

The McGowan Labor Government is putting the State to work, creating jobs for Western Australians and turning the State's finances around.

Around 30,000 additional Western Australians have secured employment since March 2017.

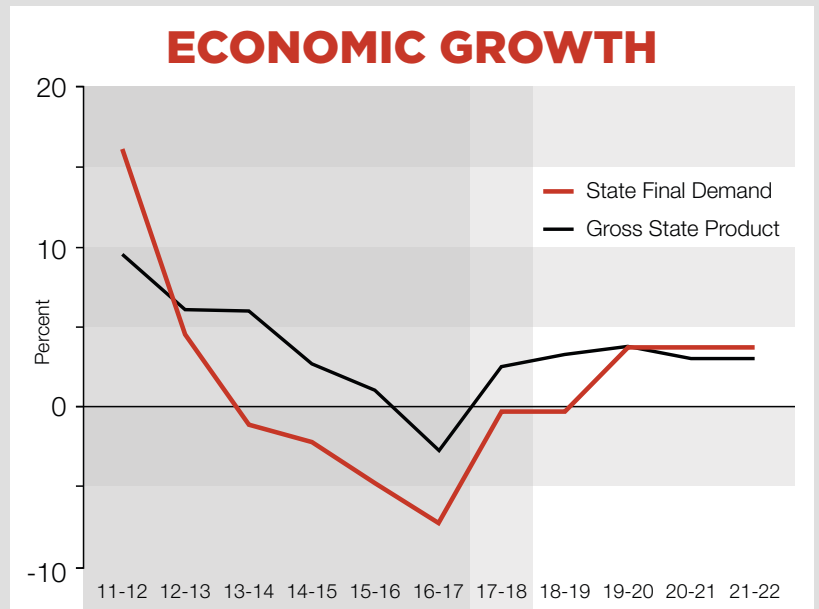
WA's economy continues to recover, confidence is returning and jobs are being created.

WA JOBS SNAPSHOT

- Investing in **important economic infrastructure to support WA industry** and create jobs in construction
- **Supporting new industries** and helping grow local businesses to diversify the WA economy
- **Record funding for rail**, towards a number of job-creating METRONET projects
- Implementing a **two-year tourism action plan** and promoting our State to the world
- Implementing the new **WA Jobs Law** with WA Industry Link - working with local businesses to ensure that State Government spending delivers local jobs
- \$3.2 billion for **job-creating road infrastructure and maintenance initiatives** across the State
- Investing in important **job-creating hospital upgrades** across the State
- \$184 million towards a **METRONET Social and Affordable Housing and Jobs Package**
- \$22.5 million for the **Regional Economic Development Grants** program to drive economic development
- \$45 million over four years for the **Building Western Australia's Grains Research and Development Capacity** program
- \$4.9 million to expand the operations of **Defence West**, including the establishment of the Defence West Advisory Panel to better position WA industry to secure future defence contracts and create local jobs

THE STATE OF THE WA ECONOMY

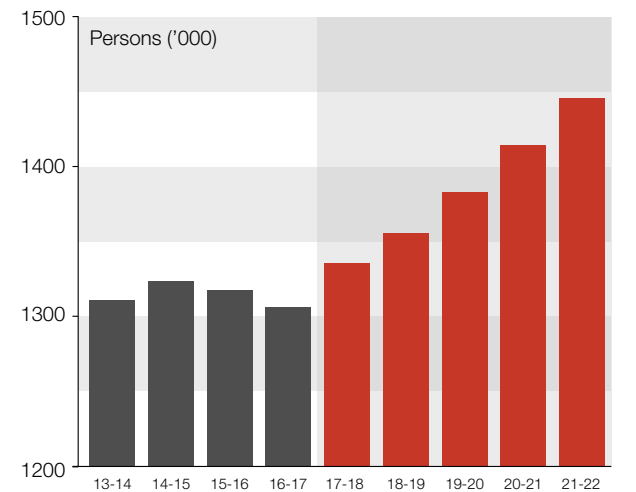
- After a period of protracted decline, **WA's domestic economy (as measured by State Final Demand) is projected to grow in 2019-20.**
- **Gross State Product, which includes exports, is expected to rebound to 2.5%** in 2017-18 and 3.25% in 2018-19, following the first annual contraction on record in 2016-17 (of -2.7%).
- Exports, predominantly LNG, iron ore, gold and lithium, are expected to remain the major driver of growth in the short term.
- In the medium term, household consumption is expected to take over as the major driver of growth on the back on improving consumer confidence, population growth and a stronger labour market.



