-of-life choices, including for an extension to the Paediatric Palliative Care Service uplift prior to the commissioning of the WA Children's Hospice, and for a permanent uplift to Voluntary Assisted Dying services.

Health Practitioner Regulatory Settings Review

A contribution payment of \$4.6 million in 2024-25 will be made for the implementation of the recommendations from the Health Practitioner Regulatory Settings Review.

Medical Respite Centre

The Government is investing \$3.6 million in 2024-25 and 2025-26 for the continuation of the Medical Respite Centre, which provides homeless people with post-acute care during their recovery from illness or injury.

Public Sector Casual Long Service Leave

To progress the acquittal of public sector casual long service leave liability, the Government will spend \$3.1 million in 2023-24 on top up payments for newly identified casual employees following a determination issued by the Western Australian Industrial Relations Commission on 11 August 2023.

Ronald McDonald House

To continue to support the Government's outpatient reform and patient-centred care priorities, \$2.3 million will be spent in 2024-25 to develop the business case for an expansion and renovation of the Ronald McDonald House Nedlands.

Medical Recruitment System

A new recruitment system for medical professionals will be procured at a cost of \$1.9 million over 2023-24 to 2027-28, as product support is expiring for the existing system.

Newman Renal Accommodation Facility

The Government has allocated \$244,000 in 2024-25 and 2025-26 towards planning for a new renal accommodation facility in Newman to provide culturally appropriate accommodation near the dialysis service.

Cockburn Mental Health Clinic

The Government has set aside funding for a lease agreement for a 75-bed mental health clinic in Cockburn that was previously operated by Bethesda Health Care. The funding will deliver a boost to public mental health services in the southern suburbs.

Royal Flying Doctor Service

Additional funding has been set aside to finalise contract negotiations for aeromedical services with the Royal Flying Doctor Service. The new contract is expected to result in an uplift in flight crew (pilots, nurses and doctors) leading to increased capacity and more timely responses for patient transfers.

Mental Health Commission

Infants, Children and Adolescents (ICA) Taskforce

To continue the Government's response to the ICA Taskforce report, a further \$60.9 million will be spent over the Budget and outyears, including an additional \$14.2 million in capital spending to reconfigure Perth Children's Hospital Ward 5A (see Chapter 6 – WA Health). This brings the Government's total investment in ICA initiatives to \$143.6 million. The following initiatives form part of the Government's 2024-25 Budget response:

- Acute Care Response Teams (ACRTs) – \$22.4 million over the forward estimates period to extend the existing East Metropolitan ACRT pilot and establish three new ACRTs in the North Metropolitan, South Metropolitan and the Great Southern regions. These mobile teams provide rapid response care services to children and adolescents experiencing a mental health crisis;
- Crisis Connect – \$19.5 million over 2024-25 to 2027-28 to extend the expansion of the Crisis Connect Service workforce. This will continue the provision of specialist urgent virtual mental health support, crisis management, risk assessment and follow-up services; and
- Brief Crisis Intervention Service – \$4.7 million for a two-year extension over 2024-25 and 2025-26 to continue virtual, post-emergency department mental health follow-up for regional and remote children, their families and carers.

Suicide Prevention

Pilot suicide prevention programs are being extended on an ongoing basis, at a cost of \$32.2 million over the forward estimates period. This will enable a range of programs to continue, under the streams of Prevention, Support/Aftercare, Postvention, and Aboriginal People, providing certainty to both the users and providers of these important programs.

Emergency Department Reform Initiatives

As part of the \$154.6 million emergency department reform investment in this Budget (see also WA Health), the Government will invest \$75.9 million in recurrent and capital mental health initiatives, including:

- \$46.6 million in ICA initiatives (see WA Health above);
- \$10.7 million for a new Broome Sobering Up Centre (see Chapter 6);

- Active Recovery Team Pilot 12-month extension, with \$10.6 million allocated in 2024-25. These multi-disciplinary teams currently operate across nine sites and provide tailored mental health treatment in the community for acute and complex presentations; and
- WAVED Mental Health Ambulance Co-Response Pilot – an 18-month pilot will be implemented, at a cost of \$7.9 million, to expand the existing WAVED pilot to include a mental health crisis ambulance co-response function. This will see triple zero calls triaged by mental health practitioners, and if necessary, a two-person mobile mental health team consisting of a paramedic and a mental health practitioner dispatched to provide treatment.

Private Psychiatric Hostels

A further \$13.6 million will be invested over 2024-25 to 2027-28 to comply with a recent licencing determination that approved supervisors be rostered on at all times for Licenced Private Psychiatric Hostels.

Election Commitment – Aboriginal Social and Emotional Wellbeing

To continue delivery of vital Aboriginal Social and Emotional Wellbeing services across regional Western Australia, an additional \$12.3 million will be spent over 2024-25 and 2025-26. This provides for the continuation of culturally safe and secure services in five regional areas and a youth specific program in the Kimberley. The program contributes to the CTG Outcome 14 – Aboriginal people enjoy high levels of social and emotional wellbeing.

Community Contracts Uplift

The Government will spend an additional \$10.1 million over 2024-25 and 2025-26 to continue critical mental health and alcohol and other drug community services delivered by non-government organisations.

Administered Entities

A total of \$3.3 million will be spent over the forward estimates period on the following:

- Mental Health Advocacy Service – \$2 million to address an increase in the number of voluntary children requiring advocacy and for formal supervision of Mental Health Advocates; and
- Office of the Chief Psychiatrist – \$1.4 million to increase staffing to account for the impact of more than 300 private and public mental health beds coming online in 2023-24 and 2024-25.

Aboriginal Regional Governance Group Policy and Secretariat Team

Recognising the importance of adequate resourcing to support the implementation of the Kimberley Partnership Agreement, an additional \$2.7 million will be invested over 2024-25 and 2025-26. This contributes to the CTG Priority Reform 1 – Formal partnerships and shared decision making.

EDUCATION AND TRAINING

Table 6

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
EDUCATION					
– Student Enrolment Growth	39.3	76.8	63.6	52.8	57.9
– Grants to Non-Government Schools	7.2	16.0	24.1	27.4	26.1
– Cost of Living – Western Australian Student Assistance Payment (Administered) ^(a)	94.4	-	-	-	-
– RiskCover Fund Insurance Premiums	-	32.8	-	-	-
– Expansion of Intensive English Centres	-	1.9	3.4	3.5	3.6
– Digital Capability Fund – Cyber Security Enhancement	-	5.9	2.9	-	-
– Swimming and Water Safety Programs	-	3.6	2.7	0.9	1.0
– Cost of Living – Western Australian Student Assistance Payment – Administration Costs ^(a)	7.2	0.9	-	-	-
– Asset Maintenance Fund – Preventative Maintenance ^(b)	0.1	4.7	2.6	-	-
– Enhanced Supervision in Residential Colleges	-	0.9	1.8	1.8	1.8
– Security Services Contracts	1.1	1.6	0.7	-	-
– Higher Education Team	-	0.6	0.6	0.6	0.6
– Suicide Prevention – Education Program ^(c)	-	- ^(d)	0.6	0.6	0.6
– Early Years Partnership Implementation ^(e)	-	0.2	0.4	0.5	0.5
– Provision of Menstrual Products in Public Primary Schools ^(f)	-	0.3	0.2	0.2	0.2
– Casual Long Service Leave	0.8	-	-	-	-
– Therapeutic Approaches in the Children’s Court – Student Support ^(g)	-	0.2	0.2	-	-
TRAINING AND WORKFORCE DEVELOPMENT					
– Training Delivery Costs ^(f)	10.9	11.4	0.5	-	-
– Group Training Organisation Wage Subsidy Program	2.1	4.8	5.6	5.9	3.0
– Year 9 Career Taster Program ^(f)	-	-	5.7	5.7	5.7
– Skilled Migration Initiatives ^(f)	-	4.9	5.9	4.4	0.9
– TAFE Lecturers Return to Industry Program ^(f)	-	-	2.9	2.9	2.9
– Heavy Vehicle Driver Training Program ^(f)	-	1.7	2.1	2.2	1.2
– Cost of Living – Continuation of Fee-Free TAFE settings in 2025 ^(a)	-1.6	1.5	2.1	1.6	2.6
– Implementation of the National Skills Agreement ^(f)	-	3.8	1.2	-	-
– Aboriginal Services at Jobs and Skills Centres ^(f)	-	1.2	1.2	1.2	0.6
TAFE COLLEGES					
– TAFE Colleges Temporary Regional Attraction and Retention Allowance Extension	0.7	2.2	-	-	-
– International Student Enrolment Forecasts	0.9	-1.2	-2.0	-0.3	1.0
BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD					
– 2024-25 Operational Plan and New Initiatives ^(f)	-1.2	21.8	11.2	11.4	11.7

(a) See Cost of Living Feature Box in Chapter 1.

(b) This item has both recurrent and capital expenditure, the majority of which is capital. This item is therefore detailed in Chapter 6.

(c) See Mental Health Commission.

(d) Amount less than \$50,000.

(e) See Department of Communities.

(f) Initiative either partially or fully funded from the Department’s existing approved budget.

(g) See Department of Justice.

Note: Rows may not add due to rounding.

Education

Student Enrolment Growth

Spending on public schools has been revised up by \$290.4 million over 2023-24 to 2027-28, driven by an upward revision in mainstream student enrolment projections. This reflects strong growth in the State's population, along with increases in the number of students with a disability, eligible students who speak English as an additional language or dialect, and students enrolled in the School of Isolated and Distance Education.

Grants to Non-Government Schools

Grants to non-government schools will increase by \$100.9 million over 2023-24 to 2027-28 driven by a continued trend of higher-than-forecast enrolments and to meet the State's funding obligations under the National School Reform Agreement.

Expansion of Intensive English Centres (IECs)

In response to growth in the number of students requiring access to specialist English language programs, the Government will spend an additional \$12.3 million over 2024-25 to 2027-28 to establish two new IECs in public primary schools, with locations to be determined based on demand analysis.

Digital Capability Fund – Cyber Security Enhancement

The Department will spend an additional \$8.8 million over 2024-25 and 2025-26 to enhance safeguarding of the State's school system data from cyber threats in line with the Government's Cyber Security Policy.

Swimming and Water Safety Programs

As part of a strategic approach to enhancing the Department's swimming and water safety programs across the State, the Government will invest an additional \$8.2 million over 2024-25 to 2027-28. This will include establishing a School of Swimming and Water Safety to assist with coordination, to ensure programs are tailored and culturally appropriate, and to facilitate greater participation. The additional investment will also ensure an adequate supply of swimming instructors, particularly in regional Western Australia.

Enhanced Supervision in Residential Colleges

The Department will spend an additional \$6.2 million over 2024-25 to 2027-28 to enhance supervision arrangements at all nine student residential colleges servicing regional government and non-government students across the State.

Security Services Contracts

To meet an increase in the cost of contracted after-hours security services in public schools, the Department will spend an additional \$3.3 million over 2023-24 to 2025-26.

Higher Education Team

An additional \$2.3 million has been allocated over the forward estimates period for a dedicated higher education team to support reform and improvements in the State's tertiary education sector. This includes an expanded strategic role within the State to promote an increased collaboration across the different levels of Government and the State's universities.

Provision of Menstrual Products in Public Primary Schools

The Provision of Menstrual Products in Public Schools program will be expanded to include primary schools to ensure costs are not a barrier for students accessing these essential health products. The Government has committed \$865,000 over 2024-25 to 2027-28 to expand the initiative.

Casual Long Service Leave

To progress the settlement of long service leave entitlements for casual employees in the State school system, the Government will spend \$775,000 in 2023-24 for newly identified casual employees following a determination issued by the Western Australian Industrial Relations Commission on 11 August 2023.

Training and Workforce Development

Training Delivery Costs

In response to an increase in demand for training places following Government's investment to lower training fees and an increase in the cost of delivery, the Government has approved an additional \$22.8 million being spent over 2023-24 to 2025-26. This includes reflecting national changes to the nominal training hours across a number of care sector qualifications as well as updated training rates for the delivery of training in critical construction industries such as electrical training.

Group Training Organisation (GTO) Wage Subsidy Program

The Government has committed to spending an additional \$21.5 million over the forward estimates period to expand the GTO Wage Subsidy Program by a further 150 places in 2024 (taking total funded places to 300). The program seeks to support the residential construction workforce, and housing supply, through subsidising the cost of apprentices and trainees employed by GTOs and hosted out to businesses in the building and construction industry.

Year 9 Career Taster Program

The Government has committed to funding the Year 9 Career Taster Program on an ongoing basis from 2026, at a cost of \$17.1 million over 2025-26 to 2027-28. This Program provides Year 9 students with career development training and practical work experience to inform future career decisions.

Skilled Migration Initiatives

To boost the productive capacity of the economy, the Government will invest \$16.1 million over 2024-25 to 2027-28 across a range of skilled migration initiatives and increased engagement with the Commonwealth. This includes an extension of the Skilled Migrant Job Connect Program to assist skilled migrants with overcoming barriers to local employment opportunities (\$5.6 million), extending the operation of the Construction Migration Office to assist employers with the Construction Visa Subsidy Program (\$4.3 million), and continuing to provide access to publicly funded training for secondary holders of skill shortage visas, and those on humanitarian and 'pathway to marriage' visas (\$2 million).

TAFE Lecturers Return to Industry Program

To support TAFE lecturers with their professional development and to maintain industry currency, the TAFE Lecturer Return to Industry Program will be funded on an ongoing basis from 2026, at a cost of \$8.7 million over 2025-26 to 2027-28.

Heavy Vehicle Driver Training Program

The Government will spend \$7.2 million over 2024-25 to 2027-28 to extend the Heavy Vehicle Driver Training Program delivered in the South West from 2024 onwards. The Program delivers theoretical and practical hands-on truck driver training to provide job-ready workers for the transport industry.

Implementation of the National Skills Agreement

The Department will spend an additional \$5 million over 2024-25 and 2025-26 to support implementation of the National Skills Agreement, including to resource ongoing negotiations with the Commonwealth on specific policy initiatives to be funded under the Agreement.

Aboriginal Services at Jobs and Skills Centres

The Government will continue its support for Aboriginal people seeking to transition into training and employment by spending \$4.2 million over 2024-25 to 2027-28 to extend delivery of culturally appropriate services at Jobs and Skills Centres around the State. The Program contributes to the CTG Outcome 6 – Aboriginal and Torres Strait Islander students reach their full potential through further education pathways.

TAFE Colleges

TAFE Colleges Temporary Regional Attraction and Retention Allowance Extension

To support training delivery in targeted regional locations, the Government will spend an additional \$3 million in 2024 to extend a temporary regional attraction and retention incentive for lecturers at North Regional TAFE and Central Regional TAFE.

International Student Enrolment Forecasts

Reflecting updated estimates of international student enrolments undertaking training over 2023-24 to 2027-28, spending across the TAFE colleges has been reduced by \$1.6 million.

Building and Construction Industry Training Board

2024-25 Operational Plan and New Initiatives

The Building and Construction Industry Training Board will increase total spending by \$54.9 million over 2023-24 to 2027-28, primarily to support training in the construction sector. This includes:

- \$37.2 million to implement a four-year Apprentice Support Program to help and incentivise apprentices to complete their qualifications;
- \$15.1 million for a 25% increase in the base employer grant; and
- \$5 million to increase the Capital Grants Program for registered training organisations.

COMMUNITY SAFETY

Table 7

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
WESTERN AUSTRALIA POLICE FORCE					
– Firearms Reform Program					
– Voluntary Buyback Scheme (Administered)	-	20.0	-	-	-
– Digital Capability Fund – Firearms Licensing and Registry System	-	0.7	0.7	0.7	0.7
– Project Resourcing	-	1.0	1.3	-	-
– Operation Regional Shield	-	11.7	11.7	-	-
– Digital Capability Fund – Technology Improvement Program	-	10.8	3.1	3.6	3.9
– Organised Crime Operations	3.0	6.0	-	-	-
– Expansion of Community Liaison Officers	-	1.6	1.5	1.5	1.5
– Road Trauma Trust Account – Safety Camera Program	-	2.1	1.8	1.0	1.1
– Leavers WA Event	-	1.4	1.3	1.3	1.3
– Election Commitment – <i>Criminal Law (Mental Impairment) Act 2023</i> ^(a)	-	0.3	0.3	0.3	0.3
– 2027 World Police and Fire Games ^(b)	-	-	-	-	-
JUSTICE					
– Justice Services Expenditure ^(c)	44.9	39.6	10.8	8.5	9.7
– RiskCover Fund Insurance Premiums	4.5	53.4	-	-	-
– Criminal Injuries Compensation Payments	38.3	13.3	-	-	-
– Parliamentary Counsel's Office Resourcing	3.4	6.0	6.2	6.4	6.6
– Election Commitment – <i>Criminal Law (Mental Impairment) Act 2023</i>	-	4.0	5.2	5.2	5.6
– Investment in Family and Domestic Violence Services ^(d)	-	2.6	2.3	2.9	3.6
– Election Commitment – Casuarina Prison Alcohol and Other Drug Unit	-	7.0	-	-	-
– Therapeutic Approaches in the Children's Court	-	2.6	2.2	-	-
– Asset Maintenance Fund – Prison Maintenance	-	0.8	0.7	0.9	-
– New Young People Directorate	-	0.6	0.6	0.6	0.3
– National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse	-	0.5	0.5	-	-
– Youth Custodial Estate – Digital Evidence Management System	-(e)	0.6	-	-	-
STATE SOLICITOR'S OFFICE					
– Demand for Legal Services	-	5.5	7.6	7.6	7.9
– Election Commitment – <i>Criminal Law (Mental Impairment) Act 2023</i> ^(a)	-	0.7	0.8	0.9	0.9
– Digital Capability Fund – Legal Practice Management System	-	-	-(e)	0.6	0.6
LEGAL AID COMMISSION OF WESTERN AUSTRALIA					
– Election Commitment – <i>Criminal Law (Mental Impairment) Act 2023</i> ^(a)	-	0.6	1.2	1.4	1.5
– Therapeutic Approaches in the Children's Court ^(a)	-	1.3	1.3	-	-
– Disability Advocacy and Referral Diversion for Young People	-	0.4	0.4	-	-
FIRE AND EMERGENCY SERVICES					
– Additional Firefighters	-	2.7	5.1	7.4	7.7
– Increased Operational Expenditure	-	6.8	7.2	3.6	3.6
– Cost Increase – Emergency Rescue Helicopter Service	-	3.9	4.5	5.1	5.4
– Additional Corporate Support	-	0.6	0.7	0.7	0.7

Table 7 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS					
– Election Commitment – <i>Criminal Law (Mental Impairment) Act 2023</i> ^(a)	-	1.3	1.7	1.1	1.1
– Sustained Indictable Prosecution Workloads	-	1.5	1.6	-	-
– Demand for Prosecution Services	1.0	0.9	0.6	0.1	0.5
– Digital Capability Fund – Cyber Security Enhancement	-	0.6	0.7	0.7	0.7
– Children’s Court – Juveniles in Custody	-	0.7	0.7	0.7	-
– National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse ^(a)	-	0.5	0.5	-	-
CORRUPTION AND CRIME COMMISSION					
– 2024-25 Streamlined Budget Process Incentive Funding	-	0.8	-	-	-
– Salaries and Allowances Tribunal Determination Update	-	0.1	0.1	0.2	0.2
CHEMISTRY CENTRE (WA)					
– 2024-25 Streamlined Budget Process Incentive Funding	-	0.3	-	-	-
OFFICE OF THE INSPECTOR OF CUSTODIAL SERVICES					
– 2024-25 Streamlined Budget Process Incentive Funding	-	0.1	-	-	-

(a) See Department of Justice.

(b) Amounts are not disclosed due to the confidential nature of ongoing negotiations.

(c) Partially offset by \$26.4 million from the existing Justice Services Expenditure provision.

(d) See Department of Communities.

(e) Amounts under \$50,000.

Note: Rows may not add due to rounding.

Western Australia Police Force***Firearms Reform Program***

To support the ongoing delivery of the Firearms Reform Program, the Government has invested an additional \$16.6 million over the forward estimates period, comprising:

- \$11.4 million of capital expenditure over 2024-25 and 2025-26, funded from the Digital Capability Fund, to rebuild the State’s firearms licensing and registry system (see Chapter 6). A further \$2.8 million in recurrent expenditure will be spent over the forward estimates to support the new system; and
- \$2.3 million over 2024-25 and 2025-26 for additional resourcing to transition existing licences to the new regime and manage the voluntary firearms buyback scheme.

To facilitate compensation payments for surrendered firearms in 2024-25, \$20 million has been allocated to the Western Australia Police Force, funded from the existing Voluntary Firearms Buyback Scheme provision.

Operation Regional Shield

The Government has committed an additional \$23.4 million over 2024-25 and 2025-26 to extend Operation Regional Shield. This will support deployment of police officers to provide a targeted response to youth crime and anti-social behaviour in regional Western Australia.

Digital Capability Fund – Technology Improvement Program

To support the ongoing modernisation of critical police ICT systems, the Government will spend an additional \$21.4 million over the four years to 2027-28. A further \$8.3 million in capital expenditure has been approved for ICT upgrades in 2024-25 (see Chapter 6).

Organised Crime Operations

Police operations to combat and disrupt organised crime across the State will be boosted with an additional \$9 million investment over 2023-24 and 2024-25, primarily in police resourcing including specialised equipment and expertise, funded from the State's Confiscation Proceeds Account.

Expansion of Community Liaison Officers

The Western Australia Police Force will spend \$6.2 million over the forward estimates period to increase the number of Community Liaison Officers by 10 FTEs across key regional and metropolitan locations, to encourage positive engagement and collaboration between police officers and local communities. This initiative contributes to CTG Outcomes 10 and 11 – Aboriginal people are not overrepresented in the criminal justice system.

Road Trauma Trust Account – Safety Camera Program

The Government has allocated an additional \$6.1 million from the Road Trauma Trust Account over the forward estimates period for procurement and operational costs associated with the safety camera program, aimed at reducing road fatalities and serious injuries.

Leavers WA Event

To ensure that Year 12 end-of-school celebrations are managed safely, an additional \$5.4 million has been provided over 2024-25 to 2027-28 to meet cost pressures associated with delivering the annual Leavers WA event in the South West region.

2027 World Police and Fire Games

The Government has committed to host the 2027 World Police and Fire Games. The biennial event attracts law enforcement and emergency services personnel from more than 70 countries, competing across 65 sporting events. The proposed amount of expenditure is unable to be disclosed at this time due to ongoing negotiations.

Justice

Justice Services Expenditure

The Department will spend an additional \$113.4 million over the forward estimates period to meet forecast cost and demand pressures, including the impact of growth in the State's prison population and increased demand for services provided by the Public Trustee and the State Administrative Tribunal.

Criminal Injuries Compensation Payments

The Government has allocated an additional \$51.6 million over 2023-24 and 2024-25 for compensation payments to victims of crime under the *Criminal Injuries Compensation Act 2003*, with the number of payments forecast to remain at elevated levels in 2024-25.

Parliamentary Counsel's Office Resourcing

To deliver on the Government's legislative reform agenda, the Department will spend an additional \$28.7 million over 2023-24 to 2027-28 on 18 legislation drafters and support staff for the Parliamentary Counsel's Office. A further \$800,000 of capital expenditure has been approved for associated office fit-out costs (see Chapter 6).

Election Commitment – Criminal Law (Mental Impairment) Act 2023

The Government has committed \$69.9 million over the forward estimates period to implement major legal reforms under the *Criminal Law (Mental Impairment) Act 2023*, which comes into effect on 1 September 2024. Key reforms include introducing 'limiting terms' for supervised persons who are currently on indefinite custody orders, the introduction of special proceedings and other procedural fairness improvements, and enhanced mental health advocacy.

In support of these changes, the Government's investment includes:

- \$26.1 million across the Mental Health Commission, State Forensic Mental Health Services, Mental Health Advocacy Services, and the Office of the Chief Psychiatrist for mental health support services;
- \$20 million for the Department of Justice to accommodate expanded court services, the establishment of the new Mental Impairment Review Tribunal, and management of unfit accused and supervised persons;
- \$14.4 million across the Office of the Director of Public Prosecutions (\$5.4 million), Legal Aid Commission of Western Australia (\$4.7 million), State Solicitor's Office (\$3.3 million), and the Western Australia Police Force (\$1 million) to provide legal services on behalf of the State;
- \$7.9 million for the Department of Communities for the provision of additional disability justice services; and
- a further \$1.4 million of capital expenditure in 2024-25 for ICT upgrades for the Department of Justice (\$980,000) and accommodation fit-out for State Forensic Mental Health Services (\$435,000) (see Chapter 6).

Election Commitment – Casuarina Prison Alcohol and Other Drug Unit

The Department will spend an additional \$7 million in 2024-25 to continue the Mallee Unit alcohol and other drug program, providing treatment and rehabilitation services for male prisoners at Casuarina Prison.

Therapeutic Approaches in the Children’s Court

The Government has committed an additional \$13.3 million over 2024-25 and 2025-26 for therapeutic programs at the Perth Children’s Court, contributing towards improving CTG Outcome 11 – Aboriginal young people are not overrepresented in the criminal justice system. This comprises:

- \$8.2 million for the In-Roads Court, a diversionary program of intensive support and clinical interventions for young people who would otherwise be sentenced to youth detention, including expansion of the Health Navigator Pilot Program and the Target 120 Plus program; and
- \$5.1 million to continue the Dandjoo Bidi-Ak Court, which provides culturally-safe court services, legal assistance and family support services for Aboriginal young people and their families involved in protection and care proceedings.

Asset Maintenance Fund – Prison Maintenance

The Government has approved additional recurrent expenditure of \$2.4 million over 2024-25 to 2026-27, funded from the Asset Maintenance Fund, to undertake critical maintenance works at Bandyup Women’s Prison, the Boronia Pre-release Centre for Women and Hakea Prison. These works include electrical upgrades and building repairs to address safety risks.

New Young People Directorate

A new dedicated Young People directorate will be established within the Corrective Services portfolio to enhance the Department’s focus on young people, at an additional cost of \$2.2 million over the forward estimates period.

National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse

In response to ongoing demand, an additional \$10.7 million has been approved over 2024-25 and 2025-26 for ongoing administration costs associated with the State’s participation in the National Redress Scheme and managing historical civil litigation claims, comprising:

- \$5.9 million for the Department of Communities to manage information requests related to the Scheme and civil litigation claims;
- \$2.9 million for the Department of Local Government, Sport and Cultural Industries to respond to information requests;

- \$1 million for the Office of the Director of Public Prosecutions to provide legal information services; and
- \$940,000 for the Department of Justice’s Redress Coordination Unit.

Youth Custodial Estate – Digital Evidence Management System

To improve the safety of staff and detainees across the youth custodial estate, the Government will spend an additional \$645,000 in 2024-25 to progress implementation of new body worn cameras and a digital evidence management system. A further \$205,000 of capital expenditure has been approved for minor ICT infrastructure upgrades (see Chapter 6).

State Solicitor’s Office

Demand for Legal Services

To meet ongoing demand for legal services and manage high-profile court proceedings and class actions on behalf of the State, \$28.6 million has been provided to the State Solicitor’s Office for legal practitioners and support staff over the forward estimates period.

Digital Capability Fund – Legal Practice Management System

The Government has approved additional recurrent expenditure of \$1.2 million over 2025-26 to 2027-28 for the State Solicitor’s Office to replace its legal case management system.

Legal Aid Commission of Western Australia

Disability Advocacy and Referral Diversion for Young People

The Legal Aid Commission will spend an additional \$870,000 across 2024-25 and 2025-26 to expand the provision of legal representation and social support services for young people with disability who are involved with the criminal justice system. This initiative contributes to CTG Outcome 11 – Aboriginal young people are not overrepresented in the criminal justice system.

Fire and Emergency Services (DFES)

Additional Firefighters

To address the increased demand on resourcing to respond to prolonged, overlapping bushfire seasons and more frequent severe natural hazard events, \$23 million will be spent over the forward estimates period on the phased employment of 60 additional firefighters to support the response to emergencies whilst maintaining State-wide operational capability.

Increased Operational Expenditure

An additional \$21.2 million over 2024-25 to 2027-28 will be spent to meet a range of unavoidable cost pressures, including fleet and equipment maintenance, fuel and utilities cost increases and the higher cost of the Air Operation Fleet managed by the National Aerial Firefighting Centre.

Cost Increase – Emergency Rescue Helicopter Service

To continue the provision of all-hazards search and rescue services with 24/7 critical care aeromedical capabilities, the Government will spend an additional \$18.9 million over the forward estimates period to address cost increases associated with the Emergency Rescue Helicopter Service and Critical Care Paramedic contracts.

Additional Corporate Support

An additional \$2.6 million will be spent over the forward estimates period on additional corporate resourcing to continue to support effective emergency services delivery across Western Australia.

Office of the Director of Public Prosecutions

Sustained Indictable Prosecution Workloads

The Office's trial resolution initiative will be expanded with an additional ten FTEs, at a cost of \$3.1 million over 2024-25 and 2025-26, to facilitate earlier case resolution and reduce overall prosecution workloads.

Demand for Prosecution Services

The Government has approved additional expenditure totalling \$3.1 million over 2023-24 to 2027-28 to meet projected growth in demand for prosecution services.

Digital Capability Fund – Cyber Security Enhancement

The Office will spend \$2.7 million over the forward estimates period to enhance its cyber security response and mitigate operational risks in line with the Government's Cyber Security Policy.

Children's Court – Juveniles in Custody

To expedite serious regional cases that have been transferred to the Perth Children's Court, the Government has committed \$2.1 million across 2024-25 to 2026-27 for the Office to deliver a targeted case review program. This initiative contributes to CTG Outcome 11 – Aboriginal young people are not overrepresented in the criminal justice system.

COMMUNITY SERVICES

Table 8

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
COMMUNITIES					
– Key Service Demand Pressures	200.0	-	-	-	-
– Maintenance Uplift for Social Housing	87.6	91.6	-	-	-
– Investment in Homelessness Services	-	22.5	23.3	24.2	22.3
– Investment in Family and Domestic Violence Services	-	20.5	22.0	20.3	20.5
– Investment in Child Protection Services	0.7	19.0	19.2	15.9	16.0
– National Partnership Agreement on Family, Domestic and Sexual Violence Responses 2021-2027	10.0	8.5	-	-	-
– Early Years Partnership	-	7.4	0.9	0.9	1.0
– Seniors and Elders Initiatives	1.2	1.9	1.9	1.9	1.9
– Election Commitment – <i>Criminal Law (Mental Impairment) Act 2023</i> ^(a)	-	1.7	2.3	2.0	2.0
– National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse ^(a)	-	2.8	3.1	-	-
– Extension of Community Services and Grants	0.7	1.7	0.5	1.2	1.2
– Asset Maintenance Fund – Office Accommodation Maintenance and Minor Works Program	-	2.5	0.3	0.1	0.5
– Aboriginal Community Connectors Program	-	-	0.9	1.0	1.2
– Therapeutic Approaches in the Children’s Court ^(a)	-	1.8	1.9	-	-
– Purchase of Properties for State Housing Programs	-	0.7	1.1	0.3	-
– Digital Capability Fund – ASSIST Replacement Project Definition Plan	-	1.0	1.0	-	-
– Cost of Living – Food Relief Donations ^(b)	-	1.5	-	-	-
– State-wide Relieving Team for Housing	-	0.3	0.3	0.3	0.3
– Remote Aboriginal Communities – Housing and Municipal Services	-	1.2	-	-	-
– LGBTQIA+ Inclusion Strategy and Action Plan	0.3	0.5	0.2	-	-
LOCAL GOVERNMENT, SPORT, AND CULTURAL INDUSTRIES					
– DLGSC Organisational Capacity Alignment	19.6	23.9	-	-	-
– Western Australian Screen Industry Strategy 2024-2034	-	3.6	3.6	3.0	3.0
– Local Sports Facilities Upgrades	6.0	5.0	-	-	-
– Public School Sporting Facilities Program	-	10.0	-	-	-
– Community Sporting and Recreation Facilities Fund and Club Night Lights Program	-	6.7	-	-	-
– Child Safeguarding Implementation Unit	0.7	1.7	1.3	1.2	1.2
– Major Performing Arts Companies Boost	-	2.9	3.0	-	-
– Community Language Program	-	1.2	1.3	1.3	1.3
– Outdoor and Adventure Tourism ^(c)	-	-	-	-	-
– Kwinana Loop Trail	-	3.5	-	-	-
– Recreation Camps Equipment Upgrade	-	0.4	0.9	0.3	0.2
– Approvals Reform – Cross-Government Triage Team ^(d)	-	0.8	0.8	0.9	0.8
– Asset Maintenance Fund – State Library of Western Australia Car Park Repairs and Fire Detection System Upgrade	-	0.7	2.2	-	-
– National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse ^(a)	-	1.4	1.4	-	-
– Global Connections through Local Events	-	2.4	-	-	-
– Paris 2024 Olympic and Paralympic Support	1.4	-	-	-	-
– Australian Performing Arts Market 2025-2030	-	0.3	0.3	0.3	0.3
– Digital Capability Fund – Cyber Security Enhancement Pilot Program for Local Governments	-	0.4	0.5	-	-
– Establishment of the Local Government Inspector	-	0.7	-	-	-
– Western Australian Stolen Wages Class Action	0.1	-	-	-	-

Table 8 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
WESTERN AUSTRALIAN SPORTS CENTRE TRUST					
– Optus Stadium Loan	3.2	5.4	4.9	5.0	2.4
– Asset Maintenance Fund – Venue Maintenance	-	2.6	2.7	2.8	2.8
– Perth Glory and Western Force	0.3	0.5	0.5	0.4	0.4
– National Rugby League Home and Away Perth Series ^(e)	-	-	-	-	-

(a) See Department of Justice.

(b) See the Cost of Living Feature Box in Chapter 1.

(c) See Outdoor and Adventure Tourism Feature Box in Chapter 6.

(d) See Department of Jobs, Tourism, Science and Innovation.

(e) Amounts are not disclosed due to ongoing commercial negotiations.

Note: Rows may not add due to rounding.

Communities

Key Service Demand Pressures

The Department will spend an additional \$200 million in 2023-24 to meet increased demand and costs of key service areas, such as out-of-home care.

Maintenance Uplift for Social Housing

To address an increase in the cost of delivering maintenance works for the Department's 45,000 housing assets, Communities will spend an additional \$179.2 million over 2023-24 to 2024-25 under its Head Maintenance Contracts.

Investment in Homelessness Services

This Budget invests an additional \$92.2 million over the forward estimates period to expand frontline homelessness services, in line with Housing First principles, to meet increased demand. This investment includes:

- \$70.2 million to provide a baseline uplift for homelessness services to enable contracts to be recommissioned at sustainable funding levels to maintain service delivery levels;
- \$9 million to support Housing First Support Services (HFSS) in Geraldton and Albany and the design of a new HFSS model in Kalgoorlie, to assist more individuals to maintain their tenancies as the Regional Supportive Landlord Model is rolled out to new locations;
- \$6.7 million to expand HFSS across the metropolitan area to provide case management services to an additional 72 households; and
- \$6.3 million to boost the capacity of Entrypoint, Western Australia's only phone and online 'No Wrong Door' access point for people experiencing homelessness, and to operate the new Homelessness Services Portal, which will make it easier for people to access critical homelessness services.

Investment in Family and Domestic Violence Services

In line with the Government's commitment to reform of the family and domestic violence (FDV) service system, an additional \$96.4 million will be invested for a range of initiatives. This follows investment of \$72.6 million as part of the 2023-24 Mid-year Review. Major initiatives include:

- \$42.4 million for 11 support actions under the FDV System Reform Plan to develop a more coordinated and connected system in providing FDV response and support for victim-survivors, with:
 - \$25.6 million for the FDV Response Teams (FDVRTs) to operate on a seven-day basis across all 17 districts;
 - \$6.2 million to design and establish a dedicated FDV workforce entity to support the development of a strong and sustainable workforce in providing FDV services and supporting victim-survivors;
 - \$4 million to establish two new rapid rehousing programs in the metropolitan area, and a safe house in Leonora;
 - \$1.9 million to establish a Lived Experience Advisory Group to inform future policy and service design relating to FDV; and
 - \$1.6 million to design and build a Central Information Point database to improve information sharing and inform service delivery to victim-survivors;
- \$28.1 million to further enhance the FDVRTs through continuing with the expanded Coordinated Response Services (\$19 million) and implementing a staged roll-out of Community Corrections Officers increasing from five FTE in 2024-25 to 17 FTE by 2027-28 (\$7 million);
- \$14.2 million to operate a new FDV one-stop hub in the Perth metropolitan area; and
- \$7.6 million to provide a base funding uplift to reinstate full-service delivery of Maylands and Calista Breathing Space Services (\$4.5 million) and boost capacity in existing community-based FDV counselling services (\$3.1 million).

The FDV initiatives will be delivered by the Department of Communities (\$83.4 million), Department of Justice (\$11.3 million), the Department of the Premier and Cabinet (\$1.1 million) and WA Health (\$490,000).

Investment in Child Protection Services

Services for vulnerable children and at-risk youths will be further boosted through the investment of an additional \$70.8 million over the four years to 2027-28, including:

- \$46.3 million to expand the Home Stretch WA program to meet increased demand for placements across metropolitan and regional areas and cover ongoing program administration costs;

- \$17 million to support the continuation and expansion of foster carer supports across the State;
- \$5.9 million for the Aboriginal Representative Organisations and Aboriginal Family Led Decision Making programs to support better outcomes for Aboriginal children in care. This will contribute to CTG Outcome 12 – Aboriginal children are not overrepresented in the child protection system; and
- \$1.7 million to expand the Home Safe Program and to establish a temporary supported transport service for youth impacted by the Armadale/Thornlie train line closures.

National Partnership Agreement on Family, Domestic and Sexual Violence Responses 2021-2027

An additional \$18.5 million in Commonwealth funding will be provided to Western Australia over 2023-24 to 2024-25 under the National Partnership Agreement on Family, Domestic and Sexual Violence Responses, to continue the provision of critical family, domestic and sexual violence services and to expand the State's Innovative Perpetrator Responses trial.

Early Years Partnership

As part of the Government's ongoing commitment to the 10-year Early Years Partnership (2018-2028), an additional \$15.6 million will be spent over the Budget and outyears to support the delivery of 11 priority projects aimed at supporting and improving early childhood outcomes across four Western Australian communities. The initiatives will be delivered by the Department of Communities (\$10.1 million), WA Health (\$3.9 million) and the Department of Education (\$1.6 million), and supported by a co-contribution from the Minderoo Foundation.

Seniors and Elders Initiatives

This Budget provides a further \$8.8 million over the forward estimates period to provide additional resourcing to administer the WA Seniors Card Program as well as continuing several Seniors and Elders initiatives and grant programs aimed at supporting the wellbeing and inclusion of older people in Western Australia. These include the Elder Abuse Helpline and Older People's Rights Service and a range of community grants and awards.

This Program will be delivered by the Department of Communities (\$21.3 million) and the Pilbara Development Commission (\$600,000).

Extension of Community Services and Grants

An additional \$5.3 million will be spent over 2023-24 to 2027-28 to ensure continuity of financial counselling services delivered by the community services sector, and increasing the amount of grants available to the community over 2023-24 and 2024-25 under the Community Gardens Grants and Women's Grants for a Stronger Future.

Asset Maintenance Fund – Office Accommodation Maintenance and Minor Works Program

A total of \$3.5 million is allocated over the four years to 2027-28 from the Asset Maintenance Fund to undertake urgent maintenance works at office accommodations across 37 sites.

Aboriginal Community Connectors Program

The Department will spend a further \$3.1 million over 2025-26 to 2027-28 for the Aboriginal Community Connectors Program to implement a contemporary funding model across all 13 service locations, to ensure that services can continue to support safe and culturally responsive communities. This will contribute to CTG Outcome 14 – Aboriginal and Torres Strait Islander people enjoy high levels of social and emotional wellbeing.

Purchase of Properties for State Housing Programs

The Department will spend \$2.1 million on the maintenance of properties purchased from the private market to boost supply for the delivery of the State's housing programs. This cost will be funded from the Government's additional \$150 million investment provisioned in the SAHIF for priority housing projects, and is in addition to \$54.1 million of capital investment to purchase these properties (see Chapter 6).

Digital Capability Fund – ASSIST Replacement Project Definition Plan

To facilitate consideration of a replacement of the Department's core child protection case management system, ASSIST, \$2 million will be provided over 2024-25 to 2025-26 from the Digital Capability Fund to develop a Project Definition Plan.

State-wide Relieving Team for Housing

To support expansion of frontline housing services, Communities will form a Statewide Relieving Team for Housing (SRTH), with an additional \$1.3 million to be spent over the Budget and outyears for travel, accommodation, and vehicles to support these additional resources.

Remote Aboriginal Communities – Housing and Municipal Services

The Department will spend a further \$1.2 million in 2024-25 on municipal services in Remote Communities to undertake priority works to wastewater treatment infrastructure. This will contribute to CTG Target 9 – Aboriginal and Torres Strait Islander people securing appropriate, affordable housing that is aligned with their priorities and need.

LGBTQIA+ Inclusion Strategy and Action Plan

A total of \$900,000 will be spent over 2023-24 to 2025-26 to support the development of Western Australia's first LGBTQIA+ Inclusion Strategy and Action Plan.

Local Government, Sport, and Cultural Industries

DLGSC Organisational Capacity Alignment

To re-align the Department's organisational capacity, an additional \$43 million will be spent over 2023-24 and 2024-25 to provide an increase in support functions to meet statutory requirements, enhance governance, improve performance and increase delivery capacity. A further \$500,000 will be spent across the same period to complete a review of the Department's operations and functions.

Western Australian Screen Industry Strategy 2024-34

As part of the Western Australian Screen Industry Strategy 2024-34, the Department will spend \$13.2 million over the forward estimates to implement a screen industry workforce development plan, as well as extend the Digital Games and Interactive Fund for a further two years.

Local Sports Facilities Upgrades

Up to \$11 million will be allocated in 2023-24 and 2024-25 to provide capital grants to support the upgrade and redevelopment of local sports facilities.

Public School Sporting Facility Program

The Department will spend \$10 million in 2024-25, in conjunction with the Department of Education, for minor works at public school sporting facilities.

Community Sporting and Recreation Facilities Fund and Club Night Lights Program

The Department will spend an additional \$6.7 million in 2024-25 to enable local government and community groups to deliver a further 35 projects that were deemed eligible for support but not previously provided due to program funding constraints. The projects relate to the development of community infrastructure and lighting for sport and recreation facilities.

Child Safeguarding Implementation Unit

The Government has approved \$6.1 million over 2023-24 to 2027-28 to enable the Department to continue to meet the cost of maintaining and managing its child safety risks and the implementation of better child safe practices, including its obligations under the National Redress Scheme and leading the response to allegations of historic abuse of Western Australian Institute of Sport (WAIS) athletes.

Major Performing Arts Companies Boost

To support arts and creative organisations facing significant cost pressures, the Government will provide a temporary increase in grants totalling \$5.9 million over 2024-25 and 2025-26.

Community Language Program

The Department will spend an additional \$5.1 million over 2024-25 to 2027-28 to meet an increase in demand for community language programs delivered to school-aged students by not-for-profit community organisations.

Asset Maintenance Fund – State Library of Western Australia Car Park Repairs and Fire Detection System Upgrade

The Government has approved \$2.9 million over 2024-25 and 2025-26 to rectify damage to the basement of the State Library of Western Australia car park building caused by water ingress and to allow for an upgrade of the fire suppression (sprinkler) system.

Global Connections through Local Events

As part of the Government's commitment to diversify and strengthen the Western Australian economy, the Department will be spending \$2.4 million in 2024-25 to support culturally and linguistically diverse community associations to deliver business forums and cultural festivals.

Paris 2024 Olympic and Paralympic Support

To support Western Australia's Paris 2024 Summer Olympic and Paralympic Games campaign, the Government has contributed an additional \$1.4 million in 2023-24 to the Western Australian Institute of Sport to support qualification and performance optimisation for athletes, coaches and support staff to prepare for and compete in these Games.

Australian Performing Arts Market 2025-2030

As part of the Government's plan to further develop the arts and culture sector in Western Australia, the Department will spend \$1 million over 2024-25 to 2027-28 (and a further \$500,000 over 2028-29 and 2029-30) to support Performing Arts Connections Australia to host the biennial Australian Performing Arts Market in Perth from 2025 to 2030.

Digital Capability Fund – Cyber Security Enhancement Pilot Program for Local Governments

The Government will spend \$900,000 in 2024-25 and 2025-26 on a two-year pilot program in partnership with the Office of Digital Government to support five local government entities to address cyber security risks and deliver training and capacity building to enhance cyber security maturity.

Establishment of the Local Government Inspector

To support the implementation of local government reforms, \$702,000 will be spent in 2024-25 on activities to establish the Office of the Local Government Inspector within the Department. The Office is expected to handle complaints, manage investigations, and coordinate solutions to significant problems identified within local governments.

Western Australian Stolen Wages Class Action

The Department will spend \$127,000 in 2023-24 on temporary staffing costs to address a surge in archival and historical research requests triggered by the Stolen Wages Class Action. The Class Action commenced in October 2020 in the Federal Court of Western Australia, on behalf of Aboriginal people in Western Australia who were unjustly paid no or nominal wages, due to protectionist legislation that remained in effect until 1972. The State Government reached agreement to settle the class action in October 2023.

Western Australian Sports Centre Trust (VenuesWest)

Optus Stadium Loan

Following an update to interest rate projections, additional expenditure of \$20.9 million has been approved over 2023-24 to 2027-28 to meet higher financing costs under the Optus Stadium loan arrangement.

Asset Maintenance Fund – Venue Maintenance

Additional expenditure of \$10.9 million over 2024-25 to 2027-28 has been approved to enable VenuesWest to address critical infrastructure issues and increase maintenance efforts across its asset portfolio. This includes structural roof repairs at HBF Stadium, Bendat Basketball Centre and HBF Arena, and the replacement of ageing fire systems at HBF Stadium and HBF Arena.

Perth Glory and Western Force

The Government has approved \$2.1 million in financial assistance measures over 2023-24 to 2027-28 to support the continued operation of the Perth Glory Football Club and the Western Force.

National Rugby League (NRL) Home and Away Perth Series

Funding has been approved to support the State's bid for three NRL matches to be held in Perth during the 2024 and 2025 NRL seasons. The proposed amount of expenditure is unable to be disclosed at this time due to ongoing commercial negotiations.

TRANSPORT

Table 9

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
TRANSPORT					
– Westport Business Case and Enabling Works	-	44.3	25.0	-	-
– Cost of Living ^(a)					
– Election Commitment – Regional Airfare Zone Cap	11.0	32.5	21.1	-	-
– Regional Pensioner Travel Card	-	5.0	5.0	5.1	5.2
– Infringement Management Operations	2.2	16.9	16.3	13.7	14.0
– METRONET Program Coordination	-	11.7	13.8	0.4	0.4
– Regional Airstrip Upgrades	-	21.3	-	-	-
– Outdoor and Adventure Tourism ^(b)					
– Wadandi Track	-	2.8	4.6	4.1	6.0
– Bunbury Fishing Platform	-	-	-	4.0	-
– Cape Keraudren Boat Ramp	-	0.5	0.5	-	-
– Mount Henry Jetty Replacement	-	0.2	0.8	-	-
– Jurien Boat Harbour Breakwater Extension	-	0.1	0.1	0.1	0.3
– Albany Little Grove Finger Jetty	-	0.1	0.2	-	-
– Driving Access and Equity Program	-	4.3	7.3	-	-
– Ocean Reef Marina ^(c)	-	2.0	2.1	2.9	2.9
– Digital Capability Fund – Cyber Security Enhancement	-	4.1	5.2	-	-
– Kimberley Resilience Program – Aboriginal Community Airstrip Renewal Program	-	2.0	6.0	-	-
– Zero Emission Vehicle Rebates	5.2	-	-	-	-
– Asset Maintenance Fund – Maritime Community Infrastructure	-	2.2	2.4	-	-
– Barrack Street Jetty One ^(c)	-	0.1	0.6	0.6	0.1
– Boating Safety	-	0.2	0.2	0.2	0.2
– Concessions for Classics Scheme	-	-	-	-	-
COMMISSIONER OF MAIN ROADS					
– Cost Increase – Road Projects ^(d)	-	86.6	-	-	-
– State Roads Funds to Local Government Agreement	-	9.6	14.1	15.2	15.8
– Bridges Renewal Program	4.0	3.4	12.3	2.8	-
– Commonwealth Black Spot Program	1.4	1.4	2.6	2.6	2.6
PUBLIC TRANSPORT AUTHORITY ^(e)					
– Public Transport Operating Costs	0.1	34.4	68.0	69.0	70.5
– Cost and Funding Updates	-	11.5	10.2	11.9	19.7
– Cost of Living – Free Public Transport	17.6	14.7	8.5	-	-
– Interest Expenses	18.9	-0.1	1.8	4.6	9.4
– RiskCover Fund Insurance Premiums	7.4	5.0	-	-	-
– Red and Blue Central Area Transit Bus Services	1.1	2.2	2.3	2.3	2.4
– Perth Stadium Station Train Services	-	2.4	2.4	2.5	2.6
– Transperth Bus Security	-	2.0	2.0	2.0	2.0
– A-Series Railcars	1.0	2.0	1.5	0.8	-
– Ferry Service Expansion Feasibility Study	-	1.0	1.0	-	-

(a) See the Cost of Living Feature Box in Chapter 1.

(b) See the Outdoor and Adventure Tourism Feature Box in Chapter 6.

(c) This item has both recurrent and capital expenditure, the majority of which is capital and is therefore detailed in Chapter 6.

(d) Noting that negotiations with the Commonwealth Government had not been finalised at the time of the Budget cut-off, it has been assumed that the funding arrangements for the cost increases for projects that are jointly funded will be consistent with the existing arrangements.

(e) Represented in general government expenses as grants and subsidies, sourced from the Consolidated Account or a Treasurer's Special Purpose Account and paid through the Department of Treasury.

Note: Rows may not add due to rounding.

Transport

Westport Business Case and Enabling Works

With the Westport project progressing, a further \$69.3 million has been allocated from the SPA over 2024-25 and 2025-26 to fund the continued operations of the Westport Office (\$37.8 million) and to commence critical early road, rail, and marine civil works (\$31.5 million).

Infringement Management Operations

The Department of Transport will spend an additional \$63.1 million over 2023-24 to 2027-28 to implement and undertake infringement management processing, which has been transferred from the Western Australia Police Force. The move to digital and online infringement processing, which will be integrated with the Department's existing licence and registration services, will provide more customer focused services and flexible payment options for drivers who receive an infringement.

METRONET Program Coordination

An additional \$26.4 million has been allocated over 2024-25 to 2027-28 for the METRONET Office to continue to coordinate the delivery of the METRONET program of works, including providing independent commercial advice, stakeholder engagement and station activation planning.

Regional Airstrip Upgrades

A total of \$21.3 million has been provisioned in 2024-25 for the State's contributions to upgrade airstrips at Carnarvon, Onslow, Eucla, Albany, and East Kimberley. The upgrades include taxiway pavement strengthening and renewal and are intended to ensure continued operations of public and private air services to these key regional communities. The upgrades are subject to the finalisation of joint funding arrangements between the State, Commonwealth and local governments and private sector contributors. The provision will be drawn down as each project's funding arrangements are confirmed with the third parties.

Driving Access and Equity Program

The Government's Driving Access and Equity Program assists disadvantaged learner drivers obtain their driver's licence. Across 2024-25 and 2025-26, an additional \$7.7 million will be spent to extend the existing program in its current locations until mid-2026 and to expand it to the Great Southern and South West. A further \$3.8 million will be invested in a new two-year Community Services in Partnership pilot to explore alternative delivery approaches in metropolitan Perth, Peel and the Wheatbelt.

Digital Capability Fund – Cyber Security Enhancement

The Department will spend \$9.3 million over 2024-25 and 2025-26 to mitigate cyber security risks and to progress a program of works in line with the WA Government Cyber Security Policy requirements, with a further \$4.1 million of capital costs to also be incurred (see Chapter 6). The Department of Finance will spend a further \$229,000 on associated office accommodation.

Kimberley Resilience Program – Aboriginal Community Airstrip Renewal Program

As part of the Government's investments in key transport infrastructure to support the Kimberley region to better respond to emergencies, \$8 million will be spent on priority upgrades to remote community airstrips over 2024-25 and 2025-26 to improve their resilience.

Zero Emission Vehicle Rebates

As part of the 2022-23 Budget, the Government announced rebates of \$3,500 for purchasers of eligible vehicles valued up to \$70,000 to encourage the uptake of electric vehicles. With the uptake occurring at higher than expected rates, an additional \$5.2 million of rebates are expected to be paid up to 10 May 2025 (the scheme end date).

Asset Maintenance Fund – Maritime Community Infrastructure

An additional \$4.6 million, funded from the Asset Maintenance Fund, will be spent over 2024-25 and 2025-26 to maintain maritime community infrastructure across the State, including public jetties and wharves, breakwaters, car parks and recreational spaces.

Boating Safety

A total of \$802,000 will be spent over 2024-25 to 2027-28 to support the implementation of the *Western Australian Marine Amendment Bill 2023*, including to provide specialised officer training to ensure compliance with the new legislation. The new laws enable on-water alcohol and drug testing, provide for new offences for unsafe navigation and modernise marine policing.

Concessions for Classics Scheme

The Government will expand the Concessions for Classics scheme by introducing a rolling 30-year-old vehicle eligibility for registered classic car owners and motoring club members from 1 January 2025, at a cost of \$2.5 million (in foregone licence fee revenue) over the period 2024-25 to 2027-28. The scheme provides a 75% discount on motor vehicle licence fees and is currently open to eligible classic cars manufactured before 1990. Its expansion in 2025 will extend the concessions to eligible vehicles manufactured prior to 1995, with additional classic cars to become eligible in each subsequent year.

Commissioner of Main Roads

Cost Increase – Road Projects

An additional \$86.6 million will be spent in 2024-25 on several road projects that are in delivery and experiencing cost pressures as a result of market conditions, including the Stirling Bus Interchange works (\$83.8 million) which are jointly funded by the State and Commonwealth Governments and being delivered on behalf of the Public Transport Authority.

State Road Funds to Local Government Agreement

As a result of an increase in forecast motor vehicle licence fee revenue, Main Roads' expenditure on local road projects under the *State Road Funds to Local Government Agreement* will increase by \$54.7 million over 2024-25 to 2027-28.

Bridges Renewal Program

An additional \$22.4 million will be spent over 2023-24 to 2026-27 to upgrade the Eric Street (Cottesloe), York-Williams Road (Beverley) and Milo Road River Crossing (Yardarino) bridges. The upgrades will improve access to local communities and are jointly funded by the State and the Commonwealth, with the Shire of Irwin also contributing to the Milo Road River Crossing works.

Commonwealth Black Spot Program

Main Roads will spend an additional \$10.6 million on road improvements over 2023-24 to 2027-28 through the Commonwealth-funded Black Spot Program. The measures will continue to improve road safety and reduce the risk of crashes at targeted locations.

Public Transport Authority

Public Transport Operating Costs

The Authority will receive additional operating subsidy totalling \$242 million over 2024-25 to 2027-28 for operating costs, including for the Morley-Ellenbrook Line bus services, the Byford Rail Extension, the new elevated rail, and stations being delivered through the Victoria Park-Canning Level Crossing Removal program, as well as the new Midland Station. These costs include the running of the trains, operating the new stations and providing the new and enhanced bus services, as well as the recruitment and training of staff required prior to commencement of the new services.

Cost and Funding Updates

As a result of changes to economic growth parameters and other cost input drivers (including the Consumer Price Index and fuel costs), an additional \$53.4 million is forecast to be spent by the Authority in delivering public transport services over 2024-25 to 2027-28.

Interest Expenses

Additional operating subsidy of \$34.6 million will be paid to the Authority over 2024-25 to 2027-28 to fund increased interest expenses on its borrowings.

Red and Blue Central Area Transit (CAT) Bus Services

Following the successful two-year trial of the expansion of the Red and Blue CAT services (to Kings Park and Matagarup Bridge and with extended operating hours), which commenced in December 2021 and has resulted in significant increases in passenger boardings, an additional \$10.3 million will be spent over 2023-24 to 2027-28 to permanently continue the expanded services.

Perth Stadium Train Station Services

To operate train services to Perth Stadium Station seven days a week from April 2024, the Authority will be provided with additional operating subsidy of \$9.9 million over 2024-25 to 2027-28 for the associated staffing and maintenance costs. Since the stadium opened in early 2018, services had been limited to event days, weekends and public holidays.

Transperth Bus Security

The Authority will be provided with additional operating subsidy of \$8 million over 2024-25 to 2027-28 to increase the number of security staff and mobile security vehicles, which will improve the safety of passengers across the Transperth bus network.

A-Series Railcars

With new locally built railcars being procured for METRONET projects and to replace the A-series railcars, the Authority will spend \$5.3 million to develop a strategy for the future decommissioning and disposal of the A-series railcars sets. The strategy will guide the agency's management of its railcar fleet and ensure that services are not impacted.

Ferry Service Expansion Feasibility Study

The Authority will spend \$2 million in 2024-25 to undertake detailed investigations into options for the planned expansion of the ferry network to various locations on the Swan River and to undertake an expression of interest for locally made ferries.

ENVIRONMENT

Table 10

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
BIODIVERSITY, CONSERVATION AND ATTRACTIONS					
– Forest Management Plan 2024-2033	-	12.5	14.2	18.7	21.8
– Plan for Our Parks					
– Additional Reserves	1.6	10.3	10.6	10.9	11.2
– Continuation of Central Support	-	1.5	1.5	1.6	1.6
– Bushfire Mitigation and Response Resourcing	-	4.0	4.1	4.3	4.4
– Urban Rivers and Catchments Program	1.3	4.1	3.9	3.7	2.9
– Approvals Reform – Cross-Government Triage Team ^(a)	-	0.7	0.8	0.9	0.7
– Roebuck Bay Marine Park – Continuation of Joint Management Funding	-	0.7	0.7	0.7	0.7
– RiskCover Fund Insurance Premiums	-	2.2	-	-	-
– Rottnest Island Authority – Marine Logistics Hub (Barge Landing Army Groyne) Project ^(b)	-	-	-	-	0.2
WATER AND ENVIRONMENTAL REGULATION					
– Compliance Resourcing	-	5.0	5.4	5.4	5.5
– Approvals Reform – Cross-Government Triage Team ^(a)	-	1.0	1.1	1.1	1.1
– Cockburn Sound State Environmental Policy	-	1.0	1.1	1.0	-
– Native Vegetation Policy Implementation	-	0.5	1.3	1.3	-
– Waste Avoidance and Resource Recovery Account	-	3.0	-	-	-
– Climate Action Fund – WA Water Resources	-0.5	0.6	1.0	1.0	0.5
– Healthy Estuaries WA	-	0.1	0.5	0.5	0.5
– Kimberley Flood Recovery Response	0.6	0.6	-	-	-
– Rural Water Planning Program ^(b)	-	-	1.1	-	-
– Climate Action Fund – Climate Science Initiative	-	0.4	0.4	-	-
– Remote Essential Services Program Licensing	-	0.4	0.4	-	-
– Murujuga Rock Art Strategy and Murujuga Aboriginal Corporation Support Resourcing	-	0.4	0.3	-	-

(a) See Department of Jobs, Tourism, Science and Innovation.

(b) This item has both recurrent and capital expenditure, the majority of which is capital and is therefore detailed in Chapter 6.

Note: Rows may not add due to rounding.

Biodiversity, Conservation and Attractions

Forest Management Plan 2024-2033

The Government will spend \$67.2 million over 2024-25 to 2027-28 to continue the implementation of the Forest Management Plan 2024-2033 (FMP), which came into effect on 1 January 2024. The FMP covers the management of Western Australia's South West national parks, conservation parks, nature reserves and State forest and timber reserves. This funding will enable Government to continue to deliver on its decision to end native logging in the South West region and assist with improving forest resilience in a changing climate. The funding will support the creation of 65 new jobs by 2027-28, and will support key initiatives such as the State's ecological thinning program, the new forest monitoring program, new research programs for fire management, creation of additional conservation estate, and delivery of on-ground conservation activities.

