

WA STATE BUDGET 2019-20

THE WA ECONOMY & WA JOBS

The McGowan Labor Government is focused on creating jobs, repairing the State's finances and **supporting the ongoing recovery in the Western Australian economy.**

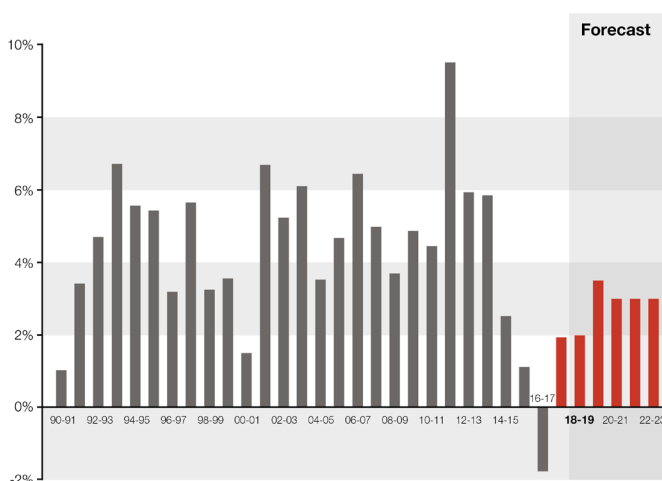
THE STATE OF THE WA ECONOMY

- Western Australia's economy continues to grow, with Gross State Product expected to increase by 2% in 2018-19.
- This is despite a deterioration in the global and national economic outlook. The IMF recently downgraded global growth forecasts, and household consumption and dwelling investment have been impacted nationally by tighter access to credit and falling house prices in response to the Banking Royal Commission.
- The McGowan Government has responded with its **Keystart stimulus package** to support home ownership and jobs in the construction sector and the **lowest increases to household charges in 13 years.**
- **Growth in GSP is expected to accelerate to 3.5% in 2019-20, and 3% in 2020-21 onward, with further growth in exports and the domestic economy becoming the major driver of growth.**
- A substantial lift in business investment is expected for the first time in seven years in 2019-20.
- This plus the McGowan Government's increased investment in **METRONET and road projects** are expected to support employment growth.
- **A stronger labour market**, increased population growth and improved consumer confidence are expected to underpin a lift in household consumption and dwelling investment.
- The continued growth of the WA economy in a challenging economic environment is a sign of our growing resilience and diversification, with the McGowan Government funding key areas to help continue to diversify our economy

ECONOMIC GROWTH

GROSS STATE PRODUCT

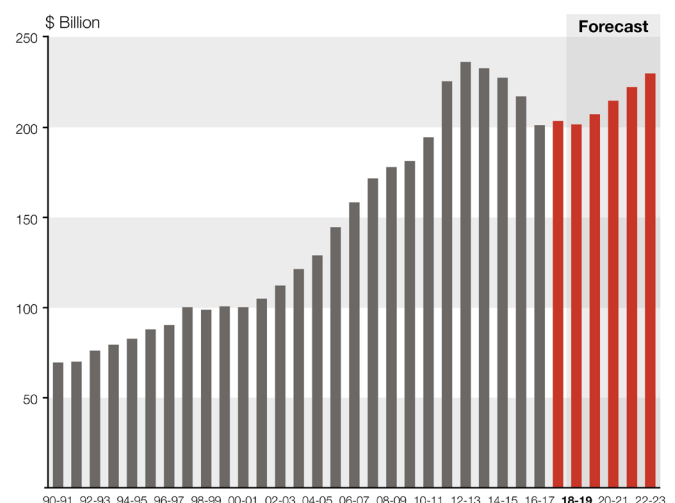
Western Australia, Annual Growth



DOMESTIC GROWTH

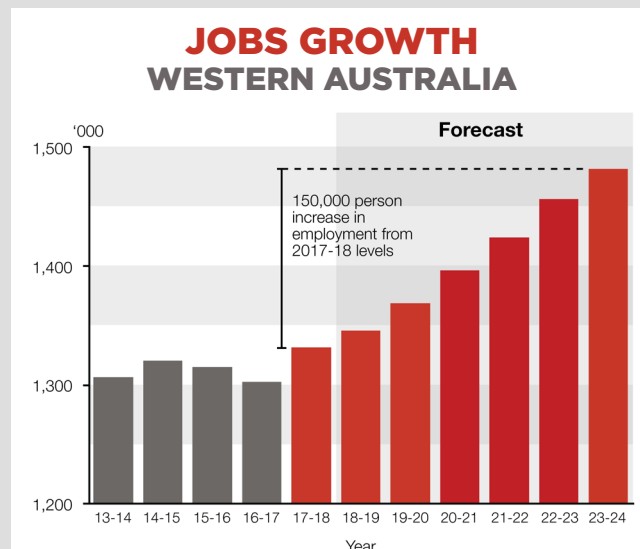
STATE FINAL DEMAND

Western Australia, Annual Levels



EMPLOYMENT

- Around **37,000 jobs have been created** in Western Australia since March 2017, including 27,000 full-time jobs.
- The rebound in business investment as spending on a new wave of resource sector projects gathers pace, coupled with Government investment in major road and rail infrastructure, is expected to see employment growth of 1.75% in 2019-20, up from an estimated 1% in 2018-19.
- **In 2019-20, a further 23,500 jobs are expected to be created.**
- Across the forward estimates period, employment growth is expected to be further supported by an increase in residential construction activity as housing supply tightens and population growth drives demand for new housing.
- **The Government is focussed and is on track to achieve its target to create an additional 150,000 jobs by 2023-24.** Treasury modelling suggests the target will require an increase in annual employment growth from 1.1% currently to 1.8% to 2023-24. This compares to long-run annual average employment growth in Western Australia (since 1989-90) of 2.1%.



METRONET:

The State Budget includes a record \$4.1 billion investment in job-creating METRONET projects.

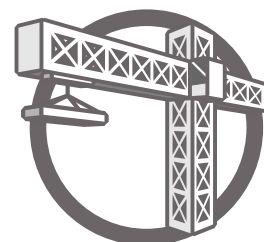
- \$536m to build the Thornlie-Cockburn Link, with construction expected to start later this year
- \$520m to build the Yanchep Rail extension, with construction expected to start later this year
- \$146m to build the new Bayswater Station, the first stage of the Morley-Ellenbrook Line, with construction expected to start later this year
- \$207.5m over the forward estimates to remove level crossings on the Armadale Line at Oats Street, Mint Street and Welshpool Road
- \$1.2b allocation for projects in detailed planning stages, including the Byford Rail Extension, Morley-Ellenbrook Line, Midland Station Project and new Karnup Station

INVESTING IN JOB-CREATING INFRASTRUCTURE:

The McGowan Government is putting Western Australians to work through a significant investment in infrastructure throughout WA.

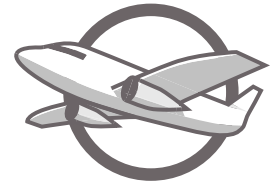
The Budget includes a \$4.2 billion investment in upgrades to roads, including more than \$2 billion on building, upgrading and maintaining roads in regional WA.

