

WA State Budget

2025-26

Budget Paper No. 3
Economic and Fiscal Outlook



2025-26 B U D G E T

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

Budget Paper No. 3

**PRESENTED TO THE LEGISLATIVE ASSEMBLY
ON 19 JUNE 2025**

2025-26 Economic and Fiscal Outlook

(Budget Paper No. 3)

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Acknowledgement of Country

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

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2025-26 BUDGET
ECONOMIC AND FISCAL OUTLOOK
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Under Treasurer's Certification

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

For the purposes of these GFRA requirements:

- the Government Financial Strategy Statement and associated financial targets disclosures are detailed in Chapter 3: *Fiscal Outlook and Strategy* in this Budget Paper;
- Chapters 1 to 7 and Appendix 1 in this Budget Paper, and the Government's summary Budget strategy detailed in Budget Paper No 1: *Treasurer's Speech*, together form the 2025-26 Government Financial Projections Statement required by sections 12(1) and (2) of the GFRA. In particular:
 - Appendix 1 details the projections required by section 12(2)(a) of the GFRA;
 - Chapters 1, 2 and 3 detail the economic and other assumptions underlying the Budget projections (section 12(2)(b));
 - Chapter 3 details the compliance of the projections with the Government's financial targets (section 12(2)(c)); and
 - the Statement of Risks in Chapter 3 details the sensitivity of the projections to various economic and financial assumptions and other risks (sections 12(2)(d) and (e)); and
- this certification gives effect to the requirements of sections 12(2)(f) and 12(8).

The Government Financial Projections Statement presented in this Budget is based upon Government decisions that I was aware of or that were made available to me by the Treasurer, together with other relevant information known to Treasury, on or before the Budget planning cut-off date of 19 May 2025 and which have a material effect on the State's financial projections.

2025–26 Economic and Fiscal Outlook

It has been prepared in accordance with applicable Australian Accounting Standards and Government Finance Statistics principles, and is based on the economic forecasts and assumptions outlined in Chapter 1: *Overview*, Chapter 2: *Economic Outlook* and Chapter 3: *Fiscal Outlook and Strategy*. These assumptions were finalised by Treasury, under my direction, on 19 May 2025.

Forecasts for 2024-25 to 2028-29 included in this Budget are based on estimates prepared by agencies. Final outcomes for 2024-25 will be available in the *Annual Report on State Finances*, to be released by 28 September 2025.



Michael Court
ACTING UNDER TREASURER

19 June 2025

Overview

HIGHLIGHTS

- The 2025-26 Budget has been developed in an environment of heightened global uncertainty, with US trade policy and broader geopolitical risks impacting business and consumer confidence and causing volatility in financial markets. Despite this, the Western Australian economy remains resilient and continues to lead the nation.
- The State's domestic economy grew by 3.4% over the past year – almost double the growth nationally. The economic outlook remains positive and is underpinned by robust household consumption, high levels of business investment, and a strong labour market – with almost 52,000 jobs created last year.
- The State's finances also remain strong, with a seventh consecutive general government operating surplus of \$2.5 billion expected in 2024-25, and a \$2.4 billion surplus forecast for 2025-26. Total public sector net debt remains at affordable levels and by far the lowest of all the States as a share of the economy.
- This sound fiscal outlook has enabled the Government to allocate \$3 billion to election commitments, address demand for key services from strong population growth, and deliver the largest ever infrastructure spend of \$13.7 billion in 2024-25.
- Key initiatives in the 2025-26 Budget include:
 - a further \$963 million in cost of living relief measures including residential battery rebates and no-interest loans, a second round of the WA Student Assistance Payment, lower public transport fares and further initiatives;
 - a \$1.4 billion additional investment in the health and mental health system to meet hospital activity levels and improve access to high quality care;
 - further investment of \$1.4 billion in housing initiatives to increase housing supply and affordability, including transfer duty relief for first home buyers, 1,000 shared equity loans through Keystart, additional investment in social and affordable housing, and construction workforce capacity;
 - additional funding for education and training (up \$1.8 billion) to address higher student enrolments, new and upgraded schools, and extend low and fee-free TAFE settings; and
 - more initiatives to support economic diversification and decarbonisation, with a top-up of the Strategic Industries Fund, new investment in the electricity network to connect renewable energy projects, and expansion of the State's water supply.

Economic and Fiscal Outlook

Ongoing global geopolitical tensions and recent US trade policy announcements have created a heightened level of uncertainty in the global economic environment. However, Western Australia’s economic fundamentals remain sound and position the State well for continued growth.

This is reflected in the resilience of the domestic economy (as measured by State Final Demand or SFD). SFD grew by 3.4% in the year to March quarter 2025, the strongest growth of all the States. This caps off four consecutive years of robust expansion in the domestic economy, which has now grown by almost 26% relative to 2019 levels. Importantly, this growth has been supported by broad-based strength in spending across the household, business and government sectors.

The State’s labour market remains historically strong, with total employment reaching a record 1.644 million people in February 2025. Robust labour demand has been met by rising labour supply through population growth, keeping the unemployment rate at historical lows and allowing wages growth to moderate from recent highs.

SFD growth of 2.5% is projected in 2025-26 and is expected to be underpinned by steady household consumption supported by falling interest rates, strong population growth, rising incomes and house prices. Government spending and sustained, though more cautious, business investment is also expected to contribute to this growth.

Exports of goods, which have recently been impacted by weather-related disruptions, structural market changes (nickel) and gas field depletion (LNG), are expected to rebound and support overall economic growth as measured by Gross State Product (GSP). Growth in GSP is expected to lift to a solid 2.5% in 2025-26 and average 2.5% per annum in the outyears, underpinned by the robust domestic economy outlined above, and supported by net exports.

The high level of global economic uncertainty and its impact on commodity prices reinforces the need to continue the practice of adopting conservative price assumptions in the Budget. Policy stimulus in China and the potential for a weaker Australian dollar are expected to play a mitigating role to significant downside risks should they materialise.

The economic assumptions underpinning the 2025-26 Budget are outlined in the following table.

Table 1

KEY BUDGET ASSUMPTIONS
Western Australia

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|------------------|-------------|---------|---------|---------|
| | Actual | Estimated Actual | Budget Year | Outyear | Outyear | Outyear |
| Real Gross State Product growth (%) ^(a) | 0.5 | 0.5 | 2.5 | 3.0 | 2.5 | 2.0 |
| Real State Final Demand growth (%) ^(a) | 5.7 | 3.25 | 2.5 | 2.5 | 2.75 | 2.75 |
| Employment growth (%) | 3.8 | 3.0 | 1.75 | 1.5 | 1.5 | 1.5 |
| Unemployment rate (%) ^(b) | 3.7 | 3.75 | 3.75 | 4.0 | 4.25 | 4.25 |
| Wage Price Index growth (%) ^(c) | 4.2 | 3.75 | 3.5 | 3.0 | 3.0 | 3.0 |
| Perth Consumer Price Index growth (%) ^{(c)(d)} | 4.7 | 2.75 | 2.75 | 2.5 | 2.5 | 2.5 |
| Iron ore price, \$US/t, CFR ^{(b)(e)} | 119.4 | 101.4 | 77.6 | 72.0 | 72.0 | 72.0 |
| Iron ore volumes (million tonnes) | 866 | 858 | 878 | 883 | 886 | 885 |
| Crude oil price (\$US per barrel) ^(b) | 83.6 | 72.9 | 63.0 | 64.0 | 65.3 | 66.3 |
| Exchange rate (US cents) ^(b) | 65.6 | 64.7 | 64.6 | 65.7 | 67.1 | 68.4 |
| Population growth (%) ^(c) | 2.8 | 1.9 | 1.8 | 1.7 | 1.7 | 1.6 |
| Interest rate assumptions (%) ^(b) : | | | | | | |
| – Public Bank Account interest earnings | 4.0 | 4.5 | 3.7 | 3.7 | 3.6 | 3.6 |
| – Consolidated Account borrowings | 3.5 | 3.5 | 3.6 | 3.7 | 3.9 | 4.1 |

(a) Based on 2023-24 annual State Accounts data, updated with the latest State Final Demand and Balance of Payments data for the March quarter 2025.

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

(c) Data expressed in year-ended terms.

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

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

A general government operating surplus of \$2.5 billion is estimated for 2024-25, and a \$2.4 billion surplus in 2025-26, with broadly similar surpluses forecast for the three-years to 2028-29.

This positive financial position has enabled the Government to allocate funding to the delivery of its 2025 election commitments, expand the capacity of front-line services across the State to meet the demands associated with a rapid increase in the State's population, and provide further cost of living relief to households.

The Asset Investment Program (AIP) is expected to peak at a record \$13.7 billion in 2024-25, with a further significant spend of \$12.1 billion in 2025-26, before moderating over the outyears. Over the four years to 2028-29, the Government's AIP is forecast to total \$38 billion, with an increasing focus on utilities investment to further diversify and decarbonise the economy, as well as investments in hospitals, housing and land supply.

The significant infrastructure investment in recent Budgets, together with conservative economic and revenue assumptions, results in total public sector net debt projected to rise from \$33.6 billion at 30 June 2025 to \$42.5 billion by 30 June 2029. At just 9.2% of GSP, this level of net debt remains very affordable and is significantly lower than the debt burdens of all the other States and the Commonwealth.

Table 2

KEY BUDGET AGGREGATES
Western Australia

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|------------------------------------|---------------|---------------------|----------------|---------------|---------------|---------------|
| | Actual | Estimated Actual | Budget Year | Outyear | Outyear | Outyear |
| GENERAL GOVERNMENT SECTOR | | | | | | |
| Net Operating Balance (\$m) | 4,486 | 2,532 | 2,414 | 2,419 | 2,634 | 2,845 |
| Revenue (\$m) | 45,947 | 48,388 | 50,257 | 47,464 | 47,761 | 48,746 |
| Revenue Growth (%) | 5.4 | 5.3 | 3.9 | -5.6 | 0.6 | 2.1 |
| Expenses (\$m) | 41,461 | 45,857 | 47,844 | 45,045 | 45,127 | 45,901 |
| Expense Growth (%) | 7.7 | 10.6 | 4.3 | -5.9 | 0.2 | 1.7 |
| TOTAL PUBLIC SECTOR | | | | | | |
| Net Debt at 30 June (\$m) | 28,173 | 33,583 | 38,968 | 41,292 | 42,161 | 42,484 |
| Net Debt as a Share of GSP (%) | 6.2 | 7.5 | 9.1 | 9.5 | 9.3 | 9.2 |
| Asset Investment Program (\$m) | 11,405 | 13,711 | 12,061 | 9,821 | 8,233 | 7,901 |
| Cash Surplus/Deficit (\$m) | -49 | -4,826 | -4,837 | -1,880 | -446 | 45 |

Key Priorities in the 2025-26 Budget

The 2025-26 Budget has a focus on funding the Government's 2025 election commitments (see feature box at the end of this chapter for details), and provides additional expenditure on the following high priority initiatives:

- **a further \$963 million in cost of living relief measures**, including a \$52.12 (or 0.8%) reduction in the basket of household fees and charges in 2025-26, the \$337 million Residential Battery Scheme, a \$2.80 suburban flat fare for public transport, half-price Transwa fares, continued free public transport for school students, a second round of the WA Student Assistance Payments, lower costs for students attending Country Week, \$300 KidSport Vouchers and the new Kids Access All Areas Passes, expanding the School Breakfasts Program, trialling free full-time kindergarten at ten pilot sites across the State, and an increase to the Patient Assisted Travel Scheme;
- **a \$1.4 billion boost to the State's health and mental health system**, including \$828.9 million to address increased hospital activity, the ongoing implementation of Nurse/Midwife-to-Patient Ratios, an expansion of the Hospital in the Home Program, and \$60.5 million to expand the WA Virtual Emergency Department and launch three Integrated Older Adult Care Hubs;
- **further funding of \$1.4 billion for initiatives to improve housing supply, choice and affordability**, including a \$246 million top-up of the Social and Affordable Housing Investment Fund, \$210 million to expand Keystart's Shared Equity Scheme, \$177 million to maintain and extend the life of the State's social housing dwellings, \$119 million of transfer duty relief for first home buyers, \$104 million to expand the Government Regional Officer Housing program, \$101 million from the Housing Enabling Infrastructure Fund to provide water, wastewater and power infrastructure for the development of new residential land and housing, and resources to boost the construction workforce;

- **an additional \$1.8 billion for education and training**, including \$686.6 million to address an increase in public school enrolments (including funding for students with disability), \$284 million to deliver new and upgraded schools and facilities, and \$100 million to continue low and fee-free TAFE courses in 2026, including an increase in funded training places;
- **additional investment in community services**, including \$250 million for child protection services, \$73.9 million towards contributions to the National Disability Insurance Scheme, \$224.6 million to meet increased demand and cost pressures in the justice system, including for the impact of continued growth in the State's prison population, and \$80.4 million for the Western Australia Police Force to meet operational priorities; and
- **further measures to diversify and decarbonise the economy** with a \$500 million top-up of the Strategic Industries Fund, \$217.5 million to develop the Perth Entertainment and Sporting Precinct, \$584.3 million for Western Power to progress the Clean Energy Link – North project and reinforcement of Regans Ford terminal.

2025 ELECTION COMMITMENTS

The 2025-26 Budget commences the process of delivering the Government's 2025 election commitments, with a total of \$3 billion invested (in net debt terms). Individual commitments are detailed in Chapters 5 and 6.

All of the Government's election commitments are being scheduled for delivery, with planning underway for a range of commitments and further details being developed.

Commitments include additional cost of living support for Western Australians to ease the pressure on working families, including:

- \$337 million for the Residential Battery Scheme including grants and no-interest loans;
- making transport more affordable through capping of public transport fares at the one-zone rate under the suburban flat fare initiative and the halving of Transwa fares; and
- the roll-out of round two of the WA Student Assistance Payment.

The Government has continued to build on its investment in the health and mental health system, with health-related election commitments being progressed in this Budget, including:

- major health infrastructure projects, with detailed planning of the Royal Perth Hospital Emergency Department expansion and St John of God Midland Hospital and Emergency Department expansion projects; and
- health outcomes for regional communities are supported with a further increase to the Patient Assisted Travel Scheme fuel subsidy and key regional health projects, including the Derby Wellness Centre and planning for the Broome Withdrawal Service, renal dialysis units in Karratha and Geraldton, and the Albany Health Campus expansion.

Housing remains a key priority, with the Government continuing to invest in a range of initiatives to boost housing supply in Western Australia. More than \$700 million in housing commitments are funded in this Budget, including 1,000 shared equity loans through Keystart, additional relief for first homebuyers, support for regional housing projects and innovation to boost industry productivity.

This Budget delivers on the Government's election commitments to diversify and grow our economy through delivery of its Made in WA plan, including:

- an additional \$500 million investment in the Strategic Industries Fund;
- \$102.9 million for the ongoing electrification of the bus fleet, including to fully transition the local manufacture of all new buses to electric and for associated bus depot upgrades;
- \$50 million for a Local Battery Manufacturing Program;

- \$25 million for a purpose built facility in Forrestfield, a Local Industry Development Fund and to plan for an Advanced Manufacturing Technology Hub in Picton to support the manufacture of energy transmission components; and
- support for defence industries, the Perth Biomedical Precinct, clean energy, exploration, the wine industry, live music, small business and more.

The Government's education commitments include significant investment in school infrastructure projects (\$213.7 million) and initiatives to assist families (\$90.4 million), including the expansion of the School Breakfast Program, boosting before and after school care and piloting full-time four year old kindy.

A total of \$126.3 million of new and expanded initiatives are funded to support the growth and upskilling of the Western Australian workforce, including:

- a number of measures to bolster the State's building and construction workforce, including the Group Training Organisation Wage Subsidy Program;
- early childhood education workforce attraction initiatives; and
- investing in the TAFE Modern Equipment program.

Funding for other major infrastructure investments to meet the needs of our growing State over the coming decades includes:

- the Southern Suburbs Roads (\$485.6 million) and Northern Suburbs Roads (\$113.4 million) packages;
- the Fire and Emergency Services package (\$55.9 million), which includes the New Career Fire and Rescue Service Station in Yanchep (\$22.7 million), the Wanneroo Emergency Management Complex (\$15 million) and the Bullsbrook Volunteer Fire and Emergency Services Station (\$8 million); and
- METRONET on Swan (additional \$43 million), which in addition to already allocated funding, will provide for the initial expansion of the Swan River ferry service to Applecross via the University of Western Australia with five electric ferries that will be locally manufactured.

The Government is also focused on delivering on its key community sport, recreation and cultural industry commitments. This includes the Perth Entertainment and Sporting Precinct (\$217.5 million), as well as progressing the Malaga Sports Precinct (\$20 million). There are also contributions to the Binar Community Sport Hub, Leschenault Leisure Centre, and Perth Motorplex; the establishment of a Boosting Women and Girls' Participation in Sport Program; and support for the Backroads Gravel: Fields of Gold events.

HOUSING INVESTMENT

The Government is continuing to invest to boost housing supply, choice and affordability, with an additional \$1.4 billion in new initiatives approved as part of the 2025-26 Budget. An additional \$5.8 billion for housing-related initiatives has been committed since 2021-22.

The 2025-26 Budget includes a further top-up of \$246 million to the Social and Affordable Housing Investment Fund and will deliver an additional 548 social and affordable housing dwellings, bringing total investment in the fund to \$1.9 billion since 2021-22. The Government is maximising its investment by partnering with the Commonwealth and utilising its Housing Australia Future Fund.

This investment brings the Government's program for new social housing to more than 5,800 by 2028-29. To date, the State Government has delivered more than 3,000 additional dwellings, with a further 1,000 homes under construction or contract.

Over \$700 million has been invested to support the Government's housing related election commitments, reaffirming housing supply in Western Australia as a key priority for the Government. Investment will improve access to homes, housing affordability and the diversity of housing available, with new initiatives aimed at:

- better access to home ownership through Keystart's expanded Shared Equity Scheme through the delivery of 1,000 additional loans for townhouses and apartments (\$210 million);
- providing greater assistance to first home buyers through increases in the exemption and concession thresholds for established properties and vacant land, which commenced from 21 March 2025, and is expected to reduce transfer duty revenue by \$119 million across the forward estimates period;
- addressing accommodation demand in the regions through an additional investment of \$104 million to double the Government Regional Officer Housing construction program, and a \$25 million Regional Housing Support Fund to support construction, infrastructure and site preparation costs for new housing projects;
- programs to support the housing sector to build capacity through innovation and deliver affordable housing through low interest loans and grants as a part of the \$50 million Housing Innovation Fund, and a new Community Housing Capability Program providing grants to small community housing organisations to enable larger projects and boost delivery of more homes;
- new build-to-rent initiatives to support delivery of rental apartment developments, including a \$75 million Build to Rent Kickstart Fund delivered through Keystart that will support loans to developers to increase availability of long-term rental properties, and a temporary increase in land tax relief for eligible build-to-rent developments;
- new affordable dwellings in regional Western Australia through \$20 million for new units at Pringle Village Seniors Independent Living in Kalgoorlie for older Australians, and \$5 million in affordable rental units in Kununurra for key workers; and

- support for an expanding workforce, with an investment of \$49 million to support the residential construction industry to deliver more housing through an expanded Fee-Free TAFE for building and construction courses and an additional 225 Group Training Organisation Wage Subsidised apprentice and trainee placements in the building and construction sector, increasing the total number of subsidised places to 1,000.

While housing supply is a priority, the Government is just as focused on maintaining the State's current social housing stock. An uplift of \$177 million will be allocated to spend on maintenance to extend the useful life of social housing dwellings.

Unlocking land supply and connecting those future homes to enabling infrastructure continues to be a priority. A total of \$101 million will be spent on 18 water projects and three power projects from the Government's Housing Enabling Infrastructure Fund. This enabling infrastructure from Western Power and Water Corporation will help unlock thousands of new lots in high demand areas in Metropolitan Perth as well as key regional centres.

A further \$43 million has been committed to deliver residential land at the Mulataga Estate in Karratha. This will allow DevelopmentWA to release 169 residential lots to the market. This investment is partly funded by a Commonwealth grant secured by the City of Karratha.

2025-26 Economic and Fiscal Outlook

Economic Outlook

HIGHLIGHTS

- Despite global trade and geopolitical tensions, Western Australia's economic outlook remains positive, with the domestic economy (as measured by State Final Demand, SFD) growing by 3.4% over the past year – the strongest of all States. The State's domestic economy has grown by a robust 25.8% relative to 2019 levels, far exceeding growth in the national economy of 15.9% over the period.
- Growth continues to be broad-based and underpinned by stable household consumption (supported by lower interest rates, population and income growth), steady government spending, and continued business investment. Solid growth in SFD of between 2.5% and 2.75% per annum is expected across the Budget period.
- The strength in the domestic economy has flowed through to the State's labour market, with strong demand for workers met by rising labour supply, and employment reaching a record 1.64 million people in February 2025. The unemployment rate remains at historically low levels with an annual average unemployment rate of 3.75% expected in 2025-26.
- A rebound in the State's exports is expected in 2025-26 following recent declines, including from weather-related events earlier this year. Growing net exports will see a pick-up in growth in the overall economy (as measured by Gross State Product), which is projected between 2% and 3% per annum across the forecast period.
- The US trade policy announcements in April 2025 and the responses from trading partners have greatly increased global economic uncertainty. While Western Australia's direct exposure to US tariffs is minimal, there may be indirect effects from weaker global growth, including in China, and the effects on consumer and business confidence.

Western Australia

Gross State Product

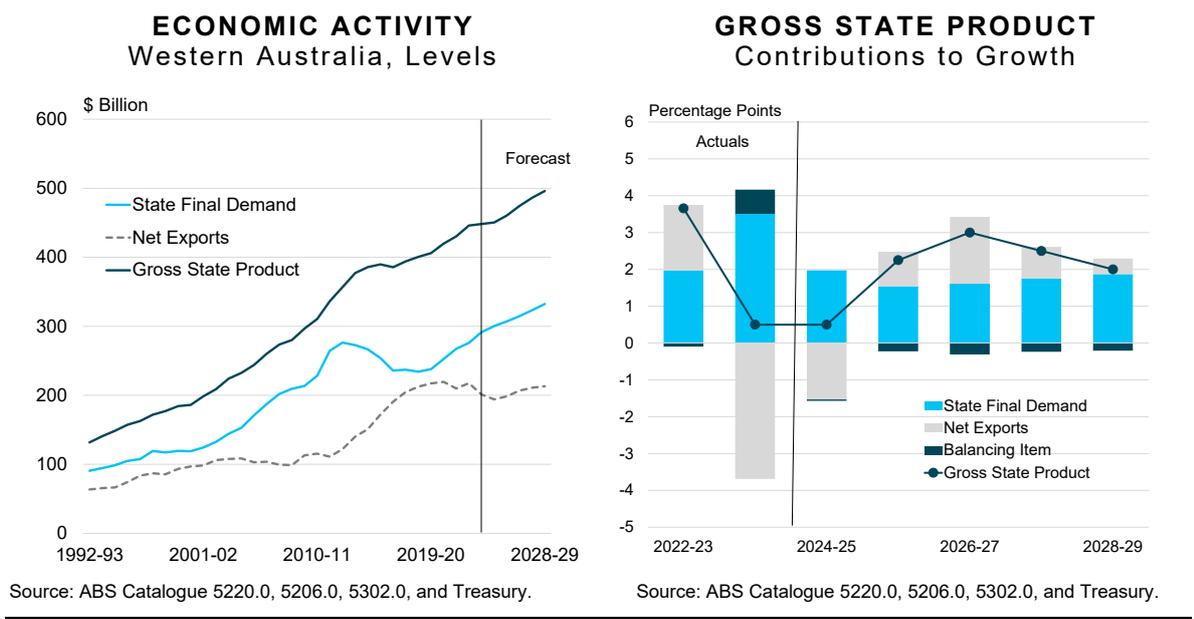
The Western Australian economy remains resilient, with its domestic economy growing strongly despite the global uncertainty created by US trade policy and ongoing geopolitical tensions. Given Western Australia’s significant trade exposure, particularly to China, the State’s economy is not immune from overseas tensions. However, while these global developments have led to a more cautious business investment environment, the overall economic prospects for Western Australia continue to be positive.

Western Australia’s domestic economy expanded by 3.4% in the year to the March quarter 2025, the strongest of all States. The domestic economy has been growing at a robust pace for the past four years, at an average of over 5% per annum, reflecting broad-based strength across the household, business and government sectors.

SFD growth is expected to moderate from the strong rates of recent years to 2.5% by 2025-26. This primarily reflects business investment steadying at a high level and government spending growth easing following strong demand for front-line services in response to rapid population growth. Growth in household consumption is expected to pick up in 2025-26 and 2026-27, supported by falling interest rates and solid fundamentals, including population growth, rising employment and increasing incomes.

Dwelling investment in Western Australia continues to face some capacity constraints within the construction sector, although the pace of dwelling investment is projected to accelerate in 2025-26, reflecting recent growth in dwelling commencements.

Figure 1



Beyond 2025-26, the State's domestic economy is forecast to expand at a moderate yet favourable pace, underpinned by steady household consumption, stable government spending, and sustained business investment (albeit in a more cautious investment climate).

Contrasting the strength in the domestic economy, the State's trade sector has faced challenges. Goods exports have been impacted by weather-related disruptions, structural market changes for some commodities (notably nickel), and gas field depletion over the past two years. This has impacted overall economic growth, with **Gross State Product (GSP)** estimated to increase by a modest 0.5% in 2024-25 for the second consecutive year.

Table 1

ECONOMIC FORECASTS
Western Australia, Annual Growth (%)

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|------------------|-------------|---------|---------|---------|
| | Actual | Estimated Actual | Budget Year | Outyear | Outyear | Outyear |
| Demand and Output ^(a) | | | | | | |
| Household Consumption | 3.0 | 2.0 | 2.75 | 3.0 | 2.75 | 2.75 |
| Dwelling Investment | 4.2 | 5.0 | 9.25 | 2.75 | 3.5 | 3.0 |
| Business Investment | 12.7 | -1.0 | 2.75 | 2.0 | 2.25 | 2.25 |
| Government Consumption | 2.8 | 6.0 | 3.0 | 1.5 | 2.5 | 2.5 |
| Government Investment | 16.6 | 15.0 | -5.5 | 0.0 | 0.5 | 2.0 |
| State Final Demand | 5.7 | 3.25 | 2.5 | 2.5 | 2.75 | 2.75 |
| Goods Exports | -3.7 | -2.25 | 2.0 | 3.5 | 1.75 | 1.0 |
| Goods Imports | 9.1 | 1.25 | 1.5 | 1.75 | 1.5 | 1.5 |
| Net Exports ^(b) | -7.5 | -3.5 | 2.25 | 4.25 | 2.0 | 1.0 |
| Gross State Product ^(c) | 0.5 | 0.5 | 2.5 | 3.0 | 2.5 | 2.0 |
| Labour Market | | | | | | |
| Employment | 3.8 | 3.0 | 1.75 | 1.5 | 1.5 | 1.5 |
| Unemployment Rate ^(d) | 3.7 | 3.75 | 3.75 | 4.0 | 4.25 | 4.25 |
| Participation Rate ^(d) | 68.8 | 69.0 | 68.9 | 68.7 | 68.5 | 68.3 |
| Population ^(e) | | | | | | |
| Population | 2.8 | 1.9 | 1.8 | 1.7 | 1.7 | 1.6 |
| Working Age Population (15+) | 3.2 | 2.2 | 2.0 | 1.9 | 1.9 | 1.8 |
| Prices | | | | | | |
| Consumer Price Index ^{(e) (f)} | 4.7 | 2.75 | 2.75 | 2.5 | 2.5 | 2.5 |
| Wage Price Index ^(e) | 4.2 | 3.75 | 3.5 | 3.0 | 3.0 | 3.0 |
| Perth Median House Price | 20.2 | 18.0 | 4.3 | -1.6 | -2.5 | -0.6 |
| Other Key Parameters ^(d) | | | | | | |
| Exchange Rate \$US/\$A (US cents) | 65.6 | 64.7 | 64.6 | 65.7 | 67.1 | 68.4 |
| Iron Ore Price (\$US per tonne) Cost and Freight Inclusive (CFR) | 119.4 | 101.4 | 77.6 | 72.0 | 72.0 | 72.0 |
| Crude Oil Price (\$US/barrel) | 83.6 | 72.9 | 63.0 | 64.0 | 65.3 | 66.3 |

(a) Based on 2023-24 annual State Accounts data, updated with the latest State Final Demand and Balance of Payments data for the March quarter 2025.

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

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

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

(e) Data expressed in year-ended terms.

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

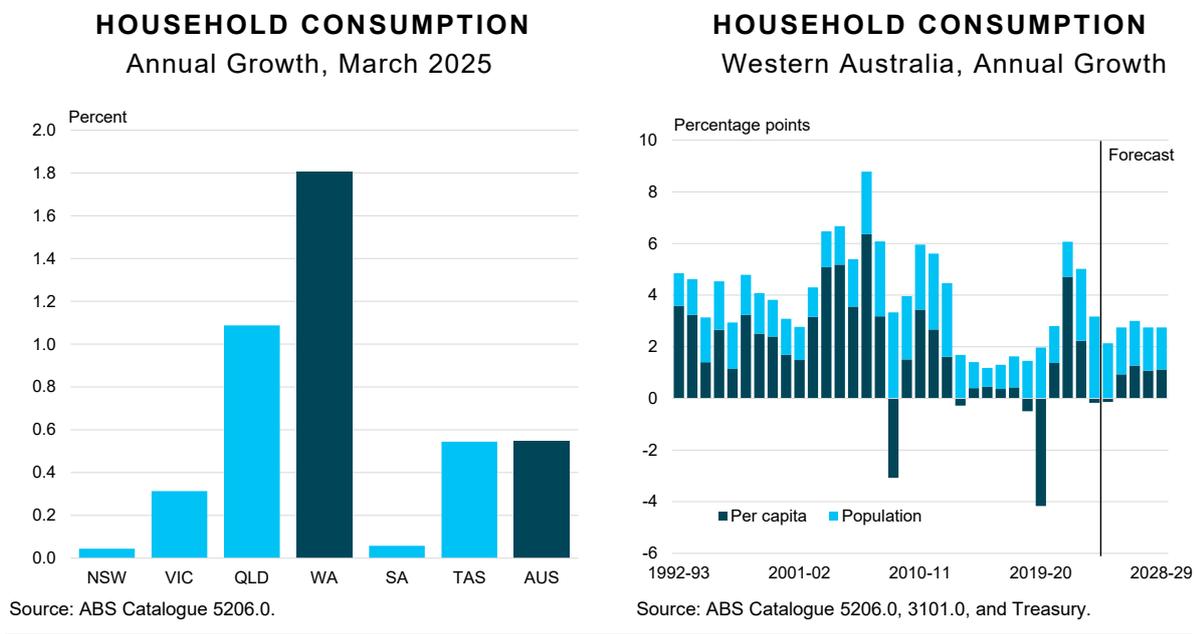
GSP growth is expected to lift to 2.5% in 2025-26 primarily due to a broad-based increase in goods exports. Over the outyears, GSP growth is expected to average a solid 2.5% per annum, underpinned by a robust domestic economy and supported by net exports.

Growth in **household consumption** has gradually softened in recent years due to elevated mortgage rates and persistent cost of living pressures that led consumers to cut back their discretionary spending. Although a recovery in interstate and international travel supported consumption in recent years, travel activity is now normalising.

However, household spending in Western Australia continues to outperform other States despite easing to 1.8% in the year to the March quarter 2025. After growing by an estimated 2% in 2024-25, household consumption is projected to strengthen, growing to 2.75% in 2025-26 and 3% in 2026-27 as interest rates ease and consumer price inflation stabilises.

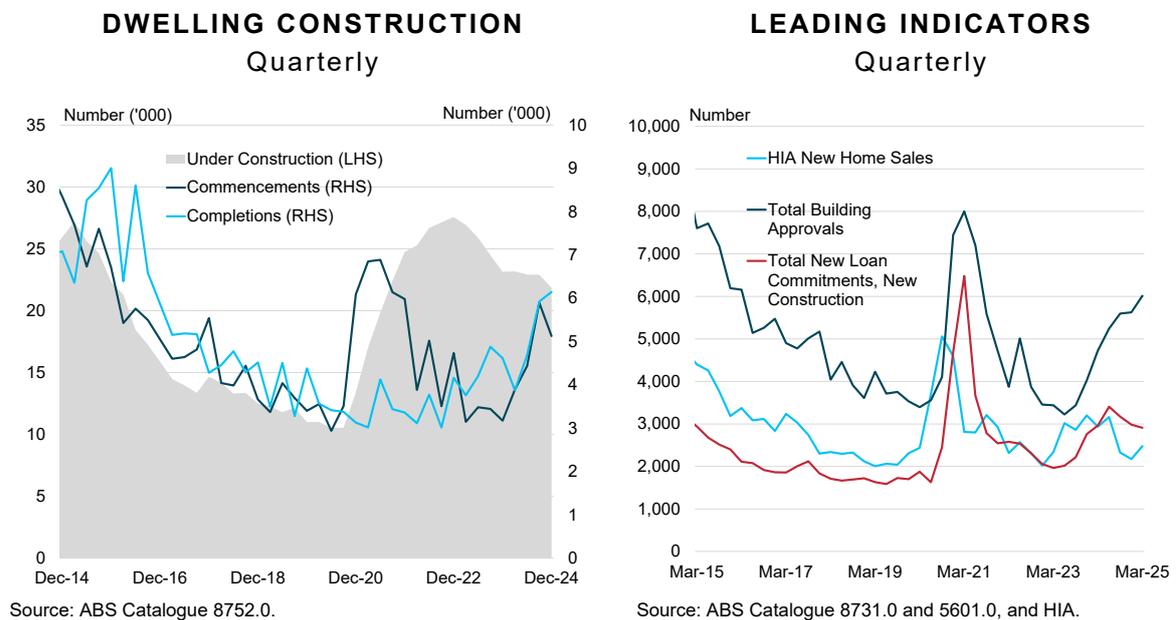
While household consumption declined slightly in per capita terms in the March quarter 2025, a return to per capita consumption growth is expected from 2025-26, providing support for growth in household consumption alongside sustained population growth (see figure below, right-hand panel). This reflects a combination of improving real disposable incomes (as inflation stabilises and interest rates ease), robust employment growth and the wealth effect from elevated house prices.

Figure 2



Dwelling investment grew by 4.6% in the year to the March quarter 2025, building on growth of 4.2% in 2023-24. More than 20,600 homes were completed in 2024, the highest number since 2017. Despite a significant lift in new homes commenced in mid-2024 (see figure below, left hand panel), the capacity of the residential construction industry continues to be constrained to some extent by skills shortages.

Figure 3



Dwelling investment is forecast to strengthen to 5% in 2024-25 and 9.25% in 2025-26, supported by work on recently commenced homes. While approvals have lifted recently, other indicators point to steadier levels of new work, including a moderation in new home sales and finance commitments for new construction since mid-2024. Notably, recent approvals include a sharp rise in multi-residential dwellings, which generally have longer construction timelines. These trends point toward more moderate growth in dwelling investment of around 3% per annum in the outyears, consistent with gradual capacity improvements, along with steady growth in the State's population and the broader economy.

Business investment is forecast to decline by a modest 1% in 2024-25, following strong growth of 12.7% in 2023-24 – the strongest growth in over a decade. This reflects a period of consolidation in capital expenditure as major oil and gas projects, including Scarborough/Pluto Train 2, move past their peak construction phases.

Business investment is expected to resume growing in 2025-26, with forecast growth of 2.75% underpinned largely by increased expenditure on decarbonisation and on sustaining capital works in the resources sector, as companies focus on maintaining production output at high levels.

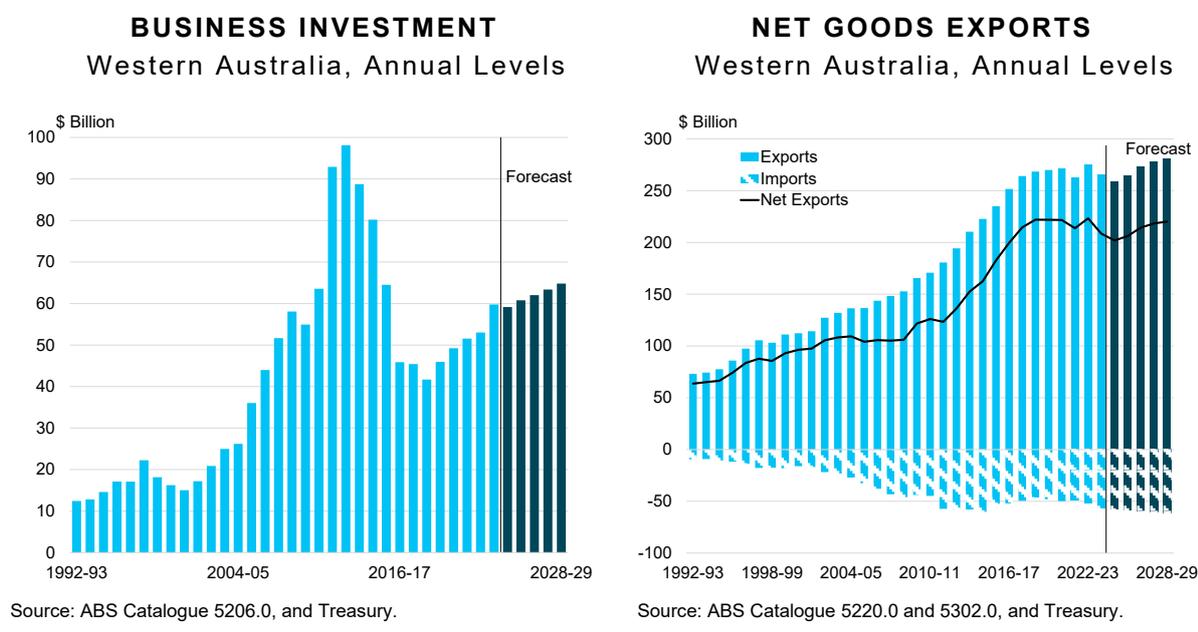
Across the outyears, business investment levels are expected to remain robust (see figure below, left-hand panel), supported by a solid pipeline of current and prospective projects across the iron ore, gas, minerals, renewable energy, and non-mining infrastructure sectors. Key projects include the Brockman Syncline 1 iron ore project, the Burrup Urea plant, the Perth Airport redevelopment and CBH's investment in rail and handling infrastructure. However, growth is anticipated to be slower than previously forecast, reflecting a more cautious investment climate shaped by ongoing geopolitical uncertainty.

Overall, business investment is expected to rise gradually over the forecast period to reach around \$65 billion by 2028-29, the highest level in over a decade.

Government consumption is forecast to increase by 6% in 2024-25 followed by 3% in 2025-26. This growth is primarily driven by State Government spending on key priority services including health, education and community services, to address the demands of a growing population and provide additional cost of living support. From 2026-27 onwards, growth in Government consumption is expected to stabilise, averaging around 2.5% per annum as the impact of short-term spending initiatives unwind.

Following four years of strong expansion averaging 14.4% per annum, **Government investment** is expected to decline by 5.5% in 2025-26, consistent with the delivery cycle of the State Government’s record Asset Investment Program as construction is completed on major transport projects. Beyond this period, investment levels are projected to stabilise, with average growth of around 1% per year over the forward estimates.

Figure 4



Goods exports recorded a sharp fall of 3.7% in 2023-24 primarily due to declines in LNG, nickel and agricultural exports. A further decline of 2.25% is expected in 2024-25. This reflects lower production in nickel, alumina and copper, a decrease in iron ore shipments due to supply disruptions caused by cyclones in the March quarter 2025, lower LNG exports due to gas field depletion and ongoing weakness in grain exports in the second half of 2024.

Growth is expected to resume in 2025-26, with goods exports forecast to rise by 2%, albeit from a lower base, supported by new production from the Iron Bridge and Onslow iron ore mines and production ramping up from major lithium projects.

In the outyears, growth is expected to average 2% per annum, although growth in 2026-27 will be boosted to 3.5% due to the start of production at the Scarborough/Pluto LNG project in the second half of 2026. Growth in lithium exports are expected to sustain growth in the remaining outyears.

Goods imports are estimated to slow sharply to 1.25% in 2024-25, following decade high growth of 9.1% in 2023-24. This slowdown reflects reduced capital and consumer goods imports, consistent with a consolidation of business investment at high levels and an easing in household consumption growth. Goods imports growth is then expected to average 1.6% per annum across the outyears.

Services exports growth has continued to trend down from 76.4% in 2022-23 as levels normalise following pandemic-related disruptions. The slowdown is anticipated to extend into 2025-26 as international student commencements soften in line with the tightening of student visa policies and coinciding with slowing momentum in international visitors after the rapid recovery in travel in the past couple of years. As a result, services exports are now anticipated to decline by 1% in 2025-26, before recovering and averaging growth of 2.5% per annum over the outyears.

Similarly, **services imports** growth eased from 26.1% in 2023-24 to 9.1% in the year to the March quarter 2025 and is expected to moderate further into 2025-26. This reflects a faster than anticipated recovery in overseas travel by Western Australians to date, and a more gradual expansion of international air passenger capacity and demand over coming years. Services imports growth is expected to average 2.5% per annum across the outyears with growth in net services trade in line with pre-pandemic trend growth.

Overall, **net exports** are expected to decline by 3.5% in 2024-25 before resuming growth in 2025-26, in line with the forecast recovery in goods trade. Growth is forecast to strengthen further in 2026-27, boosted by production from the Scarborough/Pluto project, before moderating in the outyears, reflecting that most producers are operating at close to capacity.

Housing Market

Perth's median house price is forecast to increase by 18% in 2024-25, following strong growth of 20.2% in 2023-24. The recent surge in the State's population has significantly boosted housing demand. While additions to supply have been constrained by shortages of material (now largely resolved) and skilled labour, listings for sale have also remained relatively limited. At the same time, Western Australia's relative housing affordability has attracted increased investor interest, including from interstate buyers, driving prices to record highs.

Although market conditions remain tight, conditions are expected to ease. Population growth is returning to its long-run average after several years of exceptional increases, and this is expected to ease some of the upward pressure on prices. At the same time, new supply is being boosted by high rates of completions. On balance, Perth's median house price growth is forecast to slow to 4.3% in 2025-26, consolidating the rapid gains of previous years. The number of properties available for sale has started to rise from historic lows, and median selling times have increased – though conditions continue to vary across Perth and regional areas.

Rising property prices have also reduced the relative attractiveness of the market for some investors, with recent data pointing to waning investor demand, contributing to the expectation of more moderate price growth ahead.

2025–26 Economic and Fiscal Outlook

From 2026-27, house prices are expected to ease modestly, reflecting a more balanced market. Slower population growth, alongside increasing housing supply as more dwellings under construction are completed, is anticipated to bring further stability to prices.

The rental market also remains tight across Western Australia. However, Perth's vacancy rate rose to a more balanced market position of 2.4% in April 2025, up from just 0.4% in March 2024, according to the Real Estate Institute of Western Australia. Despite this increase, rental conditions differ significantly by location, specifically rental property competition and vacancy rates.

Labour Market

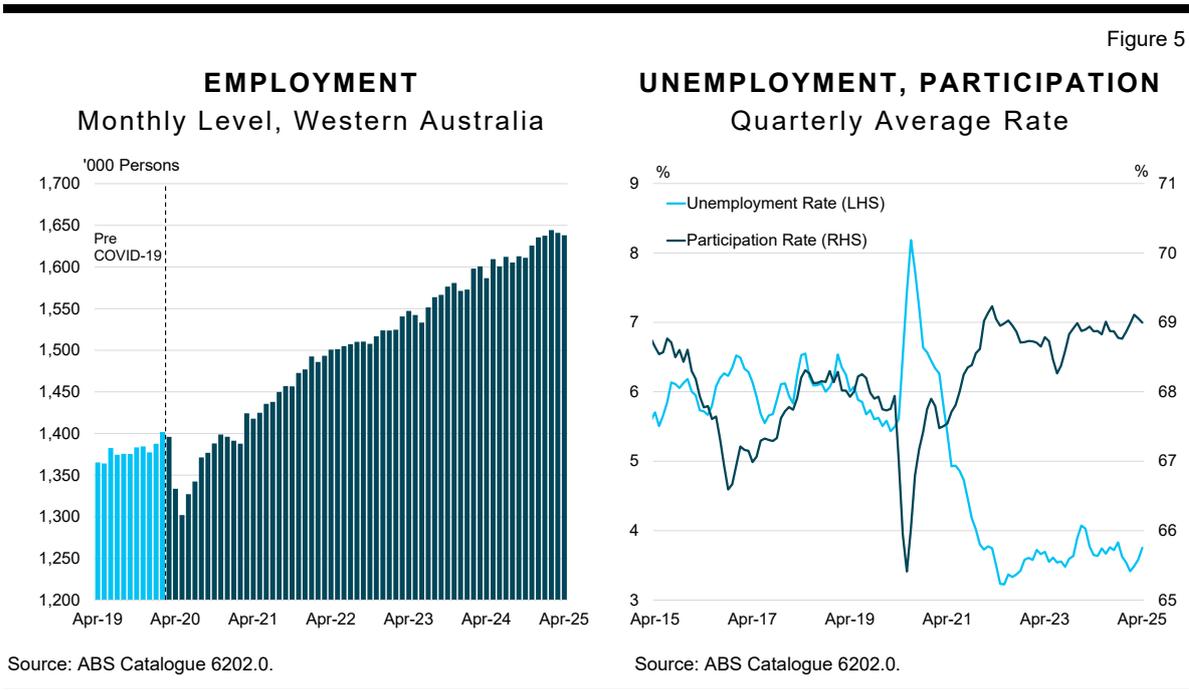
A strong domestic economy continues to support robust labour market conditions in Western Australia, with employment in the State reaching a record 1.644 million people in February 2025. Strong demand for labour has been met with elevated additions to labour supply through population growth. This has kept the State's unemployment rate at a very low 3.7% in the year to April 2025.

Employment growth remains resilient, building on exceptionally strong hiring since the onset of the pandemic, though growth has eased to 3.3% in annual average terms in April 2025. Over the past year, strong employment growth has largely been supported by hiring in non-market sector industries (particularly health care and public administration), though hiring activity in these industries appears to have eased more recently.

The **unemployment rate** is projected to remain stable at 3.75% in 2024-25 and 2025-26. This reflects continued strength in labour demand, which remains high enough to absorb the growing labour supply. Over the longer term, the unemployment rate is expected to gradually increase as growth in the labour force begins to outpace demand, reaching 4.25% by 2027-28 – but still well below the long-run average rate of 5.9%.

The **participation rate** is forecast to average 69% in 2024-25 – the strongest annual rate in over a decade – before easing slightly to 68.9% in 2025-26. The participation rate is projected to edge lower to 68.3% by 2028-29, in line with softer labour market conditions and demographic trends, particularly an ageing population.

Figure 5



Wages, Prices and Population

Western Australia's **Wage Price Index (WPI)** increased by a robust 3.7% in year-ended terms to March 2025, the strongest of all States. This was partly supported by the implementation of recent State Government wage agreements and national administrative wage adjustments¹.

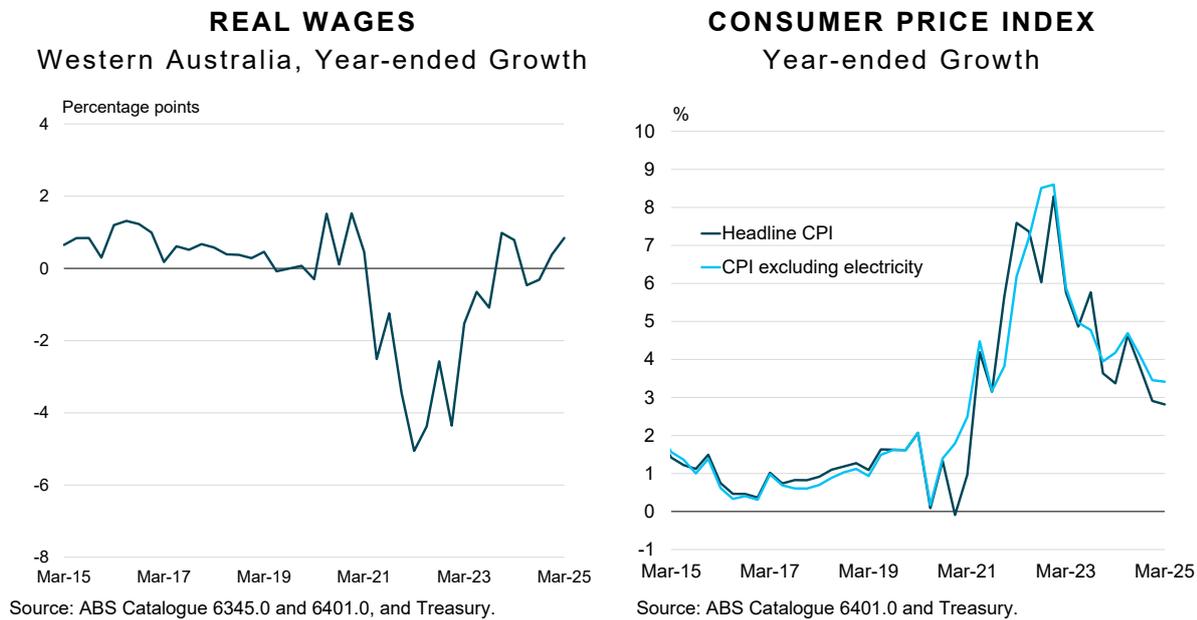
Notwithstanding this, growth remains below a recent peak of 4.7% to December 2023 despite ongoing tightness in the State's labour market, as aggregate labour demand is sufficiently met with the pool of workers available.

After growing by an estimated 3.75% to June 2025, WPI growth is forecast to ease to 3% by June 2027 as the labour market loosens, inflation normalises and domestic activity steadies. Nonetheless, nominal wage growth is expected to exceed inflation over the forward estimates, resulting in a sustained period of real wage increases.

Growth in Perth's headline **Consumer Price Index (CPI)** moderated to 2.8% in year-ended terms to March 2025, the weakest rate of inflation in four years. Price increases have slowed across most expenditure items over the past year, with fuel prices falling in line with global oil market developments. Although new dwellings and rent inflation remains elevated, they too have slowed as home input costs steady, and the rental market regains some capacity.

¹ Due to the Stage 3 Aged Care Work Value Case, and Early Childhood Education and Care Worker Retention Payment.

Figure 6



Reflecting these recent trends, Perth’s inflation is projected at to 2.75% in year-ended terms to the June quarter 2025, within the Reserve Bank of Australia’s target band.

Inflation is expected to remain at 2.75% to June 2026, supported by moderating labour costs (containing services inflation), supply keeping up with consumer demand, and easing housing costs as capacity is gradually restored to the residential construction and rental markets. At the same time, fuel prices are also expected to stabilise, providing a smaller drag on overall inflation relative to the year prior.

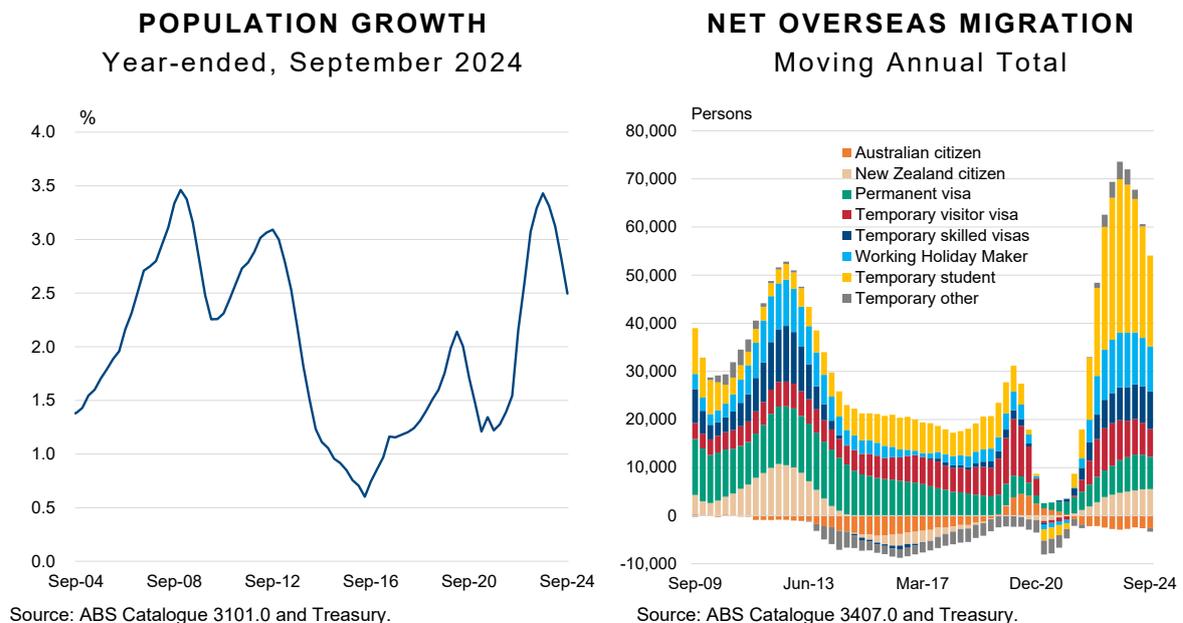
Western Australia has recorded the largest percentage increase in **population** in the country over the past five years, growing by 11.5% (more than 300,000 people). Notwithstanding this, year-ended growth has moderated from a peak of 3.4% in September 2023 quarter to 2.5% in September 2024 quarter (see figure below, left-hand panel).

Net Overseas Migration has fallen from a record 70,700 people in the year to September 2023 to 50,800 people in the year to September 2024 (see figure below, right-hand panel). This reduction is mainly due to new Commonwealth policies introduced in late 2023 to moderate migrant inflows – particularly for international students. Early data suggests this trend has continued into the first half of 2025, consistent with expectations of a return to normal migration levels from 2024-25.

Net Interstate Migration (NIM) has also moderated, down to 9,000 people in the year to September 2024 from 11,600 people in the year to June 2023. NIM is expected to moderate further over the outlook period, as it returns to long-run average levels of around 2,200 people.

Overall, reflecting the trends in migration, population growth is forecast to slow to 1.9% in 2024-25, then to 1.8% in 2025-26, before stabilising at 1.6% in 2028-29, slightly below the long-run average growth rate.

Figure 7



Domestic Risks

The outlook for Western Australia's economy is subject to several key risks. This includes domestic risks alongside heightened external risks.

Household consumption in Western Australia has remained relatively resilient in recent years, and is expected to continue growing, supported by strong fundamentals such as employment, income, and wealth. However, there are risks to the outlook. Consumer spending, the largest component of the domestic economy, could fall short of expectations if households become more cautious amid elevated global uncertainty, if mortgage rates remain higher for longer than currently anticipated by market forecasts, or if population growth is weaker than expected.

The residential construction sector continues to be impacted to some extent by labour shortages, evident in persistently high job advertisements across both early-stage and finishing trades. These workforce constraints may limit the sector's capacity to deliver projects, despite a rebound in commencements and completions in the second half of 2024.

While dwelling investment is expected to strengthen through the remainder of 2024-25 and into 2025-26, ongoing delays may result in demand outpacing supply. This could contribute to sustained inflationary pressure – particularly through new dwelling prices – as well as continued upward pressure on established house prices. In response, the State Government continues working to improve housing supply and affordability, with a range of initiatives underway (see feature box in Chapter 1).

Given that the mining sector accounts for around 50% of the State's economic activity, movements in commodity prices have a significant influence on investment decisions. Heightened volatility and uncertainty in global commodity markets may lead companies to delay or scale back planned investments, while also increasing their focus on cost control. This could result in lower than expected investment outcomes and potentially slower hiring or even workforce reductions, placing downward pressure on labour market conditions relative to current forecasts.

Global Outlook

The global outlook has deteriorated since early 2025, primarily due to significant shifts in US trade policy and retaliatory actions from global trading partners. A new wave of US tariffs since February 2025 pushed effective rates to their highest levels in almost a century (see figure below, left-hand panel), fuelling widespread uncertainty across the global economy.

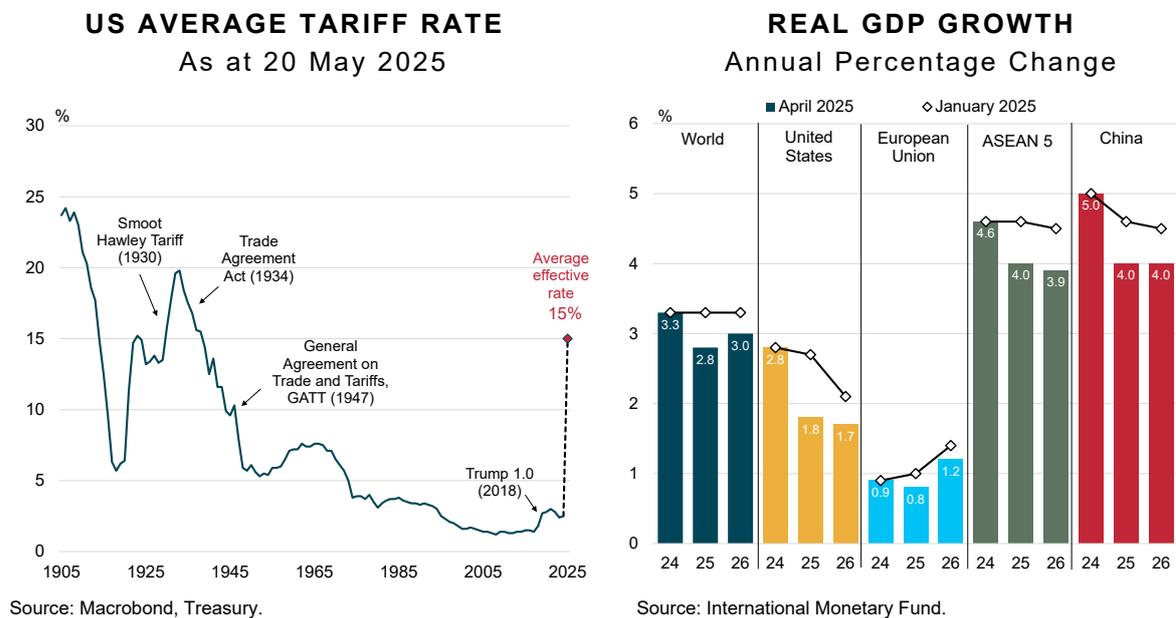
By early June 2025, the US had introduced a 10% baseline tariff across all countries, alongside tariffs of up to 50% on key sectors such as steel, aluminium, and autos. Broader reciprocal tariffs announced in April are on hold for 90 days to allow further negotiations.

Retaliatory actions between the US and China increased US tariffs on Chinese goods to 145% and Chinese tariffs on US goods to 125%, effectively stalling most bilateral trade. However, following trade talks in Switzerland in mid-May, the US and China agreed to scale back additional tariff increases to 30% and 10%, respectively, for 90-days.

Amid these developments, the International Monetary Fund (IMF) downgraded global growth in the April 2025 World Economic Outlook². Growth is now expected to slow from 3.3% in 2024 to 2.8% in 2025 and 3.0% in 2026, down from steady growth of 3.3% in both years in its January 2025 update. Significant downward revisions for the US and China are large contributors to the overall revision, given the size of their economies. Other Asian economies heavily exposed to US trade have also experienced large downgrades (see figure below, right-hand panel).

² The IMF's April 2025 forecasts reflect information available up to 4 April 2025, by which time the US had imposed tariffs averaging around 54%, while China had raised its average tariff rate to about 34%.

Figure 8



Global inflation is now expected to ease more gradually than previously forecast, reaching 4.3% in 2025 and 3.6% in 2026. This reflects notable upward revisions to US and UK inflation in 2025 by 1.0 and 0.7 percentage points, respectively. Inflation has also edged up in the UK and some other countries with an increasing number exceeding their inflation targets.

The IMF forecast for global growth remain well below the 2000-2019 historical average of 3.7%, reflecting a range of structural and cyclical headwinds – including escalating trade tensions, heightened uncertainty, and persistently low productivity growth.

In advanced economies, growth is expected to slow from 1.8% in 2024 to 1.4% in 2025 before rising to 1.5% in 2026. In emerging economies, growth is expected to fall from 4.3% in 2024 to 3.7% in 2025 before rising to 3.9% in 2026.

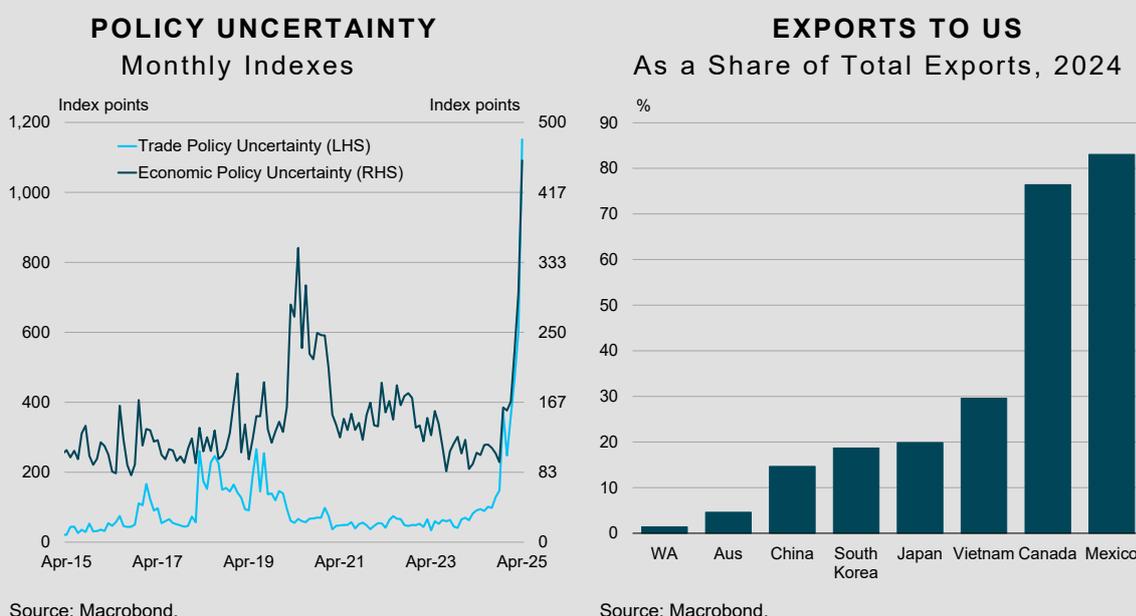
IMPACT OF US TARIFFS ON WESTERN AUSTRALIAN ECONOMY

The level of uncertainty around the global economy and trade policy has reached record highs since US tariff announcements from early April 2025 (see figure below, left-hand panel). Although it remains unclear how this elevated uncertainty will affect Western Australia’s economy, the impact of higher US tariffs on Western Australia’s exports is expected to be limited, affecting export prices more than export volumes. This reflects Western Australia’s strong position as a globally competitive low-cost producer of iron ore which dominates the State’s export profile.

Direct exposure to US tariffs is relatively minor compared to other economies, with the US accounting for just 1.4% of Western Australia’s merchandise exports in 2024, primarily consisting of gold (see figure below, right-hand panel). However, the broader economic impact could emerge through indirect channels, particularly through slower growth in China and global trade realignment.

China remains Western Australia’s largest trading partner, accounting for around half of the State’s total exports and around 85% of its iron ore exports in the year to March 2025. A decline in US demand for Chinese steel-intensive goods – due to higher tariffs – could weigh on China’s steel output and, in turn, reduce demand for Western Australian iron ore. China currently produces around 1 billion tonnes of steel each year with around 20-25% of its total output tied to global export markets (either directly or embedded in finished goods)

Figure 9



Despite these risks, Chinese economic policy is expected to support resource demand. In early 2025, China accelerated government bond issuance to fund major infrastructure projects and eased monetary policy, including a reduction in the reserve requirement ratio, injecting approximately RMB 1 trillion into the economy.

These announcements have provided some support to iron ore prices which have been relatively stable since the first US announcement of tariffs in early April 2025.

China has shown resilience to earlier rounds of US tariffs, with its share of US goods imports falling from 21% in 2018 to 13% in 2024. Over that period, the Chinese economy expanded strongly and Chinese demand for Western Australia's resources – particularly iron ore and lithium – continued to grow. However, global trade flows have shifted, with countries like Vietnam becoming key intermediaries for Chinese goods.

In addition to supportive Chinese policy, risks are mitigated by the Australian dollar, which has in the past acted as a stabiliser during global economic shocks. A weaker dollar makes Western Australian exports more affordable during periods of lower global demand.

Ultimately, the scale of the economic impact will depend on the timing and outcome of ongoing trade negotiations and how trading patterns change. A broader concern is the potential loss of global confidence, which could dampen consumer and investor sentiment. If these effects persist, Western Australia's economy could face more significant challenges.

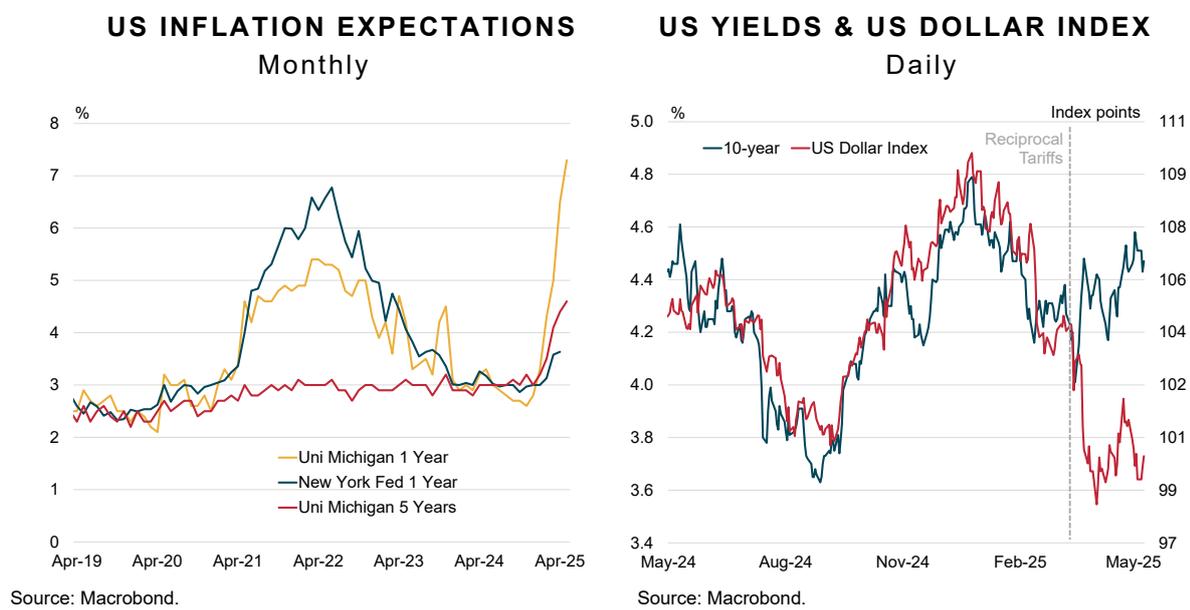
Advanced Economies

After leading advanced economy growth in recent years, the **US economy** is now slowing. GDP contracted by 0.3% (annualised) in the March 2025 quarter, partly due to a pre-tariff import surge that weighed on net exports. More notably, consumer spending softened materially, pointing to deeper underlying weakness.

Trade and policy uncertainty has weighed heavily on sentiment, lifting some measures of inflation expectations above 2022 levels at a time US GDP growth is slowing. This has increased the risk of stagflation (see figure below, left-hand panel).

Equity markets initially fell sharply but have since recovered following trade de-escalation. However, bond yields have risen, and (despite the rise in bond yields) the US dollar has weakened against major currencies – underscoring market concerns over domestic growth and external demand (see figure below, right-hand panel). These concerns were cited as a contributing factor to the decision to pause reciprocal tariffs. It is unusual at a time of heightened risk aversion for long-term US Treasury yields to increase at the same time as the US dollar depreciates and this may reflect a decline in investor desire to hold US bonds as safe haven assets.

Figure 10



In response to rising downside risks, the IMF has revised down its US growth forecasts to 1.8% in 2025 (from 2.7%) and 1.7% in 2026 (from 2.1%), citing elevated uncertainty, trade tensions, and softer domestic demand.

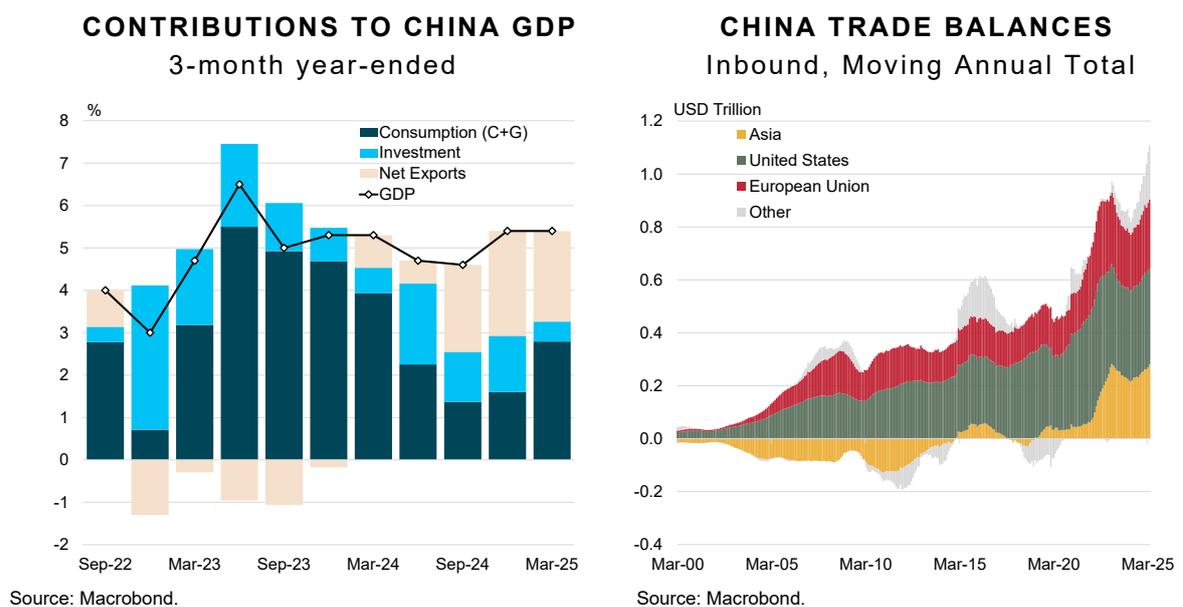
In the **Euro Area**, early signs of recovery are emerging, underpinned by improving sentiment, rising retail sales, and lower interest rates. Nonetheless, the region remains vulnerable to US trade policy actions. The IMF made relatively small revisions to growth forecasts in the Euro Area but still expects growth to slow slightly to 0.8% in 2025, before rebounding modestly to 1.2% in 2026, supported by real wage growth and fiscal easing in Germany following reforms to its debt brake.

China

China’s economy grew by 5.4% year-on-year in the March quarter 2025, above its 5% annual target. Growth was led by consumption (contributing 2.8 percentage points) and net exports (2.1 percentage points), while investment added just 0.5 percentage points, despite continued strength in infrastructure and high-tech manufacturing (see figure below, left-hand panel).

Looking ahead, risks to China's growth are increasingly skewed to the downside. Externally, US-China trade tensions pose a clear threat. While direct exposure to the US is limited – goods exports to the US accounted for just 2.5% of China's GDP in 2024 – the greater threat is that other countries, particularly in Asia, raise tariffs on China in exchange for continued US market access³. In 2024, around 48% of China's total exports were directed to Asia, where trade surpluses have risen since US tariff increases in 2018 (see figure below, right-hand panel).

Figure 11



Domestically, household demand in China remains weak despite government efforts to boost private consumption. While overall consumption has supported recent growth, much of it stems from government spending rather than household activity. Retail sales grew just 3.4% in the year to April 2025 – well below the pre-pandemic average of 14%. The weakening in household demand is evident in that consumer prices are falling, new yuan loans are at 13-year lows despite multiple rate cuts, confidence is pessimistic, and property investment continues to decline sharply.

With external pressures mounting, there is a growing risk that domestic demand will be insufficient to cushion the impact. Reflecting these concerns, the IMF has downgraded China's growth to 4.0% in 2025 and 2026.

Global Risks

The global outlook remains highly uncertain. Escalating trade tensions, a slowing Chinese economy, regional conflicts, and volatile financial markets continue to weigh on global growth.

³ A condition of the UK's recent trade deal with the US was that the UK "meet US requirements" on supply chain security and ownership of key facilities, such as steel plants. This provision was partly aimed at addressing concerns over Chinese ownership or influence in sectors deemed sensitive by the US government.

The IMF recently noted that risks to the outlook are firmly tilted to the downside, including further tariff escalation and prolonged trade policy uncertainty, financial market volatility that could disrupt the global monetary system, ongoing cost of living pressures and limited policy room to respond to shocks.

The most significant risk to the global outlook stems from geopolitical uncertainty linked to US trade policy and retaliatory measures from key trading partners. This is occurring at a time when the Chinese domestic economy is weak. This has made China more reliant on exports, making it vulnerable to US tariffs and other anti-dumping actions by several countries (including in relation to its steel exports).

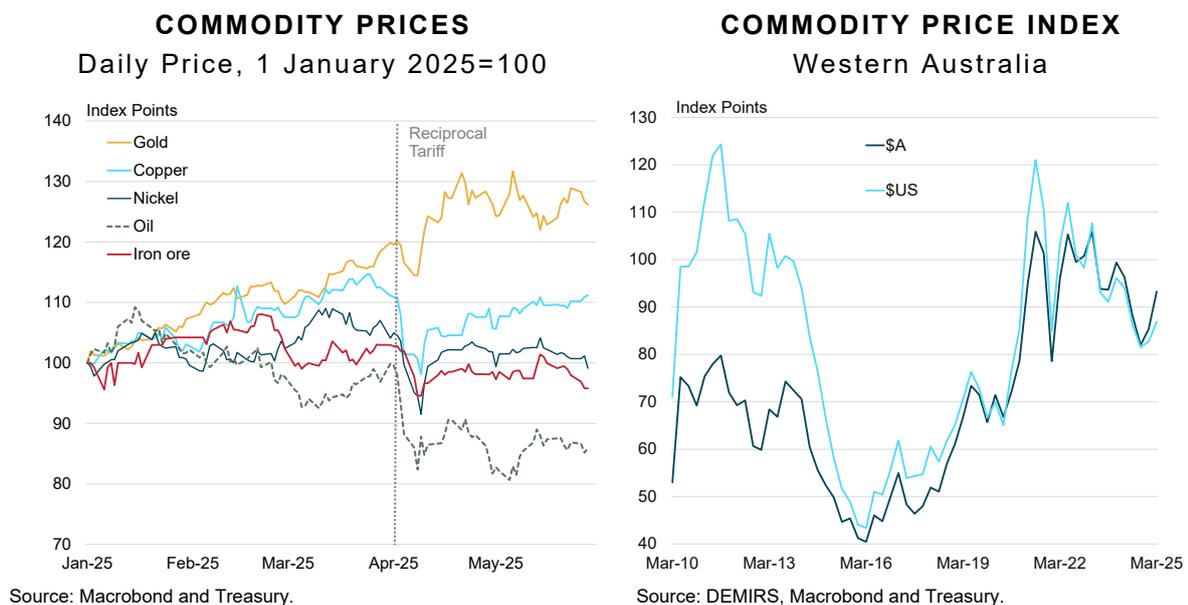
These risks are mitigated by likely Chinese policy stimulus, as authorities have indicated their intention to support growth if required. The effectiveness of Chinese policy initiatives to boost household demand and infrastructure spending will be particularly important in addressing risks to growth.

Commodity Markets

In 2025, global commodity markets have experienced heightened volatility, primarily driven by the US tariff announcements. Initially, this led to sharp declines across most commodity prices, fuelled by concerns over slower global economic growth. However, prices of many commodities have partly rebounded, with oil being a notable exception, as the US later postponed and/or reduced most of the additional tariffs (see figure below, left-hand panel).

Oil prices plummeted to a low of \$US60 per barrel in early May, the lowest since February 2021, reflecting intensifying fears of weak global demand and compounded by OPEC+ supply additions. In contrast, gold prices surged to record highs of \$US3,431 per ounce by early May as investors sought safe-haven assets amid global uncertainties (see *Other Commodities* section).

Figure 12



Base metals, including nickel and copper, fell sharply following the tariff news due to a dampened outlook for global industrial activity but have since regained most of their price fall. Iron ore prices have remained relatively steady since October 2024, trading within a narrow range (see Iron Ore section).

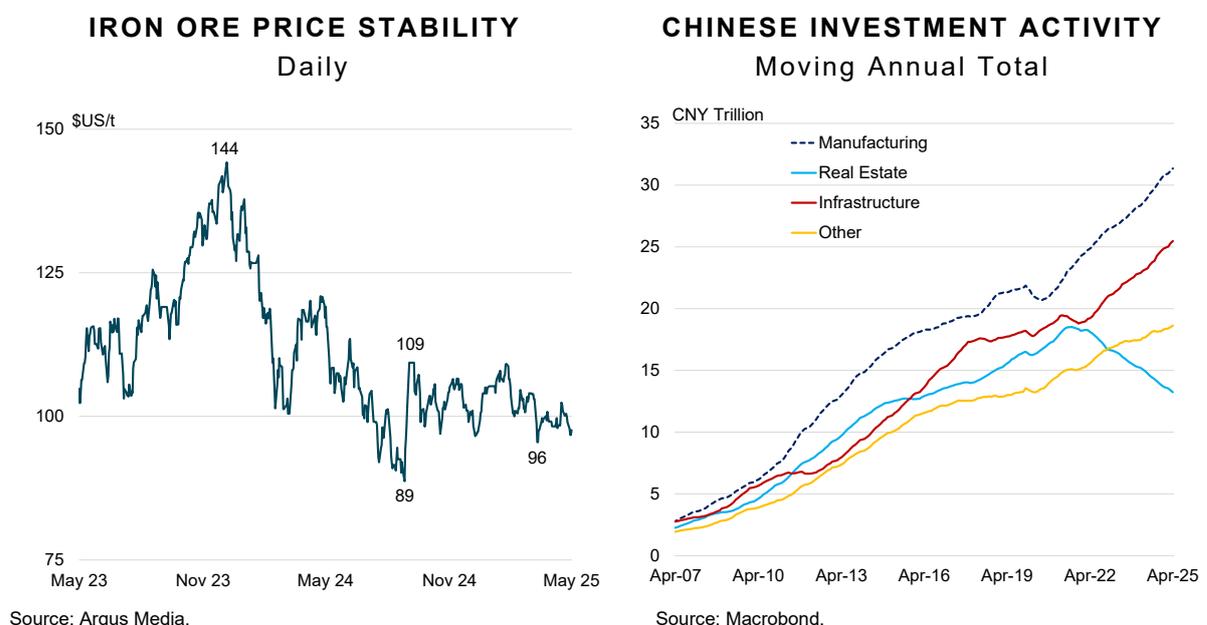
The Western Australian Commodity Price Index⁴ declined steadily through most of 2024, reflecting falling prices for key commodities such as iron ore, nickel, oil and lithium, with gold being a notable exception. However, a slight rebound in iron ore and LNG prices from the December quarter, combined with continued strength in gold, have contributed to a subsequent increase in the index (see figure above, right-hand panel).

Further detail on commodity price assumptions and mining revenue estimates can be found in Chapter 4: *General Government Revenue*.

Iron Ore

The **benchmark iron ore price** has remained relatively stable since October 2024, trading within a narrow range of US\$95.5 to US\$109.4 per tonne and stood at \$US101 per tonne at Budget cut-off (19 May 2025, figure below, left-hand panel). This stability reflects resilient Chinese crude steel production in early 2025, supported by robust exports and improved mill margins, despite escalating global trade tensions. In addition, elevated portside inventories in China mitigated the impact on prices of supply disruptions during the March quarter 2025 caused by cyclones in Australia and heavy rainfall in Brazil.

Figure 13



⁴ The commodity price index is a weighted index of iron ore, gold, oil, condensate, LNG, copper, nickel, zinc, lithium and alumina.

Chinese **infrastructure spending** is expected to remain a key driver of steel and iron ore demand in the near term, supported by a higher RMB4.4 trillion quota for local government special bonds in 2025 announced at the National People’s Congress in March 2025 (up 12.8% from 2024). Issuance has accelerated in 2025, with 27% of the annual quota issued by April 2025, compared to a 19% share in April 2024. These funds typically finance a wide range of infrastructure projects – including transport, energy and industrial parks – which also support **manufacturing investment** in emerging industries such as electric vehicles, renewable energy and shipbuilding (figure above, right-hand panel).

However, the **broader demand outlook is softening**. Domestic steel consumption in China remains subdued amid persistent weakness in the property sector. While there are signs that the property downturn may be stabilising, particularly floor sold, high inventories of unsold homes are expected to limit any near-term recovery in construction. Property investment and new construction starts, which are more steel intensive, declined by 9.5% and 22.6% year-on-year, respectively, in the four months to April 2025.

Chinese **steel exports**, which reached an eight-year high of 114 million tonnes in the year to April 2025, and which have been a key support for steel and iron ore demand in recent years, now face growing headwinds as several countries have imposed tariffs and launched anti-dumping investigations into Chinese steel products.

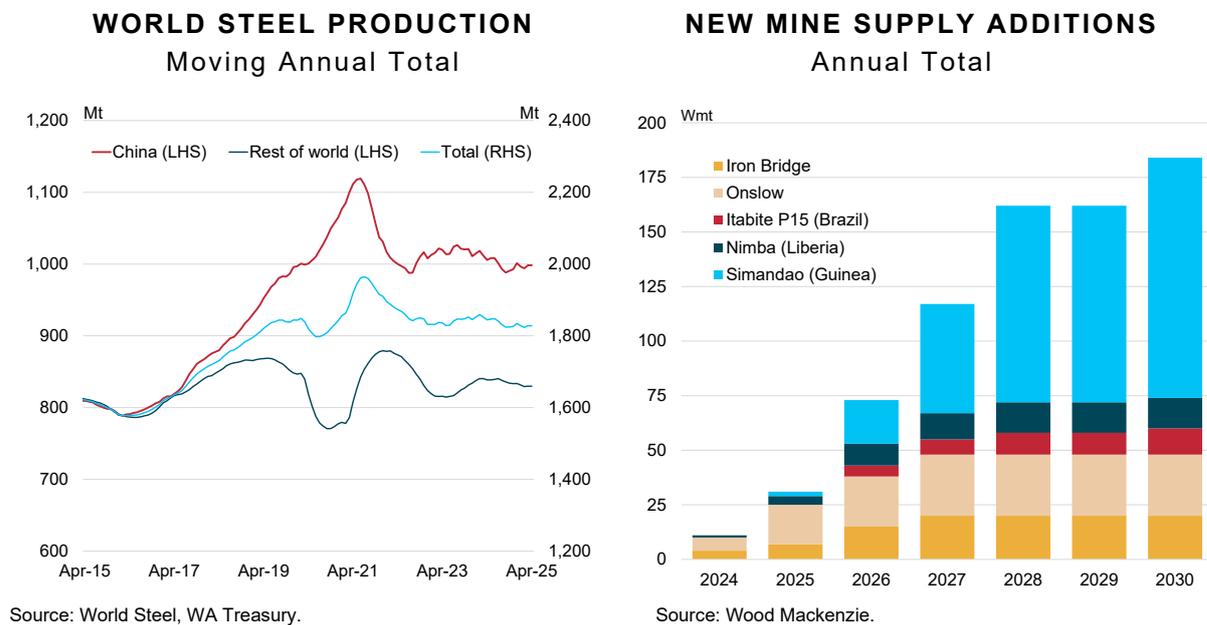
Steel **production in China** remains around 1 billion tonnes per annum well below the record levels in June 2021 (of 1.12 billion tonnes). Over time steel production in China is expected to decline as its population falls and it pivots from export-led and investment heavy growth to a consumption based-model.

Steel **production outside of China** remains subdued, with production below pre-COVID levels. Production has remained relatively steady in the year to April 2025, with declines in Iran, Russia, South Korea and Japan partially offset by growth in Brazil and India, although these countries’ reliance on seaborne iron ore is limited (figure below, left-hand panel).

On the **supply side**, global seaborne volumes are set to grow. Brazilian exports have returned to levels prior to the Brumadinho dam disaster, aided by low-grade producers entering the market. Brazilian iron ore exports are expected to increase in the coming years as Brazilian miners, particularly Vale, expand production. Construction of the large, high-grade Simandou mine in Guinea is progressing, with first shipments expected in late 2025, though ramp-up to full production will be gradual. Production at Western Australia’s Onslow and Iron Bridge mines are also rising (figure below, right-hand panel).

While this combination of slowing demand and rising supply means prices could fall below levels seen in recent years, the State’s competitive position is underpinned by the relatively low cost of most of its iron ore production.

Figure 14



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

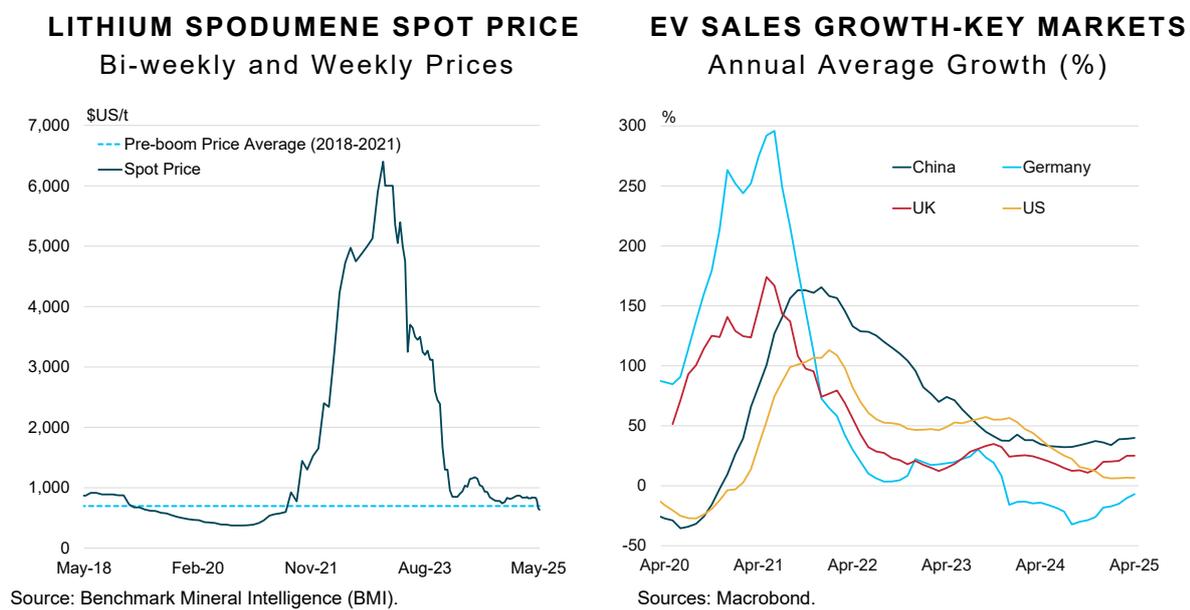
Other Commodities

The global **lithium market** is expected to remain in oversupply until at least 2027, limiting the potential for significant near-term price increases. A key factor behind this outlook was the unexpected restart in February 2025 of a large, high-cost Chinese lithium mine, previously in care and maintenance, despite market prices remaining below production costs. This move has changed expectations of a slight market deficit for 2025, into a surplus.

After stabilising since late November 2024, lithium spodumene prices fell in May 2025 to the lowest level since June 2021, due to a combination of a strong increase in supply and subdued demand reflected in weaker lithium chemical prices (see figure below, left-hand panel). Given relatively subdued prices since 2024, Western Australian lithium producers have reported that they are implementing cost minimisation strategies, such as headcount reductions, lower corporate expenses, and increased operational efficiencies.

Lithium demand from the Electric Vehicle (EV) sector grew in 2024 and into 2025, but at a slower pace, as sales moderated in key markets. China remains the dominant market, with EV sales up 40% in the year to April 2025, compared to 25% in the UK, 7% in the US, and a 7% contraction in Germany (see figure below, right-hand panel). By the end of 2024, China's EV penetration reached 45% of total annual passenger cars and light commercial vehicle sales, far ahead of Europe (17%), North America (10%), and the rest of the world (5%). Slower EV growth outside China was impacted by factors such as limited charging infrastructure. Weaker lithium demand from the transport sector was partially offset by continued growth in the Energy Storage Systems (ESS) market.

Figure 15



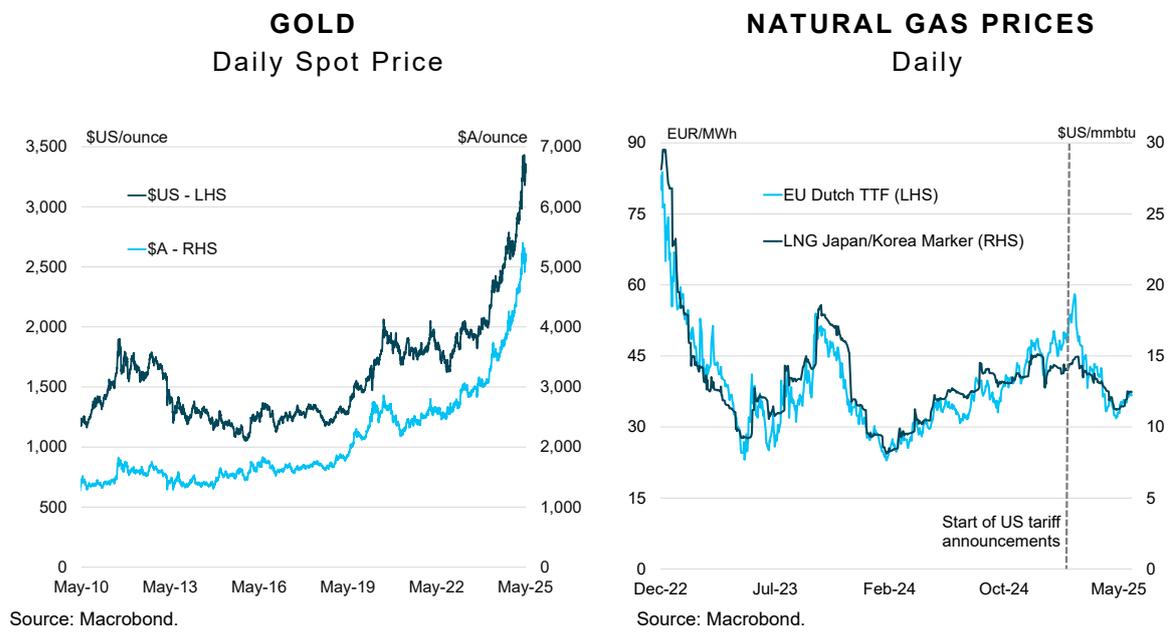
China's lithium imports have grown strongly over the year to February 2025, facilitated by rising supply from Africa and South America. However, over the same period Japan's and South Korea's lithium imports have declined. Rising demand from China reflects significant growth in domestic battery production, particularly lithium iron phosphate (LFP) batteries.

While the long-term outlook for EV growth remains strong, short to medium-term prospects are being hindered by weaker policy support and geopolitical tensions. Uncertainties remain around US tariffs on Chinese battery products, particularly as the US relies heavily on Chinese lithium-ion batteries for ESS. Technological shifts also present risks for the lithium market. In China, the rise of low-cost, high-energy LFP batteries, using lithium carbonate, has reduced the demand for lithium hydroxide, which is traditionally used in nickel-manganese-cobalt (NMC) batteries. As LFP battery production expands globally, demand will be weighted toward carbonate, raising the risk of hydroxide oversupply (including spodumene feedstock), especially since most investments outside China, including in Australia, focus on hydroxide.

Australia's lithium production is expected to continue growing over the forecast period, although at a slower pace than previously anticipated, primarily due to revised assumptions around the restart of mines currently in care and maintenance, given continuing low prices. Australia's share of global lithium mine supply is projected to fall from 32% in 2024 to around 27% by 2029, as production accelerates in Argentina and Brazil, supported by government policies.

To support the lithium sector, the State Government announced the Lithium Industry Support Program in November 2024, allocating up to \$150 million over the 2024-25 to 2026-27 financial years. As part of this initiative, two lithium producers have been approved to receive interest-free loans of \$15 million, from a total loan facility of \$50 million established under the program.

Figure 16



The **gold price** increased by 23% in 2024, supported by safe-haven demand amidst heightened geopolitical tensions, global monetary policy easing (increasing gold's relative appeal as a secure asset) and higher central bank purchases. In 2024, central bank gold purchases exceeded 1,000 metric tonnes, more than double the 2010–2019 annual average, as some countries moved reserves away from US dollar-based assets.

Gold prices have continued to rise in 2025, reaching record highs of \$US3,431 per ounce in early May, as the escalation of US tariffs further increased investor demand for gold as a safe-haven asset (in preference to US assets) amid elevated global economic uncertainty and volatility in major financial markets (see figure above, left-hand panel). While easing trade tensions between major economies, most notably the US and China, may temper further increases, gold prices are forecast to remain elevated over the remainder of the forecast period.

Oil prices fell sharply in 2025, reaching a low of \$US60 per barrel in early May, the lowest since February 2021. Prices began moderating following the initial US tariff announcements in February, but the decline accelerated after the reciprocal tariff announcement on 2 April 2025, reflecting growing concerns about global oil demand amid expectations of slowing global economic growth. This led to a sharp drop of \$US12 per barrel over the subsequent four days. The downturn was further reinforced by OPEC+'s decision to accelerate the unwinding of voluntary production cuts. Although oil prices increased by around \$US5 per barrel in response to the US-China trade deal in mid-May, upside remains limited due to ample supply. For Western Australia, oil prices are critical both as a major input cost for businesses and through their impact on oil-linked LNG export revenues.

Natural gas prices have trended upward in the second half of 2024 through early 2025. By mid-February 2025, the European benchmark gas price (TTF) reached its highest level in two years, driven by reduced piped gas imports and elevated demand during the colder than usual 2024-25 winter season. This increased consumption was supported by storage withdrawals, which brought European gas storage levels down to multi-year lows. Asian LNG spot prices also rose due to weaker than expected LNG supply, including reduced output from Western Australia due to cyclones, and strong competition from Europe for uncontracted LNG cargos.

LNG gas prices declined sharply following the initial US tariff announcements (see figure above, right-hand panel) with concerns about demand if global economic growth slows, with both the European and Asian spot LNG prices falling by around 40% and 25% respectively, up to the point the US and China tariff de-escalation was announced (12 May 2025) – after which prices improved slightly. Asia’s LNG imports have declined by 6% over January to April 2025 compared to the corresponding period in 2024 (with Chinese imports falling 24%). Lower demand from Asia will make it easier for Europe to replenish stockpiles, thereby reducing some of the upward pressure on prices.

Fiscal Outlook and Strategy

- The 2025-26 Budget outlines a seventh consecutive general government operating surplus by the Government, with a surplus of \$2.5 billion expected in 2024-25, and a further operating surplus of \$2.4 billion estimated for 2025-26.
- Operating surpluses are forecast over the remainder of the forward estimates period and accommodate new funding for the Government's priorities – implementing 2025 election commitments, providing further cost of living assistance, and boosting frontline service delivery across health, education and training, housing, and community services.
- These operating surpluses are an important non-debt source of funding for the Asset Investment Program, with infrastructure spending peaking at a record \$13.7 billion in 2024-25. The Government's investment in infrastructure totals \$38 billion over the next four years, with a focus on projects that enable future economic growth and expand the capacity of agencies to deliver services to the State's growing population.
- To help fund this substantial investment in infrastructure, total public sector net debt is expected to rise over the forward estimates from \$33.6 billion at 30 June 2025 to a projected \$42.5 billion by 30 June 2029 – with half of this increase attributable to public non-financial corporations including the energy and water corporations, and port authorities.
- The State's projected level of net debt remains affordable with total public sector net debt increasing to just 9.2% of Gross State Product by 2028-29 – far lower than any other State and the Commonwealth.
- Western Australia continues to be the only State or Territory with a triple-A credit rating from both S&P Global and Moody's ratings agencies.

Fiscal Outlook

General Government Sector

Summary

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

Table 1

| GENERAL GOVERNMENT | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Summary Financial Statements | | | | | | |
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| | | | \$m | | | |
| OPERATING STATEMENT | | | | | | |
| Revenue | 45,947 | 48,388 | 50,257 | 47,464 | 47,761 | 48,746 |
| Grow th (%) | 5.4 | 5.3 | 3.9 | -5.6 | 0.6 | 2.1 |
| Expenses | 41,461 | 45,857 | 47,844 | 45,045 | 45,127 | 45,901 |
| Grow th (%) | 7.7 | 10.6 | 4.3 | -5.9 | 0.2 | 1.7 |
| Net Operating Balance | 4,486 | 2,532 | 2,414 | 2,419 | 2,634 | 2,845 |
| BALANCE SHEET | | | | | | |
| Assets | 215,616 | 225,263 | 234,296 | 240,101 | 245,343 | 248,526 |
| Liabilities | 45,145 | 45,964 | 48,642 | 50,080 | 50,239 | 49,324 |
| Net Worth | 170,471 | 179,298 | 185,654 | 190,021 | 195,103 | 199,201 |
| STATEMENT OF CASHFLOWS | | | | | | |
| Net Cash Flow s from Operating Activities | 6,724 | 4,907 | 5,112 | 4,563 | 4,584 | 4,908 |
| Asset Investment Program | 3,997 | 4,371 | 3,961 | 3,510 | 3,340 | 3,118 |
| Sales of Non-financial Assets | 60 | 67 | 83 | 67 | 67 | 67 |
| Cash Surplus/Deficit | 2,787 | 603 | 1,233 | 1,120 | 1,311 | 1,857 |
| Net Debt at 30 June | 19,651 | 25,029 | 29,200 | 30,680 | 31,136 | 30,575 |

A general government operating surplus of \$2.5 billion is now projected for 2024-25, \$659 million lower than previously forecast in the *2024-25 Pre-election Financial Projections Statement* (PFPS). A \$2.4 billion operating surplus is expected in 2025-26 and surpluses ranging between \$2.4 billion to \$2.8 billion are forecast over the three years to 2028-29.

These surpluses incorporate additional expenditure approved as part of this Budget for delivery of the Government's 2025 election commitments, further cost of living assistance and new funding for frontline services in response to cost and demand pressures.

The Government is projected to invest a substantial \$38 billion in economic and social infrastructure over the four years to 2028-29. Of this, \$13.9 billion (or 36.6%) will be delivered by the general government sector (see *Asset Investment Program* later in this Chapter).

TARGETED PUBLIC SECTOR REFORM

In March 2025, the Government announced a targeted reform of the public sector to deliver on its commitment to jobs, hospitals and houses for Western Australians.

The reform will provide a better way to build through the renamed departments of Housing and Works, and Transport and Major Infrastructure. The Department of Transport and Major Infrastructure will bring together the State's major infrastructure project delivery expertise into a single entity driving the Government's major health infrastructure program, Westport, METRONET and major infrastructure works.

The reform also focuses the reshaped Department of Housing and Works on delivering on the State's social housing agenda, consolidating the entity's service delivery and expertise on smaller capital works projects across the State. The Department of Treasury absorbs responsibility for the former Department of Finance's State revenue and procurement policy functions.

The Government has also sought to consolidate its strategic leadership within the Department of the Premier and Cabinet with the inclusion of the Office of Defence Industries, the Office of Early Childhood, a consolidated leadership role in Aboriginal Affairs policy and the Coordinator General function, with the aim of building a more resilient economy.

To drive job creation and economic resilience:

- the Department of Energy and Economic Diversification will be established to progress initiatives aimed at economic diversification, the energy transition and support for local manufacturing, and regulatory functions will be centralised within the Department of Local Government, Industry Regulation and Safety;
- the reframed Department of Creative Industries, Tourism and Sport will leverage off Western Australia's sport, cultural, creative, and tourism sectors as key economic drivers; and
- the new Department of Mines, Petroleum and Exploration will support continued sustainable development of Western Australia's resources sector through a dedicated emphasis on exploration, regulatory assurance, and industry innovation.

A total of nine Departments have been affected, with one additional Department created as part of these Public Sector Reforms. The 2025-26 Budget Papers are aligned to the new structures, with implementation to occur from 1 July 2025. The reforms have been implemented within existing budget settings, with no saving measures or additional outlays, with the exception of the establishment costs associated with the new Department of Mines, Petroleum and Exploration (including the costs of the new Office of the Director General – see Chapter 5).

Operating Statement

Changes to the outlook for general government revenue and expenses since the PFPS are summarised in the following table.

Table 2

SUMMARY OF GENERAL GOVERNMENT REVENUE AND EXPENSE
Variations Since the 2024-25 PFPS

| | 2024-25 \$m | 2025-26 \$m | 2026-27 \$m | 2027-28 \$m | 2028-29 \$m | Total \$m |
|--|----------------|----------------|----------------|----------------|----------------|--------------|
| 2024-25 PFPS - NET OPERATING BALANCE | 3,190 | 3,548 | 3,525 | 2,839 | | |
| Revenue | | | | | | |
| <i>Revenue Policy Decisions</i> | | | | | | |
| Off-the-Plan Transfer Duty Concession Extension | - | -6 | -7 | -7 | | -20 |
| First Home Owner Duty Exemption and Concession Thresholds Increase | -8 | -31 | -28 | -26 | | -93 |
| <i>Other Revenue Movements</i> | | | | | | |
| <i>Taxation</i> | 123 | 352 | 426 | 491 | | 1,392 |
| - Total Duty on Transfers | 61 | 175 | 200 | 234 | | 670 |
| - Land Taxes | 13 | 84 | 106 | 130 | | 334 |
| - Motor Vehicle Taxes | -6 | 47 | 66 | 85 | | 193 |
| - Gambling Taxes | 32 | 19 | 24 | 22 | | 97 |
| - Public Sector Reform Sector Changes | - | 10 | 10 | 9 | | 29 |
| - Other Taxes | 22 | 17 | 20 | 11 | | 70 |
| <i>Commonwealth Grants</i> | 162 | 268 | 621 | 670 | | 1,722 |
| - Transport Grants | 192 | 20 | 293 | 259 | | 764 |
| - GST Grants | -29 | 8 | 371 | 365 | | 716 |
| - Commonwealth Energy Bill Relief | - | 177 | - | - | | 177 |
| - Health Reform | - | 158 | - | - | | 158 |
| - North West Shelf/Condensate Compensation | 31 | -102 | -47 | -14 | | -133 |
| - Other Commonwealth Grants | -32 | 8 | 4 | 60 | | 40 |
| <i>Royalty Income</i> | -76 | 483 | 171 | 369 | | 947 |
| - Iron Ore | -44 | 447 | 109 | 238 | | 749 |
| - Gold | 11 | 112 | 119 | 106 | | 347 |
| - Lithium | -17 | -40 | -41 | 31 | | -67 |
| - Other Royalties | -25 | -36 | -16 | -5 | | -82 |
| <i>Revenue from Public Corporations</i> | -981 | 1,223 | -174 | -192 | | -123 |
| - Dividends | -961 | 1,256 | -99 | -179 | | 17 |
| - Tax Equivalents | -21 | -33 | -75 | -12 | | -140 |
| <i>Sales of Goods and Services</i> | 104 | -14 | -22 | 4 | | 71 |
| - Public Sector Reform Sector Changes | - | -92 | -82 | -82 | | -256 |
| - Other Sales of Goods and Services | 104 | 78 | 60 | 85 | | 327 |
| All Other | 45 | 44 | 29 | 3 | | 122 |
| TOTAL REVENUE | -632 | 2,320 | 1,016 | 1,313 | | 4,016 |

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

Table 2 (cont.)

SUMMARY OF GENERAL GOVERNMENT REVENUE AND EXPENSE
Variations Since the 2024-25 PFPS

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | Total |
|---|--------------|---------------|---------------|--------------|--------------|---------------|
| | \$m | \$m | \$m | \$m | \$m | \$m |
| Expenses | | | | | | |
| Implementation of election commitments | 89 | 502 | 552 | 378 | | 1,521 |
| Public Sector Reform Sector Changes | - | -83 | -72 | -72 | | -227 |
| <i>Other Material Agency Movements</i> | | | | | | |
| - WA Health | 254 | 724 | 19 | 8 | | 1,005 |
| - Education | 143 | 283 | 172 | 165 | | 763 |
| - Main Roads | 66 | 113 | 125 | 72 | | 376 |
| - Justice | 69 | 146 | 69 | 53 | | 337 |
| - Communities | -30 | 280 | 67 | 20 | | 336 |
| - Transport and Major Infrastructure | -95 | 104 | 109 | 71 | | 189 |
| - Western Australia Police Force | 28 | 84 | 27 | 11 | | 150 |
| - Primary Industries and Regional Development | -69 | 99 | 42 | 26 | | 98 |
| <i>Operating Subsidies</i> | | | | | | |
| - Synergy | 26 | 427 | 224 | 116 | | 794 |
| - Public Transport Authority | 30 | 68 | 38 | 55 | | 191 |
| - Water Corporation | -94 | 19 | 72 | 107 | | 104 |
| - All Other | -35 | 48 | 16 | 6 | | 34 |
| <i>Other Changes</i> | | | | | | |
| - Consolidated Account Interest | -3 | 104 | 162 | 191 | | 454 |
| - Expense Smoothing Provision | - | -200 | 200 | - | | - |
| - Wages Provision Timing Change | -117 | 117 | - | - | | - |
| All Other | -236 | 621 | 299 | 312 | | 996 |
| TOTAL EXPENSES | 26 | 3,454 | 2,122 | 1,518 | | 7,120 |
| TOTAL VARIANCE | -659 | -1,134 | -1,106 | -205 | | -3,104 |
| 2025-26 BUDGET - NET OPERATING BALANCE | 2,532 | 2,414 | 2,419 | 2,634 | 2,845 | |

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

2024-25 Estimated Actual

A general government operating surplus of \$2.5 billion is now expected for 2024-25. This is \$659 million lower than the \$3.2 billion surplus projection contained in the PFPS, and mainly reflects the net impact of:

- lower revenue from public corporations (down \$981 million), largely from the Water Corporation and Western Power reflecting the later timing of 2024-25 dividend payments, partly offset by movements across other agencies;
- higher Commonwealth grants (up \$162 million), mainly for higher transport funding (up \$192 million) and lower GST grants (down \$29 million);
- higher taxation revenue (up \$114 million), mainly due to an increase in transfer duty and gambling tax collections;
- higher agency goods and services revenue (up \$104 million);
- slightly lower royalty income (down \$76 million) with recent upward movements in the \$A/\$US exchange rate and lower iron ore volumes partly offset by higher than expected iron ore prices;

2025-26 Economic and Fiscal Outlook

- higher expenditure by frontline services including WA Health (up \$254 million), the Department of Education (up \$143 million) and the Department of Justice (up \$69 million);
- \$89 million for the cost of implementing Government election commitments, mainly the April 2025 introduction of Round 2 of the WA Student Assistance Payment (delivering additional cost of living support through a \$150 payment for each primary school student and \$250 for each secondary school student); and
- lower spending across all other general government agencies and programs (down \$529 million), mainly reflecting rescheduled spending to 2025-26 and beyond.