Plan for Our Parks – Additional Reserves

As part of the Plan for Our Parks (PfOP) initiative, the Government has approved additional expenditure of \$58.3 million over 2023-24 to 2027-28 (including \$13.7 million in asset investment – see Chapter 6). This funding will facilitate implementation of Indigenous Land Use Agreements (ILUAs) and joint management activities with Traditional Owners for both the South Coast Marine Park (the largest reserve proposal under the PfOP initiative) and the Fortescue Marsh Nature Reserve; create 46 new jobs (including Aboriginal employment opportunities); and provide for supporting infrastructure such as new work centres, remote ranger stations, and visitor facilities.

Plan for Our Parks – Continuation of Central Support

To support the ongoing implementation and delivery of joint management outcomes associated with the PfOP initiative, the Department will spend \$6.2 million over the forward estimates to maintain its central support capability and capacity to manage the increasing size of the State's conservation estate.

Bushfire Mitigation and Response Resourcing

The Government will spend \$16.8 million over the forward estimates to increase the State's bushfire mitigation capacity, including 34 additional frontline, management and training firefighting staff. A further \$13.4 million of capital expenditure has also been committed to purchase additional fire trucks, firefighting heavy fleet, and to meet the increase in the ongoing replacement costs of the existing fleet (see Chapter 6).

Urban Rivers and Catchments Program

Additional spending of \$15.9 million over 2023-24 to 2027-28 has been allocated to undertake three waterway health and environmental improvement projects throughout the Swan and Canning River catchment systems, in collaboration with local government and non-government delivery partners. These projects will be funded primarily through a \$14.9 million contribution from the Commonwealth Government under Round 1 of its Urban Rivers and Catchments Program.

Roebuck Bay Marine Park – Continuation of Joint Management Funding

Spending of \$2.7 million over the forward estimates has been approved for the continuation of the joint management of the Yawuru Nagulagun/Roebuck Bay Marine Park with the Yawuru Traditional Owners.

Water and Environmental Regulation

Compliance Resourcing

The Department will spend \$21.2 million over the forward estimates on 23 additional staff and other resources to support environmental compliance and enforcement activities and to address high-risk environmental compliance issues.

Cockburn Sound State Environmental Policy

The Government has provided \$3.1 million over 2024-25 to 2026-27 to update the State Environmental Policy for the Cockburn Sound to enhance the environmental protection of the Sound from contemporary pressures.

Native Vegetation Policy Implementation

To continue the implementation of the Native Vegetation Policy for Western Australia, additional funding of \$3.1 million has been allocated over 2024-25 to 2026-27 to extend staff resourcing of seven FTEs.

Waste Avoidance and Resource Recovery Account

In response to the increased revenue forecast for the Waste Avoidance and Resource Recovery Account in 2024-25, an additional \$3 million has been hypothecated to the Account to spend on waste management programs and initiatives in 2024-25. Current initiatives and programs funded by the Account include Better Bins Plus, Household Hazardous Waste, Roads to Reuse, Food Waste for Healthy Soils and WasteSorted.

Climate Action Fund – WA Water Resources

The Government has provided an additional \$2.7 million over the forward estimates (\$2.2 million from the Climate Action Fund and \$520,000 as recurrent appropriation) to fund priority research projects and communicate research into the impact of climate change on Western Australia's water resources.

Healthy Estuaries WA

The Healthy Estuaries WA program delivers water quality monitoring and improvement actions to at-risk regional estuaries. An additional \$1.6 million will be spent over the forward estimates to convert four current contract staff to permanent positions to support the ongoing delivery of the program.

Kimberley Flood Recovery Response

To repair or reinstate stream gauges in the Kimberley region that were damaged in the 2023 Ex-Tropical Cyclone Ellie floods, the Government has committed \$1.2 million over 2023-24 and 2024-25 to provide staff resourcing to undertake this urgent repair work.

Climate Action Fund – Climate Science Initiative

The Government has approved an additional \$850,000 over 2024-25 and 2025-26 for Stage 3 of the Climate Science Initiative to develop a mid-range climate change projection scenario and to extend funding for data storage and research partnerships utilised to produce climate change projections for Western Australia.

Remote Essential Services Program Licensing

As part of the Remote Essential Services Program, the Department will spend \$806,000 over 2024-25 and 2025-26 to undertake the licensing work required for the water services to be provided by the Water Corporation to 141 Aboriginal communities in Western Australia.

***Murujuga Rock Art Strategy and Murujuga Aboriginal Corporation
Support Resourcing***

An additional \$623,000 will be provided as a grant to the Murujuga Aboriginal Corporation over 2024-25 and 2025-26 to extend resourcing for staff to undertake activities related to the Murujuga Rock Art, uplift Aboriginal Ranger salaries, and to fit out a laboratory room at the Corporation's office. The funding contributes to the CTG Outcome 15 – Aboriginal people maintain a distinctive cultural, spiritual, physical and economic relationship with their land and waters.

PLANNING AND LAND USE

Table 11

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
PLANNING, LANDS AND HERITAGE					
– Aboriginal Heritage Legislation Amendment and Repeal Act 2023	2.7	3.2	2.6	2.4	2.5
– Service Delivery Agreement Expenditure	0.1	2.7	2.6	2.6	2.6
– Election Commitment – Aboriginal Lands Trust Estate Divestment Program	-	2.3	2.4	2.8	2.7
– Implementation of Planning Reform Phase Two	-	1.4	2.0	2.1	2.1
– Precincts Project Team	-	1.4	1.4	1.4	1.4
– Housing Diversity Pipeline and METRONET Housing Delivery Program	-	2.0	1.5	-	-
– Perth and Peel Urban Greening Strategy	-	2.9	-	-	-
– Infrastructure Development Fund	-	-	0.2	0.2	0.9
– Major Projects Facilitation	0.3	0.6	-	-	-
– Environmental Offsets Bank Model	-	0.7	-	-	-
WESTERN AUSTRALIAN LAND INFORMATION AUTHORITY (LANDGATE)					
– ICT Services	– (a)	2.8	2.4	2.0	1.6
DEVELOPMENTWA (b)					
– Housing Diversity Pipeline – Brown Street	-	2.8	3.7	-	-

(a) Amount less than \$50,000.

(b) Represented in general government expenses as grants and subsidies, sourced from the Consolidated Account or a Treasurer's Special Purpose Account and paid through the Department of Treasury.

Note: Rows may not add due to rounding.

Planning, Lands and Heritage

Aboriginal Heritage Legislation Amendment and Repeal Act 2023

As a result of increased Aboriginal cultural heritage related service delivery (such as heritage place assessments, Aboriginal heritage surveys and regional consultation with landowners and native title parties) under the amended *Aboriginal Heritage Act 1972*, the Department will spend an additional \$13.3 million over 2023-24 to 2027-28.

Service Delivery Agreement Expenditure

Under a Service Delivery Agreement with the Western Australian Planning Commission (the Commission), the Department will spend an additional \$10.5 million over 2023-24 to 2027-28 to undertake maintenance of the Commission's rental properties, manage vacant land, provide additional Area Assistance Grants Scheme grants, and remediate contaminated sites. This cost is funded from the Metropolitan Region Improvement Fund.

Election Commitment – Aboriginal Lands Trust Estate Divestment Program

To implement the second tranche of the Aboriginal Lands Trust Estate Divestment Program, an additional \$10.3 million will be spent over the forward estimates on property inspections and remediations, Aboriginal stakeholder engagement, consultation, land assembly and post divestment support.

This initiative contributes to CTG Outcome 15 – Aboriginal people maintain a distinctive cultural, spiritual, physical and economic relationship with their land and waters – and Priority Reform 1 – formal partnerships and shared decision making.

Implementation of Planning Reform Phase Two

The Department will spend an additional \$7.7 million over the forward estimates to continue implementing initiatives approved as part of Planning Reform Phase Two. This includes the centralised assessment of Development Contributions Plans, implementing Development Assessment Panel Reforms and the establishment of a permanent determination pathway for State and regionally significant developments.

Precincts Project Team

The Department's Precincts Project Team supports the delivery of the METRONET Program, housing initiatives and other major projects. The Department will spend an additional \$5.6 million over the forward estimates to continue this Project Team and undertake precinct and project planning.

Housing Diversity Pipeline and METRONET Housing Delivery Program

To facilitate and manage the Housing Diversity Pipeline and METRONET Housing Delivery Program, the Government has approved spending of \$3.5 million over 2024-25 to 2025-26. This program will deliver social and affordable housing dwellings in priority locations. The cost of this initiative will be met from the Government's Social and Affordable Housing Investment Fund.

Perth and Peel Urban Greening Strategy

The Department will spend an additional \$2.9 million in 2024-25 to develop an Urban Greening Strategy that is aimed at raising awareness and identifying policy measures to enhance tree canopy and green spaces across the Perth and Peel regions. The development of the strategy is led by the Commission and is funded from the Commission's interest revenue.

Infrastructure Development Fund

The Infrastructure Development Fund (IDF) assists eligible housing projects with the cost of resolving water, sewerage and electricity infrastructure constraints. To continue the Department's existing IDF team for another year (out to 2027-28) and to engage expert and technical advice to support the assessment of funding applications, the Department will spend an additional \$1.2 million over 2025-26 to 2027-28.

Major Projects Facilitation

To enable the evaluation of major project initiatives, including economic impact assessments, commercial structuring, transaction documentation, contract management and project accounting treatments, the Department will spend an additional \$900,000 over 2023-24 and 2024-25.

Environmental Offsets Bank Model

The Department will spend an additional \$665,000 in 2024-25 to meet the cost of four FTE to finalise the development of the environmental offsets bank model to make State land available as environmental offsets for Government priority projects.

Western Australian Land Information Authority (Landgate)

ICT Services

To enable changes to service provider agreements to improve the quality and efficiency of services provided to consumers, an additional \$8.8 million will be spent over 2023-24 to 2027-28.

DevelopmentWA

Housing Diversity Pipeline – Brown Street

An additional \$6.5 million will be spent on the Brown Street project to deliver 14 additional affordable rental units in Busselton.

UTILITIES

Table 12

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW					
	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
SYNERGY ^(a)					
– Cost of Living – Electricity Credit ^(b)	-	462.0	-	-	-
– Operating Subsidies	-7.7	56.2	-12.7	-10.0	-15.5
WESTERN POWER ^(a)					
– Community Batteries	0.5	0.6	1.4	0.6	-
HORIZON POWER ^(a)					
– Cost of Living – Electricity Credit ^(b)	-	19.6	-	-	-
– Blackstone Power Station Rebuild ^(c)	-	-	2.6	-	-
WATER CORPORATION ^(a)					
– Operating Subsidies	-15.6	21.1	25.2	11.6	8.2
BUNBURY WATER CORPORATION ^(a)					
– Operating Subsidy – Non-residential Tariffs	1.6	1.9	2.7	2.8	2.9
– Operating Subsidy Increase – Residential Tariffs	0.7	0.8	1.2	1.2	1.4
BUSSELTON WATER CORPORATION ^(a)					
– Operating Subsidy – Residential and Non-residential Tariffs	-	3.5	3.6	3.9	4.6

(a) Represented in general government expenses as grants and subsidies, sourced from the Consolidated Account or a Treasurer's Special Purpose Account and paid through the Department of Treasury.

(b) See the Cost of Living Feature Box in Chapter 1.

(c) This item has both general government and capital expenditure, the majority of which is capital and is therefore detailed in Chapter 6.

Note: Rows may not add due to rounding.

Synergy

Operating Subsidies

Synergy will be provided additional subsidies totalling a net \$10.4 million over the forward estimates period to deliver rebates and concessions.

Western Power

Community Batteries

An additional \$3 million will be spent over 2023-24 to 2026-27 to support the establishment of community batteries in Bayswater, Coogee, Dianella, Kinross, Port Kennedy, and Stratton as part of the Commonwealth Government's Community Batteries for Household Solar Grant Program.

Water Corporation

Operating Subsidies

Operating subsidy payments to the Water Corporation will increase by a net \$50.5 million over 2023-24 to 2027-28 (including a \$21.7 million increase to the Country Water Pricing Subsidy). The additional funding will enable the investigation of options to expand the capacity of the Goldfields and Agricultural Water Supply Scheme (\$15 million), sewer relining in regional areas (\$7.1 million) and also reflects parameter updates such as higher energy costs (\$45.4 million). The cost of these initiatives is partially offset by the impact of lower 2022-23 actual subsidy requirements and lower forecast subsidies over the forward estimates (\$17 million reduction).

Bunbury Water Corporation (Aqwest)

Operating Subsidy – Non-residential Tariffs

An operating subsidy of \$11.9 million will be provided to Bunbury Water over 2023-24 to 2027-28 to fund a revenue gap that arises from non-residential tariffs increasing by amounts approved by the Government rather than the amounts needed to achieve cost-reflectivity.

Operating Subsidy Increase – Residential Tariffs

The Government will increase the residential tariff operating subsidy provided to Bunbury Water by \$5.4 million over 2023-24 to 2027-28. This is to fund a revenue shortfall arising from residential tariffs increasing at 2.5% per annum rather than the amounts needed to achieve cost-reflectivity.

Busselton Water Corporation (Busselton Water)

Operating Subsidy – Residential and Non-residential Tariffs

An operating subsidy of \$15.6 million will be provided to Busselton Water over 2024-25 to 2027-28 to fund a revenue gap resulting from residential and non-residential tariffs increasing in line with the escalation levels approved by the Government rather than the amounts required for cost-reflectivity.

PROVISIONS

Table 13

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW					
	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
PROVISIONS					
– Strategic Industries Fund	-	5.0	5.0	5.0	5.0
– Road Trauma Trust Account Spending	1.9	-	-	-	3.0
– Digital Capability Fund	-	-0.7	-	-	-
– Streamline WA – Approvals Reform	-5.0	-5.0	-	-	-
– National Redress Scheme and Civil Litigation Settlements for Survivors of Institutional Child Sexual Abuse	-10.2	-	-	-	-
– Government Regional Officer Housing Rent Freeze	-3.5	-3.5	-3.5	-3.5	-
– Firearms Buyback Scheme	-	-20.0	-	-	-
– Public Sector Wages Provision	-	-	-20.0	-	-
– Justice Services Expenditure	-	-26.4	-	-	-
– Asset Maintenance Fund	-7.8	-58.0	-71.0	-	-

Note: Rows may not add due to rounding.

Provisions

Strategic Industries Fund

Of the \$500 million allocated to the new Strategic Industries Fund Special Purpose Account in this Budget, \$20 million of spending has been provisioned for planning activities in the Goldfields and South West regions for priority activities, including utilities supply and rail planning, environmental assessments and heritage studies.

Road Trauma Trust Account (RTTA) Spending

The 2023-24 Mid-year Review included a provision of \$36.6 million for anticipated RTTA spending over the forward estimates. Revised revenue forecasts and new spending approved in this Budget have increased the provision by \$4.9 million, leaving a projected balance of \$41.5 million in the Account at 30 June 2028.

Digital Capability Fund

The remaining \$19.8 million provision for new initiatives has been fully allocated from the Digital Capability Fund (DCF) provision as part of this Budget. The provision included \$700,000 for recurrent spending and \$19.1 million for capital investment.

Streamline WA – Approvals Reform

The Government provisioned \$10 million for a Streamline WA Reform Fund to progress urgent reform initiatives as part of the 2023-24 Mid-year Review. This provision has been fully allocated to approvals reform initiatives included in this Budget (see the Department of Jobs, Tourism, Science and Innovation disclosure earlier in this chapter).

National Redress Scheme and Civil Litigation Settlements for Survivors of Institutional Child Sexual Abuse

As part of this Budget, the provision for anticipated future costs associated with the Redress Scheme and civil litigation claims has been reduced by \$10.2 million over the forward estimates period. This reflects forecast Redress Scheme payments and civil litigation settlement costs over that period.

Government Regional Officer Housing (GROH) Rent Freeze

The \$14 million provision included in the 2023-24 Budget for the estimated cost of the extension of the GROH property tenant rents freeze by a further 12 months to 30 June 2024 has been fully allocated to agencies in this Budget.

Firearms Buyback Scheme

The Government committed a total of \$64.3 million to a Voluntary Firearms Buyback Scheme as part of the 2023-24 Mid-year Review. Of this amount, \$20 million was allocated to the Western Australia Police Force, leaving a balance of \$44.3 million in the provision. A further \$20 million has since been allocated to facilitate buyback payments arising in 2024-25. Allocation of the remaining balance is subject to the Scheme's progress.

Public Sector Wages Provision

A funding provision to accommodate the outcome of industrial negotiations under the Government's new Public Sector Wages Policy was included in the 2023-24 Mid-year Review. The Government has set aside \$46.1 million of the provision for the extension of superannuation payments on unpaid parental leave up to 24 weeks for all Western Australian public sector employees. These extended superannuation arrangements will be included in the relevant industrial agreements as they are settled. An allocation of \$20 million has also been made from the provision for the Public Sector Learning Initiative (see Public Sector Commission earlier in this and the following chapter).

Justice Services Expenditure

The 2023-24 Mid-year Review included a provision for anticipated cost increases in the delivery of Justice Services over the forward estimates period. Reflecting updated service delivery forecasts and a growing prison population, \$26.4 million has been allocated from this provision in 2024-25 (see Department of Justice earlier in this chapter), leaving a residual \$45.8 million in this provision to the end of 2027-28.

Asset Maintenance Fund

A total of \$136.8 million of provisioned spending from the Asset Maintenance Fund has been allocated to targeted recurrent and capital investment in high priority maintenance works that address public safety and service delivery risks. Spending supported by this allocation is disclosed against the associated agencies earlier in this and the following chapter. The provision has a remaining balance of \$21.9 million available for future maintenance work on State-owned assets.

2024-25 Economic and Fiscal Outlook

Asset Investment

HIGHLIGHTS

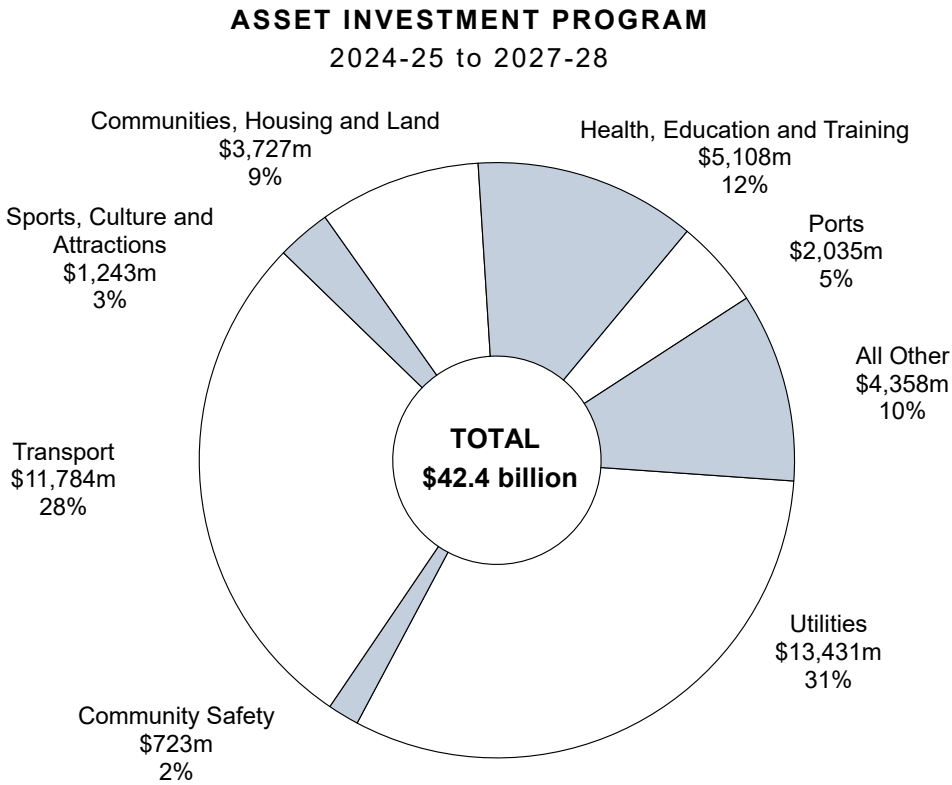
- The 2024-25 Budget includes a record \$12.1 billion Asset Investment Program (AIP) in 2024-25, following a \$10.6 billion expected outturn in 2023-24. The State Government is projected to invest \$42.4 billion in infrastructure over the four years to 2027-28, a very substantial step-up from the \$27.4 billion AIP over the four years to 2022-23.
- The State Government's AIP includes major investment in road and rail infrastructure (as key projects such as the METRONET Morley-Ellenbrook Line are delivered), energy and water infrastructure (as works on decarbonisation and new water sources progress), health and education infrastructure (to keep pace with our rapidly growing State and to enhance service delivery), and new housing and land-related projects.
- Relative to the 2023-24 Mid-year Review, the Government's AIP over 2023-24 to 2026-27 has been revised up by a net \$1 billion.
- Significant new infrastructure investment in this Budget includes:
 - establishment of a new \$500 million Strategic Industries Fund, with asset investment expenditure of \$145 million over the forward estimates period to acquire and develop industrial land;
 - a \$400 million top-up to the Social and Affordable Housing Investment Fund. This brings total investment in the Fund to \$1.6 billion since 2021-22, and brings the Government's commitment to new social housing to 4,900 dwellings by 2027-28;
 - an additional \$324 million for expansion of the State's main electricity grid, to unlock clean energy projects and assist key industries in meeting their decarbonisation objectives;
 - \$200 million for the Electronic Medical Record and Critical Health ICT Infrastructure programs; and
 - \$117 million for new primary schools, and a further \$73 million for Stage 2 of Piara Waters Senior High School.

Introduction

The 2024-25 Budget includes a record \$12.1 billion Asset Investment Program (AIP) in 2024-25 and total expenditure of \$42.4 billion over the next four years as the Government continues its commitment to build the economic and social infrastructure required for our rapidly growing State. This pipeline of investment will also sustain job creation and economic activity across the State.

Investment in energy and water infrastructure is a major priority of the AIP, with \$13.4 billion allocated over the next four years. Road, rail and transport infrastructure totals \$11.8 billion over the next four years, with annual spending tapering off over the outyears as major transport projects currently under construction become operational. The AIP also includes \$5.1 billion for schools, colleges and hospitals, and \$3.7 billion for communities, housing and land.

Figure 1



Note: Segments may not add due to rounding.

Sustained operating surpluses across the forward estimates allow the State to limit its reliance on debt as a source of funds for investment in these productive assets.

Many projects are still experiencing rising costs and delivery challenges driven by shortages of skilled labour, construction materials and equipment. The AIP includes additional funding for a range of projects facing cost pressures to ensure their timely completion.

WA Jobs Plan: Diversifying the Western Australian Economy, Creating Local Jobs for the Future

Investment in road, rail and transport infrastructure is estimated at \$5.3 billion in 2024-25 and \$11.8 billion over the next four years. New spending in this Budget includes:

- acquisition of an additional 96 electric buses at a cost of \$120.9 million to support the new METRONET lines (Byford, Armadale and Morley-Ellenbrook) becoming operational;
- replacement of Brooking Channel Bridge on the Great Northern Highway at a cost of \$107 million;
- spending of \$94 million on boating facilities, including new facilities at Ocean Reef Marina, replacement of Jetty One at Barrack Square and various initiatives as part of the Outdoor and Adventure Tourism package (see Feature Box later in this Chapter); and
- replacement of the Congdon Street Bridge over the Fremantle Line at Swanbourne at a cost of \$38 million.

Table 1

ASSET INVESTMENT IN ROAD, RAIL AND TRANSPORT INFRASTRUCTURE

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
Main Roads	2,559.1	2,074.8	1,470.8	1,376.6	648.6
Public Transport Authority	3,634.1	3,048.7	1,445.8	438.0	258.7
Department of Transport	42.0	110.8	133.1	69.8	22.1
Provision for METRONET Projects Under Development	-	28.4	139.5	266.7	251.8
Total	6,235.2	5,262.7	3,189.2	2,151.2	1,181.2

Note: Columns may not add due to rounding.

METRONET

The METRONET program continues to transform Perth's public transport network. Following the recent opening of the Airport Line and new Bayswater Station in April 2024, eight projects have now been completed.

In 2024-25, \$2.7 billion will be spent on the METRONET program of works, with ten projects underway or in planning. This investment in public transport infrastructure continues to support thousands of local jobs and businesses and will reduce the costs of road congestion, provide affordable public transport options for local residents and help meet Perth's future development needs.

A number of projects within the METRONET program are scheduled to commence passenger service in 2024-25, including:

- the Yanchep Rail Extension, providing 14.5km of new rail and three new stations at Yanchep, Eglinton and Alkimos to meet increased travel demand from our northern suburbs and contribute to the long-term expansion of Perth's public transport network, which is expected to commence services in mid-2024;
- the Morley-Ellenbrook Line, the largest public transport project since the completion of the Mandurah Line, which will connect the north-eastern suburbs to the broader public transport network by delivering more than 21km of new track and five state-of-the-art stations, with construction due to be completed by the end of the 2024 calendar year;
- the Armadale Line transformation, through the Victoria Park-Canning Level Crossing Removal program, which has removed six level crossings and will deliver five elevated stations, improving safety, providing new public spaces for the local community and significantly reducing road congestion;
- the Thornlie-Cockburn Link, completing Perth's first direct east-west line connection and delivering more travel choices for people in the area, reducing road congestion and providing a more liveable community; and
- the Byford Rail Extension, which has removed seven level crossings, will replace the existing Armadale Station with a new elevated station and extend the line 8km to a new station in Byford, providing improved public transport linkages and unlocking land development opportunities to one of the fastest growing areas in Australia.

Pressure in the construction market and global and national supply chain constraints continue to impact METRONET project delivery. The 2024-25 Budget contains additional capital spending (jointly funded by the State and Commonwealth Governments) on METRONET projects, including the new rail lines, the railcar acquisition and replacement program and the High Capacity Signalling program of works (see Major Spending Changes). Investment in METRONET projects over the forward estimates period totals \$4.8 billion, including \$2.9 billion in funding from the Commonwealth.

The Budget aggregates continue to include global provisions for the delivery of METRONET projects that are in live procurement processes or under development (including the Morrison Road Level Crossing Removal). As has been the case for other METRONET projects, the budgets for these projects will be included in the delivery agencies' Asset Investment Programs upon completion of the tender processes.

Table 2

METRONET
Capital Spending and Funding

METRONET	2024-25	2025-26	2026-27	2027-28	Total 2024-25 to 2027-28
	\$m	\$m	\$m	\$m	\$m
Capital Expenditure					
Forrestfield-Airport Link	25.1	-	-	-	25.1
Thornlie-Cockburn Link	225.1	64.3	-	-	289.4
Yanchep Rail Extension	80.0	-	-	-	80.0
Morley-Ellenbrook Line	269.4	-	-	-	269.4
Byford Rail Extension	544.1	302.3	-	-	846.4
Midland Station	67.3	16.5	18.1	-	101.9
Bayswater Station	71.9	-	-	-	71.9
Lakelands Station	6.8	-	-	-	6.8
Victoria Park-Canning Level Crossing Removal	515.8	271.5	-	-	787.3
Caledonian Avenue Level Crossing Removal	6.5	8.0	-	-	14.5
Mandurah Station Multi-Storey Car Park	0.9	-	-	-	0.9
Greenwood Station Multi-Storey Car Park	-	22.3	10.0	-	32.3
Midland Station Multi-Storey Car Park	2.8	-	-	-	2.8
New and Existing Train Station Upgrades	19.4	-	-	-	19.4
High Capacity Signalling Program of Works	256.6	116.3	18.1	-	391.0
Railcar Acquisition	326.8	209.1	104.0	103.9	743.9
Canning Bridge Bus Interchange	8.0	10.0	40.0	104.5	162.5
Provision for Projects Under Development	28.4	139.5	266.7	251.8	686.3
Land Acquisition and Enabling Works	215.5	8.2	-	-	223.7
Total	2,670.6	1,167.9	456.8	460.2	4,755.5
Capital Funding					
Commonwealth Funding	1,984.3	743.3	80.0	76.0	2,883.6
Land Sales	-	25.0	-	-	25.0
Metropolitan Region Improvement Fund	3.0	-	-	-	3.0
Consolidated Account	979.6	396.6	275.3	222.1	1,873.7
Borrowings	-763.6	-339.6	87.6	91.6	-924.0
Other (inc. Motor Vehicle Licence Revenue)	411.1	311.3	16.0	70.5	808.9
Cash at Bank	56.3	31.3	-2.2	-	85.3
Total	2,670.6	1,167.9	456.8	460.2	4,755.5

The AIP includes investment in port infrastructure totalling \$2 billion over the next four years, with new investment approved as part of the Budget including:

- \$102 million for major refurbishment works at Fremantle Port Authority including upgrades to the erosion protection system and deck repairs at the Kwinana Bulk Jetty, upgrading the fenders on Berths F and G at the Fremantle Passenger Terminal, and progressing refurbishment and replacement of bollards across the Inner and Outer Harbours to continue to provide safe mooring options;
- \$84.3 million to enable the ports to undertake works to maintain current port capacity and sustain their asset bases;
- \$17 million to progress refurbishment of Utah Road in the Port of Port Hedland; and
- \$14.9 million over the next two years for the Southern Ports Authority to renew and upgrade the existing tug pen and pilot jetty at the Port of Esperance.

Table 3

ASSET INVESTMENT IN PORTS

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
Pilbara Ports Authority	284.7	479.1	532.2	105.8	61.7
Fremantle Port Authority	94.3	116.8	67.5	49.6	30.6
Mid West Ports Authority	62.6	124.5	189.0	60.6	9.9
Southern Ports Authority	70.4	69.1	50.7	35.2	21.3
Kimberley Ports Authority	12.3	14.3	6.7	5.1	5.2
Total	524.4	803.8	846.2	256.2	128.7

Note: Columns may not add due to rounding.

Investment by the State’s electricity and water utilities totals \$13.4 billion over the four years to 2027-28, of which \$4.5 billion will be spent in 2024-25. A key focus of the utilities is to maintain their existing service capacity while simultaneously accommodating new demand, as well as continuing to plan and deliver the Government’s significant decarbonisation investment. New projects in this Budget include:

- \$324 million for Western Power to commence planning and scoping work on long-lead commitments, engage with customers and the community, and undertake procurement processes for early transmission network investment required to meet industry growth forecasts in the South West Interconnected System;
- \$156.8 million for the Water Corporation to relocate and augment water and wastewater networks across the metropolitan area;
- \$147.6 million for Horizon Power to expand the transmission infrastructure of the North West Interconnected System in the Pilbara; and
- \$18.4 million to install the next 50 Standalone Power Systems in the Goldfields-Esperance and Midwest regions, as part of the Government’s election commitment.

Table 4

ASSET INVESTMENT IN WESTERN AUSTRALIAN UTILITIES

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
ELECTRICITY UTILITIES					
Western Power	1,026.9	1,373.0	1,267.6	1,246.9	1,181.8
Synergy	837.9	1,228.0	140.1	42.1	40.1
Horizon Power	138.2	189.1	125.2	114.1	73.5
WATER UTILITIES					
Water Corporation	916.7	1,703.0	2,055.4	1,532.4	1,046.7
Bunbury Water Corporation	16.0	18.7	10.4	2.7	2.7
Busselton Water Corporation	6.1	9.8	6.2	5.3	16.3
Total	2,941.7	4,521.6	3,604.8	2,943.5	2,361.2

Note: Columns may not add due to rounding.

Safe, Strong and Fair Communities: Supporting Our Local and Regional Communities to Thrive

Investment in health and mental health infrastructure totals \$3.4 billion over the next four years. A range of initiatives have been approved as part of this Budget to address the impact of strong population growth on demand for health and mental health services, as well as improve the effectiveness of service delivery. These include:

- \$200 million for the Electronic Medical Record and Critical Health ICT Infrastructure programs, which will progress planning and design for a suite of capabilities that support clinical decisions and workflows, as well as uplift local area network security, accessibility and performance;
- \$166.9 million over the next four years (and a further \$37.1 million in 2028-29) for car parks at the Murdoch Health and Knowledge Precinct, including two multi-deck car parks and temporary parking during construction of the New Women and Babies Hospital to address existing and future demand at the precinct;
- \$112.7 million of additional funding for the Medical Equipment and Imaging Replacement and Minor Building Works programs; and
- \$15 million for a Magnetic Resonance Imaging (MRI) Unit at the Hedland Health Campus.

The AIP also includes \$1.6 billion over the next four years for the construction, refurbishment and expansion of public schools across the State. Significant new projects and initiatives funded in this Budget include:

- \$116.8 million to deliver five new primary schools, with two (Wellard East and Wungong) opening in 2026 and a further three in 2027;
- new investment in secondary school infrastructure, including \$67.4 million (and a total of \$73.2 million to 2028-29) for the construction of Stage 2 of Piara Waters Senior High School and a total of \$30 million for planning, design and enabling works for a new high school in Brabham (\$15 million) and to increase student accommodation capacity at Bob Hawke College (\$15 million); and

- \$79.6 million to provide additional transportable classrooms to support enrolment fluctuations in schools over the 2025 and 2026 school years.

Table 5

ASSET INVESTMENT IN HEALTH, EDUCATION AND TRAINING

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
WA Health	444.4	864.2	760.0	930.5	775.2
Mental Health Commission	-	7.0	13.7	0.7	-
Education	621.1	607.8	504.2	302.2	191.4
Training and Workforce Development	120.2	64.7	21.7	16.1	15.3
TAFE Colleges	26.8	8.7	7.7	7.7	7.7
Building and Construction Industry Training Board	1.7	0.5	0.5	0.5	0.5
Total	1,214.1	1,552.8	1,307.6	1,257.7	990.1

Note: Columns may not add due to rounding.

Asset investment in the 2024-25 Budget to support community safety totals \$723.2 million over 2024-25 to 2027-28, with new initiatives including \$19.7 million to continue modernisation of the Western Australia Police Force’s ICT systems and \$14.6 million to refurbish various fire and emergency services facilities and heating, ventilation, and air-conditioning at police stations.

Table 6

ASSET INVESTMENT IN COMMUNITY SAFETY

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
Western Australia Police Force	103.1	126.1	85.5	70.4	23.9
Justice	89.2	137.8	57.3	20.1	16.9
Fire and Emergency Services	55.2	79.8	41.8	31.6	32.1
Total	247.5	343.7	184.6	122.1	72.9

Note: Columns may not add due to rounding.

This Budget continues the Government’s focus on boosting social and affordable housing and addressing homelessness, with an additional \$400 million investment in the Social and Affordable Housing Investment Fund. This brings the total investment in the Fund to \$1.6 billion since the 2021-22 Budget and sees Government’s commitment to new social housing stock increase to 4,900 dwellings by 2027-28.

Other new initiatives include:

- a further \$43.8 million for new houses and refurbishment of existing houses under the Government Regional Officer Housing program, to support the delivery of essential services in regional Western Australia; and
- \$13.7 million to refurbish and fit out 56 out-of-home care residential properties.

In addition, \$145 million has been committed over the next four years to acquire and develop industrial land, to support new and emerging industries across the State, as part of the \$500 million Strategic Industries Fund.

Table 7

ASSET INVESTMENT IN COMMUNITIES, HOUSING AND LAND

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
Development WA	489.6	681.9	563.4	324.2	281.0
Communities	553.8	588.9	490.1	373.9	207.1
Western Australian Planning Commission	104.7	73.9	48.3	47.3	47.3
Total	1,148.1	1,344.6	1,101.8	745.3	535.3

Note: Columns may not add due to rounding.

Investing in Western Australia's Future: Climate Action and Supporting the Arts, Culture and Sporting Sectors to Promote Vibrant Communities

Investment in cultural and sporting infrastructure totals \$1.2 billion over the next four years, and includes:

- \$233.5 million to build a new Screen Production Facility in Malaga;
- \$101 million (out of a total \$150.5 million over eight years, including \$192,000 in recurrent spending) to deliver essential infrastructure upgrades on Rottnest Island;
- \$30 million to deliver campsites, jetties and trails under the Outdoor and Adventure Tourism initiative (see Feature Box); and
- \$20 million for additional works for the Perth Cultural Centre Rejuvenation project.

Table 8

ASSET INVESTMENT IN SPORTS, CULTURE AND ATTRACTIONS

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
Biodiversity, Conservation and Attractions	131.0	224.3	143.0	101.6	63.0
Local Government, Sport and Cultural Industries	55.0	170.9	256.9	124.5	40.9
Western Australian Sports Centre Trust	41.4	47.5	28.8	20.5	20.8
Western Australian Institute of Sport	0.1	0.1	0.1	0.1	0.1
Total	227.6	442.9	428.9	246.8	124.8

Note: Columns may not add due to rounding.

OUTDOOR AND ADVENTURE TOURISM

The Budget includes an unprecedented \$165 million package of initiatives to deliver new and improved visitor facilities and services in outdoor and adventure tourism to encourage Western Australians to explore the State's great outdoors, support regional tourism and communities, and ensure Western Australia remains a world-class destination of choice for local and international visitors.

The package comprises:

- \$82.4 million for boating and maritime facilities, including for the Jurien Bay Boat Harbour breakwater extension (to maintain and improve the water quality), Stage 2 of the Onslow Community Boating Precinct (including boat pens and public jetties), and replacement of the Woodman Point Ammo Jetty;
- \$45.8 million for trails and recreation, including to connect and complete the Wadandi Track, to implement the Pemberton Trails masterplan, upgrade the Kwinana Loop Trail (Stage 1), and improve and expand Peel regional trails;
- \$19.7 million to improve tourism experiences, including revitalisation of the Kalbarri foreshore, activation of sustainable tourism at Houtman Abrolhos Islands, and reinstatement of the Gloucester and Bicentennial Climbing trees;
- \$12.1 million to upgrade and provide new campground facilities across 11 of the State's national parks; and
- \$5 million to improve conditions and facilities at the Geraldton, Kalgoorlie, Pemberton, Dampier and Point Peron school camps.

The following table provides further detail.

Table 9	
OUTDOOR AND ADVENTURE TOURISM	
Total Spending	
	\$m
Boating and Maritime Facilities	
Broome Boating Initiative	36.3
Jurien Bay Boat Harbour Breakwater Extension	17.5
Woodman Point Ammo Jetty ^(a)	9.1
Onslow Community Boating Precinct Stage 2	6.5
Bunbury Fishing Platform	4.0
Albany Marina Pontoon Jetty	4.0
Penguin Island Jetty	2.8
Mount Henry Jetty	1.0
Cape Keraudren Boat Ramp	1.0
Albany Little Grove Finger Jetty	0.3
Total	82.4

Table 9 (cont.)

OUTDOOR AND ADVENTURE TOURISM
Total Spending

Trails and Recreation	
Wadandi Track	17.5
Pemberton Trails Masterplan	8.0
Peel Regional Trails	8.0
Kwinana Loop Trail	3.5
Kalamunda Circuit Trail Masterplan	3.0
Red Gorge Hike and Cycle Trail	2.5
Recreation Camps Equipment Upgrades	1.8
Cape Peron Facility Upgrades	1.0
John Forrest National Park Trails Plan	0.5
Total	45.8
Tourism Experiences	
Abrolhos Islands Tourism	8.1
Kalbarri Foreshore Revitalisation	8.1
Gloucester and Bicentennial Trees	3.0
Tourism Attraction Feasibility	0.5
Total	19.7
Campground Facilities	
Yanchep Golf Course	2.3
Kangaroo Point	1.5
D'Entrecasteaux Coast	1.5
Saint Mary's Inlet	1.0
Kurrajong and Walardi	1.0
Cape to Cape campgrounds	1.0
Martins Tank	0.9
Big Brook Arboretum	0.8
Nanga	0.5
Murray Riverside	0.5
Conto	0.3
South West Lakes	0.3
Draftys and Warren	0.3
Greens Island	0.3
Crystal Springs	0.3
School Camps	5.0
Total	17.1
Package Total	165.1

(a) Additional funding for the existing project.

Note: Columns may not add due to rounding.

Major Infrastructure Spending Changes

Summary

The following tables provide details of major changes in total public sector infrastructure spending by agency since the 2023-24 Mid-year Review. These include policy decisions made between the cut-off date for the Mid-year Review (27 November 2023) and the cut-off date for this Budget (8 April 2024), and other changes of a material nature affecting agency infrastructure spending over the forward estimates period.

The timing of cash flows for some previously announced projects may also have been revised but are not included in this chapter as they are broadly net debt neutral across the forward estimates period. Further details on individual projects are contained in Budget Paper No. 2: *Budget Statements*.

PARLIAMENT

Table 10

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
PARLIAMENTARY SERVICES DEPARTMENT					
– Digital Capability Fund – Parliamentary Information Management System	-	2.2	2.0	1.4	-
– Asset Maintenance Fund – Maintenance Works					
– Parliament House Digital Upgrade	-	1.8	-	-	-
– Air-Conditioning Chiller Replacement	-	1.1	-	-	-

Note: Rows may not add due to rounding.

Parliamentary Services Department

Digital Capability Fund – Parliamentary Information Management System

The Department will spend \$6.6 million over 2024-25 to 2027-28 (including recurrent funding of \$850,000 in 2027-28) for the purchase and implementation of a new Enterprise Parliamentary Information Management Service for the Western Australian Parliament. The replacement system will improve productivity, boost the existing capabilities of members and the workforce, and mitigate cyber security risks (see Chapter 5).

Asset Maintenance Fund – Maintenance Works

An additional \$2.9 million will be spent in 2024-25 to replace infrastructure at Parliament House, including digitisation of the Parliament's broadcasting and voting system, and the building's air-conditioning chiller.

GOVERNMENT ADMINISTRATION

Table 11

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
PUBLIC SECTOR COMMISSION					
– Western Australian Public Sector Learning Initiative ^(a)	-	-	19.2	-	-
WORKCOVER WA AUTHORITY					
– Updated Financial Estimates ^(a)	-0.1	0.1	0.5	1.1	0.7
PREMIER AND CABINET					
– Corporate ICT Uplift ^(a)	-	1.0	1.0	1.0	1.0
– Digital Capability Fund –ServiceWA App ^(a)	-	0.5	0.8	0.4	0.5

(a) This item has both recurrent and capital expenditure, the majority of which is recurrent and therefore is detailed in Chapter 5.

Note: Rows may not add due to rounding.

FINANCIAL ADMINISTRATION

Table 12

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW					
	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
FINANCE					
– Cost of Living – Electricity Credit ^(a)	0.2	0.9	-	-	-
GOLD CORPORATION					
– Plant and Equipment Replacement Program	-1.9	11.7	10.8	6.3	0.6

(a) This item has both recurrent and capital expenditure, which is disclosed in Chapter 5 and 6. For details of this initiative, see the Cost of Living Feature Box in Chapter 1.

Note: Rows may not add due to rounding.

Gold Corporation

Plant and Equipment Replacement Program

An additional \$27.5 million will be invested in Gold Corporation's Plant and Equipment Replacement Program. The investment will modernise Gold Corporation's refinery and manufacturing equipment, leading to greater production efficiency and a reduction in future operating costs.

JOBS AND ECONOMIC DEVELOPMENT

Table 13

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
PRIMARY INDUSTRIES AND REGIONAL DEVELOPMENT					
– Asset Maintenance Fund – Maintenance Works					
– Kununurra and Eucla Checkpoints and Stockyards	-	4.5	2.3	-	-
– Katanning Chemical and Fertiliser Sheds	-	1.4	-	-	-
– Outdoor and Adventure Tourism – Houtman Abrolhos Islands Sustainable Development Activation Plan ^(a)	-	3.8	3.6	-	-
– Rat Island Jetty Acquisition	0.3	-	-	-	-
WESTERN AUSTRALIAN MEAT INDUSTRY AUTHORITY					
– Electronic Identification Scanning Equipment	-	0.1	-	-	-
SMALL BUSINESS DEVELOPMENT CORPORATION					
– Digital Capability Fund – Service Delivery Platform ^(b)	-	0.2	-	-	-
ECONOMIC REGULATION AUTHORITY					
– Alternative Electricity Services Registration Framework ^(b)	-	0.7	-	-	-
FOREST PRODUCTS COMMISSION					
– Digital Capability Fund – Delivery and Billing System and Contracts Management System	-	1.1	-	-	-
– Softwood Plantation Investment Program – Equipment	-	0.5	-	-	-
RACING AND WAGERING WESTERN AUSTRALIA					
– Building Improvements	4.8	6.6	- ^(c)	-	-
– Racing Systems, Infrastructure and Minor Capital	5.6	1.5	3.1	-0.7	-0.7
– Wagering Systems and Products	5.8	3.2	-0.3	-0.3	-0.3
BURSWOOD PARK BOARD					
– Playground Upgrade	-	3.0	-	-	-

(a) See the Outdoor and Adventure Tourism Feature Box in this Chapter.

(b) This item has both recurrent and capital expenditure, the majority of which is recurrent and is therefore detailed in Chapter 5.

(c) Amount less than \$50,000.

Note: Rows may not add due to rounding.

Primary Industries and Regional Development

Asset Maintenance Fund – Maintenance Works

The Department will spend \$8.3 million over 2024-25 and 2025-26 to upgrade ageing quarantine checkpoint facilities and stockyards at Kununurra and Eucla, and replace chemical and fertiliser sheds at the Katanning research station that are no longer fit-for-purpose.

Rat Island Jetty Acquisition

In preparation for the upcoming enhanced tourism activation in the Houtman Abrolhos Islands, the Department spent \$250,000 in 2023-24 on the acquisition of a jetty on Rat Island.

Western Australian Meat Industry Authority

Electronic Identification Scanning Equipment

The Western Australian Meat Industry Authority will spend an additional \$74,000 to procure and install sheep and goat electronic identification scanning equipment to improve the traceability of sheep and goats in the event of a disease outbreak.

Forest Products Commission

Digital Capability Fund – Delivery and Billing System and Contracts Management System

The Commission will spend \$1.1 million in 2024-25 to upgrade its Delivery and Billing System and Contracts Management System.

Softwood Plantation Investment Program – Equipment

The Commission will invest \$523,000 in 2024-25 on new equipment (packing machine for seedling dispatch and a forklift) for its nursery operations to support the Softwood Plantation Investment Program.

Racing and Wagering Western Australia

Building Improvements

To ensure that Racing and Wagering Western Australia's head office provides adequate facilities for staff, by mitigating potential occupational health and safety risks, \$11.5 million will be re-prioritised to meet the cost of the building improvements.

Racing Systems, Infrastructure and Minor Capital

Racing and Wagering Western Australia will spend an additional \$8.8 million on the rolling investment program to support critical racing infrastructure, including the upgrade of greyhound racing facilities to promote animal welfare.

Wagering Systems and Products

To continue to grow and maintain the operations of the WA TAB, an additional \$8.2 million will be invested to maintain and enhance the wagering systems.

Burswood Park Board

Playground Replacement

The Burswood Park Board will invest \$3 million in 2024-25 to replace the existing playground with a new modern play area designed to appeal to a broader age range, which children of all abilities can enjoy.

HEALTH

Table 14

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
WA HEALTH					
– Cost Increase					
– Election Commitment – Bunbury Hospital Redevelopment	4.7	52.0	53.6	48.7	14.2
– Election Commitment – Geraldton Health Campus Redevelopment	-2.1	22.7	15.0	7.8	-
– Sir Charles Gairdner Hospital Emergency Department and Urgent Critical Care Toxicology	-	9.7	9.1	-	-
– Bentley Health Service Surgicentre	-	-	-	-	17.0
– Joondalup Health Campus Redevelopment Stage 2	-	12.0	-	-	-
– Digital Capability Fund – Electronic Medical Record Program	-	27.4	36.8	39.9	-
– Digital Capability Fund – Critical Health ICT Infrastructure Program (CHIIP) ^(a)	-	40.6	33.6	-	-
– Medical Equipment and Imaging Replacement Program	-	22.7	50.0	-	-
– Minor Building Works Program	-	15.0	25.0	-	-
– Asset Maintenance Fund – Maintenance Works					
– Fremantle Hospital Safety, Fire Compliance and Critical Electrical Infrastructure	-	2.5	8.0	10.7	0.8
– Royal Perth Hospital High Voltage Switchgear	-	2.5	0.5	-	-
– WA Country Health Service (WACHS) Nurse Call Systems Replacement Program	-	1.7	0.7	-	-
– Royal Perth Hospital Window Replacement	-	1.5	-	-	-
– Anti-Ligature Remediation Program	-	1.4	13.9	12.5	-
– Election Commitment – Hedland Health Campus Magnetic Resonance Imaging (MRI)	-	1.0	7.3	6.7	-
– Perth Children’s Hospital – Ward 5A Reconfiguration	-	5.1	6.0	3.1	-
– Critical Staff Accommodation Upgrade Program	-	7.7	-	-	-
– Perth Health Innovation Hub	-	2.1	4.2	0.7	-
– Regional Services – Rural and Remote Nursing Posts ^(a)	-	5.0	-	-	-
– St John of God Midland Health Campus – Master Planning	-	3.0	-	-	-
– Pilbara Renal Service	0.4	2.0	-	-	-
– Bunbury BreastScreen WA Clinic Relocation	-	1.0	-	-	-
– Election Commitment – <i>Criminal Law (Mental Impairment) Act 2023</i> Interim Accommodation ^(b)	-	0.4	-	-	-
– Cockburn Mental Health Clinic ^{(a)(c)}	-	-	-	-	-
MENTAL HEALTH COMMISSION					
– Emergency Department Reform Initiatives – Broome Sobering-Up Centre	-	1.4	8.7	0.7	-
– Asset Maintenance Fund – Maintenance Works	-	0.6	-	-	-

(a) This item has both recurrent and capital expenditure, the majority of which is recurrent and is therefore detailed in Chapter 5.

(b) See the Department of Justice in Chapter 5.

(c) Confidential – amounts undisclosed to avoid prejudicing commercial negotiations.

Note: Rows may not add due to rounding.

WA Health

Cost Increase – Election Commitment – Bunbury Hospital Redevelopment

The Government has allocated an additional \$173.2 million for the ongoing transformation of Bunbury Regional Hospital, resulting in total funding of \$451.1 million. The redevelopment will ensure better health outcomes for regional Western Australians by delivering a modern healthcare facility to meet community needs well into the future. It will provide additional medical and intensive care beds, an expanded emergency department, increased operating theatre capacity, new and expanded maternity, birthing and neonatal services, a dedicated mental health observation area and expanded mental health inpatient facilities, as well as new clinical equipment including sterilisation and support facilities.

Cost Increase – Election Commitment – Geraldton Health Campus Redevelopment

To deliver better health outcomes for Western Australians in Geraldton and the Mid West, the Government has invested an additional \$43.4 million for the Geraldton Health Campus Redevelopment, resulting in total funding of \$166.1 million. The redevelopment will deliver an expanded emergency department, a new intensive care unit, co-located with an improved high dependency unit and an integrated mental health service.

Cost Increase – Sir Charles Gairdner Hospital Emergency Department and Urgent Critical Care Toxicology

The Government has allocated additional funding of \$18.9 million to cover the increased costs of the Sir Charles Gairdner Hospital Emergency Department and Urgent Critical Care Toxicology project. The project delivers a dedicated treatment area for alcohol and other drug-related presentations to improve the safety of patients and staff.

Cost Increase – Bentley Health Service Surgicentre

The Surgicentre will enable the separation of elective surgery from emergency surgery at Royal Perth Hospital. Additional funding of \$17 million has been provided to meet cost pressures being experienced in the construction market. The additional funding brings the total project cost to \$167 million.

Cost Increase – Joondalup Health Campus Redevelopment Stage 2

An additional \$12 million has been allocated for cost escalation for the last stage of the Joondalup Health Campus Redevelopment Stage 2, due to higher costs for construction materials. The last stage of the project consists of a new Sterile Services Department, theatre expansion and a new public ward block. Total funding of \$281.4 million for the Stage 2 redevelopment will modernise public health facilities and improve patient outcomes.

Digital Capability Fund – Electronic Medical Record Program

The Government has allocated \$104.1 million over 2024-25 to 2026-27 to commence preparation and procurement activities for the Electronic Medical Record Program as part of the prioritised, staged delivery of the program across the Western Australian health system. The Program will deliver a suite of capabilities that support clinical decisions and workflows (such as vital signs monitoring, warnings of interactions between medications and diagnostic aids) to improve health outcomes for patients.

Digital Capability Fund – Critical Health ICT Infrastructure Program (CHIIIP)

To address cyber security risks and minimise the opportunity for network breaches, the Government will invest an additional \$74.2 million over 2024-25 and 2025-26 to continue implementation of the CHIIIP. A further \$21.6 million of recurrent expenditure has also been approved over the same period to deliver this project (see Chapter 5).

Medical Equipment and Imaging Replacement Program

An additional \$72.7 million will be invested over 2024-25 and 2025-26 in the Medical Equipment and Imaging Replacement Program to replace high-priority medical and imaging equipment that is nearing the end of its useful life.

Minor Building Works Program

The Government will spend a further \$40 million over 2024-25 and 2025-26 to continue minor building works across the Western Australian health system, which will ensure the safety of patients and staff by maintaining and upgrading buildings and equipment.

Asset Maintenance Fund – Maintenance Works

Funding of \$28.9 million has been allocated over the forward estimates to address safety and fire compliance to replace electrical infrastructure at Fremantle and Royal Perth Hospitals, upgrade the nurse call systems at Broome and Kununurra Hospitals, and replace windows at Royal Perth Hospital.

Anti-Ligature Remediation Program

Findings identified in an audit of ligature risks in all public Mental Health Inpatient Units will be remediated at a cost of \$27.8 million over 2024-25 to 2026-27.

Election Commitment – Hedland Health Campus Magnetic Resonance Imaging (MRI)

In response to the need for advanced imaging services in the Pilbara, the Government has provisioned \$15 million for the construction of a new MRI Unit at Hedland Health Campus, which will be allocated to WA Health in line with the outcome of a tender for the works.

Perth Children’s Hospital – Ward 5A Reconfiguration

The 2023-24 Budget included \$7.7 million to refurbish parts of the Mental Health Inpatient Unit (Ward 5A) at Perth Children’s Hospital. An additional \$14.2 million over 2024-25 to 2026-27 has now been approved to refurbish and reconfigure the entire ward, including expanding therapy spaces, improvements to the de-escalation area and seclusion room, and upgrades to security and furnishings to create a more therapeutic environment.

Critical Staff Accommodation Upgrade Program

The Government will invest an additional \$7.7 million in 2024-25 to address critical regional staff accommodation priorities. This program will upgrade housing assets to provide safe, fit-for-purpose staff housing for the health workforce across regional and remote Western Australia.

Perth Health Innovation Hub

An additional \$7 million will be spent over 2024-25 to 2026-27 on upgrading and refurbishing new premises in the Perth city centre to establish the Perth Health Innovation Hub. Total funding of \$15.3 million has been allocated to this initiative to promote industry innovation and attract world-class discoveries and international expertise to Western Australia.

St John of God (SJOG) Midland Health Campus – Master Planning

The Government has allocated \$3 million in 2024-25 to begin master planning for the SJOG Midland Health Campus to enable a holistic approach for the overall redevelopment of the entire campus aligned to medium and long-term clinical service planning.

Pilbara Renal Service

The Government has approved funding of \$2.3 million in 2023-24 and 2024-25 to build a four-chair renal dialysis unit within the Karratha Health Campus. The unit will provide an accessible and contemporary environment for patients requiring ongoing haemodialysis, helping to close the gap in patient outcomes for Aboriginal people with chronic and end-stage kidney disease.

Bunbury BreastScreen WA Clinic Relocation

Funding of \$1 million has been allocated in 2024-25 to cover the relocation costs of the Bunbury BreastScreen WA clinic.

Mental Health Commission

Emergency Department Reform Initiatives – Broome Sobering Up Centre

A new 26-bed Sobering Up Centre will be constructed in Broome at a cost of \$10.7 million over 2024-25 to 2026-27. Sobering Up Centres provide a safe place for intoxicated people and reduce the strain on emergency departments and police services. This initiative forms part of the Government’s \$154.6 million emergency department reform investment (see Chapter 5).

Asset Maintenance Fund – Maintenance Works

The Government will spend \$567,000 in 2024-25 to address high-priority building maintenance requirements. The works will include upgrades to fire detection and protection systems, emergency lighting upgrades and protective surface treatments.

EDUCATION AND TRAINING

Table 15

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
EDUCATION					
- 2027 New Primary Schools	-0.7	3.6	25.6	57.2	2.7
- Transportable Classrooms	-	38.9	40.7	-	-
- Piara Waters Senior High School Stage 2	-	0.7	3.4	23.1	40.2
- Asset Maintenance Fund – Maintenance Works					
- Preventative Maintenance	0.3	11.2	24.1	-	-
- Bicton Primary School Refurbishment	-	1.0	-	-	-
- 2026 New Primary Schools	-2.7	0.7	28.0	2.5	-
- Caversham Primary School Improvements	-	2.1	10.1	12.4	1.9
- Mount Hawthorn Education Support Centre Relocation	0.1	1.2	5.2	12.2	1.5
- Brabham Senior High School	-	5.0	10.0	-	-
- Accommodation for Secondary Schooling	-	6.4	8.0	0.6	-
- Highgate Primary School Modular Expansion	0.5	3.8	7.8	-	-
- Cost Increase					
- Election Commitment – Springfield Primary School	-	2.0	2.0	-	-
- Election Commitment – Greenwood College	-	1.6	1.1	-	-
- Election Commitment – Warwick Senior High School	-	1.4	0.9	-	-
- Piara Waters Senior High School Stage 1	0.9	-	-	-	-
- Derby District High School	0.8	-	-	-	-
- Alkimos College Stage 2	0.8	-	-	-	-
- Election Commitment – Brabham Primary School	-	-3.0	-2.0	-	-
- Inner City Primary School – Project Definition Plan	1.8	1.0	-	-	-
- Schools Upgrade Fund	0.5	1.5	-	-	-
- Planning for School Additions and Improvements	-	1.9	-	-	-
- Planning for Upgrades – Esperance Senior High School and Como Secondary College	-	1.3	-	-	-
TRAINING AND WORKFORCE DEVELOPMENT AND TAFE COLLEGES					
- Aluminium Composite Panel (Cladding) Remediation					
- North Metropolitan TAFE (Northbridge)	-	9.6	-	-	-
- Central Regional TAFE (Geraldton)	-	4.8	-	-	-
- Cost Increase					
- North Metropolitan TAFE – Specialist Teaching Block (Balga)	-	4.2	-	-	-
- South Regional TAFE – Onsite Training Facilities (Collie)	-	1.5	-	-	-
- North Regional TAFE – Pundulmurra Trade Expansion (South Hedland)	-	1.1	-	-	-
- North Metropolitan TAFE – Light Auto Workshop (Joondalup)	-	0.8	-	-	-
- South Metropolitan TAFE – Training Campus (Armadale)	-	0.8	-	-	-
- Central Regional TAFE – Heavy Plant/Engineering Trades Workshop (Kalgoorlie)	-	0.8	-	-	-
- North Regional TAFE – Hospitality and Student Services Centre (Broome)	0.5	-	-	-	-
- South Regional TAFE – Trade Workshop (Albany)	-	0.3	-	-	-
- North Metropolitan TAFE – Asset Replacement and Remedial Works Program	0.5	0.5	0.5	0.5	0.5
BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD					
- Construction Futures Centre Exhibit Upgrades	-	0.5	0.5	0.5	0.5

Note: Rows may not add due to rounding.

Education

2027 New Primary Schools

The Government has committed an additional \$88.4 million over 2023-24 to 2027-28 towards the delivery of three new primary schools to open in time for the 2027 school year, with locations to be determined following confirmation of up-to-date school enrolments.

Transportable Classrooms

To enable flexible and timely expansion of capacity in public schools to meet higher than previously expected enrolments as a result of strong population growth, an additional \$79.6 million will be invested over 2024-25 and 2025-26 to facilitate the acquisition and delivery of transportable classrooms for the 2025 and 2026 school years.

Piara Waters Senior High School Stage 2

The Government will invest an additional \$67.4 million over the forward estimates period (and a further \$5.8 million in 2028-29) to deliver the Stage 2 expansion of Piara Waters Senior High School. Stage 2 will more than double the school's current capacity and include specialist facilities to support delivery of a full senior secondary curriculum for the school's inaugural Year 11 cohort that will commence in 2027.

Asset Maintenance Fund – Maintenance Works

Priority maintenance in public schools will be boosted with an additional investment of \$43.1 million (including \$7.5 million recurrent expenditure – see Chapter 5) over 2024-25 and 2025-26. Focus areas include electrical safety, roof replacement, plaster glass and ceiling remediation, school camp upgrades, soil contamination remediation, and upgrades to fire services at schools. In addition, the Government will invest \$953,000 in 2024-25 for the refurbishment of the school hall at Bicton Primary School.