- \$1.2 billion for the Tonkin Highway Transformation Project
- \$852 million for the Bunbury Outer Ring Road
- \$310 million for the ongoing construction of Karratha-Tom Price Road
- \$275 million for Great Northern Highway - Bindoon Bypass
- \$230 million for the Fremantle Traffic Bridge replacement project
- \$180 million for the Great Eastern Highway Bypass grade separated interchanges at Roe Highway and Abernethy Road
- \$175 million for the Albany Ring Road
- \$87.5 million to upgrade Great Northern Highway from Broome to Kununurra
- \$87.5 million for Wheatbelt Secondary Freight Routes upgrades
- \$40 million for Coolgardie-Esperance Highway upgrades
- \$27.5 million for Stage One Pinjarra Heavy Haulage Deviation



SUPPORTING THE TWO-YEAR TOURISM ACTION PLAN:

The McGowan Government's Two-Year Action Plan for tourism is working, with the latest figures showing the highest international and interstate visitor numbers on record



- More than \$22 million for the creation and ongoing management of national parks, marine parks and conservation reserves
- \$12 million in new funding for international destination marketing
- \$10 million for international aviation development to secure more direct flights to Perth
- \$10 million for Collie Adventure Trails to turn Collie into WA's premier adventure trail town, as part of the Industry Attraction and Development Fund
- \$4.5 million to implement the StudyPerth International Education Plan
- \$3.6 million to support Aboriginal Tourism Initiatives

DIVERSIFYING THE ECONOMY:

- \$182.4 million for a new Employer Incentive Scheme and training delivery, including over \$45 million for regional WA. The Scheme will help WA employers with the costs of employing apprentices and trainees
- \$131.5 million additional expenditure to support agriculture in WA, grow export markets and create long-term jobs, including \$39.6 million for the Boosting Biosecurity Defences, Asian Market Success and Grains Research and Development support programs, in addition to the \$45 million for Grains Research and Development in the 2018-19 Budget
- \$60.1 million for the Collie Industry Attraction and Development Fund
- \$52 million towards the Future Health Research and Innovation Fund
- \$48.4 million to upgrade port facilities across WA
- An additional \$19.5 million for the Forrestdale Business Park
- \$10 million towards the new LNG Futures Facility
- \$7 million to build and operate a state-of-the-art marine finfish nursery facility in Geraldton
- \$8 million for a new multipurpose bushfire facility in Collie as part of the Collie Industry Attraction and Development Fund

Responsible Financial Management delivers Budget surplus.

The McGowan Labor Government has turned the State's finances around.

The McGowan Government's third Budget delivers a return to surplus in 2018-19, in just the second year of Government.

STATE FINANCES AT A GLANCE

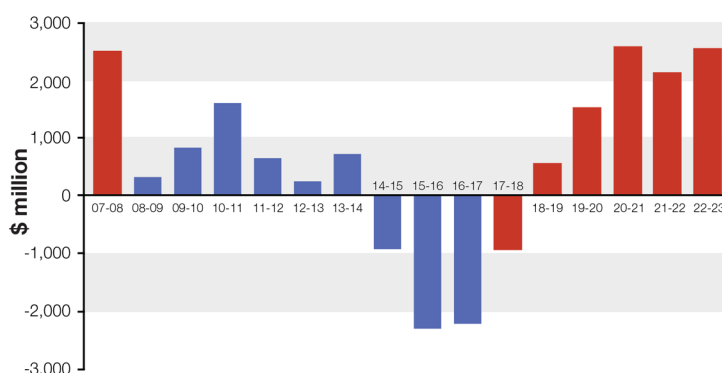
- Budget returns to general government **operating surplus of \$553 million** in 2018-19. WA's first surplus in five years, in just the second year of the McGowan Labor Government
- Massive turnaround from \$2.5 billion deficit in the final year of the Liberal National Government
- **\$1.5 billion forecast surplus in 2019-20**, rising to over \$2 billion from 2020-21 to 2022-23
- **Expense growth limited to just 1.3% per annum** over the four years to 2022-23, compared to 6.4% average growth under the previous Government
- Debt **\$4.1 billion lower than projected under the previous Government** by 2019-20, saving Western Australians \$508 million in wasted interest payments
- WA is the **only State forecasting net debt to decrease** over the forward estimates period
- Households to benefit from the Government's disciplined financial management, with the **lowest increase in household fees and charges in 13 years**



BUDGET BACK IN SURPLUS

- The Government's continued financial discipline has underpinned a return to surplus in 2018-19 (\$553 million)
- Operating surpluses represent the difference between day-to-day revenue and expenses but do not include spending on asset investment
- Operating surpluses are required to fund investment in infrastructure and repay the mountain of debt left by the previous Liberal National Government
- Surpluses also provide a buffer against volatility in revenue

GENERAL GOVERNMENT NET OPERATING BALANCE

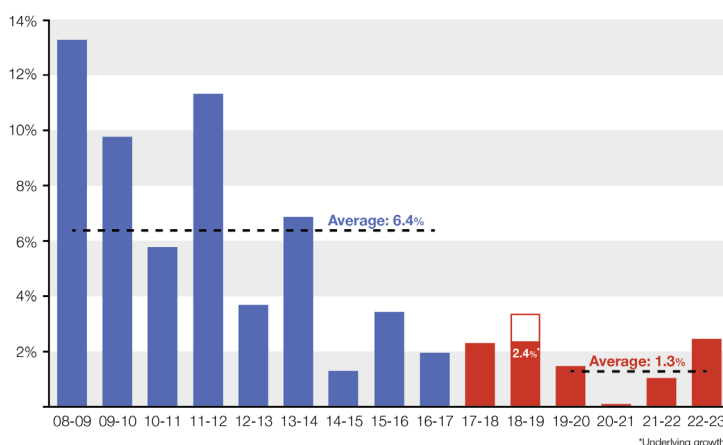


EXPENDITURE MANAGEMENT

The McGowan Government's focus on reining in expenditure growth has been the key to its financial management and debt reduction.

- Expenditure is expected to grow by just 1.3% per annum over the four years to 2022-23, compared to 6.4% under the Liberal National Government
- Successful savings measures have included voluntary targeted separations, the \$1,000 wages policy, machinery of government changes and freezing some non-salary expenditure
- Moreover, expenditure has been better targeted and prioritised to improve the quality of health care, education and community safety

GENERAL GOVERNMENT EXPENSE GROWTH

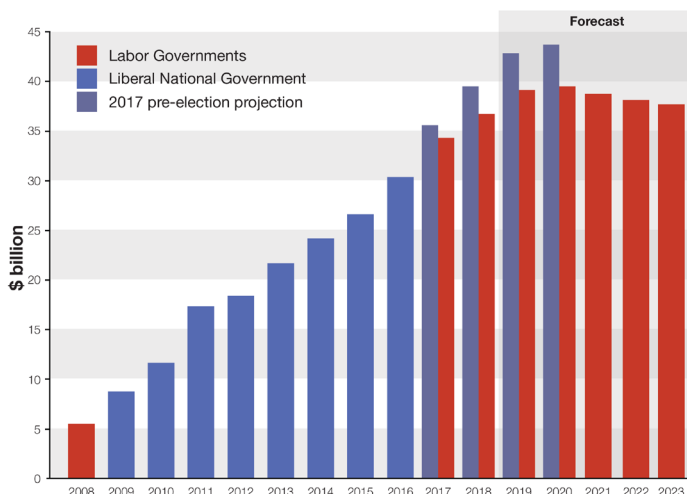


PAYING DOWN THE LIBERAL NATIONAL DEBT MOUNTAIN

The Government is delivering on its promise to pay down the mountain of debt of the previous Government, sensibly over time like a household pays down a mortgage, rather than privatising Western Power.