EMPLOYMENT LEVELS

- **Around 30,000 jobs have been created** since March 2017.
- **Over 2017-18 and 2018-19, around 50,000 jobs are expected to be created.**
- **Labour market conditions are forecast to improve further over the Budget period**, with a gradually increasing participation rate and declining unemployment rate.
- **WA's participation rate is amongst the highest in the nation.**

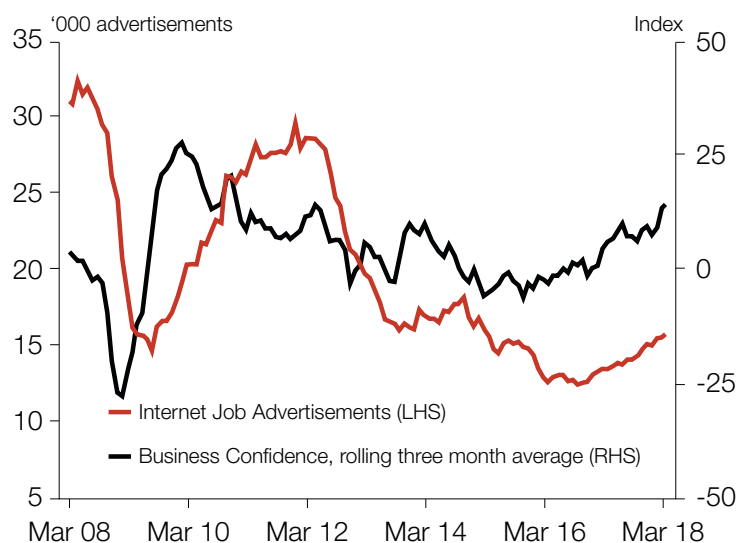
EMPLOYED WESTERN AUSTRALIANS



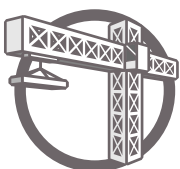
BUSINESS CONFIDENCE & THE LABOUR MARKET

- **Business confidence in Western Australia has rebounded**, reaching its highest level in more than seven years in the March quarter 2018.
- The **improved confidence has flowed through to the labour market**, supporting a lift in internet job advertisements which reached a three-year high in March 2018, at nearly 16,000 vacancies (see chart).
- **Housing market conditions have begun to stabilise**, with prices expected to increase slightly in 2018-19, as confidence continues to rise.

JOB ADS & BUSINESS CONFIDENCE



Source: Department of Jobs and Small Business, and NAB Economics.



INVESTING IN KEY WA INFRASTRUCTURE

Developing economic infrastructure and a local skilled workforce for the future will help give the WA economy the boost it needs.

The McGowan Government is implementing its comprehensive plan to create new jobs and apprenticeships.