2026 New Primary Schools

In December 2023, the Government announced two new primary schools will open for the 2026 school year in Wellard East and Wungong. To deliver these projects, the Government will invest an additional \$28.4 million over 2023-24 to 2026-27, bringing the total investment in these schools to \$90.8 million.

Caversham Primary School Improvements

To enable a permanent capacity increase in response to consistently higher student enrolments, the Government will invest an additional \$26.5 million over 2024-25 to 2027-28 to construct a new two-storey teaching block at Caversham Primary School in place of temporary transportable classrooms.

Mount Hawthorn Education Support Centre Relocation

The Government will invest \$20.1 million over 2023-24 to 2027-28 (and \$1.7 million in 2028-29) to relocate the education support centre at Mount Hawthorn Primary School to Lake Monger Primary School. The new centre at Lake Monger Primary School will have capacity for 50 students and is proposed to open in 2028.

Brabham Senior High School

The Department will spend \$15 million in 2024-25 in order to commence planning and deliver enabling works for a new high school in Brabham to alleviate emerging enrolment pressures at Ellenbrook Secondary College.

Accommodation for Secondary Schooling

The Government has allocated \$15 million from 2024-25 to 2026-27 to progress additional accommodation capacity for students and staff at Bob Hawke College.

Highgate Primary School Modular Expansion

The Government will spend \$12 million over 2023-24 to 2025-26 to manage enrolment pressure at Highgate Primary School. The investment will deliver a two-storey modular classroom block and ancillary facilities to accommodate approximately 160 additional students. The bespoke design will minimise the infrastructure footprint and preserve open space for students at the school.

Department of Education – Cost Increases

The Government will spend an additional \$5.8 million across 2023-24 and 2025-26 reflecting the net movement in costs across 26 priority education projects (with the most material movements reflected in the table above). These movements reflect a combination of project cost pressures, market tender process outcomes, and the reconciliation of the final cost outcomes for projects which are either completed or nearing completion.

Inner City Primary School – Project Definition Plan

The Department will spend \$2.8 million over 2023-24 and 2024-25 on the development of the Project Definition Plan to inform delivery of a new Inner City Primary School in East Perth. This project is being progressed to meet student enrolment pressures at Highgate Primary School and support inner city liveability and activation.

Schools Upgrade Fund

Under the Schools Upgrade Fund Agreement with the Commonwealth, a further \$2.1 million has been allocated to Western Australia for investment in public schools through grants and capital projects over 2023-24 and 2024-25.

Planning for School Additions and Improvements

An additional \$1.9 million will be invested by the Department in 2024-25 to undertake detailed planning work on a number of projects in response to localised student enrolment pressures and to explore redevelopment options at various older schools. This planning work will inform Government's consideration of future investment priorities.

Planning for Upgrades – Esperance Senior High School and Como Secondary College

The Government will invest \$1.3 million in 2024-25 to undertake detailed planning for the upgrade of both Esperance Senior High School and Como Secondary College.

Training and Workforce Development and TAFE Colleges

Aluminium Composite Panel (Cladding) Remediation

To address fire safety risks arising from the use of aluminium composite panel (cladding), the Department will progress rectification works at the Northbridge and Geraldton TAFE Campuses at a cost of \$14.4 million in 2024-25. This is funded by a drawdown from the existing State-wide provision for cladding remediation.

Training and Workforce Development and TAFE Colleges – Cost Increases

A total of \$10.1 million will be invested across eight projects over 2023-24 to 2024-25 in response to project cost pressures arising from the building and construction industry. This includes \$486,000 for the North Regional TAFE Broome Hospitality and Student Services Centre from the Head Contractor Relief Scheme relating to Firm Construction's insolvency.

North Metropolitan TAFE – Asset Replacement and Remedial Works Program

North Metropolitan TAFE will invest an additional \$2.5 million over 2023-24 to 2027-28 under its rolling asset replacement and remedial works program to maintain the quality and currency of training infrastructure.

Building and Construction Industry Training Board

Construction Futures Centre Exhibit Upgrades

To maintain a contemporary and engaging experience for school children at the Construction Futures Centre in Belmont, the Building and Construction Industry Training Board will invest \$2 million over 2024-25 to 2027-28 on facility upgrades and enhancement works.

COMMUNITY SAFETY

Table 16

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
WESTERN AUSTRALIA POLICE FORCE					
– Digital Capability Fund – Firearms Reform Program ^(a)	-	6.7	4.7	-	-
– Digital Capability Fund – Technology Improvement Program ^(a)	-	8.3	-	-	-
– Asset Maintenance Fund – Heating, Ventilation and Air-Conditioning Works					
– Cannington Police Complex	-	0.7	3.0	3.1	-
– Hillarys Police Station	-	0.4	- ^(b)	-	-
JUSTICE					
– Cost Increase					
– Casuarina Prison Expansion	13.0	7.2	- ^(c)	- ^(c)	-
– Roebourne Regional Prison Air-Conditioning	-	3.1	-	-	-
– Public Trustee – Trust Management System	-	0.8	0.8	1.3	1.4
– Election Commitment – <i>Criminal Law (Mental Impairment) Act 2023</i> ^(a)	-	1.0	-	-	-
– Parliamentary Counsel’s Office Resourcing ^(a)	0.8	-	-	-	-
– Youth Custodial Estate – Digital Evidence Management System ^(a)	0.1	0.1	-	-	-
FIRE AND EMERGENCY SERVICES					
– Land Acquisition – Armadale and Maddington Career Fire and Rescue Service (CFRS) Stations	-	5.8	-	-	-
– CFRS Stations – Gender Separation Privacy Screens	-	4.9	-	-	-
– Equipment Replacement Program	-	1.0	1.0	1.0	1.0
– Asset Maintenance Fund – Maintenance Works					
– Post Incident Hygiene Showers	0.6	1.4	0.8	-	-
– Vehicle Washdown Bay and Paint Spray Booth	-	1.4	-	-	-
– Appliance Bay Replacement – Volunteer Fire and Rescue Service (VFRS) – Harvey	-	1.4	-	-	-
– Cost Increase – VFRS – Margaret River	-	1.8	-	-	-
OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS					
– Office Accommodation Fit-out	1.8	-	-	-	-

(a) This item has both recurrent and capital expenditure, the majority of which is recurrent and is therefore detailed in Chapter 5.

(b) Amount less than \$50,000.

(c) Amount is confidential, subject to ongoing commercial negotiations.

Note: Rows may not add due to rounding.

Western Australia Police Force

Asset Maintenance Fund – Heating, Ventilation and Air-Conditioning Works

The Government has committed \$7.2 million over 2024-25 to 2026-27 for replacement of heating, ventilation and air-conditioning systems, and associated building improvements, to maintain operations at the Cannington Police Complex and Hillarys Police Station.

Justice

Cost Increase – Casuarina Prison Expansion

The Department will spend an additional \$20.2 million over 2023-24 and 2024-25 to cover costs associated with completion of the first tranche of the Casuarina Prison Expansion, delivering additional prison accommodation units. The Government has also approved additional expenditure over 2025-26 and 2026-27 to progress the second tranche of the project, with this amount subject to ongoing commercial negotiations.

Public Trustee – Trust Management System

The Department will spend an additional \$4.3 million over the forward estimates period to progress the upgrade and modernisation of the Public Trustee's trust management system.

Fire and Emergency Services

Land Acquisition – Armadale and Maddington Career Fire and Rescue Service (CFRS) Stations

The Department will spend \$5.8 million in 2024-25 to purchase land for the replacement of the outdated Maddington and Armadale CFRS stations. The new stations are anticipated to be operational in 2026-27.

CFRS Stations – Gender Separation Privacy Screens

In 2024-25, the Department will spend \$4.9 million on essential works to provide firefighters with gender separate facilities at ten CFRS stations.

Equipment Replacement Program

An additional \$4 million over 2024-25 to 2027-28 will be spent on replacing equipment, including obsolete radios and road crash rescue equipment.

Asset Maintenance Fund – Maintenance Works

The Government will invest \$5.6 million over 2023-24 to 2025-26 on various maintenance projects including the installation of transportable post-incident hygiene showers across 14 CFRS stations to enhance the removal of incident residue (\$2.8 million), the replacement of the appliance bay at the Harvey Volunteer Fire and Rescue Service to accommodate the new 3.4 Urban Tanker (\$1.4 million), and the replacement of the Department's Vehicle Washdown Bay and Paint Spray Booth to accommodate larger vehicles and allow for adequate extraction and ventilation during fleet cleaning and maintenance works (\$1.4 million).

Cost Increase – VFRS – Margaret River

To meet unavoidable labour and material cost increases associated with replacing the VFRS station in Margaret River, an additional \$1.8 million will be spent in 2024-25 to complete construction.

Office of the Director of Public Prosecutions

Office Accommodation Fit-out

To accommodate workforce growth in the Office of the Director of Public Prosecutions, an additional \$1.8 million has been approved in 2023-24 to complete fit-out works and security upgrades.

COMMUNITY SERVICES

Table 17

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
COMMUNITIES					
– Investment in State Housing Programs	-	20.8	83.7	81.6	8.0
– Government Regional Officer Housing	-	7.5	19.5	16.8	-
– Cost Increase – Mandurah Common Ground	0.1	1.0	9.7	9.8	-
– Refurbishment of Out-of-Home-Care Residential Properties	-	11.5	2.3	-	-
LOCAL GOVERNMENT, SPORT, AND CULTURAL INDUSTRIES					
– Screen Production Facility	-37.0	27.3	112.3	23.0	0.9
– Perth Cultural Centre Rejuvenation	-	20.0	-	-	-
– Art Gallery of Western Australia Rooftop Shade	-	0.9	-	-	-
WESTERN AUSTRALIAN SPORTS CENTRE TRUST					
– Asset Maintenance Fund – Maintenance Works					
– HBF Stadium – Geothermal Bore Replacement	-	3.7	-	-	-
– Handrail, Barrier and Access Upgrades	-	1.3	-	-	-
– WA Athletics Stadium	-	1.4	-	-	-
– HBF Park	0.5	0.6	-	-	-
– WA Rugby Centre Gender Equity Amenities Upgrade	-	0.2	0.8	-	-

Note: Rows may not add due to rounding.

Communities

Investment in State Housing Programs

The Government has made a substantial investment totalling \$1.1 billion in this Budget to support housing supply across the State (see Feature Box in Chapter 1). Continuing its targeted investment in housing for the most vulnerable in the community, the Government has approved an additional \$400 million allocation to the expanded Social and Affordable Housing Investment Fund. This Fund – previously titled the Social Housing Investment Fund – has been expanded in this Budget to provide support for projects and initiatives targeting affordable housing.

The \$400 million top-up to the Fund builds on investments in previous Budgets, bringing the total allocation to \$1.6 billion since 2021-22 and the Government’s commitment to new social housing to 4,900 dwellings by 2027-28.

In support of these commitments, in this Budget, the Department will increase its investment by \$194.1 million to construct and acquire 230 new social housing units (towards the Government’s commitment to 4,900 new dwellings), undertake essential refurbishments, and acquire properties from the private market to boost stock for housing programs supporting vulnerable people.

Government Regional Officer Housing

To address demand for Government Regional Officer Housing (GROH), an additional \$43.8 million will be spent over 2023-24 to 2025-26 to fund a further 56 GROH dwellings through new builds and spot purchases, and the purchase of additional land parcels for future dwellings.

Cost Increase – Mandurah Common Ground

Common Ground Mandurah represents a key commitment of the Government's response to homelessness pressures being experienced around the State. As a result of cost pressures being experienced, a further \$20.7 million has been allocated to enable this project to progress to construction tender. Once completed, Common Ground Mandurah will provide 50 self-contained apartments, as well as communal areas and on-site support services.

Refurbishment of Out-of-Home-Care Residential Properties

The Department will spend \$13.7 million in 2024-25 and 2025-26 to refurbish 56 out-of-home-care residential properties.

Local Government, Sport, and Cultural Industries

Screen Production Facility

The State will invest an additional \$126.5 million over 2023-24 to 2027-28 (increasing the total investment to \$233.5 million) to build a new screen production facility at Malaga. The facility will include four sound stages and other screen production facilities including production offices, an art department, and wardrobe, workshops, backlot, parking and set storage.

Perth Cultural Centre Rejuvenation

An additional \$20 million has been allocated to the Perth Cultural Centre Rejuvenation project, with the design and scope of works to be finalised during 2024-25.

Art Gallery of Western Australia (AGWA) Rooftop Shade

To improve protection from adverse weather conditions, an additional \$850,000 will be spent in 2024-25 on shade sails at the AGWA rooftop bar.

Western Australian Sports Centre Trust

Asset Maintenance Fund – Maintenance Works

The Trust will spend \$5.1 million in 2024-25 on urgent maintenance works to replace the geothermal bore at HBF Stadium and upgrade handrails, barriers and access arrangements at HBF Arena and HBF Stadium.

WA Athletics Stadium

The Government has allocated an additional \$1.4 million in 2024-25 towards replacement of the sports lighting system at the WA Athletics Stadium, as well as other minor maintenance projects.

2024-25 Economic and Fiscal Outlook

HBF Park

The Trust will reinstate food and beverage service facilities at HBF Park, which were previously converted into a temporary media space for the Women's FIFA World Cup held in July 2023, costing \$1.1 million over 2023-24 and 2024-25.

WA Rugby Centre Gender Equity Amenities Upgrade

An additional \$1 million will be spent over 2024-25 and 2025-26 on modifications to the changerooms at the WA Rugby Centre to ensure equitable and suitable facilities are available for female athletes.

TRANSPORT

Table 18

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
TRANSPORT					
– Ocean Reef Marina	-	12.0	27.5	-	-
– Outdoor and Adventure Tourism ^(a)					
– Jurien Boat Harbour Breakwater Extension	-	0.7	10.3	6.0	-
– Woodman Point Ammo Jetty	-	-	9.1	-	-
– Onslow Community Boating Precinct Stage 2	-	-	4.0	2.5	-
– Albany Marina Pontoon Jetty	-	0.2	2.0	1.9	-
– Barrack Street Jetty One	-	0.4	5.7	11.1	0.3
– Digital Capability Fund – Cyber Security Program ^(b)	-	1.3	2.7	-	-
– Vessel Asset Management Program	-	2.0	1.7	-	-
– Cost Increase – Digital Capability Fund – Taxi User Digital Solution	-	2.0	-	-	-
– Busselton Office	-	1.1	-	-	-
COMMISSIONER OF MAIN ROADS					
– Cost Increase – Road Projects ^(d)	13.3	417.8	8.0	28.5	-
– Kimberley Resilience Program – Brooking Channel Bridge ^(e)	-	107.1	-	-	-
– Congdon Street Bridge – Swanbourne	-	4.0	14.0	20.0	-
– Belmont Park Redevelopment	13.2	16.8	-	-	-
– Westport Land Acquisitions	-	30.0	-	-	-
– School Zones and Crossing Program	-	2.5	2.5	2.5	2.5
PUBLIC TRANSPORT AUTHORITY					
– Election Commitment – METRONET					
– Cost Increase – METRONET Projects	110.5	110.5	486.5	-	-
– Cost Increase – METRONET Railcar Acquisition and Replacement	-20.9	31.2	57.3	24.9	2.4
– METRONET – High-Capacity Signalling Program of Works	5.0	73.0	12.0	-	-
– Electric Buses	-4.0	73.6	177.4	48.0	-
– Cost Increase					
– Rail Infrastructure Program	6.5	16.4	8.2	-	-
– Australind Railcar Replacement	2.0	15.1	-5.6	-5.4	-
FREMANTLE PORT AUTHORITY					
– Kwinana Bulk Jetty Concrete Deck Repairs and Cathodic Erosion Protection System Replacement ^(f)	-	-	-	-	-
– Bollard Replacement and Refurbishment Program ^(f)	-	-	-	-	-
– Berths F and G Fender Replacement and Deck Strengthening	-	-	18.9	16.6	-
– Sustaining Capital Works	-	-	3.0	6.2	7.7
– Victoria Quay – Activation Stage Two	-	2.5	2.5	-	-
KIMBERLEY PORTS AUTHORITY					
– Sustaining Capital Works	-	1.4	1.5	3.5	3.7
– Kimberley Resilience Program – Port of Broome – First Point of Entry	-	2.4	3.6	-	-
– Port of Broome – New 90 Tonne Crane ^(f)	-	-	-	-	-
MID WEST PORTS AUTHORITY					
– Sustaining Capital Works	-	2.3	2.5	3.8	4.4
– Lease 88 Shed Recladding and Dust Extraction System	-	3.1	2.9	-	-
PILBARA PORTS AUTHORITY					
– Cost Increase – Dampier Bulk Handling Facility	- ^(c)	40.6	43.3	17.1	-
– Utah Point Road Works	-	9.5	7.5	-	-
– Seafarers Centre	-	-	13.5	-	-
– Sustaining Capital Works	-	-	2.9	6.0	4.4

Table 18 (Cont)

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
SOUTHERN PORTS AUTHORITY					
– Sustaining Capital Works	-	3.2	6.5	8.9	12.3
– Port of Esperance – Tug Pen and Pilot Jetty Upgrade	-	8.3	6.6	-	-
– Port of Bunbury – Shed 8-3 Recladding	-	5.0	4.5	-	-
– Port of Albany – Pilot Station Precinct Development	-	0.9	3.7	3.7	-
– Port of Esperance – Operations Centre	-	0.9	1.4	-	-
– Port of Albany – New General Purpose Berth	-	2.0	-	-	-

(a) See Outdoor and Adventure Tourism Feature Box in this Chapter.

(b) This item has both recurrent and capital appropriation, the majority of which is recurrent and is therefore detailed in Chapter 5.

(c) Amount less than \$50,000.

(d) Noting that negotiations with the Commonwealth Government had not been finalised at the time of the Budget cut-off, it has been assumed that the funding arrangements for the cost increases for projects that are jointly funded will be consistent with the existing arrangements.

(e) Includes reallocated expenditure following the completion of the new Fitzroy River Bridge. Negotiations with the Commonwealth with respect to its share of the project's costs had not been finalised at the time of the Budget cut-off.

(f) Confidential – amounts undisclosed to avoid prejudicing commercial negotiations.

Note: Rows may not add due to rounding.

Transport

Ocean Reef Marina

As part of the new Ocean Reef Marina, \$39.5 million will be spent over 2024-25 and 2025-26 to deliver the essential infrastructure that will be required for operations. The works will include a service jetty with a vessel fuel facility, pen holder amenities and essential services such as CCTV in the marine enterprise precinct site. A further \$9.9 million has been allocated over 2024-25 to 2027-28 for the recurrent costs associated with delivery of the works and for aspects of the marina's ongoing operations (see Chapter 5).

Barrack Street Jetty One

The Department will spend \$17.5 million over 2024-25 to 2027-28 to replace Barrack Street Jetty One, which is in poor condition. The jetty is a key hub for charter vessel and tourism operators and the new structure will provide improved and safer landside and water access for both commercial users and the community. A further \$1.2 million of recurrent costs will be incurred over 2024-25 to 2027-28 for project delivery and operations (see Chapter 5).

Vessel Asset Management Program

As a number of the Department's vessels that deliver crucial maritime safety and compliance operations are approaching the end of their serviceable lives, an additional \$3.7 million will be spent over 2024-25 and 2025-26 on replacement vessels and upgrades.

Busselton Office

The Department will spend \$1.1 million in 2024-25 to establish a dedicated office in Busselton, which will support the growing demand for licensing services in the region.

Commissioner of Main Roads

Cost Increase – Road Projects

The Budget includes additional investment of \$467.6 million (jointly funded by the State and Commonwealth Governments) over 2024-25 to 2027-28 for market-driven cost increases and minor scope enhancements across a number of road projects that are in delivery, including:

- Mitchell Freeway – Stephenson Avenue (\$132.4 million);
- Bunbury Outer Ring Road (\$112.7 million); and
- Transforming Freeways – Mitchell Freeway Corridor (\$67.6 million).

Kimberley Resilience Program – Brooking Channel Bridge

To further improve supply chain resilience, enhance road safety and continuing employment opportunities in the Kimberley region, \$107.1 million will be spent in 2024-25 to replace the Brooking Channel Bridge. This funding includes the reallocation of unspent funds following the successful Fitzroy River Bridge replacement. The existing Great Northern Highway single lane bridge will be replaced with a dual lane and higher standard crossing.

Congdon Street Bridge – Swanbourne

Main Roads will spend \$38 million over 2024-25 to 2026-27 to replace the 114-year-old timber Congdon Street Bridge over the Fremantle Line at Swanbourne Station. The works will include construction of the new bridge, a temporary bridge to retain traffic connectivity during the works and Principal Shared Path improvements.

Belmont Park Redevelopment

Main Roads will spend \$30 million over 2023-24 and 2024-25 on road works associated with the Belmont Park Redevelopment, funded from State Government and third-party contributions. The works include modifications to local road connections and construction of a new pedestrian bridge over the Graham Farmer Freeway to facilitate access to Perth Stadium Station and the Optus Stadium precinct.

Westport Land Acquisitions

An additional \$30 million has been allocated from the Westport Special Purpose Account in 2024-25 for Main Roads to progress strategic land acquisitions for key freight routes identified through the project planning phase.

School Zones and Crossing Program

To expand the School Zones and Crossing Program, an additional \$10 million will be invested over 2024-25 to 2027-28. The expansion is funded through the Road Safety Commission's Road Trauma Trust Account and will result in safety improvements at 165 warden-controlled school crossings, the installation of electronic and static speed limit signage.

Public Transport Authority

Cost Increase – METRONET Projects

The METRONET program has been allocated net additional spending of \$707.4 million to meet unavoidable cost increases for labour, equipment and materials and to deliver additional Beckenham Station and William Street Level Crossing removal works as part of the Victoria Park-Canning Level Crossing Removal project. These cost increases have been funded from an expected increase in the Commonwealth Government's contribution of \$453.2 million, and additional State funding of \$254.2 million.

Cost Increase – METRONET Railcar Acquisition and Replacement

A further \$94.8 million will be invested over 2023-24 to 2027-28 to meet the additional costs of manufacturing the 246 new C series railcars, including for additional project support and unavoidable contract variations.

METRONET – High-Capacity Signalling (HCS) Program of Works

A total of \$90 million has been allocated from the Provision for METRONET Projects Under Development over 2023-24 to 2025-26 for the construction of a workshop facility at Nowergup (which will enable the existing railcars to be fitted with the new train control equipment) and for the Authority to continue to progress the broader HCS program of works.

Electric Buses

As part of the Government's commitment to electrify the State's bus fleet and to establish the bus networks for the new Morley-Ellenbrook Line and the upgraded Armadale Line (including for the Byford Rail Extension), the Authority will spend \$294.9 million over 2023-24 to 2026-27 to procure 199 new locally-built electric buses and construct electric bus compatible depots.

Cost Increase – Rail Infrastructure Program

To meet unavoidable cost increases associated with upgrades to rail bridge works in the Perth Metropolitan area, an additional \$31.1 million has been allocated over 2023-24 to 2025-26 to complete construction.

Cost Increase – Australind Railcar Replacement

As part of the Railcar Acquisition and Replacement program, six new diesel railcars are being manufactured to replace the existing Australind railcar fleet that services the Perth-Bunbury route. To meet additional costs associated with modifications to the design of the new railcars, an additional \$6.1 million will be spent over 2023-24 to 2026-27.

Fremantle Port Authority

The Fremantle Port Authority will invest \$66.5 million over the forward estimates to undertake critical asset maintenance to decks and bollards. These projects are subject to tender outcomes and each project budget cannot be disclosed at this stage (to avoid prejudicing commercial negotiations).

Kwinana Bulk Jetty Concrete Deck Repairs and Cathodic Erosion Protection System Replacement

The Authority will undertake deck refurbishment works to extend the life of the Kwinana Bulk Jetty and protect the jetty from accelerated marine erosion.

Bollard Replacement and Refurbishment Program

Remediation works will progress across Fremantle Inner and Outer Harbours to refurbish and replace a number of bollards that are used for fastening mooring lines. The investment will help ensure there are safe mooring operations at all berths and jetties.

Berths F and G Fender Replacement and Deck Strengthening

To ensure suitable berthing options are available for cruise vessels at the Fremantle Passenger Terminal, the Authority will spend \$35.5 million over 2025-26 and 2026-27 to replace the fenders (rubber shock absorbers that protect the concrete from the impact of vessels) and strengthen the deck.

Sustaining Capital Works

The Authority will spend an additional \$16.9 million over 2025-26 to 2027-28 on a range of projects under its sustaining capital works program.

Victoria Quay – Activation Stage Two

New service upgrades to B Shed in Victoria Quay including gas, power, sewerage and building compliance works, as well as a partial fit-out of the building are estimated to cost \$5 million over 2024-25 and 2025-26. This builds on the Stage One investment and contributes to the activation of the Victoria Quay waterfront area, bringing the total cost of the activation project to \$12.5 million.

Kimberley Ports Authority

Sustaining Capital Works

The Kimberley Ports Authority will spend an additional \$10.1 million over 2024-25 to 2027-28 on a range of projects under its sustaining capital works program.

Kimberley Resilience Program – Port of Broome – First Point of Entry

To enable First Point of Entry (FPoE) border service provision at the Port of Broome, which recently received in-principle support from the Commonwealth Government, the Authority will spend \$6 million over 2024-25 and 2025-26 to construct biosecurity facilities and container inspection infrastructure to facilitate the importation of international cargo. FPoE determination would allow diversified trade options and support the resilience of supply chains in the Kimberley region.

Port of Broome – New 90 Tonne Crane

The existing 20-year-old crane at the Port of Broome will be replaced with a new crane with increased lifting capacity. The proposed amount of expenditure is unable to be disclosed to avoid prejudicing commercial negotiations.

Mid West Ports Authority

Sustaining Capital Works

The Mid West Ports Authority will spend an additional \$13 million over 2024-25 to 2027-28 on a range of projects under its sustaining capital works program.

Lease 88 Shed Recladding and Dust Extraction System

To ensure compliance with environmental guidelines and allow continued operation of the Lease 88 storage facility, the Authority will spend \$6 million over 2024-25 and 2025-26 to reclad the storage facility and replace its dust extraction system.

Pilbara Ports Authority

Utah Point Road Works

Utah Road is the sole means of access for road trains delivering bulk product to Utah Point Bulk Handling Facility (Utah Point). To service heavy traffic loads that are critical to maintaining export operations at Utah Point, Pilbara Ports Authority will spend \$17 million over 2024-25 and 2025-26 to progress road refurbishment works.

Seafarers Centre

The Port Hedland Seafarers Centre provides a range of services for seafarers visiting the Port of Port Hedland. To accommodate the increased demand for seafarers' services in Port Hedland, the Authority will spend \$13.5 million in 2025-26 to replace the existing building that is no longer fit-for-purpose.

Sustaining Capital Works

The Authority will spend an additional \$13.3 million in 2025-26 on a range of projects under its sustaining capital works program.

Southern Ports Authority

Sustaining Capital Works

The Southern Ports Authority will spend an additional \$30.9 million over 2024-25 to 2027-28 to complete repairs on business-critical infrastructure to ensure assets can continue to facilitate export and import trades. Wharf structural repairs will be the priority at the Ports of Albany, Bunbury, and Esperance.

Port of Esperance – Tug Pen and Pilot Jetty Upgrade

The Authority will invest \$14.9 million over 2024-25 and 2025-26 to renew and upgrade the tug pen and jetty at the Port of Esperance, increasing mooring capacity to four tugs instead of two and enabling safe access by maritime staff to pilot and tug vessels.

Port of Bunbury – Shed 8-3 Recladding

Southern Ports Authority will spend \$9.5 million over 2024-25 and 2025-26 to replace the shed cladding and repair primary steel and concrete structures to enable safe and efficient long-term use of the shed, supporting current and future trade through the port.

Port of Albany – Pilot Station Precinct Development

To coincide with Albany's Bicentenary celebrations in 2026, the Authority will spend \$8.3 million over 2024-25 to 2026-27 for the upgrade of the heritage-listed Albany Pilot Station Cottages. This will include the creation of additional community infrastructure such as an education centre, café kiosk and playground area, and connection of the site to the adjacent cycleway linking the City of Albany, Middleton Beach and the ANZAC Centre.

Port of Esperance – Operations Centre

Southern Ports Authority will undertake site investigations, as well as detailed design and planning approvals for a new Esperance port operations centre over 2024-25 and 2025-26 at a cost of \$2.3 million. The new operations centre will replace the existing office accommodation for port staff that is dispersed throughout the working port area causing safety issues and operational inefficiencies.

Port of Albany – New General Purpose Berth

The Authority will spend \$2 million in 2024-25 to develop a business case for the construction of a general-purpose berth facility to replace Berths 1 and 2 at the Port of Albany.

ENVIRONMENT

Table 19

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
WATER AND ENVIRONMENTAL REGULATION					
– Digital Capability Fund – Environment Online	-	10.6	-	-	-
– Rural Water Planning Program	-	-	1.8	-	-
BIODIVERSITY, CONSERVATION AND ATTRACTIONS					
– Rottnest Island Authority					
– Additional Staff Accommodation	-	12.3	12.3	12.3	12.3
– Marine Logistics Hub (Barge Landing Army Groyne) Project	-	1.2	11.5	19.0	-
– Wastewater Infrastructure Upgrade	-	6.0	2.1	2.8	4.9
– Asset Maintenance Fund – Rottnest Island Aerodrome	-	4.3	-	-	-
– Outdoor and Adventure Tourism					
– Campsites, Jetties and Trails ^(a)	-	2.6	6.3	11.0	10.1
– Bicentennial and Gloucester Trees Infrastructure ^(a)	-	0.9	0.6	1.4	-
– Plan for Our Parks					
– Additional Reserves ^(b)	0.5	6.0	7.1	0.2	– ^(c)
– Cost Increase	-	8.4	-	-	-
– Bushfire Mitigation and Response Resourcing ^(b)	-	7.4	2.0	2.0	2.0
– Consolidation of Geraldton Accommodation	3.0	-	-	-	-

(a) See the Outdoor and Adventure Tourism Feature Box.

(b) This item has both recurrent and capital expenditure, the majority of which is recurrent and is therefore detailed in Chapter 5.

(c) Amount less than \$50,000

Note: Rows may not add due to rounding.

Water and Environmental Regulation

Digital Capability Fund – Environment Online

Environment Online is a one-stop online portal for environmental assessments, approvals and compliance. An additional \$10.6 million will be invested in 2024-25 to continue delivery and develop further functionality.

Rural Water Planning Program

The Department will spend \$1.8 million in 2025-26 to extend the Rural Water Planning Program, which supports improvements to community and emergency water supplies in dryland agricultural areas. A further \$1.1 million in recurrent expenditure has also been allocated to this program in 2025-26 (see Chapter 5).

Biodiversity, Conservation and Attractions

Rottnest Island Authority – Additional Staff Accommodation

The Government will invest \$98.5 million over 2024-25 to 2031-32 (\$49.3 million over the forward estimates period) to construct 137 new staff dwellings on Rottnest Island to provide Island businesses with additional leased accommodation for workers. This will enable businesses to operate more flexibly to meet the increasing demand for visitor services on the Island.

Rottnest Island Authority – Marine Logistics Hub (Barge Landing Army Groyne) Project

Over 2024-25 to 2026-27, \$31.7 million will be spent to construct a new barge landing facility at the Army Groyne site in South Thomson, that will provide dedicated facilities for commercial marine and barging operations on the Island. This will reduce congestion between ferry traffic, pedestrians, cargo and commercial marine operations on the Main Jetty, while enhancing visitor safety and amenity. Operating expenses of approximately \$192,000 will be incurred from 2027-28 following completion of construction (see Chapter 5).

Rottnest Island Authority – Wastewater Infrastructure Upgrade

The State will invest \$15.8 million over 2024-25 to 2027-28 to deliver wastewater infrastructure and system capacity upgrades on Rottnest Island to service the new staff accommodation and meet the additional demand from the expanded worker population on the Island.

Asset Maintenance Fund – Rottnest Island Aerodrome

In 2024-25, \$4.3 million will be spent from the Asset Maintenance Fund to undertake maintenance works on the Rottnest Island aerodrome, including resurfacing of the runway and installation of compliant fencing to manage risks to aircraft and wildlife.

Consolidation of Geraldton Accommodation

The Department will spend \$3 million in 2023-24 to consolidate its existing office accommodation, operations depot and workshop (currently spread across two different leased premises in Geraldton) into one central location, improving efficiency and supporting future growth.

PLANNING AND LAND USE

Table 20

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
WESTERN AUSTRALIAN PLANNING COMMISSION					
– Transport-Related Land Improvements	8.9	3.0	-	-	-
DEVELOPMENTWA^(a)					
– Strategic Industries Fund ^(b)					
– Latitude 32 – Land Acquisitions	-	51.2	41.2	16.2	16.2
– Industrial Land Development Fund – Tranche 3	-	20.0	-	-	-
– Burt Street Fremantle	2.0	5.0	29.1	3.1	-
– Regional Land Development Support Package	-	12.1	15.4	5.0	-
– Cost Increase – Pier Street	-	8.0	-	-	-
– Nyamba Buru Yawuru – Health and Wellbeing Campus	-	4.5	-	-	-
– Australian Marine Complex ^(c)	-	-	-	-	-
– Anzac Drive West Development	-6.9	-14.0	8.1	5.5	4.4
NATIONAL TRUST OF AUSTRALIA (WA)					
– Asset Maintenance Fund – Strawberry Hill Farm – Albany	-	2.8	1.0	-	-

(a) Represented in general government expenses as grants and subsidies, sourced from the Consolidated Account or a Treasurer's Special Purpose Account and paid through the Department of Treasury.

(b) See Department of Jobs, Tourism, Science and Innovation in Chapter 5.

(c) Confidential – Item subject to the settlement of a commercial agreement.

Note: Rows may not add due to rounding.

Western Australian Planning Commission

Transport-Related Land Improvements

To provide land improvements related to new transport infrastructure (such as embankments, retaining walls, drainage and site formation works), \$11.9 million will be spent over 2023-24 and 2024-25, funded from the Metropolitan Region Improvement Fund.

DevelopmentWA

Strategic Industries Fund

DevelopmentWA will spend \$125 million over the forward estimates to acquire land within the Latitude 32 industrial precinct. The development of Latitude 32 will support the State's nearby estates (Australian Marine Complex, Rockingham Industry Zone and Kwinana Industrial Area) through the provision of additional strategic lots for heavy industry, as well as additional general and transport industrial lots. A further \$20 million will be spent in 2024-25 to develop land to supply additional general industrial lots in Karratha and the Peel region.

Burt Street Fremantle

In line with the Government's objectives to deliver more social housing and improve housing diversity, an additional \$39.2 million will be spent over 2023-24 to 2026-27 on the development of apartments and townhouses in Burt Street, Fremantle. The first stage of this project will deliver 152 apartments, including 23 social housing dwellings.

Regional Land Development Support Package

In response to increasing land supply needs in regional Western Australia, the Government has allocated \$32.6 million over 2024-25 to 2026-27 (and a further \$2.2 million in recurrent spending) to support the delivery of 109 additional lots in the regions, including the Goldfields-Esperance, Pilbara and Kimberley.

Cost Increase – Pier Street

As part of the 2023-24 Budget, the Government committed \$137 million to facilitate the construction of the Pier Street build-to-rent apartments, responding to the demand for social and affordable housing. A further \$8 million will be spent in 2024-25 as a result of construction cost escalation.

Nyamba Buru Yawuru – Health and Wellbeing Campus

DevelopmentWA will spend \$4.5 million in 2024-25 on the remediation of illegally dumped asbestos within the Nyamba Buru Yawuru's Yinajalan Ngarrungunil Health and Wellbeing Campus site in Broome.

Australian Marine Complex

DevelopmentWA will secure additional strategic industrial land within the Australian Marine Complex. This acquisition will increase and consolidate the State's landholdings in the northern portion of the shipbuilding and sustainment industrial precinct.

Anzac Drive West Development

To address demand for new industrial lots in Kalgoorlie-Boulder, \$20.8 million will be spent to expand the Anzac Drive Industrial Estate, with this cost to be met through reprioritisation of existing asset investment expenditure.

National Trust of Australia (WA)

Asset Maintenance Fund – Strawberry Hill Farm – Albany

The Trust will invest \$3.8 million over 2024-25 and 2025-26 to undertake works on the first colonial farm buildings in Western Australia, located in Albany. These works will address health and safety issues to visitors, volunteers and staff, including conservation, repairs and maintenance of deteriorated buildings and carparks and the provision of facilities that meet universal access standards. The works will be undertaken ahead of Albany's Bicentennial celebrations in 2026.

UTILITIES

Table 21

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
SYNERGY					
– Generation Assets and Projects	1.5	25.6	8.0	-3.7	-5.6
WESTERN POWER					
– South West Interconnected System Demand Assessment	-	36.0	87.0	90.0	111.0
– Ruah Centre for Women and Children	0.4	-	-	-	-
HORIZON POWER					
– Transmission Infrastructure	-	60.6	46.4	40.6	-
– Election Commitment – Standalone Power Systems	-	17.2	1.2	-	-
– Blackstone Power Station Rebuild	-	5.0	2.5	-	-
– Kimberley Remote Communities Power Station Assets	-	4.5	-	-	-
WATER CORPORATION					
– Relocation and Augmentation of Water Assets	-	156.8	-	-	-
– Water and Wastewater Pipeline Renewals Program	-	40.4	39.5	-	-
– Cost Increase					
– Burrup Seawater Supply Scheme Expansion	-	-	17.1	21.9	-
– Onslow Town Water Supply Upgrade	1.5	11.9	11.7	- ^(a)	-
– Wellington Dam Bridge Upgrade – Scope Change	- ^(a)	- ^(a)	- ^(a)	13.9	-
– National Water Grid Funding	0.6	0.7	0.4	0.3	-

(a) Amount less than \$50,000.

Note: Rows may not add due to rounding.

Synergy

Generation Assets and Projects

Synergy will invest \$25.7 million over 2023-24 to 2027-28 on additional asset maintenance requirements, and feasibility studies on potential new renewable generation projects (including wind monitoring equipment).

Western Power

South West Interconnected System Demand Assessment

Western Power will spend \$324 million over 2024-25 to 2027-28 on planning and scoping works, and procuring long lead items for new transmission infrastructure to meet projected electricity demand in the South West Interconnected System.

Ruah Centre for Women and Children

The new Ruah Centre for Women and Children will provide emergency accommodation and support services to women and children experiencing domestic violence. Western Power will spend \$365,000 in 2023-24 to connect the centre to the electricity network.

Horizon Power

Transmission Infrastructure

To support the development of network infrastructure in the North West Interconnected System, Horizon Power will invest \$147.6 million over 2024-25 to 2026-27, subject to negotiations with Traditional Owners.

Election Commitment – Standalone Power Systems

As part of the Government's election commitment, Horizon Power will spend \$18.4 million over 2024-25 and 2025-26 to deliver the next 50 Standalone Power Systems in the Goldfields-Esperance and Midwest regions.

Blackstone Power Station Rebuild

Up to \$7.5 million will be invested over 2024-25 and 2025-26 to rebuild the power station in the Blackstone remote community, meeting up to 80% of the community's electricity needs from renewable energy (see Chapter 5).

Kimberley Remote Communities Power Station Assets

Horizon Power will spend \$4.5 million in 2024-25 to purchase existing power station assets in several remote communities in the Kimberley upon expiry of the current Power Purchase Agreement.

Water Corporation

Relocation and Augmentation of Water Assets

The Water Corporation will invest an additional \$156.8 million in 2024-25 to relocate and upgrade water assets across the metropolitan area.

Water and Wastewater Pipeline Renewals Program

The Water Corporation will spend \$79.9 million over 2024-25 and 2025-26 to upgrade and replace critical water and wastewater pipelines and associated infrastructure that is at risk of causing community disruption.

Wellington Dam Bridge Upgrade – Scope Change

An additional \$14 million will be spent over 2024-25 to 2026-27 to realign the Wellington Dam Bridge to address Aboriginal heritage and environmental concerns, mitigate the impact of construction on Harvey Water irrigation customers, and better manage bed rock material.

National Water Grid Funding

The Water Corporation will spend \$2 million over 2023-24 to 2026-27 to progress the Yielding and Saline Water Science Project and develop business cases for the First Nations Essential Services and Next Water Source for Exmouth projects. The spend is fully funded from the Commonwealth's National Water Grid Fund.

PROVISIONS

Table 22

MAJOR SPENDING CHANGES SINCE THE 2023-24 MID-YEAR REVIEW

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
PROVISIONS					
– Murdoch Health and Knowledge Precinct Infrastructure	-	0.4	17.7	51.9	96.8
– Social and Affordable Housing Investment Fund					
– New Spending Provisioned in this Budget	-	28.0	164.2	207.8	-
– Allocation to Agencies	-51.4	-81.6	-91.7	-55.8	-
– Construction Cost Relief	-9.7	-	-	-	-
– Aluminium Cladding Replacement	-	-14.4	-	-	-
– Digital Capability Fund	-	-	-19.1	-	-
– Dampier Bulk Handling Facility – Cost Increase	-	-40.6	-43.3	-17.1	-
– Westport Project	-	-90.6	-25.8	-	-
– Screen Production Facility	37.0	-27.3	-112.3	-23.1	-0.9
– Asset Investment Program Smoothing Provisions					
– 2024-25 Budget Smoothing Provision	-2,400.0	-3,000.0	-	2,000.0	2,500.0
– Removal of 2023-24 Mid-year Review Smoothing Provision	4,000.0	1,500.0	-2,000.0	-3,500.0	-
– METRONET Projects Under Development	-100.5	-717.3	-187.5	19.5	9.8

Note: Rows may not add due to rounding.

Provisions

Murdoch Health and Knowledge Precinct Infrastructure

The Government has provisioned \$166.9 million over 2024-25 to 2027-28 (and a further \$37.1 million in 2028-29) for the construction of car parks and transport infrastructure at the Murdoch Health and Knowledge Precinct.

Social and Affordable Housing Investment Fund

The remainder of the 2023-24 Budget \$450 million Social Housing Investment Fund (SHIF) top-up has been allocated in this Budget to complete the Government's previous commitment to deliver an additional 4,000 social housing dwellings (\$140 million), provide grants to regional Community Housing Providers to deliver social housing (\$60 million), and for cost escalation incurred on the Common Ground Mandurah project (\$20.7 million).

To ensure a continuing commitment to the delivery of both social and affordable housing, this Budget includes an additional \$400 million top-up to the Social and Affordable Housing Investment Fund (previously the SHIF). This brings the Government's commitment to additional social housing dwellings to 4,900.

As part of this Budget, \$59.7 million of the new top-up has been allocated to agency budgets (comprising \$56.2 million for infrastructure spending by the Department of Communities and \$3.5 million in recurrent spending by the Department of Planning, Lands and Heritage discussed in Chapter 5).

The residual balance of the Fund (\$414.4 million) includes \$40.8 million set aside for the Regional Supportive Landlord Model, with the remainder to be allocated to future social and affordable housing initiatives.

Construction Cost Relief

An allocation of \$9.7 million has been made from the Construction Cost Relief provision to several agencies as part of this Budget. The provision has a residual balance of \$9.4 million for remaining support claims to be resolved.

Aluminium Cladding Replacement

A \$14.4 million allocation from provisioned spending has been made to the Department of Training and Workforce Development for aluminium cladding remediation works at the Northbridge and Geraldton TAFE Campuses. A residual \$69.6 million remains provisioned for future cladding replacement works.

Digital Capability Fund

The remaining \$19.8 million provision for new initiatives has been fully allocated from the Digital Capability Fund (DCF) provision as part of this Budget. The provision included \$700,000 for recurrent spending and \$19.1 million for capital investment. This partially offsets DCF spending disclosed elsewhere in this and the preceding chapter.

Dampier Bulk Handling Facility – Cost Increase

The 2023-24 Mid-year Review provision for cost escalation on the construction of the Dampier Bulk Handling Facility has been fully allocated to the Pilbara Ports Authority (noted earlier in this chapter).

Westport Project

This Budget allocates \$116.4 million over 2024-25 and 2025-26 for Westport Office costs, critical early road, rail, and marine civil works, and further Westport land acquisitions. Funding of \$162.2 million remains provisioned for further Westport planning activities and enabling works.

Screen Production Facility

A provision for the construction of a film studio first established in the 2022-23 Budget and added to in the 2022-23 and 2023-24 Mid-year Reviews, has now been fully allocated to the Department of Local Government, Sport and Cultural Industries (see disclosure earlier this chapter).

Asset Investment Program Smoothing Provisions

Forecast spending profiles across agencies for the \$42.4 billion AIP included in this Budget are subject to supply and workforce constraints that can affect project delivery and spending. The Mid-year Review smoothing provision has been replaced with a revised provision in this Budget, with an aggregate \$5.4 billion currently forecast for 2023-24 and 2024-25 assumed to be spent in later years.

METRONET Projects Under Development

Provisioned METRONET investment has reduced by \$975.9 million over 2023-24 to 2027-28, reflecting:

- the allocation of \$925 million of joint State and Commonwealth funding (that was provisioned at the 2023-24 Mid-year Review) to the Public Transport Authority to fund the majority of the additional costs for the Victoria Park-Canning Level Crossing Removal and Byford Rail Extension projects;
- the allocation of \$90 million to the Public Transport Authority for the High-Capacity Signalling program of works; and
- \$39.1 million being provisioned for the costs of further modifications that will be required at the Nowergup Depot (which will maintain the C-series railcars), including for railcar stabling roads and maintenance equipment, extension of platforms and improvements to the yard layout.

Remaining provisioned spending (totalling \$686.3 million to 2027-28) will continue to be transferred to agency budgets upon completion of tender processes and/or final investment decisions.

Investing in Regional Western Australia

HIGHLIGHTS

- The 2024-25 Budget continues to deliver for regional Western Australia, with a record \$12.8 billion to be invested in regional infrastructure over the next four years, and a total of \$4 billion allocated to the Royalties for Regions program over 2024-25 to 2027-28.
- In addition to the \$400 electricity credit and the WA Student Assistance Payment, regional Western Australians will also benefit from a \$65 million boost to the Regional Airfare Zone Cap scheme and a \$100 increase in the Regional Pensioner Travel Card (to \$675).
- Delivery of health services in the regions is a major priority of this Budget, with an additional \$405 million for regional health services including funding boosts for regional workforce initiatives and the Patient Assisted Travel Scheme. Key health infrastructure measures include an additional \$173 million for the redevelopment of Bunbury Hospital, and \$15 million to deliver an MRI unit at Hedland Health Campus.
- Housing in the regions also remains a key priority, with additional investment in this Budget including \$44 million for Government Regional Officer Housing and \$35 million to develop additional residential lots in Broome, Karratha and Kalgoorlie.
- Further strengthening and diversifying the economic base of our regions continues, with a massive \$140 million investment in regional initiatives under the Government's Outdoor and Adventure Tourism Package, and \$40 million to develop industrial land in Karratha and Peel and undertake priority planning activities in the Goldfields and South West, as part of the \$500 million Strategic Industries Fund.

Diversifying Regional Economies and Creating Local Jobs

Growing regional jobs and diversifying regional economies is a priority for the State Government. This Budget includes initiatives that will encourage new industries and create local jobs in the regions, as well as measures to support, protect and grow existing industries.

The State's \$12.8 billion regional infrastructure program is providing a pipeline of work that will grow regional economies and jobs, and includes ongoing investment in regional road infrastructure (\$4.5 billion over the next four years) and the delivery of key initiatives such as the Collie Battery Energy Storage System (\$1.1 billion), the Lumsden Point General Cargo Facility and Logistics Hub (\$558.1 million) and the Bunbury Hospital Redevelopment (\$421.1 million).

The Government's Outdoor and Adventure Tourism Package will provide new and improved visitor facilities and attractions to encourage Western Australians to explore the State's great outdoors, and attract more visitors to the regions. Regional initiatives in the package include:

- \$69.6 million for boating and maritime facilities, including for the Jurien Bay Boat Harbour breakwater extension (to maintain and improve the water quality), Stage 2 of the Onslow Community Boating Precinct (including boat pens and public jetties), and a new floating pontoon at Albany Waterfront Marina;
- \$36 million for trails and recreation, including to connect and complete the Wadandi Track, implement the Pemberton Trails masterplan, improve and expand Peel regional trails, and a new hike and cycle trail at Red Gorge;
- \$19.2 million to improve tourism experiences, including revitalisation of the Kalbarri foreshore, activation of sustainable tourism at Houtman Abrolhos Islands, and reinstatement of the Gloucester and Bicentennial Climbing trees;
- \$9.9 million to upgrade and provide new campground facilities across ten of the State's national parks; and
- \$5 million to improve school camp conditions and facilities, including at Geraldton, Kalgoorlie, Pemberton and Dampier camps.

Other significant regional initiatives funded in the 2024-25 Budget to further diversify regional economies and create local jobs include:

- \$40 million to develop industrial land in Karratha and Peel and to undertake priority planning activities in the Goldfields and South West, as part of the \$500 million Strategic Industries Fund;
- \$36.4 million to reform approvals processes and facilitate timely approvals for projects across the State;

- \$6.8 million to upgrade ageing quarantine checkpoint facilities and stockyards at Kununurra and Eucla, and \$3 million to increase efforts to manage and control high priority vertebrate pests, including feral deer, feral pigs and wild dogs; and
- \$6.5 million to encourage tourism in the Kimberley and continue the recovery of the tourism industry following Ex-Tropical Cyclone Ellie. This includes continuation of the Affordable Airfares Program, subsidising the cost of airfares from Perth to Broome, Kununurra and Exmouth.

Safe, Strong and Fair Communities: Developing Healthy and Resilient Communities

To support the Government's commitment to keep regional communities safe, over \$460 million per annum will be spent on services provided by the Western Australia Police Force's regional districts. This encompasses 123 police stations and around 1,900 police officers and staff.

The Department of Justice spends around \$343 million per annum on court and tribunal administration in the regions, community corrections, and the operation of the State's eight regional prisons (and workcamps). This investment supports access to justice across the whole of the State, including by allowing offenders to be secured and rehabilitated close to their community.

Other initiatives funded in this Budget include:

- \$34.8 million to support the delivery of 109 additional residential lots across the Goldfields, Pilbara and Kimberley;
- an additional \$23.4 million over 2024-25 and 2025-26 to extend Operation Regional Shield, a targeted response to youth crime and antisocial behaviour in the regions;
- \$6.5 million will be spent on the Brown Street project to deliver 14 additional affordable rental units in Busselton; and
- \$3.1 million to progress the installation of air-conditioning at Roebourne Regional Prison.

Investing in Healthy Communities

The Government spends over \$2.6 billion per annum on health and mental health services in regional Western Australia. Additional funding provided as part of this Budget includes:

- \$296.3 million for the WA Country Health Service (WACHS) to maintain levels of service, including higher nursing levels to deliver quality care, and to meet higher workforce costs in hard to staff locations;
- \$216.6 million in additional funding for the Bunbury Hospital and Geraldton Health Campus redevelopments;

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- \$38.7 million to continue six programs implemented to improve the quality of patient care in regional Western Australia – Palliative Care, Hospital Avoidance Program, Renal Support Services, Cancer Strategy, Eye Services in the Kimberley and the Country Patient Health Support Service;
- \$32.5 million to meet higher costs for delivery of the Patient Assisted Travel Scheme, including transport costs;
- \$15 million for a new Magnetic Resonance Imaging (MRI) Unit at the Hedland Health Campus;
- \$14.6 million to continue delivery of the Kimberley Ambulance Service;
- \$12.3 million for an 18-month extension to the Aboriginal Social and Emotional Wellbeing programs, which aim to provide culturally safe and secure services;
- \$11.9 million to continue the Country Nursing and Midwifery Incentive Program and Rapid Deployment Payment for a further 12 months;
- \$11.5 million in additional funding to continue services at 12 Remote Area Nursing Posts that were previously operated by the Silverchain Group and are transitioning to be delivered by WACHS;
- \$10.7 million to construct a new Sobering Up Centre in Broome to provide a safe place for intoxicated people;
- \$7.7 million in additional funding for the Critical Staff Accommodation Upgrade Program to upgrade housing assets for the health workforce across regional and remote Western Australia;
- \$7.1 million to establish a new Acute Care Response Team in the Great Southern region;
- \$4.7 million for a two-year extension to continue the Brief Crisis Intervention Service for regional and remote children, their families and carers;
- \$2.4 million to upgrade nurse call and duress systems in Broome and Kununurra; and
- \$2.3 million to build a four chair renal dialysis unit within the Karratha Health Campus.

Investing in Our Children’s Education

The State Government will spend an estimated \$1.7 billion per annum to provide approximately 87,000 students enrolled in over 340 schools across regional Western Australia with access to a quality education. Over the next four years, \$225.9 million will be invested in regional primary and secondary school maintenance, refurbishments, upgrades and new builds.

New spending in this Budget includes:

- \$19.9 million for additional transportable classrooms;

- a further \$10.2 million for preventative maintenance activities, including the roof replacement and fire services compliance programs; and
- \$6.2 million to increase night supervision in residential colleges.

Over the forward estimates period, an average of around \$284 million per annum will be spent to deliver Vocational Education and Training (VET), career and employment advice, and for TAFE support services across regional Western Australia.

To enhance the capacity and capability of the regional TAFE Colleges, \$46.8 million will be spent on regional TAFE projects, with new spending including:

- \$7.2 million to extend the Heavy Vehicle Driver Training Program in the South West from 2024 onwards. The Program delivers theoretical and practical hands-on truck driver training to provide job-ready workers for the transport industry;
- \$4.8 million for the Geraldton Campus of Central Regional TAFE to remediate fire safety risks; and
- an additional \$1.5 million for the Collie Transitions Onsite Training facilities.

Growing Our Communities: Supporting Thriving Regions and Protecting Our Environment

The Department of Communities has approximately 1,350 staff in regional Western Australia providing access to housing, child protection and family supports, disability services and a range of community services.

The Department also administers over 5,000 Government Regional Officer Housing (GROH) properties across the State and will invest a total of \$209.1 million in GROH stock over 2023-24 to 2027-28. This Budget includes an additional \$43.8 million to acquire an additional 56 new properties. This additional funding will support the attraction and retention of public sector workers to regional Western Australia, ensuring ongoing delivery and maintenance of essential community services.

Other new spending approved in this Budget to support the Department's regional service delivery includes:

- \$96.4 million for a range of family and domestic violence (FDV) responses, including \$42.4 million to support actions under the FDV System Reform Plan aimed at achieving a more coordinated and connected system in providing FDV response and support victim survivors. Of this total, \$26.4 million is allocated to regional initiatives;
- \$60 million for a Regional Community Housing Grants program, which will support community housing providers deliver newly constructed community housing or refurbish existing community housing stock;

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- \$46.3 million to expand the Home Stretch WA program, which provides support to young people leaving out of home care, to meet increased demand for placements, including in regional locations;
- \$15.6 million to support the delivery of 11 priority projects under the 10-year Early Years Partnership initiative aimed at supporting and improving early childhood outcomes across four Western Australian communities, including \$10.5 million for regional initiatives;
- \$22 million for homelessness services, including \$9 million to expand existing Housing First Support Services (HFSS) in Geraldton and Albany and to support the design of a new HFSS model in Kalgoorlie;
- \$5.8 million to continue the Aboriginal Representative Organisation and Aboriginal Family Led Decision Making programs, which seek to reduce the overrepresentation of Aboriginal children in care;
- \$3.1 million allocated to funding for services in regional locations for the Aboriginal Community Connectors Program to provide place-based support to street-present community members; and
- \$1.2 million to fund municipal service contracts in Remote Aboriginal Communities.

Investing in Transport, Roads and Ports

The Government has continued its significant investment in improving and renewing regional road infrastructure, with a total of \$4.5 billion to be spent over the next four years. This significant investment will reduce travel times, improve safety and increase freight efficiency.

A number of major regional road projects that are in construction will continue in 2024-25, including the Bunbury Outer Ring Road (\$1.5 billion), Great Northern Highway – Bindoon Bypass (\$275 million), and Great Eastern Highway Upgrades – Coates Gully, Walgoolan to Southern Cross and Ghooli to Benari (\$250 million).

This Budget includes an additional \$156.7 million, jointly funded by the Commonwealth and State Governments, for existing regional road projects, including the Bunbury Outer Ring Road, Albany Ring Road, Bussell Highway Duplication and Indian Ocean Drive – Jurien Bay to Brand Highway upgrades.

Other regional transport-related initiatives and port infrastructure approved in this Budget include:

- \$107.1 million for the replacement of the Brooking Channel Bridge, which will further improve supply chain resilience, enhance road safety and provide ongoing employment opportunities as part of the Government's Kimberley Resilience Program;
- an additional \$101 million for the Dampier Bulk Handling Facility. When finalised, these upgrades will facilitate trade diversification at the Port of Dampier by opening access to a world-wide urea market;

- \$67.4 million to establish an ongoing allocation for regional ports to undertake works to maintain current port capacity and sustain their asset base;
- an additional \$64.5 million to meet increased demand for the Regional Airfare Zone Cap scheme and to extend it to December 2025;
- \$21.3 million for the State's contribution to airstrip upgrades at Carnarvon, Onslow, Eucla, Albany and East Kimberley;
- \$20.3 million to increase the Regional Pensioner Travel Card by \$100 (from \$575 to \$675) to provide increased financial assistance for regional pensioners;
- \$17 million to progress road works at the Utah Point Bulk Handling Facility in Port Hedland to service heavy traffic loads which are critical to facilitating trade;
- \$14.9 million to upgrade the tug pen and jetty at the Port of Esperance to provide increased mooring capacity for the tug vessels required at the Port;
- \$13.5 million to build a Seafarers Centre, providing services for seafarers visiting the Port of Port Hedland;
- \$12.4 million to upgrade the Milo Road River Crossing and York–Williams Road bridges;
- \$9.5 million to replace the cladding and repair primary steel and concrete structures of Shed 8-3 at the Port of Bunbury, to enable safe and efficient long-term use of the shed;
- \$8.3 million to upgrade the heritage-listed Albany Pilot Station Cottages and create additional community infrastructure such as an education centre, café kiosk and playground area, coinciding with Albany Bicentenary celebrations in 2026;
- \$8 million for further priority airstrip renewals in remote communities in the Kimberley region through the Aboriginal Community Airstrip Renewal Program;
- \$7.7 million to extend the Driving Access and Equity Program in its existing locations (to April 2026) and to expand it to the South West and Great Southern;
- \$6 million for new infrastructure to enable First Point of Entry border service provisions at the Port of Broome as part of the Kimberley Resilience Program;
- \$6 million to reduce dust emissions by recladding a storage facility at the Port of Geraldton and replacing its dust extraction system; and
- \$2.3 million to undertake design and planning works for a new port operations centre at the Port of Esperance, which will replace the existing office accommodation and free up land within the Port for additional commercial activity and operational efficiencies.

Investing in Power and Water

The Government is committed to ensuring the safe and reliable provision of power, water, wastewater and drainage services in regional Western Australia, with asset investment totalling \$2.5 billion over 2024-25 to 2027-28. This includes Western Power's safety-related expenditure on poles and wires, maintenance of Synergy's generation assets located in the regions, Horizon Power's Asset Investment Program, and capital expenditure by the Water Corporation, Bunbury Water Corporation, and Busselton Water Corporation.

A total of \$4.3 billion has also been committed over 2024-25 to 2027-28 to undertake projects that will facilitate the decarbonisation of the South West Interconnected System. This includes \$3.4 billion in investment in regional Western Australia.

New regional power and water initiatives approved in this Budget include:

- \$147.6 million to support the development of network infrastructure in the North West Interconnected System;
- an additional \$18.4 million for 50 Standalone Power Systems to be installed in the Esperance and Mid-West regions;
- \$15 million to lead the development of a whole-of-government business case, including detailed pipework design, costs, scheduling and options analysis, and on-site preliminary works, addressing Goldfields water supply issues; and
- \$7.5 million to rebuild the power station in the Blackstone community.

In addition, \$3 billion is expected to be spent over the next four years to keep regional water and power prices in line with metropolitan prices. This includes \$2.1 billion through the Country Water Pricing Subsidy, funded from the Consolidated Account and paid to the Water Corporation. This subsidy covers the difference between the cost of providing water, sewerage and drainage services to regional customers, and the (subsidised) price paid by these customers. Similarly, \$942 million is provided by metropolitan customers through the Tariff Equalisation Contribution paid to Horizon Power to subsidise the provision of electricity to regional customers.

