



Western Australia State Budget

2023-24

Budget Paper No. 1
Treasurer's Speech

2023-24 Treasurer's Speech

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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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2023-24 Budget Paper set includes:

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Budget Overview

Reader's Guide to the 2023-24 Budget Statements

(available in digital format from www.ourstatebudget.wa.gov.au)

Speech by

Hon Mark McGowan MLA

**Premier; Treasurer; Minister for Public Sector Management;
Federal-State Relations**

Thursday 11 May 2023

Madam Speaker, I move that this Bill be read a second time.

INTRODUCTION

In March 2021, Western Australians voted to stay the course.

To continue a journey of strong economic management.

To forge a prosperous pathway out of the pandemic.

To ensure our State grasps opportunities for future generations – and retains a high standard of living at an affordable cost.

This Budget is about repaying the faith Western Australians placed in our economic plan.

It's our Government's seventh Budget.

We have sown the seeds for a strong economy.

The results are showing – and the benefits will provide for generations to come.

In preparing this Budget, the Government had several key objectives.

Objectives that support Western Australian families and communities, invest in our future and respond to the most important challenges facing our State.

To provide genuine cost of living relief – to all households and small businesses.

To provide the best possible medical care – with a record investment in our health and mental health systems.

To provide more housing – by boosting investment in social housing and creating more housing choice.

To reduce carbon emissions – with a major clean energy investment that prioritises climate action.

And to provide fiscal responsibility – by remaining in surplus and paying down the mountain of debt left by the Liberal-National Government.

In short, this Budget reinforces the values of this WA Labor Government: socially progressive, fiscally responsible, economically successful.

WESTERN AUSTRALIAN ECONOMY

Madam Speaker, amid the rugged economic conditions worldwide, Western Australia walks tall.

The presence of high inflation and rising interest rates has been a challenge – for many households, businesses and economies.

Despite this, Western Australia's economy has prevailed. And since the last State Budget, we regained our AAA credit rating that the last Liberal-National Government lost back in 2013.

Our hard-earned fiscal buffer, sensible policies and stable economy are the envy of the nation.

Western Australia's economic growth has been revised up to 4.25% in 2022-23 – the strongest growth in nine years.

This growth is propelled by our exports, which outperform the rest of the nation.

Our merchandise exports reached a new record of \$272 billion over the year to March 2023, growing by 13%.

This accounts for 45% of national goods exports.

To put that in perspective – our State has around 10% of the nation's population, but we account for nearly half of its exports.

It's no wonder there are currently more Western Australians in a job than ever before. More than 1.5 million people are now in work – including record full-time employment. We're especially proud that nearly 220,000 jobs have been created since we came to office in 2017.

Significantly, the record employment result has been underpinned by women finding full-time employment, growing by more than 10% over the past 12 months – an excellent result.

We made a promise at the 2021 Election – to create 125,000 jobs in this term of Government. To date, we have added almost 122,000 jobs since the election. That's around 97% of our 125,000 jobs target with nearly two years to spare.

Western Australia's vast employment opportunities and lifestyle benefits are luring more people to Western Australia.

Since the start of the pandemic, our strong economy saw a net 18,000 people choose to move to WA from interstate, with overseas migration rebounding strongly as international borders reopened. Over the three years of the pandemic, our domestic economy has grown by 14.4%, the strongest growth of any State.

While Western Australia's robust economy remains resilient, there is no doubt that many in the community are facing cost of living pressure. The war in Ukraine, high inflation and multiple hikes in interest rates across Australia and the world, have placed additional pressure on WA households.

While inflation appears to have peaked in December, this Government understands that this is not enough to alleviate the significant pressures that families in our community face.

The cost of living measures in this Budget aim to support Western Australians to ride out this wave of inflation.

Every single household in Western Australia will get some help – with further support to those who need it most.

The support is a stark reminder of the importance of a fiscal buffer that can withstand the trials of global economic uncertainty.