- Debt is projected to be **\$4.1 billion lower in 2019-20 than projected under the previous Government** in the 2016-17 Pre-election Financial Projections Statement
- This will **save Western Australians an estimated \$508 million in interest payments**, which can be directed towards essential services
- Debt is forecast to decline from 2020-21. WA is the only State where debt is expected to decline

TOTAL PUBLIC SECTOR NET DEBT (INC AASB 16)
AT 30 JUNE



RECORD LOW INCREASE IN HOUSEHOLD FEES

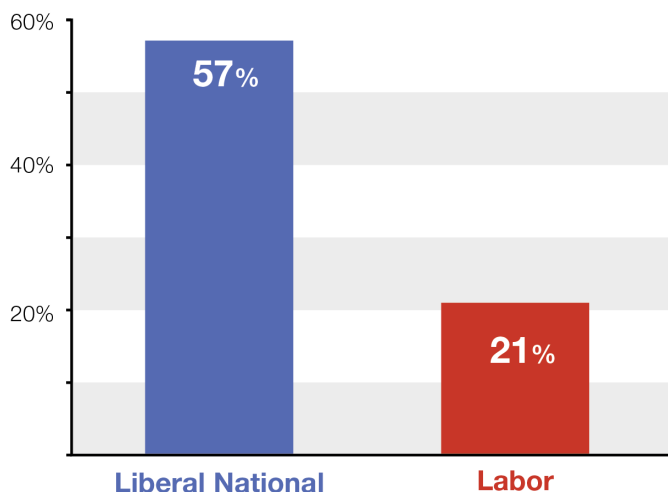
The McGowan Government recognised that households have been burdened with significant increases in household charges over the last decade, averaging 5.8% per annum over the two terms of the Liberal National Government.

- **This Budget delivers the lowest increase in household fees and charges in 13 years of 2% in 2019-20**

The McGowan Government ensured that households were the first to benefit from its responsible financial management.

- **Household electricity prices will rise by 1.75% in line with forecast inflation**

CUMULATIVE INCREASE IN ELECTRICITY PRICES
FIRST THREE BUDGETS



WESTERN AUSTRALIA'S GST

The GST distribution reforms secured by the McGowan Labor Government in 2018 guarantee that WA will never again receive below 70% of our population share of the GST pool.

A GST top-up prepayment of \$434 million in 2018-19 has been fully allocated to the Government's Debt Reduction Account.

- Despite the GST reform, WA **is not completely immune** from movements in GST funding
- The Commonwealth has cut its estimates of the national GST pool and lowered its projections of WA's population. These effectively reduce the expected overall size of the GST pie and reduce WA's projected share of the pie. These changes are not protected by the 70% floor guarantee
- In net terms, Western Australia's **GST and floor grants are \$921 million lower** than forecast in the Budget relative to the 2018-19 Mid year Review
- Nonetheless, in a clear vindication of the McGowan Labor Government's approach to **expenditure restraint**, even without the GST floor top up payments, **the Budget would still be in an operating surplus position across the entire forward estimates period**

WA STATE BUDGET 2019-20

BUILDING METRONET & TRANSFORMING OUR ROADS

The McGowan Labor Government is getting things done, delivering a record investment in **METRONET** to create a world-class public transport network, and road infrastructure projects in Perth and the regions, creating a pipeline of jobs throughout Western Australia.

Major METRONET projects are now underway, with construction set to start on three new METRONET projects in late-2019.

The State Budget includes a record \$4.2 billion to build new road infrastructure across the metropolitan area and regional WA, with 25 major job-creating projects included in this Budget.

TRANSPORT SNAPSHOT

- \$4.1 billion allocated to METRONET projects in total over the forward estimates
- Six rail projects totalling 72km being planned or under construction
- \$415 million allocated for a boom gate blitz on the Armadale Line
- WA jobs maximised to build 246 new METRONET railcars
- More than \$2 billion being spent on regional roads
- 25 major road projects set to get underway soon
- \$146 million investment in cycling infrastructure

BUILDING METRONET & CREATING WA JOBS

More than \$1.2 billion is allocated in this Budget for METRONET projects under development, including: Byford Rail Extension, Morley-Ellenbrook Line, Midland Station Project and Karnup Station.

FORRESTFIELD-AIRPORT LINK

The \$1.9 billion project will see first trains operate in the second half of 2021, with new stations at Redcliffe, Airport Central and Forrestfield.

THORNIE-COCKBURN LINK

The \$536 million project will extend the Thornlie Line to Cockburn Station, the first stage of a potential Circle Line, with two new stations at Nicholson Road and Ranford Road.

YANCHEP RAIL EXTENSION

The \$520 million project will extend the northern suburbs rail line to Yanchep, with three new stations at Alkimos, Eglinton and Yanchep.

MORLEY-ELLENBROOK LINE

Construction to start later this year on the new **Bayswater Station, the first stage of the Morley-Ellenbrook Line**. The new rail line will service the north eastern suburbs, with detailed planning finalised later this year.

BYFORD RAIL EXTENSION

Planning work is continuing on the project to extend the Armadale Line south to Byford.

MIDLAND STATION PROJECT

Planning work is continuing on the Midland Station Project including a new train station and line extension to Bellevue

LEVEL CROSSING REMOVAL

Construction to remove the **Denny Avenue** level crossing in Kelmscott will start later this year. \$207.5 million over the next four years to remove level crossings at **Oats Street, Mint Street** and **Welshpool Road**, plus planning underway to investigate options for **Wharf Street, Hamilton Street** and **William Street** on the Armadale Line. Further planning work underway to remove the **Caledonian Avenue** level crossing on the Midland Line.



METRONET RAILCAR PROGRAM, WA JOBS BOOST

- Construction to start on new **Bellevue assembly and manufacturing facility** in 2019-20
- **\$1.6 billion project to deliver 246 new METRONET railcars over 10 years**
- It is the largest order of railcars in WA's history
- At least **50 per cent of the manufacturing of new railcars to be completed in Western Australia**



*More information about METRONET is available
at www.metronet.wa.gov.au*



INVESTING IN OUR ROADS CREATING LOCAL JOBS

The McGowan Government's third State Budget provides \$4.2 billion in total for road infrastructure and maintenance initiatives to reduce traffic congestion, improve safety and create jobs.