Investing in Our Environment

The Department of Biodiversity, Conservation and Attractions maintains a network of 112 national parks, 20 marine reserves, 77 conservation parks, 60 State forests and other lands and waters across the State. The Department employs around 1,300 regional staff, with total direct recurrent regional expenditure expected to be \$305 million in 2024-25. This expenditure delivers management of parks, prescribed burning and bushfire suppression, scientific research, threatened species conservation, and management of State forests in the regions.

New regional spending approved for the Department in this Budget includes:

- \$67.2 million to continue implementation of the Forest Management Plan 2024-2033, which came into effect on 1 January 2024, for the management of Western Australia's South West national parks, conservation parks, nature reserves and State forest and timber reserves. The funding will enable the Government to continue to deliver on its decision to end native logging in the South West and will assist with improving forest resilience and health in a changing climate;
- \$72.9 million on Plan for Our Parks initiatives, including \$58.3 million to facilitate implementation of Indigenous Land Use Agreements and joint management activities with Traditional Owners for both the South Coast Marine Park and the Fortescue Marsh Nature Reserve. This funding will support the creation of Aboriginal employment opportunities and includes \$13.7 million of capital investment in supporting start-up and visitor infrastructure;
- \$30.2 million to increase the State's bushfire mitigation capacity, including 34 additional frontline, management and training firefighting staff. This includes \$13.4 million of capital investment for additional fire trucks and firefighting heavy fleet, in addition to meeting increased ongoing replacement costs for the existing fleet;
- \$3 million to consolidate the Department's existing office accommodation, operations depot and workshop (currently spread across two different leased premises in Geraldton) into one central location, improving efficiency and supporting future operational growth; and
- \$2.7 million for costs associated with the joint management of the Yawuru Nagulagun/Roebuck Bay Marine Park with the Yawuru Traditional Owners.

The Department of Water and Environmental Regulation continues to deliver initiatives that build climate resilience in regional areas and address the impacts of climate change on water resources. Funding approved in this Budget includes:

- an additional \$2.9 million to extend the Rural Water Planning Program to continue building rural water infrastructure and water supplies;
- \$2.7 million to continue research into understanding how climate change impacts Western Australia's water resources; and
- \$1.6 million to provide ongoing support to the Healthy Estuaries WA Program which undertakes water quality monitoring and improvements to protect regional at-risk estuaries.

Royalties for Regions Program

Under the Royalties for Regions (RfR) program, which is funded by 25% of the State's annual royalty income (up to a \$1 billion annual cap on the balance held in the RfR Fund), the Government will spend \$4 billion over the next four years to support service delivery and infrastructure provision in regional Western Australia.

The 2024-25 Budget RfR program is detailed in the following table.

Table 1

ROYALTIES FOR REGIONS EXPENDITURE						
INITIATIVE	2023-24 Estimated Actual	2024-25 Budget Year	2025-26 Outyear	2026-27 Outyear	2027-28 Outyear	Total Four Years
	\$m	\$m	\$m	\$m	\$m	\$m
INVESTING IN JOBS						
Aboriginal Business Participation	3.5	-	-	-	-	-
Aboriginal Pastoral Training Program	0.6	0.4	0.4	-	-	0.8
Aboriginal Ranger Program	15.1	29.6	23	-	16.5	69.1
Aboriginal Tourism Fund	4.3	4.1	-	-	-	4.1
Agrifood Activation Fund - Food Technology Facility Project (Peel)	6.5	1.5	1.5	-	-	3.0
Albany Middleton Beach Stage 2	1.0	-	-	-	-	-
Albany Wave Energy Demonstration	0.6	0.2	-	-	-	0.2
Aquaculture Development Plan	2.4	1.6	1.3	1.2	-	4.1
Aquaculture Development Zones	1.0	0.6	0.4	-	-	1.0
Boost to Food Industry Innovation	1.8	2.1	-	-	-	2.1
Building Western Australian Grains Research and Development Capacity	13.4	11.4	10.0	10.0	10.0	41.4
Collie Adventure Trails	2.1	0.5	-	-	-	0.5
Collie Delivery Unit	1.4	0.5	0.5	-	-	1.1
Collie Green Steel - Electric Arc Furnace Steel Mill	1.5	1.2	-	-	-	1.2
Collie Recovery of Magnesium Hydroxide	2.0	-	-	-	-	-
Collie Tourism Readiness and Economic Stimulation	0.9	-	-	-	-	-
Collie Visitor's Centre Upgrade Project	-	0.5	-	-	-	0.5
Collie Futures Fund	7.7	3.6	-	-	-	3.6
Country Firefighters Recruitment	4.6	4.6	5.0	4.6	4.6	18.9
Destination Marketing	5.5	5.5	5.5	5.5	5.5	22.0
Develop Serviced Land at Shotts and Kemerton	0.8	-	-	-	-	-
Economic Activation of East Keralup	-	0.2	-	-	-	0.2
Event Tourism	6.7	7.7	7.6	8.1	6.3	29.7
Feasibility Study for AMTECH for Bunbury Geographe	1.0	0.5	0.4	-	-	1.0
Food Industry Innovation	2.0	2.4	1.5	1.5	1.5	6.9
Foot and Mouth Disease	-	2.3	-	-	-	2.3
Future Drought Fund Program Extension	5.3	4.8	-	-	-	4.8
Goldfields Major Solar Feasibility	-	0.4	-	-	-	0.4
Help Grain Growers to Better Manage Risk (e-Connected Grainbelt)	2.4	2.2	2.2	2.1	2.1	8.5
Industry Attraction and Development Fund – Collie	-	25.9	-	-	-	25.9
Industry Attraction and Development Fund – Collie – Administration	0.6	-	-	-	-	-
Industry Growth Partnership Processed Oats Industry	6.6	2.6	-	-	-	2.6
Kimberley Tourism Program	2.6	0.1	0.1	-	-	0.2
Kununurra Cotton Gin Infrastructure Support Package	3.5	-	-	-	-	-

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE						
INITIATIVE	2023-24 Estimated Actual	2024-25 Budget Year	2025-26 Outyear	2026-27 Outyear	2027-28 Outyear	Total Four Years
	\$m	\$m	\$m	\$m	\$m	\$m
Magnium – Magnesium Refinery	0.7	1.3	-	-	-	1.3
Mount Augustus Tourism Infrastructure	0.8	3.9	4.6	-	-	8.5
Myalup-Wellington Water for Growth	1.3	5.8	10.2	15.6	-	31.6
Northern Beef Industry Strategy	2.1	0.2	-	-	-	0.2
Ord Channel Upgrade	0.1	0.3	-	-	-	0.3
Ord Channel Upgrade – Knox Development	29.7	29.0	17.3	- ^(a)	-	46.3
Ord-East Kimberley Expansion Project	1.4	5.9	2.8	-	-	8.7
Peel Business Park activation	-	1.0	-	-	-	1.0
Peel-Harvey Catchment Council's Water Research Infrastructure Project	0.1	-	-	-	-	-
Plan for Our Parks – Indigenous Land Use Agreements	1.1	1.3	-	-	-	1.3
Port Hedland Waterfront Revitalisation - Spoilbank Marina	22.4	-	-	-	-	-
Rat Island Jetty and Campsites	0.3	-	-	-	-	-
Regional Local Content Initiative	0.1	0.1	-	-	-	0.1
Regional Natural Resource Management – State Barrier Fence	3.7	-	-	-	-	-
Regional Telecommunications Project	4.9	11.3	1.4	-	-	12.7
Science and Agribusiness Connect Program	0.2	-	-	-	-	-
Sheep and Goat Electronic Identification	7.2	7.7	8.7	1.1	-	17.5
South Coast Aquaculture Development Zone	0.4	0.1	-	-	-	0.1
Southern Forests Irrigation Scheme	0.2	5.1	10.3	-	-	15.4
State Agricultural Telecommunications Infrastructure Improvement Fund	1.3	8.9	-	-	-	8.9
Strategic Industrial Areas	2.3	1.0	-	-	-	1.0
Sustainable Development of the Abrolhos Islands	0.2	-	-	-	-	-
2023 Total Solar Eclipse	2.8	-	-	-	-	-
Transform Peel - Phase 1	9.1	1.0	-	-	-	1.0
Transforming Agriculture in the Pilbara	0.2	0.7	-	-	-	0.7
Transforming Bunbury's Waterfront – Stage 3	6.8	47.6	19.6	6.0	-	73.2
Water Smart Farms Project	0.6	-	-	-	-	-
Wellington Dam Mural and Collie Art Trail	- ^(a)	-	-	-	-	-
Wellington National Park Public Access Improvements	1.4	1.3	-	-	-	1.3
Western Australian Industry Growth Partnership Wine Export	0.8	0.6	-	-	-	0.6
Western Australian Regional Digital Connectivity Program	5.4	11.3	5.3	16.5	-	33.1
Western Australian Regional Screen Fund	1.6	4.0	4.0	4.0	4.0	16.0
Wild Dogs Action Plan	4.9	3.4	3.4	3.4	3.4	13.5
Yawuru Strategic Economic Development	0.4	-	-	-	-	-
Yerriminup Agribusiness Precinct Activation	-	3.0	1.0	-	-	4.0
TOTAL - INVESTING IN JOBS	221.9	272.8	148.0	79.6	53.9	554.4
PUTTING PATIENTS FIRST						
Digital Innovation, Transport and Access to Care	69.0	69.2	70.2	71.3	72.4	283.2
Emergency and Acute Workforce	21.3	20.5	20.5	20.5	20.5	82.0
Health Services						
Albany General Dental Clinic	- ^(a)	1.8	9.2	2.0	-	12.9
Albany Radiation Oncology	1.3	-	-	-	-	-
Find Cancer Early	0.4	0.4	0.4	0.4	0.4	1.6
Meet and Greet Service	0.4	0.6	0.6	0.6	0.6	2.4
Paid Paramedics for the Regions	12.3	8.9	9.0	9.0	9.0	35.8
Pilbara Health Initiatives	7.4	3.2	1.8	-	-	5.0
Regional Cancer Services	5.7	0.6	-	-	-	0.6
Regional Renal Support Teams	1.8	2.2	2.2	2.2	1.9	8.5

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2023-24 Estimated Actual	2024-25 Budget Year	2025-26 Outyear	2026-27 Outyear	2027-28 Outyear	Total Four Years
	\$m	\$m	\$m	\$m	\$m	\$m
Renal Dialysis	4.3	3.4	3.4	3.4	3.4	13.6
South West Aboriginal Medical Service Health Hub	0.3	2.0	7.7	8.3	-	18.0
Health Infrastructure						
Albany Health Campus Carpark	0.2	1.8	0.2	-	-	2.0
Bunbury Hospital	8.8	4.8	-	49.0	27.7	81.5
Carnarvon Residential Aged Care Facility	0.1	1.4	-	-	-	1.4
Collie Hospital Upgrade	0.3	1.0	-	-	-	1.0
Community Alcohol and Other Drug Integrated Services in the South						
Metropolitan Health Service Region (Peel)	2.2	2.3	2.3	2.3	2.3	9.1
Critical Staff Accommodation Refurbishment Program	5.7	2.4	-	-	-	2.4
Dongara Aged Care	1.3	-	-	-	-	-
Geraldton Health Campus Redevelopment	1.6	39.3	18.3	-	-	57.5
Geraldton Hospital Co-location	0.2	1.4	-	-	-	1.4
Meekatharra Hospital	0.9	1.5	12.9	33.3	0	47.7
Newman Health Service Redevelopment Project	0.5	-	-	-	-	-
Primary Health Centres Demonstration Program	0.3	0.3	1.0	3.1	-	4.4
Remote Indigenous Health Clinics	0.1	0.3	-	-	-	0.3
Tom Price Hospital Redevelopment	-(a)	-	-	4.9	-	4.9
Other Health Programs						
Newman Renal Dialysis Service	1.3	-	-	-	-	-
Warmun Facility Upgrade	0.4	-	-	-	-	-
Women's Community Health Services: Kimberley Women's Health Program	-	-	0.3	1.2	0.8	2.3
Mental Health Programs						
Aboriginal Social and Emotional Wellbeing	6.7	7.0	9.0	-	-	15.9
Broome Sobering Up Centre	-	1.4	8.7	0.7	-	10.7
East Kimberley Psychiatric Services	1.3	1.3	1.4	1.4	1.4	5.5
Geraldton Step up/down facilities	2.5	2.5	2.5	2.5	2.5	9.9
Mental Health Anti-Ligature works at Regional Hospitals	0.3	-	-	-	-	-
Mental Health Step-up/down facilities – Kalgoorlie/Goldfields 10 beds	2.6	2.6	2.6	2.6	2.6	10.5
Methamphetamine Action Plan – South West AOD Residential Rehabilitation and Treatment Service	2.9	2.9	2.9	2.9	2.9	11.7
North West Drug and Alcohol Support Program – Kimberley	7.1	7.1	7.1	7.1	7.1	28.3
Regional Men's Health	0.9	0.9	0.9	0.9	0.9	3.5
Sub-acute Mental Health Services in Bunbury	2.3	2.3	2.3	2.3	2.3	9.1
Sub-acute Mental Health Services in Karratha	0.5	5.2	7.5	2.7	2.7	18.0
Sub-acute Mental Health Services in South Hedland	0.2	13.9	3.8	3.8	3.8	25.3
WACHS Mental Health Emergency Telehealth Service	5.9	6.0	6.2	6.3	6.3	24.9
TOTAL - PUTTING PATIENTS FIRST	181.3	222.4	214.9	244.7	171.5	852.8
INVESTING IN OUR CHILDREN'S EDUCATION						
Aboriginal and Islander Education Officers	3.6	3.6	3.6	3.6	3.6	14.3
Agricultural and Farms Schools Lifecycle	2.8	0.9	2.0	1.1	-	4.0
Agricultural College – Cunderdin	0.1	1.5	-	-	-	1.5
Albany Senior High School	1.1	7.7	0.9	-	-	8.6

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE						
INITIATIVE	2023-24 Estimated Actual	2024-25 Budget Year	2025-26 Outyear	2026-27 Outyear	2027-28 Outyear	Total Four Years
	\$m	\$m	\$m	\$m	\$m	\$m
Baler Primary School	2.1	3.2	0.8	-	-	3.9
Better Beginnings – Early Literacy	0.3	0.3	0.3	0.3	0.3	1.0
Broome Senior High School	0.1	-	3.0	0.3	0.8	4.1
Cassia Primary School	0.5	5.4	0.2	-	-	5.6
Clontarf Colleges	1.5	1.5	1.5	1.5	1.5	6.2
Dampier Primary School	0.9	0.1	-	-	-	0.1
Donnybrook District High School	0.5	0.3	-	-	-	0.3
Eaton Community College	5.8	0.6	-	-	-	0.6
Feasibility Study Residential Colleges for Aboriginal Students in Newman	0.1	-	-	-	-	-
Halls Creek District High School	7.6	2.1	-	-	-	2.1
Improving Teacher Quality	1.9	1.9	1.9	1.9	1.9	7.7
Independent Learning Co-ordinators	1.5	1.5	1.5	1.5	1.5	6.0
Kimberley and Pilbara Solar Schools Program	0.9	-	-	-	-	-
Kimberley Schools Project	4.2	3.9	3.6	-	-	7.5
Mental Health Support in Schools	0.8	0.8	1.2	0.8	0.8	3.6
Puntukurnu Aboriginal Medical Service Jiji Program	0.8	-	-	-	-	-
Put Education Assistants Back in the Classroom	9.1	9.1	9.1	9.1	9.1	36.6
Regional Learning Specialists	1.5	1.5	1.5	1.5	1.5	6.0
Regional School Breakfast and Nutritional Education Program	0.2	0.2	0.2	0.2	0.2	0.9
Regional School Bus Services	81.0	82.2	82.3	82.4	82.4	329.2
Respectful Relationship Programs in Schools	0.2	0.1	0.1	0.1	0.1	0.4
Roebourne District High School Redevelopment	-	5.0	0.2	5.0	-	10.2
South Bunbury Education Support Centre	0.5	0.1	-	-	-	0.1
Tambrey Primary School	0.6	-	-	-	-	-
Vocational Education Regional Subsidies	45.4	45.4	45.4	45.4	45.4	181.6
Waggrakine Primary School	0.4	4.0	4.6	- ^(a)	-	8.6
Western Australian College of Agriculture – Kimberley	0.7	-	-	-	-	-
TOTAL - INVESTING IN OUR CHILDREN'S EDUCATION	176.7	182.9	163.9	154.7	149.1	650.7
INVESTING IN OUR COMMUNITIES						
Aboriginal Community Controlled Organisation	0.3	8.0	7.3	0.1	0.2	15.6
Aboriginal Governance and Leadership Development Program	1.7	1.7	1.4	1.1	1.1	5.2
Aboriginal Tourism Initiatives	0.9	0.9	0.9	0.9	0.9	3.6
Albany Entertainment Centre	0.5	0.5	0.5	0.5	0.5	2.0
Albany (Emu Point) Maritime Facility – Jetty B Remediation	-	1.0	-	-	-	1.0
Albany Pilot Station Precinct	-	0.9	3.7	3.7	-	8.3
Albany Trails	1.5	1.7	-	-	-	1.7
Beach Emergency Numbering System	0.5	-	-	-	-	-
Broome Aboriginal Short Stay Accommodation Facility	3.0	2.9	2.8	2.8	2.8	11.2
Broome Aboriginal-led Specialist Family Violence Court	0.2	6.2	0.7	1.5	0.6	8.9
Broome Family and Domestic Violence Hub	1.9	6.3	4.3	3.9	3.9	18.3
Bunbury Prison Alcohol and Other Drug Unit	3.6	3.6	2.7	2.8	2.6	11.7
Carnarvon One Mile Jetty	0.4	4.1	-	-	-	4.1
Carnarvon One Mile Jetty – Partial Demolition of Jetty	-	0.6	-	-	-	0.6

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m	Total Four Years \$m
Collie Mineworkers Memorial Pool Enclosure	-	0.9	-	-	-	0.9
Collie Riverview Residence – Upgrade to Over 55s Estate	-	2.0	-	-	-	2.0
Community Resource Centres	13.9	13.9	13.8	13.8	13.8	55.3
Community Safety Network	9.2	8.8	8.5	8.5	8.5	34.2
Regional Pensioner Travel Card	35.1	40.1	40.4	37.2	37.4	155.1
Culturally Appropriate Services to Victims of Domestic Violence	0.2	0.1	0.1	0.1	0.1	0.4
Dalyellup Family Centre	0.3	0.2	-	-	-	0.2
Dalyellup Multipurpose Community and Youth Centre	1.0	-	-	-	-	-
Dampier Peninsula Activation	-(^a)	2.1	-	-	-	2.1
Dawesville Community Centre	-	3.2	-	-	-	3.2
Driving Access and Equity Program	0.4	5.9	5.5	-	-	11.5
East Kimberley Transitional Housing	1.8	1.0	1.0	1.0	-	3.0
Enhanced Driver Training and Education for Regional and Remote Communities	1.6	1.6	1.6	1.6	1.4	6.1
Essential and Municipal Services Improvement in Remote Aboriginal Communities	28.4	3.1	-	-	-	3.1
Ex-Tropical Cyclone Ellie – Clean-up Program	10.1	19.4	0.5	-	-	19.9
Ex-Tropical Cyclone Ellie – Community and Industry Recovery Officer Program	3.3	4.2	1.8	-	-	6.0
Ex-Tropical Cyclone Ellie – Freight Assistance Package	10.7	0.5	-	-	-	0.5
Ex-Tropical Cyclone Ellie – Prescribed Body Corporate Participation in Recovery Package	2.1	-	-	-	-	-
Ex-Tropical Cyclone Ellie – Roads Recovery	13.6	-	-	-	-	-
Ex-Tropical Cyclone Ellie – Temporary Accommodation	23.8	-	-	-	-	-
Family Domestic Violence Refuge – Peel	1.2	1.2	1.2	1.2	1.2	4.8
Financial Counselling Services	0.7	0.7	0.7	0.7	0.7	2.9
Geraldton Aboriginal Short Stay Accommodation	-	-	2.6	2.7	6.7	11.9
Goldfields Arts Centre	0.1	0.1	0.1	0.1	0.1	0.6
Gwoonwardu Mia Aboriginal Heritage and Cultural Centre – Carnarvon	0.9	1.2	1.2	-	-	2.3
Halls Creek Town Development Masterplan - State Contribution	1.9	0.1	-	-	-	0.1
Hedland Transitional Housing	4.1	0.6	-	-	-	0.6
Indigenous Visitor Hostels	2.9	2.4	2.5	2.5	2.5	9.8
Jalbi Jiya (Your Home) Program	0.7	0.4	0.3	-	-	0.8
Kalgoorlie Career Fire Rescue Service Station Upgrade	2.4	-	-	-	-	-
Kalgoorlie Motorsports Precinct	1.0	1.0	-	-	-	1.0
Kimberley Community Action Fund	1.0	0.2	-	-	-	0.2
Kimberley On-country Youth Facilities	3.5	7.3	3.4	3.8	-	14.5
Koombana Bay Park Facilities	0.4	-	-	-	-	-
Kununurra Aquatic and Leisure Centre Redevelopment Project	-	4.9	-	-	-	4.9
Leedal – Fitzroy Affordable Housing Project	0.8	1.0	4.3	13.9	2.6	21.7
Mira Mar Landslip	0.3	-	-	-	-	-
Motorplex Complex Albany	2.1	-	-	-	-	-
Multi-functional Policing Facilities Air-Conditioning System Replacement	1.4	-	-	-	-	-
North West Aboriginal Housing Initiative	-	-	-(^a)	-	0.1	0.1
Nyamba Buru Yawuru – Health and Wellbeing Campus	-	7.5	-	-	-	7.5

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE						
INITIATIVE	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m	Total Four Years \$m
Olabud Doogethu Halls Creek Youth Justice Reinvestment Project	0.5	0.5	- ^(a)	-	-	0.5
Operation Regional Shield	11.7	11.7	11.7	-	-	23.4
Oyster Harbour Ulster Road (Albany)	8.2	0.4	-	-	-	0.4
Peel Regional Trails	1.2	-	-	-	-	-
Pilbara Aboriginal Home Ownership Program	0.6	3.9	10.4	4.0	0.6	18.9
Pilbara Town Based Reserves	3.7	11.6	-	-	-	11.6
Police Radio Network	0.9	1.0	1.1	1.1	1.1	4.4
Regional Aged Accommodation Program	0.5	-	-	-	-	-
Regional Arts and Cultural Investment Program	4.9	5.4	5.4	4.9	4.9	20.6
Regional Athlete Support Program	1.6	1.6	1.7	1.7	1.7	6.6
Regional Economic Development Grants	8.6	7.9	5.7	5.1	5.3	24.1
Regional Enforcement Unit	5.5	5.5	5.5	5.5	5.5	21.9
Regional Exhibition Touring Boost	1.0	2.3	2.3	2.3	2.0	9.0
Regional Museum Grants - Regional Collections Development Program	0.2	0.2	0.2	-	-	0.4
Regional Police Incentives	2.5	2.5	2.5	2.5	2.5	10.0
Regional Renewal Program	7.5	3.8	-	-	-	3.8
Regional Youth Justice Services	5.7	5.8	5.8	5.8	5.8	23.1
Remote Aboriginal Communities	80.1	69.1	63.6	53.8	64.0	250.6
Remote Aboriginal Communities Support Fund	1.2	-	-	-	-	-
Remote Essential and Municipal Services	56.0	56.0	56.0	56.0	56.0	224.0
Remote Swimming Pools	0.6	0.6	0.6	0.6	0.6	2.5
Rural, Regional and Remote Network	0.2	0.4	0.2	0.1	-	0.6
safeSPACE Program	1.9	1.9	-	-	-	1.9
South Hedland CBD Revitalisation – Stage 2	0.7	- ^(a)	-	-	-	- ^(a)
Southern Forests Food Council	-	0.2	0.3	-	-	0.4
Southern Ocean Surf Reef	0.6	2.0	2.2	-	-	4.2
Stockton Lake Redevelopment	0.3	-	-	-	-	-
Upgrades to Hay Park – Bunbury	0.1	-	-	-	-	-
Volunteer Fuel Card	1.0	1.0	1.0	1.0	1.0	4.0
Volunteering Development Services	-	0.7	0.7	0.7	-	2.1
Waroona Town Centre Revitalisation Project	2.4	-	-	-	-	-
Wellington Dam Bridge Upgrade	-	0.7	4.8	8.5	-	14.0
Western Desert Justice Program	0.3	0.9	-	-	-	0.9
Yindjibarndi Ganallili Accommodation and Transitional Housing Program	3.5	0.1	-	-	-	0.1
Yura Yungi Employee Accommodation and Career Development Program	4.2	-	-	-	-	-
TOTAL - INVESTING IN OUR COMMUNITIES	413.3	371.7	295.5	258.0	238.7	1,163.4
INVESTING IN OUR ROADS AND PORTS						
AgLime Routes	0.4	-	-	-	-	-
Albany Ring Road	-	2.0	-	-	-	2.0
Broome Marina Planning	0.2	-	-	-	-	-
Bunbury Port – Inner Harbour Access Bridge	16.2	15.1	-	-	-	15.1
Burrup Peninsula Hearson Cove Road Realignment	10.0	3.0	-	-	-	3.0
Chidlow-York Road and Forrest Street Intersection Upgrade	0.3	0.5	0.2	-	-	0.7
Collie Preston Region – Upgrades Over Multiple Local Roads	0.2	-	-	-	-	-
Covalent Lithium Mine Access Road	-	12.0	-	-	-	12.0
Derby-Broome Airservice	0.3	-	-	-	-	-

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2023-24 Estimated Actual	2024-25 Budget Year	2025-26 Outyear	2026-27 Outyear	2027-28 Outyear	Total Four Years \$m
	\$m	\$m	\$m	\$m	\$m	\$m
Fishing Boat Harbour Boat Building Precinct	8.6	1.4	-	-	-	1.4
Forrest Highway (Vittoria Road)	0.1	1.2	2.7	-	-	3.9
Grain Freight Upgrades	0.6	-	-	-	-	-
Great Eastern Highway Upgrades – Ghooli to Benari	10.7	8.4	8.4	8.3	7.0	32.1
Great Northern Highway – Broome to Kununurra – Nellie Springs to Sally Downs Well and Arthur Creek	1.7	2.0	3.0	3.0	2.0	10.0
Great Northern Highway – Newman to Port Hedland – Overtaking Lanes	5.1	3.5	1.0	-	-	4.5
Greenbushes Lithium Supply Chain	1.0	2.8	-	-	-	2.8
Indian Ocean Drive – Jurien Bay to Brand Highway	4.8	6.1	-	-	-	6.1
Karratha to Tom Price Road – Manuwarra Red Dog Highway	2.3	3.1	18.3	-	-	21.4
Koojan Downs Road Upgrade	0.2	-	-	-	-	-
Kununurra-Halls Creek-Balgo Regular Passenger Transport	0.2	0.2	0.2	0.2	-	0.6
Land Acquisition and Road Improvements	4.7	-	-	-	-	-
Mandurah Estuary Bridge Duplication	11.7	36.0	17.8	-	-	53.8
Mandurah Train Station – New Parking Bays	1.2	-	-	-	-	-
Marble Bar Road Upgrade	1.7	8.5	0.5	-	-	9.0
Menang Drive-Chester Pass Road Grade Separation	7.0	30.0	-	-	-	30.0
Mid West and Great Southern Secondary Freight Network Program	2.3	3.0	1.7	-	-	4.8
Moonamang Road	1.3	-	-	-	-	-
Oakajee Strategic Industrial Area Access Road	2.0	17.2	-	-	-	17.2
Outback Way – Laverton to WA Border	-	-	-	12.0	12.0	24.0
Pinjarra Heavy Haulage Deviation	0.4	-	0.4	2.0	2.0	4.4
Rail Future Fund	5.1	-	-	-	-	-
Regional Airfare Zone Cap for Regional Residents	34.9	36.4	21.1	-	-	57.5
Regional Blackspot Program	10.3	6.0	-	-	-	6.0
Square Kilometre Array roads	5.0	5.0	5.0	9.2	-	19.2
Tanami Road	6.0	4.2	8.0	8.0	10.0	30.2
Toodyay Road Upgrade - Dryandra to Toodyay	1.0	2.1	5.9	5.4	-	13.4
Truck Rest Stops	0.3	1.3	1.3	1.3	1.0	4.7
Warmun Airstrip Upgrade	5.0	-	-	-	-	-
Western Australian Agricultural Supply Chain Improvements	-	3.3	3.3	29.0	-	35.6
TOTAL - INVESTING IN OUR ROADS AND PORTS	162.8	214.3	98.8	78.4	34.0	425.4
INVESTING IN OUR ENVIRONMENT						
Buccaneer Archipelago Marine Parks	2.2	22.2	3.4	3.5	-	29.1
Bushfire Mitigation on Crown Land Regional Townsites	3.8	3.9	3.8	3.8	3.8	15.1
Carnarvon Flood Mitigation Works - Stage 2	1.2	-	-	-	-	-
Climate Resilience Fund	4.3	5.1	3.8	-	-	8.9
Dampier Peninsula and Buccaneer Archipelago Visitor Plan	0.1	0.1	-	-	-	0.1
Dampier Peninsula Project	-	0.3	-	-	-	0.3
Danggu Geikie Gorge Upgrades	0.2	0.6	-	-	-	0.6
Drummond Cove Coastal Protection Project	0.4	2.8	-	-	-	2.8

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE						
INITIATIVE	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m	Total Four Years \$m
Dung Beetle Soil Health Grants Initiative	-	0.5	-	-	-	0.5
Dwellingup Trails Gap Project	1.1	0.9	-	-	-	0.9
Enhanced Prescribed Burning Program	5.5	5.5	5.5	5.5	5.5	22.0
Fitzroy River Catchment	-	0.1	-	-	-	0.1
Fitzroy River Management Plan	0.3	0.1	-	-	-	0.1
Healthy Estuaries WA	6.3	9.2	6.7	6.7	6.8	29.5
Implementing the Bindjareb Djilba (Peel-Harvey Estuary) Protection Plan	1.3	1.3	0.9	-	-	2.2
Kalbarri Island Rock	0.1	-	-	-	-	-
Kalgulup Regional Park	6.7	1.4	1.4	1.4	1.4	5.7
Karijini National Park Upgrades	13.3	5.0	-	-	-	5.0
Kimberley Wilderness Walk, Wunaamin Miliwundi Ranges	0.3	0.2	-	-	-	0.2
Managing Western Australia's Natural Resources: Supporting Community Involvement	0.1	-	-	-	-	-
Marine Parks Management	0.5	0.7	0.7	0.7	0.7	2.7
Murujuga Joint Management	1.1	1.1	1.1	1.1	1.1	4.3
Murujuga National Park (Conzinc Bay)	0.5	4.4	-	-	-	4.4
Natural Resource Management Program	7.4	6.8	6.8	6.2	6.8	26.5
Ngari Capes Marine Park	1.2	1.2	1.2	1.2	1.2	4.6
Ningaloo Coastal Reserve	1.8	1.3	1.3	1.3	1.3	5.2
Northern Native Seed Initiative	0.5	2.9	0.6	0.4	0.4	4.2
Peel Harvey Estuary	0.1	0.1	0.1	-	-	0.2
Pilbara Hydrogen Hub	4.2	9.3	20.2	36.4	-	65.9
Renewable Hydrogen Strategy	3.0	0.1	-	-	-	0.1
Rural Water Planning	4.0	5.6	2.9	-	-	8.5
Southern Rangelands Restoration Project	0.1	-	-	-	-	-
Torndirrup National Park, The Gap	1.4	1.8	-	-	-	1.8
Vertebrate Pest Management Program	-	1.0	1.0	1.0	-	3.0
Watering Western Australia	0.5	-	-	-	-	-
William Bay National Park Infrastructure Project	0.5	-	-	-	-	-
Yawuru Conservation Park	0.6	2.2	1.3	-	-	3.5
Yawuru Joint Management	1.2	1.1	1.1	1.1	1.1	4.5
TOTAL - INVESTING IN OUR ENVIRONMENT	75.8	98.8	63.8	70.3	30.1	262.5
ADMINISTRATION AND ADMINISTERED ITEMS						
Administration ^(b)	82.1	90.5	84.7	84.4	84.2	343.7
Administered Items ^(c)	12.7	20.0	21.5	11.4	23.0	75.9
Total – ADMINISTRATION AND ADMINISTERED ITEMS	94.8	110.5	106.2	95.8	107.2	419.6
Underspend Provision	-288.8	-188.1	-66.5	-67.5	-	-322.1
TOTAL ROYALTIES FOR REGIONS FUND	1,037.0	1,284.2	1,024.2	913.9	784.0	4,006.3
Regional Reform Fund Special Purpose Account Transfer ^(d)	-	8.7	9.3	12.9	7.3	38.3

(a) Amount less than \$50,000.

(b) Funding for costs associated with the administration of the Royalties for Regions Fund.

(c) Funding mainly for initiatives where further planning is required to deliver these proposals.

(d) Total Royalties for Regions contributions to the Fund are forecast to be \$150 million.

Note: Columns/rows may not add due to rounding.

Source: Department of Primary Industries and Regional Development.

2024-25 Economic and Fiscal Outlook

Detailed Financial Projections

This appendix contains detailed financial projections for the various sectors of the total public sector defined by the Government Finance Statistics (GFS) framework. The tables in this section satisfy Uniform Presentation Framework (UPF) requirements applicable for all States, Territories and the Commonwealth, and are also consistent with Australian Accounting Standards, in particular, AASB 1049: *Whole of Government and General Government Sector Financial Reporting*.

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Table 1.1

GENERAL GOVERNMENT
Operating Statement

	Note	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
		Actual	Estimated	Budget			
		\$m	\$m	Year	Outyear	Outyear	Outyear
				\$m	\$m	\$m	\$m
<i>Results from Transactions</i>							
REVENUE							
Taxation		12,427	13,508	13,577	13,949	14,427	14,943
Current grants and subsidies		12,817	12,674	14,448	13,871	14,746	15,450
Capital grants		2,081	2,306	3,671	1,978	884	256
Sales of goods and services		3,296	3,139	3,236	3,246	3,331	3,421
Interest income		333	373	342	269	304	266
Revenue from public corporations							
Dividends from other sector entities		145	211	1,571	1,673	1,771	1,804
Tax equivalent income		705	807	902	955	989	946
Royalty income		11,045	11,243	7,773	7,488	7,446	7,358
Other		752	815	674	685	663	668
Total	3,4	43,601	45,075	46,194	44,113	44,561	45,113
EXPENSES							
Salaries		15,727	16,259	17,242	17,624	18,167	18,764
Superannuation							
Concurrent costs		1,759	1,910	2,084	2,197	2,249	2,310
Superannuation interest cost		160	201	200	199	198	196
Other employee costs		387	463	524	491	513	380
Depreciation and amortisation		1,977	2,173	2,253	2,268	2,286	2,277
Services and contracts		3,080	4,320	4,086	3,687	3,611	3,663
Other gross operating expenses		6,620	6,519	6,664	6,385	6,509	6,740
Interest							
Interest on leases		146	141	139	133	129	126
Other interest		809	921	819	779	819	910
Current transfers	5	7,358	8,318	9,032	7,455	7,080	7,143
Capital transfers	5	458	693	549	464	166	146
Total	6	38,481	41,917	43,591	41,683	41,728	42,655
NET OPERATING BALANCE		5,120	3,158	2,603	2,431	2,833	2,458
<i>Other economic flows - included in the operating result</i>							
Net gains on assets/liabilities		-302	-228	-98	-78	-227	-105
Provision for doubtful debts		-41	-14	-14	-15	-15	-16
Changes in accounting policy/adjustment of prior periods		63	-	-	-	-	-
Total other economic flows		-280	-242	-112	-93	-242	-121
OPERATING RESULT		4,841	2,915	2,491	2,338	2,590	2,337
<i>All other movements in equity</i>							
<i>Items that will not be reclassified to operating result</i>							
Revaluations		9,712	2,309	1,848	2,118	2,025	1,770
Net actuarial gains/-loss - superannuation		100	53	109	86	104	89
Gains recognised directly in equity		-(a)	-41	-45	-49	-49	-49
Change in net worth of the public corporations sectors		5,340	2,402	753	237	-255	-126
All other		-	-	-	-	-	-
Total all other movements in equity		15,153	4,723	2,665	2,392	1,825	1,685
TOTAL CHANGE IN NET WORTH		19,993	7,638	5,157	4,729	4,416	4,022
KEY FISCAL AGGREGATES							
NET OPERATING BALANCE		5,120	3,158	2,603	2,431	2,833	2,458
<i>Less Net acquisition of non-financial assets</i>							
Purchase of non-financial assets	6	3,870	3,553	3,565	4,064	4,492	3,414
Changes in inventories		-349	-20	-(a)	-(a)	-	-
Other movement in non-financial assets		10	-	-	-	-	-
<i>Less:</i>							
Sales of non-financial assets		86	108	104	67	67	67
Depreciation		1,977	2,173	2,253	2,268	2,286	2,277
Total net acquisition of non-financial assets		1,468	1,253	1,208	1,729	2,139	1,070
NET LENDING/-BORROWING		3,652	1,905	1,395	701	693	1,388

(a) Amount less than \$500,000.

Note: Columns may not add due to rounding.

Table 1.2

GENERAL GOVERNMENT
Balance Sheet at 30 June

	2023	2024	2025	2026	2027	2028
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
ASSETS						
<i>Financial assets</i>						
Cash and deposits	3,734	2,120	1,511	806	765	764
Advances paid	697	763	902	938	864	835
Investments, loans and placements	5,776	7,393	3,972	2,016	2,133	2,002
Receivables	5,080	4,779	4,275	4,243	4,175	4,074
Shares and other equity						
Investments in other public sector entities - equity method	54,693	57,095	57,847	58,084	57,830	57,703
Investments in other public sector entities - direct injections	15,482	19,174	25,073	27,962	29,473	30,299
Investments in other entities	49	49	49	49	49	49
Other financial assets	9	9	10	- ^(a)	- ^(a)	- ^(a)
<i>Total financial assets</i>	<i>85,520</i>	<i>91,382</i>	<i>93,640</i>	<i>94,099</i>	<i>95,289</i>	<i>95,727</i>
<i>Non-financial assets</i>						
Land	43,904	46,200	47,727	49,008	50,234	51,147
Property, plant and equipment	60,872	62,716	64,537	67,452	70,580	72,727
Right-of-use assets	2,365	2,397	2,395	2,311	2,225	2,162
Service concession assets	1,006	984	939	897	838	769
Biological assets	9	9	9	9	9	9
Inventories						
Land inventories	-	-	-	-	-	-
Other inventories	251	231	231	231	231	231
Intangibles	646	663	708	731	755	856
Non-current assets held for sale	32	20	20	20	20	20
Investment property	-	-	-	-	-	-
Other	347	395	426	447	457	460
<i>Total non-financial assets</i>	<i>109,431</i>	<i>113,615</i>	<i>116,991</i>	<i>121,107</i>	<i>125,350</i>	<i>128,381</i>
TOTAL ASSETS	194,950	204,998	210,631	215,206	220,639	224,108
LIABILITIES						
Deposits held	1,538	4,007	4,727	4,727	4,516	4,042
Advances received	273	311	404	467	442	418
Borrowings						
Lease liabilities	2,734	2,779	2,796	2,738	2,678	2,635
Service concession liabilities	-	-	-	-	-	-
Other borrowings	23,883	23,955	23,755	23,745	25,234	25,720
Unfunded superannuation	4,408	4,327	4,170	4,056	3,896	3,675
Other employee benefits	4,354	4,440	4,527	4,628	4,727	4,582
Payables	2,677	2,652	2,615	2,519	2,428	2,332
Other liabilities	3,104	2,912	2,866	2,825	2,801	2,765
TOTAL LIABILITIES	42,973	45,382	45,860	45,705	46,723	46,169
NET ASSETS	151,977	159,615	164,772	169,501	173,916	177,939
<i>Of which:</i>						
Contributed equity	-	-	-	-	-	-
Accumulated surplus	25,498	29,625	32,172	34,537	37,171	39,539
Other reserves	126,479	129,990	132,600	134,964	136,745	138,400
NET WORTH	151,977	159,615	164,772	169,501	173,916	177,939
MEMORANDUM ITEMS						
<i>Net financial worth</i>	<i>42,546</i>	<i>46,000</i>	<i>47,780</i>	<i>48,394</i>	<i>48,567</i>	<i>49,558</i>
<i>Net financial liabilities</i>	<i>27,628</i>	<i>30,269</i>	<i>35,140</i>	<i>37,652</i>	<i>38,736</i>	<i>38,445</i>
<i>Net debt</i>						
Gross debt liabilities	28,429	31,051	31,683	31,677	32,870	32,816
Less: liquid financial assets	10,207	10,276	6,385	3,760	3,762	3,601
<i>Net debt</i>	<i>18,223</i>	<i>20,775</i>	<i>25,298</i>	<i>27,917</i>	<i>29,109</i>	<i>29,215</i>

(a) Amount less than \$500,000.

Note: Columns may not add due to rounding.

Table 1.3

GENERAL GOVERNMENT
Cash Flow Statement

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash received</i>						
Taxes received	12,622	13,525	13,594	13,965	14,443	14,959
Grants and subsidies received	17,235	17,399	20,634	18,365	18,202	18,340
Receipts from sales of goods and services	3,338	3,111	3,214	3,216	3,340	3,418
Interest receipts	287	372	342	269	301	266
Dividends and tax equivalents	1,023	966	2,453	2,693	2,825	2,870
Other receipts	13,797	13,715	10,258	9,469	9,410	9,359
<i>Total cash received</i>	<i>48,303</i>	<i>49,088</i>	<i>50,494</i>	<i>47,978</i>	<i>48,522</i>	<i>49,213</i>
<i>Cash Paid</i>						
Wages, salaries and supplements, and superannuation	-17,339	-18,392	-19,531	-19,982	-20,608	-21,579
Payments for goods and services	-10,066	-11,348	-11,393	-10,727	-10,778	-10,910
Interest paid	-885	-1,019	-952	-899	-920	-1,019
Grants and subsidies paid	-9,837	-11,004	-11,464	-10,013	-9,435	-9,579
Dividends and tax equivalents	-	-	-	-	-	-
Other payments	-2,350	-1,841	-1,962	-1,783	-1,742	-1,746
<i>Total cash paid</i>	<i>-40,476</i>	<i>-43,604</i>	<i>-45,301</i>	<i>-43,405</i>	<i>-43,481</i>	<i>-44,834</i>
NET CASH FLOWS FROM OPERATING ACTIVITIES	7,827	5,484	5,193	4,573	5,041	4,379
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-3,870	-3,553	-3,565	-4,064	-4,492	-3,414
Sales of non-financial assets	86	108	104	67	67	67
<i>Total cash flows from investments in non-financial assets</i>	<i>-3,784</i>	<i>-3,446</i>	<i>-3,461</i>	<i>-3,997</i>	<i>-4,425</i>	<i>-3,347</i>
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	114	10	10	10	10	10
For liquidity purposes	48	21	65	63	54	26
<i>Cash paid</i>						
For policy purposes	-2,738	-4,099	-5,880	-2,911	-1,520	-794
For liquidity purposes	-75	-36	-79	-14	-4	-47
<i>Total cash flows from investments in financial assets</i>	<i>-2,651</i>	<i>-4,104</i>	<i>-5,884</i>	<i>-2,852</i>	<i>-1,461</i>	<i>-805</i>
NET CASH FLOWS FROM INVESTING ACTIVITIES	-6,435	-7,550	-9,344	-6,848	-5,886	-4,153
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	18	18	25	32	25	24
Borrowings	188	323	115	113	1,611	608
Deposits received	-	2,469	721	-	-	-
Other financing receipts	316	46	33	10	8	- ^(a)
<i>Total cash receipts from financing activities</i>	<i>522</i>	<i>2,856</i>	<i>895</i>	<i>155</i>	<i>1,644</i>	<i>632</i>
<i>Cash paid</i>						
Advances paid	-18	-18	-25	-32	-25	-24
Borrowings repaid	-2,151	-247	-304	-112	-109	-108
Deposits paid	-	-	-	-1	-210	-475
Other financing payments	-689	-458	-393	-380	-368	-398
<i>Total payments for financing activities</i>	<i>-2,858</i>	<i>-723</i>	<i>-722</i>	<i>-526</i>	<i>-712</i>	<i>-1,005</i>
NET CASH FLOWS FROM FINANCING ACTIVITIES	-2,336	2,133	173	-371	931	-373
Net increase in cash and cash equivalents	-944	67	-3,979	-2,646	86	-147
Cash and cash equivalents at the beginning of the year	10,037	9,093	9,160	5,182	2,536	2,622
Cash and cash equivalents at the end of the year	9,093	9,160	5,182	2,536	2,622	2,475
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	7,827	5,484	5,193	4,573	5,041	4,379
Net cash flows from investing in non-financial assets	-3,784	-3,446	-3,461	-3,997	-4,425	-3,347
Cash surplus/-deficit	4,043	2,038	1,732	577	615	1,032

(b) Amount less than \$500,000.

Note: Columns may not add due to rounding.

Table 1.4

PUBLIC NON-FINANCIAL CORPORATIONS
Operating Statement

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
<i>Results from Transactions</i>						
REVENUE						
Current grants and subsidies	3,436	3,978	4,143	3,155	3,115	3,194
Capital grants	209	349	336	305	14	-
Sales of goods and services	34,990	37,855	40,855	42,115	43,033	43,319
Interest income	255	320	282	222	213	204
Other	549	459	575	592	601	627
Total	39,438	42,961	46,192	46,389	46,976	47,345
EXPENSES						
Salaries	1,371	1,580	1,667	1,698	1,729	1,737
Superannuation						
Concurrent costs	153	186	201	212	214	214
Superannuation interest cost	-	-	-	-	-	-
Other employee costs	62	37	38	38	39	39
Depreciation and amortisation	3,138	3,360	3,503	3,747	3,964	4,027
Services and contracts	1,059	1,065	1,016	952	942	918
Other gross operating expenses	31,071	32,787	35,597	36,319	36,897	36,966
Interest						
Interest on leases	74	77	76	69	61	54
Other interest	656	846	686	702	785	850
Tax equivalents	670	744	875	932	973	936
Current transfers	1,756	1,873	1,888	1,389	1,390	1,401
Capital transfers	24	31	11	17	7	6
Total	40,034	42,586	45,559	46,074	47,002	47,147
NET OPERATING BALANCE	-596	375	633	314	-26	198
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	7	-152	-182	14	111	71
Provision for doubtful debts	-17	-35	-50	-41	-42	-42
Changes in accounting policy/adjustment of prior periods	75	-	-	-	-	-
Total other economic flows	65	-187	-231	-28	69	30
OPERATING RESULT	-531	189	401	287	43	228
<i>Other non-owner movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	5,404	2,298	1,718	1,434	1,294	1,272
Net actuarial gains/loss - superannuation	-21	2	1	2	2	2
Gains recognised directly in equity	-30	-1	-1	-1	-1	-1
All other	-	-	-	-	-	-
Total other non-owner movements in equity	5,353	2,299	1,718	1,435	1,295	1,273
<i>Movements in owner equity</i>						
Dividends	-81	-6	-1,503	-1,604	-1,703	-1,736
Capital injections	2,549	3,743	5,901	2,890	1,511	826
Total movements in owner equity	2,468	3,737	4,398	1,286	-191	-910
TOTAL CHANGE IN NET WORTH	7,290	6,225	6,518	3,008	1,147	591
KEY FISCAL AGGREGATES						
NET OPERATING BALANCE	-596	375	633	314	-26	198
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	5,405	7,171	8,604	7,499	6,094	4,749
Changes in inventories	660	-657	173	-19	61	-1
Other movement in non-financial assets	187	155	188	169	178	185
Less:						
Sales of non-financial assets	447	426	490	565	687	475
Depreciation	3,138	3,360	3,503	3,747	3,964	4,027
Total net acquisition of non-financial assets	2,667	2,884	4,972	3,337	1,681	432
NET LENDING/BORROWING	-3,263	-2,508	-4,339	-3,022	-1,707	-234

Note: Columns may not add due to rounding.

Table 1.5

PUBLIC NON-FINANCIAL CORPORATIONS
Balance Sheet at 30 June

	2023	2024	2025	2026	2027	2028
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
ASSETS						
<i>Financial assets</i>						
Cash and deposits	3,511	5,779	6,407	6,425	5,926	5,234
Advances paid	-	-	-	-	-	-
Investments, loans and placements	4,038	3,483	2,955	2,679	2,562	2,514
Receivables	1,931	1,482	1,469	1,472	1,505	1,546
<i>Shares and other equity</i>						
Investments in other public sector entities - equity method	-	-	-	-	-	-
Investments in other public sector entities - direct injections	-	-	-	-	-	-
Investments in other entities	26	26	24	29	31	33
Other financial assets	287	181	156	142	132	132
Total financial assets	9,793	10,952	11,012	10,748	10,155	9,460
<i>Non-financial assets</i>						
Land	8,975	9,583	10,184	10,466	10,624	10,758
Property, plant and equipment	70,645	75,759	81,460	85,800	88,804	90,513
Right-of-use assets	395	357	369	333	298	273
Service concession assets	2,393	2,374	2,355	2,336	2,317	2,336
Biological assets	221	225	241	254	267	289
<i>Inventories</i>						
Land inventories	1,471	1,550	1,767	2,077	2,045	2,008
Other inventories	7,466	6,809	6,982	6,963	7,023	7,022
Intangibles	370	422	491	472	502	515
Non-current assets held for sale	8	8	8	8	8	8
Investment property	16	16	16	16	16	16
Other	602	294	330	350	375	423
Total non-financial assets	92,561	97,399	104,202	109,076	112,281	114,162
TOTAL ASSETS	102,355	108,350	115,214	119,824	122,436	123,622
LIABILITIES						
Deposits held	-	-	-	-	-	-
Advances received	273	311	404	467	442	418
<i>Borrowings</i>						
Lease liabilities	786	726	700	644	562	513
Service concession liabilities	309	302	294	287	279	271
Other borrowings	20,636	21,346	21,332	23,111	24,663	25,411
Unfunded superannuation	74	74	74	74	74	74
Other employee benefits	501	480	485	487	489	491
Payables	9,271	8,510	8,757	8,676	8,739	8,678
Other liabilities	3,145	3,017	3,065	2,969	2,932	2,918
TOTAL LIABILITIES	34,996	34,766	35,112	36,714	38,179	38,774
NET ASSETS	67,359	73,584	80,102	83,110	84,257	84,848
<i>Of which:</i>						
Contributed equity	15,735	19,478	25,379	28,268	29,780	30,606
Accumulated surplus	16,627	17,316	16,223	14,915	13,255	11,712
Other reserves	34,997	36,790	38,500	39,927	41,223	42,530
NET WORTH	67,359	73,584	80,102	83,110	84,257	84,848
MEMORANDUM ITEMS						
<i>Net financial worth</i>	-25,203	-23,815	-24,100	-25,966	-28,024	-29,314
<i>Net debt</i>						
Gross debt liabilities	22,005	22,685	22,731	24,509	25,945	26,614
Less: liquid financial assets	7,549	9,263	9,363	9,105	8,488	7,749
Net debt	14,456	13,423	13,368	15,404	17,457	18,865

Note: Columns may not add due to rounding.

Table 1.6

PUBLIC NON-FINANCIAL CORPORATIONS
Cash Flow Statement

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash received</i>						
Grants and subsidies received	3,645	4,427	4,489	3,494	3,134	3,199
Receipts from sales of goods and services	26,931	25,451	26,970	27,713	28,384	28,619
Interest receipts	232	319	283	222	214	204
Dividends and tax equivalents	142	81	19	-	-	-
Other receipts	1,715	1,700	1,676	1,767	1,802	1,861
Total cash received	32,664	31,978	33,437	33,197	33,534	33,883
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-1,506	-1,782	-1,850	-1,891	-1,915	-1,927
Payments for goods and services	-21,555	-19,171	-20,646	-20,978	-21,276	-21,267
Interest paid	-704	-829	-698	-712	-825	-914
Grants and subsidies paid	-853	-925	-972	-941	-906	-902
Tax equivalents	-741	-710	-802	-940	-973	-985
Other payments	-4,384	-4,867	-4,503	-4,005	-3,967	-3,949
Total cash paid	-29,742	-28,285	-29,471	-29,467	-29,862	-29,944
NET CASH FLOWS FROM OPERATING ACTIVITIES	2,922	3,693	3,966	3,730	3,671	3,939
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-5,405	-7,171	-8,604	-7,499	-6,094	-4,749
Sales of non-financial assets	447	426	490	565	687	475
Total cash flows from investments in non-financial assets	-4,959	-6,745	-8,114	-6,934	-5,407	-4,274
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	-	-	-	-	-	-
For liquidity purposes	11	138	99	60	45	56
<i>Cash paid</i>						
For policy purposes	-34	-7	-	-6	-	-
For liquidity purposes	-218	-114	-52	-21	-36	-31
Total cash flows from investments in financial assets	-241	17	47	33	9	24
NET CASH FLOWS FROM INVESTING ACTIVITIES	-5,200	-6,728	-8,067	-6,901	-5,398	-4,250
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	-	55	119	95	-	-
Borrowings	3,254	6,673	4,179	5,756	4,551	3,726
Deposits received	-	-	-	-	-	-
Other financing receipts	2,725	4,195	5,895	2,915	1,721	1,284
Total cash received	5,979	10,923	10,192	8,766	6,273	5,010
<i>Cash paid</i>						
Advances paid	-18	-18	-25	-32	-25	-24
Borrowings repaid	-3,262	-5,462	-3,747	-3,757	-2,921	-2,942
Deposits paid	-	-	-	-	-	-
Other financing payments	-265	-2,697	-950	-203	-210	-203
Dividends paid	-81	-6	-1,503	-1,604	-1,703	-1,736
Total cash paid	-3,626	-8,183	-6,224	-5,596	-4,859	-4,905
NET CASH FLOWS FROM FINANCING ACTIVITIES	2,352	2,740	3,968	3,170	1,414	106
Net increase in cash and cash equivalents	75	-295	-133	-1	-313	-205
Cash and cash equivalents at the beginning of the year	3,725	3,800	3,505	3,372	3,371	3,058
Cash and cash equivalents at the end of the year	3,800	3,505	3,372	3,371	3,058	2,853
KEY FISCAL AGGREGATES						
Net cash flow s from operating activities	2,922	3,693	3,966	3,730	3,671	3,939
Net cash flow s from investing in non-financial assets	-4,959	-6,745	-8,114	-6,934	-5,407	-4,274
Dividends paid	-81	-6	-1,503	-1,604	-1,703	-1,736
Cash surplus/-deficit	-2,118	-3,058	-5,650	-4,808	-3,438	-2,071

Note: Columns may not add due to rounding.

Table 1.7

TOTAL NON-FINANCIAL PUBLIC SECTOR
Operating Statement

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget			
	\$m	Actual	Year	Outyear	Outyear	Outyear
		\$m	\$m	\$m	\$m	\$m
<i>Results from Transactions</i>						
REVENUE						
Taxation	11,848	12,923	13,006	13,360	13,821	14,324
Current grants and subsidies	12,817	12,674	14,448	13,871	14,746	15,450
Capital grants	2,081	2,306	3,671	1,978	884	256
Sales of goods and services	37,434	40,303	43,355	44,669	45,683	46,128
Interest income	548	621	546	418	445	396
Royalty income	11,045	11,243	7,773	7,488	7,446	7,358
Dividend and tax equivalents	181	287	95	91	84	79
Other	1,158	1,185	1,208	1,240	1,230	1,260
Total	77,112	81,543	84,101	83,115	84,339	85,251
EXPENSES						
Salaries	17,098	17,840	18,909	19,322	19,896	20,501
Superannuation						
Concurrent costs	1,912	2,095	2,286	2,409	2,463	2,523
Superannuation interest cost	160	201	200	199	198	196
Other employee costs	363	408	470	436	459	326
Depreciation and amortisation	5,112	5,531	5,753	6,012	6,248	6,301
Services and contracts	4,133	5,394	5,114	4,651	4,566	4,594
Other gross operating expenses	36,632	38,414	41,354	41,842	42,553	42,914
Interest						
Interest on leases	217	212	209	197	186	175
Other interest	1,428	1,699	1,432	1,414	1,537	1,690
Current transfers	5,337	5,856	6,415	5,314	4,967	4,953
Capital transfers	273	363	224	176	160	152
Total	72,666	78,013	82,365	81,971	83,232	84,327
NET OPERATING BALANCE	4,446	3,529	1,735	1,144	1,107	923
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	-295	-380	-279	-64	-117	-34
Provision for doubtful debts	-57	-49	-64	-56	-57	-57
Changes in accounting policy/adjustment of prior periods	140	-	-	-	-	-
Total other economic flows	-211	-429	-343	-121	-173	-91
OPERATING RESULT	4,234	3,100	1,392	1,023	933	833
<i>All other movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	15,116	4,709	3,568	3,554	3,321	3,043
Net actuarial gains/-loss - superannuation	79	55	110	88	106	91
Gains recognised directly in equity	-32	-44	-48	-53	-53	-53
Change in net worth of the PFC sector	596	-183	134	118	109	108
All other	-	-	-	-	-	-
Total all other movements in equity	15,759	4,537	3,764	3,706	3,482	3,190
TOTAL CHANGE IN NET WORTH	19,993	7,638	5,157	4,729	4,416	4,022
KEY FISCAL AGGREGATES						
NET OPERATING BALANCE	4,446	3,529	1,735	1,144	1,107	923
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	9,225	10,629	12,071	11,563	10,586	8,163
Changes in inventories	311	-677	173	-19	61	-1
Other movement in non-financial assets	196	155	188	169	178	185
<i>Less:</i>						
Sales of non-financial assets	483	438	497	632	754	542
Depreciation	5,112	5,531	5,753	6,012	6,248	6,301
Total net acquisition of non-financial assets	4,137	4,139	6,182	5,069	3,823	1,505
NET LENDING/-BORROWING	308	-609	-4,446	-3,925	-2,716	-582

Note: Columns may not add due to rounding.

Table 1.8

TOTAL NON-FINANCIAL PUBLIC SECTOR
Balance Sheet at 30 June

	2023	2024	2025	2026	2027	2028
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
ASSETS						
<i>Financial assets</i>						
Cash and deposits	5,740	3,925	3,225	2,540	2,212	1,995
Advances paid	423	452	498	471	422	417
Investments, loans and placements	9,700	10,762	6,813	4,581	4,580	4,401
Receivables	6,934	6,210	5,617	5,599	5,566	5,557
Shares and other equity						
Investments in other public sector entities - equity method	2,816	2,684	2,819	2,937	3,046	3,155
Investments in other public sector entities - direct injections	-	-	-	-	-	-
Investments in other entities	75	75	73	78	80	83
Other financial assets	9	9	10	- ^(a)	- ^(a)	- ^(a)
Total financial assets	25,697	24,118	19,055	16,206	15,907	15,608
<i>Non-financial assets</i>						
Land	52,879	55,783	57,911	59,474	60,858	61,905
Property, plant and equipment	131,517	138,475	145,997	153,252	159,384	163,240
Right-of-use assets	2,760	2,742	2,758	2,635	2,525	2,427
Service concession assets	3,398	3,357	3,293	3,233	3,155	3,105
Biological assets	229	234	250	262	276	298
Inventories						
Land inventories	1,471	1,550	1,767	2,077	2,045	2,008
Other inventories	7,717	7,040	7,213	7,194	7,254	7,254
Intangibles	1,016	1,085	1,198	1,204	1,257	1,371
Non-current assets held for sale	40	29	29	29	29	29
Investment property	16	16	16	16	16	16
Other	947	689	755	796	831	882
Total non-financial assets	201,992	211,001	221,187	230,172	237,632	242,534
TOTAL ASSETS	227,689	235,119	240,242	246,378	253,538	258,143
LIABILITIES						
Deposits held	28	27	29	31	32	34
Advances received	273	311	404	467	442	418
Borrowings						
Lease liabilities	3,411	3,383	3,382	3,263	3,131	3,029
Service concession liabilities	309	302	294	287	279	271
Other borrowings	44,519	45,301	45,087	46,856	49,897	51,132
Unfunded superannuation	4,483	4,401	4,244	4,130	3,969	3,748
Other employee benefits	4,856	4,920	5,012	5,115	5,217	5,073
Payables	11,878	11,119	11,253	11,086	11,061	10,955
Other liabilities	5,953	5,739	5,766	5,643	5,593	5,543
TOTAL LIABILITIES	75,711	75,503	75,471	76,877	79,622	80,204
NET ASSETS	151,977	159,615	164,772	169,501	173,916	177,939
<i>Of which:</i>						
Contributed equity	-	-	-	-	-	-
Accumulated surplus	42,132	46,949	48,402	49,459	50,433	51,258
Other reserves	109,845	112,667	116,369	120,042	123,484	126,681
NET WORTH	151,977	159,615	164,772	169,501	173,916	177,939
MEMORANDUM ITEMS						
<i>Net financial worth</i>	<i>-50,014</i>	<i>-51,386</i>	<i>-56,416</i>	<i>-60,671</i>	<i>-63,715</i>	<i>-64,596</i>
<i>Net financial liabilities</i>	<i>52,830</i>	<i>54,070</i>	<i>59,234</i>	<i>63,608</i>	<i>66,761</i>	<i>67,750</i>
<i>Net debt</i>						
Gross debt liabilities	48,541	49,324	49,196	50,904	53,782	54,885
Less: liquid financial assets	15,863	15,139	10,536	7,592	7,214	6,814
Net debt	32,679	34,185	38,660	43,312	46,568	48,071

(a) Amount less than \$500,000.