Our surpluses – based on our strong economic and financial performance over the last six years – have been the best defence against these factors outside our control.

It also means more jobs, higher wages, and greater opportunities across the economy than ever before.

STATE FINANCES

Madam Speaker, Western Australia will record a sixth consecutive operating surplus.

In 2023-24, our surplus is projected to be \$3.3 billion, and WA will remain in surplus over the forward estimates period.

We will use our strong operating position to continue the important work of building our State for the future and supporting the essential services that our community expects and deserves.

Additional priority investments in this Budget include, but are not limited to:

- \$715 million in cost of living support for every household in Western Australia to assist with cost of living pressures including higher interest rates;
- a significant \$3 billion investment to take action on climate change including decarbonising our electricity network, boosting system security and keeping electricity bills affordable;

- a record \$2.7 billion in additional resources to support the health and mental health sectors, including commencing construction of the new Women and Babies Hospital; and
- \$750 million in additional funding to boost housing supply and help address homelessness, with this Government spending a total of \$2.6 billion over the next four years on social housing and homelessness initiatives.

We are investing a record \$39 billion over the next four years in infrastructure projects that equip our State for the future. That means:

- New and expanded hospitals and schools.
- The transformational METRONET program throughout our suburbs.
- Investments in economic infrastructure such as roads, ports, and much more.

Despite our record investment in infrastructure and key services, net debt is expected to fall to \$27.9 billion by the end of this financial year – from \$29.6 billion at the Mid-Year Review.

This is the fourth consecutive year of decline.

State debt is now almost \$16 billion lower than projected when we came to office.

This has already saved Western Australians around \$4.3 billion in wasteful interest payments. It's shielded Western Australia from the impacts of rising interest rates – in contrast to other States, where debt levels continue to rise rapidly.

As a result of our disciplined financial management and efforts to regain the AAA credit rating, the Government is able to devote more funds to Western Australian families, to further boost essential services, and to build crucial infrastructure that will be used for generations.

This WA Labor Government will always act responsibly to protect Western Australia – whether it be a pandemic, rising interest rates and inflation, or safeguarding our State's fair share of the GST.

FAIR SHARE OF THE GST

Madam Speaker, our fight to maintain our fair share of the GST continues.

If not for the 2018 GST reforms that Western Australians secured, which provide a 70% floor to our GST share, our State would only receive about 10 cents in the dollar based on our population share.

I take comfort in the assurances from the Prime Minister and Federal Treasurer that the GST floor will be maintained. However, the calls from eastern State commentators – and Premiers – to unwind the 2018 reforms continue.

Make no mistake, anything less than the current 70 cent GST floor – rising to 75 cents in 2024-25 – would be contemptible and offensive.

Not just to this Government, but to all Western Australians.

It's a red line that should not be crossed by any future Federal Government.

All States and the Commonwealth have benefitted from the efforts Western Australia has put in to grow our resources sector over decades.

Even with the GST floor, Western Australia still continues to receive the lowest GST share in the nation per capita, by a long, long way.

In 2023-24, we will provide a further \$2.8 billion GST subsidy to other States. In fact, higher than expected iron ore prices in WA since the reforms, are delivering an additional \$22 billion in GST to other States and Territories.

States like South Australia will receive \$8.4 billion in GST next year – compared to Western Australia's \$6.5 billion.

Despite the fact we have about one million more residents than South Australia.

Or Tasmania, which will receive \$3.4 billion – more than half of Western Australia's allotment.

Even though we have about five times Tasmania's population.

Other States will attempt to erode Western Australia's share of GST in upcoming reviews.

We cannot let that happen. We will not let that happen.

In this Budget, we are escalating our efforts to defend our fair share of the GST.

We have allocated funds to boost the dedicated team within Treasury to safeguard our fair share. Our very own GST fairness fighters.

This team will ensure we put forward our best evidence and best arguments to maintain a fair share of the GST for Western Australia.

