



WA State Budget

Delivering for WA

2026-27

Budget Paper No. 3
Economic and Fiscal Outlook

2026-27 Budget Paper set includes:

Budget Paper No. 1 – Treasurer’s Speech

Budget Paper No. 2 – Budget Statements (Volumes 1–2)

Budget Paper No. 3 – Economic and Fiscal Outlook

Budget Overview

Reader’s Guide to the 2026-27 Budget Statements (available in digital format from www.ourstatebudget.wa.gov.au)



2026-27 BUDGET

ECONOMIC AND FISCAL OUTLOOK

Budget Paper No. 3

**PRESENTED TO THE LEGISLATIVE ASSEMBLY
ON 7 MAY 2026**

2026-27 Economic and Fiscal Outlook

(Budget Paper No. 3)

© Government of Western Australia

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.

Excerpts from this publication may be reproduced, with appropriate acknowledgement, as permitted under the *Copyright Act 1968*.

For further information please contact:

Department of Treasury and Finance
Locked Bag 11 Cloisters Square WA 6850
Telephone: +61 8 6551 2777
Email: info@dtf.wa.gov.au
Website: www.ourstatebudget.wa.gov.au

Published May 2026

ISSN 1448–2630

2026-27 BUDGET
ECONOMIC AND FISCAL OUTLOOK
TABLE OF CONTENTS

	Page
UNDER TREASURER’S CERTIFICATION	i
CHAPTER 1: OVERVIEW	1
Economic and Fiscal Outlook	2
<i>Feature Box: Key Priorities in the 2026-27 Budget</i>	3
<i>Feature Box: Cost of Living Relief</i>	5
CHAPTER 2: ECONOMIC OUTLOOK	9
Western Australia	10
Gross State Product	10
Global Outlook	22
<i>Feature Box: Middle East Conflict and Risks to Western Australia.....</i>	24
Advanced Economies	25
China.....	26
Global Risks.....	27
Commodity Markets.....	27
CHAPTER 3: FISCAL OUTLOOK AND STRATEGY	35
Fiscal Outlook	36
General Government Sector.....	36
<i>Summary.....</i>	36
<i>Feature Box: Government Fiscal Strategy</i>	37
<i>Operating Statement.....</i>	39
<i>Balance Sheet</i>	46
<i>Cashflow Statement.....</i>	46
Total Public Sector.....	48
<i>Operating Statement.....</i>	48
<i>Asset Investment Program</i>	50
<i>Balance Sheet</i>	52
<i>Cashflow Statement.....</i>	53
Net Debt.....	53
Government Financial Strategy Statement	56
Financial Targets	56

	Page
Statement of Risks	61
Geopolitical Events	61
Revenue Estimates.....	61
Spending Risks	65
Contingent Assets and Liabilities.....	69
CHAPTER 4: GENERAL GOVERNMENT REVENUE	71
Introduction	72
Revenue Measures	73
Taxation Revenue	76
Summary.....	76
Detail.....	77
Royalty Income	80
Summary.....	80
Exchange Rate	81
Iron Ore Royalty Income.....	81
Other Royalty Income	82
Commonwealth Grants	83
GST Revenue	85
Forecast of GST Grant	87
<i>Feature Box: Productivity Commission Inquiry into the 2018 GST Distribution Reforms</i>	88
North West Shelf Grants.....	90
Tied Grants	90
Other Revenue	93
Sales of Goods and Services	93
Interest Income	93
Revenue from Public Corporations.....	94
Other Income	94
CHAPTER 5: GENERAL GOVERNMENT EXPENSES	95
Introduction	96
<i>Feature Box: Health and Mental Health</i>	97
A Stronger Western Australia	100
Major Expense Changes	103
Summary.....	103
Parliament.....	105
Government Administration	106
Financial Administration.....	111
Jobs and Economic Development	113
Health.....	128

	Page
Education and Training	136
Community Safety	141
Community Services	152
Transport and Major Infrastructure	161
Environment.....	169
Planning and Land Use	172
Utilities	176
Provisions	178
CHAPTER 6: ASSET INVESTMENT	181
Introduction	182
<i>Feature Box: Housing Investment</i>	<i>188</i>
Major Infrastructure Spending Changes	191
Summary.....	191
Government Administration	192
Financial Administration.....	193
Jobs and Economic Development	194
Health.....	196
Education and Training.....	200
Community Safety	203
Community Services	206
Transport and Major Infrastructure	208
Environment.....	213
Planning and Land Use	215
Utilities	218
Provisions	222
CHAPTER 7: INVESTING IN REGIONAL WESTERN AUSTRALIA	225
APPENDIX 1: DETAILED FINANCIAL PROJECTIONS.....	245
APPENDIX 2: GENERAL GOVERNMENT OPERATING REVENUE.....	271
APPENDIX 3: 2025-26 GENERAL GOVERNMENT OPERATING REVENUE	275
APPENDIX 4: THE CONSOLIDATED ACCOUNT AND THE TREASURER'S ADVANCE	279
APPENDIX 5: SPECIAL PURPOSE ACCOUNTS.....	297
APPENDIX 6: STATE GOVERNMENT SOCIAL CONCESSIONS EXPENDITURE STATEMENT	313
APPENDIX 7: ASSET INVESTMENT PROGRAM - SUMMARY OF EXPENDITURE AND SOURCE OF FUNDS.....	323
APPENDIX 8: PUBLIC CORPORATIONS AND MAJOR TARIFFS, FEES AND CHARGES	329
APPENDIX 9: WESTERN AUSTRALIAN TREASURY CORPORATION BORROWINGS	353
APPENDIX 10: TAX AND ROYALTY EXPENDITURE STATEMENT	359

	Page
APPENDIX 11: WESTERN AUSTRALIA'S NET CONTRIBUTION TO THE FEDERATION.....	369
APPENDIX 12: COMMONWEALTH TIED GRANTS	373

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 the Department of Treasury and Finance, on or before the Budget planning cut-off date of 7 April 2026 and which have a material effect on the State's financial projections.

2026–27 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 the Department of Treasury and Finance, under my direction, on 7 April 2026.

Forecasts for 2025-26 to 2029-30 included in this Budget are based on estimates prepared by agencies. Final outcomes for 2025-26 will be available in the *Annual Report on State Finances*, to be released by 28 September 2026.

A handwritten signature in black ink, appearing to read 'Joann Wilkie', with a stylized flourish at the end.

Joann Wilkie PSM
UNDER TREASURER

7 May 2026

Overview

HIGHLIGHTS

- Despite the highly uncertain global environment stemming from the Middle East conflict, the Western Australian economy continues to demonstrate resilience and perform strongly.
- The State's domestic economy expanded by 3.3% in 2025, driven primarily by private sector activity, while employment reached a record 1.68 million in March 2026. The domestic economy is forecast to expand further over the Budget period, alongside an anticipated recovery in goods exports and continued jobs growth.
- The Government's eighth consecutive general government operating surplus of \$3.5 billion is expected in 2025-26, with a \$2.4 billion surplus forecast for 2026-27. The Budget includes a record four-year Asset Investment Program of \$44.3 billion, which has been achieved while keeping total public sector net debt at very affordable levels and by far the lowest of all States as a share of the economy.
- Priority new initiatives in the 2026-27 Budget include:
 - an unprecedented investment of \$9.1 billion on health and mental health, including \$6.5 billion for hospital services;
 - a record \$4.7 billion additional investment to boost housing supply, diversity and affordability across the State, bringing the Government's total investment in new housing initiatives to \$10.8 billion since 2021-22;
 - further cost of living relief measures delivering support of over \$1 billion in 2026-27, including a \$100 Fuel Support Payment to Western Australian driver's licence holders, a third round of the Student Assistance Payment, an increase or extension to a range of social concessions (such as the Energy Assistance Payment and WA Rent Relief Program), and an overall reduction in the basket of household fees and charges; and
 - continued progress on economic diversification and decarbonisation, with funding for the Kalgoorlie Vanadium Battery, green iron and steel pilot projects, and the Made in WA Energy Affordability Investment program.
- Continuing the Government's focus on strong financial management, the Budget includes \$579 million in savings from a range of Fiscal Strategy measures involving workforce management initiatives, savings in goods and services procurement, land sales and improved revenue compliance.

Economic and Fiscal Outlook

The 2026-27 Budget has been framed in a highly uncertain global economic environment, exacerbated by conflict in the Middle East. The conflict has resulted in a sharp increase in fuel prices, which has contributed to inflationary pressures and weakened confidence in the global economic outlook.

Nonetheless, Western Australia's economy is facing these headwinds from a position of strength. The domestic economy (as measured by State Final Demand or SFD) grew by 3.3% in 2025, outpacing national growth. This was overwhelmingly driven by the private sector, which accounted for 85% of this growth.

Private sector activity was broad-based in 2025, with a significant lift in business investment, the strongest level of dwelling investment since 2018, and solid growth in household spending. These conditions are expected to underpin SFD growth of 3.5% in 2025-26, followed by increases of 2.25% per annum in 2026-27 and 2027-28.