Final outcomes for the financial year ending 30 June 2025 will be detailed in the *2024-25 Annual Report on State Finances* (to be released by 28 September 2025).

2025-26 and Beyond

The general government sector is forecast to record a \$2.4 billion operating surplus in 2025-26 (down from a projected \$3.5 billion surplus at the time of the PFPS). Operating surpluses between \$2.4 billion and \$2.8 billion are forecast across each of the outyears.

Revenue

General government revenue is forecast to increase by 3.9% in 2025-26, to a total of \$50.3 billion. This largely reflects one-off increases in Commonwealth grants (including payment of Western Australia's share of the DisabilityCare Australia Fund, interim Health Reform funding, and Commonwealth-funded electricity bill relief payments), higher taxation and royalty revenue, final dividends for 2024-25 for the Water Corporation and Western Power and an expected \$400 million special dividend from the Pilbara Ports Authority, partly offset by lower North West Shelf and Condensate Compensation grants.

General government revenue is then expected to contract by 5.6% (or \$2.8 billion) in 2026-27, largely reflecting a decline in Commonwealth transport grants and the one-off nature (in 2025-26) of the State's share in the DisabilityCare Australia Fund, the conservative iron ore price assumptions reducing royalty revenue, and the normalisation of dividend revenue from public corporations. Revenue growth over the remainder of the outyears is expected to be relatively flat.

Relative to the PFPS, general government revenue has been revised up by a total of \$4.6 billion (or 3.3%) over the period 2025-26 to 2027-28. This is mainly due to:

- higher royalty income (up \$1 billion) including:
 - an increase in iron ore royalties (up \$794 million), following an upward revision to forecast iron ore prices, which have remained around \$US100 per tonne, together with an updated long-run iron ore price assumption of \$US72 per tonne to be reached by December 2025 (up from the then long-run price assumption of \$US71 per tonne to be reached by August 2025 in the PFPS); and
 - increased gold royalties (up \$336 million), reflecting higher gold prices with the safe-haven demand for gold increasing in the face of elevated global uncertainty;

- a net increase in Commonwealth funding of \$1.6 billion, including:
 - higher GST grants (up \$744 million), primarily reflecting the outcome of the Commonwealth Grants Commission’s 2025 Review of methods for calculating the recommended distribution of GST grants, with gains partially offset by revisions in Commonwealth forecasts of the national GST pool and States’ population shares;
 - higher transport grants (up \$572 million), largely reflecting revised milestones for jointly funded projects, funding for the Kwinana Freeway Widening project and the Regional Road Safety Program – Local Roads program, and additional funding across a number of other existing road projects;
 - funding of \$177 million in 2025-26 for Commonwealth electricity bill relief payments for households and small business customers;
 - higher National Health Reform Agreement funding (up \$158 million), reflecting the one-year extension agreed by all jurisdictions in early 2025, which includes revised funding arrangements for public hospital funding in 2025-26; and
 - lower North West Shelf and Condensate Commonwealth grants (down \$164 million), reflecting downward revisions to price forecasts amid expectations of weaker global demand;
- higher taxation revenue (up \$1.2 billion), including:
 - a \$504 million increase in total duty on transfers, reflecting the impact of higher than expected property prices, partially offset by the implementation of the Government’s election commitment to lift transfer duty thresholds for first home buyers for purchases from 21 March 2025, and a reduction in forecast collections from the foreign buyer surcharge (following a decision by the Commonwealth to restrict foreign purchases of established property from 1 April 2025);
 - a \$320 million increase in land tax and Metropolitan Region Improvement Tax, mainly due to a stronger outlook for residential property values, and a projected increase in the number of eligible taxpayers that own an investment property;
 - a \$198 million increase in motor vehicle tax collections, as forecast vehicle sales (while declining), exceed previous expectations; and
 - a \$65 million increase in gambling tax, reflecting the flow-on impact from 2024-25 of higher Lotteries Commission sales and an increase in projected casino tax collections (reflecting reclassification of revenue under the *Casino (Burswood Island) Agreement Act 1985* from goods and services, based on advice from the Australian Bureau of Statistics);

2025-26 Economic and Fiscal Outlook

- higher public corporations dividend revenue (up \$977 million), mainly from later receipt of 2024-25 dividends from the Water Corporation and Western Power and a \$400 million special dividend from the Pilbara Ports Authority, funded from the Authority's substantial cash holdings, with these funds to be placed in the Strategic Industries Fund for future investment, including in the Pilbara. These large increases are expected to be partially offset by lower dividend collections across other public corporations; and
- lower agency goods and services revenue (down \$33 million), largely due to the combined impact of:
 - lower revenue (down \$256 million) as a consequence of the Government's Public Sector Reform changes (removing broadly equivalent revenue and expense changes as a result of the restructure of the Departments of Communities and Housing and Works¹);
 - higher revenue for the Department of Transport and Major Infrastructure (up \$103 million), mainly reflecting increasing transaction volumes and revenue from delivery of licensing, registration, and other key services;
 - higher revenue for WA Health (up \$55 million), reflecting the outyear impact of an increase in forecast revenue from patients and higher Pharmaceutical Benefits Scheme recoveries noted earlier; and
 - higher revenue for Main Roads (up \$52 million), primarily increased collections following a review of the Road Maintenance Contribution Scheme for road infrastructure and heavy haulage routes.

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

Expenses

General government recurrent spending is forecast to increase by 4.3% to be \$47.8 billion in 2025-26, with new funding allocated to address cost and demand pressures, and the Government's election commitments.

Expenses are then expected to decline by 5.9% in 2026-27, largely reflecting the end of some finite cost of living assistance and various one-off costs tied to specific initiatives, as well as moderating inflation, wages and population growth which are expected to ease cost and demand pressures on frontline services. Expenses return to more modest growth across 2027-28 and 2028-29.

¹ The Housing Authority function of the former Department of Communities is a public corporation and from 1 July 2025 is part of the new Department of Housing and Works. Under the new arrangements, the Housing Authority ceases to pay the general government sector for the delivery of employee and other service delivery costs.

Material revisions to general government expenses across 2025-26 to 2027-28 since the release of the PFPS include:

- \$1.4 billion to commence the implementation of the Government's election commitments;
- higher spending by WA Health (up \$751 million), mainly reflecting:
 - a \$626 million increase for hospital services, primarily reflecting increased hospital activity, funding for additional clinical workforce resourcing and to address various cost and demand pressures; and
 - \$44 million to meet patient transport, ambulance service, and in-home health care contract costs;
- higher spending by the Department of Education (up \$620 million), mainly due to the flow-on effect of higher than expected student enrolments in public schools recorded in early 2025 (\$455 million), RiskCover premiums (\$61 million), additional school maintenance spending (\$47 million), and an increase in Government Regional Officer Housing (GROH) costs (\$35 million);
- higher expenses for the Department of Communities (up \$366 million), largely reflecting the combined impact of higher service costs in the child protection system, additional spending on State Disability Services and homelessness services;
- an increase in spending by Main Roads (up \$310 million), primarily due to higher depreciation costs for the increasing value of road and related assets (\$125 million), an increase in grant payments to the Public Transport Authority for road-related METRONET works (\$87 million), additional spending on road maintenance (\$55 million), and higher costs for a number of Commonwealth funded projects (\$22 million);
- higher spending by the Department of Justice (up \$268 million), including additional staff for corrective services to address growth in the prison population and the number of offenders managed in the community, RiskCover insurance premiums, increases for contracted court and custodial service costs, and the impact of implementing the *Family Violence Legislation Reform Act 2024*;
- an increase in spending by the Department of Transport and Major Infrastructure (up \$284 million), mainly reflecting increased expenditure in delivering licensing, registration and other key services (\$119 million), the retiming of expenditure from 2024-25 in line with updated project schedules (\$86 million), and spending on operations and strategic initiatives to further progress planning for the Westport program of works (\$37 million);

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- a \$167 million increase in spending by the Department of Primary Industries and Regional Development, largely reflecting an increase in biosecurity and emergency management response, additional investment to complete Stage 2B of the Transforming Bunbury's Waterfront project, spending on new Commonwealth-funded regional telecommunications initiatives, and spending carried over from 2024-25 following updated program delivery schedules;
- an increase in spending by the Western Australia Police Force (up \$122 million), primarily to address operational service priorities (\$53 million), upgrading the Interagency Emergency Services Radio Network (\$17 million), resources and system development to support the Government's firearms reforms (\$15 million) and higher GROH expenditure (\$14 million);
- a \$1.2 billion increase in operating subsidies, mainly to support:
 - Synergy (up \$768 million), including on-passed funding to facilitate payment of the Commonwealth's electricity bill relief to households and eligible small business customers in 2025-26, an extension of the System Security Transition Payment to 2027-28 to compensate Synergy for the operation of thermal generation assets to support the security of the electricity network, and a new subsidy from 2025-26 to 2027-28 to reimburse electricity market costs that are not passed through to residential business and small business customers;
 - the Public Transport Authority (up \$160 million), for the Summer of Free Public Transport and free school student travel initiatives, to extend free travel for regular passengers of the Armadale Line during its temporary closure, increased interest and RiskCover costs, additional bus services to support the upgraded Armadale Line, updated costs and the impact of revised patronage growth forecasts impacting public transport services and increased maintenance costs for new METRONET stations;
 - the Water Corporation (up \$198 million), largely to meet costs associated with the upgrade and increased capacity of the Goldfields and Agricultural Water Supply Scheme (\$76 million), and the reclassification of previously forecast capital expenditure mainly in remote communities to operating expenditure (\$81 million); and
- a \$457 million increase in Consolidated Account interest costs, reflecting updated interest rate assumptions and movements in the forecast timing and magnitude of new borrowings.

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

Balance Sheet

An increase in the net worth of the general government sector (i.e. the value of the sector's assets less the value of its liabilities) is forecast in each year of the forward estimates period, rising from an estimated \$179.3 billion at 30 June 2025 to \$199.2 billion by 30 June 2029.

Total assets are estimated to increase by \$23.3 billion over the four years to 30 June 2029, primarily due to the net impact of:

- an increase in non-financial assets (up \$16.7 billion), reflecting increases in property, plant and equipment (up \$8.4 billion) and land (up \$8.5 billion), mainly driven by the \$13.9 billion general government's component of the Government's Asset Investment Program (AIP, detailed later in this chapter);
- a \$7.6 billion increase in the net worth of public corporations², reflecting forecast increases in holdings of physical assets by non-financial corporations due to infrastructure investment by the sector through the AIP; and
- a \$217 million reduction in liquid financial assets (cash and deposits, advances paid, and investments, loans and placements), reflecting the use of these assets to fund infrastructure and other Government initiatives over the outyears.

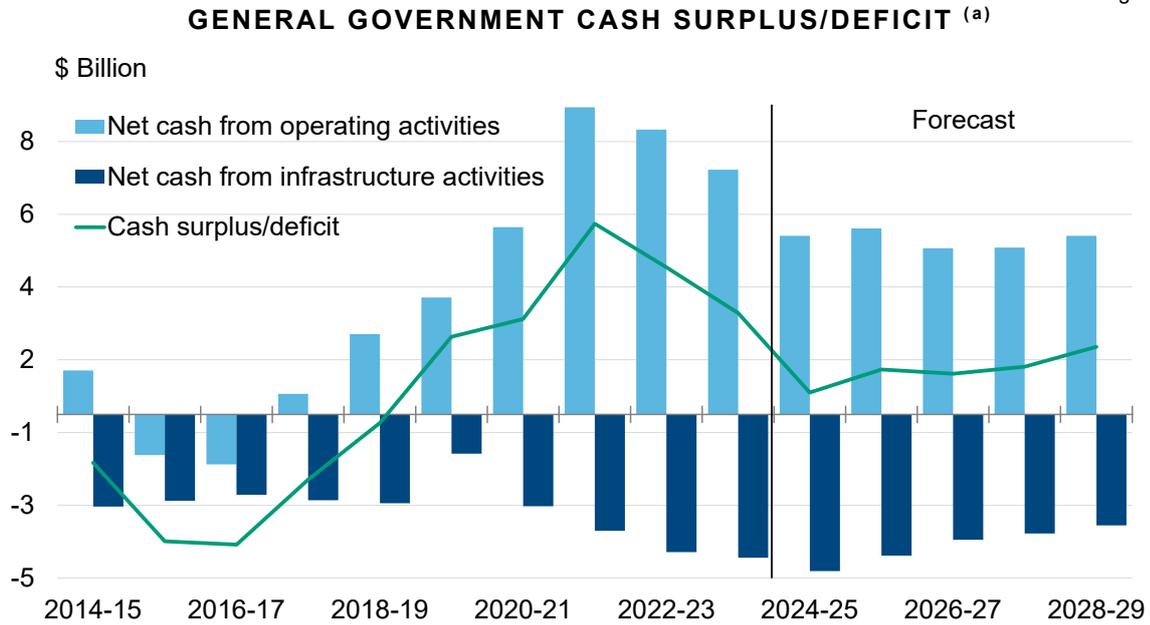
General government liabilities are forecast to total \$49.3 billion at 30 June 2029, a \$3.4 billion increase on the estimated actual outturn for 30 June 2025. This largely reflects higher borrowings to support infrastructure spending in both the general government and public corporations sectors (up \$5.7 billion), partly offset by reducing unfunded superannuation obligations (down \$1.3 billion) and lower payables (down \$502 million).

Cashflow Statement

General government cash surpluses are projected for each year of the forward estimates. A cash surplus of \$1.2 billion is forecast for the general government sector in 2025-26, following an estimated \$603 million cash surplus in 2024-25. An aggregate \$4.3 billion cash surplus is forecast across the three outyears. Notwithstanding these cash surplus forecasts, general government sector net debt is still expected to increase over the forward estimates period reflecting cash contributions to the funding of infrastructure spending by the public corporations.

² The net worth of public corporations sectors is included as an asset on the general government balance sheet. This represents the ownership interest of central government in the net value of public sector businesses outside the general government sector.

Figure 1



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

Total Public Sector³

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

Table 3

| TOTAL PUBLIC SECTOR | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Summary Financial Statements | | | | | | |
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | \$m | \$m | \$m | \$m |
| OPERATING STATEMENT | | | | | | |
| Revenue | 83,785 | 90,700 | 92,446 | 92,023 | 92,845 | 93,935 |
| Expenses | 77,859 | 88,166 | 92,731 | 91,326 | 91,935 | 93,057 |
| Net Operating Balance | 5,926 | 2,534 | -285 | 697 | 910 | 878 |
| BALANCE SHEET AT 30 JUNE | | | | | | |
| Assets | 258,763 | 268,447 | 281,107 | 290,233 | 297,826 | 304,015 |
| Liabilities | 88,292 | 89,149 | 95,453 | 100,213 | 102,723 | 104,813 |
| Net Worth | 170,471 | 179,298 | 185,654 | 190,021 | 195,103 | 199,201 |
| STATEMENT OF CASHFLOWS | | | | | | |
| Net Cash Flow s from Operating Activities | 10,879 | 8,378 | 6,578 | 7,181 | 7,130 | 7,329 |
| Asset Investment Program | 11,405 | 13,711 | 12,061 | 9,821 | 8,233 | 7,901 |
| Sales of Non-financial Assets | 477 | 506 | 646 | 760 | 656 | 618 |
| Cash Surplus/Deficit | -49 | -4,826 | -4,837 | -1,880 | -446 | 45 |
| Net Debt at 30 June | 28,173 | 33,583 | 38,968 | 41,292 | 42,161 | 42,484 |

Note: Columns may not add due to rounding.

Operating Statement

An operating surplus of \$2.5 billion is now forecast for the total public sector in 2024-25, up \$546 million from the \$2 billion operating surplus projected in the PFPS. Relative to the PFPS, an aggregate \$3.7 billion reduction in forecast operating surpluses for 2025-26 to 2027-28 largely reflects revisions to the general government operating outlook detailed earlier. A modest \$285 million operating deficit is forecast for 2025-26 before a turnaround to an operating surplus position from 2026-27.

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

³ The total public sector (also known as the whole-of-government) consolidates the general government sector (discussed earlier in this chapter), the public non-financial corporations sector (which includes entities operating on a predominantly cost-recovery basis like the State's ports and the electricity and water utilities), and the public financial corporations sector (which includes agencies mainly engaged in financial activities, such as the Western Australian Treasury Corporation, the Insurance Commission of Western Australia, and Keystart).

Table 4

TOTAL PUBLIC SECTOR OPERATING BALANCE
By Sector

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|--------------|--------------|-------------|------------|------------|------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| Net Operating Balance | | | | | | |
| General government sector | 4,486 | 2,532 | 2,414 | 2,419 | 2,634 | 2,845 |
| Public non-financial corporations sector | 1,325 | 411 | 67 | -146 | -43 | -21 |
| Public financial corporations sector | 357 | 134 | 20 | -21 | -33 | -42 |
| <i>less</i> | | | | | | |
| General government dividend revenue | 210 | 541 | 2,788 | 1,558 | 1,651 | 1,908 |
| Public non-financial corporations dividend revenue ^(a) | 35 | 4 | - | - | - | - |
| Agency depreciation costs on right of use assets leased from other government sectors ^(b) | -3 | -3 | -3 | -3 | -3 | -3 |
| Total public sector net operating balance | 5,926 | 2,534 | -285 | 697 | 910 | 878 |

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

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

Note: Columns may not add due to rounding.

Public Non-Financial Corporations (PNFCs)

A \$67 million operating surplus is forecast for the PNFC sector in 2025-26, down slightly on the \$101 million forecast in the PFPS. This follows a stronger \$411 million forecast surplus for 2024-25. Across the four years to 2027-28, a total \$136 million aggregate reduction in operating surpluses largely reflect the combined impact of:

- a net increase in operating revenue for Synergy, primarily due to an increase in operating subsidies, including an extension to its System Security Transition Payment and a new subsidy for Non Co-optimised Essential System Service energy market costs, partially offset by increases to gas and other electricity generation costs;
- increased Water Corporation revenue, reflecting an increase in developer contributions and customer-driven income from sales, partly offset by higher interest and asset maintenance costs;
- lower revenue for Western Power, reflecting revised tariff revenue forecasts and lower developer contributions (due to delays in customer-driven capital projects), coupled with higher equipment maintenance and repair costs and higher interest and depreciation expenses;
- higher expenditure for the Public Transport Authority, driven primarily by increased depreciation as major capital projects become operational, and increased interest and RiskCover Fund premiums, partially offset by additional capital grants for joint State and Commonwealth funded METRONET works and increased operating subsidies (including for the implementation of the suburban flat fare and half price Transwa services from 1 January 2026);

- increased expenditure for Horizon Power, primarily due to higher gas costs, partially offset by higher energy sales revenue and lower borrowing and depreciation costs for infrastructure assets;
- lower revenue for Mid West Ports Authority, largely due to the impact of lower trade volume forecasts (due to the removal of silica sands throughput as proponents are unlikely to be producing over the forward estimates), partially offset by a range of lower operating expense forecasts; and
- higher expenses for Pilbara Ports Authority, primarily driven by expanded operations, including at Lumsden Point and increased depreciation costs, partially offset by an increase in forecast revenue.

Public Financial Corporations (PFCs)

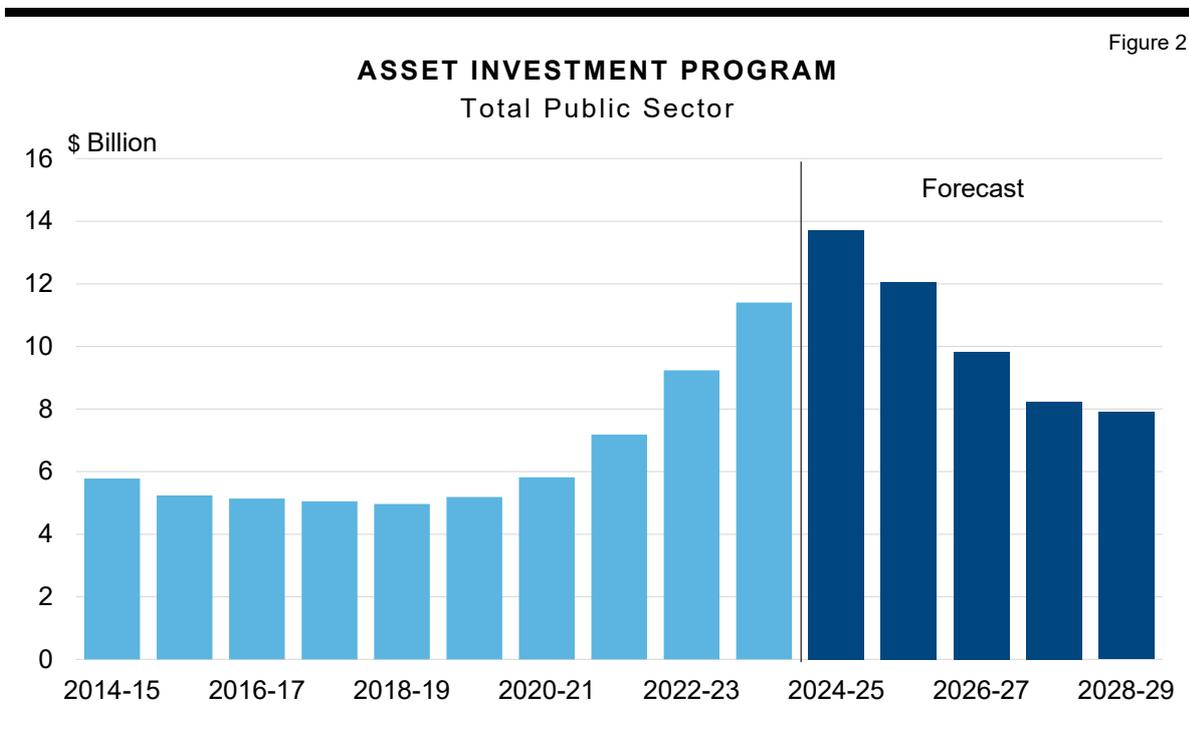
In aggregate terms, the operating outlook for the PFC sector has been revised up modestly from the PFPS. The current outlook includes the net impact of:

- a stronger operating outlook for the Insurance Commission of Western Australia, mainly reflecting higher projected investment income, partly offset by increased administrative expenses; and
- a surplus for the RiskCover Fund as higher premiums and investment income are largely offset by increased workers' compensation claims expenses.

Asset Investment Program

The Government’s Asset Investment Program (AIP) is forecast to total \$38 billion over the four years to 2028-29, including \$12.1 billion in infrastructure spending in 2025-26. This follows a record \$13.7 billion investment in 2024-25, with current elevated levels of spending reflecting advanced delivery activity across a range of large projects, particularly roads and public transport.

For the four-year AIP, general government sector infrastructure spending totals \$13.9 billion (or 36.6% of the total program), while the public non-financial corporations sector is projected to spend the remaining \$24.1 billion. In line with recent Budgets, investment will focus on utility infrastructure (\$13.3 billion), road, rail and transport projects (\$10.7 billion), public and affordable housing and land development (\$4 billion), health infrastructure (\$3.2 billion), ports (\$1.7 billion) and education projects (\$1.7 billion).



AIP spending has increased by a net \$1.4 billion over the period 2024-25 to 2027-28 since the PFPS. Key movements include:

- an additional \$836 million for road projects, mainly reflecting election commitments (\$518 million, including the Kwinana Freeway Widening project, Perth Entertainment and Sporting Precinct, Northern Suburbs Roads, Signalised Pedestrian Crossings and the South Coast Highway – Kojaneerup to Shannon upgrade), increased costs and retiming of expenditure for existing joint State and Commonwealth funded projects (\$264 million), to realign and replace bridges on the Northam Pithara Road (\$25 million) and to commence delivery of transport improvements within the Murdoch Health and Knowledge Precinct (\$22 million);

- a \$636 million increase by Western Power, mainly for the expansion and upgrade of transmission infrastructure to meet projected demand and facilitate the decarbonisation of the electricity system, support for residential housing developments, investment in the relocation and augmentation of network assets across the metropolitan area, and revised project delivery schedules across a range of projects;
- a \$453 million increase in spending by the Water Corporation, primarily to upgrade the Goldfields and Agricultural Water Supply Scheme (\$539 million), investment to facilitate residential lot development (\$60 million) and additional spending on the Onslow Town Water Supply Upgrade (\$21 million), partly offset by the reallocation of \$192 million from capital to operating expenditure mainly for works undertaken in remote communities;
- higher spending by WA Health (up \$300 million), primarily relating to:
 - \$134 million associated with the bring forward (from 2028-29) of various project delivery timelines;
 - \$50 million increase in the Medical Equipment and Imaging Replacement Program;
 - \$33 million expenditure uplift across the Bunbury Hospital redevelopment project, the Sir Charles Gairdner Hospital Intensive Care Unit project, and the Fremantle Mental Health Beds project;
 - \$26 million for aluminium composite panel cladding remediation work (largely funded from allocation of a residual provision established for this purpose); and
 - \$24 million for the fit out of 60 additional in-patient beds at the Joondalup Health Campus;
- a \$210 million increase by the Department of Education, with additional investment in school infrastructure upgrades including the new Brabham Senior High School and planning activities for new works as part of the Government's 2025 election commitments (\$179 million), transportable classrooms (\$27 million), and maintenance works (\$18 million), partly offset by revisions in the timing of payments for various projects (\$14 million);
- higher spending by DevelopmentWA (up \$191 million), largely for the acquisition and development of industrial land in Hope Valley and Postans (\$107 million), to deliver the Mulataga residential development in Karratha (\$43 million), and complete Stage 2B of the Transforming Bunbury's Waterfront project (\$6 million);
- a \$181 million investment increase by the Department of Housing and Works, mainly reflecting an expansion of Keystart's Shared Equity Scheme (\$95 million), higher spending on the construction and spot purchase of new affordable and social housing (\$80 million), a boost to the Government Regional Officer Housing program (\$74 million), and to ensure delivery of new affordable dwellings under Round One of the Housing Australia Future Fund (\$21 million). These spending increases have been partly offset by lower capital expenditure under the Social Housing Accelerator Program;

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- higher spending on public transport projects (up \$151 million), reflecting \$337 million of increased expenditure on a number of existing joint State and Commonwealth funded projects, and for additional joint investment to transition the bus fleet to electric and expand the ferry service. These increases are partly offset by the retiming of \$186 million of other project expenditure into 2028-29 and beyond;
- higher spending by the Department of Transport and Major Infrastructure (up \$144 million), mainly for project definition planning for the Westport program of works (\$82 million), an increase in spending on Phase 1 of the Transforming Bunbury's Waterfront Stage 3 project (\$34 million), upgrades at the Hillarys Boat Harbour (\$8 million), ICT system upgrades (\$6 million), and a new driver and vehicle services centre in the Armadale-Byford region (\$4 million);
- an \$88 million increase in spending by the Department of Biodiversity, Conservation and Attractions, primarily reflecting additional investment to complete essential power and water utility upgrades at Rottnest Island (\$64 million), development of new facilities and customer-facing systems at Perth Zoo (\$10 million), upgrades to National Parks infrastructure under the Government's Outdoor Adventure Package (\$7 million), and to undertake additional essential works across several Plan for Our Parks projects (\$7 million);
- an \$87 million expenditure increase by Pilbara Ports Authority, consisting of new investment for roadworks at the Utah Point Bulk Handling Facility (\$35 million), a bring-forward of spending (from 2028-29 into 2027-28) on the Dampier Cargo Wharf Refurbishment (\$40 million) and Sustaining Capital works (\$22 million), partly offset by a deferral of \$10 million of Port Hedland Voluntary Buyback Scheme investment to 2028-29 and beyond;
- an increase in investment by Fremantle Port Authority (up \$80 million), reflecting continued refurbishment of the Inner Harbour, works to revitalise B Shed on Victoria Quay (including construction of a new Rottnest Island ferry terminal and visitor centre), and replacement of J Berth with a new structure, and
- a \$93 million decrease in spending by Horizon Power, mainly due to responsibility for the Maitland-Burrup Common Use Transmission Infrastructure project in the Pilbara transferring to a third party, partially offset by increased investment in network connection works for Leonora's new power station, additional spending on the Blackstone Hybrid Power Station, and costs associated with the replacement of a transformer at the Murdoch Drive Zone substation in South Hedland.

The 2025-26 Budget includes a global provision to smooth the AIP over the forward estimates, reflecting unforeseen and unavoidable delays that can affect project delivery and spending. This provision replaces a similar smoothing provision reflected in the PFPS, resulting in an estimated \$3.9 billion reduction in infrastructure spending across 2024-25 to 2026-27, with \$2.9 billion reflowed into 2027-28 and 2028-29, and \$1 billion outside the current forward estimates period.

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

Balance Sheet

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

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

Cashflow Statement

A \$4.8 billion cash deficit is forecast for the total public sector in 2025-26, \$2.8 billion higher than projected in the PFPS, while declining cash deficits are projected in 2026-27 and 2027-28 ahead of a modest return to a cash surplus position in 2028-29. Cash deficits are the main driver of forecast increases in the net debt (see below). Movements in the forecast cash position since the PFPS reflect the impact on cash of changes in the operating outlook and infrastructure spending outlined earlier in this Chapter.

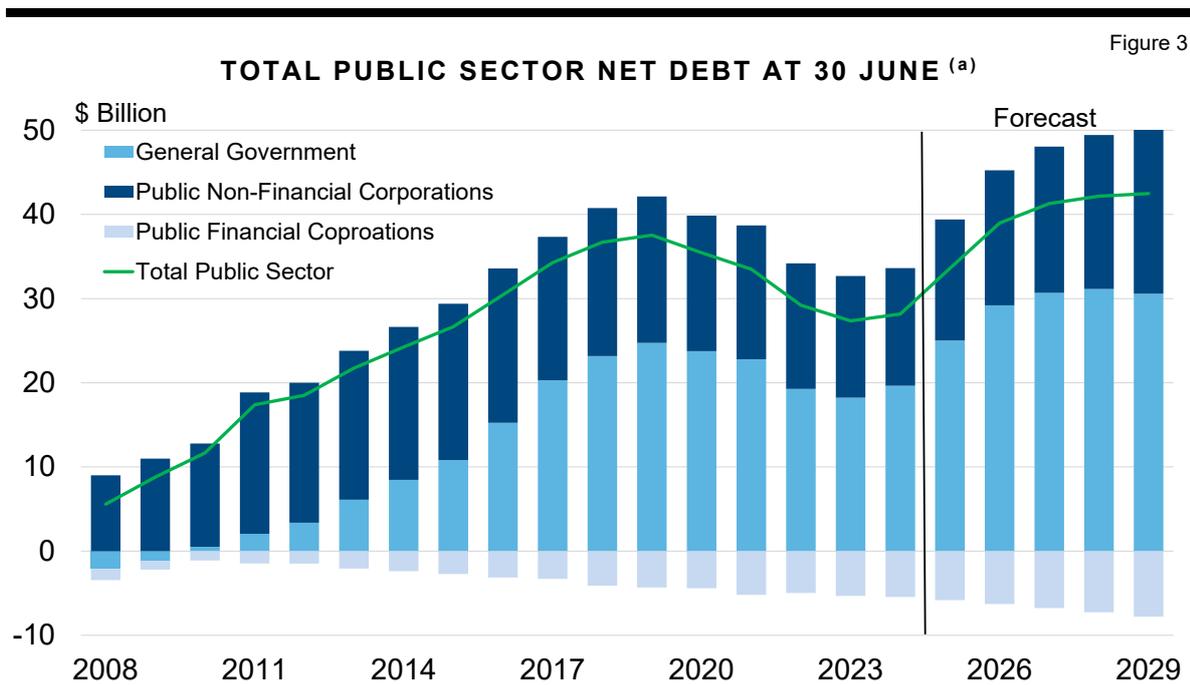
Net Debt

In line with previous forecasts, total public sector net debt is forecast to increase across the forward estimates period. The outlook for net debt in Western Australia remains much more affordable than in other States.

Relative to the PFPS, increases in forecast levels of net debt primarily reflect the lower operating surplus projections and the increase in infrastructure investment discussed earlier.

Importantly, the forecast increase in net debt over the next four years represents less than one quarter of the \$38 billion investment in infrastructure over the same period, highlighting the importance of operating surpluses as a non-debt source of funding for the Government's Asset Investment Program.

As illustrated in the chart below, a large portion of the State's net debt is held by the public non-financial corporations sector. This is estimated to be 43% at 30 June 2025 and growing to 46% by 30 June 2029 and reflects the significant role of this sector in delivering economic infrastructure to support growth and diversification across Western Australia. This contrasts with arrangements in other jurisdictions where major utilities have been privatised.



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

Over the four years to 2028-29:

- general government net debt is forecast to rise by \$5.5 billion – the general government sector is projected to deliver \$13.9 billion in infrastructure spending over this period and provide \$9.6 billion in equity contributions to the public non-financial corporations sector (which is mainly used for infrastructure spending). There is upside-risk for the general government net debt outlook based on the conservative iron ore price assumptions in this Budget;
- public non-financial corporations sector net debt is forecast to rise by \$5.3 billion – this sector is projected to deliver \$24.1 billion in infrastructure across the forward estimates period, funded from an increase in the sector’s net debt, equity contributions from the general government sector and a cash surplus on operating activities. Infrastructure delivery by this sector is dominated by up-front investment in revenue-earning assets (particularly by the electricity and water utilities and the State’s port authorities, noted earlier in the Asset Investment Program discussion) with associated net debt funding paid for through user charging over the life of the assets; and
- public financial corporations sector net asset holdings (which act as an offset to net debt liabilities) are forecast to increase by \$2 billion – this sector has significant liquid financial holdings that offset non-debt insurance claim liabilities.

The following table summarises changes to projected net debt levels since the PFPS.

Table 5

NET DEBT OF THE TOTAL PUBLIC SECTOR AT 30 JUNE

| | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|---------------|---------------|---------------|---------------|---------------|
| | \$m | \$m | \$m | \$m | \$m |
| 2024-25 PFPS - Total Public Sector Net Debt | 33,812 | 36,306 | 37,018 | 37,606 | |
| <i>Less change in net cash flows from operating activities and dividends paid</i> | | | | | |
| - general government | -696 | -1,109 | -1,172 | -221 | |
| - public non-financial corporations | 1,116 | -1,062 | 172 | 104 | |
| - public financial corporations | 17 | 16 | 79 | 75 | |
| <i>Total public sector</i> | <i>437</i> | <i>-2,154</i> | <i>-921</i> | <i>-41</i> | |
| <i>Plus purchases of non-financial assets</i> ^{(a), (b)} | | | | | |
| Road, Rail and Transport | -126 | 95 | 669 | 494 | |
| Western Power | 14 | 146 | 292 | 184 | |
| Water Corporation | 46 | 269 | 200 | -61 | |
| WA Health | -253 | 168 | 87 | 299 | |
| Education | 14 | 76 | 83 | 37 | |
| DevelopmentWA | -159 | 154 | 130 | 67 | |
| Housing and Works | -53 | 80 | 64 | 91 | |
| Biodiversity, Conservation and Attractions | -28 | 47 | 41 | 28 | |
| Pilbara Ports Authority | -9 | -55 | 83 | 69 | |
| Fremantle Port Authority | -32 | 7 | 51 | 55 | |
| Horizon Power | -21 | -26 | -16 | -30 | |
| Update to AIP Smoothing Provision | 1,250 | -600 | -1,250 | -1,400 | |
| Allocations from Provision for Yet-to-be-Announced Decisions | -13 | -35 | -24 | -37 | |
| All other | -479 | 304 | 221 | 187 | |
| <i>Total purchase of non-financial assets</i> | <i>150</i> | <i>629</i> | <i>630</i> | <i>-20</i> | |
| <i>Less proceeds from sale of non-financial assets</i> | <i>-7</i> | <i>-14</i> | <i>52</i> | <i>-185</i> | |
| <i>Plus all other financing</i> ^(c) | <i>52</i> | <i>94</i> | <i>113</i> | <i>179</i> | |
| <i>Cumulative impact on net debt at 30 June</i> | <i>-229</i> | <i>2,662</i> | <i>4,274</i> | <i>4,660</i> | |
| 2025-26 Budget - Total Public Sector Net Debt | 33,583 | 38,968 | 41,292 | 42,161 | 42,484 |

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

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

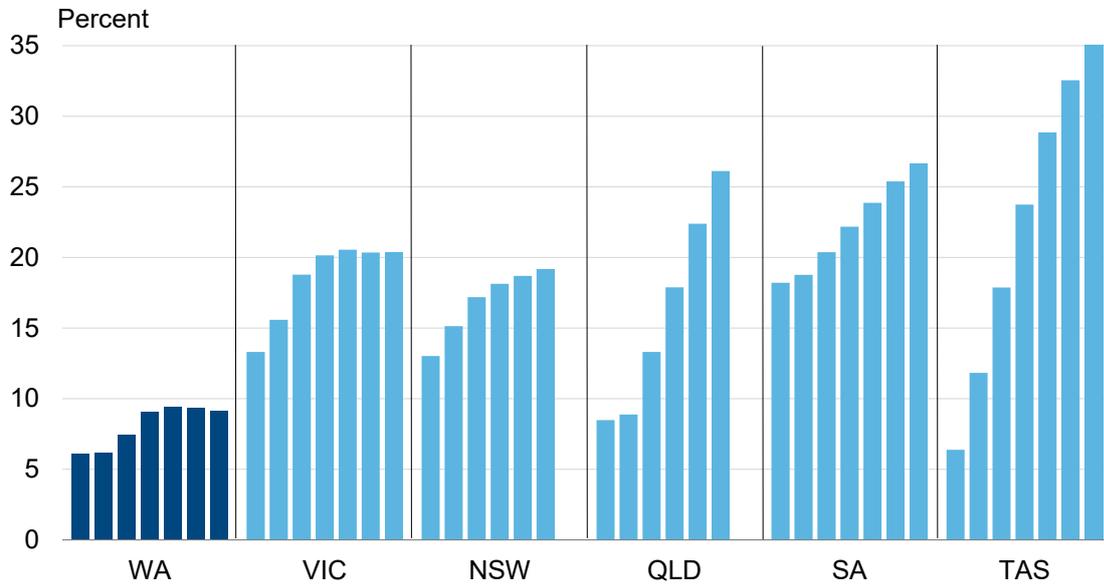
(c) Includes changes in lease liabilities and other movements in net debt attributable to issues such as revaluations of investment assets and debt liabilities, net acquisitions of financial assets for liquidity purposes, etc. These transactions have no associated operating or infrastructure cash flows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

Note: Columns may not add due to rounding.

Despite the projected rise across the forward estimates period, total public sector net debt is forecast to be just 9.2% of the State's economy (GSP) in 2028-29. Highlighting the affordability on Western Australia's indebtedness, total non-financial public sector net debt represents less than 55% of operating revenue by 2028-29. Both these ratios are well below equivalent projections for other States.

Figure 4

TOTAL PUBLIC SECTOR NET DEBT AS A SHARE OF GSP BY JURISDICTION^(a)
2022-23 to 2028-29



(a) Data for Western Australia, Victoria, South Australia and Tasmania based on 2025-26 Budgets. For other States' data based on 2024-25 Mid-year Review publications. Net debt levels for New South Wales, Queensland and South Australia used in this figure are for the total non-financial public sector as total public sector forecasts are not published by these jurisdictions.

Government Financial Strategy Statement

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

Financial Targets

The Government's financial targets are to:

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

Except for the expense management target in 2024-25, the Government's financial targets are expected to be met in each year from 2024-25 and beyond. With the recent surge in the State's population, higher than budgeted recurrent spending has been approved for a number of key agencies in 2024-25. Importantly, at \$45.9 billion, aggregate expenses for the general government sector in 2024-25 are largely unchanged from the PFPS projection for the same year.

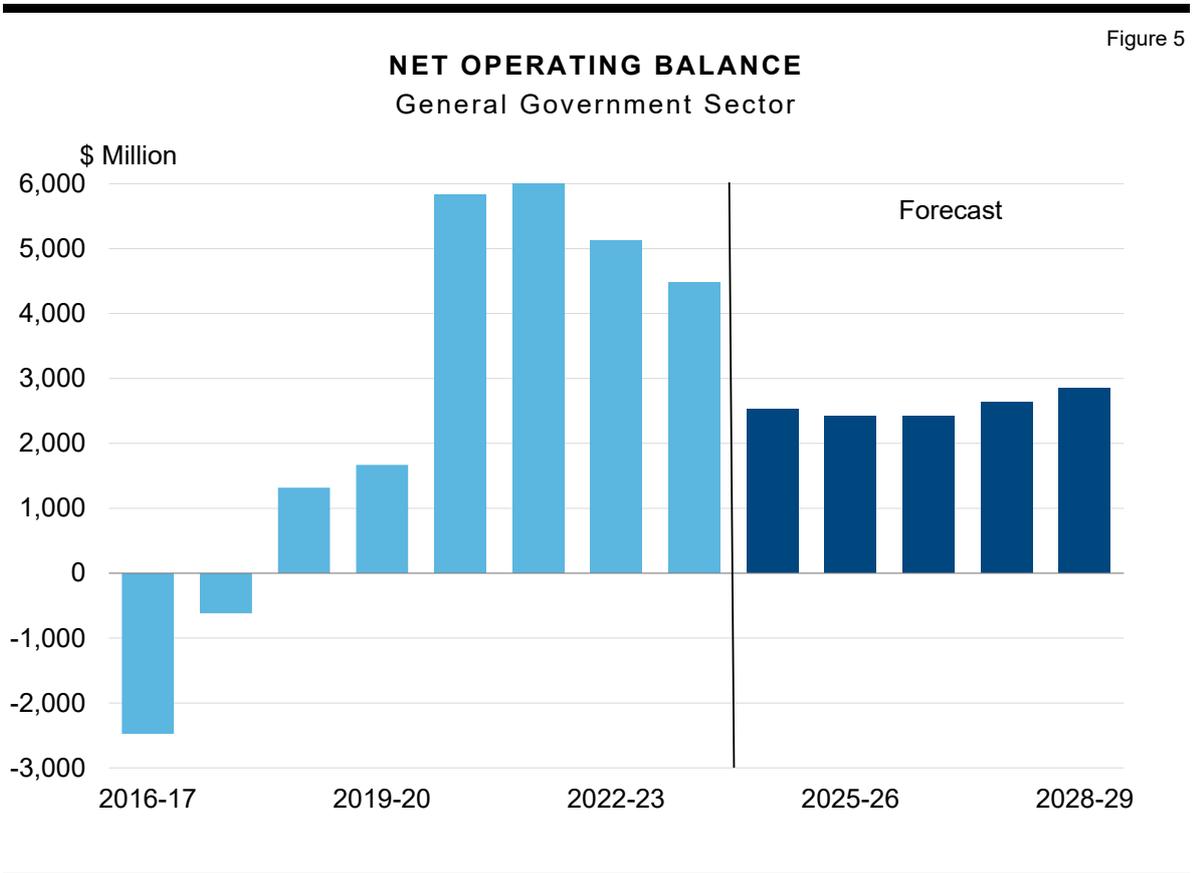
| 2025-26 BUDGET FINANCIAL TARGET COMPLIANCE | | | | | |
|--|--------------------------------|---------------------------|--------------------|--------------------|--------------------|
| | 2024-25 Estimated Actual | 2025-26 Budget Year | 2026-27 Outyear | 2027-28 Outyear | 2028-29 Outyear |
| Maintain a net operating surplus for the general government sector each year | | | | | |
| - General government net operating balance (\$m) | 2,532 | 2,414 | 2,419 | 2,634 | 2,845 |
| - 2025-26 Budget compliance | Yes | Yes | Yes | Yes | Yes |
| Maintain disciplined general government expense management through: | | | | | |
| - delivering public sector wages outcomes in line with Government wages policy | | | | | |
| - 2025-26 Budget compliance | Yes | Yes | Yes | Yes | Yes |
| - ensuring key service delivery agency recurrent spending outcomes are in line with budgeted expense limits in Resource Agreements | | | | | |
| - 2025-26 Budget compliance | No | Yes | Yes | Yes | Yes |
| Maintain or increase net worth of the total public sector | | | | | |
| - Total public sector net worth (\$b) | 179.3 | 185.7 | 190.0 | 195.1 | 199.2 |
| - 2025-26 Budget compliance | Yes | Yes | Yes | Yes | Yes |

Maintain a net operating surplus for the general government sector each year

This target is forecast to be met in 2024-25 and in each year of the forward estimates period.

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

An operating surplus of \$2.4 billion is forecast for 2025-26 (following an expected \$2.5 billion surplus in 2024-25). Operating surpluses between \$2.4 billion and \$2.8 billion are projected over 2026-27 to 2028-29. The general government sector has achieved consecutive operating surpluses since 2018-19.



Maintain disciplined general government expense management

The Government's expense management target is assessed using two criteria:

- Wage outcomes in 2024-25 have been met within the parameters of the Government's Wages Policy and are expected to be achieved again in 2025-26 and in the outyears.
- Reflecting continuing high demand for the services provided by a number of agencies, the recurrent spending component of the target (based on limits set in agency Resource Agreements) is not expected to be met in 2024-25. All agencies are expected to comply with their Resource Agreement targets for 2025-26 and beyond.

Delivering public sector wages outcomes in line with Government wages policy

Wage outcomes are forecast to be in line with the Government's wages policy in 2025-26 and each of the outyears. At the 19 May 2025 cut-off date for this Budget, there were three key industrial agreements under negotiation, including those for Public Transport Authority Salaried Officers, WA Police Auxiliary Officers and Firefighters. There are no key agreements due to expire in 2025-26.

| EXPIRING KEY INDUSTRIAL AGREEMENTS (a) | | | |
|---|------------------|--------------------|------------------------------------|
| Agreement | Employees | Expiry Date | Status |
| 2023-24 | | | |
| Prison Officers | 2,915 | 10 Jun 2024 | Agreed in-principle ^(b) |
| Child Protection workers | 2,254 | 12 Jun 2024 | Agreed in-principle ^(b) |
| School Support Officers | 4,821 | 12 Jun 2024 | Agreed in-principle ^(b) |
| AWU Miscellaneous Public Sector Employees | 453 | 30 Jun 2024 | Agreed in-principle |
| 2024-25 | | | |
| PTA Salaried Officers | 1,326 | 26 Oct 2024 | Under Negotiation |
| WA Police Auxiliary Officers | 360 | 1 Nov 2024 | Under Negotiation |
| PTA Train Drivers | 365 | 16 Mar 2025 | Agreed in-principle |
| Firefighters | 1,250 | 8 Jun 2025 | Under Negotiation |
| 2025-26 | | | |
| Nil | - | - | - |

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

(b) The agreement has been lodged with the Western Australian Industrial Relations Commission and is awaiting registration.

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

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

The target is not expected to be met in 2024-25, with several key service delivery agencies projected to exceed the 2% threshold⁴. Details on the factors driving these outcomes will be available in the *2024-25 Annual Report on State Finances*, to be released by 28 September 2025.

The 2025-26 expense limits for the 15 largest appropriation funded agencies are shown in the following table, with progress against these limits to be reported in the 2025-26 Mid-year Review.

| 2025-26 AGENCY RESOURCE AGREEMENTS | | Table 8 |
|---|---|---------|
| | 2025-26 Budget Resource Agreements | |
| | \$m | |
| WA Health | 14,224 | |
| Education | 7,687 | |
| Housing and Works | 3,434 | |
| Public Transport Authority | 2,552 | |
| Commissioner of Main Roads | 2,433 | |
| Justice | 2,330 | |
| Western Australia Police Force | 2,207 | |
| Communities | 2,015 | |
| Mental Health Commission | 1,601 | |
| Training and Workforce Development | 1,060 | |
| Transport and Major Infrastructure | 1,012 | |
| Creative Industries, Tourism and Sport | 870 | |
| Primary Industries and Regional Development | 751 | |
| Biodiversity, Conservation and Attractions | 652 | |
| Fire and Emergency Services | 640 | |

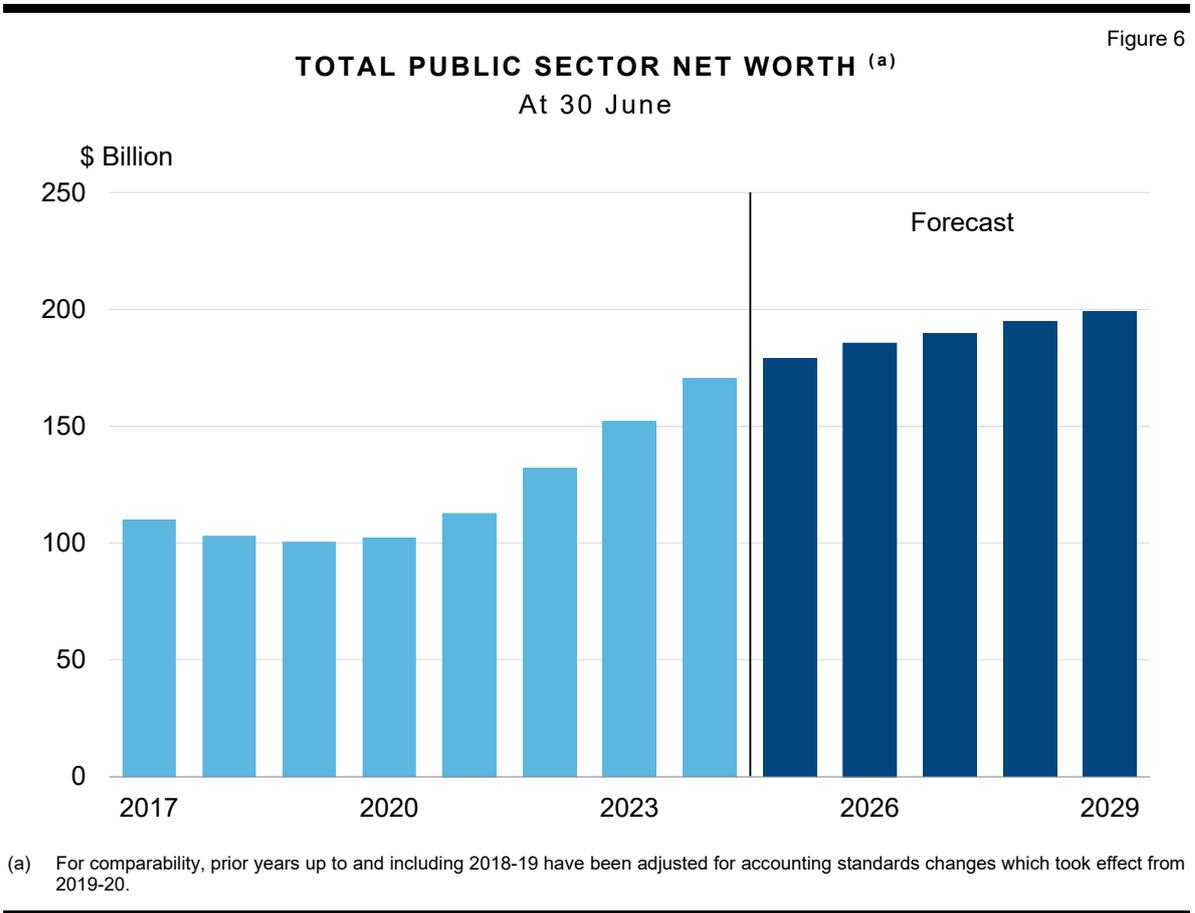
⁴ Key agencies in excess of the 2% upper limit for the financial target in 2024-25 are WA Health, the Public Transport Authority, the Commissioner of Main Roads, the Western Australia Police Force, and the Departments of Education; Justice; Local Government, Sport and Cultural Industries; and Fire and Emergency Services.

Maintain or increase net worth of the total public sector

This target is expected to be met in each year of the forecast period.

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

Net worth is forecast to reach \$199.2 billion by 30 June 2029, increasing by a total \$19.9 billion over the four-year forward estimates period. The projected increase in net worth is primarily due to the impact of operating surplus outcomes and the increased value of non-financial assets (particularly land and property, plant and equipment) reflecting increasing land values and investment in new assets through the Government’s significant Asset Investment Program.



Statement of Risks

The inherent uncertainties associated with producing forecasts for an almost \$430 billion economy and a general government sector recurrent budget of almost \$48 billion in 2025-26 mean that there will always be differences between the forecasts of key aggregates and the final audited results. This Statement of Risks provides an overview of the known issues that have the potential to materially affect the financial projections contained in this Budget.

Revenue Estimates

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

Table 9

APPROXIMATE PARAMETER SENSITIVITY OF REVENUE ESTIMATES
2025-26

| | Variability (\$m) | Detail |
|---|-------------------|--|
| Royalty income and North West Shelf grants | ±133 | For each US1 cent decrease/increase in the \$A/\$US exchange rate (royalty income is inversely related to the \$A/\$US exchange rate). |
| Iron ore royalties | ±94 | For each \$US1 per tonne increase/decrease in the price of iron ore. |
| Petroleum royalties and North West Shelf grants | ±7 | For each \$US1 increase/decrease in the price of a barrel of oil. |
| Payroll tax | ±62 | For each 1% increase/decrease in taxable wages or employment growth (i.e. the total wages bill). |
| Underlying transfer duty | | |
| • Prices | ±34 | For each 1% increase/decrease in average property prices. |
| • Transactions | ±22 | For each 1% increase/decrease in transaction levels. |

State Taxes

Payroll Tax

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

Total Duty on Transfers

Residential property transactions are the largest contributor to total transfer duty. Both the number of residential property transactions and prices are susceptible to fluctuations in market sentiment and are therefore inherently volatile and difficult to forecast. While strong population growth and demand for housing have driven significant price increases, conditions have begun to moderate. However, if market conditions were to regain the momentum of recent years, further pressure on property prices presents an upside risk to transfer duty.

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

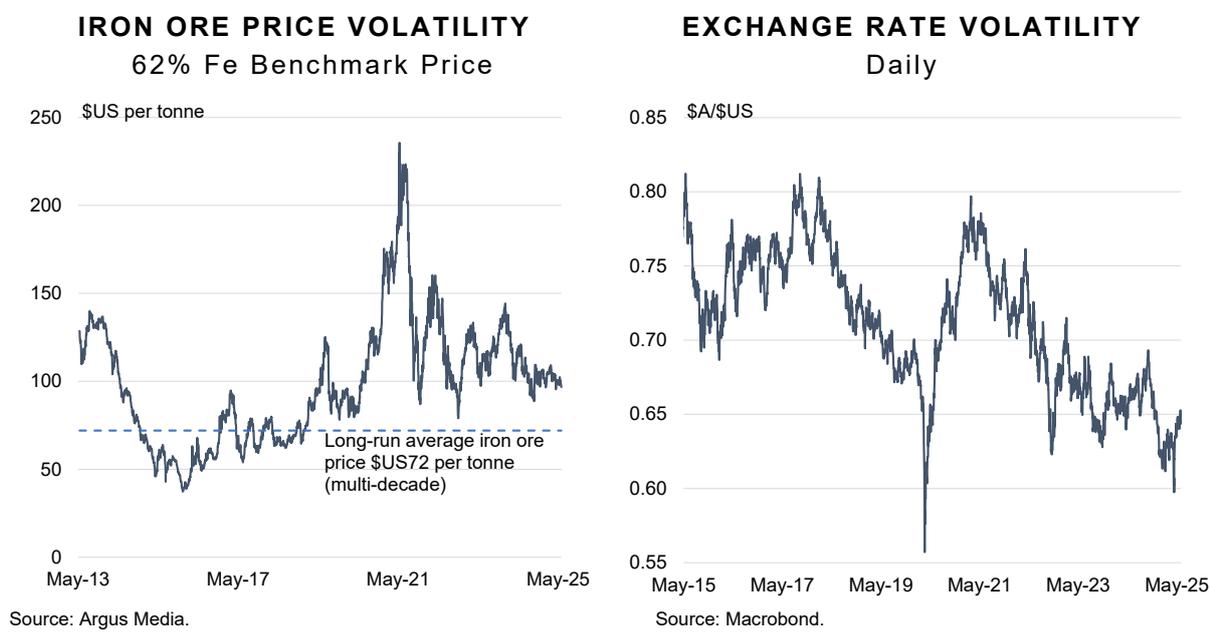
Royalty Income

Movements in the iron ore price and exchange rate represent the largest risks (both upside and downside) to general government revenue, as the majority of Western Australia's commodities are sold through international markets and are priced in US dollars. Since the 2024-25 Budget, the exchange rate has varied between a high of US69.3 cents and a low of US59.8 cents. Exchange rate volatility is an inherent source of uncertainty in relation to the forward estimates of mining revenue.

The iron ore market is highly concentrated, with China accounting for almost 75% of global imports, making the market susceptible to changes in economic conditions and policies in one country. While the iron ore price has been unusually stable over the past year, over the last five years it has ranged between \$US236 per tonne and \$US79 per tonne.

To mitigate against this inherent volatility, this Budget continues the Government's conservative approach of assuming that the iron ore price will revert to its long-run average (revised to \$US72 per tonne in this Budget) from December 2025.

Figure 7



Commonwealth Grants

The Commonwealth’s 2025-26 Budget was released in March 2025. Due to differences in timing, the State Budget may reflect different assumptions from those of the Commonwealth in some areas.

GST Grants

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

This Budget uses projections of the national GST pool and each State’s population from the Commonwealth’s 2025-26 Budget. There is a risk that national GST collections could vary from those currently projected as they are dependent on national economic conditions.

In February 2025, the Commonwealth Grants Commission (CGC) completed its 2025 Review of the methods for calculating the recommended distribution of GST grants that the CGC will use over the next five years, and the recommended GST relativities for 2025-26.

Western Australia’s GST share is expected to be above the 75% floor from 2026-27. Therefore, it is dependent on the pre-reform relativities of New South Wales, Victoria and Western Australia. This is because, under the 2018 GST reforms, Western Australia’s relativity is raised towards the lower of the New South Wales and Victorian relativities.

For example, the CGC 2025 Review increased New South Wales’ relativity in 2025-26, which resulted in a \$775 million increase in expected GST grants for Western Australia over 2026-27 and 2027-28.

A significant risk arises from the requirement for the Productivity Commission to review the 2018 GST distribution reforms by the end of 2026. Any changes that may be implemented by the Commonwealth Government in response to the Productivity Commission's review could alter Western Australia's GST grant from 2027-28. There is an additional risk to the GST reforms if the Commonwealth does not extend the current GST 'no-worse-off' arrangements (which has been extended to 2029-30). If this occurs, other States will likely advocate for the cessation of the 2018 GST reforms.

The continuation of the 2018 GST reforms is integral for maintaining Western Australia's GST revenue. For example, if the reforms were removed in 2027-28 (following the end of the review), Western Australia's GST grant would fall from \$9.5 billion to \$4.3 billion. This decline would be even greater if the iron ore price is higher than forecast.

Expiring Commonwealth Tied Grants

The Budget includes funding for more than 70 tied grant agreements with the Commonwealth Government that involve State Government policy responsibilities over the period 2024-25 to 2028-29. There is also a range of generally more prescriptive agreements in relation to Commonwealth own-purpose spending programs.

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

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

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

Significant Agreements Under Negotiation

National Health Reform Agreement

The current Addendum to the National Health Reform Agreement (NHRA) is scheduled to expire on 30 June 2026, following the negotiation of a one-year extension earlier this year. With negotiations paused during the Commonwealth election period, discussions on a new Addendum are expected to recommence shortly. As these negotiations are yet to be finalised, this Budget assumes the continuation of funding under the existing NHRA arrangements across the forward estimates period.

Changes to Disability Support

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

This involves redesigning the delivery of disability services across Australia and changes to the roles and responsibilities of all levels of Government, including implementation of new foundational supports and changes to the NDIS, following a National Cabinet decision in December 2023.

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

Of note, Western Australia's transition agreement for the NDIS expired on 30 June 2023, with negotiations for the next agreement progressing in 2025. This Budget assumes Western Australia will finalise its entry into the NDIS Full Scheme Agreement in 2025-26, with the State's contributions over the forward estimates updated to reflect payments under the full scheme.

DisabilityCare Australia Fund (DCAF) Payment

The Commonwealth Treasurer has advised that Western Australia's access to a \$1 billion DCAF payment is contingent on the State signing up to the NDIS Full Scheme Agreement and making payments on disputed NDIS contributions (estimated at the time of the PFPS when first brought book to be \$163.1 million to the end of 2024-25). Western Australia is the only State or Territory yet to receive a DCAF allocation. Negotiations to enter into the full scheme agreement are ongoing.

Commonwealth Funding for Jointly Funded Transport Projects

This Budget assumes that the State will receive Commonwealth funding contributions across a range of jointly funded major transport projects, including additional funding for market-driven cost increases on existing projects for which matched State funding contributions have also been budgeted. At the time of drafting, the State Government had not received formal written confirmation regarding the additional Commonwealth funding. However, given the projects are all existing joint commitments that are in delivery, the funding has been assumed in the forward estimates in line with each project's existing funding arrangements and it is expected that this will be confirmed in the Commonwealth's 2025-26 *Mid-Year Economic and Fiscal Outlook*.

Spending Risks

Interest Rates

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

These interest rate expectations for the first 18 months of the forecast period reflect the average of WATC's and the forecasts of the four major Australian Banks, as published on their respective websites. Interest rates for the remainder of the forecast period revert to the long-term average (based on 20 years of data) over the following 10-year period. WATC also produces a 'high' scenario to allow sensitivities to be calculated. The approach to producing the 'high' path is to add an increasing spread to the 'expected' path for each point across the interest rate maturity curve (i.e. 90 days, 180 days, 3 years, 5 years and 10 years) at each successive quarter.

The table below provides a comparison of the interest rate outcomes under the 'expected' and 'high' interest rate paths. As indicated, average effective annual interest rates are between 12 and 73 basis points higher over 2025-26 to 2028-29 and annual Consolidated Account interest expenses are \$200 million per annum higher by 2028-29, under the 'high' scenario.

| CONSOLIDATED ACCOUNT INTEREST RATE SCENARIOS | | | | |
|---|-------------|-------------|-------------|-------------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
| 'Expected' (%) | 3.56 | 3.71 | 3.90 | 4.06 |
| 'High' (%) | 3.68 | 4.02 | 4.42 | 4.79 |
| Variance (Basis Points) | 12 | 31 | 52 | 73 |
| Variance (\$m) | 28 | 80 | 140 | 200 |

Asset Investment Program (AIP)

This Budget includes \$12.1 billion AIP in 2025-26 and a total \$38 billion over the four years to 2028-29.

Delivery of the Government's substantial pipeline of works continues to experience rising costs and delivery challenges due to construction inputs remaining elevated and the skilled labour market remaining tight. Consistent with recent years, these challenges continue to increase the risk of delays in project timelines and increased project costs due to less competition.

In recognition of the challenges being experienced across the construction sector, this Budget includes a global smoothing provision to reprofile some AIP spending from 2024-25, 2025-26 and 2026-27 into 2027-28 and 2028-29 to reflect a more likely delivery schedule that accommodates yet to be identified delays across projects.

The Government continues to work with the construction industry to tackle market challenges, increase productivity and improve the long-term sustainability of the State's infrastructure delivery. The Public Sector Reforms commencing from 2025-26 will also support infrastructure delivery by bringing together major project planning and delivery expertise to create a dedicated 'centre of excellence' for the planning and delivery of major infrastructure projects such as new hospitals, public transport projects and major sporting and cultural facilities.

Energy Decarbonisation

In June 2022, the Government announced its plan for the retirement of the State's coal-fired power stations by 2030 to meet the Government's net zero emissions target by 2050. This Budget includes an additional \$584.3 million investment by Western Power to undertake network upgrades and expansion as part of the second bundle of the Clean Energy Link – North program and for the reinforcement of the Regans Ford terminal to enable additional renewable energy generation to connect to the grid. Since 2017, the Government has allocated more than \$6.4 billion for energy decarbonisation initiatives. Additional investment to support the remaining components of the plan will be considered as part of future Budget processes and will be informed by updated market information, including any changes in private electricity generation activity.

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

Synergy Fuel Costs

Synergy is negotiating a coal supply contract that was not finalised by the 2025-26 Budget cut-off date. Negotiations are expected to be completed within the next few months and may require adjustments to Synergy's fuel costs over the forward estimates.

Electricity Market Costs

A significant proportion of Synergy's cost base is influenced by the Wholesale Electricity Market, such as essential system services and the Reserve Capacity Mechanism, which are designed to maintain the security and reliability of the electricity system. The Wholesale Electricity Market Rules, which guide the operation of the market, continue to be reviewed and amended to address emerging issues. Any cost implications on Synergy from future changes will continue to be monitored and incorporated in future Budget processes.

RiskCover Premiums

Western Australian Government agencies contributing to the RiskCover Fund receive financial protection through a combination of self-insurance and reinsurance. This coverage is tailored to meet the diverse needs of the public sector, protecting agencies from liabilities arising from employee injuries, property damage and legal claims related to the wide range of activities and services delivered to the community.

In recent years, premiums for workers' compensation, property, liability and cyber coverage have increased. This rise has been driven by a higher number and severity of claims, expanded scope and value of risks covered, and growing reinsurance costs. Additionally, the workers' compensation claims pool has seen a sustained increase in the proportion of long-duration claims.

As part of this Budget additional funding has been provided to several agencies facing immediate and unavoidable premium increases.

As highlighted in last year's Budget, an independent review of a selection of agencies was undertaken to assess workplace injury management practices and their impact on RiskCover Fund premiums. The recommendations from this report assisted the Department of Treasury and the Insurance Commission of Western Australia to identify actions to improve agency performance regarding injury management and workplace health and safety.

This is expected to be further assisted by the outcomes from the Office of the Auditor General's current audit to assess whether selected entities effectively manage, support and return injured workers to appropriate employment in a timely, safe and cost-efficient manner.

Service Demand

Off the back of Western Australia's strong population growth (forecast 1.8% in 2025-26), increased demand for government services is evident across a range of sectors, in particular activity in hospitals, school enrolments, vocational education and training, court and prisons services, and a range of supporting social services.

Demand for services impacts both the operating costs of service delivery agencies, such as WA Health, and the Departments of Education, Justice, and Communities, as well as the capacity of existing infrastructure. While this Budget includes considerable investment in service delivery and new and upgraded infrastructure, it is framed in the expectation that cost and demand pressures will ease over the forward estimates. However, continued elevated levels of demand for services will likely require consideration of additional investment in future Budget processes.

The Department of Justice is developing and implementing short to medium-term strategies to manage current growth in the prison population. This Budget includes provisions for business case planning to address expansion of the custodial estate to accommodate prisoner growth in the longer term.

Freight Rail Network

On 23 January 2025, the Government announced its intention to investigate options for the future control and operation of the State's freight rail network (for which the existing lease arrangement is due to expire in 2049), including a potential return to public ownership. Noting the significant consultation and negotiation required to be undertaken with the current lease holder and other affected parties, this Budget allocates \$8.3 million over 2024-25 and 2025-26 for the Transport Portfolio to investigate and analyse commercial options. Any financial impacts resulting from a decision on alternative future lease and/or ownership arrangements will be accounted for in a future Budget subsequent to the decision.

Contingent Assets and Liabilities

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

The disclosures below update previous contingent assets and liabilities disclosed over the last year. A more comprehensive update of contingencies will be disclosed in the 2024-25 *Annual Report on State Finances*, due for release by 28 September 2025.

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

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

To ensure continued service delivery, the Government has approved an interim solution through the provision of temporary indemnities to NGO providers of State funded OOHC and youth accommodation services against PSA claims up to 31 December 2025. This provides certainty to NGO providers. This interim response creates an unquantified contingent liability for the State regarding potential future damages from events occurring within the indemnity period. Any additional costs to the State will be assessed and funded on an emerging basis should any claims be made and settled, noting no claims have been lodged to date. A permanent longer-term scheme is expected to be in place by 2026.

Long Service Leave (LSL) for Casuals

The Western Australian Industrial Relations Commission issued declarations that impact LSL entitlements for casual public sector employees in Western Australia. Work with public sector agencies to identify casuals who may have historical or current LSL entitlements is ongoing and the quantum and financial implications of potential entitlements is currently unknown.

Building Cladding Class Action

The State is a party to a class action brought against specific building cladding manufacturers. This action proceeded to trial in August 2024 and concluded in October 2024, with judgement being reserved.

Current Class Actions

The Western Australian Government and government agencies are party to several class actions lodged in State and Federal Courts. These include matters relating to claims of breach of the *Residential Tenancies Act 1987*, various local laws of the Shire of Derby and the Australian Consumer Law in the provision of housing for Aboriginal communities, and allegations of unlawful racial discrimination against Aboriginal and Torres Strait Islander children in care and their families. The value of any potential asset/liability for these claims have yet to be determined.

Redress Scheme for Stolen Generations

On 27 May 2025, the Premier announced a new Western Australia Stolen Generations Redress Scheme, with registrations expected to open in the second half of 2025 and individual payments of \$85,000 commencing late 2025, for Aboriginal people who were removed as children from their families in Western Australia before 1 July 1972.

As this decision was announced after the 2025-26 Budget cut-off date, the State's financial aggregates presented in these statements do not include provision for this initiative at this time. The total cost of the initiative will be impacted by factors including the number of survivors accessing redress and non-cash supports and is expected to be included as part of the 2025-26 Mid-year Review.

2025-26 Economic and Fiscal Outlook

General Government Revenue

HIGHLIGHTS

- General government revenue is forecast to total \$50.3 billion in 2025-26, an estimated increase of \$1.9 billion or 3.9% from 2024-25. This is a slower rate of growth than the 5.4% revenue growth recorded in 2023-24 and the 5.3% growth estimated for 2024-25, primarily reflecting:
 - an expected moderation in property market activity flowing through to a modest decline in transfer duty revenue, which follows the high levels of activity and price growth experienced over the previous two years; and
 - lower royalty revenue in line with the Budget’s conservative assumption that the iron ore price (estimated to average \$US101.4 per tonne in 2024-25) will revert to its long run average of \$US72 per tonne from December 2025.
- Western Australia's GST grants are projected to increase by \$478 million in 2025-26, primarily due to growth in the national GST pool. In the outyears, the State’s GST grants have been revised up by \$775 million following the outcome of the Commonwealth Grants Commission’s 2025 Methodology Review, which increased New South Wales’ GST relativity. Even with the 2018 GST reforms in place, Western Australia continues to provide by far the largest net fiscal subsidy to the Federation of all States and Territories.
- The 2025-26 Budget implements the Government’s election commitments delivering additional transfer duty relief for around 5,500 first home buyers per year by increasing the exemption and concession thresholds for established properties and vacant land.
- In addition, the off-the-plan transfer duty concessions for pre-construction and under construction transactions are being extended and expanded, and from 1 July 2025 there will be a temporary increase in land tax relief for build-to-rent developments.

Introduction

Following an estimated increase of \$2.4 billion (or 5.3%) in 2024-25, general government operating revenue is forecast to grow by \$1.9 billion (or 3.9%), to \$50.3 billion in 2025-26. General government revenue averages \$48 billion per annum over the three outyears.

This mainly reflects:

- increased GST grants, due to growth in the national GST pool, and from 2026-27 an increase in Western Australia's forecast GST relativity;
- an anticipated one-off \$1 billion payment under the DisabilityCare Australia Fund in 2025-26, as well as a progressive decline in capital grants from the Commonwealth as key transport projects are completed;
- a significant increase in dividends from public corporations in 2025-26 (including a one-off special dividend from the Pilbara Ports Authority), before dividend revenue normalises in the outyears;
- lower royalty income, in line with the Government's conservative budgeting assumption that the iron ore price will revert to its long-run average (updated to \$US72 per tonne in this Budget) from December 2025; and
- a steady increase in taxation revenue over the forecast period, as solid employment and wages growth flows through to higher payroll tax, partially offset by an anticipated moderation in property market conditions (reducing transfer duty).

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

Table 1

GENERAL GOVERNMENT
Operating Revenue

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|-------------------------------------|---------------|---------------------|----------------|---------------|---------------|---------------|
| | Actual | Estimated Actual | Budget Year | Outyear | Outyear | Outyear |
| Level (\$m) | | | | | | |
| Taxation | 13,631 | 14,862 | 15,113 | 15,403 | 15,696 | 16,266 |
| Commonwealth grants | 14,664 | 17,578 | 18,806 | 17,422 | 17,280 | 17,500 |
| Sales of goods and services | 3,460 | 3,477 | 3,377 | 3,425 | 3,536 | 3,603 |
| Interest income | 391 | 327 | 280 | 294 | 319 | 345 |
| Revenue from public corporations | 1,122 | 1,435 | 3,686 | 2,484 | 2,591 | 2,855 |
| Royalty income | 11,866 | 9,946 | 8,245 | 7,711 | 7,616 | 7,464 |
| Other | 813 | 763 | 749 | 725 | 725 | 713 |
| Total | 45,947 | 48,388 | 50,257 | 47,464 | 47,761 | 48,746 |
| Annual Growth (%) | | | | | | |
| Taxation | 9.7 | 9.0 | 1.7 | 1.9 | 1.9 | 3.6 |
| Commonwealth grants | -1.6 | 19.9 | 7.0 | -7.4 | -0.8 | 1.3 |
| Sales of goods and services | 5.0 | 0.5 | -2.9 | 1.4 | 3.2 | 1.9 |
| Interest income | 17.4 | -16.3 | -14.5 | 5.2 | 8.4 | 8.3 |
| Revenue from public corporations | 31.9 | 27.9 | 156.8 | -32.6 | 4.3 | 10.2 |
| Royalty income | 7.4 | -16.2 | -17.1 | -6.5 | -1.2 | -2.0 |
| Other | 8.1 | -6.2 | -1.8 | -3.2 | 0.0 | -1.7 |
| Total | 5.4 | 5.3 | 3.9 | -5.6 | 0.6 | 2.1 |

Note: Columns may not add due to rounding.

The remainder of this chapter focuses on new revenue measures implemented since the 2024-25 *Pre-election Financial Projections Statement*, and the detailed basis for the estimates through to 2028-29 in each of the major revenue categories.

Revenue Measures

New measures implemented in the lead-up to, or as part of, the 2025-26 Budget are outlined below. In addition to these measures, a number of tariffs, fees and charges have been amended in this Budget. These are outlined in Appendix 8: *Public Corporations and Major Tariffs, Fees and Charges*.

Table 2

SUMMARY OF REVENUE MEASURES IN THE 2025-26 BUDGET

| | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m | Total \$m |
|---|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|---------------|
| Revenue Measures | | | | | | |
| First Home Owner Transfer Duty Concession | -8.3 | -31.2 | -28.4 | -25.6 | -25.6 | -119.0 |
| Increased Land Tax Relief for Build-to-Rent Developments | - | - | - | - | - | - |
| Off-the-Plan Transfer Duty Concession | - | -5.6 | -6.8 | -7.4 | -3.9 | -23.7 |
| Total | -8.3 | -36.8 | -35.2 | -33.0 | -29.5 | -142.7 |

Note: Columns may not add due to rounding.

First Home Owner Transfer Duty Concession

For transactions entered into on or after 21 March 2025, first home buyers of established properties will receive:

- a transfer duty exemption for purchases up to \$500,000 (up from \$450,000);
- for purchases in the Perth and Peel regions, a concessional rate of duty for purchases up to \$700,000 (up from \$600,000); and
- for purchases outside the Perth and Peel regions, a concessional rate of duty for purchases up to \$750,000 (up from \$600,000).

In addition, first home buyers that purchase vacant land statewide will receive a transfer duty exemption on purchases up to \$350,000 (up from \$300,000) and a concessional rate of duty for purchases up to \$450,000 (up from \$400,000).

This measure is estimated to reduce transfer duty revenue by \$119 million across 2024-25 and the forward estimates period, supporting around 5,500 first home buyers per annum.

Increased Land Tax Relief for Build-to-Rent Developments

To support the growth of build-to-rent developments, the land tax exemption for eligible projects that become operational (i.e. able to be lawfully occupied) between 1 July 2025 and 30 June 2028 will increase from 50% to 75%. This measure is expected to have a negligible impact on forecast land tax revenue.

The increased land tax exemption of 75% will apply for the first three assessment years only, after which the exemption will revert to its original setting of 50%. This means that 2030-31 will be the final year when a 75% land tax exemption can be applied to an eligible project that became operational in 2027-28.

The measure is intended to further encourage investment in the build-to-rent sector, increase the supply of long-term rental housing and improve housing affordability and availability across Western Australia.

Off-the-Plan Transfer Duty Concession

The Government has extended the off-the-plan transfer duty concession by 12 months, from 30 June 2025 to 30 June 2026. This measure aims to increase housing supply and make home ownership more affordable to Western Australians.

In addition, for eligible pre-construction and under construction transactions entered into on or after 21 March 2025, the Government has made the concession more generous by:

- expanding the concession to off-the-plan dwellings on single-tier strata schemes and community title (building) schemes (excluding survey-strata schemes), including townhouses and villas; and
- increasing the concession's lower and upper property price thresholds to \$750,000 and \$850,000 (up from \$650,000 and \$750,000 respectively).

As a result of the changes, eligible pre-construction contracts will receive a 100% concession on properties valued up to \$750,000, phasing to a 50% concession for properties valued at or above \$850,000 (capped at \$50,000). For eligible under construction contracts, the concession instead phases down from 75% to 37.5%.

The combined impacts of these changes, which were provisioned in the 2024-25 Mid-year Review, will reduce transfer duty revenue by an estimated \$23.7 million across the forward estimates period and the Department of Finance will spend \$260,000 in 2024-25 on the required system changes.

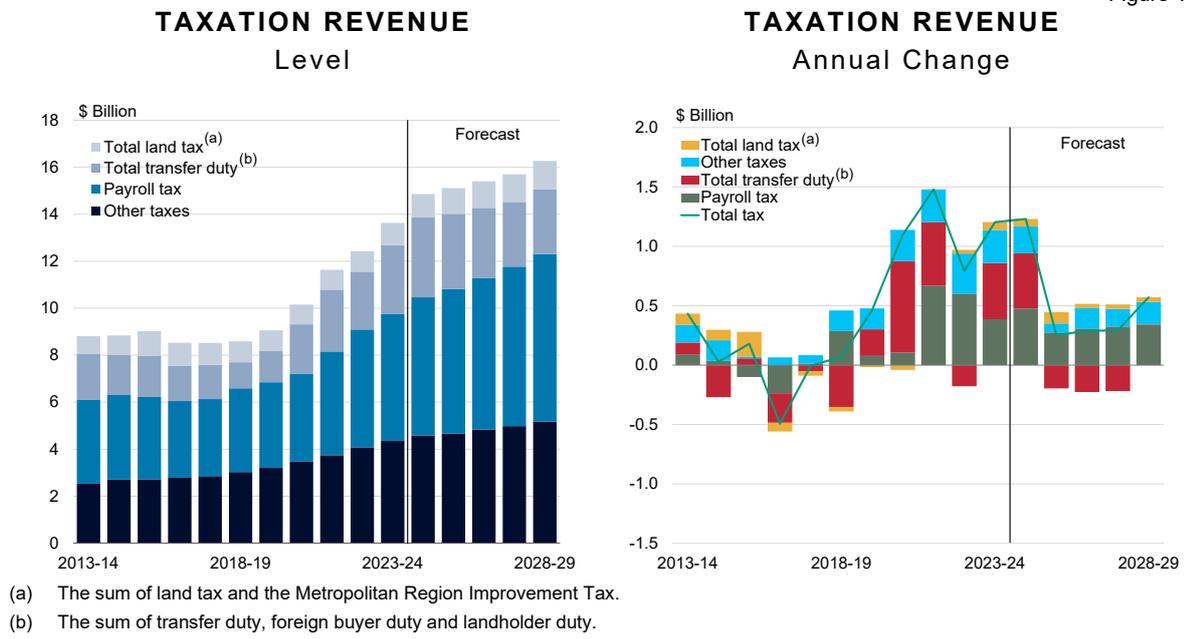
Taxation Revenue

Summary

Taxation revenue is forecast to consolidate at a high level, increasing by 1.7% (or \$252 million) in 2025-26. This follows projected growth of 9% (or \$1.2 billion) in 2024-25 and a 9.7% (\$1.2 billion) increase in 2023-24. The increase in 2025-26 is underpinned by solid growth in payroll tax, land tax and insurance duty, and a modest increase in revenue from vehicle registrations. These gains are partly offset by expected declines in transfer duty and vehicle licence duty reflecting an anticipated moderation in the residential property and motor vehicles markets following several years of very strong growth.

Over the three years to 2028-29, taxation revenue is forecast to grow by an average annual rate of 2.5%, broadly in line with growth in the domestic economy.

Figure 1



Detail

Payroll Tax

Payroll tax is estimated to grow by a robust 8.8% in 2024-25. Strong growth in recent years has been driven by a buoyant domestic economy and strong employment growth, which underpinned above-average hiring and wages growth across the State. Growth in payroll tax over this period was supported by a broad-based rise in collections across all industries.

Following this period of exceptional activity, payroll tax growth is projected to moderate to 4.7% in 2025-26 in line with an expected slowdown in both hiring and wages growth as the momentum in the domestic economy moderates. Nonetheless, this still equates to an annual increase of \$274 million.

Beyond 2025-26, payroll tax is forecast to grow by 5% per annum, below the long-run average growth of 7.8% per annum, reflecting more moderate trends in employment, wages and State Final Demand growth.

Taxes on Property

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

Total Transfer Duty¹

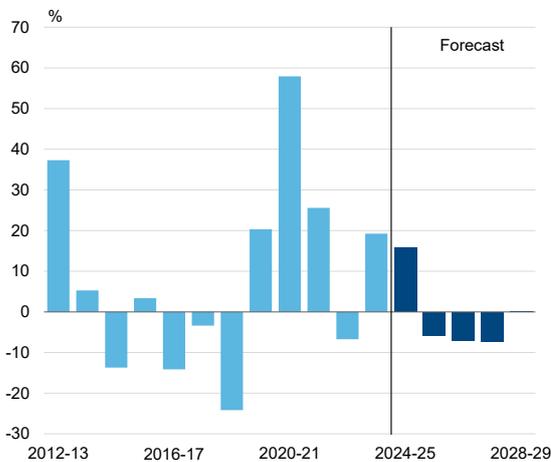
Total transfer duty is estimated to reach \$3.4 billion in 2024-25, following strong growth over the last five years. However, transfer duty is forecast to decline by 5.8% (or \$196 million) in 2025-26, reflecting an anticipated moderation in residential property market conditions. The level of property transactions has eased in the past year, and while the pace of price growth has slowed, median price levels are higher than previously expected. Revenue from large commercial transactions in 2025-26 is projected to remain elevated, but broadly in line with recent years.

Over the remaining forecast period, total transfer duty is forecast to ease further, in line with more balanced market conditions. Duty is forecast to decline by around 7% per annum in 2026-27 and 2027-28, and stabilise at around \$2.8 billion from 2027-28, remaining higher than in any year prior to 2023-24 (see figure below).

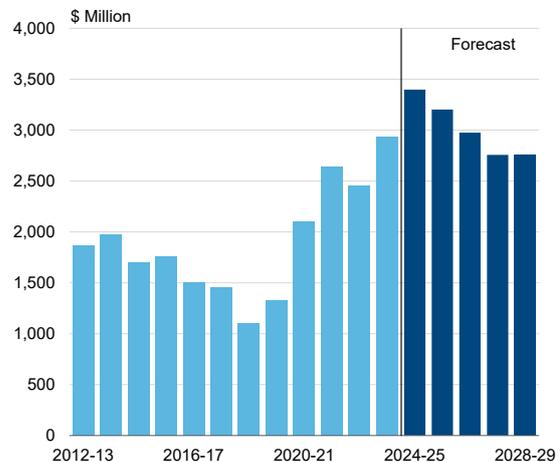
While the strong property market conditions of recent years are anticipated to ease, the impact of slower population growth and moderating transactions is expected to be partly offset by elevated property prices, supporting high levels of overall duty. Revenue from large commercial transactions is projected to return to its decade average in the outyears.

Figure 2

TOTAL TRANSFER DUTY GROWTH
Annual Change



TOTAL TRANSFER DUTY
Level



Total Land Tax²

Total land tax collections are forecast to increase by 9.7% to \$1.1 billion in 2025-26, consistent with a lift in unimproved land values. This follows an estimated increase of 6.6% in 2024-25.

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

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

Total land tax collections are then forecast to grow by an average of 3.3% per annum in the outyears, in line with the expectation for property market conditions to stabilise across the State.

Other Taxes on Property

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

Other taxes on property are estimated to grow by 5.3% in 2024-25 (or \$35.2 million), following 2.1% growth in 2023-24. Further growth of 5.9% (or \$41.1 million) is forecast in 2025-26, primarily due to higher revenue from the ESL, resulting from the 5% increase in ESL residential charges and an increase in the number of properties (see Appendix 8), and a lift in loan guarantee fees. This is partially offset by a moderation in revenue from the Building and Construction Industry Training Fund Levy from a peak in 2024-25.

In 2026-27 and beyond, other taxes on property are projected to grow by an average of 4.7% per annum.

Taxes on Gambling

Taxes on gambling, which include lotteries, casino, and betting taxes, represent a much smaller share of total tax in Western Australia than in other jurisdictions, due to the prohibition of gaming machines in hotels and clubs.

Following an estimated decline of 4.3% in 2024-25, gambling tax revenue is expected to decrease by a further 2.6% (or \$11 million) in 2025-26, as revenue from Government Lotteries remains elevated, but moderates from record levels in recent years. However, revenue from taxes on gambling is projected to grow modestly in the outyears, by an average of 1.6% per annum, in line with population growth.

Taxes on Insurance

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

Insurance duty is estimated to have grown by 7.1% to \$1.1 billion in 2024-25, up from 5.8% growth in 2023-24. Growth over recent years has been supported by increases in insurance premiums, as well as strong growth in population and the domestic economy, which have contributed to higher policy volumes.

Growth in insurance duty is forecast to slow to 5.25% in 2025-26 and remain at that rate across the outyears. While this is below the long-run average growth rate of 9.9% per annum, it is broadly in line with decade average growth. The outlook reflects slower growth in insurance premiums relative to recent years as a result of a moderation in both population and domestic economic growth.

Motor Vehicle Taxes

Motor vehicle taxes predominantly comprise vehicle licence duty (payable on vehicle transfer) and annual vehicle registration fees. Additional contributions from oversize vehicle and load permit fees also contribute, though to a lesser extent.

Vehicle licence duty is estimated to have grown by 3.6% (or \$27 million) in 2024-25, supported by a sustained high level of vehicle sales and elevated vehicle prices.

Vehicle sales have remained at a higher level than previously anticipated, particularly new car sales. While demand for vehicles is expected to ease toward more normal levels, the moderation is anticipated to be slower than previously forecast. Vehicle licence duty is forecast to decline by 13.3% (\$104 million) in 2025-26 and continue to moderate across the outyears, reflecting a gradual return to normal market conditions.

Revenue from annual motor vehicle registrations is estimated to rise by \$116.8 million (or 9%) in 2024-25. This increase is driven by growth in the stock of vehicles, increases in both light and heavy vehicle registration fees, and a slight shift towards more frequent payments (which attract higher fees). Growth in revenue from vehicle registrations and related fees is expected to moderate to 7.8% in 2025-26 and average around 6% per annum in the outyears.

Royalty Income

Summary

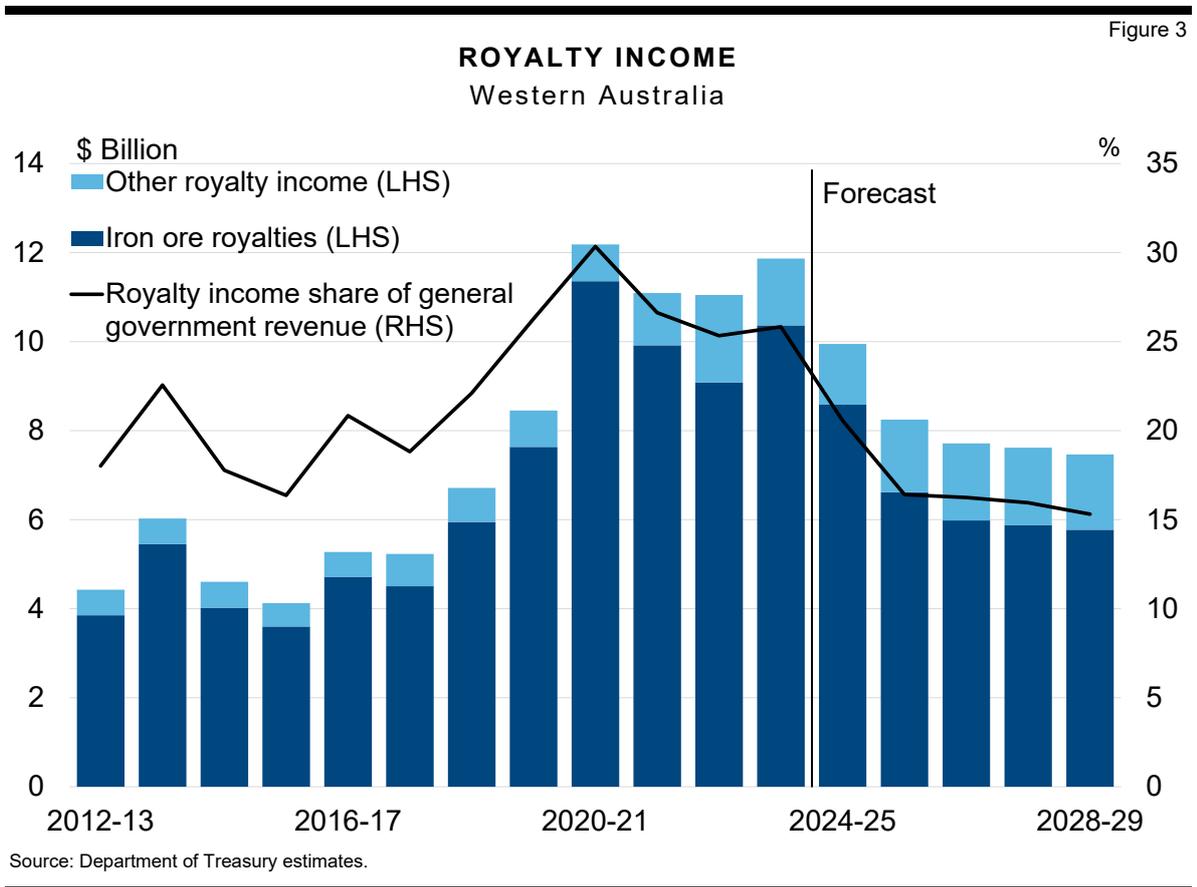
Royalty income is estimated to decline to \$9.9 billion in 2024-25, down \$1.9 billion (or 16.2%) from 2023-24. Over the year, lower iron ore royalties (down \$1.8 billion, primarily due to lower prices) have coincided with lower royalties from other commodities (down \$136 million, largely due to a sharp fall in lithium prices).

In 2025-26, royalty income is projected to decline by \$1.7 billion (or 17.1%) to \$8.2 billion. This is due to lower iron ore royalties as the iron ore price is assumed to revert to its long-run average by December 2025. Royalty income is projected to decrease by a further \$534 million (or 6.5%) in 2026-27, largely because the iron ore price is assumed to remain at its long-run average price for the entire year.

Royalty income is then expected to decrease marginally in 2027-28 and 2028-29, as a result of forecast rises in the \$A/\$US exchange rate (reducing the Australian dollar value of royalty payments) and an assumed decline in gold volumes more than offsetting a forecast increase in lithium prices.

As noted in Chapter 2: *Economic Outlook* recent tariff announcements by the US have elevated global uncertainty and resulted in significant movements in some commodity prices. While the iron ore price has been relatively stable, commodity prices and exchange rates can move rapidly in response to new developments and represent the largest risk to royalty income. There are also shorter-term risks from the impact of extreme weather events on export volumes. Downside risks in relation to the iron ore price are mitigated by the prudent budgeting assumption of prices quickly reverting to the long-run average price. Exchange rate movements are an inherent source of uncertainty and there is a risk of a rapid depreciation of the US dollar as financial markets have become increasingly concerned about the US economy. This would reduce royalty income as most commodities are sold through international markets and are priced in US dollars.

Volatility in commodity prices and the exchange rate is a significant ongoing risk, as outlined in Chapter 3: *Fiscal Outlook and Strategy*.



Iron Ore Royalty Income

Iron ore royalty income is estimated to fall by \$1.8 billion (or 17.2%) in 2024-25, largely due to a decline in the iron ore price from \$US119.4 per tonne in 2023-24 to an estimated \$US101.4 per tonne in 2024-25. Also contributing to the fall is an expected decline in iron ore volumes from 866 million tonnes in 2023-24 to 858 million tonnes in 2024-25. Volumes have fallen because of the impact of weather events, particularly cyclones. Slightly offsetting the US dollar iron ore price and volume effect is the positive impact of a decline in the \$A/\$US exchange rate from US65.6 cents in 2023-24 to an estimated US64.7 cents in 2024-25.

In 2025-26, iron ore royalty income is projected to decline by \$2 billion (or 22.9%). This largely reflects an assumed decline in the iron ore price from an estimated \$US101.4 per tonne in 2024-25 to \$US77.6 per tonne in 2025-26, partly offset by a 20 million tonne forecast rebound in iron ore volumes.

The iron ore price is assumed to reach its long-run (inflation-adjusted) average of \$US72 per tonne by December 2025. Reverting to a long-run average is consistent with recent practice – both in the Western Australia’s Budget and the Commonwealth’s Budget. It is considered a prudent budgeting assumption given the highly volatile nature of the iron ore price.

The long-run average price of \$US72 per tonne has been updated since the 2024-25 *Pre-election Financial Projections Statement* (PFPS) (\$US71 per tonne) to incorporate more recent data, in line with the methodology used in previous Budgets.

In 2026-27 iron ore royalty income is projected to decline by \$635 million (or 9.6%) as the iron ore price is assumed to remain at its long-run average price for the entire year. Iron ore royalty income then declines by \$108 million in 2027-28 and \$103 million in 2028-29 largely due to a rising exchange rate.

After falling in 2024-25 and 2025-26, the \$A/\$US exchange rate is projected to gradually rise over the forward estimates period, to its five-year average level by June 2029.

Iron ore volumes are assumed to fall to 858 million tonnes in 2024-25 as there have been more weather-related disruptions in the Pilbara than normal. Since the 2024-25 PFPS, the iron ore volume assumption for 2024-25 has been lowered by around 18 million tonnes to reflect weather disruptions, including Cyclones Sean, Tahlia, Vince and Zelia.

Volumes are assumed to grow to 878 million tonnes in 2025-26 with the continued ramp-up of the Iron Bridge and Onslow Iron projects and a more typical cyclone season. Volumes are then assumed to remain at similar levels as mines deplete and replacement projects add similar tonnes.

Iron ore royalty income is forecast to account for 86% of total royalty income in 2024-25, and to average around 78% of total royalty income from 2025-26 onwards.

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

Other Royalty Income

Royalty income from all other commodities (excluding iron ore) is estimated to fall by \$136 million (or 9.1%) in 2024-25, largely due to lower lithium royalties (down \$355 million, as a result of a sharp decline in the lithium price) which are only partly offset by a rise in gold royalties of \$220 million (as gold reaches record prices reflecting heightened safe-haven demand). For further detail on the lithium and gold markets, refer to Chapter 2: *Economic Outlook*.

In 2025-26, royalty income from all other commodities is projected to rise by \$262 million (or 19.2%), with gold royalties rising by a further \$179 million and lithium royalties rising by \$78 million reflecting an expected increase in lithium prices. Then in 2026-27, royalty income from other all commodities is projected to increase by \$101 million with gold royalties rising by a further \$34 million and lithium royalties by \$72 million.

In 2027-28, royalty income from all other commodities is projected to rise by \$12 million with rising lithium royalties largely offset by lower gold royalties due to a decline in gold volumes as a result of depletions at existing mines. In 2028-29, royalty income from all other commodities is projected to fall by \$48 million, as a decline in gold royalties (due again to lower volumes) is only partly offset by increasing lithium royalties.

Table 3

ROYALTY INCOME AND KEY ASSUMPTIONS Western Australia

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---------------------------------------|---------------|---------------------|----------------|--------------|--------------|--------------|
| | Actual | Estimated Actual | Budget Year | Outyear | Outyear | Outyear |
| Royalty Income (\$m) | | | | | | |
| Iron ore | 10,365 | 8,581 | 6,618 | 5,983 | 5,875 | 5,772 |
| Lithium | 563 | 208 | 286 | 359 | 455 | 520 |
| Gold | 519 | 739 | 918 | 952 | 863 | 741 |
| Nickel | 95 | 51 | 34 | 28 | 25 | 26 |
| Alumina | 109 | 133 | 111 | 113 | 114 | 115 |
| Copper | 52 | 43 | 47 | 37 | 33 | 33 |
| Mineral Sands | 40 | 52 | 65 | 60 | 59 | 60 |
| Petroleum - State component | 22 | 26 | 37 | 42 | 41 | 48 |
| Other | 103 | 113 | 129 | 138 | 150 | 150 |
| Total Royalty Income | 11,866 | 9,946 | 8,245 | 7,711 | 7,616 | 7,464 |
| KEY ASSUMPTIONS | | | | | | |
| Exchange rate \$US/\$A (US cents) | 65.6 | 64.7 | 64.6 | 65.7 | 67.1 | 68.4 |
| Iron ore price (CFR, \$US per tonne) | 119.4 | 101.4 | 77.6 | 72.0 | 72.0 | 72.0 |
| Iron ore volumes (million dry tonnes) | 866 | 858 | 878 | 883 | 886 | 885 |
| Crude oil price (\$US per barrel) | 83.6 | 72.9 | 63.0 | 64.0 | 65.3 | 66.3 |

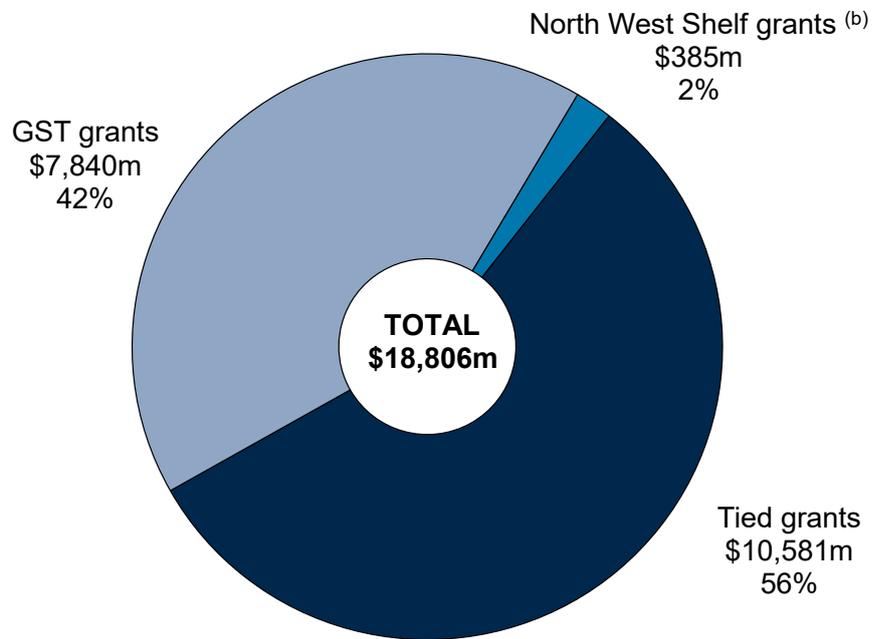
Note: Columns may not add due to rounding.

Commonwealth Grants

Commonwealth grants are estimated to total \$18.8 billion in 2025-26 and account for 37% of total general government revenue. There are no restrictions on the spending of GST grants or North West Shelf grants. Other grants ('tied grants') are provided for specific activities (e.g. health, education, roads and social housing).

COMMONWEALTH GRANTS TO WESTERN AUSTRALIA (a)
2025-26

Figure 4



(a) Includes recurrent and capital grants.

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

Note: Segments may not add due to rounding.

Table 4

| COMMONWEALTH GRANTS TO WESTERN AUSTRALIA | | | | | | |
|---|---------------|---------------------|----------------|---------------|---------------|---------------|
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | Actual | Estimated Actual | Budget Year | Outyear | Outyear | Outyear |
| General Purpose Grants | | | | | | |
| GST grants (\$m) | 6,565 | 7,362 | 7,840 | 9,145 | 9,489 | 9,880 |
| North West Shelf grants (\$m) ^(a) | 728 | 629 | 385 | 287 | 249 | 186 |
| Total General Purpose Grants (\$m) | 7,293 | 7,992 | 8,225 | 9,432 | 9,738 | 10,067 |
| Tied Grants (\$m) ^(b) | 7,371 | 9,586 | 10,581 | 7,990 | 7,542 | 7,433 |
| TOTAL COMMONWEALTH GRANTS (\$m) | 14,664 | 17,578 | 18,806 | 17,422 | 17,280 | 17,500 |
| Growth (%) | -1.6 | 19.9 | 7.0 | -7.4 | -0.8 | 1.3 |

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

(b) Includes recurrent and capital grants.

Note: Columns may not add due to rounding.

Commonwealth grants are forecast to rise to \$18.8 billion in 2025-26 – up \$1.2 billion from 2024-25, largely reflecting the anticipated one-off payment of Western Australia’s allocation under the Commonwealth’s DisabilityCare Australia Fund (\$1 billion).

Excluding this payment, Commonwealth grants over the five-year period 2024-25 to 2028-29 are forecast to be relatively stable, at around \$17.5 billion per annum. Strong forecast growth of \$2.5 billion in GST grants over this period is projected to be offset by a similar decline in transport grants as key transport infrastructure projects are completed.

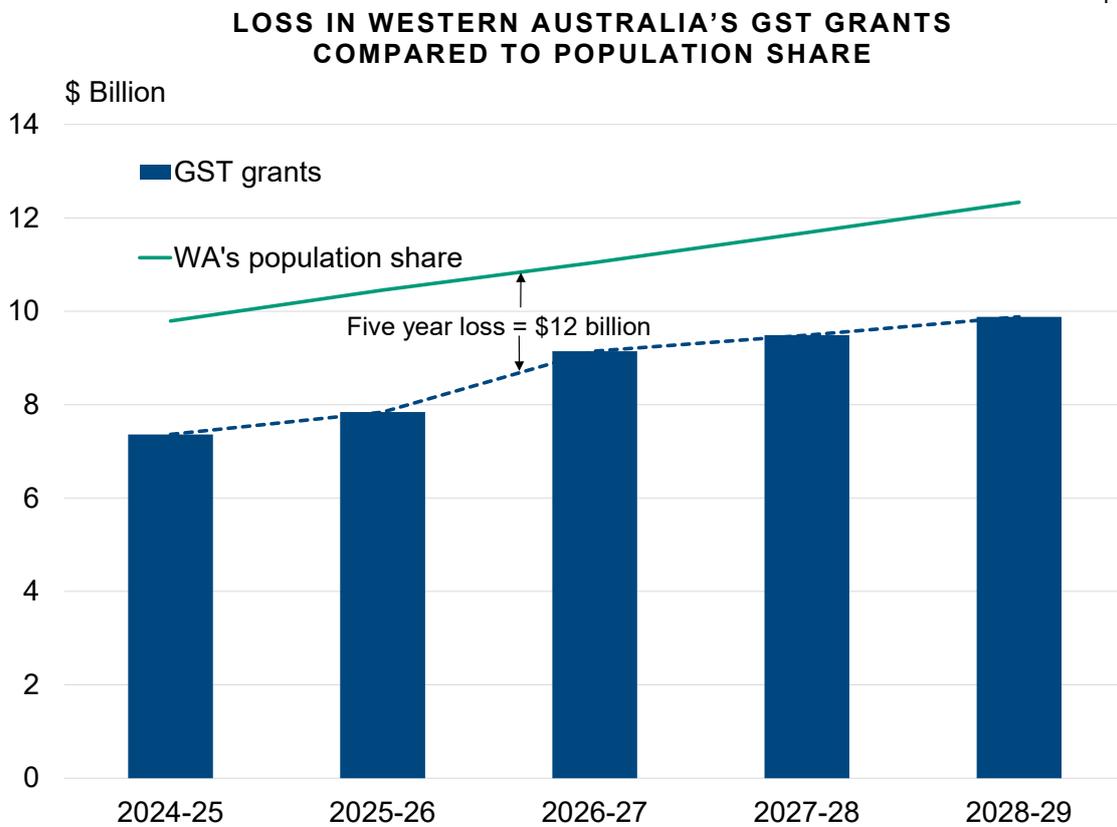
GST Revenue

Western Australia’s GST grant is expected to increase to \$7.8 billion in 2025-26, up 6.5% from \$7.4 billion in 2024-25, primarily due to growth in the national GST pool.