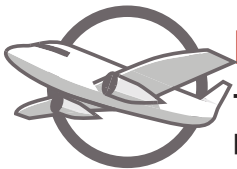
- **Additional asset investment of \$1.1 billion towards METRONET projects** under development (with \$750 million over the forward estimates period), including the Morley-Ellenbrook line and extension of the Armadale line to Byford
- \$151.2 million (with a further \$908.3 million beyond the Budget period) to replace the Transperth A Series railcars. **A total of 246 new railcars will be delivered over the next 10 years as part of METRONET.** A key consideration of the railcar tender process will be the supplier's ability and commitment to manufacture or assemble 50 per cent of the railcars in WA
- \$184 million as the State's contribution to a \$394 million Social and Affordable Housing and Jobs Package, with the balance funded through private sector investment. The package will deliver **1,390 new homes, including up to 320 new social housing dwellings and at least 400 affordable homes, and eight high density METRONET oriented developments**
- \$22.5 million for a program of **Regional Economic Development Grants** across the nine development regions, which will support community driven projects with the aim of delivering local jobs and economic growth
- \$4.9 million to **expand the operations of Defence West**, including the establishment of the Defence West Advisory Panel to better position Western Australian industry to secure future defence contracts and create local jobs



INVESTING IN DIVERSE INDUSTRIES

The McGowan Labor Government continues to invest in science, technology, manufacturing, tourism, services, education services, agriculture and many other industries to diversify the State's economy, drive investment and create local jobs.

- \$3 million, over four years, to establish the **Contemporary Music Fund** to support developing musicians and those working in the creative music industry
- \$22.5 million for the **Regional Economic Development Grants Scheme** to drive economic development in regional Western Australia
- \$45 million over four years for the **Building Western Australia's Grains Research and Development Capacity** program
- \$17.8 million over four years for **new and emerging businesses** as part of the New Industries Fund
- \$10 million per annum from 2019-20 to continue the **Exploration Incentive Scheme** to increase private sector exploration to find mineral or energy discoveries
- \$9.3 million towards **Pilbara Conservation Projects through the Pilbara Environmental Offsets Fund** - in collaboration with key industry partners
- \$5.5 million provisioned to allow WA to bid for the **Commonwealth's New Energy Industry Cooperative Research Centre HQ**
- More than \$3.3 million allocated to start the rollout of **WA's STEM skills plan**



ENHANCING TOURISM AND HOSPITALITY

The McGowan Labor Government is elevating tourism and the hospitality industry to propel a new wave of activity through WA to support local business and create jobs.

Tourism is an important economic driver for the State and the McGowan Labor Government continues to facilitate and attract investment in ways that will maximise tourism's impact to diversify the economy and create local tourism and hospitality jobs for WA.

- Leveraging the \$425 million of State Government investment over five years towards **destination marketing and event tourism**
- Progress the Government's commitments to **improvements and upgrades at Fremantle, Broome and Geraldton ports** to facilitate more cruises to WA
- Deliver on the **two-year action plan** to attract more visitors to Western Australia
- Implement **significant liquor reforms to reduce duplication and red tape for applications** – supporting local businesses, creating more jobs and driving a new wave of activity through WA's vibrant hospitality scene

WORKING WITH INDUSTRY TO CREATE LOCAL JOBS

Attracting investment and maximising its impact will help create jobs for Western Australians through private sector and State Government projects.

The McGowan Labor Government's **WA Jobs Law** ensures government spending creates opportunities for WA businesses and workers.

The State Government injects billions of dollars each year on goods, services and infrastructure. Through the local industry participation plans, the McGowan Labor Government will ensure that WA jobs are maximised as part of this investment.

SUPPORTING LOCAL BUSINESSES IN THE TENDERING PROCESS

Giving local businesses the opportunity to tender for government work is an integral part of the McGowan Government's Plan for Jobs. **WA Industry Link** gives local WA businesses more opportunities to tender and apply for government work.

Nine pilot projects across WA are already operating under the new system.

WORKING WITH INDUSTRY TO PLAN FUTURE INFRASTRUCTURE

Investing in infrastructure is critical in growing the economy, creating jobs and supporting our communities. Establishing **Infrastructure WA** is a key part of the McGowan Government's Plan for Jobs.

Infrastructure WA will be an independent board tasked with providing government expert advice on the State's infrastructure needs and priorities, ensuring taxpayers' money is invested wisely.