The robust private sector activity has supported recent strength in labour market outcomes in the State. Employment reached a record 1.68 million persons in March 2026, with strong hiring towards the end of 2025 and into 2026, while the unemployment rate has remained low by historical standards.

The State's trade sector is forecast to recover in 2025-26 following two years of weather-related disruptions, structural market changes and gas field depletion. This turnaround is expected to drive overall economic growth (measured by Gross State Product, GSP) to 3.25% in 2025-26, up from 1.3% in 2024-25. GSP growth is forecast to stabilise at a solid 2% per annum growth rate over the Budget period, supported by both the State's domestic economy and net exports.

Inflationary pressures have re-emerged both nationally and internationally, and have been further stoked by higher prices for oil and refined products attributed to the Middle East conflict. This is expected to flow through to local inflation over the near-term.

Given considerable uncertainty regarding the scale and duration of the conflict, impacts outside of inflation are not reflected in the central forecasts. However, they represent a potential material source of downside risk to the economic outlook.

The economic assumptions underpinning the 2026-27 Budget are outlined in the following table.

Table 1

KEY BUDGET ASSUMPTIONS**Western Australia**

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
Real Gross State Product growth (%) ^(a)	1.3	3.25	2.25	2.0	2.0	2.0
Real State Final Demand growth (%)	3.0	3.5	2.25	2.25	2.75	2.75
Employment growth (%)	3.1	1.5	1.75	1.5	1.5	1.5
Unemployment rate (%) ^(b)	3.7	4.0	4.25	4.25	4.25	4.5
Wage Price Index growth (%) ^(c)	3.7	3.75	3.25	3.25	3.25	3.0
Perth Consumer Price Index growth (%) ^{(c)(d)}	2.8	5.5	3.75	2.75	2.5	2.5
Iron ore price, \$US/t, CFR ^{(b)(e)}	100.9	104.7	85.2	72.0	72.0	72.0
Iron ore volumes (million dry tonnes)	864	895	897	900	900	898
Crude oil price (\$US per barrel) ^(b)	73.4	79.9	83.9	75.0	72.8	71.4
Exchange rate (US cents) ^(b)	64.8	67.4	68.9	70.4	72.3	74.2
Population growth (%) ^(c)	2.2	1.8	1.6	1.5	1.5	1.5
Interest rate assumptions (%) ^(b)						
– Public Bank Account interest earnings	4.5	4.3	4.8	4.7	4.6	4.6
– Consolidated Account borrowings	3.6	3.9	4.2	4.4	4.5	4.7

(a) Based on 2024-25 annual State Accounts data, updated with the latest State Final Demand and Balance of Payments data for the December 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 iron ore price (61% Fe from January 2026, 62% prior) delivered to North China inclusive of cost and freight (CFR).

KEY PRIORITIES IN THE 2026-27 BUDGET

The 2026-27 Budget has a focus on progressing delivery of the Government's priorities in the key areas of health, housing, and jobs, as well as further cost of living relief. The State's strong fiscal position has enabled the Government to allocate a significant increase in spending and investment to the following initiatives:

- **an unprecedented additional investment of \$9.1 billion in health and mental health**, including \$6.5 billion for hospital services, \$281.7 million to increase mental health supports and services, and an additional \$1.5 billion on health infrastructure projects including \$214.1 million for a hospital maintenance package, and a further \$500 million allocation to the Building Hospitals Fund;
- **a further \$4.7 billion for initiatives to improve housing supply and affordability**, including \$1.3 billion to directly increase residential land supply, \$1.5 billion to deliver and refurbish 1,806 social and affordable dwellings and maintain the State's housing portfolio, \$500 million for industry to deliver affordable home ownership options via the \$250 million Presales Finance Guarantee and \$250 million First Home Buyer Commercial Financing Facility, a \$672 million investment in regional housing, a \$297 million housing tax package focused on assisting first home buyers and downsizers, and \$105 million for housing support and homelessness services;

2026–27 Economic and Fiscal Outlook

- **an additional \$1.9 billion for education and training**, including a \$333.6 million uplift for public school funding (particularly to support students with disability), \$408.1 million for targeted maintenance and minor works programs in public schools across the State, \$145.6 million to meet demand and continue current VET fee settings for the 2027 training year, and \$96.2 million for additional permanent accommodation at Harrisdale Senior High School, Piara Waters Primary School, Riva Primary School and Inglewood Primary School;
- **new spending in community services and safety**, including \$618.7 million on child protection services, \$339.9 million to deliver priority road safety initiatives, \$317.1 million investment in the justice system including responding to increases in the prison population, a \$300.1 million investment in disability services, including establishment of Foundational Supports – Thriving Kids in WA, \$190.2 million for the Western Australia Police Force to meet operational priorities, and \$106.3 million on family and domestic violence initiatives;
- **targeted cost of living relief** to deliver over \$1 billion of cost of living relief in 2026-27, including a \$100 Fuel Support Payment for every Western Australian driver's licence holder, making the Ride to School Free Program for school students and Fare Free Sundays free public transport initiatives permanent, a \$221.89 (or 3.3%) reduction in 2026-27 in the basket of household fees and charges, a third round of the WA Student Assistance Payment of \$250 for secondary students and \$150 for primary and kindergarten students, a 10% increase in the foster carer's subsidy and a new Foster and Grand Carer Gold Card that provides a range of benefits and concessions, and a 10% increase in the Energy Assistance Payment and Dependent Child Rebate; and
- a range of initiatives to support **jobs and economic diversification**, including \$156 million to establish the Made in WA Energy Affordability Investment Program, \$91.7 million allocated from the Strategic Industries Fund to activate strategic industrial areas, \$85 million to support the development of the green iron and steel industry including \$75 million for the NeoSmelt Pilot Project, and \$83.1 million for general industrial land development.

The Government has set aside \$2.4 billion to provide for priority infrastructure works. This includes \$1.4 billion in a new Clean Energy Fund, \$500 million in a new Major Projects Fund (for projects such as the Aboriginal Cultural Centre and Scitech relocation), and a \$500 million top-up of the Building Hospital Fund.

Further details on spending changes reflected in this Budget are presented in Chapter 5: *General Government Expenses* and Chapter 6: *Asset Investment*.

A \$3.5 billion general government operating surplus is estimated for 2025-26, with a \$2.4 billion surplus expected in 2026-27 and surpluses ranging from \$1.8 billion to \$4.1 billion forecast across the outyears.

An Asset Investment Program (AIP) spend of \$13.2 billion has been allocated in 2026-27, and follows an estimated AIP outturn of \$12.2 billion in 2025-26. The total AIP over the four years to 2029-30 is projected to be a record \$44.3 billion.

Total public sector net debt of \$34.5 billion is projected at 30 June 2026, which is \$4.5 billion lower than the level of debt forecast in the 2025-26 Budget. Reflecting the record levels of asset investment and the conservative nature of economic and revenue assumptions underpinning the Budget, net debt is forecast to be 7.1% of GSP at 30 June 2026 and remains very affordable at just 8.9% of GSP by 30 June 2030, and is significantly lower than the debt burdens of all other Australian jurisdictions.

KEY BUDGET AGGREGATES

Western Australia

Table 2

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
GENERAL GOVERNMENT SECTOR						
Net Operating Balance (\$m)	3,652	3,507	2,441	1,752	3,501	4,123
Revenue (\$m)	49,689	52,646	54,980	52,378	53,653	54,786
Revenue Growth (%)	8.1	6.0	4.4	-4.7	2.4	2.1
Expenses (\$m)	46,037	49,140	52,539	50,626	50,152	50,663
Expense Growth (%)	11.0	6.7	6.9	-3.6	-0.9	1.0
TOTAL PUBLIC SECTOR						
Net Debt at 30 June (\$m)	30,172	34,484	40,264	43,329	44,684	43,987
Net Debt as a Share of GSP (%)	6.6	7.1	8.2	9.1	9.2	8.9
Asset Investment Program (\$m)	13,132	12,226	13,234	10,852	10,685	9,518
Cash Surplus/Deficit (\$m)	-1,718	-3,736	-5,109	-2,532	-949	1,269

In order to mitigate the risks from the heightened level of global uncertainty, the Budget forecasts reflect the impact of a number of measures to be implemented as part of the Government's new Fiscal Strategy. The Fiscal Strategy is aimed at ensuring the achievement of the Government's key financial management objectives of general government operating surpluses and affordable levels of total public sector net debt that remain consistent with a triple-A credit rating (see feature box in Chapter 3). These measures are expected to improve net debt by \$579 million to 30 June 2030.

COST OF LIVING RELIEF

The 2026-27 Budget continues the Government's focus on delivering support to Western Australian households, with over \$1 billion in cost of living relief to be provided in 2026-27 alone.