The 2018 GST distribution reforms provide that every State will receive a minimum of 75% of its population share of the national GST pool. Western Australia received this minimum share in both 2024-25 and 2025-26.

Even with the 2018 GST reforms, Western Australia will continue to receive far less GST than its population share. Over the five years from 2024-25 to 2028-29, Western Australia is expected to receive \$11.6 billion less than its population share of the GST (see figure below) – effectively a GST subsidy from Western Australia to other States.

Figure 5



Source: Western Australian Department of Treasury estimates.

Despite the size of this GST subsidy from Western Australia to the other States, it is just one part of the State's overall net contribution to the Federation. For 2023-24 (the latest year of complete data), the Western Australian Treasury estimates the State's net contribution to be \$39 billion (see Appendix 11: *Western Australia's Net Contribution to the Federation*).

Forecast of GST Grant

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

- projections of GST relativities beyond 2025-26;
- GST pool projections from the Commonwealth's 2025-26 Budget; and
- projections of State shares of the national population.

In addition to the relativity floor outlined above, the 2018 GST distribution reforms include a transition to a new equalisation benchmark, ensuring no State's relativity will fall below the lower of New South Wales or Victoria. This is occurring over six years and will be fully transitioned by 2026-27.

From 2026-27, Western Australia’s relativity is estimated to be pegged to the relativity of New South Wales, as its relativity is forecast to remain above the 75% floor (and below Victoria’s). Hence, movements in Western Australia’s relativity will reflect changes in the assessed fiscal position of New South Wales.

Since the release of Western Australia’s 2024-25 *Pre-election Financial Projections Statement*, Western Australia’s forecast GST grants over 2024-25 to 2027-28 increased by a total of \$716 million. This was primarily due to the finalisation of the Commonwealth Grants’ Commission’s 2025 Methodology Review that improved New South Wales’ relativity.

Table 5

WESTERN AUSTRALIA’S PROJECTED GST RELATIVITY AND GST SHARE

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|------------------|-------------|---------|---------|---------|
| | Actual | Estimated Actual | Budget Year | Outyear | Outyear | Outyear |
| WA GST relativity ^(a) | 0.700 | 0.750 | 0.750 | 0.828 | 0.812 | 0.801 |
| WA population share (%) | 10.9 | 10.9 | 11.0 | 11.0 | 11.0 | 11.1 |
| WA share of national GST pool (%) ^(b) | 7.6 | 8.2 | 8.2 | 9.1 | 9.0 | 8.9 |

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

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

Every State, not just Western Australia, has benefited from high iron ore prices. Compared to the 2018 projections that were used to quantify the initial impact of the GST reforms, the other States can now expect to receive about \$30 billion extra GST over 2020-21 to 2028-29, because of the higher than expected iron ore prices to date. These higher prices have also benefited the Commonwealth’s Budget (through higher company tax collections) by more than the increased cost of the GST distribution reforms. For example, the three largest iron ore miners paid \$17 billion to the Commonwealth in company tax in 2023-24 on its Western Australian operations, while the cost of the no-worse-off guarantee (NWOOG) was only \$5 billion that year.

Commonwealth Grants Commission (CGC) 2025 Methodology Review

The CGC updates GST relativities annually, and undertakes a major review of its methods every five years. In March 2025, the CGC released its latest methodology review, which also incorporated its normal annual update to reflect the latest available data.

The ‘2025 Review’ methods replace the ‘2020 Review’ methods that had been used over the period 2020-21 to 2024-25. The 2025 Review report outlined the methods the CGC will use over the next five years, and the recommended GST relativities for 2025-26. The 2025 Review was an important opportunity for the CGC to improve its methods, including addressing the perverse incentives that can result from the way they assess certain revenues and expenses.

However, despite Western Australia's active engagement with the CGC during this review, through evidence-based submissions and representations, concerns continue with the CGC methods. For example, the CGC's decision to include COVID-19 business support and health expenses resulted in States that recorded higher expenses receiving higher GST grants. This method change does not acknowledge the different policy approaches of States when responding to COVID-19, and penalises States that took actions that prevented the spread of COVID-19 in the community. Without the 2018 GST reforms, this would have resulted in over \$375 million less GST for Western Australia.

For 2025-26, the CGC has calculated a GST relativity of 0.180 for Western Australia, meaning that without the 75% relativity floor provided through the 2018 GST reforms, Western Australia would receive only 18% of its population share of the national GST pool.

Impacts from the 2025 Review result in an increase to Western Australia's forecast GST grant by \$775 million through to 2027-28. This is largely due to increases to New South Wales' relativity, and Western Australia receiving the same relativity through equalisation as part of the 2018 GST reforms.

The recommended change in GST relativities had the most significant impact on the relativities for Victoria and Queensland. Victoria gained \$2.5 billion (\$344 per capita) largely due to the changes in the way the CGC assesses coal royalties (which reduced Victoria's capacity to raise revenue from coal relative to other States), the CGC's decision to assess COVID-19 expenditure, and high relative growth in investment needs. Conversely, these changes decreased Queensland's relativity as it was assessed to have increased coal royalty raising capacity, below average expenses on COVID-19 measures, and low relative growth in investment needs. This resulted in a decrease to its GST grant by \$2.1 billion (\$370 per capita). The table below shows that the impact on Western Australia will be overridden by the 75% relativity floor as part of the 2018 GST reforms.

Table 6

IMPACT OF CGC 2025 REVIEW

| | Post-reform GST relativities | | Impact of CGC 2025 Review on post reform GST grants | |
|-----|------------------------------|---------|---|-------|
| | 2024-25 | 2025-26 | \$m | \$pc |
| NSW | 0.867 | 0.860 | -250 | -29 |
| Vic | 0.965 | 1.067 | +2,464 | +344 |
| Qld | 0.952 | 0.846 | -2,121 | -370 |
| WA | 0.750 | 0.750 | - (a) | - (a) |
| SA | 1.403 | 1.389 | -109 | -57 |
| Tas | 1.828 | 1.841 | +18 | +31 |
| NT | 5.067 | 5.151 | +67 | +259 |
| ACT | 1.204 | 1.172 | -56 | -116 |

(a) There is minor reduction due to scaling of GST relativities.

The 2018 GST reforms were outside the scope of the CGC 2025 Review, but will be reviewed by Productivity Commission. However, the outcomes from the CGC 2025 Review will provide valuable input to the Productivity Commission’s review, and will highlight Western Australia’s concerns with CGC methods.

Productivity Commission review of the 2018 GST distribution reforms

In 2018, the Productivity Commission reviewed Australia’s system of horizontal fiscal equalisation, finding that the previous GST system had many problems, was too extreme and needed to change.

In response to the Productivity Commission’s findings, the Commonwealth Government developed the 2018 GST distribution reforms. The reforms, which provide that every State receive a minimum 70% of its population share of the national GST pool from 2019-20, rising to 75% from 2024-25, and a transition over six years to a new equalisation benchmark, ensuring no State’s relativity will fall below the lower of New South Wales or Victoria from 2026-27 onwards. The Commonwealth also provides an annual top-up to the national GST pool, and a temporary NWO (currently in place until the end of 2029-30) to ensure no State will receive less funding than they would have under the previous arrangements.

For the first time (for any State other than Western Australia), Queensland benefitted from the 2018 GST reforms in the 2022-23 data year. This is primarily due to the CGC’s decision to change the way it assesses coal royalties and the inclusion of COVID-19 expenses in its 2025 Review. This resulted in Queensland’s assessed relativity being lifted to the new equalisation benchmark (New South Wales)³. Changes made by the CGC in its 2025 Review essentially penalised Queensland for increasing its royalty rate on coal.

The 2018 GST reform legislation requires the Productivity Commission to review whether the reforms are operating efficiently, effectively, and as intended, and their fiscal implications on States.

Given the critical importance of the GST distribution to the financial stability of the State, additional resources were allocated to the Western Australian Treasury in the 2023-24 Budget for the period of the Productivity Commission review. These resources will support active engagement in the review, with evidence-based submissions and representations to support retention of the reforms.

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

³ Queensland was fiscally stronger than New South Wales in all three data years that inform the 2025-26 grant year. However, in the 2021-22 and 2023-24 data years this benefit was more than offset by the reduction in its relativity (along with the other States) to ‘lift’ Western Australia’s relativity, including to the GST relativity floor of 0.75. Therefore, Queensland did not actually benefit from the GST reforms in the 2025-26 grant year (when all three data years were averaged) and will receive a very minor \$48 million NWO payment in that year.

North West Shelf Grants

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

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

In 2025-26, North West Shelf grants⁴ are expected to be \$385 million, which is a decrease from \$629 million in 2024-25. This is mainly due to the combined impact of a forecast decline in sales volumes of oil, condensate and gas in 2025-26 and lower assumed oil and gas prices.

Revenue from North West Shelf grants is projected to continue to decline to 2028-29. This is largely due to a gradual decline in sales volumes, with the North West Shelf project forecast to process higher volumes of gas sourced from areas outside the revenue-sharing agreement.

Tied Grants

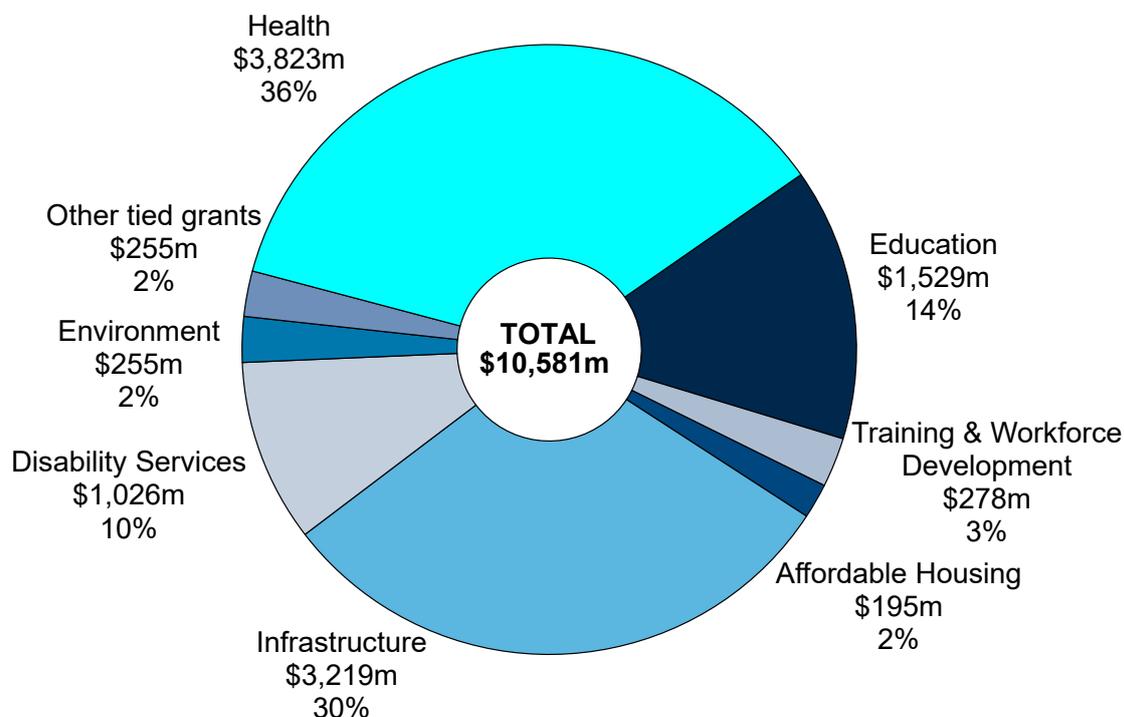
A variety of Commonwealth-State agreements facilitate tied grants for specific services and infrastructure in areas such as health, education, roads and housing. Western Australia is estimated to receive \$10.6 billion in tied grants in 2025-26 (up \$995 million on 2024-25).

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

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

Figure 6

**TIED GRANTS FOR WESTERN AUSTRALIA
2025-26**



Note: Segments may not add due to rounding. Includes \$354 million in grants that the Commonwealth characterises as its own purpose expenditure, which are included in Appendix 2 but not included in Appendix 12.

Tied grant funding in 2025-26 comprises:

- major National Agreements, including the National Skills Agreement (\$259 million), the National Agreement on Social Housing and Homelessness (\$195 million), the National Health Reform Agreement (NHRA) (\$3,622 million) and the Better and Fairer Schools Agreement (\$1,461 million). The NHRA is being renegotiated, with funding assumed to continue in line with existing arrangements;
- Federation Funding Agreements that collate many individual agreements as Schedules, including the Preschool Reform Agreement (\$26 million⁵), the Land Transport Infrastructure Projects Agreement (\$2,820 million) and the National Access to Justice Partnership (\$98 million);
- Disaster Recovery Funding Arrangements (\$25 million);
- Memorandum of Understanding on Provision of Fire Services (\$3 million); and
- payments from the Commonwealth in relation to its own-purpose spending programs (\$354 million).

⁵ Funding under the current Preschool Reform Agreement ends after the 2025 program year.

Significant changes in funding between 2024-25 and 2025-26 include:

- an anticipated one-off payment of the State's allocation of funding from the Commonwealth's DisabilityCare Australia Fund (estimated at \$1 billion) in 2025-26⁶;
- a forecast decrease in funding for the Land Transport Infrastructure Projects Agreement by \$439 million (with further projected declines in subsequent years as a number of major road and rail projects are completed); and
- an estimated \$204 million increase in capital funding under the Pilbara Ports Common User Upgrades Agreement.

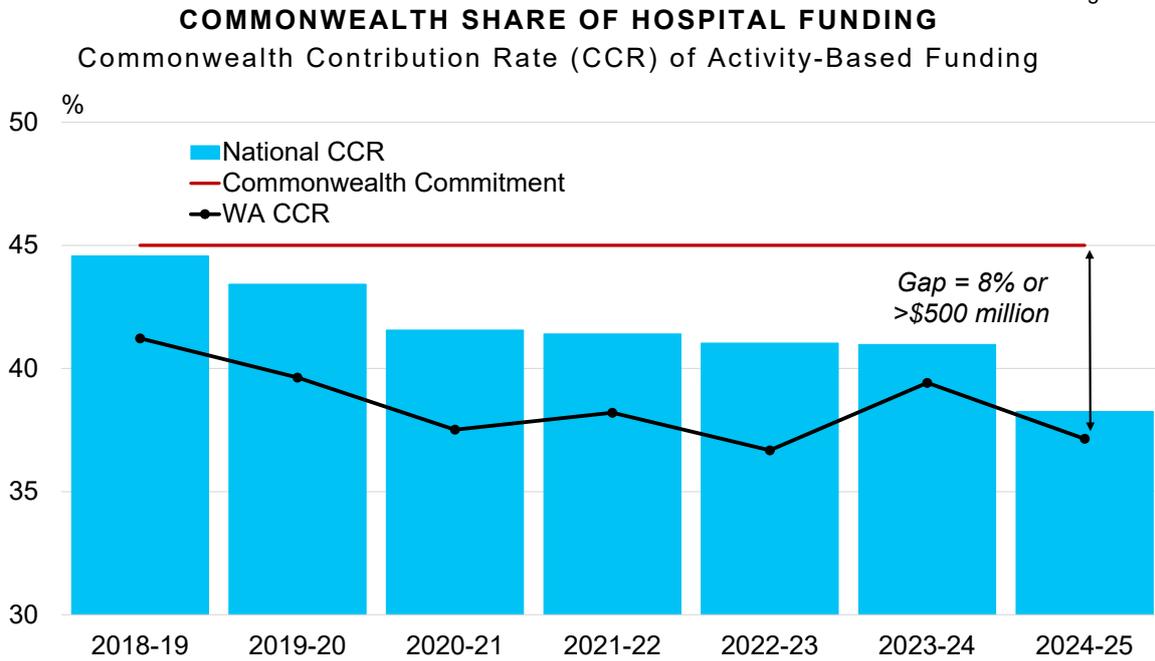
States and Territories have worked closely with the Commonwealth on health and disability reforms since National Cabinet considered these issues in December 2023.

Commonwealth, State and Territory governments recently signed a one-year agreement that provides additional Commonwealth funding for public hospitals in 2025-26 (\$158 million for Western Australia). Negotiations will continue through 2025 on long-term health and disability agreements, consistent with December 2023 National Cabinet meeting outcomes.

The outcomes of the December 2023 National Cabinet meeting included the aim of increasing Commonwealth contributions to public hospital costs under the NHRA to 45 per cent over a maximum of a 10-year glide path from 1 July 2025, with an achievement of 42.5 per cent before 2030. As shown in the following chart, the Commonwealth's proportion of contributions to public hospital costs under the NHRA have declined significantly in recent years, and on current parameters are forecast to decline further.

⁶ Western Australia is the only State/Territory that has not yet received its DCAF allocation. The DCAF was established in 2014 to enhance the Commonwealth's ability to reimburse State, Territory and Commonwealth Governments for expenditure incurred in relation to the National Disability Insurance Scheme. Credits to the DCAF have been funded from an increase in the Commonwealth's Medicare Levy.

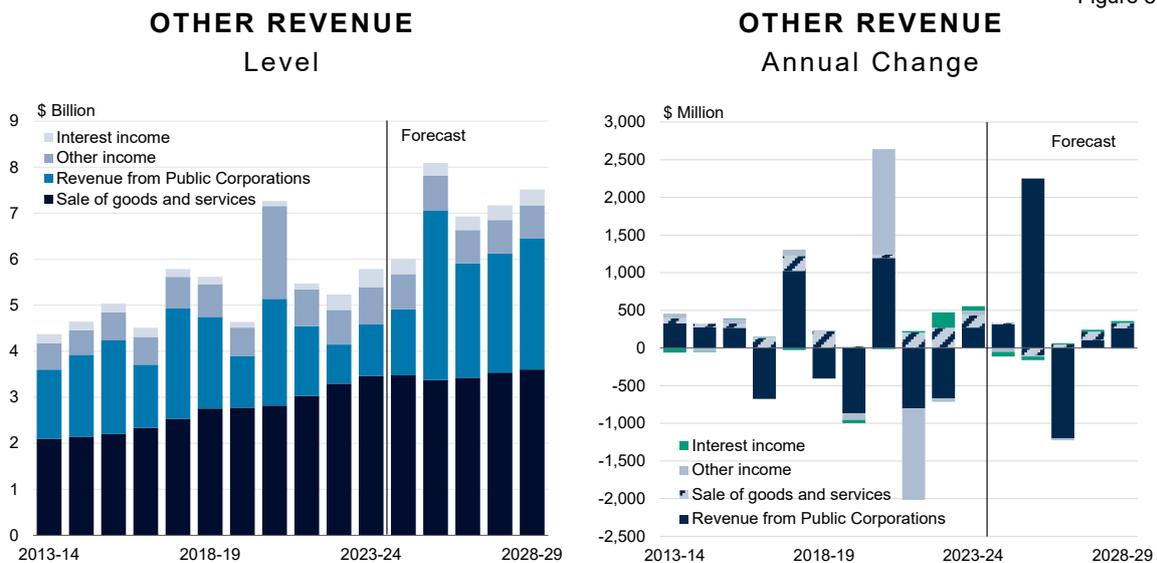
Figure 7



Other Revenue

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

Figure 8



Sales of Goods and Services

Revenue from the sale of goods and services is estimated to grow by 0.5% in 2024-25, following growth of 5% in 2023-24. A 2.9% contraction is forecast in 2025-26 before a modest average annual increase of 2.2% across the remainder of the forward estimates. Lower revenue in 2025-26 mainly reflects the impact of Public Sector Reform changes to service delivery arrangements on behalf of the Housing Authority (a public non-financial corporation), and the receipt of funding by Main Roads in 2024-25, for works on behalf of the Public Transport Authority for projects such as the Stirling Bus Interchange.

Abstracting from the impact of the Public Sector Reform and Main Roads revenue movements, goods and services revenue is forecast to rise by 3.5% in 2025-26, and an annual average increase of around 2% in the outyears.

Interest Income

The general government sector earns interest income from investments in cash and other liquid asset holdings. Interest revenue is estimated to total \$327 million in 2024-25, down \$64 million from 2023-24. This reflects both lower holdings of interest earning assets and recent changes to interest rates. In 2025-26, interest income is forecast to decline marginally, to \$280 million (reflecting a further projected decline in cash and investment holdings, and lower forecast interest rates). Across the three outyears, interest earnings are projected to average around \$320 million per annum, reflecting stabilisation of lower interest rates and gradually rising projections for cash and investment holdings.

Revenue from Public Corporations

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

Revenue from public corporations is estimated to total \$1.4 billion in 2024-25, rising to \$3.7 billion in 2025-26.

- Relative to 2024-25, dividend income in 2025-26 is forecast to rise by \$2.2 billion. This includes later receipt of the 2024-25 dividends from Western Power and the Water Corporation, and receipt (in 2025-26) of a \$400 million special dividend from the Pilbara Ports Authority (with this cash being appropriated to the Strategic Industries Fund).
- Tax equivalent revenue is forecast to total \$898 million in 2025-26. This is a modest \$4 million (or 0.4%) higher than the 2024-25 estimated actual.

Revenue from public corporations is expected to average \$2.6 billion across the three years to 2028-29, with annual dividend income representing approximately two thirds of the total.

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

Other Income

Revenue from all other sources (which includes fines for traffic infringements, court fines and penalties, penalty tax, donations and gifts from private organisations, asset transfers, and mining tenement rentals revenue) is forecast to decrease from an estimated \$763 million in 2024-25 to \$749 million in 2025-26. Across the three outyears, 'other' revenue is projected to remain around this level, averaging \$721 million per annum. This revenue source can be variable from year to year given the nature of transactions that are classified to this aggregate, in particular asset transfers such as roads and bridges (usually passed to the State by local governments), and private sector contributions to specific projects.

General Government Expenses

HIGHLIGHTS

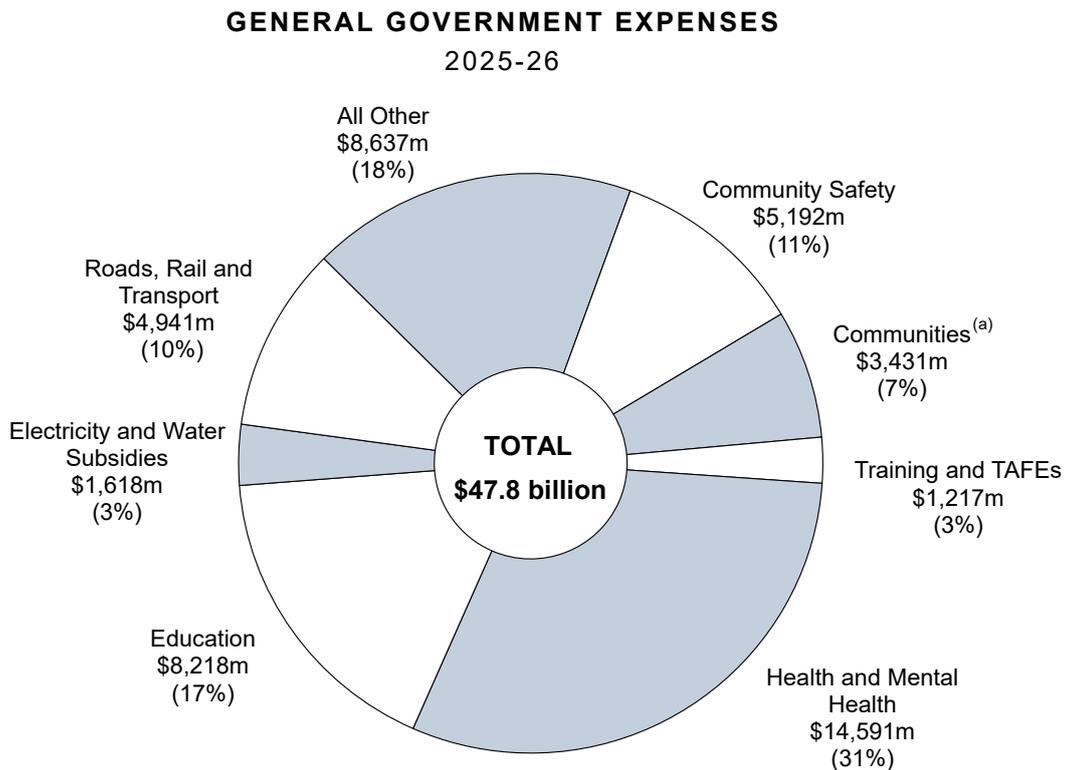
- General government expenses are estimated to total \$47.8 billion in 2025-26, an increase of \$2 billion (or 4.3%) on 2024-25. This follows above average expense growth in 2024-25, reflecting the impact of very strong population growth on demand for frontline services, as well as the provision of cost of living assistance.
- Health and mental health services receive a \$1.4 billion boost in this Budget. This investment will support demand for public hospital services and fund a package of targeted initiatives such as new and extended services for older Western Australians, and the expansion of virtual emergency department services.
- Further cost of living support totals \$963 million and includes residential battery rebates and no-interest loans, a second round of the WA Student Assistance Payment, implementation of the 'suburban flat fare' across the Transperth and Transregional networks, and continuation of the Ride to School Free Program through to the end of 2026.
- The Budget includes an additional \$1.8 billion investment (including recurrent spending of \$1.5 billion) to support education and training (with initiatives to grow the construction workforce and defence industries), and a significant increase in funding for community safety (with \$665 million for the Western Australia Police Force and Justice, including \$42.9 million to continue the Firearms Reform Program).
- Other key spending priorities include an additional \$250 million for services to vulnerable young people, \$118.5 million to support people with disability (including Western Australia's transition to the full National Disability Insurance Scheme agreement), and a \$500 million top-up to the Strategic Industries Fund to support further diversification of the economy.

Introduction

Recurrent spending by the general government sector is budgeted to increase by \$2 billion (or 4.3%) in 2025-26, to a total of \$47.8 billion.

Health and mental health, education and training, and community safety account for \$29.2 billion or 61.1% of total spending (see figure below).

Figure 1



(a) The total cost of services disclosed in Budget Paper No. 2: *Budget Statements* for the Department of Communities is \$2 billion in 2025-26, with a further \$1.4 billion in National Disability Insurance Scheme contributions administered by the Department (which is also a general government expense).

Note: Segments may not add due to rounding.

This Budget includes \$1.9 billion in recurrent spending for the Government’s 2025 election commitments. These commitments focus on building healthy and safe communities, diversifying and growing the State’s economy through the Made in WA plan and investment in emerging industries, providing cost of living support, and boosting capacity across the education and training sector.

A Stronger Western Australia

The 2025-26 Budget continues the Government's commitments to make more things in Western Australia, support households as cost of living pressures ease, and meet the demands of strong population growth through investments in housing, health, education, and community services.

Diversifying our economy for the future and creating local jobs

The 2025-26 Budget continues the Government's commitment to innovation and economic diversification, creating local jobs and underpinning Western Australia's ongoing prosperity through new investment, including:

- a further \$500 million into the Strategic Industries Fund established by the Government in 2024 to de-constrain the State's industrial areas and activate sites for new and emerging industries;
- new funding for training and workforce development, including \$25.2 million to continue the Group Training Organisation Wage Subsidy Program, \$21.9 million that will expand Fee-Free TAFE to include additional building and construction courses, and \$11.5 million support new apprentices under the AUKUS Defence Industry Incentive Scheme; and
- initiatives to drive Western Australian manufacturing under the Made in WA plan, including \$50 million to build the capacity of the Western Australian battery industry; \$40 million to support the co-location of medical manufacturers at the new Perth Biomedical Precinct; and top-ups to a range of targeted economic diversification funds, including \$40 million for the New Industries and Innovation Fund, \$30 million for the Investment Attraction Fund, and \$30 million for the Collie Industrial Transition Fund.

Strong, safe and fair communities

The Government continues to prioritise the creation of safe, liveable communities that provide opportunities for all Western Australians, including those who are most vulnerable. New investment in this Budget includes:

- \$829 million to meet increasing demand for public hospital services;
- \$687 million in public school funding to respond to an increase in enrolments and students with disability;
- \$665 million to boost justice and policing, including \$225 million in justice services expenditure to respond to continued growth in the State's prison population, \$80.4 million to support the Western Australia Police Force's operational services and \$19.1 million to enhance electronic monitoring of offenders in the community;
- \$250 million to boost frontline child protection services and complete out-of-home care reforms aimed at improving outcomes for children in the care of the State; and

- \$133 million for environmental and climate adaptation initiatives, including \$62.6 million to strengthen Western Australia’s biosecurity, and \$10.1 million to respond to heightened bushfire risk.

Major Expense Changes

Summary

The following information provides details of major changes in general government expenses by agency since the *2024-25 Pre-election Financial Projections Statement* (PFPS). Any timing changes and accounting adjustments that are broadly net debt neutral across the forward estimates period, and changes to depreciation expenses, are not generally included in this chapter. Timing changes of a material nature are discussed in Chapter 3: *Fiscal Outlook and Strategy*.

The agencies outlined in this Chapter reflect the public sector reforms of government departments announced by the Premier on 31 March 2025, which are to commence on 1 July 2025.

A number of recurrent spending changes since the PFPS are common to multiple agencies. These include incentive funding for smaller and low risk agencies under the Streamlined Budget Process¹ and spending allocations as a result of industrial agreements being settled as part of the Government’s public sector wages policy.

Changes in total public sector infrastructure spending (i.e. the Asset Investment Program) since the 2024-25 PFPS are outlined in Chapter 6.

¹ The Streamlined Budget Process (SBP) seeks to reduce the number of Budget bids put forward by smaller and low risk agencies through the provision of a financial incentive. For the 2025-26 Budget, incentive funding provided to agencies that opt-in to the SBP equates to a 2.75% increase in service appropriation in 2025-26, with eligible agencies limited to those with service appropriations of less than \$100 million.

PARLIAMENT

Table 1

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| LEGISLATIVE COUNCIL | | | | | |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | 0.2 | - | - | - |
| – <i>Salaries and Allowances Act 1975</i> – Transition Payment | -0.3 | 0.5 | - | - | - |
| LEGISLATIVE ASSEMBLY | | | | | |
| – <i>Salaries and Allowances Act 1975</i> – Transition Payment | -0.1 | 0.6 | - | - | - |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | 0.2 | - | - | - |
| PARLIAMENTARY COMMISSIONER FOR ADMINISTRATIVE INVESTIGATIONS (OMBUDSMAN) | | | | | |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | 0.3 | - | - | - |

Note: Rows may not add due to rounding.

GOVERNMENT ADMINISTRATION

Table 2

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|------------------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| PREMIER AND CABINET | | | | | |
| Election Commitments | | | | | |
| – Expanding Four Year-old Kindergarten | - | 1.9 | 2.7 | 2.5 | 0.4 |
| – Small Commitments | - | 0.9 | - | - | - |
| – Veterans Initiatives | - | 2.2 | 2.0 | - | - |
| – AUKUS Small and Medium Enterprise Readiness Fund | - | 0.5 | 0.5 | 0.5 | 0.5 |
| Other Spending | | | | | |
| – Griffin Coal – Financial Support | -22.2 | 71.2 | - | - | - |
| – Future Acts Framework | - | 3.3 | 1.8 | 1.8 | 1.9 |
| – Salaries and Allowances Tribunal Determination for the Members of Parliament | 0.4 | 1.7 | 1.7 | 1.7 | 1.2 |
| – Aboriginal Engagement – Strategic Solutions Program | - | 3.0 | 3.0 | - | - |
| – Celebrate WA | - | 2.0 | 2.0 | 2.0 | - |
| – TAFE and Skills Information | - | 5.0 | - | - | - |
| – Digital Capability Fund – Responsible Information Sharing Function | - | 0.4 | 0.5 | 0.5 | 0.6 |
| – Regional Papers Support | 1.0 | 1.0 | - | - | - |
| – 2025 WA Student Assistance Payment Program ^(a) | - | 0.8 | - | - | - |
| PUBLIC SECTOR COMMISSION | | | | | |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | 1.0 | - | - | - |
| – Special Inquiry into the 2025 State General Election | 0.7 | - | - | - | - |
| GOVERNOR’S ESTABLISHMENT | | | | | |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | - ^(b) | - | - | - |
| WESTERN AUSTRALIAN ELECTORAL COMMISSION | | | | | |
| – Electoral Boundaries Distribution | - | - | 0.8 | 1.6 | - |
| – 2025 State General Election – Reimbursement of Eligible Expenditure by Political Parties and Candidates | 1.5 | - | - | - | - |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | 0.2 | - | - | - |
| SALARIES AND ALLOWANCES TRIBUNAL | | | | | |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | - ^(b) | - | - | - |

Table 2 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| COMMISSIONER FOR CHILDREN AND YOUNG PEOPLE | | | | | |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | 0.1 | - | - | - |
| – Salaries and Allowances Tribunal Determination Update | – (b) | – (b) | – (b) | – (b) | 0.1 |
| OFFICE OF THE INFORMATION COMMISSIONER | | | | | |
| – New Office of the Information Commissioner | - | 2.7 | 3.7 | 3.8 | 4.0 |
| – Office Accommodation | - | 0.3 | 0.2 | 0.2 | 0.2 |
| – Digital Capability Fund – Case Management System and Electronic Document and Records Management System ^(c) | - | 0.2 | 0.2 | 0.3 | 0.3 |
| WORKCOVER WA AUTHORITY | | | | | |
| – Updated Financial Estimates | -2.2 | -0.5 | 0.7 | 1.4 | 1.6 |
| REGISTRAR, WESTERN AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION | | | | | |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | 0.3 | - | - | - |

(a) See Department of Education.

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

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

Note: Rows may not add due to rounding.

Premier and Cabinet

Election Commitments

Expanding Four Year-old Kindergarten

The Government will trial free full-time kindergarten at ten pilot sites across the State, with additional spending of \$24.4 million from 2025-26 to 2028-29. This includes:

- \$16.9 million spent by the Department of Education (see Department of Education – Chapter 5) for curriculum development, workforce training and attraction incentives and per-student funding to schools for education services at the pilot sites; and
- \$7.5 million spent by the Department of the Premier and Cabinet (DPC) for planning a statewide rollout, an evaluation of the pilot program, development of the WA Play Strategy to ensure play remains a central role in the educational development of children, and a workforce attraction campaign, including support for completion of early childhood education qualifications.

A further \$4.5 million of asset investment for the Department of Education has been approved over 2025-26 to 2027-28 for minor accommodation upgrades at the pilot sites (see Department of Education – Chapter 6).

Small Commitments

The Government will spend an additional \$897,000 in 2025-26 to facilitate the delivery of a number of one-off small grant initiatives to community organisations and local government authorities.

Veterans Initiatives

To facilitate the delivery of initiatives to Western Australian veterans the Government will establish and implement a \$4 million Veterans Facilities Fund over 2025-26 and 2026-27, to fund upgrades to ageing infrastructure at Returned Services League halls and other ex-service organisations. A further \$240,000 will be spent in 2025-26 to expand the psychiatric assistance dog program by providing an additional eight dogs supporting the mental health of Western Australian veterans.

AUKUS Small and Medium Enterprise Readiness Fund

The Government will establish a \$2 million AUKUS Small and Medium Enterprise (SME) Readiness Fund over 2025-26 to 2028-29 to support SMEs to build capacity and capability to participate in the defence and AUKUS supply chain.

Other Spending

Griffin Coal – Financial Support

To support the continued operation of Griffin Coal until 30 June 2026, \$49 million of additional funds has been allocated over 2024-25 and 2025-26, including \$30 million administered by DPC, and \$19 million set aside in a provision to be drawn down by DPC when required.

Future Acts Framework

To further consolidate Native Title functions across the State Government, an additional \$8.8 million will be spent over 2025-26 to 2028-29 to establish a Native Title Future Acts (NTFA) Unit within DPC. The NTFA Unit will be responsible for leading Future Act negotiations that are a critical enabler for State significant projects, supporting other significant negotiations led by the State Government, and establishing centralised governance for Future Act matters.

Salaries and Allowances Tribunal Determination for the Members of Parliament

To meet the cost of the independent Salaries and Allowances Tribunal Determination for the Members of Parliament, the Government will spend an additional \$6.6 million over 2024-25 to 2028-29 for various entitlements, including motor vehicles, Parliamentary travel, and study allowances.

Aboriginal Engagement – Strategic Solutions Program

To progress the implementation of the Priority Reforms under the National Agreement on Closing the Gap and to strengthen partnerships directly with Aboriginal Organisations, an additional \$3 million will be allocated in both 2025-26 and 2026-27 to support initiatives for Aboriginal Organisations that will assist in responding to community needs.

Celebrate WA

Celebrate WA is a not-for-profit organisation responsible for promoting and organising the annual Western Australian Day celebrations and Western Australian of the Year Awards. The Government will continue its support for Celebrate WA through a \$2 million per annum contribution over 2025-26 to 2027-28 to deliver free events across the State, live music events, and culture and arts experiences with an enhanced regional presence.

TAFE and Skills Information

The Government will spend \$5 million in 2025-26 for a targeted media campaign to promote the State's Vocational Education and Training fee policy settings, including the availability of low and fee-free training options to support growing and diversifying the State economy, encouraging training enrolments and promoting workforce development and flexibility.

Digital Capability Fund – Responsible Information Sharing Function

The Government will spend \$2 million over 2025-26 to 2028-29 for additional resources to support the Chief Data Officer to enable implementation of the responsible information sharing component of the *Privacy and Responsible Information Sharing Act 2024*.

Regional Papers Support

The Government has allocated \$1 million in both 2024-25 and 2025-26 on the Regional Papers Support program to deliver community-focused campaigns in the regions. These campaigns are expected to include initiatives addressing family and domestic violence, encouraging the creation of bushfire plans, and promoting road safety.

Public Sector Commission

Special Inquiry into the 2025 State General Election

The Government has allocated \$731,000 in 2024-25 to undertake a special inquiry into the planning and delivery of the 2025 State General Election.

Western Australian Electoral Commission

Electoral Boundaries Distribution

The Western Australian Electoral Commission will spend \$2.4 million over 2026-27 and 2027-28 to undertake the redistribution of electoral boundaries prior to the 2029 State General Election, in accordance with the *Electoral Act 1907*.

2025 State General Election – Reimbursement of Eligible Expenditure by Political Parties and Candidates

In accordance with the provisions of the *Electoral Act 1907*, the Western Australian Electoral Commission will spend an additional \$1.5 million in 2024-25 to reimburse eligible expenditure incurred by political parties and candidates for the 2025 State General Election.

Office of the Information Commissioner

New Office of the Information Commissioner

To establish the new Office of the Information Commissioner under the *Information Commissioner Act 2024* and implement the *Privacy and Responsible Information Sharing Act 2024* that strengthens both freedom of information and privacy jurisdictions for Western Australians, an additional \$15.5 million will be spent over 2025-26 to 2028-29 (including \$1.3 million by the Department of Justice).

This will include the employment costs for an additional 13 FTEs (for a total of 25 FTEs in the Office), the new Information Commissioner, the Privacy Deputy Commissioner, the Office's associated operational costs, and corporate services support provided by the Department of Justice.

Office Accommodation

An additional \$752,000 will be spent over 2025-26 to 2028-29 for office lease costs (at Albert Facey House) to accommodate the Commissioner's additional resources. A further \$100,000 has also been approved for office fit-out works (see Chapter 6).

WorkCover WA Authority

Updated Financial Estimates

The Authority will spend an additional \$1 million over 2024-25 to 2028-29 to meet the revised forecasts of future claim liabilities for workers of uninsured employers.

FINANCIAL ADMINISTRATION

Table 3

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| TREASURY AND FINANCE | | | | | |
| – Supporting Government Priorities | - | - | 0.8 | 0.9 | 0.9 |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | 1.6 | - | - | - |
| – Commonwealth Energy Bill Relief Administration Costs ^(a) | - | 1.5 | - | - | - |
| – Commonwealth Energy Bill Relief (Administered) ^(a) | - | 1.4 | - | - | - |
| OFFICE OF THE AUDITOR GENERAL | | | | | |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | 0.4 | - | - | - |

(a) See Synergy.

Note: Rows may not add due to rounding.

Treasury and Finance

Supporting Government Priorities

To support the delivery of Government priorities, an additional \$2.6 million will be spent over 2026-27 to 2028-29, to provide oversight of the Asset Investment Program's delivery for both the Departments of Justice and Education, and coordinating and advising on Westport's multi-agency planning and delivery budgets.

JOBS AND ECONOMIC DEVELOPMENT

Table 4

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| ENERGY AND ECONOMIC DIVERSIFICATION | | | | | |
| Election Commitments | | | | | |
| – Residential Battery Scheme ^(a) | - | 34.8 | 51.8 | 37.9 | 30.9 |
| – New Industries and Innovation Fund Uplift | - | 10.1 | 10.1 | 9.9 | 9.9 |
| – Housing Innovation Fund ^(a) | - | 14.6 | 14.6 | 0.4 | 0.4 |
| – Investment Attraction Fund Top-up | - | 15.0 | 15.0 | - | - |
| – Manufacturing Facilities at Forrestfield and Local Industry Development Fund | - | 4.0 | 6.0 | 8.0 | 7.0 |
| – Strategic Industries Fund Top-up | - | 1.0 | 1.0 | 1.0 | 1.0 |
| – Space Launch Facility Study | - | 1.0 | 1.0 | - | - |
| – Perth Observatory | - | 0.1 | - | - | - |
| – Collie Industrial Transition Fund Top-up | - | - | - | - | - |
| Other Spending | | | | | |
| – Investment Attraction Fund Allocations ^(b) | - | 10.4 | 9.5 | 0.6 | 0.6 |
| – Payment to Pilbara-based Aboriginal Corporation | 1.5 | - | - | - | - |
| – Scitech Exhibition Boost | - | 1.0 | - | - | - |
| CREATIVE INDUSTRIES, TOURISM AND SPORT (DCITS) | | | | | |
| Election Commitments | | | | | |
| – Sport and Recreation Infrastructure Package | - | 46.5 | 46.5 | - | - |
| – Community Sports and Recreation Commitments | - | - | 12.9 | 13.0 | 46.0 |
| – Women’s Sport Boost | - | 1.5 | 10.6 | 10.3 | 7.5 |
| – Small Commitments | - | 20.5 | - | - | - |
| – Community Facilities and Infrastructure Commitments | - | 4.8 | 10.8 | 4.5 | - |
| – Fire and Emergency Services Package ^(c) | - | - | - | 5.0 | 5.0 |
| – Motorsport Package | - | - | 6.9 | 3.0 | - |
| – Swan Valley and Perth Hills Tourism Package | - | 1.6 | 4.2 | 1.1 | 0.5 |
| – Outdoor Adventure Package ^(d) | - | 1.0 | 3.2 | - | - |
| – Kids Access All Areas | - | 1.7 | 1.4 | - | - |
| – Live Music Support Package | - | 0.9 | 0.7 | 0.6 | 0.6 |
| – Backroads Gravel: Fields of Gold Event ^(b) | - | - | - | - | - |
| Other Spending | | | | | |
| – National Rugby League – Perth Bears and Grass-Roots Development ^(e) | - | 50.8 | 2.3 | 2.2 | 1.8 |
| – DCITS Service Delivery | - | 21.2 | - | - | - |
| – Western Australian Cricket Association Ground (WACA) Improvement Project | 15.0 | - | - | - | - |
| – Lotteries Commission Act 1990 Payments Update | - | 7.1 | 3.2 | 2.8 | 2.9 |
| – Perth Film Industry – Targeted Industry Capacity Building Program | - | 5.0 | - | - | - |
| – KidSport | -0.6 | 4.8 | - | - | - |
| – State Library of Western Australia Car Park Fire Protection Replacement | - | - | 1.5 | - | - |
| – Cyber Security Enhancement Program | 1.4 | - | - | - | - |
| – Global Connections through Local Events | - | 0.9 | - | - | - |
| – Public Sector Wages Policy | 0.8 | 1.0 | 1.5 | 0.9 | -3.6 |
| – Other Sport Items ^(f) | - | - | - | - | - |

Table 4 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| PRIMARY INDUSTRIES AND REGIONAL DEVELOPMENT | | | | | |
| Election Commitments | | | | | |
| - Community Facilities and Infrastructure Commitments | - | 20.2 | 19.2 | 5.0 | - |
| - Outdoor Adventure Package | - | 2.6 | 4.7 | 2.8 | 0.1 |
| - RSPCA – Inspectorate Services – Funding Boost | 1.8 | 2.9 | 3.1 | 7.3 | 7.7 |
| - Small Commitments | - | 16.4 | - | - | - |
| - Wine Industry Export Growth Partnership | - | 1.6 | 1.5 | 1.4 | 1.5 |
| - Animal Welfare – Small Grants Program Extension | - | 1.0 | 1.0 | - | - |
| - Advanced Biofuels Strategy | - | 0.6 | 0.5 | - | - |
| - Fire and Emergency Services Package ^(c) | - | 0.2 | 0.1 | - | - |
| Other Spending | | | | | |
| - Biosecurity Incident and Emergency Responses | | | | | |
| - National Polyphagous Shot Hole Borer Response Plan 2025-26 | - | 26.5 | - | - | - |
| - State Biosecurity Incident and Emergency Responses | 16.8 | - | - | - | - |
| - National Biosecurity Incident and Emergency Responses | 7.9 | 0.6 | 0.6 | 0.5 | - |
| - National Polyphagous Shot Hole Borer Response Plan 2024-25 | 6.3 | - | - | - | - |
| - Enhancing Biosecurity Preparedness and Response Program | - | 3.6 | - | - | - |
| - Regional Roads Australia Mobile Program | 1.0 | 4.0 | 3.0 | - | - |
| - ICT Expenses | 6.0 | - | - | - | - |
| - Transforming Bunbury’s Waterfront – Stages 2B and 3 | - | 5.9 | - | - | - |
| - Executive Salary Expenditure Realignment | 0.6 | 0.8 | 0.9 | 0.9 | 1.1 |
| - Allanson Farm Shop Restaurant and Caravan Park | - | 4.0 | - | - | - |
| - Western Australian Telecommunications Resilience Pilot Program | - | 2.0 | - | - | - |
| MINES, PETROLEUM AND EXPLORATION | | | | | |
| Election Commitments | | | | | |
| - Exploration Incentive Scheme | - | 0.9 | 1.9 | 2.0 | 2.0 |
| Other Spending | | | | | |
| - Mining Rehabilitation Fund – Abandoned Mines Program | - | -2.3 | 17.8 | 23.1 | 12.3 |
| - Establishment of the Department of Mines, Petroleum and Exploration | - | 1.7 | 1.8 | 1.8 | 1.8 |
| - Carbon Capture, Utilisation and Storage | - | 1.7 | - | - | - |
| GOLD CORPORATION | | | | | |
| - State Battery Safety Program | - | 3.6 | - | - | - |
| WESTERN AUSTRALIAN MEAT INDUSTRY AUTHORITY | | | | | |
| - Muchea Livestock Centre – Maintenance | - | 0.3 | - | - | - |

Table 4 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|------------------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| SMALL BUSINESS DEVELOPMENT CORPORATION | | | | | |
| Election Commitments | | | | | |
| – Small Business Growth Grants | - | 1.3 | - | - | - |
| Other Spending | | | | | |
| – Board Member Remuneration | - | 0.1 | 0.1 | 0.1 | 0.1 |
| – Commonwealth Energy Bill Relief ^(g) | - | 0.2 | - | - | - |
| RURAL BUSINESS DEVELOPMENT CORPORATION | | | | | |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | - ^(h) | - | - | - |
| ECONOMIC REGULATION AUTHORITY | | | | | |
| – Organisational Restructure | - | 0.4 | 0.6 | 0.6 | 0.6 |
| FOREST PRODUCTS COMMISSION | | | | | |
| – Australian Carbon Credit Units | - | 0.3 | 1.1 | 2.4 | 2.5 |
| BURSWOOD PARK BOARD | | | | | |
| – Property Services | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |

(a) Due to accounting treatment, loan amounts are not reflected in this table.

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

(c) See Department of Fire and Emergency Services.

(d) See Department of Primary Industries and Regional Development.

(e) Australian accounting standards require the recognition of the expense commitment in 2025-26 and a notional interest cost across the seven years of this arrangement. Cash payments for the associated grants are discussed later in this section.

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

(g) See Synergy.

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

Note: Rows may not add due to rounding.

Energy and Economic Diversification

Election Commitments

Residential Battery Scheme

The Residential Battery Scheme will support the purchase and installation of residential batteries to reduce household electricity bills and facilitate the transition to clean energy. The Government has allocated \$387 million over the forward estimates to deliver the following initiatives as part of the scheme:

- \$200 million to provide interest-free loans to eligible customers to improve access to batteries (administered by the Department);
- \$102.5 million to provide rebates on the cost of residential batteries for eligible Synergy and Horizon Power customers;
- \$50 million to the Department for grants (\$30 million) and loans (\$20 million) to build the capacity of the Western Australian battery manufacturing industry; and
- \$34.5 million for the Department (\$22.7 million), Synergy (\$10.6 million), and Horizon Power (\$1.2 million) to administer and manage the scheme.

New Industries and Innovation Fund Uplift

The Government has allocated an additional \$40 million over the forward estimates to continue the New Industries and Innovation Fund as a key initiative under the Made in WA plan. The Fund provides grants and delivers programs to build the State's local manufacturing capability and to diversify the economy through the accelerated development of innovative technologies and their take-up in global value chains.

Housing Innovation Fund

To support the local housing industry to develop innovative construction methods and deliver more houses, the Government has committed \$50 million over the forward estimates to establish a Housing Innovation Fund, comprising:

- \$30 million to provide grants to local residential construction businesses to advance local manufacturing and innovative construction technologies; and
- \$20 million to provide low interest loans to enable industry participants to scale innovative building solutions, such as modular and prefabricated housing.

Investment Attraction Fund Top-up

The Investment Attraction Fund provides industry support and encourages new investment as part of the State's economic diversification agenda. A further \$30 million has been invested in the Fund over 2025-26 and 2026-27 for a second round of the New Energy Industries Funding Stream. This builds on the first round of grants towards major clean energy projects and takes total Government investment in the Fund to \$425 million.

Manufacturing Facilities at Forrestfield and Local Industry Development Fund

Through the Made in WA plan, the Government has approved \$25 million over the forward estimates for manufacturing facilities at Forrestfield, for a Local Industry Development Fund, and to support the establishment of an Advanced Manufacturing Technology Hub (AMTECH) in Picton. These initiatives will build local capability to manufacture the extensive energy transmission components required for the State's energy transition.

Strategic Industries Fund Top-up

Building on the significant investment at the 2024-25 Budget, the Government will invest a further \$500 million in the Strategic Industries Fund, taking it to \$1 billion. The Fund will be used to activate the State's industrial areas, enabling the establishment of new and emerging industries. In addition to allocating \$5 million towards AMTECH (discussed above), the Government has allocated \$17 million from the Fund over the forward estimates for the following initiatives:

- \$13 million for Main Roads WA to upgrade roads at the Kemerton and Kwinana Strategic Industrial Areas; and
- \$4 million for the Department to support the analysis of proposals and the prioritisation and sequencing of the State's investment.

Space Launch Facility Study

The Government has committed \$2 million over 2025-26 and 2026-27 to undertake a study into establishing a Space Launch Facility in Western Australia.

Collie Industrial Transition Fund Top-up

The Government has committed an additional \$30 million (allocated beyond the forward estimates) to top-up the Collie Industrial Transition Fund to further support Collie's transition away from coal-fired power generation and build on its initial \$200 million investment.

Other Spending

Investment Attraction Fund Allocations

The Government has allocated \$21 million from the Investment Attraction Fund over the forward estimates, consisting of:

- \$20 million to provide grants through an agile investment mechanism, allowing the State to capitalise on opportunities to secure industry projects that are highly attractive and competitive; and
- \$1 million to increase the investment-readiness of industry, encouraging and enabling businesses to attract private sector investment.

Payment to Pilbara-based Aboriginal Corporation

The Department will administer a payment on behalf of Government to a Pilbara-based Aboriginal Corporation of \$1.5 million in 2024-25, in relation to an existing land agreement.

Scitech Exhibition Boost

An additional \$1 million has been approved in 2025-26 to support new exhibits at Scitech to inspire the next generation of skilled STEM workers and innovators.

Creative Industries, Tourism and Sport

Election Commitments

Sport and Recreation Infrastructure Package

To improve community sport and recreation facilities across the State, the Government will provide \$93 million of grants to community sporting organisations and local government authorities over 2025-26 and 2026-27 to deliver the first tranche of the Sport and Recreation Infrastructure Package.

A further \$20 million has also been approved as capital expenditure over 2025-26 to 2028-29 to begin the development of the Malaga Sports Precinct (see Chapter 6).

Community Sports and Recreation Commitments

A further \$71.9 million will be spent over the forward estimates on grants to improve sporting infrastructure, including the construction of new facilities, club and lighting upgrades, and other minor infrastructure upgrades. Projects include the Port Hedland Aquatic Facility, Warwick Stadium Basketball Courts, Leschenault Leisure Centre, and the Binar Community Sport Hub.

Women's Sport Boost

The Department will spend an additional \$29.9 million over 2025-26 to 2028-29 to encourage more women and girls to participate in community sport, comprising:

- \$23.9 million over 2026-27 to 2028-29 in grants provided to community sporting organisations for changeroom upgrades, equipment and events, including GBSC Sports Park, Joondalup Sports Association, and Ellenbrook Open District Space; and
- \$6 million over 2025-26 to 2028-29 (\$1.5 million per annum) to establish a Boosting Women and Girls' Participation in Sports program to drive more grass-roots participation from women and girls. This funding will allow local clubs and associations to upgrade facilities, buy equipment, travel to competitions, and run try-out and registration events to promote their sports and attract new players.

Small Commitments

The Government will spend an additional \$20.5 million in 2025-26 to facilitate the delivery of a number of one-off small grant initiatives to community organisations and local government authorities.

Community Facilities and Infrastructure Commitments

The Government will spend \$20.1 million over 2025-26 to 2027-28 to fund community facilities and infrastructure upgrades through the provision of grants to community organisations and local government authorities. This includes culturally and linguistically diverse community centres (including construction and upgrades for the Chung Wah Community Centre, Vietnamese Community Cultural Centre, and Indian Society of WA Community Centre), as well as arts and culture facilities (including the Hamersley Community Hub, and Atwell Commons).

Motorsport Package

As part of the Government's commitment to grass-roots motorsport in Western Australia, \$9.9 million over 2026-27 and 2027-28 will be invested in infrastructure and medical facility upgrades, comprising:

- \$5.3 million in 2026-27 for infrastructure upgrades to racetracks, kart clubs, motorcross facilities, and speedways across Western Australia, including Hurricane Go Kart Club, Tiger Kart Club, Bunbury Speedway, and Bunbury Motorcross;
- \$3 million in 2027-28 to establish a new off-road vehicle area in Kwinana, to replace the current site in Medina;

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- \$1.3 million in 2026-27 to upgrade medical facilities at all 13 Karting WA clubs (\$100,000 per club); and
- \$300,000 for administration costs to deliver the package.

As part of the package, a further \$7.8 million in capital expenditure funding will be provided to VenuesWest over 2026-27 to 2027-28 to deliver a new Winged Outlaw Kart track, LED lighting, and clubroom upgrades at the Kwinana Motorplex (see Western Australian Sports Centre Trust, Chapter 6).

Swan Valley and Perth Hills Tourism Package

To support the tourism and hospitality industries in the Swan Valley and Perth Hills, \$7.4 million will be spent over the forward estimates to deliver new tourism attractions and undertake marketing activities. New attractions include a mega mural in Pickering Brook, a sculpture trail, and a soft adventure attraction.

Kids Access All Areas

The Department will spend \$3.1 million over 2025-26 and 2026-27 to establish a Kids Access All Areas Pass. The pass will provide 50,000 vouchers for children aged between five and 15 (up to a value of \$50 per child) to subsidise the cost of tickets to events at up to 120 arts, cultural and creative venues across the State, including, Scitech, the Western Australian Museum, the Maritime Museum, Albany Entertainment Centre, and the State Theatre Centre.

Live Music Support Package

The Government will spend \$2.8 million over 2025-26 to 2028-29 to support the Western Australian music industry, including an uplift to the Contemporary Music Fund of \$375,000 per annum (\$1.5 million), the development of a WA Gig Guide (\$750,000), and investment in West Australian Music (WAM) Week and WAM Fest (\$500,000).

Backroads Gravel: Fields of Gold Event

The Government has committed \$450,000 over 2025-26 to 2027-28 to support the Backroads Gravel: Fields of Gold running and cycling event in the Mid-West, with the cost to be met from within the Department's existing budget allocation.

Other Spending

National Rugby League (NRL) – Perth Bears and Grass-Roots Development

The Government will provide \$60 million in grants over the next seven years to support the establishment of a Perth-based NRL club from the 2027 NRL season, as well as the grass-roots development of the sport in Western Australia.

Under the accounting standards, the funding agreement between the State and NRL requires an upfront (non-cash) expense recognition of \$50.8 million and associated (non-cash) interest expense across the forward estimates (which reflects a net present value calculation of the \$60 million in grants over the seven years). In cash terms, the \$60 million in grants will be provided as \$5 million paid each year from 2025-26 to 2031-32 to support grass-roots development of the sport in Western Australia, with a further \$5 million per year commencing in 2027-28 to support the establishment of the new club.

Department of Creative Industries Tourism and Sport (DCITS) Service Delivery

An additional \$21.2 million will be spent in 2025-26 to support the resources and staffing for the continued delivery of services.

Western Australian Cricket Association (WACA) Ground Improvement Project

The Department will spend a further \$15 million in 2024-25 to meet additional costs associated with the WACA Ground Improvement Project, which will service the inner-city community, deliver a community aquatic facility and support cricket across all levels. This takes the State's contribution to a total of \$104.9 million for the project.

Lotteries Commission Act 1990 Payments Update

The Department has allocated a further \$15.9 million to arts and sporting groups over 2025-26 to 2028-29 to reflect an uplift in Lotterywest revenue. In accordance with the *Lotteries Commission Act 1990*, a portion of Lotterywest games revenue is distributed to the arts and sport sectors.

Perth Film Industry – Targeted Industry Capacity Building Program

As part of the Government's commitment to build capacity in targeted areas of the Western Australia screen industry in preparation for the opening of the Perth Film Studios, the Department will spend a further \$5 million in 2025-26 to expand the Targeted Industry Capacity Building Program delivered by Screenwest.

KidSport

To assist eligible Western Australian children aged 5 to 18 years to participate in community sport, the Department will spend an additional \$4.8 million in 2025-26 (partially offset by the reflow of \$600,000 from 2024-25) to provide financial assistance of up to \$300 per eligible child under the KidSport program.

State Library of Western Australia Car Park Fire Protection Replacement

The Department will spend \$1.5 million in 2026-27 to replace the fire protection infrastructure at the State Library of Western Australia car park.

Cyber Security Enhancement Program

The Department will spend \$1.4 million in 2024-25 to support cyber security upgrades including undertaking security hardening and increasing data protection on the Department's corporate network.

Global Connections through Local Events

As part of the Government's commitment to diversify and strengthen the Western Australian economy, the Department will spend an additional \$900,000 in 2025-26 to support culturally and linguistically diverse community associations to deliver business forums and cultural festivals.

Primary Industries and Regional Development

Election Commitments

Community Facilities and Infrastructure Commitments

To implement the Government's commitments, \$44.4 million over 2025-26 to 2027-28 has been allocated towards grants to local governments and other external organisations for community facilities and infrastructure commitments, including:

- construction of up to 40 two-bedroom units at the Pringle Village Seniors' Independent Living facility in Kalgoorlie;
- development of the Newman Youth and Community Hub, which will integrate youth and community services into a single, central location;
- delivery of the Water Lily Place Affordable Housing Project, which will provide 14 affordable rental dwellings for key workers in Kununurra;
- development of a Youth Hub and basketball facility at the Marra Worra Worra Night Place – Fitzroy Crossing; and
- upgrades to amenities and recreational facilities at various regional locations, including North Pinjarra Park, the Edenvale Heritage Precinct, Turkey Point, and Dalyellup Beach.

Outdoor Adventure Package

An additional \$21 million Outdoor Adventure Package (including capital investment of \$6.4 million; see Chapter 6) has been approved for several agencies to deliver projects to drive regional tourism across Western Australia and support local jobs and businesses. This package includes:

- \$5 million for Stage One of the Jarrahdale Trails Centre, which will provide a new hub for the growing trails tourism industry in Serpentine-Jarrahdale;
- \$3.5 million in capital expenditure for the Department of Biodiversity, Conservation and Attractions (DBCA) to deliver upgraded facilities at Williams Bay National Park, including pedestrian access to Elephant Rocks and Greens Pool and to realign the Munda Biddi trail;

- \$3 million to undertake works to increase the marron population and boost recreational fishing opportunities at Harvey, Logue Brook, and Wellington Dams in the South West region;
- \$2.9 million in capital expenditure for DBCA to expand the kiosk and undertake water and electrical upgrades to facilities at Wellington National Park;
- \$2 million towards the construction of the Quinns Rocks universal access fishing platform at Mindarie;
- \$1.7 million for the Department of Creative Industries, Tourism and Sport (DCITS) to deliver a mountain bike trail in the Kalgoorlie area;
- \$1.5 million for DCITS to create a new walking and cycling path from Serpentine town to the Serpentine National Park;
- \$1 million for DCITS to support the delivery of a new 45-kilometre spur trail off the Munda Biddi Track;
- \$200,000 for the Department of Transport towards planning for an all-abilities fishing jetty in Albany; and
- \$200,000 to increase the Government's annual contribution towards the Fishability Program, which provides free fishing experiences for people with disability in Western Australia.

RSPCA – Inspectorate Services – Funding Boost

The Government has committed additional grant funding of \$22.7 million over 2024-25 to 2028-29 to the RSPCA for the provision of animal care, rehabilitation, veterinary, and inspectorate services.

Small Commitments

The Government will spend an additional \$16.4 million in 2025-26 towards various small grants to local governments and other external organisations to upgrade facilities, purchase equipment, and support regional development activities.

Wine Industry Export Growth Partnership

The Department will spend an additional \$6 million over 2025-26 to 2028-29 to more than double the Government's annual contribution to the Wine Industry Export Growth Partnership, which aims to build the capacity and international competitiveness of Western Australia's fine wine regions and support the growing agritourism sector.

Animal Welfare – Small Grants Program Extension

The Government has committed an additional \$2 million over 2025-26 and 2026-27 to continue the Animal Welfare – Small Grants Program, which provides grants of up to \$50,000 for initiatives that support the welfare of companion animals and wildlife in Western Australia.

Advanced Biofuels Strategy

The Department will spend an additional \$1.1 million over 2025-26 and 2026-27 to deliver an Advanced Biofuels Strategy to support industry to develop renewable fuel projects in Western Australia.

Other Spending

Biosecurity Incident and Emergency Responses

The Department will spend an additional \$62.6 million over 2024-25 to 2027-28 on biosecurity incident and emergency management response activities. This includes:

- \$16.8 million in 2024-25 for State biosecurity incident and emergency responses, including for Queensland fruit fly, red dwarf honey bee, and common starling responses;
- \$9.5 million over 2024-25 to 2027-28 for Western Australia's contribution to national biosecurity incident and emergency responses (under national cost-sharing arrangements), including for responses to Khapra Beetle, Electric Ant, and High Pathogenicity Avian Influenza;
- an additional \$6.3 million for the 2024-25 National Polyphagous Shot Hole Borer (PSHB) Response Plan, with a significant portion of this expenditure expected to be recoverable from other jurisdictions under national cost-sharing arrangements;
- an estimated \$26.5 million for the proposed 2025-26 National PSHB Response Plan, with final expenditure and national cost-sharing arrangements subject to ongoing negotiations; and
- an additional \$3.6 million in 2025-26 to continue the Department's Enhancing Biosecurity Preparedness and Response program.

Regional Roads Australia Mobile Program

The Department will spend \$8 million over 2024-25 to 2026-27, funded by the Commonwealth Government, to participate in a national pilot program focusing on improving multi-carrier mobile coverage along Western Australia's regional highways.

ICT Expenses

The Department will spend an additional \$6 million in 2024-25 to meet higher than budgeted expenditure on ICT, including computer software licence fees, and registration and data storage costs.

Transforming Bunbury's Waterfront – Stages 2B and 3

The Government has committed an additional \$5.9 million in 2025-26 to complete construction of Stage 2B of the Transforming Bunbury's Waterfront project (\$5.7 million), which is being delivered by DevelopmentWA, and to undertake environmental modelling and design works for the Koombana Bay Breakwater as part of Stage 3 (\$218,000).

Allanson Farm Shop Restaurant and Caravan Park

The Government has committed \$4 million in 2025-26 from the Collie Industry Attraction and Development Fund towards the delivery of the Allanson Farm Shop Restaurant and Caravan Park project to provide an opportunity for local producers to supply products and services through a 'paddock to plate' model in the Collie townsite region.

Western Australian Telecommunications Resilience Pilot Program

The Department will spend an additional \$2 million in 2025-26, funded by the Commonwealth Government, to establish a Western Australian Telecommunications Resilience Pilot Program in the Wheatbelt and Western Goldfields, which seeks to improve mobile telecommunications service continuity during extended power outages.

Mines, Petroleum and Exploration

Election Commitments

Exploration Incentive Scheme

The Government will invest an additional \$6.8 million over 2025-26 to 2028-29 to increase the annual Exploration Incentive Scheme grant program to \$18 million per annum to promote activities such as drilling, geophysics and energy analysis. This is supported by additional capital expenditure of \$2.5 million in 2025-26 to purchase specialist equipment (see Chapter 6).

Other Spending

Mining Rehabilitation Fund (MRF) – Abandoned Mines Program (AMP)

Additional expenditure of \$50.9 million over 2025-26 to 2028-29 has been approved to address priority safety works under the AMP five-year plan. This expenditure is fully funded from the MRF Special Purpose Account and is partially offset by increased revenue of \$25.6 million over the same period generated from interest income (\$10.6 million) and MRF Levy collections (\$15 million).

This expenditure includes committed contract arrangements and associated administrative costs, which are mainly attributable to the in-progress Ellendale project and the Safer Shafts for Towns program.

Establishment of the Department of Mines, Petroleum and Exploration (DMPE)

To facilitate the establishment of the DMPE, \$7.1 million will be spent over 2025-26 to 2028-29 on additional resources to support the Director General and provide administrative and project coordination support to enable delivery of the DMPE's functions.

Carbon Capture, Utilisation and Storage (CCUS)

The Department will spend \$1.7 million in 2025-26 to facilitate and implement the CCUS industry legislative framework for the transportation and storage of greenhouse gas, and cater for the introduction of the CCUS industry.

Gold Corporation

State Battery Safety Program

The Gold Corporation will spend an additional \$3.6 million in 2025-26 to continue work to assess and mitigate immediate risks associated with 22 State Battery sites.

Western Australian Meat Industry Authority

Muchea Livestock Centre – Maintenance

The Western Australian Meat Industry Authority will spend an additional \$250,000 in 2025-26 to undertake increased preventative maintenance and repairs at the Muchea Livestock Saleyard to ensure the safety of the facility for employees and users.

Small Business Development Corporation

Election Commitments

Small Business Growth Grants

The Corporation will receive \$1.3 million in 2025-26 to deliver the Small Business Growth Grants program, which supports small business owners developing opportunities to expand their businesses.

Other Spending

Board Member Remuneration

The Corporation will spend \$528,000 over 2025-26 to 2028-29 to align board member remuneration with broader public sector rates.

Economic Regulation Authority

Organisational Restructure

The Authority will spend \$2.2 million over 2025-26 to 2028-29 for two senior executive staff to assist with managing additional responsibilities as part of the Government's Energy Transformation Strategy.

Forest Products Commission

Australian Carbon Credit Units

The Forest Products Commission (FPC) expects to receive Australian Carbon Credit Units (ACCUs) from the Clean Energy Regulator, with an estimated value of \$6.3 million over the forward estimates period. To account for the ACCUs as assets on the balance sheet, FPC must also record non-cash revenue from the Commonwealth of an equal value. As this non-cash revenue is channelled through the general government sector, general government revenue and expenses increase by \$6.3 million.

Burswood Park Board

Property Services

The Burswood Park Board will spend an additional \$175,000 per annum from 2024-25 to maintain the Great Eastern Highway median strip in front of Burswood Park and surrounds through to the causeway on behalf of Main Roads Western Australia.

HEALTH

Table 5

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| WA HEALTH | | | | | |
| Election Commitments | | | | | |
| – Older Adult Care Hubs and WA Virtual ED Expansion | - | 25.5 | 23.6 | 9.9 | 1.5 |
| – Perth Biomedical Precinct | - | 5.0 | 17.0 | 13.0 | 5.0 |
| – Patient Assisted Travel Scheme Increase | - | 4.6 | 4.6 | 4.7 | 4.7 |
| – Specialist Care – GP ASK Pilot Program | - | 5.0 | 3.2 | - | - |
| – Clinical Trial Partnering with Pharma and Attracting Industry Incentives | - | 2.0 | 2.0 | 2.0 | - |
| – Attention Deficit Hyperactivity Disorder Support Services | - | 1.2 | - | - | - |
| – Sexual Health Quarters Day Procedure Centre at Cockburn ^(a) | - | - | 1.2 | - | - |
| – Dementia Action Plan | - | 1.0 | - | - | - |
| – Australian Breastfeeding Association WA | - | 0.1 | 0.2 | 0.2 | 0.3 |
| – Small Commitments | - | 0.7 | - | - | - |
| Other Spending | | | | | |
| – Hospital Services ^(b) | 202.6 | 626.4 | - | - | - |
| – Public Sector Wages Policy | 52.2 | 99.7 | 145.2 | 154.1 | 158.0 |
| – Contracted Services Uplift | 12.8 | 33.6 | 8.8 | 1.2 | - |
| – Microsoft Enterprise Agreement | - | 10.5 | - | - | - |
| – Country Nursing and Midwifery Incentive Program | - | 9.2 | 0.6 | - | - |
| – Respiratory Syncytial Virus Immunisation Program | - | 7.3 | 0.2 | - | - |
| – Syphilis Outbreak Response | - | 3.6 | 3.7 | - | - |
| – Digital Capability Fund – Public Health ICT | - | 5.7 | - | - | - |
| – ‘Time to Think’ Program | - | 4.9 | - | - | - |
| – Emergency Access Reform | - | 4.5 | - | - | - |
| – Dampier Peninsula Clinics transition to Kimberley Aboriginal Medical Services | - | 0.5 | 0.3 | 1.2 | 1.4 |
| – Medical Respite Centre | - | 2.1 | - | - | - |
| – Enhanced Access Community Pharmacy Pilot Project | - | 1.3 | - | - | - |
| – Interagency Computer Aided Dispatch System – Business Case ^(c) | - | 0.2 | - | - | - |
| MENTAL HEALTH COMMISSION | | | | | |
| Election Commitments | | | | | |
| – Infants, Children and Adolescents Taskforce | | | | | |
| – Ngala Residential Parenting Service | - | 5.7 | 10.8 | 11.2 | 11.7 |
| – Acute Care and Response Team Bunbury | - | 2.3 | 3.7 | 3.8 | 4.0 |
| – Virtual Infant, Child and Adolescent Mental Health Service Hub | - | 2.2 | 3.2 | 3.3 | 3.4 |
| – Great Southern Drug and Alcohol Rehabilitation Centre | - | 1.5 | 3.5 | 3.6 | 3.7 |
| – Kalgoorlie Step Up/Step Down | - | - | 3.2 | 3.3 | 3.4 |
| – Residential Eating Disorder Facility | - | 0.5 | 2.0 | 2.5 | - |
| – Kimberley Health Initiatives ^(a) | - | 1.5 | 1.6 | 0.8 | 0.9 |

Table 5 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| Other Spending | | | | | |
| – Public Sector Wages Policy | 6.3 | 12.3 | 17.9 | 19.0 | 19.5 |
| – Active Recovery Team Extension | - | 11.3 | - | - | - |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | 0.5 | - | - | - |
| HEALTH AND DISABILITY SERVICES COMPLAINTS OFFICE | | | | | |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | 0.1 | - | - | - |

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

(b) This includes spending for the Mental Health Commission.

(c) See Western Australia Police Force.

Note: Rows may not add due to rounding.

WA Health

Election Commitments

Older Adult Care Hubs and WA Virtual ED Expansion

The Government has committed a total of \$60.5 million over 2025-26 to 2028-29 to expand the WA Virtual ED (WAVED) initiative, incorporating a new partnership with Healthdirect Australia to allow referral of telehealth services to WAVED, a new ‘WAVED for Kids’ paediatric service for families, and direct admission to hospital in the home services.

The Government will also launch three ‘Integrated Older Adult Care Hubs’ to pilot a new, nation-leading model of care that will deliver care closer to home and reduce the risk of hospitalisation for older adult patients.

The investment will also support the continuation and expansion of the Residential Care Line, which is a nurse practitioner-led service that supports staff and older adults in Residential Aged Care Facilities to manage the care of older patients and minimise the need for transfer to acute hospital services.

Perth Biomedical Precinct

The Government has committed \$40 million from 2025-26 to 2028-29 (and an additional \$10 million in 2029-30) to support Perth’s newly established biomedical hub by providing grants to assist the co-location of world-leading medical manufacturers.

Patient Assisted Travel Scheme Increase

To further assist regional Western Australians with cost of living pressures, an additional \$18.5 million will be spent over the forward estimates period to increase the Patient Assisted Travel Scheme fuel subsidy rate from \$0.26 per kilometre to \$0.40 per kilometre.

Specialist Care – GP ASK Pilot Program

The Government has allocated \$8.2 million over 2025-26 and 2026-27 to fund an 18-month pilot of 'GP ASK', allowing General Practitioners (GPs) to communicate directly with a specialist on behalf of their patients. The pilot will assist GP patients by avoiding referral to a specialist or emergency department, and will assist regional patients to connect with specialist advice through their GPs without having to travel to Perth.

Clinical Trial Partnering with Pharma and Attracting Industry Incentives

The Government has allocated \$6 million over 2025-26 to 2027-28 to boost Western Australia's clinical trials capacity and capability by establishing central coordination teams within multiple Hospital Service Providers throughout the State.

Attention Deficit Hyperactivity Disorder Support Services

The Government has committed \$1.2 million in 2025-26 to Attention Deficit Hyperactivity Disorder (ADHD) WA, which will support provision of information and wraparound services for children and adolescents living with ADHD, as well as their parents and carers.

Dementia Action Plan

The Government has allocated \$1 million to implement the State's first Dementia Action Plan to improve outcomes for people living with dementia and their families. This includes a grant allocation to Alzheimer's WA to deliver training to hospital staff in managing patients with dementia.

Australian Breastfeeding Association WA

The Government has allocated an \$850,000 grant to the Australian Breastfeeding Association WA across 2025-26 to 2028-29, to support new mothers through breastfeeding education classes, training for student health professionals, and local parent groups in metropolitan and regional areas.

Small Commitments

The Government has committed \$692,000 in 2025-26 to deliver a range of facility and equipment upgrades that will improve community access and healthcare services.

Other spending

Hospital Services

This Budget includes additional spending of \$828.9 million over 2024-25 and 2025-26 on hospital services, building on the \$2.1 billion uplift previously included in the 2024-25 Budget and Mid-year Review. This reflects higher hospital activity and the continuation of funding for additional workforce resourcing and other cost pressures.

The Government has also allocated funding to support the ongoing implementation of Nurse/Midwife-to-Patient Ratios across metropolitan medical and surgical wards, and the expansion of the Hospital in the Home Program.

Investment into health and mental health reflects the Government's commitment to significantly expand the capacity of the public health system. Since June 2017, the health workforce has grown by more than 40%, to meet new demand (reflecting growth in the State's population) and to support the delivery of safe and high-quality services. Growth in the workforce over this period includes almost 5,600 new nurses and 2,300 new doctors.

Contracted Services Uplift

Spending on services delivered to the community will increase by \$56.5 million over 2024-25 to 2027-28 to enable WA Health to meet its contractual obligations, particularly for patient transport, ambulance services, and in-home health care, reflecting updated cost and volume indexation under various agreements.

Microsoft Enterprise Agreement (MEA)

The Government has invested an additional \$10.5 million in 2025-26 to continue support for critical ICT licenses and servers used to support the delivery of health services, with increased spending reflecting higher licensing and security support costs.

Country Nursing and Midwifery Incentive Program

To support the delivery of the Country Nursing and Midwife Incentive Program, an additional \$9.8 million will be spent over 2025-26 and 2026-27 on temporary Nurse and Midwife Attraction and Retention Incentives.

Respiratory Syncytial Virus Immunisation Program

To continue the Respiratory Syncytial Virus (RSV) Immunisation Program for the 2026 season, the Government has allocated \$7.6 million across 2025-26 and 2026-27. This funding will support the immunisation of eligible newborns and children and reduce the number of RSV cases and hospitalisations.

Syphilis Outbreak Response

To maintain the statewide response to control the outbreak of syphilis among at-risk populations, the Government has committed \$7.3 million over 2025-26 and 2026-27.

Digital Capability Fund – Public Health ICT

The Government will spend \$5.7 million in 2025-26 to continue its support for the critical public health ICT systems needed to manage and prepare for future pandemics and communicable disease threats.

'Time to Think' Program

To further assist in the transition of long stay older patients from hospital to aged care placement, the Government will spend an additional \$4.9 million in 2025-26 on contracting and operationalising a further 30 *Time to Think* beds and extending the current 35 approved beds from the existing pilot to 30 June 2026. This takes the Government's total commitment to this initiative to \$9.9 million for 65 beds.

Emergency Access Reform

The Government will spend an additional \$4.5 million in 2025-26 to continue the delivery of system reform initiatives as part of the Emergency Access Reform program.

Dampier Peninsula Clinics transition to Kimberley Aboriginal Medical Services

To support the transition of the Dampier Peninsula Clinics from the WA Country Health Service to Kimberley Aboriginal Medical Services (KAMS), the Government has allocated \$3.4 million over 2025-26 to 2028-29. This transition supports the provision of expanded holistic, culturally appropriate health services under the KAMS' model of care.

Medical Respite Centre

The Government has committed \$2.1 million in 2025-26 for the continuation of the Medical Respite Centre, which provides people experiencing homelessness with post-acute care during their recovery from illness or injury.

Enhanced Access Community Pharmacy Pilot Project

The Government has allocated \$1.3 million in 2025-26 to support the implementation of the Enhanced Access Community Pharmacy Pilot Project. This project is delivering on the Government's commitment to a new expanded role for community pharmacists, enabling them to provide treatment to patients for a range of common and mild conditions.

Mental Health Commission

Election Commitments

Infants, Children and Adolescents (ICA) Taskforce

Building on the Government's commitment to address the recommendations of the ICA Taskforce report, an additional \$65.5 million will be spent over the forward estimates period, bringing the total investment in ICA initiatives to \$209.1 million. The following initiatives form part of the Government's latest response:

- \$39.5 million over 2025-26 to 2028-29 to partner with Ngala to deliver no-cost public access to the Ngala Residential Parenting Service, providing mental health, early intervention and prevention support to families across Western Australia;
- \$13.8 million over 2025-26 to 2028-29 to establish a mental health child and adolescent Acute Care and Response Team in Bunbury. These mobile teams provide rapid response care services to children and adolescents experiencing a mental health crisis; and
- \$12.2 million over the forward estimates period to provide a Virtual Mental Health Service Hub to support children and their families across rural and remote Western Australia.

Great Southern Drug and Alcohol Rehabilitation Centre

The Government will spend \$12.4 million over 2025-26 to 2028-29 to establish an adult Alcohol and Other Drugs residential rehabilitation treatment service in Albany for the Great Southern region.

Kalgoorlie Step Up/Step Down

The Government has allocated \$9.9 million over 2026-27 to 2028-29 to transfer the operation of the Kalgoorlie Step Up/Step Down service from the non-government organisation that currently delivers the service to the WA Country Health Service when the current contract expires in mid-2026. This service provides short-term residential mental health support for people who are either becoming unwell and at risk of being admitted to hospital, or leaving hospital but in need of extra support to transition back into the community.

Residential Eating Disorder Facility

To deliver a Residential Eating Disorder Facility, an initial \$5 million over 2025-26 to 2027-28 will be spent on planning and developing partnerships with potential service providers.

Other Spending

Active Recovery Team Extension

A further \$11.3 million in 2025-26 has been approved for a 12-month extension to the Active Recovery Team Pilot. As part of the Government's Emergency Department reform initiatives, these multi-disciplinary teams currently operate across nine sites and provide tailored mental health treatment in the community for acute and complex presentations.

EDUCATION AND TRAINING

Table 6

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| EDUCATION | | | | | |
| Election Commitments | | | | | |
| – 2025 WA Student Assistance Payment | 86.9 | 1.0 | - | - | - |
| – Small Commitments | - | 32.8 | - | - | - |
| – School Breakfast Program Expansion | - | 3.9 | 8.0 | 8.1 | 8.4 |
| – Expanding Four Year-old Kindergarten ^(a) | - | 1.4 | 4.4 | 5.6 | 5.6 |
| – Supporting School Canteens | - | 2.5 | 2.5 | 2.5 | 2.5 |
| – Remote Schools Infrastructure Program | - | 2.0 | 2.0 | 2.0 | 2.0 |
| – Country Week Assistance Program | - | 1.9 | 1.9 | 2.0 | 2.1 |
| – New Schools and Maintenance Vision | | | | | |
| – Major Upgrades | - | 1.5 | 1.5 | - | - |
| – New Schools ^(b) | - | 0.4 | - | - | - |
| – Boosting Before and After School Care in Schools ^(b) | - | 0.5 | 0.5 | 0.5 | 0.5 |
| Other Spending | | | | | |
| – Student Enrolment Growth ^(c) | 48.9 | 148.7 | 156.8 | 161.4 | 170.9 |
| – School Maintenance | 64.9 | 30.0 | - | - | - |
| – Centrally Managed School Services | 79.1 | - | - | - | - |
| – RiskCover Fund Insurance Premiums | - | 60.9 | - | - | - |
| – Education Assistants – Advanced Special Needs Classification ^(d) | 4.7 | 7.0 | 8.0 | 8.2 | 8.5 |
| – Grants to Non-Government Schools | 1.4 | 4.9 | 3.0 | -2.1 | 13.8 |
| – Public Sector Wages Policy ^(d) | 2.0 | 4.0 | 4.4 | 4.7 | 4.8 |
| – Minor Works | - | 6.5 | 8.6 | 1.7 | 1.9 |
| – Better and Fairer Schools Agreement Initiatives ^(e) | 3.1 | 10.4 | 1.4 | 1.4 | 1.5 |
| TRAINING AND WORKFORCE DEVELOPMENT | | | | | |
| Election Commitments | | | | | |
| – Group Training Organisation Wage Subsidy Program | - | 4.4 | 6.3 | 6.8 | 7.6 |
| – Fee-Free TAFE – Housing and Construction | - | 3.7 | 7.3 | 7.3 | 3.7 |
| – AUKUS Defence Industry Incentive Scheme | - | 5.7 | 3.4 | 2.2 | 0.2 |
| – Adult Apprentice Incentive | 0.3 | 1.6 | 1.7 | 2.4 | 2.4 |
| – New Heavy Vehicle Driver Training Facility ^(b) | - | 0.8 | 1.5 | 1.6 | 0.8 |
| – Investing in Modern Equipment for TAFEs ^(b) | - | 0.4 | 0.4 | 0.4 | 0.4 |
| – Munster TAFE Expansion ^(b) | - | 0.1 | - | - | - |
| – Collie Job Matching App ^(e) | - | 0.6 | - | - | - |
| Other Spending | | | | | |
| – Training Demand and Fee-Free TAFE Settings ^(e) | - | 50.0 | 50.0 | - | - |
| – Construction Visa Subsidy Program and Construction Migration Office | - | 4.4 | 6.6 | 0.7 | 0.7 |
| – GTO Wage Subsidy Program – BHP Community Fund | 0.1 | 0.9 | 1.1 | 1.2 | 1.6 |
| TAFE COLLEGES | | | | | |
| – International Student Enrolment Forecasts | -0.1 | -2.7 | -4.7 | -7.0 | -6.3 |

Table 6 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD | | | | | |
| – 2025-26 Operational Plan | -3.1 | 29.2 | 21.3 | 24.1 | 27.5 |

(a) See Department of the Premier and Cabinet.

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

(c) Includes a reallocation of \$30.3 million of existing expenditure toward the School of Isolated and Distance Education.

(d) Funded from Treasury's global Public Sector Wages Provision.

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

Note: Rows may not add due to rounding.

Education

Election Commitments

2025 WA Student Assistance Payment

A second round of the WA Student Assistant Payment is underway, with an additional \$88.7 million (including \$844,000 to the Department of Premier and Cabinet for ServiceWA support) to be spent over 2024-25 and 2025-26. This will provide payments of \$150 for kindergarten and primary school students and \$250 for secondary school students to assist families with school expenses and cost of living pressures.

Small Commitments

The Government has committed an additional \$32.8 million in 2025-26 to provide contributions towards facility and equipment upgrades to more than 500 schools across Western Australia.

The program will deliver a range of improvements to both public and non-government schools, including refurbishments to playgrounds and sporting facilities, assembly area upgrades, and new sporting and classroom equipment.

School Breakfast Program Expansion

The Government will invest an additional \$28.5 million over 2025-26 to 2028-29 to expand the School Breakfast Program from two to five days per week for schools currently participating in the program, and to expand the program to additional schools under broadened socio-economic eligibility criteria. The program will be available at over 670 locations under the expanded program.

Supporting School Canteens

To enhance the capacity of school canteens to provide healthy and affordable lunches, additional expenditure of \$10 million has been committed over the forward estimates period for grants to public schools to employ staff, purchase equipment, and upgrade canteen kitchen facilities.

Remote Schools Infrastructure Program

In recognition of the important role non-government schools play in delivering education services in remote areas of regional Western Australia, the Government has allocated \$8 million over 2025-26 to 2028-29 towards infrastructure upgrades in the form of grants to non-government schools across the Kimberley region.

Country Week Assistance Program

The Government will spend \$8 million over 2025-26 to 2028-29 to reduce the cost of attending Country Week events for students and their families. The program will provide financial support to schools (depending on their distance to Perth), enabling schools to contribute towards accommodation and travel costs for regional high school students attending the annual multisport event.

New Schools and Maintenance Vision – Major Upgrades

As part of the commitment for the New Schools and Maintenance Vision, \$3.9 million will be spent over 2025-26 to 2026-27 to progress planning activities towards 17 major school upgrade projects, including \$900,000 in asset investment for detailed planning and design (see Chapter 6). An investment decision for these projects will be made at a future date once further planning is completed.

Other Spending

Student Enrolment Growth

Spending on public schools has increased by \$686.6 million over 2024-25 to 2028-29, reflecting an upward revision in mainstream student enrolments of 1.4% in 2025.

This includes an update to forecast spending based on student characteristics such as the number of students with disability, eligible students who speak English as an additional language or dialect, and students enrolled in the School of Isolated and Distance Education.

School Maintenance

The Government will spend an additional \$94.9 million over 2024-25 and 2025-26 to address high priority breakdown repairs, faults, and minor remediation works at public schools across the State.

Centrally Managed School Services

The Government will spend a further \$79.1 million on centrally managed school staff services in 2024-25, including \$65.4 million to meet the costs of higher than anticipated leave taken by school staff, and \$13.7 million to address increased costs of relocating staff to regional schools.

Education Assistants – Advanced Special Needs Classification

Reflecting actual and forecast numbers of Education Assistants progressing to the Advanced Special Needs classification introduced under the Education Assistants' (Government) General Agreement 2023, spending will increase by a total of \$36.4 million from 2024-25 to 2028-29.

Grants to Non-Government Schools

Grants to non-government schools have been revised up by \$21.1 million over 2024-25 to 2028-29, largely due to higher than forecast enrolments in Semester 1, 2025 and the State's funding obligations under the Commonwealth Better and Fairer Schools Agreement.

Minor Works

To address health and safety risks in public schools, an additional \$29.6 million will be invested over 2025-26 to 2028-29 (\$18.7 million in recurrent and \$10.9 million in capital – see Chapter 6). Focus areas include electrical safety, drinking water, plasterglass ceiling remediation, and fire services compliance.

Better and Fairer Schools Agreement Initiatives

The Government will spend \$17.9 million to 2028-29 (\$19.5 million to 2029-30) through the Commonwealth Better and Fairer Schools Agreement on priority initiatives, including:

- continued efforts to attract international teachers to Western Australia through the extension of a targeted recruitment program, which provides financial support for relocation and visa costs, as well as culturally sensitive induction programs (\$10.2 million over 2024-25 and 2025-26);
- ongoing use of the Brightpath software tool to support student assessment and reporting of academic growth across key areas of the school curriculum (\$5.6 million to 2028-29, \$7.2 million to 2029-30); and
- the development of a long-term strategic workforce plan to attract local students and transition students to full time teachers (\$2.1 million over 2024-25 and 2025-26).

Training and Workforce Development

Election Commitments

Group Training Organisation Wage Subsidy Program

To continue the successful Group Training Organisation (GTO) Wage Subsidy Program, \$25.2 million will be spent over 2025-26 to 2028-29 (with a further \$1.8 million in 2029-30) to provide an additional 225 places, increasing the total to 1,000 subsidised places.

These additional places comprise 150 at a 75% subsidy and 75 at 100% subsidy for priority cohorts. The program supports the building and construction sector by subsidising the cost of apprentices and trainees employed by GTOs and hosted out to businesses in the sector.

Fee-Free TAFE – Housing and Construction

The Government will spend \$21.9 million over 2025-26 to 2028-29 to expand Fee-Free TAFE, with an additional seven building and construction courses for the 2026, 2027 and 2028 training years. The course list will continue to be adjusted based on demand and industry need.

AUKUS Defence Industry Incentive Scheme

To effectively position the State's workforce to meet the needs of the defence sector, a total of \$11.5 million will be spent over 2025-26 to 2028-29 to support new apprentices to train and secure jobs in this industry. This initiative will include a focus on the delivery of the skills required to support the AUKUS program in Western Australia.

The scheme comprises an additional 435 defence-related training places, and a \$20,000 Defence Employer Incentive paid to employers to incentivise them to engage apprentices and trainees.

Adult Apprentice Incentive

Over 2024-25 to 2028-29, \$8.5 million (and a further \$6.1 million to 2032-33) will be spent to reintroduce the Adult Apprentice Incentive, providing an allocation of 100 places per annum over the next four years.

This initiative makes payments to employers to cover the wage gap cost for engaging apprentices who are 21 years and over, and will increase adult apprenticeship commencements, alleviating skill gaps and strengthening the State's skilled workforce.

Collie Job Matching App

In 2025-26, \$600,000 will be spent on the development of a Collie-specific job matching app to support the local workforce's transition away from the coal sector into new industries.

Other Spending

Training Demand and Fee-Free TAFE Settings

The Government remains committed to the growth and development of the State's workforce capacity and mobility, with sustained high demand for training services being experienced under low and fee-free policy settings.

To meet this demand and continue to provide low and fee-free TAFE settings in 2026, an additional \$100 million will be spent over 2025-26 and 2026-27 for publicly subsidised Vocational Education and Training services, targeting priority sectors and cohorts to meet Western Australia's skills needs.

Construction Visa Subsidy Program and Construction Migration Office

The Construction Visa Subsidy Program and Build a Life in WA initiatives will be extended through an additional 1,100 places to continue attracting skilled building and construction professionals from interstate and overseas. This will be supported by additional spending of \$12.3 million over 2025-26 to 2028-29, and includes extension of the associated Construction Migration Office to assist applicants and employers during their progression in the program.

GTO Wage Subsidy Program – BHP Community Fund

In recognition of a contribution from BHP's Community Fund, \$5 million will be spent over 2024-25 to 2028-29 to provide an additional 35 places in the GTO Wage Subsidy Program for apprentices in the Goldfields region.

TAFE Colleges

International Student Enrolment Forecasts

Spending has been reduced by \$20.9 million across the Department of Training and Workforce Development and the TAFE Colleges, reflecting updated enrolment estimates that involve a moderation of growth in international student enrolments over the forward estimates period.

Building and Construction Industry Training Board

2025-26 Operational Plan

The Building and Construction Industry Training Board will increase total spending by \$99.1 million over 2024-25 to 2028-29, primarily due to:

- \$75.1 million for increased levels of grants and subsidies to employers, apprentices, and trainees in the construction sector;
- \$18.8 million for the associated administrative costs, ICT-related enhancements, and security; and
- \$1.5 million to support the Culture Standard initiative for the sector.

COMMUNITY SAFETY

Table 7

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| WESTERN AUSTRALIA POLICE FORCE | | | | | |
| Election Commitments | | | | | |
| – Hooning, CCTV and Retail Barring Package | - | 7.8 | 4.1 | 4.1 | 4.2 |
| – Police and Community Youth Centres (PCYC) – Sustainability and Programs | - | 3.9 | 3.9 | 1.4 | 1.4 |
| – Regional Police Officer Recruitment ^(a) | - | 0.3 | 0.3 | 0.3 | 0.1 |
| – Small Commitments | - | 0.5 | - | - | - |
| Other Spending | | | | | |
| – Police Services Expenditure | 28.5 | 51.9 | - | - | - |
| – Firearms Reform Program | | | | | |
| – Voluntary Buyback Scheme | 8.1 | 13.9 | - | - | - |
| – Digital Capability Fund – Firearms Licensing and Registry System | 2.7 | 1.9 | 1.1 | 1.0 | 1.0 |
| – Project Resourcing | 0.8 | 7.1 | 3.1 | - | - |
| – Interagency Emergency Services Radio Network | - | 5.2 | 11.5 | 0.5 | 0.5 |
| – Baldivis and Forrestfield Police Stations – Operating Costs | 0.2 | 1.4 | 1.4 | 1.5 | 1.6 |
| – Interagency Computer Aided Dispatch System – Business Case | - | 1.7 | - | - | - |
| – Mobile State Operations Command Centre – Operating Costs | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 |
| – Police Auxiliary Officer Recruitment Campaign | - | 0.1 | - | - | - |
| JUSTICE | | | | | |
| Election Commitments | | | | | |
| – Youth Crime Bail Reform Package | - | 1.0 | 3.0 | 3.1 | 3.2 |
| – Kununurra Night Space | - | 1.6 | 2.0 | 1.8 | - |
| – Small Commitments | - | 0.1 | - | - | - |
| Other Spending | | | | | |
| – Justice Services Expenditure | 37.5 | 47.7 | 51.3 | 39.4 | 48.6 |
| – RiskCover Fund Insurance Premiums | - | 71.8 | - | - | - |
| – Criminal Injuries Compensation Payments | 26.8 | - | - | - | - |
| – Implementation of the <i>Family Violence Legislation Reform Act 2024</i> | - | 5.5 | 4.5 | 4.5 | 4.6 |
| – Therapeutic Model of Care for Young People in Detention | - | 3.5 | 4.0 | 4.1 | 4.2 |
| – Justice Reform Initiatives | - | 3.7 | 3.8 | - | - |
| – Regional Court Security | - | 5.2 | 0.8 | 0.1 | - |
| – Commonwealth Legal Assistance Funding Agreements | 3.5 | -0.4 | 0.2 | 0.2 | 0.2 |
| – Adult Custodial Estate Expansion ^(a) | - | 3.3 | - | - | - |
| – Public Sector Wages Policy | 0.7 | 0.4 | 0.4 | 0.5 | 0.5 |
| – Digital Evidence Management System | - | 0.2 | 0.4 | 0.4 | 0.4 |
| – New Office of the Information Commissioner ^(b) | - | 0.3 | 0.3 | 0.3 | 0.3 |
| – Courts Infrastructure Planning | - | 0.7 | - | - | - |
| STATE SOLICITOR'S OFFICE | | | | | |
| – High Risk Serious Offenders | - | 1.2 | 1.2 | 1.3 | 1.3 |
| – State Agreements | - | 0.7 | 0.7 | 0.8 | 0.8 |
| – Children in Care Class Action Resourcing ^(c) | - | 1.4 | - | - | - |

Table 7 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|------------------|---------|------------------|------------------|------------------|
| | \$m | \$m | \$m | \$m | \$m |
| LEGAL AID COMMISSION OF WESTERN AUSTRALIA | | | | | |
| – Legal Assistance Services | | 4.1 | 1.0 | 1.0 | 1.0 |
| – Justice Reform Initiatives ^(d) | - | 1.1 | 1.1 | - | - |
| – Commonwealth Legal Assistance Funding Agreements ^(d) | - | 1.2 | – ^(e) | – ^(e) | – ^(e) |
| FIRE AND EMERGENCY SERVICES | | | | | |
| Election Commitments | | | | | |
| – Fire and Emergency Services Package | | | | | |
| – Wanneroo Emergency Management Complex | - | 1.6 | 10.4 | 3.0 | - |
| – New Career Fire and Rescue Service Station in Yanchep | - | - | - | 1.7 | 5.3 |
| – Expand the Community Emergency Services Manager Program | - | 0.4 | 0.9 | 1.1 | 1.1 |
| – New State Emergency Management Training Centre | - | 2.0 | - | - | - |
| – Argyle Irishtown Volunteer Bushfire Brigade Headquarters | - | 1.6 | - | - | - |
| – State Bushfire Mitigation Branch | - | -0.7 | -0.3 | 0.6 | 0.6 |
| – Small Commitments | - | 2.7 | - | - | - |
| Other Spending | | | | | |
| – Operational Expenditure Cost Pressures | 17.5 | 7.4 | 1.4 | 2.6 | 3.5 |
| – Emergency Alert Warning System | - | 3.8 | 1.3 | 1.2 | 1.5 |
| – Grain Harvest Program – Aerial Fire Response Capability | - | 1.8 | 1.6 | 1.6 | 1.6 |
| – Interagency Emergency Services Radio Network ^(f) | - | 1.8 | 1.7 | 0.3 | 0.3 |
| – Protecting Our Communities (Disaster Resilience) Commonwealth Program | - | 3.9 | - | - | - |
| – Interagency Computer Aided Dispatch System – Business Case ^(f) | - | 0.2 | - | - | - |
| OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS | | | | | |
| – Demand for Prosecution Services | – ^(e) | 1.0 | 1.3 | 1.2 | 1.6 |
| CHEMISTRY CENTRE (WA) | | | | | |
| – Service Delivery Agreement | 0.9 | 1.3 | 1.1 | 1.4 | 1.7 |
| OFFICE OF THE INSPECTOR OF CUSTODIAL SERVICES | | | | | |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | 0.1 | - | - | - |

Table 7 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION | | | | | |
| – Salaries and Allowances Tribunal Determination Update | – (e) |
| – 2025-26 Streamlined Budget Process Incentive Funding | – | – (e) | – | – | – |

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

(b) See Office of the Information Commissioner.

(c) See Department of Communities.

(d) See Department of Justice.

(e) Amounts under \$50,000.

(f) See Western Australia Police Force.

Note: Rows may not add due to rounding.

Western Australia Police Force

Election Commitments

Hooning, CCTV and Retail Barring Package

To enhance community safety as part of the Hooning, CCTV and Retail Barring Package, the Government has allocated:

- \$17.8 million over the forward estimates period to implement a Road Policing Technology Strategy aimed at reducing high-harm road offenders, which includes automatic number plate recognition cameras, video analytics, and a six-month trial of an acoustic camera with the Department of Transport;
- \$2.3 million in 2025-26 for a CCTV package, including 64 additional CCTV cameras in priority locations to provide greater surveillance of crime and antisocial behaviour, and grants to help local governments enhance CCTV monitoring of high-risk areas; and
- \$1.8 million in 2025-26 to deliver the capital components of the Road Policing Technology Strategy (see Chapter 6).

Police and Community Youth Centres (PCYC) – Sustainability and Programs

The Government has committed \$10.5 million over the forward estimates period to provide education and recreational opportunities for vulnerable young people by supporting PCYCs across the State and extending the PCYC safeSPACE Program at five locations into 2025-26 and 2026-27.

Small Commitments

The Government has committed an additional \$525,000 for grants towards new equipment and facilities upgrades to improve community safety.

Other Spending

Police Services Expenditure

The Government has committed an additional \$80.4 million over 2024-25 and 2025-26 to meet cost pressures associated with the Western Australia Police Force's operational service priorities, including ICT services delivered under contract, accommodation costs, and higher police medical expenses.

Firearms Reform Program

To support the ongoing delivery of the Firearms Reform Program, the Government has invested an additional \$42.9 million over 2024-25 to 2028-29, including:

- \$22 million over 2024-25 and 2025-26 for a new firearms buyback scheme targeting rapid release action firearms and an extended general voluntary buyback;
- \$7.6 million over 2024-25 to 2028-29, funded from the Digital Capability Fund, to continue implementation of the State's firearms licensing and registry system. A further \$2.3 million has also been approved in 2024-25 for additional ICT systems to support this project (see Chapter 6); and
- \$11 million over 2024-25 to 2026-27 for additional resourcing to support implementation of new licensing arrangements.

Interagency Emergency Services Radio Network

The Government will invest \$17.7 million for the Western Australia Police Force and \$5.5 million for the Department of Fire and Emergency Services (including capital expenditure of \$1.3 million, see Chapter 6) for upgrades to the Interagency Emergency Services Radio Network including essential core network upgrades, modernising systems and equipment, and other remediation activities.

Baldivis and Forrestfield Police Stations – Operating Costs

To support the opening of the new Baldivis and Forrestfield Police Stations in 2025, the Government has committed \$6.1 million over 2024-25 to 2028-29 for support staff and operational costs associated with these stations.

Interagency Computer Aided Dispatch System – Business Case

The Government has allocated \$2.1 million in 2025-26 to progress a business case for a replacement interagency computer aided dispatch system to ensure the safety of first responders and the public, comprised of \$1.7 million for the Western Australia Police Force, \$211,000 for the Department of Fire and Emergency Services, and \$217,000 for WA Health.

Mobile State Operations Command Centre – Operating Costs

The Government has provided an additional \$851,000 over 2024-25 to 2028-29 for the operating costs of the Mobile State Operations Command Centre, which acts as a moving centralised hub to support police and other emergency response services.

Justice

Election Commitments

Youth Crime Bail Reform Package

As part of the Government's Youth Crime Bail Reform Package, the Department will spend:

- \$13.5 million over the forward estimates to establish a dedicated Children's Court in Armadale, including \$4.2 million in capital expenditure to repurpose the old Armadale Courthouse (see Chapter 6); and
- \$1 million in 2025-26 to develop a digital curfew check-in application for young people with curfew bail conditions who have been charged with a violent offence.

Kununurra Night Space

The Government has committed \$5.9 million over 2025-26 to 2027-28 to pilot an Aboriginal community-led safe night space for vulnerable young people in Kununurra, including \$486,000 for the Department of Communities to support the local service provider.

Other Spending

Justice Services Expenditure

The Department will spend an additional \$224.6 million over 2024-25 to 2028-29 to meet forecast cost and demand pressures, primarily reflecting the impact of continued growth in the State's prison population and increased costs associated with court services contracts, including for prisoner transport, court security, and court recording and transcription.

Criminal Injuries Compensation Payments

The Government has allocated an additional \$26.8 million in 2024-25 for compensation payments to victims of crime under the *Criminal Injuries Compensation Act 2003*, reflecting the number of applications remaining at elevated levels.

Implementation of the Family Violence Legislation Reform Act 2024

The Government will spend an additional \$19.1 million over 2025-26 to 2028-29 to progress implementation of the *Family Violence Legislation Reform Act 2024*, to boost adult community corrections resourcing, and to support the Department's electronic monitoring capability in the regions.

Therapeutic Model of Care for Young People in Detention

To enhance the safety and wellbeing of detainees and staff across the youth custodial estate, the Department will spend an additional \$15.8 million over the forward estimates to continue implementation of a therapeutic model of care for young people in detention and for additional staff to operationalise the new Crisis Care Unit at the Banksia Hill Detention Centre.

Justice Reform Initiatives

The Department will spend an additional \$9.7 million over 2025-26 and 2026-27, including \$2.3 million for the Legal Aid Commission, to extend initiatives targeted at reducing avoidable remand, including court intervention programs, and the parole in-reach program.

Regional Court Security

The Government has allocated \$6.2 million over 2025-26 to 2027-28 for contracted security services to provide court security at regional courts, to undertake minor security upgrades at regional courts, and to review current statewide service delivery arrangements for court security and custodial services.

Commonwealth Legal Assistance Funding Agreements

As part of the National Legal Assistance Partnership 2020-25 and the National Access to Justice Partnership Agreement 2025-30, the State will spend additional Commonwealth funding totalling \$5 million over 2024-25 to 2028-29 to support legal assistance services, including \$1.3 million for the Legal Aid Commission.

Digital Evidence Management System

To improve the safety of staff and prisoners, the Government has allocated \$1.4 million over the forward estimates to implement body worn cameras and a digital evidence management system at Casuarina Prison.

Courts Infrastructure Planning

The Department will spend \$665,000 in 2025-26 to develop options to expand criminal courtroom capacity in the Perth metropolitan area.

State Solicitor's Office

High Risk Serious Offenders

The State Solicitor's Office will spend an additional \$5.1 million over the forward estimates as a result of growth in the number of referrals and proceedings related to the management of offenders under the *High Risk Serious Offenders Act 2020*.

State Agreements

To modernise and improve the transparency of State Agreements administered by the Department of Energy and Economic Diversification, an additional \$3 million over 2025-26 to 2028-29 has been approved for additional legal resourcing for the State Solicitor's Office.