Note: Columns may not add due to rounding.

Table 1.9

TOTAL NON-FINANCIAL PUBLIC SECTOR
Cash Flow Statement

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
			\$m			
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash received</i>						
Taxes received	12,039	12,941	13,024	13,378	13,839	14,342
Grants and subsidies received	17,235	17,399	20,634	18,365	18,202	18,340
Receipts from sales of goods and services	29,366	27,776	29,348	30,143	30,938	31,317
Interest receipts	485	618	547	418	446	396
Dividends and tax equivalents	343	331	168	149	149	149
Other receipts	15,101	14,962	11,436	10,732	10,714	10,705
<i>Total cash received</i>	<i>74,570</i>	<i>74,027</i>	<i>75,156</i>	<i>73,184</i>	<i>74,288</i>	<i>75,248</i>
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-18,845	-20,174	-21,381	-21,873	-22,523	-23,506
Payments for goods and services	-30,429	-29,436	-30,846	-30,553	-30,907	-31,082
Interest paid	-1,555	-1,775	-1,571	-1,538	-1,676	-1,858
Grants and subsidies paid	-7,013	-7,452	-7,914	-7,428	-7,177	-7,252
Dividends and tax equivalents	-	-	-	-	-	-
Other payments	-6,146	-6,124	-5,894	-5,200	-5,104	-5,077
<i>Total cash paid</i>	<i>-63,987</i>	<i>-64,961</i>	<i>-67,607</i>	<i>-66,592</i>	<i>-67,386</i>	<i>-68,775</i>
NET CASH FLOWS FROM OPERATING ACTIVITIES	10,583	9,066	7,550	6,592	6,901	6,473
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-9,225	-10,629	-12,071	-11,563	-10,586	-8,163
Sales of non-financial assets	483	438	497	632	754	542
<i>Total cash flows from investments in non-financial assets</i>	<i>-8,742</i>	<i>-10,191</i>	<i>-11,574</i>	<i>-10,930</i>	<i>-9,832</i>	<i>-7,622</i>
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	114	10	10	10	10	10
For liquidity purposes	59	159	163	122	98	40
<i>Cash paid</i>						
For policy purposes	-110	-10	-10	-10	-10	-10
For liquidity purposes	-294	-150	-130	-34	-39	-36
<i>Total cash flows from investments in financial assets</i>	<i>-231</i>	<i>9</i>	<i>33</i>	<i>89</i>	<i>59</i>	<i>4</i>
NET CASH FLOWS FROM INVESTING ACTIVITIES	-8,973	-10,182	-11,541	-10,842	-9,773	-7,618
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	-	55	119	95	-	-
Borrowings	3,442	6,996	4,294	5,869	6,162	4,333
Deposits received	-	-	-	-	-	-
Other financing receipts	290	8	4	4	8	- ^(a)
<i>Total cash received</i>	<i>3,732</i>	<i>7,059</i>	<i>4,417</i>	<i>5,968</i>	<i>6,170</i>	<i>4,334</i>
<i>Cash paid</i>						
Advances paid	-18	-18	-25	-32	-25	-24
Borrowings repaid	-5,413	-5,710	-4,050	-3,869	-3,031	-3,050
Deposits paid	-	-	-	-	-	-
Other financing payments	-780	-444	-461	-463	-469	-467
<i>Total cash paid</i>	<i>-6,211</i>	<i>-6,172</i>	<i>-4,536</i>	<i>-4,365</i>	<i>-3,525</i>	<i>-3,541</i>
NET CASH FLOWS FROM FINANCING ACTIVITIES	-2,479	888	-120	1,603	2,645	793
Net increase in cash and cash equivalents	-870	-228	-4,111	-2,647	-226	-352
Cash and cash equivalents at the beginning of the year	13,762	12,892	12,664	8,553	5,906	5,679
Cash and cash equivalents at the end of the year	12,892	12,664	8,553	5,906	5,679	5,327
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	10,583	9,066	7,550	6,592	6,901	6,473
Net cash flows from investing in non-financial assets	-8,742	-10,191	-11,574	-10,930	-9,832	-7,622
Cash surplus/-deficit	1,840	-1,125	-4,025	-4,339	-2,931	-1,148

(a) Amount less than \$500,000.

Note: Columns may not add due to rounding.

PUBLIC FINANCIAL CORPORATIONS
Operating Statement

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
<i>Results from Transactions</i>						
REVENUE						
Current grants and subsidies	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-
Sales of goods and services	1,445	1,533	1,660	1,735	1,822	1,905
Interest income	1,772	2,160	2,070	2,019	2,170	2,193
Other	132	150	159	169	179	190
Total	3,349	3,843	3,889	3,923	4,172	4,288
EXPENSES						
Salaries	71	80	87	86	89	91
Superannuation						
Concurrent costs	8	9	11	11	11	11
Superannuation interest cost	-	-	-	-	-	-
Other employee costs	274	302	329	344	361	379
Depreciation and amortisation	8	9	10	10	8	8
Services and contracts	11	13	14	14	15	15
Other gross operating expenses	984	1,275	1,512	1,602	1,706	1,811
Interest						
Interest on leases	-(a)	-(a)	-(a)	-(a)	-(a)	-(a)
Other interest	1,515	1,985	1,869	1,835	1,980	1,997
Tax equivalents	36	63	27	23	15	10
Current transfers	5	5	6	6	6	6
Capital transfers	1	1	1	1	1	1
Total	2,912	3,743	3,866	3,931	4,192	4,329
NET OPERATING BALANCE	437	100	24	-8	-21	-41
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	307	124	230	242	242	264
Provision for doubtful debts	-	-	-	-	-	-
Changes in accounting policy/adjustment of prior periods	-	-	-	-	-	-
Total other economic flows	306	124	230	242	242	264
OPERATING RESULT	743	224	254	234	222	223
<i>Other non-owner movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	2	-81	-51	-46	-44	-45
Net actuarial gains/-loss - superannuation	1	-(a)	-(a)	-(a)	-(a)	-(a)
Gains recognised directly in equity	-2	-	-	-	-	-
All other	-	-	-	-	-	-
Total other non-owner movements in equity	1	-81	-51	-46	-44	-45
<i>Movements in owner equity</i>						
Dividends	-145	-225	-68	-69	-69	-68
Capital injections	-2	-51	-1	-1	-(a)	-(a)
Total movements in owner equity	-146	-275	-69	-69	-69	-69
TOTAL CHANGE IN NET WORTH	598	-132	134	118	109	109
KEY FISCAL AGGREGATES						
NET OPERATING BALANCE	437	100	24	-8	-21	-41
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	9	7	8	6	6	6
Changes in inventories	-	-	-	-	-	-
Other movement in non-financial assets	-	-	-	-	-	-
<i>Less:</i>						
Sales of non-financial assets	-(a)	-(a)	-(a)	-(a)	-(a)	-(a)
Depreciation	8	9	10	10	8	8
Total net acquisition of non-financial assets	1	-3	-3	-4	-2	-2
NET LENDING/-BORROWING	435	103	27	-4	-19	-39

(a) Amount less than \$500,000.

Note: Columns may not add due to rounding.

Table 1.11

PUBLIC FINANCIAL CORPORATIONS
Balance Sheet at 30 June

	2023	2024	2025	2026	2027	2028
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	Actual	Year	\$m	\$m	\$m
		\$m	\$m			
ASSETS						
<i>Financial assets</i>						
Cash and deposits	671	686	685	689	691	694
Advances paid	2,735	2,130	1,670	1,450	1,368	1,323
Investments, loans and placements	53,889	55,807	55,901	58,619	62,602	63,564
Receivables	969	864	929	999	1,053	1,109
Shares and other equity						
Investments in other public sector entities - equity method	-	-	-	-	-	-
Investments in other public sector entities - direct injections	-	-	-	-	-	-
Investments in other entities	2,478	2,703	2,928	3,155	3,379	3,607
Other financial assets	8	8	8	8	8	8
Total financial assets	60,749	62,197	62,120	64,919	69,100	70,305
<i>Non-financial assets</i>						
Land	-	-	-	-	-	-
Property, plant and equipment	4	5	7	7	6	6
Right-of-use assets	13	9	5	2	1	- ^(a)
Service concession assets	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-
Inventories						
Land inventories	-	-	-	-	-	-
Other inventories	-	-	-	-	-	-
Intangibles	16	17	17	17	17	18
Non-current assets held for sale	-	-	-	-	-	-
Investment property	-	-	-	-	-	-
Other	5	5	5	5	5	5
Total non-financial assets	38	35	33	30	29	29
TOTAL ASSETS	60,787	62,232	62,154	64,949	69,130	70,334
LIABILITIES						
Deposits held	-	-	-	-	-	-
Advances received	3	3	3	2	2	2
Borrowings						
Lease liabilities	16	12	7	4	4	4
Service concession liabilities	-	-	-	-	-	-
Other borrowings	51,956	53,059	52,298	54,386	57,886	58,400
Unfunded superannuation	4	4	4	4	4	4
Other employee benefits	17	18	18	19	19	19
Payables	111	244	299	335	339	342
Other liabilities	5,864	6,210	6,707	7,263	7,829	8,408
TOTAL LIABILITIES	57,971	59,548	59,335	62,013	66,084	67,179
NET ASSETS	2,816	2,684	2,819	2,937	3,046	3,155
<i>Of which:</i>						
Contributed equity	-254	-304	-305	-306	-306	-307
Accumulated surplus	3,045	3,043	3,183	3,304	3,413	3,518
Other reserves	25	-55	-59	-62	-60	-57
NET WORTH	2,816	2,684	2,819	2,937	3,046	3,155
MEMORANDUM ITEMS						
<i>Net financial worth</i>	<i>2,778</i>	<i>2,649</i>	<i>2,785</i>	<i>2,907</i>	<i>3,017</i>	<i>3,126</i>
<i>Net debt</i>						
Gross debt liabilities	51,975	53,073	52,308	54,392	57,893	58,407
Less: liquid financial assets	57,295	58,622	58,256	60,758	64,661	65,582
Net debt	-5,320	-5,549	-5,948	-6,365	-6,768	-7,175

(a) Amount less than \$500,000.

Note: Columns may not add due to rounding.

PUBLIC FINANCIAL CORPORATIONS
Cash Flow Statement

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash received</i>						
Grants and subsidies received	-	5	5	5	5	5
Receipts from sales of goods and services	1,533	1,692	1,823	1,936	2,021	2,122
Interest receipts	1,710	2,160	2,070	2,019	2,170	2,193
Dividends and tax equivalents	-	-	-	-	-	-
Other receipts	191	212	230	244	256	268
Total cash received	3,433	4,068	4,127	4,205	4,452	4,588
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-78	-88	-96	-95	-98	-102
Payments for goods and services	-1,015	-1,218	-1,347	-1,427	-1,537	-1,642
Interest paid	-1,511	-1,985	-1,869	-1,835	-1,981	-1,997
Grants and subsidies paid	-	-	-	-	-	-
Tax equivalents	-138	-58	-80	-80	-80	-81
Other payments	-196	-214	-233	-245	-258	-272
Total cash paid	-2,939	-3,564	-3,625	-3,682	-3,954	-4,094
NET CASH FLOWS FROM OPERATING ACTIVITIES	494	505	502	523	498	493
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-9	-7	-8	-6	-6	-6
Sales of non-financial assets	-(a)	-(a)	-(a)	-(a)	-(a)	-(a)
Total cash flows from investments in non-financial assets	-9	-7	-7	-6	-6	-6
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	-	-	-	-	-	-
For liquidity purposes	9,098	9,081	7,984	7,931	7,986	8,152
<i>Cash paid</i>						
For policy purposes	-	-1	-1	-1	-(a)	-(a)
For liquidity purposes	-8,558	-8,826	-7,881	-8,090	-8,271	-8,470
Total cash flows from investments in financial assets	541	254	102	-160	-285	-319
NET CASH FLOWS FROM INVESTING ACTIVITIES	531	247	95	-166	-292	-325
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	-	-	-	-	-	-
Borrowings	27,462	27,261	25,642	27,857	28,111	26,289
Deposits received	-	-	-	-	-	-
Other financing receipts	-(a)	-	-	-	-	-
Total cash received	27,462	27,261	25,642	27,857	28,111	26,289
<i>Cash paid</i>						
Advances paid	-	-	-	-	-	-
Borrowings repaid	-27,752	-27,758	-26,093	-28,083	-28,192	-26,330
Deposits paid	-	-	-	-	-	-
Other financing payments	-4	-5	-5	-4	-1	-1
Dividends paid	-205	-274	-88	-69	-69	-68
Total cash paid	-27,962	-28,036	-26,186	-28,155	-28,261	-26,399
NET CASH FLOWS FROM FINANCING ACTIVITIES	-500	-775	-543	-298	-150	-110
Net increase in cash and cash equivalents	526	-23	53	59	56	58
Cash and cash equivalents at the beginning of the year	1,591	2,116	2,093	2,146	2,205	2,261
Cash and cash equivalents at the end of the year	2,116	2,093	2,146	2,205	2,261	2,319
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	494	505	502	523	498	493
Net cash flows from investing in non-financial assets	-9	-7	-7	-6	-6	-6
Dividends paid	-205	-274	-88	-69	-69	-68
Cash surplus/-deficit	280	225	407	448	423	419

(a) Amount less than \$500,000.

Note: Columns may not add due to rounding.

Table 1.13

TOTAL PUBLIC SECTOR
Operating Statement

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget			
	\$m	Actual	Year	Outyear	Outyear	Outyear
		\$m	\$m	\$m	\$m	\$m
<i>Results from Transactions</i>						
REVENUE						
Taxation	11,843	12,918	13,000	13,354	13,815	14,318
Current grants and subsidies	12,817	12,674	14,448	13,871	14,746	15,450
Capital grants	2,081	2,306	3,671	1,978	884	256
Sales of goods and services	38,400	41,241	44,359	45,711	46,773	47,264
Interest income	868	1,066	1,003	872	988	890
Royalty income	11,045	11,243	7,773	7,488	7,446	7,358
Other	1,288	1,333	1,365	1,408	1,408	1,449
<i>Total</i>	<i>78,341</i>	<i>82,781</i>	<i>85,619</i>	<i>84,682</i>	<i>86,061</i>	<i>86,985</i>
EXPENSES						
Salaries	17,169	17,919	18,996	19,408	19,985	20,592
Superannuation						
Concurrent costs	1,920	2,104	2,296	2,419	2,474	2,535
Superannuation interest cost	160	201	200	199	198	196
Other employee costs	637	711	799	780	819	705
Depreciation and amortisation	5,120	5,540	5,764	6,022	6,256	6,309
Services and contracts	4,144	5,394	5,114	4,651	4,566	4,594
Other gross operating expenses	37,135	39,104	42,223	42,764	43,541	43,970
Interest						
Interest on leases	217	212	210	197	186	175
Other interest	1,490	1,970	1,688	1,684	1,890	1,988
Current transfers	5,337	5,856	6,415	5,314	4,967	4,953
Capital transfers	274	364	225	177	161	153
<i>Total</i>	<i>73,604</i>	<i>79,376</i>	<i>83,929</i>	<i>83,615</i>	<i>85,043</i>	<i>86,171</i>
NET OPERATING BALANCE	4,738	3,405	1,691	1,067	1,018	814
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	12	-256	-49	177	126	230
Provision for doubtful debts	-57	-49	-64	-56	-57	-57
Changes in accounting policy/adjustment of prior periods	137	-	-	-	-	-
<i>Total other economic flows</i>	<i>92</i>	<i>-304</i>	<i>-113</i>	<i>121</i>	<i>69</i>	<i>173</i>
OPERATING RESULT	4,830	3,100	1,578	1,188	1,087	987
<i>All other movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	15,118	4,526	3,516	3,506	3,276	2,997
Net actuarial gains/-loss - superannuation	80	55	110	88	106	91
Gains recognised directly in equity	-35	-44	-48	-53	-53	-53
All other	-	-	-	-	-	-
<i>Total all other movements in equity</i>	<i>15,164</i>	<i>4,538</i>	<i>3,578</i>	<i>3,541</i>	<i>3,329</i>	<i>3,035</i>
TOTAL CHANGE IN NET WORTH	19,993	7,638	5,157	4,729	4,416	4,022
KEY FISCAL AGGREGATES						
NET OPERATING BALANCE	4,738	3,405	1,691	1,067	1,018	814
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	9,235	10,635	12,079	11,569	10,592	8,170
Changes in inventories	311	-677	173	-19	61	-1
Other movement in non-financial assets	196	155	188	169	178	185
<i>Less:</i>						
Sales of non-financial assets	483	438	497	632	754	542
Depreciation	5,120	5,540	5,764	6,022	6,256	6,309
<i>Total net acquisition of non-financial assets</i>	<i>4,139</i>	<i>4,136</i>	<i>6,179</i>	<i>5,064</i>	<i>3,821</i>	<i>1,503</i>
NET LENDING/-BORROWING	599	-731	-4,488	-3,998	-2,804	-689

Note: Columns may not add due to rounding.

Table 1.14

TOTAL PUBLIC SECTOR
Balance Sheet at 30 June

	2023	2024	2025	2026	2027	2028
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	\$m	\$m	\$m	\$m
ASSETS						
<i>Financial assets</i>						
Cash and deposits	6,404	4,605	3,902	3,220	2,892	2,676
Advances paid	3,156	2,579	2,166	1,918	1,787	1,737
Investments, loans and placements	16,498	19,185	15,978	14,902	15,908	15,478
Receivables	7,151	6,384	5,890	5,953	5,984	6,048
Equity - Investments in other entities	2,553	2,778	3,002	3,234	3,459	3,689
Other financial assets	17	17	17	8	8	8
Total financial assets	35,779	35,548	30,954	29,234	30,038	29,637
<i>Non-financial assets</i>						
Land	52,879	55,783	57,911	59,474	60,858	61,905
Property, plant and equipment	131,521	138,480	146,004	153,258	159,391	163,246
Right-of-use assets	2,773	2,750	2,763	2,637	2,526	2,427
Service concession assets	3,398	3,357	3,293	3,233	3,155	3,105
Biological assets	229	234	250	262	276	298
Inventories						
Land inventories	1,471	1,550	1,767	2,077	2,045	2,008
Other inventories	7,717	7,040	7,213	7,194	7,254	7,254
Intangibles	1,032	1,102	1,215	1,221	1,274	1,389
Non-current assets held for sale	40	29	29	29	29	29
Investment property	16	16	16	16	16	16
Other	952	693	759	801	836	887
Total non-financial assets	202,029	211,036	221,221	230,202	237,661	242,563
TOTAL ASSETS	237,808	246,585	252,175	259,437	267,699	272,200
LIABILITIES						
Deposits held	23	21	21	21	21	21
Advances received	273	311	404	467	442	418
Borrowings						
Lease liabilities	3,427	3,395	3,388	3,267	3,135	3,033
Service concession liabilities	309	302	294	287	279	271
Other borrowings	49,384	50,976	50,650	52,944	56,509	57,044
Unfunded superannuation	4,486	4,405	4,248	4,134	3,973	3,752
Other employee benefits	4,873	4,938	5,030	5,134	5,236	5,092
Payables	11,810	11,075	11,267	11,147	11,148	11,069
Other liabilities	11,245	11,547	12,102	12,535	13,039	13,561
TOTAL LIABILITIES	85,831	86,969	87,404	89,936	93,782	94,262
NET ASSETS	151,977	159,615	164,772	169,501	173,916	177,939
<i>Of which:</i>						
Contributed equity	-	-	-	-	-	-
Accumulated surplus	45,177	49,992	51,585	52,763	53,846	54,776
Other reserves	106,801	109,623	113,186	116,738	120,071	123,162
NET WORTH	151,977	159,615	164,772	169,501	173,916	177,939
MEMORANDUM ITEMS						
<i>Net financial worth</i>	-50,052	-51,421	-56,449	-60,701	-63,745	-64,625
<i>Net financial liabilities</i>	50,052	51,421	56,449	60,701	63,745	64,625
<i>Net debt</i>						
Gross debt liabilities	53,417	55,005	54,758	56,986	60,387	60,788
Less : liquid financial assets	26,058	26,369	22,046	20,039	20,587	19,891
Net debt	27,358	28,636	32,712	36,947	39,800	40,897

Note: Columns may not add due to rounding.

Table 1.15

TOTAL PUBLIC SECTOR
Cash Flow Statement

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	Actual	Year	\$m	\$m	\$m
		\$m	\$m			
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash received</i>						
Taxes received	12,035	12,931	13,013	13,367	13,828	14,331
Grants and subsidies received	17,235	17,399	20,634	18,365	18,202	18,340
Receipts from sales of goods and services	30,454	28,880	30,515	31,386	32,227	32,669
Interest receipts	786	1,089	998	874	1,000	898
Dividends and tax equivalents	-	-	-	-	-	-
Other	15,288	15,171	11,663	10,974	10,967	10,971
Total cash received	75,798	75,468	76,823	74,966	76,225	77,209
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-18,922	-20,262	-21,477	-21,969	-22,621	-23,608
Payments for goods and services	-30,998	-30,064	-31,536	-31,286	-31,711	-31,953
Interest paid	-1,658	-2,071	-1,822	-1,810	-2,041	-2,164
Grants and subsidies paid	-7,013	-7,447	-7,909	-7,423	-7,172	-7,247
Dividends and tax equivalents	-	-	-	-	-	-
Other payments	-6,336	-6,327	-6,115	-5,433	-5,351	-5,337
Total cash paid	-64,926	-66,171	-68,859	-67,920	-68,895	-70,311
NET CASH FLOWS FROM OPERATING ACTIVITIES	10,872	9,298	7,964	7,046	7,331	6,898
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-9,235	-10,635	-12,079	-11,569	-10,592	-8,170
Sales of non-financial assets	483	438	497	632	754	542
Total cash flows from investments in non-financial assets	-8,752	-10,198	-11,582	-10,937	-9,838	-7,628
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	114	10	10	10	10	10
For liquidity purposes	9,157	9,240	8,146	8,053	8,084	8,192
<i>Cash paid</i>						
For policy purposes	-110	-10	-10	-10	-10	-10
For liquidity purposes	-8,851	-8,976	-8,011	-8,124	-8,310	-8,506
Total cash flows from investments in financial assets	310	264	136	-70	-226	-315
NET CASH FLOWS FROM INVESTING ACTIVITIES	-8,442	-9,934	-11,446	-11,007	-10,064	-7,942
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	-	55	119	95	-	-
Borrowings	22,051	21,553	21,594	23,989	25,082	23,238
Deposits received	-	-	-	-	-	-
Other financing receipts	290	7	3	3	7	-
Total cash received	22,341	21,616	21,716	24,087	25,089	23,238
<i>Cash paid</i>						
Advances paid	-18	-18	-25	-32	-25	-24
Borrowings repaid	-24,313	-20,764	-21,801	-22,215	-22,031	-21,996
Deposits paid	-	-	-	-	-	-
Other financing payments	-785	-449	-466	-467	-470	-468
Total cash paid	-25,115	-21,231	-22,292	-22,714	-22,526	-22,488
NET CASH FLOWS FROM FINANCING ACTIVITIES	-2,774	385	-576	1,373	2,563	751
Net increase in cash and cash equivalents	-344	-251	-4,058	-2,588	-171	-294
Cash and cash equivalents at the beginning of the year	15,351	15,007	14,756	10,698	8,110	7,939
Cash and cash equivalents at the end of the year	15,007	14,756	10,698	8,110	7,939	7,645
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	10,872	9,298	7,964	7,046	7,331	6,898
Net cash flows from investing in non-financial assets	-8,752	-10,198	-11,582	-10,937	-9,838	-7,628
Cash surplus/-deficit	2,120	-900	-3,618	-3,891	-2,508	-730

Note: Columns may not add due to rounding.

NOTE 1: STATEMENT OF COMPLIANCE

The projected public sector financial statements presented in this appendix have been prepared in accordance with Australian Accounting Standards and the Australian Bureau of Statistics' (ABS) *Government Finance Statistics Concepts, Sources and Methods 2015*.

The presentation in this appendix is consistent with AASB 1049: *Whole of Government and General Government Sector Financial Reporting*.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements constitute general purpose financial reports for the total public sector (also known as the whole-of-government), general government sector, and each of the subsidiary public corporations sectors. The financial projections of the consolidated general government (centrally funded agencies such as the Department of Education and WA Health) and the public non-financial corporations (such as the water and electricity utilities, and the ports) are also presented as the total non-financial public sector.

The financial projections are a requirement of the *Government Financial Responsibility Act 2000*.

(a) The reporting entity

The reporting entity is the Government of Western Australia (the public sector) and includes entities under its control.

(b) Basis of preparation

These financial projections do not include all the notes of the type normally included in an annual financial report. The accounting policies adopted in this publication are consistent with those outlined in the *2022-23 Annual Report on State Finances (ARSF)*, which are described in detail in Note 3: *Summary of Significant Accounting Policies* in Appendix 1 of the 2022-23 ARSF.

The projections are presented in Australian dollars and all amounts are rounded to the nearest million dollars (\$m).

(c) Unaudited data

These financial projections are not audited.

(d) Comparative figures

Comparative information has been restated where necessary to match changes in classification advised by the Australian Bureau of Statistics and for changes to applicable Australian Accounting Standards.

NOTE 3: GENERAL GOVERNMENT OPERATING REVENUE

A detailed dissection of general government revenue (which includes the UPF taxation disclosure) is included at Appendix 2: *General Government Operating Revenue*.

NOTE 4: GENERAL GOVERNMENT REVENUE FROM PUBLIC CORPORATIONS

The following table provides detail of general government revenue from public corporations (dividend and income tax equivalent income) in line with UPF disclosure requirements. A detailed disclosure by agency is included at Appendix 8: *Public Corporations and Major Tariffs, Fees and Charges*.

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	\$m	\$m	\$m	\$m
<i>Dividends</i>						
From public non-financial corporations	81	6	1,503	1,604	1,703	1,736
From public financial corporations	64	205	68	69	69	68
Total dividends	145	211	1,571	1,673	1,771	1,804
<i>Tax equivalent income</i>						
From public non-financial corporations	670	744	875	932	973	936
From public financial corporations	36	63	27	23	15	10
Total tax equivalent income	705	807	902	955	989	946
Total revenue from public corporations	850	1,017	2,473	2,628	2,760	2,751

Note: Columns may not add due to rounding.

NOTE 5: GENERAL GOVERNMENT TRANSFER EXPENSES

Transfer expenses are defined as the provision of something of value for no specific return or consideration and include items such as grants, subsidies, donations, and transfers of assets free of charge.

The following table provides detail of current and capital transfer expenses of the general government sector, in line with UPF disclosure requirements.

TRANSFER EXPENSES ^(a)
General Government

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
<i>CURRENT TRANSFERS</i>						
Local government	383	473	600	421	381	395
Private and not-for-profit sector	2,308	2,475	2,844	2,361	2,030	1,991
Other sectors of government	4,667	5,370	5,588	4,673	4,668	4,757
<i>Total Current Transfers</i>	<i>7,358</i>	<i>8,318</i>	<i>9,032</i>	<i>7,455</i>	<i>7,080</i>	<i>7,143</i>
<i>CAPITAL TRANSFERS</i>						
Local government	99	153	42	35	32	30
Private and not-for-profit sector	151	191	171	124	121	115
Other sectors of government	209	349	336	305	14	-
<i>Total Capital Transfers</i>	<i>458</i>	<i>693</i>	<i>549</i>	<i>464</i>	<i>166</i>	<i>146</i>

(a) Includes grants, subsidies and other transfer expenses.

Note: Columns may not add due to rounding.

NOTE 6: CLASSIFICATION OF THE FUNCTIONS OF GOVERNMENT

The following allocation of general government expenses and purchases of non-financial assets is consistent with the Classification of the Functions of Government (COFOG) which forms part of the GFS framework.

CLASSIFICATION OF THE FUNCTIONS OF GOVERNMENT (a)

General Government

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
			\$m			
<i>Expenses</i>						
General public services	1,464	1,769	1,747	1,633	1,735	1,831
Public order and safety	4,494	4,767	4,858	4,666	4,696	4,819
Economic affairs	2,617	2,870	2,872	2,076	1,776	1,687
Environmental protection	501	622	682	631	592	591
Housing and community amenities	1,547	1,523	1,874	1,684	1,586	1,642
Health	12,519	12,989	13,213	12,961	13,216	13,772
Recreation, culture and religion	1,089	1,216	1,269	1,038	1,036	1,043
Education	7,682	8,035	8,426	8,520	8,643	8,862
Social protection	3,309	3,963	3,963	3,646	3,705	3,760
Transport	3,258	4,013	4,095	3,922	3,569	3,560
Provisions not allocated ^(b)	-	152	592	904	1,174	1,086
Total General Government Expenses	38,481	41,917	43,591	41,683	41,728	42,655
<i>Purchases of new non-financial assets</i>						
General public services	110	178	149	130	108	104
Public order and safety	196	257	354	204	132	77
Economic affairs	24	63	120	213	144	25
Environmental protection	90	124	204	120	87	55
Housing and community amenities	98	105	124	106	105	71
Health	465	445	872	792	983	872
Recreation, culture and religion	136	117	248	291	153	70
Education	620	761	677	531	324	213
Social protection	5	23	20	6	3	3
Transport	2,125	2,670	2,254	1,638	1,453	675
Provisions not allocated ^(b)	-	-1,191	-1,458	32	1,000	1,250
Total Purchases of Non-financial Assets	3,870	3,553	3,565	4,064	4,492	3,414

(a) Data in this table are for consolidated general government aggregates and exclude internal transactions within the sector. In relation to purchases of non-financial assets, the information in this table represents spending by function on fixed assets by general government agencies, which may be classified differently to agency totals in the Asset Investment Program.

(b) Includes provisions not allocated by COFOG.

Note: Columns may not add due to rounding.

NOTE 7: CONVERGENCE DIFFERENCES

Where possible, AASB 1049 harmonises GFS and accounting concepts into a single presentation. Where harmonisation cannot be achieved as a result of differences in definition, recognition, measurement, classification and consolidation principles and rules, a convergence difference arises.

Full convergence on GFS and Generally Accepted Accounting Principles (GAAP) has not been achieved. This means that there are some differences between AASB 1049 aggregates in this report and the GFS information that the ABS reports.

The following outlines the key convergence differences.

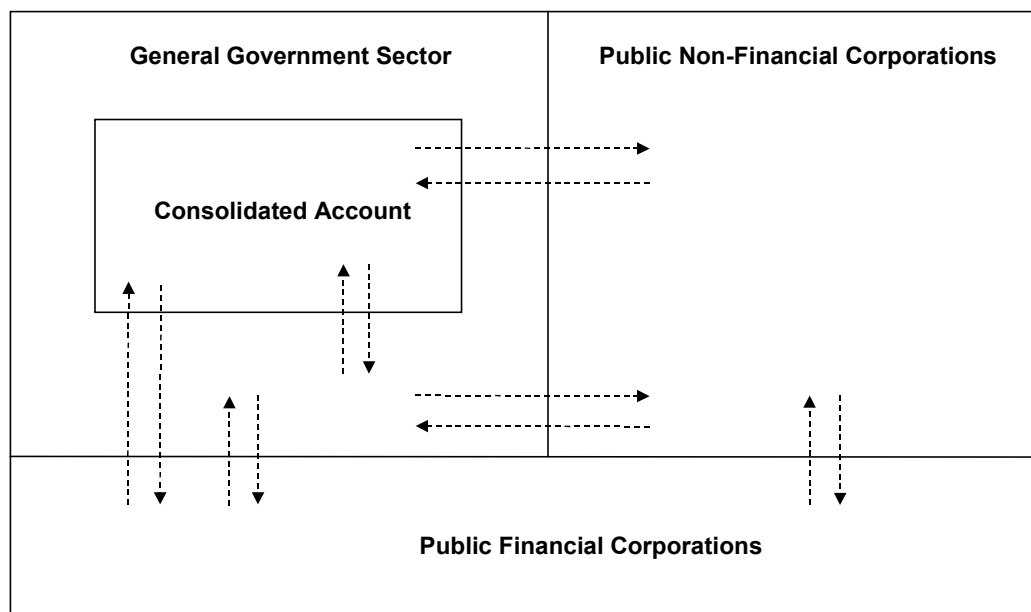
- GFS recognises dividends to owners by the PNFC and PFC sectors as a GFS expense, whereas under GAAP they are treated as a distribution to owners and therefore a direct reduction of accumulated funds. This difference does not flow through to the total public sector as internal dividend transfers are eliminated on consolidation.
- GFS does not recognise an allowance for doubtful debts as the statistical framework only recognises bad debts when they are written off. Under GAAP, an allowance for doubtful debts is recognised in the balance sheet and doubtful debts are recognised in the Operating Statement as 'other economic flows'.
- Transactions with owners as owners (such as equity injections) are excluded from the 'total change in net worth'. However, these transactions are included in the movement in GFS net worth. These types of transactions result in a convergence difference as the total change in net worth under GAAP is disclosed before such transactions, while under GFS these transactions are included in the movement in GFS net worth.

These convergence differences do not present material variations in the presentation of Western Australia's data under GAAP and GFS.

NOTE 8: COMPOSITION OF SECTORS

The following diagram shows the sectors within which public sector agencies are classified by the Government Finance Statistics framework, and which are all included in the consolidated whole-of-government.

TOTAL PUBLIC SECTOR



All public sector controlled agencies, regardless of funding source or sector classification, have been included in these financial projections. Corporatised agencies (known as Government Trading Enterprises) include agencies in each of the sub-sectors of the total public sector.

The agencies included within each sector are listed below. This list may differ from the portfolio list that appears in Budget Paper No. 2: *Budget Statements* which includes only those agencies that receive appropriations and/or have an Asset Investment Program.

General Government

Agricultural Produce Commission
Arts and Culture Trust
Building and Construction Industry Training Board
Botanical Gardens and Parks Authority
Central Regional TAFE
Chemistry Centre (WA)
Child and Adolescent Health Service
Combat Sports Commission
Commissioner for Children and Young People
Commissioner of Main Roads
Corruption and Crime Commission
Department of Biodiversity, Conservation and Attractions
Department of Communities (including the Disability Services Commission)
Department of Education
Department of Energy, Mines, Industry Regulation and Safety
Department of Finance
Department of Fire and Emergency Services
Department of Jobs, Tourism, Science and Innovation
Department of Justice
Department of Local Government, Sport and Cultural Industries
Department of Planning, Lands and Heritage
Department of Primary Industries and Regional Development
Department of Training and Workforce Development
Department of Transport
Department of Treasury
Department of the Legislative Assembly
Department of the Legislative Council
Department of the Premier and Cabinet
Department of the Registrar, Western Australian Industrial Relations Commission
Department of Water and Environmental Regulation
East Metropolitan Health Service
Economic Regulation Authority
Gascoyne Development Commission
Gaming and Wagering Commission of Western Australia
Goldfields Development Commission
Governor's Establishment
Great Southern Development Commission
Health and Disability Services Complaints Office
Health Support Services
Heritage Council of Western Australia
Infrastructure WA
Keep Australia Beautiful Council (W.A.)
Kimberley Development Commission
Law Reform Commission of Western Australia
Legal Aid Commission of Western Australia
Legal Costs Committee
Local Health Authorities Analytical Committee
Mental Health Commission
Mid West Development Commission
Minerals Research Institute of Western Australia
North Metropolitan TAFE
North Metropolitan Health Service
North Regional TAFE
Office of the Auditor General
Office of the Director of Public Prosecutions
Office of the Information Commissioner
Office of the Inspector of Custodial Services
Office of the Parliamentary Inspector of the Corruption and Crime Commission
Parliamentary Commissioner for Administrative Investigations
Parliamentary Services Department
Peel Development Commission
Pilbara Development Commission
Professional Standards Council
Public Sector Commission
Quadriplegic Centre Board
Racing Penalties Appeal Tribunal of Western Australia
Rural Business Development Corporation
Salaries and Allowances Tribunal
School Curriculum and Standards Authority
ScreenWest Inc.
Small Business Development Corporation
South Metropolitan TAFE
South Metropolitan Health Service
South Regional TAFE
South West Development Commission
State Solicitor's Office
The Aboriginal Affairs Planning Authority
The ANZAC Day Trust
The Board of the Art Gallery of Western Australia
The Burswood Park Board
The Coal Miners' Welfare Board of Western Australia
The Library Board of Western Australia
The National Trust of Australia (W.A.)
The Queen Elizabeth II Medical Centre Trust
The Western Australian Museum
Trustees of the Public Education Endowment
WA Health (including the Department of Health and public hospitals)
Western Australia Police Force
Western Australian Country Health Service
Western Australian Building Management Authority
Western Australian Electoral Commission
Western Australian Energy Disputes Arbitrator
Western Australian Greyhound Racing Association
Western Australian Health Promotion Foundation
Western Australian Institute of Sport
Western Australian Land Information Authority
Western Australian Meat Industry Authority
Western Australian Planning Commission
Western Australian Sports Centre Trust
Western Australian Tourism Commission
WorkCover Western Australia
Wheatbelt Development Commission
Zoological Parks Authority

Public Non-Financial Corporations

Animal Resources Authority	Mid West Ports Authority
Bunbury Water Corporation	Pilbara Ports Authority
Busselton Water Corporation	Public Transport Authority of Western Australia
Department of Communities (Housing Authority)	Racing and Wagering Western Australia
DevelopmentWA	Regional Power Corporation (Horizon Power)
Electricity Networks Corporation (Western Power)	Rottneest Island Authority
Electricity Generation and Retail Corporation (Synergy)	Southern Ports Authority
Forest Products Commission	Water Corporation
Fremantle Port Authority	Western Australian Coastal Shipping Commission
Gold Corporation and its subsidiaries	
Kimberly Ports Authority	
Lotteries Commission	
Metropolitan Cemeteries Board	

Public Financial Corporations

Country Housing Authority	RiskCover Fund
Insurance Commission of Western Australia	Western Australian Treasury Corporation
Keystart Housing Scheme, comprising	
Keystart Loans Ltd	
Keystart Housing Scheme Trust	
Keystart Support Trust	

Agencies Outside the State's Public Sector

Some State agencies are not covered in the whole-of-government reporting framework as defined under Australian Accounting Standards and/or the GFS framework. The entities listed below, which administer superannuation and like funds and/or hold private funds in trust or fidelity type funds, are examples of such agencies not included in the definition of the public sector used in the Budget. This is because the assets are not available for the benefit of, and/or are not controlled by, the State.

Construction Industry Long Service Leave Payments Board	Legal Contribution Trust
Curtin University and its subsidiaries	Murdoch University and its subsidiaries
Edith Cowan University	Public Trustee
Fire and Emergency Services Superannuation Board	Parliamentary Superannuation Board
Government Employees Superannuation Board	The University of Western Australia and its subsidiaries

2024-25 Economic and Fiscal Outlook

APPENDIX 2

General Government Operating Revenue

This appendix contains general government revenue estimates prepared on an accrual basis consistent with Australian Accounting Standards and Government Finance Statistics frameworks.

Table 2.1

OPERATING REVENUE
General Government

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
			\$m			
TAXATION						
Taxes on employers' payroll and labour force						
<i>Payroll tax</i>	5,017	5,473	5,832	6,095	6,400	6,722
Property taxes						
<i>Land tax</i>	784	835	887	910	923	935
Transfer duty	2,113	2,469	2,360	2,347	2,334	2,327
Foreign Buyers Surcharge	29	30	32	35	36	36
Landholder duty	317	336	194	194	194	194
<i>Total duty on transfers</i>	2,459	2,835	2,586	2,576	2,563	2,556
Other stamp duties	- (a)	- (a)	- (a)	- (a)	- (a)	- (a)
Metropolitan Region Improvement Tax	89	95	101	103	105	106
Perth Parking Levy	53	60	62	65	67	69
Emergency Services Levy	399	398	424	449	477	506
Loan Guarantee Fees	128	130	134	143	152	159
Building and Construction Industry Training Fund Levy	70	65	53	56	58	60
<i>Total other property taxes</i>	739	748	774	816	859	900
Taxes on provision of goods and services						
Lotteries Commission	221	224	198	201	203	208
Video lottery terminals	- (a)	- (a)	- (a)	- (a)	- (a)	- (a)
Casino tax	56	54	54	54	54	54
Betting tax	128	122	111	112	113	115
<i>Total taxes on gambling</i>	405	400	363	367	370	377
Insurance duty	945	979	1,031	1,085	1,142	1,202
Other	21	20	21	21	22	23
<i>Total taxes on insurance</i>	967	1,000	1,052	1,106	1,164	1,224
<i>On-demand Transport Levy</i>	- (a)	-	-	-	-	-
Taxes on use of goods and performance of activities						
Vehicle licence duty	671	762	542	470	482	494
Permits - oversize vehicles and loads	11	8	8	8	8	8
Motor vehicle registrations	1,205	1,294	1,366	1,447	1,514	1,582
Other vehicle taxes	37	36	34	35	36	37
<i>Total motor vehicle taxes</i>	1,924	2,099	1,951	1,960	2,040	2,120
<i>Mining Rehabilitation Levy</i>	41	41	39	39	39	39
<i>Landfill Levy</i>	91	78	95	80	69	69
Total Taxation	12,427	13,508	13,577	13,949	14,427	14,943

(a) Amount less than \$500,000.

Note: Columns may not add due to rounding.

Table 2.1 (cont.)

OPERATING REVENUE
General Government

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	Actual	Year	\$m	\$m	\$m
		\$m	\$m			
CURRENT GRANTS AND SUBSIDIES						
General Purpose Grants						
GST grants	6,306	6,417	7,264	7,744	8,591	9,090
North West Shelf grants	1,366	656	591	390	283	224
Commonwealth compensation for changed crude oil excise arrangements	116	33	24	16	11	9
National Agreements						
Skills and Workforce Development	177	89	-	-	-	-
Skills	-	115	236	241	245	249
Housing and Homelessness	186	189	185	189	193	193
Mental Health and Suicide Prevention	-	3	3	3	-	-
Schools Reform - Quality Schools	1,120	1,193	1,275	1,334	1,383	1,430
Health Reform	2,754	3,034	3,209	3,426	3,650	3,866
National Partnerships/Other Grants						
Health	325	232	134	115	114	114
Transport	127	241	282	209	125	150
Disability Services	3	1	1,010	4	-	-
Other	337	471	236	201	151	124
Total Current Grants and Subsidies	12,817	12,674	14,448	13,871	14,746	15,450
CAPITAL GRANTS						
National Partnerships/Other Grants						
Transport	1,701	2,066	2,969	1,601	774	214
Other	380	240	702	377	111	43
Total Capital Grants	2,081	2,306	3,671	1,978	884	256

Note: Columns may not add due to rounding.

Table 2.1 (cont.)

OPERATING REVENUE
General Government

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
			\$m			
SALES OF GOODS AND SERVICES						
WA Health	783	866	903	911	933	974
Department of Transport	292	296	313	319	323	326
Department of Education	203	228	224	229	233	236
State Training Providers/TAFE Colleges	105	89	89	102	103	115
Department of Training and Workforce Development	21	25	31	35	38	42
Western Australian Land Information Authority	97	84	87	103	85	91
Department of Biodiversity, Conservation and Attractions	138	140	143	144	145	146
Department of Justice	153	161	169	178	179	179
Department of Mines, Industry Regulation and Safety	192	160	164	174	178	179
All Other	1,310	1,090	1,113	1,051	1,113	1,133
Total Sale of Goods and Services	3,296	3,139	3,236	3,246	3,331	3,421
INTEREST INCOME	333	373	342	269	304	266
REVENUE FROM PUBLIC CORPORATIONS						
Dividends	145	211	1,571	1,673	1,771	1,804
Tax Equivalent Regime	705	807	902	955	989	946
Total Revenue from Public Corporations	850	1,017	2,473	2,628	2,760	2,751
ROYALTY INCOME						
Iron Ore	9,079	9,850	6,329	5,856	5,744	5,693
Other	1,966	1,393	1,444	1,632	1,702	1,665
Total Royalty Income	11,045	11,243	7,773	7,488	7,446	7,358
OTHER						
Mining Tenement Rentals	158	183	180	180	180	180
Fines	248	242	238	240	240	243
Revenue not elsewhere counted	346	389	256	265	243	245
Total Other	752	815	674	685	663	668
TOTAL REVENUE	43,601	45,075	46,194	44,113	44,561	45,113

Note: Columns may not add due to rounding.

2023-24 General Government Operating Revenue

This appendix contains general government revenue estimates for the 2023-24 financial year, comparing the original 2023-24 Budget estimates, 2023-24 Mid-year Review and the estimated actual contained in this Budget.

The final, audited revenue outturn for 2023-24 will be available in the *2022-23 Annual Report on State Finances*, due for release by 28 September 2024.

Table 3.1

2023-24 OPERATING REVENUE
General Government

	2023-24 Budget Year \$m	2023-24 Mid-year Revision \$m	2023-24 Estimated Actual \$m
TAXATION			
Taxes on employers' payroll and labour force			
<i>Payroll tax</i>	4,981	5,474	5,473
Property taxes			
<i>Land tax</i>	842	835	835
Transfer duty	1,847	2,166	2,469
Foreign Buyers Surcharge	23	30	30
Landholder duty	118	161	336
<i>Total duty on transfers</i>	1,989	2,357	2,835
Other stamp duties	-	-	-
Metropolitan Region Improvement Tax	97	95	95
Perth Parking Levy	60	60	60
Emergency Services Levy	398	398	398
Loan guarantee fees	136	134	130
Building and Construction Industry Training Fund Levy	50	50	65
<i>Total other property taxes</i>	741	737	748
Taxes on provision of goods and services			
Lotteries Commission	187	186	224
Video lottery terminals	-	-	-
Casino tax	54	54	54
Betting tax	116	118	122
<i>Total taxes on gambling</i>	356	358	400
Insurance duty	994	979	979
Other	20	20	20
<i>Total taxes on insurance</i>	1,015	1,000	1,000
Taxes on use of goods and performance of activities			
Vehicle licence duty	575	737	762
Permits - oversize vehicles and loads	8	8	8
Motor vehicle registrations	1,263	1,263	1,294
Other vehicle taxes	33	36	36
<i>Total motor vehicle taxes</i>	1,879	2,043	2,099
<i>Mining Rehabilitation Levy</i>	35	41	41
<i>Landfill Levy</i>	78	78	78
Total Taxation	11,915	12,922	13,508

(a) Amount less than \$500,000.

Note: Columns may not add due to rounding.

2023-24 OPERATING REVENUE
General Government

Table 3.1 (cont.)

	2023-24 Budget Year \$m	2023-24 Mid-year Revision \$m	2023-24 Estimated Actual \$m
CURRENT GRANTS AND SUBSIDIES			
<i>General Purpose Grants</i>			
GST grants	6,484	6,535	6,417
North West Shelf grants	635	669	656
Commonwealth compensation for changed crude oil excise arrangements	25	27	33
<i>National Agreements</i>			
Skills and Workforce Development	179	89	89
Skills	-	115	115
Housing and Homelessness	178	189	189
Mental Health and Suicide Prevention	3	3	3
Schools Reform - Quality Schools	1,217	1,217	1,193
Health Reform	2,984	2,984	3,034
<i>National Partnerships/Other Grants</i>			
Health	128	221	232
Transport	223	246	241
Disability Services	1,008	-	1
Other	326	454	471
Total Current Grants and Subsidies	13,389	12,749	12,674
CAPITAL GRANTS			
<i>National Partnerships/Other Grants</i>			
Transport	3,268	3,452	2,066
Other	85	218	240
Total Capital Grants	3,353	3,670	2,306

Note: Columns may not add due to rounding.

Table 3.1 (cont.)

2023-24 OPERATING REVENUE
General Government

	2023-24 Budget Year \$m	2023-24 Mid-year Revision \$m	2023-24 Estimated Actual \$m
SALES OF GOODS AND SERVICES			
WA Health	827	838	866
Department of Transport	290	294	296
Department of Education	218	224	228
State Training Providers/TAFE Colleges	88	88	89
Department of Training and Workforce Development	25	23	25
Western Australian Land Information Authority	80	81	84
Department of Biodiversity, Conservation and Attractions	127	133	140
Department of Justice	161	161	161
Department of Mines, Industry Regulation and Safety	167	160	160
All Other	1,167	1,062	1,090
Total Sale of Goods and Services	3,149	3,064	3,139
INTEREST INCOME	265	348	373
REVENUE FROM PUBLIC CORPORATIONS			
Dividends	1,423	205	211
Tax Equivalent Regime	785	769	807
Total Revenue from Public Corporations	2,208	974	1,017
ROYALTY INCOME			
Iron Ore	5,972	8,971	9,850
Other	2,010	1,730	1,393
Total Royalty Income	7,982	10,701	11,243
OTHER			
Mining Tenement Rentals	154	170	183
Fines	218	229	242
Revenue not elsewhere counted	585	651	389
Total Other	957	1,050	815
TOTAL REVENUE	43,218	45,478	45,075

Note: Columns may not add due to rounding.

The Consolidated Account and the Treasurer's Advance

The Consolidated Account

The *Constitution Act 1889* (the Act) requires that all revenue of the Crown that is not permanently appropriated by legislation to another entity, shall be credited to the Consolidated Account. The Act also requires that payments out of the Consolidated Account must be appropriated by the Parliament.

Accordingly, Consolidated Account revenue is not available for use by agencies that collect it, and such receipts must be paid directly to the credit of the Account. Expenditure is authorised by the Parliament, with both the amount and the expressed purpose of the associated appropriation clearly specified.

In cash terms, the Consolidated Account is forecast to be in a \$14.9 billion deficit position at 30 June 2025, a \$6.1 billion increase on the estimated \$8.8 billion cash deficit balance at 30 June 2024. This largely reflects higher appropriations for capital purposes.

State borrowings held by the Consolidated Account are estimated to total \$22.9 billion at 30 June 2025. Reflecting the conservative nature of the iron ore royalty price assumptions in this Budget (see Chapter 4) and funding for the Government's infrastructure program, Consolidated Account borrowings are forecast to rise by \$1.5 billion in 2026-27 and \$500 million in 2027-28 to stand at \$24.9 billion at 30 June 2028.

The projected level of Consolidated Account borrowings remains below the \$34.5 billion cumulative limit approved by the *Loan Act 2017* and preceding Loan Acts¹.

¹ The *Loan Act 2017* received Royal Assent on 3 July 2017 and increased the cumulative loan limit under preceding Loan Acts from \$23.5 billion to \$34.5 billion. Consolidated Account borrowings cannot exceed the cumulative limit of these Loan Acts.

Table 4.1

CONSOLIDATED ACCOUNT TRANSACTIONS

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
REVENUE						
<i>Operating Activities</i>						
Taxation	10,355	10,983	10,972	11,289	11,655	12,046
Commonwealth Grants	8,834	7,865	11,418	8,999	8,995	9,354
Government Enterprises	1,020	966	2,453	2,693	2,825	2,870
Royalty receipts	11,385	11,860	8,521	7,628	7,603	7,540
Other receipts from agencies	1,404	1,761	1,796	1,925	1,984	2,011
Other	714	520	503	482	468	468
Total Operating Activities	33,710	33,955	35,663	33,015	33,530	34,290
<i>Financing Activities</i>						
Borrowings	-	-	-	-	1,500	500
Other Receipts	12	19	1	-(a)	-(a)	-(a)
Total Financing Activities	12	19	1	-(a)	1,500	500
TOTAL REVENUE	33,722	33,974	35,664	33,016	35,030	34,790
EXPENDITURE						
<i>Recurrent</i>						
Authorised by Other Statutes	2,612	2,868	2,985	3,112	3,257	3,425
Appropriation Act (No. 1)	24,511	26,988	30,805	28,637	28,899	29,494
Recurrent Expenditure under the Treasurer's Advance ^(b)	2,398	2,242	-	-	-	-
Total Recurrent Expenditure	29,521	32,099	33,790	31,749	32,155	32,920
<i>Investing Activities</i>						
Authorised by Other Statutes	321	438	404	316	259	277
Appropriation Act (No. 2)	4,496	6,061	9,359	4,557	2,821	1,635
Investing Expenditure under the Treasurer's Advance ^(b)	274	285	-	-	-	-
Total Investing Activities	5,091	6,784	9,763	4,873	3,080	1,912
<i>Financing Activities</i>						
Loan repayments	2,100	-	-	-	-	-
Appropriation Act (No. 2)	-	-	-	-	-	-
Other financing	10	18	-	-	-	-
Total Financing Activities	2,110	18	-	-	-	-
TOTAL EXPENDITURE	36,721	38,900	43,553	36,622	35,236	34,831
NET MOVEMENT (REVENUE LESS EXPENDITURE)	-2,999	-4,926	-7,889	-3,607	-206	-41
Consolidated Account Balance						
Opening balance at 1 July	-20,977	-23,976	-28,902	-36,791	-40,398	-40,604
Closing balance at 30 June	-23,976	-28,902	-36,791	-40,398	-40,604	-40,645
<i>Of which:</i>						
Appropriations payable	-18,511	-20,122	-21,926	-23,769	-25,617	-27,462
Cash balance at 30 June	-5,465	-8,781	-14,865	-16,629	-14,987	-13,183
Memorandum item: Consolidated Account Borrowings at 30 June	22,887	22,887	22,887	22,887	24,387	24,887

(a) Amount less than \$500,000.

(b) Additional expenditure authorised under the Treasurer's Advance is charged to the Consolidated Account and appropriated accordingly under section 27(3) of the *Financial Management Act 2006* (FMA). This follows amendments to the FMA by the *Financial Legislation Amendment Act 2021* which came into effect on 21 September 2021.

Note: Columns may not add due to rounding.

The Treasurer's Advance

Under the *Financial Management Act 2006* (FMA), the Treasurer's Advance provides the Treasurer with authorisation to make short-term recoverable advances to agencies for the temporary financing of works and services. In addition, new or supplementary funding can be provided during the year for extraordinary or unforeseen matters (also known as 'excesses and new items'), up to an approved limit.

The authorised limit for the Treasurer's Advance in 2023-24 is \$3,209.9 million². At the 8 April 2024 cut-off date for this Budget, the total amount forecast to be drawn against recoverable advances, excesses and new items in 2023-24 is \$2,546.9 million, which is within the \$3,209.9 million limit.

The following table shows the forecast position of the Treasurer's Advance for the year ending 30 June 2024.

TREASURER'S ADVANCE AS AT 30 JUNE

Table 4.2

	2022-23 Actual ^(a)	2023-24 Projection ^(b)
	\$m	\$m
AUTHORISED LIMIT	3,077.5	3,209.9
<i>Total projected to be drawn against Treasurer's Advance authorisation</i>	2,789.6	2,546.9
Comprising		
Net recoverable advances as at 30 June	117.8	20.0
Overdrawn Special Purpose Accounts	-	-
Excesses and New Items		
- recurrent	2,397.5	2,242.1
- capital	274.3	284.8

(a) A total of \$3,077.5 million was authorised for 2022-23. The original \$977.5 million authority was increased by \$2,100 million by the passage of the *Treasurer's Advance Authorisation Act 2023*.

(b) The original \$909.9 million authority was increased by \$2,300 million by the passage of the *Treasurer's Advance Authorisation Act 2024*. Detailed disclosure of the final audited outcome for 2023-24 will be available in the 2023-24 *Annual Report on State Finances*, due to be released by 30 September 2024.

Note: Columns may not add due to rounding.

² Section 29 of the FMA authorises the Treasurer's Advance limit to be equivalent to 3% of the total amount appropriated for the previous year by the Appropriation Acts. For 2023-24, the original \$909.9 million limit, which is 3% of the total \$30.3 billion appropriated by Appropriation Bills 1 and 2 in the 2022-23 Budget, was increased by \$2,300 million to \$3,209.9 million by the *Treasurer's Advance Authorisation Act 2024*.

Transfers, Excesses and New Items

Table 4.3 details excesses and/or new items during 2023-24 and the impact of these on the Treasurer's Advance under the authority of section 27 of the FMA.

2023-24 TRANSFERS, EXCESSES AND NEW ITEMS						
Item	<u>Treasurer's Advance</u>					Drawn against Treasurer's Advance to date ^(b)
	Budget \$m	Transfers ^(a) \$m	New Items \$m	Approved Excesses \$m	Revised Appropriation Limit \$m	
Recurrent Appropriations						
Legislative Council						
Item 1: Delivery of Services	6.2	-	-	-(c)	6.2	-
Parliamentary Services						
Item 3: Delivery of Services	21.3	-	-	0.1	21.4	-
Parliamentary Commissioner for Administrative Investigations						
Item 4: Delivery of Services	11.7	-	-	-(c)	11.7	-
Premier and Cabinet						
Item 5: Delivery of Services	168.4	-(c)	-	13.8	182.2	-
Item 6: Administered Grants, Subsidies and Other Transfer Payments	94.6	-	-	61.0	155.5	-
Western Australian Electoral Commission						
Item 9: Delivery of Services	11.3	-	-	1.1	12.4	-
Office of the Information Commissioner						
Item 12: Delivery of Services	2.8	-	-	0.1	3.0	-
Treasury						
Item 14: Delivery of Services	53.0	0.5	-	1.2	54.7	-
Item 15: Bunbury Water Corporation	2.3	-	-	2.4	4.7	-
Item 16: Busselton Water Corporation	0.7	-	-	0.1	0.8	-
Item 17: Electricity Generation and Retail Corporation (Synergy)	925.1	-	-	34.6	959.7	-
Item 20: Public Transport Authority of Western Australia	1,112.4	20.6	-	78.5	1,211.5	-
Item 21: Regional Power Corporation (Horizon Power)	31.1	-	-	16.2	47.2	-
Item 22: Water Corporation	621.1	-	-	73.2	694.3	-
Item 30: Provision for METRONET High Wycombe Community Hub	2.5	-	-	0.1	2.6	-
Item 32: Provision for Wages Policy Outcomes not yet Finalised	123.6	-161.4	-	39.4	1.6	23.9
Item 35: State Property - Emergency Services Levy	20.5	-	-	-(c)	20.5	-
Item 36: WA Health	14.6	-	-	14.2	28.8	-
Item 37: All Other Grants, Subsidies and Transfer Payments	29.3	-	-	23.3	52.6	-
New Item: Metropolitan Redevelopment Authority (DevelopmentWA)	-	-	0.6	-	0.6	-
New Item: Provision for Government's New Wages Policy	-	-	150.4	-	150.4	-
New Item: Ecological Thinning Program Account	-	-	20.9	-	20.9	20.9
Office of the Auditor General						
Item 38: Delivery of Services	12.8	-	-	0.3	13.2	-

Note: Columns/rows may not add due to rounding.

2023-24 TRANSFERS, EXCESSES AND NEW ITEMS

Table 4.3 (cont.)