The timely assistance provided by the Government will reduce everyday costs such as transport, education, housing and energy, as well as supporting households to maintain healthy active lifestyles no matter where they live. Key initiatives in the Budget include:

- \$198 million to provide a \$100 Fuel Support Payment to all Western Australians with a valid driver's licence in response to higher fuel prices;
- \$90 million to provide a third round of the WA Student Assistance Payment, supporting all Western Australian families with school expenses through a \$150 payment for kindergarten and primary school students and a \$250 payment for secondary school students;

2026–27 Economic and Fiscal Outlook

- \$76 million for free student travel on Transperth and Transregional services on weekdays during school term, and all passengers across the network every Sunday, and additional funding for the Regional Airfare Zone Cap Scheme;
- \$33 million for Western Australia’s contribution to fuel excise relief of 32 cents per litre provided in partnership with the Commonwealth between 1 April 2026 and 30 June 2026 under the National Agreement on Fuel Excise Relief 2026;
- \$10 million to provide free flu vaccinations to Western Australians aged 12 to under 65 who are not eligible for a National Immunisation Program (NIP) vaccine, in preparation for the 2027 flu season; and
- \$4 million to support major food relief services Foodbank, OzHarvest and SecondBite deliver essential support to vulnerable communities and provide grants to community organisations delivering food services.

The Government is also maintaining the ‘Go Anywhere’ capped fare for travel across the public transport network to keep public transport affordable and accessible.

In addition, the following 2026-27 Budget measures will increase or extend the Government’s social concessions that provide cost of living support to eligible households (those with a means-tested concession card):

- \$51 million supporting households most in need with electricity bill relief including a 10% increase to the Energy Assistance Payment, Dependent Child Rebate and Airconditioning Allowance, as well as extending the Energy Ahead Program;
- \$44 million in assistance for foster carers and grandcarers, including \$24 million for a 10% uplift to the Carer Subsidy, Respite and Clothing Allowance, over \$14 million for a new Foster and Grand Carer Gold Card, providing access to a range of benefits and concessions, and \$6 million to increase base funding for the Grandcarers Support Scheme and to extend the Grandcarers Cost of Living Payment;
- \$13 million to extend for 12-months the WA Rent Relief Program, providing a one-off rent relief payments up to \$5,000 for tenants at risk of eviction; and
- \$6 million to continue KidSport Vouchers at \$300 for a further year (double the usual rate of \$150), to be used towards club sporting fees for children aged 5 to 18 of eligible families with a concession.

With the additional cost of living measures in this Budget, a family with two high school children could receive up to \$2,155 in cost of living assistance, comprising two WA Student Assistance Payments totalling \$500, savings of up to \$560 on public transport to and from school for their children, savings of up to \$625 for one adult regular commuter through the ‘Go Anywhere Fare’, up to \$270 in fuel savings for one regular adult driver through Commonwealth and State Government funded fuel excise relief, and two payments to valid driver’s licence holders totalling \$200. This family could also benefit from free public transport travel every Sunday and free flu vaccinations.

The same family with eligible concessions may be eligible to receive around \$3,632 when combining the above base savings and additional means-tested support of up to \$1,477 (comprising energy social concessions of up to \$877 and KidSport Vouchers totalling \$600). In addition, this family could also benefit from access to support through the extended Energy Ahead and WA Rent Relief programs.

Additional support is also being provided to assist with the cost of housing, including through increasing the First Home Owner Grant cap, increasing the First Home Owner rate of duty threshold, and extending and expanding the off-the-plan transfer duty concession (see Housing Investment feature box in Chapter 6: *Asset Investment*).

This package brings the Government's total investment in cost of living relief to households to more than \$5.2 billion since 2019-20. This Budget delivers more than \$4.3 billion in social concessions in 2026-27 as outlined in Appendix 6: *State Government Social Concessions and Expenditure Statement*.

2026-27 Economic and Fiscal Outlook

Economic Outlook

HIGHLIGHTS

- The 2026-27 Budget has been developed in a highly uncertain global environment, exacerbated by the current conflict in the Middle East. A sharp rise in energy prices since the outbreak of conflict in Iran has fuelled inflationary pressures and is undermining confidence in the global economic outlook.
- Against this backdrop, the Western Australian economy continues to outperform expectations. The domestic economy, measured by State Final Demand (SFD), is estimated to grow by 3.5% in 2025-26, with growth underpinned by private demand including a significant lift in business investment, the strongest growth in dwelling investment since 2013-14, and solid household consumption. SFD is expected to continue growing at a solid pace of 2.25% to 2.75% per annum across the Budget period.
- Overall economic growth, as measured by Gross State Product (GSP), is estimated to rebound to 3.25% in 2025-26, as the export sector recovers from weather-related events and structural factors impacting some commodities. GSP is expected to grow at 2% to 2.25% per annum over the forecast period as the resource sector continues to focus on sustaining high rates of production.
- The resilience of the economy has flowed through to the labour market, with strong hiring activity in late 2025 and early 2026 seeing employment at record highs in March 2026. Consistent with this, the unemployment rate has remained lower for longer than expected and is estimated to average 4% in 2025-26.
- Inflationary pressures have re-emerged both nationally and internationally, exacerbated by higher fuel and transport costs stemming from the Middle East conflict, which are expected to flow through to local inflation in the near-term.

Western Australia

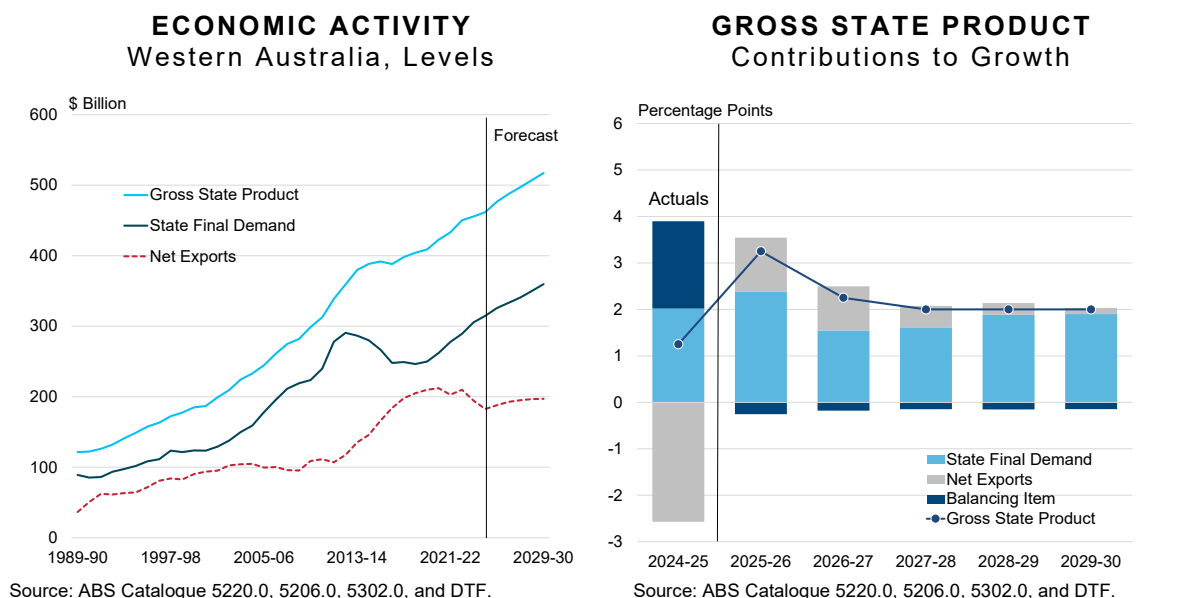
Gross State Product

Despite heightened uncertainty in the global economy and energy markets, the Western Australian economy remains resilient. The domestic economy grew by 3.3% in 2025, continuing to outpace national economic growth, supported by broad-based strength across all components of private demand. This included a significant lift in business investment of 5.7%, the highest level of dwelling investment since 2018, and solid household consumption. Private demand increased by 3.8% in 2025, the strongest growth rate of all jurisdictions, contributing more than 85% to overall growth in the domestic economy (also the highest contribution in the nation).

Reflecting this strength in private sector activity, **State Final Demand (SFD)** is estimated to grow by 3.5% in 2025-26, after expanding by 3% in 2024-25.

SFD growth is expected to moderate from the strong rates in recent years to 2.25% in 2026-27 and 2027-28, as business investment steadies at a high level. Household consumption is expected to remain solid, supported by strong income and higher house prices.

Figure 1



Beyond 2027-28, growth in the State’s domestic economy is forecast to lift to 2.75% per annum, supported by sustained business investment activity and continued growth in dwelling investment, reflecting gradual increases in construction capacity. While household spending is expected to remain solid, growth is forecast to moderate slightly in line with slower growth in population and wealth.

Adding to the strength in the domestic economy, the State's trade sector is expected to recover following two years of weather-related disruptions, structural market changes for some commodities (notably nickel), and gas field depletion. This recovery is expected to support overall economic growth in 2025-26, with **Gross State Product** (GSP) estimated to increase by 3.25%, following growth of 1.3% in 2024-25.

GSP growth is forecast to soften to 2.25% in 2026-27 and average 2% per annum in the outyears, largely supported by domestic economic activity, with the external sector stabilising as resource firms focus on sustaining record production levels and decarbonising their operations.