Legal Aid Commission of Western Australia

Legal Assistance Services

The Legal Aid Commission will spend \$7.1 million of own-source revenue from the Legal Contribution Trust over 2025-26 to 2028-29 to increase resourcing for programs to improve access to legal services in regional and remote areas, and for licensing of its client relationship management system.

Fire and Emergency Services

Election Commitments

Fire and Emergency Services Package

The Government has committed \$66.1 million over 2025-26 to 2028-29 to deliver the Fire and Emergency Services Package, with \$55.9 million to be invested by the Department of Fire and Emergency Services (DFES) in the following initiatives:

- \$15 million over 2025-26 to 2027-28 for a grant to the City of Wanneroo for construction of the Wanneroo Emergency Management Complex, to enhance community safety in response to the increasing threat of natural disasters;
- \$22.7 million over 2026-27 to 2028-29, (including capital expenditure of \$15.8 million, see Chapter 6), for the construction and operations of a new Career Fire and Rescue Service Station in Yanchep, including the employment and training of an additional 40 firefighters to enhance community safety in the developing Metropolitan North Coastal area;
- \$3.5 million over 2025-26 to 2028-29 to expand the existing Community Emergency Services Manager (CESM) Program by six Local Government (LG) employed CESMs and one DFES-employed FTE to manage the expanded program. CESMs are shared resources between DFES and LGs, leveraging local knowledge to enhance decision-making in relation to prevention, preparedness, response, and recovery efforts, leading to more resilient communities;
- \$2 million in 2025-26 to finalise planning of the new State Emergency Management Training Centre (with a further \$28 million still to be allocated);
- \$1.6 million to be provided as a grant to the Shire of Donnybrook Balingup in 2025-26 for a replacement facility for the Argyle Irishtown Bush Fire Brigade Headquarters;
- an additional \$3.1 million (including \$2.9 million capital expenditure, see Chapter 6) over 2025-26 to 2028-29 to establish a dedicated State Bushfire Mitigation Branch. The estimated total cost of the Branch is \$11.6 million, with \$8.5 million of expenditure reallocated from within the existing mitigation activities. The Branch will be supported by a dedicated Aboriginal Ranger Program and equipped with mitigation machinery and appliances; and
- \$8 million of capital expenditure over 2027-28 and 2028-29 for the replacement of the Volunteer Fire and Emergency Services Station in Bullsbrook (see Chapter 6).

In addition, the following initiatives will be delivered by the Department of Creative Industries, Tourism and Sport (DCITS) and the Department of Primary Industries and Regional Development (DPIRD):

- \$10 million over 2027-28 and 2028-29 for DCITS to provide a grant to the Shire of Derby towards the construction of a new complex in Fitzroy Crossing; and

- \$250,000 in 2025-26 for DPIRD to provide a grant to the Shire of Northampton as a contribution to a future multipurpose evacuation centre in Kalbarri.

Small Commitments

The Government has allocated \$2.7 million in 2025-26 to deliver several one-off small grants to community organisations.

Other Spending

Operational Expenditure Cost Pressures

An additional \$32.6 million over 2024-25 to 2028-29 will be spent to meet a range of cost pressures, including: salary and overtime cost pressures (\$15.8 million); RiskCover Insurance premiums (\$7.1 million); property, fleet and equipment maintenance (\$6.5 million); Emergency Incident Catering (\$2.7 million); and ICT services (\$244,000).

Emergency Alert Warning System

The Government has committed an additional \$7.8 million over 2025-26 to 2028-29 for Western Australia's cost share of a four-year extension of the national contract, including upgrades to ageing infrastructure, to maintain the State's capability to warn residents about life-threatening emergencies.

Grain Harvest Program – Aerial Fire Response Capability

Following a successful trial, the Grain Harvest Program will be established at a total cost of \$6.7 million over 2025-26 to 2028-29. The Program includes the deployment of two aerial suppression teams known as 'Strike Teams' that will operate for approximately six weeks each year to mitigate the threat of crop fires during the grain harvesting season. The Strike Teams will be allocated across the Mid-West, Wheatbelt and Goldfields-Esperance regions based on grain harvest expectations and forecast weather conditions.

Protecting Our Communities (Disaster Resilience) Commonwealth Program

Under the Commonwealth funding agreement, \$5.2 million will be spent in 2025-26 to support the delivery of State projects relating to emergency management and disaster risk mitigation. Under the program, DFES will provide grants to the City of Wanneroo (\$2.5 million for the Emergency Management Complex) and to the Shire of Mundaring (\$1.2 million for upgrades to the Mundaring Incident Control Centre). In addition, DFES will spend \$1.3 million towards construction of the State Mobile Incident Control Centre (see Chapter 6) and incur its administrative costs (\$188,000).

Office of the Director of Public Prosecutions

Demand for Prosecution Services

To meet growth in the demand for prosecution services, an additional \$5.1 million will be spent over 2024-25 to 2028-29 for ICT costs associated with digital evidence storage.

Chemistry Centre (WA)

Service Delivery Agreement

An additional \$6.4 million will be spent over 2024-25 to 2028-29 for the Chemistry Centre to deliver its core services, including chemical analysis for Government agencies, research bodies, universities, and industry groups.

COMMUNITY SERVICES

Table 8

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| COMMUNITIES | | | | | |
| Election Commitments | | | | | |
| - Safe at Home Expansion | - | 0.4 | 3.5 | 3.6 | 3.9 |
| - Metropolitan Homelessness Outreach Expansion | - | 2.1 | 2.7 | 2.8 | 2.8 |
| - Community Facilities and Infrastructure Commitments | - | 3.6 | 1.2 | - | - |
| - Small Commitments | - | 4.7 | - | - | - |
| - Boosting Before and After School Care in Schools ^(a) | - | 0.8 | 0.8 | 0.8 | 0.8 |
| - Housing First Support Service Expansion – Bunbury | - | 0.7 | 0.8 | 0.8 | 0.8 |
| - LGBTQIA+ Inclusion Initiatives | - | 0.6 | 1.2 | 0.3 | 0.3 |
| - Refuge Capacity Increase | - | 0.9 | 0.5 | - | - |
| - Hardship Utility Grant Scheme Expansion – Social Housing Tenants | - | 0.3 | 0.3 | 0.3 | 0.3 |
| - Kununurra Night Space ^(b) | - | 0.2 | 0.2 | 0.1 | - |
| - African Youth Justice and Engagement Initiative | - | 0.3 | - | - | - |
| Other Spending | | | | | |
| - National Disability Insurance Scheme – Full Scheme Agreement ^(c) | 75.0 | 124.0 | 175.0 | 190.8 | 317.6 |
| - Investment in Child Protection Services | -9.5 | 190.5 | 51.1 | 14.0 | 3.9 |
| - Sustainable Service Delivery | - | 68.7 | 11.9 | 9.0 | 8.9 |
| - Public Sector Wages Policy | 1.6 | 4.7 | 6.6 | 6.8 | 6.8 |
| - Seniors Cost of Living Rebate | - | 1.7 | 1.1 | 2.4 | 3.8 |
| - Extension of Community Services and Grants | - | 2.9 | 3.2 | 1.3 | 1.3 |
| - East Perth Common Ground Operational Funding | - | 1.1 | 0.7 | 0.9 | 1.0 |
| - Digital Capability Fund – ASSIST Replacement | - | 2.8 | - | - | - |
| - Children in Care Class Action Resourcing | - | 0.5 | - | - | - |
| LOCAL GOVERNMENT, INDUSTRY REGULATION AND SAFETY (DLGIRS) | | | | | |
| Election Commitments | | | | | |
| - Regional Racing Fund | - | 4.3 | 3.3 | 3.9 | 13.8 |
| - Small Commitments | - | 7.7 | - | - | - |
| - Guide Dogs WA Breeding and Training Program | - | 1.3 | 1.3 | 1.3 | 1.3 |
| - Community Facilities and Infrastructure Commitments | - | 1.5 | 2.0 | 1.5 | - |
| - Mental Health and Suicide Prevention Program Support Fund | - | 1.0 | 1.0 | 1.0 | 1.0 |
| - Tourism and the Night Time Economy (Liquor Reform) | - | 1.4 | 1.5 | - | - |
| - Builders Support Program | - | 0.3 | 0.3 | - | - |
| Other Spending | | | | | |
| - Residential Tenancies Amendment Act 2024 – Reforms (Stage Two) | 2.1 | 3.5 | 2.7 | 2.8 | 2.9 |
| - Occupational Licensing Operations | - | 2.1 | 2.2 | 2.2 | 2.3 |
| - DLGIRS Service Delivery Funding | - | 7.2 | - | - | - |
| - Local Government Inspector | -0.7 | 1.6 | 1.3 | 1.4 | 1.4 |
| - WA Rent Relief Extension | - | 1.4 | - | - | - |

Table 8 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| WESTERN AUSTRALIA SPORTS CENTRE TRUST (VENUESWEST) | | | | | |
| – RAC Arena Operator Forecast | - | 6.7 | 7.1 | 7.6 | 8.3 |
| – Energy Costs | - | 0.9 | 1.0 | 1.0 | 1.0 |
| – Operational Costs | - | -0.7 | -0.3 | -0.3 | -0.3 |
| – Public Sector Wages Policy Correction | -1.3 | -1.4 | -1.6 | -1.6 | -1.6 |
| – Major Event Funding ^(d) | - | - | - | - | - |

(a) See Department of Education in Chapter 6.

(b) See Department of Justice.

(c) Includes Treasury-administered provision for the indexation of the State's National Disability Insurance Scheme contributions now allocated to the Department of Communities this Budget (\$808.5 million). See Chapter 5 Provisions.

(d) Amounts are not disclosed due to the confidential nature of the commercial agreement.

Note: Rows may not add due to rounding.

Communities

Election Commitments

Safe at Home Expansion

The Government has committed \$11.5 million over the forward estimates period to expand the Safe at Home program to seven additional locations across the State. The program provides intensive in-home support and safety planning to assist victim-survivors of Family and Domestic Violence (FDV) to stay in their own homes.

Metropolitan Homelessness Outreach Expansion

To improve access to supports in the greater Perth Metropolitan area, an additional \$10.4 million will be spent over 2025-26 to 2028-29 to expand metropolitan homelessness assertive outreach services. Assertive outreach delivers rapid responses to identify, engage, and provide support to improve health and housing outcomes for people who are experiencing rough sleeping in the Perth Metropolitan area.

Community Facilities and Infrastructure Commitments

The Government has committed \$4.8 million over 2025-26 and 2026-27 to support the upgrade of various community facilities across the State. This includes grant funding to be provided to the Julyardi Aboriginal Corporation, the Kulungah Myah Community Centre, and Good Sammy Enterprises.

Small Commitments

The Government has allocated \$4.7 million in 2025-26 to deliver several one-off small grants to community organisations.

Housing First Support Service Expansion – Bunbury

The Government will commit \$3.1 million over 2025-26 to 2028-29 to expand the Housing First Support Service in Bunbury and surrounding suburbs, increasing case management support for people experiencing homelessness or rough sleeping. Services include additional outreach case management and wraparound supports to meet the needs of clients.

LGBTQIA+ Inclusion Initiatives

The Government has invested \$2.3 million over the forward estimates period to support delivery of initiatives aligned to the development of Western Australia's first LGBTQIA+ Inclusion Strategy, to be allocated as follows:

- \$1.2 million over 2025-26 and 2026-27 to extend expiring contracts of existing LGBTQIA+ organisations; and
- \$252,500 per annum over 2025-26 to 2028-29 to establish a competitive grants program for LGBTQIA+ inclusion initiatives to support implementation of the strategy.

Refuge Capacity Increase

The Department will spend \$1.4 million over 2025-26 and 2026-27 for planning and business case development for the expansion of Albany and Geraldton FDV refuges and consideration of expansions at five additional FDV refuge locations across the State.

Hardship Utility Grant Scheme Expansion – Social Housing Tenants

An additional \$1.3 million will be spent over 2025-26 to 2028-29 to expand the eligibility criteria for the Hardship Utility Grant Scheme to include water bill assistance for social housing tenants. Eligible households can expect to receive financial assistance averaging \$529 per annum off their water bills.

African Youth Justice and Engagement Initiative

The Government has allocated \$250,000 in 2025-26 to develop a business case for a culturally specific model of Target 120, in consultation with African community groups and organisations.

Other Spending

National Disability Insurance Scheme – Full Scheme Agreement

The Government will increase Western Australia's contributions to the National Disability Insurance Scheme (NDIS) by \$882.4 million as the State negotiates moving from its Transition Agreement to a Full Scheme Agreement (FSA). The increase in contributions is funded by an existing provision of \$808.5 million (see Chapter 5 Provisions) and additional appropriation of \$73.9 million in 2028-29 over the forward estimates. This will bring the State's NDIS contribution to FSA levels at an average \$1.5 billion per annum.

Investment in Child Protection Services

Services for vulnerable young people will be further boosted through the investment of an additional \$250 million over the forward estimates period, including:

- \$134.5 million to complete the out-of-home-care (OOHC) reform aimed at delivering tailored care arrangements, especially for children with complex needs, and maintaining current capacity in the OOHC system;
- \$95.4 million to meet the increasing costs of service delivery, especially in the child protection system; and
- \$20.1 million to boost the number of child protection workers undertaking case management in the State’s child protection system.

Sustainable Service Delivery

An additional \$98.5 million will be spent over the forward estimates period to address the cost of delivering key services, including:

- \$54.6 million in 2025-26 to continue to provide critical services delivered by the Department, with Communities’ budget settings for 2026-27 and beyond to be informed by the cross-agency Taskforce’s reform program aimed to help place the Department on a financially sustainable trajectory; and
- \$43.8 million over 2025-26 to 2028-29 to maintain the provision of State disability services, support Western Australia’s response to the national disability reform agenda, and undertake maintenance in properties where people with disability live and access supports.

Seniors Cost of Living Rebate

This Budget invests a further \$9 million over the forward estimates period for the Seniors Cost of Living Rebate payments through the WA Seniors Card Program, in response to increased demand and to reflect movements in the Consumer Price Index.

Extension of Community Services and Grants

A total of \$8.7 million will be spent over the forward estimates to maintain continuity of services delivered by the community services sector, including:

- \$4.8 million over the 2025-26 to 2028-29 to continue providing a safe place for young people experiencing, or are at risk of homelessness, through the Perth Passages Youth Engagement hub;
- \$3 million over 2025-26 and 2026-27 to extend the uplift in financial counselling services to assist those experiencing cost of living pressures and help build their financial capability; and
- \$1 million over 2025-26 and 2026-27 to increase the amount of grants available under the Women’s Grants for a Stronger Future program.

East Perth Common Ground Operational Funding

An additional \$3.8 million will be spent over 2025-26 to 2028-29 to finalise service delivery arrangements for the management and operation of East Perth Common Ground. Once complete, this purpose-built facility will provide permanent housing for people experiencing chronic homelessness, with wraparound support services expected to commence in late 2025.

Digital Capability Fund – ASSIST Replacement

The Government will invest an additional \$2.8 million in 2025-26, funded through the Digital Capability Fund, for a dedicated project team and consultancy work to progress procurement for the replacement of the Department's core child protection case management system, ASSIST.

Children in Care Class Action Resourcing

The Government has committed \$1.9 million in 2025-26 (\$462,000 for Communities and \$1.4 million for the State Solicitor's Office) to respond to a Federal Court class action that has been lodged in relation to Aboriginal children under the Department's care.

Local Government, Industry Regulation and Safety

Election Commitments

Regional Racing Fund

To support the racing industry in regional Western Australia, \$25.2 million will be spent over 2025-26 to 2028-29 to establish a Regional Racing Fund for infrastructure upgrades at horse and harness racing clubs including the Pinjarra Race Club, Albany Racing Club, Broome Turf Club, Pinjarra Harness Racing Club, and Esperance Bay Turf Club.

Small Commitments

The Government will spend an additional \$7.7 million in 2025-26 to facilitate the delivery of a number of one-off small grant initiatives to local government authorities.

Guide Dogs WA Breeding and Training Program

An additional \$5 million will be spent over the forward estimates to support Guide Dogs WA to continue and expand its local breeding and training program that provides assistance dogs for Western Australians.

Community Facilities and Infrastructure Commitments

The Government will provide grants totalling \$5 million over 2025-26 to 2027-28 to local government authorities for investments in local infrastructure, including for the Bells Rapids Footbridge Upgrade, Alexander Park Community Hall upgrades, and Lake Gwelup Pedestrian Bridge.

Mental Health and Suicide Prevention Program Support Fund

An amount of \$4 million will be spent over 2025-26 to 2028-29 to support established industry bodies to develop, implement, and run mental health and suicide prevention programs and deliver projects that promote good mental health and wellbeing in the workplace.

Tourism and the Night Time Economy (Liquor Reform)

Additional expenditure of \$2.9 million over 2025-26 and 2026-27 will be provided to progress the implementation of regulatory reforms, including amendments to the *Liquor Control Act 1988*.

Builders Support Program

The Government will provide \$600,000 over 2025-26 and 2026-27 (\$150,000 per annum to both the Housing Industry Association and Master Builders Association) to establish and roll-out the Builders Support Program, to assist more tradespeople to become registered builders and support new builders with education on financial management and other skills to set them up for success.

Other Spending

Residential Tenancies Amendment Act 2024 – Reforms (Stage Two)

The Department will spend an additional \$14 million over 2024-25 to 2028-29, fully funded from the Rental Accommodation Account, to address resourcing and ICT systems required for the implementation and ongoing administration of legislative reforms arising from the *Residential Tenancies Amendment Act 2024*.

Occupational Licensing Operations

To maintain existing resourcing levels in order to meet the ongoing demand for occupational licensing processing and associated service delivery activities at the Collie Licensing Hub and Metropolitan Licensing Operation, the Department will spend \$8.8 million over 2025-26 to 2028-29.

DLGIRS Service Delivery Funding

An additional \$7.2 million will be spent in 2025-26 to provide the resources and staffing to support the delivery of services.

Local Government Inspector

The Department will spend a further \$5 million over 2025-26 to 2028-29 (including the reflow of \$670,000 from 2024-25 to 2025-26) to meet costs related to the establishment of the Office of the Local Government Inspector, following amendments to the *Local Government Act 1995*.

WA Rent Relief Extension

The Government has provided an additional \$1.4 million in 2025-26 to meet the administration costs of extending the WA Rent Relief Program (the Program) to December 2025. The Program assists eligible tenants in private rental homes who are experiencing rental stress, or are in rental arrears and at risk of eviction, with a one-off payment of up to \$5,000.

Western Australian Sports Centre Trust (VenuesWest)

Other Spending

RAC Arena Operator Forecast

Forecast operating expenditure at RAC Arena is expected to increase by \$29.7 million over the forward estimates period, reflecting the latest estimates of the costs and number of events to be held at this venue. Revenue estimates from RAC Arena have been revised up by \$32.2 million over the same period, more than offsetting the impact of higher operating costs.

Energy Costs

As a result of an electricity contract renewal, the Government has allocated an additional \$3.9 million over the forward estimates period towards increased electricity costs across all venues (excluding Optus Stadium).

Operational Costs

Forecast operating expenditure at some self-managed venues is expected to decrease by \$1.5 million over the forward estimates period, due to an operational review and the rationalisation of some services (\$1.1 million), and the impact of the closure and replacement of the 50-metre pool at Arena Joondalup, which has reduced staffing and maintenance costs (\$403,000). The new 50-metre pool is expected to be completed by mid 2026.

Major Event Funding

Additional resources have been allocated for major event funding which is subject to commercial negotiations.

TRANSPORT AND MAJOR INFRASTRUCTURE

Table 9

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|------------------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| TRANSPORT AND MAJOR INFRASTRUCTURE | | | | | |
| Election Commitments | | | | | |
| – Increase to the Regional Pensioner Travel Card | - | 6.2 | 6.3 | 6.5 | 6.7 |
| – Albany Airport Upgrades | - | 11.5 | - | - | - |
| – Hillarys Boat Harbour Upgrades ^(a) | - | 1.0 | 0.8 | 2.6 | 1.7 |
| – Supply Chain Resilience Fund | - | 1.3 | 1.3 | 1.3 | 1.3 |
| – Tantabiddi Boating Facility | - | 0.9 | 1.1 | - | - |
| – Outdoor Adventure Package – Albany All Abilities Fishing Jetty ^(b) | - | 0.2 | - | - | - |
| – Hammond Park Catholic Primary School Children’s Crossing | - | – ^(c) | - | - | - |
| Other Spending | | | | | |
| – Westport ^(a) | 0.2 | 8.3 | 7.4 | 10.4 | - |
| – Infringement Processing | - | 4.2 | 1.4 | 1.4 | 1.8 |
| – Freight Rail Network – Commercial Options Analysis | 0.1 | 8.0 | - | - | - |
| – QEII Medical Centre Access and Transport Planning ^(d) | - | 1.0 | 1.1 | - | - |
| – Digital Capability Fund – Identity and Access Management System Replacement ^(a) | - | 1.5 | - | - | - |
| – Transport Executive and Licensing Information System ^(a) | - | 0.9 | - | - | - |
| – Two Rocks Marina Infrastructure ^(a) | - | 0.1 | 0.1 | - | - |
| COMMISSIONER OF MAIN ROADS | | | | | |
| Election Commitments | | | | | |
| – Regional Road Safety Program (Local Roads) | - | 45.0 | 35.0 | 35.0 | 45.0 |
| – Southern Suburbs Roads Package ^(a) | - | - | 5.7 | 5.7 | 5.7 |
| – Kargotich Road Roundabouts | - | - | - | 3.5 | 3.5 |
| – Baldivis Road and Kulija Road Intersection | - | - | - | - | 1.5 |
| – Northern Suburbs Roads Package – Craigie Leisure Centre and Whitfords Avenue Intersection, and Pinnaroo Valley Access Road ^(a) | - | 0.6 | 0.8 | 0.7 | 1.4 |
| Other Spending | | | | | |
| – Road Maintenance Contribution Scheme | - | 13.0 | 21.0 | 21.0 | 21.0 |
| – State Road Funds to Local Government Agreement | - | -3.4 | 1.5 | 5.3 | 7.1 |
| – QEII Medical Centre Access and Transport Planning ^(d) | - | 2.0 | 1.1 | - | - |
| PUBLIC TRANSPORT AUTHORITY OF WESTERN AUSTRALIA ^(e) | | | | | |
| Election Commitments | | | | | |
| – Public Transport – Suburban Flat Fare | - | 20.8 | 42.2 | 43.8 | 45.2 |
| – Half Price Transwa Fares | - | 2.7 | 5.4 | 5.3 | 4.9 |
| – Surf CAT | - | 3.0 | 3.4 | 3.5 | 3.6 |
| – PTA Direct Employment | - | 1.0 | - | - | - |

Table 9 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| Other Spending | | | | | |
| – Interest Expenses | 13.3 | 10.6 | 20.3 | 28.4 | 32.7 |
| – Cost and Funding Updates | 1.4 | 14.6 | 6.1 | 8.6 | 4.7 |
| – RiskCover Fund Insurance Premiums | 14.9 | 11.5 | - | - | - |
| – Public Sector Wages Policy | 3.9 | 5.1 | 4.9 | 5.1 | 5.2 |
| – South East Metropolitan Bus Services | - | 4.9 | 5.4 | 5.5 | 5.6 |
| – Public Realm Maintenance | - | 5.1 | - | 12.4 | - |
| – Armadale Line Temporary Closure | | | | | |
| – Bus Services | - | 11.8 | - | - | - |
| – Free Travel for Regular Passengers | 0.2 | 1.2 | - | - | - |
| – Ride to School Free Program | - | 5.2 | 5.2 | - | - |
| – Murdoch Station Capacity Upgrade – Planning | - | 10.0 | - | - | - |
| – School Bus Services | 0.7 | 0.8 | 0.8 | 0.8 | 0.8 |
| – QEII Medical Centre Access and Transport Planning ^(d) | - | 1.0 | 0.8 | - | - |
| – Freight Rail Network – Commercial Options Analysis ^(f) | - | 0.3 | - | - | - |
| HOUSING AND WORKS | | | | | |
| Election Commitments | | | | | |
| – Community Housing Capability Program | - | 0.8 | 1.8 | 1.8 | 1.8 |
| Other Spending | | | | | |
| – Housing Maintenance Expenditure | - | 88.7 | 88.7 | - | - |
| – Remote Communities – Swimming Pools | - | 0.7 | - | - | - |
| INFRASTRUCTURE WA | | | | | |
| – 2025-26 Streamlined Budget Process Incentive Funding | - | 0.2 | - | - | - |

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

(b) See Department of Primary Industries and Regional Development.

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

(d) See Department of Health in Chapter 6.

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

(f) See Department of Transport and Major Infrastructure.

Note: Rows may not add due to rounding.

Transport and Major Infrastructure

Election Commitments

Increase to the Regional Pensioner Travel Card

The Department will spend \$25.7 million over 2025-26 to 2028-29 to increase the annual value of the Regional Pensioner Travel Card by a further \$100 (from \$675 to \$775) from 1 July 2025, providing eligible pensioners in the regions with increased financial assistance for fuel and/or taxi travel costs.

Albany Airport Upgrades

An additional \$11.5 million will be spent by the Department in 2025-26 to increase the State's contribution to upgrade works at Albany Airport to \$14 million. The upgrades are being undertaken by the City of Albany and jointly funded by the City and the State and Commonwealth Governments, and will allow for larger aircraft to support the tourism industry and local economy, as well as enhancing access for emergency services.

Supply Chain Resilience Fund

To strengthen Western Australia’s supply chain and shipping capability, the Department will spend \$5 million over 2025-26 to 2028-29 to establish a Supply Chain Resilience Fund. The Fund will support initiatives that enable the State Government and industry to access shipping during times of emergency, including after natural disasters.

Tantabiddi Boating Facility

The Department will spend \$3.6 million over 2025-26 and 2026-27 (including \$1.6 million of capital expenditure – see Chapter 6) to progress planning for a new purpose-built, multi-user boating facility at Tantabiddi, near Exmouth. Once constructed, the new facility will significantly improve on-water access, safety, and amenity for tourists and recreational boat users visiting Ningaloo Reef.

Hammond Park Catholic Primary School Children’s Crossing

The Department will spend \$40,000 in 2025-26 to construct a school pedestrian crossing near Hammond Park Catholic Primary School, improving the safety of students travelling to and from school.

Other Spending

Infringement Processing

Following the transfer of the infringement management processing function from the Western Australia Police Force to the Department of Transport and Major Infrastructure on 1 July 2024, the Department will spend \$8.9 million over 2025-26 to 2028-29 to support the processing of infringements, and a further \$2.2 million in 2024-25 on ICT support and upgrades (see Chapter 6).

Freight Rail Network – Commercial Options Analysis

An additional \$8.3 million will be spent over 2024-25 and 2025-26 (\$8.1 million by the Department of Transport and Major Infrastructure and \$269,000 by the Public Transport Authority) to progress investigations and analysis of commercial options regarding the future of the State’s freight rail network.

Commissioner of Main Roads

Election Commitments

Regional Road Safety Program (Local Roads)

To expand the rollout of low cost and highly effective safety treatments to local regional roads, \$200 million will be spent over 2025-26 to 2028-29 through a joint State and Commonwealth Government funded program of works, including shoulder sealing and the installation of audible edge lines. A further \$50 million will be spent in 2029-30 to complete the \$250 million five-year program.

Southern Suburbs Roads Package

Main Roads will provide contributions totalling \$25.6 million to local government authorities over 2026-27 to 2028-29 for respective local governments to deliver road upgrades to support future growth, improve safety and address congestion issues in Perth's southern suburbs, comprising:

- \$17.1 million for the construction of roundabouts at the intersections of Kargotich Road with Abernethy Road, Orton Road, and Gossage Road in the Shire of Serpentine-Jarrahdale;
- \$7 million for upgrades to the Baldivis Road and Kulija Road intersection in the City of Rockingham; and
- \$1.5 million to support the upgrade of the Nicholson Road and Warton Road intersection in the City of Gosnells.

A further \$460 million over 2026-27 to 2028-29 (and \$240 million in 2029-30) will be invested by the State and Commonwealth Governments to widen the Kwinana Freeway, easing congestion for motorists, and improving the efficiency of freight movements (see Chapter 6).

Other Spending

Road Maintenance Contribution Scheme

Following amendments to the Road Maintenance Contribution Scheme, Main Roads will spend an additional \$76 million over 2025-26 to 2028-29 to maintain road infrastructure on heavy haulage routes.

State Road Funds to Local Government Agreement

As a result of an increase in forecast motor vehicle licence fee revenue, Main Roads' expenditure on local road projects under the State Road Funds to Local Government Agreement will increase by a net \$10.5 million over 2025-26 to 2028-29.

Public Transport Authority

Election Commitments

Public Transport – Suburban Flat Fare

The operating subsidy provided to the Authority will increase by \$152 million over 2025-26 to 2028-29 to implement the suburban flat fare and cap the cost for all travel on the Transperth and Transregional network at the one zone rate from 1 January 2026. This initiative will assist with the cost of living by making public transport more affordable and more accessible.

Half Price Transwa Fares

To halve Transwa fares for all regional train and bus services from 1 January 2026, the Authority's operating subsidy will increase by \$18.2 million over 2025-26 to 2028-29.

Surf CAT

The Authority will spend \$13.4 million over 2025-26 to 2028-29 to operate the Surf CAT, a new bus service between Stirling Station and Scarborough Beach Bus Station. A further \$4.3 million of capital expenses will be incurred in 2025-26 to establish this initiative, including for dedicated bus branding and additional stands and bus lanes (see Chapter 6). The new service will help alleviate parking pressure and traffic at Scarborough Beach, providing a free, high frequency service from Stirling Station direct to the beach.

PTA Direct Employment

The Authority has been provided \$1 million in 2025-26 to develop a business case to examine the economic benefit of the potential transition of revenue protection officers, security officers, and cleaners to direct agency employment.

Other Spending

Interest Expenses

The operating subsidy paid to the Authority will increase by \$105.3 million over 2024-25 to 2028-29 to fund the agency's increased interest expenses on its borrowings.

Cost and Funding Updates

The operating subsidy paid to the Authority to deliver public transport services over 2024-25 to 2028-29 will increase by \$35.4 million as a result of updates to cost and patronage growth forecasts.

Southeast Metropolitan Bus Services

The Authority's operating subsidy will be increased by \$21.4 million over 2025-26 to 2028-29 to continue the additional bus routes and service enhancements that have been in place between Victoria Park and Cannington during the temporary closure of the Armadale rail line. These services have proven to be popular with local residents and will be valuable additions to the public transport network.

Public Realm Maintenance

The Authority will provide grants totalling \$17.5 million over 2025-26 and 2027-28 to local government authorities for the maintenance (for a five-year period) of the new public open spaces that are being delivered along the upgraded Armadale Line.

Armadale Line Temporary Closure – Bus Services

An additional operating subsidy of \$11.8 million will be provided to the Authority in 2025-26 to extend temporary bus services to align with the reopening of the Armadale rail line.

Armadale Line Temporary Closure – Free Travel for Regular Passengers

A further additional operating subsidy of \$1.4 million will be provided to the Authority over 2024-25 and 2025-26 to extend free travel on public transport for regular Armadale Line passengers during the rail line's temporary closure.

Ride to School Free Program

To provide further cost of living relief for families, free public transport on regular Transperth services for school students with a valid Student SmartRider will be extended to the end of the 2026 school year, at a cost of \$10.4 million.

Murdoch Station Capacity Upgrade – Planning

The Authority will spend \$10 million in 2025-26 to progress designs for proposed upgrades at Murdoch Station, which are intended to increase its capacity and improve passenger experience.

School Bus Services

The operating subsidy paid to the Authority will increase by \$3.9 million over 2024-25 to 2028-29 to implement a number of recommendations from the Public Accounts Committee's report on the Student Transport Assistance Policy framework and improve support for families who use these services.

Housing and Works

Election Commitments

Community Housing Capability Program

To enhance the capability and capacity of Community Housing Organisations (CHOs) in Western Australia to deliver more new homes and take on larger projects, the Government has committed \$6 million over 2025-26 to 2028-29 to establish a grants program. Under the program, eligible CHOs can receive grants of up to \$50,000 to access specialist advice, training, and partnership opportunities with private developers and capital investors.

Other Spending

Housing Maintenance Expenditure

To address an increase in the cost of delivering maintenance works for the Department's 45,000 housing assets, an additional \$177.4 million will be spent over 2025-26 and 2026-27 under the existing Head Maintenance Contracts.

Remote Communities – Swimming Pools

An additional \$681,000 will be spent in 2025-26 to deliver maintenance works at three swimming pools on Ngaanyatjarra Lands (Blackstone, Warburton, and Warakurna).

ENVIRONMENT

Table 10

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| WATER AND ENVIRONMENTAL REGULATION | | | | | |
| Election Commitments | | | | | |
| – Bindjareb Djilba (Peel-Harvey Estuary) Protection Plan | - | 0.9 | 2.5 | 2.5 | 2.5 |
| – Treebates and Urban Canopy Program ^(a) | - | 1.7 | 1.7 | 1.7 | 1.7 |
| – Kalgoorlie-Boulder Water Bank Project | - | - | 5.0 | - | - |
| – Plastic Free July | - | 0.3 | 0.3 | 0.3 | - |
| Other Spending | | | | | |
| – Environmental Protection Authority – Resourcing | - | 1.6 | 1.7 | 1.7 | - |
| – Water Licensing and Part V Resources | - | 2.2 | 2.3 | - | - |
| – Approvals Reform – Deemed Decision Making | - | 1.5 | 1.6 | 0.5 | - |
| – Accelerating Water Planning to Support Economic Development | - | 1.5 | 1.0 | - | - |
| – Water Carting Services – Water Corporation | - | 1.6 | - | - | - |
| BIODIVERSITY, CONSERVATION AND ATTRACTIONS | | | | | |
| Election Commitments | | | | | |
| – Aboriginal Ranger Program | - | - | 17.5 | 1.5 | 1.0 |
| – Healthy Oceans Program | - | 0.2 | 4.2 | 0.3 | 0.3 |
| – Small Commitments | - | 1.2 | - | - | - |
| – Swan River Cleanup | - | 0.1 | 0.3 | 0.3 | 0.3 |
| Other Spending | | | | | |
| – Rottnest Island Authority – Operating Forecast Update | 1.8 | 8.6 | 7.3 | 8.4 | 9.0 |
| – RiskCover Fund Insurance Premium | - | 5.2 | - | - | - |
| – Continued Investment in the Swan and Canning Rivers | - | 2.0 | 2.0 | - | - |
| – Public Sector Wages Policy | – (b) |

(a) See Department of Planning, Lands and Heritage.

(b) Amounts less than \$50,000.

Note: Rows may not add due to rounding.

Water and Environmental Regulation

Election Commitments

Bindjareb Djilba (Peel-Harvey Estuary) Protection Plan

The Department will spend an additional \$8.4 million over the forward estimates to enable the continued delivery of the Protection Plan’s actions to protect and improve the estuary’s water quality. A further \$80,000 capital expenditure has been approved in 2025-26 for water monitoring equipment (see Chapter 6).

Kalgoorlie-Boulder Water Bank Project

The Department will provide a grant of \$5 million in 2026-27 to the City of Kalgoorlie-Boulder to contribute to the City’s Water Bank Project, which will increase its non-potable water supply.

Plastic Free July

A total of \$750,000 will be provided to the Plastic Free July campaign over 2025-26 to 2027-28 to reduce plastic use in Western Australia.

Other Spending

Environmental Protection Authority – Resourcing

The Department will spend \$5 million over 2025-26 to 2027-28 on temporary resourcing to manage the forecast increase in environmental assessments.

Water Licensing and Part V Resources

Due to a forecast increase in the number of environmental applications in the Pilbara, there will be an expected increase in the number of environmental regulation and water licensing assessments and approvals. The Department will spend an additional \$4.5 million over 2025-26 and 2026-27 to meet the increased workload.

Approvals Reform – Deemed Decision Making

As part of the Government's efforts to streamline the environmental approvals system, a further \$3.6 million has been committed over 2025-26 to 2027-28 to implement the Deemed Decision Making process to reduce approvals timeframes for low-risk proposals by providing a finite timeframe for certain regulatory decisions.

Accelerating Water Planning to Support Economic Development

A total of \$2.5 million will be spent over 2025-26 and 2026-27 to update water planning information and water allocation plans in the Pilbara region to ensure current water resource availability is reflected. A further \$1.7 million of capital expenditure has been approved for water monitoring telemetry and bores to enable real-time water supply data (see Chapter 6).

Water Carting Services – Water Corporation

The Department will spend \$1.6 million in 2025-26 to pay Water Corporation for the carting of non-potable water to areas affected by dry conditions in the Great Southern Region.

Biodiversity, Conservation and Attractions

Election Commitments

Aboriginal Ranger Program

The Government will spend an additional \$20 million over 2026-27 to 2028-29 to expand the Aboriginal Ranger Program, which will provide further support to regional and metropolitan Aboriginal Corporations to set up and deliver ranger programs.

Healthy Oceans Program

The Department will spend an additional \$5 million over 2025-26 to 2028-29 to introduce the Healthy Oceans Program, which will provide grants to support research into seagrass bed restoration and enable delivery of restoration projects in marine locations around the State.

Small Commitments

The Government will spend an additional \$1.2 million in 2025-26 to facilitate the delivery of a number of one-off small grant initiatives to community organisations.

Swan River Cleanup

The Department will spend \$1 million over 2025-26 to 2028-29 to undertake the Swan River Cleanup project, which will facilitate targeted programs, grants, and on-ground actions to clean up the upper Swan River to improve tourism and environmental outcomes.

Other Spending

Rottnest Island Authority – Operating Forecast Update

Forecast operating expenditure for the Rottnest Island Authority is expected to increase by \$35.1 million over 2024-25 to 2028-29, driven by growth in costs to deliver services and higher than expected visitation on Rottnest Island. This increase is expected to be fully offset by additional revenue from increased admissions, accommodation, and other rental revenue from increased visitation.

Continued Investment in the Swan and Canning Rivers

The Department will incur additional expenditure of \$4 million over 2025-26 and 2026-27 to extend several expiring Swan and Canning River care programs for an additional two years. The programs to be extended include the Community Rivercare Program, the Swan and Canning Riverpark Urban Forest program, the Plastic Free Riverpark program, and the Dolphin Watch program.

PLANNING AND LAND USE

Table 11

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|------------------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| PLANNING, LANDS AND HERITAGE | | | | | |
| Election Commitments | | | | | |
| - Dorrien Gardens Precinct | - | - | 10.0 | 10.0 | 10.0 |
| - Regional Housing Support Fund | - | 6.3 | 6.3 | 6.3 | 6.3 |
| - Service Delivery Agreement – Treebates and Urban Canopy Program | - | 2.5 | 2.5 | 2.5 | 2.5 |
| - Small Commitments ^(a) | - | - ^(b) | - | - | - |
| Other Spending | | | | | |
| - Fremantle Prison | - | 0.5 | 0.6 | 0.8 | 0.9 |
| - Housing Diversity Pipeline | 0.1 | 1.6 | - | - | - |
| - Service Delivery Agreement – State Design Review Panel | - | 0.3 | 0.3 | 0.3 | 0.3 |
| - Future of Fremantle – Transport Design Study | - | 0.7 | - | - | - |
| WESTERN AUSTRALIAN LAND INFORMATION AUTHORITY (LANDGATE) | | | | | |
| - Strategic Development Plan | -1.7 | 1.3 | 4.7 | 5.8 | 6.1 |
| DEVELOPMENTWA ^(c) | | | | | |
| - Housing Australia Future Fund Projects | - | - | - | 36.1 | - |
| - East Street – Fremantle | - | 3.5 | - | - | - |
| - Future Acts Framework ^(a) | - | -5 | - | - | - |
| HERITAGE COUNCIL OF WESTERN AUSTRALIA | | | | | |
| - 2025-26 Streamlined Budget Process Incentive Funding | - | - ^(b) | - | - | - |

(a) See Department of Premier and Cabinet.

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

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

Note: Rows may not add due to rounding.

Planning, Lands and Heritage

Election Commitments

Dorrien Gardens Precinct

A State contribution of \$30 million over 2026-27 to 2028-29 will be provided towards transforming the Dorrien Gardens and the WA Italian Club.

Regional Housing Support Fund

The Government has committed \$25 million over the forward estimates to establish the Regional Housing Support Fund to provide grants of up to \$5 million to unlock and expedite new housing projects and land supply across the regions.

Service Delivery Agreement – Treebates and Urban Canopy Program

Under a Service Delivery Agreement with the Western Australian Planning Commission, the Department will spend \$10 million over 2025-26 to 2028-29 to provide grants to local governments and community organisations, through the Urban Canopy Program, to assist with the cost of planting trees.

An additional \$6.9 million will be spent by the Department of Water and Environmental Regulation to deliver the Treebates Program, providing \$150 rebate per annum for residents to purchase native trees.

Other Spending

Fremantle Prison

To meet increased staffing costs associated with tourism operations and heritage obligations, the Department will spend an additional \$2.8 million over 2025-26 to 2028-29. These increased costs are funded from Fremantle Prison ticket sale revenue.

Housing Diversity Pipeline

To enable land remediation works on State-owned Housing Diversity Pipeline Program sites and to continue negotiations on land divestment, the Department will spend an additional \$1.7 million over 2024-25 and 2025-26 on staffing and remediation costs. This cost is met from the Social and Affordable Housing Investment Fund.

Service Delivery Agreement – State Design Review Panel

Under a Service Delivery Agreement with the Western Australian Planning Commission, the Department will spend \$1.3 million over the forward estimates to continue the State Design Review Panel function, funded from the Metropolitan Region Improvement Fund.

Future of Fremantle – Transport Design Study

The Future of Fremantle Place and Economic Vision proposes transformational, long-term redevelopment of the Fremantle precinct. To inform options for the redevelopment, the Government will spend \$725,000 in 2025-26 to commence a study for an integrated transport solution for the North Fremantle area.

Western Australian Land Information Authority (Landgate)

Strategic Development Plan

An additional \$16.2 million has been allocated over 2024-25 to 2028-29 on ICT to support Landgate in meeting demand for its services. This funding will also support Landgate's Service Integration and Management, Enterprise Architecture Office, and Project Management Office.

DevelopmentWA

Housing Australia Future Fund Projects

The Government has committed an additional \$36.1 million to progress Housing Australia Future Fund social and affordable housing development projects, building on the \$443.2 million commitment from the 2024-25 Mid-year Review.

East Street – Fremantle

DevelopmentWA will spend \$3.5 million to progress the East Street, East Fremantle Housing Diversity Pipeline Round 1 project, delivered in partnership with a Community Housing Provider and supported through the Commonwealth's Housing Australia Future Fund Round 2.

UTILITIES

Table 12

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|------------------|------------------|------------------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| SYNERGY ^(a) | | | | | |
| Election Commitments | | | | | |
| – Residential Battery Scheme ^(b) | - | 8.8 | 1.1 | 0.7 | - |
| Other Spending | | | | | |
| – Operating Subsidies | 38.2 | 265.1 | 222.4 | 116.1 | 11.0 |
| – Commonwealth Energy Bill Relief | - | 168.1 | - | - | - |
| HORIZON POWER ^(a) | | | | | |
| Election Commitments | | | | | |
| – Residential Battery Scheme ^(b) | - | 0.7 | 0.3 | 0.1 | 0.1 |
| Other Spending | | | | | |
| – Commonwealth Energy Bill Relief ^(c) | - | 5.8 | - | - | - |
| – Commonwealth Funding – Community Batteries ^{(d)(e)} | - | 2.0 | 1.8 | 0.2 | - |
| – Blackstone Hybrid Energy Solution ^{(d)(e)} | - | -0.8 | 1.8 | - | - |
| WATER CORPORATION ^(a) | | | | | |
| – Operating Subsidies | -95.5 | 7.8 | 32.5 | 41.7 | 69.3 |
| BUNBURY WATER CORPORATION ^(a) | | | | | |
| – Operating Subsidies | - | 0.9 | 0.3 | 0.3 | 0.3 |
| BUSSELTON WATER CORPORATION ^(a) | | | | | |
| – Operating Subsidies | - | - ^(f) | - ^(f) | - ^(f) | 1.2 |

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

(b) See Department of Energy and Economic Diversification.

(c) See Synergy.

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

(e) Represented in general government expenses as grants sourced from the Commonwealth Government.

(f) Amounts less than \$50,000.

Note: Rows may not add due to rounding.

Synergy

Other Spending

Operating Subsidies

Synergy will receive additional funding totalling \$652.8 million over 2024-25 to 2028-29. This relates to the cost of rebates and concessions Synergy administers on behalf of the Government, and to the extension of the System Security Transition Payment to 2027-28, which compensates Synergy for operating its thermal generation assets to support the reliability of the electricity network. This also includes funding from 2025-26 to 2027-28 to reimburse Synergy for Non Co-optimised Essential System Services electricity market costs that are not passed through to residential and small business customers.

Commonwealth Energy Bill Relief

The Commonwealth Government has extended its Energy Bill Relief to provide up to \$150 in electricity credits to households and eligible small businesses in 2025-26.

This Budget includes a total of \$177.2 million in Commonwealth funding for delivery of the credits. An operating subsidy of \$168.1 million will be provided to Synergy and \$5.8 million to Horizon Power. A further \$3.3 million of funding will be provided to the Department of Treasury and Finance (\$3.1 million, of which \$251,000 is capital, see Chapter 6) and Small Business Development Corporation (\$0.2 million) to deliver the credit to households and small businesses that are not direct customers of Synergy or Horizon Power.

Water Corporation

Operating Subsidies

Operating subsidies paid to the Water Corporation will increase by \$55.8 million over 2024-25 to 2028-29 due to the impact of the Goldfields and Agricultural Water Supply Scheme upgrade and expansion on the Country Water Pricing Subsidy (\$97.9 million increase). This increase is partially offset by a \$49 million reduction in Water Corporation's required subsidy as a result of higher customer revenue than forecast in 2023-24 due to the extended hot, dry summer, and the flow-on impact of parameter updates in the 2024-25 Budget.

Bunbury Water Corporation (Aqwest)

Operating Subsidies

The Government will increase the operating subsidies provided to Bunbury Water Corporation by \$1.8 million over 2025-26 to 2028-29. This will fund a revenue shortfall arising from residential and non-residential tariffs being set at a level below what is needed to achieve cost-reflectivity, and from an increase in concession rebates provided to eligible customers.

Busselton Water Corporation

Operating Subsidies

The operating subsidies provided to Busselton Water Corporation will increase by \$1.2 million in 2028-29 to fund a revenue shortfall arising from residential and non-residential tariffs being set at a level below what is needed to achieve cost-reflectivity. An additional \$86,000 will also be provided over 2025-26 to 2028-29 to support expected higher annual pensioner and senior concessions claim numbers.

PROVISIONS

Table 13

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| PROVISIONS | | | | | |
| – Court Security and Custodial Services ^(a) | - | - | - | - | - |
| – General Government Expenses Smoothing | - | -200.0 | 200.0 | - | - |
| – Asset Maintenance Fund | - | -0.8 | - | - | - |
| – Road Trauma Trust Account Spending | -4.9 | -8.5 | -8.5 | -8.5 | - |
| – Public Sector Wages Provision | -190.1 | -12.1 | -182.7 | -195.5 | -196.4 |
| – NDIS Contributions Indexation | -75.0 | -124.0 | -175.0 | -190.8 | -243.7 |

(a) Amounts not disclosed to avoid prejudicing negotiation outcomes.

Note: Rows may not add due to rounding.

Provisions

Court Security and Custodial Services

The Government has provisioned spending in 2025-26 and 2026-27 to support contract negotiations led by the Department of Justice for court security and custodial services.

General Government Expenses Smoothing

The 2024-25 PFPS included a \$500 million provision for yet-to-be identified delays in spending in 2024-25 that is assumed to be caught up in 2025-26. Based on updated information, an amount of \$200 million previously expected to occur in 2025-26 is now expected in 2026-27.

Asset Maintenance Fund

An allocation of \$795,000 from the Asset Maintenance Fund spending provision has been approved for the Parliament House Transformer Replacement and Relocation project, as disclosed in Chapter 6. This provision is now fully exhausted.

Road Trauma Trust Account (RTTA) Spending

The 2024-25 PFPS included a provision of \$30.4 million for anticipated RTTA spending over the forward estimates period. The provision has been fully allocated in this Budget to support new spending decisions.

Public Sector Wages Provision

A total of \$776.9 million has been allocated to agencies (and disclosed earlier in this chapter) for industrial agreements settled since the 2024-25 PFPS, leaving \$485.7 million in the provision for future settlements up to 2028-29.

NDIS Contributions Indexation

A provision was included in the 2023-24 Budget to reflect the indicative impact of indexation costs that will apply to the State's NDIS contributions in line with the terms of Western Australia's Transition Agreement, pending the outcome of the full scheme negotiations with the Commonwealth. The provision has been fully allocated to the Department of Communities this Budget, in preparation for the State to negotiate and enter a formal full scheme agreement with the Commonwealth in 2025-26.

2025-26 Economic and Fiscal Outlook

Asset Investment

HIGHLIGHTS

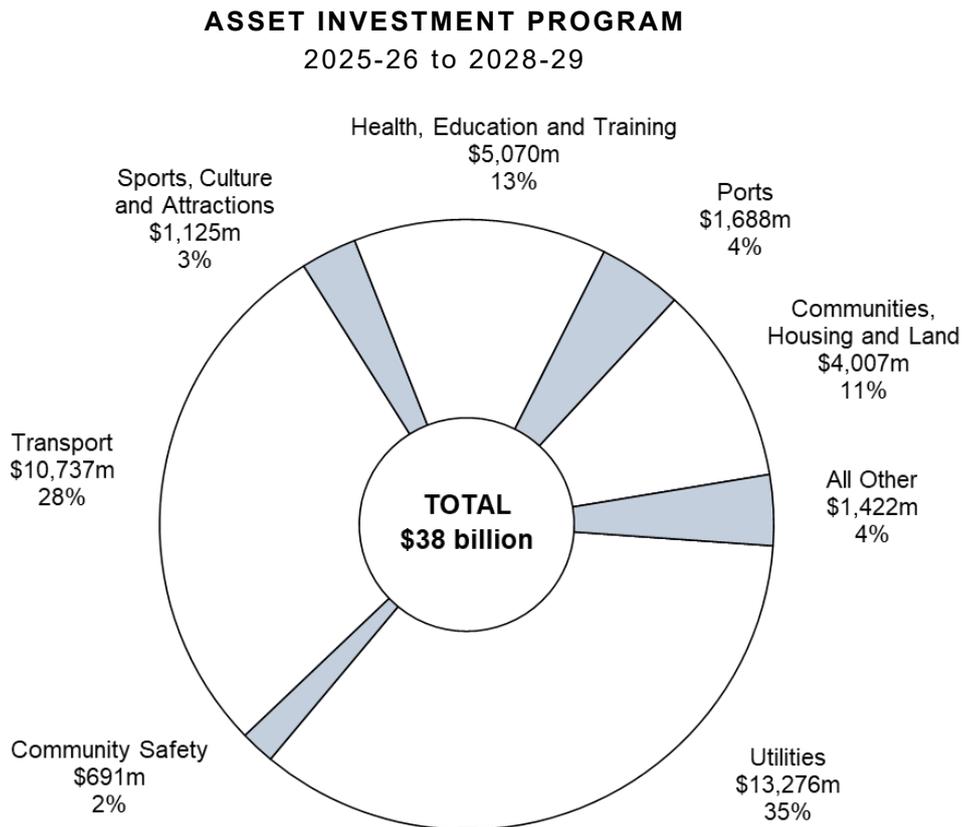
- The 2025-26 Budget includes a substantial \$12.1 billion Asset Investment Program (AIP) in 2025-26, which follows a record \$13.7 billion expected outturn in 2024-25. The Government is investing a total \$38 billion in infrastructure over the four years to 2028-29, with many METRONET and road projects successfully delivered.
- The Government's AIP includes major new energy and water investments to help the transition to renewables and to expand water supply, port upgrades and expansions to facilitate economic diversification, additional health and education infrastructure to address population growth, and new expenditure to increase housing and land supply.
- Relative to the 2024-25 *Pre-election Financial Projections Statement*, the Government's infrastructure investment has been revised up by a net \$1.4 billion, with notable new investments including:
 - \$584.3 million for Western Power's second bundle of the Clean Energy Link – North project to enable renewable energy projects to connect to the grid;
 - \$539.2 million to upgrade the Goldfields and Agricultural Water Supply Scheme to provide an additional 7.2 megalitres of water per day to meet growing demand;
 - \$460 million (of a total \$700 million investment to 2029-30) to widen the Kwinana Freeway in both directions between Roe Highway and Mortimer Road, which will support the future operations of Westport and ease traffic congestion; and
 - a further \$246 million top-up to the Social and Affordable Housing Investment Fund (SAHIF), bringing the total allocation to the SAHIF to \$1.9 billion since 2021-22 to support the delivery of more than 5,800 homes.
- The Budget provides \$3.2 billion to deliver hospital and health infrastructure, including the New Women and Babies Hospital, regional hospital rebuilds, and upgrades and planning for the new Royal Perth Hospital and St John of God Midland Hospital and Emergency Department expansions.
- The Budget also allocates funding to progress the Government's election commitments, including the Perth Entertainment and Sporting Precinct and a significant number of new and upgraded schools.

Introduction

The 2025-26 Budget includes a \$12.1 billion Asset Investment Program (AIP) in 2025-26 and total expenditure of \$38 billion over the next four years, as the Government maintains its commitment to build the economic and social infrastructure required to meet the needs of a growing state. The investment pipeline will also facilitate economic diversification, create local jobs, drive new industry growth, and strengthen communities across the State.

Strategic investment in energy and water infrastructure represents the largest share of the AIP, with \$13.3 billion allocated over the next four years (representing 35% of the total infrastructure spend). Road, rail and other transport infrastructure spend totals \$10.7 billion over the next four years, with annual spending tapering off over the outyears as major transport projects near completion. The AIP also includes \$5.1 billion for health, education and training infrastructure, and \$4 billion for communities, housing and land.

Figure 1



Note: Segments may not add due to rounding.

The operating surpluses projected across the forward estimates are a key funding source for the AIP, while reducing the need for additional borrowings to fund infrastructure investment.

Made in WA Plan: Diversifying Our Economy for the Future and Creating Local Jobs

Investment in road, rail and transport infrastructure is estimated at \$4 billion in 2025-26 and \$10.7 billion over the next four years. New spending in this Budget includes:

- progressing the Westport program of works, including detailed project planning and related social and environmental initiatives at a cost of \$163 million, with a further \$460 million to 2028-29 (\$700 million in total jointly funded by the State and Commonwealth Governments) to be invested to upgrade the Kwinana Freeway in support of the future port's operations;
- the acquisition of additional electric buses and upgrades of additional bus depots at a cost of \$102.9 million, which will continue the transition to electrification of the public transport bus fleet;
- stage one expansion of the METRONET on Swan ferry service at a cost of \$43 million to manufacture five new electric vessels locally and construct new terminals at Applecross and the University of Western Australia, funded by the State and Commonwealth Governments;
- undertaking upgrades on sections of South Coast Highway between Cheyne Road and Kojaneerup at a cost of \$25 million; and
- commencing Stage 1 transport improvements within the Murdoch Health and Knowledge Precinct and to plan Stage 2 works at a cost of \$22.1 million.

Table 1

ASSET INVESTMENT IN ROAD, RAIL AND TRANSPORT INFRASTRUCTURE

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|----------------|----------------|----------------|----------------|----------------|
| | \$m | \$m | \$m | \$m | \$m |
| Commissioner of Main Roads | 2,287.1 | 1,865.0 | 1,581.7 | 1,092.5 | 975.9 |
| Public Transport Authority of Western Australia | 3,285.8 | 1,998.0 | 1,109.1 | 654.2 | 797.0 |
| Department of Transport and Major Infrastructure | 104.0 | 179.9 | 145.9 | 87.7 | 65.5 |
| Provision for METRONET Projects Under Development | - | - | 60.0 | 60.0 | 65.0 |
| Total | 5,676.8 | 4,042.9 | 2,896.7 | 1,894.4 | 1,903.3 |

Note: Columns may not add due to rounding.

The AIP includes investment in port infrastructure totalling \$1.7 billion over the next four years, with new investment approved as part of the Budget including:

- an additional \$65 million to continue the refurbishment of degraded assets across the Fremantle Inner Harbour to ensure the efficient ongoing operations of the port and reduce the risk of trade disruptions;
- \$35 million to reconstruct Utah Ring Road in the Port of Port Hedland to improve access to Utah Point;
- \$30 million to revitalise B Shed on Victoria Quay, which will include construction of a new Rottnest Island ferry terminal and visitor centre to meet increased demand and improve the visitor experience; and
- \$14 million for new infrastructure at the Port of Wyndham to meet First Point of Entry requirements and support economic growth in the East Kimberley region.

Table 2

ASSET INVESTMENT IN PORTS

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---------------------------|--------------|--------------|--------------|--------------|--------------|
| | \$m | \$m | \$m | \$m | \$m |
| Pilbara Ports Authority | 603.2 | 480.1 | 150.8 | 72.0 | 25.0 |
| Mid West Ports Authority | 38.1 | 89.4 | 106.0 | 113.8 | 81.9 |
| Fremantle Port Authority | 94.9 | 106.7 | 104.8 | 83.6 | 64.9 |
| Southern Ports Authority | 67.0 | 48.2 | 50.4 | 39.0 | 27.5 |
| Kimberley Ports Authority | 17.4 | 19.7 | 12.8 | 6.0 | 5.2 |
| Total | 820.6 | 744.2 | 424.9 | 314.4 | 204.5 |

Note: Columns may not add due to rounding.

Investment by the State’s electricity and water utilities totals \$13.3 billion over the four years to 2028-29, of which \$4.6 billion will be spent in 2025-26. A core focus of the utilities is to sustain their existing service capacity while simultaneously expanding capacity to meet new demand, as well as plan and deliver the Government’s significant decarbonisation investment. New projects in this Budget include:

- \$584.3 million for Western Power to undertake network upgrades and expansion of the Clean Energy Link (CEL) – North, and to reinforce the Regans Ford Terminal to enable additional renewable energy generation to connect to the grid;
- \$539.2 million to allow Water Corporation to duplicate Binduli Reservoir and replace 45 kilometres of pipework to increase the capacity of the Goldfields and Agricultural Water Supply Scheme; and
- \$96.9 million (\$101 million to 2029-30) from the Housing Enabling Infrastructure Fund to deliver water and wastewater infrastructure (\$59.6 million) and for Western Power to progress power infrastructure (\$41.4 million to 2029-30) to support the development of over 33,000 residential lots.

Table 3

ASSET INVESTMENT IN WESTERN AUSTRALIAN UTILITIES

| | 2024-25 \$m | 2025-26 \$m | 2026-27 \$m | 2027-28 \$m | 2028-29 \$m |
|------------------------------|----------------|----------------|----------------|----------------|----------------|
| ELECTRICITY UTILITIES | | | | | |
| Western Power | 1,341.7 | 1,707.9 | 1,658.7 | 1,312.7 | 1,142.4 |
| Synergy | 1,297.8 | 568.4 | 198.8 | 17.9 | 22.0 |
| Horizon Power | 151.5 | 112.2 | 81.9 | 65.9 | 89.8 |
| WATER UTILITIES | | | | | |
| Water Corporation | 1,487.7 | 2,221.7 | 1,795.4 | 1,197.7 | 955.6 |
| Bunbury Water Corporation | 9.6 | 23.3 | 34.0 | 3.3 | 3.6 |
| Busselton Water Corporation | 13.0 | 10.0 | 6.5 | 29.5 | 16.5 |
| Total | 4,301.2 | 4,643.6 | 3,775.3 | 2,627.1 | 2,229.8 |

Note: Columns may not add due to rounding.

INVESTING IN THE STATE'S ECONOMIC INFRASTRUCTURE

To ensure Western Australia remains the economic powerhouse of the nation, this Budget includes over \$2.7 billion of new investment in Western Australia's economic infrastructure to support the regions, and further progress our energy transition.

New regional and energy transition commitments in the 2025-26 Budget include:

- \$584 million over the forward estimates for Western Power to progress the second bundle of the Clean Energy Link – North project and reinforce the Regans Ford terminal to assist industries in meeting their decarbonisation goals by linking the South West grid to additional green energy sources;
- \$543 million by Water Corporation over 2025-26 to 2028-29 to upgrade the capacity of the Goldfields and Agricultural Region Water Supply Scheme and deliver an additional 7.2 megalitres of water per day; and
- \$14 million over 2025-26 and 2026-27 for Horizon Power to undertake network connection works for a new 50 per cent renewable power station at Leonora.

The Government continues to position the State for the future, with new investments to support economic diversification and help attract new and emerging industries to establish and manufacture locally, including:

- \$500 million to double the Strategic Industries Fund to activate Strategic Industrial Areas across the State, including through new investments in common-user infrastructure;
- \$163 million over 2025-26 to 2028-29 to further progress the Westport program of works, including detailed project planning and social and environmental initiatives, and a further \$460 million to 2028-29 (\$700 million in total) to be invested to upgrade Kwinana Freeway in support of the future port's operations;
- \$107 million over the forward estimates to acquire and develop land in Postans and Hope Valley general industrial areas to support the Western Trade Coast;

2025–26 Economic and Fiscal Outlook

- \$35 million over 2025-26 to 2027-28 for the Pilbara Ports Authority to reconstruct the Utah Ring Road to support heavy traffic loads that are critical to facilitating trade;
- \$35 million in 2025-26 to increase the Water Corporation's preventative maintenance activities, including on water storage tanks and the wastewater pipeline network;
- \$14 million over 2025-26 and 2026-27 for Kimberley Ports Authority to construct infrastructure at the Port of Wyndham to meet First Point of Entry requirements, (including new border services), to facilitate more trade and support economic growth in the East Kimberley region;
- \$11 million over 2025-26 to 2027-28 for Southern Ports Authority to undertake early engineering design work and progress approvals for a new general purpose berth that will replace the existing end-of-life Berths 1 and 2 at the Port of Albany. A new berth will increase the port's capacity to accommodate large vessels like cruise ships and address forecast trade growth; and
- \$3.5 million over 2024-25 and 2025-26 for Mid West Ports Authority to progress detailed design of Berths 8 and 9 at the Port of Geraldton, which will help activate the Oakajee Strategic Industrial Area by providing additional capacity to import renewable energy cargoes.

This new investment builds on existing initiatives such as:

- \$2.8 billion on the Alkimos Seawater Desalination Plant;
- \$2.5 billion for Synergy's battery storage systems at Kwinana and Collie;
- \$1.3 billion over the forward estimates period for water, wastewater and drainage infrastructure in regional areas;
- \$980 million to develop wind farms at Flat Rocks, King Rocks and Warradarge;
- \$500 million for upgrades and expansion of Western Power's transmission network as part of the first bundle of the Clean Energy Link – North program;
- \$200 million for the Collie Industrial Transition Fund, which will activate industrial areas and attract new businesses to the region; and
- \$140 million (jointly funded with the Commonwealth) to establish a Pilbara Hydrogen Hub, including for a hydrogen or ammonia pipeline and a clean energy training centre.

Safe, Strong and Fair Communities: Supporting Our Local and Regional Communities to Thrive

This Budget has invested \$3.2 billion on a range of health and mental health infrastructure projects over the next four years. The Budget includes a number of initiatives aimed at improving the effectiveness of service delivery and supporting the increasing demand for services as a result of strong population growth. These include:

- \$50 million additional investment for the Medical Equipment and Imaging Replacement Program;
- \$24 million to fit-out 60 inpatient public ward beds at Joondalup Health Campus;
- \$14.5 million to upgrade ageing Electrical and Mechanical Plant across Royal Perth Hospital, Armadale Health Service and Bentley Health Service; and
- \$10 million to commence the planning of Emergency Department expansions at Royal Perth Hospital and St John of God Midland.

The AIP also includes \$1.7 billion over the next four years for the construction, refurbishment and expansion of public schools across the State. Significant new projects and initiatives funded in this Budget include:

- \$129 million (to 2029-30) for the delivery of Stage 1 of the new Brabham Senior High School;
- \$85.3 million to deliver minor upgrade projects and air conditioning upgrades in schools; and
- \$22.7 million of additional funding to deliver more transportable classrooms to address an expected increase in school enrolments for the 2026 school year.

Table 4

ASSET INVESTMENT IN HEALTH, EDUCATION AND TRAINING

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|----------------|----------------|----------------|----------------|--------------|
| | \$m | \$m | \$m | \$m | \$m |
| WA Health | 641.1 | 1,102.1 | 949.1 | 799.9 | 307.9 |
| Mental Health Commission | 2.5 | 14.7 | 10.6 | 0.4 | - |
| Education | 584.5 | 668.9 | 455.7 | 299.9 | 246.8 |
| Training and Workforce Development | 46.2 | 70.5 | 46.2 | 34.5 | 24.6 |
| TAFE Colleges | 19.0 | 13.0 | 7.7 | 7.7 | 7.7 |
| Building and Construction Industry Training Board | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Total | 1,293.8 | 1,869.7 | 1,469.8 | 1,142.9 | 587.5 |

Note: Columns may not add due to rounding.

Asset investment in the 2025-26 Budget that supports community safety totals \$690.7 million, with new initiatives including \$14.3 million to refurbish accommodation at the Western Australia Police Academy to attract and incentivise regional recruitment, and \$6.8 million to deliver an additional 100 beds across the adult custodial estate.

Table 5

ASSET INVESTMENT IN COMMUNITY SAFETY

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--------------------------------|--------------|--------------|--------------|-------------|-------------|
| | \$m | \$m | \$m | \$m | \$m |
| Western Australia Police Force | 131.0 | 139.1 | 89.8 | 32.4 | 26.7 |
| Justice | 114.4 | 162.4 | 38.5 | 16.9 | 15.5 |
| Fire and Emergency Services | 71.4 | 51.0 | 32.3 | 42.6 | 43.7 |
| Total | 316.8 | 352.4 | 160.5 | 91.9 | 86.0 |

Note: Columns may not add due to rounding.

This Budget continues the Government's priority to boost social and affordable housing and address homelessness, with a \$246 million top-up to the Social and Affordable Housing Investment Fund (see Provisions) and \$79.5 million invested to deliver 151 new social dwellings. An additional \$20.7 million will be spent to help deliver 234 new affordable dwellings funded by the Housing Australia Future Fund.

Other new initiatives include:

- \$210 million (to 2031-32) to support the expansion of Keystart's Shared Equity Scheme, by delivering an additional 1,000 loans to help more Western Australians into home ownership; and
- \$103.8 million in additional funding to double the Government Regional Officer Housing construction program to deliver more than 100 additional dwellings across regional Western Australia to support the delivery of essential services.

Table 6

ASSET INVESTMENT IN COMMUNITIES, HOUSING AND LAND

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|----------------|----------------|----------------|--------------|--------------|
| | \$m | \$m | \$m | \$m | \$m |
| DevelopmentWA | 510.7 | 980.7 | 583.7 | 313.0 | 200.3 |
| Housing and Works ^(a) | 799.6 | 750.0 | 431.2 | 247.9 | 287.8 |
| Western Australian Planning Commission | 105.9 | 48.3 | 47.3 | 47.3 | 49.3 |
| Communities | 12.3 | 11.7 | 4.4 | 2.2 | 2.2 |
| Total | 1,428.5 | 1,790.7 | 1,066.6 | 610.3 | 539.6 |

(a) Includes the Housing Authority component of the Department of Housing and Works.

Note: Columns may not add due to rounding.

Investing in WA's Future: Tackling Climate Action and Supporting the Arts, Culture and Sporting Sectors to Promote Vibrant Communities

Investment in cultural and sporting infrastructure and attractions totals \$1.1 billion over the next four years. Investment provided in this Budget includes:

- \$217.5 million for the Perth Entertainment and Sporting Precinct, which will include a motorsport street circuit and outdoor amphitheatre;
- \$69.6 million to deliver further essential infrastructure upgrades on Rottnest Island, including additional investment in solar, wind, battery and baseload diesel electricity generation capacity to achieve 75% renewable generation for Rottnest Island;

- \$20 million for initial planning and design works for the Malaga Sports Precinct; and
- \$10 million for the detailed planning of the Art Gallery of Western Australia Redevelopment Project.

Table 7

ASSET INVESTMENT IN SPORTS, CULTURE AND ATTRACTIONS

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|--------------|--------------|--------------|--------------|--------------|
| | \$m | \$m | \$m | \$m | \$m |
| Biodiversity, Conservation and Attractions | 168.9 | 232.2 | 149.3 | 88.1 | 82.8 |
| Creative Industries, Tourism and Sport | 197.2 | 172.7 | 160.4 | 64.9 | 44.4 |
| Western Australian Sports Centre Trust (VenuesWest) | 47.5 | 55.8 | 26.8 | 26.2 | 20.5 |
| Western Australian Institute of Sport | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Total | 413.7 | 460.8 | 336.7 | 179.4 | 148.0 |

Note: Columns may not add due to rounding.

Major Infrastructure Spending Changes

Summary

The following tables provide details of major changes in total public sector infrastructure spending by agency since the 2024-25 *Pre-election Financial Projections Statement* (PFPS). These include policy decisions made between the cut-off date for the PFPS (1 February 2025) and the cut-off date for this Budget (19 May 2025), and other changes of a material nature affecting agency infrastructure spending over the forward estimates period.

The timing of cash flows for some previously announced projects may also have been revised but are not included in this chapter as they are broadly net debt neutral across the forward estimates period. Further details on individual projects are contained in Budget Paper No. 2: *Budget Statements*.

The agencies outlined in this Chapter reflect the Public Sector Reforms of government departments announced by the Premier on 31 March 2025, which are to commence on 1 July 2025.

PARLIAMENT

Table 8

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| PARLIAMENTARY SERVICES DEPARTMENT | | | | | |
| – Transformer Replacement and Relocation | - | 2.0 | 0.7 | - | - |

Note: Rows may not add due to rounding.

Parliamentary Services Department

Transformer Replacement and Relocation

The Government will invest \$2.7 million over 2025-26 and 2026-27 to replace and relocate Parliament’s high voltage transformer in order to comply with building and safety regulations.

GOVERNMENT ADMINISTRATION

Table 9

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| OFFICE OF THE INFORMATION COMMISSIONER | | | | | |
| – Digital Capability Fund – Case Management System and Electronic Document and Records Management System | - | 0.6 | 0.4 | 0.4 | - |
| – Office Accommodation ^(a) | - | 0.1 | - | - | - |

(a) This item has both recurrent and capital expenditure, the majority of which is recurrent and is therefore detailed in Chapter 5.

Note: Rows may not add due to rounding.

Office of the Information Commissioner

Digital Capability Fund – Case Management System and Electronic Document and Records Management System

The Government has committed \$1.4 million over 2025-26 to 2027-28 for the implementation of an integrated Case Management and Electronic Document and Records Management System. A further \$1 million over 2025-26 to 2028-29 has also been approved as recurrent expenditure for licensing, maintenance and support costs (see Chapter 5).

FINANCIAL ADMINISTRATION

Table 10

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| TREASURY AND FINANCE | | | | | |
| – Extension of the Off-The-Plan Transfer Duty Concessions Scheme – System Changes | 0.3 | - | - | - | - |
| – Commonwealth Energy Bill Relief – Administration Costs ^(a) | - | 0.3 | - | - | - |

(a) See Synergy in Chapter 5.

Note: Rows may not add due to rounding.

Treasury and Finance

Extension of the Off-The-Plan Transfer Duty Concessions Scheme – System Changes

An additional \$260,000 will be spent in 2024-25 to update RevenueWA’s systems to facilitate the extension of the off-the-plan transfer duty concession for 12 months to 30 June 2026 and amendments to the eligibility criteria.

JOBS AND ECONOMIC DEVELOPMENT

Table 11

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| CREATIVE INDUSTRIES, TOURISM AND SPORT | | | | | |
| Election Commitments | | | | | |
| – Sports and Recreation Infrastructure Package ^(a) | - | 5.0 | 5.0 | 5.0 | 5.0 |
| – Art Gallery of WA Vision | - | 5.0 | 5.0 | - | - |
| MINES, PETROLEUM AND EXPLORATION | | | | | |
| Election Commitments | | | | | |
| – Exploration Incentive Scheme ^(a) | - | 2.5 | - | - | - |
| RACING AND WAGERING WESTERN AUSTRALIA | | | | | |
| – Racing and Wagering Systems, Infrastructure and Minor Capital | - | 11.4 | 6.1 | 6.1 | 6.1 |

(a) This item has both recurrent and capital expenditure, the majority of which is recurrent and is therefore detailed in Chapter 5.

Note: Rows may not add due to rounding.

Creative Industries, Tourism and Sport

Election Commitments

Art Gallery of WA Vision

The Government will invest \$10 million over 2025-26 and 2026-27 towards the detailed planning of the Art Gallery of Western Australia Redevelopment Project.

Racing and Wagering Western Australia

Racing and Wagering Systems, Infrastructure and Minor Capital

Racing and Wagering Western Australia will spend an additional \$29.7 million to improve racing and wagering systems and support racing infrastructure, as well as the development of premises in Southern River as a future site for the Greyhounds as Pets re-homing program.

HEALTH

Table 12

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| WA HEALTH | | | | | |
| Election Commitments | | | | | |
| – Claremont Therapeutic Riding Centre | - | 4.1 | 6.5 | - | - |
| – Royal Perth Hospital – Emergency Department Expansion | - | 5.0 | - | - | - |
| – St John of God Midland – Emergency Department Expansion | - | 5.0 | - | - | - |
| – Election Commitment Planning | - | 3.0 | - | - | - |
| – Sexual Health Quarters Day Procedure Centre at Cockburn | - | - | 1.3 | - | - |
| – Kalgoorlie Health Campus Master Planning | - | 1.0 | - | - | - |
| – Kalbarri Health Centre Air Conditioning Upgrade | - | - | 1.0 | - | - |
| Other Spending | | | | | |
| – Medical Equipment and Imaging Replacement Program | - | - | 50.0 | - | - |
| – State-wide Cladding Remediation | - | 2.5 | 15.0 | 8.4 | - |
| – Joondalup Health Campus Bed Expansion | - | 24.0 | - | - | - |
| – Bunbury Hospital Redevelopment | - | 4.8 | 12.0 | 2.6 | 0.9 |
| – East Metropolitan Health Service (EMHS) Electrical and Mechanical Plant Replacement | - | 2.1 | 12.3 | 0.1 | - |
| – Perth Children’s Hospital MRI Scanner, CT Scanner and Gait Laboratory | - | 4.4 | 7.0 | 0.9 | - |
| – QEII Medical Centre Access and Transport Planning | - | 7.4 | 1.6 | - | - |
| – Sir Charles Gairdner Hospital Intensive Care Unit | - | 8.6 | - | - | - |
| – Australian Standard 5369 Reprocessing of Reusable Medical Devices | - | 5.0 | - | - | - |
| – Fremantle Mental Health Beds | - | 4.4 | - | - | - |
| MENTAL HEALTH COMMISSION | | | | | |
| Election Commitments | | | | | |
| – Kimberley Health Initiatives | - | 0.8 | 4.9 | 0.4 | - |

Note: Rows may not add due to rounding.

WA Health

Election Commitments

Claremont Therapeutic Riding Centre

To facilitate the redevelopment of Graylands Hospital, the Government has committed \$10.6 million over 2025-26 and 2026-27 to relocate the Claremont Therapeutic Riding Centre.

Royal Perth Hospital – Emergency Department Expansion

The Government has allocated \$5 million in 2025-26 to commence planning the expansion of the Royal Perth Hospital emergency department with the objective to reduce ambulance ramping and improve emergency department waiting times.

St John of God Midland – Emergency Department Expansion

The Government has invested \$5 million in 2025-26 to commence planning for the St John of God Midland emergency department expansion and hospital upgrade to support patients in Perth's growing eastern corridor.

Election Commitment Planning

Funding of \$3 million has been allocated in 2025-26 to commence planning for the delivery of the following election commitments:

- an eight-chair dialysis unit and a 16-bed hostel in Karratha and five additional renal dialysis chairs within the existing Geraldton dialysis unit;
- a 30-bed modular ward at Albany Health Campus; and
- the establishment of a radiation oncology service at Geraldton Health Campus.

Sexual Health Quarters Day Procedure Centre at Cockburn

To ensure affordable, accessible and timely reproductive health services, the Government will invest \$1.3 million in 2026-27 to establish a women's reproductive health day procedure centre in Cockburn. A further \$1.2 million has also been approved as recurrent expenditure in the same period to deliver this service (see Chapter 5).

Kalgoorlie Health Campus Master Planning

The Government has allocated \$1 million in 2025-26 to begin master planning for the future redevelopment of the Kalgoorlie Health Campus, which will be aligned to medium and long-term clinical service planning.

Kalbarri Health Centre Air Conditioning Upgrade

The Government will invest \$1 million in 2026-27 to upgrade air conditioning at the Kalbarri Health Centre.

Other Spending

Medical Equipment and Imaging Replacement Program

The Medical Equipment and Imaging Replacement Program has been allocated an additional \$50 million in 2026-27 to replace high-priority medical and imaging equipment that is nearing the end of its useful life.

State-wide Cladding Remediation

To address fire safety risks arising from the use of aluminium composite panel cladding, WA Health will progress rectification works at Perth Children's Hospital, costing \$25.9 million over 2025-26 to 2027-28. This is funded by a drawdown from the existing state-wide provision for cladding remediation.

Joondalup Health Campus Bed Expansion

The Government has allocated \$24 million in 2025-26 to fit-out 60 inpatient beds in the public ward at Joondalup Health Campus to address forecast growth in demand for hospital services in the Joondalup area.

Bunbury Hospital Redevelopment

A further \$20.3 million will be invested in the Bunbury Hospital Redevelopment across 2025-26 to 2028-29 to enable the project to progress in line with the Government's commitment. This additional allocation brings total investment into the redevelopment to \$471.5 million.

East Metropolitan Health Service (EMHS) Electrical and Mechanical Plant Replacement

The Government will spend \$14.5 million for the Electrical and Mechanical Plant Replacement programs across Royal Perth Hospital, Armadale Health Service and Bentley Health Service, mitigating the risk of potential service disruptions and enhancing safety for staff.

Perth Children's Hospital MRI Scanner, CT Scanner and Gait Laboratory

The Government will spend \$12.3 million over 2025-26 to 2027-28 for the procurement and fit-out of two new magnetic resonance imaging (MRI) and computed tomography (CT) scanners, as well as the establishment of a new gait analysis laboratory. This will be partially funded by a \$6.9 million grant from Telethon.

QEII Medical Centre (QEIMC) Access and Transport Planning

The Government will invest a total of \$19.3 million across 2025-26 and 2026-27 to improve car parking and undertake planning for improvements to transport and access to the QEIMC. The following spending initiatives are included in this investment:

- \$9 million for WA Health to undertake enabling works to improve access to the multi deck car park in QEIMC, and to undertake planning activities towards future parking solutions;
- \$10.3 million for road and transport planning to be undertaken by the Department of Transport and Major Infrastructure, Main Roads, and the Public Transport Authority.

Sir Charles Gairdner Hospital Intensive Care Unit

An additional \$8.6 million in capital expenditure has been approved for the Sir Charles Gairdner Hospital Intensive Care Unit Ten-Bed Pod project in 2025-26 to enable the award of the construction contract and support increased contingency and professional fees.

Australian Standard 5369 Reprocessing of Reusable Medical Devices

To support efforts towards compliance with the Australian Standard for reprocessing of reusable medical devices, \$5 million will be allocated in 2025-26 for critical infrastructure works and planning to meet updated water and air quality standards to ensure safe equipment reprocessing, minimise infection risks and promote patient safety.

Fremantle Mental Health Beds

To enable the procurement of furniture, fittings and equipment, an additional \$4.4 million will be allocated to the project in 2025-26, bringing the Government's total investment into the project to \$64.8 million.

Mental Health Commission

Election Commitments

Kimberley Health Initiatives

The Government will invest \$10.8 million over 2025-26 to 2028-29 to deliver additional health services in the Kimberley. This includes:

- \$6 million to construct the Derby Wellness Centre to deliver a suite of health and mental health services such as aged care and traditional healing; and
- \$4.8 million in recurrent expenditure to operate the centre, and to begin planning and engagement with service providers to also establish a Broome Withdrawal Service to provide low to medium detox services (see Chapter 5).

EDUCATION AND TRAINING

Table 13

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|---------|---------|--------------------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| EDUCATION | | | | | |
| Election Commitments | | | | | |
| – New Schools and Maintenance Vision | | | | | |
| – New Schools | - | 4.1 | 14.0 | 61.0 | 45.0 |
| – Minor Upgrades | - | 21.0 | 21.0 | - | - |
| – Major Upgrades | - | 0.9 | - | - | - |
| – Cool the Schools | - | 21.0 | 21.0 | 1.3 ^(a) | - |
| – Boosting Before and After School Care in Schools | - | 10.0 | - | - | - |
| – Expanding Four-Year-Old Kindergarten ^(b) | - | 2.0 | 2.0 | 0.5 | - |
| Other Spending | | | | | |
| – Transportable Classrooms | - | - | 22.7 | - | - |
| – Capital Projects ^(a) | | | | | |
| – Science, Technology, Engineering and Mathematics | - | - | 2.9 | - | - |
| – Piara Waters West Primary School (Planning Name) | -(c) | 0.7 | 0.9 | 0.2 | -(c) |
| – Highgate Primary School – Two Storey Modular Classroom Block | - | - | 1.3 | 0.5 | - |
| – Roleystone Community College | - | - | 1.8 | - | - |
| – Aluminium Composite Panels | - | - | 1.4 | - | - |
| – Exmouth District High School – Home Economics Room Upgrade | 0.2 | 0.5 | - | - | - |
| – Derby District High School | - | 0.7 | - | - | - |
| – Ocean Reef Senior High School | 0.3 | - | - | - | - |
| – Melville Senior High School | - | 0.2 | - | - | - |
| – Ridge View Secondary College Stage 2 | 0.2 | - | - | - | - |
| – Minor Works ^(d) | - | - | 8.0 | 2.9 | - |
| – School of Alternative Learning Settings | - | 3.5 | 0.9 | - | - |
| TRAINING AND WORKFORCE DEVELOPMENT | | | | | |
| Election Commitments | | | | | |
| – Investing in Modern Equipment for TAFEs | - | 7.8 | 8.0 | 8.2 | 8.4 |
| – New Heavy Vehicle Driver Training Facility | - | 4.6 | 3.0 | 4.0 | 0.9 |
| – Munster TAFE Expansion | - | 0.4 | - | - | - |

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

(b) See Department of the Premier and Cabinet in Chapter 5.

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

(d) This item has both recurrent and capital expenditure, the majority of which is recurrent and is therefore detailed in Chapter 5.

Note: Rows may not add due to rounding.

Education

Election Commitments

New Schools and Maintenance Vision – New Schools

The Government will invest \$124.5 million over the forward estimates period towards the delivery of new schools under the New Schools and Maintenance Vision, comprising:

- \$123.5 million for the delivery of Stage 1 of the new Brabham Senior High School; and

- \$1 million to progress planning activities for a new secondary school in Alkimos, a new primary school in Mount Lawley, and a proposed secondary school in the Dawesville catchment – including \$400,000 in recurrent expenditure for initial planning and scoping (see Chapter 5).

New Schools and Maintenance Vision – Minor Upgrades

As part of the New Schools and Maintenance Vision, \$42 million will be invested from 2025-26 to 2026-27 to deliver the first tranche of minor upgrade projects, including a range of works such as classroom refurbishments, sports facilities, play equipment and student services upgrades.

New Schools and Maintenance Vision – Major Upgrades

As part of the commitment for the New Schools and Maintenance Vision, \$3.9 million will be spent over 2025-26 to 2026-27 to progress planning activities towards 17 major school upgrade projects, including \$3 million in recurrent spending (see Chapter 5). An investment decision for these projects will be made at a future date once further planning is completed.

Cool the Schools

Over 2025-26 to 2027-28, \$43.3 million will be spent to deliver the first tranche of air conditioning upgrades in schools as part of the Cool the Schools commitment. Under Cool the Schools, replacement reverse cycle air conditioning will be installed at 45 schools across the State.

Boosting Before and After School Care in Schools

The Government will invest \$15 million over 2025-26 to 2028-29 to expand out of school hours care services across 18 public primary schools, including \$10 million towards infrastructure upgrades and facilities, and \$5 million for the Department of Education to establish a project team to support schools and for oversight functions (\$2 million), and for the Department of Communities to administer a grants program to attract and retain early childhood and out of school hours care educators (\$3 million; see Chapter 5).

Other Spending

Transportable Classrooms

To enable the timely expansion of capacity in public schools and meet enrolment pressures as a result of strong population growth, an additional \$22.7 million will be invested in 2026-27 to facilitate the acquisition and delivery of transportable classrooms for the 2026 school year.

Capital Projects

A further \$11.8 million of asset investment over the forward estimates period has been approved across a range of high priority education projects mainly due to tender results exceeding pre-tender estimates, cost escalation, and rise and fall obligations.

School of Alternative Learning Settings

In order to establish long-term accommodation for two existing Alternative Learning Settings programs in Northam and Karratha, \$4.4 million from 2025-26 to 2026-27 will be invested to deliver transportable classrooms.

Training and Workforce Development

Election Commitments

Investing in Modern Equipment for TAFEs

The Government will invest \$32.2 million to extend the TAFE Modern Equipment Program over the forward estimates period, securing state-of-the-art equipment across the TAFE colleges and providing students with industry standard training resources. The program includes additional spending of \$1.7 million for related servicing and maintenance works, and the costs of program delivery (see Chapter 5).

New Heavy Vehicle Driver Training Facility

A new Heavy Vehicle Driver Training Facility with the capacity to train up to 170 students per annum will be constructed in Neerabup and facilitated by North Metropolitan TAFE. The facility will be delivered through an investment of \$12.5 million over 2025-26 to 2028-29, with further spending of \$4.7 million (see Chapter 5) to deliver the project and provide additional driver training commencing in 2026.

Munster TAFE Expansion

Planning will commence for the expansion of South Metropolitan TAFE's Munster Campus with an investment of \$350,000 in 2025-26. The future expansion will facilitate development of workforce skills for renewable industries, including wind energy, battery technology, green hydrogen, electrification, automation and robotics. Project planning and delivery activities will be supported by further spending of \$79,000 in 2025-26 (see Chapter 5).

COMMUNITY SAFETY

Table 14

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| WESTERN AUSTRALIA POLICE FORCE | | | | | |
| Election Commitments | | | | | |
| – Regional Police Officer Recruitment | - | 1.9 | 11.6 | 0.6 | 0.2 |
| – Hooning, CCTV and Retail Barring Package ^(a) | - | 1.8 | - | - | - |
| Other Spending | | | | | |
| – Digital Capability Fund – Firearms Licensing and Registry System ^(a) | 2.3 | - | - | - | - |
| JUSTICE | | | | | |
| Election Commitments | | | | | |
| – Youth Crime Bail Reform Package ^(a) | - | 4.2 | - | - | - |
| Other Spending | | | | | |
| – Adult Custodial Estate Expansion | - | 6.8 | - | - | - |
| FIRE AND EMERGENCY SERVICES | | | | | |
| Election Commitments ^(b) | | | | | |
| – New Career Fire and Rescue Service Station in Yanchep | - | - | 2.1 | 13.0 | 0.7 |
| – Bullsbrook Volunteer Fire and Emergency Services Station | - | - | - | 3.3 | 4.7 |
| – State Bushfire Mitigation Branch | - | 1.3 | 1.1 | 0.2 | 0.2 |
| Other Spending | | | | | |
| – Interagency Emergency Services Radio Network ^(c) | - | 0.7 | 0.7 | - | - |
| – Protecting Our Communities (Disaster Resilience) – Commonwealth Program ^(b) | - | 1.3 | - | - | - |

(a) This item has both recurrent and capital expenditure, the majority of which is recurrent and is therefore detailed in Chapter 5.

(b) See Department of Fire and Emergency Services in Chapter 5.

(c) See Western Australia Police Force in Chapter 5.

Note: Rows may not add due to rounding.

Western Australia Police Force

Election Commitments

Regional Police Officer Recruitment

The Government has allocated \$14.3 million over 2025-26 to 2028-29 to redevelop a Western Australia Police Academy accommodation block in Perth, which is to be used to provide free accommodation to recruits coming from regional areas to complete training. A further \$1.1 million has been approved as recurrent expenditure over the same period as operational costs to deliver this commitment (see Chapter 5).

Justice

Other Spending

Adult Custodial Estate Expansion

In response to growth in the prison population, the Government will invest \$6.8 million in 2025-26 to deliver an additional 100 beds across the adult custodial estate. An additional \$3.3 million of recurrent expenditure has been approved to progress planning for further custodial infrastructure expansions (see Chapter 5).

COMMUNITY SERVICES

Table 15

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| LOCAL GOVERNMENT, INDUSTRY REGULATION AND SAFETY | | | | | |
| – Digital Capability Fund – Liquor Licensing and Compliance System Replacement | - | 8.3 | 6.3 | - | - |
| WESTERN AUSTRALIAN SPORTS CENTRE TRUST (VENUESWEST) | | | | | |
| Election Commitments | | | | | |
| – Upgrades for Community Motorsports Facilities Across Western Australia ^(a) | - | - | 2.8 | 5.0 | - |
| – Arena Joondalup – Basketball Facility Upgrades | - | - | 2.0 | - | - |
| Other Spending | | | | | |
| – Electrical Infrastructure Upgrades | - | 4.3 | 1.5 | 0.7 | - |
| LOTTERIES COMMISSION | | | | | |
| – Various Capital Items | 1.4 | 1.8 | 0.8 | 0.8 | 0.3 |
| METROPOLITAN CEMETERIES BOARD | | | | | |
| – Building and Infrastructure Delivery | - | 0.3 | 0.3 | 0.2 | 2.1 |

(a) See Department of Creative Industries, Tourism and Sport in Chapter 5.

Note: Rows may not add due to rounding.

Local Government, Industry Regulation and Safety

Digital Capability Fund – Liquor Licensing and Compliance System Replacement

The Department will spend an additional \$14.6 million over 2025-26 and 2026-27 to replace its liquor licensing and compliance system which will reach end-of-life in 2027, ensuring the continued support of the Government's liquor reform measures.

Western Australian Sports Centre Trust (VenuesWest)

Election Commitments

Arena Joondalup – Basketball Facility Upgrades

The Government will spend \$2 million in 2026-27 to upgrade basketball facilities at Arena Joondalup, including new retractable grandstand seating and additional scoreboards.

Other Spending

Electrical Infrastructure Upgrades

VenuesWest will spend \$6.5 million over 2025-26 to 2027-28 to replace ageing electrical infrastructure, including switchboards and cabling at Perth High Performance Centre, Arena Joondalup, Speed Dome and Perth Motorplex.

Lotteries Commission

Various Capital Items

To maintain services, the Commission will spend \$5.1 million over 2024-25 to 2028-29 predominantly on various ICT upgrades (\$2.6 million), replacement of its Human Resources Information System (\$1.4 million), and new digital screens for its Gaming System Replacement program (\$750,000).

Metropolitan Cemeteries Board

Building and Infrastructure Delivery

The Metropolitan Cemeteries Board will invest an additional \$2.9 million over the forward estimates to uplift its ongoing Building and Infrastructure Program.

TRANSPORT AND MAJOR INFRASTRUCTURE

Table 16

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| TRANSPORT AND MAJOR INFRASTRUCTURE | | | | | |
| Election Commitments | | | | | |
| - Hillarys Boat Harbour Upgrades | - | 1.1 | 1.5 | 5.4 | 0.1 |
| - New Licensing Centre – Byford-Armadale Region | - | - | 2.0 | 2.0 | - |
| - Tantabiddi Boating Facility ^(a) | - | 0.2 | 1.4 | - | - |
| Other Spending | | | | | |
| - Westport | - | 22.4 | 29.2 | 30.8 | 30.4 |
| - Transforming Bunbury's Waterfront Stage 3 Phase 1 | - | 9.0 | 25.1 | - | - |
| - Digital Capability Fund – Identity and Access Management System Replacement | - | 1.4 | 2.9 | - | - |
| - Fremantle Fishing Boat Harbour High Voltage Electrical Upgrade | - | 2.8 | - | - | - |
| - Kalgoorlie Service Centre Fit-Out | - | 1.2 | 1.3 | - | - |
| - Infringement Processing ^(a) | 2.2 | - | - | - | - |
| - Two Rocks Marina Infrastructure | - | 0.3 | 1.6 | - | - |
| - Transport Executive and Licensing Information System | - | 1.4 | - | - | - |
| COMMISSIONER OF MAIN ROADS | | | | | |
| Election Commitments | | | | | |
| - Southern Suburbs Roads Package – Kwinana Freeway Widening | - | - | 40.0 | 180.0 | 240.0 |
| - Perth Entertainment and Sporting Precinct | 4.0 | 141.0 | 72.5 | - | - |
| - Northern Suburbs Roads Package | | | | | |
| - Reid Highway and Erindale Road Grade Separation | - | 5.0 | 5.0 | 10.0 | 50.0 |
| - Wanneroo Intersection Upgrades and Whitfords Avenue to Gnangara Road Planning | - | 0.5 | 6.2 | 16.2 | 13.0 |
| - McGilvray Avenue and Morley Drive Intersection | - | - | - | 2.0 | 2.0 |
| - South Coast Highway – Kojaneerup and Shannon | - | - | 2.5 | 10.0 | 12.5 |
| - Signalised Pedestrian Crossings (Stage 1) | - | 3.5 | 5.0 | - | - |
| - Main Street Upgrades – Coolgardie | - | - | - | 7.7 | - |
| - Forrest Highway Access – South Yunderup | - | - | - | 3.0 | - |
| Other Spending | | | | | |
| - Various Road Projects – Additional Investment | 103.4 | 54.4 | - | - | - |
| - Northam Pithara Road – Realignment and Bridge Replacements | - | 10.0 | 15.0 | - | - |
| - Murdoch Health and Knowledge Precinct Stage 1 Transport Improvements | - | 14.1 | 8.1 | - | - |
| - Strategic Industrial Areas – Kemerton and Kwinana ^(b) | - | 3.0 | 4.2 | 5.9 | - |
| - Leach Highway and Manning Road Intersection Grade Separation Planning | - | 4.0 | 6.0 | - | - |
| - QEII Medical Centre Access and Transport Planning ^(c) | - | 1.2 | 2.0 | - | - |
| PUBLIC TRANSPORT AUTHORITY OF WESTERN AUSTRALIA | | | | | |
| Election Commitments | | | | | |
| - Bus Electrification | - | -36.7 | 33.4 | 60.0 | 46.1 |
| - METRONET on Swan | 3.1 | -0.6 | -8.2 | 48.7 | - |
| - Surf CAT ^(a) | - | 4.3 | - | - | - |
| Other Spending | | | | | |
| - METRONET Program of Works | 122.8 | 7.0 | -0.3 | -5.0 | - |
| - Westport ^(d) | - | - | - | - | 7.0 |
| - Kenwick Rail Freight Facility | 2.7 | 4.0 | - | - | - |
| - Bassendean Station Bus Interchange | 0.2 | 1.8 | - | - | - |

Table 16 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| HOUSING AND WORKS | | | | | |
| Election Commitments | | | | | |
| – Shared Equity and New Products | - | 31.5 | 31.5 | 31.5 | 31.5 |
| – Government Regional Officer Housing | - | - | 37.4 | 36.2 | 30.2 |
| Other Spending | | | | | |
| – Boost to Social Housing | 13.1 | 31.4 | 17.6 | 17.4 | - |
| – Housing Australia Future Fund Projects | - | - | - | 20.7 | - |
| FREMANTLE PORT AUTHORITY | | | | | |
| – Inner Harbour Refurbishment – Stage 2 | - | 6.7 | 18.3 | 20.0 | 20.0 |
| – Revitalisation of B Shed ^(e) | - | 3.6 | 6.7 | 19.7 | - |
| – J Berth Refurbishment | - | 0.5 | 17.8 | 2.0 | - |
| KIMBERLEY PORTS AUTHORITY | | | | | |
| Election Commitments | | | | | |
| – Port of Wyndham – First Point of Entry Infrastructure | - | 7.0 | 7.0 | - | - |
| – Port of Derby – Barge Landing Upgrades | - | - | 0.7 | 0.8 | - |
| – Port of Broome – Passenger Cruise Terminal | - | 0.5 | - | - | - |
| MID WEST PORTS AUTHORITY | | | | | |
| – Berth 8 and 9 Design ^(f) | 1.2 | 2.3 | - | - | - |
| PILBARA PORTS AUTHORITY | | | | | |
| – Utah Ring Road Reconstruction | - | 3.0 | 25.0 | 7.0 | - |
| SOUTHERN PORTS AUTHORITY | | | | | |
| Election Commitments | | | | | |
| – Port of Albany – New General Purpose Berth ^(g) | 0.5 | 2.7 | 3.3 | 4.3 | - |

(a) This item has both recurrent and capital appropriation, the majority of which is recurrent and is therefore detailed in Chapter 5.

(b) See Department of Energy and Economic Diversification in Chapter 5.

(c) See Department of Health in Chapter 6.

(d) See Department of Transport and Major Infrastructure in Chapter 6.

(e) Initiative funded from the provision for yet-to-be-announced decisions as part of the 2024-25 Mid-year Review.

(f) Initiative funded from the existing Renewable Hydrogen Initiatives provision within the Climate Action Fund Special Purpose Account.

(g) Initiative partially funded from within existing budget parameters.

Note: Rows may not add due to rounding.

Transport and Major Infrastructure

Election Commitments

Hillarys Boat Harbour Upgrades

To improve the amenities and access at Hillarys Boat Harbour, \$8 million will be invested (with a further \$6.1 million of recurrent expenditure – see Chapter 5) to upgrade facilities at the Harbour over 2025-26 to 2028-29, including for the construction of a new youth plaza, family change pavilion and two signalised pedestrian crossings.

New Licensing Centre – Byford-Armadale Region

The Government has allocated \$4 million over 2026-27 and 2027-28 towards the establishment of a new Driver and Vehicle Services centre in the Byford-Armadale region, which will assist in meeting growing demand for driver and vehicle services in the area.

Other Spending

Westport

As the Westport project progresses to detailed planning following the Government's endorsement of the business case in late 2024, an additional \$163.4 million will be invested into the program of works over 2025-26 to 2028-29 comprising:

- \$122.7 million (jointly funded by the State and Commonwealth Governments) to define project scopes and designs, primarily for marine works, including the replacement of Kwinana Bulk Terminal;
- \$23.3 million for the Westport Office's continued operations; and
- \$17.4 million to progress a suite of social and environmental strategic initiatives that aim to maximise the use of recycled materials, achieve supply chain efficiencies and support Aboriginal engagement across the project (see Chapter 5).

In addition, the State and Commonwealth Governments are jointly investing \$700 million (including \$460 million to 2028-29) to upgrade the Kwinana Freeway, which will support the operations of the future port – see Commissioner of Main Roads below.

Transforming Bunbury's Waterfront Stage 3 Phase 1

An additional \$34.1 million will be invested over 2025-26 and 2026-27 to complete the Transforming Bunbury's Waterfront Stage 3 Phase 1 works, which are currently under construction and have experienced cost increases as a result of market-driven cost escalation and additional required civil and services works.

Digital Capability Fund – Identity and Access Management System Replacement

The Government will spend \$4.3 million over 2025-26 and 2026-27 for the Department to procure and implement a new identity and access management system, with a further \$1.5 million to be spent on the required system licences in 2025-26 (see Chapter 5). The new system will ensure safe and secure identity management for the DoTDirect online platform and deliver ongoing cost efficiencies relative to the existing architecture, which has experienced significant cost increases due to the recent adoption of a subscription-based licence model by the current system provider.

Fremantle Fishing Boat Harbour High Voltage Electrical Upgrade

To replace ageing critical electrical infrastructure at Fremantle Fishing Boat Harbour with upgraded and improved equipment, an additional \$2.8 million will be spent in 2025-26. The upgrades will provide a more reliable and robust electrical supply for tenants as well as enhancing safety provisions at the Harbour.

Kalgoorlie Service Centre Fit-Out

In response to growing local demand, the Department will spend \$2.5 million over 2025-26 and 2026-27 to expand its licensing services centre in Kalgoorlie. The larger premises will provide more suitable space for the centre's operational needs and reduce customer wait times.

Two Rocks Marina Infrastructure

The Department will spend \$2.1 million (including \$202,000 of recurrent expenditure – see Chapter 5) on improved infrastructure at Two Rocks Marina over 2025-26 and 2026-27, including replacement boat lifter machinery, to ensure that operations at the facility can safely continue.

Transport Executive and Licensing Information System (TRELIS)

The Department will spend \$2.3 million in 2025-26 (including \$877,000 of recurrent expenditure – see Chapter 5) to implement process improvements to TRELIS, which is the system that facilitates the delivery of vehicle and driver licensing and registration services. The upgrades will minimise disruptions on frontline service delivery (including for the Western Australia Police Force and at Driver and Vehicle Services centres).

Commissioner of Main Roads

Election Commitments

Southern Suburbs Roads Package

Main Roads will spend \$460 million over 2026-27 to 2028-29 (and a further \$240 million in 2029-30, for total investment of \$700 million) to widen the Kwinana Freeway in both directions between Roe Highway and Mortimer Road. Jointly funded by the State and Commonwealth Governments, these upgrades will support the future operations of Westport, boost freight efficiency, improve road safety and ease congestion.

A further \$25.6 million will be provided to local government authorities over 2026-27 to 2028-29 for the delivery of three additional southern suburbs road upgrades (see Chapter 5).

Perth Entertainment and Sporting Precinct

To establish a multi-use entertainment and sporting precinct at Burswood Park, \$217.5 million will be invested over 2024-25 to 2026-27 to provide permanent event infrastructure at Burswood Park, including a motorsport street circuit and a new outdoor amphitheatre for major live music events. The new multi-purpose infrastructure will support a wide range of sporting, community and music events, including cycling, triathlons, running festivals, paralympic racing, community sports and family friendly events.

Northern Suburbs Roads Package

A total of \$493.4 million (\$113.4 million over 2025-26 to 2028-29 and a further \$380 million in 2029-30) will be invested in road upgrades to reduce congestion and improve road safety in the northern suburbs, including:

- \$70 million over 2025-26 to 2028-29 (and a further \$380 million in 2029-30) to deliver a new grade separated interchange at the intersection of Reid Highway and Erindale Road, with the \$450 million project to be jointly funded by the State and Commonwealth Governments;
- \$35.9 million over 2025-26 to 2028-29 to plan and deliver intersection upgrades along Wanneroo Road, including at Warwick Road, Hepburn Avenue, Gnangara Road and East Road, and to complete concept design work for the Whitfords Avenue to Gnangara Road connection;
- \$4 million over 2027-28 and 2028-29 for improvements to the McGilvray Avenue and Morley Drive intersection; and
- a \$3.5 million contribution to the City of Joondalup over 2025-26 to 2028-29 for the construction of a roundabout at the intersection of Craigie Leisure Centre and Whitfords Avenue and to create a new access road into Pinnaroo Valley Memorial Park (see Chapter 5).

South Coast Highway – Kojaneerup and Shannon

Main Roads will spend \$25 million over 2026-27 to 2028-29 to commence upgrades on sections of South Coast Highway between Cheyne Road and Kojaneerup, including road reconstruction and widening and the installation of audible edge lines.

Signalised Pedestrian Crossings (Stage 1)

To enhance safety for students and pedestrians whilst crossing busy roads, \$8.5 million will be spent over 2025-26 and 2026-27 to install signalised pedestrian crossings at high-risk locations across the State.

Main Street Upgrades – Coolgardie

To improve the amenity and safety of Coolgardie's main street (Bayley Street), Main Roads will invest \$7.7 million in 2027-28 to deliver upgrades including additional parking, pedestrian crossings and road resurfacing.

Forrest Highway Access – South Yunderup

Main Roads will invest \$3 million in 2027-28 to improve access for the Austin Lakes community, including upgrades to Schoales Bend and at the intersection of Forrest Highway and Beacham Road, South Yunderup.

Other Spending

Various Road Projects – Additional Investment

An additional \$157.8 million over 2024-25 and 2025-26 (jointly funded by the State and Commonwealth) will be invested in existing road projects that are currently under construction or have recently opened to the public, as a result of market-driven cost increases.

Northam Pithara Road – Realignment and Bridge Replacements

Main Roads will spend \$25 million over 2025-26 and 2026-27 to address safety risks and upgrade Northam Pithara Road. This includes realigning the road to remove substandard curves, improving the intersection at Southern Brook Road, replacing two bridges over the Mortlock River and Malabaine Creek, and relocating a railway level crossing to the new alignment.

Murdoch Health and Knowledge Precinct Stage 1 Transport Improvements

An additional \$22.1 million will be spent by Main Roads over 2025-26 and 2026-27 to commence Stage 1 transport improvements within the Murdoch Health and Knowledge Precinct (\$20.1 million) and to plan Stage 2 works (\$2 million). The Stage 1 works include widening Jennalup Street eastbound between Murdoch Drive and Winch Way, widening of Winch Way northbound between Jennalup Street and Robin Warren Drive, the closure of Murdoch Drive median at Farm Road to remove right-turn movement and the relocation of utility services.

Leach Highway and Manning Road Intersection Grade Separation Planning

Main Roads will spend \$10 million (jointly funded by the State and Commonwealth Governments) over 2025-26 and 2026-27 to undertake planning for the upgrade of the Leach Highway and Manning Road intersection.

Public Transport Authority of Western Australia

Election Commitments

Bus Electrification

To continue the transition of the public transport bus fleet to electric, which is being jointly funded by the State and Commonwealth Governments, the Authority will spend \$102.9 million over 2025-26 to 2028-29 to procure additional electric buses and undertake associated infrastructure upgrades at bus depots.