- \$1.2 billion for the Tonkin Highway Transformation Project, which will provide:
 - Tonkin Highway Gap upgrade - widening Tonkin Highway from Great Eastern Highway to just north of Guildford Road
 - Tonkin Highway grade separated interchanges at Kelvin and Welshpool Roads and a new flyover at Hale Road
 - Tonkin Highway extension from Thomas Road to South Western Highway in Mundijong
- \$230 million for the Fremantle Traffic Bridge replacement project
- \$180 million for the Great Eastern Highway Bypass grade separated interchanges at Roe Highway and Abernethy Road
- \$215 million for the 5.6 kilometre extension of Mitchell Freeway from Hester Avenue to Romeo Road in the northern suburbs
- \$156 million is committed to getting construction underway this year for two major eastern suburbs projects - the Reid Highway duplication, between Beechboro Road and West Swan Road, and the Roe Highway-Kalamunda Road interchange

INVESTING IN OUR ROADS ACROSS REGIONAL WA

The McGowan Government is delivering more than \$2 billion on regional roads. Record funding will be spent on regional roads, to start or complete major projects, including:

- \$175 million for the construction of the Albany Ring Road to divert heavy haulage around the City of Albany
- \$852 million for the Bunbury Outer Ring Road
- \$30 million for further improvements to South Coast Highway between Albany and Jerramungup
- \$59 million for upgrades to the Ord River-Halls Creek to Warmun section of Great Northern Highway
- \$65.7 million for the upgrade and sealing of the remaining 90 kilometres of the Broome-Cape Leveque Road
- \$87.5 million to upgrade Great Northern Highway from Broome to Kununurra
- \$40 million for Coolgardie-Esperance Highway upgrades
- \$27.5 million for Stage One Pinjarra Heavy Haulage Deviation

- \$87.5 million for Wheatbelt Secondary Freight Routes upgrades
- \$310 million for the upgrade and sealing of the Karratha-Tom Price Road
- \$347 million for the continued improvements to Great Northern Highway (Muchea to Wubin)
- \$275 million for the construction of the 46 kilometre Bindoon Bypass
- \$14 million for the duplication of Great Eastern Highway between Anzac Drive and Gatacre Drive in Kalgoorlie-Boulder



INVESTING IN CYCLING INFRASTRUCTURE

The State Budget includes more than \$146 million for cycling projects and grants to expand Western Australia's cycling network by at least 150km.

- More than \$55 million for cycle paths related to major road projects
- Projects underway to close gaps on Mitchell and Kwinana Freeway Principal Shared Paths (PSPs), and along the Fremantle and Midland rail lines
- PSPs will be delivered as part of newly announced road projects, such as the replacement of the Fremantle Traffic Bridge and upgrades to Roe Highway and Tonkin Highway
- More than \$27 million will be available for the planning, design and construction of local bicycle infrastructure including safe active streets

WA STATE BUDGET 2019-20 PUTTING PATIENTS FIRST

The McGowan Labor Government is putting patients first. We are delivering high quality patient care across the State, with a significant investment in health and mental health infrastructure and better, more innovative services with improved access for all.

The McGowan Government has been implementing its commitments to make navigating the health and mental health system easier. We're freeing up beds so more people can be treated and improving services that put patients first.

We continue to provide the best quality patient care, working closely with experts, health professionals and community service providers, to ensure health and mental health is given the attention it requires.

HEALTH & MENTAL HEALTH SNAPSHOT

- \$9.1 billion health service investment in 2019-20
- \$6 billion total health infrastructure program
- An additional \$316.4 million to 2022-23 for core hospital and non-hospital services
- \$942.1 million investment to mental health, alcohol and drug services in 2019-20
- \$161 million to redevelop Joondalup Health Campus
- \$93.8 million boost for mental health services in the public health system
- An additional \$52 million for the Future Health Research and Innovation Fund
- \$41 million towards an end-of-life choices and palliative care package across the State including an extra \$5 million towards a purpose-built 38-bed residential aged and palliative care facility in Carnarvon
- \$42.5 million package for the co-ordinated and integrated Methamphetamine Action Plan
- \$26.4 million towards implementation of the Sustainable Health Review and initial projects, including \$3.3 million to plan for a new women's hospital co-located at the QEII site in Nedlands
- \$22.7 million of new funding to refurbish the 24-bed Intensive Care Unit at Royal Perth Hospital
- \$15.6 million for a 20-bed, secure mental health unit at Fremantle Hospital
- \$13.8 million for specialist services as part of the Pilbara Health Initiative, to enable patients to be treated closer to home
- \$13.1 million for the construction of a facility at Albany Health Campus to house a linear accelerator
- \$11 million for continued planning for the redevelopment of Bunbury Hospital, progressing an election commitment
- \$8.9 million for the continuation of the Mental Health Court Diversion program
- \$8.1 million for suicide prevention programs
- \$6.3 million to fund a Magnetic Resonance Imaging (MRI) suite at Kalgoorlie Health Campus.
- \$7.3 million for upgrades to Bentley Hospital
- \$4 million towards the new Laverton Hospital project
- \$3.6 million towards the establishment of Recovery Colleges, an election commitment, to support individuals in self-directed recovery from mental health and alcohol related issues
- \$3 million additional funding for comprehensive planning to decommission Graylands Hospital and reconfigure mental health services to reflect contemporary and more appropriate models of care
- \$2.3 million package to combat elder abuse, including continued funding for the WA Elder Abuse Helpline
- \$1.6 million to create culturally appropriate accommodation for Aboriginal patients and their carers while visiting metropolitan hospitals
- \$1.3 million for the construction of a renal unit at the Newman Health Service, which will house four renal dialysis chairs and supporting infrastructure
- \$1 million for the Kimberley Mobile Dialysis Unit

DELIVERING ON OUR COMMITMENTS

The McGowan Labor Government is continuing to work through plans to **progress key hospital initiatives** including upgrades to Collie hospital, which will be outlined in subsequent Budgets.

BOOSTING MENTAL HEALTH INFRASTRUCTURE AND SERVICES

The McGowan Labor Government is delivering a record investment to mental health, alcohol and other drug services in 2019-20.

We are providing more mental health initiatives with a focus on support, education, prevention and harm reduction which are aligned to recommendations of the Sustainable Health Review and support the McGowan Government's Methamphetamine Action Plan.

- \$15.6 million for a new 20-bed secure mental health unit at Fremantle Hospital – the second secure unit is expected to open in 2022 and will boost the total mental health beds on site to 84
- \$8.9 million for the continuation of the Mental Health Court Diversion program
- \$8.1 million for suicide prevention programs
- \$3.6 million towards the establishment of Recovery Colleges, an election commitment, to support individuals in self-directed recovery from mental health and alcohol related issues
- \$3 million additional funding for comprehensive planning to decommission Graylands Hospital and reconfigure mental health services to reflect contemporary and more appropriate models of care.