HOUSEHOLD ELECTRICITY CREDIT/COST OF LIVING

Madam Speaker, my Labor Government will always work to ease cost of living pressures on Western Australians.

Only a Labor Government fully understands the pressures that families and households across our community are experiencing.

The impact of external factors like higher interest rates, inflation, and the war in Ukraine, have made it harder for WA families to make ends meet. Whether it's the cost of petrol, higher mortgage and rent costs, or bigger grocery bills – many are feeling the pinch.

In response to these pressures, I'm pleased to confirm this Budget contains more than \$715 million towards cost of living measures to support Western Australians.

From early July, every Western Australian household will begin to receive a \$400 electricity credit on their power bills. The credit will be applied over two billing cycles, the first in July-August and the second in November-December.

This will be this Government's third household electricity credit.

Further to that, additional assistance will be provided to the most vulnerable members of our community.

There are around 350,000 households eligible for the Energy Assistance Payment – such as concession card holders.

For this cohort, a total of \$826 in support will be provided. This will include \$500 in electricity credits over two payments, with the remaining \$326 spread over the course of the year.

It's recognition that households across our State have weathered a storm of inflation and interest rate rises.

But the support does not stop there, Madam Speaker.

Like households, many businesses have persevered through higher overheads and costs recently.

Therefore, in this Budget, small businesses across the State will receive a credit of \$650.

The support for small businesses and an element of the support for vulnerable households was jointly funded through the national Energy Bill Relief plan, with a \$116 million contribution from the Commonwealth.

While inflation has been felt in mortgages and grocery bills alike, its impacts will not be severe on government fees and charges.

We will maintain our commitment to keep tariffs, fees and charges low. Increases will be limited to 2.4% in 2023-24. This is well below forecast CPI, and in stark contrast to the double-digit percentage increases to electricity prices being experienced in the eastern States.

The modest increase in household charges in Western Australia compared to the rest of the country is a reflection of the Government's efforts to responsibly manage the State's finances and the retention of our essential public utilities in public hands. It is also a vindication of the previous Labor Government's Domestic Gas Policy, which has secured our energy needs while jurisdictions across the globe have faced crippling energy shortages and astronomical cost increases.

I recognise there are some that will continue to experience hardship. A strong community also has a strong safety net.

For this reason, we will increase the maximum payment limit for the Hardship Utilities Grant Scheme, for those struggling to pay their utility bills. The payment will be increased by 10% to up to \$640 per household, or \$1,060 for households above the 26th parallel.

The Seniors' Cost of Living Rebate will be increased in line with inflation, at a cost of \$15.6 million.

We will also make public transport free on the first Sunday of every month for all SmartRider users as part of our Fare Free Sunday Sessions initiative. This will encourage more people to use our great public transport system to visit key destinations and not have to worry about the costs of parking or fuel.

The initiative will complement the Government's existing two-zone fare cap scheme, saving some outer suburb commuters thousands in the past year.

Supporting WA households will always be a top priority for my Government.

It's why we are delivering our third household electricity credit and have now spent over \$2.8 billion over the last five years to provide cost of living assistance.

INVESTING IN OUR HEALTH SYSTEM

Madam Speaker, it's well documented that the pandemic caused significant disruption to health systems across Australia and the world.

There has also been the slow erosion of the Commonwealth's primary care system over a decade of Medicare neglect by the previous Federal Government.

State Governments nationwide have had to pick up the slack.

Here in Western Australia, we have what is likely the biggest health jurisdiction in the world – with some of the most remote and diverse communities.

This Budget, we are doing everything we can to enhance our health system to meet the needs of all Western Australians.

In this Budget, a new record investment of \$2.7 billion has been committed to our health and mental health systems, increasing our total new investment since 2021 alone to an unprecedented \$10 billion.

Our objectives are simple:

- More doctors and nurses.
- More beds and capacity.
- Improving patient flow and easing emergency department pressure.

Delivery of these objectives is more complex – addressed with a robust set of policies, infrastructure and incentives.