METRONET on Swan

A further \$43 million will be spent (on top of the \$64 million already committed) by the Authority on the stage one expansion of the METRONET on Swan ferry service. The expansion, which is being jointly funded by the State and Commonwealth Governments, will see five new electric vessels manufactured locally and new terminals built at Applecross and the University of Western Australia.

Other Spending

METRONET Program of Works

As a result of unavoidable cost increases associated with labour, plant, equipment and materials, a net additional \$124.5 million will be invested by the State and Commonwealth Governments over 2024-25 to 2027-28 to complete various projects within the METRONET program.

Kenwick Rail Freight Facility

An additional \$6.7 million will be spent by the Authority in 2025-26 to complete construction of the Kenwick Rail Freight Facility. The works are being undertaken to enable the rail freight operator to relocate from Bellevue and allow for the development of the State's new Railcar Manufacturing and Maintenance Facility.

Bassendean Station Bus Interchange

The Authority will spend \$1.9 million over 2024-25 and 2025-26 on upgrades at Bassendean Station Bus Interchange to improve services for patrons with new bus stands, bus shelters and pathways.

Housing and Works

Election Commitments

Shared Equity and New Products

To support the expansion of Keystart's Shared Equity Scheme, which will deliver an additional 1,000 loans to help more Western Australians into home ownership, \$210 million will be spent (over 2025-26 to 2031-32). The additional investment represents the Government's equity share of up to 35% in the purchase of new apartments and townhouses.

Government Regional Officer Housing

As part of the Government's commitment to accelerating delivery of homes for essential service workers in the regions, \$103.8 million will be invested over 2026-27 to 2028-29 to expand the Government Regional Officer Housing (GROH) program. This investment will boost GROH new build delivery by more than 100 additional dwellings across regional Western Australia.

Other Spending

Boost to Social Housing

In support of the Government's commitment to delivering more social housing dwellings, the Department of Housing and Works will draw down \$79.5 million from the Social and Affordable Housing Investment Fund to deliver an additional 151 social housing dwellings over 2024-25 to 2027-28.

Housing Australia Future Fund Projects

An additional \$20.7 million will be spent in 2027-28 to meet the full cost of delivering the 234 new affordable dwellings under the seven construction programs that were successful in the first round of funding by Housing Australia for the Housing Australia Future Fund.

Fremantle Port Authority

Inner Harbour Refurbishment – Stage 2

Fremantle Port Authority will spend an additional \$65 million over the forward estimates (\$88 million to 2029-30) to continue refurbishing degraded assets across the Inner Harbour. Remediation of these assets will reduce the risk of trade disruptions.

Revitalisation of B Shed

Fremantle Port Authority, in collaboration with the Rottnest Island Authority, will spend \$30 million over 2025-26 to 2027-28 to revitalise B Shed on Victoria Quay. This will include construction of a new Rottnest Island ferry terminal and visitor centre to meet increased demand and improve the visitor experience.

J Berth Refurbishment

Built in the 1960s, J Berth is situated on Victoria Quay and is used by the tugboats that pilot vessels into the harbour. As this asset is severely degraded, \$20.3 million will be spent over 2025-26 to 2027-28 on replacing the berth structure to reduce the risk of structural failure and improve operational efficiency.

Kimberley Ports Authority

Election Commitments

Port of Wyndham – First Point of Entry Infrastructure

Kimberley Ports Authority will spend \$14 million over 2025-26 and 2026-27 on new infrastructure at the Port of Wyndham to meet First Point of Entry requirements, including new border services. This will facilitate more trade and support economic growth in the East Kimberley region.

Port of Derby – Barge Landing Upgrades

In recent years, the barge landing at the Port of Derby has been critical in ensuring communities in the East Kimberley can still receive essential supplies during flooding events. As this existing structure is only temporary, \$1.5 million will be spent over 2026-27 and 2027-28 replacing it with a more permanent structure, to help improve the resilience of the region.

Port of Broome – Passenger Cruise Terminal

To promote tourism and economic growth in the Kimberley region, Kimberley Ports Authority will spend \$500,000 in 2025-26 to undertake detailed planning for the construction of cruise passenger facilities at the Port of Broome.

Mid West Ports Authority

Berth 8 and 9 Design

To assist activation of the Oakajee Strategic Industrial Area, the Mid West Ports Authority will progress detailed design for Berth 8 and 9 at the Port of Geraldton in 2025-26 and 2026-27 by utilising a \$3.5 million allocation from the Renewable Hydrogen Initiatives provision (funded from the Climate Action Fund Special Purpose Account).

Pilbara Ports Authority

Utah Ring Road Reconstruction

Utah Ring Road is part of Utah Road, which is the sole means of access for road trains delivering bulk product to Utah Point Bulk Handling Facility (Utah Point). To improve access to Utah Point, Pilbara Ports Authority will spend \$35 million over 2025-26 to 2027-28 to reconstruct the Utah Ring Road.

Southern Ports Authority

Election Commitments

Port of Albany – New General Purpose Berth

Berth 1 and 2 at the Port of Albany are both at the end of their serviceable life. Southern Ports Authority will spend \$10.8 million over 2024-25 to 2027-28 (with \$1.5 million met from within existing budget parameters) to develop a business case, undertake engineering design work and obtain regulatory approvals to replace these berths with a new general purpose berth that will provide increased capacity and functionality to accommodate modern large vessels.

ENVIRONMENT

Table 17

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| WATER AND ENVIRONMENTAL REGULATION | | | | | |
| Election Commitments | | | | | |
| – Bindjareb Djilba (Peel-Harvey Estuary) Protection Plan ^(a) | - | 0.1 | - | - | - |
| Other Spending | | | | | |
| – Digital Capability Fund – Environment Online | - | 2.3 | - | - | - |
| – Accelerating Water Planning to Support Economic Development ^(a) | - | 0.4 | 0.4 | 0.4 | 0.4 |
| BIODIVERSITY, CONSERVATION AND ATTRACTIONS | | | | | |
| Election Commitments | | | | | |
| – Outdoor Adventure Package | | | | | |
| – William Bay National Park ^(b) | - | 1.3 | 1.3 | 1.0 | - |
| – Wellington National Park ^(b) | - | 2.3 | 0.6 | - | - |
| Other Spending | | | | | |
| – Rottnest Island Authority | | | | | |
| – Electrical Infrastructure Upgrade | - | 8.5 | 18.7 | 7.9 | 0.8 |
| – Water Infrastructure Upgrade | - | 7.1 | 11.2 | 11.2 | 4.2 |
| – Zoological Parks Authority – Perth Zoo Master Plan | - | 0.7 | 1.4 | 7.9 | - |
| – Digital Capability Fund – Perth Zoo Customer Facing Systems | - | 0.4 | - | - | - |

(a) This item has both recurrent and capital expenditure, the majority of which is recurrent and is therefore detailed in Chapter 5.

(b) See Department of Primary Industries and Regional Development in Chapter 5.

Note: Rows may not add due to rounding.

Water and Environmental Regulation

Other Spending

Digital Capability Fund – Environment Online

Environment Online is a one-stop online portal for environmental assessments, approvals and compliance. An additional \$2.3 million will be invested in 2025-26 to continue development of the water regulation module and to deliver other enhancements.

Biodiversity, Conservation and Attractions

Other Spending

Rottnest Island Authority – Electrical Infrastructure Upgrade

An additional \$35.9 million of expenditure will be undertaken by the Authority over 2025-26 to 2028-29 for its electrical infrastructure upgrade project as well as deliver scope enhancements driven by significant increases to forecast energy demand. This includes additional investment in solar, wind, battery and baseload diesel electricity generation capacity to achieve 75% renewable generation for Rottnest Island.

Rottnest Island Authority – Water Infrastructure Upgrade

The Authority will spend an additional \$33.7 million over 2025-26 to 2028-29 to complete the water infrastructure upgrade project on Rottnest Island, reflecting work required to meet increases to forecast water demand. The works will address critical water production and network issues, including upgrades to the Island's desalination plant and distribution infrastructure.

Zoological Parks Authority – Perth Zoo Master Plan

An additional \$10 million has been committed to the Perth Zoo Master Plan over 2025-26 to 2027-28 through a contribution under the Resources Community Investment Initiative.

Digital Capability Fund – Perth Zoo Customer Facing Systems

The Government will provide an additional \$350,000 from the Digital Capability Fund for the Zoological Parks Authority to undertake the initiation phase of the Perth Zoo Digital Transformation project.

PLANNING AND LAND USE

Table 18

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| DEVELOPMENTWA | | | | | |
| – Industrial Land Development | 0.7 | 85.7 | 28.5 | -4.1 | -3.5 |
| – Mulataga Residential Development | 1.1 | 11.6 | 25.9 | 2.9 | 1.8 |
| – Transforming Bunbury’s Waterfront Stage 2B ^(a) | - | 5.7 | - | - | - |
| NATIONAL TRUST OF AUSTRALIA (WA) | | | | | |
| – Strawberry Hill Farm – Albany | - | 1.3 | 0.5 | - | - |

(a) See the Department of Primary Industries and Regional Development in Chapter 5.

Note: Rows may not add due to rounding.

DevelopmentWA

Industrial Land Development

DevelopmentWA will invest \$107.3 million over 2024-25 to 2028-29 to accelerate the delivery of industrial land across the State to support economic development and job creation. Land will be acquired and developed in the Hope Valley and Postans general industrial estates.

Mulataga Residential Development

To increase residential land supply in the Pilbara, DevelopmentWA will invest \$43.2 million over 2024-25 to 2028-29 to deliver the Mulataga Estate in Karratha. This will supply 169 residential lots to the market and is partly funded by a \$22.1 million Commonwealth grant through the Housing Support Program, secured by the City of Karratha.

National Trust of Australia (WA)

Strawberry Hill Farm – Albany

Funded by grants from the Lotteries Commission, the Trust will invest \$1.8 million in 2025-26 and 2026-27 at the Strawberry Hill Farm in Albany to present diverse narratives and support reconciliation through interpretation and cultural mapping, community public programs and infrastructure upgrades and conservation.

UTILITIES

Table 19

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|---------|---------|---------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| SYNERGY | | | | | |
| – Generation and Storage Assets | 0.9 | 28.1 | 46.6 | -2.2 | -65.1 |
| – Kwinana Battery Energy Storage System 2 | -8.3 | - | - | - | - |
| WESTERN POWER | | | | | |
| – Clean Energy Link (CEL) – North and Regans Ford Terminal Reinforcement | -23.9 | 66.8 | 295.7 | 245.6 | - |
| – Residential Lot Development – Housing Enabling Infrastructure Fund | - | 4.1 | 6.2 | 12.4 | 14.5 |
| – Relocation and Augmentation of Network Assets | - | 17.2 | - | - | - |
| – Development of a North Metropolitan Depot | - | 2.9 | - | - | - |
| – CEL Scoping and Planning | - | - | - | -75.0 | - |
| HORIZON POWER | | | | | |
| – Leonora Power Project | - | 3.7 | 9.8 | - | - |
| – Blackstone Hybrid Energy Solution | - | 4.8 | 0.5 | - | - |
| – Murdoch Transformer Replacement | -2.5 | 7.0 | - | - | - |
| – Commonwealth Funding – Community Batteries | -0.7 | 3.5 | 1.1 | 0.1 | - |
| – Maitland-Burrup Common Use Transmission Infrastructure – Reversal | - | -60.6 | -30.1 | -30.1 | -26.9 |
| WATER CORPORATION | | | | | |
| Election Commitments | | | | | |
| – Falcon Infill Sewerage | - | - | - | 9.7 | - |
| Other Spending | | | | | |
| – Goldfields and Agricultural Water Supply Scheme Upgrade | - | 235.1 | 298.2 | 5.8 | - |
| – Residential Lot Development – Housing Enabling Infrastructure Fund | 13.0 | 46.6 | - | - | - |
| – Onslow Seawater Desalination Plant | -6.2 | 26.8 | - | - | - |
| – Relocation and Augmentation of Network Assets | - | 17.8 | - | - | - |
| – Reclassification of Capital Expenditure to Operating Expenditure | -24.7 | -50.8 | -71.7 | -44.7 | -15.0 |
| BUNBURY WATER CORPORATION | | | | | |
| – Rolling Asset Investment Program | -(a) | 0.3 | 2.9 | 0.5 | 0.8 |

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

Note: Rows may not add due to rounding.

Synergy

Generation and Storage Assets

Synergy will invest a net additional \$8.3 million over 2024-25 to 2028-29 across its thermal generation and battery storage assets to ensure their ongoing safety and reliability.

Kwinana Battery Energy Storage System 2

Construction of Synergy's second Kwinana Battery Energy Storage System was completed in late 2024, delivering savings of \$8.3 million in 2024-25.

Western Power

Clean Energy Link (CEL) – North and Regans Ford Terminal Reinforcement

To support the decarbonisation of the power system, \$584.3 million will be spent over 2024-25 to 2027-28 for network upgrades and expansion as part of the second bundle of the CEL – North program, and for the reinforcement of the Regans Ford Terminal to enable additional renewable energy generation to connect to the grid.

This is partially offset by the deferral of CEL planning and scoping funding (\$75 million) by Western Power and partly funded (\$75 million) from the 2024-25 Budget provision for South West Interconnected System Demand Assessment (SWISDA) – Northern Corridor Stage 1 (see Provisions).

Residential Lot Development – Housing Enabling Infrastructure Fund

Western Power will spend \$37.3 million over the forward estimates (\$41.4 million to 2029-30) from the Housing Enabling Infrastructure Fund to provide power infrastructure as part of the initial \$101 million investment to deliver around 33,000 additional residential lots.

Relocation and Augmentation of Network Assets

An additional \$17.2 million will be invested by Western Power in 2025-26 on the relocation and upgrade of network assets across the metropolitan area.

Development of a North Metropolitan Depot

Western Power will spend \$2.9 million in 2025-26 on the planning, design and development of a business case for a new north metropolitan depot to replace its existing Balcatta and Kewdale depots and address increased material storage requirements for decarbonisation projects.

CEL Scoping and Planning

See Clean Energy Link – North and Regans Ford Terminal Reinforcement above.

Horizon Power

Leonora Power Project

As part of a new Power Purchase Agreement with an independent power producer, Horizon Power will invest \$13.5 million in 2025-26 and 2026-27 to undertake the network connection works required to build a new power station that will supply 50% renewable electricity to Leonora.

Blackstone Hybrid Energy Solution

Horizon Power will spend \$5.3 million over 2025-26 and 2026-27 to meet additional costs associated with the Blackstone Hybrid Energy Solution project. This includes higher contractor costs due to the remote location of the new site. The spend is partially funded by additional Commonwealth grant funding of \$1 million (see also Chapter 5).

Murdoch Transformer Replacement

Following an asset condition assessment of its transformers at the Murdoch Drive Zone substation in the Pilbara, Horizon Power will invest an additional \$4.5 million over 2024-25 and 2025-26 (\$7.5 million in total) to replace a transformer to ensure reliable power supply.

Commonwealth Funding – Community Batteries

Horizon Power will spend \$3.9 million over 2025-26 to 2027-28 to deliver 10 community batteries in regional Western Australia, funded through the Commonwealth Government's Community Batteries for Household Solar Program (see also Chapter 5).

Maitland-Burrup Common Use Transmission Infrastructure – Reversal

The construction of transmission infrastructure to expand the North West Interconnected System in the Pilbara to the nearby Maitland and Burrup Strategic Industrial Areas is now being undertaken by a third party. As such, Horizon Power is no longer undertaking this work and has reversed the associated spending of \$147.6 million over the forward estimates for this project.

Water Corporation

Election Commitments

Falcon Infill Sewerage

To provide infill sewerage services to properties in Falcon, \$9.7 million will be spent in 2027-28.

Other Spending

Goldfields and Agricultural Water Supply Scheme Upgrade

The Goldfields and Agricultural Water Supply Scheme conveys water along a 550-kilometre pipeline from Mundaring Weir to the Binduli Reservoir on the outskirts of Kalgoorlie. Some sections of the pipeline currently operate at maximum capacity at peak times, therefore the scheme is unable to meet any significant new demand. To increase the capacity of the scheme by 7.2 megalitres of water per day, \$539.2 million will be invested over 2025-26 to 2027-28 to duplicate Binduli Reservoir and replace 45 kilometres of pipework.

Residential Lot Development – Housing Enabling Infrastructure Fund

To enable development of around 33,000 residential lots through an initial \$101 million investment in the Housing Enabling Infrastructure Fund, Water Corporation will spend \$59.6 million over 2024-25 and 2025-26 on water and wastewater infrastructure.

Onslow Seawater Desalination Plant

A net increase of \$20.6 million reflects cost increases for the Onslow Seawater Desalination Plant.

Relocation and Augmentation of Network Assets

An additional \$17.8 million will be spent in 2025-26 on the relocation and upgrade of network assets across the metropolitan area.

Reclassification of Capital Expenditure to Operating Expenditure

Following advice from the Office of the Auditor General that projects in remote communities and activities in the initial stages of asset acquisition should be treated as operating expenditure not capital, Water Corporation is reducing its AIP by \$206.9 million over 2024-25 to 2028-29.

Bunbury Water Corporation

Rolling Asset Investment Program

Bunbury Water Corporation will spend \$4.6 million over 2024-25 to 2028-29 for essential asset upgrades and replacements related to groundwater quality improvements, vehicles, plant and water mains replacements, and buildings.

PROVISIONS

Table 20

MAJOR SPENDING CHANGES SINCE THE 2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------|----------|---------|----------|---------|
| | \$m | \$m | \$m | \$m | \$m |
| PROVISIONS | | | | | |
| - Social and Affordable Housing Investment Fund | - | - | 113.2 | 123.0 | - |
| - WA Health AIP Delivery | - | - | -5.0 | - | - |
| - Climate Action Fund | -1.2 | -6.0 | - | - | - |
| - Housing Support Program | - | - | -9.0 | - | - |
| - Aluminium Cladding Replacement | - | -25.9 | - | - | - |
| - SWISDA – Northern Corridor Stage 1 | - | - | -75.0 | - | - |
| - Asset Investment Program Smoothing Provisions: | | | | | |
| - Removal of 2024-25 PFPS Smoothing | 2,000.0 | 1,800.0 | -500.0 | -2,400.0 | - |
| - 2025-26 Budget Smoothing | -750.0 | -2,400.0 | -750.0 | 1,000.0 | 1,900.0 |
| - Provision for Yet-To-Be-Announced Decisions | -13.5 | -35.0 | -24.3 | -37.0 | - |
| - METRONET Projects Under Development | - | -162.7 | 57.8 | 34.0 | -99.0 |

Note: Rows may not add due to rounding.

Provisions

Social and Affordable Housing Investment Fund

As part of this Budget, \$9.8 million has been allocated from the existing balance of the Social and Affordable Housing Investment Fund (SAHIF), including \$1.7 million for staffing costs and site remediation works associated with the delivery of dwellings as part of the Housing Diversity Pipeline, and \$8.2 million to meet the full cost of delivering the 234 new affordable housing dwellings under the seven construction programs that were successful in the first round of funding by Housing Australia for the Housing Australia Future Fund.

To ensure a continuing commitment to the delivery of social and affordable housing, this Budget also includes a \$246 million top-up to the SAHIF to enable the delivery of an additional 481 social housing dwellings under the second round of the Housing Australia Future Fund, as well as a further 67 affordable housing dwellings that will form part of these projects.

WA Health AIP Delivery

An allocation of \$5 million has been made to WA Health this Budget for the Sir Charles Gairdner Hospital Intensive Care Unit Ten Bed Pod project, detailed earlier in this chapter. The provision has a remaining balance of \$91.2 million to manage any emerging cost pressures and enable the delivery of a range of existing WA Health infrastructure projects.

Climate Action Fund

Since the 2024-25 Pre-election Financial Projections Statement (PFPS), a total of \$7.2 million has been approved from the Climate Action Fund to maintain existing resourcing levels at the Collie Licensing Hub (Department of Local Government, Industry Regulation and Safety, \$3.7 million), and to progress detailed design for Berth 8 and 9 at the Port of Geraldton (Mid West Ports Authority, \$3.5 million), disclosed earlier in Chapter 5 and this chapter. A balance of \$80.3 million remains provisioned in the Climate Action Fund for future climate related initiatives.

Housing Support Program

The 2024-25 Mid-year Review included a provision for spending associated with the Commonwealth's Housing Support Program: Priority Works Stream, pending confirmation of approved eligible infrastructure projects. An allocation of \$9 million has been made to DevelopmentWA as part of this Budget for residential development at the High Wycombe precinct.

Aluminium Cladding Replacement

WA Health has been allocated \$25.9 million from this provision to remediate cladding at the Perth Children's Hospital (further details provided earlier in this chapter). A residual \$10.4 million remains provisioned for future cladding replacement works.

SWISDA – Northern Corridor Stage 1

The remaining provision balance of \$75 million has been allocated to Western Power in this Budget to contribute to the cost of the second bundle of the Clean Energy Link – North project, including the reinforcement of Regans Ford Terminal.

Asset Investment Program Smoothing Provisions

Forecast agency AIP spending profiles included in this Budget are subject to unforeseen and unavoidable delays that can affect project delivery and spending. The 2024-25 PFPS smoothing provision has been updated in this Budget, with an estimated slippage of \$3.9 billion across 2024-25 to 2026-27 retimed to later years, including \$1 billion beyond the current forward estimates.

Provision for Yet-To-Be-Announced Decisions

The 2024-25 Mid-year Review included a provision for the impact of Government decisions that were expected to be announced after the 23 December 2024 release date. The provision was reduced at PFPS to reflect decisions announced post Mid-year Review. Initiatives from the Provision have now been publicly announced.

METRONET Projects Under Development

Provisioned transport investment of \$169.9 million over 2025-26 to 2028-29 has been allocated in this Budget for cost increases across the METRONET program of works (outlined earlier in this chapter).

The remaining provisioned spending (\$185 million to 2028-29, with a further \$10 million beyond the forward estimates) will be transferred to delivery agencies' budgets based upon final investment decisions.

Investing in Regional Western Australia

HIGHLIGHTS

- The 2025-26 Budget continues to grow and develop regional Western Australia, with \$10.3 billion to be invested in regional infrastructure over the next four years, and a total of \$4 billion allocated to the Royalties for Regions program over 2025-26 to 2028-29.
- Western Australians living in regional areas will benefit from additional cost of living support measures including a further \$100 increase in the Regional Pensioner Travel Card (to \$775), an increase in the Patient Assisted Travel Scheme fuel subsidy, along with a halving of Transwa rail and coach fares from 1 January 2026.
- Unlocking more housing in the regions is a key Government priority with an additional \$104 million to double the GROH construction program, \$25 million to establish the Regional Housing Support Fund to unlock and expedite new housing projects and land supply, \$43 million to deliver 169 residential lots at Mulataga in Karratha, and \$20 million to support new units at Pringle Village in Kalgoorlie.
- This Budget continues to invest in regional health services with around \$2.9 billion per annum for health and health services. The \$944 million pipeline of regional health and mental infrastructure over the next four years will ensure people across the State have access to high-quality healthcare.
- The Government continues to invest in our children's education with \$1.9 billion per annum across over 340 schools and \$219.7 million of infrastructure investment in regional Western Australia. This Budget also invests \$16.2 million to expand the School Breakfast Program at socially disadvantaged regional schools.
- A massive \$500 million increase in the Strategic Industries Fund (to \$1 billion) will underpin job creation and further economic diversification in the regions. This Budget also includes \$19 million in regional Outdoor Adventure Package initiatives to drive regional tourism, and a \$30 million increase to the Collie Industrial Transition Fund to provide additional support for the transition of Collie's economy.

Diversifying Regional Economies and Creating Local Jobs

Growing regional jobs and diversifying regional economies continues to be a priority for the State Government. This Budget includes initiatives that will encourage new industries and create local jobs in the regions, as well as measures to support, protect and grow existing industries.

The State's \$10.3 billion regional infrastructure program is providing a pipeline of work that will grow regional economies and jobs, and includes ongoing investment in regional road infrastructure (\$4.1 billion over the next four years) and the delivery of key initiatives such as the King Rocks Wind Farm (\$424 million), the Bunbury Hospital Redevelopment (\$404.2 million), the Lumsden Point General Cargo Facility and Logistics Hub (\$309.8 million), and the Collie Battery Energy Storage System (\$200 million).

Some of the significant regional initiatives funded in the 2025-26 Budget include:

- \$543.3 million to upgrade the capacity of the Goldfields and Agricultural Water Supply Scheme to deliver an additional 7.2 megalitres per day;
- \$500 million increase to the Strategic Industries Fund (to \$1 billion), which will be used to activate Strategic Industrial Areas across the State, including in the Pilbara, South West and Mid West;
- \$43.2 million to increase residential land supply in the Pilbara to deliver the Mulataga Estate in Karratha through the supply of 169 residential lots, partly funded by a \$22.1 million Commonwealth grant through the Housing Support Program, secured by the City of Karratha;
- \$30 million towards the Collie Industrial Transition Fund (allocated beyond the forward estimates) to further support the transition of Collie's economy to new and emerging industries;
- \$25.2 million to establish a Regional Racing Fund for fund key infrastructure upgrades at up to 24 racing, harness, turf and trotting clubs;
- \$25 million to establish the Regional Housing Support Fund to provide grants of up to \$5 million to unlock and expedite new housing projects and land supply;
- \$22.5 million towards a new Port Hedland Aquatic Facility at Wanangkura Stadium in South Hedland, including both an outdoor and indoor pool, and a splash park;
- \$19 million for regional initiatives which will drive regional tourism across Western Australia and support local jobs and businesses as part of in the Government's Outdoor Adventure Package, including:
 - \$5 million for Stage One of the Jarrahdale Trails Centre, which will provide a new hub for the growing trails tourism industry in Serpentine-Jarrahdale;

- \$3.5 million to deliver upgraded facilities at Williams Bay National Park, including pedestrian access to Elephant Rocks and Greens Pool and to realign the Munda Biddi trail;
- \$3 million to increase the marron population and boost recreational fishing opportunities at Harvey, Logue Brook, and Wellington Dams in the South West region;
- \$2.9 million to expand the kiosk and undertake water and electrical upgrades to facilities at Wellington National Park;
- \$1.7 million to deliver a mountain bike trail in the Kalgoorlie area;
- \$1.5 million to create a new walking and cycling path from Serpentine town to the Serpentine National Park; and
- \$1 million to support the delivery of a new 45-kilometre spur trail off the Munda Biddi Track;
- \$20 million to construct up to 40 two-bedroom units at the Pringle Village Seniors Independent Living facility in Kalgoorlie;
- \$6 million to more than double the State’s contribution to the Wine Industry Export Growth Partnership;
- \$4 million (funded from the Collie Industry Attraction and Development Fund), for the Allanson Farm Shop Restaurant and Caravan Park to provide an opportunity for local producers to supply products and services through a ‘paddock to plate’ model in the Collie townsite region; and
- \$2 million to undertake a study into establishing a Space Launch Facility.

Safe, Strong and Fair Communities: Developing Healthy and Resilient Communities

To support the Government’s commitment to keep regional communities safe, over \$480 million per annum will be spent on services provided by the Western Australia Police Force’s regional districts. This encompasses 123 police stations and around 1,900 police officers and staff.

The Department of Justice spends around \$390 million per annum on court and tribunal administration in the regions, community corrections, and the operation of the State’s eight regional prisons (and workcamps). This investment supports access to justice across the whole of the State, including by allowing offenders to be secured and rehabilitated close to their community.

Initiatives funded in this Budget include:

- \$14.3 million to redevelop a Western Australia Police Academy accommodation block, which will be used to provide free accommodation to regional recruits to encourage people living in regional areas to become police officers;
- \$5.9 million to pilot an Aboriginal Community-led safe night space for vulnerable young people in Kununurra; and
- \$5 million for contracted security services and minor upgrades at regional courts.

Investing in Healthy Communities

The Government spends over \$2.9 billion per annum on health and mental health services in regional Western Australia. Additional funding provided as part of this Budget includes:

- \$20.3 million towards the Bunbury Hospital redevelopment;
- increasing the Patient Assisted Travel Scheme fuel subsidy from \$0.26 per kilometre to \$0.40 per kilometre at a cost of \$18.5 million, assisting regional Western Australians with cost-of-living pressures;
- \$13.8 million to commence a mental health child and adolescent Acute Care and Response Team in Bunbury;
- \$12.4 million to establish an adult Alcohol and Other Drugs residential rehabilitation treatment service in Albany for the Great Southern region;
- \$12.2 million to implement a Virtual Infant Child and Adolescent Mental Health Service Hub, which will provide virtual mental health treatment and support services for children and their families;
- \$10.8 million to construct the Derby Wellness Centre (\$8.8 million) and for the planning and engagement with service providers to establish a Broome Withdrawal Service (\$2 million);
- \$9.9 million to transfer the operation of the Kalgoorlie Step Up/Step Down service that provides short term residential mental health support from the non-government organisation that currently delivers the service to the WA Country Health Service;
- \$9.8 million for temporary nurse and midwife attraction and retention incentives;
- \$3.4 million to support the transition of the Dampier Peninsula Clinics from the WA Country Health Service to the Kimberley Aboriginal Medical Services; and

- \$3 million to commence planning for the delivery of:
 - an eight-chair dialysis unit and a 16-bed hostel in Karratha and five additional renal dialysis chairs within the existing Geraldton dialysis unit;
 - a 30-bed modular ward at Albany Health Campus; and
 - the establishment of a radiation oncology service at Geraldton Health Campus.

Investing in Our Children's Education

The State Government will spend an estimated \$1.9 billion per annum to provide approximately 88,000 students enrolled in over 340 schools across regional Western Australia with access to a quality education. Over the next four years, \$219.7 million will be invested in regional primary and secondary school maintenance, refurbishments, upgrades and new builds.

New spending in this Budget includes:

- \$16.2 million (\$21.2 million to 2029-30) to expand the School Breakfast Program at socially disadvantaged regional schools;
- \$10 million for additional transportable classrooms, including to establish long-term accommodation for two existing Alternative Learning Settings programs in Northam and Karratha;
- \$8.6 million to facilitate the New Schools and Maintenance Vision, comprising:
 - \$6.7 million to deliver a range of minor works projects, including classroom refurbishments, sports facilities, play equipment, and student services upgrades;
 - \$1.7 million to progress planning for seven major upgrade projects; and
 - \$200,000 to begin planning for a future new secondary school in Dawesville;
- \$8.4 million to deliver air conditioning upgrades as part of the Cool the Schools commitment;
- \$8 million for the Country Week Assistance Program to support regional students participating in Country Week events;
- \$8 million for the Remote Schools Infrastructure Program to address infrastructure needs at eligible schools in the remote Kimberley region; and
- over \$4 million as part of the Government's small commitments to support minor works and non-infrastructure projects at more than 70 public and non-government schools.

Over the forward estimates period, an average of around \$277 million per annum will be spent to deliver Vocational Education and Training, career and employment advice, and TAFE support services across regional Western Australia, with further asset investment of \$65 million towards regional TAFE projects.

New spending approved in this Budget includes:

- \$11.6 million for another round of the TAFE Modern Equipment program to enhance facilities and infrastructure assets in the regions;
- \$8.6 million to deliver Fee-Free TAFE – Housing and Construction courses, up skilling the local workforce to build regional houses; and
- \$5.9 million through the Adult Apprentice Incentive Scheme, AUKUS Incentive Scheme and Collie Job App.

Growing Our Communities: Supporting Thriving Regions and Protecting Our Environment

The Department of Communities employs approximately 980 staff in regional Western Australia providing child protection and family supports, disability services, initiatives for the prevention of family and domestic violence, services for people experiencing homelessness, and a range of community services.

The Department of Housing and Works employs approximately 350 staff in regional Western Australia, who deliver social and affordable housing options to eligible Western Australians, and administer over 5,000 Government Regional Officer Housing (GROH) properties.

As part of the Government’s commitment to accelerating the delivery of homes for essential service workers in the regions, \$103.8 million will be invested over 2026-27 to 2028-29 to expand the GROH program to deliver more than 100 additional dwellings across regional Western Australia. This funding brings the total GROH program investment to \$297.6 million over 2024-25 to 2028-29.

The Government has also committed to implementing a Modular Construction Loan product, to be delivered by Keystart. This product will enable homebuyers to finance builds via modular construction, and will provide support to regional buyers for whom more traditional construction methods are not as readily available.

New spending approved in this Budget to support regional service delivery, and improve community facilities and infrastructure, includes:

- \$15.5 million to upgrade the Leschenault Leisure Centre in Australind including four additional full-sized multi-purpose courts, upgrades to seating areas, and improved change facilities;
- \$11.5 million to deliver the Safe at Home program to seven additional locations, including several in regional Western Australia;
- \$10 million, as part of the Fire and Emergency Services Package, towards the construction of a new Evacuation Centre and Multipurpose Complex in Fitzroy Crossing, including an indoor sport and recreation space, and a youth and community hub with capacity to host private functions;

- \$7.5 million for the development of the Newman Youth and Community Hub to integrate youth and community services into one centralised location in the Pilbara;
- \$5 million to support the delivery of the Water Lily Place Affordable Housing Project, which will provide 14 affordable rental dwellings for key workers in Kununurra;
- \$5.4 million for upgrades to change rooms and facilities to encourage participation of women and girls in sport as part of the Women's Sport Boost, including \$3 million for GBSC Sports Park, \$1.5 million for Dwellingup Oval, \$800,000 for Waroona Football Club and \$180,000 for Sir Ross McLarty Oval in Pinjarra;
- \$4.6 million in grassroots motorsport support, including \$3.5 million for infrastructure upgrades to racetracks, kart clubs, motorcross and speedways, and \$1.1 million to upgrade medical facilities at regional Karting WA clubs;
- \$3.1 million to expand Housing First Support Services in Bunbury and surrounding suburbs for up to 40 additional people experiencing homelessness or rough sleeping;
- \$3 million to develop a Youth Hub and basketball facility at the Marra Worra Worra Night Place in Fitzroy Crossing to provide wrap-around support for young people and their families in the Kimberley;
- \$2.8 million in grant funding to upgrade the Geraldton Netball Association facility in Wonthella, including a new indoor court and expansion of the existing court, upgrades to lighting and cooling, and resurfacing of outdoor courts;
- \$2.5 million to replace approximately 5,000 streetlights across Kalgoorlie-Boulder with more sustainable and efficient LED lights;
- \$2 million, funded by the Commonwealth Government, to establish a Western Australian Telecommunications Resilience Pilot Program in the Wheatbelt and Western Goldfields, which will contribute to improving mobile telecommunications service continuity during extended power outages; and
- \$1.4 million to support additional planning and business case development for the expansion of Albany and Geraldton refuge capacity, and further expansions of family and domestic violence refuges at five locations across the State.

In addition, \$78 million will be provided to the community through the Lotteries Commission's new significant Future Grants Program, with this support expected to benefit regional Western Australia.

Investing in Transport, Roads and Ports

The Government has continued its significant investment in improving and renewing regional road infrastructure, with a total of \$4.1 billion to be spent on road projects and programs over the next four years. This significant investment will reduce travel times, improve safety and increase freight efficiency.

2025–26 Economic and Fiscal Outlook

A number of major regional road projects that are in construction will continue in 2025-26, including the Manuwarra Red Dog Highway (\$380 million) and Great Northern Highway – Bindoon Bypass (\$275 million). This Budget also includes an additional \$59.4 million of investment (jointly funded by the State and Commonwealth Governments) for existing projects, including the Bussell Highway Duplication.

Other regional transport-related initiatives and port infrastructure approved in this Budget include:

- \$200 million (including \$40 million reallocated from existing programs) from 2025-26 to 2028-29, and a further \$50 million in 2029-30, to expand the Regional Road Safety Program across local regional roads, with the joint Commonwealth-State funded program of works to deliver additional safety treatments and reduce the risk and severity of run-off road crashes;
- \$40 million toward the Transforming Bunbury's Waterfront project, including an additional \$34.1 million for Stage 3 Phase 1 works, and \$5.7 million to complete construction of Stage 2B;
- \$35 million to progress road works at the Utah Point Bulk Handling Facility in Port Hedland, to address the road's deteriorated condition and allow continued service of heavy traffic loads;
- \$25.7 million to increase the Regional Pensioner Travel Card by \$100 to \$775 from 1 July 2025 to provide additional financial assistance for eligible regional pensioners;
- allocating \$25 million to address safety risks on Northam Pithara Road through alignment upgrades and bridge replacements;
- \$25 million to commence road enhancements on sections of South Coast Highway between Cheynes Road and Kojaneerup;
- \$18.2 million to halve Transwa rail and road coach fares from 1 January 2026, which will assist with the cost of living and improve regional accessibility for tourists;
- \$14 million on new infrastructure at the Port of Wyndham to meet First Point of Entry requirements, including new border services, to facilitate more trade and support economic growth in the East Kimberley region;
- \$11.5 million for upgrades at Albany Airport (bringing the State's contribution to the project to \$14 million) to cater for larger aircraft, which will support the tourism industry, local economy and emergency services;
- \$10.8 million to develop a business case, undertake engineering design work and obtain regulatory approvals for a new general purpose berth to replace the existing Berth 1 and 2 at the Port of Albany, both of which are at the end of their serviceable life;
- \$8.3 million to progress options analysis on the future of the State's freight rail infrastructure, with the intention of unlocking greater economic activity and supporting industry, farmers and regional communities;

- \$8 million, funded by the Commonwealth Government, for the Regional Roads Australia Mobile Program, focusing on improving multi-carrier mobile coverage along Western Australia's regional roads;
- \$7.7 million to redevelop Coolgardie's main street (Bayley Street), including pedestrian safety improvements and the installation of traffic calming measures;
- \$3.6 million to progress planning for a new purpose-built, multi-user boating facility at Tantabiddi, near Exmouth;
- \$3.5 million to progress detailed design for Berth 8 and 9 at the Port of Geraldton, which will assist activation of the Oakajee Strategic Industrial Area by providing additional capacity to import renewable energy cargoes;
- \$2.5 million to expand and fit out the Kalgoorlie Driver and Vehicle Services Centre, which will assist in reducing customer wait times;
- \$1.5 million for a new permanent barge landing at the Port of Derby to help improve the resilience of the East Kimberley region during flooding events; and
- \$500,000 to develop a business case and project definition plan for the construction of cruise passenger facilities at the Port of Broome to promote tourism and economic growth.

Investing in Power and Water

The Government is committed to ensuring the safe and reliable provision of power, water, wastewater and drainage services in regional Western Australia, with asset investment totalling \$3.8 billion over 2025-26 to 2028-29. This includes Western Power's safety-related expenditure on poles and wires, maintenance of Synergy's generation assets located in the regions, Horizon Power's Asset Investment Program, Water Corporation's \$543.3 million upgrade of the Goldfields and Agricultural Water Supply Scheme and capital expenditure by Bunbury Water Corporation and Busselton Water Corporation.

Other new regional power and water initiatives approved in this Budget include:

- \$102.5 million to provide rebates on the cost of residential batteries to eligible customers across the State, including regional customers;
- \$13.5 million to undertake network connection works for Leonora's new power station;
- \$5.3 million for the new Blackstone Hybrid Power Station (partially funded by \$1 million in Commonwealth funding); and
- \$4.5 million to finalise the replacement of a transformer at the Murdoch Drive Zone substation in the Pilbara to ensure reliable power supply.

In addition, \$3.5 billion is expected to be spent over the next four years to keep regional water and power prices in line with metropolitan prices. This includes \$2.5 billion through the Country Water Pricing Subsidy, funded from the Consolidated Account and paid to the Water Corporation. This subsidy covers the difference between the cost of providing water, sewerage and drainage services to regional customers, and the (subsidised) price paid by these customers. Similarly, \$997 million is expected to be provided by metropolitan customers through the Tariff Equalisation Contribution paid to Horizon Power to subsidise the provision of electricity to regional customers.

Investing in Our Environment

The Department of Biodiversity, Conservation and Attractions maintains a network of 125 national parks, 21 marine reserves, 82 conservation parks, 60 State forests and other lands and waters across the State. The Department employs around 1,300 regional staff, with total direct recurrent regional expenditure expected to be \$310 million in 2025-26. This expenditure delivers management of parks, prescribed burning and bushfire suppression, scientific research, threatened species conservation, and management of State forests in the regions.

New regional spending approved for the Department in this Budget includes:

- \$18.5 million (out of a total \$20 million) to expand the Aboriginal Ranger Program, which will increase the support provided to regional Aboriginal Corporations to deliver ranger programs, as well as provide resources to enable non-participating Aboriginal Corporations to access the program;
- \$6.7 million increase to the Grain Harvest Program, which enhances the State's aerial response capability to mitigate the threat of crop fires during the grain harvesting season;
- \$3.5 million to expand the Community Emergency Services Manager Program by an additional six local government-employed managers to improve prevention, preparedness, response, and community recovery efforts following a natural disaster;
- \$3.1 million to establish the State Bushfire Mitigation Branch within the Department of Fire and Emergency Services, which will be supported by the Aboriginal Ranger Program, with the aim of enhancing bushfire mitigation activities across the State; and
- a \$1.6 million grant to the Shire of Donnybrook Balingup for the replacement of the Argyle Irishtown Bush Fire Brigade Headquarters facility.

The Department of Water and Environmental Regulation continues to deliver initiatives that build climate resilience in regional areas and address the impacts of climate change on water resources. Funding approved in this Budget includes:

- \$8.5 million to protect and improve the water quality of the Peel-Harvey estuary through the continued implementation of the Bindjareb Djilba (Peel-Harvey Estuary) Protection Plan;

- a \$5 million grant to the City of Kalgoorlie-Boulder's Water Bank Project to increase the City's non-potable water supply;
- \$4.5 million to undertake environmental regulation and water licensing assessment and approvals for the Pilbara region; and
- \$4.2 million to update water planning information and water allocation plans in the Pilbara region.

Royalties for Regions Program

Under the Royalties for Regions (RfR) program, which is funded by 25% of the State's annual royalty income (up to a \$1 billion annual cap on the balance held in the RfR Fund), the Government will spend \$4 billion over the next four years to support service delivery and infrastructure provision in regional Western Australia.

The 2025-26 Budget RfR program is detailed in the following table.

Table 1

| ROYALTIES FOR REGIONS EXPENDITURE | | | | | | |
|--|--------------------------------|---------------------------|--------------------|--------------------|--------------------|---------------------|
| INITIATIVE | 2024-25 Estimated Actual | 2025-26 Budget Year | 2026-27 Outyear | 2027-28 Outyear | 2028-29 Outyear | Total Four Years |
| | \$m | \$m | \$m | \$m | \$m | \$m |
| INVESTING IN JOBS | | | | | | |
| Aboriginal Business Participation | 2.1 | 1.4 | - | - | - | 1.4 |
| Aboriginal Pastoral Training Program | 0.5 | 0.2 | 0.3 | - | - | 0.5 |
| Aboriginal Ranger Program | 31.0 | 23.0 | 17.0 | 17.5 | 17.0 | 74.5 |
| Aboriginal Tourism Fund | 2.8 | 3.2 | - | - | - | 3.2 |
| Agrifood Activation Fund – Food Technology Facility Project (Peel) | 1.4 | 1.6 | 0.9 | - | - | 2.4 |
| Albany Middleton Beach Stage 2 | - ^(a) | - | - | - | - | - |
| Albany Wave Energy Demonstration | 0.4 | - | - | - | - | - |
| Allanson Farm Shop Restaurant and Caravan Park | - | 4.0 | - | - | - | 4.0 |
| Aquaculture Development Plan | 1.9 | 1.6 | 1.2 | 1.3 | - | 4.1 |
| Aquaculture Development Zones | 0.8 | 0.6 | - | - | - | 0.6 |
| Boost to Food Industry Innovation | 1.7 | 1.6 | - | - | - | 1.6 |
| Building Western Australian Grains Research and Development Capacity | 11.7 | 11.1 | 10.0 | 10.0 | 9.7 | 40.8 |
| Collie Adventure Trails | 0.9 | 1.0 | - | - | - | 1.0 |
| Collie Delivery Unit | 0.4 | 0.5 | 0.1 | - | - | 0.7 |
| Collie Green Steel – Electric Arc Furnace Steel Mill | 3.0 | - | - | - | - | - |
| Collie Tourism Readiness and Economic Stimulation | 0.4 | - | - | - | - | - |
| Collie Visitor's Centre Upgrade Project | - | 0.5 | - | - | - | 0.5 |
| Collie Futures Fund | 4.3 | 1.7 | 1.0 | - | - | 2.8 |
| Country Firefighters Recruitment | 4.6 | 5.0 | 5.0 | 5.0 | 5.0 | 20.1 |
| Destination Marketing | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 22.0 |
| Develop Serviced Land at Shotts and Kemerton | 0.7 | - | - | - | - | - |
| Economic Activation of East Keralup | - | 0.2 | - | - | - | 0.2 |
| Event Tourism | 7.5 | 7.8 | 8.2 | 6.3 | 6.3 | 28.6 |
| Feasibility Study for AMTECH for Picton | 0.6 | 0.5 | - | - | - | 0.5 |
| Food Industry Innovation | 1.7 | 1.5 | 2.2 | 1.5 | 1.5 | 6.7 |
| Foot and Mouth Disease | 0.3 | 1.6 | 0.5 | - | - | 2.1 |
| Future Drought Fund Program Extension | 6.5 | 3.0 | - | - | - | 3.0 |
| Goldfields Major Solar Feasibility | - | 0.4 | - | - | - | 0.4 |
| Help Grain Growers to Better Manage Risk (e-Connected Grainbelt) | 2.2 | 2.2 | 2.1 | 2.1 | 2.1 | 8.4 |
| Industry Attraction and Development Fund – Collie | 6.2 | 11.0 | - | - | - | 11.0 |
| Industry Attraction and Development Fund – Collie – Administration | 0.5 | - | - | - | - | - |
| Industry Growth Partnership Processed Oats Industry | 2.6 | 2.4 | 2.0 | - | - | 4.4 |
| Kimberley Tourism Program | 0.8 | 0.1 | - | - | - | 0.1 |
| Kununurra Cotton Gin Infrastructure Support Package | 2.8 | - | 0.7 | - | - | 0.7 |
| Magnium – Magnesium Refinery | - | 0.7 | - | - | - | 0.7 |
| Mount Augustus Tourism Infrastructure | 1.6 | 4.6 | 2.8 | - | - | 7.4 |
| Myalup-Wellington Water for Growth | 2.0 | 10.9 | 19.5 | - | - | 30.4 |
| Northern Beef Industry Strategy | 0.6 | - | - | - | - | - |
| Ord Channel Upgrade | 0.4 | - | - | - | - | - |

Table 1 (cont.)

| ROYALTIES FOR REGIONS EXPENDITURE | | | | | | |
|---|--------------------------------|---------------------------|--------------------|--------------------|--------------------|---------------------|
| INITIATIVE | 2024-25 Estimated Actual | 2025-26 Budget Year | 2026-27 Outyear | 2027-28 Outyear | 2028-29 Outyear | Total Four Years |
| | \$m | \$m | \$m | \$m | \$m | \$m |
| Ord Channel Upgrade – Knox Development | 19.0 | 35.0 | 12.9 | - | - | 47.9 |
| Ord-East Kimberley Expansion Project | 1.2 | 5.4 | 3.0 | - | - | 8.4 |
| Peel Business Park activation | 1.0 | - | - | - | - | - |
| Plan for Our Parks – Indigenous Land Use Agreements | 1.4 | 0.6 | - | - | - | 0.6 |
| Regional Local Content Initiative | -(a) | 0.1 | 0.1 | - | - | 0.1 |
| Regional Natural Resource Management – State Barrier Fence | 2.1 | 1.5 | - | - | - | 1.5 |
| Regional Telecommunications Project | 4.2 | 8.4 | 4.1 | - | - | 12.6 |
| Sheep and Goat Electronic Identification | 4.3 | 13.4 | 1.1 | - | - | 14.5 |
| South Coast Aquaculture Development Zone | 0.3 | - | - | - | - | - |
| Southern Forests Irrigation Scheme | 0.8 | 13.3 | 1.6 | - | - | 14.9 |
| Space Launch Facility Study | - | 1.0 | 1.0 | - | - | 2.0 |
| State Agricultural Telecommunications Infrastructure Improvement Fund | 2.1 | 0.5 | - | - | - | 0.5 |
| Strategic Industrial Areas | 0.6 | 1.2 | - | - | - | 1.2 |
| Sustainable Development of the Abrolhos Islands | -(a) | - | - | - | - | - |
| Sustainable Pallets | 1.0 | 4.4 | 2.0 | - | - | 6.4 |
| 2023 Total Solar Eclipse | 0.6 | - | - | - | - | - |
| TradeStart | - | 0.2 | 0.2 | 0.2 | - | 0.6 |
| Transform Peel - Phase 1 | 5.9 | - | - | - | - | - |
| Transforming Agriculture in the Pilbara | 0.7 | 0.1 | - | - | - | 0.1 |
| Transforming Bunbury's Waterfront | 46.3 | 28.9 | 6.0 | - | - | 34.9 |
| Walmanyjun Redevelopment | - | 9.0 | - | - | - | 9.0 |
| Water Smart Farms Project | 0.3 | - | - | - | - | - |
| Wellington National Park Public Access Improvements | 2.0 | 0.5 | - | - | - | 0.5 |
| Wine Industry Export Growth Partnership | 0.6 | 1.7 | 1.5 | 1.4 | 1.5 | 6.1 |
| Western Australian Regional Digital Connectivity Program | 3.5 | 15.2 | 25.4 | 3.2 | - | 43.8 |
| Western Australian Regional Screen Fund | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 16.0 |
| Wild Dogs Action Plan | 4.1 | 3.6 | 3.4 | 3.1 | 3.4 | 13.4 |
| Yawuru Strategic Economic Development | 0.2 | - | - | - | - | - |
| Yerriminup Agribusiness Precinct Activation | - | 2.0 | 2.0 | - | - | 4.0 |
| TOTAL - INVESTING IN JOBS | 216.6 | 259.4 | 147.3 | 61.1 | 56.0 | 523.8 |
| PUTTING PATIENTS FIRST | | | | | | |
| Digital Innovation, Transport and Access to Care | 69.2 | 74.8 | 75.9 | 77.1 | 77.1 | 305.0 |
| Emergency and Acute Workforce | 20.5 | 20.5 | 20.5 | 20.5 | 20.5 | 82.0 |
| Health Services | | | | | | |
| Albany General Dental Clinic | 0.8 | 10.0 | 2.0 | - | - | 12.0 |
| Albany Radiation Oncology | 1.0 | - | - | - | - | - |
| Find Cancer Early | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 1.6 |
| Meet and Greet Service | 0.6 | 0.6 | 0.6 | 0.6 | 0.5 | 2.3 |
| Paid Paramedics for the Regions | 8.9 | 9.0 | 9.0 | 9.0 | 9.0 | 36.0 |
| Pilbara Health Initiatives | 6.4 | 5.1 | - | - | - | 5.1 |
| Regional Cancer Services | 1.3 | 1.5 | - | - | - | 1.5 |
| Regional Renal Support Teams | 2.2 | 2.2 | 2.2 | 1.9 | 2.1 | 8.4 |
| Renal Dialysis | 4.1 | 3.4 | 3.4 | 3.4 | 3.4 | 13.6 |
| South West Aboriginal Medical Service Health Hub | 2.3 | 7.7 | 8.3 | - | - | 16.0 |
| Health Infrastructure | | | | | | |
| Albany Health Campus Carpark | 2.0 | 0.1 | - | - | - | 0.1 |
| Bunbury Hospital | 9.7 | 30.2 | 46.5 | - | - | 76.7 |
| Carnarvon Residential Aged Care Facility | 1.5 | - | - | - | - | - |
| Collie Hospital Upgrade | 1.0 | - | - | - | - | - |
| Community Alcohol and Other Drug Integrated Services in the South Metropolitan Health Service Region (Peel) | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 | 9.1 |
| Critical Staff Accommodation Refurbishment Program | 4.2 | - | - | - | - | - |

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

| INITIATIVE | 2024-25 Estimated Actual | 2025-26 Budget Year | 2026-27 Outyear | 2027-28 Outyear | 2028-29 Outyear | Total Four Years |
|--|--------------------------------|---------------------------|--------------------|--------------------|--------------------|---------------------|
| | \$m | \$m | \$m | \$m | \$m | \$m |
| Geraldton Health Campus Redevelopment | 37.9 | 18.3 | - | - | - | 18.3 |
| Geraldton Hospital Co-location | - ^(a) | 0.1 | 1.4 | - | - | 1.5 |
| Meekatharra Hospital | 0.5 | 0.5 | 12.0 | 35.1 | - | 47.6 |
| Primary Health Centres Demonstration Program | 0.3 | 3.0 | 1.4 | - | - | 4.4 |
| Remote Indigenous Health Clinics | - ^(a) | 0.2 | - | - | - | 0.2 |
| Tom Price Hospital Redevelopment | - | - | 4.9 | - | - | 4.9 |
| Other Health Programs | | | | | | |
| Nidjalla Waangan Mia Aboriginal Health Services | - ^(a) | 0.1 | - | - | - | 0.1 |
| Women's Community Health Services: Kimberley Women's Health Program | - | 0.3 | 1.2 | 0.8 | 0.8 | 3.1 |
| Mental Health Programs | | | | | | |
| Aboriginal Social and Emotional Wellbeing | 4.5 | 8.2 | 3.3 | - | - | 11.4 |
| Broome Sobering Up Centre | 1.4 | 8.7 | 0.7 | - | - | 9.3 |
| East Kimberley Psychiatric Services | 1.3 | 1.4 | 1.4 | 1.4 | 1.4 | 5.7 |
| Geraldton Step Up/Step Down | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 9.9 |
| Kalgoorlie Step Up/Step Down | - | - | 3.2 | 3.3 | 3.4 | 9.9 |
| Mental Health Anti-Ligature works at Regional Hospitals | 0.2 | - | - | - | - | - |
| Mental Health Step Up/Step Down – Kalgoorlie/Goldfields | 2.6 | 2.6 | 2.6 | 2.6 | 2.6 | 10.5 |
| Methamphetamine Action Plan – South West AOD Residential Rehabilitation and Treatment Service | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 | 11.7 |
| North West Drug and Alcohol Support Program – Kimberley | 7.1 | 7.1 | 7.1 | 7.1 | 7.1 | 28.3 |
| Regional Men's Health | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 3.5 |
| Sub-acute Mental Health Services in Bunbury | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 | 9.1 |
| Sub-acute Mental Health Services in Karratha | 4.1 | 5.7 | 3.3 | 2.9 | 2.7 | 14.5 |
| Sub-acute Mental Health Services in South Hedland | 5.3 | 8.0 | 4.5 | 4.0 | 3.8 | 20.2 |
| WACHS Mental Health Emergency Telehealth Service | 6.0 | 6.2 | 6.3 | 6.3 | 6.3 | 25.2 |
| TOTAL - PUTTING PATIENTS FIRST | 218.2 | 246.8 | 233 | 187.3 | 152.0 | 818.7 |
| INVESTING IN OUR CHILDREN'S EDUCATION | | | | | | |
| Aboriginal and Islander Education Officers | 3.6 | 3.6 | 3.6 | 3.6 | 3.6 | 14.3 |
| Agricultural and Farms Schools Lifecycle | 2.4 | 2.0 | 1.1 | - | - | 3.1 |
| Agricultural College – Cunderdin | 1.0 | 0.5 | 0.1 | - | - | 0.7 |
| Albany Senior High School | 7.1 | 0.9 | 1.0 | - | - | 1.9 |
| Baler Primary School | 2.0 | 3.2 | 0.8 | - | - | 4.0 |
| Better Beginnings – Early Literacy | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 1.0 |
| Broome Senior High School | 0.4 | 1.1 | - | - | - | 1.1 |
| Cassia Primary School | 2.9 | 2.7 | 0.4 | - | - | 3.1 |
| Clontarf Colleges | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 6.2 |
| Country Week Assistance Program | - | 1.9 | 1.9 | 2.0 | 2.1 | 8.0 |
| Dampier Primary School | 0.8 | 0.1 | - | - | - | 0.1 |
| Donnybrook District High School | 0.2 | - | - | - | - | - |
| Eaton Community College | 1.8 | - | - | - | - | - |
| Halls Creek District High School | 0.6 | - | - | - | - | - |
| Improving Teacher Quality | 1.9 | 1.9 | 1.9 | 1.9 | 1.9 | 7.7 |
| Independent Learning Co-ordinators | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 6.0 |
| Kimberley Schools Project | 4.5 | 3.6 | 0.1 | - | - | 3.8 |
| Mental Health Support in Schools | 0.8 | 1.2 | 0.8 | 0.8 | 0.8 | 3.6 |
| Puntukurnu Aboriginal Medical Service Jiji Program | 1.2 | 0.8 | 0.8 | 0.4 | - | 1.9 |
| Put Education Assistants Back in the Classroom | 9.1 | 9.1 | 9.1 | 9.1 | 9.1 | 36.6 |
| Regional Learning Specialists | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 6.0 |
| Regional School Breakfast and Nutritional Education Program | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.9 |
| Regional School Bus Services | 82.2 | 82.3 | 82.4 | 82.4 | 82.4 | 329.4 |
| Remote Schools Infrastructure Program | - | 2.0 | 2.0 | 2.0 | 2.0 | 8.0 |

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

| INITIATIVE | 2024-25 Estimated Actual | 2025-26 Budget Year | 2026-27 Outyear | 2027-28 Outyear | 2028-29 Outyear | Total Four Years |
|--|--------------------------------|---------------------------|--------------------|--------------------|--------------------|---------------------|
| | \$m | \$m | \$m | \$m | \$m | \$m |
| Respectful Relationship Programs in Schools | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.4 |
| Roebourne District High School Redevelopment | 9.5 | 2.3 | - | - | - | 2.3 |
| Vocational Education Regional Subsidies | 45.4 | 45.4 | 45.4 | 45.4 | 45.4 | 181.6 |
| Waggrakine Primary School | 5.9 | 1.9 | 0.8 | - | - | 2.7 |
| Western Australian College of Agriculture – Kimberley | 0.1 | - | - | - | - | - |
| TOTAL - INVESTING IN OUR CHILDREN'S EDUCATION | 188.5 | 171.6 | 157.3 | 152.7 | 152.4 | 634.4 |
| INVESTING IN OUR COMMUNITIES | | | | | | |
| Aboriginal Community Controlled Organisation | 8.1 | 7.3 | 0.1 | 0.2 | - | 7.6 |
| Aboriginal Governance and Leadership Development Program | 1.2 | 1.4 | 1.6 | 1.1 | 1.1 | 5.1 |
| Aboriginal Tourism Initiatives | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 3.6 |
| Bunbury Hands Oval Upgrades and Temporary Facilities | 2.2 | 2.7 | 0.8 | - | - | 3.5 |
| Albany Entertainment Centre | 0.4 | 0.5 | 0.5 | 0.5 | 0.5 | 2.0 |
| Albany (Emu Point) Maritime Facility – Jetty B Remediation | - | 1.0 | - | - | - | 1.0 |
| Albany Fishing Platform | - | 0.2 | - | - | - | 0.2 |
| Albany Pilot Station Precinct | 0.3 | 3.3 | 3.7 | 1.0 | - | 8.0 |
| Albany Trails | 1.5 | 1.7 | - | - | - | 1.7 |
| Assisting Staying in Place to Thrive | 0.2 | 0.1 | - | - | - | 0.1 |
| Augusta Childcare Facility | - | 0.2 | - | - | - | 0.2 |
| Beach Emergency Numbering System | 0.4 | - | - | - | - | - |
| Broome Aboriginal Short Stay Accommodation Facility | 2.9 | 2.8 | 2.8 | 2.8 | 2.8 | 11.2 |
| Broome Aboriginal-led Specialist Family Violence Court | 0.7 | 5.9 | 1.5 | 0.9 | 0.6 | 8.9 |
| Broome Family and Domestic Violence Hub | 4.9 | 6.5 | 4.0 | 3.8 | 3.9 | 18.2 |
| Bunbury Dolphin Discovery Centre | 0.3 | 0.3 | - | - | - | 0.3 |
| Bunbury Prison Alcohol and Other Drug Unit | 3.3 | 2.8 | 3.0 | 2.6 | 2.6 | 11.0 |
| Carnarvon One Mile Jetty | 0.2 | 3.8 | - | - | - | 3.8 |
| Carnarvon One Mile Jetty – Partial Demolition of Jetty | - | 0.6 | - | - | - | 0.6 |
| Collie Riverview Residence – Upgrade to Over 55s Estate | 1.7 | 0.3 | - | - | - | 0.3 |
| Community Facilities and Infrastructure Commitments | - | 20.3 | 19.2 | 5.0 | - | 44.5 |
| Community Resource Centres | 14.5 | 14.3 | 15.1 | 15.5 | 15.5 | 60.3 |
| Community Safety Crime Prevention Plan | 0.2 | - | - | - | - | - |
| Community Safety Network | 10.1 | 8.5 | 8.5 | 8.5 | 8.5 | 33.9 |
| Community Sports and Recreation Commitments | - | - | 2.8 | - | 22.5 | 25.3 |
| Culturally Appropriate Services to Victims of Domestic Violence | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.4 |
| Dalyellup Family Centre | 0.2 | - | - | - | - | - |
| Dalyellup Multipurpose Community and Youth Centre | 1.0 | - | - | - | - | - |
| Dampier Peninsula Activation | - | 2.1 | - | - | - | 2.1 |
| Dawesville Community Centre | 0.8 | 2.4 | - | - | - | 2.4 |
| Derby/West Kimberley Economic Development Strategy | 0.1 | 0.1 | - | - | - | 0.1 |
| Driving Access and Equity Program | 5.9 | 5.5 | - | - | - | 5.5 |
| Dry Season Response | 0.6 | 1.0 | - | - | - | 1.0 |
| East Kimberley Transitional Housing | 2.9 | 1.0 | 1.0 | - | - | 2.0 |
| Enhanced Driver Training and Education for Regional and Remote Communities | 2.0 | 1.6 | 1.6 | 1.4 | 1.4 | 5.9 |
| Essential and Municipal Services Improvement in Remote Aboriginal Communities | 0.2 | 6.5 | 0.2 | - | - | 6.7 |
| Ex-Tropical Cyclone Ellie – Clean-up Program | 5.3 | 9.2 | 15.5 | - | - | 24.7 |
| Ex-Tropical Cyclone Ellie – Community and Industry Recovery Officer Program | 7.5 | 1.8 | - | - | - | 1.8 |

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

| INITIATIVE | 2024-25 Estimated Actual | 2025-26 Budget Year | 2026-27 Outyear | 2027-28 Outyear | 2028-29 Outyear | Total Four Years \$m |
|---|--------------------------------|---------------------------|--------------------|--------------------|--------------------|-------------------------------|
| | \$m | \$m | \$m | \$m | \$m | \$m |
| Ex-Tropical Cyclone Ellie – Freight Assistance Package | 0.5 | - | - | - | - | - |
| Ex-Tropical Cyclone Ellie – Prescribed Body Corporate Participation in Recovery Package | 1.3 | 0.8 | - | - | - | 0.8 |
| Family Domestic Violence Refuge – Peel | 1.2 | 1.2 | 1.2 | 1.2 | 1.2 | 4.8 |
| Fire and Emergency Services Package | - | 0.2 | 0.1 | 5.0 | 5.0 | 10.3 |
| Financial Counselling Services | 0.7 | 0.7 | - | - | - | 0.7 |
| Fitzroy Crossing Key Worker Housing | 5.2 | - | - | - | - | - |
| Geraldton Aboriginal Short Stay Accommodation | - | 4.5 | 3.5 | 3.9 | 3.6 | 15.5 |
| Goldfields Arts Centre | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.6 |
| Gwoonwardu Mia Aboriginal Heritage and Cultural Centre – Carnarvon | 1.2 | 1.2 | - | - | - | 1.2 |
| Halls Creek Town Development Masterplan - State Contribution | 0.4 | 0.7 | - | - | - | 0.7 |
| Hedland Transitional Housing | 2.1 | 0.4 | 0.4 | - | - | 0.7 |
| Homelessness Funding Support Package | 0.4 | - | - | - | - | - |
| Indigenous Visitor Hostels | 2.4 | 2.5 | 2.5 | 2.5 | 2.5 | 12.3 |
| Jalbi Jiya (Your Home) Program | 0.6 | 0.6 | - | - | - | 0.6 |
| Kalgoorlie Career Fire Rescue Service Station Upgrade | 0.8 | - | - | - | - | - |
| Kalgoorlie Motorsports Precinct | 1.9 | 0.1 | - | - | - | 0.1 |
| Katanning Early Childhood Hub | - | 1.6 | - | - | - | 1.6 |
| Kimberley Community Action Fund | 0.7 | - | - | - | - | - |
| Kimberley On-country Youth Facilities | 9.4 | 3.4 | 3.8 | 2.2 | - | 9.4 |
| Koombana Bay Park Facilities | 0.2 | 0.3 | - | - | - | 0.3 |
| Kununurra Aquatic and Leisure Centre Redevelopment Project | 4.9 | - | - | - | - | - |
| Boosting Marron Stocks in the South West Region | - | 0.5 | 1.2 | 1.2 | 0.1 | 3.0 |
| Martu Student Hostel | 0.7 | 0.7 | - | - | - | 0.7 |
| Mira Mar Landslip | -(a) | - | - | - | - | - |
| Motorplex Complex Albany | 2.1 | - | - | - | - | - |
| Multi-functional Policing Facilities Air-Conditioning System Replacement | 1.3 | - | - | - | - | - |
| North West Aboriginal Housing Initiative | - | 0.2 | 13.0 | 2.5 | 0.1 | 15.8 |
| Nyamba Buru Yawuru – Health and Wellbeing Campus | 7.5 | - | - | - | - | - |
| Olabud Doogethu Halls Creek Youth Justice Reinvestment Project | 1.0 | -(a) | - | - | - | -(a) |
| Operation Regional Shield | 11.7 | 11.7 | - | - | - | 11.7 |
| Outdoor Adventure Package | - | 2.5 | 3.7 | 1.5 | - | 7.7 |
| Oyster Harbour Ulster Road (Albany) | 8.5 | - | - | - | - | - |
| Peel Regional Trails | 0.2 | - | - | - | - | - |
| Pilbara Aboriginal Home Ownership Program | 4.2 | 10.5 | 4.1 | 0.7 | 0.7 | 15.9 |
| Pilbara Safe Spaces Program | 0.7 | 1.4 | 1.4 | 1.5 | 2.3 | 6.6 |
| Pilbara Town Based Reserves | 0.5 | 7.0 | 7.4 | - | - | 14.4 |
| Police Radio Network | 1.2 | 1.1 | 1.1 | 1.1 | 1.1 | 4.5 |
| Regional Arts and Cultural Investment Program | 6.1 | 5.1 | 4.9 | 4.9 | 4.9 | 19.9 |
| Regional Athlete Support Program | 1.6 | 1.7 | 1.7 | 1.7 | 1.7 | 6.7 |
| Regional Economic Development Grants | 7.7 | 7.7 | 5.8 | 5.3 | 5.0 | 23.8 |
| Regional Enforcement Unit | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 21.9 |
| Regional Exhibition Touring Boost | 2.0 | 2.6 | 2.3 | 2.0 | 2.0 | 9.0 |
| Regional Museum Grants - Regional Collections Development Program | 0.2 | 0.2 | - | - | - | 0.2 |
| Regional Pensioner Travel Card | 36.5 | 46.6 | 45.5 | 45.9 | 46.1 | 184.1 |
| Regional Police Incentives | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 10.0 |
| Regional Racing Fund | - | 4.3 | 3.3 | 3.9 | 13.8 | 25.2 |
| Regional Renewal Program | 3.7 | 0.1 | - | - | - | 0.1 |
| Regional Youth Justice Services | 5.8 | 5.8 | 5.8 | 5.8 | 5.8 | 23.1 |
| Remote Aboriginal Communities | 72.4 | 63.6 | 53.8 | 64.0 | 64.0 | 245.5 |

Table 1 (cont.)

| ROYALTIES FOR REGIONS EXPENDITURE | | | | | | |
|--|--------------------------------|---------------------------|--------------------|--------------------|--------------------|---------------------|
| INITIATIVE | 2024-25 Estimated Actual | 2025-26 Budget Year | 2026-27 Outyear | 2027-28 Outyear | 2028-29 Outyear | Total Four Years |
| | \$m | \$m | \$m | \$m | \$m | \$m |
| Remote Aboriginal Communities Support Fund | 1.2 | - | - | - | - | - |
| Remote Essential and Municipal Services | 56.9 | 63.5 | 56.0 | 56.0 | 55.9 | 231.4 |
| Remote Swimming Pools | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 2.4 |
| Robe River Kuruma Housing Pathway Support Program | - | 0.7 | 0.8 | - | - | 1.5 |
| Rural, Regional and Remote Network safeSPACE Program | 0.4 | 0.2 | 0.1 | - | - | 0.3 |
| Soldiers Park and Collie Swimming Club | 1.9 | - | - | - | - | - |
| South Hedland CBD Revitalisation – Stage 2 | - | 0.9 | - | - | - | 0.9 |
| Southern Forests Food Council | 0.8 | - | - | - | - | - |
| Southern Ocean Surf Reef | 0.2 | 0.3 | - | - | - | 0.3 |
| Surf Beaches Mobile Coverage Grants Program | 5.8 | - | - | - | - | - |
| Upgrades to Hay Park – Bunbury | 0.2 | 1.8 | - | - | - | 1.8 |
| Volunteer Fuel Card | 0.1 | - | - | - | - | - |
| Volunteering Development Services | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 4.0 |
| Warmun People’s Place Renovation Project | 0.7 | 0.7 | 0.7 | - | - | 1.5 |
| Wellington Dam Bridge Upgrade | 2.8 | 0.1 | - | - | - | 0.1 |
| Wellington National Park Upgrades | - | 14.0 | - | - | - | 14.0 |
| Western Desert Justice Program | - | 2.3 | 0.6 | - | - | 2.9 |
| William Bay National Park Upgrades | 0.9 | 0.6 | - | - | - | 0.6 |
| Yindjibarndi Ganallii Accommodation and Transitional Housing Program | - | 1.3 | 1.3 | 1.0 | - | 3.5 |
| Yura Yungi Employee Accommodation and Career Development Program | 1.6 | 0.2 | 0.2 | - | - | 0.3 |
| TOTAL - INVESTING IN OUR COMMUNITIES | 374.5 | 404.5 | 318.8 | 267.8 | 285.9 | 1,278.8 |
| INVESTING IN OUR ROADS AND PORTS | | | | | | |
| AgLime Routes | 0.2 | - | - | - | - | - |
| Albany Ring Road | 12.0 | - | - | - | - | - |
| Broome Marina Planning | 0.2 | - | - | - | - | - |
| Bunbury Port – Inner Harbour Access Bridge | 24.7 | 1.6 | - | - | - | 1.6 |
| Burrup Peninsula Hearson Cove Road Realignment | 3.0 | - | - | - | - | - |
| Chidlow-York Road and Forrest Street Intersection Upgrade | 0.3 | 0.4 | 0.3 | - | - | 0.7 |
| Covalent Lithium Mine Access Road | 12.0 | - | - | - | - | - |
| Fishing Boat Harbour Boat Building Precinct | - | 6.4 | - | - | - | 6.4 |
| Fitzroy Crossing Airport Upgrade Project – Planning | - | 0.8 | - | - | - | 0.8 |
| Forrest Highway (Vittoria Road) | 1.1 | 2.0 | 0.7 | - | - | 2.7 |
| Great Eastern Highway Upgrades – Ghooli to Benari | 8.8 | 10.4 | 7.4 | 5.6 | - | 23.4 |
| Great Northern Highway – Broome to Kununurra – Nellie Springs to Sally Downs Well and Arthur Creek | 1.0 | 2.0 | 5.2 | 2.6 | - | 9.8 |
| Great Northern Highway – Newman to Port Hedland – Overtaking Lanes | 8.1 | 0.6 | - | - | - | 0.6 |
| Greenbushes Lithium Supply Chain | 2.8 | - | - | - | - | - |
| Indian Ocean Drive – Jurien Bay to Brand Highway | 7.5 | 1.3 | - | - | - | 1.3 |
| Karratha to Tom Price Road – Manuwarra Red Dog Highway | 0.7 | 16.1 | 2.2 | - | - | 18.3 |
| Kununurra-Halls Creek-Balgo Regular Passenger Transport | 0.2 | 0.2 | 0.2 | - | - | 0.4 |
| Land Acquisition and Road Improvements | - | 1.0 | - | - | - | 1.0 |
| Mandurah Estuary Bridge Duplication | 34.2 | 28.5 | 3.0 | - | - | 31.5 |
| Mandurah Train Station – New Parking Bays | 1.2 | - | - | - | - | - |
| Marble Bar Road Upgrade | 2.8 | 6.2 | - | - | - | 6.2 |
| Menang Drive-Chester Pass Road Grade Separation | 12.5 | 31.0 | 10.0 | - | - | 41.0 |
| Mid West and Great Southern Secondary Freight Network Program | 5.1 | 1.7 | - | - | - | 1.7 |

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

| INITIATIVE | 2024-25 Estimated Actual | 2025-26 Budget Year | 2026-27 Outyear | 2027-28 Outyear | 2028-29 Outyear | Total Four Years |
|--|--------------------------------|---------------------------|--------------------|--------------------|--------------------|---------------------|
| | \$m | \$m | \$m | \$m | \$m | \$m |
| Oakajee Strategic Industrial Area Access Road | 17.2 | - | - | - | - | - |
| Outback Way – Laverton to WA Border | - | - | 12.0 | 12.0 | 12.0 | 36.0 |
| Pinjarra Heavy Haulage Deviation | - | 0.4 | 2.0 | 2.0 | 2.0 | 6.4 |
| Port of Broome – Passenger Cruise Terminal | - | 0.5 | - | - | - | 0.5 |
| Port of Derby – Barge Landing Upgrades | - | - | 0.8 | 0.8 | - | 1.5 |
| Port of Wyndham – First Point of Entry Infrastructure | - | 7.0 | 7.0 | - | - | 14.0 |
| Regional Airfare Zone Cap for Regional Residents | 36.5 | 35.9 | - | - | - | 35.9 |
| Regional Blackspot Program | 10.0 | 3.5 | - | - | - | 3.5 |
| South Coast Hwy, Kojaneerup and Shannon | - | - | 2.5 | 10.0 | 12.5 | 25.0 |
| Square Kilometre Array Roads | 7.0 | 5.0 | 5.0 | 4.2 | - | 14.2 |
| Tanami Road | 5.6 | 13.6 | 10.0 | 10.0 | 10.0 | 43.6 |
| Toodyay Road Upgrade – Dryandra to Toodyay | 0.6 | 10.8 | 2.4 | - | - | 13.2 |
| Truck Rest Stops | 0.4 | 1.3 | 1.3 | 1.2 | 0.9 | 4.6 |
| Western Australian Agricultural Supply Chain Improvements | 3.3 | 3.3 | 29.0 | - | - | 32.3 |
| TOTAL - INVESTING IN OUR ROADS AND PORTS | 219.0 | 191.5 | 101.0 | 48.4 | 37.4 | 378.1 |
| INVESTING IN OUR ENVIRONMENT | | | | | | |
| Bindjareb Djilba (Peel Harvey) Protection Plan | 1.5 | 1.9 | 2.5 | 2.5 | 2.5 | 9.4 |
| Buccaneer Archipelago Marine Parks | 4.2 | 19.1 | 6.7 | - | - | 25.7 |
| Bushfire Mitigation on Crown Land Regional Townsites | 3.9 | 3.8 | 3.8 | 3.8 | 3.8 | 15.0 |
| Climate Resilience Fund | 3.2 | 4.0 | - | - | - | 4.0 |
| Dampier Peninsula and Buccaneer Archipelago Visitor Plan | 0.1 | - | - | - | - | - |
| Dampier Peninsula Project | 0.3 | - | - | - | - | - |
| Danggu Geikie Gorge Upgrades | 0.1 | 0.7 | - | - | - | 0.7 |
| Drummond Cove Coastal Protection Project | 0.1 | 2.8 | - | - | - | 2.8 |
| Dung Beetle Soil Health Grants Initiative | 0.5 | - | - | - | - | - |
| Dwellingup Trails Gap Project | 1.0 | - | - | - | - | - |
| East Keralup Bio-Energy Project | - | 0.2 | - | - | - | 0.2 |
| Enhanced Prescribed Burning Program | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 22.0 |
| Fitzroy River Catchment | 0.1 | - | - | - | - | - |
| Fitzroy River Management Plan | 0.3 | - | - | - | - | - |
| Healthy Estuaries WA | 8.8 | 6.7 | 6.7 | 6.8 | 6.8 | 27.0 |
| Kalgulup Regional Park | 2.5 | 1.6 | 1.4 | 1.4 | 1.4 | 5.9 |
| Karijini National Park Upgrades | 5.1 | 0.5 | - | - | - | 0.5 |
| Kimberley Wilderness Walk, Wunaamin Miliwundi Ranges | 0.1 | 0.3 | - | - | - | 0.3 |
| Marine Parks Management | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 2.8 |
| Murujuga Joint Management | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 | 4.3 |
| Murujuga National Park (Conzinc Bay) | 0.8 | 4.1 | - | - | - | 4.1 |
| Natural Resource Management Program | 6.3 | 6.8 | 6.8 | 6.7 | 7.7 | 28.0 |
| Ngari Capes Marine Park | 1.2 | 1.2 | 1.2 | 1.2 | 1.2 | 4.6 |
| Ningaloo Coastal Reserve | 1.8 | 1.3 | 1.3 | 1.3 | 1.3 | 5.2 |
| Northern Native Seed Initiative | 0.9 | 2.0 | 1.3 | 0.4 | 0.4 | 3.9 |
| Peel Harvey Estuary | 0.1 | 0.1 | - | - | - | 0.1 |
| Pilbara Hydrogen Hub | 5.6 | 23.0 | 36.4 | 4.0 | - | 63.5 |
| Renewable Hydrogen Strategy | 0.1 | 2.1 | - | - | - | 2.1 |
| Rural Water Planning | 3.0 | 6.4 | - | - | - | 6.4 |
| Southern Rangelands Restoration Project | - ^(a) | - | - | - | - | - |
| Torndirrup National Park, The Gap | 2.8 | - | - | - | - | - |
| Vertebrate Pest Management Program | 0.2 | 1.0 | 1.0 | 0.8 | - | 2.8 |
| Yawuru Conservation Park | 2.5 | 1.3 | - | - | - | 1.3 |
| Yawuru Joint Management | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 | 4.5 |
| TOTAL - INVESTING IN OUR ENVIRONMENT | 65.5 | 99.3 | 77.5 | 37.3 | 33.5 | 247.1 |

Table 1 (cont.)

| ROYALTIES FOR REGIONS EXPENDITURE | | | | | | |
|--|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|----------------------------|
| INITIATIVE | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m | Total Four Years \$m |
| ADMINISTRATION AND ADMINISTERED ITEMS | | | | | | |
| Administration ^(b) | 83.8 | 88.4 | 85.6 | 85.4 | 86.3 | 345.7 |
| Administered Items ^(c) | 7.8 | 15.0 | 20.0 | 30.1 | 25.6 | 90.7 |
| Total – ADMINISTRATION AND ADMINISTERED ITEMS | 91.6 | 103.4 | 105.6 | 115.5 | 111.9 | 436.4 |
| Underspend Provision | -371.9 | -197.6 | -112.3 | - | - | -309.9 |
| TOTAL ROYALTIES FOR REGIONS FUND Regional Reform Fund Special Purpose Account Transfer ^(d) | 1,002.0 | 1,278.2 | 1,027.8 | 869.7 | 828.5 | 4,004.2 |

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

(b) Funding for costs associated with the administration of the Royalties for Regions Fund.

(c) Funding mainly for initiatives where further planning is required to deliver these proposals.

(d) Total Royalties for Regions contributions to the Fund are forecast to be \$150 million.

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

Source: Department of Primary Industries and Regional Development.

2025-26 Economic and Fiscal Outlook

Detailed Financial Projections

This appendix contains detailed financial projections for the various sectors of the total public sector defined by the Government Finance Statistics (GFS) framework. The tables in this section satisfy Uniform Presentation Framework (UPF) requirements applicable for all States, Territories and the Commonwealth, and are also consistent with Australian Accounting Standards, in particular, AASB 1049: *Whole of Government and General Government Sector Financial Reporting*.

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Table 1.1

GENERAL GOVERNMENT
Operating Statement

| | Note | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | Actual | Estimated | Budget | | | |
| | | \$m | \$m | Year | Outyear | Outyear | Outyear |
| | | | | \$m | \$m | \$m | \$m |
| <i>Results from Transactions</i> | | | | | | | |
| REVENUE | | | | | | | |
| Taxation | | 13,631 | 14,862 | 15,113 | 15,403 | 15,696 | 16,266 |
| Current grants and subsidies | | 12,780 | 14,369 | 15,776 | 15,750 | 16,301 | 16,873 |
| Capital grants | | 1,884 | 3,209 | 3,031 | 1,672 | 979 | 627 |
| Sales of goods and services | | 3,460 | 3,477 | 3,377 | 3,425 | 3,536 | 3,603 |
| Interest income | | 391 | 327 | 280 | 294 | 319 | 345 |
| Revenue from public corporations | | | | | | | |
| Dividends from other sector entities | | 210 | 541 | 2,788 | 1,558 | 1,651 | 1,908 |
| Tax equivalent income | | 912 | 894 | 898 | 925 | 940 | 947 |
| Royalty income | | 11,866 | 9,946 | 8,245 | 7,711 | 7,616 | 7,464 |
| Other | | 813 | 763 | 749 | 725 | 725 | 713 |
| Total | 3,4 | 45,947 | 48,388 | 50,257 | 47,464 | 47,761 | 48,746 |
| EXPENSES | | | | | | | |
| Salaries | | 16,518 | 18,230 | 19,041 | 18,770 | 19,326 | 19,915 |
| Superannuation | | | | | | | |
| Concurrent costs | | 1,781 | 2,103 | 2,280 | 2,250 | 2,316 | 2,388 |
| Superannuation interest cost | | 167 | 214 | 206 | 198 | 189 | 178 |
| Other employee costs | | 401 | 483 | 452 | 419 | 396 | 399 |
| Depreciation and amortisation | | 2,112 | 2,300 | 2,406 | 2,441 | 2,434 | 2,422 |
| Services and contracts | | 3,403 | 4,520 | 4,755 | 4,345 | 3,894 | 3,693 |
| Other gross operating expenses | | 7,330 | 6,852 | 7,144 | 6,542 | 6,991 | 7,395 |
| Interest | | | | | | | |
| Interest on leases | | 175 | 143 | 152 | 149 | 145 | 142 |
| Other interest | | 946 | 999 | 1,023 | 1,106 | 1,210 | 1,302 |
| Current transfers | | 8,068 | 9,345 | 9,713 | 8,466 | 8,001 | 7,861 |
| Capital transfers | 5 | 560 | 667 | 670 | 360 | 224 | 207 |
| Total | 6 | 41,461 | 45,857 | 47,844 | 45,045 | 45,127 | 45,901 |
| NET OPERATING BALANCE | | 4,486 | 2,532 | 2,414 | 2,419 | 2,634 | 2,845 |
| <i>Other economic flows - included in the operating result</i> | | | | | | | |
| Net gains on assets/liabilities | | -121 | -70 | -133 | -185 | -175 | -43 |
| Provision for doubtful debts | | -20 | -14 | -15 | -15 | -16 | -16 |
| Changes in accounting policy/adjustment of prior periods | | -168 | - | - | - | - | - |
| Total other economic flows | | -310 | -84 | -147 | -200 | -191 | -59 |
| OPERATING RESULT | | 4,176 | 2,447 | 2,266 | 2,219 | 2,443 | 2,786 |
| <i>All other movements in equity</i> | | | | | | | |
| <i>Items that will not be reclassified to operating result</i> | | | | | | | |
| Revaluations | | 5,718 | 2,754 | 4,421 | 2,256 | 2,472 | 2,396 |
| Net actuarial gains/-loss - superannuation | | 188 | 200 | 173 | 180 | 169 | 164 |
| Gains recognised directly in equity | | -(a) | -1 | -1 | -1 | -1 | -11 |
| Change in net worth of the public corporations sectors | | 8,411 | 3,428 | -504 | -287 | - | -1,237 |
| All other | | - | - | - | - | - | - |
| Total all other movements in equity | | 14,318 | 6,380 | 4,089 | 2,148 | 2,640 | 1,312 |
| TOTAL CHANGE IN NET WORTH | | 18,494 | 8,827 | 6,355 | 4,367 | 5,083 | 4,098 |
| KEY FISCAL AGGREGATES | | | | | | | |
| NET OPERATING BALANCE | | 4,486 | 2,532 | 2,414 | 2,419 | 2,634 | 2,845 |
| <i>Less Net acquisition of non-financial assets</i> | | | | | | | |
| Purchase of non-financial assets | 6 | 3,997 | 4,371 | 3,961 | 3,510 | 3,340 | 3,118 |
| Changes in inventories | | -9 | - | -(a) | -(a) | - | - |
| Other movement in non-financial assets | | 22 | - | - | - | - | - |
| <i>Less:</i> | | | | | | | |
| Sales of non-financial assets | | 60 | 67 | 83 | 67 | 67 | 67 |
| Depreciation | | 2,112 | 2,300 | 2,406 | 2,441 | 2,434 | 2,422 |
| Total net acquisition of non-financial assets | | 1,838 | 2,004 | 1,472 | 1,003 | 838 | 629 |
| NET LENDING/-BORROWING | | 2,648 | 528 | 941 | 1,417 | 1,796 | 2,216 |

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

Note: Columns may not add due to rounding.

Table 1.2

GENERAL GOVERNMENT
Balance Sheet at 30 June

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|----------------|----------------|----------------|------------------|------------------|------------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| | | | \$m | | | |
| ASSETS | | | | | | |
| <i>Financial assets</i> | | | | | | |
| Cash and deposits | 2,510 | 2,422 | 1,740 | 1,768 | 1,783 | 1,767 |
| Advances paid | 665 | 724 | 955 | 987 | 966 | 966 |
| Investments, loans and placements | 7,331 | 2,873 | 2,326 | 2,597 | 2,939 | 3,068 |
| Receivables | 5,635 | 5,694 | 5,004 | 4,984 | 4,887 | 4,874 |
| Shares and other equity | | | | | | |
| Investments in other public sector entities - equity method | 63,104 | 66,531 | 66,028 | 65,741 | 65,741 | 64,503 |
| Investments in other public sector entities - direct injections | 19,267 | 23,754 | 28,757 | 31,018 | 32,414 | 33,376 |
| Investments in other entities | 57 | 78 | 89 | 89 | 89 | 89 |
| Other financial assets | 9 | 9 | - | - ^(a) | - ^(a) | - ^(a) |
| <i>Total financial assets</i> | 98,580 | 102,086 | 104,900 | 107,185 | 108,821 | 108,645 |
| <i>Non-financial assets</i> | | | | | | |
| Land | 46,524 | 49,535 | 53,122 | 54,696 | 56,392 | 58,065 |
| Property, plant and equipment | 65,653 | 68,546 | 71,207 | 73,259 | 75,206 | 76,946 |
| Right-of-use assets | 2,384 | 2,530 | 2,480 | 2,396 | 2,317 | 2,225 |
| Service concession assets | 1,067 | 1,027 | 986 | 926 | 856 | 787 |
| Biological assets | 6 | 6 | 6 | 6 | 6 | 6 |
| Inventories | | | | | | |
| Land inventories | - | - | - | - | - | - |
| Other inventories | 243 | 243 | 243 | 243 | 243 | 243 |
| Intangibles | 726 | 763 | 826 | 863 | 974 | 1,075 |
| Non-current assets held for sale | 22 | 17 | 17 | 17 | 17 | 17 |
| Investment property | - | - | - | - | - | - |
| Other | 412 | 511 | 511 | 511 | 513 | 518 |
| <i>Total non-financial assets</i> | 117,036 | 123,176 | 129,396 | 132,916 | 136,522 | 139,881 |
| TOTAL ASSETS | 215,616 | 225,263 | 234,296 | 240,101 | 245,343 | 248,526 |
| LIABILITIES | | | | | | |
| Deposits held | 2,728 | 3,438 | 3,189 | 4,050 | 3,923 | 3,086 |
| Advances received | 256 | 248 | 414 | 452 | 424 | 395 |
| Borrowings | | | | | | |
| Lease liabilities | 2,738 | 2,916 | 2,888 | 2,815 | 2,778 | 2,709 |
| Service concession liabilities | - | - | - | - | - | - |
| Other borrowings | 24,436 | 24,445 | 27,730 | 28,715 | 29,700 | 30,186 |
| Unfunded superannuation | 4,137 | 3,795 | 3,516 | 3,214 | 2,902 | 2,531 |
| Other employee benefits | 4,775 | 4,757 | 4,872 | 4,978 | 4,810 | 4,879 |
| Payables | 2,977 | 3,048 | 2,872 | 2,797 | 2,671 | 2,547 |
| Other liabilities | 3,098 | 3,316 | 3,161 | 3,058 | 3,031 | 2,991 |
| <i>TOTAL LIABILITIES</i> | 45,145 | 45,964 | 48,642 | 50,080 | 50,239 | 49,324 |
| NET ASSETS | 170,471 | 179,298 | 185,654 | 190,021 | 195,103 | 199,201 |
| <i>Of which:</i> | | | | | | |
| Contributed equity | - | - | - | - | - | - |
| Accumulated surplus | 29,848 | 32,637 | 35,058 | 37,445 | 40,046 | 42,974 |
| Other reserves | 140,623 | 146,661 | 150,596 | 152,575 | 155,058 | 156,227 |
| NET WORTH | 170,471 | 179,298 | 185,654 | 190,021 | 195,103 | 199,201 |
| MEMORANDUM ITEMS | | | | | | |
| <i>Net financial worth</i> | 53,435 | 56,122 | 56,257 | 57,105 | 58,581 | 59,321 |
| <i>Net financial liabilities</i> | 28,936 | 34,163 | 38,528 | 39,654 | 39,574 | 38,559 |
| <i>Net debt</i> | | | | | | |
| Gross debt liabilities | 30,158 | 31,049 | 34,221 | 36,033 | 36,825 | 36,377 |
| Less: liquid financial assets | 10,507 | 6,019 | 5,021 | 5,353 | 5,689 | 5,802 |
| <i>Net debt</i> | 19,651 | 25,029 | 29,200 | 30,680 | 31,136 | 30,575 |

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

Note: Columns may not add due to rounding.

Table 1.3

GENERAL GOVERNMENT
Cash Flow Statement

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| | Actual | Estimated | Budget | | | |
| | \$m | Actual | Year | Outyear | Outyear | Outyear |
| | | \$m | \$m | \$m | \$m | \$m |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | |
| <i>Cash received</i> | | | | | | |
| Taxes received | 13,444 | 14,884 | 15,143 | 15,420 | 15,712 | 16,283 |
| Grants and subsidies received | 17,024 | 20,241 | 21,429 | 20,121 | 20,063 | 20,375 |
| Receipts from sales of goods and services | 3,704 | 3,464 | 3,293 | 3,397 | 3,486 | 3,546 |
| Interest receipts | 354 | 328 | 280 | 295 | 319 | 345 |
| Dividends and tax equivalents | 1,034 | 1,471 | 3,696 | 2,518 | 2,722 | 2,902 |
| Other receipts | 14,802 | 12,110 | 11,168 | 9,917 | 9,829 | 9,690 |
| Total cash received | 50,362 | 52,497 | 55,009 | 51,667 | 52,132 | 53,140 |
| <i>Cash Paid</i> | | | | | | |
| Wages, salaries and supplements, and superannuation | -18,259 | -20,694 | -21,563 | -21,272 | -22,171 | -22,649 |
| Payments for goods and services | -11,251 | -11,977 | -12,449 | -11,496 | -11,486 | -11,646 |
| Interest paid | -1,044 | -1,134 | -1,124 | -1,219 | -1,328 | -1,420 |
| Grants and subsidies paid | -10,424 | -11,614 | -12,933 | -11,258 | -10,672 | -10,604 |
| Dividends and tax equivalents | - | - | - | - | - | - |
| Other payments | -2,659 | -2,170 | -1,828 | -1,859 | -1,891 | -1,913 |
| Total cash paid | -43,638 | -47,590 | -49,897 | -47,104 | -47,548 | -48,232 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 6,724 | 4,907 | 5,112 | 4,563 | 4,584 | 4,908 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | |
| <i>Cash flows from investments in non-financial assets</i> | | | | | | |
| Purchase of non-financial assets | -3,997 | -4,371 | -3,961 | -3,510 | -3,340 | -3,118 |
| Sales of non-financial assets | 60 | 67 | 83 | 67 | 67 | 67 |
| Total cash flows from investments in non-financial assets | -3,938 | -4,304 | -3,878 | -3,443 | -3,273 | -3,051 |
| <i>Cash flows from investments in financial assets</i> | | | | | | |
| <i>Cash received</i> | | | | | | |
| For policy purposes | 71 | 10 | 10 | 10 | 10 | 10 |
| For liquidity purposes | 64 | 76 | 46 | 66 | 75 | 29 |
| <i>Cash paid</i> | | | | | | |
| For policy purposes | -3,746 | -5,393 | -5,028 | -2,210 | -1,364 | -930 |
| For liquidity purposes | -97 | -126 | -108 | -128 | -120 | -125 |
| Total cash flows from investments in financial assets | -3,708 | -5,433 | -5,080 | -2,263 | -1,398 | -1,017 |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | -7,646 | -9,737 | -8,958 | -5,706 | -4,671 | -4,068 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | |
| <i>Cash received</i> | | | | | | |
| Advances received | 18 | 25 | 32 | 26 | 24 | 24 |
| Borrowings | 619 | 833 | 4,117 | 1,113 | 1,109 | 613 |
| Deposits received | 936 | 710 | - | 861 | - | - |
| Other financing receipts | 286 | 21 | 15 | 7 | 18 | 23 |
| Total cash receipts from financing activities | 1,858 | 1,590 | 4,164 | 2,007 | 1,151 | 661 |
| <i>Cash paid</i> | | | | | | |
| Advances paid | -18 | -25 | -32 | -26 | -24 | -24 |
| Borrowings repaid | -50 | -810 | -822 | -115 | -110 | -109 |
| Deposits paid | -1 | - | -249 | - | -127 | -837 |
| Other financing payments | -765 | -414 | -430 | -423 | -419 | -418 |
| Total payments for financing activities | -833 | -1,249 | -1,533 | -565 | -681 | -1,387 |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | 1,025 | 341 | 2,631 | 1,443 | 470 | -726 |
| Net increase in cash and cash equivalents | 103 | -4,489 | -1,215 | 300 | 383 | 113 |
| Cash and cash equivalents at the beginning of the year | 9,093 | 9,196 | 4,707 | 3,492 | 3,792 | 4,174 |
| Cash and cash equivalents at the end of the year | 9,196 | 4,707 | 3,492 | 3,792 | 4,174 | 4,288 |
| KEY FISCAL AGGREGATES | | | | | | |
| Net cash flows from operating activities | 6,724 | 4,907 | 5,112 | 4,563 | 4,584 | 4,908 |
| Net cash flows from investing in non-financial assets | -3,938 | -4,304 | -3,878 | -3,443 | -3,273 | -3,051 |
| Cash surplus/-deficit | 2,787 | 603 | 1,233 | 1,120 | 1,311 | 1,857 |

Note: Columns may not add due to rounding.

Table 1.4

PUBLIC NON-FINANCIAL CORPORATIONS
Operating Statement

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | Actual | Estimated | Budget | | | |
| | \$m | \$m | Year | Outyear | Outyear | Outyear |
| | | | \$m | \$m | \$m | \$m |
| <i>Results from Transactions</i> | | | | | | |
| REVENUE | | | | | | |
| Current grants and subsidies | 4,020 | 4,692 | 4,215 | 3,783 | 3,686 | 3,466 |
| Capital grants | 314 | 443 | 358 | 104 | 34 | 7 |
| Sales of goods and services | 38,101 | 42,701 | 44,674 | 45,813 | 46,238 | 46,522 |
| Interest income | 343 | 341 | 171 | 159 | 161 | 169 |
| Other | 606 | 619 | 597 | 625 | 683 | 702 |
| Total | 43,384 | 48,796 | 50,014 | 50,483 | 50,803 | 50,866 |
| EXPENSES | | | | | | |
| Salaries | 1,524 | 1,661 | 1,881 | 1,922 | 1,982 | 1,981 |
| Superannuation | | | | | | |
| Concurrent costs | 168 | 192 | 239 | 243 | 251 | 250 |
| Superannuation interest cost | - | - | - | - | - | - |
| Other employee costs | 68 | 55 | 54 | 56 | 56 | 58 |
| Depreciation and amortisation | 3,270 | 3,547 | 3,872 | 4,015 | 4,089 | 4,168 |
| Services and contracts | 994 | 1,101 | 1,071 | 1,024 | 992 | 959 |
| Other gross operating expenses | 32,433 | 37,826 | 39,369 | 39,993 | 40,000 | 39,953 |
| Interest | | | | | | |
| Interest on leases | 72 | 74 | 70 | 67 | 60 | 37 |
| Other interest | 845 | 822 | 734 | 841 | 983 | 1,099 |
| Tax equivalents | 756 | 813 | 860 | 899 | 917 | 929 |
| Current transfers | 1,896 | 2,265 | 1,733 | 1,555 | 1,504 | 1,452 |
| Capital transfers | 32 | 30 | 65 | 16 | 10 | - |
| Total | 42,059 | 48,385 | 49,948 | 50,630 | 50,846 | 50,887 |
| NET OPERATING BALANCE | 1,325 | 411 | 67 | -146 | -43 | -21 |
| <i>Other economic flows - included in the operating result</i> | | | | | | |
| Net gains on assets/liabilities | -98 | -120 | -111 | -212 | -7 | 63 |
| Provision for doubtful debts | -14 | -49 | -45 | -41 | -41 | -41 |
| Changes in accounting policy/adjustment of prior periods | 44 | - | - | - | - | - |
| Total other economic flows | -68 | -169 | -157 | -253 | -48 | 22 |
| OPERATING RESULT | 1,257 | 242 | -90 | -399 | -91 | 1 |
| <i>Other non-owner movements in equity</i> | | | | | | |
| <i>Items that will not be reclassified to operating result</i> | | | | | | |
| Revaluations | 7,007 | 3,450 | 2,111 | 1,434 | 1,489 | 397 |
| Net actuarial gains/-loss - superannuation | -27 | 3 | 2 | 2 | 2 | 2 |
| Gains recognised directly in equity | - | -1 | -1 | -1 | -1 | -1 |
| All other | - | - | - | - | - | - |
| Total other non-owner movements in equity | 6,980 | 3,452 | 2,112 | 1,435 | 1,490 | 398 |
| <i>Movements in owner equity</i> | | | | | | |
| Dividends | -5 | -461 | -2,711 | -1,484 | -1,576 | -1,831 |
| Capital injections | 3,787 | 4,561 | 5,004 | 2,260 | 1,396 | 962 |
| Total movements in owner equity | 3,781 | 4,100 | 2,293 | 776 | -180 | -869 |
| TOTAL CHANGE IN NET WORTH | 12,018 | 7,795 | 4,315 | 1,812 | 1,219 | -469 |
| KEY FISCAL AGGREGATES | | | | | | |
| NET OPERATING BALANCE | 1,325 | 411 | 67 | -146 | -43 | -21 |
| <i>Less Net acquisition of non-financial assets</i> | | | | | | |
| Purchase of non-financial assets | 7,475 | 9,444 | 8,094 | 6,305 | 4,887 | 4,777 |
| Changes in inventories | 993 | 591 | 359 | 93 | 33 | 31 |
| Other movement in non-financial assets | 169 | 184 | 195 | 210 | 220 | 226 |
| <i>Less:</i> | | | | | | |
| Sales of non-financial assets | 494 | 551 | 563 | 693 | 589 | 550 |
| Depreciation | 3,270 | 3,547 | 3,872 | 4,015 | 4,089 | 4,168 |
| Total net acquisition of non-financial assets | 4,873 | 6,121 | 4,213 | 1,900 | 461 | 315 |
| NET LENDING/-BORROWING | -3,549 | -5,710 | -4,147 | -2,046 | -504 | -336 |

Note: Columns may not add due to rounding.

Table 1.5

PUBLIC NON-FINANCIAL CORPORATIONS
Balance Sheet at 30 June

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| ASSETS | | | | | | |
| <i>Financial assets</i> | | | | | | |
| Cash and deposits | 4,337 | 4,713 | 4,343 | 5,400 | 5,463 | 4,833 |
| Advances paid | - | - | - | - | - | - |
| Investments, loans and placements | 3,546 | 2,801 | 729 | 598 | 599 | 592 |
| Receivables | 2,097 | 1,805 | 1,787 | 1,831 | 1,888 | 1,944 |
| Shares and other equity | | | | | | |
| Investments in other public sector entities - equity method | - | - | - | - | - | - |
| Investments in other public sector entities - direct injections | - | - | - | - | - | - |
| Investments in other entities | 23 | 21 | 56 | 58 | 60 | 62 |
| Other financial assets | 181 | 156 | 142 | 132 | 132 | 132 |
| Total financial assets | 10,185 | 9,497 | 7,057 | 8,018 | 8,142 | 7,562 |
| <i>Non-financial assets</i> | | | | | | |
| Land | 10,135 | 10,774 | 11,827 | 12,212 | 12,609 | 13,018 |
| Property, plant and equipment | 80,351 | 88,370 | 92,766 | 95,413 | 97,079 | 97,732 |
| Right-of-use assets | 411 | 386 | 426 | 420 | 392 | 367 |
| Service concession assets | 2,549 | 2,529 | 2,511 | 2,492 | 2,511 | 2,492 |
| Biological assets | 224 | 240 | 250 | 261 | 272 | 282 |
| Inventories | | | | | | |
| Land inventories | 1,440 | 1,366 | 1,884 | 1,984 | 1,839 | 1,630 |
| Other inventories | 8,459 | 9,050 | 9,410 | 9,502 | 9,535 | 9,566 |
| Intangibles | 389 | 463 | 472 | 492 | 499 | 513 |
| Non-current assets held for sale | 96 | 8 | 8 | 8 | 8 | 8 |
| Investment property | 23 | 23 | 23 | 23 | 23 | 23 |
| Other | 615 | 379 | 366 | 365 | 364 | 363 |
| Total non-financial assets | 104,693 | 113,590 | 119,943 | 123,170 | 125,130 | 125,995 |
| TOTAL ASSETS | 114,878 | 123,088 | 127,000 | 131,189 | 133,272 | 133,557 |
| LIABILITIES | | | | | | |
| Deposits held | - | - | - | - | - | - |
| Advances received | 256 | 248 | 414 | 452 | 424 | 395 |
| Borrowings | | | | | | |
| Lease liabilities | 803 | 763 | 759 | 705 | 663 | 603 |
| Service concession liabilities | 298 | 291 | 283 | 275 | 268 | 260 |
| Other borrowings | 20,506 | 20,591 | 19,657 | 21,945 | 23,005 | 23,869 |
| Unfunded superannuation | 68 | 60 | 55 | 48 | 48 | 41 |
| Other employee benefits | 546 | 540 | 574 | 593 | 612 | 632 |
| Payables | 10,343 | 10,743 | 11,235 | 11,402 | 11,296 | 11,303 |
| Other liabilities | 2,681 | 2,681 | 2,536 | 2,470 | 2,440 | 2,406 |
| TOTAL LIABILITIES | 35,501 | 35,916 | 35,514 | 37,890 | 38,755 | 39,509 |
| NET ASSETS | 79,377 | 87,171 | 91,486 | 93,298 | 94,517 | 94,048 |
| <i>Of which:</i> | | | | | | |
| Contributed equity | 19,522 | 24,083 | 29,087 | 31,347 | 32,744 | 33,706 |
| Accumulated surplus | 17,892 | 19,184 | 16,387 | 14,502 | 12,798 | 10,957 |
| Other reserves | 41,963 | 43,905 | 46,012 | 47,449 | 48,975 | 49,385 |
| NET WORTH | 79,377 | 87,171 | 91,486 | 93,298 | 94,517 | 94,048 |
| MEMORANDUM ITEMS | | | | | | |
| <i>Net financial worth</i> | -25,316 | -26,419 | -28,457 | -29,872 | -30,613 | -31,947 |
| <i>Net debt</i> | | | | | | |
| Gross debt liabilities | 21,863 | 21,892 | 21,113 | 23,377 | 24,359 | 25,127 |
| Less: liquid financial assets | 7,884 | 7,515 | 5,072 | 5,997 | 6,062 | 5,424 |
| Net debt | 13,979 | 14,378 | 16,041 | 17,380 | 18,297 | 19,703 |

Note: Columns may not add due to rounding.