Item	Budget \$m	Transfers ^(a) \$m	Treasurer's Advance		Revised Appropriation Limit \$m	Draw n against Treasurer's Advance to date ^(b) \$m
			New Items \$m	Approved Excesses \$m		
Jobs, Tourism, Science and Innovation						
Item 41: Delivery of Services	398.0	0.1	-	-	398.2	-
Item 42: Administered Grants, Subsidies and Other Transfer Paymen	21.7	-	-	3.6	25.3	-
Primary Industries and Regional Development						
Item 43: Delivery of Services	249.7	-(c)	-	15.4	265.1	-
Energy, Mines, Industry Regulation and Safety						
Item 45: Delivery of Services	205.2	-	-	10.9	216.1	-
Item 46: Administered Grants, Subsidies and Other Transfer Paymen	19.0	-	-	29.0	48.0	-
Small Business Development Corporation						
Item 47: Delivery of Services	15.5	-	-	1.5	17.0	-
Infrastructure WA						
Item 50: Delivery of Services	5.0	-	-	0.1	5.1	-
WA Health						
Item 51: Delivery of Services	6,472.2	49.9	-	547.5	7,069.7	-
Mental Health Commission						
Item 52: Delivery of Services	962.2	0.2	-	-	962.3	-
Item 55: Office of the Chief Psychiatrist	4.7	-(c)	-	-	4.7	-
Education						
Item 57: Delivery of Services	4,842.3	1.2	-	98.2	4,941.8	-
Item 58: Administered Grants, Subsidies and Other Transfer Paymen	462.2	-	-	101.6	563.8	-
Western Australia Police Force						
Item 60: Delivery of Services	1,607.3	46.0	-	5.5	1,658.8	-
Item 61: Administered Grants, Subsidies and Other Transfer Paymen	0.5	-	-	19.7	20.2	19.7
Justice						
Item 62: Delivery of Services	1,421.3	34.5	-	114.8	1,570.6	-
State Solicitor's Office						
Item 63: Delivery of Services	44.3	-0.4	-	-	44.0	-
Fire and Emergency Services						
Item 64: Delivery of Services	103.7	8.2	-	16.1	128.0	-
Item 65: Administered Grants, Subsidies and Other Transfer Paymen	89.1	-	-	275.5	364.6	257.4
Corruption and Crime Commission						
Item 67: Delivery of Services	31.7	-	-	-(c)	31.7	-
Communities						
Item 71: Delivery of Services	1,261.8	-9.9	-	396.5	1,648.4	66.1

Note: Columns/rows may not add due to rounding.

Table 4.3 (cont.)

2023-24 TRANSFERS, EXCESSES AND NEW ITEMS

Item	Budget \$m	Transfers ^(a) \$m	Treasurer's Advance		Revised Appropriation Limit \$m	Draw n against Treasurer's Advance to date ^(b) \$m
			New Items \$m	Approved Excesses \$m		
Local Government, Sport and Cultural Industries						
Item 73: Delivery of Services	233.6	0.1	-	-	233.7	-
Item 75: Art Gallery of Western Australia	9.9	-	-	0.2	10.1	-
Item 76: Arts and Culture Trust	12.1	-	-	4.6	16.6	-
Item 79: Western Australian Museum	36.9	-	-	1.7	38.6	-
Western Australian Sports Centre Trust						
Item 80: Delivery of Services	102.1	-	-	11.2	113.3	-
Commissioner of Main Roads						
Item 83: Delivery of Services	582.8	9.1	-	46.3	638.1	-
Biodiversity, Conservation and Attractions						
Item 85: Delivery of Services	370.7	1.1	-	-	371.8	-
Planning, Lands and Heritage						
Item 86: Delivery of Services	138.4	-	-	10.7	149.1	-
Total Recurrent		-	171.8	2,070.3		388.1
Capital Appropriations						
Governor's Establishment						
Item 97: Capital Appropriation	0.1	-	-	-(c)	0.1	-
Western Australian Electoral Commission						
Item 98: Capital Appropriation	-(c)	-	-	0.3	0.4	-
Registrar, Western Australian Industrial Relations Commission						
Item 100: Capital Appropriation	0.1	-	-	-(c)	0.1	-
Treasury						
Item 101: Capital Appropriation	0.1	-	-	0.5	0.5	-
Item 102: Department of Communities	1.0	-	-	6.6	7.6	-
Item 109: Pilbara Ports Authority	21.7	-	-	65.9	87.5	-
Item 110: Provision for Aluminium Composite Panel Cladding	26.1	-1.0	-	-	25.1	-
Item 111: Provision for Construction Cost Relief	63.7	-54.3	-	-	9.4	-
New Item: Southern Ports Authority	-	-	1.4	-	1.4	-
New Item: Forest Products Commission	-	-	15.9	-	15.9	15.9
Energy, Mines, Industry Regulation and Safety						
Item 127: Capital Appropriation	3.9	-	-	0.1	4.0	-
WA Health						
Item 129: Capital Appropriation	340.0	13.8	-	-	353.8	-
Mental Health Commission						
Item 130: Capital Appropriation	24.3	-11.5	-	-	12.8	-
Education						
Item 132: Capital Appropriation	564.5	38.2	-	-	602.7	-

Note: Columns/rows may not add due to rounding.

Table 4.3 (cont.)

2023-24 TRANSFERS, EXCESSES AND NEW ITEMS

Item	Budget \$m	Transfers ^(a) \$m	Treasurer's Advance			Revised Appropriation Limit \$m	Draw n against Treasurer's Advance to date ^(b) \$m
			New Items \$m	Approved Excesses \$m			
Training and Workforce Development Item 133: Capital Appropriation	87.8	2.6	-	14.5	104.9	-	
Western Australia Police Force Item 134: Capital Appropriation	140.5	3.8	-	-	144.2	-	
Justice Item 135: Capital Appropriation	114.0	4.0	-	-	118.0	-	
Office of the Director of Public Prosecutions Item 138: Capital Appropriation	0.1	-	-	2.1	2.3	-	
Chemistry Centre (WA) Item 140: Capital Appropriation	2.7	-	-	3.3	6.0	-	
Communities Item 141: Capital Appropriation	222.2	3.7	-	92.4	318.3	-	
Local Government, Sport and Cultural Industries Item 144: Western Australian Museum	1.9	-	-	1.2	3.1	-	
Western Australian Sports Centre Trust Item 145: Capital Appropriation	38.8	-	-	0.5	39.3	-	
Commissioner of Main Roads Item 147: Capital Appropriation	239.0	0.6	-	64.2	303.8	-	
Biodiversity, Conservation and Attractions Item 151: Capital Appropriation	94.4	0.1	-	-	94.5	-	
Planning, Lands and Heritage Item 152: Capital Appropriation	4.0	-	-	15.8	19.9	-	
Total Capital		-	17.3	267.5		15.9	
TOTAL		-	189.1	2,337.8		403.9	

(a) Authorised under section 25 of the FMA.

(b) Budget cut-off date, 8 April 2024.

(c) Amount less than \$50,000.

Note: Columns/rows may not add due to rounding.

Transfers

Section 25 of the FMA allows appropriations originally allocated in the 2023-24 Budget to be transferred to another agency for the provision of an appropriation-funded service that is now to be delivered by the other agency. These transfers have no impact on the Treasurer's Advance. Appropriation transfers approved since the 2023-24 Budget include:

- \$161.4 million from the appropriation administered by Treasury for Provision for Wages Policy Outcomes Not Yet Finalised to various agencies to meet the costs of industrial agreements finalised since the 2023-24 Budget (see following table);

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- \$54.3 million has been allocated from the \$63.7 million Provision for Construction Cost Relief to the Departments of Education, Training and Workforce Development, Biodiversity, Conservation and Attractions, Justice, Communities, Commissioner of Main Roads, the Western Australia Police Force and WA Health to assist construction companies, including to complete projects impacted by the collapse of FIRM Construction;
- \$12 million from the Department of Communities to WA Health reflecting the transfer of administrative responsibility for the Community Aids and Equipment Program (\$7.5 million) and Continence Subsidy Scheme (\$4.5 million), from 1 July 2023;
- \$11.5 million from the Mental Health Commission to WA Health reflecting the transfer of the Broome and Youth Step Up/ Step Down facilities to WA Health;
- \$1 million from the Provision for Aluminium Composite Panel Cladding to WA Health to address non-compliant cladding issues at the Joondalup Health Campus;
- \$666,000 from the Department of Communities to the Department of Treasury for a new Housing Supply Unit that was established from January 2024 to work across government agencies and with industry on policies to boost housing supply, affordability, and expand workforce capacity in Western Australia;
- \$356,000 from the State Solicitor's Office following the transfer of the Solicitor General's Office and functions to the Department of Justice (effective from 1 July 2023); and
- \$136,000 from the Department of Treasury to the Department of Jobs, Tourism, Science and Innovation to establish a Coordinator General function to oversee and fast-track priority project approvals and recommend reforms.

Table 4.4

2023-24 PROVISION FOR WAGES POLICY OUTCOMES NOT YET FINALISED

Agency	Transfer from Appropriation Item 32 \$m
Department Premier and Cabinet	_(a)
Public Transport Authority	20.6
Department of Primary Industries and Regional Development	_(a)
WA Health	37.9
Mental Health Commission	0.2
Office of the Chief Psychiatrist	_(a)
Department of Education	1.2
Western Australia Police Force	46
Department of Justice	34.2
Department of Fire and Emergency Services	8.2
Department of Communities	2.8
Department of Local Government, Sport and Cultural Industries	0.1
Commissioner of Main Roads	9.1
Department Biodiversity, Conservation and Attractions	1.1
Total	161.4

(a) Amount less than \$50,000.

Note: Columns/rows may not add due to rounding.

Excess and New Items

Legislative Council

Item 1: **Delivery of Services** (\$1,000), for revised motor vehicle lease costs.

Parliamentary Services

Item 3: **Delivery of Services** (\$149,000), predominantly for higher leasing costs for the Parliamentary Precinct Project (\$147,000).

Parliamentary Commissioner for Administrative Investigations

Item 4: **Delivery of Services** (\$1,000), for revised motor vehicle lease costs.

Premier and Cabinet

Item 5: **Delivery of Services** (\$13.8 million), funding for:

- an increase in the State's annual Telethon donation (\$6 million);
- salaries and other employment costs for additional FTEs required to modernise the Department's ICT ecosystem, enhance the protection of highly sensitive information, coordinate Energy Decarbonisation matters, support the Whole-of-Government Communication team and the Tourism Investment Committee of Cabinet (\$3.5 million);

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- the administration and renegotiation of the Griffin Coal Process Agreement (\$1 million);
- support of Western Australian regional papers (\$1 million);
- delivery through ServiceWA of the WA Student Assistance Payment initiative (\$1 million);
- the assessment of options to enhance non-compulsory early learning for three and four-year-old children (\$940,000);
- higher office accommodation lease expenditure (\$397,500);
- establishment of the Western Australian Hub in Canberra (\$381,000); and
- support for the Resources Community Investment Initiative Advisory Committee (\$100,000).

These increases are partially offset by lower spending across a number of other Departmental services and activities (\$447,000).

Item 6: **Administered Grants, Subsidies and Other Transfer Payments** (\$61 million), to provide funding for the Western Australian Stolen Wages Class Action settlement (\$15.4 million) and financial support to Griffin Coal to ensure continuity of coal supply in the short term (\$39.1 million). Additional funding has also been provided to meet the State's various obligations in relation to Aboriginal engagement and Native Title matters, with the details of assistance not disclosed at this time due to Court mediated confidentiality orders.

Western Australian Electoral Commission

Item 9: **Delivery of Services** (\$1.1 million), to implement and administer amended reporting provisions for the disclosure of political contributions (\$475,000), to develop and implement documentation following changes to voting provisions in the *Electoral Act 1907* (the Act) (\$143,000), and to conduct the Rockingham By-election (\$875,000). These increases are partially offset by lower costs (\$364,000), following delays in amendments to the Act and the Electoral (Political Finance) Regulations 1996 and reduced office accommodation and fleet lease expenditure in accordance with AASB 16: *Leases* (\$14,000).

Item 98: **Capital Appropriation** (\$342,000), for the procurement, development and implementation of an online system for the disclosure of political contributions (\$350,000). This increase is partially offset by reduced fleet lease expenditure in accordance with AASB 16: *Leases* (\$8,000).

Office of the Information Commissioner

Item 12: **Delivery of Services** (\$146,000), reflecting the salaries expenditure approved to assist with establishing an Interim Privacy function which is offset by a corresponding reduction in funding and salaries expenditure by the Department of Justice.

Treasury

Item 14: **Delivery of Services** (\$1.2 million), primarily for consultancies to assist the Government in its assessment of financing and cost recovery options for the proposed new network infrastructure requirements in the South West Interconnected System and the Pilbara (\$1.3 million), \$1.1 million for additional accommodation space and accommodation and electricity expenses, the establishment of a new Performance Monitoring Unit to monitor and review the delivery of key Government priorities, and working with relevant agencies to review, progress and develop solutions to effectively address barriers to delivery (\$915,000), and additional resources to deliver Government's priorities (\$671,000), partially offset by various reflows of salary and non-salary expenses (\$2.6 million) from 2023-24 to 2024-25.

Item 15: **Bunbury Water Corporation** (\$2.4 million), reflecting an increased operating subsidy for the higher cost of providing services (\$2.4 million), and higher pensioner and seniors concessions claims (\$37,000).

Item 16: **Busselton Water Corporation** (\$52,000), supporting higher than expected annual pensioner and senior concessions claims.

Item 17: **Electricity Generation and Retail Corporation (Synergy)** (\$34.6 million), primarily to meet the cost of the Customer Offset resulting from breaches of the Wholesale Electricity Market rules in 2016 and 2017 (distributed as a further energy credit to eligible customers in 2023-24), and higher operating subsidies for activities undertaken on behalf of the Government (such as the management and administration of rebates and concessions).

Item 20: **Public Transport Authority of Western Australia** (\$78.5 million), mainly for higher interest expenses as a result of increased borrowings, the provision of free public transport as part of the Government's cost of living initiatives and to meet higher RiskCover insurance premiums, offset by increased fare revenue.

Item 21: **Regional Power Corporation (Horizon Power)** (\$16.2 million), reflecting tender outcomes and contract negotiations (\$7 million), the costs to deploy and operate emergency electricity generation in the Kimberley region (\$5.5 million), additional expenditure associated with the delivery of renewable energy (\$1.7 million), land acquisition costs (\$1.4 million) and the implementation of priority improvements to the Corporation's retail business (\$584,000).

Item 22: **Water Corporation of Western Australia** (\$73.2 million), largely due to the reimbursement of subsidised costs for the delivery of country water in late 2022-23.

Item 30: **Provision for METRONET High Wycombe Community Hub** (\$100,000), reflecting a carryover of State contribution that was not drawn in 2022-23 due to pending funding agreements with the Commonwealth.

Item 32: **Provision for Wages Policy Outcomes not yet Finalised** (\$39.4 million), related to the carryover from 2022-23 to 2023-24 of funding for industrial agreements that were yet to be finalised at the time of the 2023-24 Budget.

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Item 35: **State Property – Emergency Services Levy** (\$33,000), with funding approved to meet a higher than expected Emergency Services Levy liability on State owned properties.

Item 36: **WA Health** (\$14.2 million), including allowance for a number of contract cost pressures that are subject to negotiation.

Item 37: **All Other Grants, Subsidies and Transfer Payments** (\$23.3 million), mainly due to the carryover of grants for the COVID-19 Business Assistance Package program, as not all payments were processed and paid prior to 30 June 2023 (\$20.2 million). A further \$3 million in supplementary funding supports the impact of higher interest rates applying to balances held in a number of interest-bearing trust accounts that receive income through the Consolidated Account.

New Item: **Metropolitan Redevelopment Authority (DevelopmentWA)** (\$573,000), for work to be undertaken at Mardalup Park to ensure compliance with environmental standards (originally expected to be drawn in 2021-22).

New Item: **Provision for Government's New Wages Policy** (\$150.4 million), to support negotiation of industrial agreements under the New Public Sector Wages Policy. The provision reflects the first year impact of the new Policy and will be allocated to relevant agency budgets once industrial agreements are finalised.

New Item: **Ecological Thinning Program Account** (\$20.9 million), to establish a recurrent funding source in a new Treasurer's Special Purpose Account in support of ecological thinning works to be conducted by the Forest Products Commission under the 2024-33 Forest Management Plan.

Item 101: **Capital Appropriation** (\$463,000), comprising re-purposing recurrent expenditure to capital to reflect the proper accounting treatment for these funds (\$403,000), an accommodation fit-out (\$65,000), partially offset by revised motor vehicle lease impacts in accordance with AASB 16: *Leases* (\$5,000).

Item 102: **Department of Communities** (\$6.6 million), to fund the procurement and establishment of longer-term temporary accommodation for flood-affected residents who have been displaced by Ex-Tropical Cyclone Ellie in the Fitzroy Valley.

Item 109: **Pilbara Ports Authority** (\$65.9 million), to on-pass \$69.3 million in Commonwealth funding to deliver common user port upgrades at Lumsden Point (that will be provided to the State following achievement of milestones) and additional funding of \$11.6 million for the continuation of the Port Hedland Voluntary Buy-Back Scheme, offset by a \$15 million reduction in the amount to be received in 2023-24 for Spoilbank Marina operating costs, which is now expected to be received in 2024-25.

New Item: **Southern Ports Authority** (\$1.4 million), to compensate the Authority for the transfer of 12 hectares of land, seabed and waters to the Department of Transport, to facilitate Stage 3 of the Government's Transforming Bunbury's Waterfront Project election commitment.

New Item: **Forest Products Commission** (\$15.9 million), to offset losses on the Native Forest segment of the Commission's activities, and to maintain a suitable cash position to meet ongoing financial obligations.

Office of the Auditor General

Item 38: **Delivery of Services** (\$309,000), reflecting additional funding for higher employee costs under industrial agreement settings.

Jobs, Tourism, Science and Innovation

Item 42: **Administered Grants, Subsidies and Other Transfer Payments** (\$3.6 million), consisting of expected loans to eligible builders from the Builders Support Facility (\$4 million), offset by a downward revision in the amount the Pilbara Ports Authority receives from the Department of Jobs, Tourism, Science and Innovation for the Burrup Port subsidy (\$411,000).

Primary Industries and Regional Development

Item 43: **Delivery of Services** (\$15.4 million). largely reflecting increased spending on biosecurity and emergency management responses (\$23.1 million), additional Yamatji Nation Indigenous Land Use Agreement expenditure including the recoup of funds for expenditure occurred in 2022-23 (\$6.7 million), increased Consolidated Account funding of the Department's Fisheries Directorate as a result of reduced Managed Fisheries Access Fees (\$6.5 million), a 25% subsidy for the 2023 Perth Royal Show for all ticket categories (\$1.9 million), and a top up to the West Coast Demersal Scalefish Resource Managed Fishery Voluntary Fisheries Adjustment Scheme (\$1.6 million). These increases are partially offset by funding reflows in line with updated delivery schedules for a number of projects (\$25.5 million), including the Western Australia Agricultural Research Collaboration (\$8.2 million), the Australian Underwater Discovery Centre (\$6 million), the Carbon Farming and Land Restoration Program (\$3.4 million), and the Digital Foundation Program (\$1.9 million).

Energy, Mines, Industry Regulation and Safety

Item 45: **Delivery of Services** (\$10.9 million), primarily to support the stability and decarbonisation of the electricity system including the establishment of PoweringWA, the implementation of the Pilbara Energy Transition Plan, and an updated grant payment schedule for Energy Ahead (formerly the Household Energy Efficiency Scheme (\$16.7 million)), for the implementation and administration of the Short Term Rental Accommodation (STRA) Registration Scheme (\$2.5 million), establishment of the STRA Incentive Scheme, including grant payments to eligible property owners that convert their STRA to a long-term rental property for a minimum of 12 months (\$1.4 million), additional ICT expenditure related to the administration and payment of grants for the Vacant Property Rental Incentive Scheme (\$340,000), additional resources to support the renegotiation of key industrial agreements under the Government's new Public Sector Wages Policy (\$254,000) and to administer the Heritage Survey Assistance Program (\$177,000).

These increases are partially offset by the reprofiling of grants funding for workplace electric vehicle charging infrastructure (\$10 million) and other minor expense reflows and revisions (\$450,000).

Item 46: **Administered Grants, Subsidies and Other Transfer Payments** (\$29 million), reflecting the establishment of the rent relief program to assist eligible tenants in private rental homes who are experiencing rental stress, are in rental arrears and at risk of eviction (\$9 million), cashflow and revenue revisions associated with the Koolyanobbing and Potash Rebate Schemes (\$5.9 million) and other items, subject to finalising commercial arrangements.

Item 127: **Capital Appropriation** (\$72,000), for revised Government Regional Officer Housing (GROH) costs.

Small Business Development Corporation

Item 47: **Delivery of Services** (\$1.5 million), primarily for the Small Business Electricity Credit (\$1 million) and costs associated with the administration of the Builder's Support Facility (\$290,000).

Infrastructure WA

Item 50: **Delivery of Services** (\$92,000), with additional funding for higher employee costs under the Salaries and Allowances Tribunal determination (\$152,000), partially offset by costs now met under the *Salaries and Allowances Act 1975* (\$60,000).

WA Health

Item 51: **Delivery of Services** (\$547.5 million), primarily to sustain public hospital workforce and additional bed capacity to meet higher activity levels (\$301 million), boost regional healthcare service delivery (\$176 million), and address cost and demand pressures for non-hospital services (\$30.2 million). More detail on increases in health spending are available in Chapter 5 of this Budget Paper.

Education

Item 57: **Delivery of Services** (\$98.2 million), mainly driven by upward revisions in student enrolment projections (\$39.3 million), a realignment of State and Commonwealth funding contributions under the National School Reform Agreement (\$23.7 million), GROH expenditure (\$13 million), and costs associated with administration of the Western Australian Student Assistance Payment (WASAP, \$7.2 million).

Item 58: **Administered Grants, Subsidies and Other Transfer Payments** (\$101.6 million), reflecting the budgeted value of payments to parents and carers under the WASAP initiative (\$94.4 million), and an increase in grants to non-government schools due to higher than forecast enrolments (\$7.2 million).

Western Australia Police Force

Item 60: **Delivery of Services** (\$5.5 million), primarily reflecting the net impact of additional funding provided for finalisation of the Western Australia Police Force Industrial Agreement (\$7.3 million), and additional temporary resources to support the firearms reform program (\$2.4 million), partly offset by deferred payments for the Helicopter Replacement project in line with revised payment schedules (\$2.5 million), and a range of smaller reflows across a number of projects.

Item 61: **Administered Grants, Subsidies and Other Transfer Payments** (\$19.7 million), for additional funding for a voluntary firearms buyback scheme (\$20 million), partly offset by the lower than expected final spending outcomes of the prohibited firearms buyback scheme (\$254,000).

Justice

Item 62: **Delivery of Services** (\$114.8 million), primarily reflecting cost and demand pressures across the Department's services (\$80.3 million), additional staffing and services, and infrastructure upgrades across the youth custodial estate (\$21.5 million), increased RiskCover premiums (\$4.5 million), and higher GROH expenditure (\$3.1 million).

Fire and Emergency Services

Item 64: **Delivery of Services** (\$16.1 million), largely reflecting cost increases associated with aviation services, fuel and utilities, fleet and equipment maintenance, and ICT services (\$13.3 million), additional salaries, superannuation, overtime, and regional housing costs (\$2.4 million), and interest expenditure (\$395,000).

Item 65: **Administered Grants, Subsidies and Other Transfer Payments** (\$275.5 million), primarily for additional funding to assist communities in the Kimberley recover from the impacts associated with ex-Tropical Cyclone Ellie, including to replace and enhance the resilience of the Fitzroy River Bridge and to repair other roads (\$252.6 million), to establish longer-term temporary accommodation for flood-affected residents (\$4.6 million), costs to support community access to social and legal assistance (\$6.6 million), funding for a number of grant programs to assist small and medium business owners, primary producers, homeowners and for recovery of the environmental, heritage and cultural assets (\$6 million), costs for the provision of temporary accommodation facilities for workers undertaking community recovery (\$3 million), for the National and Conservation Parks Clean-up Program (\$2.2 million) and timing changes associated with the delivery of other various recovery programs (\$479,000).

Corruption and Crime Commission

Item 67: **Delivery of Services** (\$4,000), for additional office accommodation and State Fleet lease expenditure in accordance with AASB 16: *Leases*.

Communities

Item 71: **Delivery of Services** (\$396.5 million), largely due to additional costs associated with out-of-home care services reform and transitioning to new model of care and contract arrangements (\$249.7 million), the increased cost of delivering maintenance works for the Department's housing assets (\$87.6 million), revenue backfill for the Housing Authority due to a write-down of revenue for its affordable housing sales program for 2023-24 and reduced dividends received from Keystart (\$33.8 million), a range of community services initiatives including those responding to family and domestic violence and homelessness/rough sleeping (\$14.4 million), attraction and retention initiatives for regional child protection workers (\$4.5 million), and a one-off cost-of-living payment for foster carers (\$3.6 million).

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Item 141: **Capital Appropriation** (\$92.4 million), largely due to an equity contribution to the Department to offset reduced dividend receipts from Keystart (\$76.3 million), a drawdown of Social Housing Accelerator Payment funding received from the Commonwealth Government and held in the Consolidated Account (\$10.9 million), delivery of additional GROH units in 2023-24 (\$7.5 million), and partly offset by minor reflows of several capital items due to project delays.

Local Government, Sport and Cultural Industries

Item 75: **Art Gallery of Western Australia** (\$220,000), for an enhanced security presence at the Art Gallery of Western Australia.

Item 76: **Art and Culture Trust** (\$4.6 million), mainly to cover the shortfall in operating revenue for 2022-23 (\$2.6 million) due to lower-than-expected attendance rates and to address unforeseen operational issues across venues operated by the Trust (\$1.7 million).

Item 79: **Western Australian Museum** (\$1.7 million), to meet a shortfall in projected admission fee revenue in 2023-24 attributable to lower-than-expected visitations.

Item 144: **Capital Appropriation** (\$1.2 million), to fund additional costs to replace aluminium composite panels at the Western Australian Maritime Museum.

Western Australian Sports Centre Trust

Item 80: **Delivery of Services** (\$11.2 million), comprising higher interest rate costs under the Optus Stadium management contract (\$3.2 million), higher operating costs associated with co-managing the Sam Kerr Football Centre (the Centre) with Football West (\$3.1 million), costs associated with the HBF Arena pool closure (\$1.9 million), higher operational expenditure at Optus Stadium (\$1.3 million), expenditure on a Football Festival Event held to open the Centre (\$1 million), and financial assistance measures for Perth Glory and the Western Force (\$584,000).

Item 145: **Capital Appropriation** (\$482,000), for the reinstatement of food and beverage services at HBF Park that were previously removed to facilitate the hosting of the Women's FIFA World Cup in July 2023.

Commissioner of Main Roads

Item 83: **Delivery of Services** (\$46.3 million), primarily for increased State funding for the Moorine Rock to Mt Holland Road Upgrade following the withdrawal of funding by the Commonwealth Government and for the delivery of works on behalf of the Public Transport Authority, partially offset by a reduction in depreciation costs.

Item 147: **Capital Appropriation** (\$64.2 million), reflecting increased State funding to address cost increases for a number of road projects (including Mitchell Freeway Hodges to Hepburn Widening).

Planning, Lands and Heritage

Item 86: **Delivery of Services** (\$10.7 million), mainly for the impacts of the new *Aboriginal Heritage Legislation Amendment and Repeal Act 2023* (\$27.4 million), commencement of Mira Mar landslide remediation actions (\$1.2 million), finalisation of the closure and demolition of the former Wittenoom townsite (\$724,000), funding to support the Pilbara Energy Transition (\$385,000), evaluation of major project initiatives (\$300,000), change in Service Delivery Agreement with the Department of Transport (\$241,000) and GROH expenditure (\$214,000), offset by funding deferred from 2023-24 to 2024-25 for the Infrastructure Development Fund (\$20 million) and METRONET Precinct Infrastructure Fund (\$119,000).

Item 152: **Capital Appropriation** (\$15.8 million), mainly for acquisition of properties impacted by the Mira Mar landslide (\$9.9 million) and reconfigurations to the Department's existing Aboriginal cultural heritage technology platform to reflect the requirements under the new *Aboriginal Heritage Legislation Amendment and Repeal Act 2023* and integration with the Keeping Place platform cloud-based information management system which enables Aboriginal organisations to digitally capture, protect and share cultural knowledge (\$5.2 million).

Governor's Establishment

Item 97: **Capital Appropriation** (\$6,000), for revised motor vehicle lease costs.

Registrar, Western Australian Industrial Relations Commission

Item 100: **Capital Appropriation** (\$1,000), for revised motor vehicle lease costs.

Training and Workforce Development

Item 133: **Capital Appropriation** (\$14.5 million), primarily reflecting up to date project cashflows, with reflows into 2023-24 of \$15.7 million that mostly comprise of \$7 million for the Modern Equipment for TAFEs program, \$5 million for the Armadale Training Campus, \$2.2 million for the Albany Trade Workshop and \$1.1 million for the Joondalup Light Auto Workshop. These increases are partly offset by reflows out of 2023-24 into 2024-25 of \$1.2 million, comprising the Kalgoorlie Heavy Plant/Engineering Trades Workshop (\$740,000) and the Balga Campus Specialist Teaching Block (\$466,000).

Office of the Director of Public Prosecutions

Item 138: **Capital Appropriation** (\$2.1 million), for higher than expected office accommodation fit out expenditure (\$1.8 million), and ICT related expenses (\$411,000).

Chemistry Centre (WA)

Item 140: **Capital Appropriation** (\$3.3 million), for costs relating to the fit-out of additional laboratory space at Technology Park, Bentley, which will support the Centre's operations and address emerging risks at the current Bentley facility.

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Special Purpose Accounts

Special Purpose Accounts (SPAs) are established under various sections of the *Financial Management Act 2006* or by specific legislation (e.g. Royalties for Regions Fund). Accounts established by legislation are governed by the relevant provisions of the statute, while accounts that are established administratively are governed by a statement that outlines the purpose of the account.

This Appendix contains information on key SPAs. It is not an exhaustive list of all SPAs, but covers the major/material SPAs established to achieve priority policy outcomes. The forecast SPA balances (and transactions in and out of these accounts) form part of the overall consolidated projections outlined elsewhere in this Budget.

Asset Maintenance Fund

The Asset Maintenance Fund (AMF) was established in the 2023-24 Budget to fund high priority maintenance works, and ensure risks to service delivery, public safety and asset condition are addressed. A total of \$250 million was appropriated to the AMF in the 2023-24 Budget, with \$91.3 million of this funding allocated to agencies in the 2023-24 Mid-year Review.

The 2024-25 Budget includes \$1.1 million of allocations to agencies in 2023-24, \$61.6 million in 2024-25 and a further \$74.2 million across 2025-26 to 2027-28 to 17 agencies. The major recipients are the Department of Education (\$44.1 million), WA Health (\$28.9 million), VenuesWest (\$15.9 million), the Department of Primary Industries and Regional Development (\$8.3 million), Western Australia Police Force (\$7.2 million), the Department of Fire and Emergency Services (\$5.6 million), and the Department of Transport (\$4.6 million).

Table 5.1

ASSET MAINTENANCE FUND

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
<i>Opening Balance</i>	-	220	108	23	4
Receipts	250	-	-	-	-
Payments	30	112	85	19	4
Closing Balance	220	108	23	4	-

Note: Columns may not add due to rounding.

Climate Action Fund

The Climate Action Fund was established in the 2021-22 Budget to hold funds for future climate action and renewable energy initiatives. Draw downs in 2023-24 total \$540 million and primarily reflect funding for:

- Synergy’s Kwinana Battery Energy Storage System 2 (\$303 million);
- further South West Interconnected System (SWIS) decarbonisation work, to be released upon the approval of future business cases (\$163 million);
- support for the transition away from native forest logging and for Collie's ongoing transition from emissions-intensive industries, through the Department of Jobs, Tourism, Science and Innovation (JTSI, \$33.4 million); and
- other climate action initiatives across a range of agencies (\$30 million).

Allocations to be drawn in 2024-25 total \$214 million, with a further \$279 million to be drawn across the outyears. The funding is primarily for:

- various climate action initiatives delivered by JTSI (\$223 million), including Collie's industrial transition, the native forestry transition and renewable hydrogen projects;
- decarbonisation works by Synergy (\$69 million), mainly for the King Rocks Wind Farm;
- further SWIS decarbonisation work (\$50 million), to be released upon the approval of future business cases; and
- a range of other climate action initiatives across a number of agencies (\$73 million), including the Climate Science Initiative and acceleration of environmental approvals for green energy proposals.

A further \$90 million is held as a global spending provision to be allocated to initiatives to be approved in future Budgets.

CLIMATE ACTION FUND						Table 5.2
	2023-24	2024-25	2025-26	2026-27	2027-28	
	\$m	\$m	\$m	\$m	\$m	
<i>Opening Balance</i>	168	497	284	131	64	
Receipts	869	-	-	-	-	
Payments	540	214	153	67	59	
Closing Balance	497	284	131	64	5	

Note: Columns may not add due to rounding.

Debt Reduction Account

The Government established the Debt Reduction Account in 2017-18 to apply windfall funds to reduce Consolidated Account borrowings.

A total of \$8.2 billion has flowed through the Account since its establishment, comprising \$4.5 billion for debt repayments and \$3.7 billion used to avoid new borrowings.

No additional funds are forecast to pass through the Account in this Budget.

DEBT REDUCTION ACCOUNT

Table 5.3

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
<i>Opening Balance</i>	-	-	-	-	-
Receipts	-	-	-	-	-
Payments	-	-	-	-	-
Closing Balance	-	-	-	-	-

Note: Columns may not add due to rounding.

Digital Capability Fund

The Digital Capability Fund (DCF) was established in 2021-22 to provide funding to public sector entities for the upgrade of ICT systems to improve service delivery, enhance cyber security and mitigate operational risks. Total funding of \$900 million was appropriated to the Fund over the 2021-22 and 2022-23 Budgets. A further \$458 million will be provided in 2024-25 supporting a range of new ICT systems, cyber security and digital transformation initiatives.

Payments from the Fund totalling \$438 million in 2024-25 and \$336 million across the outyears will be made to 25 agencies. Larger allocations of these draw downs are to WA Health (\$391.5 million), the Land Information Authority (Landgate, \$110.6 million), the Department of the Premier and Cabinet (\$61.6 million), the Western Australia Police Force (\$50 million), and the Department of Transport (\$29.5 million).

The residual \$73 million balance forecast at 30 June 2028 has been allocated beyond the current forward estimates period (including for Landgate's Spatial WA project). New initiatives in this Budget that are supported from the DCF are detailed in agency disclosures in Chapters 5 and 6.

Table 5.4

DIGITAL CAPABILITY FUND

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	645	388	408	201	107
Receipts	4	458	1	-	-
Payments	261	438	209	94	34
Closing Balance	388	408	201	107	73

Note: Columns may not add due to rounding.

Ecological Thinning Account

This Account was established as part of the 2023-24 Mid-year Review, with funding set aside to conduct ecological thinning works under the 2024-33 Forest Management Plan, to support activities that will reduce moisture stress and promote forest health. A total of \$150.6 million will be appropriated to the Account over 2023-24 and 2024-25, with other receipts reflecting sales revenue from ecological thinning activities.

Drawdowns totalling \$20.9 million are forecast in 2023-24, with \$12.2 million allocated towards contractor payments, \$6.2 million for relevant overheads and \$2.5 million for regeneration costs. A further \$176 million is allocated towards contractor payments, overheads, and regeneration costs over the four years to 2027-28.

Table 5.5

ECOLOGICAL THINNING ACCOUNT

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	-	14	135	130	127
Receipts	35	161	38	42	44
Payments	21	41	43	46	46
Closing Balance	14	135	130	127	124

Note: Columns may not add due to rounding.

METRONET Account

This Account was established in August 2017 to support the delivery of METRONET transport infrastructure projects. Forecast receipts for 2024-25 reflect State funding (\$811 million), Commonwealth funding (\$909 million¹) and revenue from other Government agencies (\$282 million). The funds are to be drawn down as works progress for the METRONET program of projects, with forecast payments in 2024-25 totalling \$1,974 million.

1 The Commonwealth is also projected to reimburse the State with a further \$1 billion in METRONET funding for works completed in 2022-23 and 2023-24. Reflecting later payment of the Commonwealth’s contributions in those years, the Public Transport Authority incurred short-term borrowings. The \$1 billion in delayed contributions from the Commonwealth will be used to repay these borrowings.

Table 5.6

METRONET ACCOUNT					
	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	33	6	34	34	34
Receipts	2,963	2,002	792	45	12
Payments	2,990	1,974	792	45	12
Closing Balance	6	34	34	34	34

Note: Columns may not add due to rounding.

METRONET and Westport Roads Account

This Account was established in 2018 to hold funds for road works associated with METRONET, including projects under development. The purpose of the Account has been expanded to also apply funds for the delivery of future Westport road-related infrastructure works and associated costs.

Forecast payments over the four years to 2027-28 comprise \$710 million for roads associated with METRONET and \$142 million for Westport road projects.

Table 5.7

METRONET AND WESTPORT ROADS ACCOUNT					
	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	84	38	1	1	359
Receipts	248	300	361	414	469
Payments	294	337	361	57	97
Closing Balance	38	1	1	359	731

Note: Columns may not add due to rounding.

Metropolitan Region Improvement Fund

This Account was established under the *Metropolitan Region Improvement Tax Act 1959* to hold funds for the management of the Metropolitan Region Scheme, including receipts from the Metropolitan Region Improvement Tax (MRIT).

Receipts in the four years to 2027-28 mainly reflect MRIT collections (\$416 million), rent and interest income (\$111 million), and proceeds from the sale of land and buildings (\$32 million). Payments over the same period are mainly for the acquisition of other land and buildings (\$173 million), service delivery costs (\$128 million), compensation payments on land acquisition (\$12 million), the acquisition of land for transport infrastructure (\$3 million) and works in progress on a range of smaller infrastructure projects (\$6 million).

Table 5.8

METROPOLITAN REGION IMPROVEMENT FUND

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	403	404	454	513	577
Receipts	139	144	137	141	144
Payments	138	95	77	77	77
Closing Balance	404	454	513	577	645

Note: Columns may not add due to rounding.

Mining Rehabilitation Fund

The Mining Rehabilitation Fund was established in 2013 to hold levy collections under the *Mining Rehabilitation Fund Act 2012*.

Receipts reflect forecast levy contributions from mining operators and interest earned on the Account balance. Funds can be used to undertake rehabilitation activities where a tenement operator fails to meet rehabilitation obligations, and all other options available to recover funds from the operator have been exhausted. Interest earnings are used to support administration of the Fund and for rehabilitation works at abandoned mine sites.

Table 5.9

MINING REHABILITATION FUND

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	291	315	341	357	380
Receipts	50	51	52	52	53
Payments	26	25	36	29	27
Closing Balance	315	341	357	380	406

Note: Columns may not add due to rounding.

National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account

This Account was established in 2018 to meet the cost of payments associated with the State’s participation in the National Redress Scheme, and to meet civil litigation claims by survivors of institutional child sexual abuse.

Receipts in 2024-25 reflect the Government’s decision to allocate \$10 million to this Account to meet an increase in forecast drawdowns for scheme payments, civil litigation claims and administration costs across the forward estimates period.

Table 5.10

**NATIONAL REDRESS SCHEME AND CIVIL LITIGATION
FOR SURVIVORS OF INSTITUTIONAL CHILD SEXUAL ABUSE ACCOUNT**

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
<i>Opening Balance</i>	143	81	55	29	11
Receipts	-	10	-	-	-
Payments	62	36	26	18	10
Closing Balance	81	55	29	11	1

Note: Columns may not add due to rounding.

New Women and Babies Hospital Account

This Account was established in 2021-22 with an allocation of \$1,787 million to support the New Women and Babies Hospital Project.

Payments totalling \$1,003 million across 2024-25 to 2027-28 are for the construction of a new Women and Babies Hospital within the Fiona Stanley Hospital precinct in Murdoch, an expansion to obstetrics, birthing suites, theatres, gynaecology and related neonatal services at Osborne Park Hospital, and an expansion of neonatal services at Perth Children's Hospital.

Table 5.11

NEW WOMEN AND BABIES HOSPITAL ACCOUNT

	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
<i>Opening Balance</i>	1,778	1,761	1,710	1,577	1,236
Receipts	-	-	-	-	-
Payments	16	51	134	341	478
Closing Balance	1,761	1,710	1,577	1,236	758

Note: Columns may not add due to rounding.

Perth Parking Licensing Account

This Account was established in 1999 to set aside funds to be used to encourage a balanced transport system and improve the amenity of the Perth city area. Receipts consist of licence fees, penalties and money appropriated by Parliament.

Funds drawn from the Account are spent on the Central Area Transit (CAT) bus system, Free Transit Zone public transport services within central Perth, improving public transport access, enhancing the pedestrian environment, supporting bicycle access, improving the amenity and liveability of the Perth city area, and for administration of the *Perth Parking Management Act 1999*.

Table 5.12

PERTH PARKING LICENSING ACCOUNT

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	209	185	170	201	231
Receipts	60	62	65	67	69
Payments	84	77	33	38	27
Closing Balance	185	170	201	231	273

Note: Columns may not add due to rounding.

Remote Communities Fund

The Remote Communities Fund was established as part of the 2022-23 Budget, with a \$350 million State contribution to support essential infrastructure and services in remote Aboriginal communities in Western Australia.

As part of the 2022-23 Mid-year Review, monies held in the Fund were allocated to Horizon Power and the Water Corporation to upgrade water, wastewater, and power services (\$200 million), and to the Department of Communities (\$150 million) to build new houses, upgrade existing houses, and undertake municipal works.

Drawdowns from the Fund reflect the timing of these projects, including \$134 million in 2024-25 on essential water and power services (\$72.3 million) and housing and municipal services (\$61.6 million).

Table 5.13

REMOTE COMMUNITIES FUND

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	340	261	127	22	- ^(a)
Receipts	-	-	-	-	-
Payments	79	134	106	21	- ^(a)
Closing Balance	261	127	22	- ^(a)	-

(a) Amount less than \$500,000.

Note: Columns may not add due to rounding.

Road Trauma Trust Account

This Account was established to provide for road safety initiatives. Receipts reflect prescribed penalties paid during the year, other funds collected under the *Road Traffic (Administration) Act 2008*, and interest revenue earned on the Account balance.

Drawdowns in 2024-25 are for:

- the newly restructured Safe Speeds Enforcement Program resulting from the completion of the Infringement Management Reform Program (\$28.6 million) which will enable implementation of a modern infringement management system, payments by instalments, and new infringements for camera detected seat belt and mobile phone offences;

- the Regional Road Safety Improvements project (\$20 million) and the Metropolitan Intersections project (\$15 million) managed by Main Roads;
- continuation of the Impaired Driving Detection Program delivered by the Western Australia Police Force (\$12 million);
- the Community Education and Engagement Program (\$9.9 million), and policy, research and governance activities delivered by the Road Safety Commission (\$8.1 million); and
- a range of other road safety initiatives, including electronic school zone signs, RoadWise, School Drug Education and Road Aware Program, Alcohol Interlock Scheme, road trauma support services, and procurement and operation of additional safety cameras (\$29 million).

ROAD TRAUMA TRUST ACCOUNT

Table 5.14

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	95	85	65	46	28
Receipts	117	113	114	116	118
Payments	126	133	133	134	126
Closing Balance	85	65	46	28	21

Note: Columns may not add due to rounding.

Royalties for Regions Fund

The Royalties for Regions (RfR) Fund was established in 2008 to set aside a share of the State's annual royalty income to fund investment in regional Western Australia.

Receipts reflect interest on Fund balances, the return of unused funds by agencies, and the statutory funding for the program based on 25% of forecast royalty income at the time of the 2024-25 Budget (adjusted for the \$1 billion legislated cap on the Fund balance). Payments from the Fund include transfers to agencies that deliver RfR projects supporting infrastructure, business, economic development and other regional activities.

Details of the RfR program (and other regional spending) are available in Chapter 7: *Investing in Regional Western Australia*.

ROYALTIES FOR REGIONS FUND

Table 5.15

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	1,000	1,000	1,000	1,000	1,000
Receipts	1,024	1,279	1,024	914	784
Payments	1,024	1,279	1,024	914	784
Closing Balance	1,000	1,000	1,000	1,000	1,000

Note: Columns may not add due to rounding.

Royalties for Regions Regional Reform Fund

This Fund was approved as part of the 2015-16 Budget to receive \$150 million, transferred from the RfR Fund. Draw downs are to support strategic reforms in regional Western Australia, with a focus on regional Aboriginal reform initiatives.

Payments of \$43.8 million over the four years to 2027-28 will support the On-country Residential Youth Facilities, Leedal-Fitzroy Affordable Housing Project, Pilbara Safe Spaces program, Jalbi Jiya (Your Home) program, improvements to essential and municipal services in remote Aboriginal communities, the Kimberley Schools Unit, and the East Kimberley and Hedland Transitional Housing projects.

ROYALITES FOR REGIONS REGIONAL REFORM FUND

Table 5.16

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	18	6	-	-	-
Receipts	-	9	9	13	7
Payments	13	14	9	13	7
Closing Balance	6	-	-	-	-

Note: Columns may not add due to rounding.

Social and Affordable Housing Investment Fund

The Social Housing Investment Fund was established as part of the 2021-22 Budget to fund initiatives to increase the supply of social housing, with an initial allocation of \$750 million supported by a top-up of a further \$450 million in the 2023-24 Budget.

As part of this Budget, the Fund has been repurposed to also support affordable housing initiatives. Renamed the Social and Affordable Housing Fund, an additional \$400 million has been approved in this Budget to fund priority social and affordable housing projects, taking the Government's total investment in the Fund to \$1.6 billion.

A total of \$280.4 million has been allocated for approved projects over the forward estimates period, comprising:

- \$276.9 million for the Department of Communities to support continued investment in new social housing (\$140 million), grants for regional community housing providers (\$60 million), and a National Rental Affordability Scheme purchase program (\$56.2 million); and
- \$3.5 million allocated to the Department of Planning, Lands and Heritage to facilitate delivery of the Housing Diversity Pipeline.

A further \$340.3 million has been provisioned as asset investment pending the receipt of business cases for future social and affordable housing proposals. Further details on these spending initiatives are available in Chapters 5 and 6.

Table 5.17

SOCIAL AND AFFORDABLE HOUSING INVESTMENT FUND					
	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	499	643	856	462	18
Receipts	450	400	-	-	-
Payments	305	188	394	444	12
Closing Balance	643	856	462	18	6

Note: Columns may not add due to rounding.

Softwood Plantation Expansion Fund

This Fund was established in 2021-22 as part of the Government's Climate Action package, with \$350 million set aside to expand the State's softwood plantation estate and support the Western Australian timber and construction industries. At the same time, Fund investment will offset carbon dioxide production and support regional employment. Draw downs from the Fund support the acquisition of land and costs associated with the establishment of softwood plantations across the forward estimates period.

Table 5.18

SOFTWOOD PLANTATION EXPANSION FUND					
	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	319	252	216	193	164
Receipts	-	-	-	-	-
Payments	68	36	23	30	38
Closing Balance	252	216	193	164	126

Note: Columns may not add due to rounding.

Strategic Industries Fund

This Fund has been established as part of the 2024-25 Budget to support the development of Western Australia's Strategic Industrial Areas (SIAs). The Fund will receive an allocation of \$500 million in 2024-25.

Establishment of the Fund recognises that developing SIAs and making land project-ready requires a significant investment from the Government over a number of years. The Fund presents a clear signal to potential investors that the Government is committed to diversifying the State's economy by attracting new and emerging industries.

It is expected that a broad range of initiatives will be funded by this Fund. This includes the acquisition and development of industrial land, the provision of water and power supply, and case management of industry proponents.

This Budget makes an initial allocation of \$186 million over the forward estimates, primarily to fund spending by DevelopmentWA on land acquisition and development, and by the Department of Jobs, Tourism, Science and Innovation on planning, prioritisation and sequencing (see Chapter 5 for further details). A total of \$314 million remains to be allocated to new initiatives in future Budgets.

Table 5.19

STRATEGIC INDUSTRIES FUND

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
Opening Balance	-	-	418	367	340
Receipts	-	500	-	-	-
Payments	-	82	51	26	26
Closing Balance	-	418	367	340	314

Note: Columns may not add due to rounding.

Waste Avoidance and Resource Recovery Account

The Waste Avoidance and Resource Recovery Account was established in 2008 under section 79 of the *Waste Avoidance and Resource Recovery Act 2007* to hold revenue allocated from the waste levy. The purpose of the Account is to fund nominated programs and other waste management initiatives approved by the Minister for Environment.

A \$3 million increase in receipts in 2024-25 reflects an increase in the Waste Levy rate from 1 July 2024. This is expected to be offset by lower projected waste volumes from 2025-26.

Table 5.20

WASTE AVOIDANCE AND RESOURCE RECOVERY ACCOUNT

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
Opening Balance	42	36	31	25	25
Receipts	21	24	21	21	21
Payments	27	29	27	21	21
Closing Balance	36	31	25	25	25

Note: Columns may not add due to rounding.

Western Australian Future Health Research and Innovation Fund

The Western Australian Future Health Research and Innovation Fund was established under the *Western Australian Future Fund Amendment (Future Health Research and Innovation Fund) Act 2020*. This Act allocates 1% of forecast annual royalties to the Fund each year, with forecast receipts of \$77.7 million in royalty income and a further \$52.4 million in interest income in 2024-25.

Table 5.21

WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH AND INNOVATION FUND

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
Opening Balance	1,682	1,762	1,839	1,903	1,985
Receipts	131	130	122	141	136
Payments	51	52	59	59	59
Closing Balance	1,762	1,839	1,903	1,985	2,062

Note: Columns may not add due to rounding.

Annual payments from the Fund each year reflect the on-passing of budgeted interest earnings to WA Health, and are held in the Western Australian Future Health Research and Innovation Account (see following table). Drawdowns totalling \$247 million are forecast to be made from the Account over the period 2024-25 to 2027-28, supporting a range of health and medical research, innovation and commercialisation activities in Western Australia.

Table 5.22

WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH AND INNOVATION ACCOUNT					
	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
<i>Opening Balance</i>	55	19	20	13	3
Receipts	51	52	59	59	59
Payments	87	52	65	69	61
Closing Balance	19	20	13	3	-

Note: Columns may not add due to rounding.

Western Australian Student Assistance Payment Fund

This Fund has been established as part of the 2024-25 Budget, with a \$94.4 million allocation to support Western Australian families with a one-off payment in 2024 of \$150 for each kindergarten and primary student, and \$250 for each secondary student. The initiative commenced on 15 April 2024.

Table 5.23

WESTERN AUSTRALIAN STUDENT ASSISTANCE PAYMENT FUND					
	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
<i>Opening Balance</i>	-	-	-	-	-
Receipts	94	-	-	-	-
Payments	94	-	-	-	-
Closing Balance	-	-	-	-	-

Note: Columns may not add due to rounding.

Westport Account

This Account was established with a \$400 million contribution as part of the 2021-22 Budget to support the Westport project. Funding is to be drawn down upon approval of associated enabling works, including to support the Westport Office, and for strategic land acquisitions, environmental offsets and feasibility studies.

Rental income of \$11.7 million, derived from land acquisitions funded from the Account, is forecast to be paid into the Account over the period 2024-25 to 2027-28. Drawdowns totalling \$230.8 million are forecast across the same period for approved works, including Westport Office costs, strategic land acquisitions, feasibility studies on the Future of Fremantle, the Kwinana Rail Loop, and the possible relocation of the roll-on/roll-off, break and liquid bulk and livestock trades.

Table 5.24

WESTPORT ACCOUNT

	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	336	219	53	-	-
Receipts	3	3	3	3	3
Payments	120	169	56	3	3
Closing Balance	219	53	-	-	-

Note: Columns may not add due to rounding.

State Government Social Concessions Expenditure Statement

Introduction

The State Government provides social concessions in the form of rebates, discounts and waivers for services, and subsidies to help reduce the cost of living for individuals and families in need.

This appendix reports the entire range of social concessions provided by State Government agencies. The information provided reflects actual expenditure on each social concession by agency in 2022-23, and estimated expenditure in 2023-24 and 2024-25.

The total value of State Government social concessions in 2024-25 is estimated at \$3.6 billion, including \$2.3 billion in operating subsidies for electricity, water, and public transport services¹. These concessions are ongoing, and are in addition to the Household and Small Business Electricity Credit and the WA Student Assistance Payment implemented in this Budget.

General Notes on the Statement

For the purposes of this appendix, social concessions are defined as:

- discounts, rebates and waivers for services, and subsidies to improve access to, and affordability of, a range of services based on eligibility criteria related to factors such as age, income and special needs or disadvantage; and
- concessional prices for services provided by public non-financial corporations where the price charged to all consumers is less than the full cost of service provision, and grants paid to private and State training providers to subsidise the cost of training services.

¹ Operating subsidies for social concessions purposes form the vast bulk of operating subsidies reported in Appendix 8: *Public Corporations and Major Tariffs, Fees and Charges*.

2024-25 Economic and Fiscal Outlook

The information in this appendix is compiled from agency information.

The method of estimating the value of concessions varies. In some cases, the estimate reflects the amount of a good or service consumed at the concessional price or fare and is the difference between the concession and the otherwise applicable price or fare. In others, such as those involving a fixed annual charge, the estimates reflect the rebate or subsidy paid.

The estimated number of recipients is recorded against each social concession. Where the number of unique recipients is not recorded, the number of occasions the concession has been accessed is used instead.

Table 6.1

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

	2022-23	2022-23	2023-24	2023-24	2024-25	2024-25
	Actual	Actual	Estimated	Estimated	Budget	Budget
	\$'000	Recipients	Actual	Actual	Estimate	Estimate
			\$'000	Recipients	\$'000	Recipients
BIODIVERSITY, CONSERVATION AND ATTRACTIONS						
Perth Zoo						
- Children Under Four – Free Entry	5,414	156,474	5,408	148,972	5,713	149,952
- Children's Discount	1,589	91,826	1,722	87,423	1,813	87,999
- Education Excursion Discount	816	37,766	893	35,955	977	36,192
- Seniors and Concession Card Discounts	401	56,544	404	53,832	458	54,187
- Carers – Free Entry	229	6,633	229	6,315	242	6,356
National Parks						
- Day Entrance Fee Concessions ^(a)	477	75,048	525	75,048	525	75,048
- Annual Pass Concessions ^(a)	66	1,609	80	1,609	80	1,609
- RAC Concession Passes ^(a)	96	4,713	118	4,713	118	4,713
Geikie Gorge Boat Trip Concessions ^(b)	21	1,551	-	-	-	-
Penguin Island Experience Concessions ^(c)	11	8,038	-	-	-	-
Camping Concessions	702	154,580	702	154,580	702	154,580
Valley of the Giants Tree Top Walk Concession	102	20,418	102	20,418	102	20,418
Monkey Mia Conservation Park Entry Fee Concessions						
- Day Entry Pass Fee	60	13,253	60	13,253	60	13,253
- Monthly Entry Fee	17	3,765	17	3,765	17	3,765
Rottnest Island						
- Bike Hire (Pedal and Flipper)	7	1,292	8	1,350	9	1,500
- Tour Concessions (Wadjemup Lighthouse and Oliver Hill Gun and Tunnel) ^(d)	5	1,853	7	2,650	9	3,200
Leeuw in-Naturaliste National Park						
- Calgardup Cave	4	694	4	694	4	694
- Giants Cave	1	190	1	190	1	190
Yanchep National Park						
- Crystal Cave Concessions ^(e)	2	495	7	2,000	11	3,100
Dryandra Woodland Barna						
- Mia Night Tour Concession Fee	5	829	5	829	5	829
Sub Total	10,025		10,292		10,845	
BUNBURY WATER CORPORATION						
Pensioners and Seniors Consumption Rebate ^(f)	513	4,382	526	4,382	539	4382
Pensioners and Seniors Supply Charge Rebate ^(f)	331	3,618	339	3,618	345	3618
Ex-Gratia Water (Leak) Allowance	280	254	287	254	294	254
Sub Total	1,124		1,152		1,178	
BUSSELTON WATER CORPORATION						
Pensioners and Seniors Consumption Rebate ^(f)	398	3,367	412	3,367	416	3258
Pensioners and Seniors Supply Charge Rebate ^(f)	328	4,071	340	4,071	343	3858
Ex-Gratia Water (Leak) Allowance	43	56	46	60	40	55
Sub Total	769		798		799	

Note: Columns may not add due to rounding. There are no subtotals for recipient numbers due to the different methods used to calculate these values. Footnotes are on the last page of the table.

Table 6.1 (cont.)

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

	2022-23	2022-23	2023-24	2023-24	2024-25	2024-25
	Actual	Actual	Estimated	Estimated	Budget	Budget
	\$'000	Recipients	\$'000	Recipients	\$'000	Recipients
COMMUNITIES						
Rental Subsidy ^(g)	229,216	28,400	278,973	29,244	325,000	30,000
Seniors Cost of Living Rebate	26,101	311,836	28,820	316,513	27,400	368,784
Bond Assistance Loan Scheme – Interest Foregone	150	11,316	184	9,715	135	10,786
Centenarian Initiative	93	11	107	7	107	8
Rental Sales Scheme Subsidy	12	5	15	5	15	5
Sub Total	255,572		308,099		352,657	
EDUCATION						
Secondary Assistance Scheme						
- Education Program Allowance	5,789	24,689	5,899	25,161	5,970	25,464
- Clothing Allowance	2,839	24,689	2,894	25,161	2,928	25,464
- Abstudy Supplement	25	311	25	317	25	321
Boarding Away from Home Allowance						
- Isolated Children and Students in Respite	1,535	1,190	1,553	1,177	1,601	1,179
- Agriculture College – Special Subsidy	381	296	416	316	428	316
- Gifted and Talented Program	45	37	49	40	55	43
Sub Total	10,614		10,836		11,007	
FINANCE						
Seniors (25%) and Pensioners (50%) Rebates						
- Local Government Rates	113,299	243,240	122,835	247,618	133,043	251,828
- Emergency Services Levy	23,098	241,725	25,042	246,076	27,123	250,259
Energy Subsidies						
- Thermoregulatory Dysfunction	1,911	2,539	1,994	2,582	2,078	2,629
- Life Support Equipment	1,375	1,654	1,435	1,682	1,496	1,712
Energy Concession Extension Scheme ^(h)	2,183	6,517	2,913	8,500	3,037	8,645
Sub Total	141,866		154,219		166,777	
GOLD CORPORATION						
Perth Mint Admission Concessions	41	16,205	49	16,205	49	16,205
Sub Total	41		49		49	

Note: Columns may not add due to rounding. There are no subtotals for recipient numbers due to the different methods used to calculate these values. Footnotes are on the last page of the table.

Table 6.1 (cont.)

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

	2022-23	2022-23	2023-24	2023-24	2024-25	2024-25
	Actual	Actual	Estimated	Estimated	Budget	Budget
	\$'000	Recipients	Actual	Actual	Estimate	Estimate
			\$'000	Recipients	\$'000	Recipients
HEALTH						
Ambulance Services for Seniors ⁽ⁱ⁾	101,688	161,328	140,268	165,361	143,775	169,495
Patient Assisted Travel Scheme						
- WA Country Health Service	42,649	35,038	44,843	35,623	46,637	36,153
- Peel Health Service ⁽ⁱ⁾	17	43	10	25	10	25
Subsidised Dental Care						
- Dental Health Services	13,690	47,021	15,561	51,590	15,645	51,590
- Oral Health Centre of WA	12,650	12,705	15,571	13,905	16,147	13,905
Dental Subsidy Schemes						
- Country Patients	4,158	15,664	3,333	11,122	3,500	11,122
- Metropolitan Patients	4,299	11,128	3,756	10,384	3,500	10,384
Spectacle Subsidy Scheme	2,234	41,112	2,202	40,522	2,217	40,800
Child and Adolescent Health Service						
- Concession Parking	353	19,618	454	24,987	477	26,236
- Patient Meal Vouchers	93	3,481	103	3,939	108	4,103
- Patient Pre-loaded SmartRiders	4	727	4	741	4	778
Patient Cabcharge	767	12,346	724	11,321	743	11,553
Home Haemodialysis Subsidy	58	107	62	117	64	118
Regional Access Support Scheme – Voluntary						
Assisted Dying	142	78	156	129	149	104
Community Pharmacies ^(k)	196	8,632	196	8,640	196	8,640
Sub Total	182,999		227,243		233,172	
HORIZON POWER						
Tariff Equalisation Contribution ^(l)	175,000	n/a	197,000	n/a	230,000	n/a
Tariff Adjustment Payment ^(l)	961	36,603	2,143	36,970	2,474	36,973
Energy Assistance Payment ^(l)	1,868	7,904	2,147	6,981	2,171	6,923
Air Conditioning Rebate – Electricity ^(l)	992	2,871	1,187	3,178	1,207	3,151
Dependent Child Rebate ^(l)	832	2,859	996	2,283	1,009	2,268
Power for Remote Water and Waste Water						
Services ^(l)	910	53	770	53	770	53
Tariff Migration (Caravan Park Subsidy) ^(l)	70	9	61	9	40	9
Sub Total	180,633		204,304		237,671	
INSURANCE COMMISSION OF WESTERN AUSTRALIA						
Farm Vehicles – 50% Insurance Premium						
Rebate	1,379	7,695	1,419	7,745	1,478	7,874
Voluntary Emergency Vehicles	135	793	135	773	140	787
Sub Total	1,514		1,554		1,618	

Note: Columns may not add due to rounding. There are no subtotals for recipient numbers due to the different methods used to calculate these values. Footnotes are on the last page of the table.