Attracting and retaining our health sector workforce is a key priority.

To support the important work of our nurses and midwives, we will implement nurse and midwife to patient ratios – starting with the Perth Children’s Hospital.

Western Australia will become only the third State in Australia to implement ratios, a historic reform that will ensure high levels of patient care and better conditions for staff.

We will continue to invest in attracting healthcare workers – particularly to regional Western Australia.

This Budget includes \$28.5 million for workforce attraction and retention incentives, including paying up to \$12,000 of HECS-HELP loans for newly qualified nurses and midwives commencing employment in regional WA. This will be prioritised to areas of most need.

Additionally, we are funding wrap-around support for 1,200 graduate nurses and midwives in our hospitals, and temporary regional incentives.

While there’s a way to go, in the last three years we have increased our health workforce by 22%. That includes almost 1,800 additional nursing and 800 medical full-time equivalent positions.

Madam Speaker, this Budget is focused on delivering high quality healthcare for all Western Australians – a focus on improving the patient experience.

Since the 2021-22 Budget, we have delivered 547 beds to our hospitals – the equivalent of a new tertiary hospital. A further 600 beds are also in the pipeline through hospital expansions currently underway.

We are delivering a further \$74.9 million boost on top of the \$378 million already committed to address emergency department pressures and reduce ambulance ramping. This increases our investment since 2021-22 to \$453 million.

The additional measures seek to provide the right care to patients in the right settings, particularly for aged care patients and mental health patients. The package also provides funding for better coordination and system-wide monitoring through the delivery of the first phase of the State Health Operations Centre.

There is funding for the facility where new parents will experience the joy and wonder of holding their newborn for the first time.

This Budget includes \$544 million over the next four years to start construction of the new, fully funded Women and Babies Hospital. This funding comes from the \$1.8 billion set aside as part of a previous Budget surplus.

This new facility will replace the King Edward Memorial Hospital, which has been the State's main maternity hospital for more than a century.

We've undertaken extensive planning work to identify constraints and opportunities for the new hospital. From this planning, it's clear the best place for this modern, leading edge maternity hospital is next door to the State's largest tertiary hospital – Fiona Stanley Hospital.

To cut wait times for elective surgery and provide better care through the most modern surgical facilities, \$150 million will be spent to deliver the Bentley Health Service Surgicentre, co-funded with the Commonwealth.

This Budget continues to modernise and future-proof our hospitals across WA with an additional \$99.4 million to complete Stage 1 of the roll-out of electronic medical records.

We are allocating \$58 million for ICT projects to improve access to specialist outpatient services, through implementation of the Smart Referrals electronic referral management system, as well as to enhance cyber security protection.

In addressing our health system – we must also confront the insidious impacts of mental health issues in our community. We are boosting mental health spending by \$420 million in this Budget.

Mental health services will receive a \$201 million boost in funding. We will build on our initial \$47 million response to the recommendations of the Taskforce into Infant, Child and Adolescent Mental Health with a further \$35.5 million boost. This includes piloting a new Infant, Child and Adolescent Mental Health Hub in Bunbury and an Acute Care Response Team in the east metropolitan area.

In addition, Aboriginal Mental Health workers will be recruited to provide culturally appropriate care, and the mental health inpatient ward at Perth Children's Hospital will be upgraded.

And after three decades of no increases in the State's capacity of forensic mental health beds, \$219 million is set aside for Stage 1 of the Graylands Hospital expansion. These investments will ensure better access to forensic inpatient mental health care for individuals with mental illness.

HOUSING AND HOMELESSNESS

Madam Speaker, all Australians should be able to access an affordable place to live. In the east coast capitals, it is becoming impossible for someone on a reasonable wage to afford a home.

My Government's objective is that all Western Australians should have access to an affordable place to live, including providing social housing to our most vulnerable community members.

Furthermore, a greater variety of housing choice needs to be available to achieve more affordability and greater infill within Perth suburbs, with housing options close to public transport and other amenities.