Table 1.6

PUBLIC NON-FINANCIAL CORPORATIONS
Cash Flow Statement

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | \$m | \$m | \$m | \$m |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | |
| <i>Cash received</i> | | | | | | |
| Grants and subsidies received | 4,319 | 5,042 | 4,646 | 3,886 | 3,724 | 3,476 |
| Receipts from sales of goods and services | 28,091 | 28,927 | 29,744 | 30,582 | 30,862 | 31,315 |
| Interest receipts | 318 | 343 | 171 | 157 | 160 | 167 |
| Dividends and tax equivalents | 81 | 35 | 4 | - | - | - |
| Other receipts | 2,046 | 1,947 | 1,959 | 1,919 | 1,978 | 2,022 |
| Total cash received | 34,855 | 36,293 | 36,525 | 36,544 | 36,723 | 36,980 |
| <i>Cash paid</i> | | | | | | |
| Wages, salaries and supplements, and superannuation | -1,688 | -1,865 | -2,084 | -2,146 | -2,201 | -2,215 |
| Payments for goods and services | -21,563 | -22,484 | -23,227 | -23,487 | -23,494 | -23,440 |
| Interest paid | -856 | -836 | -758 | -869 | -1,010 | -1,109 |
| Grants and subsidies paid | -919 | -1,000 | -1,141 | -1,058 | -990 | -915 |
| Tax equivalents | -769 | -771 | -831 | -881 | -991 | -914 |
| Other payments | -5,176 | -5,628 | -4,677 | -4,407 | -4,306 | -4,524 |
| Total cash paid | -30,972 | -32,584 | -32,719 | -32,848 | -32,993 | -33,118 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 3,883 | 3,709 | 3,806 | 3,696 | 3,730 | 3,862 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | |
| <i>Cash flows from investments in non-financial assets</i> | | | | | | |
| Purchase of non-financial assets | -7,475 | -9,444 | -8,094 | -6,305 | -4,887 | -4,777 |
| Sales of non-financial assets | 494 | 551 | 563 | 693 | 589 | 550 |
| Total cash flows from investments in non-financial assets | -6,981 | -8,893 | -7,531 | -5,612 | -4,297 | -4,227 |
| <i>Cash flows from investments in financial assets</i> | | | | | | |
| <i>Cash received</i> | | | | | | |
| For policy purposes | - | - | - | - | - | - |
| For liquidity purposes | 54 | 110 | 124 | 167 | 139 | 148 |
| <i>Cash paid</i> | | | | | | |
| For policy purposes | -10 | -18 | -6 | - | -18 | -23 |
| For liquidity purposes | -67 | -94 | -84 | -90 | -96 | -112 |
| Total cash flows from investments in financial assets | -23 | -2 | 34 | 77 | 25 | 12 |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | -7,004 | -8,895 | -7,497 | -5,535 | -4,273 | -4,214 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | |
| <i>Cash received</i> | | | | | | |
| Advances received | - | 30 | 143 | 40 | - | - |
| Borrowings | 5,667 | 5,622 | 4,433 | 4,822 | 3,874 | 3,553 |
| Deposits received | - | - | - | - | - | - |
| Other financing receipts | 3,791 | 5,408 | 5,281 | 2,211 | 1,481 | 1,757 |
| Total cash received | 9,458 | 11,061 | 9,857 | 7,074 | 5,355 | 5,310 |
| <i>Cash paid</i> | | | | | | |
| Advances paid | -18 | -25 | -32 | -26 | -24 | -24 |
| Borrowings repaid | -5,300 | -4,935 | -3,408 | -2,507 | -2,815 | -2,693 |
| Deposits paid | - | - | - | - | - | - |
| Other financing payments | -1,213 | -942 | -233 | -1,101 | -233 | -224 |
| Dividends paid | -5 | -461 | -2,711 | -1,484 | -1,576 | -1,832 |
| Total cash paid | -6,536 | -6,363 | -6,384 | -5,118 | -4,647 | -4,772 |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | 2,922 | 4,697 | 3,473 | 1,956 | 708 | 537 |
| Net increase in cash and cash equivalents | -199 | -489 | -218 | 116 | 165 | 185 |
| Cash and cash equivalents at the beginning of the year | 3,800 | 3,601 | 3,112 | 2,895 | 3,011 | 3,176 |
| Cash and cash equivalents at the end of the year | 3,601 | 3,112 | 2,895 | 3,011 | 3,176 | 3,360 |
| KEY FISCAL AGGREGATES | | | | | | |
| Net cash flows from operating activities | 3,883 | 3,709 | 3,806 | 3,696 | 3,730 | 3,862 |
| Net cash flows from investing in non-financial assets | -6,981 | -8,893 | -7,531 | -5,612 | -4,297 | -4,227 |
| Dividends paid | -5 | -461 | -2,711 | -1,484 | -1,576 | -1,832 |
| Cash surplus/-deficit | -3,103 | -5,644 | -6,436 | -3,401 | -2,144 | -2,197 |

Note: Columns may not add due to rounding.

Table 1.7

TOTAL NON-FINANCIAL PUBLIC SECTOR
Operating Statement

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| <i>Results from Transactions</i> | | | | | | |
| REVENUE | | | | | | |
| Taxation | 13,011 | 14,252 | 14,485 | 14,750 | 15,032 | 15,591 |
| Current grants and subsidies | 12,780 | 14,369 | 15,776 | 15,750 | 16,301 | 16,873 |
| Capital grants | 1,884 | 3,209 | 3,031 | 1,672 | 979 | 627 |
| Sales of goods and services | 40,796 | 45,351 | 47,357 | 48,551 | 49,220 | 49,557 |
| Interest income | 647 | 553 | 360 | 364 | 375 | 407 |
| Royalty income | 11,866 | 9,946 | 8,245 | 7,711 | 7,616 | 7,464 |
| Dividend and tax equivalents | 395 | 166 | 114 | 100 | 97 | 94 |
| Other | 1,303 | 1,324 | 1,299 | 1,310 | 1,358 | 1,375 |
| <i>Total</i> | 82,684 | 89,170 | 90,667 | 90,208 | 90,979 | 91,988 |
| EXPENSES | | | | | | |
| Salaries | 18,041 | 19,890 | 20,922 | 20,693 | 21,308 | 21,896 |
| Superannuation | | | | | | |
| Concurrent costs | 1,950 | 2,295 | 2,520 | 2,493 | 2,567 | 2,638 |
| Superannuation interest cost | 167 | 214 | 206 | 198 | 189 | 178 |
| Other employee costs | 369 | 392 | 378 | 356 | 359 | 364 |
| Depreciation and amortisation | 5,380 | 5,845 | 6,276 | 6,452 | 6,521 | 6,588 |
| Services and contracts | 4,397 | 5,628 | 5,833 | 5,376 | 4,895 | 4,660 |
| Other gross operating expenses | 38,781 | 43,704 | 45,671 | 45,683 | 46,244 | 46,581 |
| Interest | | | | | | |
| Interest on leases | 242 | 208 | 214 | 208 | 199 | 171 |
| Other interest | 1,711 | 1,714 | 1,674 | 1,865 | 2,096 | 2,301 |
| Current transfers | 5,561 | 6,541 | 6,824 | 5,820 | 5,385 | 5,415 |
| Capital transfers | 278 | 254 | 377 | 273 | 200 | 200 |
| <i>Total</i> | 76,875 | 86,685 | 90,895 | 89,416 | 89,962 | 90,993 |
| NET OPERATING BALANCE | 5,808 | 2,485 | -228 | 792 | 1,017 | 996 |
| <i>Other economic flows - included in the operating result</i> | | | | | | |
| Net gains on assets/liabilities | -219 | -190 | -244 | -397 | -182 | 20 |
| Provision for doubtful debts | -34 | -63 | -60 | -56 | -56 | -57 |
| Changes in accounting policy/adjustment of prior periods | -122 | - | - | - | - | - |
| <i>Total other economic flows</i> | -375 | -253 | -304 | -453 | -239 | -36 |
| OPERATING RESULT | 5,433 | 2,232 | -532 | 338 | 778 | 959 |
| <i>All other movements in equity</i> | | | | | | |
| <i>Items that will not be reclassified to operating result</i> | | | | | | |
| Revaluations | 12,725 | 6,352 | 6,533 | 3,690 | 3,961 | 2,793 |
| Net actuarial gains/-loss - superannuation | 162 | 202 | 176 | 182 | 171 | 166 |
| Gains recognised directly in equity | -3 | -5 | -5 | -5 | -5 | -15 |
| Change in net worth of the PFC sector | 177 | 46 | 184 | 162 | 177 | 194 |
| All other | - | - | - | - | - | - |
| <i>Total all other movements in equity</i> | 13,061 | 6,595 | 6,887 | 4,029 | 4,304 | 3,139 |
| TOTAL CHANGE IN NET WORTH | 18,494 | 8,827 | 6,355 | 4,367 | 5,083 | 4,098 |
| KEY FISCAL AGGREGATES | | | | | | |
| NET OPERATING BALANCE | 5,808 | 2,485 | -228 | 792 | 1,017 | 996 |
| <i>Less Net acquisition of non-financial assets</i> | | | | | | |
| Purchase of non-financial assets | 11,396 | 13,703 | 12,055 | 9,815 | 8,226 | 7,895 |
| Changes in inventories | 985 | 591 | 359 | 93 | 33 | 31 |
| Other movement in non-financial assets | 191 | 184 | 195 | 210 | 220 | 226 |
| <i>Less:</i> | | | | | | |
| Sales of non-financial assets | 477 | 506 | 646 | 760 | 656 | 617 |
| Depreciation | 5,380 | 5,845 | 6,276 | 6,452 | 6,521 | 6,588 |
| <i>Total net acquisition of non-financial assets</i> | 6,714 | 8,128 | 5,688 | 2,906 | 1,302 | 947 |
| NET LENDING/-BORROWING | -906 | -5,643 | -5,917 | -2,114 | -285 | 49 |

Note: Columns may not add due to rounding.

Table 1.8

TOTAL NON-FINANCIAL PUBLIC SECTOR
Balance Sheet at 30 June

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|----------------|----------------|----------------|------------------|------------------|------------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| | | | \$m | | | |
| ASSETS | | | | | | |
| <i>Financial assets</i> | | | | | | |
| Cash and deposits | 4,152 | 3,733 | 2,931 | 3,157 | 3,364 | 3,556 |
| Advances paid | 410 | 476 | 541 | 535 | 542 | 571 |
| Investments, loans and placements | 10,722 | 5,501 | 2,890 | 3,049 | 3,375 | 3,500 |
| Receivables | 7,568 | 7,221 | 6,547 | 6,550 | 6,580 | 6,603 |
| Shares and other equity | | | | | | |
| Investments in other public sector entities - equity method | 2,994 | 3,114 | 3,299 | 3,460 | 3,638 | 3,832 |
| Investments in other public sector entities - direct injections | - | - | - | - | - | - |
| Investments in other entities | 80 | 99 | 145 | 147 | 150 | 152 |
| Other financial assets | 9 | 9 | - | - ^(a) | - ^(a) | - ^(a) |
| <i>Total financial assets</i> | <i>25,936</i> | <i>20,154</i> | <i>16,352</i> | <i>16,898</i> | <i>17,649</i> | <i>18,213</i> |
| <i>Non-financial assets</i> | | | | | | |
| Land | 56,659 | 60,309 | 64,949 | 66,908 | 69,001 | 71,083 |
| Property, plant and equipment | 146,004 | 156,917 | 163,973 | 168,672 | 172,285 | 174,678 |
| Right-of-use assets | 2,795 | 2,916 | 2,905 | 2,816 | 2,708 | 2,593 |
| Service concession assets | 3,616 | 3,557 | 3,496 | 3,417 | 3,366 | 3,279 |
| Biological assets | 230 | 246 | 256 | 267 | 277 | 288 |
| Inventories | | | | | | |
| Land inventories | 1,440 | 1,366 | 1,884 | 1,984 | 1,839 | 1,630 |
| Other inventories | 8,702 | 9,293 | 9,652 | 9,745 | 9,777 | 9,809 |
| Intangibles | 1,115 | 1,225 | 1,298 | 1,355 | 1,474 | 1,587 |
| Non-current assets held for sale | 118 | 25 | 25 | 25 | 25 | 25 |
| Investment property | 23 | 23 | 23 | 23 | 23 | 23 |
| Other | 1,027 | 889 | 876 | 875 | 876 | 880 |
| <i>Total non-financial assets</i> | <i>221,729</i> | <i>236,766</i> | <i>249,338</i> | <i>256,085</i> | <i>261,652</i> | <i>265,875</i> |
| TOTAL ASSETS | 247,665 | 256,920 | 265,691 | 272,983 | 279,300 | 284,088 |
| LIABILITIES | | | | | | |
| Deposits held | 26 | 29 | 30 | 32 | 34 | 36 |
| Advances received | 256 | 248 | 414 | 452 | 424 | 395 |
| Borrowings | | | | | | |
| Lease liabilities | 3,391 | 3,513 | 3,489 | 3,381 | 3,285 | 3,159 |
| Service concession liabilities | 298 | 291 | 283 | 275 | 268 | 260 |
| Other borrowings | 44,943 | 45,036 | 47,386 | 50,659 | 52,705 | 54,055 |
| Unfunded superannuation | 4,206 | 3,855 | 3,571 | 3,262 | 2,950 | 2,572 |
| Other employee benefits | 5,321 | 5,297 | 5,446 | 5,571 | 5,422 | 5,511 |
| Payables | 13,176 | 13,534 | 13,883 | 13,954 | 13,791 | 13,654 |
| Other liabilities | 5,577 | 5,819 | 5,534 | 5,375 | 5,319 | 5,244 |
| TOTAL LIABILITIES | 77,193 | 77,622 | 80,037 | 82,963 | 84,197 | 84,886 |
| NET ASSETS | 170,471 | 179,298 | 185,654 | 190,021 | 195,103 | 199,201 |
| <i>Of which:</i> | | | | | | |
| Contributed equity | - | - | - | - | - | - |
| Accumulated surplus | 47,747 | 51,828 | 51,452 | 51,954 | 52,851 | 53,938 |
| Other reserves | 122,724 | 127,470 | 134,201 | 138,067 | 142,253 | 145,263 |
| NET WORTH | 170,471 | 179,298 | 185,654 | 190,021 | 195,103 | 199,201 |
| MEMORANDUM ITEMS | | | | | | |
| <i>Net financial worth</i> | <i>-51,258</i> | <i>-57,468</i> | <i>-63,685</i> | <i>-66,065</i> | <i>-66,548</i> | <i>-66,674</i> |
| <i>Net financial liabilities</i> | <i>54,252</i> | <i>60,582</i> | <i>66,984</i> | <i>69,525</i> | <i>70,186</i> | <i>70,506</i> |
| <i>Net debt</i> | | | | | | |
| Gross debt liabilities | 48,914 | 49,117 | 51,603 | 54,800 | 56,716 | 57,905 |
| Less: liquid financial assets | 15,284 | 9,710 | 6,362 | 6,740 | 7,282 | 7,627 |
| <i>Net debt</i> | <i>33,630</i> | <i>39,407</i> | <i>45,241</i> | <i>48,060</i> | <i>49,434</i> | <i>50,279</i> |

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

Note: Columns may not add due to rounding.

Table 1.9

TOTAL NON-FINANCIAL PUBLIC SECTOR
Cash Flow Statement

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | |
| <i>Cash received</i> | | | | | | |
| Taxes received | 12,807 | 14,277 | 14,518 | 14,769 | 15,046 | 15,609 |
| Grants and subsidies received | 17,024 | 20,241 | 21,429 | 20,121 | 20,063 | 20,375 |
| Receipts from sales of goods and services | 30,877 | 31,455 | 32,239 | 33,178 | 33,677 | 34,180 |
| Interest receipts | 602 | 556 | 360 | 363 | 374 | 406 |
| Dividends and tax equivalents | 341 | 275 | 159 | 153 | 154 | 156 |
| Other receipts | 16,379 | 13,550 | 12,611 | 11,303 | 11,273 | 11,177 |
| Total cash received | 78,030 | 80,352 | 81,316 | 79,887 | 80,587 | 81,902 |
| <i>Cash paid</i> | | | | | | |
| Wages, salaries and supplements, and superannuation | -19,947 | -22,560 | -23,648 | -23,418 | -24,372 | -24,864 |
| Payments for goods and services | -31,583 | -33,180 | -34,519 | -33,806 | -33,932 | -34,027 |
| Interest paid | -1,830 | -1,855 | -1,792 | -1,999 | -2,234 | -2,422 |
| Grants and subsidies paid | -6,967 | -7,534 | -9,396 | -8,401 | -7,909 | -8,014 |
| Dividends and tax equivalents | - | - | - | - | - | - |
| Other payments | -7,198 | -7,190 | -5,880 | -5,615 | -5,530 | -5,763 |
| Total cash paid | -67,525 | -72,320 | -75,234 | -73,238 | -73,976 | -75,091 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 10,505 | 8,032 | 6,082 | 6,649 | 6,611 | 6,812 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | |
| <i>Cash flows from investments in non-financial assets</i> | | | | | | |
| Purchase of non-financial assets | -11,396 | -13,703 | -12,055 | -9,815 | -8,226 | -7,895 |
| Sales of non-financial assets | 477 | 506 | 646 | 760 | 656 | 617 |
| Total cash flows from investments in non-financial assets | -10,919 | -13,197 | -11,410 | -9,056 | -7,570 | -7,278 |
| <i>Cash flows from investments in financial assets</i> | | | | | | |
| <i>Cash received</i> | | | | | | |
| For policy purposes | 71 | 10 | 10 | 10 | 10 | 10 |
| For liquidity purposes | 118 | 185 | 170 | 173 | 154 | 111 |
| <i>Cash paid</i> | | | | | | |
| For policy purposes | -67 | -10 | -10 | -10 | -10 | -10 |
| For liquidity purposes | -163 | -220 | -191 | -158 | -156 | -172 |
| Total cash flows from investments in financial assets | -42 | -34 | -21 | 15 | -2 | -61 |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | -10,960 | -13,231 | -11,430 | -9,041 | -7,572 | -7,339 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | |
| <i>Cash received</i> | | | | | | |
| Advances received | - | 30 | 143 | 40 | - | - |
| Borrowings | 6,286 | 6,456 | 8,549 | 5,935 | 4,983 | 4,166 |
| Deposits received | - | - | - | - | - | - |
| Other financing receipts | 283 | 4 | 9 | 7 | - | (a) |
| Total cash received | 6,569 | 6,489 | 8,702 | 5,983 | 4,983 | 4,166 |
| <i>Cash paid</i> | | | | | | |
| Advances paid | -18 | -25 | -32 | -26 | -24 | -24 |
| Borrowings repaid | -5,349 | -5,745 | -4,230 | -2,622 | -2,925 | -2,801 |
| Deposits paid | - | - | - | - | - | - |
| Other financing payments | -842 | -497 | -524 | -527 | -525 | -516 |
| Total cash paid | -6,210 | -6,268 | -4,786 | -3,175 | -3,474 | -3,341 |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | 359 | 221 | 3,916 | 2,808 | 1,509 | 825 |
| Net increase in cash and cash equivalents | -96 | -4,978 | -1,432 | 416 | 547 | 298 |
| Cash and cash equivalents at the beginning of the year | 12,892 | 12,796 | 7,818 | 6,385 | 6,802 | 7,349 |
| Cash and cash equivalents at the end of the year | 12,796 | 7,818 | 6,385 | 6,802 | 7,349 | 7,647 |
| KEY FISCAL AGGREGATES | | | | | | |
| Net cash flows from operating activities | 10,505 | 8,032 | 6,082 | 6,649 | 6,611 | 6,812 |
| Net cash flows from investing in non-financial assets | -10,919 | -13,197 | -11,410 | -9,056 | -7,570 | -7,278 |
| Cash surplus/-deficit | -413 | -5,165 | -5,328 | -2,407 | -959 | -466 |

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

Note: Columns may not add due to rounding.

Table 1.10

PUBLIC FINANCIAL CORPORATIONS
Operating Statement

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | Actual | Year | \$m | \$m | \$m |
| | | \$m | \$m | | | |
| <i>Results from Transactions</i> | | | | | | |
| REVENUE | | | | | | |
| Current grants and subsidies | - | - | - | - | - | - |
| Capital grants | - | - | - | - | - | - |
| Sales of goods and services | 1,737 | 1,690 | 1,871 | 1,951 | 2,030 | 2,115 |
| Interest income | 2,038 | 2,262 | 2,279 | 2,463 | 2,676 | 2,885 |
| Other | 171 | 152 | 161 | 171 | 182 | 193 |
| Total | 3,945 | 4,104 | 4,311 | 4,585 | 4,889 | 5,193 |
| EXPENSES | | | | | | |
| Salaries | 77 | 85 | 97 | 99 | 102 | 105 |
| Superannuation | | | | | | |
| Concurrent costs | 9 | 10 | 12 | 12 | 12 | 13 |
| Superannuation interest cost | - | - | - | - | - | - |
| Other employee costs | 415 | 359 | 404 | 426 | 449 | 474 |
| Depreciation and amortisation | 11 | 14 | 10 | 11 | 10 | 10 |
| Services and contracts | 9 | 9 | 9 | 10 | 10 | 10 |
| Other gross operating expenses | 1,103 | 1,353 | 1,658 | 1,783 | 1,887 | 1,995 |
| Interest | | | | | | |
| Interest on leases | 2 | 1 | 3 | 2 | 2 | 2 |
| Other interest | 1,800 | 2,052 | 2,040 | 2,213 | 2,399 | 2,575 |
| Tax equivalents | 156 | 81 | 38 | 26 | 23 | 18 |
| Current transfers | 5 | 6 | 21 | 22 | 25 | 29 |
| Capital transfers | 1 | 1 | 1 | 2 | 2 | 3 |
| Total | 3,588 | 3,970 | 4,291 | 4,606 | 4,921 | 5,234 |
| NET OPERATING BALANCE | 357 | 134 | 20 | -21 | -33 | -42 |
| <i>Other economic flows - included in the operating result</i> | | | | | | |
| Net gains on assets/liabilities | 61 | 238 | 288 | 307 | 339 | 372 |
| Provision for doubtful debts | - | - | - | - | - | - |
| Changes in accounting policy/adjustment of prior periods | - | - | - | - | - | - |
| Total other economic flows | 61 | 238 | 288 | 307 | 339 | 372 |
| OPERATING RESULT | 419 | 373 | 308 | 286 | 307 | 331 |
| <i>Other non-owner movements in equity</i> | | | | | | |
| <i>Items that will not be reclassified to operating result</i> | | | | | | |
| Revaluations | 2 | -94 | -46 | -50 | -55 | -60 |
| Net actuarial gains/loss - superannuation | - | - ^(a) |
| Gains recognised directly in equity | -2 | - | - | - | - | - |
| All other | - | - | - | - | - | - |
| Total other non-owner movements in equity | 1 | -94 | -46 | -50 | -55 | -60 |
| <i>Movements in owner equity</i> | | | | | | |
| Dividends | -239 | -85 | -77 | -74 | -74 | -76 |
| Capital injections | -1 | -74 | -1 | - | - | - |
| Total movements in owner equity | -241 | -159 | -78 | -74 | -74 | -76 |
| TOTAL CHANGE IN NET WORTH | 179 | 120 | 184 | 162 | 177 | 194 |
| KEY FISCAL AGGREGATES | | | | | | |
| NET OPERATING BALANCE | 357 | 134 | 20 | -21 | -33 | -42 |
| <i>Less Net acquisition of non-financial assets</i> | | | | | | |
| Purchase of non-financial assets | 9 | 8 | 6 | 6 | 7 | 6 |
| Changes in inventories | - | - | - | - | - | - |
| Other movement in non-financial assets | - | - | - | - | - | - |
| <i>Less:</i> | | | | | | |
| Sales of non-financial assets | - ^(a) |
| Depreciation | 11 | 14 | 10 | 11 | 10 | 10 |
| Total net acquisition of non-financial assets | -2 | -7 | -5 | -5 | -4 | -5 |
| NET LENDING/-BORROWING | 359 | 141 | 24 | -16 | -29 | -37 |

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

Note: Columns may not add due to rounding.

Table 1.11

PUBLIC FINANCIAL CORPORATIONS
Balance Sheet at 30 June

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | Actual | Year | \$m | \$m | \$m |
| | | \$m | \$m | | | |
| ASSETS | | | | | | |
| <i>Financial assets</i> | | | | | | |
| Cash and deposits | 627 | 911 | 283 | 283 | 282 | 279 |
| Advances paid | 2,071 | 1,469 | 1,353 | 1,718 | 2,308 | 3,105 |
| Investments, loans and placements | 55,195 | 55,324 | 60,359 | 64,983 | 67,610 | 69,469 |
| Receivables | 1,028 | 1,035 | 1,047 | 1,072 | 1,095 | 1,121 |
| Shares and other equity | | | | | | |
| Investments in other public sector entities - equity method | - | - | - | - | - | - |
| Investments in other public sector entities - direct injections | - | - | - | - | - | - |
| Investments in other entities | 2,856 | 3,080 | 3,360 | 3,655 | 3,950 | 4,247 |
| Other financial assets | 8 | 8 | 8 | 8 | 8 | 8 |
| Total financial assets | 61,786 | 61,828 | 66,411 | 71,719 | 75,253 | 78,229 |
| <i>Non-financial assets</i> | | | | | | |
| Land | - | - | - | - | - | - |
| Property, plant and equipment | 4 | 7 | 6 | 5 | 5 | 5 |
| Right-of-use assets | 41 | 33 | 29 | 25 | 21 | 18 |
| Service concession assets | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - |
| Inventories | | | | | | |
| Land inventories | - | - | - | - | - | - |
| Other inventories | - | - | - | - | - | - |
| Intangibles | 20 | 19 | 19 | 19 | 19 | 19 |
| Non-current assets held for sale | - | - | - | - | - | - |
| Investment property | - | - | - | - | - | - |
| Other | 5 | 5 | 5 | 5 | 5 | 5 |
| Total non-financial assets | 70 | 63 | 59 | 54 | 51 | 47 |
| TOTAL ASSETS | 61,856 | 61,891 | 66,470 | 71,773 | 75,304 | 78,276 |
| LIABILITIES | | | | | | |
| Deposits held | - | - | - | - | - | - |
| Advances received | - | - | - | - | - | - |
| Borrowings | | | | | | |
| Lease liabilities | 47 | 44 | 44 | 42 | 39 | 36 |
| Service concession liabilities | - | - | - | - | - | - |
| Other borrowings | 52,390 | 51,837 | 55,679 | 60,175 | 62,888 | 65,023 |
| Unfunded superannuation | 3 | 3 | 2 | 2 | 1 | 1 |
| Other employee benefits | 17 | 18 | 18 | 19 | 19 | 18 |
| Payables | 232 | 318 | 323 | 332 | 346 | 356 |
| Other liabilities | 6,172 | 6,557 | 7,104 | 7,743 | 8,373 | 9,010 |
| TOTAL LIABILITIES | 58,861 | 58,777 | 63,171 | 68,313 | 71,666 | 74,444 |
| NET ASSETS | 2,994 | 3,114 | 3,299 | 3,460 | 3,638 | 3,832 |
| <i>Of which:</i> | | | | | | |
| Contributed equity | -255 | -329 | -329 | -329 | -329 | -329 |
| Accumulated surplus | 3,222 | 3,463 | 3,643 | 3,800 | 3,972 | 4,162 |
| Other reserves | 27 | -20 | -15 | -10 | -5 | - |
| NET WORTH | 2,994 | 3,114 | 3,299 | 3,460 | 3,638 | 3,832 |
| MEMORANDUM ITEMS | | | | | | |
| <i>Net financial worth</i> | <i>2,925</i> | <i>3,051</i> | <i>3,240</i> | <i>3,406</i> | <i>3,587</i> | <i>3,785</i> |
| <i>Net debt</i> | | | | | | |
| Gross debt liabilities | 52,437 | 51,882 | 55,723 | 60,217 | 62,927 | 65,059 |
| Less: liquid financial assets | 57,894 | 57,705 | 61,996 | 66,985 | 70,200 | 72,853 |
| Net debt | -5,457 | -5,824 | -6,273 | -6,768 | -7,273 | -7,794 |

Note: Columns may not add due to rounding.

Table 1.12

PUBLIC FINANCIAL CORPORATIONS
Cash Flow Statement

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | |
| <i>Cash received</i> | | | | | | |
| Grants and subsidies received | - | 5 | 5 | 5 | 5 | 5 |
| Receipts from sales of goods and services | 1,759 | 1,847 | 2,067 | 2,163 | 2,263 | 2,366 |
| Interest receipts | 1,987 | 2,262 | 2,277 | 2,461 | 2,674 | 2,883 |
| Dividends and tax equivalents | - | - | - | - | - | - |
| Other receipts | 218 | 232 | 258 | 270 | 285 | 298 |
| Total cash received | 3,964 | 4,346 | 4,606 | 4,900 | 5,227 | 5,551 |
| <i>Cash paid</i> | | | | | | |
| Wages, salaries and supplements, and superannuation | -85 | -94 | -108 | -111 | -114 | -118 |
| Payments for goods and services | -1,188 | -1,343 | -1,525 | -1,599 | -1,732 | -1,859 |
| Interest paid | -1,758 | -2,054 | -2,042 | -2,216 | -2,401 | -2,577 |
| Grants and subsidies paid | - | - | - | - | - | - |
| Tax equivalents | -55 | -159 | -77 | -79 | -80 | -80 |
| Other payments | -219 | -234 | -275 | -289 | -306 | -324 |
| Total cash paid | -3,305 | -3,885 | -4,028 | -4,293 | -4,633 | -4,958 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 659 | 462 | 578 | 606 | 594 | 593 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | |
| <i>Cash flows from investments in non-financial assets</i> | | | | | | |
| Purchase of non-financial assets | -9 | -8 | -6 | -6 | -7 | -6 |
| Sales of non-financial assets | -(a) | -(a) | -(a) | -(a) | -(a) | -(a) |
| Total cash flows from investments in non-financial assets | -9 | -7 | -5 | -5 | -6 | -6 |
| <i>Cash flows from investments in financial assets</i> | | | | | | |
| <i>Cash received</i> | | | | | | |
| For policy purposes | - | - | - | - | - | - |
| For liquidity purposes | 10,365 | 8,473 | 9,349 | 9,499 | 9,654 | 9,776 |
| <i>Cash paid</i> | | | | | | |
| For policy purposes | - | - | - | - | -(a) | -(a) |
| For liquidity purposes | -10,111 | -8,174 | -9,684 | -10,343 | -10,694 | -11,013 |
| Total cash flows from investments in financial assets | 254 | 299 | -335 | -845 | -1,040 | -1,238 |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | 245 | 291 | -340 | -850 | -1,047 | -1,243 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | |
| <i>Cash received</i> | | | | | | |
| Advances received | - | - | - | - | - | - |
| Borrowings | 28,185 | 25,778 | 29,090 | 28,387 | 28,276 | 27,128 |
| Deposits received | - | - | - | - | - | - |
| Other financing receipts | -(a) | - | - | - | - | - |
| Total cash received | 28,185 | 25,778 | 29,090 | 28,387 | 28,276 | 27,128 |
| <i>Cash paid</i> | | | | | | |
| Advances paid | - | - | - | - | - | - |
| Borrowings repaid | -28,899 | -26,409 | -29,555 | -28,022 | -27,702 | -26,357 |
| Deposits paid | - | - | - | - | - | - |
| Other financing payments | -2 | -3 | -1 | -3 | -3 | -3 |
| Dividends paid | -286 | -116 | -82 | -74 | -74 | -76 |
| Total cash paid | -29,188 | -26,527 | -29,638 | -28,099 | -27,780 | -26,436 |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | -1,002 | -749 | -549 | 288 | 497 | 692 |
| Net increase in cash and cash equivalents | -98 | 4 | -311 | 44 | 44 | 42 |
| Cash and cash equivalents at the beginning of the year | 2,116 | 2,018 | 2,022 | 1,711 | 1,756 | 1,799 |
| Cash and cash equivalents at the end of the year | 2,018 | 2,022 | 1,711 | 1,756 | 1,799 | 1,841 |
| KEY FISCAL AGGREGATES | | | | | | |
| Net cash flows from operating activities | 659 | 462 | 578 | 606 | 594 | 593 |
| Net cash flows from investing in non-financial assets | -9 | -7 | -5 | -5 | -6 | -6 |
| Dividends paid | -286 | -116 | -82 | -74 | -74 | -76 |
| Cash surplus/-deficit | 364 | 339 | 491 | 527 | 513 | 511 |

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

Note: Columns may not add due to rounding.

Table 1.13

TOTAL PUBLIC SECTOR
Operating Statement

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| <i>Results from Transactions</i> | | | | | | |
| REVENUE | | | | | | |
| Taxation | 13,007 | 14,246 | 14,464 | 14,728 | 15,008 | 15,562 |
| Current grants and subsidies | 12,780 | 14,369 | 15,776 | 15,750 | 16,301 | 16,873 |
| Capital grants | 1,884 | 3,209 | 3,031 | 1,672 | 979 | 627 |
| Sales of goods and services | 41,789 | 46,349 | 48,439 | 49,671 | 50,377 | 50,750 |
| Interest income | 986 | 1,106 | 1,031 | 1,009 | 1,026 | 1,091 |
| Royalty income | 11,866 | 9,946 | 8,245 | 7,711 | 7,616 | 7,464 |
| Other | 1,473 | 1,475 | 1,460 | 1,481 | 1,539 | 1,568 |
| <i>Total</i> | 83,785 | 90,700 | 92,446 | 92,023 | 92,845 | 93,935 |
| EXPENSES | | | | | | |
| Salaries | 18,118 | 19,975 | 21,019 | 20,791 | 21,410 | 22,001 |
| Superannuation | | | | | | |
| Concurrent costs | 1,958 | 2,305 | 2,531 | 2,504 | 2,579 | 2,651 |
| Superannuation interest cost | 167 | 214 | 206 | 198 | 189 | 178 |
| Other employee costs | 784 | 751 | 781 | 782 | 808 | 838 |
| Depreciation and amortisation | 5,391 | 5,859 | 6,285 | 6,463 | 6,531 | 6,598 |
| Services and contracts | 4,406 | 5,628 | 5,833 | 5,376 | 4,895 | 4,660 |
| Other gross operating expenses | 39,140 | 44,373 | 46,550 | 46,646 | 47,266 | 47,665 |
| Interest | | | | | | |
| Interest on leases | 243 | 209 | 216 | 211 | 201 | 173 |
| Other interest | 1,812 | 2,056 | 2,106 | 2,261 | 2,469 | 2,675 |
| Current transfers | 5,561 | 6,541 | 6,824 | 5,820 | 5,385 | 5,415 |
| Capital transfers | 278 | 255 | 378 | 274 | 203 | 203 |
| <i>Total</i> | 77,859 | 88,166 | 92,731 | 91,326 | 91,935 | 93,057 |
| NET OPERATING BALANCE | 5,926 | 2,534 | -285 | 697 | 910 | 878 |
| <i>Other economic flows - included in the operating result</i> | | | | | | |
| Net gains on assets/liabilities | -158 | 49 | 44 | -91 | 157 | 392 |
| Provision for doubtful debts | -34 | -63 | -60 | -56 | -56 | -57 |
| Changes in accounting policy/adjustment of prior periods | -125 | - | - | - | - | - |
| <i>Total other economic flows</i> | -317 | -14 | -16 | -147 | 100 | 336 |
| OPERATING RESULT | 5,610 | 2,519 | -301 | 550 | 1,011 | 1,214 |
| <i>All other movements in equity</i> | | | | | | |
| <i>Items that will not be reclassified to operating result</i> | | | | | | |
| Revaluations | 12,727 | 6,110 | 6,486 | 3,640 | 3,906 | 2,733 |
| Net actuarial gains/-loss - superannuation | 162 | 202 | 176 | 182 | 171 | 166 |
| Gains recognised directly in equity | -5 | -5 | -5 | -5 | -5 | -15 |
| All other | - | - | - | - | - | - |
| <i>Total all other movements in equity</i> | 12,884 | 6,308 | 6,656 | 3,817 | 4,072 | 2,884 |
| TOTAL CHANGE IN NET WORTH | 18,494 | 8,827 | 6,355 | 4,367 | 5,083 | 4,098 |
| KEY FISCAL AGGREGATES | | | | | | |
| NET OPERATING BALANCE | 5,926 | 2,534 | -285 | 697 | 910 | 878 |
| <i>Less Net acquisition of non-financial assets</i> | | | | | | |
| Purchase of non-financial assets | 11,405 | 13,711 | 12,061 | 9,821 | 8,233 | 7,901 |
| Changes in inventories | 985 | 591 | 359 | 93 | 33 | 31 |
| Other movement in non-financial assets | 191 | 184 | 195 | 210 | 220 | 226 |
| <i>Less:</i> | | | | | | |
| Sales of non-financial assets | 477 | 506 | 646 | 760 | 656 | 618 |
| Depreciation | 5,391 | 5,859 | 6,285 | 6,463 | 6,531 | 6,598 |
| <i>Total net acquisition of non-financial assets</i> | 6,712 | 8,121 | 5,684 | 2,900 | 1,298 | 942 |
| NET LENDING/-BORROWING | -786 | -5,587 | -5,969 | -2,204 | -388 | -64 |

Note: Columns may not add due to rounding.

Table 1.14

TOTAL PUBLIC SECTOR
Balance Sheet at 30 June

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| | | | \$m | | | |
| ASSETS | | | | | | |
| <i>Financial assets</i> | | | | | | |
| Cash and deposits | 4,774 | 4,636 | 3,204 | 3,428 | 3,633 | 3,820 |
| Advances paid | 2,481 | 1,945 | 1,894 | 2,253 | 2,850 | 3,676 |
| Investments, loans and placements | 18,950 | 14,378 | 16,309 | 17,803 | 18,696 | 19,315 |
| Receivables | 7,807 | 7,463 | 6,789 | 6,799 | 6,838 | 6,876 |
| Equity - Investments in other entities | 2,936 | 3,179 | 3,506 | 3,802 | 4,099 | 4,398 |
| Other financial assets | 17 | 17 | 8 | 8 | 8 | 8 |
| <i>Total financial assets</i> | <i>36,964</i> | <i>31,619</i> | <i>31,710</i> | <i>34,094</i> | <i>36,123</i> | <i>38,093</i> |
| <i>Non-financial assets</i> | | | | | | |
| Land | 56,659 | 60,309 | 64,949 | 66,908 | 69,001 | 71,083 |
| Property, plant and equipment | 146,009 | 156,923 | 163,980 | 168,677 | 172,290 | 174,683 |
| Right-of-use assets | 2,836 | 2,949 | 2,934 | 2,841 | 2,730 | 2,611 |
| Service concession assets | 3,616 | 3,557 | 3,496 | 3,417 | 3,366 | 3,279 |
| Biological assets | 230 | 246 | 256 | 267 | 277 | 288 |
| Inventories | | | | | | |
| Land inventories | 1,440 | 1,366 | 1,884 | 1,984 | 1,839 | 1,630 |
| Other inventories | 8,702 | 9,293 | 9,652 | 9,745 | 9,777 | 9,809 |
| Intangibles | 1,135 | 1,244 | 1,317 | 1,374 | 1,493 | 1,607 |
| Non-current assets held for sale | 118 | 25 | 25 | 25 | 25 | 25 |
| Investment property | 23 | 23 | 23 | 23 | 23 | 23 |
| Other | 1,031 | 894 | 880 | 880 | 880 | 885 |
| <i>Total non-financial assets</i> | <i>221,798</i> | <i>236,829</i> | <i>249,397</i> | <i>256,139</i> | <i>261,702</i> | <i>265,922</i> |
| TOTAL ASSETS | 258,763 | 268,447 | 281,107 | 290,233 | 297,826 | 304,015 |
| LIABILITIES | | | | | | |
| Deposits held | 20 | 20 | 20 | 20 | 20 | 20 |
| Advances received | 256 | 248 | 414 | 452 | 424 | 395 |
| Borrowings | | | | | | |
| Lease liabilities | 3,438 | 3,557 | 3,533 | 3,422 | 3,324 | 3,195 |
| Service concession liabilities | 298 | 291 | 283 | 275 | 268 | 260 |
| Other borrowings | 50,366 | 50,426 | 56,124 | 60,606 | 63,303 | 65,424 |
| Unfunded superannuation | 4,209 | 3,858 | 3,574 | 3,264 | 2,951 | 2,573 |
| Other employee benefits | 5,338 | 5,315 | 5,464 | 5,590 | 5,441 | 5,529 |
| Payables | 13,032 | 13,434 | 13,780 | 13,862 | 13,714 | 13,590 |
| Other liabilities | 11,335 | 12,001 | 12,260 | 12,720 | 13,277 | 13,827 |
| TOTAL LIABILITIES | 88,292 | 89,149 | 95,453 | 100,213 | 102,723 | 104,813 |
| NET ASSETS | 170,471 | 179,298 | 185,654 | 190,021 | 195,103 | 199,201 |
| <i>Of which:</i> | | | | | | |
| Contributed equity | - | - | - | - | - | - |
| Accumulated surplus | 50,969 | 55,291 | 55,096 | 55,754 | 56,823 | 58,100 |
| Other reserves | 119,502 | 124,007 | 130,558 | 134,267 | 138,280 | 141,102 |
| NET WORTH | 170,471 | 179,298 | 185,654 | 190,021 | 195,103 | 199,201 |
| MEMORANDUM ITEMS | | | | | | |
| <i>Net financial worth</i> | <i>-51,327</i> | <i>-57,530</i> | <i>-63,743</i> | <i>-66,119</i> | <i>-66,599</i> | <i>-66,720</i> |
| <i>Net financial liabilities</i> | <i>51,327</i> | <i>57,530</i> | <i>63,743</i> | <i>66,119</i> | <i>66,599</i> | <i>66,720</i> |
| <i>Net debt</i> | | | | | | |
| Gross debt liabilities | 54,378 | 54,543 | 60,375 | 64,777 | 67,339 | 69,295 |
| Less: liquid financial assets | 26,205 | 20,959 | 21,407 | 23,484 | 25,178 | 26,811 |
| <i>Net debt</i> | <i>28,173</i> | <i>33,583</i> | <i>38,968</i> | <i>41,292</i> | <i>42,161</i> | <i>42,484</i> |

Note: Columns may not add due to rounding.

Table 1.15

TOTAL PUBLIC SECTOR
Cash Flow Statement

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | |
| <i>Cash received</i> | | | | | | |
| Taxes received | 12,803 | 14,266 | 14,492 | 14,743 | 15,016 | 15,576 |
| Grants and subsidies received | 17,024 | 20,241 | 21,429 | 20,121 | 20,063 | 20,375 |
| Receipts from sales of goods and services | 31,976 | 32,632 | 33,517 | 34,511 | 35,066 | 35,624 |
| Interest receipts | 909 | 1,103 | 1,071 | 1,032 | 1,043 | 1,105 |
| Dividends and tax equivalents | - | - | - | - | - | - |
| Other | 16,594 | 13,780 | 12,867 | 11,572 | 11,556 | 11,474 |
| Total cash received | 79,305 | 82,022 | 83,375 | 81,978 | 82,744 | 84,153 |
| <i>Cash paid</i> | | | | | | |
| Wages, salaries and supplements, and superannuation | -20,032 | -22,654 | -23,756 | -23,529 | -24,486 | -24,982 |
| Payments for goods and services | -32,109 | -33,852 | -35,255 | -34,574 | -34,789 | -34,964 |
| Interest paid | -1,908 | -2,195 | -2,267 | -2,423 | -2,629 | -2,816 |
| Grants and subsidies paid | -6,967 | -7,529 | -9,391 | -8,396 | -7,904 | -8,009 |
| Dividends and tax equivalents | - | - | - | - | - | - |
| Other payments | -7,411 | -7,413 | -6,128 | -5,876 | -5,806 | -6,053 |
| Total cash paid | -68,427 | -73,644 | -76,797 | -74,797 | -75,614 | -76,824 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 10,879 | 8,378 | 6,578 | 7,181 | 7,130 | 7,329 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | |
| <i>Cash flows from investments in non-financial assets</i> | | | | | | |
| Purchase of non-financial assets | -11,405 | -13,711 | -12,061 | -9,821 | -8,233 | -7,901 |
| Sales of non-financial assets | 477 | 506 | 646 | 760 | 656 | 618 |
| Total cash flows from investments in non-financial assets | -10,928 | -13,204 | -11,415 | -9,061 | -7,577 | -7,283 |
| <i>Cash flows from investments in financial assets</i> | | | | | | |
| <i>Cash received</i> | | | | | | |
| For policy purposes | 68 | 10 | 10 | 10 | 10 | 10 |
| For liquidity purposes | 10,483 | 8,658 | 9,519 | 9,672 | 9,808 | 9,887 |
| <i>Cash paid</i> | | | | | | |
| For policy purposes | -67 | -10 | -10 | -10 | -10 | -10 |
| For liquidity purposes | -10,274 | -8,394 | -9,876 | -10,502 | -10,850 | -11,185 |
| Total cash flows from investments in financial assets | 210 | 265 | -356 | -830 | -1,042 | -1,299 |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | -10,718 | -12,940 | -11,771 | -9,891 | -8,619 | -8,582 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | |
| <i>Cash received</i> | | | | | | |
| Advances received | - | 30 | 143 | 40 | - | - |
| Borrowings | 22,839 | 20,034 | 24,861 | 25,767 | 25,351 | 24,332 |
| Deposits received | - | - | - | - | - | - |
| Other financing receipts | 283 | 3 | 9 | 7 | - | - |
| Total cash received | 23,122 | 20,067 | 25,014 | 25,815 | 25,351 | 24,332 |
| <i>Cash paid</i> | | | | | | |
| Advances paid | -18 | -25 | -32 | -26 | -24 | -24 |
| Borrowings repaid | -22,613 | -19,955 | -21,008 | -22,089 | -22,719 | -22,196 |
| Deposits paid | - | - | - | - | - | - |
| Other financing payments | -846 | -500 | -525 | -530 | -529 | -519 |
| Total cash paid | -23,476 | -20,480 | -21,564 | -22,645 | -23,271 | -22,739 |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | -354 | -412 | 3,449 | 3,170 | 2,080 | 1,593 |
| Net increase in cash and cash equivalents | -194 | -4,974 | -1,743 | 461 | 591 | 340 |
| Cash and cash equivalents at the beginning of the year | 15,007 | 14,813 | 9,839 | 8,095 | 8,556 | 9,147 |
| Cash and cash equivalents at the end of the year | 14,813 | 9,839 | 8,095 | 8,556 | 9,147 | 9,486 |
| KEY FISCAL AGGREGATES | | | | | | |
| Net cash flows from operating activities | 10,879 | 8,378 | 6,578 | 7,181 | 7,130 | 7,329 |
| Net cash flows from investing in non-financial assets | -10,928 | -13,204 | -11,415 | -9,061 | -7,577 | -7,283 |
| Cash surplus/-deficit | -49 | -4,826 | -4,837 | -1,880 | -446 | 45 |

Note: Columns may not add due to rounding.

NOTE 1: STATEMENT OF COMPLIANCE

The projected public sector financial statements presented in this appendix have been prepared in accordance with Australian Accounting Standards and the Australian Bureau of Statistics' (ABS) *Government Finance Statistics Concepts, Sources and Methods 2015*.

The presentation in this appendix is consistent with AASB 1049: *Whole of Government and General Government Sector Financial Reporting*.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements constitute general purpose financial reports for the total public sector (also known as the whole-of-government), general government sector, and each of the subsidiary public corporations sectors. The financial projections of the consolidated general government (centrally funded agencies such as the Department of Education and WA Health) and the public non-financial corporations (such as the water and electricity utilities, and the ports) are also presented as the total non-financial public sector.

The financial projections are a requirement of the *Government Financial Responsibility Act 2000*.

(a) The reporting entity

The reporting entity is the Government of Western Australia (the public sector) and includes entities under its control.

(b) Basis of preparation

These financial projections do not include all the notes of the type normally included in an annual financial report. The accounting policies adopted in this publication are consistent with those outlined in the *2023-24 Annual Report on State Finances (ARSF)*, which are described in detail in Note 3: *Summary of Significant Accounting Policies* in Appendix 1 of the 2023-24 ARSF.

The projections are presented in Australian dollars and all amounts are rounded to the nearest million dollars (\$m).

(c) Unaudited data

These financial projections are not audited.

(d) Comparative figures

Comparative information has been restated where necessary to match changes in classification advised by the Australian Bureau of Statistics and for changes to applicable Australian Accounting Standards.

NOTE 3: GENERAL GOVERNMENT OPERATING REVENUE

A detailed dissection of general government revenue (which includes the UPF taxation disclosure) is included at Appendix 2: *General Government Operating Revenue*.

NOTE 4: GENERAL GOVERNMENT REVENUE FROM PUBLIC CORPORATIONS

The following table provides detail of general government revenue from public corporations (dividend and income tax equivalent income) in line with UPF disclosure requirements. A detailed disclosure by agency is included at Appendix 8: *Public Corporations and Major Tariffs, Fees and Charges*.

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | \$m | \$m | \$m | \$m |
| <i>Dividends</i> | | | | | | |
| From public non-financial corporations | 5 | 461 | 2,711 | 1,484 | 1,576 | 1,831 |
| From public financial corporations | 205 | 81 | 77 | 74 | 74 | 76 |
| Total dividends | 210 | 541 | 2,788 | 1,558 | 1,651 | 1,908 |
| <i>Tax equivalent income</i> | | | | | | |
| From public non-financial corporations | 756 | 813 | 860 | 899 | 917 | 929 |
| From public financial corporations | 156 | 81 | 38 | 26 | 23 | 18 |
| Total tax equivalent income | 912 | 894 | 898 | 925 | 940 | 947 |
| Total revenue from public corporations | 1,122 | 1,435 | 3,686 | 2,484 | 2,591 | 2,855 |

Note: Columns may not add due to rounding.

NOTE 5: GENERAL GOVERNMENT TRANSFER EXPENSES

Transfer expenses are defined as the provision of something of value for no specific return or consideration and include items such as grants, subsidies, donations, and transfers of assets free of charge.

The following table provides detail of current and capital transfer expenses of the general government sector, in line with UPF disclosure requirements.

| TRANSFER EXPENSES ^(a) | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| General Government | | | | | | |
| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| | | | \$m | | | |
| <i>CURRENT TRANSFERS</i> | | | | | | |
| Local government | 365 | 500 | 670 | 500 | 443 | 441 |
| Private and not-for-profit sector | 2,358 | 2,820 | 3,178 | 2,620 | 2,275 | 2,244 |
| Other sectors of government | 5,345 | 6,025 | 5,866 | 5,346 | 5,283 | 5,176 |
| <i>Total Current Transfers</i> | <i>8,068</i> | <i>9,345</i> | <i>9,713</i> | <i>8,466</i> | <i>8,001</i> | <i>7,861</i> |
| <i>CAPITAL TRANSFERS</i> | | | | | | |
| Local government | 90 | 46 | 66 | 46 | 35 | 53 |
| Private and not-for-profit sector | 156 | 178 | 245 | 211 | 155 | 147 |
| Other sectors of government | 314 | 443 | 358 | 104 | 34 | 7 |
| <i>Total Capital Transfers</i> | <i>560</i> | <i>667</i> | <i>670</i> | <i>360</i> | <i>224</i> | <i>207</i> |

(a) Includes grants, subsidies and other transfer expenses.

Note: Columns may not add due to rounding.

NOTE 6: CLASSIFICATION OF THE FUNCTIONS OF GOVERNMENT

The following allocation of general government expenses and purchases of non-financial assets is consistent with the Classification of the Functions of Government (COFOG) which forms part of the GFS framework.

CLASSIFICATION OF THE FUNCTIONS OF GOVERNMENT (a)

General Government

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| | | | \$m | | | |
| <i>Expenses</i> | | | | | | |
| General public services | 1,708 | 1,923 | 1,952 | 2,092 | 2,190 | 2,308 |
| Public order and safety | 4,839 | 5,345 | 5,291 | 5,135 | 5,182 | 5,283 |
| Economic affairs | 2,769 | 3,345 | 2,936 | 2,378 | 2,056 | 1,856 |
| Environmental protection | 593 | 715 | 730 | 672 | 633 | 625 |
| Housing and community amenities | 1,706 | 1,641 | 2,098 | 1,990 | 1,969 | 1,799 |
| Health | 13,168 | 14,326 | 14,663 | 13,962 | 14,398 | 14,948 |
| Recreation, culture and religion | 1,106 | 1,250 | 1,357 | 1,167 | 1,099 | 1,126 |
| Education | 8,039 | 9,067 | 9,428 | 9,426 | 9,601 | 9,853 |
| Social protection | 3,846 | 4,268 | 4,252 | 3,812 | 3,867 | 3,936 |
| Transport | 3,686 | 4,471 | 4,667 | 4,108 | 4,017 | 4,034 |
| Provisions not allocated ^(b) | - | -494 | 469 | 302 | 116 | 134 |
| Total General Government Expenses | 41,461 | 45,857 | 47,844 | 45,045 | 45,127 | 45,901 |
| <i>Purchases of non-financial assets</i> | | | | | | |
| General public services | 146 | 185 | 137 | 98 | 94 | 118 |
| Public order and safety | 192 | 319 | 362 | 164 | 95 | 90 |
| Economic affairs | 34 | 78 | 259 | 108 | 66 | 111 |
| Environmental protection | 91 | 156 | 203 | 124 | 75 | 70 |
| Housing and community amenities | 94 | 81 | 123 | 58 | 83 | 113 |
| Health | 342 | 646 | 1,119 | 1,003 | 851 | 309 |
| Recreation, culture and religion | 92 | 224 | 136 | 87 | 52 | 35 |
| Education | 693 | 645 | 746 | 506 | 340 | 277 |
| Social protection | 30 | 13 | 12 | 5 | 2 | 2 |
| Transport | 2,284 | 2,399 | 2,053 | 1,733 | 1,182 | 1,043 |
| Provisions not allocated ^(b) | - | -375 | -1,190 | -375 | 500 | 950 |
| Total Purchases of Non-financial Assets | 3,997 | 4,371 | 3,961 | 3,510 | 3,340 | 3,118 |

(a) Data in this table are for consolidated general government aggregates and exclude internal transactions within the sector. In relation to purchases of non-financial assets, the information in this table represents spending by function on fixed assets by general government agencies, which may be classified differently to agency totals in the Asset Investment Program.

(b) Includes provisions not allocated by COFOG.

Note: Columns may not add due to rounding.

NOTE 7: CONVERGENCE DIFFERENCES

Where possible, AASB 1049 harmonises GFS and accounting concepts into a single presentation. Where harmonisation cannot be achieved as a result of differences in definition, recognition, measurement, classification and consolidation principles and rules, a convergence difference arises.

Full convergence on GFS and Generally Accepted Accounting Principles (GAAP) has not been achieved. This means that there are some differences between AASB 1049 aggregates in this report and the GFS information that the ABS reports.

The following outlines the key convergence differences.

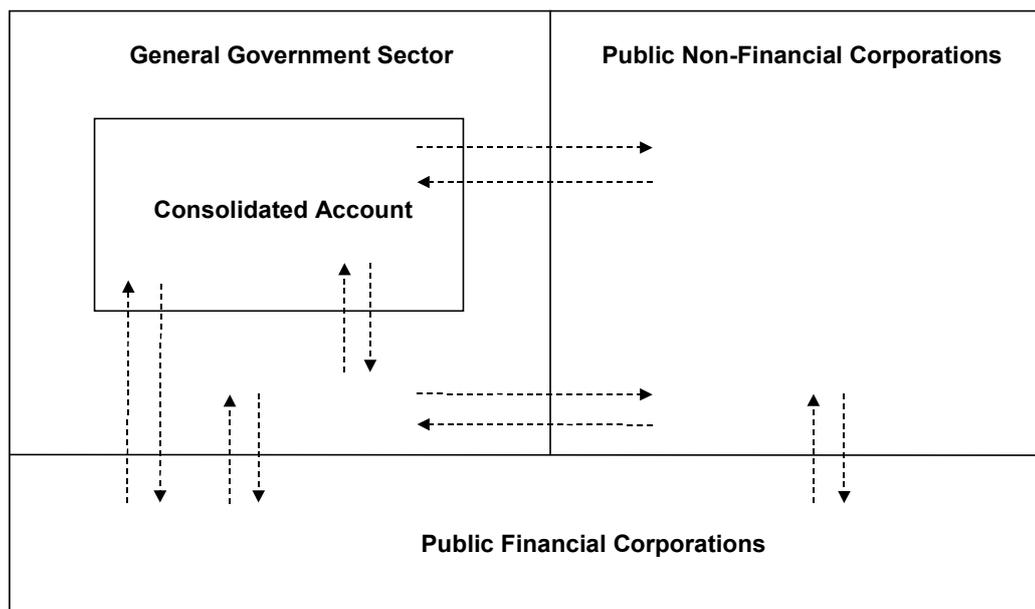
- GFS recognises dividends to owners by the PNFC and PFC sectors as a GFS expense, whereas under GAAP they are treated as a distribution to owners and therefore a direct reduction of accumulated funds. This difference does not flow through to the total public sector as internal dividend transfers are eliminated on consolidation.
- GFS does not recognise an allowance for doubtful debts as the statistical framework only recognises bad debts when they are written off. Under GAAP, an allowance for doubtful debts is recognised in the balance sheet and doubtful debts are recognised in the Operating Statement as 'other economic flows'.
- Transactions with owners as owners (such as equity injections) are excluded from the 'total change in net worth'. However, these transactions are included in the movement in GFS net worth. These types of transactions result in a convergence difference as the total change in net worth under GAAP is disclosed before such transactions, while under GFS these transactions are included in the movement in GFS net worth.

These convergence differences do not present material variations in the presentation of Western Australia's data under GAAP and GFS.

NOTE 8: COMPOSITION OF SECTORS

The following diagram shows the sectors within which public sector agencies are classified by the Government Finance Statistics framework, and which are all included in the consolidated whole-of-government.

TOTAL PUBLIC SECTOR



All public sector controlled agencies, regardless of funding source or sector classification, have been included in these financial projections. Corporatised agencies (known as Government Trading Enterprises) include agencies in each of the sub-sectors of the total public sector.

The agencies included within each sector are listed below. This list may differ from the portfolio list that appears in Budget Paper No. 2: *Budget Statements* which includes only those agencies that receive appropriations and/or have an Asset Investment Program.

General Government

| | |
|---|--|
| Agricultural Produce Commission | Mental Health Commission |
| Arts and Culture Trust | Mid West Development Commission |
| Building and Construction Industry Training Board | Minerals Research Institute of Western Australia |
| Botanical Gardens and Parks Authority | North Metropolitan TAFE |
| Central Regional TAFE | North Metropolitan Health Service |
| Chemistry Centre (WA) | North Regional TAFE |
| Child and Adolescent Health Service | Office of the Auditor General |
| Combat Sports Commission | Office of the Director of Public Prosecutions |
| Commissioner for Children and Young People | Office of the Information Commissioner |
| Commissioner of Main Roads | Office of the Inspector of Custodial Services |
| Corruption and Crime Commission | Office of the Parliamentary Inspector of the Corruption and Crime Commission |
| Department of Biodiversity, Conservation and Attractions | Parliamentary Commissioner for Administrative Investigations |
| Department of Communities (including the Disability Services Commission) | Parliamentary Services Department |
| Department of Creative Industries, Tourism and Sport ^(a) | Peel Development Commission |
| Department of Education | Pilbara Development Commission |
| Department of Energy, Mines, Industry Regulation and Safety ^(a) | Professional Standards Council |
| Department of Energy and Economic Diversification ^(a) | Public Sector Commission |
| Department of Finance ^(a) | Quadriplegic Centre Board |
| Department of Fire and Emergency Services | Racing Penalties Appeal Tribunal of Western Australia |
| Department of Housing and Works ^(a) | Rural Business Development Corporation |
| Department of Jobs, Tourism, Science and Innovation ^(a) | Salaries and Allowances Tribunal |
| Department of Justice | School Curriculum and Standards Authority |
| Department of Local Government, Industry Regulation and Safety ^(a) | ScreenWest Inc. |
| Department of Local Government, Sport and Cultural Industries ^(a) | Small Business Development Corporation |
| Department of Mines, Petroleum and Exploration ^(a) | South Metropolitan TAFE |
| Department of Planning, Lands and Heritage | South Metropolitan Health Service |
| Department of Primary Industries and Regional Development | South Regional TAFE |
| Department of Training and Workforce Development | South West Development Commission |
| Department of Transport and Major Infrastructure ^(a) | State Solicitor's Office |
| Department of Treasury ^(a) | The Aboriginal Affairs Planning Authority |
| Department of Treasury and Finance ^(a) | The ANZAC Day Trust |
| Department of the Legislative Assembly | The Board of the Art Gallery of Western Australia |
| Department of the Legislative Council | The Burswood Park Board |
| Department of the Premier and Cabinet | The Coal Miners' Welfare Board of Western Australia |
| Department of the Registrar, Western Australian Industrial Relations Commission | The Library Board of Western Australia |
| Department of Water and Environmental Regulation | The National Trust of Australia (W.A.) |
| East Metropolitan Health Service | The Queen Elizabeth II Medical Centre Trust |
| Economic Regulation Authority | The Western Australian Museum |
| Gascoyne Development Commission | Trustees of the Public Education Endowment |
| Gaming and Wagering Commission of Western Australia | WA Health (including the Department of Health and public hospitals) |
| Goldfields Development Commission | Western Australia Police Force |
| Governor's Establishment | Western Australian Country Health Service |
| Great Southern Development Commission | Western Australian Building Management Authority |
| Health and Disability Services Complaints Office | Western Australian Electoral Commission |
| Health Support Services | Western Australian Energy Disputes Arbitrator |
| Heritage Council of Western Australia | Western Australian Greyhound Racing Association |
| Infrastructure WA | Western Australian Health Promotion Foundation |
| Keep Australia Beautiful Council (W.A.) | Western Australian Institute of Sport |
| Kimberley Development Commission | Western Australian Land Information Authority |
| Law Reform Commission of Western Australia | Western Australian Meat Industry Authority |
| Legal Aid Commission of Western Australia | Western Australian Planning Commission |
| Legal Costs Committee | Western Australian Sports Centre Trust |
| Local Health Authorities Analytical Committee | Western Australian Tourism Commission |
| | WorkCover Western Australia |
| | Wheatbelt Development Commission |
| | Zoological Parks Authority |

(a) Agencies affected by the Government's 2025 Public Sector Reforms (including reporting entities that cease on 30 June 2025 and/or commence from 1 July 2025) and/or where the entity has either been created, amalgamated or renamed since presentation of the 2024-25 Budget.

Public Non-Financial Corporations

| | |
|--|---|
| Animal Resources Authority | Lotteries Commission |
| Bunbury Water Corporation | Metropolitan Cemeteries Board |
| Busselton Water Corporation | Mid West Ports Authority |
| Department of Housing and Works (Housing Authority) ^(a) | Pilbara Ports Authority |
| DevelopmentWA | Public Transport Authority of Western Australia |
| Electricity Networks Corporation (Western Power) | Racing and Wagering Western Australia |
| Electricity Generation and Retail Corporation (Synergy) | Regional Power Corporation (Horizon Power) |
| Forest Products Commission | Rottneest Island Authority |
| Fremantle Port Authority | Southern Ports Authority |
| Gold Corporation and its subsidiaries | Water Corporation |
| Kimberly Ports Authority | Western Australian Coastal Shipping Commission |

Public Financial Corporations

| | |
|---|---|
| Country Housing Authority ^(a) | RiskCover Fund |
| Insurance Commission of Western Australia | Western Australian Treasury Corporation |
| Keystart ^(a) | |

- (a) Agencies affected by the Government's 2025 Public Sector Reforms (including reporting entities that cease on 30 June 2025 and/or commence from 1 July 2025) and/or where the entity has either been created, amalgamated or renamed since presentation of the 2024-25 Budget.

Agencies Outside the State's Public Sector

Some State agencies are not covered in the whole-of-government reporting framework as defined under Australian Accounting Standards and/or the GFS framework. The entities listed below, which administer superannuation and like funds and/or hold private funds in trust or fidelity type funds, are examples of such agencies not included in the definition of the public sector used in the Budget. This is because the assets are not available for the benefit of, and/or are not controlled by, the State.

| | |
|---|--|
| Construction Industry Long Service Leave Payments Board | Legal Contribution Trust |
| Curtin University and its subsidiaries | Murdoch University and its subsidiaries |
| Edith Cowan University | Public Trustee |
| Fire and Emergency Services Superannuation Board | Parliamentary Superannuation Board |
| Government Employees Superannuation Board | The University of Western Australia and its subsidiaries |

2025-26 Economic and Fiscal Outlook

APPENDIX 2

General Government Operating Revenue

This appendix contains general government revenue estimates prepared on an accrual basis consistent with Australian Accounting Standards and Government Finance Statistics frameworks.

Table 2.1

OPERATING REVENUE
General Government

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| | | | \$m | | | |
| TAXATION | | | | | | |
| Taxes on employers' payroll and labour force | | | | | | |
| <i>Payroll tax</i> | 5,404 | 5,880 | 6,154 | 6,462 | 6,786 | 7,125 |
| Property taxes | | | | | | |
| <i>Land tax</i> | 844 | 899 | 988 | 1,020 | 1,053 | 1,088 |
| Transfer duty | 2,575 | 3,117 | 2,994 | 2,762 | 2,528 | 2,532 |
| Foreign Buyers Surcharge | 33 | 26 | 14 | 20 | 36 | 36 |
| Landholder duty | 324 | 255 | 194 | 194 | 194 | 194 |
| <i>Total duty on transfers</i> | 2,932 | 3,398 | 3,202 | 2,975 | 2,757 | 2,762 |
| Other stamp duties | - ^(a) |
| Metropolitan Region Improvement Tax | 95 | 102 | 110 | 114 | 118 | 122 |
| Perth Parking Levy | 56 | 62 | 64 | 67 | 69 | 70 |
| Emergency Services Levy | 401 | 424 | 456 | 480 | 496 | 514 |
| Loan Guarantee Fees | 131 | 136 | 157 | 169 | 180 | 188 |
| Building and Construction Industry Training Fund Levy | 76 | 78 | 63 | 72 | 75 | 76 |
| <i>Total other property taxes</i> | 760 | 801 | 851 | 901 | 938 | 971 |
| Taxes on provision of goods and services | | | | | | |
| Lotteries Commission | 248 | 222 | 212 | 219 | 222 | 226 |
| Video lottery terminals | - ^(a) |
| Casino tax ^(b) | 59 | 62 | 62 | 62 | 62 | 62 |
| Betting tax | 125 | 129 | 129 | 130 | 132 | 134 |
| <i>Total taxes on gambling</i> | 432 | 414 | 403 | 411 | 416 | 422 |
| Insurance duty | 1,000 | 1,071 | 1,127 | 1,187 | 1,249 | 1,314 |
| Other | 20 | 18 | 17 | 23 | 24 | 25 |
| <i>Total taxes on insurance</i> | 1,020 | 1,089 | 1,145 | 1,210 | 1,273 | 1,339 |
| Taxes on use of goods and performance of activities | | | | | | |
| Vehicle licence duty | 755 | 782 | 678 | 642 | 597 | 588 |
| Permits - oversize vehicles and loads | 11 | 8 | 8 | 8 | 8 | 8 |
| Motor vehicle registrations | 1,293 | 1,410 | 1,520 | 1,619 | 1,712 | 1,811 |
| Other vehicle taxes | 40 | 40 | 42 | 43 | 43 | 44 |
| <i>Total motor vehicle taxes</i> | 2,099 | 2,240 | 2,248 | 2,311 | 2,359 | 2,451 |
| Mining Rehabilitation Levy | 44 | 47 | 44 | 44 | 44 | 44 |
| Landfill Levy | 96 | 95 | 80 | 69 | 69 | 66 |
| Total Taxation | 13,631 | 14,862 | 15,113 | 15,403 | 15,696 | 16,266 |

Note: Columns may not add due to rounding.

Table 2.1 (cont.)

OPERATING REVENUE
General Government

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| | | | \$m | | | |
| CURRENT GRANTS AND SUBSIDIES | | | | | | |
| General Purpose Grants | | | | | | |
| GST grants | 6,565 | 7,362 | 7,840 | 9,145 | 9,489 | 9,880 |
| North West Shelf grants | 694 | 597 | 365 | 272 | 236 | 176 |
| Commonwealth compensation for changed crude oil excise arrangements | 34 | 33 | 20 | 15 | 13 | 10 |
| National Agreements | | | | | | |
| Skills and Workforce Development | 90 | - | - | - | - | - |
| Skills | 115 | 253 | 259 | 263 | 264 | 260 |
| Housing and Homelessness | 191 | - | - | - | - | - |
| Social Housing and Homelessness | - | 190 | 195 | 199 | 203 | 203 |
| Mental Health and Suicide Prevention | 3 | 3 | 3 | - | - | - |
| Schools Reform - Quality Schools | 1,221 | 646 | - | - | - | - |
| Better and Fairer Schools | - | 685 | 1,461 | 1,557 | 1,612 | 1,671 |
| Health Reform | 3,070 | 3,252 | 3,622 | 3,689 | 3,929 | 4,158 |
| National Partnerships/Other Grants | | | | | | |
| Health | 230 | 249 | 152 | 136 | 131 | 114 |
| Transport | 89 | 373 | 339 | 216 | 227 | 216 |
| Disability Services | 4 | 2 | 1,011 | - | - | - |
| Other | 476 | 724 | 508 | 257 | 197 | 185 |
| Total Current Grants and Subsidies | 12,780 | 14,369 | 15,776 | 15,750 | 16,301 | 16,873 |
| CAPITAL GRANTS | | | | | | |
| National Partnerships/Other Grants | | | | | | |
| Transport | 1,707 | 2,905 | 2,526 | 1,037 | 857 | 627 |
| Other | 177 | 303 | 505 | 635 | 122 | - |
| Total Capital Grants | 1,884 | 3,209 | 3,031 | 1,672 | 979 | 627 |

Note: Columns may not add due to rounding.

Table 2.1 (cont.)

OPERATING REVENUE
General Government

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| SALES OF GOODS AND SERVICES ^(b) | | | | | | |
| WA Health | 937 | 1,026 | 1,050 | 1,029 | 1,064 | 1,091 |
| Department of Transport and Major Infrastructure | 312 | 314 | 349 | 355 | 363 | 379 |
| Department of Education | 223 | 233 | 235 | 242 | 247 | 251 |
| State Training Providers/TAFE Colleges | 101 | 103 | 88 | 103 | 115 | 115 |
| Department of Training and Workforce Development | 26 | 30 | 33 | 33 | 34 | 35 |
| Western Australian Land Information Authority | 86 | 90 | 109 | 89 | 94 | 116 |
| Department of Biodiversity, Conservation and Attractions | 87 | 134 | 146 | 153 | 156 | 158 |
| Department of Justice | 164 | 159 | 173 | 180 | 181 | 180 |
| Department of Local Government, Industry Regulation and Safety | 313 | 294 | 293 | 298 | 298 | 300 |
| All Other | 1,211 | 1,095 | 901 | 943 | 983 | 976 |
| Total Sale of Goods and Services | 3,460 | 3,477 | 3,377 | 3,425 | 3,536 | 3,603 |
| INTEREST INCOME | 391 | 327 | 280 | 294 | 319 | 345 |
| REVENUE FROM PUBLIC CORPORATIONS | | | | | | |
| Dividends | 210 | 541 | 2,788 | 1,558 | 1,651 | 1,908 |
| Tax Equivalent Regime | 912 | 894 | 898 | 925 | 940 | 947 |
| Total Revenue from Public Corporations | 1,122 | 1,435 | 3,686 | 2,484 | 2,591 | 2,855 |
| ROYALTY INCOME | | | | | | |
| Iron Ore | 10,365 | 8,581 | 6,618 | 5,983 | 5,875 | 5,772 |
| Other | 1,502 | 1,365 | 1,628 | 1,728 | 1,741 | 1,693 |
| Total Royalty Income | 11,866 | 9,946 | 8,245 | 7,711 | 7,616 | 7,464 |
| OTHER | | | | | | |
| Mining Tenement Rentals | 180 | 205 | 185 | 185 | 185 | 185 |
| Fines | 239 | 240 | 253 | 254 | 257 | 258 |
| Revenue not else here counted | 394 | 318 | 311 | 286 | 283 | 270 |
| Total Other | 813 | 763 | 749 | 725 | 725 | 713 |
| TOTAL REVENUE | 45,947 | 48,388 | 50,257 | 47,464 | 47,761 | 48,746 |

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

(b) Revenue collected under the *Casino (Burswood Island) Agreement Act 1985* have been reclassified from goods and services to taxation, based on advice from the Australian Bureau of Statistics.

Note: Columns may not add due to rounding.

2024-25 General Government Operating Revenue

This appendix contains general government revenue estimates for the 2024-25 financial year, comparing the original 2024-25 Budget estimates, 2024-25 Mid-year Review, Pre-election Financial Projections Statement (PFPS), and the estimated actual contained in this Budget.

The final, audited revenue outturn for 2024-25 will be available in the *2024-25 Annual Report on State Finances*, due for release by 28 September 2025.

Table 3.1

2024-25 OPERATING REVENUE
General Government

| | 2024-25 Budget Year \$m | 2024-25 Mid-year Revision \$m | 2024-25 PFPS Revision \$m | 2024-25 Estimated Actual \$m |
|---|----------------------------------|--|------------------------------------|---------------------------------------|
| TAXATION | | | | |
| Taxes on employers' payroll and labour force | | | | |
| <i>Payroll tax</i> | 5,832 | 5,830 | 5,880 | 5,880 |
| Property taxes | | | | |
| <i>Land tax</i> | 887 | 887 | 887 | 899 |
| Transfer duty | 2,360 | 3,028 | 3,119 | 3,117 |
| Foreign Buyers Surcharge | 32 | 32 | 32 | 26 |
| Landholder duty | 194 | 194 | 194 | 255 |
| <i>Total duty on transfers</i> | 2,586 | 3,254 | 3,345 | 3,398 |
| Other stamp duties | - (a) | - (a) | - (a) | - (a) |
| Metropolitan Region Improvement Tax | 101 | 101 | 101 | 102 |
| Perth Parking Levy | 62 | 62 | 62 | 62 |
| Emergency Services Levy | 424 | 424 | 424 | 424 |
| Loan Guarantee Fees | 134 | 136 | 136 | 136 |
| Building and Construction Industry Training Fund Levy | 53 | 58 | 58 | 78 |
| <i>Total other property taxes</i> | 774 | 781 | 781 | 801 |
| Taxes on provision of goods and services | | | | |
| Lotteries Commission | 198 | 198 | 198 | 222 |
| Video lottery terminals | - (a) | - (a) | - (a) | - (a) |
| Casino tax (b) | 54 | 54 | 54 | 62 |
| Betting tax | 111 | 129 | 129 | 129 |
| <i>Total taxes on gambling</i> | 363 | 381 | 381 | 414 |
| Insurance duty | 1,031 | 1,071 | 1,071 | 1,071 |
| Other | 21 | 18 | 18 | 18 |
| <i>Total taxes on insurance</i> | 1,052 | 1,089 | 1,089 | 1,089 |
| Taxes on use of goods and performance of activities | | | | |
| Vehicle licence duty | 542 | 756 | 756 | 782 |
| Permits - oversize vehicles and loads | 8 | 8 | 8 | 8 |
| Motor vehicle registrations | 1,366 | 1,442 | 1,442 | 1,410 |
| Other vehicle taxes | 34 | 40 | 40 | 40 |
| <i>Total motor vehicle taxes</i> | 1,951 | 2,245 | 2,245 | 2,240 |
| <i>Mining Rehabilitation Levy</i> | 39 | 44 | 44 | 47 |
| <i>Landfill Levy</i> | 95 | 95 | 95 | 95 |
| Total Taxation | 13,577 | 14,607 | 14,747 | 14,862 |

Note: Columns may not add due to rounding.

2024-25 OPERATING REVENUE
General Government

Table 3.1 (cont.)

| | 2024-25 Budget Year \$m | 2024-25 Mid-year Revision \$m | 2024-25 PFPS Revision \$m | 2024-25 Estimated Actual \$m |
|---|----------------------------------|--|------------------------------------|---------------------------------------|
| CURRENT GRANTS AND SUBSIDIES | | | | |
| <i>General Purpose Grants</i> | | | | |
| GST grants | 7,264 | 7,194 | 7,391 | 7,362 |
| North West Shelf grants | 591 | 551 | 576 | 597 |
| Commonwealth compensation for changed crude oil excise arrangements | 24 | 22 | 23 | 33 |
| <i>National Agreements</i> | | | | |
| Skills | 236 | 248 | 251 | 253 |
| Housing and Homelessness | 185 | - | - | - |
| Social Housing and Homelessness | - | 190 | 190 | 190 |
| Mental Health and Suicide Prevention | 3 | 3 | 3 | 3 |
| Schools Reform - Quality Schools | 1,275 | 1,268 | 649 | 646 |
| Better and Fairer Schools | - | 40 | 692 | 685 |
| Health Reform | 3,209 | 3,252 | 3,252 | 3,252 |
| <i>National Partnerships/Other Grants</i> | | | | |
| Health | 134 | 249 | 249 | 249 |
| Transport | 282 | 335 | 335 | 373 |
| Disability Services | 1,010 | 1,010 | 2 | 2 |
| Other | 236 | 703 | 725 | 724 |
| Total Current Grants and Subsidies | 14,448 | 15,065 | 14,338 | 14,369 |
| CAPITAL GRANTS | | | | |
| <i>National Partnerships/Other Grants</i> | | | | |
| Transport | 2,969 | 2,752 | 2,752 | 2,905 |
| Other | 702 | 373 | 326 | 303 |
| Total Capital Grants | 3,671 | 3,124 | 3,078 | 3,209 |

Note: Columns may not add due to rounding.

Table 3.1 (cont.)

2024-25 OPERATING REVENUE
General Government

| | 2024-25 Budget Year \$m | 2024-25 Mid-year Revision \$m | 2024-25 PPFS Revision | 2024-25 Estimated Actual \$m |
|---|----------------------------------|--|-----------------------------|---------------------------------------|
| SALES OF GOODS AND SERVICES ^(b) | | | | |
| WA Health | 903 | 983 | 983 | 1,026 |
| Department of Transport | 313 | 313 | 313 | 314 |
| Department of Education | 224 | 224 | 224 | 233 |
| State Training Providers/TAFE Colleges | 89 | 89 | 89 | 103 |
| Department of Training and Workforce Development | 31 | 28 | 28 | 30 |
| Western Australian Land Information Authority | 87 | 89 | 89 | 90 |
| Department of Biodiversity, Conservation and Attractions | 143 | 132 | 132 | 134 |
| Department of Justice | 169 | 169 | 169 | 159 |
| Department of Energy, Mines, Industry Regulation and Safety | 164 | 169 | 169 | 169 |
| All Other | 1,113 | 1,178 | 1,178 | 1,220 |
| Total Sale of Goods and Services | 3,236 | 3,374 | 3,374 | 3,477 |
| INTEREST INCOME | 342 | 341 | 335 | 327 |
| REVENUE FROM PUBLIC CORPORATIONS | | | | |
| Dividends | 1,571 | 1,502 | 1,502 | 541 |
| Tax Equivalent Regime | 902 | 914 | 914 | 894 |
| Total Revenue from Public Corporations | 2,473 | 2,416 | 2,416 | 1,435 |
| ROYALTY INCOME | | | | |
| Iron Ore | 6,329 | 8,096 | 8,625 | 8,581 |
| Other | 1,444 | 1,312 | 1,397 | 1,365 |
| Total Royalty Income | 7,773 | 9,408 | 10,023 | 9,946 |
| OTHER | | | | |
| Mining Tenement Rentals | 180 | 180 | 195 | 205 |
| Fines | 238 | 240 | 240 | 240 |
| Revenue not elsew here counted | 256 | 275 | 275 | 318 |
| Total Other | 674 | 695 | 711 | 763 |
| TOTAL REVENUE | 46,194 | 49,028 | 49,021 | 48,388 |

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

(b) Revenue collected under the *Casino (Burswood Island) Agreement Act 1985* have been reclassified from goods and services to taxation, based on advice from the Australian Bureau of Statistics.

Note: Columns may not add due to rounding.

The Consolidated Account and the Treasurer's Advance

The Consolidated Account

The *Constitution Act 1889* (the Act) requires that all revenue of the Crown that is not permanently appropriated by legislation to another entity, shall be credited to the Consolidated Account. The Act also requires that payments out of the Consolidated Account must be appropriated by the Parliament.

Accordingly, Consolidated Account revenue is not available for use by agencies that collect it, and such receipts must be paid directly to the credit of the Account. Expenditure is authorised by the Parliament, with both the amount and the expressed purpose of the associated appropriation clearly specified.

In cash terms, the Consolidated Account is forecast to be in a \$13.6 billion deficit position at 30 June 2026, a \$498 million increase on the estimated \$13.1 billion cash deficit balance at 30 June 2025. This reflects the impact of receipts and payments through the Account as a result of transactions detailed throughout the Budget Papers.

State borrowings held by the Consolidated Account are estimated to total \$22.9 billion at 30 June 2025, unchanged from the 30 June 2024 outcome. Reflecting the conservative nature of the iron ore royalty price assumptions in this Budget (see Chapter 4) and funding for the Government's election commitments and infrastructure program, Consolidated Account borrowings are forecast to rise by \$4 billion in 2025-26, and increase to a projected \$29.4 billion by 30 June 2029.

The projected level of Consolidated Account borrowings remains below the \$34.5 billion cumulative limit approved by the *Loan Act 2017* and preceding Loan Acts¹.

¹ The *Loan Act 2017* received Royal Assent on 3 July 2017 and increased the cumulative loan limit under preceding Loan Acts from \$23.5 billion to \$34.5 billion. Consolidated Account borrowings cannot exceed the cumulative limit of these Loan Acts.

Table 4.1

CONSOLIDATED ACCOUNT TRANSACTIONS

| | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|--|---------------|---------------|------------------|---------------|---------------|---------------|
| | Actual | Estimated | Budget | Outyear | Outyear | Outyear |
| | \$m | \$m | Year | \$m | \$m | \$m |
| | | | \$m | | | |
| REVENUE | | | | | | |
| <i>Operating Activities</i> | | | | | | |
| Taxation | 11,024 | 12,335 | 12,478 | 12,618 | 12,779 | 13,219 |
| Commonwealth Grants | 8,300 | 10,687 | 10,852 | 10,282 | 10,225 | 10,364 |
| Government Enterprises | 1,036 | 1,471 | 3,696 | 2,518 | 2,722 | 2,902 |
| Royalty receipts | 12,006 | 9,912 | 8,947 | 7,728 | 7,639 | 7,503 |
| Other receipts from agencies | 1,713 | 1,928 | 1,991 | 2,112 | 2,193 | 2,261 |
| Other | 550 | 562 | 479 | 467 | 497 | 515 |
| <i>Total Operating Activities</i> | 34,629 | 36,895 | 38,443 | 35,727 | 36,055 | 36,765 |
| <i>Financing Activities</i> | | | | | | |
| Transfers from the Debt Reduction Account | - | - | - | - | - | - |
| Borrowings | - | - | 4,000 | 1,000 | 1,000 | 500 |
| Public Bank Account Interest Earned Account | 100 | - | - | - | - | - |
| Other Receipts | 21 | 13 | - ^(a) | - | - | - |
| <i>Total Financing Activities</i> | 121 | 13 | 4,000 | 1,000 | 1,000 | 500 |
| TOTAL REVENUE | 34,751 | 36,908 | 42,443 | 36,727 | 37,055 | 37,265 |
| EXPENDITURE | | | | | | |
| <i>Recurrent</i> | | | | | | |
| Authorised by Other Statutes | 2,782 | 3,142 | 3,314 | 3,606 | 3,792 | 4,044 |
| Appropriation Act (No. 1) | 26,909 | 29,968 | 33,278 | 30,997 | 30,982 | 31,486 |
| Recurrent Expenditure under the Treasurer's Advance ^(b) | 2,258 | 2,209 | - | - | - | - |
| <i>Total Recurrent Expenditure</i> | 31,950 | 35,318 | 36,592 | 34,602 | 34,775 | 35,529 |
| <i>Investing Activities</i> | | | | | | |
| Authorised by Other Statutes | 438 | 404 | 316 | 259 | 277 | 277 |
| Appropriation Act (No. 2) | 5,941 | 8,138 | 7,982 | 4,337 | 2,397 | 2,051 |
| Investing Expenditure under the Treasurer's Advance ^(b) | 230 | 259 | - | - | - | - |
| <i>Total Investing Activities</i> | 6,609 | 8,801 | 8,298 | 4,596 | 2,673 | 2,327 |
| <i>Financing Activities</i> | | | | | | |
| Funding for loan repayments (through the Debt Reduction Account) | - | - | - | - | - | - |
| Appropriation Act (No. 2) | - | - | - | - | - | - |
| Other financing | 18 | 12 | - | - | - | - |
| <i>Total Financing Activities</i> | 18 | 12 | - | - | - | - |
| TOTAL EXPENDITURE | 38,577 | 44,131 | 44,890 | 39,199 | 37,448 | 37,856 |
| NET MOVEMENT (REVENUE LESS EXPENDITURE) | -3,827 | -7,223 | -2,447 | -2,472 | -393 | -592 |
| Consolidated Account Balance | | | | | | |
| Opening balance at 1 July | -23,976 | -27,803 | -35,026 | -37,473 | -39,945 | -40,338 |
| Closing balance at 30 June | -27,803 | -35,026 | -37,473 | -39,945 | -40,338 | -40,930 |
| <i>Of which:</i> | | | | | | |
| Appropriations payable | -20,111 | -21,887 | -23,835 | -25,822 | -27,809 | -29,789 |
| Cash balance at 30 June | -7,692 | -13,139 | -13,637 | -14,123 | -12,529 | -11,141 |
| Memorandum item: Consolidated Account Borrowings at 30 June | 22,887 | 22,887 | 26,887 | 27,887 | 28,887 | 29,387 |

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

(b) Additional expenditure authorised under the Treasurer's Advance is charged to the Consolidated Account and appropriated accordingly under section 27(3) of the *Financial Management Act 2006* (FMA).

Note: Columns may not add due to rounding.

The Treasurer's Advance

Under the *Financial Management Act 2006* (FMA), the Treasurer's Advance provides the Treasurer with authorisation to make short-term recoverable advances to agencies for the temporary financing of works and services. In addition, new or supplementary funding can be provided during the year for extraordinary or unforeseen matters (also known as 'excesses and new items'), up to an approved limit.

The authorised limit for the Treasurer's Advance in 2024-25 is \$3,007.1 million². At the 19 May 2025 cut-off date for this Budget, the total amount forecast to be drawn against recoverable advances, excesses and new items in 2024-25 is \$2,487.3 million, which is within the \$3,007.1 million limit.

The following table shows the forecast position of the Treasurer's Advance for the year ending 30 June 2025.

TREASURER'S ADVANCE AS AT 30 JUNE

Table 4.2

| | 2023-24 Actual ^(a) | 2024-25 Projection |
|--|----------------------------------|-----------------------|
| | \$m | \$m |
| AUTHORISED LIMIT | 3,209.9 | 3,007.1 |
| <i>Total projected to be drawn against Treasurer's Advance authorisation</i> | 2,514.7 | 2,487.3 |
| Comprising | | |
| Net recoverable advances as at 30 June | 26.2 | 20.0 |
| Overdraw n Special Purpose Accounts | - | - |
| Excesses and New Items | | |
| - recurrent | 2,258.4 | 2,208.6 |
| - capital | 230.1 | 258.7 |

(a) A total of \$3,209.9 million was authorised for 2023-24. The original \$909.9 million authority was increased by \$2,300 million by the passage of the *Treasurer's Advance Authorisation Act 2024*.

Note: Columns may not add due to rounding.

² Section 29 of the FMA authorises the Treasurer's Advance limit to be equivalent to 3% of the total amount appropriated for the previous year by the Appropriation Acts. For 2024-25, the original \$1,080.8 million limit, which is 3% of the total \$36 billion appropriated by Appropriation Bills 1 and 2 in the 2023-24 Budget, was increased by \$1,926.3 million to \$3,007.1 million by the *Treasurer's Advance Authorisation Act 2025*.

Transfers, Excesses and New Items

Table 4.3 details excesses and/or new items during 2024-25 and the impact of these on the Treasurer's Advance under the authority of section 27 of the FMA.

| 2024-25 TRANSFERS, EXCESSES AND NEW ITEMS | | | | | | |
|--|----------------------------|------------------------------|---------------|-----------------------|---------------------------------|--|
| Item | <u>Treasurer's Advance</u> | | | | | Drawn against Treasurer's Advance to date ^(b) |
| | Budget \$m | Transfers ^(a) \$m | New Items \$m | Approved Excesses \$m | Revised Appropriation Limit \$m | |
| Recurrent Appropriations | | | | | | |
| Legislative Council | | | | | | |
| Item 1: Delivery of Services | 6.0 | 0.2 | - | 0.1 | 6.2 | - |
| Legislative Assembly | | | | | | |
| Item 2: Delivery of Services | 5.8 | 0.2 | - | 0.1 | 6.2 | - |
| Parliamentary Services | | | | | | |
| Item 3: Delivery of Services | 23.7 | 0.4 | - | 0.6 | 24.6 | - |
| Parliamentary Commissioner for Administrative Investigations | | | | | | |
| Item 4: Delivery of Services | 12.3 | 0.3 | - | - | 12.6 | - |
| Premier and Cabinet | | | | | | |
| Item 5: Delivery of Services | 181.2 | 3.4 | - | 13.3 | 197.8 | - |
| Item 6: Administered Grants, Subsidies and Other Transfer Payments | 260.2 | - | - | 127.0 | 387.3 | 127.0 |
| Public Sector Commission | | | | | | |
| Item 7: Delivery of Services | 29.5 | 0.6 | - | - | 30.1 | - |
| Western Australian Electoral Commission | | | | | | |
| Item 9: Delivery of Services | 38.7 | 0.4 | - | 4.0 | 43.0 | - |
| Salaries and Allowances Tribunal | | | | | | |
| Item 10: Delivery of Services | 1.1 | -(c) | - | - | 1.1 | - |
| Commissioner for Children and Young People | | | | | | |
| Item 11: Delivery of Services | 3.0 | -0.1 | - | - | 2.9 | - |
| Office of the Information Commissioner | | | | | | |
| Item 12: Delivery of Services | 3.0 | 0.1 | - | - | 3.0 | - |
| Registrar, Western Australian Industrial Relations Commission | | | | | | |
| Item 13: Delivery of Services | 9.8 | 0.1 | - | - | 10.0 | - |
| Treasury | | | | | | |
| Item 14: Delivery of Services | 61.4 | 1.3 | - | - | 62.7 | - |
| Item 15: Bunbury Water Corporation | 6.0 | - | - | -(c) | 6.0 | - |
| Item 16: Busselton Water Corporation | 4.3 | - | - | 0.1 | 4.4 | - |
| Item 17: Electricity Generation and Retail Corporation (Synergy) | 831.1 | - | - | 361.2 | 1,192.3 | 280.9 |
| Item 19: Public Transport Authority of Western Australia | 1,283.9 | 9.0 | - | 97.7 | 1,390.6 | - |
| Item 20: Regional Power Corporation (Horizon Power) | 29.3 | - | - | 21.8 | 51.1 | 12.3 |
| Item 27: Department of Transport | 14.0 | -6.6 | - | - | 7.4 | - |
| Item 35: Provision for Inner City Projects | 35.3 | -17.5 | - | - | 17.8 | - |
| Item 36: Provision for METRONET High Wycombe Community Hub | 12.5 | -3.0 | - | - | 9.5 | - |
| Item 37: Provision for Government Wages Policy | 585.4 | -635.5 | - | 50.2 | - | - |
| Item 38: Provision for Wages Policy Outcomes not yet Finalised | 0.8 | -0.2 | - | - | 0.6 | - |
| Item 41: State Property - Emergency Services Levy | 21.7 | - | - | 1.4 | 23.1 | - |
| Item 42: WA Health | 27.8 | -13.4 | - | 11.7 | 26.1 | - |
| Item 43: All Other Grants, Subsidies and Transfer Payments | 14.6 | - | - | 7.0 | 21.6 | - |
| New Item: Gold Corporation | - | - | 4.3 | - | 4.3 | - |

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

2024-25 TRANSFERS, EXCESSES AND NEW ITEMS

Table 4.3 (cont.)

| Item | Treasurer's Advance | | | | | Revised Appropriation Limit \$m | Drawn against Treasurer's Advance to date ^(b) \$m |
|---|---------------------|---------------------------------|------------------|-----------------------------|---------|--|---|
| | Budget \$m | Transfers ^(a) \$m | New Items \$m | Approved Excesses \$m | | | |
| Office of the Auditor General | | | | | | | |
| Item 44: Delivery of Services | 13.9 | 0.8 | - | 0.1 | 14.8 | - | |
| Finance | | | | | | | |
| Item 45: Delivery of Services | 217.8 | 3.4 | - | - | 221.3 | - | |
| Jobs, Tourism, Science and Innovation | | | | | | | |
| Item 47: Delivery of Services | 364.3 | 3.3 | - | - | 367.7 | - | |
| Item 48: Administered Grants, Subsidies and Other Transfer Payments | 14.3 | - | - | 37.4 | 51.7 | 36.4 | |
| Primary Industries and Regional Development | | | | | | | |
| Item 49: Delivery of Services | 266.3 | 6.1 | - | 47.6 | 320.1 | - | |
| Energy, Mines, Industry Regulation and Safety | | | | | | | |
| Item 51: Delivery of Services | 220.8 | 3.8 | - | 5.8 | 230.4 | - | |
| Item 52: Administered Grants, Subsidies and Other Transfer Payments | 126.8 | 0.1 | - | - | 126.8 | - | |
| Small Business Development Corporation | | | | | | | |
| Item 53: Delivery of Services | 17.3 | 0.3 | - | - | 17.5 | - | |
| Economic Regulation Authority | | | | | | | |
| Item 55: Delivery of Services | 3.0 | 0.1 | - | - | 3.0 | - | |
| Infrastructure WA | | | | | | | |
| Item 56: Delivery of Services | 5.5 | 0.1 | - | - | 5.6 | - | |
| WA Health | | | | | | | |
| Item 57: Delivery of Services | 7,261.6 | 177.5 | - | 512.9 | 7,952.0 | - | |
| Mental Health Commission | | | | | | | |
| Item 58: Delivery of Services | 1,033.5 | 17.4 | - | 50.8 | 1,101.6 | - | |
| Item 59: Mental Health Advocacy Service | 7.1 | 0.1 | - | 1.1 | 8.3 | - | |
| Item 60: Mental Health Tribunal | 3.9 | 0.2 | - | - | 4.0 | - | |
| Item 61: Office of the Chief Psychiatrist | 5.0 | 0.1 | - | - | 5.1 | - | |
| Health and Disability Services Complaints Office | | | | | | | |
| Item 62: Delivery of Services | 3.7 | 0.1 | - | -(c) | 3.8 | - | |
| Education | | | | | | | |
| Item 63: Delivery of Services | 5,174.5 | 259.8 | - | 81.2 | 5,515.5 | - | |
| Item 64: Administered Grants, Subsidies and Other Transfer Payments | 498.0 | - | - | 89.5 | 587.5 | 36.7 | |
| Training and Workforce Development | | | | | | | |
| Item 65: Delivery of Services | 536.7 | 26.3 | - | 30.9 | 593.9 | 30.9 | |
| Western Australia Police Force | | | | | | | |
| Item 66: Delivery of Services | 1,728.4 | 44.7 | - | 106.5 | 1,879.6 | - | |
| Justice | | | | | | | |
| Item 68: Delivery of Services | 1,581.0 | 27.9 | - | 158.4 | 1,767.2 | 27.4 | |
| State Solicitor's Office | | | | | | | |
| Item 69: Delivery of Services | 42.0 | 1.2 | - | - | 43.3 | - | |
| Fire and Emergency Services | | | | | | | |
| Item 70: Delivery of Services | 121.0 | 3.5 | - | 22.2 | 146.7 | - | |
| Office of the Director of Public Prosecutions | | | | | | | |
| Item 72: Delivery of Services | 58.7 | 1.5 | - | 0.1 | 60.4 | - | |
| Corruption and Crime Commission | | | | | | | |
| Item 73: Delivery of Services | 33.2 | 0.6 | - | 0.6 | 34.3 | - | |

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

Table 4.3 (cont.)

2024-25 TRANSFERS, EXCESSES AND NEW ITEMS

| Item | Treasurer's Advance | | | | | Revised Appropriation Limit \$m | Drawn against Treasurer's Advance to date ^(b) \$m |
|---|---------------------|---------------------------------|------------------|-----------------------------|---------|--|---|
| | Budget \$m | Transfers ^(a) \$m | New Items \$m | Approved Excesses \$m | | | |
| Chemistry Centre (WA) | | | | | | | |
| Item 74: Delivery of Services | 9.4 | 0.5 | - | - | 9.9 | - | |
| Office of the Inspector of Custodial Services | | | | | | | |
| Item 75: Delivery of Services | 3.7 | 0.1 | - | - | 3.7 | - | |
| Parliamentary Inspector of the Corruption and Crime Commission | | | | | | | |
| Item 76: Delivery of Services | 0.5 | _(c) | - | - | 0.5 | - | |
| Communities | | | | | | | |
| Item 77: Delivery of Services | 1,643.9 | 18.6 | - | 271.7 | 1,934.2 | 220.6 | |
| Local Government, Sport and Cultural Industries | | | | | | | |
| Item 79: Delivery of Services | 299.5 | 19.8 | - | - | 319.3 | - | |
| Item 80: Administered Grants, Subsidies and Other Transfer Payments | 61.6 | _(c) | - | 9.8 | 71.4 | - | |
| Item 81: Art Gallery of Western Australia | 10.4 | 0.2 | - | - | 10.5 | - | |
| Item 82: Arts and Culture Trust | 15.6 | 0.6 | - | 3.9 | 20.0 | - | |
| Item 84: Library Board of Western Australia | 29.3 | 0.3 | - | - | 29.7 | - | |
| Item 85: Western Australian Museum | 41.0 | 0.6 | - | 3.2 | 44.9 | - | |
| Western Australian Sports Centre Trust | | | | | | | |
| Item 86: Delivery of Services | 111.9 | 1.1 | - | 4.6 | 117.7 | - | |
| Transport | | | | | | | |
| Item 87: Delivery of Services | 120.1 | 12.5 | - | 25.1 | 157.7 | - | |
| Commissioner of Main Roads | | | | | | | |
| Item 89: Delivery of Services | 626.5 | 9.4 | - | 39.6 | 675.5 | - | |
| Water and Environmental Regulation | | | | | | | |
| Item 90: Delivery of Services | 132.0 | 3.3 | - | - | 135.3 | - | |
| Biodiversity, Conservation and Attractions | | | | | | | |
| Item 91: Delivery of Services | 390.6 | 6.2 | - | - | 396.8 | - | |
| Planning, Lands and Heritage | | | | | | | |
| Item 92: Delivery of Services | 207.5 | 6.4 | - | 5.2 | 219.1 | - | |
| Western Australian Land Information Authority | | | | | | | |
| Item 94: Delivery of Services | 48.7 | 1.8 | - | - | 50.5 | - | |
| National Trust of Australia (WA) | | | | | | | |
| Item 96: Delivery of Services | 3.9 | 0.1 | - | - | 4.0 | - | |
| Total Recurrent | | - | 4.3 | 2,204.3 | | 772.2 | |
| Capital Appropriations | | | | | | | |
| Legislative Assembly | | | | | | | |
| Item 98: Capital Appropriation | _(c) | - | - | _(c) | _(c) | - | |
| Premier and Cabinet | | | | | | | |
| Item 101: Capital Appropriation | 2.3 | - | - | 0.8 | 3.1 | - | |
| Western Australian Electoral Commission | | | | | | | |
| Item 104: Capital Appropriation | 0.4 | - | - | _(c) | 0.4 | - | |

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

Table 4.3 (cont.)

2024-25 TRANSFERS, EXCESSES AND NEW ITEMS

| Item | Treasurer's Advance | | | | | Revised Appropriation Limit \$m | Drawn against Treasurer's Advance to date ^(b) \$m |
|--|---------------------|---------------------------------|------------------|-----------------|-------|--|---|
| | Budget \$m | Transfers ^(a) \$m | New Items \$m | Excesses \$m | | | |
| Treasury | | | | | | | |
| Item 107: Capital Appropriation | 0.5 | - | - | -(c) | 0.5 | - | |
| Item 108: Department of Biodiversity, Conservation and Attractions | 12.6 | -12.3 | - | - | 0.3 | - | |
| Item 109: Department of Communities | 16.4 | -3.4 | - | - | 13.0 | - | |
| Item 110: Department of Education | 11.1 | -4.1 | - | - | 7.0 | - | |
| Item 114: Electricity Networks Corporation (Western Power) | 145.5 | - | - | 81.8 | 227.2 | - | |
| Item 118: Provision for Aluminium Composite Panel Cladding | 41.7 | -3.7 | - | - | 38.0 | - | |
| Item 123: WA Health | 67.2 | -41.7 | - | - | 25.5 | - | |
| Item 124: Water Corporation | 59.8 | - | - | 34.3 | 94.0 | - | |
| Item 125: Western Australian Land Authority (DevelopmentWA) | 17.8 | - | - | 22.6 | 40.4 | 22.6 | |
| Office of the Auditor General | | | | | | | |
| Item 131: Capital Appropriation | 0.3 | - | - | 0.2 | 0.5 | - | |
| Finance | | | | | | | |
| Item 132: Capital Appropriation | 28.8 | - | - | 2.0 | 30.8 | - | |
| Jobs, Tourism, Science and Innovation | | | | | | | |
| Item 133: Capital Appropriation | 2.3 | - | - | 19.0 | 21.3 | - | |
| Energy, Mines, Industry Regulation and Safety | | | | | | | |
| Item 135: Capital Appropriation | 2.0 | - | - | 0.2 | 2.2 | - | |
| WA Health | | | | | | | |
| Item 138: Capital Appropriation | 478.4 | 45.4 | - | - | 523.8 | - | |
| Education | | | | | | | |
| Item 141: Capital Appropriation | 513.1 | 4.1 | - | - | 517.2 | - | |
| Western Australia Police Force | | | | | | | |
| Item 143: Capital Appropriation | 130.7 | - | - | 18.1 | 148.8 | - | |
| Office of the Director of Public Prosecutions | | | | | | | |
| Item 147: Capital Appropriation | 0.8 | - | - | 0.1 | 0.9 | - | |
| Communities | | | | | | | |
| Item 150: Capital Appropriation | 248.9 | 3.4 | - | 3.7 | 256.0 | - | |
| Local Government, Sport and Cultural Industries | | | | | | | |
| Item 151: Capital Appropriation | 138.1 | - | - | 70.9 | 209.0 | 2.1 | |
| Biodiversity, Conservation and Attractions | | | | | | | |
| Item 159: Capital Appropriation | 150.1 | 12.3 | - | - | 162.4 | - | |
| Planning, Lands and Heritage | | | | | | | |
| Item 160: Capital Appropriation | 7.3 | - | - | 1.0 | 8.3 | - | |
| New Item: Planning, Lands and Heritage Administered | - | - | 4.1 | - | 4.1 | - | |
| Total Capital | | - | 4.1 | 254.6 | | 24.7 | |
| TOTAL | | - | 8.4 | 2,458.9 | | 796.9 | |

(a) Authorised under section 25 of the FMA.

(b) Budget cut-off date, 19 May 2025.

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

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

Transfers

Section 25 of the FMA allows appropriations originally allocated in the 2024-25 Budget to be transferred to another agency for the provision of an appropriation-funded service that is now to be delivered by the other agency. These transfers have no impact on the Treasurer's Advance. Appropriation transfers approved since the presentation of the 2024-25 Budget include:

- \$635.5 million from the Provision for Government Wages Policy administered by Treasury to various agencies to meet the costs of industrial agreements finalised since the 2024-25 Budget (see following table);
- \$38.1 million from the appropriation administered by Treasury for WA Health released to the agency to deliver various capital projects including the Peel and Joondalup Health Campus Redevelopment projects, and the Bunbury Hospital Redevelopment;
- \$17.5 million from the appropriation administered by Treasury for the Provision for Inner City Projects released to the Department of Local Government, Sport and Cultural Industries to meet costs associated with the Western Australian Cricket Association Ground Improvement Project;
- \$13.4 million from the appropriation administered by Treasury for WA Health released to the agency to maintain or enhance services delivered to the community;
- \$12.3 million from the appropriation administered by Treasury for the Department of Biodiversity, Conservation and Attractions released to the agency for the Rottne Island Authority to commence capital works relating to the workers accommodation project on Rottne Island;
- \$7.3 million from the Provision for Aluminium Composite Panel Cladding administered by Treasury, transferred to WA Health to ensure compliance at the QEII Medical Centre and Fiona Stanley Hospital;
- \$6.6 million from the appropriation administered by Treasury for the Department of Transport released to the agency for the upgrade of airstrips (at Eucla and East Kimberley) and for new and improved maritime facilities (Cape Keraudren Boat Ramp, Mount Henry Jetty and Albany Little Grove Finger Jetty) as part of the Outdoor and Adventure Tourism Package detailed in the 2024-25 Budget;
- \$4.1 million from the appropriation administered by Treasury for the Department of Education released to the agency to commence Stage 1 of the new Brabham Senior High School (\$1 million), and commencement of construction of the second stage of Piara Waters Senior High School, which will provide additional accommodation for Years 11 and 12 and specialist facilities for students with disability (\$1.6 million), and to facilitate acquisition of a neighbouring site and the refurbishment of the existing building for the expansion of Bob Hawke College (\$1.5 million);

Table 4.4

2024-25 PROVISION FOR GOVERNMENT WAGES POLICY

| Item | Agency | Transfer from |
|------|--|--------------------------|
| | | Appropriation Item 37 |
| | | \$m |
| 1 | Legislative Council | 0.2 |
| 2 | Legislative Assembly | 0.2 |
| 3 | Parliamentary Services | 0.4 |
| 4 | Parliamentary Commissioner for Administrative Investigations | 0.3 |
| 5 | Premier and Cabinet | 3.4 |
| 7 | Public Sector Commission | 0.6 |
| 9 | Western Australian Electoral Commission | 0.4 |
| 10 | Salaries and Allowances Tribunal | _(a) |
| 11 | Commissioner for Children and Young People | 0.1 |
| 12 | Office of the Information Commissioner | 0.1 |
| 13 | Registrar, Western Australian Industrial Relations Commission | 0.1 |
| 14 | Treasury | 1.3 |
| 19 | Public Transport Authority of Western Australia | 9.0 |
| 44 | Office of the Auditor General | 0.8 |
| 45 | Department of Finance | 3.2 |
| 47 | Department of Jobs, Tourism, Science and Innovation | 2.1 |
| 49 | Primary Industries and Regional Development | 6.1 |
| 51 | Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) | 4.1 |
| 52 | DEMIRS Administered Grants, Subsidies and Other Transfer Payments | 0.1 |
| 53 | Small Business Development Corporation | 0.3 |
| 55 | Economic Regulation Authority | 0.1 |
| 56 | Infrastructure WA | 0.1 |
| 57 | WA Health | 164.1 |
| 58 | Mental Health Commission | 17.4 |
| 59 | Mental Health Advocacy Service | 0.1 |
| 60 | Mental Health Tribunal | 0.2 |
| 61 | Office of the Chief Psychiatrist | 0.1 |
| 62 | Health and Disability Services Complaints Office | 0.1 |
| 63 | Department of Education | 259.8 |
| 65 | Training and Workforce Development | 26.3 |
| 66 | Western Australia Police Force | 44.7 |
| 68 | Justice | 27.7 |
| 69 | State Solicitor's Office | 1.2 |
| 70 | Fire and Emergency Services | 3.5 |
| 72 | Office of the Director of Public Prosecutions | 1.5 |

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

Table 4.4 (cont.)