The economic assumptions underpinning the 2026-27 Budget are outlined in the following table. Given the uncertainty regarding the duration and scale of the Middle East conflict, the broader macroeconomic effects outside of inflation are not incorporated into the central forecasts. However, they represent a potential material source of downside risk to both economic growth and inflation outcomes.

ECONOMIC FORECASTS
Western Australia, Annual Growth (%)

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
Demand and Output ^(a)						
Household Consumption	2.6	2.75	2.75	2.75	2.5	2.5
Dwelling Investment	5.9	9.5	5.25	3.5	3.0	1.5
Business Investment	-0.9	6.75	1.0	0.75	3.25	3.25
Government Consumption	5.7	3.25	1.0	2.5	2.5	2.5
Government Investment	10.2	-8.0	2.0	1.25	1.25	1.5
State Final Demand	3.0	3.5	2.25	2.25	2.75	2.75
Goods Exports	-4.4	2.5	2.0	1.0	0.75	0.5
Goods Imports	-0.4	3.25	1.5	1.0	1.5	1.5
Net Exports ^(b)	-6.0	3.0	2.5	1.25	0.75	0.25
Gross State Product ^(c)	1.3	3.25	2.25	2.0	2.0	2.0
Labour Market						
Employment	3.1	1.5	1.75	1.5	1.5	1.5
Unemployment Rate ^(d)	3.7	4.0	4.25	4.25	4.25	4.5
Participation Rate ^(d)	69.1	68.6	68.6	68.4	68.3	68.3
Population ^(e)						
Population	2.2	1.8	1.6	1.5	1.5	1.5
Working Age Population (15+)	2.6	2.2	2.0	1.9	1.8	1.7
Prices						
Consumer Price Index ^{(e) (f)}	2.8	5.5	3.75	2.75	2.5	2.5
Wage Price Index ^(e)	3.7	3.75	3.25	3.25	3.25	3.0
Perth Median House Price	18.8	13.5	9.0	4.6	1.5	0.5
Other Key Parameters ^(d)						
Exchange Rate (US cents)	64.8	67.4	68.9	70.4	72.3	74.2
Iron Ore Price (\$US per tonne) Cost and Freight Inclusive (CFR)	100.9	104.7	85.2	72.0	72.0	72.0
Crude Oil Price (\$US/barrel)	73.4	79.9	83.9	75.0	72.8	71.4

(a) Based on 2024-25 annual State Accounts data, updated with the latest State Final Demand and Balance of Payments data for the December 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.

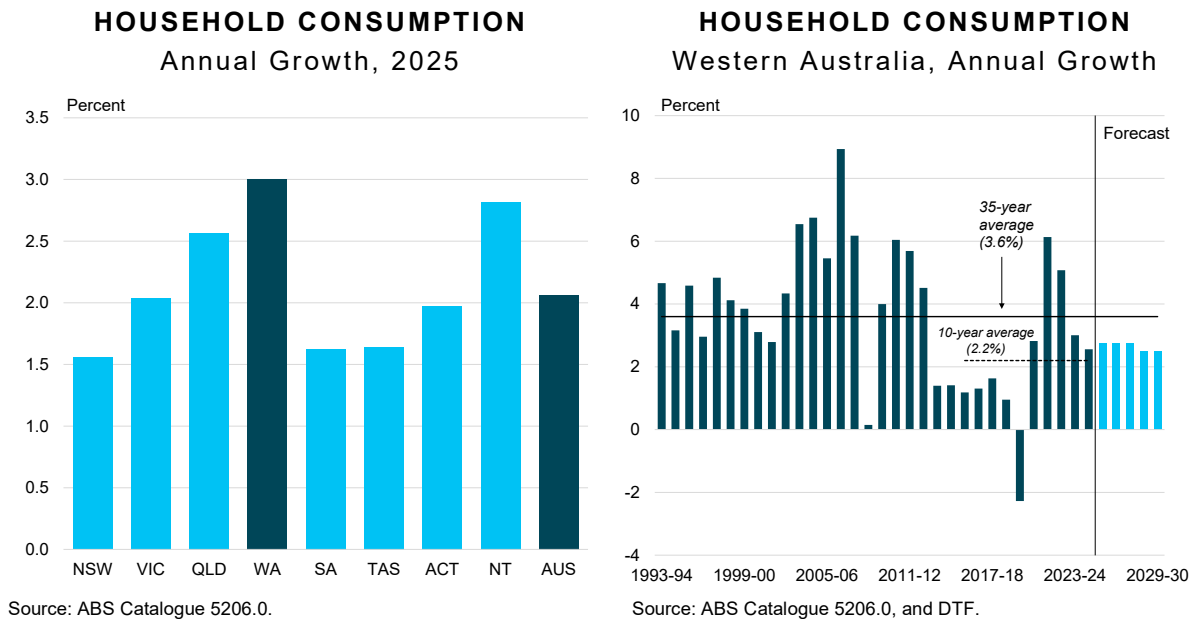
(f) The CPI growth rates are based on the total index excluding the electricity sub-index as a result of the successive Household Electricity Credits provided across the State.

Household consumption in Western Australia remains resilient, increasing by 3% in 2025, after growing by 2.6% in 2024-25. Western Australian households recorded the strongest spending growth nationally, supported by strong population growth, rising disposable incomes and elevated wealth, driven by growth in property prices.

However, consumption growth is moderating, reflecting a normalisation in discretionary spending from elevated post-pandemic levels, particularly in categories such as travel and durable goods. While income growth and wealth continue to support consumption, elevated consumer price growth and higher interest rates are weighing on household budgets and are likely to contribute to more cautious spending behaviour. As a result, household consumption growth is estimated to moderate to 2.75% in 2025-26.

Growth is expected to remain at 2.75% in 2026-27 and 2027-28, before moderating further to 2.5% per annum in the outyears. This profile reflects slowing population growth and a gradual easing in the contribution from wealth as house price growth moderates from the elevated rates of growth in recent years. Despite this, continued growth in wages and employment is expected to provide ongoing support to aggregate household consumption.

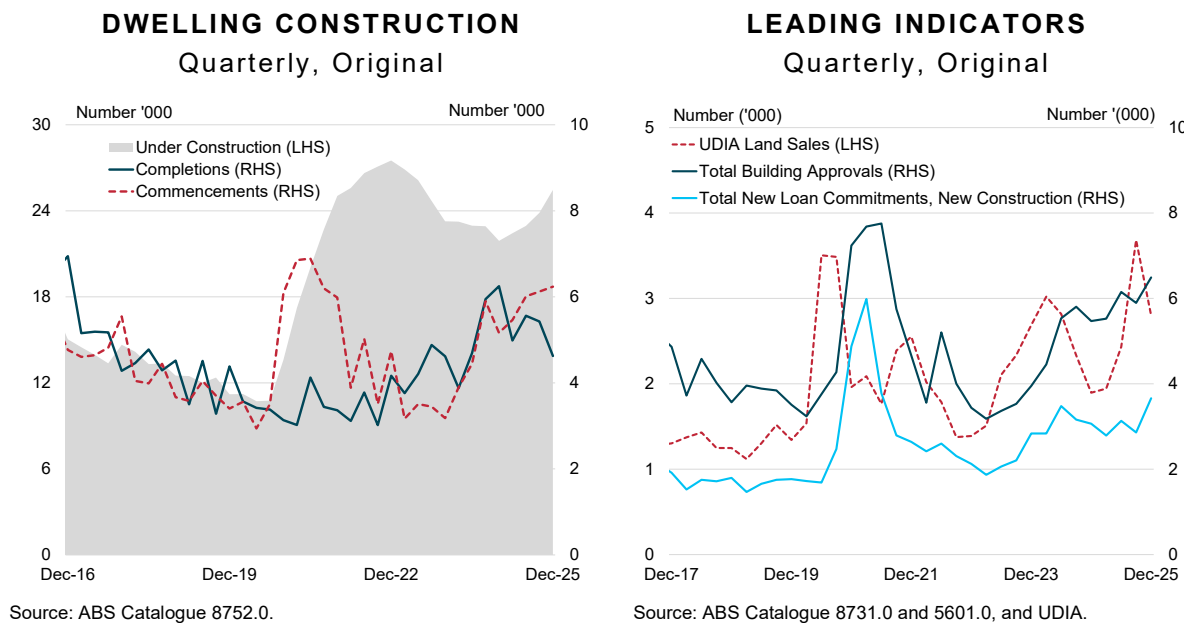
Figure 2



Dwelling investment grew by 8% in calendar 2025, following growth of 5.9% in 2024-25, supported by increased activity in both new dwelling construction and improvements to existing dwellings (classified as alterations and additions). Around 23,800 new homes commenced in 2025 (up by 22.9%), while completions remained broadly stable at around 20,600 dwellings. As a result, the stock of new dwellings under construction increased significantly, reaching almost 25,500 dwellings in the December quarter 2025.

New dwelling investment reached the highest level since 2018, reflecting the increase in commencements and work done on dwellings under construction. Alterations and additions also reached their highest level since 2016, further supporting growth in total dwelling investment.