TACKLING THE METH CRISIS

The McGowan Government will invest an extra \$42.5 million towards its co-ordinated and integrated Methamphetamine Action Plan, **bringing the total investment to \$244.8 million to address methamphetamine issues in Western Australia.**

- \$20.1 million towards the North West Drug and Alcohol Support Program
- \$9.2 million towards the development of a comprehensive alcohol and other drug youth service in the Kimberley - fulfilling an election commitment
- \$4.8 million to establish a 10-bed crisis centre in Midland
- \$2.3 million for four low medical withdrawal beds in the Kimberley
- \$914,000 for alcohol and other drug training for Aboriginal workers through the Strong Spirit Strong Mind program
- \$631,000 to expand the existing Transitional Housing and Support Program, which will assist an additional 20 people each year
- \$614,000 towards alcohol and other drug training for frontline workers such as psychologists, social workers and counsellors
- \$457,000 for the Meth Peer Education Program which focuses on harm reduction and health promotion
- \$1.52 million to expand the needle syringe exchange program in high-demand regional areas including the Great Southern and Bunbury
- \$1.05 million for alcohol and other drug education programs in schools with a focus on at-risk students
- \$300,000 to expand the Hepatitis WA nurse-led program which supports GPs to provide brief interventions to meth users
- \$200,000 towards planning for short term safe places for compulsory critical intervention
- \$200,000 to plan for the expansion of the award-winning Mental Health Police Co-Response model to regional areas and to include support for alcohol and other drug issues
- \$150,000 towards raising awareness of the community Needle Syringe Exchange Programs

Initiatives already underway as part of the government's Meth Action Plan include the establishment of the Meth Border Force, increased police roadside testing, additional treatment beds across the State, the introduction of mental health emergency centres, expanding the Mental Health Police Co-Response teams to four districts in Perth, delivery of WA's first alcohol and other drug treatment prison – with a second facility in progress, and it has also introduced the toughest penalties in Australia for meth traffickers.

COMMUNITY MENTAL HEALTH STEP UP/STEP DOWN SERVICES

The McGowan Government continues to increase mental health services in the community and across regional Western Australia and is investing more than \$22.4 million in capital funding over the next four years to establish community mental health step up/step down services.

This funding is in addition to almost \$6 million in 2018-19 provided for the existing step up/step down services in Joondalup (22 beds), Rockingham (10 beds) and Albany (six beds).

Community mental health step up/step down services are being established across Western Australia to support people living in the community. The service provides a range of support programs and activities within a residential style setting by offering additional support for the individual to manage a change in their mental health and being closer to the support from family and friends.

Planned community mental health step up/step down services include:

- 10-bed Bunbury service expected to open early next year
- 10-bed Kalgoorlie service expected to open next year
- A six-bed service in Broome, which is being progressed
- A six-bed service in Karratha, which is being progressed

IMPROVING AGED CARE

The McGowan Government is injecting millions of dollars towards developing, upgrading and refurbishing residential aged care facilities and tackling elder abuse.

The McGowan Labor Government is on track with its commitment to fast-tracking aged care establishments.

More than 30 aged care development opportunities have been progressed through land transfers, rezonings and development approvals.

These projects are estimated to create at least another 1,500 aged care beds across the state in coming years. An aged care working group is continuing to fast-track the availability of State-owned land and property for aged care facilities.

- An extra \$5 million for a purpose-built 38-bed residential aged and palliative care facility in Carnarvon on top of the \$11.6 million previously committed
- \$2.3 million package to combat elder abuse, including continued funding for the WA Elder Abuse Helpline
- \$8.6 million to support the Karlarra House residential aged care facility in Port Hedland

URGENT CARE CLINICS

The McGowan Government is Delivering Urgent Care Clinics to free up hospital beds and shorten emergency department waiting times – so more patients can be treated

The Government opened the first specialist Urgent Care Clinic (Toxicology), which focuses on those impacted by drugs and alcohol, at Royal Perth Hospital.

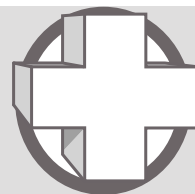
- \$2 million has been committed towards establishing Urgent Care Clinics across the community.

MEDIHOTELS

Work is underway for WA's first Medihotel.

The first Medihotel will be located alongside Fiona Stanley Hospital as part of the Murdoch Health and Knowledge Precinct, which will include aged care beds, housing and health research facilities.

Patients who are discharged from hospital but are still recovering can recuperate in a Medihotel, which offers comfort and privacy with close access to medical care.



WA STATE BUDGET 2019-20

INVESTING IN OUR CHILDREN'S EDUCATION

The McGowan Labor Government has invested in schools and Western Australia, ensuring all students – regardless of where they live – receive a high quality education. The McGowan Government is focused on ensuring schools can better support the growing numbers of students in modern, first class facilities.

The 2019-20 State Budget includes a \$452.8 million investment to improve school infrastructure and create jobs for Western Australians.

An additional \$40 million has been allocated to students with disability in public schools to 2022-23 to help address learning needs of WA students. This brings the total amount of funding in 2019 for students with eligible disability to \$326.8 million.

EDUCATION SNAPSHOT

- Total **\$22.1 billion investment** over four years in WA education
- \$452.8 million in 2019-20 to **build and improve WA schools** to support the growth in our suburbs and ensure our students are learning in modern environments
- \$152.8 million to build **four new primary schools** to open in 2020 and **five new primary schools** to open in 2021
- **\$77.4 million to redevelop secondary schools, across Perth**
- \$38.3 million of **infrastructure works** to commence at regional schools
- Additional \$40 million allocated to **students with disability** in WA public schools through to 2022-23 to help address learning needs of students
- **Enrolment growth in WA public schools is projected to grow by 27,000 students** over the four years from 2019 to 2023
- \$3 million towards **science labs for 51 primary schools** across the State



INVESTING IN SCHOOLS ACROSS WA

The McGowan State Budgets have made significant investment in public school infrastructure, which will ensure students across the State are learning in the best possible environments and also create jobs for Western Australians.

NEW SCHOOLS

New primary schools at a cost of \$74.5 million to open in 2020 include:

- Baldivis North
- Banksia Grove
- Byford South
- Caversham South

New primary schools at a cost of \$78.3 million to open in 2021 include:

- Brabham
- Southern River (Stage 1)
- Harrisdale North
- Baldivis South (Parkland Heights)
- Sunningdale (Yanchep)

Construction at the new **Inner City College** (planning name) at Kitchener Park will continue (\$70.6 million). The school will open for the 2020 school year as a local intake secondary school.