2024-25 PROVISION FOR GOVERNMENT WAGES POLICY

| Item | Agency | Transfer from Appropriation Item 37 \$m |
|--------------|--|--|
| 73 | Corruption and Crime Commission | 0.6 |
| 74 | Chemistry Centre (WA) | 0.5 |
| 75 | Office of the Inspector of Custodial Services | 0.1 |
| 76 | Parliamentary Inspector of the Corruption and Crime Commission | _(a) |
| 77 | Communities | 18.6 |
| 79 | Local Government, Sport and Cultural Industries (LGSCI) | 2.3 |
| 80 | LGSCI - Administered Grants, Subsidies and Other Transfer Payments | _(a) |
| 81 | Art Gallery of Western Australia | 0.2 |
| 82 | Arts and Culture Trust | 0.6 |
| 84 | Library Board of Western Australia | 0.3 |
| 85 | Western Australian Museum | 0.6 |
| 86 | Western Australian Sports Centre Trust | 1.1 |
| 87 | Transport | 5.8 |
| 89 | Commissioner of Main Roads | 9.4 |
| 90 | Water and Environmental Regulation | 3.9 |
| 91 | Biodiversity, Conservation and Attractions | 6.5 |
| 92 | Planning, Lands and Heritage | 3.4 |
| 94 | Western Australian Land Information Authority | 1.8 |
| 96 | National Trust of Australia (WA) | 0.1 |
| TOTAL | | 635.5 |

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

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

- \$3.4 million from the appropriation administered by Treasury for Department of Communities Kimberley Floods Response to support the completion of Phase 2 works including the delivery of medium to longer term temporary accommodation;
- \$3 million from the Provision for METRONET High Wycombe Community Hub administered by Treasury to the Department of Planning, Lands and Heritage to provide grant funding to the City of Kalamunda to construct a community centre, aquatic and fitness facilities;
- \$1.2 million from the Departments of Water and Environmental Regulation; Energy, Mines, Industry Regulation and Safety; and Biodiversity, Conservation and Attractions to the Department of Jobs, Tourism, Science and Innovation to centralise existing Streamline WA reform officers to support the Coordinator General function;
- \$207,000 associated with the transfer of the GovNext Common Use Arrangement Unit from the Department of the Premier and Cabinet to the Department of Finance;

- \$155,000 from the Provision for Wages Policy Outcomes Not Yet Finalised administered by Treasury to the Department of the Premier and Cabinet following settlement of the Executive Transport Services Employees Agreement in 2023-24; and
- \$138,000 from the Commissioner for Children and Young People to the Department of Justice for corporate service costs.

Excess and New Items

Legislative Council

Item 1: **Delivery of Services** (\$72,000), reflecting the Legislative Council assuming responsibility for Fringe Benefits Tax of Members of the House, previously managed by the Department of the Premier and Cabinet.

Legislative Assembly

Item 2: **Delivery of Services** (\$122,000), reflecting the Legislative Assembly assuming responsibility for Fringe Benefits Tax of Members of the House (\$108,000), and revised motor vehicle lease costs (\$14,000).

Item 98: **Capital Appropriation** (\$12,000), for revised motor vehicle lease costs.

Parliamentary Services

Item 3: **Delivery of Services** (\$569,000), to meet higher office accommodation costs at 2 Parliament Place (\$578,000), partially offset by reduced motor vehicle costs (\$9,000).

Premier and Cabinet

Item 5: **Delivery of Services** (\$13.3 million), largely for:

- an increase in the Telethon donation (\$7 million);
- an additional payment to Celebrate WA to enable the delivery of the rescheduled 2024 WA Day Festival event following cancellation of the June 2024 event (\$2.8 million);
- additional advertising and ICT costs associated with the Perth Zoo Free Vouchers initiative (\$1.4 million);
- funding for further examination of early childhood education options in Western Australia (\$1.3 million);
- revised entitlements of Members of Parliament following a Salaries and Allowances Tribunal Determination (\$413,000);
- funding for a Western Australian Gas Exports and Decarbonisation Study (\$402,000);
- progressing negotiation and implementation of various Native Title matters (\$393,000);
- support for the Australia Day Council of WA for delivery of the annual Western Australian of the Year Award (\$250,000);

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- funding to undertake an independent review of the employment arrangements for electorate officers of Members of Parliament (\$200,000); and
- additional motor vehicle lease costs (\$19,000).

These increases are partly offset by minor spending reductions across other activities (\$782,000).

Item 6: **Administered Grants, Subsidies and Other Transfer Payments** (\$127 million), mainly for financial support to Griffin Coal to ensure short-term continuity of coal supply, which was provisioned as part of the 2023-24 Mid-year Review (\$95.8 million), additional funding to meet the State's various obligations in relation to Aboriginal Engagement and Native Title matters (\$15.8 million), and later than expected timing of legal costs for the Stolen Wages Class Action Settlement (\$15.4 million).

Item 101: **Capital Appropriation** (\$815,000), due to timing changes of security upgrades required at Dumas House to comply with applicable Commonwealth security requirements (\$800,000) and revised vehicle lease costs (\$15,000).

Western Australian Electoral Commission

Item 9: **Delivery of Services** (\$4 million), to implement and administer improvements to the security and integrity of the 2025 State Election, including the leasing of larger early polling places to secure election material (\$2.4 million), and to implement legislated electoral reforms that include the requirement to provide candidates with the personal data of postal voting applicants, candidates to register How-to-Vote Cards, toilet facilities for campaign workers and the ability to enrol and vote on polling day, introduced as part of the Government's Electoral Reform program (\$1.6 million).

Item 104: **Capital Appropriation** (\$6,000), to reflect revised vehicle lease costs.

Treasury

Item 15: **Bunbury Water Corporation** (\$29,000), supporting higher than expected annual pensioner and senior concessions claim numbers.

Item 16: **Busselton Water Corporation** (\$133,000), supporting higher than expected annual pensioner and senior concessions claim numbers.

Item 17: **Electricity Generation and Retail Corporation (Synergy)** (\$361.2 million), primarily to facilitate payment of the Commonwealth Government's electricity rebates to households and eligible small business customers as announced in the Australian Government's 2024-25 Budget.

Item 19: **Public Transport Authority of Western Australia** (\$97.7 million), to meet higher interest payment and RiskCover premium costs, and for the provision of free travel as part of the Summer of Free Public Transport cost of living initiative and for regular Armadale Line passengers for the duration of the rail line's temporary closure.

Item 20: **Regional Power Corporation (Horizon Power)** (\$21.8 million), to facilitate payment of the Commonwealth Government's 2024-25 electricity rebates to households and eligible small business customers (\$13.8 million), and funding from the Industrial Land Development Fund to progress the Pilbara Green Link transmission project (\$8 million).

Item 37: **Provision for Government Wages Policy** (\$50.2 million), to meet the costs of industrial agreements that reached settlement in 2024-25 and to update the provision for the impact of 2024-25 Budget outcomes, partly offset by the carryover of unallocated funds for agreements yet to settle from 2024-25 into 2025-26.

Item 41: **State Property - Emergency Services Levy** (\$1.4 million), for higher than budgeted Emergency Services Levy payments on State-owned properties.

Item 42: **WA Health** (\$11.7 million), reflecting the carryover into 2024-25 of funding provisioned for contract cost pressures that was not drawn down in 2023-24.

Item 43: **All Other Grants, Subsidies and Transfer Payments** (\$7 million), including \$4.2 million to provide supplementary funding for the 27th Pay Accrued Salaries Treasurer's Special Purpose Account as a result of prior year funds being incorrectly returned to the Consolidated Account, and \$2.9 million to temporarily replace revenue previously budgeted to be received by the WorkCover WA Authority from the RiskCover Fund as a result of legislative changes.

New Item: **Gold Corporation** (\$4.3 million), for the State Battery Safety Program, which will assess and mitigate immediate safety risks associated with battery sites vested with the Corporation.

Item 107: **Capital Appropriation** (\$7,000), for revised vehicle lease costs.

Item 114: **Electricity Networks Corporation (Western Power)** (\$81.8 million), reflecting the relocation and upgrade of network assets across the metropolitan area (\$48.7 million), appropriation supporting the allocation from the Budget-time South West Interconnected System Demand Assessment – Northern Corridor Stage 1 provision to progress transmission network upgrades and expansion (\$18.7 million), upgrades to the electricity network in West Mundijong (\$14.5 million), and improving network capacity in Byford/Mundijong, Yanchep/Two Rocks and Wanneroo to support the delivery of residential land for housing development (\$14.3 million), partly offset by a reduction to Western Power's forecast equity contribution mainly reflecting the timing of customer-driven works (\$14.4 million).

Item 124: **Water Corporation** (\$34.3 million), to deliver water and wastewater infrastructure works supporting residential land development.

Item 125: **Western Australian Land Authority (DevelopmentWA)** (\$22.6 million), with \$20.6 million to reimburse DevelopmentWA for costs incurred in June 2024 to acquire industrial land in the Australian Marine Complex, and \$2 million for the Ocean Reef Marina development (originally expected to be drawn in 2023-24).

Office of the Auditor General

Item 44: **Delivery of Services** (\$91,000), for additional accommodation lease costs at Albert Facey House.

Item 131: **Capital Appropriation** (\$244,000), for fit-out works at Albert Facey House.

Finance

Item 132: **Capital Appropriation** (\$2 million), primarily for cost pressures related to the Kununurra Fit-out project (\$1.9 million), delivery of government office accommodation work (\$400,000) and IT system updates supporting the extension of the Off-the-Plan Duty Concessions scheme (\$260,000), partially offset by administration savings associated with the Household Electricity Credit scheme (\$475,000) and minor carryover (\$62,000).

Jobs, Tourism, Science and Innovation

Item 48: **Administered Grants, Subsidies and Other Transfer Payments** (\$37.4 million), largely for loans and grants as part of the Lithium Industry Support Program and for a payment to a Pilbara-based Aboriginal Corporation in relation to an existing land agreement.

Item 133: **Capital Appropriation** (\$19 million), for investments to support locally-based start-ups as part of the Government's Western Australian Venture Capital initiative.

Primary Industries and Regional Development

Item 49: **Delivery of Services** (\$47.6 million), primarily the combined impact of:

- higher than budgeted operating costs, including for ICT systems, repairs and maintenance, vehicles and vessels, and diagnostic and laboratory supplies (\$23.2 million);
- Western Australian biosecurity incident and emergency management response activities for the Queensland Fruit Fly Willagee, Red Dwarf Honey Bee Burrup, and the Common Starling (\$16.8 million);
- Western Australia's contribution to national biosecurity cost sharing commitments, including for Khapra Beetle, Electric Ant, and Highly Pathogenic Avian Influenza (\$6.1 million);
- increased costs associated with the management and decommissioning of the Department's South Perth site, and short-term accommodation acquisition costs for staff and services (\$6.1 million);
- funding for the Royal Agricultural Society of Western Australia to support the 2024 Perth Royal Show (\$5.5 million);
- lease costs at the new State Biosecurity Response Centre (\$5.4 million); and
- timing changes associated with the Busselton Jetty Marine Discovery Centre (\$7.1 million), the Kalbarri Foreshore project (\$3.8 million), the Carbon Farming and Land Restoration Program (\$3.4 million), and the Digital Foundation Program (\$3.1 million).

Energy, Mines, Industry Regulation and Safety

Item 51: **Delivery of Services** (\$5.8 million), mainly reflecting the extension of the Energy Transformation Strategy (\$1.6 million), resourcing for PoweringWA (\$1.4 million), extension of the application period for the Short-Term Rental Accommodation (STRA) Incentive Scheme, including grant payments to eligible property owners that convert STRA properties to a long-term rental property for a minimum of 12 months (\$1.3 million), administrative costs associated with the State's participation in the Perth Piping Industry Response (\$667,000), the Social Housing Energy Performance Initiative, which will provide energy efficiency upgrades across social housing properties in regional and remote Western Australia (\$522,000), and vehicle lease and Government Regional Officers Housing (GROH) costs (\$232,000).

Item 135: **Capital Appropriation** (\$154,000), for revised vehicle lease and GROH costs.

WA Health

Item 57: **Delivery of Services** (\$512.9 million), primarily to support higher activity in public hospitals and continued funding for additional workforce resourcing and other cost pressures (\$449.9 million), the cost of increased ambulance and patient transport activity in Western Australia (\$23 million), additional costs of blood and blood products under the National Blood Agreement (\$15.8 million), continuation of the Respiratory Syncytial Virus infant immunisation program in 2025 (\$7.6 million), costs to maintain health system warehousing capacity (\$7.3 million), and spending on the security of critical ICT servers (\$5.8 million).

Mental Health Commission

Item 58: **Delivery of Services** (\$50.8 million), primarily for additional funding for the operation of the Cockburn Clinic, the relocation of patients during the upgrade of Ward 5A at Perth Children's Hospital and for a suicide prevention package to support vulnerable members of the community (\$58.2 million). This increase is partially offset by recashflows resulting from revised project delivery timelines (\$7.4 million).

Item 59: **Mental Health Advocacy Service** (\$1.1 million), for the expansion of services required to support the *Criminal Law (Mental Impairment) Act 2023*.

Health and Disability Services Complaints Office

Item 62: **Delivery of Services** (\$2,000), for revised vehicle lease costs.

Education

Item 63: **Delivery of Services** (\$81.2 million), mainly driven by:

- an increase in centrally paid leave expenses for school staff (\$65.4 million);
- increases in student enrolments from 2025 above previous forecasts, including revised Commonwealth funding forecasts (\$66 million);
- additional GROH expenditure (\$11 million);

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- additional assistance through the clothing allowance under the Secondary Assistance Scheme (\$9.5 million);
- administration costs for the 2025 WA Student Assistance Payment (\$4.8 million);
- a payment to the City of Perth as part of the East Perth Primary School project (\$4.2 million);
- additional payments under historic casual long service leave arrangements (\$2.6 million); and
- a contract update under the Western Australian Schools Public Private Partnership Project (\$1.5 million).

These higher funding requirements are partly offset by a reduction in leave liability estimates (\$56.8 million) and an offsetting reduction in recognition of additional Commonwealth revenue following final reconciliation of the National Partnership on COVID-19 Response (\$31.9 million).

Item 64: **Administered Grants, Subsidies and Other Transfer Payments** (\$89.5 million), reflecting the budgeted value of payments under the Government's 2025 WA Student Assistant Payment initiative (\$82.1 million), an increase in grants to non-government schools due to higher than forecast enrolments (\$1.4 million), a one-off grant to establish a perpetual fund for the General Sir John Monash Foundation Scholarship (\$5 million) and payment of two one-off cost of living donations to Dandelions WA and Give Write (\$1 million).

Training and Workforce Development

Item 65: **Delivery of Services** (\$30.9 million), primarily reflecting:

- the delivery of additional publicly subsidised training, including low and fee free courses (\$37.2 million);
- extension of the Construction Visa Subsidy Program attracting skilled workers to the State (\$4.4 million);
- commencement of works to establish a Defence Centre of Excellence at South Metropolitan TAFE (\$2.1 million);
- additional regional housing at North Regional TAFE (\$1 million); and
- commencing the election commitment for the Adult Apprentice Incentive (\$300,000).

These increases are partly offset by revised timing of payments for the Group Training Organisation Wage Subsidy (\$5.8 million), Employer Incentive Scheme (\$4.1 million), the Mature-age and Ex-offenders Training and Employment Programs (\$2.2 million) and the Career Taster Program for Year 9 Students (\$1.9 million).

Western Australia Police Force

Item 66: **Delivery of Services** (\$106.5 million), mainly to address:

- operational service priorities and continue Operation Heat Shield for a further year (\$90.8 million);
- higher GROH expenditure (\$4.4 million);
- spending on the police officer recruitment campaign (\$3.3 million);
- implementation of knife crime legislative reforms (\$2.2 million);
- development of an offender reporting portal in support of the Community Protection (Offender Reporting) Act 2024 (\$2.1 million);
- an uplift in capability and frontline police optimisation for electronic monitoring in relation to the Family Violence Legislation Reform Act 2024 (\$2.1 million);
- further investment in firearms reform resourcing (\$2 million); and
- a range of other smaller movements.

These funding increases were partly offset by \$2.2 million of higher receipts from the Commonwealth following finalisation of the National Partnership on COVID-19 Response (with this funding provided in arrears following an acquittal process).

Item 143: **Capital Appropriation** (\$18.1 million), primarily reflecting an equity injection to maintain cash balances (\$20 million), a cost increase for the Fremantle District Police Complex (\$4.8 million), and additional funding for GROH (\$3.8 million). These increases are partially offset by the net impact of timing changes to align with updated project schedules across the agency's Asset Investment Program and other small movements (\$10.4 million).

Justice

Item 68: **Delivery of Services** (\$158.4 million), mainly for general cost and demand pressures, including growth in the prison population (\$108.8 million), cost increases for contracted court, custodial and rehabilitation services (\$22.1 million), additional funding to offset lower than expected revenue from court fees and fines (\$10 million), additional salaries expenditure (\$6.9 million), and implementation of the *Family Violence Legislation Reform Act 2024* (\$3.6 million).

Fire and Emergency Services

Item 70: **Delivery of Services** (\$22.2 million), for a range of unavoidable cost pressures, including:

- salary and overtime (\$8.6 million);
- property, fleet and equipment maintenance (\$6.5 million);
- RiskCover Insurance premiums (\$763,000);

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- GROH expenditure (\$379,000);
- ICT services (\$244,000);
- cost increases associated with the lease of two additional helicopters to bolster Western Australia's aerial firefighting capability during the high threat bushfire season (\$5.1 million); and
- an increase in employer contributions to the Western Australia Fire Emergency Services Superannuation Fund (\$887,000).

These increases are partially offset by employee salary costs that are now met under the *Salaries and Allowances Act 1975* (\$237,000) and lower than expected spending across a number of the Department's activities (\$72,000).

Office of the Director of Public Prosecutions

Item 72: **Delivery of Services** (\$128,000), to reflect revised vehicle lease expenses (\$88,000) and additional ICT costs (\$40,000).

Item 147: **Capital Appropriation** (\$71,000), for revised vehicle lease expenses.

Corruption and Crime Commission

Item 73: **Delivery of Services** (\$570,000), for software subscription costs, partly offset by a reduction in forecast capital expenditure on software licences.

Communities

Item 77: **Delivery of Services** (\$271.7 million), largely to address unavoidable key service demand and cost pressures, particularly in the child protection system (\$239.6 million), support for a range of community services initiatives, including responding to homelessness/rough sleeping and cost of living pressures (\$23.8 million), and to store and convert Temporary Accommodation Units to new homes in the Fitzroy Valley as part of the Kimberley Floods recovery (\$4.1 million). These funding increases are partially offset by reflows across other services (\$11.3 million).

Item 150: **Capital Appropriation** (\$3.7 million), mainly to deliver additional affordable and social housing dwellings funded by the Commonwealth's Housing Support Program – Priority Works Stream and Housing Australia Future Fund (\$8.7 million), and revised vehicle lease expenses and GROH costs (\$3.1 million), partly offset by the retiming of project cashflows to align with updated delivery schedules (\$8 million).

Local Government, Sport and Cultural Industries

Item 80: **Administered Grants, Subsidies and Other Transfer Payments** (\$9.8 million), reflecting an increase in GST gambling rebates provided to the Lotteries Commission.

Item 82: **Art and Culture Trust** (\$3.9 million), to fund increased operating costs associated with the management of the Trust's seven major metropolitan and regional venues and spaces, including His Majesty's Theatre, Perth Concert Hall, State Theatre Centre, and the Perth Cultural Precinct.

Item 85: **Western Australian Museum** (\$3.2 million), primarily to meet a shortfall in admission fee revenue in 2024-25 for Western Australian Museum Boola Bardip due to lower than expected visitor numbers (\$1.9 million), funding to support the Terracotta Warriors exhibition between June 2025 and February 2026 (\$1.5 million), and for the cost of providing free entry at Western Australian museums between 15 December 2024 and 31 March 2025 (\$1.1 million). This additional funding has been partially offset by the recashflow of expected revenue and expenses from 2024-25 to future years to reflect the adoption of a multimedia and audiovisual equipment lease arrangement for the Western Australian Museum Boola Bardip (\$1.2 million).

Item 151: **Capital Appropriation** (\$70.9 million), mainly reflecting:

- funding brought forward from 2025-26 and 2026-27 into 2024-25 as the construction of the Perth Film Studios is progressing ahead of schedule (\$78.9 million);
- funding to complete Pitches 3 and 4 at the Sam Kerr Football Centre (\$2.9 million);
- the establishment of a new Special Purpose Account for the Problem Gambling Support Fund as a result of the Department assuming responsibility for the Fund from the Gaming and Wagering Commission (\$2.8 million);
- replacement of the automated fly control system at the Heath Ledger Theatre (\$2.5 million);
- the installation of air conditioning across the Old Perth Boys School building areas leased by the Perth Institute of Contemporary Art (\$1.5 million);
- funding to support the financial sustainability of the Arts and Culture Trust (\$1.3 million); and
- support for the Le Pley Spinifex Art Collection for the Western Australian Museum Boola Bardip (\$814,000).

These additional funding changes have been partially offset by the recashflowing of funding from 2024-25 to 2025-26 and beyond for the Perth Concert Hall, Aboriginal Cultural Centre and Perth Cultural Centre, in line with revised timelines for capital payments (\$19.8 million).

Western Australian Sports Centre Trust

Item 86: **Delivery of Services** (\$4.6 million), predominantly for an increase in operating expenditure, following recent upgrades at the Sam Kerr Football Centre, HBF Park and Optus Stadium (\$4 million), additional funding to offset the loss of HBF naming rights revenue for the Perth High Performance Centre and Arena Joondalup and expenditure associated with major event funding, partly offset by improved operator outcomes at RAC Arena, and the transfer of funding to the Department of Creative Industries, Tourism and Sport to support Perth Glory's training facilities being located at the Herb Graham Recreational Centre.

Transport

Item 87: **Delivery of Services** (\$25.1 million), mainly for additional forecast Zero Emission Vehicle Rebate and Taxi User Subsidy Scheme payments, and to meet other contractual payments.

Commissioner of Main Roads

Item 89: **Delivery of Services** (\$39.6 million), largely due to higher interest payments on borrowings from the Western Australian Treasury Corporation (\$19.1 million), revised vehicle lease expenses (\$6.8 million), to address cost increases associated with existing local government road projects (\$3.8 million) and to undertake a road network gap analysis as part of the initiative to develop Strategic Industrial Areas in the Pilbara (\$3 million).

Planning, Lands and Heritage

Item 92: **Delivery of Services** (\$5.2 million), mainly for the delivery of the Housing Diversity Pipeline Round 2 (\$2.2 million), funding for temporary staffing costs (\$1.7 million), Project Definition Phase planning for Perth Convention and Exhibition Centre redevelopment (\$510,000), additional investigations as part of the Northampton Lead Tailings Project (\$507,000), and establishment of a State Lead Negotiator position to provide expertise for complex commercial negotiations and develop and grow the State's negotiating capability (\$245,000).

Item 160: **Capital Appropriation** (\$1 million), mainly for remediation works at the Mandurah seawall (\$968,000).

New Item: **Planning, Lands and Heritage Administered** (\$4.1 million), to return a previously overpaid transfer to the Consolidated Account.

Special Purpose Accounts

Special Purpose Accounts (SPAs) are established under various sections of the *Financial Management Act 2006* or by specific legislation (e.g. Royalties for Regions Fund). Accounts established by legislation are governed by the relevant provisions of the statute, while accounts that are established administratively are governed by a statement that outlines the purpose of the account.

This Appendix contains information on key SPAs. It is not an exhaustive list of all SPAs, but covers the major/material SPAs established to achieve priority policy outcomes. SPAs created for purely administrative purposes are not included in this Appendix but are reported on in agency annual reports. The forecast SPA balances (and transactions in and out of the accounts in this Appendix) form part of the overall consolidated projections outlined elsewhere in this Budget.

Asset Maintenance Fund

The Asset Maintenance Fund was established with a \$250 million appropriation in the 2023-24 Budget to fund high priority maintenance works, and ensure risks to service delivery, public safety, and asset condition are addressed.

Allocations to agencies totalling \$108 million in 2025-26 and a further \$30 million across 2026-27 and 2027-28 are reflected in this Budget. The major recipients of funding in 2025-26 include Education (\$37 million), Creative Industries, Tourism and Sport (\$19 million) and WA Health (\$14 million).

Table 5.1

ASSET MAINTENANCE FUND

| | 2024-25 \$m | 2025-26 \$m | 2026-27 \$m | 2027-28 \$m | 2028-29 \$m |
|------------------------|------------------|----------------|----------------|----------------|----------------|
| <i>Opening Balance</i> | 241 | 137 | 30 | 5 | - |
| Receipts | - ^(a) | - | - | - | - |
| Payments | 103 | 108 | 25 | 5 | - |
| Closing Balance | 137 | 30 | 5 | - | - |

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

Note: Columns may not add due to rounding.

Climate Action Fund

The Climate Action Fund was established in the 2021-22 Budget to hold funds for future climate action and renewable energy initiatives. Draw downs in 2024-25 total \$259 million and reflect funding for:

- Synergy decarbonisation works (\$179 million) for the King Rocks Wind Farm and the Collie Battery Energy Storage System;
- support for the transition away from native forest logging and for Collie's ongoing transition from emissions-intensive industries, through the Department of Energy and Economic Diversification (DEED, \$32 million); and
- other climate action initiatives across a range of agencies (\$47 million).

Allocations to be drawn in 2025-26 total \$250 million, with a further \$167 million to be drawn across the outyears. This funding is primarily for:

- various climate action initiatives delivered by DEED (\$194 million), including Collie's industrial transition, and renewable hydrogen projects;
- decarbonisation works for the King Rocks Wind Farm and expansion of the Warradarge Wind Farm by Synergy (\$102 million); and
- a range of other climate action initiatives across a number of agencies (\$56 million), including the Climate Science Initiative and acceleration of environmental approvals for green energy proposals.

The projections include \$80 million held as a global spending provision for initiatives to be approved in future Budgets.

Table 5.2

| CLIMATE ACTION FUND | | | | | |
|----------------------------|------------|------------|------------|-----------|----------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | 679 | 420 | 170 | 101 | 63 |
| Receipts | - | - | - | - | - |
| Payments | 259 | 250 | 69 | 38 | 60 |
| Closing Balance | 420 | 170 | 101 | 63 | 3 |

Note: Columns may not add due to rounding.

Debt Reduction Account

The Debt Reduction Account was established in 2017-18 to apply windfall receipts to reduce Consolidated Account borrowings. A total of \$8.2 billion has flowed through the Account since its creation in 2017-18, with receipts and payments for future years subject to Budget decisions. At this time, funds are not expected to flow through the Account over the forward estimates period.

DEBT REDUCTION ACCOUNT

Table 5.3

| | 2024-25 \$m | 2025-26 \$m | 2026-27 \$m | 2027-28 \$m | 2028-29 \$m |
|------------------------|----------------|----------------|----------------|----------------|----------------|
| <i>Opening Balance</i> | - | - | - | - | - |
| Receipts | - | - | - | - | - |
| Payments | - | - | - | - | - |
| Closing Balance | - | - | - | - | - |

Note: Columns may not add due to rounding.

Digital Capability Fund

The Digital Capability Fund was established in 2021-22 to provide funding to public sector entities for the upgrade of ICT systems to improve service delivery, enhance cyber security and mitigate operational risks. Almost \$1.4 billion has been appropriated to the Fund since its establishment.

Payments from the Fund totalling \$367 million in 2024-25 and \$516 million across the outyears will be made to 31 agencies. Larger allocations of these drawdowns are to WA Health (\$435.5 million), the Western Australian Land Information Authority (Landgate, \$115.8 million), the Department of the Premier and Cabinet (\$65.9 million), the Western Australia Police Force (\$60 million) and the Department of Transport and Major Infrastructure (\$36.6 million).

The residual \$26 million balance forecast at 30 June 2029 has been allocated beyond the current forward estimates period (including for Landgate's Spatial WA project). New initiatives in this Budget that are supported from the Fund are detailed in agency disclosures in Chapters 5 and 6.

DIGITAL CAPABILITY FUND

Table 5.4

| | 2024-25 \$m | 2025-26 \$m | 2026-27 \$m | 2027-28 \$m | 2028-29 \$m |
|------------------------|----------------|----------------|----------------|----------------|----------------|
| <i>Opening Balance</i> | 434 | 525 | 263 | 109 | 41 |
| Receipts | 458 | 17 | - | - | - |
| Payments | 367 | 279 | 154 | 68 | 15 |
| Closing Balance | 525 | 263 | 109 | 41 | 26 |

Note: Columns may not add due to rounding.

Ecological Thinning Account

This Account was established as part of the 2023-24 Mid-year Review, with funding set aside to conduct ecological thinning works under the 2024-2033 Forest Management Plan, to support activities that will reduce moisture stress and promote forest health. A total of \$150.6 million was appropriated to the Account over 2023-24 and 2024-25, with other receipts reflecting sales revenue from ecological thinning activities.

Drawdowns totalling \$43.1 million are forecast in 2025-26, with \$34.2 million allocated to support contractor payments, \$8.3 million for overheads, and \$500,000 for regeneration costs. A further \$139.1 million is allocated for these purposes over the outyears.

Table 5.5

| ECOLOGICAL THINNING ACCOUNT | | | | | |
|------------------------------------|------------|------------|------------|------------|------------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | 12 | 133 | 128 | 125 | 122 |
| Receipts | 161 | 38 | 42 | 44 | 44 |
| Payments | 41 | 43 | 46 | 46 | 47 |
| Closing Balance | 133 | 128 | 125 | 122 | 119 |

Note: Columns may not add due to rounding.

METRONET Account

This SPA was established in 2017 to support the delivery of METRONET transport infrastructure projects. Forecast receipts for 2025-26 reflect State and Commonwealth funding. Funds to be drawn during 2025-26 and beyond will support ongoing METRONET works.

Table 5.6

| METRONET ACCOUNT | | | | | |
|-------------------------|-----------|----------|----------|----------|----------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | 197 | 13 | - | - | - |
| Receipts | 2,223 | 756 | 179 | 57 | 112 |
| Payments | 2,407 | 769 | 179 | 57 | 112 |
| Closing Balance | 13 | - | - | - | - |

Note: Columns may not add due to rounding.

METRONET and Westport Roads Account

This Account was established in 2018 to hold funds for road works associated with METRONET, including projects under development. The purpose of the Account has been expanded to also apply funds for the delivery of future Westport road-related infrastructure works and associated costs.

Forecast payments over the four years to 2028-29 comprise \$545 million for roads associated with METRONET and \$368 million for Westport road projects.

Table 5.7

| METRONET AND WESTPORT ROADS ACCOUNT | | | | | |
|--|-----------|-----------|------------|------------|--------------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | 38 | 13 | 30 | 382 | 802 |
| Receipts | 343 | 420 | 499 | 573 | 652 |
| Payments | 368 | 403 | 146 | 153 | 211 |
| Closing Balance | 13 | 30 | 382 | 802 | 1,244 |

Note: Columns may not add due to rounding.

Metropolitan Region Improvement Fund

This Account was established under *the Metropolitan Region Improvement Tax Act 1959* to hold funds for the management of the Metropolitan Region Scheme, including receipts from the Metropolitan Region Improvement Tax (MRIT).

Receipts in the four years to 2028-29 mainly reflect MRIT collections (\$466 million), rent and interest income (\$128 million), and proceeds from the sale of land and buildings (\$35 million). Payments over the same period are mainly for the acquisition of other land and buildings (\$162 million), service delivery costs (\$127 million), compensation payments for land acquisition (\$20 million) and works in progress on a range of smaller infrastructure projects (\$6 million).

Table 5.8

| METROPOLITAN REGION IMPROVEMENT FUND | | | | | |
|---|------------|------------|------------|------------|------------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | 452 | 453 | 528 | 604 | 685 |
| Receipts | 135 | 161 | 152 | 159 | 163 |
| Payments | 134 | 85 | 77 | 77 | 77 |
| Closing Balance | 453 | 528 | 604 | 685 | 771 |

Note: Columns may not add due to rounding.

Mining Rehabilitation Fund

The Mining Rehabilitation Fund was established in 2013 to hold levy collections under the *Mining Rehabilitation Fund Act 2012*.

Receipts reflect forecast levy contributions from mining operators and interest earned on the Fund balance. Funds are used to undertake rehabilitation activities where a tenement operator fails to meet rehabilitation obligations, and all other options available to recover funds from the operator have been exhausted. Interest earnings are used to support administration of the Fund, and for rehabilitation works at abandoned mine sites.

Table 5.9

| MINING REHABILITATION FUND | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | 321 | 352 | 367 | 378 | 386 |
| Receipts | 62 | 58 | 58 | 58 | 58 |
| Payments | 31 | 44 | 47 | 50 | 39 |
| Closing Balance | 352 | 367 | 378 | 386 | 405 |

Note: Columns may not add due to rounding.

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

This Account was established in 2018 to meet the cost of payments associated with the State's participation in the National Redress Scheme, and to meet civil litigation claims by survivors of institutional child sexual abuse. The Scheme is legislated to end on 30 June 2028.

Receipts totalling \$10 million in 2024-25 and \$82 million in 2025-26 reflect Government decisions to allocate additional funding to this Account to meet an increase in forecast drawdowns for scheme payments, civil litigation claims and administration costs across the forward estimates period.

Table 5.10

NATIONAL REDRESS SCHEME AND CIVIL LITIGATION FOR SURVIVORS OF INSTITUTIONAL CHILD SEXUAL ABUSE ACCOUNT

| | 2024-25 \$m | 2025-26 \$m | 2026-27 \$m | 2027-28 \$m | 2028-29 \$m |
|------------------------|----------------|----------------|----------------|----------------|----------------|
| <i>Opening Balance</i> | 87 | 27 | 47 | 10 | 1 |
| Receipts | 10 | 82 | - | - | - |
| Payments | 70 | 62 | 36 | 10 | - |
| Closing Balance | 27 | 47 | 10 | 1 | 1 |

Note: Columns may not add due to rounding.

New Women and Babies Hospital Account

This Account was established in 2021-22 with an allocation of \$1,787 million to support the New Women and Babies Hospital Project. Since the 19 April 2025 Budget cut-off, the managing contractor has been appointed to deliver the project, and a completion date of 2029 has been confirmed. Updates to the timings of payments will be made as part of a future Budget process to reflect contractual arrangements.

Table 5.11

NEW WOMEN AND BABIES HOSPITAL ACCOUNT

| | 2024-25 \$m | 2025-26 \$m | 2026-27 \$m | 2027-28 \$m | 2028-29 \$m |
|------------------------|----------------|----------------|----------------|----------------|----------------|
| <i>Opening Balance</i> | 1,764 | 1,749 | 1,613 | 1,465 | 895 |
| Receipts | - | - | - | - | - |
| Payments | 15 | 136 | 148 | 570 | 136 |
| Closing Balance | 1,749 | 1,613 | 1,465 | 895 | 758 |

Note: Columns may not add due to rounding.

Perth Parking Licensing Account

This Account was established in 1999 to hold funds raised through the licensing of parking spaces to support the provision of a balanced transport system within central Perth as well as preserve and enhance the city's environment. Receipts consist of licence fees, penalties and money appropriated by Parliament.

Funds drawn from the Account are spent on the Central Area Transit (CAT) bus system and other free public transport services within central Perth, improving the public transport, cycling and walking environment, enhancing the central city's amenity and liveability, and administering the *Perth Parking Management Act 1999*.

PERTH PARKING LICENSING ACCOUNT

Table 5.12

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|------------------------|------------|------------|------------|------------|------------|
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | 183 | 173 | 204 | 234 | 269 |
| Receipts | 62 | 64 | 67 | 69 | 70 |
| Payments | 72 | 34 | 37 | 34 | 27 |
| Closing Balance | 173 | 204 | 234 | 269 | 312 |

Note: Columns may not add due to rounding.

Remote Communities Fund

The Remote Communities Fund was established as part of the 2022-23 Budget, with a \$350 million State contribution to support essential infrastructure and services in remote Aboriginal communities in Western Australia.

As part of the 2022-23 Mid-year Review, monies held in the Fund were allocated to Horizon Power and the Water Corporation to upgrade water, wastewater, and power services (\$200 million), and to the Department of Communities¹ (\$150 million) to build new houses, upgrade existing houses, and undertake municipal works.

Drawdowns from the Fund reflect the timing of these projects, including \$112.7 million in 2025-26 on essential water and power upgrades (\$72.8 million) and housing and municipal services (\$39.8 million).

REMOTE COMMUNITIES FUND

Table 5.13

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|------------------------|------------|------------|-----------|----------|----------|
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | 295 | 213 | 100 | 52 | - |
| Receipts | - | - | - | - | - |
| Payments | 83 | 113 | 48 | 52 | - |
| Closing Balance | 213 | 100 | 52 | - | - |

Note: Columns may not add due to rounding.

Resources Community Investment Initiative

The Resources Community Investment Initiative was established in November 2022 to facilitate contributions from the resources industry to support the delivery of State infrastructure projects and community initiatives across Western Australia.

¹ This funding is allocated to the Housing Authority, which will become part of the Department of Housing and Works from 1 July 2025 as part of the Government's 2025 Public Sector Reforms.

Resource industry contributions of up to \$32 million over 2024-25 to 2029-30 will support the Pilbara Safe Spaces and the Perth Zoo.

Table 5.14

| RESOURCES COMMUNITY INVESTMENT INITIATIVE | | | | | |
|--|-----------|-----------|-----------|----------|----------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | - | 13 | 20 | 17 | 7 |
| Receipts | 13 | 12 | 2 | 2 | 2 |
| Payments | - | 4 | 5 | 12 | 4 |
| Closing Balance | 13 | 20 | 17 | 7 | 6 |

Note: Columns may not add due to rounding.

Road Trauma Trust Account

This Account was established to provide for road safety initiatives. Receipts reflect prescribed penalties paid during the year, other funds collected under the *Road Traffic (Administration) Act 2008*, and interest revenue earned on the Account balance.

Drawdowns from the Account in 2025-26 are mainly for:

- investment in road infrastructure, including the Regional Road Safety Program, the Metropolitan Intersections project, and school zones and crossings managed by Main Roads;
- spending on enforcement, including camera operations and the Impaired Driving Detection Program delivered by the Western Australia Police Force;
- infringement and demerit point processing by the Department of Transport and Major Infrastructure;
- community engagement and education activities; and
- data-driven decision-making in road trauma response and support, including the State Trauma Registry, Road Trauma Support Service and road intelligence software.

The Account balance is forecast to reduce across the forward estimates period, as remaining funds are drawn down for committed road safety initiatives.

Table 5.15

| ROAD TRAUMA TRUST ACCOUNT | | | | | |
|----------------------------------|-----------|-----------|-----------|-----------|-----------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | 120 | 86 | 54 | 33 | 18 |
| Receipts | 120 | 127 | 129 | 130 | 131 |
| Payments | 154 | 159 | 150 | 145 | 133 |
| Closing Balance | 86 | 54 | 33 | 18 | 16 |

Note: Columns may not add due to rounding.

Royalties for Regions Fund

The Royalties for Regions (RfR) Fund was established in 2008 to set aside a share of the State's annual royalty income to fund investment in regional Western Australia.

Receipts reflect interest on Fund balances, the return of unused funds by agencies, and the statutory funding for the program based on 25% of forecast royalty income at the time of the 2025-26 Budget (adjusted for the \$1 billion legislated cap on the Fund balance). Payments from the Fund include transfers to agencies that deliver RfR projects supporting infrastructure, business, economic development and other regional activities.

Details of the RfR program (and other regional spending) are available in Chapter 7: *Investing in Regional Western Australia*.

ROYALTIES FOR REGIONS FUND

Table 5.16

| | 2024-25 \$m | 2025-26 \$m | 2026-27 \$m | 2027-28 \$m | 2028-29 \$m |
|------------------------|----------------|----------------|----------------|----------------|----------------|
| <i>Opening Balance</i> | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Receipts | 988 | 1,274 | 1,028 | 870 | 829 |
| Payments | 988 | 1,274 | 1,028 | 870 | 829 |
| Closing Balance | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |

Note: Columns may not add due to rounding.

Royalties for Regions Regional Reform Fund

This Fund was approved as part of the 2015-16 Budget to receive \$150 million, transferred from the RfR Fund. Drawdowns are to support strategic reforms in regional Western Australia, with a focus on regional Aboriginal reform initiatives.

An additional \$37 million is to be paid into the Fund over the four years to 2028-29 to support the provision of funding for improvements to essential and municipal services in remote Aboriginal communities, Pilbara Safe Spaces program, North West Aboriginal Housing initiative, On-country Residential Youth Facilities, East Kimberley and Hedland Transitional Housing projects, Robe River Kuruma Pathway Support program, and Jalbi Jiya (Your Home) program.

ROYALTIES FOR REGIONS REGIONAL REFORM FUND

Table 5.17

| | 2024-25 \$m | 2025-26 \$m | 2026-27 \$m | 2027-28 \$m | 2028-29 \$m |
|------------------------|----------------|----------------|----------------|----------------|----------------|
| <i>Opening Balance</i> | 6 | - | - | - | - |
| Receipts | 8 | 10 | 13 | 6 | 8 |
| Payments | 14 | 10 | 13 | 6 | 8 |
| Closing Balance | - | - | - | - | - |

Note: Columns may not add due to rounding.

Social and Affordable Housing Investment Fund

The Social and Affordable Housing Investment Fund (SAHIF) was established as part of the 2021-22 Budget to increase the supply of social housing. As part of the 2024-25 Budget, the purpose of the Fund was expanded to include support of affordable housing initiatives.

An additional \$246 million has been approved as part of the 2025-26 Budget to fund priority social and affordable housing projects to be delivered as part of the second round of Housing Australia Future Fund projects, taking the Government's total investment in the SAHIF to \$1.9 billion since its inception.

In 2025-26, \$428 million is forecast to be drawn from the Fund, to support progress towards the Government's commitment to delivering more than 5,800 social housing dwellings by 2028-29.

Table 5.18

| SOCIAL AND AFFORDABLE HOUSING INVESTMENT FUND | | | | | |
|--|------------|------------|------------|----------|----------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | 693 | 662 | 313 | 167 | 6 |
| Receipts | 400 | 80 | 246 | - | - |
| Payments | 431 | 428 | 393 | 161 | - |
| Closing Balance | 662 | 313 | 167 | 6 | 6 |

Note: Columns may not add due to rounding.

Softwood Plantation Expansion Fund

This Fund was established in 2021-22 as part of the Government's Climate Action package, with \$350 million set aside to expand the State's softwood plantation estate and support the Western Australian timber and construction industries. Initiatives supported by investment from the Fund will also offset carbon dioxide production and support regional employment. Drawdowns from the Fund support the acquisition of land and costs associated with the establishment of softwood plantations across the forward estimates period.

Table 5.19

| SOFTWOOD PLANTATION EXPANSION FUND | | | | | |
|---|------------|------------|------------|-----------|-----------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | 254 | 205 | 155 | 104 | 93 |
| Receipts | - | - | - | - | - |
| Payments | 50 | 50 | 51 | 11 | 10 |
| Closing Balance | 205 | 155 | 104 | 93 | 83 |

Note: Columns may not add due to rounding.

Strategic Industries Fund

The Strategic Industries Fund was established as part of the 2024-25 Budget to support the development and activation of Western Australia's industrial areas, including for the acquisition of industrial land, the provision of enabling infrastructure and the case management of industry proponents.

A further \$500 million has been allocated to the Fund in the 2025-26 Budget as part of the Made in WA plan, taking the Government's total investment in the Fund to \$1 billion. This represents a significant commitment to invest in making land project-ready for industry projects to diversify the State's economy.

Activating industrial areas requires significant coordination and the consideration of a broad range of matters including native title and cultural heritage, land supply, water and power supply, road and port access and environmental approvals. A process is underway across Government to prioritise and sequence the State's investment, with input from industry, to unlock these industrial areas for new and major projects.

At the 2024-25 Budget, \$186 million was allocated from the Fund, primarily to DevelopmentWA for industrial land acquisition, the Department of Energy and Economic Diversification to establish a program management office to support the delivery of this program, and planning activities in the Goldfields and South West regions.

This Budget allocates a further \$22 million from the Fund over the forward estimates period, including to establish an Advanced Manufacturing and Technology Hub in Bunbury and to carry out road upgrades in the Kemerton and Kwinana Strategic Industrial Areas (see Chapter 5 for further details). A total of \$792 million remains in the Fund to be allocated to new initiatives in future Budgets.

STRATEGIC INDUSTRIES FUND

Table 5.20

| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
|------------------------|------------|------------|------------|------------|------------|
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | - | 488 | 787 | 795 | 799 |
| Receipts | 500 | 455 | 25 | 20 | - |
| Payments | 12 | 156 | 17 | 16 | 7 |
| Closing Balance | 488 | 787 | 795 | 799 | 792 |

Note: Columns may not add due to rounding.

Waste Avoidance and Resource Recovery Account

The Waste Avoidance and Resource Recovery Account was established in 2008 under section 79 of the *Waste Avoidance and Resource Recovery Act 2007* to hold revenue allocated from the waste levy. The purpose of the Account is to fund nominated programs and other waste management initiatives approved by the Minister for Environment.

Table 5.21

| WASTE AVOIDANCE AND RESOURCE RECOVERY ACCOUNT | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | 41 | 34 | 28 | 26 | 27 |
| Receipts | 24 | 21 | 21 | 21 | 21 |
| Payments | 32 | 27 | 22 | 21 | 17 |
| Closing Balance | 34 | 28 | 26 | 27 | 31 |

Note: Columns may not add due to rounding.

Western Australian Future Health Research and Innovation Fund

The Western Australian Future Health Research and Innovation Fund (the Fund) was established under the *Western Australian Future Fund Amendment (Future Health Research and Innovation Fund) Act 2020*. This Act allocates 1% of forecast annual royalties to the Fund each year, with forecast royalty income of \$82.5 million and a further \$49.3 million in interest income in 2025-26. Interest income is projected to increase from 2026-27 as investments are transitioned to higher returning asset classes.

Table 5.22

| WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH AND INNOVATION FUND | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | 1,764 | 1,842 | 1,924 | 1,998 | 2,070 |
| Receipts | 130 | 132 | 148 | 146 | 157 |
| Payments | 52 | 49 | 74 | 74 | 74 |
| Closing Balance | 1,842 | 1,924 | 1,998 | 2,070 | 2,152 |

Note: Columns may not add due to rounding.

Payments from the Fund each year reflect the on-passing of budgeted interest earnings to WA Health, and are held in the Western Australian Future Health Research and Innovation Account (see following table). Payments of \$56 million from the Account are forecast in 2025-26 (\$292 million over the four years to 2028-29), supporting a range of health, medical research, innovation and commercialisation activities in Western Australia.

Table 5.23

| WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH AND INNOVATION ACCOUNT | | | | | |
|---|-----------|-----------|----------|----------|----------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | \$m | \$m | \$m | \$m | \$m |
| <i>Opening Balance</i> | 43 | 25 | 18 | 7 | 4 |
| Receipts | 52 | 49 | 74 | 74 | 74 |
| Payments | 70 | 56 | 85 | 77 | 74 |
| Closing Balance | 25 | 18 | 7 | 4 | 4 |

Note: Columns may not add due to rounding.

Western Australian Student Assistance Payment Fund

This Fund was re-established as part of the 2025-26 Budget, with a \$82.3 million allocation to support Western Australian families with a 2025 payment of \$150 for each kindergarten and primary student, and \$250 for each secondary student, to assist with out-of-pocket schooling expenses. Students must be currently enrolled in a Western Australian public or non-government school, or be registered for home education. The initiative commenced on 28 April 2025 and will close on 4 July 2025.

Table 5.24

WESTERN AUSTRALIAN STUDENT ASSISTANCE PAYMENT FUND (a)

| | 2024-25 \$m | 2025-26 \$m | 2026-27 \$m | 2027-28 \$m | 2028-29 \$m |
|------------------------|----------------|----------------|----------------|----------------|----------------|
| <i>Opening Balance</i> | - | - | - | - | - |
| Receipts | 82 | - | - | - | - |
| Payments | 82 | - (b) | - | - | - |
| Closing Balance | - | - | - | - | - |

(a) The Western Australian Student Assistance Payment Fund established as part of the 2024-25 Budget has been closed, with 2024-25 payments of \$2.9 million and unused residual funding of \$19 million returned to the Consolidated Account. This Fund reflects a new SPA of the same name for the new assistance payment in 2025.

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

Note: Columns may not add due to rounding.

Westport Account

This Account was established as part of the 2021-22 Budget to support the Westport project through an initial \$400 million contribution. A further \$252 million of joint State and Commonwealth funding and \$6 million of rental income is forecast to be paid into the Account over the period 2025-26 to 2028-29, with the funding to be drawn down for approved Westport enabling works.

Drawdowns totalling \$385.6 million are forecast over the period 2025-26 to 2028-29, including to progress detailed project definition planning for the port, rail and road components of the project, Westport Office costs, strategic land acquisitions, and environmental offsets.

Table 5.25

WESTPORT ACCOUNT

| | 2024-25 \$m | 2025-26 \$m | 2026-27 \$m | 2027-28 \$m | 2028-29 \$m |
|------------------------|----------------|----------------|----------------|----------------|----------------|
| <i>Opening Balance</i> | 322 | 128 | 22 | 22 | - |
| Receipts | 13 | 75 | 82 | 60 | 40 |
| Payments | 207 | 181 | 81 | 83 | 40 |
| Closing Balance | 128 | 22 | 22 | - | - |

Note: Columns may not add due to rounding.

2025-26 Economic and Fiscal Outlook

State Government Social Concessions Expenditure Statement

Introduction

The State Government provides social concessions in the form of rebates, discounts and waivers for services, and subsidies to help reduce the cost of living for individuals and families in need.

This appendix reports the entire range of social concessions provided by State Government agencies. The information provided reflects actual expenditure on each social concession by agency in 2023-24, and estimated expenditure in 2024-25 and 2025-26.

The total value of State Government social concessions in 2025-26 is estimated at \$4 billion, including \$2.4 billion in operating subsidies for electricity, water, and public transport services¹. These concessions are ongoing and are in addition to the 2025 WA Student Assistance Payment implemented in this Budget.

General Notes on the Statement

For the purposes of this appendix, social concessions are defined as:

- discounts, rebates and waivers for services, and subsidies to improve access to, and affordability of, a range of services based on eligibility criteria related to factors such as age, income and special needs or disadvantage; and
- concessional prices for services provided by public non-financial corporations where the price charged to all consumers is less than the full cost of service provision, and grants paid to private and State training providers to subsidise the cost of training services.

The information in this appendix is compiled from agency information.

¹ Operating subsidies for social concessions purposes form the vast bulk of operating subsidies reported in Appendix 8: *Public Corporations and Major Tariffs, Fees and Charges*.

2025–26 Economic and Fiscal Outlook

The method of estimating the value of concessions varies. In some cases, the estimate reflects the amount of a good or service consumed at the concessional price or fare and is the difference between the concession and the otherwise applicable price or fare. In others, such as those involving a fixed annual charge, the estimates reflect the rebate or subsidy paid.

The estimated number of recipients is recorded against each social concession. Where the number of unique recipients is not recorded, the number of occasions the concession has been accessed is used instead.

Table 6.1

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

| | 2023-24 | 2023-24 | 2024-25 | 2024-25 | 2025-26 | 2025-26 |
|---|---------------|------------|---------------|------------|---------------|------------|
| | Actual | Actual | Estimated | Estimated | Budget | Budget |
| | \$'000 | Recipients | Actual | Actual | Estimate | Estimate |
| | | | \$'000 | Recipients | \$'000 | Recipients |
| BIODIVERSITY, CONSERVATION AND ATTRACTIONS | | | | | | |
| Perth Zoo | | | | | | |
| - Children Under Four – Free Entry ^(a) | 5,667 | 156,122 | 5,097 | 133,792 | 6,052 | 155,198 |
| - Children's Discount ^(a) | 1,671 | 92,068 | 1,503 | 78,899 | 1,785 | 91,523 |
| - Education Excursion Discount ^(a) | 848 | 36,699 | 771 | 31,450 | 1,004 | 36,482 |
| - Seniors and Concession Card Discounts ^(a) | 431 | 57,509 | 389 | 49,283 | 463 | 57,169 |
| - Carers – Free Entry ^(a) | 270 | 7,436 | 243 | 6,372 | 288 | 7,392 |
| National Parks | | | | | | |
| - Day Entrance Fee Concessions | 497 | 70,981 | 497 | 70,981 | 497 | 70,981 |
| - Annual Pass Concessions | 120 | 2,401 | 120 | 2,401 | 120 | 2,401 |
| - RAC Concession Passes | 111 | 4,442 | 111 | 4,442 | 111 | 4,442 |
| Camping Concessions | 829 | 182,612 | 829 | 182,612 | 829 | 182,612 |
| Valley of the Giants Tree Top Walk Concession | 98 | 19,550 | 98 | 19,550 | 98 | 19,550 |
| Monkey Mia Conservation Park Entry Fee Concessions | | | | | | |
| - Day Entry Pass Fee | 89 | 19,572 | 89 | 19,572 | 89 | 19,572 |
| - Monthly Entry Fee | 22 | 4,921 | 22 | 4,921 | 22 | 4,921 |
| Rottnest Island | | | | | | |
| - Tour Concessions (Wadjemup Lighthouse and Oliver Hill Gun and Tunnel) | 9 | 3,143 | 9 | 3,350 | 10 | 3,575 |
| - Bike Hire (Pedal and Flipper) | 7 | 1,253 | 5 | 1,003 | 6 | 1,083 |
| Leeuw in-Naturaliste National Park | | | | | | |
| - Calgardup Cave | 4 | 723 | 4 | 723 | 4 | 723 |
| - Giants Cave | 2 | 288 | 2 | 288 | 2 | 288 |
| Yanchep National Park | | | | | | |
| - Crystal Cave Concessions ^(b) | 1 | 241 | 4 | 1,200 | 4 | 1,200 |
| Dryandra Woodland Barna | | | | | | |
| - Mia Night Tour Concession Fee | 4 | 745 | 4 | 745 | 4 | 745 |
| Sub Total | 10,679 | | 9,797 | | 11,388 | |
| BUNBURY WATER CORPORATION | | | | | | |
| Pensioners and Seniors Consumption Rebate ^(c) | 563 | 4,377 | 562 | 4,377 | 611 | 4,377 |
| Pensioners and Seniors Supply Charge Rebate ^(c) | 343 | 3,708 | 351 | 3,708 | 382 | 3,708 |
| Ex-Gratia Water (Leak) Allowance ^(d) | 289 | 199 | 294 | 199 | 301 | 199 |
| Sub Total | 1,195 | | 1,207 | | 1,294 | |
| BUSSELTON WATER CORPORATION | | | | | | |
| Pensioners and Seniors Consumption Rebate ^(c) | 467 | 3,398 | 535 | 3,398 | 464 | 3,490 |
| Pensioners and Seniors Supply Charge Rebate ^(c) | 343 | 3,988 | 357 | 3,988 | 343 | 4,071 |
| Ex-Gratia Water (Leak) Allowance ^(d) | 54 | 84 | 50 | 78 | 45 | 70 |
| Sub Total | 864 | | 942 | | 852 | |
| COMMUNITIES | | | | | | |
| Seniors Cost of Living Rebate ^(e) | 28,862 | 316,539 | 38,278 | 348,935 | 33,948 | 361,135 |
| Sub Total | 28,862 | | 38,278 | | 33,948 | |

Note: Columns may not add due to rounding. There are no subtotals for recipient numbers due to the different methods used to calculate these values. Footnotes are on the last page of the table.

Table 6.1 (cont.)

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

| | 2023-24 | 2023-24 | 2024-25 | 2024-25 | 2025-26 | 2025-26 |
|---|----------------|------------|----------------|------------|----------------|------------|
| | Actual | Actual | Estimated | Estimated | Budget | Budget |
| | \$'000 | Recipients | \$'000 | Actual | Estimate | Estimate |
| | | | | Recipients | \$'000 | Recipients |
| CREATIVE INDUSTRIES, TOURISM AND SPORT | | | | | | |
| KidSport Financial Assistance Vouchers ^(f) | 6,214 | 32,219 | 9,529 | 37,835 | 8,212 | 36,500 |
| Museum Concessions ^(g) | 2,781 | 294,744 | 8,401 | 637,058 | 2,953 | 281,824 |
| Arts and Culture Trust Concessions ^(h) | 421 | 22,795 | 498 | 24,524 | 510 | 25,060 |
| Holiday Camps (aka Recreation Camp Fee Concessions) | 25 | 683 | 16 | 550 | 18 | 600 |
| Sub Total | 9,441 | | 18,444 | | 11,693 | |
| EDUCATION | | | | | | |
| Secondary Assistance Scheme | | | | | | |
| - Clothing Allowance ⁽ⁱ⁾ | 2,900 | 25,216 | 10,649 | 26,365 | 3,096 | 26,925 |
| - Education Program Allowance | 5,925 | 25,216 | 6,196 | 26,365 | 6,327 | 26,925 |
| - Abstudy Supplement ⁽ⁱ⁾ | 23 | 286 | 3 | 35 | - | - |
| Boarding Allowance from Home Allowance | | | | | | |
| - Isolated Children and Students in Respite | 1,429 | 1,077 | 1,455 | 1,066 | 1,510 | 1,079 |
| - Agriculture College – Special Subsidy | 408 | 314 | 436 | 326 | 447 | 326 |
| - Gifted and Talented Program | 49 | 40 | 53 | 39 | 59 | 46 |
| Sub Total | 10,734 | | 18,792 | | 11,439 | |
| GOLD CORPORATION | | | | | | |
| Perth Mint Admission Concessions | 49 | 16,205 | 49 | 16,205 | 49 | 16,205 |
| Sub Total | 49 | | 49 | | 49 | |
| HEALTH | | | | | | |
| Ambulance Services for Seniors | 122,744 | 231,125 | 133,805 | 238,059 | 142,643 | 245,201 |
| Patient Assisted Travel Scheme | | | | | | |
| - WA Country Health Service ^(k) | 45,709 | 36,937 | 53,720 | 37,583 | 60,040 | 38,250 |
| - Peel Health Service | 15 | 41 | 15 | 38 | 14 | 35 |
| Subsidised Dental Care | | | | | | |
| - Oral Health Centre of WA | 14,584 | 14,011 | 16,486 | 14,685 | 17,063 | 15,199 |
| - Dental Health Services | 14,937 | 46,516 | 15,645 | 46,768 | 16,114 | 46,768 |
| Dental Subsidy Schemes | | | | | | |
| - Metropolitan Patients | 4,507 | 13,720 | 5,000 | 13,946 | 5,150 | 13,812 |
| - Country Patients | 4,057 | 15,167 | 4,400 | 15,275 | 4,532 | 15,128 |
| Spectacle Subsidy Scheme ^(e) | 2,169 | 40,856 | 2,661 | 48,980 | 2,866 | 52,742 |
| Patient Cabcharge | 1,115 | 17,909 | 1,231 | 20,420 | 1,307 | 21,239 |
| Community Pharmacies ^(l) | 939 | 11,316 | 916 | 10,983 | 930 | 10,525 |
| Child and Adolescent Health Service | | | | | | |
| - Concession Parking | 359 | 23,083 | 370 | 24,825 | 392 | 25,570 |
| - Patient Meal Vouchers | 99 | 3,629 | 110 | 3,780 | 119 | 3,969 |
| - Patient Pre-loaded SmartRiders | 4 | 723 | 4 | 723 | 4 | 723 |
| Regional Access Support Scheme – Voluntary | | | | | | |
| - Assisted Dying | 146 | 77 | 200 | 95 | 220 | 120 |
| Home Haemodialysis Subsidy | 63 | 113 | 62 | 107 | 64 | 110 |
| Sub Total | 211,448 | | 234,625 | | 251,460 | |

Note: Columns may not add due to rounding. There are no subtotals for recipient numbers due to the different methods used to calculate these values. Footnotes are on the last page of the table.

Table 6.1 (cont.)

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

| | 2023-24 | 2023-24 | 2024-25 | 2024-25 | 2025-26 | 2025-26 |
|--|----------------|------------|----------------|------------|----------------|----------|
| | Actual | Actual | Estimated | Estimated | Budget | Budget |
| | \$'000 | Recipients | \$'000 | Recipients | Estimate | Estimate |
| HORIZON POWER | | | | | | |
| Tariff Equalisation Contribution ^{(c)(m)} | 197,000 | n/a | 230,000 | n/a | 242,000 | n/a |
| Tariff Adjustment Payment ^{(c)(n)} | 2,178 | 36,891 | 2,474 | 37,360 | n/a | n/a |
| Energy Assistance Payment ^(c) | 1,956 | 8,047 | 2,171 | 7,140 | 2,254 | 7,214 |
| Air Conditioning Rebate – Electricity ^(c) | 1,010 | 2,895 | 1,207 | 2,841 | 1,253 | 2,851 |
| Dependent Child Rebate ^(c) | 849 | 2,864 | 1,009 | 2,501 | 1,048 | 2,534 |
| Power for Remote Water and Waste Water Services ^(c) | 1,527 | 52 | 1,005 | 52 | 1,030 | 52 |
| Tariff Migration (Caravan Park Subsidy) ^(c) | 60 | 5 | 40 | 5 | 21 | 5 |
| Sub Total | 204,580 | | 237,906 | | 247,606 | |
| HOUSING AND WORKS | | | | | | |
| Rental Subsidy | 298,231 | 33,707 | 302,467 | 33,888 | 319,491 | 35,088 |
| Bond Assistance Loan Scheme – Interest Foregone | 220 | 7,107 | 321 | 7,975 | 347 | 9,086 |
| Centenarian Initiative ^(e) | 11 | 2 | 37 | 4 | 37 | 4 |
| Rental Sales Scheme Subsidy ^(o) | 29 | 11 | 75 | 25 | 45 | 15 |
| Sub Total | 298,491 | | 302,900 | | 319,920 | |
| INSURANCE COMMISSION OF WESTERN AUSTRALIA | | | | | | |
| Farm Vehicles – 50% Insurance Premium Rebate | | | | | | |
| | 1,424 | 7,769 | 1,475 | 7,855 | 1,543 | 8,001 |
| Voluntary Emergency Vehicles | 129 | 734 | 128 | 721 | 134 | 735 |
| Sub Total | 1,552 | | 1,603 | | 1,677 | |
| JUSTICE | | | | | | |
| Legal Aid Concessions | 74,821 | 168,746 | 84,097 | 162,270 | 84,097 | 162,270 |
| Public Trustee Concessions | 8,132 | 6,381 | 8,557 | 6,394 | 8,490 | 6,394 |
| Court and Tribunal Concessions | 4,692 | 14,176 | 4,944 | 14,680 | 5,164 | 14,930 |
| Registry of Births, Deaths and Marriages ^(p) | 90 | 1,228 | 165 | 2,659 | 167 | 2,590 |
| Sub Total | 87,735 | | 97,763 | | 97,918 | |
| KEYSTART | | | | | | |
| Hardship Program ^(q) | n/a | 1,302 | n/a | 1,623 | n/a | 1,623 |
| LOCAL GOVERNMENT, INDUSTRY REGULATION AND SAFETY | | | | | | |
| Building Commission – Complaint Fee Concessions | | | | | | |
| | 7 | 120 | 8 | 124 | 8 | 124 |
| Sub Total | 7 | | 8 | | 8 | |
| MINES, PETROLEUM AND EXPLORATION | | | | | | |
| Fee for Objection | 37 | 91 | 37 | 91 | 37 | 91 |
| Sub Total | 37 | | 37 | | 37 | |
| NATIONAL TRUST OF AUSTRALIA (WA) | | | | | | |
| Concession for Property Visitation | 19 | 6,386 | 20 | 6,705 | 21 | 7,019 |
| Children's Discount for Property Visitation | 2 | 464 | 2 | 487 | 3 | 511 |
| Sub Total | 21 | | 22 | | 24 | |

Note: Columns may not add due to rounding. There are no subtotals for recipient numbers due to the different methods used to calculate these values. Footnotes are on the last page of the table.

Table 6.1 (cont.)

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

| | 2023-24 | 2023-24 | 2024-25 | 2024-25 | 2025-26 | 2025-26 |
|--|------------------|------------|------------------|------------|------------------|------------|
| | Actual | Actual | Estimated | Estimated | Budget | Budget |
| | \$'000 | Recipients | Actual | Actual | Estimate | Estimate |
| | | | \$'000 | Recipients | \$'000 | Recipients |
| PLANNING, LANDS AND HERITAGE | | | | | | |
| Fremantle Prison Entry Concessions ⁽ⁱ⁾ | 747 | 71,187 | 975 | 87,786 | 1,266 | 109,788 |
| Pension Protection Plan Fees and Charges (Rebates & Deferrals Act 1992) | 4 | 1 | 5 | 1 | 5 | 1 |
| Sub Total | 751 | | 980 | | 1,271 | |
| PRIMARY INDUSTRIES AND REGIONAL DEVELOPMENT | | | | | | |
| Recreational Fishing Licence Fee Concessions | | | | | | |
| - Fishing from a Boat | 593 | 30,762 | 607 | 31,654 | 625 | 32,603 |
| - Rock Lobster | 266 | 11,586 | 268 | 11,722 | 276 | 12,074 |
| - Net Fishing | 102 | 4,442 | 100 | 4,416 | 101 | 4,549 |
| - Abalone | 68 | 2,874 | 64 | 2,716 | 66 | 2,798 |
| - Marron | 59 | 2,482 | 56 | 2,382 | 58 | 2,454 |
| - South West Freshwater Angling | 57 | 2,415 | 55 | 2,359 | 57 | 2,430 |
| Sub Total | 1,145 | | 1,150 | | 1,183 | |
| PUBLIC TRANSPORT AUTHORITY OF WESTERN AUSTRALIA | | | | | | |
| Cost of Living Assistance | | | | | | |
| - Summer of Free Public Transport | 11,787 | 4,257,585 | 17,444 | 6,147,129 | - | - |
| - Ride to School Free ^(s) | 3,309 | 5,200,174 | 6,941 | 10,907,664 | 10,200 | 11,439,234 |
| - Fare Free Sundays ^(t) | 3,683 | 1,506,118 | 5,772 | 2,548,000 | 3,330 | 1,470,000 |
| Transperth | | | | | | |
| - General Fare Subsidy ^{(c)(u)} | 962,325 | 82,107,137 | 1,118,365 | 84,761,366 | 1,165,223 | 92,595,895 |
| - Concession Fares ^(c) | 65,947 | 32,415,286 | 64,925 | 32,153,224 | 63,607 | 35,476,831 |
| - Free Transit Zone ^(c) | 20,973 | 13,359,276 | 20,516 | 13,451,757 | 20,571 | 13,788,051 |
| - Perth Stadium Special Events ^(c) | 11,784 | 2,310,299 | 8,756 | 1,944,007 | 8,756 | 1,944,007 |
| - Pensioners, Seniors and Carers Free Travel ^{(c)(u)} | 14,481 | 4,326,737 | 15,103 | 4,403,048 | 15,054 | 4,918,830 |
| Regional Town Bus Services | | | | | | |
| - General Fare Subsidy ^(c) | 16,853 | 1,992,560 | 14,497 | 2,055,015 | 14,176 | 2,119,093 |
| - Concession Fares ^(c) | 4,170 | 1,632,150 | 4,713 | 1,623,865 | 4,601 | 1,674,499 |
| - Pensioners, Seniors and Carers Free Travel ^(c) | 783 | 279,104 | 999 | 347,140 | 1,096 | 357,963 |
| Regional School Bus Services | | | | | | |
| - General Fare Subsidy ^(c) | 142,686 | 25,256 | 145,179 | 24,965 | 145,573 | 25,090 |
| - Student Conveyance Allowance ^{(c)(v)} | 2,189 | 3,847 | 4,115 | 3,866 | 4,256 | 3,886 |
| Transwa | | | | | | |
| - General Fare Subsidy ^(c) | 34,812 | 158,981 | 38,589 | 159,000 | 38,822 | 169,479 |
| - Concession Fares ^(c) | 3,862 | 172,507 | 3,881 | 169,052 | 4,256 | 180,747 |
| - Pensioners, Seniors and Carers Free Travel ^(c) | 2,001 | 19,444 | 2,006 | 19,007 | 2,202 | 20,341 |
| Sub Total | 1,301,646 | | 1,471,801 | | 1,501,723 | |

Note: Columns may not add due to rounding. There are no subtotals for recipient numbers due to the different methods used to calculate these values. Footnotes are on the last page of the table.

Table 6.1 (cont.)

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

| | 2023-24 | 2023-24 | 2024-25 | 2024-25 | 2025-26 | 2025-26 |
|---|----------------|------------|----------------|------------|----------------|------------|
| | Actual | Actual | Estimated | Estimated | Budget | Budget |
| | \$'000 | Recipients | Actual | Actual | Estimate | Estimate |
| | | | \$'000 | Recipients | \$'000 | Recipients |
| SYNERGY | | | | | | |
| WA Government Energy Assistance Payment ^(c) | 80,342 | 302,598 | 83,915 | 308,347 | 87,561 | 313,898 |
| Dependent Child Rebate ^(c) | 17,834 | 57,963 | 18,627 | 59,064 | 19,437 | 60,127 |
| Customer De-energisation ^(c) | 1,486 | 35,722 | 1,998 | 35,722 | 1,998 | 35,722 |
| Paper Bill Fee Waiver ^(c) | 1,622 | 225,979 | 1,546 | 230,273 | 1,574 | 234,418 |
| Customer Re-energisation ^(c) | 1,209 | 28,995 | 1,182 | 28,307 | 1,182 | 28,307 |
| Account Establishment Fee Rebate ^(c) | 641 | 21,327 | 654 | 21,732 | 663 | 22,123 |
| Over the Counter Fee Waiver ^(c) | 594 | 75,553 | 615 | 76,989 | 626 | 78,374 |
| Late Payment Fee Waiver ^(c) | 506 | 52,277 | 480 | 53,270 | 488 | 54,229 |
| Air Conditioning Allowance ^(c) | 53 | 288 | 55 | 293 | 57 | 299 |
| Sub Total | 104,286 | | 109,072 | | 113,587 | |
| TRAINING AND WORKFORCE DEVELOPMENT | | | | | | |
| Tuition Fees – Vocational Education and Training Courses | | | | | | |
| - General Subsidy ^(w) | 392,498 | 77,355 | 503,233 | 87,244 | 512,965 | 88,904 |
| - Concession Card Holders (70% Course Fee Discount) | 3,722 | 10,298 | 3,773 | 10,292 | 3,845 | 10,342 |
| - Severe Financial Hardship (100% Course Fee Waiver) ^(x) | 214 | 426 | 121 | 257 | 122 | 257 |
| South West Bus Service – Fare Concessions ^(y) | 50 | 65 | 16 | 40 | 16 | 40 |
| Sub Total | 396,484 | | 507,143 | | 516,948 | |
| TRANSPORT AND MAJOR INFRASTRUCTURE | | | | | | |
| Travel Subsidy Schemes | | | | | | |
| - Regional Pensioner Travel Card ^(z) | 27,127 | 58,008 | 31,800 | 60,040 | 41,676 | 61,541 |
| - Permanently Disabled – Taxi Subsidy | 18,003 | 12,497 | 19,296 | 12,045 | 12,785 | 11,609 |
| - Remote Boarding Students ^(aa) | 1,058 | 1,310 | 1,013 | 1,317 | 1,241 | 1,317 |
| - Seniors – Annual Free Trip South | 672 | 986 | 861 | 1,153 | 1,077 | 1,349 |
| - Seniors – Inter Town Bus Services | 254 | 8,374 | 280 | 10,600 | 350 | 11,000 |
| - Seniors – Intra Town Bus Services | 123 | 67,673 | 130 | 91,500 | 162 | 95,000 |
| Light Vehicle Licence Fee Concessions | | | | | | |
| - Pensioners, Veterans and Seniors (50% Discount) | 37,546 | 213,720 | 39,400 | 216,961 | 41,405 | 218,544 |
| - Pensioners and Veterans (100% Discount) | 13,683 | 38,943 | 14,373 | 39,390 | 14,998 | 39,582 |
| Drivers Licence Fee Concessions | | | | | | |
| - Pensioners, Veterans and Seniors (100% Discount) | 4,289 | 91,551 | 4,506 | 96,176 | 4,676 | 97,007 |
| - Pensioners, Veterans and Seniors (50% Discount) | 1,998 | 65,504 | 2,047 | 67,122 | 2,233 | 71,129 |
| Perth Parking Licence Fee – Social Exemptions | 1,103 | 1,010 | 1,063 | 945 | 1,092 | 945 |
| Sub Total | 105,856 | | 114,769 | | 121,694 | |

Note: Columns may not add due to rounding. There are no subtotals for recipient numbers due to the different methods used to calculate these values. Footnotes are on the last page of the table.

Table 6.1 (cont.)

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

| | 2023-24 | 2023-24 | 2024-25 | 2024-25 | 2025-26 | 2025-26 |
|--|------------------|------------|------------------|------------|------------------|------------|
| | Actual | Actual | Estimated | Estimated | Budget | Budget |
| | \$'000 | Recipients | Actual | Actual | Estimate | Estimate |
| | | | \$'000 | Recipients | \$'000 | Recipients |
| TREASURY AND FINANCE | | | | | | |
| Seniors (25%) and Pensioners (50%) Rebates | | | | | | |
| - Local Government Rates | 119,145 | 243,003 | 129,173 | 247,377 | 139,908 | 251,582 |
| - Emergency Services Levy | 24,278 | 242,756 | 26,321 | 247,126 | 28,509 | 251,327 |
| Energy Subsidies | | | | | | |
| - Thermoregulatory Dysfunction | 1,901 | 2,467 | 1,984 | 2,511 | 2,068 | 2,554 |
| - Life Support Equipment | 1,468 | 1,755 | 1,531 | 1,787 | 1,596 | 1,817 |
| Energy Concession Extension Scheme | 2,863 | 8,425 | 3,371 | 9,402 | 3,514 | 9,684 |
| Sub Total | 149,655 | | 162,380 | | 175,595 | |
| WATER CORPORATION | | | | | | |
| Country Customer Equity Policies | | | | | | |
| - Country Water Pricing Subsidy (Water Services) ^(c) | 340,487 | 245,489 | 315,934 | 247,114 | 414,378 | 248,907 |
| - Drainage Charge Exemption ^{(c)(m)} | 30,218 | n/a | 35,657 | n/a | 34,048 | n/a |
| Service Charge Rebates | | | | | | |
| - Pensioner or State Concession Card Holders (up to 50%) ^(c) | 70,683 | 160,404 | 70,411 | 162,283 | 72,107 | 164,347 |
| - Dual Commonwealth Seniors Health Card and WA Seniors Card Holders (up to 50%) ^(c) | 13,485 | 28,329 | 13,437 | 28,661 | 13,907 | 29,025 |
| - WA Seniors Card Holders (up to 25%) ^(c) | 4,370 | 56,463 | 4,273 | 57,124 | 4,341 | 57,850 |
| - Rebates for Retirement Properties (up to 25%) ^(c) | 2 | 31 | 2 | 31 | 2 | 31 |
| Pensioners Consumption Concessions ^(c) | 29,619 | 199,391 | 30,070 | 201,727 | 31,663 | 204,292 |
| Ex-Gratia Water (Leak) Allowance ^(c) | 16,831 | 18,677 | 17,252 | 18,677 | 17,683 | 18,677 |
| Pensioners Rate Deferral Policy – Interest Costs ^(c) | 1,446 | 22,532 | 1,475 | 22,796 | 1,239 | 23,086 |
| Medical Assist ^(c) | 100 | 239 | 102 | 239 | 105 | 239 |
| Sub Total | 507,241 | | 488,613 | | 589,473 | |
| WESTERN AUSTRALIAN SPORTS CENTRE TRUST – VENUESWEST | | | | | | |
| Fitness Membership Concessions | 47 | 449 | 53 | 498 | 54 | 498 |
| Aquatic Centre Entry Concessions | | | | | | |
| - Single-entry | 15 | 9,107 | 19 | 11,856 | 19 | 11,856 |
| - Multi-entry (Aqua Card) | 10 | 509 | 18 | 823 | 19 | 823 |
| Sub Total | 72 | | 90 | | 92 | |
| Total | 3,432,831 | | 3,818,372 | | 4,010,878 | |

- (a) 2024-25 figures impacted by the Perth Zoo Free Pass initiative between 9 September and 30 November 2024.
- (b) Crystal Cave closed for maintenance and risk management works in January 2023 and reopened on 1 July 2024.
- (c) Operating subsidies are reported in Appendix 8.
- (d) Leak allowances are not subject to a Community Service Obligation subsidy. Forecasting is based on history plus tariff increases.
- (e) Impacted by changes to Western Australia's population and demographic profile.
- (f) 2024-25 figures impacted by the temporary increase to the KidSport voucher amount from \$300 to \$500 for the 2024-25 financial year.
- (g) Increases in 2024-25 are due to the introduction of free admission between 15 December 2024 and 31 March 2025.
- (h) Change in methodology to also include concessions for performances by resident companies.
- (i) The Clothing Allowance increased from \$115 to \$300 in the 2024 and 2025 school years.
- (j) Ceased in 2025, as recipients are now eligible to apply for the Education Program Allowance.
- (k) Impacted by increases in airfares and mileage subsidy (from \$0.16 to \$0.26 per km in August 2024 and then to \$0.40 per km in July 2025).
- (l) From 2023-24, patient access of community pharmacies has increased along with a rise in Community Treatment Orders requiring medication, while average costs per recipient have decreased due to availability of more cost-effective treatments.
- (m) Customer numbers are not applicable to this subsidy.
- (n) From 2025-26 the Tariff Adjustment Payment is included under Tariff Equalisation Contribution.
- (o) The estimated increase in recipients for 2024-25 reflects the impacts of a temporary Transitional Housing initiative (targeting Aboriginal people in the Kimberley and Pilbara), due to expire on 30 June 2025.

Table 6.1 (cont.)

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

- (p) Increases in value and volume from 2024-25 reflect contractual changes between the Registry and Street Law, the introduction of free replacement full death certificates for applicants who only paid for incomplete certificates pending coroner's findings and the inclusion in reporting of Department of Communities' requests for birth record searches for children in their care (exempted from search fees).
- (q) Number of customers requesting assistance has increased as a consequence of higher interest rates and the increasing cost of living. A value for the Hardship Program concession cannot be identified as this program assists borrowers with reduced payments for up to six months with further extension subject to a case-by-case assessment. When the client comes out of the Hardship Program they generally resume making normal repayments.
- (r) The increase in total concessions between the 2024-25 Estimated Actual and the 2023-24 Actual is attributed to the introduction of a price reduction for tour packages. The increase in 2025-26 is due to introduction of a new education program.
- (s) The higher costs and increased number of recipients in 2024-25 and 2025-26 reflect the Ride to School initiative operating for a full school year, compared to only half a year of operation in 2023-24.
- (t) Fare Free Sundays is budgeted to conclude in January 2026.
- (u) Higher costs and recipients are due to increased patronage driven by free travel initiatives and expanded public transport services.
- (v) The Public Transport Authority's School Bus Services conveyance allowance increased from 25.24c per kilometre to 55.6c per kilometre from the 2024 school year.
- (w) The increase in the cost and number of recipients from 2023-24 to 2024-25 reflects increased training demand combined with lower fee settings.
- (x) The decrease in the cost is from lower demand for fee relief, due to low fee settings.
- (y) The number of bus routes serviced by South West Coach Lines has decreased. Additionally, the change in the subsidy calculation method to a per-trip claim approach has improved accuracy and lowered claims.
- (z) Increase in cost primarily driven by the \$100 increase in card value in 2025-26 to \$775.
- (aa) Increased costs in 2025-26 is due to variability in concession estimates, primarily due to differences in geographic locations and the number of trips per recipient.

Note: Columns may not add due to rounding. There are no subtotals for recipient numbers due to the different methods used to calculate these values.

2025-26 Economic and Fiscal Outlook

Asset Investment Program – Summary of Expenditure and Source of Funds

Overview

This appendix summarises asset investment expenditure by agencies within portfolio groups, and the sources of funds for the aggregate Asset Investment Program by year.

Table 7.1

| ASSET INVESTMENT PROGRAM | | | | | |
|---|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
| | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m |
| PARLIAMENT | | | | | |
| Parliamentary Services | 7.2 | 5.5 | 3.6 | 1.5 | 1.5 |
| Parliamentary Commissioner for Administrative Investigations | 0.2 | 0.3 | 0.2 | 0.2 | 0.2 |
| GOVERNMENT ADMINISTRATION | | | | | |
| Premier and Cabinet | 3.6 | 3.8 | 1.5 | 1.6 | 1.1 |
| Public Sector Commission | 0.1 | 19.3 | 0.1 | 0.1 | 0.1 |
| Governor's Establishment | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Western Australian Electoral Commission | 0.7 | 0.3 | 0.3 | 0.3 | 0.3 |
| Office of the Information Commissioner | 1.4 | 0.7 | 0.4 | 0.4 | - |
| WorkCover WA Authority | 0.7 | 1.1 | 0.8 | 2.2 | 0.7 |
| Registrar, Western Australian Industrial Relations Commission | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| FINANCIAL ADMINISTRATION | | | | | |
| Treasury and Finance | 1.3 | 1.9 | 1.4 | 1.4 | 1.4 |
| Western Australian Treasury Corporation | 0.3 | 0.1 | 0.1 | 0.1 | 0.4 |
| Office of the Auditor General | 1.7 | 0.7 | 0.7 | 0.7 | 0.7 |
| Insurance Commission of Western Australia | 6.1 | 4.4 | 4.4 | 5.4 | 4.4 |
| Keystart | 1.2 | 1.2 | 1.2 | 1.2 | 1.2 |
| JOBS AND ECONOMIC DEVELOPMENT | | | | | |
| Energy and Economic Diversification | 0.9 | - | _(b) | 0.3 | 0.3 |
| Creative Industries, Tourism and Sport | 197.2 | 172.7 | 160.4 | 64.9 | 44.4 |
| Primary Industries and Regional Development | -49.9 ^(a) | 169.6 | 46.4 | 57.3 | 142.0 |
| Mines, Petroleum and Exploration | 8.2 | 4.4 | 0.5 | 0.5 | 0.5 |
| Gold Corporation | 14.0 | 28.9 | 24.4 | 13.1 | 13.1 |
| Western Australian Meat Industry Authority | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Small Business Development Corporation | - | _(b) | - | - | _(b) |
| Economic Regulation Authority | 0.7 | 0.7 | _(b) | - | - |
| Forest Products Commission | 42.4 | 44.6 | 43.3 | 3.0 | 3.0 |
| Racing and Wagering Western Australia | 28.8 | 21.1 | 12.0 | 12.0 | 12.0 |
| Western Australian Greyhound Racing Association | 3.0 | 0.3 | 0.3 | 0.3 | 0.3 |
| The Burswood Park Board | 4.0 | 1.1 | 0.5 | 0.4 | 0.4 |
| HEALTH | | | | | |
| WA Health | 641.1 | 1,102.1 | 949.1 | 799.9 | 307.9 |
| Mental Health Commission | 2.5 | 14.7 | 10.6 | 0.4 | - |

ASSET INVESTMENT PROGRAM

Table 7.1 (cont.)

| | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m |
|---|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
| EDUCATION AND TRAINING | | | | | |
| Education | 584.5 | 668.9 | 455.7 | 299.9 | 246.8 |
| Training and Workforce Development | 46.2 | 70.5 | 46.2 | 34.5 | 24.6 |
| TAFE Colleges | 19.0 | 13.0 | 7.7 | 7.7 | 7.7 |
| Building and Construction Industry Training Board | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| COMMUNITY SAFETY | | | | | |
| Western Australia Police Force | 131.0 | 139.1 | 89.8 | 32.4 | 26.7 |
| Justice | 114.4 | 162.4 | 38.5 | 16.9 | 15.5 |
| Legal Aid Commission of Western Australia | 2.7 | 0.3 | 0.4 | 0.6 | 0.6 |
| Fire and Emergency Services | 71.4 | 51.0 | 32.3 | 42.6 | 43.7 |
| Office of the Director of Public Prosecutions | 2.6 | 8.9 | 4.4 | 0.6 | 0.7 |
| Corruption and Crime Commission | 0.7 | 1.3 | 1.3 | 1.3 | 1.3 |
| Chemistry Centre (WA) | 4.1 | 7.2 | 2.5 | 2.5 | 2.5 |
| COMMUNITY SERVICES | | | | | |
| Communities | 12.3 | 11.7 | 4.4 | 2.2 | 2.2 |
| Local Government, Industry Regulation and Safety | 9.4 | 9.6 | 6.7 | 0.4 | 0.4 |
| Western Australian Sports Centre Trust | 47.5 | 55.8 | 26.8 | 26.2 | 20.5 |
| Western Australian Institute of Sport | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Lotteries Commission | 5.1 | 3.2 | 2.0 | 1.9 | 1.5 |
| Metropolitan Cemeteries Board | 13.3 | 10.4 | 10.7 | 11.1 | 13.6 |
| TRANSPORT AND MAJOR INFRASTRUCTURE | | | | | |
| Transport and Major Infrastructure | 104.0 | 179.9 | 145.9 | 87.7 | 65.5 |
| Commissioner of Main Roads | 2,287.1 | 1,865.0 | 1,581.7 | 1,092.5 | 975.9 |
| Public Transport Authority of Western Australia | 3,285.8 | 1,998.0 | 1,109.1 | 654.2 | 797.0 |
| Housing and Works | 963.4 | 854.0 | 521.3 | 336.1 | 400.3 |
| Fremantle Port Authority | 94.9 | 106.7 | 104.8 | 83.6 | 64.9 |
| Kimberley Ports Authority | 17.4 | 19.7 | 12.8 | 6.0 | 5.2 |
| Mid West Ports Authority | 38.1 | 89.4 | 106.0 | 113.8 | 81.9 |
| Pilbara Ports Authority | 603.2 | 480.1 | 150.8 | 72.0 | 25.0 |
| Southern Ports Authority | 67.0 | 48.2 | 50.4 | 39.0 | 27.5 |
| ENVIRONMENT | | | | | |
| Water and Environmental Regulation | 29.1 | 34.0 | 16.0 | 13.4 | 12.7 |
| Biodiversity, Conservation and Attractions | 168.9 | 232.2 | 149.3 | 88.1 | 82.8 |

Table 7.1 (cont.)

ASSET INVESTMENT PROGRAM

| | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m |
|---|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
| PLANNING AND LAND USE | | | | | |
| Planning, Lands and Heritage | 39.9 | 10.9 | 1.8 | 1.8 | 1.8 |
| Western Australian Planning Commission | 105.9 | 48.3 | 47.3 | 47.3 | 49.3 |
| Western Australian Land Information Authority | 5.0 | 11.1 | 10.8 | 10.8 | 8.1 |
| DevelopmentWA | 510.7 | 980.7 | 583.7 | 313.0 | 200.3 |
| National Trust of Australia (WA) | 4.8 | 5.0 | 1.8 | 0.7 | 0.7 |
| UTILITIES | | | | | |
| Synergy | 1,297.8 | 568.4 | 198.8 | 17.9 | 22.0 |
| Western Power | 1,341.7 | 1,707.9 | 1,658.7 | 1,312.7 | 1,142.4 |
| Horizon Power | 151.5 | 112.2 | 81.9 | 65.9 | 89.8 |
| Water Corporation | 1,487.7 | 2,221.7 | 1,795.4 | 1,197.7 | 955.6 |
| Bunbury Water Corporation | 9.6 | 23.3 | 34.0 | 3.3 | 3.6 |
| Busselton Water Corporation | 13.0 | 10.0 | 6.5 | 29.5 | 16.5 |
| PROVISIONS | | | | | |
| METRONET Projects Under Development | - | - | 60.0 | 60.0 | 65.0 |
| Smoothing Provision | -750.0 | -2,400.0 | -750.0 | 1,000.0 | 1,900.0 |
| Provision for Aluminium Composite Panel Cladding | - | 10.4 | - | - | - |
| Provision for Climate Action Fund | 15.6 | 64.8 | - | - | - |
| Provision for Social and Affordable Housing Investment Fund | - | - | 137.0 | 123.0 | - |
| Provision for Housing Support Program | - | - | 0.4 | - | - |
| Provision for WA Health AIP Delivery | - | - | 41.2 | 50.0 | - |
| Inter-agency Purchases | -164.3 | -35.3 | -29.2 | -36.4 | -38.5 |
| TOTAL | 13,710.8 | 12,060.9 | 9,821.1 | 8,232.9 | 7,901.0 |

ASSET INVESTMENT PROGRAM

Table 7.1 (cont.)

| | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m |
|---|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
| <i>Funded by:</i> | | | | | |
| APPROPRIATIONS | | | | | |
| Capital Appropriation | 6,264.6 | 6,683.1 | 3,456.5 | 1,965.5 | 1,692.0 |
| OTHER FUNDING | | | | | |
| Holding Account | 122.0 | 128.4 | 107.2 | 88.4 | 91.2 |
| Agency Borrowings | 3,549.8 | 3,198.6 | 2,869.7 | 1,967.3 | 1,592.7 |
| Royalties for Regions | 235.7 | 308.1 | 173.7 | 66.9 | 16.6 |
| Commonwealth Grants | 282.1 | 1,457.3 | 727.2 | 486.9 | 339.9 |
| Land and Property Sales | 37.0 | 52.4 | 37.1 | 36.8 | 36.7 |
| Internal Funds and Balances | 3,038.4 | 1,505.3 | 2,536.5 | 1,883.1 | 2,092.5 |
| Special Purpose Accounts | | | | | |
| Asset Maintenance Fund | 63.3 | 69.6 | 19.1 | 0.8 | - |
| Climate Action Fund | 195.7 | 159.0 | 0.4 | - | - |
| Digital Capability Fund | 208.5 | 137.2 | 65.5 | 1.8 | - |
| New Women and Babies Hospital Account | 15.2 | 136.1 | 148.0 | 570.2 | 136.5 |
| Remote Communities Fund | 52.5 | 53.7 | - | - | - |
| Social and Affordable Housing Investment Fund | 349.4 | 386.4 | 383.3 | 156.6 | - |
| Softwood Plantation Expansion Fund | 41.6 | 42.7 | 42.9 | 2.8 | 2.8 |
| Strategic Industrial Area Activation Fund | 5.0 | 143.0 | 4.2 | 5.9 | - |
| Smoothing Provision | -750.0 | -2,400.0 | -750.0 | 1000.0 | 1,900.0 |
| TOTAL | 13,710.8 | 12,060.9 | 9,821.1 | 8,232.9 | 7,901.0 |

(a) 2024-25 AIP for the Department of Primary Industries and Regional Development includes the capital component of the Underspend Provision for the Royalties for Regions Program (see Chapter 7: *Investing in Regional Western Australia*).

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

Note: Columns may not add due to rounding.

2025-26 Economic and Fiscal Outlook

Public Corporations and Major Tariffs, Fees and Charges

Corporatised public enterprises (also known as Government Trading Enterprises or GTEs) are generally liable for income tax equivalent and dividend payments to the State. Several public corporations are also liable for local government rate equivalent payments. These payments are levied by the State to ensure competitive neutrality (i.e. a 'level playing field') between public and private sector business activities.

The Government also has a role in setting household tariffs, fees and charges to ensure an appropriate balance between cost recovery and impacts on households. Where the cost of providing a service is not fully recovered from customers, some public corporations receive operating subsidies. Some of these operating subsidies reflect lower than cost-reflective tariffs, fees and charges that benefit all households, while others are only targeted at certain groups such as pensioners, seniors, or consumers in regional areas.

The general government sector is expected to pay a net \$348 million to public corporations in 2025-26 (see following table), with subsidy payments to public corporations (\$4 billion) expected to exceed tax equivalent and dividend revenue received from these corporations (\$3.7 billion). This includes operating subsidy payments to Synergy and Horizon Power for the Commonwealth Government's \$150 Household and Small Business Energy Bill Relief to be paid from September 2025.

PUBLIC CORPORATIONS
Revenue to and Expenses from the General Government Sector ^(a)

| | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m |
|---|---------------------------------------|----------------------------------|
| Electricity Corporations | | |
| Dividends, Tax Equivalents, and Local Government Rate Equivalents | | |
| Horizon Power | 11.6 | 9.9 |
| Synergy | 0.6 | 0.6 |
| Western Power | 189.3 | 528.1 |
| <i>Subtotal</i> | <i>201.6</i> | <i>538.7</i> |
| Operating Subsidies | | |
| Horizon Power | 98.7 | 59.4 |
| Synergy | 1,256.0 | 715.1 |
| Western Power | - | - |
| <i>Subtotal</i> | <i>1,354.7</i> | <i>774.5</i> |
| Other Subsidies | | |
| Horizon Power | 2.1 | 1.2 |
| Synergy | 12.7 | 7.9 |
| Western Power | - | - |
| <i>Subtotal</i> | <i>14.8</i> | <i>9.1</i> |
| <i>Net Electricity Corporations</i> | <i>-1,167.9</i> | <i>-245.0</i> |
| Water Corporation | | |
| Dividends, Tax Equivalents, and Local Government Rate Equivalents | | |
| Operating Subsidies | 596.6 | 756.2 |
| Other Subsidies | 108.8 | 86.4 |
| <i>Net Water Corporation</i> | <i>-211.7</i> | <i>1,287.6</i> |
| Public Transport Authority ^(b) | | |
| Operating Subsidies | 1,473.2 | 1,495.5 |
| Other Subsidies | 32.4 | 28.3 |
| <i>Net Public Transport Authority</i> | <i>-1,505.5</i> | <i>-1,523.8</i> |
| Other Public Corporations | | |
| Dividends, Tax Equivalents, and Local Government Rate Equivalents | | |
| Operating Subsidies | 218.4 | 220.1 |
| Other Subsidies | 660.2 | 662.9 |
| <i>Net Other Public Corporations</i> | <i>-138.8</i> | <i>133.6</i> |
| Total revenue from Public Corporations | | |
| | 1,435.2 | 3,685.6 |
| Dividends | | |
| | 541.4 | 2,787.8 |
| Income Tax Equivalents | | |
| | 855.2 | 858.1 |
| Local Government Rate Equivalents | | |
| | 38.6 | 39.6 |
| Total expense to Public Corporations | | |
| | 4,459.0 | 4,033.1 |
| Operating Subsidies | | |
| | 3,642.8 | 3,246.3 |
| Other Subsidies | | |
| | 816.2 | 786.8 |
| Net impact on General Government Sector ^(c) | -3,023.8 | -347.5 |

(a) Revenue includes dividends, tax equivalent payments and local government rate equivalents. Expenses include operating subsidies and grants funded from the Consolidated Account and other subsidies funded from other sources such as the Royalties for Regions Fund (capital appropriations to public corporations are not included).

(b) The Public Transport Authority does not pay dividends or tax equivalent payments.

(c) A positive total for the net impact on the general government sector means that the sector receives more revenue from public corporations than it pays out in subsidies, and vice versa for a negative total.

Note: Columns may not add due to rounding.

Revenue

General government sector revenue from public corporations in 2025-26 is estimated to total \$3.7 billion, comprising \$2.8 billion in dividend payments, \$858 million in income tax equivalent payments, and \$40 million in local government rate equivalent payments.

This is \$2.3 billion (or 157%) higher than in 2024-25 and mainly reflects higher dividend payments from Water Corporation and Western Power in 2025-26 (as these entities will not pay interim dividends for 2024-25 as previously expected) and an anticipated special dividend of \$400 million from Pilbara Ports Authority.

A detailed list of revenue items from individual public corporations to the general government sector is provided in the following table.

Table 8.2

GENERAL GOVERNMENT REVENUE FROM PUBLIC CORPORATIONS

| Details of Revenue | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m |
|---------------------------------|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
| ELECTRICITY CORPORATIONS | | | | | |
| Horizon Power | | | | | |
| Income tax expense | 4.4 | 3.1 | 3.5 | 3.4 | 6.1 |
| Local government rates expense | 0.8 | 0.8 | 0.8 | 0.8 | 0.9 |
| Dividends | 6.5 | 6.0 | 6.0 | 6.1 | 9.5 |
| <i>Subtotal</i> | <i>11.6</i> | <i>9.9</i> | <i>10.4</i> | <i>10.3</i> | <i>16.5</i> |
| Synergy | | | | | |
| Local government rates expense | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 |
| <i>Subtotal</i> | <i>0.6</i> | <i>0.6</i> | <i>0.6</i> | <i>0.6</i> | <i>0.6</i> |
| Western Power | | | | | |
| Income tax expense | 116.2 | 164.3 | 190.0 | 187.3 | 176.2 |
| Local government rates expense | 1.7 | 1.8 | 1.8 | 1.9 | 1.9 |
| Dividends | 71.4 | 362.1 | 284.9 | 297.7 | 335.3 |
| <i>Subtotal</i> | <i>189.3</i> | <i>528.1</i> | <i>476.7</i> | <i>486.8</i> | <i>513.4</i> |
| WATER CORPORATIONS | | | | | |
| Water Corporation | | | | | |
| Income tax expense | 485.1 | 507.4 | 518.6 | 482.3 | 501.0 |
| Local government rates expense | 8.6 | 8.8 | 9.0 | 9.2 | 9.5 |
| Dividends | - | 1,614.1 | 877.9 | 861.9 | 910.7 |
| <i>Subtotal</i> | <i>493.7</i> | <i>2,130.3</i> | <i>1,405.5</i> | <i>1,353.5</i> | <i>1,421.1</i> |
| Bunbury Water Corporation | | | | | |
| Income tax expense | 1.7 | 3.8 | 6.2 | 3.0 | 2.3 |
| Local government rates expense | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Dividends | 2.9 | 6.6 | 14.7 | 6.4 | 3.6 |
| <i>Subtotal</i> | <i>4.7</i> | <i>10.5</i> | <i>21.0</i> | <i>9.5</i> | <i>5.9</i> |
| Busselton Water Corporation | | | | | |
| Income tax expense | 2.2 | 1.8 | 1.8 | 5.0 | 1.3 |
| Local government rates expense | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Dividends | 3.6 | 5.7 | 4.5 | 4.7 | 12.8 |
| <i>Subtotal</i> | <i>6.0</i> | <i>7.5</i> | <i>6.4</i> | <i>9.8</i> | <i>14.2</i> |
| PORT AUTHORITIES | | | | | |
| Fremantle Port Authority | | | | | |
| Income tax expense | 18.3 | 13.3 | 13.6 | 16.8 | 16.7 |
| Local government rates expense | 1.0 | 1.1 | 1.2 | 1.2 | 1.2 |
| Dividends | 32.4 | 23.3 | 21.5 | 25.6 | 26.9 |
| <i>Subtotal</i> | <i>51.6</i> | <i>37.8</i> | <i>36.3</i> | <i>43.6</i> | <i>44.9</i> |
| Kimberley Ports Authority | | | | | |
| Income tax expense | 0.7 | 2.3 | 0.3 | 1.4 | 1.2 |
| Local government rates expense | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 |
| Dividends | 2.3 | 4.4 | 0.9 | 2.5 | 2.8 |
| <i>Subtotal</i> | <i>3.1</i> | <i>6.9</i> | <i>1.4</i> | <i>4.0</i> | <i>4.1</i> |
| Mid West Ports Authority | | | | | |
| Income tax expense | 10.3 | 12.9 | 14.0 | 49.2 | 49.2 |
| Local government rates expense | 1.2 | 1.2 | 1.3 | 1.3 | 1.3 |
| Dividends | 18.7 | 21.4 | 24.0 | 87.0 | 87.0 |
| <i>Subtotal</i> | <i>30.1</i> | <i>35.5</i> | <i>39.3</i> | <i>137.6</i> | <i>137.6</i> |

Note: Columns may not add due to rounding.

Table 8.2 (cont.)

| GENERAL GOVERNMENT REVENUE FROM PUBLIC CORPORATIONS | | | | | |
|--|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
| | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m |
| Details of Revenue | | | | | |
| Pilbara Ports Authority | | | | | |
| Income tax expense | 113.7 | 86.6 | 85.0 | 105.5 | 107.6 |
| Local government rates expense | 4.0 | 4.1 | 4.2 | 4.3 | 4.4 |
| Dividends | 257.5 | 615.6 | 196.8 | 231.5 | 248.2 |
| <i>Subtotal</i> | <u>375.2</u> | <u>706.2</u> | <u>285.9</u> | <u>341.3</u> | <u>360.2</u> |
| Southern Ports Authority | | | | | |
| Income tax expense | 6.1 | 3.1 | 5.3 | 8.5 | 6.3 |
| Local government rates expense | 1.0 | 1.0 | 1.0 | 1.1 | 1.1 |
| Dividends | 12.0 | 6.8 | 8.3 | 13.4 | 14.1 |
| <i>Subtotal</i> | <u>19.1</u> | <u>11.0</u> | <u>14.6</u> | <u>23.0</u> | <u>21.6</u> |
| LAND AGENCIES | | | | | |
| DevelopmentWA | | | | | |
| Income tax expense | 15.1 | 19.9 | 19.5 | 10.8 | 11.5 |
| Local government rates expense | 18.8 | 19.1 | 19.0 | 18.9 | 18.7 |
| Dividends | 53.2 | 45.0 | 34.8 | 34.2 | 173.1 |
| <i>Subtotal</i> | <u>87.1</u> | <u>84.0</u> | <u>73.3</u> | <u>63.9</u> | <u>203.3</u> |
| OTHER AGENCIES | | | | | |
| Gold Corporation | | | | | |
| Income tax expense | - | - | - | - | 5.8 |
| Local government rates expense | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Dividends | - | - | 10.0 | 5.5 | 7.3 |
| <i>Subtotal</i> | <u>0.1</u> | <u>0.1</u> | <u>10.1</u> | <u>5.6</u> | <u>13.2</u> |
| Western Australian Treasury Corporation | | | | | |
| Income tax expense | 9.2 | 7.0 | 6.8 | 7.7 | 7.8 |
| Dividends | 19.0 | 16.0 | 12.2 | 11.9 | 13.5 |
| <i>Subtotal</i> | <u>28.1</u> | <u>23.0</u> | <u>19.1</u> | <u>19.7</u> | <u>21.4</u> |
| Insurance Commission of Western Australia | | | | | |
| Income tax expense | 71.5 | 30.7 | 19.3 | 15.2 | 10.0 |
| Dividends | 62.0 | 60.7 | 61.8 | 62.5 | 62.8 |
| <i>Subtotal</i> | <u>133.4</u> | <u>91.4</u> | <u>81.1</u> | <u>77.7</u> | <u>72.8</u> |
| Forest Products Commission | | | | | |
| Income tax expense | 0.7 | 2.0 | 1.4 | 2.8 | 3.1 |
| Local government rates expense | 0.6 | 0.8 | 0.9 | 0.9 | 1.0 |
| <i>Subtotal</i> | <u>1.3</u> | <u>2.7</u> | <u>2.2</u> | <u>3.7</u> | <u>4.1</u> |
| Subtotal Amounts | | | | | |
| Income tax expense ^(a) | 855.2 | 858.1 | 885.3 | 899.0 | 906.3 |
| Local government rates expense | 38.6 | 39.6 | 40.2 | 40.6 | 41.0 |
| Dividends | 541.4 | 2,787.8 | 1,558.3 | 1,650.9 | 1,907.5 |
| TOTAL | <u>1,435.2</u> | <u>3,685.6</u> | <u>2,483.8</u> | <u>2,590.6</u> | <u>2,854.8</u> |

(a) Some general government sector agencies (e.g. the Western Australian Land Information Authority (Landgate)) are eligible to pay income tax equivalent payments. As these agencies are not in the public non-financial corporation or public financial corporation sectors, they are not reflected in this table.

Note: Columns may not add due to rounding.

Dividends

Dividend Payout Ratios

Public corporation dividend payout ratios are considered as part of the annual Budget process to determine appropriate returns to the Government as the sole shareholder of these entities. Currently approved payout ratios (reflected as a share of each corporations' net profit after tax) are reflected in the following table.