Figure 3



Dwelling investment is forecast to increase by 9.5% in 2025-26 (the highest financial year growth since 2013-14), and a further 5.25% in 2026-27. This outlook is supported by leading indicators of building activity, notably sharply higher land sales and steady increases in building approvals. Industry feedback also indicates that activity will continue at higher levels as construction capacity gradually expands, and builders utilise a more diverse trade base through the adaptation of alternative building methods. Population growth continues to sustain demand for housing, and elevated price growth in the established housing market continues to encourage substitution to new home construction.

Following strong near-term growth, dwelling investment activity is forecast to stabilise, with growth averaging around 2.7% per annum in the outyears. This reflects a gradual easing in demand pressures, as population growth moderates, alongside improvements in construction capacity.

Business investment is forecast to rebound strongly in 2025-26, increasing by 6.75%, following a 0.9% decline in 2024-25. This reflects solid momentum over the second half of 2025, supported by elevated machinery and equipment spending in the iron ore and gold sectors, continued construction activity on large resource projects, very strong growth in non-mining investment, and record minerals exploration.

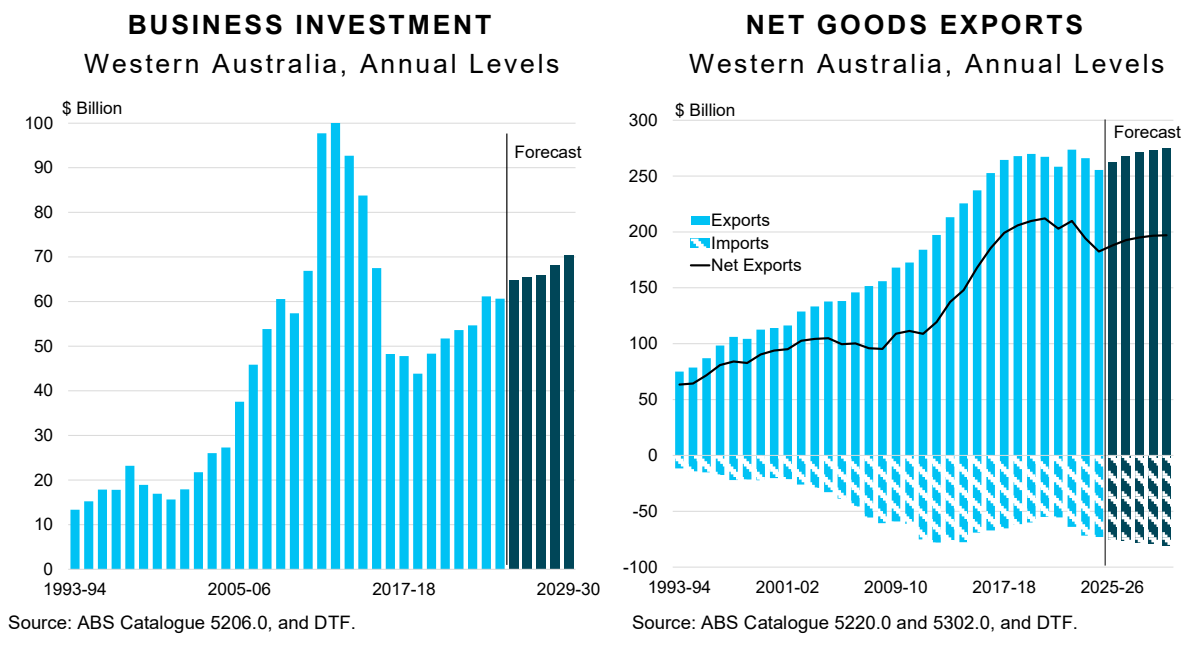
Business investment is then projected to stabilise at a high level in 2026-27 and 2027-28, underpinned by a strong and diversified pipeline of projects, including ongoing expenditure on Gorgon Stage 3, along with decarbonisation investment and sustaining capital expenditure. This is notwithstanding that work on several major projects winds down following peak construction, including Scarborough, Crux, the Jansz-Lo Compression project and the Burrup Urea Plant.

In the last two outyears, growth in business investment is expected to lift to 3.25% per annum, supported by continued sustaining capital expenditure in the iron ore and LNG sectors, decarbonisation-related investment, and a solid pipeline of prospective projects. The investment pipeline including projects across both the resources sector and non-mining infrastructure, with notable examples being the Rhodes Ridge iron ore project, Perth Airport’s new terminal and runway, and data centre developments.

Overall, business investment is expected to rise steadily over the forecast period to reach around \$70 billion by 2029-30, the highest level since 2014-15.

Government consumption is forecast to increase by 3.25% in 2025-26 following growth of 5.7% in 2024-25. This reflects continued State Government spending on key priority services, including health, education and community services, driven by a growing population. Growth in Government consumption is expected to ease, averaging around 2.1% per annum over the Budget period as population growth, and correspondingly demand for services, moderates from the current high rates.

Figure 4



Following four years of strong expansion averaging 12.6% per annum, **Government investment** is expected to decline by 8% 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. Investment levels are projected to stabilise over the budget period, with average growth of around 1.5% per annum.

2026–27 Economic and Fiscal Outlook

Goods exports grew by 2.3% in the second half of 2025 compared with the same period in 2024 and are expected to increase by 2.5% in 2025-26. This recovery follows two years of decline, largely reflecting the unwinding of adverse weather impacts that limited growth in iron ore and lithium exports, as well as other commodity specific factors (including the impact of rapid growth in low-cost supply from Indonesia on the Western Australian nickel sector). Growth in 2025-26 is underpinned by an expected increase in iron ore and agriculture volumes. Iron ore exports are expected to lift due to smaller cyclone related disruptions, together with production ramp-ups at Onslow and Iron Bridge. Stronger agriculture exports also support the recovery in exports growth following the record 2025 harvest, together with an expansion in lithium production.

Goods exports are expected to grow by 2% in 2026-27, largely supported by ongoing lithium production ramp-ups, together with modest increases in iron ore and non-monetary gold exports. Agricultural exports are projected to be weaker in 2026-27 than in 2025-26. However, a high level of carryover from the record 2025 harvest is expected to moderate the extent of the decline. Over the outyears, growth is expected to moderate, averaging around 0.75% per annum, reflecting key producers operating at or close to capacity.

Goods imports are estimated to increase by 3.25% in 2025-26, following relatively stable levels in 2024-25. This pick-up reflects stronger imports of capital goods, consistent with the strong lift in business investment. Growth in goods imports is projected to moderate to 1.5% in 2026-27 and average 1.3% per annum in the outyears, in line with more stable growth in private demand.

Services exports increased by 15.9% in 2025 and are expected to grow by 10.25% in 2025-26 and by 3.75% in 2026-27, in line with the growth profile for international visitor arrivals and education exports. Growth in education exports is supported by increased international student visa allocations and targeted marketing initiatives by the education sector. In 2027-28 and beyond, services exports are forecast to grow at a steady 2.75% per annum, broadly in line with annual average growth over the past decade.

Services imports increased by 6.7% in 2025 as resident returns (an indicator of the number of Western Australians travelling overseas) exceeded pre-pandemic travel patterns. Services imports growth is forecast to moderate to 2.5% per annum over the forecast period reflecting the normalisation of travel patterns.

Overall, **net exports** are expected to resume growing, increasing by 3% in 2025-26, driven by the forecast recovery in goods exports. Growth is expected to ease slightly to 2.5% in 2026-27 and remain modest thereafter, in line with stabilising goods exports levels as most producers operate at or close to capacity, alongside broadly normalised services trade.

Housing Market

Reflecting the strength over the year to date, Perth's median house price is estimated to increase by 13.5% in 2025-26. The post-pandemic surge in the State's population has significantly boosted the demand for housing, while additions to supply continue to be impacted by availability of some trades. At the same time, listings for sale and median selling times have remained near historic lows. Combined, these factors have resulted in the Perth median house price recording strong increases, albeit with conditions varying across Perth and regional areas.

Market conditions are expected to continue to remain tight in the near term, though easing slightly over the forecast period. Population growth is moderating, while new supply is being supported by higher rates of completions which is expected to alleviate upward pressure on prices. Reflecting this, Perth's median house price growth is forecast to moderate to 4.6% by 2027-28.

In the last two outyears, house price growth is expected to ease to around 1% per annum, reflecting a return to a more balanced market. Slower population growth, alongside increasing housing supply as more dwellings are completed, is anticipated to support greater stability in prices.

The rental market continues to remain relatively tight across Western Australia. Perth's rental vacancy rate was 2.2% in February, according to the Real Estate Institute of Western Australia, but remains well above the low of 0.4% recorded in March 2024. Rental conditions continue to differ significantly across locations, particularly in terms of rental property competition and vacancy rates.

Labour Market

Western Australia's labour market remains strong, supported by a buoyant domestic economy, including a solid rebound in both business and dwelling investment, which has underpinned renewed strength in labour demand. While labour market indicators have been volatile in recent months, employment remains elevated, job vacancies have strengthened, and the unemployment rate remains low by historical standards.