This Budget includes a \$750 million package to boost housing supply and housing choice, particularly supporting those in need.

A record pipeline of 27,500 new homes is currently under construction in Western Australia. As many of these transition to completion over the coming year, we expect more rentals to come online and an easing of market pressures.

Our strong economy, combined with limited overseas migration over the last three years, has seen strong competition for tradespeople and constrained the ability for our residential construction sector to expand to meet the increased pipeline of work.

This Budget includes \$48 million to expand the residential construction workforce, which will accelerate construction of the current pipeline of homes and expand capacity to deliver new housing supply to keep pace with our growing population. This investment includes:

- boosting the Base Employer Grant by 20% for all third and fourth year apprentices to encourage local construction businesses to take on local workers;
- a \$2,000 training completion pilot payment to encourage more apprentices to finish their training in the building and construction industry; and
- \$11 million towards a targeted visa subsidy scheme to attract 1,100 skilled migrants to work in WA's residential and commercial construction sector.

Madam Speaker, this Budget delivers an additional \$511 million for social housing and homelessness, including a \$450 million injection to the Social Housing Investment Fund.

The Fund is now expected to deliver around 4,000 additional social houses. Our total investment in social housing and homelessness initiatives has now grown to \$2.6 billion over the next four years.

As the pipeline of private residential construction eases, we will further ramp up construction of social housing, creating ongoing work for local tradies.

As part of our social housing investment, \$49 million has been allocated for 100 new homes under a new Regional Supportive Landlord Model.

The model's objective is to help people who are sleeping rough in regional towns. This follows a successful pilot of the model in Perth and Peel.

We are also funding a dedicated Office of Homelessness in the Department of Communities as part of our 10-year homeless strategy.

By having a dedicated unit, there will be a sharper focus on coordination and strategic planning to address homelessness.

At the same time, we are continuing efforts to increase housing at the affordable end of the market, while also supporting urban density.

We have \$33 million committed to extend the off-the-plan transfer duty rebate to 30 June 2025 and lift the threshold for exemptions and concessions. It's a clear incentive to build new apartments, which adds density and vibrancy to our urban areas. This cut in stamp duty will also provide more opportunity for Western Australians to downsize or buy their first home.

This Government will provide \$48 million to facilitate the Bentley Residential Redevelopment that will provide a mixture of social and affordable housing, and \$55 million has been allocated for upgrades to water infrastructure to unlock more housing and land supply across the metropolitan area, including in METRONET station precincts.

And to boost housing and land supply in regional Western Australia, a further \$12 million will be added to the Regional Development Assistance Program, assisting local authorities where there is limited privately developed land.

An additional \$61.6 million will also be invested in Government Regional Officer Housing to refurbish existing homes and add new supply. To incentivise public sector workers – including teachers, nurses and police – to work in regional areas, we are funding a further \$14 million for a freeze on GROH rents.

ADDRESSING CLIMATE CHANGE

Madam Speaker, I mentioned an objective of this Budget was to provide for future generations. This involves many things – education, training, diversifying the economy – to name a few. And in the process, not leaving a legacy of mountainous debt.

Another is addressing climate change. This Budget sets the groundwork to ensure our State reaches its full potential along the path to net zero emissions. We're investing a massive \$3 billion in new spending to take action on climate change and achieve net zero emissions by 2050.

This includes \$2.8 billion to deliver on our plan to decarbonise the State's main electricity grid, and replace State-owned coal-fired power stations with renewables by 2030. There is:

- \$2.7 billion for Synergy to build a massive 700 megawatts of battery storage capacity in Collie and Kwinana, and to develop up to 210 megawatts of wind generation capacity including the King Rocks Wind Farm; and
- \$126 million for network upgrades, including planning and ordering of long lead-time items that will also enable industry to decarbonise and drive growth opportunities in new industries like hydrogen and critical minerals.