Table 6.1 (cont.)

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

	2022-23	2022-23	2023-24	2023-24	2024-25	2024-25
	Actual	Actual	Estimated	Estimated	Budget	Budget
	\$'000	Recipients	\$'000	Recipients	Estimate	Estimate
					\$'000	Recipients
JUSTICE						
Legal Aid Concessions	62,042	159,381	73,646	157,997	73,646	157,997
Court and Tribunal Concessions	4,619	13,719	4,739	14,349	5,157	14,593
Public Trustee Concessions ^(l)	136	518	8,371	8,935	8,717	9,069
Registry of Births, Deaths and Marriages ^(m)	56	442	49	319	49	306
Sub Total	66,853		86,805		87,569	
KEYSTART HOUSING SCHEME TRUST						
Hardship Program ⁽ⁿ⁾	n/a	1,273	n/a	2,110	n/a	2210
LOCAL GOVERNMENT, SPORT AND CULTURAL INDUSTRIES						
KidSport Financial Assistance Vouchers	3,273	21,350	5,500	25,000	6,624	28,000
Museum Concessions ^(o)	1,566	237,246	2,037	238,664	938	102,078
Arts and Culture Trust Concessions (previously Perth Theatre Trust)	141	4,711	139	3,810	101	2,941
Holiday Camps (aka Recreation Camp Fee Concessions)	16	322	25	516	32	550
Sub Total	4,996		7,701		7,695	
MINES, INDUSTRY REGULATION AND SAFETY						
Building Commission – Complaint Fee Concessions	8	132	8	134	8	134
Sub Total	8		8		8	
NATIONAL TRUST OF AUSTRALIA (WA)						
Concession for Property Visitation	19	6,200	19	6,386	20	6,705
Children's Discount for Property Visitation	2	450	2	464	2	487
Sub Total	21		21		23	
PLANNING, LANDS AND HERITAGE						
Fremantle Prison Entry Concessions	666	64,404	751	71,187	797	71,187
Pension Protection Plan Fees and Charges (Rebates & Deferrals Act 1992)	3	1	4	1	5	1
Sub Total	669		755		802	
PRIMARY INDUSTRIES AND REGIONAL DEVELOPMENT						
Recreational Fishing Licence Fee Concessions						
- Fishing from a Boat	598	31,029	605	31,800	635	33,390
- Rock Lobster	271	11,789	290	12,200	304	12,810
- Net Fishing	101	4,405	108	4,550	113	4,777
- Abalone	62	2,655	65	2,750	58	2,887
- Marron	58	2,472	60	2,500	63	2,624
- South West Freshwater Angling	56	2,388	60	2,400	63	2,520
Sub Total	1,146		1,188		1,236	

Note: Columns may not add due to rounding. There are no subtotals for recipient numbers due to the different methods used to calculate these values. Footnotes are on the last page of the table.

Table 6.1 (cont.)

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

	2022-23	2022-23	2023-24	2023-24	2024-25	2024-25
	Actual	Actual	Estimated	Estimated	Budget	Budget
	\$'000	Recipients	Actual	Actual	Estimate	Estimate
			\$'000	Recipients	\$'000	Recipients
PUBLIC TRANSPORT AUTHORITY OF WESTERN AUSTRALIA						
Cost of Living Assistance						
- Summer of Free Public Transport	-	-	10,350	3,709,000	-	-
- Ride to School Free	-	-	5,000	6,643,000	10,000	13,286,000
- Fare Free Sundays	-	-	2,905	1,282,388	5,389	2,378,928
Transperth						
- General Fare Subsidy ^{(f)(p)}	907,211	71,773,359	953,890	78,767,409	1,029,240	83,841,562
- Concession Fares ^{(f)(p)}	58,021	28,900,222	64,623	32,185,967	68,512	33,518,704
- Free Transit Zone ^{(f)(p)}	20,209	11,802,506	20,398	12,087,997	20,516	12,390,197
- Pensioners, Seniors and Carers Free Travel ^(f)	15,054	4,600,295	17,109	5,142,076	18,587	5,432,500
- Perth Stadium Special Events ^{(f)(g)}	7,531	2,135,780	16,287	2,190,262	16,287	2,224,579
Regional Town Bus Services						
- General Fare Subsidy ^(f)	15,097	1,938,825	14,987	1,988,495	13,394	2,119,093
- Concession Fares ^(f)	3,649	1,649,642	4,257	1,812,252	5,239	1,910,578
- Pensioners, Seniors and Carers Free Travel ^(f)	610	223,488	268	93,228	499	152,775
Regional School Bus Services						
- General Fare Subsidy ^(f)	134,024	25,802	137,874	25,242	143,273	25,318
- Student Conveyance Allowance ^(f)	1,665	3,580	2,879	3,591	4,097	3,602
Transwa						
- General Fare Subsidy ^(f)	31,054	163,323	34,883	161,053	35,236	153,946
- Concession Fares ^(f)	3,790	171,492	3,855	170,658	3,786	163,886
- Annual Free Trip for Regional Pensioners ^(f)	1,914	19,379	1,938	19,222	1,894	18,403
Sub Total	1,199,829		1,291,503		1,375,949	
SYNERGY						
WA Government Energy Assistance Payment ^(f)	78,129	305,040	82,804	312,361	86,317	317,671
Dependent Child Rebate ^(f)	18,763	62,969	19,887	64,480	20,730	65,576
Customer De-energisation ^{(f)(r)}	1,604	40,170	1,639	43,300	1,636	39,823
Customer Re-energisation ^{(f)(r)}	1,085	27,103	1,270	29,609	898	27,042
Paper-Bill Fee Waiver ^(f)	1,537	231,432	1,591	236,986	1,618	241,015
Over the Counter Fee Waiver ^(f)	646	80,861	662	82,802	673	84,209
Account Establishment Fee Rebate ^(f)	957	22,882	851	23,431	866	23,829
Late Payment Fee Waiver ^(f)	460	46,461	471	47,576	445	48,385
Air Conditioning Allowance ^(f)	53	303	57	310	59	316
Sub Total	103,234		109,232		113,242	

Note: Columns may not add due to rounding. There are no subtotals for recipient numbers due to the different methods used to calculate these values. Footnotes are on the last page of the table.

Table 6.1 (cont.)

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

	2022-23	2022-23	2023-24	2023-24	2024-25	2024-25
	Actual	Actual	Estimated	Estimated	Budget	Budget
	\$'000	Recipients	\$'000	Recipients	Estimate	Estimate
					\$'000	Recipients
TRAINING AND WORKFORCE DEVELOPMENT						
Tuition Fees – Vocational Education and Training Courses						
- General Subsidy	349,456	66,664	380,666	69,097	401,804	68,878
- Concession Card Holders (70% Course Fee Discount) ^(s)	4,428	11,732	3,646	9,720	3,544	9,322
- Severe Financial Hardship (100% Course Fee Waiver) ^(s)	387	782	272	529	262	508
South West Bus Service – Fare Concessions	57	53	55	50	60	55
Sub Total	354,328		384,638		405,670	
TRANSPORT						
Light Vehicle Licence Fee Concessions						
- Pensioners, Veterans and Seniors (50% Discount)	35,935	212,407	37,953	216,036	40,087	219,727
- Pensioners and Veterans (100% Discount)	13,119	38,772	13,724	39,061	14,359	39,352
Travel Subsidy Schemes						
- Permanently Disabled – Taxi Subsidy	15,921	12,966	16,277	12,867	17,007	12,682
- Remote Boarding Students	1,082	1,289	982	1,174	946	1,100
- Seniors – Annual Free Trip South	694	843	861	1,020	971	1,116
- Seniors – Inter Town Bus Services	255	8,712	280	9,050	296	9,238
- Seniors – Intra Town Bus Services	121	75,086	130	78,721	165	82,531
Drivers Licence Fee Concessions						
- Pensioners, Veterans and Seniors (100% Discount)	3,898	83,202	4,306	91,914	4,876	104,079
- Pensioners, Veterans and Seniors (50% Discount)	1,966	64,443	2,173	71,260	2,485	81,489
Perth Parking Licence Fee – Social Exemptions	1,084	1,010	1,103	1,010	1,103	1,010
Sub Total	74,075		77,789		82,295	
WATER CORPORATION						
Country Customer Equity Policies						
- Country Water Pricing Subsidy (water services)	381,283	242,938	339,781	244,491	375,504	245,805
- Drainage Charge Exemption ^{(f)(k)}	33,264	n/a	30,218	n/a	31,264	n/a
Service Charge Rebates						
- Pensioner or State Concession Card Holders (up to 50%) ^(f)	66,996	158,410	72,639	160,726	72,767	162,563
- Dual Commonwealth Seniors Health Card and WA Seniors Card Holders (up to 50%) ^(f)	11,425	25,777	12,434	26,154	12,488	26,453
- WA Seniors Card Holders (up to 25%) ^(f)	4,294	59,926	4,589	60,802	4,522	61,497
- Rebates for Retirement Properties (up to 25%) ^(f)	3	36	3	37	3	37
Pensioners Consumption Concessions ^(f)	25,901	197,132	28,494	200,014	28,914	202,300
Ex-Gratia Water (Leak) Allowance ^(f)	15,094	25,221	15,471	25,221	15,861	25,221
Pensioners Rate Deferral Policy – Interest Costs ^{(f)(u)}	609	20,162	1,446	20,457	1,004	20,691
Medical Assist ^(f)	90	211	92	211	95	211
Sub Total	538,958		505,168		542,422	

Note: Columns may not add due to rounding. There are no subtotals for recipient numbers due to the different methods used to calculate these values. Footnotes are on the last page of the table.

Table 6.1 (cont.)

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

	2022-23	2022-23	2023-24	2023-24	2024-25	2024-25
	Actual	Actual	Estimated	Estimated	Budget	Budget
	\$'000	Recipients	Actual	Actual	Estimate	Estimate
			\$'000	Recipients	\$'000	Recipients
WESTERN AUSTRALIAN SPORTS CENTRE						
TRUST – VENUESWEST						
Aquatic Centre Entry Concessions						
- Single-entry	18	11,009	13	8,134	13	8,134
- Multi-entry (Aqua Card)	19	915	16	764	16	764
Fitness Membership Concessions	49	478	44	427	46	428
Sub Total	85		73		75	
Total	3,129,359		3,383,427		3,632,758	

- (a) From 1 July 2023, national park entry fees are GST exempt.
- (b) Tour is currently closed due to flooding in the Kimberley Region.
- (c) Penguin Island Discovery Centre is now closed.
- (d) Wadjemup Lighthouse was closed for part of 2022-23, resulting in a reduced number of recipients and concession value.
- (e) Crystal Cave has been closed since January 2023 for maintenance and risk management works and is expected to reopen in 2024.
- (f) Operating subsidies are reported in Appendix 8.
- (g) The number of recipients of rental subsidy has increased due to growth in the number of properties available through the Social Housing Economic Recovery Package (SHERP) and Spot Purchasing Program.
- (h) The 2023-24 Estimated Actual figures reflect the increase resulting from the impacts of the Household Electricity Credit Scheme.
- (i) From 1 January 2023, the cost of providing concessions on ambulance fees for seniors is subject to a new service agreement with St John Ambulance.
- (j) Decreased costs in 2023-24 compared to 2022-23 are patient driven due to particular patients accessing the scheme having a reduced number of specialist appointments.
- (k) Previous reporting of the number of recipients reflected the number of invoices received from community pharmacies. The methodology for calculating the number of recipients has been revised for prior years to improve reporting accuracy.
- (l) The 2023-24 and 2024-25 Budget Estimates are based on findings from Treasury's review of the Public Trustee's fees and funding model. The cost of concessions and number of recipients reflect fee reductions approved at the 2023-24 Budget, and a revised calculation methodology inclusive of all fee waivers, discounts and concessions across the Public Trustee's services.
- (m) There is a significant variation between the 2022-23 Actual compared to the 2023-24 Estimated Actual due to changes in the agreement between the Registry and Street Law.
- (n) A value for the Hardship Program concession cannot be identified as this program assists borrowers with reduced payments for up to six months with further extension subject to a case-by-case assessment. When the client comes out of the Hardship program, they generally resume making normal repayments. Volumes of hardship applications are expected to increase in 2023-24 as a result of higher interest rates and increased cost of living.
- (o) The reduction in recipients in 2024-25 is due to planned works on Perth Cultural Centre.
- (p) Higher costs and recipients are due to increased patronage driven by free travel initiatives and expanded public transport services.
- (q) The increase between 2022-23 and 2023-24 is a result of additional Perth Stadium events.
- (r) Anticipated cost associated with re-energisation and de-energisation will continue to decrease due to Advanced Metering Infrastructure across the SWIS. The increase in 2023-24 was to cover the increase in Western Power costs.
- (s) The decreases in the total cost of concessions has resulted from lower demand for fee relief due to lower fee offerings.
- (t) Customer numbers are not applicable to this subsidy.
- (u) The increase between 2022-23 and 2023-24 reflects an increase in interest rates.

Note: Columns may not add due to rounding. There are no subtotals for recipient numbers due to the different methods used to calculate these values.

2024-25 Economic and Fiscal Outlook

Asset Investment Program – Summary of Expenditure and Source of Funds

Overview

This appendix summarises asset investment expenditure by agencies within portfolio groups, and the sources of funds for the aggregate Asset Investment Program by year.

Table 7.1

ASSET INVESTMENT PROGRAM

	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m
PARLIAMENT					
Parliamentary Services	1.6	7.2	3.5	2.9	1.5
Parliamentary Commissioner for Administrative Investigations	0.6	0.2	0.2	0.2	0.2
GOVERNMENT ADMINISTRATION					
Premier and Cabinet	3.8	2.5	1.9	1.5	1.6
Public Sector Commission	0.1	0.1	19.3	0.1	0.1
Governor's Establishment	0.9	0.1	0.1	0.1	0.1
Western Australian Electoral Commission	0.6	0.7	0.3	0.3	0.3
Office of the Information Commissioner	1.4	-	-	-	-
WorkCover WA Authority	0.7	0.7	1.1	2.3	0.7
Registrar, Western Australian Industrial Relations Commission	0.2	0.2	0.2	0.2	0.2
FINANCIAL ADMINISTRATION					
Treasury	0.9	0.9	0.9	0.9	0.9
Western Australian Treasury Corporation	0.4	0.3	0.2	0.2	0.2
Office of the Auditor General	2.7	1.2	0.7	0.7	0.7
Finance	164.4	132.3	95.5	97.4	97.4
Insurance Commission of Western Australia	5.0	6.1	5.1	5.1	5.1
JOBS AND ECONOMIC DEVELOPMENT					
Jobs, Tourism, Science and Innovation	1.3	2.5	0.6	0.6	1.0
Primary Industries and Regional Development	-22.3 ^(a)	65.7	149.7	165.2	22.0
Energy, Mines, Industry Regulation and Safety	11.2	9.7	4.2	0.9	0.9
Gold Corporation	32.5	23.3	17.5	13.3	8.9
Western Australian Meat Industry Authority	0.5	0.5	0.5	0.5	0.5
Small Business Development Corporation	-	0.7	0.2	-	-(b)
Economic Regulation Authority	-	0.7	-	-	-
Forest Products Commission	60.1	29.5	14.8	21.9	22.1
Racing and Wagering Western Australia	23.7	17.7	9.7	5.9	5.9
Western Australian Greyhound Racing Association	0.4	0.3	0.3	0.3	0.3
Burswood Park Board	4.9	3.4	0.4	0.5	0.4
HEALTH					
WA Health	444.4	864.2	760.0	930.5	775.2
Mental Health Commission	-	7.0	13.7	0.7	-
Health and Disability Services Complaints Office	-(b)	-	-	-	-

ASSET INVESTMENT PROGRAM

Table 7.1 (cont.)

	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m
EDUCATION AND TRAINING					
Education	621.1	607.8	504.2	302.2	191.4
Training and Workforce Development	120.2	64.7	21.7	16.1	15.3
TAFE Colleges	26.8	8.7	7.7	7.7	7.7
Building and Construction Industry Training Board	1.7	0.5	0.5	0.5	0.5
COMMUNITY SAFETY					
Western Australia Police Force	103.1	126.1	85.5	70.4	23.9
Justice	89.2	137.8	57.3	20.1	16.9
Legal Aid Commission of Western Australia	3.1	2.5	0.2	0.1	0.3
Fire and Emergency Services	55.2	79.8	41.8	31.6	32.1
Office of the Director of Public Prosecutions	3.2	8.9	0.6	1.1	0.5
Corruption and Crime Commission	1.5	1.3	1.3	1.3	1.3
Chemistry Centre (WA)	6.0	4.2	2.5	2.5	2.5
COMMUNITY SERVICES					
Communities	553.8	588.9	490.1	373.9	207.1
Keystart Housing Scheme Trust	1.4	1.2	1.2	1.2	1.2
Local Government, Sport and Cultural Industries	55.0	170.9	256.9	124.5	40.9
Western Australian Sports Centre Trust	41.4	47.5	28.8	20.5	20.8
Western Australian Institute of Sport	0.1	0.1	0.1	0.1	0.1
Lotteries Commission	1.3	2.2	1.4	1.2	1.2
Metropolitan Cemeteries Board	10.7	10.7	10.1	10.4	10.9
TRANSPORT					
Transport	42.0	110.8	133.1	69.8	22.1
Commissioner of Main Roads	2,559.1	2,074.8	1,470.8	1,376.6	648.6
Public Transport Authority of Western Australia	3,634.1	3,048.7	1,445.8	438.0	258.7
Fremantle Port Authority	94.3	116.8	67.5	49.6	30.6
Kimberley Ports Authority	12.3	14.3	6.7	5.1	5.2
Mid West Ports Authority	62.6	124.5	189.0	60.6	9.9
Pilbara Ports Authority	284.7	479.1	532.2	105.8	61.7
Southern Ports Authority	70.4	69.1	50.7	35.2	21.3
ENVIRONMENT					
Water and Environmental Regulation	26.7	38.9	15.6	15.7	12.3
Biodiversity, Conservation and Attractions	131.0	224.3	143.0	101.6	63.0

Table 7.1 (cont.)

ASSET INVESTMENT PROGRAM

	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m
PLANNING AND LAND USE					
Planning, Lands and Heritage	31.2	31.9	6.2	1.8	1.8
Land Information Authority (Landgate)	5.3	11.5	8.4	8.4	8.4
Western Australian Planning Commission	104.7	73.9	48.3	47.3	47.3
DevelopmentWA	489.6	681.9	563.4	324.2	281.0
National Trust of Australia (WA)	0.9	4.8	3.7	1.3	0.7
UTILITIES					
Synergy	837.9	1,228.0	140.1	42.1	40.1
Western Power	1,026.9	1,373.0	1,267.6	1,246.9	1,181.8
Horizon Power	138.2	189.1	125.2	114.1	73.5
Water Corporation	916.7	1,703.0	2,055.4	1,532.4	1,046.7
Bunbury Water Corporation	16.0	18.7	10.4	2.7	2.7
Busselton Water Corporation	6.1	9.8	6.2	5.3	16.3
PROVISIONS					
METRONET Projects Under Development	-	28.4	139.5	266.7	251.8
Smoothing Provision	-2,400.0	-3,000.0	-	2,000.0	2,500.0
Provision for Aluminium Composite Panel Cladding	-	41.7	27.8	-	-
Provision for Climate Action Fund	11.0	10.0	69.0	-	-
Provision for Construction Cost Relief	9.4	-	-	-	-
Provision for Decarbonisation of the South West Interconnected System (SWIS)	162.8	241.6	63.4	-	-
Provision for Murdoch Health and Knowledge Precinct Infrastructure	-	0.4	17.7	51.9	96.8
Provision for Land Acquisition	64.4	62.2	29.6	3.0	3.0
Provision Social and Affordable Housing Investment Fund	6.8	42.5	132.7	232.4	-
Provision for SWIS Demand Assessment – Northern Corridor Stage 1	17.0	128.0	192.5	237.5	-
Inter-agency Purchases	-161.4	-144.2	-4.9	-21.0	-36.4
TOTAL	10,635.5	12,079.0	11,569.0	10,592.3	8,169.7

ASSET INVESTMENT PROGRAM

Table 7.1 (cont.)

	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m
<i>Funded by:</i>					
APPROPRIATIONS					
Capital Appropriation	4,475.4	7,302.9	3,973.4	2,071.9	1,099.4
OTHER FUNDING					
Holding Account	191.0	131.6	114.1	108.5	97.3
Agency Borrowings	2,119.5	1,883.4	3,231.1	2,274.8	1,576.7
Royalties for Regions	237.2	332.6	186.3	161.6	41.5
Commonwealth Grants	1,634.2	901.8	787.0	684.0	208.3
Land and Property Sales	207.4	27.6	27.4	36.5	36.8
Internal Funds and Balances	3,192.8	3,671.5	2,438.8	2,384.7	2,084.2
Special Purpose Accounts					
Asset Maintenance Fund	21.8	66.6	43.3	14.4	0.8
Climate Action Fund	477.2	131.5	70.5	0.4	-
Digital Capability Fund	152.1	263.9	90.0	41.8	0.5
New Women and Babies Hospital Account	16.4	50.7	133.5	340.6	478.1
Remote Communities Fund	26.8	52.5	53.7	-	-
Social and Affordable Housing Investment Fund	223.7	163.4	364.1	435.3	8.0
Softwood Plantation Expansion Fund	59.9	27.7	14.6	21.7	21.9
Strategic Industries Fund	-	71.3	41.3	16.3	16.3
Smoothing Provision	-2,400.0	-3,000.0	-	2,000.0	2,500.0
TOTAL	10,635.5	12,079.0	11,569.0	10,592.3	8,169.7

(a) 2023-24 AIP for the Department of Primary Industries and Regional Development includes the capital component of the Underspend Provision for the Royalties for Regions Program (see Chapter 7: *Investing in Regional Western Australia*).

(b) Amount less than \$50,000.

Note: Columns may not add due to rounding.

2024-25 Economic and Fiscal Outlook

Public Corporations and Major Tariffs, Fees and Charges

Corporatised public enterprises (also known as Government Trading Enterprises or GTEs) are generally liable for income tax equivalent and dividend payments to the State. Several public corporations are also liable for local government rate equivalent payments. These payments are levied by the State to ensure competitive neutrality (i.e. a 'level playing field') between public and private sector business activities.

The Government also has a role in setting household tariffs, fees and charges to ensure an appropriate balance between cost recovery and impacts on households. Where the cost of providing a service is not fully recovered from customers, some public corporations receive operating subsidies. Some of these operating subsidies reflect lower than cost-reflective tariffs, fees and charges that benefit all households, while others are only targeted at certain groups such as pensioners, seniors, or consumers in regional areas.

The general government sector is expected to pay a net \$1.5 billion to public corporations in 2024-25 (see following table), with subsidy payments to public corporations (\$4 billion) expected to exceed tax equivalent and dividend revenue received from these corporations (\$2.5 billion). This includes operating subsidy payments to Synergy and Horizon Power for the \$400 Household and Small Business Electricity Credit to be paid from July 2024.

PUBLIC CORPORATIONS
Revenue to and Expenses from the General Government Sector ^(a)

	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m
Electricity Corporations		
Dividends, Tax Equivalents, and Local Government Rate Equivalents		
Horizon Power	2.4	10.6
Synergy	0.6	0.6
Western Power	97.7	430.3
<i>Subtotal</i>	<i>100.7</i>	<i>441.5</i>
Operating Subsidies		
Horizon Power	87.2	70.0
Synergy	952.4	831.3
Western Power	-	-
<i>Subtotal</i>	<i>1,039.6</i>	<i>901.3</i>
Other Subsidies		
Horizon Power	0.5	1.1
Synergy	12.9	12.7
Western Power	1.5	-
<i>Subtotal</i>	<i>14.9</i>	<i>13.8</i>
<i>Net Electricity Corporations</i>	<i>-953.8</i>	<i>-473.6</i>
Water Corporation		
Dividends, Tax Equivalents, and Local Government Rate Equivalents		
Operating Subsidies	605.7	681.4
Other Subsidies	66.6	82.9
<i>Net Water Corporation</i>	<i>-219.7</i>	<i>584.0</i>
Public Transport Authority ^(b)		
Operating Subsidies		
Other Subsidies	30.7	28.5
<i>Net Public Transport Authority</i>	<i>-1,323.6</i>	<i>-1,394.8</i>
Other Public Corporations		
Dividends, Tax Equivalents, and Local Government Rate Equivalents		
Operating Subsidies	188.1	277.7
Other Subsidies	567.5	620.7
<i>Net Other Public Corporations</i>	<i>-291.5</i>	<i>-215.6</i>
Total revenue from Public Corporations	1,017.5	2,472.6
Dividends		
Income Tax Equivalents	210.8	1,570.8
Local Government Rate Equivalents	775.0	868.9
	31.6	32.9
Total expense to Public Corporations	3,806.1	3,972.6
Operating Subsidies		
Other Subsidies	3,126.4	3,226.8
	679.7	745.8
Net impact on General Government Sector ^(c)	-2,788.6	-1,500.0

(a) Revenue includes dividends, tax equivalent payments and local government rate equivalents. Expenses include operating subsidies and grants funded from the Consolidated Account and other subsidies funded from other sources such as the Royalties for Regions Fund (capital appropriations to public corporations are not included).

(b) The Public Transport Authority does not pay dividends or tax equivalent payments.

(c) A positive total for the net impact on the general government sector means that the sector receives more revenue from public corporations than it pays out in subsidies, and vice versa for a negative total.

Note: Columns may not add due to rounding.

Revenue

General government sector revenue from public corporations in 2024-25 is estimated to total \$2.5 billion, comprising \$1.6 billion in dividend payments, \$869 million in income tax equivalent payments, and \$33 million in local government rate equivalent payments.

This is \$1.5 billion higher than in 2023-24, and mainly reflects GTEs making dividend payments in 2024-25 after most were permitted to retain 2023-24 dividends for future investment in infrastructure.

A detailed list of revenue items from individual public corporations to the general government sector is provided in the following table.

Table 8.2

GENERAL GOVERNMENT REVENUE FROM PUBLIC CORPORATIONS

Details of Revenue	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m
ELECTRICITY CORPORATIONS					
Horizon Power					
Income tax expense	1.7	3.9	6.3	5.9	11.0
Local government rates expense	0.8	0.8	0.8	0.8	0.8
Dividends	-	5.8	9.9	10.5	17.0
<i>Subtotal</i>	<i>2.4</i>	<i>10.6</i>	<i>16.9</i>	<i>17.2</i>	<i>28.8</i>
Synergy					
Local government rates expense	0.6	0.6	0.6	0.6	0.6
<i>Subtotal</i>	<i>0.6</i>	<i>0.6</i>	<i>0.6</i>	<i>0.6</i>	<i>0.6</i>
Western Power					
Income tax expense	96.0	155.0	169.3	178.4	148.8
Local government rates expense	1.7	1.7	1.8	1.8	1.9
Dividends	-	273.6	316.9	323.1	294.0
<i>Subtotal</i>	<i>97.7</i>	<i>430.3</i>	<i>488.0</i>	<i>503.3</i>	<i>444.6</i>
WATER CORPORATIONS					
Water Corporation					
Income tax expense	444.2	497.2	487.3	494.7	491.1
Local government rates expense	8.4	8.6	8.8	9.0	9.2
Dividends	-	842.5	861.7	907.1	949.3
<i>Subtotal</i>	<i>452.6</i>	<i>1,348.3</i>	<i>1,357.9</i>	<i>1,410.9</i>	<i>1,449.7</i>
Bunbury Water Corporation					
Income tax expense	1.7	2.6	3.6	3.7	3.9
Local government rates expense	0.1	0.1	0.1	0.1	0.1
Dividends	-	1.2	2.0	2.7	2.8
<i>Subtotal</i>	<i>1.7</i>	<i>3.9</i>	<i>5.6</i>	<i>6.5</i>	<i>6.8</i>
Busselton Water Corporation					
Income tax expense	0.9	1.6	1.5	1.6	1.4
Local government rates expense	0.1	0.1	0.1	0.1	0.1
Dividends	-	1.8	4.1	3.9	4.0
<i>Subtotal</i>	<i>1.0</i>	<i>3.4</i>	<i>5.6</i>	<i>5.5</i>	<i>5.5</i>
PORT AUTHORITIES					
Fremantle Port Authority					
Income tax expense	20.8	21.6	20.4	21.9	23.3
Local government rates expense	0.7	1.0	1.0	1.0	1.1
Dividends	-	35.1	33.7	35.0	37.4
<i>Subtotal</i>	<i>21.5</i>	<i>57.7</i>	<i>55.1</i>	<i>57.9</i>	<i>61.8</i>
Kimberley Ports Authority					
Income tax expense	1.0	0.7	0.8	0.2	0.3
Local government rates expense	0.2	0.1	0.1	0.1	0.1
Dividends	-	1.7	1.8	0.7	0.5
<i>Subtotal</i>	<i>1.2</i>	<i>2.5</i>	<i>2.7</i>	<i>1.0</i>	<i>0.9</i>
Mid West Ports Authority					
Income tax expense	16.1	18.5	32.7	51.2	49.2
Local government rates expense	1.1	1.1	1.2	1.2	1.3
Dividends	-	31.4	51.0	81.5	87.0
<i>Subtotal</i>	<i>17.2</i>	<i>51.0</i>	<i>84.8</i>	<i>134.0</i>	<i>137.6</i>

Note: Columns may not add due to rounding.

Table 8.2 (cont.)

GENERAL GOVERNMENT REVENUE FROM PUBLIC CORPORATIONS					
	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m
Details of Revenue					
Pilbara Ports Authority					
Income tax expense	110.4	111.2	118.0	116.9	112.5
Local government rates expense	3.9	4.0	4.1	4.2	4.3
Dividends	-	220.1	230.7	232.5	225.3
<i>Subtotal</i>	<i>114.3</i>	<i>335.2</i>	<i>352.8</i>	<i>353.6</i>	<i>342.1</i>
Southern Ports Authority					
Income tax expense	16.8	20.3	24.7	27.3	31.5
Local government rates expense	0.9	1.0	1.0	1.0	1.1
Dividends	-	34.0	41.3	46.6	53.3
<i>Subtotal</i>	<i>17.7</i>	<i>55.3</i>	<i>67.1</i>	<i>75.0</i>	<i>85.9</i>
OTHER AGENCIES					
DevelopmentWA					
Income tax expense	1.3	5.7	24.2	27.3	17.4
Local government rates expense	12.6	13.0	13.4	13.8	14.2
Dividends	5.6	48.7	41.1	42.3	47.7
<i>Subtotal</i>	<i>19.5</i>	<i>67.4</i>	<i>78.7</i>	<i>83.3</i>	<i>79.3</i>
Gold Corporation					
Income tax expense	1.4	3.3	7.1	7.6	8.2
Local government rates expense	0.2	0.2	0.2	0.2	0.2
Dividends	-	6.8	10.1	16.8	17.7
<i>Subtotal</i>	<i>1.6</i>	<i>10.2</i>	<i>17.4</i>	<i>24.6</i>	<i>26.1</i>
Western Australian Treasury Corporation					
Income tax expense	7.9	7.9	7.9	8.4	8.9
Dividends	32.8	14.0	13.9	13.9	14.6
<i>Subtotal</i>	<i>40.8</i>	<i>21.9</i>	<i>21.9</i>	<i>22.3</i>	<i>23.5</i>
Insurance Commission of Western Australia					
Income tax expense	54.9	18.7	14.7	7.1	1.6
Dividends	172.4	54.3	54.8	54.6	53.7
<i>Subtotal</i>	<i>227.3</i>	<i>73.0</i>	<i>69.5</i>	<i>61.7</i>	<i>55.3</i>
Forest Products Commission					
Income tax expense	-	0.7	2.3	2.0	1.7
Local government rates expense	0.5	0.6	0.6	0.6	0.6
<i>Subtotal</i>	<i>0.5</i>	<i>1.3</i>	<i>2.9</i>	<i>2.6</i>	<i>2.4</i>
Subtotal Amounts					
Income tax expense ^(a)	775.0	868.9	920.9	954.1	910.8
Local government rates expense	31.6	32.9	33.8	34.7	35.7
Dividends	210.8	1,570.8	1,672.8	1,771.3	1,804.4
TOTAL	1,017.5	2,472.6	2,627.5	2,760.0	2,750.8

(a) Some general government sector agencies (e.g. the Western Australian Land Information Authority (Landgate)) are eligible to pay income tax equivalent payments. As these agencies are not in the public non-financial corporation or public financial corporation sectors, they are not reflected in this table.

Note: Columns may not add due to rounding.

Dividends

Dividend Payout Ratios

Public corporation dividend payout ratios are considered as part of the annual Budget process to determine appropriate returns to the Government as the sole shareholder of these entities. Currently approved payout ratios (reflected as a share of each corporations' net profit after tax) are reflected in the following table. There have been no changes to dividend payout ratios as part of this Budget.

PUBLIC CORPORATION DIVIDEND PAYOUT RATIOS					
	2023-24	2024-25	2025-26	2026-27	2027-28
	%	%	%	%	%
Horizon Power	75	75	75	75	75
Synergy	75	75	75	75	75
Western Power	75	75	75	75	75
Water Corporation	85	85	85	85	85
Busselton Water Corporation	85	85	85	85	85
Bunbury Water Corporation	85	85	85	85	85
Fremantle Port Authority	75	75	75	75	75
Kimberley Ports Authority	75	75	75	75	75
Mid West Ports Authority	75	75	75	75	75
Pilbara Ports Authority	85	85	85	85	85
Southern Ports Authority	75	75	75	75	75
DevelopmentWA ^(a)	75	75	75	75	75
Gold Corporation	75	75	75	75	75
Western Australian Treasury Corporation	75	75	75	75	75
Insurance Commission of Western Australia ^(b)	75	75	75	75	75
Forest Products Commission	75	75	75	75	75

(a) DevelopmentWA's dividend arrangement consists of a net profit after tax payout ratio and several special dividends because of undertaking Government commitments.

(b) Annual ratio may be adjusted based on the need to maintain appropriate capital adequacy and any other factors or circumstances considered by the Board of the Insurance Commission of Western Australia.

Note: The Western Australian Land Information Authority (Landgate) is eligible to pay dividends to Government. However, as this agency is not in the public corporations sector, it is not included in this table.

Expenses

Total subsidies provided to public corporations in 2024-25 are estimated at \$4 billion, an increase of \$166.5 million from 2023-24. The general government sector is forecast to pay a total of \$12.8 billion across the four-year period to 2027-28 to subsidise services provided by public corporations, and to reduce cost pressures on consumers.

Amongst other factors, the size of the operating subsidies paid to public corporations is affected by the Government's decisions on the tariffs, fees and charges to be paid by consumers. The approved changes to tariffs, fees and charges in 2024-25 are outlined later in this appendix.

Public transport fares and water tariffs in regional areas remain well below the cost of service delivery. In this regard:

- the expected cost recovery rate for metropolitan public transport services is 18.7% in 2024-25; and
- the Water Corporation is expected to receive operating subsidies totalling \$681.4 million in 2024-25, a significant portion of which (an estimated \$475.5 million) is to support the provision of water, wastewater and drainage services to regional areas. These services will have a cost recovery rate of 54% in 2024-25.

The decision to increase the residential electricity tariff by 2.5% (less than forecast growth in the Consumer Price Index of 3%) in 2024-25 results in the tariff remaining below the cost of supply in 2024-25, with an estimated cost recovery rate of 93%.

Household and Small Business Electricity Credit

To alleviate cost of living pressures for Western Australians, \$481.6 million will be provided to Synergy and Horizon Power's residential and small business customers through a \$400 Electricity Credit, to be rolled out from July 2024. A further \$10.8 million will be provided to the Department of Finance and Small Business Development Corporation to deliver the credit to households and small businesses that are not direct customers of Synergy or Horizon Power.

Synergy Financial Viability Subsidies

Synergy will continue to be provided operating subsidies to fund a range of revenue shortfalls, as reflected in the following table. The subsidies will ensure that Synergy is appropriately compensated for activities that it is required to undertake on behalf of the Government (such as rebates and concessions) and include the System Security Transition Payment (SSTP). The SSTP is a subsidy that recognises Synergy is required to be the provider of last resort, in order to maintain the security and reliability of the energy market, despite the costs of operating its electricity generation fleet exceeding the benefits it receives from the market. The SSTP will be reassessed at upcoming Budget processes, pending how Synergy is tracking with its renewable assets projects, which are expected to assist Synergy in transitioning back to a profit earning entity.

Table 8.4

SYNERGY FINANCIAL VIABILITY SUBSIDIES

	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m	Total 2024-25 to 2027-28 \$m
Distributed Energy Buyback Scheme	0.9	1.3	2.1	2.1	1.8	7.3
Over-the-Counter and Paper-Bill Fee Recovery	2.3	2.3	2.3	2.4	2.4	9.4
Re- and De-energisation Fee Recovery	2.9	2.5	2.1	1.5	1.5	7.6
System Security Transition Payment	150.9	137.8	-	-	-	137.8
Tariff Equalisation Contribution Recovery	107.0	108.1	112.4	117.8	117.8	456.1
Wholesale Electricity Market Reform	4.3	-	-	-	-	-
TOTAL	268.3	252.0	118.9	123.8	123.5	618.2

Regional Utilities Pricing Subsidies

The provision of water and electricity services to regional areas, at the same or similar price levels to those in the metropolitan region, has a significant impact on the State's finances.

Water Corporation Country Water Pricing Subsidy

The Water Corporation's Country Water Pricing Subsidy totals \$2.1 billion over the forward estimates period. The subsidy funds the gap between the cost of providing water, wastewater and drainage services in regional areas and the revenue received from customers receiving those services. The subsidy is funded from the Consolidated Account.

Regional Electricity Subsidies

Horizon Power receives the Tariff Equalisation Contribution (TEC) subsidy due to the Government's Uniform Tariff Policy, whereby all residential and small business customers pay the same regulated charges for electricity services.

The TEC funds the difference between the efficient costs of supply in the South West Interconnected System and Horizon Power's (higher regional) costs. The TEC is funded by Western Power's network distribution customers (Synergy and other electricity retailers).

In 2024-25, approximately 54% of the TEC will be funded by an operating subsidy provided to Synergy to compensate it for its residential tariffs under-recovering the cost of supply (which includes the TEC). The remaining 46% of the TEC will be funded by commercial customers (both Synergy and non-Synergy).

The value of the Country Water Pricing Subsidy and the TEC (provided to the Water Corporation and Horizon Power respectively) is outlined below.

Table 8.5

REGIONAL UTILITIES PRICING SUBSIDIES						
	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m	Total 2024-25 to 2027-28 \$m
Country Water Pricing Subsidy	410.7	475.5	517.8	536.0	566.2	2,095.4
Tariff Equalisation Contribution	197.0	230.0	236.0	234.0	242.0	942.0
TOTAL	607.7	705.5	753.8	770.0	808.2	3,037.4

Note: Columns may not add due to rounding.

A detailed list of expenses to individual public corporations from the general government sector is provided in the following table.

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

Table 8.6

Details of Payment	Funding Department	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m
ELECTRICITY CORPORATIONS						
<i>Operating Subsidies</i>						
Air Conditioning Allowance (North of 26 th Parallel)	Treasury	1.2	1.2	1.3	1.3	1.3
Case Management Support for Customers in Hardship	Treasury	0.4	0.4	0.4	0.4	0.4
Continuity of Esperance Energy Supply	Treasury	2.5	-	-	-	-
Cost of Living – State and Commonwealth Government Electricity Credits	Treasury	20.5	-	-	-	-
Cost of Living – Household and Small Business Electricity Credits	Treasury	-	19.6	-	-	-
Dependent Child Rebate	Treasury	1.0	1.0	1.0	1.1	1.1
Electric Vehicle Charging Network	Treasury	0.3	0.3	0.3	0.3	0.4
Emergency Electricity Generation	Treasury	5.5	-	-	-	-
Renewable Energy Development	Treasury	3.1	-	-	-	-
Remote Communities Essential Services	Treasury	0.8	0.8	0.8	0.8	0.9
Retail Business Priority Improvements	Treasury	0.6	-	-	-	-
Tariff Adjustment Payment	Treasury	2.1	2.5	-	-	-
Tariff Migration – Movement to L2 and A2 Tariff	Treasury	0.1	-(b)	-(b)	-(b)	-(b)
Tender Outcomes and Contract Negotiations	Treasury	5.7	-	-	-	-
Transfer of Essential Services	Treasury	1.3	1.3	1.3	11.0	11.4
Transfer of Essential Services – Remote Communities	Treasury	9.4	9.5	8.6	-	-
Transfer of Essential Services – Royalties for Regions	Treasury	30.6	31.2	32.0	32.0	32.0
WA Government Energy Assistance Payment	Treasury	2.1	2.2	2.3	2.3	2.4
<i>Other Subsidies</i>						
Energy Ahead (formerly the Household Energy Efficiency Scheme)	DEMIRS ^(c)	0.3	0.9	-	-	-
Hardship Utility Grant Scheme	Communities ^(d)	0.2	0.2	0.2	0.2	0.2
<i>Subtotal</i>		<i>87.7</i>	<i>71.1</i>	<i>48.2</i>	<i>49.4</i>	<i>50.1</i>

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS ^(a)

Details of Payment	Funding Department	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m
Synergy						
<i>Operating Subsidies</i>						
Account Establishment Fee Rebate	Treasury	0.9	0.9	0.9	0.9	0.9
Air Conditioning Allowance	Treasury	0.1	0.1	0.1	0.1	0.1
Cost of Living Support – Household and Small Business Electricity Credits	Treasury	-	462.0	-	-	-
Cost of Living Support – State and Commonwealth Government Electricity Credits	Treasury	531.0	-	-	-	-
Customer Engagement Platform	Treasury	10.0	1.0	-	-	-
Dependent Child Rebate	Treasury	19.9	20.7	21.6	22.5	23.5
Distributed Energy Buyback Scheme	Treasury	0.9	1.3	2.1	2.1	1.8
Electric Vehicle Charging Network	Treasury	0.1	0.1	-	-	-
Emergency Solar Management	Treasury	6.1	6.1	6.1	-	-
Energy Review Board	Treasury	30.0	-	-	-	-
Hardship Response	Treasury	1.7	1.7	1.7	1.7	1.7
Late Payment Fee Waiver	Treasury	0.5	0.4	0.5	0.5	0.5
Over the Counter and Paper-Bill Fee Recovery	Treasury	2.3	2.3	2.3	2.4	2.4
Re- and De-energisation Fee Recovery	Treasury	2.9	2.5	2.1	1.5	1.5
Smart Energy for Social Housing	Treasury	1.0	-	-	-	-
System Security Transition Payment	Treasury	150.9	137.8	-	-	-
Tariff Equalisation Contribution Recovery	Treasury	107.0	108.1	112.4	117.8	117.8
WA Government Energy Assistance Payment	Treasury	82.8	86.3	90.0	93.8	97.8
Wholesale Electricity Market Reform	Treasury	4.3	-	-	-	-
<i>Other Subsidies</i>						
Energy Ahead (formerly Household Energy Efficiency Scheme)	DEMIRS ^(c)	5.0	4.8	-	-	-
Hardship Utility Grant Scheme	Communities ^(d)	7.9	7.9	7.9	7.9	7.9
<i>Subtotal</i>		<u>965.3</u>	<u>844.0</u>	<u>247.6</u>	<u>251.1</u>	<u>255.7</u>
Western Power						
<i>Other Subsidies</i>						
Mid West Hydrogen Hub Feasibility Study	JTSI ^(e)	1.5	-	-	-	-
<i>Subtotal</i>		<u>1.5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

Details of Payment	Funding Department	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m
WATER CORPORATIONS						
Water Corporation						
<i>Operating Subsidies</i>						
Concessional Lands ^(f)	Treasury	75.2	78.3	81.2	84.2	87.4
Country Water Pricing Subsidy ^(g)	Treasury	410.7	475.5	517.8	536.0	566.2
Metropolitan Operations	Treasury	0.2	-	-	-	-
Pensioner and Senior Concessions	Treasury	119.6	119.7	121.8	123.9	126.1
Strategic Water Infrastructure Program (Infill Sewerage)	Treasury	-	7.9	-	-	4.1
<i>Other Subsidies</i>						
Essential and Municipal Services Upgrade Program	Communities ^(d)	7.7	14.9	2.1	-	-
Hardship Utility Grant Scheme	Communities ^(d)	0.4	0.4	-	-	-
Magnesium Hydroxide Feasibility Study – Royalties for Regions	Treasury	2.0	-	-	-	-
Metering Services	DWER ^(h)	0.2	0.2	0.2	0.2	-
Regional Water Subsidies ⁽ⁱ⁾	JTSI ^(e)	24.5	33.8	-	-	-
Remote Essential Services Program – Remote Communities Fund	Treasury	8.9	10.3	10.6	-	-
Remote Essential Services Program – Royalties for Regions	Treasury	22.9	23.3	23.9	23.9	23.9
<i>Subtotal</i>		<u>672.3</u>	<u>764.3</u>	<u>757.6</u>	<u>768.2</u>	<u>807.7</u>
Bunbury Water Corporation						
<i>Operating Subsidies</i>						
Non-residential Tariff Subsidy	Treasury	1.6	1.9	2.7	2.8	2.9
Pensioner and Senior Concessions	Treasury	0.9	0.9	0.9	0.9	0.9
Residential Tariff Subsidy	Treasury	2.2	3.2	4.6	4.8	4.9
<i>Subtotal</i>		<u>4.7</u>	<u>6.0</u>	<u>8.3</u>	<u>8.5</u>	<u>8.7</u>
Busselton Water Corporation						
<i>Operating Subsidies</i>						
Pensioner and Senior Concessions	Treasury	0.8	0.8	0.8	0.8	0.8
Residential and Non-residential Tariff Subsidy	Treasury	-	3.5	3.6	3.9	4.6
<i>Subtotal</i>		<u>0.8</u>	<u>4.3</u>	<u>4.3</u>	<u>4.7</u>	<u>5.4</u>

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

Details of Payment	Funding Department	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m
PORT AUTHORITIES						
Fremantle Ports Authority						
<i>Operating Subsidies</i>						
Westport – Technical Input and Support	Treasury	0.3	-	-	-	-
<i>Other Subsidies</i>						
Westport Feasibility Study – Kwinana Bulk Jetty Relocation	Transport	4.9	2.0	0.2	-	-
<i>Subtotal</i>		<u>5.2</u>	<u>2.0</u>	<u>0.2</u>	<u>-</u>	<u>-</u>
Kimberley Ports Authority						
<i>Operating Subsidies</i>						
Transfer of Wyndham, Derby and Yampi Ports	Treasury	2.5	2.5	-	-	-
<i>Subtotal</i>		<u>2.5</u>	<u>2.5</u>	<u>-</u>	<u>-</u>	<u>-</u>
Pilbara Ports Authority						
<i>Other Subsidies</i>						
Dampier – Burrup Port Infrastructure	JTSI ^(e)	7.0	7.0	6.9	6.9	6.9
Pilbara Hydrogen Hubs (Lumsden Point) – Commonwealth Grant	JTSI ^(e)	6.0	11.5	-	-	-
<i>Subtotal</i>		<u>13.0</u>	<u>18.5</u>	<u>6.9</u>	<u>6.9</u>	<u>6.9</u>

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

Table 8.6 (cont.)

Details of Payment	Funding Department	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m
LAND AGENCIES						
DevelopmentWA						
<i>Operating Subsidies</i>						
Election Commitment – Industrial Land Development Fund	Treasury	43.5	33.0	2.0	-	-
Anzac Drive West	Treasury	-	10.8	10.0	-	-
Australian Marine Complex	Treasury	5.0	7.2	-	-	-
Australian Marine Complex – Infrastructure	Treasury	-	-	1.2	-	-
Australian Marine Complex – Rate of Return Stages 1 and 2	Treasury	19.0	19.0	19.0	19.0	19.0
Bentley Residential Redevelopment	Treasury	0.9	5.7	6.0	-	-
Bentley Technology Park	Treasury	2.7	-	-	-	-
Brown Street – Housing Diversity Pipeline	Treasury/DoC ^(d)	-	6.0	8.0	-	-
Bunbury Waterfront	Treasury	-	5.0	-	-	-
Burrup Strategic Industrial Area	Treasury	1.8	2.0	1.6	1.2	1.3
Collie Industrial Land	JTSI ^(e)	-	5.0	-	-	-
Council of Australian Governments' Waste Export Ban	Treasury	5.0	-	-	-	-
Dixon Road Reserves	Treasury	0.2	-	-	-	-
DPLH Housing Pipeline Diversity Fees	DPLH ⁽ⁱ⁾	0.4	-	-	-	-
East Keralup Economic Activation	Treasury	3.0	-	-	-	-
East Perth Power Station	Treasury	9.5	6.0	-	-	-
Kalgoorlie Heavy Industrial Development – Lot 350, Great Eastern Highway	Treasury	-	2.2	-	-	-
Kemerton General Industrial Area	Treasury	3.7	3.0	-	-	-
Kwinana Land – Holding Costs	Treasury	2.0	2.1	2.2	2.2	2.3
Land Agency Reform – Holding Costs	Treasury	9.0	7.3	7.3	7.3	7.3
Land Acquisitions	Treasury	-	20.6	-	-	-
Neerabup Automation and Robotics Park	Treasury	7.7	1.9	-	-	-
Nyamba Buru Yawuru Broome Projects	Treasury	0.2	-	-	-	-
Nyamba Buru Yawuru Health and Wellbeing Campus	Treasury	-	3.0	3.0	-	-
Nyamba Buru Yawuru Large Format Retail	Treasury	-	2.0	2.0	2.0	-
Ocean Reef Marina	Treasury	3.0	44.3	8.7	-	-
Residential Land Development for Social and Affordable Housing – Holding Costs	Treasury	15.0	12.0	12.3	12.5	13.0
Regional Development Assistance Program	Treasury	7.0	7.0	7.0	7.0	7.0
Regional Residential Land Developments	Treasury	12.0	26.3	-	-	-

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

	Funding Department	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m
Details of Payment						
DevelopmentWA						
Subi East Precinct	Treasury	11.9	14.1	6.5	-	-
Sustainable Funding Model Principles	Treasury	15.5	15.5	15.5	12.6	12.6
Technology Precinct – Australian Marine Complex & Bentley	Treasury	1.7	1.7	1.2	1.3	1.3
Yamatji Nation Settlement	Treasury	-	2.4	-	0.7	-
<i>Other Subsidies</i>						
Mardalup Park	Treasury	0.6	-	-	-	-
Mid West Hydrogen Hub	JTSI ^(e)	0.5	-	-	-	-
Royalties for Regions – Various Projects	Treasury	7.8	8.7	-	-	-
Yerriminup Agribusiness Precinct Activation	DPIRD ^(k)	-	2.0	2.0	-	-
<i>Subtotal</i>		<u>188.8</u>	<u>275.7</u>	<u>115.3</u>	<u>65.8</u>	<u>63.8</u>
OTHER						
Racing and Wagering Western Australia						
<i>Other Subsidies</i>						
Direct Grants – Racing Bets Levy	GWC ^(l)	124.0	121.0	120.0	120.0	120.0
Point of Consumption Tax – Racing Funding	Treasury	36.7	33.3	33.5	34.0	34.6
<i>Subtotal</i>		<u>160.7</u>	<u>154.3</u>	<u>153.5</u>	<u>154.0</u>	<u>154.6</u>

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

Table 8.6 (cont.)

Details of Payment	Funding Department	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m
Public Transport Authority (m)						
<i>Operating Subsidies</i>						
Transperth and Regional Town Services						
Concession Fares	Treasury	39.7	41.4	43.9	43.7	45.1
General	Treasury	953.9	1,029.2	1,039.8	1,066.3	1,080.2
Pensioners, Seniors and Carers Free Travel	Treasury	17.1	18.6	19.8	20.4	21.2
Perth Stadium Special Events	Treasury	16.3	16.3	16.3	16.3	16.3
Regional School Bus Conveyance Allowance	Treasury	2.9	4.1	4.2	4.4	4.4
Regional School Bus Services	Treasury	131.3	136.6	138.3	142.9	145.4
Regional Town Bus Services	Treasury	19.5	19.1	18.9	17.4	17.4
School Children Fares	Treasury	24.9	27.1	28.9	30.6	32.6
Cost of Living						
Fare Free Sundays	Treasury	2.9	5.4	3.4	-	-
Ride to School Free	Treasury	5.0	10.0	5.0	-	-
Summer of Free Public Transport	Treasury	10.4	-	-	-	-
Transwa						
Annual Free Trip for Pensioners	Treasury	1.9	1.9	2.0	2.2	2.3
Concession Fares	Treasury	3.9	3.8	4.1	4.4	4.6
General	Treasury	34.9	35.2	33.3	32.9	33.3
Freight Network – General	Treasury	28.4	17.7	15.7	17.5	18.5
<i>Other Subsidies</i>						
CCI – Apprenticeship Support Australia Grant	DTWD (n)	- (b)	- (b)	- (b)	- (b)	- (b)
Perth City Deal – Bus Stops Accessibility Upgrades	Transport (o)	2.6	-	-	-	-
Regional School Bus Services – Intensive English Centres and Other Services	Education (p)	6.6	6.6	6.7	6.7	6.7
Royalties for Regions – District Allowance Payments	Treasury	- (b)	- (b)	- (b)	- (b)	- (b)
Transperth Free Transit Zone – Recurrent Grant	Transport (o)	20.4	20.5	20.6	20.6	20.7
Tunnel Monitoring	Transport (o)	1.1	1.3	0.9	0.7	0.6
<i>Subtotal</i>		1,323.6	1,394.8	1,401.8	1,427.0	1,449.3

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

Details of Payment	Funding Department	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m
Department of Communities, Housing Services						
<i>Other Subsidies</i>						
Geraldton Aboriginal Short Stay Accommodation Facility	DPIRD ^(k)	-	-	0.3	0.4	-
Government Office Accommodation Lease Shortfall	Treasury	4.1	4.1	4.0	4.0	-
Government Regional Officer Housing Reform	Treasury	0.5	0.5	-	-	-
Housing Maintenance	Treasury	87.6	91.6	-	-	-
National Rental Affordability Scheme	Treasury	11.1	9.0	9.0	-	-
North West Aboriginal Housing Fund	Various	10.9	15.2	23.4	19.0	3.3
Public Sector Wage Offer – Agency Impact	Treasury	8.3	10.8	14.5	-	-
Remote Communities	Various	109.4	121.6	73.6	52.4	62.7
Social Housing Economic Recovery Package	Treasury	27.0	9.7	5.7	-	-
Social Housing Energy Performance Initiative Co-investment	Treasury	-	0.3	0.3	0.4	-
Social Housing Operations	Treasury	118.4	168.1	59.5	78.7	97.8
Various	Various	2.6	4.3	7.1	14.2	6.0
<i>Subtotal</i>		380.0	435.2	197.5	169.1	169.8
Total		3,806.1	3,972.6	2,941.2	2,904.7	2,972.0

(a) Details of operating and other subsidies contained in this appendix may differ to those disclosed in Budget Paper No. 2: *Budget Statements*. Details contained in this appendix are accrual in nature, while appropriations detailed in Budget Paper No. 2 are on a cash basis. Funding is from the Consolidated Account and other general government agencies. A further breakdown of some of these operating and other subsidies is contained as part of Appendix 6: *State Government Social Concessions Expenditure Statement*.

(b) Amount less than \$50,000.

(c) Department of Energy, Mines, Industry Regulation and Safety.

(d) Department of Communities.

(e) Department of Jobs, Tourism, Science, and Innovation.

(f) Includes concessions provided for non-rated and exempt properties.

(g) Subsidy allocations are indicative and may be updated as part of a future Budget process.

(h) Department of Water and Environmental Regulation.

(i) Aggregated subsidies funded by JTSI, including commercially sensitive costs.

(j) Department of Planning, Lands, and Heritage.

(k) Department of Primary Industries and Regional Development.

(l) Gaming and Wagering Commission.

(m) Includes service appropriations authorised under the *Salaries and Allowances Act 1975*.

(n) Department of Training and Workforce Development.

(o) Department of Transport.

(p) Department of Education.

Note: Columns may not add due to rounding.

Household Tariffs, Fees and Charges

The Department of Treasury produces a model that estimates the costs of tariffs, fees and charges incurred by a 'representative' household through the consumption of certain government goods and services.

Calculating the effects of changes in government tariffs, fees and charges for a single 'representative' household can never entirely capture the diversity in household structures or the widely differing patterns of usage of public sector goods and services.

Nonetheless, the model seeks to highlight the impact of changes in major tariffs, fees and charges on a particular hypothetical household reflecting current average electricity and water consumption, an assumed level of public transport use, and specified consumption of a range of other public sector goods and services (including some specific taxes).

For the 2024-25 household model, Treasury has reviewed the assumptions underpinning the 'representative' household. Following consultation with Western Power and the Water Corporation, the assumptions for the household utility usage have been revised and are reflected in the following table.

Results

The impact of changes in tariffs, fees and charges in 2024-25 on the 'representative' household is shown in the table below.

Table 8.7
ESTIMATED IMPACT ON THE 'REPRESENTATIVE' HOUSEHOLD

	2023-24 \$ level	% change	\$ change	2024-25 \$ level
Utility Charges ^(a)				
Electricity ^(b)	1,855.67	2.5	46.39	1,902.06
\$400 Household Electricity Credit ^(c)	-400.00	–	–	-400.00
Water, wastewater, and drainage ^{(d)(e)}	1,822.80	2.5	45.59	1,868.39
<i>Total</i>	<i>3,278.47</i>	<i>2.8</i>	<i>91.98</i>	<i>3,370.45</i>
Public Transport ^(f)				
Student fares ^(g)	280.00	-100.0	-280.00	–
Standard fares ^(h)	1,175.04	2.0	23.04	1,198.08
<i>Total</i>	<i>1,455.04</i>	<i>-17.7</i>	<i>-256.96</i>	<i>1,198.08</i>
Motor Vehicles ⁽ⁱ⁾				
Vehicle licence charge	430.92	3.9	16.64	447.56
Driver's licence	93.70	–	–	93.70
Recording fee	10.30	-19.9	-2.05	8.25
Motor Injury Insurance (MII)	435.86	2.5	10.91	446.77
<i>Total</i>	<i>970.78</i>	<i>2.6</i>	<i>25.50</i>	<i>996.28</i>
Emergency Services Levy (ESL) ^(j)	308.57	5.0	15.43	324.00
Stamp Duty ^(k)				
Stamp duty on general insurance ^(l)	249.81	–	–	249.81
Stamp duty on MII	44.68	–	–	44.68
<i>Total</i>	<i>294.49</i>	<i>–</i>	<i>–</i>	<i>294.49</i>
Total Expenditure	6,307.35	-2.0	-124.05	6,183.30

(a) Assumes no access to concessions, rebates, or hardship packages.

(b) Consumes 4,714 kWh of electricity per annum, based on the current average consumption level for a household, reduced from 4,721 kWh in 2023-24 reflecting greater penetration of residential rooftop solar. The change has been backcast to isolate the price impact.

(c) Reflects the Government's decision to deliver relief to households in the form of a \$400 Household Electricity Credit to be applied on residential electricity customers' bills in 2023-24 and 2024-25.