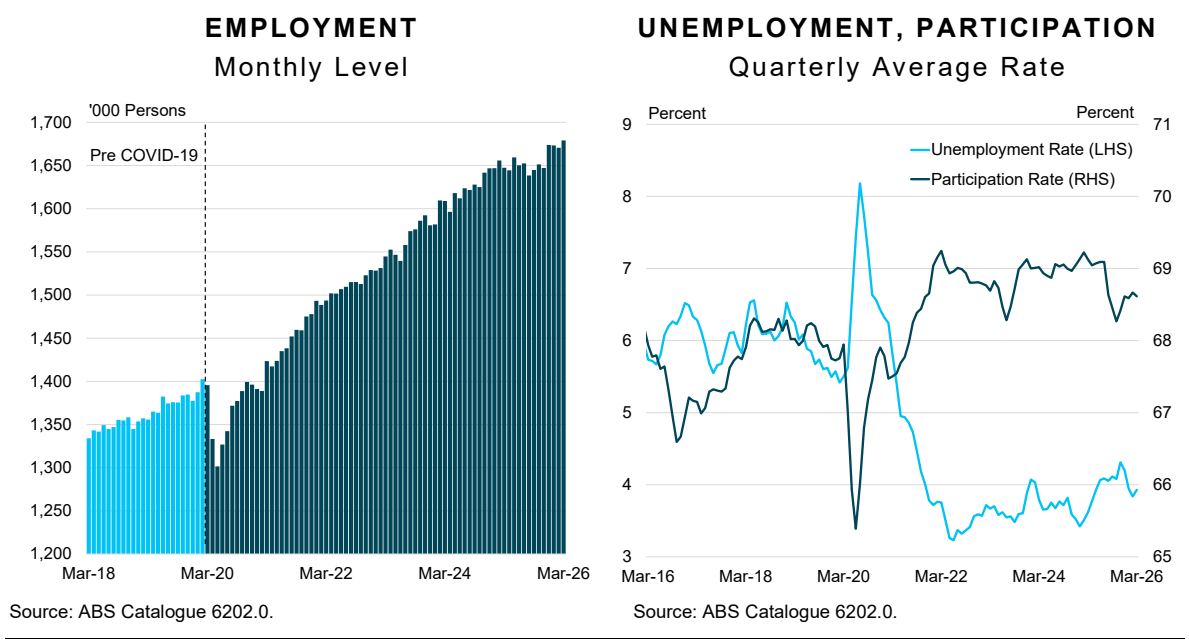
Strong demand for labour in recent months has been met with solid additions to labour supply through population growth, with employment at a record 1.68 million people in March 2026.

Employment is forecast to grow by 1.5% in 2025-26 and 1.75% in 2026-27, following growth of 3.1% in 2024-25, as the labour market continues to normalise from the period of rapid growth following the pandemic. This is consistent with the lift in business investment in 2025-26, as well as renewed strength in vacancies and full-time hiring activity in the market sector, pointing to underlying labour market strength. Employment growth is forecast to settle at 1.5% per annum in the outyears, in line with trends in the overall economy.

The **unemployment rate** has edged slightly higher from 3.7% in 2024-25 and is expected to average 4% in 2025-26. Over the forecast period, the unemployment rate is expected to lift to 4.5% by 2029-30, as growth in the labour force outpaces demand, while remaining well below its long-run average rate.

The **participation rate** is forecast to moderate to 68.6% in 2025-26 following a 15-year high of 69.1% in 2024-25, in line with slowing employment growth and unemployment remaining low by historical standards. Across the forecast period, the participation rate is projected to ease further to reach 68.3% by 2028-29, largely in line with slightly softer labour market conditions and demographic trends, particularly an ageing population.

Figure 5



Wages, Prices and Population

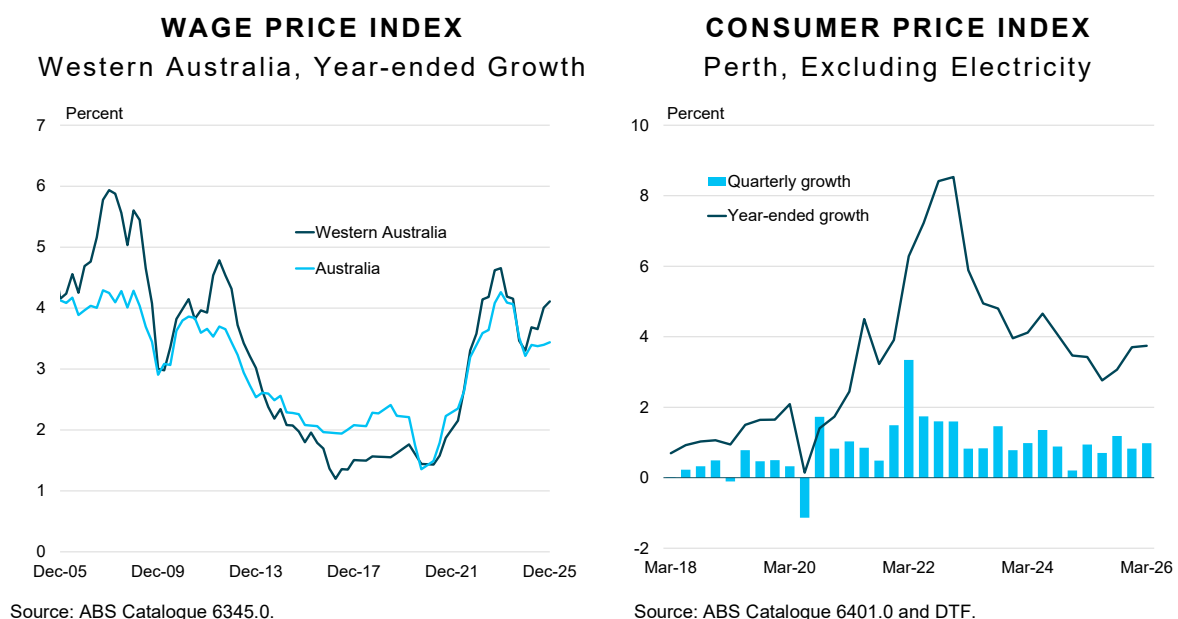
Western Australia’s **Wage Price Index (WPI)** increased by 4.1% over the year to the December quarter 2025, the strongest of all jurisdictions. This was supported by robust growth in private sector wages, aligning with tight labour market conditions, and strong growth in public wages due to the timing of State Government wage agreements over the past year.

WPI growth is forecast to ease slightly to 3.75% by the June quarter 2026, with public wages growth expected to moderate from current rates. Wage growth is expected to slow further to 3.25% by the June quarter 2027 and steady around this rate over the forward estimates period. This coincides with a stabilisation of domestic economic growth and a modest easing in labour market conditions, with the unemployment rate expected to drift up slightly.

Inflation in Perth and nationally has edged higher in recent months, reflecting both domestic price pressures and global factors associated with the conflict in the Middle East. In particular, the conflict has driven up prices for key commodities, particularly crude oil, refined fuels, fertilisers and other petrochemical products. This has increased costs for fuel-intensive industries and across supply chains.

Perth's **Consumer Price Index**¹ increased by 3.7% over the year to the March quarter 2026, lifting from 2.8% in the June quarter 2025. This was driven in part by a 32.7% rise in the price of automotive fuel in the month of March, where the impact of the conflict has been most immediate.

Figure 6



As at the Budget cut-off date of 7 April 2026, futures markets indicated further increases in crude oil prices in the near-term, reflecting ongoing disruption and uncertainty in the Middle East. This, along with higher travel costs and domestic price pressures, is expected to push inflation to 5.5% in the June quarter 2026 in year-ended terms, despite a temporary reduction in the fuel excise². Inflation is expected to average 4% over the 2025-26 financial year.

¹ References to the CPI refer to the CPI excluding the electricity sub-component. This reflects that successive household electricity credits have resulted in significant volatility in the headline CPI for Perth.