Western Australia has the opportunity to become a global green energy leader – delivering a cleaner future with reliable energy supply and a strong local economy, all while keeping electricity prices affordable. In addition to our investment in decarbonising our electricity grid, we have further features to adapt to climate change.

This Budget provides \$196 million of new climate initiatives, including \$65 million for enabling works for Perth's third desalination plant, plus \$39 million for a range of climate adaptation initiatives.

This funding builds on our pre-existing commitments to initiatives like the Electric Vehicle Highway, ending native logging, our Climate Action Fund, and METRONET – the biggest investment in public transport in State history.

DIVERSIFYING OUR ECONOMY

Madam Speaker, this Budget looks ahead to see what sort of jobs and industries our State – and the world – will need in the future. How we will diversify our economy in the decades ahead.

From day one, my Government has been committed to continued investment to support new and diverse industries, attract investment to our State and further drive jobs growth.

This Budget commits a further \$463 million in projects and infrastructure to ensure WA is well positioned as the destination of choice for international education, tourism, business investment and trade.

This brings total investment in economic diversification initiatives to over \$3.8 billion in this term of Government.

This Budget includes initiatives such as a \$40 million Sustainable Geoscience Investments package to accelerate critical minerals discoveries. It will help WA meet the demand for minerals used in technologies such as electric vehicles, energy storage and batteries.

Availability of industrial land is also a critical enabler to expanding existing industries and enabling new investment. An additional \$35 million will be provided for the Industrial Land Development Fund, to undertake detailed planning and de-constraining activities for strategic industrial land in the Pilbara. This brings total investment in the Fund to \$135 million.

We're continuing to expand the State's invest and trade initiatives, with \$28.2 million allocated in this Budget, including establishing a new Invest and Trade WA Hub in Texas to enhance our presence and develop economic opportunities in the Americas region.

We are also furthering support for our tourism and international education sectors. Tourism will receive a \$15 million boost, focused on attracting additional major and business events to Perth.

To continue to attract international students back to WA, \$13.1 million will be provided for the international education sector. That goes towards extending accommodation subsidies for students, supporting students to undertake English language training, and continued marketing overseas of WA as a destination of choice to study and work. This funding brings total spending on international education to \$75.4 million over four years.

INFRASTRUCTURE

Madam Speaker, delivering on our record \$39 billion asset investment program is one of this Government's highest priorities.

We are creating a pipeline of activity for our construction industry, supporting local jobs and delivering major projects to set WA up for the future.

This Budget includes additional investment of \$2.5 billion in road and rail infrastructure, jointly funded with the Commonwealth. This includes \$250 million for the electric bus program, which will deliver around 130 new electric buses, depot upgrades and charging infrastructure. A further \$1.7 billion will be spent to deliver our METRONET program of works, with total investment of \$5.9 billion over the next four years.

Upon entering government in 2017, we started from scratch to plan, fund and procure the greatest expansion of passenger rail this State has ever seen.

Following the opening of the Airport Line last year, 2023-24 will be a year of delivery across the METRONET program.

This year we look forward to Lakelands Station opening, the southern concourse of the new Bayswater Station opening, and completion of the new Yanchep Rail Extension. Plus, construction continues full steam on our signature project – the Morley-Ellenbrook Line.

In addition, the first C-series trains, built and manufactured here in Western Australia, will enter into passenger service.

We are also continuing investment in our critical port infrastructure to support Western Australia's role as the engine room of the nation.

Planning is continuing on the transformational Westport project, with \$370.9 million allocated to progress this once-in-a-century project.

This Budget also continues to support our critical port infrastructure, with \$136 million of investment. This includes technology investments at Southern Ports, and expansion of wharf facilities at the Port of Broome to support the export of mineral sands.