SCHOOL UPGRADES

Redevelopment of secondary schools include:

- A redevelopment to expand and upgrade **Balcatta Senior High School** to be completed in 2021 (\$50 million)
- **Kinross College** will benefit from works commencing to refurbish facilities (\$2.5 million)
- Construction will commence at **Darling Range Sports College**, providing upgrades to the school's design and technology, visual arts, canteen, music and general classrooms (\$10 million)
- Construction will start at **Wanneroo Secondary College** for a new sports hall and hardcourts (\$5 million)
- Work continues at **Morley Senior High School** (\$1.5 million) and at **Southern River College** (\$8.4 million)

Planning will commence at:

- **John Forrest Secondary College** for a major upgrade to replace outdated specialist facilities (\$50 million)
- **Mount Lawley Senior High School** to provide new facilities (\$4 million)

Upgrades and additions will take place at the following schools:

- **Victoria Park Primary School** planning will commence for a permanent two storey building (\$7.1 million)
- Planning for a new child and parent centre at **Arbor Grove Primary School** in Ellenbrook will commence (\$1.8 million)
- Construction for a new early childhood facility at **Kinross Primary School** will start (\$1.6 million)

Progressing performing arts facilities at the following schools:

- Belridge Secondary College (\$5 million)
- Belmont City College (\$5 million)
- Ocean Reef Senior High School (\$5 million)
- Melville Senior High School (\$4.5 million)
- Ballajura Community College (\$5 million)

REGIONAL SCHOOLS

The McGowan Government continues to invest in public schools across regional WA.

- Redevelopment of **Broome Senior High School** (\$19.3 million)
- Science facilities at **Eaton Community College** (\$5 million)
- **Eaton Primary School** specialist early childhood facilities (\$3 million)
- Early learning facilities at **Flinders Park Primary School** (\$2.5 million)
- Upgrade of facilities at **Mount Lockyer Primary School** (\$3 million) and **South Bunbury Primary School** (\$5.5 million)
- Construction will continue for the provision of additional classrooms and specialist facilities at **Collie Senior High School** (\$7.5 million)
- Planning has commenced for a new cafeteria and flexible learning space at **Bunbury Senior High School** (\$5 million)

SCIENCE IN SCHOOLS

McGowan Government continues to deliver on its election commitment to boost science in schools to prepare students for future jobs in science, technology, engineering and mathematics (STEM).

\$3 million is being invested in 2019-20 as part of the State Budget, towards converting 51 primary classrooms across the State into science laboratories.

WA STATE BUDGET 2019-20

STRONGER, SAFER COMMUNITIES

The McGowan Labor Government has brought fresh ideas and new resources to the fight against crime. The introduction of innovative, evidence-based policies is helping make our communities stronger and safer.

There is continued focus on the problems of family and domestic violence and juvenile crime with new whole-of-government initiatives and strong support for victims.

The McGowan Government is creating stronger, safer communities, tackling the meth scourge, protecting vulnerable children, families and seniors and making our roads safer.

SNAPSHOT ON SAFER COMMUNITIES

- \$186 million to expand Casuarina prison including \$3.3 million for security system upgrades
- \$900,000 to develop the Kimberley Juvenile Justice Strategy and fulfil a key election commitment
- \$6.5 million state-wide funding for the Aboriginal Community Connectors program to improve community safety and reduce community consequences of Alcohol and Other Drugs and related 'at risk' behaviours
- \$11.3 million to support and expand sustainable service delivery of PCYCs across the State
- \$30.9 million boost towards a suite of initiatives to tackle family and domestic violence
- \$34.6 million to roll out personal mobile tablets to free up Police Officers for more time on the beat
- \$15.4 million towards the roll-out of personal multi-threat body armour to frontline Police Officers
- \$5.7 million for hostile vehicle protection measures at key stadia and venues
- \$118.1 million road safety package
- \$8 million boost for shark hazard mitigation to keep water users safe at iconic WA beaches
- \$2.3 million package to combat elder abuse, including continued funding for the WA Elder Abuse Helpline

TACKLING THE METH CRISIS

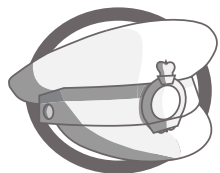
The McGowan Government will invest extra \$42.5 million towards its co-ordinated and integrated Methamphetamine Action Plan, bringing the total investment to \$244.8 million, to address methamphetamine issues in Western Australia.



- \$20.1 million towards the North West Drug and Alcohol Support Program
- \$9.2 million towards the development of a comprehensive alcohol and other drug youth service in the Kimberley – fulfilling an election commitment
- \$4.8 million to establish a 10-bed low medical withdrawal crisis centre in Midland
- \$2.3 million for four low medical withdrawal beds in the Kimberley
- \$1.52 million to expand the needle syringe exchange program in high-demand regional areas including the Great Southern and Bunbury
- \$1.05 million for alcohol and other drug education programs in schools with a focus on at-risk students
- \$914,000 to continue alcohol and other drug training for workers in the Strong Spirit Strong Mind program
- \$631,000 to expand the existing Transitional Housing and Support Program
- \$614,000 towards alcohol and other drug training for frontline workers such as psychologists, social workers and counsellors
- \$457,000 for the Meth Peer Education Program which focuses on harm reduction and health promotion
- \$300,000 to expand the Hepatitis WA nurse-led program which supports GPs to provide brief interventions to meth users
- \$200,000 to plan for the expansion of the award-winning Mental Health Police Co-Response model to regional areas and to include support for alcohol and other drug issues

- \$200,000 towards planning for short term safe places for compulsory critical intervention
- \$150,000 towards raising awareness of the community Needle Syringe Exchange Programs

Initiatives already underway as part of the government's Meth Action Plan include the establishment of the Meth Border Force, increased police roadside testing, additional treatment beds across the State, the introduction of mental health emergency centres, expanding the Mental Health Police Co-Response teams to four districts in Perth, delivery of WA's first alcohol and other drug treatment prison – with a second facility in progress, a plan for treatment services in the Kimberley and it has also introduced the toughest penalties in Australia for meth traffickers.



INVESTING IN POLICE AND JUSTICE

The State Government has a focus on initiatives to improve community safety and justice services across Western Australia

- \$186 million to expand Casuarina prison including \$3.3 million for security system upgrades
- \$118.1 million road safety package
- \$34.6 million to roll out personal mobile tablets to free up Police officers for more time on the beat
- \$15.4 million towards the roll-out personal multi-threat body armour to frontline police officers
- \$12.3 million to secure and screen a new female compound and enhance security at Greenough Regional Prison
- \$11.3 million to support and expand sustainable service delivery of PCYCs across the State including a new Kununurra PCYC and a major redevelopment to the Carnarvon PCYC
- \$1.4 million to plan for the construction of a new Broome Regional Prison
- \$900,000 to deliver the Kimberley Juvenile Justice Strategy and fulfil a key election commitment

SUPPORTING INITIATIVES TO PREVENT FAMILY AND DOMESTIC VIOLENCE

The McGowan Labor Government is investing in initiatives to address family and domestic violence and prioritise community safety.



- \$15.5 million for an electronic monitoring trial to monitor high-risk domestic violence offenders
- \$11.7 million to establish two new Family and Domestic Violence One Stop Hubs in Mirrabooka and Kalgoorlie to make it easier for domestic violence victims to access services
- \$2.1 million to deliver training to frontline police officers and to develop a family violence Code of Practice
- \$1.1 million of continued funding for the Kimberley Family Violence Service
- \$415,000 of continued funding for the Pets in Crisis program

PROTECTING WESTERN AUSTRALIANS

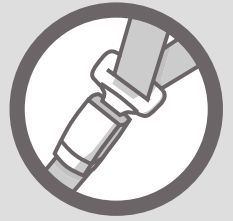
The McGowan Labor Government is getting on with the job of making our communities stronger and safer.