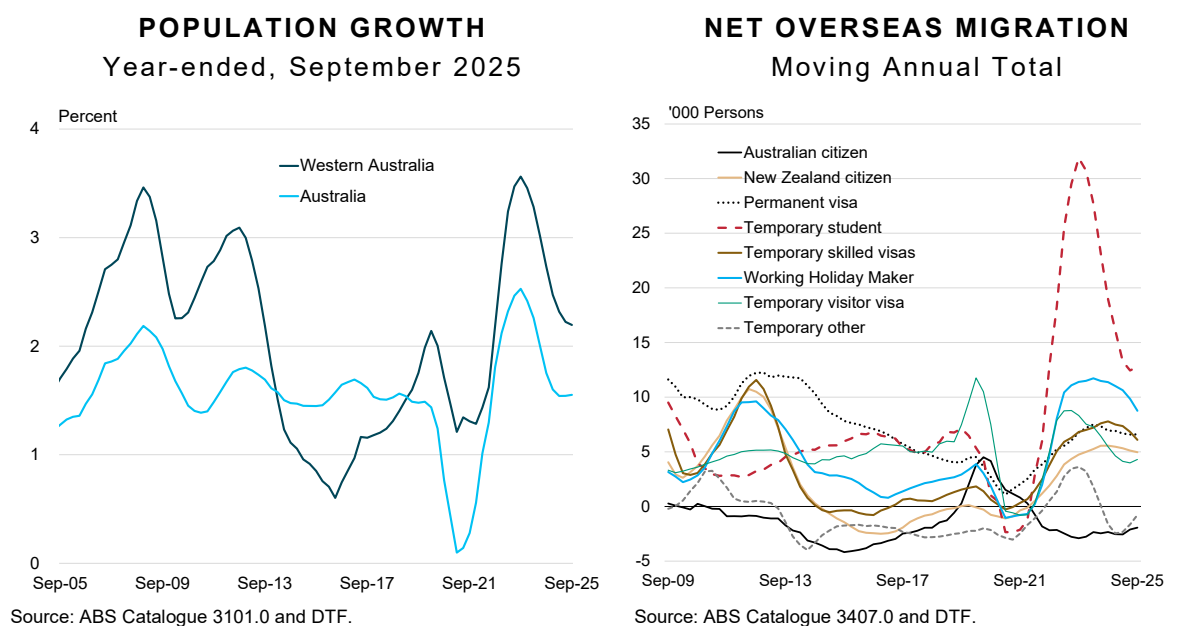
² The fuel excise was reduced by 32 cents per litre from 1 April to 30 June 2026, reflecting the Commonwealth Government's temporary halving of the excise, and States and Territories providing a financial contribution to the Commonwealth that is equivalent to the additional GST revenue from higher fuel prices.

Inflation is forecast to moderate to 3.75% by the June quarter 2027³ as fuel prices decline in line with futures market expectations. However, inflation is expected to remain above the Reserve Bank of Australia’s target band, reflecting the gradual pass-through of earlier cost increases to consumer prices, including for food and travel. New dwelling inflation is also expected to remain higher for longer, supported by strong demand and elevated industry costs.

Inflation in Perth is forecast to ease further to 2.75% by the June quarter 2028, as the effects of the conflict-related cost shocks dissipate and domestic supply and demand conditions rebalance.

Western Australia continues to record the strongest **population** growth in the nation and has exceeded the national average for more than six years (see figure below, left-hand panel). Over this period, the State’s population has grown by around 15% (more than 400,000 people). However, year-ended growth has moderated from a peak of 3.6% in the September 2023 quarter to 2.2% in the September 2025 quarter.

Figure 7



Population growth is expected to slow further, and at a faster pace than previously forecast. This primarily reflects lower fertility assumptions⁴ across the outlook, reducing natural increase, while total migration is broadly unchanged in 2026-27 as weaker Net Overseas Migration (NOM) is more than offset by higher Net Interstate Migration (NIM).

³ In annual average terms, Perth inflation is expected to increase by 4.75%.

⁴ Western Australia’s Total Fertility Rate (TFR) has been revised down to its current level of 1.4 births per woman across the outlook, from a previous assumption of a return to 1.6 births. The lower TFR partly reflects an increase in women of child-bearing age on temporary visas (e.g. students and working holiday visas) – cohorts that typically have fewer children while on their visas.

NOM is expected to continue normalising from recent record levels, with lower temporary skilled migration and working holiday maker inflows, alongside higher total departures, more than offsetting strength in international student arrivals (see figure above, right-hand panel). NIM is expected to remain around current levels in 2025-26 before moderating to its long-run average of around 2,700 people per annum.

Overall, population growth is forecast to slow to 1.8% in 2025-26, 1.6% in 2026-27, and stabilise at 1.5% by 2027-28, slightly below the long-run average.

Domestic Risks

While global risks are discussed separately, their transmission to the domestic economy, particularly through inflation, interest rates, commodity prices and confidence, represents the primary source of risk to the State and national outlook.

While inflation is expected to moderate over the forecast period, recent developments raise the risk that underlying price pressures may remain broader and more persistent than anticipated. If these pressures amplify, inflation nationally may remain elevated for longer, particularly if productivity growth remains weak. This would require a more prolonged period of tight monetary policy, with the Reserve Bank of Australia having already increased the cash rate in early 2026 in response to a broad-based uptick in inflation since the later part of 2025.

Higher fuel prices and potentially higher interest rates mean households are likely to face continued pressure on incomes and borrowing costs, reinforcing more cautious spending, particularly in discretionary categories. Given household consumption is the largest component of the domestic economy, a more pronounced or sustained pullback would weigh on overall economic growth.

Western Australia's exposure to the resources sector represents another important domestic risk channel. While prices for several key commodities are elevated relative to long-run averages – notably for iron ore, gold and lithium – the State's economic performance, investment profile and revenue base remain sensitive to price movements. Should global demand weaken or commodity prices decline materially, this would reduce export earnings and weigh on business investment and government revenues.

Heightened uncertainty, both global and domestic, may also affect business and household confidence for a prolonged period, leading to more cautious investment and consumption decisions even in the absence of a deterioration in fundamentals.

Overall, while the domestic economy remains resilient, these risks point to the potential for a more pronounced moderation in growth than currently forecast. The outlook is particularly sensitive to the persistence of inflation, the duration of restrictive financial conditions, the pace of adjustment in the housing market, developments in key commodity markets, and potential supply chain disruptions.

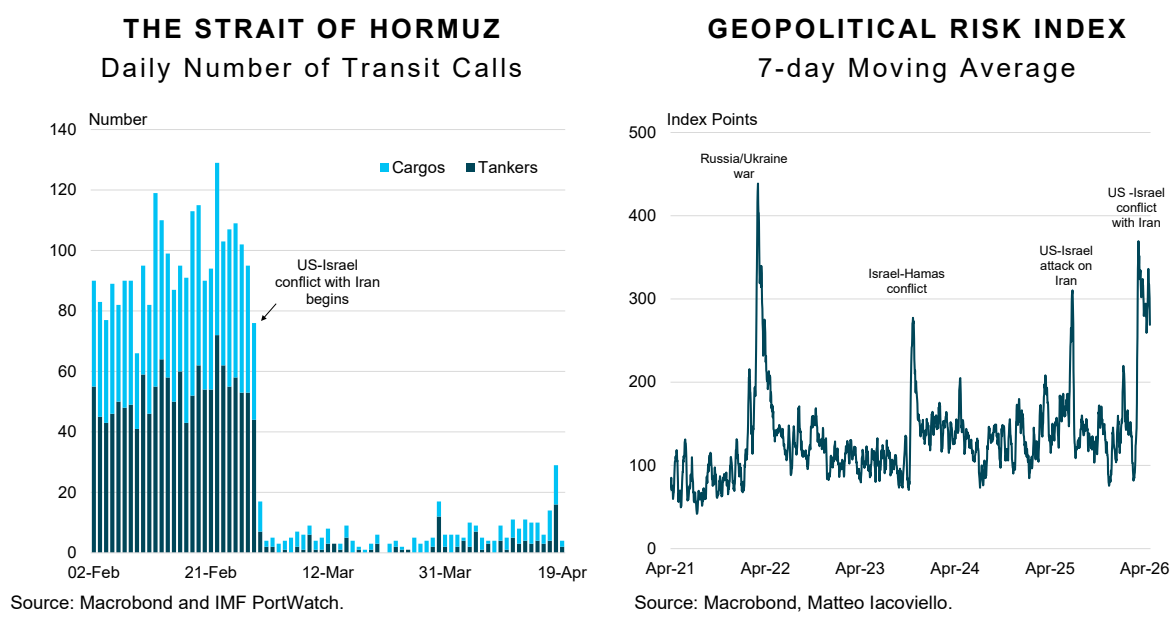
Global Outlook

The global economic outlook, which had been gradually improving, has deteriorated sharply since the escalation of the Middle East conflict in late February 2026. The effective closure of the Strait of Hormuz (see figure below, left-hand panel), a critical global energy chokepoint, has constrained around 20% of global oil supply and LNG trade highlighting vulnerabilities in global energy supply chains.

The disruption to critical energy flows and damage to key infrastructure have significantly heightened downside risks to global growth while reigniting inflationary pressures. Beyond energy, the conflict has also disrupted Middle Eastern exports of fertiliser (raising concerns around food prices), helium (used in semiconductor production and healthcare), and naphtha (a key input for plastics), while reshaping global supply chains through longer shipping routes, higher freight costs, and rising insurance premiums.

Energy prices rose sharply in response to the disruptions, before partially easing with the announcement of a temporary ceasefire. However, geopolitical uncertainty remains elevated (see figure below, right-hand panel).