EDUCATION AND TRAINING

Madam Speaker, this Government is committed to ensuring our public schools provide the best possible learning experiences for Western Australian children. This Budget, we are expanding investment in our schools, with \$872 million in additional spending to improve education outcomes, including:

- an additional \$325.1 million for delivery of primary and secondary education, including supports for students with disability and who speak English as a second language;
- \$100 million set aside for major redevelopments of Rockingham Senior High School and Education Support Centre, and Safety Bay Senior High School;
- \$38.6 million to improve the wellbeing of students through pastoral care services and student support strategies under the National Student Wellbeing Program;
- \$34.1 million for a program of maintenance works to improve public school facilities;
- \$24.3 million to support adoption of the updated Australian Curriculum in WA; and
- \$21.4 million to construct new education support facilities at Wanneroo Secondary College and Waggrakine Primary School in Geraldton, to improve support for students with disabilities.

We are also continuing our investment in training, to increase workforce participation, reduce barriers to training and enhance our pipeline of skilled workers for the future.

The 2023-24 Budget includes \$93.4 million for new and expanded training initiatives. In addition to the measures mentioned earlier to support our construction industry workforce, new initiatives will support students in the regions to access training, assist women to participate in non-traditional trades, and support Aboriginal youth to gain employment.

SAFE, STRONG AND FAIR COMMUNITIES

Madam Speaker, my Government is using its strong budget position to deliver initiatives that encourage communities across the State to thrive, support the State's most vulnerable, and improve community safety.

The 2023-24 Budget includes:

- an additional \$1.3 billion over the next four years to increase the State's contribution to the National Disability Insurance Scheme, reflecting growth in the number of participants in the scheme. This brings the State's overall contribution to the NDIS to \$1.3 billion per annum from 2023-24;
- an additional \$137 million to index funding for services delivered by community service organisations, including homelessness, mental health, family and domestic violence and child protection services;
- \$126 million for child protection services to support children at risk of harm and their families; and
- \$53 million for Family and Domestic Violence initiatives, including funding for refuge and safe house service providers, to deliver a new FDV Hub in Broome, and extend the operation of the Mirrabooka and Kalgoorlie FDV Hubs.

This Budget also includes a range of initiatives to improve community safety.

We are enhancing technology for our police, emergency services and prisons, with \$81.7 million to roll-out the first stage of our emergency services communications network plan, replacing outdated radio devices used by frontline officers in these agencies.

Recognising the increasing frequency of natural disasters in WA, our State's disaster recovery capability will be improved. An additional \$24.4 million has been allocated to expand WA's permanent disaster recovery team.

Meanwhile, \$18.7 million will be provided to staff the new Cardup Career Fire and Rescue Service Station, expected to be completed in 2025.

We will also be continuing the successful Operation Regional Shield, with a further \$11.7 million committed this Budget to make more police officers available in communities hit hard by crime.

Importantly, we are also continuing our investment in initiatives that reduce the number of vulnerable people and youth coming into contact with the justice system, with an additional \$54.6 million this Budget.

As part of this, we are extending the Target 120 program for at-risk youth, across all 20 locations in WA. This will work in conjunction with other early intervention and diversion programs, such as those in the Kimberley Juvenile Justice Strategy.

We are also continuing the Aboriginal Community Connectors Program across 12 locations, which connects people with crisis support and a range of employment, health and community services.

COMMUNITY INFRASTRUCTURE

Madam Speaker, we are proud to include a number of investments in significant State community infrastructure projects, to ensure our thriving arts, culture and sporting communities have state of the art facilities. Additional investment this Budget includes:

- \$127.8 million to transform the State Hockey Centre into a world class facility. This follows Western Australia's successful bid to remain the home of hockey as the host of the Hockey Australia High Performance Program and Centre of Excellence;
- an additional \$97.9 million towards the Perth Concert Hall redevelopment to revitalise the venue as one of WA's premium cultural precincts. It brings total investment in the redevelopment to \$150.3 million and will provide the West Australian Symphony Orchestra with a permanent home;
- \$60 million set aside for the construction of the High Wycombe Community Hub, jointly funded with the Commonwealth;
- a further \$55 million State Government contribution towards the WACA ground redevelopment project, including construction of a new community aquatic facility; and
- a \$15 million boost to the Community Sporting and Recreation Facilities Fund – because we want local communities to have quality facilities now and into the future.