- \$22 million investment to boost the Enhanced Prescribed Burning program in the South-West
- \$5.7 million for hostile vehicle protection measures at key stadia and venues
- \$8 million to build a new multipurpose bushfire facility to support career and volunteer emergency services personnel including firefighters and SES in Collie and the South-West
- \$8 million boost for Surf Lifesaving WA helicopter drone, beach and jet ski patrols, WA's world-leading shark monitoring network and department tagged operations as part of the overall WA scientific shark hazard mitigation strategy
- \$2.3 million package to combat elder abuse, including continued funding for the WA Elder Abuse Helpline

BOOSTING ROAD SAFETY ACROSS WA

The McGowan Labor Government is making a substantial investment in road safety initiatives to reduce road crashes and trauma.

Initiatives include improvements to dangerous roads and intersections, stronger police presence on roads and community education campaigns expected to change driver behaviour.



- \$118.1 million road safety package including roadside driver testing, speed enforcement, alcohol interlocks assessment and treatment services, and run-off road crash mitigation
- \$4.8 million to continue the Enhanced Driver Training and Education Program for regional and remote communities and establish a new pilot program in Bunbury

WA STATE BUDGET 2019-20

WHERE THE MONEY COMES FROM & WHERE IT GOES

RESPONSIBLE FINANCIAL MANAGEMENT AND DELIVERING QUALITY SERVICES:

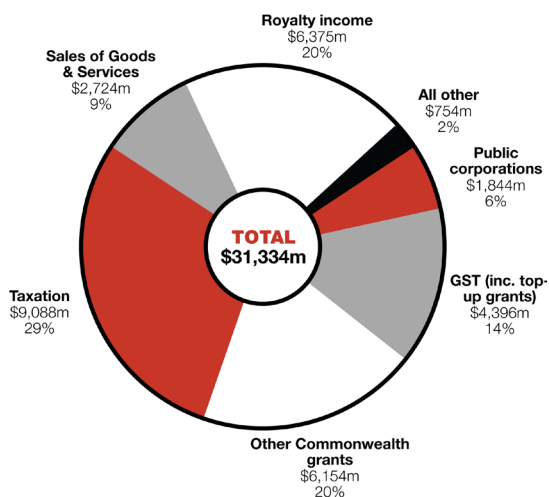
The McGowan Labor Government has turned the State's finances around, with the Budget returning to surplus in 2018-19, in just its second year in office. The operating surplus is the first in five years and shows that the Government's plan to manage the finances is working.

Operating surpluses are forecast across the entire forward estimates period, including a \$1.5 billion surplus in 2019-20, and surpluses over \$2 billion until 2022-23. The surpluses are underpinned by the Government's disciplined control of general government expenses, which are projected to increase by just 1.5% in 2019-20, and by an average of 1.3% per annum over the forward estimates period.

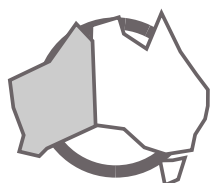
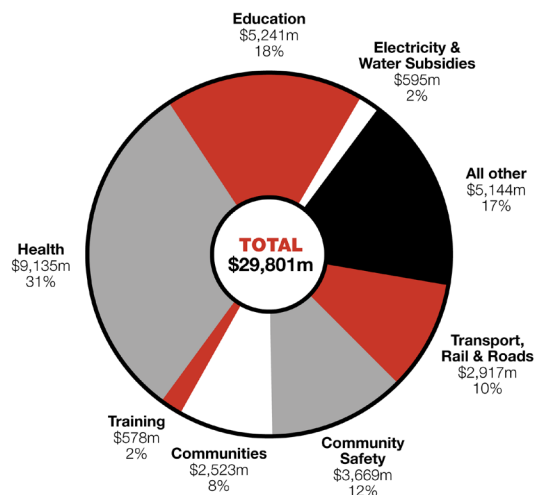
REVENUE AND EXPENDITURE AT A GLANCE

- Revenue is estimated to total **\$31.3 billion in 2019-20**, with 66% generated directly by the State.
- **GST revenue (including top up grants) and other Commonwealth grants represent 34% of the State's total revenue**, the lowest proportion of any State.
- **Expenses are forecast to total \$29.8 billion in 2019-20**, with over two thirds of this budgeted for the key priority areas of health, education, community support and safety.
- The State is forecast to keep expenses lower than revenue in each year from 2018-19 onwards, **creating operating surpluses in each year**.
- Surpluses provide funds for new infrastructure and to pay down the high levels of debt inherited from the previous Liberal National Government.

2019-20 REVENUE GENERAL GOVERNMENT SECTOR



2019-20 EXPENDITURE GENERAL GOVERNMENT SECTOR



INTERJURISDICTIONAL COMPARISON

Western Australia generates 66% of its revenue from direct State sources, with only 34% being provided by the Commonwealth. This is the highest proportion of own-source revenue of any State.

2019-20	WA	NSW	VIC	QLD	SA	TAS
Commonwealth-funded share	34%	39%	47%	48%	57%	63%
Own-source revenue share	66%	61%	53%	52%	43%	37%

Source: Western Australia – 2019-20 Budget. Other States – 2018-19 Mid Year Reviews

WA STATE BUDGET 2019-20

PROTECTING OUR ENVIRONMENT

The State Budget includes important initiatives to protect Western Australia's unique natural environment while creating opportunities for jobs and tourism.

The McGowan Labor Government is committed to reducing waste and has implemented key strategies including a ban on single-use plastic bags and a new Container Deposit Scheme which will improve recycling to reduce the significant impact on our environment.

PLAN FOR OUR PARKS

- More than \$22 million extra to support the Plan for our Parks initiative
- On top of more than \$100 million already earmarked for visitor services and public programs provided in national parks and other lands and waters for 2019-20
- Ambitious plan to create five million hectares of new national and marine parks and conservation reserves will be delivered over the next five years
- \$10 million to establish visitor operations and infrastructure at the proposed Houtman Abrolhos Islands National Park, with an additional \$3.8 million for ongoing management of the islands
- \$6.7 million to build public recreation facilities and implement traditional owner joint management of coastal reserves in the Ningaloo Coast World Heritage Area
- Close to \$2 million towards creation and ongoing management of the proposed national park at Helena and Aurora Range

CONTAINER DEPOSIT SCHEME

The State Budget includes \$4.44 million to begin implementing the McGowan Government's Container Deposit Scheme, which is expected to begin in 2020.

The Scheme will offer consumers a **10 cent refund when they return eligible bottles and cans** to refund points across the State.

Over the next 20 years, the State-wide scheme is predicted to reduce littered containers by 706 million, cut the number of containers sent to landfill by 6.6 billion and see an increase in recycled containers of 5.9 billion.

As well as diverting waste from landfill, the scheme will **boost employment and create hundreds of jobs at new container sorting and processing facilities**, and refund points across metropolitan and regional Western Australia.