(d) Consumes 220 kL of water per annum, reduced from 230kL in 2023-24 reflecting greater community awareness of the need to use water wisely, ongoing water efficiency initiatives and smaller block sizes due to higher density development. The change has been backcast to isolate the price impact.

(e) Owns and occupies a property that has an average gross rental value for the calculation of wastewater and drainage.

(f) Transperth fares are assumed to be purchased using the lowest cost means available (i.e. SmartRider Autoload) and increases are rounded to the nearest 10 cents.

(g) Purchases 10 Transperth student fares in 40 weeks of the year. Reflects that travel on student fares occurs only during the school term. From 5 February 2024 to December 2025, students with a valid Student SmartRider card can travel for free on public transport. The base point for determining the impact of free travel for students is 1 July 2023 (i.e. the policy setting at that time is annualised for the 2023-24 year).

(h) Purchases six standard two-zone Transperth fares in 48 weeks per year. Reflects travel to attend work three days per week and accounts for annual leave provisions.

(i) Based on a household with two drivers and owning one car (a sedan with tare weight of 1,600 kg – relevant for the purpose of determining the appropriate level of vehicle licence charge).

(j) Owns and occupies a property that has an average gross rental value for the calculation of the Emergency Services Levy charges. Following Landgate's advice on property numbers and gross rental values, the 2023-24 ESL charge was declared by the Minister for Emergency Services on 29 May 2023 at \$308.57 compared to the published 2023-24 Budget level of \$312.12.

(k) The household model isolates the impact of changes in stamp duty rates on insurance premiums (rather than the impact of changes in underlying premiums). An increase in this component of the model will only occur if the rate of stamp duty is changed. Each year, latest available data from Insurance Statistics Australia on average general and MII insurance premiums is used to calculate stamp duty for both the Budget year and previous year. Average insurance premiums at December 2023 have been used to estimate stamp duty in both 2023-24 and 2024-25.

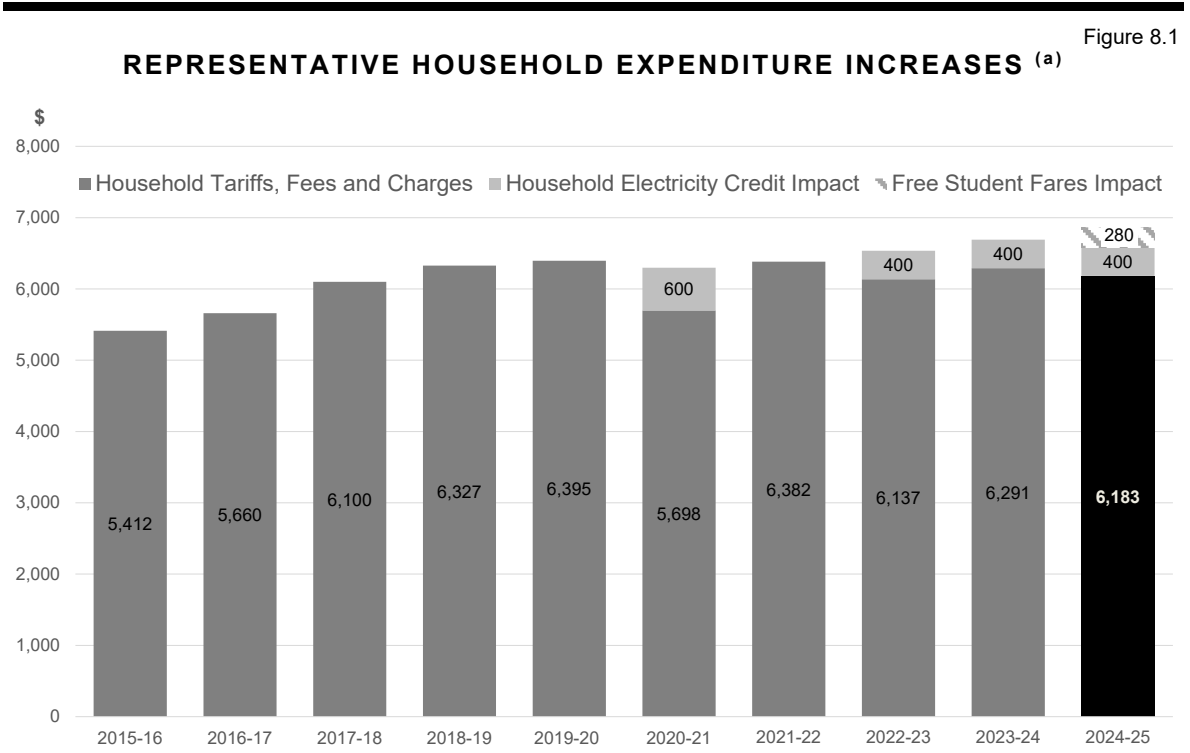
(l) The 'representative' household pays average home and contents and motor vehicle insurance, based on information from the insurance industry.

Note: Columns may not add due to rounding.

2024-25 Economic and Fiscal Outlook

Total tariffs, fees and charges by the ‘representative’ household on this basket of public sector goods and services in 2024-25 is \$6,183.30. This represents a decrease of \$124.05 (or 2%) relative to 2023-24. This is the fifth year in a row that the Government has kept household tariffs, fees and charges to below projected inflation.

The following chart illustrates the impact of the Household Electricity Credits and Free Student Fares on the total tariffs, fees and charges that a representative household pays. After the application of the credits, the representative household will pay less in 2024-25 (\$6,183) than in 2018-19 (\$6,327) – despite the CPI increasing by an estimated 25.7% over this period.



(a) Historical representative household tariffs, fees and charges as published in the relevant Budget Papers.

Electricity Tariffs

Approved electricity tariff changes for 2024-25, and the Budget planning assumptions from 2025-26 onwards, are outlined below.

Table 8.8

2024-25 BUDGET ELECTRICITY TARIFF PRICE PATH				
	2024-25 %	2025-26 %	2026-27 %	2027-28 %
NON-CONTESTABLE TARIFFS				
Residential (A1/A2)	2.50	2.50	2.50	2.50
Residential Hot Water (B1)	2.50	2.50	2.50	2.50
Community and Charitable Organisations (C1/C2)	2.50	2.50	2.50	2.50
Charitable Organisation Providing Residential Accommodation (D1/D2)	2.50	2.50	2.50	2.50
Combined Residential/Business (K1/K2)	2.50	2.50	2.50	2.50
Small Business (L1/L2)	2.50	2.50	2.50	2.50
Small Business Time of Use (R1)	2.50	2.50	2.50	2.50
Unmetered Supply (UMS) ^(a)	6.15	6.15	6.15	6.15
Traffic Lighting (W1/W2) ^(a)	6.63	6.63	6.63	6.63
Street Lighting (Z) – South West Interconnected System ^(a)	4.26	4.26	4.26	4.26
Street Lighting (Z) – Horizon Power service area ^(a)	5.90	5.90	5.90	5.90
CONTESTABLE TARIFFS ^(a)				
Medium Business (L3/L4)	0.50	0.50	0.50	0.50
Medium Business Time of Use (R3)	2.14	2.14	2.14	2.14

(a) These regulated tariffs approximate cost-reflective levels and have been smoothed over the forward estimates period to minimise large year-on-year movements in price.

Electricity tariffs for residential, community, charitable and small business customers will increase by less than forecast inflation in 2024-25, and are forecast to remain below or in line with inflation across the remainder of the forward estimates period. All other tariffs have been adjusted to achieve or maintain cost-reflectivity on a smoothed basis across the Budget period.

Water Tariffs

The Government has approved a 2.5% increase to water consumption (fixed and variable), wastewater, and drainage tariffs for metropolitan and country customers in 2024-25, below forecast inflation of 3%.

A selection of key tariff changes from 2023-24 to 2024-25 is provided in the following table.

WATER CORPORATION'S 2024-25 TARIFF CHANGES			
	2023-24	2024-25	% Change
METROPOLITAN RESIDENTIAL TARIFFS			
Water			
Standard fixed service charge (\$)	282.59	289.65	2.5
Consumption charges (c/kL) ^(a)			
0-150 kL	195.3	200.2	2.5
151-500 kL	260.2	266.7	2.5
Over 500 kL	486.8	499.0	2.5
Wastewater (c in \$GRV) ^{(b)(c)}			
First \$20,000 Gross Rental Value (GRV)	4.351	n/a	2.5
Over \$20,000 GRV	3.772	n/a	2.5
Drainage			
Drainage charge (c/\$ of GRV) ^{(c)(d)}	0.574	n/a	2.5
METROPOLITAN NON-RESIDENTIAL TARIFFS			
Water			
Standard fixed service charge (\$)	300.29	307.80	2.5
Minimum charge (15 or 20 mm) ^(e)	300.29	307.80	2.5
Consumption charges (c/kL) ^(f)	278.0	285.0	2.5
Wastewater ^(g)			
First fixture (\$)	1,127.19	1,155.37	2.5
Volumetric charge (c/kL)	414.2	424.6	2.5
Drainage			
Drainage charge (c/\$ of GRV) ^{(c)(d)}	0.370	n/a	2.5

(a) Country residential water consumption charges are no more than metropolitan charges for the first 300 kL.
 (b) Country residential wastewater charges are subject to minimum and maximum charges.
 (c) 2.5% increase is based on effective absolute revenue impact, not rate directly. 2024-25 GRV-based tariffs will be determined in May 2024 once GRV data is available.
 (d) Drainage is not charged outside the metropolitan region.
 (e) The charge varies depending upon the size of the meter.
 (f) Country non-residential water consumption charges are location-based.
 (g) Non-residential wastewater charges are uniform across the State.

For the 'representative' household that pays a fixed service charge, consumes 220 kL and owns and occupies a property that has an average gross rental value, this will result in an overall 2.5% increase.

For Budget planning purposes, it has been assumed that household water, wastewater and drainage tariffs will increase by 2.5% per year from 2025-26 onwards, which is below or in line with inflation forecasts over the forward estimates period.

Public Transport Fares

Transperth standard cash fares will also rise by less than projected inflation in 2024-25, with an approved increase of 2.5% (with the fares then rounded to 10 cent increments). There are no changes to SmartRider discounts (which will remain at 20% for Autoload and 10% for Other reload) or the \$2 per day parking fee.

Passengers will continue to benefit from the two-zone fare cap that was implemented on 1 January 2022. To provide further cost of living relief, free public transport for users with a valid SmartRider card will be available on regular Transperth services for school students under the *Ride to School Free Program* and for the entire community every Sunday as part of the *Fare Free Sundays* initiative.

Seniors, disability and age pensioner cardholders and carers will also continue to be eligible for free travel on weekdays before 6am, between 9am and 3:30pm and after 7pm, and anytime on weekends and public holidays.

The Public Transport Authority's Budget projections assume standard Transperth fares will increase by 2.5% per year over the period 2025-26 to 2027-28 and that concession fares will increase – as a proportion of standard fares – by 1% per year from 2025-26, which continues the Government's policy (set in the 2017-18 Budget) to increase concession fares to 50% of standard fares over a 10-year period.

The following table details the revised cash fares for various journey lengths in 2024-25.

TRANSPERTH FARES 2024-25

Table 8.10

	2023-24	\$ increase ^(a)	% increase	2024-25
Standard Cash Fare ^(b)				
2 sections	\$2.30	\$0.10	4.3	\$2.40
1 zone	\$3.40	\$0.10	2.9	\$3.50
2 – 9 zones	\$5.10	\$0.10	2.0	\$5.20
Day Rider	\$10.30	\$0.10	1.0	\$10.40
Family Rider	\$10.30	\$0.10	1.0	\$10.40
Student ^(c)	\$0.70	-\$0.70	-100.0	\$0.00

(a) Fare increases are rounded to 10 cent increments and are based on the 2023-24 fare calculated before rounding.

(b) Concession fares are 46% of the full standard fare subject to rounding.

(c) The Ride to School Free Program is only available for students who hold a valid Student SmartRider card.

2024-25 Economic and Fiscal Outlook

Western Australian Treasury Corporation Borrowings

Introduction

The Western Australian Treasury Corporation (WATC) is the State's central borrowing authority and primary provider of debt finance for Western Australia's public sector. Each Australian State and Territory has a central borrowing authority to fund its debt, similar to WATC.

The Treasurer borrows from WATC on behalf of the State for general public purposes. Borrowings for general public purposes are authorised by the *Loan Act 2017* and preceding Loan Acts. The proceeds of all loans raised under the Loan Acts are paid into the Consolidated Account. The funds are then appropriated to agencies by Parliament in accordance with the State Budget.

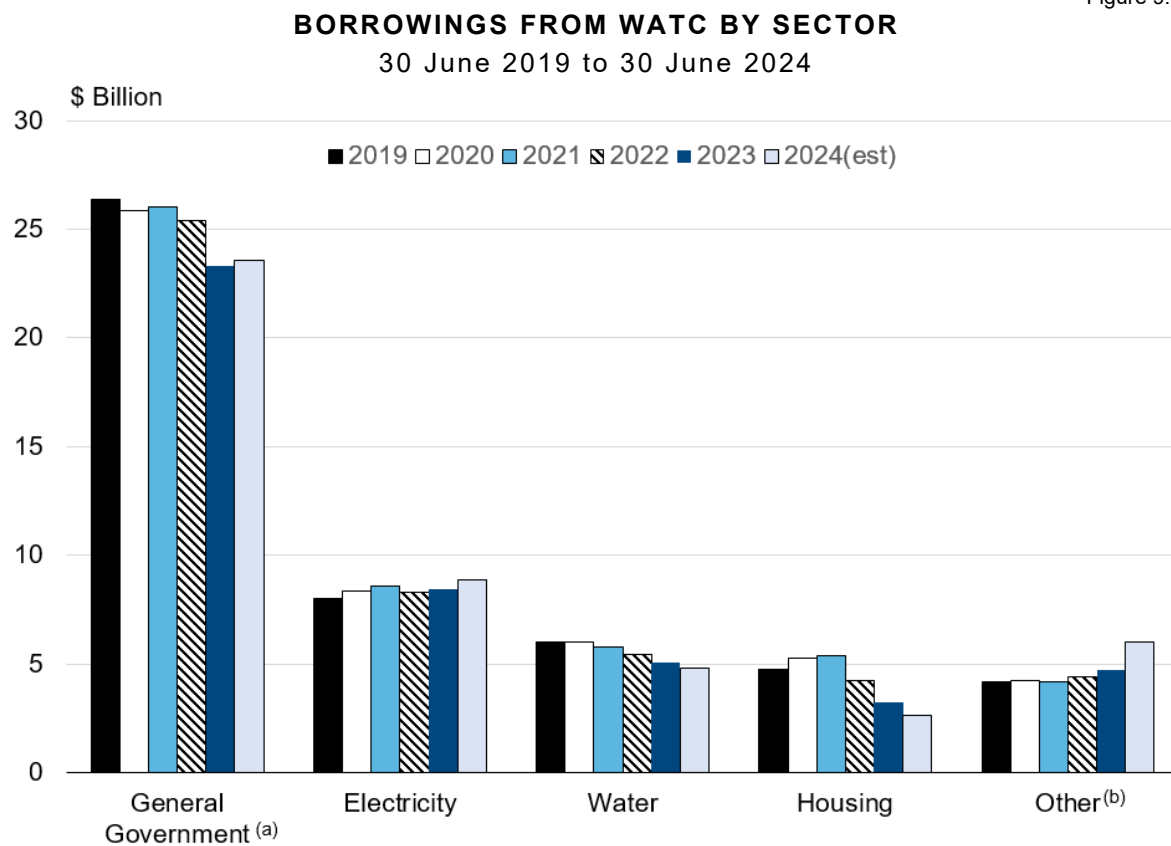
Individual agencies with borrowing powers in their enabling legislation also borrow from WATC. These include Government Trading Enterprises, some general government statutory authorities, public universities and local government.

The aggregation of the borrowing requirements for each of these entities across the total public sector¹ results in the total debt portfolio that WATC is required to manage. For 30 June 2024, total borrowings from WATC are estimated to be \$45.9 billion. A breakdown of this portfolio by sector, and its evolution since 30 June 2019, is shown in the figure below.

The borrowing requirement for Western Australian public sector agencies in any particular year is determined as an outcome of the annual Budget and Mid-year Review processes. It reflects the consideration of government revenue less recurrent and capital expenditure, plus movements in the liquid assets of the sector.

¹ While funded by WATC, for the purposes of whole-of-government financial disclosures reflected in this Budget, and in line with treatment under applicable accounting standards, local governments and public universities are not classified as total public sector agencies of the State of Western Australia in the balance sheet disclosures elsewhere in the Budget Papers.

Figure 9.1

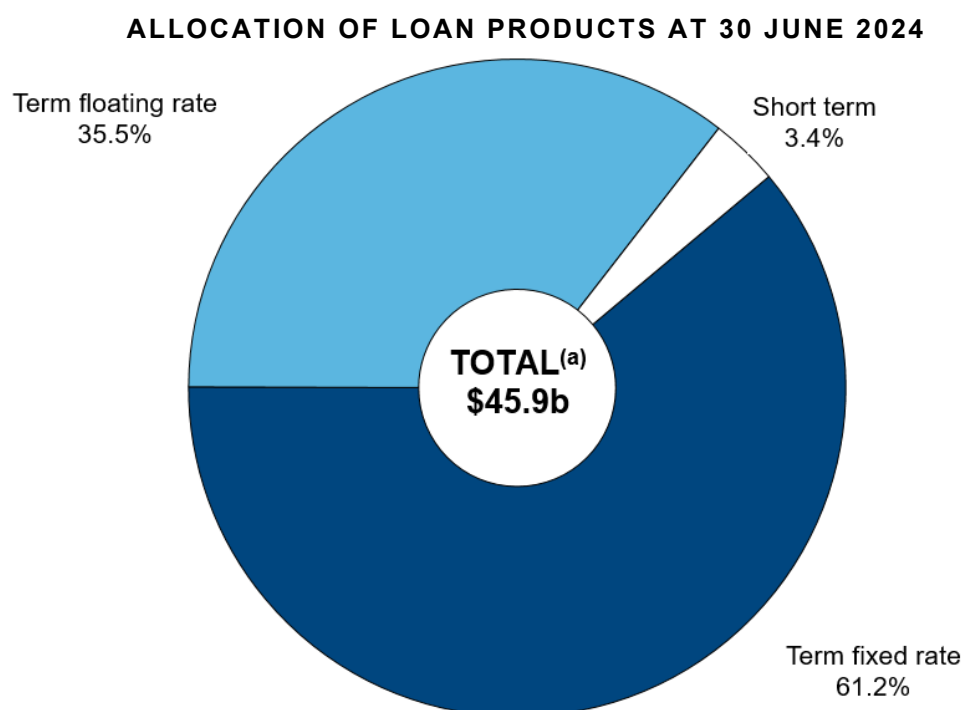


(a) Consolidated Account and other borrowers (including Commissioner of Main Roads, Minister for Education). Consolidated Account borrowings are estimated to be unchanged from 2023 to 2024.

(b) Ports, transport, public universities, local governments and all other public entity borrowings from WATC.

Total Borrowings from WATC

As at 30 June 2024, total agency borrowings from WATC are estimated to be \$45.9 billion, allocated over WATC's loan products as shown below, at an average portfolio interest rate of 3.7%.



(a) Estimated allocation as at 30 June 2024.

Note: Percentages may not add to 100% due to rounding.

Total borrowings from WATC are projected to rise moderately to \$51 billion by the end of 2027-28.

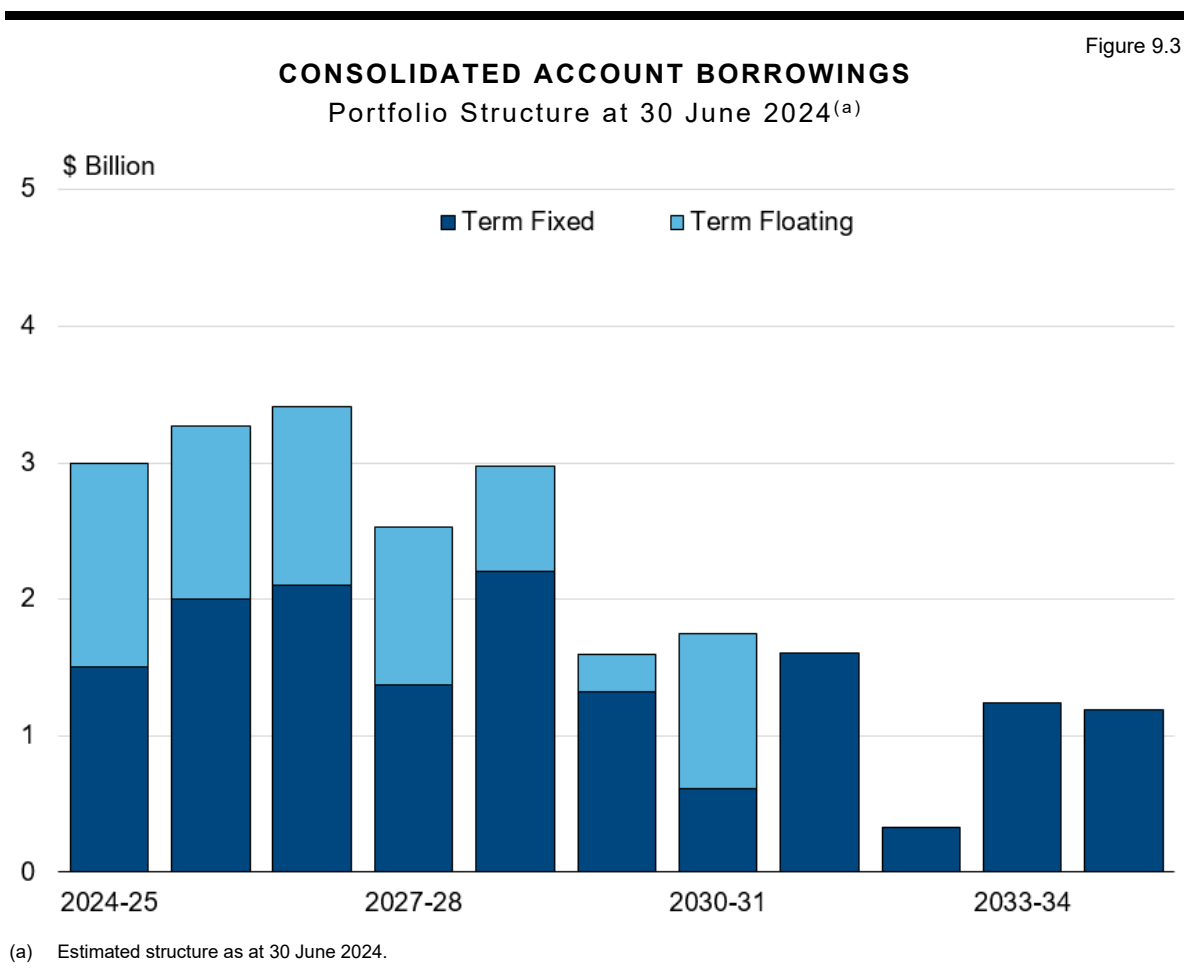
Consolidated Account Borrowings

Consolidated Account borrowings (i.e. borrowings for general public purposes) are estimated to represent 50% of WATC lending at 30 June 2024.

The *Loan Act 2017* authorises the borrowing requirements of the Consolidated Account. The Department of Treasury is responsible for administering Loan Acts on behalf of the Treasurer. The actual function of borrowing through debt capital markets is undertaken and managed by WATC and then on-lent to the Consolidated Account in accordance with a Debt Management Strategy that is agreed to by both parties. The remaining Loan Act authorisation at 30 June 2024 is estimated to be \$6.9 billion.

The primary objective is for WATC to manage interest rate risk by maintaining a diversified portfolio of fixed and floating rate debt. This borrowing strategy is informed by financial modelling performed by WATC and prevailing market conditions. Practical implementation involves Treasury and WATC agreeing a target floating and fixed rate debt and maturity allocation to be achieved within each financial year to meet new borrowing and refinancing requirements. WATC has discretion as to the component products and maturity structure of individual advances, provided they are within the agreed allocation limits. Deviation from target allocations between fixed and floating rate debt is permitted over the short term.

The expected structure of the Consolidated Account borrowing profile at 30 June 2024 is shown below. This reflects the outcome of borrowing activity undertaken by WATC to achieve the interest rate risk management objective within the context of its responsiveness to market demand.



At 30 June 2024, Consolidated Account borrowings are estimated to total \$22.9 billion (unchanged from last year), with an average interest rate of 3.58% across a portfolio of term fixed rate and term floating rate loans. Consolidated Account borrowings are expected to remain at \$22.9 billion over 2024-25 before growing to \$24.9 billion by 30 June 2028 (with new borrowings supporting management of Public Bank Account liquidity levels in the outyears).

All Other Borrowings from WATC

WATC also undertakes all other borrowings required by individual agencies with borrowing powers in their enabling legislation. This involves borrowing through debt capital markets and then on-lending to each agency in accordance with the agreed Debt Management Strategies adopted by these agencies.

Agencies with this authority mostly include the public corporations, public universities and local government.

At 30 June 2024, all other borrowings from WATC (i.e. excluding the Consolidated Account) are expected to total \$23 billion, at an average portfolio interest rate of 3.82%. This is forecast to decrease to \$22.7 billion over 2024-25 before growing to \$26.4 billion by 2027-28 (in support of infrastructure investment).

How WATC Raises Funds

WATC raises funds to finance Western Australia's debt requirements through issuing a range of debt securities on the Australian and international debt markets.

- Benchmark Bonds – domestic Australian dollar (AUD) fixed coupon bonds (includes bonds issued under the WATC Sustainable Bond Framework), which are expected to have a face value of \$38.3 billion outstanding at 30 June 2024, with eleven annual bond maturities from 2024 to 2034.
- Non-Benchmark Bonds – domestic AUD fixed coupon bonds with insufficient volume on issue to be considered Benchmark Bonds are expected to have a face value of \$0.7 billion outstanding at 30 June 2024, with a maturity in 2041.
- Floating Rate Notes (FRNs) – with coupon rates that change every three months, which are expected to have a face value of \$7.6 billion outstanding at 30 June 2024, with five maturities from 2025 to 2029 and one maturity in 2031.
- Short Term Inscribed Stock (STIS) – domestically issued short term paper with maturities out to one year, which are expected to have a face value of \$3.6 billion outstanding at 30 June 2024.
- Euro Commercial Paper (ECP) – short term paper issued in a range of currencies offshore, out to one-year maturities, which are expected to have no issuance outstanding at 30 June 2024. All proceeds are swapped back into Australian dollars so that no currency risk exists.
- Euro Medium Term Notes (EMTN) – bonds issued offshore in a range of currencies, hedged back into Australian dollars such that no currency risk exists. This market is only used when pricing advantages exist relative to benchmark bonds. There is currently no issuance under this program, but it remains available subject to updated documentation.
- Other Borrowings – these include retail bonds (smaller parcels of bonds issued in conjunction with migrant schemes) and other smaller programs.

2024-25 Economic and Fiscal Outlook

Reserve Bank of Australia (RBA) holdings of WATC bonds and FRNs are expected to be approximately 15% of outstandings at 30 June 2024. Australian banks have been significant buyers of semi-government debt paper through 2023-24 to meet regulatory requirements for their Tier 1 High Quality Liquid Asset portfolios, ahead of the rundown in their Exchange Settlement balances as they repaid funds provided by the RBA through the Term Funding Facility during the COVID-19 pandemic between April 2020 and June 2021. It is estimated that about 65% of WATC bonds and FRNs are currently held by Australian banks² to meet regulatory requirements for their Tier 1 High Quality Liquid Asset portfolios³.

WATC estimates that between 10% and 15% of WATC bonds are held by offshore investors. By comparison, the Commonwealth has approximately 46% of its investors offshore, and it is estimated other larger Australian State issuers have 15% to 20% of their investors offshore.

² The holders of WATC paper are difficult to identify with precision, as about 13% (at 31 March 2024) is held in nominee company names with some investors preferring to remain anonymous. This is similar for central borrowing authorities in other States.

³ Only cash, deposits at the RBA, and Commonwealth and State-issued paper are currently eligible to meet this requirement from the Australian Prudential Regulation Authority.

Tax and Royalty Expenditure Statement

Purpose

The purpose of this tax and royalty expenditure statement is to provide information about the cost or value of tax and royalty concessions that would not otherwise be reported in the Budget Papers in the years after the concessions were introduced.

What is a tax or royalty expenditure?

Tax and royalty expenditures include revenue forgone by the Government, and financial benefits to taxpayers, from exemptions and other concessions that depart from the general tax or royalty treatment. They are 'expenditures' in the sense that their impact on the Budget is similar to direct outlays, and they can be used to achieve specific goals.

Labelling an exemption or concession as a tax or royalty expenditure does not necessarily imply any judgement about its appropriateness. Rather, it makes the amount of the exemption or concession explicit, and thereby facilitates scrutiny as part of the annual Budget process (including review of whether the exemption or concession is still effective in achieving any specific objective originally intended).

Measuring tax and royalty expenditures

Measuring a tax or royalty expenditure requires identification of:

- a benchmark tax or royalty base and rate; and
- concessionary tax or royalty treatment of components of the benchmark tax or royalty base (e.g. a concession or exemption for a particular industry, activity or class of taxpayer).

2024-25 Economic and Fiscal Outlook

Identification of benchmark revenue bases and rates requires a degree of judgement. Furthermore, data limitations mean that the tax and royalty expenditures identified in this statement are only approximations. Data sources and methods used for estimating these expenditures are also subject to review each year (such that time series estimates may not be fully comparable).

Estimates of the expenditures have been derived from a range of sources, including unpublished data from relevant government departments, Public Sector Commission 'State of the Sector' statistical bulletins, and Australian Prudential Regulation Authority reports. However, the statement is not exhaustive. For example, some exemptions and concessions have not been included due to data limitations. Very small exemptions or concessions are also excluded.

This year's statement includes estimated actual expenditures for 2022-23 and 2023-24.

Table 10.1

SUMMARY OF MAJOR TAX AND ROYALTY EXPENDITURES
Western Australia

	2022-23 Estimated Actual \$m	2023-24 Estimated Actual \$m
PAYROLL TAX		
Tax-free threshold	1,803.4	1,634.7
State Government departments exemption ^{(a)(b)}	342.5	355.6
Public hospitals exemption ^(a)	351.4	353.3
Schools/colleges exemption ^(a)	306.7	321.5
Charitable bodies exemption	293.2	319.0
Local governments exemption	98.7	107.6
Apprentices and trainees exemption	51.6	43.3
LAND TAX AND METROPOLITAN REGION IMPROVEMENT TAX (MRIT)		
Principal place of residence exemption	529.1	639.5
Tax-free threshold	490.6	516.9
Primary production exemption	187.8	295.0
MRIT not applied State-wide	54.5	57.5
Religious bodies exemption	26.6	28.5
Educational institutions exemption ^(a)	29.7	31.2
Public charitable or benevolent institutions exemption	19.4	21.4
Land value growth cap	13.1	12.8
Developers concession	11.6	14.3
Retirement villages exemption	10.2	11.2
Club or sporting associations exemption/concession	7.5	8.4
Aged care facilities exemption	8.0	9.1
Caravan parks exemption	3.9	4.7
Public or religious hospitals exemption ^(a)	1.8	2.4
TRANSFER DUTY (INCLUDING LANDHOLDER DUTY)		
Connected entities restructure exemption ^(c)	857.2	2,587.3
First home owners' exemption/concession	120.6	92.2
Family farms exemption	7.8	2.5
INSURANCE DUTY		
Health insurance policies exemption	321.7	341.3
Workers' compensation insurance exemption	107.5	116.6
Reinsurance exemption	13.8	14.2
Marine hulls exemption	8.8	9.4
VEHICLE LICENCE FEES		
Pensioners and Seniors vehicle concession	49.1	51.7
Primary producers vehicle concession	13.9	14.3
VEHICLE LICENCE DUTY		
Heavy vehicles concession	75.5	85.8
Caravans and camper trailers exemption	52.0	57.4
MINING ROYALTIES		
Subsidised gold royalty rate	228.7	266.7
Subsidised alumina royalty rate	140.4	138.1
Gold royalty-free threshold	8.3	8.6
Salt State Agreement Acts concession	4.1	3.6
TOTAL	6,650.7	8,577.7

(a) While any removal of these concessions could lead to an increase in relevant budget appropriations, these tax expenditures have been reported to provide an indication of the total support provided by the Government. They also illustrate where tax concessions could change the 'relative price' faced by government departments.

(b) Excludes the value of separately reported tax expenditures for public hospitals and schools.

(c) The value of exempt transactions can vary significantly from year to year depending on the number and size of connected entities restructures.

Major Tax and Royalty Expenditures

Payroll Tax

Tax-free threshold

Since 1 July 2020, businesses operating in Western Australia with taxable, Australia-wide wages of less than \$1 million are not subject to payroll tax.

A diminishing exemption threshold was introduced from 1 July 2015 such that the tax-free threshold progressively reduces in value for entities that report Australia-wide wages between the tax-free threshold and \$7.5 million.

State Government departments exemption

The wages paid by all State Government departments listed on *Pay-roll Tax Assessment Regulations 2003* – Schedule 1 are exempt from payroll tax. This item excludes public hospitals and public schools, which are reported separately.

Public hospitals exemption

The wages of employees or contractors of a health service provider, as defined in the *Health Services Act 2016*, are exempt from payroll tax.

Schools/colleges exemption

A school or college (other than a vocational education and training college) that is carried on by a not-for-profit organisation and provides education at or below, but not above, the secondary level of education is exempt from payroll tax.

Charitable bodies exemption

A charitable body or organisation performing relevant charitable work may apply to the Commissioner of State Revenue for a payroll tax exemption.

Local governments exemption

Local governments, regional local governments and the Western Australian Local Government Association are exempt from payroll tax.

Apprentices and trainees exemption

The wages of all apprentices who are undertaking training under an approved training contract are exempt from payroll tax.

The payroll tax exemption for new employee trainees earning up to \$100,000 per annum will continue to apply for the nominal duration of training contracts that were registered with the Department of Training and Workforce Development before 1 July 2019.

Land Tax and Metropolitan Region Improvement Tax (MRIT)

Principal place of residence exemption

Generally, land used by the owner as their primary residence at midnight 30 June is exempt from land tax and MRIT for the following assessment year.

Tax-free threshold

Land owners that have aggregated, assessable unimproved land values of less than \$300,000 are not liable for land tax nor are they subject to the MRIT if they own land within the Perth Metropolitan Area.

Primary production exemption

Land used in carrying out certain primary production businesses on a commercial basis is exempt from land tax and MRIT (where applicable) if all relevant conditions are met.

MRIT not applied State-wide

Land that is subject to land tax but is not located within the Perth Metropolitan Area is not subject to the MRIT.

Religious bodies exemption

Land owned by, or held in trust for, a religious body is exempt from land tax and MRIT provided that the land is used for religious, public worship or educational purposes, or for the residence of a minister of the religious body.

Educational institutions exemption

Land owned by, or held in trust for, a university or educational institution in Western Australia is exempt from land tax and MRIT provided that it is used solely for the purposes of the institution.

Public charitable or benevolent institutions exemption

Land owned by, or held in trust for, a public charitable or benevolent institution is exempt from land tax and MRIT if it is used solely for the public charitable or benevolent purposes for which the institution was established.

Land value growth cap

A 50% cap on growth in land values applies for the purpose of assessing land tax and MRIT to help reduce the volatility and unpredictability of growth in individual land tax and MRIT liabilities.

Developers concession

Land tax and MRIT is only paid on the un-subdivided (or ‘englobo’) value of land holdings at midnight 30 June, rather than the full subdivided value of lots, for one year after the creation of the lots.

Retirement villages exemption

Land used for a retirement village within the meaning of the *Retirement Villages Act 1992* is exempt from land tax and MRIT.

Club or sporting associations exemption/concession

Land owned by sporting or other not-for-profit associations used to provide facilities necessary for or conducive to meeting the objects of the association is exempt from land tax and MRIT. Not-for-profit facilities that are commercially available to the public may be eligible for a 50% concession if at least half of the land is being used to meet the objects of the association.

Aged care facilities exemption

Land used for the purposes of providing a residential care service that is certified under the *Commonwealth Aged Care Act 1997* is exempt from land tax and MRIT.

Caravan parks exemption

Land used as caravan parks, park home sites or camping grounds is exempt from land tax and MRIT.

Public or religious hospitals exemption

Land used solely for the purposes of a public hospital, or a hospital conducted by or on behalf of a religious body, is exempt from land tax and MRIT.

Transfer Duty (including Landholder Duty)

Connected entities restructure exemption

Certain transactions between related corporations or unit trust schemes are exempt from transfer duty.

First home owners’ exemption/concession

First home buyers may be entitled to a concessional rate of transfer duty if the value of the dutiable property is below \$530,000 for the house and land, or below \$400,000 for vacant land. No duty is payable if the house and land value is below \$430,000, or the vacant land value is below \$300,000.

For purchases of established properties by first home buyers from 9 May 2024, the property value threshold for a full duty exemption has been increased to \$450,000, and the threshold for a concessional rate of duty has been increased to \$600,000.

Family farms exemption

A transfer of farming land in Western Australia to a family member is exempt from transfer duty, subject to certain conditions being satisfied.

Insurance Duty

Health insurance policies exemption

Health insurance issued by a private health insurer (as defined in the Commonwealth *Private Health Insurance Act 2007*) is exempt from insurance duty.

Workers' compensation insurance exemption

Insurance against an employer's liability to pay compensation under the *Workers' Compensation and Injury Management Act 1981* is exempt from insurance duty.

Reinsurance exemption

The indemnification of one party by another against a liability or payment arising under an insurance or reinsurance contract is exempt from insurance duty.

Marine hulls exemption

Insurance in respect of marine hulls used mainly for commercial purposes is exempt from insurance duty.

Vehicle Licence Fees

Pensioners and Seniors vehicle concession

A 50% concession on vehicle licence fees is available to holders of a Centrelink Pensioner Concession Card or Veterans' Affairs Pensioner Concession Card, and seniors who hold both a State Seniors Card and a Commonwealth Seniors Health Card. A 100% concession is available to some pensioners in limited circumstances.

Primary producers vehicle concession

Vehicles used by farmers or graziers principally on their farm, and vehicles used by beekeepers, kangaroo hunters, prospectors and sandalwood pullers solely or principally in the course of their occupation, are entitled to a 50% vehicle licence fee concession.

Vehicle Licence Duty

Heavy vehicles concession

Transfers of heavy vehicle licences are subject to a single flat duty rate (currently 3%) and a maximum duty amount (of \$12,000) rather than the uncapped, progressive rate scale that applies to light vehicles.

Caravans and camper trailers exemption

Caravans and camper trailers that are permanently fitted for human habitation are exempt from vehicle licence duty.

Mining Royalties

Subsidised gold royalty rate

The 2015 Mineral Royalty Rate Analysis recommended that a royalty rate of 3.75% be applied to gold. This expenditure represents the difference between that royalty rate (as a benchmark) and the legislated 2.5% rate.

Subsidised alumina royalty rate

The Mineral Royalty Rate Analysis recommended that a royalty rate of 3.75% be applied to alumina. This expenditure represents the difference between that royalty rate (as a benchmark) and the 1.65% rate applied under State Agreement Acts.

Gold royalty-free threshold

The first 2,500 ounces of gold metal produced each year is exempt from mineral royalties.

Salt State Agreement Acts concession

The effective average 2022-23 rate paid by salt projects covered by the various salt State Agreement Acts was around 37 cents per tonne, compared to the 2022-23 salt royalty rate prescribed under the Mining Regulations 1981 of 73 cents per tonne. The effective average 2023-24 rate was around 41 cents per tonne.

Western Australia's Net Contribution to the Federation

Despite the 2018 GST distribution reforms, Western Australia continues to receive the lowest per capita share of GST-related grants of all States and Territories, and well below its estimated contribution to the national GST pool. Even so, this is only one part of Western Australia's total support for other States.

The Western Australian Department of Treasury annually estimates the net redistribution across States that occurs through Commonwealth revenue raising from each State not matching Commonwealth spending for each State.

For each State, the redistribution is measured as the difference between the Commonwealth revenues generated in that State (including GST collections) and the Commonwealth expenditures for the benefit of that State (including GST grants).

For example, States with higher incomes and business profits contribute more to total Commonwealth taxes, and those with younger and healthier populations, or stronger economic conditions, draw less on health and social security benefits and business support programs.

Using the latest available data, Western Australia is estimated to have contributed a net \$35.3 billion to the Federation (or \$12,450 per person) in 2022-23 alone.

Results for all States are shown in the table below. A positive figure for a State indicates that it makes a net contribution to the Federation, while a negative figure indicates that it receives a net subsidy.

In 2022-23, New South Wales was the only other net contributor. However, on a per capita basis, Western Australia's net contribution was 15 times that of New South Wales.

Table 11.1

NET CONTRIBUTION OF EACH STATE TO THE FEDERATION (a)
2022-23

	Total Commonwealth Budget	
	\$m	\$ per capita
New South Wales	6,813	826
Victoria	-3,418	-509
Queensland	-12,302	-2,284
Western Australia	35,277	12,450
South Australia	-13,487	-7,346
Tasmania	-6,773	-11,836
Northern Territory	-6,110	-24,361
Total	0	n.a.

(a) All Commonwealth outlays and revenues relating to the Australian Capital Territory (ACT) are allocated to the other States according to population shares. This recognises that the ACT would be unlikely to exist as a separate entity if the Federation dissolved.

Source: Western Australian Department of Treasury estimates, using a range of data sources including the Commonwealth Final Budget Outcome and Australian Bureau of Statistics' publications. Results are based on the latest available data. Where 2022-23 data is not yet available, it has been proxied by escalating earlier data using relevant economic indicators.

The following table shows a breakdown of Western Australia's estimated net contribution in 2022-23 compared with the previous two years. The figures indicate the extent to which Western Australia contributes more than its population share to Commonwealth revenues, or receives less than its population share of overall Commonwealth expenses.

Western Australia's large net contribution to the Federation is mainly driven by:

- the high level of Commonwealth company tax and personal income tax derived from Western Australia;
- Western Australia's low GST grant share compared to other States; and
- the low level of Commonwealth spending in Western Australia on personal benefit payments and services.

Overall, in 2022-23 it is estimated that the Commonwealth derived \$105 billion in revenue from Western Australia, while expenditure for the benefit of the State (including the State's share of the Commonwealth budget outcome) totalled \$69.7 billion, yielding a net contribution to the Federation of \$35.3 billion, or \$12,450 per capita.

Table 11.2

COMPONENTS OF WESTERN AUSTRALIA'S NET CONTRIBUTION
Relative to Western Australia's Population Share

	2020-21 ^(a)	2021-22 ^(a)	2022-23 (Preliminary)
	\$m	\$m	\$m
Personal income tax	2,831	3,075	3,386
Company tax	19,540	19,797	24,481
Fuel excise (net of rebates)	-633	35	59
Taxes and royalties on mineral extraction ^(b)	568	1,989	1,521
Commonwealth services ^(c)	1,979	2,213	2,214
Personal benefit payments	1,968	2,180	1,989
GST-related grants net of GST revenues	2,322	2,257	2,350
Other grants to State and local governments ^(d)	435	491	-355
Other ^(e)	2,430	503	-369
Total	31,441	32,540	35,277

(a) Figures are revised compared to past publications as some data have been revised and some data were not available at the time.

(b) Net of North West Shelf royalties passed on as grants to Western Australia by the Commonwealth.

(c) Commonwealth gross operating expenses, including defence.

(d) Includes grants to universities. Excludes North West Shelf royalties paid as grants to Western Australia, as these have been netted off taxes and royalties on mineral extraction.

(e) Includes the impact of Commonwealth business support programs and the Commonwealth Budget outcome amongst other things.

Source: Western Australian Department of Treasury estimates, using a range of data sources including the Commonwealth Final Budget Outcome and Australian Bureau of Statistics' publications. Results are based on the latest available data. Where 2022-23 data is not yet available it has been proxied by escalating earlier data using relevant economic indicators.

Note: Columns may not add due to rounding.

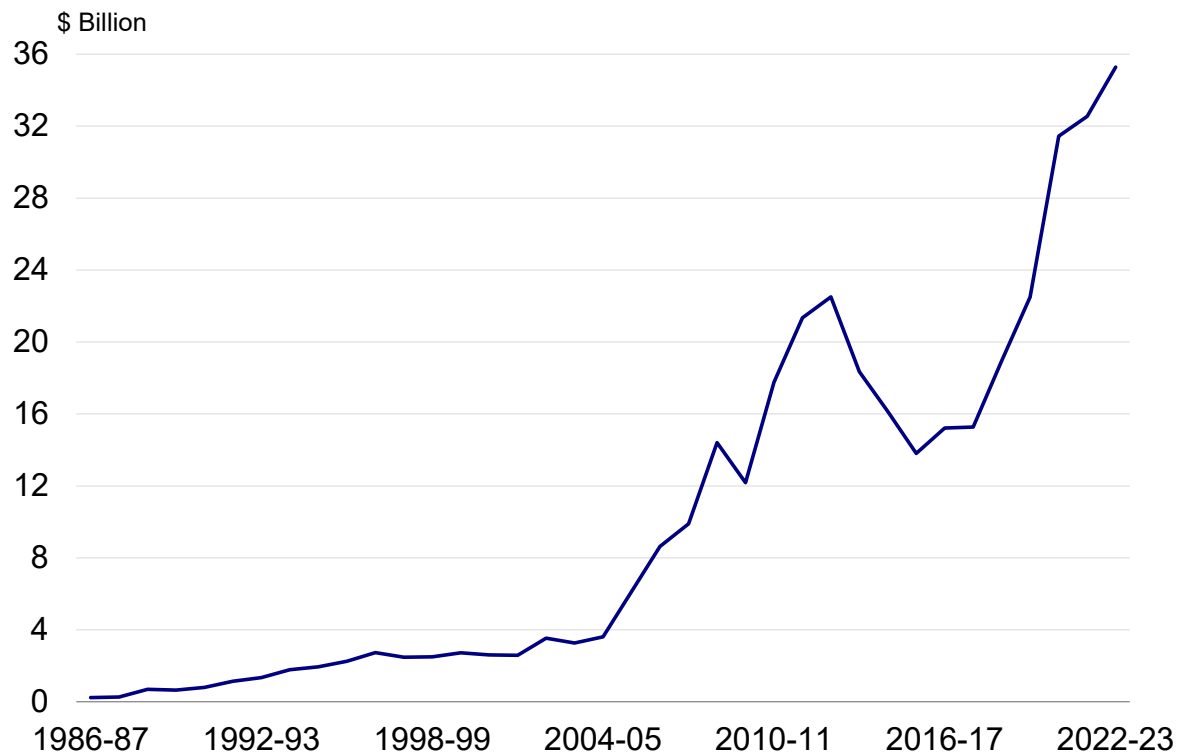
The figure below shows that Western Australia's net contribution has grown strongly over time, and that the annual net contributions by Western Australia are substantially larger than the contributions attributable to the GST alone¹.

Over the period 1986-87 to 2022-23, Western Australia's net contributions to the Federation have totalled \$369 billion (of which \$348 billion is since 2000-01, when the GST was introduced).

¹ Western Australia's net contribution in relation to the GST reflects the difference between estimated GST and GST-related revenues generated in Western Australia and GST actually paid to Western Australia (including Commonwealth-funded floor payments).

Figure 11.1

WESTERN AUSTRALIA'S NET CONTRIBUTION TO THE FEDERATION (a)



(a) Data to calculate Western Australia's total contribution are currently only available to 2022-23.
Source: Western Australian Department of Treasury estimates.

Commonwealth Tied Grants

This appendix lists all Commonwealth tied grants (e.g. for health, education, housing and transport) that are included in the State Budget and characterised as such in the Commonwealth Budget¹.

The figures in this appendix may differ from the Commonwealth's due to differing assumptions in relation to timing, parameters and (occasionally) the continuation of an agreement.

¹ While not reported in this appendix, the State Budget also includes Commonwealth grants that the Commonwealth characterises as its own-purpose expenditures (e.g. fee-for-service arrangements and funding provided under competitive tenders open to the private sector). Examples are grants for the provision of hospital services to veterans and for the provision of services to the Cocos Keeling Islands.

Table 12.1

COMMONWEALTH TIED GRANTS (a)(b)(c)

	Terms of the Latest Agreement			Estimated Commonwealth Funding to Western Australia					Total Five Years \$m
	Funding Start Year	Funding Expiry Year	Estimated Average Annual Commonwealth Contribution ^(d) \$m	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m	
HEALTH									
National Health Reform Agreement	2020-21	2024-25	3,437.0	3,033.8	3,209.0	3,426.0	3,650.0	3,866.2	17,185.0
Community Health and Hospitals Program WA Initiatives	2019-20	2024-25	19.8	39.4	14.3	13.0	-	-	66.7
Public Dental Services for Adults	2016-17	2024-25	9.7	16.8	9.7	-	-	-	26.5
National Mental Health and Suicide Prevention	2023-24	2025-26	2.9	2.7	2.8	3.0	-	-	8.6
Primary Care Pilot	2022-23	2023-24	5.9	5.9	-	-	-	-	5.9
Essential Vaccines (excluding free of charge resources)	2017-18	2024-25	2.5	2.2	2.1	-	-	-	4.3
John Flynn Prevocational Doctor Program	2022-23	2024-25	1.6	1.8	2.4	-	-	-	4.2
Improving Trachoma Control Services	2021-22	2024-25	1.6	1.6	1.6	-	-	-	3.2
Newborn Bloodspot Screening Expansion	2022-23	2025-26	0.6	0.6	0.6	0.8	-	-	2.0
Smoking and Vaping Cessation Activities	2023-24	2026-27	0.5	0.2	0.5	0.5	0.5	-	1.6
Comprehensive Palliative Care in Aged Care	2019-20	2023-24	1.1	1.3	-	-	-	-	1.3
Access to HIV Treatment for People who are not Eligible for Medicare ^(e)	2022-23	2026-27	0.6	1.0	0.2	-	-	-	1.2
Stillbirth Autopsies and Investigations	2022-23	2024-25	0.5	0.5	0.5	-	-	-	1.1
Expansion of Colonoscopy Triage	2023-24	2024-25	0.5	0.6	0.4	-	-	-	1.0
National Bowel Cancer Screening Program	2020-21	2023-24	0.9	0.9	-	-	-	-	0.9
Rheumatic Fever Strategy ^(e)	2021-22	2024-25	0.8	0.9	-	-	-	-	0.9
BreastScreen Surge Capacity	2022-23	2023-24	1.0	0.8	-	-	-	-	0.8
Encouraging More Clinical Trials in Australia	2021-22	2024-25	0.2	0.2	0.2	-	-	-	0.5
Specialist Dementia Care - Phase One	2019-20	2023-24	0.3	0.3	-	-	-	-	0.3
OzFoodNet Program	2020-21	2023-24	0.2	0.2	-	-	-	-	0.2
Lymphoedema Compression Garments	2019-20	2023-24	0.2	0.2	-	-	-	-	0.2
Vaccine Preventable Diseases Surveillance Program	2020-21	2023-24	0.1	0.1	-	-	-	-	0.1
TOTAL HEALTH				3,112.0	3,244.4	3,443.2	3,650.5	3,866.2	17,316.3

Table 12.1 (cont.)

COMMONWEALTH TIED GRANTS ^{(a)(b)(c)}

	Terms of the Latest Agreement			Estimated Commonwealth Funding to Western Australia					Total Five Years \$m
	Funding Start Year	Funding Expiry Year	Estimated Average Annual Commonwealth Contribution ^(d) \$m	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m	
EDUCATION									
National School Reform Agreement - <i>Quality Schools</i>	2018-19	2024-25	1,322.9	1,192.9	1,275.1	1,333.8	1,382.7	1,430.1	6,614.7
National Preschool Reform Agreement	2021-22	2025-26	46.9	49.2	47.9	24.2	-	-	121.3
National Student Wellbeing Program	2022-23	2026-27	7.7	7.9	7.7	7.7	7.7	-	31.1
Schools Upgrade Fund	2023-24	2023-24	25.0	27.0	-	-	-	-	27.0
Universal Access to Early Childhood Education 2018 - 2021 ^(f)	2017-18	2021-22	46.5	3.4	1.2	- ^(g)	-	-	4.7
Student Wellbeing Boost	2022-23	2022-23	22.3	0.4	-	-	-	-	0.4
TOTAL EDUCATION				1,280.8	1,332.0	1,365.7	1,390.4	1,430.1	6,799.1
TRAINING AND WORKFORCE DEVELOPMENT									
National Skills Agreement	2024-25	2027-28	241.1	114.6	235.8	240.7	244.9	249.2	1,085.1
National Skills and Workforce Development ^(h)	2008-09	2023-24	178.9	89.4	-	-	-	-	89.4
Fee-Free TAFE Skills Agreement	2022-23	2026-27	26.4	33.0	-	15.8	13.4	-	62.1
TOTAL TRAINING AND WORKFORCE DEVELOPMENT				237.0	235.8	256.5	258.2	249.2	1,236.7

Table 12.1 (cont.)

COMMONWEALTH TIED GRANTS (a)(b)(c)

	Terms of the Latest Agreement			Estimated Commonwealth Funding to Western Australia					
	Funding Start Year	Funding Expiry Year	Estimated Average Annual Commonwealth Contribution ^(d) \$m	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m	Total Five Years \$m
AFFORDABLE HOUSING									
National Housing and Homelessness Agreement	2018-19	n/a	189.6	188.8	184.7	189.0	192.7	192.7	948.0
HomeBuilder	2020-21	2025-26	74.5	6.1	3.7	0.7	-	-	10.5
TOTAL AFFORDABLE HOUSING				194.8	188.5	189.7	192.7	192.7	958.5
DISABILITY SERVICES									
DisabilityCare Australia Fund	n/a	n/a	n/a	-	1,007.7	-	-	-	1,007.7
TOTAL DISABILITY SERVICES				-	1,007.7	-	-	-	1,007.7
TRANSPORT INFRASTRUCTURE									
Land Transport Infrastructure Projects	2019-20	2023-24	1,712.8	2,258.9	3,238.2	1,807.7	897.4	362.0	8,564.0
TOTAL TRANSPORT INFRASTRUCTURE				2,258.9	3,238.2	1,807.7	897.4	362.0	8,564.0

Table 12.1 (cont.)

COMMONWEALTH TIED GRANTS (a)(b)(c)

	Terms of the Latest Agreement			Estimated Commonwealth Funding to Western Australia					Total Five Years \$m
	Funding Start Year	Funding Expiry Year	Estimated Average Annual Commonwealth Contribution ^(d) \$m	2023-24 Estimated Actual \$m	2024-25 Budget Year \$m	2025-26 Outyear \$m	2026-27 Outyear \$m	2027-28 Outyear \$m	
ENVIRONMENT									
Energy Bill Relief Fund	2023-24	2023-24	116.8	116.8	-	-	-	-	116.8
Urban Rivers and Catchments Program	2023-24	2027-28	3.0	1.2	3.9	3.7	3.5	2.6	14.9
Recycling Infrastructure	2021-22	2023-24	11.7	11.9	-	-	-	-	11.9
National Water Grid Fund	2021-22	2026-27	4.5	9.5	0.9	0.4	0.4	-	11.0
Disaster Ready Fund	2023-24	2023-24	8.9	9.0	-	-	-	-	9.0
Future Drought Fund - Regional Drought Resilience Planning	2022-23	2024-25	3.4	7.8	-	-	-	-	7.8
Community Solar Banks	2023-24	2024-25	3.7	3.7	3.7	-	-	-	7.3
Disaster Risk Reduction	2019-20	2023-24	2.5	2.5	2.5	-	-	-	5.0
Food Waste for Healthy Soils	2022-23	2024-25	1.9	2.9	1.6	-	-	-	4.5
World Heritage Management	2023-24	2027-28	0.4	0.4	0.4	0.4	0.4	0.4	2.1
National Water Inf. Dev. Fund - Southern Forests Irrigation Scheme	2019-20	2023-24	0.2	0.7	-	-	-	-	0.7
Northern Australia Plant Capacity and Response Network	2022-23	2023-24	0.4	0.6	-	-	-	-	0.6
Enhancing National Pest Animal and Weed Management	2020-21	2024-25	0.4	0.2	0.4	-	-	-	0.6
National Plant Health Surveillance Program	2021-22	2024-25	0.1	0.1	0.1	-	-	-	0.3
Pest and Disease Preparedness and Response Programs ⁽ⁱ⁾	2021-22	2023-24	1.6	0.1	-	-	-	-	0.1
TOTAL ENVIRONMENT				167.3	13.5	4.5	4.2	3.0	192.5

Table 12.1 (cont.)

COMMONWEALTH TIED GRANTS (a)(b)(c)

	Terms of the Latest Agreement			Estimated Commonwealth Funding to Western Australia					
	Funding Start Year	Funding Expiry Year	Estimated Average Annual Commonwealth Contribution ^(d)	2023-24	2024-25	2025-26	2026-27	2027-28	Total Five Years
			\$m	Estimated Actual \$m	Budget Year \$m	Outyear \$m	Outyear \$m	Outyear \$m	\$m
OTHER									
Pilbara Ports Common User Upgrades Agreement	2023-24	2028-29	94.2	69.3	163.8	230.1	60.8	41.0	565.0
Natural Disaster Relief and Recovery Arrangements	2018-19	n/a	107.9	73.3	419.1	41.1	6.0	-	539.5
National Legal Assistance Partnership	2020-21	2024-25	63.1	64.2	64.4	62.3	62.3	62.3	315.6
Perth City Deal ⁽ⁱ⁾	2020-21	2024-25	20.9	49.8	23.3	0.8	-	-	73.9
Business Support Payments	2023-24	2023-24	73.2	69.4	-	-	-	-	69.4
Family, Domestic and Sexual Violence Responses	2021-22	2026-27	11.3	14.5	14.4	6.1	0.7	-	35.7
Provision of Fire Services - Memorandum of Understanding	2022-23	2026-27	2.5	2.4	2.5	2.7	2.7	2.7	13.1
Pilot Funding for Specialised and Trauma-informed Legal Services	2023-24	2025-26	0.9	0.9	0.9	0.9	-	-	2.6
Addressing Protection Visa Backlogs - Legal Assistance	2023-24	2024-25	1.1	0.5	1.8	-	-	-	2.3
Living Safe Together Intervention Program	2022-23	2024-25	0.7	1.1	1.1	-	-	-	2.2
Countering Violent Extremism High Risk Program	2022-23	2024-25	0.6	0.5	0.5	-	-	-	1.0
Family Law Information Sharing	2022-23	2024-25	0.8	0.8	0.8	-	-	-	1.6
Community Outreach Project - Canning Community Men's Shed	2023-24	2023-24	- ^(g)	- ^(g)	-	-	-	-	- ^(g)
TOTAL OTHER				346.6	692.6	343.9	132.5	106.1	1,621.8
TOTAL COMMONWEALTH TIED GRANTS				7,597.4	9,952.7	7,411.2	6,526.0	6,209.4	37,696.6

COMMONWEALTH TIED GRANTS (a)(b)(c)

- (a) Commonwealth funding is estimated on a revenue basis. Under accounting standards, Commonwealth funding receipts are sometimes recognised immediately as revenues (e.g. when the State gains an element of control over funds, such as when a grant is paid into the Consolidated Account and when key milestones for any tied grants are still to be finalised), and sometimes recognised as revenue in line with spending against clearly agreed milestones. In some cases, residual spending of Commonwealth funding occurs beyond the agreement's funding term.
- (b) The table excludes grants that the Commonwealth characterises as its own-purpose expenditures.
- (c) Includes funding under expected continuations of agreements.
- (d) The estimated average annual Commonwealth contribution reflects average estimated funding over 2023-24 to 2027-28 for agreements expected to continue; otherwise it is based on the estimated funding and funding term supplied in the agreement (if the agreement does not supply estimated funding, this is separately estimated).
- (e) State allocations in the latter part of the agreement are yet to be determined and budgeted for.
- (f) Agreement has been superseded by the National Preschool Reform Agreement.
- (g) Amount less than \$50,000.
- (h) Agreement has been superseded by the National Skills Agreement. The estimated average annual Commonwealth contribution reflects the full-year equivalent of funding received in the final year.
- (i) The estimated annual average contribution reflects the existing schedules to this agreement, which cover years 2021-22 to 2023-24.
- (j) Commonwealth funding paid directly to Edith Cowan University is not reflected in this table.

Note: Columns/rows may not add due to rounding.

2024-25 Economic and Fiscal Outlook