The Government has also set aside \$250 million to establish a new Asset Maintenance Fund, which will be allocated to the maintenance of State Government assets, including our cultural, sporting and entertainment venues.

INVESTING IN REGIONAL WA

Madam Speaker, we are the Government for regional Western Australians, and my Government will always support the regions, as we know the great contribution made by regional Western Australia to our great State.

We continue to invest heavily in regional WA through Royalties for Regions, with \$4 billion allocated to the program over the next four years.

We are committing a massive \$11.2 billion investment in regional infrastructure, of which only 9% is funded by Royalties for Regions, as well as billions more invested in regional service delivery.

New initiatives in this Budget include:

- \$342 million increase in spending on regional health and mental health services, including \$24.4 million for the Mental Health Emergency Telehealth Service;
- \$175 million to continue the Regional Road Safety Program;
- \$61.6 million additional investment in Government Regional Officer Housing;
- \$31.3 million for the Buccaneer Archipelago Marine Parks;
- \$23.6 million to support victim-survivors of FDV in the regions, including a new hub in Broome;
- \$22.2 million to complete the implementation of the Sheep and Goat electronic identification system;
- \$20.7 million boost to the Regional Airfare Zone Cap scheme;
- \$20.2 million to the Future Drought Fund; and
- \$6.5 million towards implementation of the Aquaculture Development Plan.

My WA Labor Government will always support the people of regional WA in both good and challenging times.

In response to the destructive once-in-a-generation Ex-Tropical Cyclone Ellie, we have allocated \$322 million to response and recovery measures to support the affected communities in the Kimberley, including:

- \$80 million for emergency road recovery works and to repair flood-affected internal community and access roads;
- \$42 million for a Freight Assistance Package;
- \$33 million to stand-up temporary accommodation in the short to medium term for flood-affected families in Fitzroy Crossing and Derby, while their damaged homes are being repaired and rebuilt;
- \$30 million for the immediate clean up and debris removal from residences and local communities;
- \$13.4 million to fund the Recovery Taskforce to manage and support recovery in the wake of damage caused by Ex-Tropical Cyclone Ellie; and
- \$9.2 million to coordinate welfare support, referrals to services, and legal advice and financial counselling to support the community's recovery.

My Government will always work for all communities in Western Australia and we are pleased to continue this work in the 2023-24 Budget.

CONCLUSION

Madam Speaker, the 2023-24 Budget clearly demonstrates that our work to improve the State's finances and build a strong and resilient economy has left us in a position that is the envy of the nation.

It has put us in a position to support Western Australian families and communities, enhance public services, and continue our record investment in the State's future.

This Budget includes massive investments in:

- Cost of living relief for households and small businesses.
- An unparalleled investment in the health system.
- Social housing and homelessness, and boosting housing supply.
- Climate action and clean, reliable energy.
- Major economic infrastructure, including METRONET and other works that will expand our economic capacity into the future.
- All while delivering surpluses and driving down debt.

Our strong economic performance has continued, with growth in the WA economy the strongest in nine years.

And there's been an increase in WA jobs of more than 200,000 since Labor came to office.

This WA Labor Budget delivers on our commitments to the people of Western Australia and offers lasting improvements for our State.

It surmounts the high bar we have set for Budgets throughout our entire time in office.

Madam Speaker, I commend the Budget to the House.

I would now like to proceed with the formalities.

Appropriation (Recurrent 2023-24) Bill 2023 is for recurrent services, which comprise the delivery of services and administered grants, subsidies and other transfer payments.

Recurrent service estimates of \$30,114,492,000 include a sum of \$2,714,369,000 permanently appropriated under Special Acts, leaving an amount of \$27,400,123,000 that is to be appropriated in the manner shown in the Schedule to Appropriation (Recurrent 2023-24) Bill 2023.

Madam Speaker, I commend the Bill to the House.