There have been no changes to dividend payout ratios as part of this Budget, except for Pilbara Ports Authority which increased from 85% to 100% from the 2024-25 interim dividend onwards.

| PUBLIC CORPORATION DIVIDEND PAYOUT RATIOS | | | | | |
|--|---------|---------|---------|---------|---------|
| | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 |
| | % | % | % | % | % |
| Horizon Power | 75 | 75 | 75 | 75 | 75 |
| Synergy | 75 | 75 | 75 | 75 | 75 |
| Western Power | 75 | 75 | 75 | 75 | 75 |
| Water Corporation | 85 | 85 | 85 | 85 | 85 |
| Bunbury Water Corporation | 85 | 85 | 85 | 85 | 85 |
| Busselton Water Corporation | 85 | 85 | 85 | 85 | 85 |
| Fremantle Port Authority | 75 | 75 | 75 | 75 | 75 |
| Kimberley Ports Authority | 75 | 75 | 75 | 75 | 75 |
| Mid West Ports Authority | 75 | 75 | 75 | 75 | 75 |
| Pilbara Ports Authority | 100 | 100 | 100 | 100 | 100 |
| Southern Ports Authority | 75 | 75 | 75 | 75 | 75 |
| DevelopmentWA | 75 | 75 | 75 | 75 | 75 |
| Gold Corporation | 75 | 75 | 75 | 75 | 75 |
| Western Australian Treasury Corporation | 75 | 75 | 75 | 75 | 75 |
| Insurance Commission of Western Australia ^(a) | 75 | 75 | 75 | 75 | 75 |
| Forest Products Commission | 75 | 75 | 75 | 75 | 75 |

(a) Annual ratio may be adjusted based on the need to maintain appropriate capital adequacy and any other factors or circumstances considered by the Board of the Insurance Commission of Western Australia.

Note: The Western Australian Land Information Authority (Landgate) is eligible to pay dividends to Government. However, as this agency is not in the public corporations sector, it is not included in this table.

Expenses

Total subsidies provided to public corporations in 2025-26 are estimated at \$4 billion, a decrease of \$425.9 million from 2024-25. The general government sector is forecast to pay a total of \$14.2 billion across the four-year period to 2028-29 to subsidise services provided by public corporations, and to reduce cost pressures on consumers.

Amongst other factors, the size of the operating subsidies paid to public corporations is affected by the Government's decisions on the tariffs, fees and charges to be paid by consumers. The approved changes to tariffs, fees and charges in 2025-26 are outlined later in this appendix.

Public transport fares and water tariffs in regional areas remain well below the cost of service delivery. In this regard:

- the expected cost recovery rate for metropolitan public transport services is 17.3% in 2025-26; and
- Water Corporation is expected to receive operating subsidies totalling \$756.2 million in 2025-26, a significant portion of which (an estimated \$545.6 million) is to support the provision of water, wastewater and drainage services to regional areas. These services will have a cost recovery rate of 54% in 2025-26.

The decision to increase the residential electricity tariff by 2.5% (less than forecast growth in the Consumer Price Index of 2.75%) in 2025-26 results in the tariff remaining below the cost of supply in 2025-26, with an estimated cost recovery rate of 78%.

Commonwealth Energy Bill Relief

In March 2025, the Commonwealth Government announced a \$1.8 billion extension of the Energy Bill Relief Fund by six months from 1 July 2025 to 31 December 2025. Australian households and eligible small businesses with electricity bills may receive up to \$150 in energy bill rebates.

The Budget includes a total of \$177.2 million in Commonwealth funding for delivery of the credits. Operating subsidies of \$168.1 million will be provided to Synergy and \$5.8 million to Horizon Power to meet the cost of providing the credit. A further \$3.3 million will be provided to the Department of Treasury and Finance and Small Business Development Corporation to deliver the credit to households and small businesses that are not direct customers of Synergy or Horizon Power.

Synergy Financial Viability Subsidies

Synergy will continue to be provided operating subsidies to fund a range of revenue shortfalls, as reflected in the following table. The subsidies will ensure that Synergy is appropriately compensated for activities that it is required to undertake on behalf of the Government (such as rebates and concessions) and include the System Security Transition Payment (SSTP).

2025–26 Economic and Fiscal Outlook

The SSTP is a subsidy that recognises Synergy is required to be the provider of last resort, in order to maintain the security and reliability of the energy market, despite the costs of operating its electricity generation fleet exceeding the benefits it receives from the market. The SSTP will continue to be reassessed as part of future Budget processes as Synergy progresses with its renewable energy and storage assets projects, which are expected to assist Synergy in transitioning back to a profit earning entity.

From 2025-26, a new financial viability subsidy will be provided to reimburse Synergy for Non Co-optimised Essential System Services (NCESS) market costs that are not passed on to residential and small business customers. The NCESS was introduced as a market mechanism as part of the new Wholesale Electricity Market in October 2023 to address forecast peak and minimum electricity demand events.

Table 8.4

SYNERGY FINANCIAL VIABILITY SUBSIDIES

| | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m | Total 2025-26 to 2028-29 \$m |
|---|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|---------------------------------------|
| Distributed Energy Buyback Scheme ^(a) | 1.9 | - | - | 1.5 | 8.2 | 9.7 |
| Non Co-optimised Essential System Services Recovery Over-the-Counter and Paper-Bill Fee Recovery Re- and De-energisation Fee Recovery | - | 176.2 | 137.0 | 29.1 | - | 342.3 |
| Renewable Energy Buyback Scheme ^(b) | 2.2 | 2.2 | 2.2 | 2.3 | 2.3 | 9.0 |
| System Security Transition Payment | 3.2 | 3.2 | 1.3 | 1.3 | 1.3 | 7.0 |
| Tariff Equalisation Contribution Recovery | 41.8 | - | - | - | 11.1 | 11.1 |
| TOTAL | 137.8 | 92.6 | 92.6 | 92.6 | - | 277.9 |
| | 108.1 | 112.4 | 117.8 | 117.8 | 117.8 | 465.8 |
| | 294.9 | 386.6 | 351.0 | 244.6 | 140.7 | 1,122.8 |

(a) The subsidy in 2024-25 is due to the value of electricity from rooftop solar exported into the network being 5 cents per kilowatt hour below the Distributed Energy Buyback Scheme rate during the off-peak periods. Over 2025-26 to 2027-28, the value of exported electricity is anticipated to be higher as new battery storage assets enter the network, increasing mid-day prices. In 2028-29, the value of exported electricity is forecast to drop below the buyback rate due to higher rooftop solar export with no additional large-scale battery storage assumed to enter the network in 2028-29.

(b) The subsidy in 2024-25 is due to the value of electricity from rooftop solar exported into the network being 4.4 cents per kilowatt hour below the Renewable Energy Buyback Scheme rate. Over 2025-26 to 2027-28, the value of exported electricity is anticipated to be higher as noted above, reducing the need for a subsidy. In 2028-29, the value of exported electricity is forecast to drop below the buyback rate, resulting in the subsidy.

Note: Columns may not add due to rounding.

Regional Utilities Pricing Subsidies

The provision of water and electricity services to regional areas, at the same or similar price levels to those in the metropolitan region, has a significant impact on the State's finances.

Water Corporation Country Water Pricing Subsidy

The Water Corporation's Country Water Pricing Subsidy totals \$2.5 billion over the forward estimates period. The subsidy funds the gap between the cost of providing water, wastewater and drainage services in regional areas, and the revenue received from customers receiving those services. The subsidy is funded from the Consolidated Account.

The year-on-year increases in the value of the subsidy largely relate to the upgrade of the Goldfields and Agricultural Water Supply Scheme and the reclassification of capital expenditure to operating expenditure for a number of projects in remote communities.

Regional Electricity Subsidies

Horizon Power receives the Tariff Equalisation Contribution (TEC) subsidy due to the Government's Uniform Tariff Policy, whereby all residential and small business customers pay the same regulated charges for electricity services.

The TEC funds the difference between the efficient costs of supply in the South West Interconnected System and Horizon Power's (higher regional) costs. The TEC is funded by Western Power's network distribution customers (Synergy and other electricity retailers).

In 2025-26, approximately 48% of the TEC will be funded by an operating subsidy provided to Synergy to compensate it for its residential tariffs under-recovering the cost of supply (which includes the TEC). The remaining 52% of the TEC will be funded by commercial customers (both Synergy and non-Synergy).

The value of the Country Water Pricing Subsidy and the TEC (provided to the Water Corporation and Horizon Power respectively) is outlined below.

| REGIONAL UTILITIES PRICING SUBSIDIES | | | | | | | Table 8.5 |
|---|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|---|-----------|
| | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m | Total 2025-26 to 2028-29 \$m | |
| Country Water Pricing Subsidy | 397.1 | 545.6 | 611.0 | 685.6 | 672.4 | 2,514.6 | |
| Tariff Equalisation Contribution | 230.0 | 242.0 | 251.0 | 252.0 | 252.0 | 997.0 | |
| TOTAL | 627.1 | 787.6 | 862.0 | 937.6 | 924.4 | 3,511.6 | |

A detailed list of expenses to individual public corporations from the general government sector is provided in the following table.

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

Table 8.6

| Details of Payment | Funding Department | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m |
|--|----------------------------|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
| ELECTRICITY CORPORATIONS | | | | | | |
| Horizon Power | | | | | | |
| <i>Operating Subsidies</i> | | | | | | |
| Air Conditioning Allowance (North of 26 th Parallel) | DTF ^(b) | 1.2 | 1.3 | 1.3 | 1.3 | 1.4 |
| Case Management Support for Customers in Hardship | DTF ^(b) | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 |
| Cost of Living Support - Commonwealth Energy Bill Relief | DTF ^(b) | 13.8 | 5.8 | - | - | - |
| Cost of Living Support - State Government Household and Small Business | | 19.6 | - | - | - | - |
| Electricity Credits | DTF ^(b) | | | | | |
| Dependent Child Rebate | DTF ^(b) | 1.0 | 1.0 | 1.1 | 1.1 | 1.1 |
| Electric Vehicle Charging Network | DTF ^(b) | 0.3 | 0.3 | 0.3 | 0.4 | 0.4 |
| Leonora Power Project | DTF ^(b) | 0.6 | - | - | - | - |
| Pilbara Green Link | DTF ^(b) | 8.0 | - | - | - | - |
| Residential Battery Scheme | DTF ^(b) | - | 0.7 | 0.3 | 0.1 | 0.1 |
| Remote Communities Essential Services | DTF ^(b) | 1.0 | 1.0 | 1.1 | 1.1 | 1.1 |
| Tariff Adjustment Payment | DTF ^(b) | 2.5 | - | - | - | - |
| Tariff Migration – Movement to L2 and A2 Tariff | DTF ^(b) | - ^(c) | - ^(c) | - ^(c) | - ^(c) | - ^(c) |
| Transfer of Essential Services | DTF ^(b) | 7.3 | 5.9 | 13.5 | 14.0 | 14.1 |
| Transfer of Essential Services – Remote Communities | DTF ^(b) | 9.5 | 8.6 | - | - | - |
| Transfer of Essential Services – Royalties for Regions | DTF ^(b) | 31.2 | 32.0 | 32.0 | 32.0 | 32.0 |
| WA Government Energy Assistance Payment | DTF ^(b) | 2.2 | 2.3 | 2.3 | 2.4 | 2.4 |
| <i>Other Subsidies</i> | | | | | | |
| Energy Ahead (formerly the Household Energy Efficiency Scheme) | DEED ^(d) | 0.9 | - | - | - | - |
| Hardship Utility Grant Scheme | Communities ^(e) | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| Pilbara Energy Transition Plan | DEED ^(d) | 1.0 | 1.0 | - | - | - |
| <i>Subtotal</i> | | 100.8 | 60.6 | 52.5 | 53.0 | 53.2 |

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS ^(a)

| Details of Payment | Funding Department | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m |
|--|----------------------------|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
| Synergy | | | | | | |
| <i>Operating Subsidies</i> | | | | | | |
| Account Establishment Fee Rebate | DTF ^(b) | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 |
| Air Conditioning Allowance | DTF ^(b) | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Cost of Living Support – Commonwealth Energy Bill Relief | DTF ^(b) | 348.6 | 168.1 | - | - | - |
| Cost of Living Support – State Government Household and Small Business Electricity Credits | DTF ^(b) | 463.1 | - | - | - | - |
| Customer Engagement Platform | DTF ^(b) | 1.0 | 2.2 | - | - | - |
| Dependent Child Rebate | DTF ^(b) | 18.6 | 19.4 | 20.3 | 21.1 | 22.0 |
| Distributed Energy Buyback Scheme | DTF ^(b) | 1.9 | - | - | 1.5 | 8.2 |
| Electric Vehicle Charging Network | DTF ^(b) | 0.1 | - | - | - | - |
| Emergency Solar Management | DTF ^(b) | 6.1 | 6.1 | - | - | - |
| Feasibility Studies for Replacement Generation Assets | DTF ^(b) | 1.3 | 10.0 | 4.2 | - | - |
| Hardship Response | DTF ^(b) | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 |
| Late Payment Fee Waiver | DTF ^(b) | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Lithium Industry Support Program | DTF ^(b) | 20.6 | 23.4 | - | - | - |
| Non Co-optimised Essential System Services Recovery | DTF ^(b) | - | 176.2 | 137.0 | 29.1 | - |
| Over-the-Counter and Paper-Bill Fee Recovery | DTF ^(b) | 2.2 | 2.2 | 2.2 | 2.3 | 2.3 |
| Re- and De-energisation Fee Recovery | DTF ^(b) | 3.2 | 3.2 | 1.3 | 1.3 | 1.3 |
| Renewable Energy Buyback Scheme | DTF ^(b) | 41.8 | - | - | - | 11.1 |
| Residential Battery Scheme | DTF ^(b) | - | 8.8 | 1.1 | 0.7 | 0.0 |
| System Security Transition Payment | DTF ^(b) | 137.8 | 92.6 | 92.6 | 92.6 | - |
| Tariff Equalisation Contribution Recovery | DTF ^(b) | 108.1 | 112.4 | 117.8 | 117.8 | 117.8 |
| WA Government Energy Assistance Payment | DTF ^(b) | 83.9 | 87.6 | 91.4 | 95.2 | 99.3 |
| Warradarge Wind Farm 2 | DTF ^(b) | 15.0 | - | - | - | - |
| <i>Other Subsidies</i> | | | | | | |
| Energy Ahead (formerly Household Energy Efficiency Scheme) | DEED ^(d) | 4.8 | - | - | - | - |
| Hardship Utility Grant Scheme | Communities ^(e) | 7.9 | 7.9 | 7.9 | 7.9 | - |
| Subtotal | | 1,268.7 | 723.0 | 478.7 | 372.6 | 265.0 |

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

| Details of Payment | Funding Department | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m |
|--|----------------------------|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
| WATER CORPORATIONS | | | | | | |
| Water Corporation | | | | | | |
| <i>Operating Subsidies</i> | | | | | | |
| Concessional Lands ^(f) | DTF ^(b) | 78.5 | 81.3 | 84.4 | 87.6 | 90.8 |
| Country Water Pricing Subsidy ^(g) | DTF ^(b) | 397.1 | 545.6 | 611.0 | 685.6 | 672.4 |
| Metropolitan Operations | DTF ^(b) | 1.3 | 6.1 | 0.7 | - | - |
| Pensioner and Senior Concessions | DTF ^(b) | 119.7 | 123.3 | 125.7 | 128.1 | 130.6 |
| Strategic Water Infrastructure Program (Infill Sewerage) | DTF ^(b) | - | - | 7.9 | 4.1 | - |
| <i>Other Subsidies</i> | | | | | | |
| Coolangatta Industrial Estate | DEED ^(d) | 0.5 | 0.5 | 2.5 | - | - |
| Essential and Municipal Services Upgrade Program | Communities ^(e) | 4.5 | 7.8 | 10.1 | - | - |
| Great Southern Region Water Carting | DWER ^(h) | - | 1.6 | - | - | - |
| Hardship Utility Grant Scheme | Communities ^(e) | 0.4 | - | - | - | - |
| Metering Services | DWER ^(h) | 0.2 | 0.2 | 0.2 | - | - |
| Oakagee Strategic Industrial Area Water Supply Phase 2 | DEED ^(d) | 0.7 | 1.3 | 2.0 | 0.3 | - |
| Perth Seawater Desalination Plant 1 and 2 Pre-treatment Facility | DTMI ⁽ⁱ⁾ | 0.3 | 0.8 | - | - | - |
| Regional Water Subsidies ⁽ⁱ⁾ | DEED ^(d) | 33.1 | - | - | - | - |
| Remote Essential Services Program – Remote Communities Fund | DTF ^(b) | 45.3 | 49.8 | - | - | - |
| Remote Essential Services Program – Royalties for Regions | DTF ^(b) | 23.3 | 23.9 | 23.9 | 23.9 | 23.9 |
| Water Deficiency Declaration | DWER ^(h) | 0.5 | 0.5 | - | - | - |
| <i>Subtotal</i> | | 705.4 | 842.7 | 868.4 | 929.6 | 917.7 |
| Bunbury Water Corporation | | | | | | |
| <i>Operating Subsidies</i> | | | | | | |
| Non-residential Tariff Subsidy | DTF ^(b) | 1.9 | 3.0 | 2.9 | 2.9 | 3.0 |
| Pensioner and Senior Concessions | DTF ^(b) | 0.9 | 1.0 | 1.0 | 1.0 | 1.0 |
| Residential Tariff Subsidy | DTF ^(b) | 3.2 | 5.2 | 4.9 | 5.0 | 5.2 |
| <i>Subtotal</i> | | 6.0 | 9.2 | 8.8 | 9.0 | 9.2 |
| Busselton Water Corporation | | | | | | |
| <i>Operating Subsidies</i> | | | | | | |
| Pensioner and Senior Concessions | DTF ^(b) | 0.9 | 0.8 | 0.8 | 0.8 | 0.8 |
| Residential and Non-residential Tariff Subsidy | DTF ^(b) | 3.5 | 3.6 | 3.9 | 4.6 | 5.7 |
| <i>Subtotal</i> | | 4.4 | 4.4 | 4.8 | 5.4 | 6.6 |

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

| Details of Payment | Funding Department | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m |
|--|---------------------|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
| PORT AUTHORITIES | | | | | | |
| Fremantle Ports Authority | | | | | | |
| <i>Other Subsidies</i> | | | | | | |
| Westport Feasibility Study – Kwinana Bulk Jetty Relocation | DTMI ⁽ⁱ⁾ | 2.0 | 0.4 | - | - | - |
| <i>Subtotal</i> | | <u>2.0</u> | <u>0.4</u> | - | - | - |
| Kimberley Ports Authority | | | | | | |
| <i>Operating Subsidies</i> | | | | | | |
| Transfer of Wyndham, Derby and Yampi Ports | DTF ^(b) | 2.5 | - | - | - | - |
| <i>Subtotal</i> | | <u>2.5</u> | <u>-</u> | - | - | - |
| Mid West Ports Authority | | | | | | |
| <i>Operating Subsidies</i> | | | | | | |
| Lithium Industry Support Program | DTF ^(b) | - | 6.0 | - | - | - |
| <i>Subtotal</i> | | <u>-</u> | <u>6.0</u> | - | - | - |
| Pilbara Ports Authority | | | | | | |
| <i>Other Subsidies</i> | | | | | | |
| Dampier – Burrup Port Infrastructure | DEED ^(d) | 7.0 | 7.5 | 7.6 | 7.9 | 8.1 |
| Pilbara Hydrogen Hubs (Lumsden Point) – Commonwealth Grant | DEED ^(d) | 15.0 | - | - | - | - |
| <i>Subtotal</i> | | <u>21.9</u> | <u>7.5</u> | <u>7.6</u> | <u>7.9</u> | <u>8.1</u> |
| Southern Ports Authority | | | | | | |
| <i>Operating Subsidies</i> | | | | | | |
| Lithium Industry Support Program | DTF ^(b) | - | 2.9 | - | - | - |
| <i>Subtotal</i> | | <u>-</u> | <u>2.9</u> | - | - | - |

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS ^(a)

Table 8.6 (cont.)

| | Funding Department | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m |
|--|--|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
| Details of Payment | | | | | | |
| LAND AGENCIES | | | | | | |
| DevelopmentWA | | | | | | |
| <i>Operating Subsidies</i> | | | | | | |
| Anzac Drive West | DTF ^(b) | 7.6 | 13.2 | - | - | - |
| Australian Marine Complex | DTF ^(b) | 2.8 | - | 6.1 | - | - |
| Australian Marine Complex – Rate of Return Stages 1 and 2 | DTF ^(b) | 19.0 | 19.0 | 19.0 | 19.0 | 19.0 |
| Bentley Residential Redevelopment | DTF ^(b) | 3.9 | 9.0 | 8.1 | - | - |
| Brown Street – Housing Diversity Pipeline | DTF ^(b) /DHW ^(k) | 6.0 | 8.0 | - | - | - |
| Bunbury Waterfront | DTF ^(b) | 5.0 | 5.7 | - | - | - |
| Burrup Strategic Industrial Area | DTF ^(b) | 2.0 | 1.6 | 1.2 | 1.3 | 1.3 |
| Collie Industrial Land | DEED ^(d) | 0.2 | 12.5 | - | - | - |
| Council of Australian Governments' Waste Export Ban | DTF ^(b) | - | 5.0 | - | - | - |
| East Keralup Economic Activation | DTF ^(b) | - | 1.7 | - | - | - |
| East Perth Power Station | DTF ^(b) | 7.6 | 3.6 | - | - | - |
| Housing Pipeline Diversity | DPLH ^(l) | 4.3 | - | - | - | - |
| Industrial Land Development Fund | DTF ^(b) | 20.4 | 9.5 | 0.3 | - | - |
| Kalgoorlie Heavy Industrial Development – Lot 350, Great Eastern Highway | DTF ^(b) | - | - | 2.2 | - | - |
| Kwinana Land – Holding Costs | DTF ^(b) | 2.1 | 2.2 | 2.2 | 2.3 | 2.3 |
| Land Agency Reform – Holding Costs | DTF ^(b) | 9.0 | 7.3 | 7.3 | 7.3 | 7.3 |
| Neerabup Automation and Robotics Park | DTF ^(b) | 4.9 | - | - | - | - |
| Nyamba Buru Yawuru Health and Wellbeing Campus | DTF ^(b) | - | 3.0 | 2.5 | 0.5 | - |
| Nyamba Buru Yawuru Large Format Retail | DTF ^(b) | - | 4.0 | 2.0 | - | - |
| Ocean Reef Marina | DTF ^(b) | 45.3 | 8.7 | - | - | - |
| Residential Land Development for Social and Affordable Housing – Holding Costs | DTF ^(b) | 11.0 | 13.6 | 13.5 | 12.3 | 12.4 |
| Regional Development Assistance Program | DTF ^(b) | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |
| Regional Residential Land Developments | DTF ^(b) | 11.0 | 25.5 | 16.5 | 4.7 | 1.8 |

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

| | Funding Department | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m |
|---|----------------------|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
| Details of Payment | | | | | | |
| DevelopmentWA | | | | | | |
| Stakehill - Peel Business Park | DTF ^(b) | - | 6.3 | - | - | - |
| Subi East Precinct | DTF ^(b) | 15.0 | 6.1 | - | - | - |
| Sustainable Funding Model Principles | DTF ^(b) | 15.5 | 15.5 | 12.6 | 12.6 | 12.6 |
| Technology Precinct – Australian Marine Complex & Bentley | DTF ^(b) | 1.7 | 1.2 | 1.3 | 1.3 | 1.3 |
| Yamatji Nation Settlement | DTF ^(b) | - | 2.4 | 0.7 | - | - |
| <i>Other Subsidies</i> | | | | | | |
| Housing Australia Future Fund | DTF ^(b) | 4.5 | 101.9 | 174.6 | 114.3 | - |
| Housing Support Package | DTF ^(b) | - | 8.8 | 5.0 | - | - |
| Royalties for Regions – Various Projects | DTF ^(b) | 9.8 | 0.4 | - | - | - |
| Yerriminup Agribusiness Precinct Activation | DPIRD ^(m) | - | 4.0 | - | - | - |
| <i>Subtotal</i> | | <u>215.4</u> | <u>306.7</u> | <u>282.1</u> | <u>182.5</u> | <u>65.1</u> |
| OTHER | | | | | | |
| Racing and Wagering Western Australia | | | | | | |
| <i>Other Subsidies</i> | | | | | | |
| Direct Grants – Racing Bets Levy | GWC ⁽ⁿ⁾ | 108.8 | 114.7 | 114.7 | 118.1 | 121.7 |
| Point of Consumption Tax – Racing Funding | DTF ^(b) | 38.8 | 38.7 | 39.1 | 39.6 | 40.1 |
| <i>Subtotal</i> | | <u>147.6</u> | <u>153.3</u> | <u>153.8</u> | <u>157.7</u> | <u>161.8</u> |
| Gold Corporation | | | | | | |
| <i>Other Subsidies</i> | | | | | | |
| State Battery Safety Program | DTF ^(b) | 4.3 | 6.1 | - | - | - |
| <i>Subtotal</i> | | <u>4.3</u> | <u>6.1</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Forest Products Commission | | | | | | |
| <i>Other Subsidies</i> | | | | | | |
| Ecological Thinning Program | DTF ^(b) | 40.7 | 43.1 | 46.0 | 46.0 | 47.1 |
| <i>Subtotal</i> | | <u>40.7</u> | <u>43.1</u> | <u>46.0</u> | <u>46.0</u> | <u>47.1</u> |

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

| | Funding Department | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m |
|---|--------------------|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
| Details of Payment | | | | | | |
| Public Transport Authority (o) | | | | | | |
| <i>Operating Subsidies</i> | | | | | | |
| Transperth | | | | | | |
| Concession Fares | DTF (b) | 38.8 | 39.3 | 34.0 | 36.1 | 35.9 |
| General | DTF (b) | 1,118.4 | 1,165.2 | 1,170.8 | 1,200.6 | 1,216.5 |
| Pensioners, Seniors and Carers Free Travel | DTF (b) | 15.1 | 15.1 | 13.8 | 14.3 | 14.8 |
| Perth Stadium Special Events | DTF (b) | 8.8 | 8.8 | 8.8 | 8.8 | 8.8 |
| School Children Fares | DTF (b) | 26.2 | 24.3 | 21.4 | 22.7 | 24.0 |
| Regional School Bus Services | | | | | | |
| Regional School Bus Conveyance Allowance | DTF (b) | 4.1 | 4.3 | 4.4 | 4.4 | 4.4 |
| Regional School Bus Services | DTF (b) | 138.5 | 138.9 | 138.1 | 138.9 | 139.5 |
| Regional Town Bus Services | | | | | | |
| General | DTF (b) | 14.5 | 14.2 | 13.6 | 13.9 | 13.7 |
| Concessions | DTF (b) | 4.7 | 4.6 | 3.9 | 3.6 | 3.7 |
| Pensioners, Seniors and Carers Free Travel | DTF (b) | 1.0 | 1.1 | 1.0 | 1.1 | 1.1 |
| Cost of Living | | | | | | |
| Fare Free Sundays | DTF (b) | 5.8 | 3.3 | - | - | - |
| Ride to School Free | DTF (b) | 6.9 | 10.2 | 5.2 | - | - |
| Summer of Free Public Transport | DTF (b) | 17.4 | - | - | - | - |
| Transwa | | | | | | |
| Pensioners, Seniors and Carers Free Travel | DTF (b) | 2.0 | 2.2 | 2.4 | 2.5 | 2.6 |
| Concession Fares | DTF (b) | 3.9 | 4.3 | 4.7 | 4.9 | 5.0 |
| General | DTF (b) | 38.6 | 38.8 | 41.4 | 42.0 | 42.6 |
| Freight Network – General | DTF (b) | 28.5 | 21.0 | 25.2 | 29.2 | 26.7 |
| <i>Other Subsidies</i> | | | | | | |
| Chamber of Commerce and Industry - Apprenticeship Support Australia Grant | DTWD (p) | 0.1 | 0.1 | - (c) | - (c) | - (c) |
| Mid-Tier Transport Planning | DTMI (i) | 2.4 | - | - | - | - |
| Perth City Deal – Bus Stops Accessibility Upgrades | DTMI (i) | 1.0 | 0.2 | - | - | - |
| Perth Zoo Free Public Transport | DPC (q) | 0.2 | - | - | - | - |
| Regional School Bus Services – Intensive English Centres and Other Services | Education (r) | 6.6 | 6.6 | 6.7 | 6.7 | 6.7 |
| Royalties for Regions – District Allowance Payments | DTF (b) | - (c) | - (c) | - (c) | - (c) | - (c) |
| Transperth Free Transit Zone – Recurrent Grant | DTMI (i) | 20.4 | 20.5 | 20.6 | 20.6 | 20.7 |
| Tunnel Monitoring | DTMI (i) | 1.5 | 0.9 | 0.7 | 0.6 | 0.6 |
| <i>Subtotal</i> | | <i>1,505.5</i> | <i>1,523.8</i> | <i>1,516.7</i> | <i>1,550.9</i> | <i>1,567.5</i> |

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

| Details of Payment | Funding Department | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m |
|--|--------------------|---------------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
| Department of Housing and Works | | | | | | |
| <i>Other Subsidies</i> | | | | | | |
| Affordable Housing Market-Led Project | DTF ^(b) | - | 25.0 | - | - | - |
| Community Housing Capability Program | DTF ^(b) | - | 0.8 | 1.8 | 1.8 | 1.8 |
| Government Office Accommodation Lease Shortfall | DTF ^(b) | 4.1 | 4.0 | 4.0 | - | - |
| Housing Maintenance | DTF ^(b) | 91.6 | - | - | - | - |
| National Rental Affordability Scheme | DTF ^(b) | 9.0 | 9.0 | - | - | - |
| North West Aboriginal Housing Fund | Various | 18.3 | 46.9 | 27.5 | 3.4 | 0.7 |
| Public Sector Wage Offer – Agency Impact | DTF ^(b) | 16.2 | 22.8 | 10.3 | 10.6 | 10.6 |
| Remote Communities | Various | 111.8 | 89.9 | 52.4 | 62.7 | 62.6 |
| Social Housing Economic Recovery Package | DTF ^(b) | 9.7 | 5.7 | - | - | - |
| Social Housing Energy Performance Initiative Co-investment | DTF ^(b) | 0.3 | 0.3 | 0.4 | - | - |
| Social Housing Operations | DTF ^(b) | 168.1 | 128.5 | 78.7 | 97.8 | 102.9 |
| Various | Various | 4.6 | 10.5 | 16.1 | 7.2 | 1.4 |
| Subtotal | | 433.8 | 343.4 | 191.1 | 183.3 | 179.8 |
| Total | | 4,459.0 | 4,033.1 | 3,610.5 | 3,497.9 | 3,281.0 |

(a) Details of operating and other subsidies contained in this appendix may differ to those disclosed in Budget Paper No. 2: *Budget Statements*. Details contained in this appendix are accrual in nature, while appropriations detailed in Budget Paper No. 2 are on a cash basis. Funding is from the Consolidated Account and other general government agencies. A further breakdown of some of these operating and other subsidies is contained as part of Appendix 6: *State Government Social Concessions Expenditure Statement*.

(b) Department of Treasury and Finance.

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

(d) Department of Energy and Economic Diversification.

(e) Department of Communities.

(f) Includes concessions provided for non-rated and exempt properties.

(g) Subsidy allocations are indicative and may be updated as part of a future Budget process.

(h) Department of Water and Environmental Regulation.

(i) Department of Transport and Major Infrastructure.

(j) Aggregated subsidies funded by DEED, including commercially sensitive costs.

(k) Department of Housing and Works.

(l) Department of Planning, Lands, and Heritage.

(m) Department of Primary Industries and Regional Development.

(n) Gaming and Wagering Commission.

(o) Includes service appropriations authorised under the *Salaries and Allowances Act 1975*.

(p) Department of Training and Workforce Development.

(q) Department of the Premier and Cabinet.

(r) Department of Education.

Note: Columns may not add due to rounding.

Household Tariffs, Fees and Charges

The Department of Treasury and Finance uses a model to estimate what an average household might pay in government tariffs, fees, and charges.

This 'representative household' is based on typical use of electricity, water, public transport, and other government services. While every household is different, the model helps show the general impact of changes in government charges.

The Department of Treasury and Finance, in consultation with relevant agencies, annually reviews and adjusts its assumptions about the typical household use of government services. No changes to the composition of household consumption were made for the 2025-26 update.

Results

The impact of changes in tariffs, fees and charges in 2025-26 on the 'representative' household is shown in the table below.

Table 8.7
ESTIMATED IMPACT ON THE 'REPRESENTATIVE' HOUSEHOLD

| | 2024-25 \$ level | % change | \$ change | 2025-26 \$ level |
|---|---------------------|--------------|----------------|---------------------|
| Utility Charges | | | | |
| Electricity ^(a) | 1,902.06 | 2.5 | 47.55 | 1,949.61 |
| Water, wastewater, and drainage ^{(b)(c)} | 1,868.39 | 2.5 | 46.73 | 1,915.12 |
| <i>Total</i> | <i>3,770.45</i> | <i>2.5</i> | <i>94.28</i> | <i>3,864.73</i> |
| Public Transport ^(d) | | | | |
| Student fares ^(e) | – | – | – | – |
| Standard fares ^(f) | 1,198.08 | -16.3 | -195.84 | 1,002.24 |
| <i>Total</i> | <i>1,198.08</i> | <i>-16.3</i> | <i>-195.84</i> | <i>1,002.24</i> |
| Motor Vehicles ^(g) | | | | |
| Vehicle licence charge | 447.56 | 3.9 | 17.28 | 464.84 |
| Driver's licence | 93.70 | 2.9 | 2.70 | 96.40 |
| Recording fee | 8.25 | 15.2 | 1.25 | 9.50 |
| Motor Injury Insurance (MII) | 446.77 | 2.7 | 12.11 | 458.88 |
| <i>Total</i> | <i>996.28</i> | <i>3.3</i> | <i>33.34</i> | <i>1,029.62</i> |
| Emergency Services Levy (ESL) ^(h) | 321.93 | 5.0 | 16.10 | 338.03 |
| Stamp Duty ⁽ⁱ⁾ | | | | |
| Stamp duty on general insurance | 284.93 | – | – | 284.93 |
| Stamp duty on MII | 45.89 | – | – | 45.89 |
| <i>Total</i> | <i>330.82</i> | <i>–</i> | <i>–</i> | <i>330.82</i> |
| Total Expenditure | 6,617.56 | -0.8 | -52.12 | 6,565.44 |

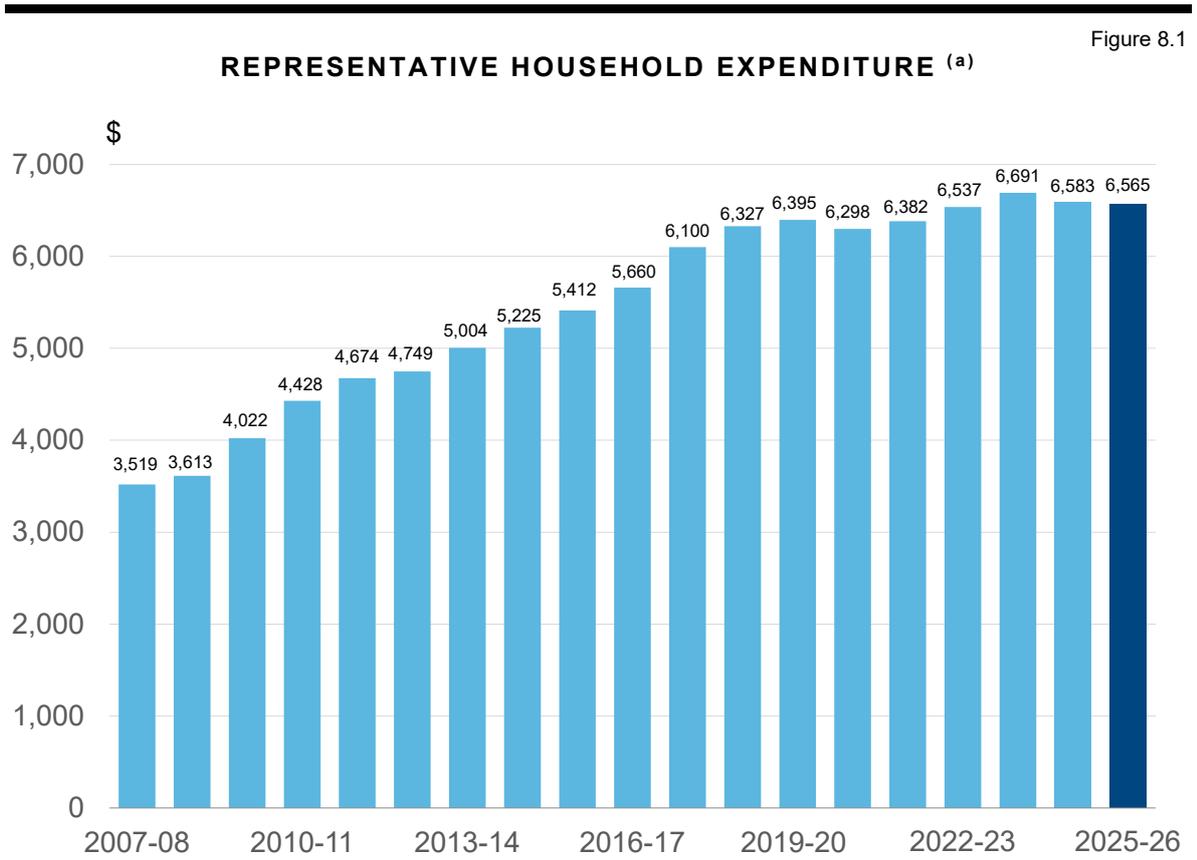
- (a) Consumes 4,714 kWh of electricity per annum, based on the 2024-25 average consumption level for a household.
- (b) Consumes 220 kL of water per annum, based on the 2024-25 average consumption level for a household.
- (c) Owns and occupies a property that has an average gross rental value for the calculation of wastewater and drainage.
- (d) Transperth fares are assumed to be purchased using the lowest cost means available (i.e. SmartRider Autoload) and increases are rounded to the nearest 10 cents.
- (e) Purchases 10 Transperth student fares in 40 weeks of the year (reflecting that travel on student fares occurs only during the school term). Public transport for students with eligible concessions is free until the end of the 2026 school year.
- (f) Purchases six standard Transperth fares 48 weeks per annum. Reflects travel to attend work three days per week and accounts for annual leave provisions. Based on the purchase of two zone fares for 2024-25 and for the period July 2025 to December 2025 and the purchase of the new suburban flat fare (being a one-zone equivalent fare) from January 2026.
- (g) Based on a household with two drivers and owning one car (a sedan with tare weight of 1,600 kg – relevant for the purpose of determining the appropriate level of vehicle licence charge).
- (h) Owns and occupies a property that has an average gross rental value for the calculation of the Emergency Services Levy charges. Following Landgate's advice on property numbers and gross rental values, the 2024-25 ESL charge was declared by the Minister for Emergency Services at \$321.93 compared to the published 2024-25 Budget level of \$324.00.
- (i) The household model isolates the impact of changes in stamp duty rates on insurance premiums (rather than the impact of changes in underlying premiums). An increase in this component of the model will only occur if the rate of stamp duty is changed. Each year, latest available data from Insurance Statistics Australia on average general and MII insurance premiums is used to calculate stamp duty. Average insurance premiums as at December 2024 have been used to estimate stamp duty in both 2024-25 and 2025-26.

Note: Columns may not add due to rounding.

2025-26 Economic and Fiscal Outlook

Total tariffs, fees and charges by the ‘representative’ household on this basket of public sector goods and services in 2025-26 is \$6,565. This represents a decrease of \$52.12 (or 0.8%) relative to 2024-25, excluding the impact of the 2024-25 Electricity Credits. This is the sixth year in a row that the Government has kept household tariffs, fees and charges to below projected inflation.

Tariffs, fees and charges paid by a representative household since 2007-08 are shown in the following figure.



(a) Representative household tariffs, fees and charges as published in annual Budget Papers (excludes the impact of electricity credits in 2020-21, and 2022-23 to 2024-25).

Electricity Tariffs

Approved electricity tariff changes for 2025-26, and the Budget planning assumptions from 2026-27 onwards, are outlined below.

Table 8.8

| 2025-26 BUDGET ELECTRICITY TARIFF PRICE PATH | | | | |
|---|--------------|--------------|--------------|--------------|
| | 2025-26 % | 2026-27 % | 2027-28 % | 2028-29 % |
| NON-CONTESTABLE TARIFFS | | | | |
| Residential (A1/A2) | 2.50 | 2.50 | 2.50 | 2.50 |
| Residential Hot Water (B1) | 2.50 | 2.50 | 2.50 | 2.50 |
| Community and Charitable Organisations (C1/C2) | 2.50 | 2.50 | 2.50 | 2.50 |
| Charitable Organisation Providing Residential Accommodation (D1/D2) | 2.50 | 2.50 | 2.50 | 2.50 |
| Combined Residential/Business (K1/K2) | 2.50 | 2.50 | 2.50 | 2.50 |
| Small Business (L1/L2) | 2.50 | 2.50 | 2.50 | 2.50 |
| Small Business Time of Use (R1) | 2.50 | 2.50 | 2.50 | 2.50 |
| Unmetered Supply (UMS) ^(a) | -0.13 | -0.13 | -0.13 | -0.13 |
| Traffic Lighting (W1/W2) ^(a) | 4.86 | 4.86 | 4.86 | 4.86 |
| Street Lighting (Z) – South West Interconnected System ^(a) | 5.54 | 5.54 | 5.54 | 5.54 |
| Street Lighting (Z) – Horizon Power service area ^(a) | 5.90 | 5.90 | 5.90 | 5.90 |
| CONTESTABLE TARIFFS ^(a) | | | | |
| Medium Business (L3/L4) | 5.09 | 5.09 | 5.09 | 5.09 |
| Medium Business Time of Use (R3) | 10.11 | 10.11 | 10.11 | 10.11 |

(a) These regulated tariffs approximate cost-reflective levels and have been smoothed over the forward estimates period to minimise large year-on-year movements in price.

Electricity tariffs for residential, community, charitable and small business customers will increase by less than forecast inflation in 2025-26, and are forecast to remain below or in line with inflation across the remainder of the forward estimates period. All other tariffs have been adjusted to achieve or maintain cost-reflectivity on a smoothed basis across the Budget period.

Water Tariffs

The Government has approved a 2.5% increase to water consumption (fixed and variable), wastewater, and drainage tariffs for metropolitan and country customers in 2025-26, below forecast inflation of 2.75%.

A selection of key tariff changes from 2024-25 to 2025-26 is provided in the following table.

Table 8.9

| WATER CORPORATION'S 2025-26 TARIFF CHANGES | | | |
|---|----------|----------|----------|
| | 2024-25 | 2025-26 | % change |
| METROPOLITAN RESIDENTIAL TARIFFS | | | |
| Water | | | |
| Standard fixed service charge (\$) | 289.65 | 296.89 | 2.5 |
| <i>Consumption charges (c/kL) ^(a)</i> | | | |
| 0-150 kL | 200.2 | 205.2 | 2.5 |
| 151-500 kL | 266.7 | 273.4 | 2.5 |
| Over 500 kL | 499.0 | 511.5 | 2.5 |
| Wastewater (c in \$GRV) ^{(b)(c)} | | | |
| First \$20,000 Gross Rental Value (GRV) | 4.446 | 4.551 | 2.5 |
| Over \$20,000 GRV | 3.855 | 3.946 | 2.5 |
| Drainage | | | |
| Drainage charge (c/\$ of GRV) ^{(c)(d)} | 0.588 | 0.603 | 2.5 |
| METROPOLITAN NON-RESIDENTIAL TARIFFS | | | |
| Water | | | |
| Standard fixed service charge (\$) | 307.80 | 315.50 | 2.5 |
| Minimum charge (15 or 20 mm) (\$) ^(e) | 307.80 | 315.50 | 2.5 |
| Consumption charges (c/kL) ^(f) | 285.0 | 292.1 | 2.5 |
| Wastewater ^(g) | | | |
| First fixture (\$) | 1,155.37 | 1,184.25 | 2.5 |
| Volumetric charge (c/kL) | 424.6 | 435.2 | 2.5 |
| Drainage | | | |
| Drainage charge (c/\$ of GRV) ^{(c)(d)} | 0.377 | 0.385 | 2.5 |

(a) Country residential water consumption charges are no more than metropolitan charges for the first 300 kilolitres (kL).
 (b) Country residential wastewater charges are subject to minimum and maximum charges.
 (c) 2.5% increase is based on effective absolute revenue impact, not rate directly.
 (d) Drainage is not charged outside the metropolitan region.
 (e) The charge varies depending upon the size of the meter.
 (f) Country non-residential water consumption charges are location-based.
 (g) Non-residential wastewater charges are uniform across the State.

For the 'representative' household that pays a fixed service charge, consumes 220 kL and owns and occupies a property that has an average gross rental value, this will result in an overall 2.5% increase.

For Budget planning purposes, it has been assumed that household water, wastewater and drainage tariffs will increase by 2.5% per annum from 2025-26 onwards, which is below or in line with inflation forecasts over the forward estimates period.

Public Transport Fares

Transperth standard cash fares will be maintained at their current rates to 31 December 2025. From 1 January 2026, the suburban flat fare will be introduced, capping the cost for all travel on the Transperth network at the one-zone rate, which will assist with the cost of living by making travel across the expanded network more affordable and more accessible.

There are no changes to SmartRider discounts (which will remain at 20% for Autoload and 10% for Other reload) or the \$2 per day parking fee.

To provide further cost of living relief for families, free public transport for users with a valid SmartRider card will continue to be available on regular Transperth services for school students under the *Ride to School Free* program (until the end of the 2026 school year) and for the entire community every Sunday (through to January 2026) as part of the *Fare Free Sundays* initiative.

Seniors, disability and age pensioner cardholders and carers will also continue to be eligible for free travel on weekdays before 6am, between 9am and 3:30pm and after 7pm, and anytime on weekends and public holidays.

The Public Transport Authority's Budget projections assume that standard Transperth fares will increase by 2.5% per annum over the period 2026-27 to 2028-29 and that concession fares will increase – as a proportion of standard fares – by 1% per annum from 2025-26, which continues the Government's policy (set in the 2017-18 Budget) to increase concession fares to 50% of standard fares over a 10-year period.

The following table details the revised cash fares for 2025-26.

TRANSPERTH FARES 2025-26

Table 8.10

| | 2024-25 | \$ increase ^(a) | % increase | 2025-26 ^(b) |
|--|---------|----------------------------|------------|------------------------|
| Standard Cash Fare ^(c) | | | | |
| 2 sections | \$2.40 | - | - | \$2.40 |
| 1 zone ^(b) | \$3.50 | - | - | \$3.50 |
| 2 – 9 zones ^(b) | \$5.20 | - | - | Discontinued |
| Day Rider | \$10.40 | - | - | \$10.40 |
| Family Rider | \$10.40 | - | - | \$10.40 |
| Student ^(d) | \$0.00 | - | - | \$0.00 |

(a) Fare increases are rounded to 10 cent increments and are based on the 2024-25 fare calculated before rounding.

(b) From 1 January 2026, a maximum one zone fare cap will be introduced for all travel on the Transperth network.

(c) Concession fares are 47% of the full standard fare subject to rounding.

(d) The Ride to School Free Program is available Monday to Friday for the duration of the school year for students who correctly tag on and off using their Student SmartRider card. Outside of these times, normal concession fares apply.

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Western Australian Treasury Corporation Borrowings

Introduction

The Western Australian Treasury Corporation (WATC) is the State's central borrowing authority and primary provider of debt finance for Western Australia's public sector. Each Australian State and Territory has a central borrowing authority to fund its debt, similar to WATC.

The Treasurer borrows from WATC on behalf of the State for general public purposes. Borrowings for general public purposes are authorised by the *Loan Act 2017* and preceding Loan Acts. The proceeds of all loans raised under the Loan Acts are paid into the Consolidated Account. The funds are then appropriated to agencies by Parliament in accordance with the State Budget.

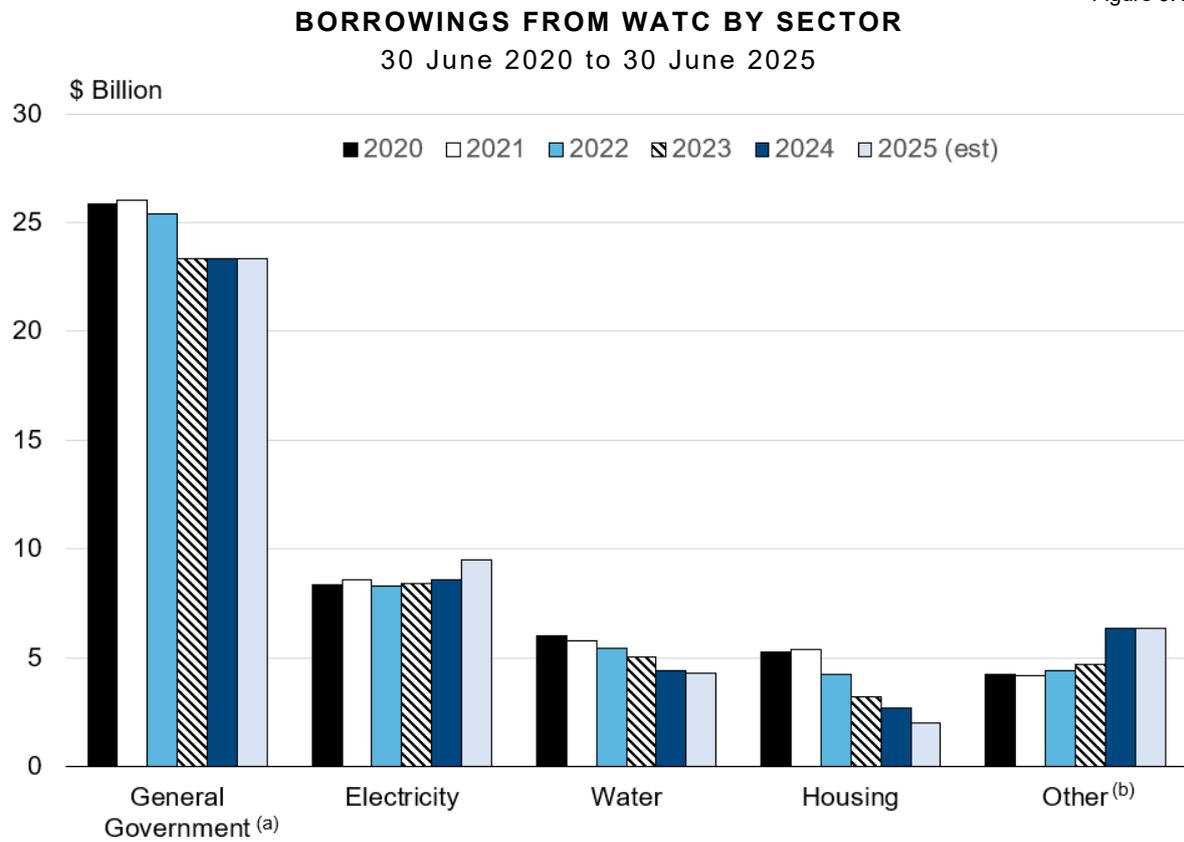
Individual agencies with borrowing powers in their enabling legislation also borrow from WATC. These include Government Trading Enterprises, some general government statutory authorities, public universities and local government.

The aggregation of the borrowing requirements for each of these entities across the total public sector¹ results in the total debt portfolio that WATC is required to manage. For 30 June 2025, total borrowings from WATC are estimated to be \$45.6 billion. A breakdown of this portfolio by sector, and its evolution since 30 June 2020, is shown in the figure below.

The borrowing requirement for Western Australian public sector agencies in any particular year is determined as an outcome of the annual Budget and Mid-year Review processes. It reflects the consideration of government revenue less recurrent and capital expenditure, plus movements in the liquid assets of the sector.

¹ While funded by WATC, for the purposes of whole-of-government financial disclosures reflected in this Budget, and in line with treatment under applicable accounting standards, local governments and public universities are not classified as total public sector agencies of the State of Western Australia in the balance sheet disclosures elsewhere in the Budget Papers.

Figure 9.1



(a) Consolidated Account and other borrowers (including Commissioner of Main Roads, Minister for Education).

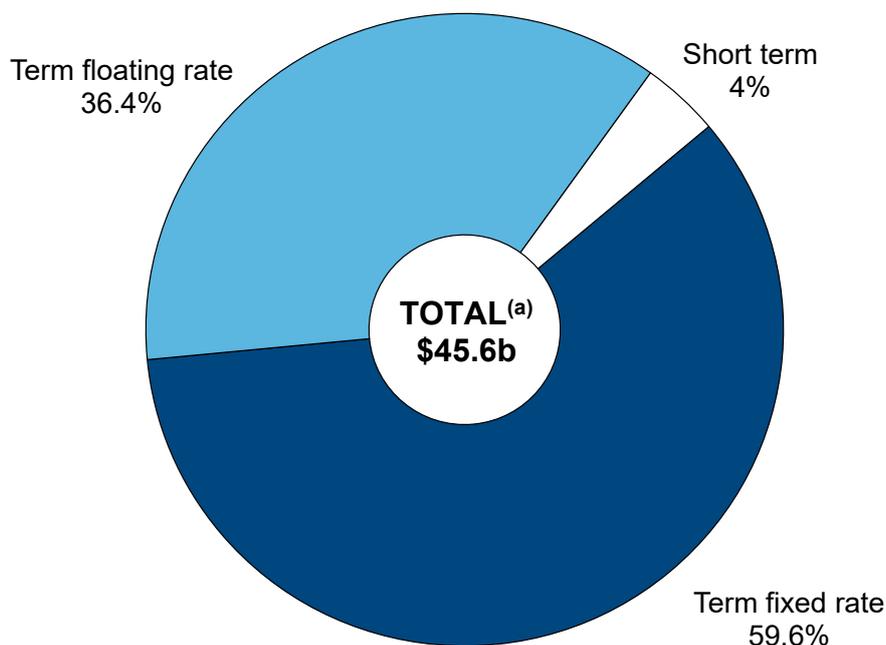
(b) Ports, transport, public universities, local governments and all other public entity borrowings from WATC.

Total Borrowings from WATC

As at 30 June 2025, total agency borrowings from WATC are estimated to be \$45.6 billion, allocated over WATC's loan products as shown below, at an average portfolio interest rate of 3.67%.

ALLOCATION OF LOAN PRODUCTS AT 30 JUNE 2025

Figure 9.2



(a) Estimated allocation as at 30 June 2025.

Total borrowings from WATC are projected to rise to \$57.8 billion by the end of 2028-29.

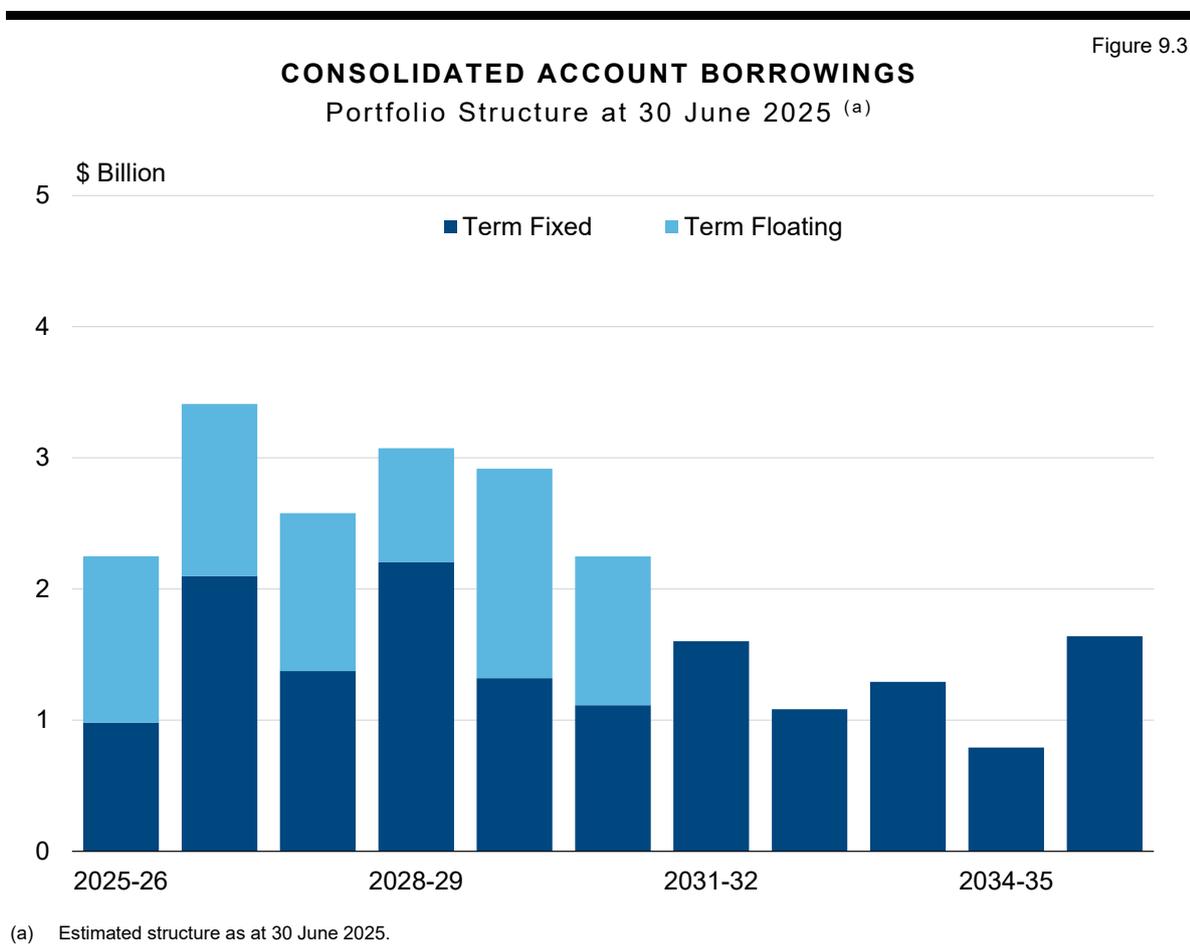
Consolidated Account Borrowings

Consolidated Account borrowings (i.e. borrowings for general public purposes) are estimated to represent 50.2% of WATC lending at 30 June 2025.

The *Loan Act 2017* authorises the borrowing requirements of the Consolidated Account. The Department of Treasury is responsible for administering Loan Acts on behalf of the Treasurer. The actual function of borrowing through debt capital markets is undertaken and managed by WATC and then on-lent to the Consolidated Account in accordance with a Debt Management Strategy that is agreed to by both parties. The remaining Loan Act authorisation at 30 June 2025 is estimated to be \$6.9 billion.

The primary objective is for WATC to manage interest rate risk by maintaining a diversified portfolio of fixed and floating rate debt. This borrowing strategy is informed by financial modelling performed by WATC and prevailing market conditions. Practical implementation involves Treasury and WATC agreeing a target floating and fixed rate debt and maturity allocation to be achieved within each financial year to meet new borrowing and refinancing requirements. WATC has discretion as to the component products and maturity structure of individual advances, provided they are within the agreed allocation limits. Deviation from target allocations between fixed and floating rate debt is permitted over the short term.

The expected structure of the Consolidated Account borrowing profile at 30 June 2025 is shown below. This reflects the outcome of borrowing activity undertaken by WATC to achieve the interest rate risk management objective within the context of its responsiveness to market demand.



At 30 June 2025, Consolidated Account borrowings are estimated to total \$22.9 billion (unchanged from last year), with an average interest rate of 3.57% across a portfolio of term fixed rate and term floating rate loans.

Consolidated Account borrowings are expected to increase to \$26.9 billion over 2025-26 before growing to \$29.4 billion by 30 June 2029.

Table 9.1

| CONSOLIDATED ACCOUNT BORROWING PROGRAM | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|
| | 2024-25 \$m | 2025-26 \$m | 2026-27 \$m | 2027-28 \$m | 2028-29 \$m |
| 2024-25 BUDGET | | | | | |
| – New Borrowing | - | - | 1,500 | 500 | n/a |
| – Repayments | - | - | - | - | n/a |
| Net New Borrowing | - | - | 1,500 | 500 | n/a |
| 2025-26 BUDGET | | | | | |
| – New Borrowing | - | 4,000 | 1,000 | 1,000 | 500 |
| – Repayments | - | - | - | - | - |
| Net New Borrowing | - | 4,000 | 1,000 | 1,000 | 500 |

All Other Borrowings from WATC

WATC also undertakes all other borrowings required by individual agencies with borrowing powers in their enabling legislation. This involves borrowing through debt capital markets and then on-lending to each agency in accordance with the agreed Debt Management Strategies adopted by these agencies.

Agencies with this authority mostly include the public corporations, public universities and local government.

At 30 June 2025, all other borrowings from WATC (i.e. excluding the Consolidated Account) are expected to total \$22.7 billion, at an average portfolio interest rate of 3.77%. This is forecast to fall to \$22.5 billion over 2025-26 before growing to \$28.4 billion by 2028-29 (in support of infrastructure investment).

How WATC Raises Funds

WATC raises funds to finance Western Australia's debt requirements through issuing a range of debt securities on the Australian and international debt markets.

- **Benchmark Bonds** – domestic Australian dollar (AUD) fixed coupon bonds (includes bonds issued under the WATC Sustainable Bond Framework), which are expected to have a face value of \$39.9 billion outstanding at 30 June 2025, with eleven annual bond maturities from 2025 to 2035.
- **Non-Benchmark Bonds** – domestic AUD fixed coupon bonds with insufficient volume on issue to be considered Benchmark Bonds are expected to have a face value of \$0.7 billion outstanding at 30 June 2025, with a maturity in July 2041.
- **Floating Rate Notes (FRNs)** – with coupon rates that change every three months, which are expected to have a face value of \$7.6 billion outstanding at 30 June 2025, with six maturities from 2026 to 2031.
- **Short Term Inscribed Stock (STIS)** – domestically issued short term paper with maturities out to one year, which are expected to have a face value of \$3.2 billion outstanding at 30 June 2025.

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- Euro Commercial Paper (ECP) – short term paper issued in a range of currencies offshore, out to one-year maturities, which are expected to have the AUD equivalent of \$300 million outstanding at 30 June 2025. All proceeds are swapped back into Australian dollars so that no currency risk exists.
- Euro Medium Term Notes (EMTN) – bonds issued offshore in a range of currencies, hedged back into Australian dollars such that no currency risk exists. This market is only used when pricing advantages exist relative to benchmark bonds. There is currently no issuance under this program, but it remains available subject to updated documentation.
- Other Borrowings – these include retail bonds (smaller parcels of bonds issued in conjunction with migrant schemes) and other smaller programs.

Reserve Bank of Australia (RBA) holdings of WATC bonds and FRNs are expected to be approximately 13% of outstandings at 30 June 2025. Australian banks remain the largest holders of semi-government debt paper to meet regulatory requirements for their Tier 1 High Quality Liquid Asset portfolios. It is estimated that about 69% of WATC bonds and FRNs are currently held by Australian banks² to meet regulatory requirements for their Tier 1 High Quality Liquid Asset portfolios³.

WATC estimates that between 10% and 15% of WATC bonds are held by offshore investors. By comparison, the Commonwealth has approximately 66% of its debt issuance (issuance excludes RBA holdings) held by investors offshore, and it is estimated other larger Australian State issuers have 15% to 20% of their investors offshore.

² The holders of WATC paper are difficult to identify with precision, as about 12.5% (at 30 April 2025) is held in nominee company names with some investors preferring to remain anonymous. This is similar for central borrowing authorities in other States.

³ Only cash, deposits at the RBA, and Commonwealth and State-issued paper are currently eligible to meet this requirement from the Australian Prudential Regulation Authority.

Tax and Royalty Expenditure Statement

Purpose

The purpose of this tax and royalty expenditure statement is to provide information about the cost or value of tax and royalty concessions that would not otherwise be reported in the Budget Papers in the years after the concessions were introduced.

What is a tax or royalty expenditure?

Tax and royalty expenditures include revenue forgone by the Government, and financial benefits to taxpayers, from exemptions and other concessions that depart from the general tax or royalty treatment. They are 'expenditures' in the sense that their impact on the Budget is similar to direct outlays, and they can be used to achieve specific goals.

Labelling an exemption or concession as a tax or royalty expenditure does not necessarily imply any judgement about its appropriateness. Rather, it makes the amount of the exemption or concession explicit, and thereby facilitates scrutiny as part of the annual Budget process (including review of whether the exemption or concession is still effective in achieving any specific objective originally intended).

Measuring tax and royalty expenditures

Measuring a tax or royalty expenditure requires identification of:

- a benchmark tax or royalty base and rate; and
- concessionary tax or royalty treatment of components of the benchmark tax or royalty base (e.g. a concession or exemption for a particular industry, activity or class of taxpayer).

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Identification of benchmark revenue bases and rates requires a degree of judgement. Furthermore, data limitations mean that the tax and royalty expenditures identified in this statement are only approximations. Data sources and methods used for estimating these expenditures are also subject to review each year (such that time series estimates may not be fully comparable).

Estimates of the expenditures have been derived from a range of sources, including unpublished data from relevant government departments, and Australian Prudential Regulation Authority reports. However, the statement is not exhaustive. For example, some exemptions and concessions have not been included due to data limitations. Very small exemptions or concessions are also excluded.

This year's statement includes estimated actual expenditures for 2023-24 and 2024-25.

Table 10.1

SUMMARY OF MAJOR TAX AND ROYALTY EXPENDITURES
Western Australia

| | 2023-24 Estimated Actual \$m | 2024-25 Estimated Actual \$m |
|--|---------------------------------------|---------------------------------------|
| PAYROLL TAX | | |
| Tax-free threshold | 1,612.6 | 1,903.9 |
| State Government departments exemption ^{(a)(b)} | 391.9 | 443.2 |
| Public hospitals exemption ^(a) | 373.1 | 404.3 |
| Schools/colleges exemption ^(a) | 325.2 | 350.1 |
| Charitable bodies exemption | 343.9 | 367.0 |
| Local governments exemption | 107.7 | 115.6 |
| Apprentices and trainees exemption | 56.7 | 48.6 |
| LAND TAX AND METROPOLITAN REGION IMPROVEMENT TAX (MRIT) | | |
| Principal place of residence exemption | 639.5 | 715.8 |
| Tax-free threshold | 508.9 | 535.0 |
| Primary production exemption | 295.0 | 371.9 |
| MRIT not applied State-wide | 61.5 | 64.6 |
| Religious bodies exemption | 28.5 | 28.8 |
| Educational institutions exemption ^(a) | 31.2 | 33.0 |
| Public charitable or benevolent institutions exemption | 21.4 | 22.8 |
| Land value growth cap | 12.8 | 14.2 |
| Developers concession | 14.7 | 7.4 |
| Retirement villages exemption | 11.2 | 11.2 |
| Club or sporting associations exemption/concession | 8.4 | 8.3 |
| Aged care facilities exemption | 9.1 | 8.7 |
| Caravan parks exemption | 4.7 | 4.7 |
| Public or religious hospitals exemption ^(a) | 2.4 | 1.7 |
| Build-to-rent concession | - | - |
| TRANSFER DUTY (INCLUDING LANDHOLDER DUTY) | | |
| Connected entities restructure exemption ^(c) | 2,660.0 | 156.2 |
| First home owners' exemption/concession | 83.1 | 79.2 |
| Family farms exemption | 5.4 | 6.7 |
| Off-the-plan concession (pre-construction) | 19.2 | 19.3 |
| Off-the-plan concession (under construction) | 2.6 | 12.0 |
| INSURANCE DUTY | | |
| Health insurance policies exemption | 345.8 | 363.0 |
| Workers' compensation insurance exemption | 115.5 | 123.5 |
| Reinsurance exemption | 13.6 | 14.0 |
| Marine hulls exemption | 10.9 | 11.5 |
| VEHICLE LICENCE FEES | | |
| Pensioners and Seniors vehicle concession | 51.2 | 53.7 |
| Primary producers vehicle concession | 14.3 | 14.6 |
| VEHICLE LICENCE DUTY | | |
| Heavy vehicles concession | 81.3 | 84.3 |
| Caravans and camper trailers exemption | 58.2 | 57.2 |
| MINING ROYALTIES | | |
| Subsidised gold royalty rate | 259.3 | 369.4 |
| Subsidised alumina royalty rate | 138.3 | 169.3 |
| Gold royalty-free threshold | 9.0 | 12.2 |
| Salt State Agreement Acts concession | 3.7 | 4.9 |
| TOTAL | 8,732.2 | 7,012.0 |

(a) While any removal of these concessions could lead to an increase in relevant budget appropriations, these tax expenditures have been reported to provide an indication of the total support provided by the Government. They also illustrate where tax concessions could change the 'relative price' faced by government departments.

(b) Excludes the value of separately reported tax expenditures for public hospitals and schools.

(c) The value of exempt transactions can vary significantly from year to year depending on the number and size of connected entities restructures.

Major Tax and Royalty Expenditures

Payroll Tax

Tax-free threshold

Since 1 July 2020, businesses operating in Western Australia with taxable, Australia-wide wages of less than \$1 million are not subject to payroll tax.

A diminishing exemption threshold was introduced from 1 July 2015 such that the tax-free threshold progressively reduces in value for entities that report Australia-wide wages between the tax-free threshold and \$7.5 million.

State Government departments exemption

The wages paid by all State Government departments listed on Pay-roll Tax Assessment Regulations 2003 – Schedule 1 are exempt from payroll tax. This item excludes public hospitals and public schools, which are reported separately.

Public hospitals exemption

The wages of employees or contractors of a health service provider, as defined in the *Health Services Act 2016*, are exempt from payroll tax.

Schools/colleges exemption

A school or college (other than a vocational education and training college) that is carried on by a not-for-profit organisation and provides education at or below, but not above, the secondary level of education is exempt from payroll tax.

Charitable bodies exemption

A charitable body or organisation performing relevant charitable work may apply to the Commissioner of State Revenue for a payroll tax exemption.

Local governments exemption

Local governments, regional local governments and the Western Australian Local Government Association are exempt from payroll tax.

Apprentices and trainees exemption

The wages of all apprentices who are undertaking training under an approved training contract are exempt from payroll tax.

The payroll tax exemption for new employee trainees earning up to \$100,000 per annum will continue to apply for the nominal duration of training contracts that were registered with the Department of Training and Workforce Development before 1 July 2019.

Land Tax and Metropolitan Region Improvement Tax (MRIT)

Principal place of residence exemption

Generally, land used by the owner as their primary residence at midnight 30 June is exempt from land tax and MRIT for the following assessment year.

Tax-free threshold

Land owners that have aggregated, assessable unimproved land values of less than \$300,000 are not liable for land tax nor are they subject to the MRIT if they own land within the Perth Metropolitan Area.

Primary production exemption

Land used in carrying out certain primary production businesses on a commercial basis is exempt from land tax and MRIT (where applicable) if all relevant conditions are met.

MRIT not applied State-wide

Land that is subject to land tax but is not located within the Perth Metropolitan Area is not subject to the MRIT.

Religious bodies exemption

Land owned by, or held in trust for, a religious body is exempt from land tax and MRIT provided that the land is used for religious, public worship or educational purposes, or for the residence of a minister of the religious body.

Educational institutions exemption

Land owned by, or held in trust for, a university or educational institution in Western Australia is exempt from land tax and MRIT provided that it is used solely for the purposes of the institution.

Public charitable or benevolent institutions exemption

Land owned by, or held in trust for, a public charitable or benevolent institution is exempt from land tax and MRIT if it is used solely for the public charitable or benevolent purposes for which the institution was established.

Land value growth cap

A 50% cap on growth in land values applies for the purpose of assessing land tax and MRIT to help reduce the volatility and unpredictability of growth in individual land tax and MRIT liabilities.

Developers concession

Land tax and MRIT is only paid on the un-subdivided (or ‘englobo’) value of land holdings at midnight 30 June, rather than the full subdivided value of lots, for one year after the creation of the lots.

Retirement villages exemption

Land used for a retirement village within the meaning of the *Retirement Villages Act 1992* is exempt from land tax and MRIT.

Club or sporting associations exemption/concession

Land owned by sporting or other not-for-profit associations used to provide facilities necessary for or conducive to meeting the objects of the association is exempt from land tax and MRIT. Not-for-profit facilities that are commercially available to the public may be eligible for a 50% concession if at least half of the land is being used to meet the objects of the association.

Aged care facilities exemption

Land used for the purposes of providing a residential care service that is certified under the *Commonwealth Aged Care Act 1997* is exempt from land tax and MRIT.

Caravan parks exemption

Land used as caravan parks, park home sites or camping grounds is exempt from land tax and MRIT.

Public or religious hospitals exemption

Land used solely for the purposes of a public hospital, or a hospital conducted by or on behalf of a religious body, is exempt from land tax and MRIT.

Build-to-rent exemption

Land containing an eligible build-to-rent development may receive an exemption of up to 50% of the taxable value of the land for 20 consecutive assessment years from the first year the development meets the requirements. This exemption only applies for assessment years beginning on or after 1 July 2023.

Transfer Duty (including Landholder Duty)

Connected entities restructure exemption

Certain transactions between related corporations or unit trust schemes are exempt from transfer duty.

First home owners' exemption/concession

Prior to 9 May 2024, first home buyers were entitled to a concessional rate of transfer duty if the value of the dutiable property was below \$530,000 for a new or established dwelling, or below \$400,000 for vacant land. No duty was payable if the new or established dwelling's value was below \$430,000, or the vacant land value was below \$300,000.

From 9 May 2024, first home buyers were then entitled to a concessional rate of transfer duty if the value of the dutiable property was below \$600,000 for a new or established dwelling, or below \$400,000 for vacant land. No duty was payable if the new or established dwelling's value was below \$450,000, or the vacant land value was below \$300,000.

As reported in Chapter 4: *General Government Revenue*, for purchases of established properties by first home buyers from 21 March 2025, the property value threshold for a full transfer duty exemption has now been increased to \$500,000, and the threshold for a concessional rate of duty has been increased to \$700,000 for purchases in the Perth and Peel regions, and \$750,000 outside these regions. The vacant land transfer duty exemption threshold was raised to \$350,000 with the concession phasing out at \$450,000.

Family farms exemption

A transfer of farming land in Western Australia to a family member is exempt from transfer duty, subject to certain conditions being satisfied.

Off-the-plan concession (pre-construction)

From 1 July 2023 until 20 March 2025 a person that enters a contract to purchase a dwelling in a multi-tier strata scheme before construction of the development commences is eligible for a transfer duty concession of the following amounts, with a maximum value of \$50,000.

- 100% if the contract value is less than \$650,000;
- between 100% and 50% if the contract value is between \$650,000 and \$750,000; and
- 50% if the contract value is greater than \$750,000.

From 21 March 2025 until 30 June 2026 a person that enters a contract to purchase a dwelling in a multi or single-tier strata scheme or community title (building) scheme before construction of the development commences is eligible for a transfer duty concession of the following amounts, with a maximum value of \$50,000:

- 100% if the contract value is less than \$750,000;
- between 10% and 50% if the contract value is between \$750,000 and \$850,000; and
- 50% if the contract value is greater than \$850,000.

Off-the-plan concession (under-construction)

From 31 August 2023 until 20 March 2025 a person that enters a contract to purchase a dwelling in a multi-tier strata scheme after the development commences, but before it is completed, is eligible for a transfer duty concession of the following amounts, with a maximum value of \$50,000:

- 75% if the contract value is less than \$650,000;
- between 75% and 37.5% if the contract value is between \$650,000 and \$750,000; and
- 37.5% if the contract value is greater than \$750,000.

From 21 March 2025 until 30 June 2026 a person that enters a contract to purchase a dwelling in a multi or single-tier strata scheme or community title (building) scheme after the development commences, but before it is completed, is eligible for a transfer duty concession of the following amounts, with a maximum value of \$50,000.

- 75% if the contract value is less than \$750,000;
- between 75% and 37.5% if the contract value is between \$750,000 and \$850,000; and
- 37.5% if the contract value is greater than \$850,000.

Insurance Duty

Health insurance policies exemption

Health insurance issued by a private health insurer (as defined in the Commonwealth *Private Health Insurance Act 2007*) is exempt from insurance duty.

Workers' compensation insurance exemption

Insurance against an employer's liability to pay compensation under the *Workers' Compensation and Injury Management Act 1981* is exempt from insurance duty.

Reinsurance exemption

The indemnification of one party by another against a liability or payment arising under an insurance or reinsurance contract is exempt from insurance duty.

Marine hulls exemption

Insurance in respect of marine hulls used mainly for commercial purposes is exempt from insurance duty.

Vehicle Licence Fees

Pensioners and Seniors vehicle concession

A 50% concession on vehicle licence fees is available to holders of a Centrelink Pensioner Concession Card or Veterans' Affairs Pensioner Concession Card, and seniors who hold both a State Seniors Card and a Commonwealth Seniors Health Card. A 100% concession is available to some pensioners in limited circumstances.

Primary producers vehicle concession

Vehicles used by farmers or graziers principally on their farm, and vehicles used by beekeepers, kangaroo hunters, prospectors and sandalwood pullers solely or principally in the course of their occupation, are entitled to a 50% vehicle licence fee concession.

Vehicle Licence Duty

Heavy vehicles concession

Transfers of heavy vehicle licences are subject to a single flat duty rate (currently 3%) and a maximum duty amount (of \$12,000) rather than the uncapped, progressive rate scale that applies to light vehicles.

Caravans and camper trailers exemption

Caravans and camper trailers that are permanently fitted for human habitation are exempt from vehicle licence duty.

Mining Royalties

Subsidised gold royalty rate

The 2015 Mineral Royalty Rate Analysis recommended that a royalty rate of 3.75% be applied to gold. This expenditure represents the difference between that royalty rate (as a benchmark) and the legislated 2.5% rate.

Subsidised alumina royalty rate

The Mineral Royalty Rate Analysis recommended that a royalty rate of 3.75% be applied to alumina. This expenditure represents the difference between that royalty rate (as a benchmark) and the 1.65% rate applied under State Agreement Acts.

Gold royalty-free threshold

The first 2,500 ounces of gold metal produced each year is exempt from mineral royalties.

Salt State Agreement Acts concession

The effective average 2023-24 rate paid by salt projects covered by the various salt State Agreement Acts was around 42 cents per tonne, compared to the 2023-24 salt royalty rate prescribed under the Mining Regulations 1981 of 73 cents per tonne. The effective average 2024-25 rate was around 45 cents per tonne.

Western Australia's Net Contribution to the Federation

Despite the 2018 GST distribution reforms, Western Australia continues to receive the lowest per capita share of GST grants of all States and Territories, and well below its population share of the national GST pool. As a result, even after the reforms, the GST distribution arrangements effectively transfer funding from Western Australia to other States.

The Western Australian Department of Treasury annually estimates the net redistribution across States that occurs through the Commonwealth Budget. For each State, the redistribution is measured as the difference between the Commonwealth revenues generated in that State (including GST collections) and the Commonwealth expenditures for the benefit of that State (including GST grants).

For example, States with higher incomes and business profits contribute more to total Commonwealth taxes, and those with younger and healthier populations, or stronger economic conditions, draw less on health and social security benefits and business support programs.

Using the latest available data, Western Australia is estimated to have contributed a net \$39 billion to the Federation (or \$13,324 per person) in 2023-24 alone.

Results for all States are shown in the table below. A positive figure for a State indicates that it makes a net contribution to the Federation, while a negative figure indicates that it receives a net subsidy.

In 2023-24, New South Wales was the only other net contributor. However, on a per capita basis, Western Australia's net contribution was 19 times that of New South Wales.

Table 11.1

NET CONTRIBUTION OF EACH STATE TO THE FEDERATION ^(a)
2023-24

| | Total Commonwealth Budget | |
|--------------------------|---------------------------|---------------|
| | \$m | \$ per capita |
| New South Wales | 5,997 | 712 |
| Victoria | -529 | -77 |
| Queensland | -16,776 | -3,035 |
| Western Australia | 39,022 | 13,324 |
| South Australia | -14,173 | -7,594 |
| Tasmania | -6,969 | -12,130 |
| Northern Territory | -6,572 | -25,885 |
| Total | 0 | n.a. |

(a) All Commonwealth outlays and revenues relating to the Australian Capital Territory (ACT) are allocated to the other States according to population shares. This recognises that the ACT would be unlikely to exist as a separate entity if the Federation dissolved.

Source: Western Australian Department of Treasury estimates, using a range of data sources including the Commonwealth Final Budget Outcome and Australian Bureau of Statistics' publications. Results are based on the latest available data. Where 2023-24 data is not yet available, it has been proxied by escalating earlier data using relevant economic indicators.

The following table shows a breakdown of Western Australia's estimated net contribution in 2023-24 compared with 2022-23. The figures indicate the extent to which Western Australia contributes more than its population share to Commonwealth revenues, or receives less than its population share of overall Commonwealth expenses.

As shown, the total annual net contribution by Western Australia (\$39 billion in 2023-24) is substantially larger than the contribution attributable to the GST alone (\$2.8 billion in 2023-24).

Western Australia's large net contribution to the Federation is mainly driven by:

- the high level of Commonwealth company tax and personal income tax derived from Western Australia;
- Western Australia's low GST grant share compared to other States; and
- the low level of Commonwealth spending in Western Australia on personal benefit payments and services.

Overall, for 2023-24 it is estimated that the Commonwealth derived \$112 billion in revenue from Western Australia, while expenditure for the benefit of the State (including the State's share of the Commonwealth budget outcome) totalled \$73 billion.

It is also worth noting that Western Australia's net contribution for 2022-23 has been revised up by \$4.7 billion from the 2024-25 Budget preliminary estimate of \$35.3 billion, reflecting revisions and increased availability of relevant data ¹.

¹ The data now available for 2022-23 shows higher than previously estimated growth in Western Australian personal income taxes (increasing Western Australia's personal income tax contribution) and higher than previously estimated profits in the mining sector (increasing Western Australia's company tax contribution).

Table 11.2

COMPONENTS OF WESTERN AUSTRALIA'S NET CONTRIBUTION
Relative to Western Australia's Population Share

| | 2022-23 ^(a) Preliminary \$m | 2022-23 ^(a) Revised \$m | 2023-24 Preliminary \$m |
|--|--|--|-------------------------------|
| Personal income tax | 3,386 | 3,963 | 4,106 |
| Company tax | 24,481 | 28,506 | 26,657 |
| Fuel excise (net of rebates) | 59 | 90 | -346 |
| Taxes and royalties on mineral extraction ^(b) | 1,521 | 1,521 | 1,153 |
| Commonwealth services ^(c) | 2,214 | 1,919 | 2,140 |
| Personal benefit payments | 1,989 | 1,995 | 2,235 |
| GST-related grants net of GST revenues | 2,350 | 2,469 | 2,816 |
| Other grants to State and local governments ^(d) | -355 | -351 | -218 |
| Other ^(e) | -369 | -162 | 479 |
| Total | 35,277 | 39,949 | 39,022 |

(a) Figures for 2022-23 have been revised compared to the 2024-25 Budget.

(b) Net of North West Shelf royalties passed on as grants to Western Australia by the Commonwealth.

(c) Commonwealth gross operating expenses, including defence.

(d) Includes grants to universities. Excludes North West Shelf royalties paid as grants to Western Australia, as these have been netted off taxes and royalties on mineral extraction.

(e) Includes the impact of Commonwealth business support programs and the Commonwealth Budget outcome amongst other things.

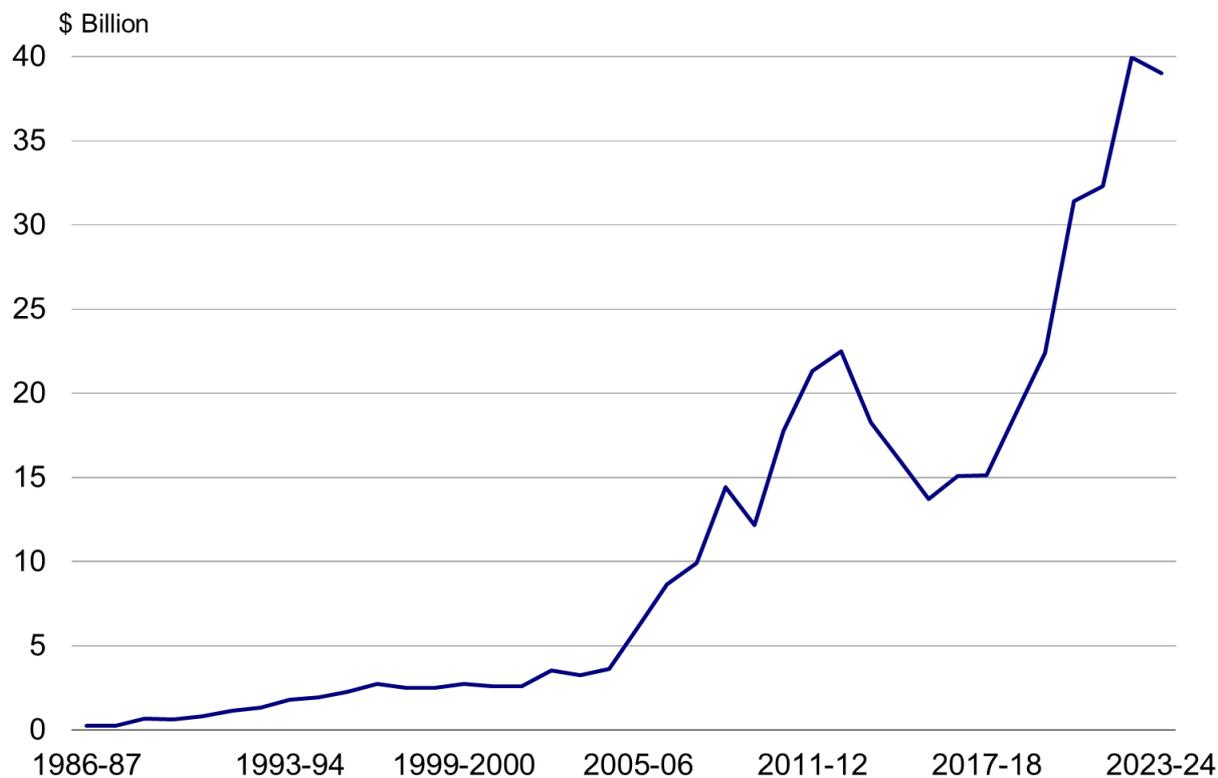
Source: Western Australian Department of Treasury estimates, using a range of data sources including the Commonwealth Final Budget Outcome and Australian Bureau of Statistics' publications. Results are based on the latest available data. Where 2023-24 data is not yet available it has been proxied by escalating earlier data using relevant economic indicators.

Note: Columns may not add due to rounding.

The figure below shows that Western Australia's net contribution has grown strongly over time. Over the period 1986-87 to 2023-24, Western Australia's net contributions to the Federation have totalled \$412 billion (of which \$391 billion is since 2000-01, when the GST was introduced).

Figure 11.1

**WESTERN AUSTRALIA'S NET ANNUAL CONTRIBUTION TO THE
FEDERATION ^(a)**



(a) Data to calculate Western Australia's total contribution are currently only available to 2023-24.

Source: Western Australian Department of Treasury estimates.

Commonwealth Tied Grants

This appendix lists all Commonwealth tied grants (e.g. for health, education, housing and transport) that are included in the State Budget and characterised as such in the Commonwealth Budget¹.

The figures in this appendix may differ from the Commonwealth's due to differing assumptions in relation to timing, parameters and (occasionally) the continuation of an agreement.

¹ While not reported in this appendix, the State Budget also includes Commonwealth grants that the Commonwealth characterises as its own-purpose expenditures (e.g. fee-for-service arrangements and funding provided under competitive tenders open to the private sector). Examples are grants for the provision of hospital services to veterans and for the provision of services to the Cocos Keeling Islands.

Table 12.1

COMMONWEALTH TIED GRANTS (a)(b)(c)

| | Terms of the Latest Agreement | | | Estimated Commonwealth Funding to Western Australia | | | | | |
|--|-------------------------------|---------------------|---|---|---------------------|-----------------|-----------------|-----------------|------------------|
| | Funding Start Year | Funding Expiry Year | Estimated Average Annual Commonwealth Contribution ^(d) | 2024-25 Estimated Actual | 2025-26 Budget Year | 2026-27 Outyear | 2027-28 Outyear | 2028-29 Outyear | Total Five Years |
| | | | \$m | \$m | \$m | \$m | \$m | \$m | \$m |
| HEALTH | | | | | | | | | |
| National Health Reform Agreement | 2020-21 | 2025-26 | 3,729.8 | 3,252.3 | 3,621.8 | 3,688.8 | 3,928.6 | 4,157.7 | 18,649.2 |
| Bentley Hospital Surgicentre | 2024-25 | 2027-28 | 18.8 | 15.6 | 17.5 | 17.5 | 24.5 | - | 75.0 |
| Supporting Older Australian Patients | 2024-25 | 2027-28 | 14.9 | 12.3 | 15.4 | 15.9 | 16.0 | - | 59.6 |
| Community Health and Hospitals Program WA Initiatives | 2019-20 | 2024-25 | 19.8 | 14.3 | 13.0 | - | - | - | 27.3 |
| Public Dental Services for Adults | 2016-17 | 2024-25 | 9.7 | 9.7 | - | - | - | - | 9.7 |
| John Flynn Prevocational Doctor Program | 2022-23 | 2026-27 | 2.1 | 2.4 | 2.8 | 1.7 | - | - | 7.0 |
| National Mental Health and Suicide Prevention | 2023-24 | 2025-26 | 2.9 | 2.8 | 3.0 | - | - | - | 5.8 |
| Access to HIV Treatment for People who are not Eligible for Medicare | 2022-23 | 2026-27 | 1.5 | 1.5 | 1.5 | 1.5 | - | - | 4.4 |
| National Bow el Cancer Screening Program | 2020-21 | 2027-28 | 1.0 | 1.0 | 1.0 | 1.1 | 1.1 | - | 4.2 |
| Specialist Dementia Care | 2019-20 | 2026-27 | 0.8 | 0.7 | 0.9 | 0.9 | - | - | 2.5 |
| Essential Vaccines (excluding free of charge resources) | 2017-18 | 2024-25 | 2.8 | 2.1 | - | - | - | - | 2.1 |
| Comprehensive Palliative Care in Aged Care | 2019-20 | 2025-26 | 1.1 | 1.0 | 1.0 | - | - | - | 2.0 |
| Improving Trachoma Control Services | 2021-22 | 2024-25 | 1.6 | 1.6 | - | - | - | - | 1.6 |
| Smoking and Vaping Cessation Activities | 2023-24 | 2026-27 | 0.5 | 0.5 | 0.5 | 0.5 | - | - | 1.4 |
| New born Bloodspot Screening Expansion | 2022-23 | 2025-26 | 0.6 | 0.6 | 0.8 | - | - | - | 1.4 |
| Rheumatic Fever Strategy | 2021-22 | 2024-25 | 0.8 | 0.9 | - | - | - | - | 0.9 |
| Lymphoedema Compression Garments | 2019-20 | 2028-29 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | - | 0.8 |
| OzFoodNet Program | 2020-21 | 2026-27 | 0.2 | 0.2 | 0.2 | 0.2 | - | - | 0.7 |
| Stillbirth Autopsies and Investigations | 2022-23 | 2024-25 | 0.5 | 0.5 | - | - | - | - | 0.5 |
| Expansion of Colonoscopy Triage | 2023-24 | 2024-25 | 0.5 | 0.4 | - | - | - | - | 0.4 |
| Vaccine Preventable Diseases Surveillance Program | 2020-21 | 2026-27 | 0.1 | 0.1 | 0.1 | 0.1 | - | - | 0.3 |
| Encouraging More Clinical Trials in Australia | 2021-22 | 2024-25 | 0.2 | 0.2 | - | - | - | - | 0.2 |
| TOTAL HEALTH | | | | 3,321.0 | 3,679.7 | 3,728.3 | 3,970.4 | 4,157.7 | 18,857.1 |

Table 12.1 (cont.)

COMMONWEALTH TIED GRANTS (a)(b)(c)

| | Terms of the Latest Agreement | | | Estimated Commonwealth Funding to Western Australia | | | | | |
|--|-------------------------------|---------------------|--|---|-------------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | Funding Start Year | Funding Expiry Year | Estimated Average Annual Commonwealth Contribution ^(d) \$m | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m | Total Five Years \$m |
| EDUCATION | | | | | | | | | |
| Quality Schools / Better and Fairer Schools Agreement | 2024-25 | 2034-35 | 1,526.4 | 1,330.8 | 1,461.1 | 1,557.4 | 1,611.7 | 1,671.0 | 7,632.0 |
| National Preschool Reform Agreement | 2021-22 | 2025-26 | 46.9 | 50.7 | 25.9 | - | - | - | 76.6 |
| National Student Wellbeing Program | 2022-23 | 2026-27 | 7.7 | 7.7 | 7.7 | 7.7 | - | - | 23.2 |
| Consent and Respectful Relationships Education | 2023-24 | 2027-28 | 1.8 | 2.4 | 2.4 | 1.0 | 1.0 | - | 6.6 |
| Workload Reduction Fund: Action 12 of the National Teacher Workforce Action Plan | 2022-23 | 2024-25 | 1.6 | 1.6 | 1.6 | 0.8 | - | - | 4.0 |
| School Pathways Program | 2023-24 | 2025-26 | 0.9 | 1.1 | 0.9 | - | - | - | 2.0 |
| Universal Access to Early Childhood Education 2018 - 2021 ^(e) | 2017-18 | 2021-22 | 46.5 | 1.2 | 0.0 | - | - | - | 1.3 |
| TOTAL EDUCATION | | | | 1,395.5 | 1,499.5 | 1,567.0 | 1,612.6 | 1,671.0 | 7,745.7 |
| TRAINING AND WORKFORCE DEVELOPMENT | | | | | | | | | |
| National Skills Agreement ^(f) | 2023-24 | 2028-29 | 259.9 | 252.7 | 259.0 | 263.4 | 264.1 | 260.2 | 1,299.4 |
| Fee-Free TAFE Skills Agreement | 2022-23 | 2026-27 | 23.2 | 9.8 | 18.6 | 13.4 | - | - | 41.8 |
| TOTAL TRAINING AND WORKFORCE DEVELOPMENT | | | | 262.5 | 277.6 | 276.8 | 264.1 | 260.2 | 1,341.2 |

Table 12.1 (cont.)

COMMONWEALTH TIED GRANTS (a)(b)(c)

| | Terms of the Latest Agreement | | | Estimated Commonwealth Funding to Western Australia | | | | | |
|--|-------------------------------|---------------------|--|---|-------------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | Funding Start Year | Funding Expiry Year | Estimated Average Annual Commonwealth Contribution ^(d) \$m | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m | Total Five Years \$m |
| AFFORDABLE HOUSING | | | | | | | | | |
| National Agreement on Social Housing and Homelessness | 2024-25 | 2028-29 | 198.1 | 190.5 | 194.6 | 199.3 | 203.1 | 202.8 | 990.3 |
| Housing Australia Future Fund - Remote Indigenous Housing | 2024-25 | 2024-25 | 25.0 | 25.0 | - | - | - | - | 25.0 |
| HomeBuilder | 2020-21 | 2025-26 | 79.3 | 5.4 | 0.7 | - | - | - | 6.1 |
| TOTAL AFFORDABLE HOUSING | | | | 220.9 | 195.3 | 199.3 | 203.1 | 202.8 | 1,021.4 |
| COMMUNITY AND DISABILITY SERVICES | | | | | | | | | |
| DisabilityCare Australia Fund | n/a | n/a | n/a | - | 1,007.7 | - | - | - | 1,007.7 |
| Family, Domestic and Sexual Violence Responses | 2021-22 | 2029-30 | 12.3 | 14.4 | 14.3 | 9.1 | 8.6 | 8.8 | 55.2 |
| Aged Care Worker Screening | 2024-25 | 2024-25 | 1.5 | 1.5 | - | - | - | - | 1.5 |
| Integration Empowerment Services & Wanneroo Senior Citizens Club | 2024-25 | 2024-25 | 0.2 | 0.2 | - | - | - | - | 0.2 |
| TOTAL COMMUNITY AND DISABILITY SERVICES | | | | 16.1 | 1,022.0 | 9.1 | 8.6 | 8.8 | 1,064.6 |
| INFRASTRUCTURE | | | | | | | | | |
| Land Transport Infrastructure Projects | 2024-25 | 2028-29 | 1,836.1 | 3,258.4 | 2,819.7 | 1,225.0 | 1,051.9 | 825.8 | 9,180.7 |
| Pilbara Ports Common User Upgrades Agreement | 2023-24 | 2028-29 | 94.2 | 115.0 | 319.0 | 70.0 | 41.0 | - | 545.0 |
| National Water Grid Fund | 2021-22 | 2030-31 | 12.9 | 27.7 | 31.8 | 13.9 | 22.1 | - | 95.5 |
| Perth City Deal ^(g) | 2020-21 | 2024-25 | 9.5 | 26.8 | 1.8 | - | - | - | 28.5 |
| Regional Roads Australia Mobile Program Tranche 3 | 2024-25 | 2027-28 | 2.0 | 4.0 | 3.6 | - | 0.4 | - | 8.0 |
| Busselton Jetty | 2024-25 | 2024-25 | 7.4 | 7.4 | - | - | - | - | 7.4 |
| Administration of Community Infrastructure Programs ^(h) | 2024-25 | 2024-25 | n/a | 2.7 | - | - | - | - | 2.7 |
| Western Australian Telecommunications Resilience | 2024-25 | 2024-25 | 2.0 | 2.0 | - | - | - | - | 2.0 |
| TOTAL INFRASTRUCTURE | | | | 3,444.0 | 3,175.9 | 1,308.9 | 1,115.4 | 825.8 | 9,869.9 |

Table 12.1 (cont.)

COMMONWEALTH TIED GRANTS (a)(b)(c)

| | Terms of the Latest Agreement | | | Estimated Commonwealth Funding to Western Australia | | | | | |
|---|-------------------------------|---------------------|--|---|-------------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | Funding Start Year | Funding Expiry Year | Estimated Average Annual Commonwealth Contribution ^(d) \$m | 2024-25 Estimated Actual \$m | 2025-26 Budget Year \$m | 2026-27 Outyear \$m | 2027-28 Outyear \$m | 2028-29 Outyear \$m | Total Five Years \$m |
| ENVIRONMENT | | | | | | | | | |
| Energy Bill Relief Fund | 2023-24 | 2025-26 | 210.8 | 367.4 | 177.2 | - | - | - | 544.6 |
| Phase Out of Live Sheep Exports by Sea - transition assistance | 2024-25 | 2028-29 | 8.7 | 1.0 | 16.3 | 15.6 | 10.5 | 0.2 | 43.5 |
| Disaster Ready Fund - Round Two | 2024-25 | 2024-25 | 38.3 | 38.3 | - | - | - | - | 38.3 |
| Household Energy Upgrades Fund (Social Housing) | 2024-25 | 2026-27 | 10.5 | 2.3 | 10.9 | 18.3 | - | - | 31.6 |
| Recycling Infrastructure | 2021-22 | 2025-26 | 7.0 | 17.8 | 12.5 | - | - | - | 30.3 |
| Pest and Disease Preparedness and Response Programs ⁽ⁱ⁾ | 2022-23 | 2025-26 | 5.4 | 11.4 | 18.9 | - | - | - | 30.3 |
| Urban Rivers and Catchments Program | 2023-24 | 2027-28 | 3.0 | 3.9 | 3.9 | 3.5 | 2.6 | - | 13.9 |
| Protecting Our Communities (Disaster Resilience) | 2024-25 | 2024-25 | 5.2 | 1.0 | 4.2 | - | - | - | 5.2 |
| Food Waste for Healthy Soils | 2022-23 | 2024-25 | 1.9 | 2.6 | 1.9 | - | - | - | 4.5 |
| Partnering to Implement the National Soil Action Plan 2023-28 Program | 2024-25 | 2027-28 | 0.9 | 1.6 | 0.9 | 0.7 | 0.5 | - | 3.7 |
| Community Solar Banks | 2023-24 | 2024-25 | 3.7 | 3.7 | - | - | - | - | 3.7 |
| Disaster Risk Reduction | 2019-20 | 2023-24 | 2.5 | 2.5 | - | - | - | - | 2.5 |
| World Heritage Management | 2023-24 | 2027-28 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 2.1 |
| Boosting HPAI Biosecurity Response Capability | 2024-25 | 2025-26 | 1.0 | 1.5 | 0.5 | - | - | - | 2.1 |
| Critical Minerals National Productivity Initiative | 2024-25 | 2024-25 | 1.5 | 1.5 | - | - | - | - | 1.5 |
| Strengthen Biosecurity Capability and Domestic Preparedness | 2023-24 | 2024-25 | 2.0 | 0.8 | - | - | - | - | 0.8 |
| Northern Australia Plant/People Capacity and Response Network | 2022-23 | 2024-25 | 0.5 | 0.6 | - | - | - | - | 0.6 |
| Enhancing National Pest Animal and Weed Management | 2020-21 | 2024-25 | 0.4 | 0.4 | - | - | - | - | 0.4 |
| National Plant Health Surveillance Program | 2021-22 | 2024-25 | 0.1 | 0.1 | - | - | - | - | 0.1 |
| TOTAL ENVIRONMENT | | | | 458.9 | 247.6 | 38.5 | 14.0 | 0.6 | 759.5 |

Table 12.1 (cont.)

COMMONWEALTH TIED GRANTS (a)(b)(c)

| | Terms of the Latest Agreement | | | Estimated Commonwealth Funding to Western Australia | | | | | |
|---|-------------------------------|---------------------|---|---|---------------------|-----------------|-----------------|-----------------|------------------|
| | Funding Start Year | Funding Expiry Year | Estimated Average Annual Commonwealth Contribution ^(d) | 2024-25 Estimated Actual | 2025-26 Budget Year | 2026-27 Outyear | 2027-28 Outyear | 2028-29 Outyear | Total Five Years |
| | | | \$m | \$m | \$m | \$m | \$m | \$m | \$m |
| OTHER | | | | | | | | | |
| Natural Disaster Relief and Recovery Arrangements | 2018-19 | n/a | 109.1 | 11.7 | 24.6 | 501.0 | 8.1 | - | 545.4 |
| National Access to Justice Partnership | 2025-26 | 2029-30 | 103.0 | - | 98.4 | 101.1 | 103.1 | 105.2 | 407.8 |
| National Legal Assistance Partnership | 2020-21 | 2024-25 | 60.7 | 69.2 | - | - | - | - | 69.2 |
| Provision of Fire Services - Memorandum of Understanding | 2022-23 | 2026-27 | 2.5 | 2.5 | 2.7 | 2.7 | 2.7 | 2.7 | 13.4 |
| National Firearms Register | 2024-25 | 2027-28 | 1.7 | 0.5 | 1.0 | 3.7 | 1.7 | - | 6.9 |
| Strategic Indigenous Tourism Projects | 2024-25 | 2025-26 | 1.5 | 0.9 | 2.1 | - | - | - | 3.0 |
| Addressing Protection Visa Backlogs - Legal Assistance | 2023-24 | 2024-25 | 1.1 | 1.8 | - | - | - | - | 1.8 |
| Specialised Legal Services for Victims & Survivors of Sexual Violence | 2023-24 | 2025-26 | 0.9 | 0.9 | 0.9 | - | - | - | 1.7 |
| Living Safe Together Intervention Program | 2022-23 | 2024-25 | 0.7 | 1.1 | - | - | - | - | 1.1 |
| Family Law Information Sharing | 2022-23 | 2024-25 | 0.8 | 0.8 | - | - | - | - | 0.8 |
| Countering Violent Extremism High Risk Program | 2022-23 | 2024-25 | 0.6 | 0.5 | - | - | - | - | 0.5 |
| Commonwealth Community Safety Order Scheme | 2024-25 | 2024-25 | 0.0 | 0.0 | - | - | - | - | 0.0 |
| TOTAL OTHER | | | | 89.9 | 129.6 | 608.5 | 115.7 | 107.9 | 1,051.6 |
| TOTAL COMMONWEALTH TIED GRANTS | | | | 9,208.7 | 10,227.4 | 7,736.4 | 7,303.8 | 7,234.8 | 41,711.0 |

COMMONWEALTH TIED GRANTS (a)(b)(c)

- (a) Commonwealth funding is estimated on a revenue basis. Under accounting standards, Commonwealth funding receipts are sometimes recognised immediately as revenues (e.g. when the State gains an element of control over funds, such as when a grant is paid into the Consolidated Account and when key milestones for any tied grants are still to be finalised), and sometimes recognised as revenue in line with spending against clearly agreed milestones. In some cases, residual receipts or spending of Commonwealth funding occurs beyond the agreement's funding term.
- (b) The table excludes grants that the Commonwealth characterises as its own-purpose expenditures.
- (c) Includes funding under expected continuations of agreements.
- (d) The estimated average annual Commonwealth contribution reflects average estimated funding over 2024-25 to 2028-29 for agreements expected to continue; otherwise it is based on the estimated funding and funding term supplied in the agreement (if the agreement does not supply estimated funding, this is separately estimated).
- (e) Agreement has been superseded by the National Preschool Reform Agreement.
- (f) Includes \$5.03 million in 2024-25 and 2025-26 for the TAFE Centres of Excellence Project Plan.
- (g) Excludes Commonwealth funding paid directly to Edith Cowan University as this is not included in the State Budget.
- (h) Comprises Commonwealth contributions to State administration costs associated with local government Community Infrastructure Programs that are directly funded by the Commonwealth, but may require some management by the State.
- (i) The estimated annual average contribution reflects the existing schedules to this agreement, which cover years 2022-23 to 2025-26.

Note: Columns/rows may not add due to rounding and numbers are not shown if under \$100,000.

2025-26 Economic and Fiscal Outlook



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LITHIUM BATTERIES INSTALLED IN
CARGO TRANSPORT UNIT

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