ENVIRONMENTAL PROJECTS UNDERWAY

- \$31 million for the **Natural Resource Management Program**
- Facilitating \$7.8 million of conservation projects from company offsets via the **Pilbara Environmental Offsets Fund**
- \$10.5 million to fast-track the creation of the **Preston River to Ocean Regional Park** and the **Leschenault Regional Park** in the Bunbury region
- \$18.7 million statewide for the **Aboriginal Rangers Program**
- \$8.6 million for the **Regional Estuaries Initiative**
- \$1 million towards the **establishment of a park and reserve network encompassing the fringing coral reefs of the Buccaneer Archipelago**, to protect the region's outstanding natural and cultural values



REGIONAL WA SNAPSHOT

JOB-CREATING INFRASTRUCTURE

- \$852 million for the Bunbury Outer Ring Road
- \$175 million for the Albany Ring Road
- \$310 million for the ongoing construction of Karratha-Tom Price Road
- \$87.5 million to upgrade Great Northern Highway from Broome to Kununurra
- \$51 million towards the Ringer Soak and Northern Minerals Access Road in Browns Range
- \$275 million for the Bindoon Bypass along Great Northern Highway
- \$18 million to upgrade Great Eastern Highway from Walgoolan to Southern Cross
- \$87.5 million for the Wheatbelt Secondary Freight Route
- \$27.5 million for the Pinjarra heavy haulage deviation
- \$40 million to upgrade the Coolgardie to Esperance Highway
- \$7 million to build a state-of-the-art marine finfish nursery in Geraldton
- \$8.9 million to upgrade capacity at Port of Bunbury Berth 8
- \$5.9 million to purchase a new harbour crane to improve operational efficiency and safety at Broome Port
- \$6.9 million to upgrade Shed 4 at the Port of Esperance
- \$25.3 million for a range of upgrades to regional ports, including Bunbury, Broome Esperance and Geraldton
- \$3.6 million to upgrade firefighting infrastructure at the Port of Geraldton
- \$19.3 million to upgrade Broome Senior High School
- \$32 million to build the Mandurah Station carpark

DRIVING JOB CREATION IN REGIONAL WA

- \$182.4 million for a new Employer Incentive Scheme and training delivery, including \$45 million for regional WA. The scheme will help WA employers employ more apprentices and trainees
- \$131.5 million additional expenditure to support agriculture in WA, grow export markets and create long-term jobs, including \$40 million for the Boosting Biosecurity Defences, Asian Market Success and Grains Research and Development support programs on top of the \$45 million for Grains Research and Development in the 2018-19 Budget
- \$19.9 million for the extension of the Regional Arts and Cultural Investment program
- \$60.1 million for the Collie Industry Attraction and Development Fund, including \$10 million for the Collie Adventure Trails initiative and \$8 million for a new DFES multipurpose facility in Collie
- \$2 million to establish a national park in the Helena and Aurora Ranges as part of Plan for Our Parks
- \$10 million to establish visitor and operations infrastructure at the Houtman Abrolhos Islands National Park as part of 'Plan for Our Parks'
- \$388,000 for land management activities and capacity development for the Gibson Desert Nature Reserve
- \$7 million to build a state-of-the-art marine finfish nursery in Geraldton
- \$1.33 million towards the Murujuga Living Knowledge Centre and Tourism Precinct at Conzinc Bay
- \$24.1 million in ongoing funding for the 'WA Open for Business' program to promote export opportunities for regional businesses
- \$1.6 million for the Revitalising Geopraphe Waterways Program
- \$2.5 million to reopen the Gascoyne Aboriginal Heritage and Cultural Centre
- \$2.5 million for development of visitor facilities in the Greens Pool-Elephant Rocks precinct
- \$1.9 million for the Fitzroy River Management Plan
- \$1 million for the Dampier Peninsula project
- \$10 million to support development in the Ord

- \$12 million injection to Tourism WA to expand promotion on Western Australia overseas
- \$3.6 million to upgrade firefighting infrastructure at the Port of Geraldton
- 12-month extension for Utah Point pricing relief to support junior iron ore miners in the region

DELIVERING BETTER HEALTH SERVICES

- \$42.5 million in additional funding for the Methamphetamine Action Plan across the State, including:
 - \$20.1 million for the North West Drug and Alcohol Support Program to reduce the harm caused by alcohol and other drugs in the Kimberley, Pilbara and Mid-West
 - \$9.2 million towards the development of a comprehensive alcohol and other drug youth service in the Kimberley - fulfilling an election commitment
 - \$2.3 million for four low medical withdrawal beds in the Kimberley
 - \$914,000 to increase training for Aboriginal staff in Alcohol and other Drug (AOD) services
- \$11 million for the ongoing redevelopment of Bunbury Hospital
- \$8.6 million to support the Karlarra House residential aged care facility in Port Hedland
- Additional \$5 million to build the new 38-bed Carnarvon Aged and Palliative Care Facility, bringing the total Budget allocation to \$16.6 million
- \$13.8 million for specialist services as part of the Pilbara Health Initiative, to enable patients to be treated closer to home
- \$1.3 million for the construction of a renal unit at Newman Health Service
- \$13.1 million for radiotherapy services at Albany Health Campus
- \$6.3 million for the Kalgoorlie Health Campus Magnetic Resource Imaging Suite
- \$8.1 million for the suicide prevention programs
- \$1.6 million to create culturally appropriate accommodation for Aboriginal patients and their carers while visiting metropolitan hospitals
- \$1 million for the Kimberley Mobile Dialysis Unit

SUPPORTING REGIONAL COMMUNITIES

- \$6.9 million to pilot 'ServiceWA' as a face to face and online service delivery to improve access to government transactional services, with the pilot site to be created in Bunbury
- \$671,000 for the Withers Urban Renewal Project, including toilet and changing facilities at Des Ugle Park, and a new road from Minninup Road to Jacaranda Crescent
- \$2.3 million new funding package to tackle elder abuse to continue funding the WA Elder Abuse Helpline
- \$11.3 million to support and expand sustainable service delivery of PCYCs across the State to reduce juvenile offending and improve community safety
- \$34.6 million for the roll out of personal issue mobile smart tablets for police officers across the State
- \$15.4 million towards the roll-out of personal issue multi-threat body armour to frontline police officers across the State
- \$4.8 million for enhanced driver training and education for regional and remote communities
- \$12.3 million to secure and screen a new female compound and enhance security at Greenough Regional Prison
- \$1.4 million for planning to build a new Broome Regional Prison, located outside of the town
- \$11.7 million for two Family and Domestic Violence Hubs, including one in Kalgoorlie
- \$6.5 million for the Aboriginal Community Connectors program to improve community safety and reduce community consequences of Alcohol and Other Drugs and related 'at risk' behaviours;
- \$900,000 to deliver the Kimberley Juvenile Justice Strategy to find alternatives to detention and services aimed at diversion
- \$280,000 for the Jawun Partnership Agreement
- \$5 million for Indigenous Land Use Agreements as part of Plan for Our Parks
- \$1.3 million for the West Kimberley Youth and Resilience Hub Project
- \$1.1 million for the Kimberley Family Violence Service to continue to assist in responding to family and domestic violence