Figure 8



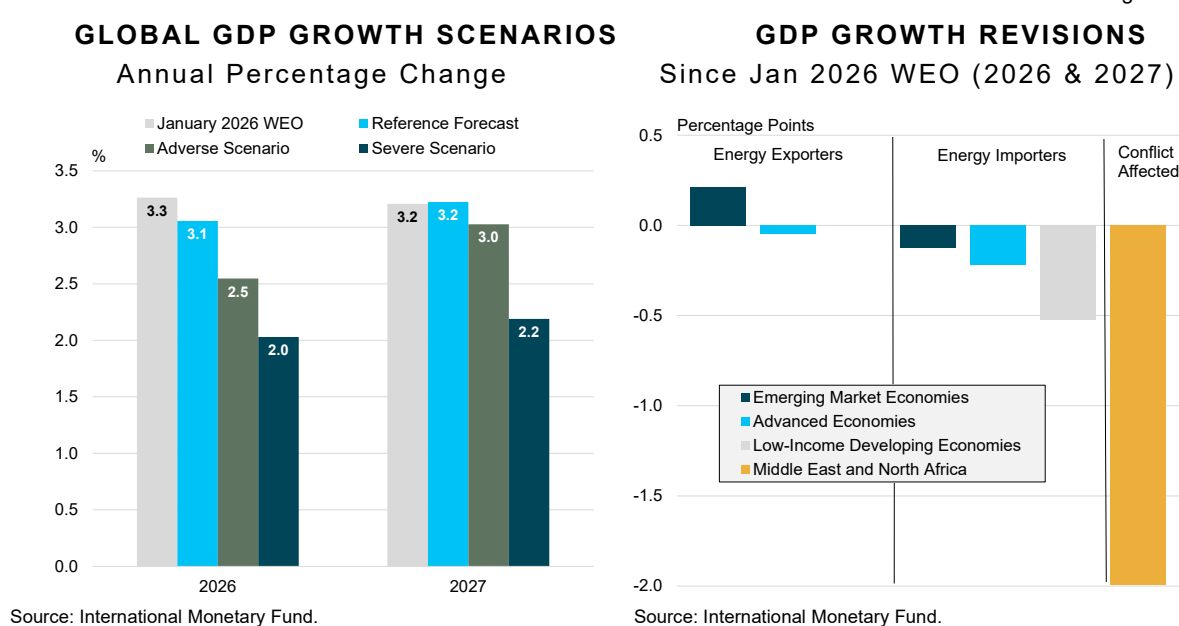
The impact on fuel prices has been partially cushioned by elevated global oil inventories, which were at their highest levels since early 2021, and coordinated releases from strategic reserves by the International Energy Agency.

Economies in the Asia-Pacific are especially vulnerable to the supply shock given their higher reliance on energy flows through the Strait. Higher energy prices have triggered demand-side adjustments and policy responses across many economies, helping to moderate energy consumption and partly offset supply pressures.

Given the uncertain duration and intensity of the conflict, the International Monetary Fund (IMF) has outlined three scenarios in its April 2026 *World Economic Outlook (WEO)*⁵. Under the Reference Forecast, which assumes the conflict is short-lived, global growth is downgraded by 0.2 percentage points to 3.1% in 2026 (from 3.3% in the January 2026 WEO), while remaining unchanged at 3.2% in 2027 (see figure below, left-hand panel).

In contrast, under a severe and more prolonged shock, global growth is projected to fall to 2% in 2026, bringing the global economy closer to a recession (a growth rate below 2% which has happened only four times since 1980).

Figure 9



Country specific forecasts are only provided for the Reference Forecasts. Revisions vary significantly (see figure above, right-hand panel), with the most impacted including conflict affected Middle Eastern countries (such as Saudi Arabia), low-income net energy importing developing economies (such as the Philippines) and some advanced economies heavily reliant on fuel imports (like the United Kingdom, Germany and Australia).

The IMF forecasts global inflation to pause its recent decline, rising under the Reference Forecasts to 4.4% in 2026 (from 4.1% in 2025 and up from the January 2026 WEO forecast of 3.8%) before easing to 3.7% in 2027 (up from 3.4%). Higher energy and food prices are expected to push inflation above earlier projections. Under the Severe Scenario, headline inflation is projected to increase further, reaching 5.8% in 2026 and 6.1% in 2027.

⁵ The IMF's *Reference Forecast* assumes a short-lived conflict, with oil prices averaging \$US82/bbl in 2026 before easing to \$US76/bbl in 2027. In the *Adverse Scenario*, a more prolonged disruption to energy supply sees oil prices rise to an average of around \$US100/bbl in 2026 before easing to \$US75/bbl in 2027. The *Severe Scenario* assumes larger and more persistent disruptions, with oil prices averaging around \$US110/bbl in 2026 and rising to an average of around \$US125/bbl in 2027 before price pressures dissipate in 2028, alongside tighter global financial conditions.

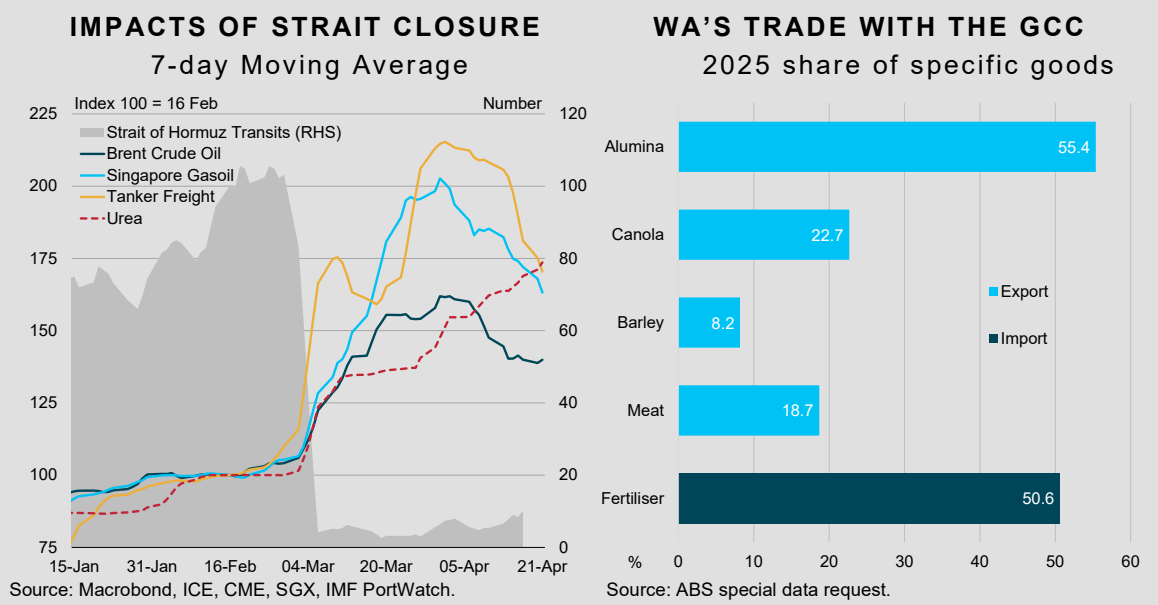
Beyond the energy crisis, trade policy uncertainty remains elevated. While tariffs imposed under the US International Emergency Economic Powers Act were struck down in February 2026, they were swiftly replaced with a new 10% global tariff effective 24 February 2026. This has resulted in a fall in US effective tariff rate to 13.5% in March 2026 compared to 17.4% in January 2026. Further measures followed on 2 April 2026, including up to a 100% tariff on selected pharmaceuticals.

MIDDLE EAST CONFLICT AND RISKS TO WESTERN AUSTRALIA

The conflict in the Middle East is having a material impact on the Western Australian economy. Direct impacts include disruptions to trade via the Strait of Hormuz, rises in fuel, freight and fertiliser prices (see figure below, left-hand panel), and emerging supply shortages. Indirect impacts could include lower demand and higher imported inflation from major trading partners. The size of these impacts will depend on the length, extent and intensity of the conflict which is highly uncertain.

While only around 2% of Western Australia’s fuel imports were sourced directly from the Gulf in 2024, the State is indirectly exposed through refining hubs in Asia that heavily use Middle Eastern crude oil. In effect, around 37% of the State’s fuel is linked to the region.

Figure 10



Western Australia’s direct trade with the Gulf Cooperation Council (GCC)⁶ is small (only 2.6% of both goods exports and imports in 2025), but it is an important market for some commodities (see figure above, right-hand panel). The GCC receives over half of the State’s total alumina exports for use in their aluminium smelters, is an important destination for agricultural exports and supplies over half of the State’s fertiliser imports.

⁶ The GCC comprises Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.

Since the outbreak of the conflict to mid-April, input prices have increased sharply, with unleaded fuel prices up 29%, diesel prices up 78%, jet fuel prices up 54% and urea prices up 64%. While these increases have already added to inflationary pressures, the longer that prices remain at elevated levels the more sustained inflation is likely to be, including through second order effects where higher costs in one industry are passed on to other industries, and to consumers. The more sustained inflation and any flow through to higher interest rates, the more likely households will curb spending – adversely affecting overall economic growth.

Beyond price effects, the conflict also poses risk to the availability of key inputs for the State's industries, particularly fuel and fertiliser, which are critical to economic activity. Any material supply disruptions would most directly affect transport (which consumed almost 45% of the State's diesel in 2023-24), mining (39%) agriculture (6%) and tourism, with flow-on impacts across the broader economy. Even without sustained shortages, uncertainty around supply may influence production decisions, such as reduced planting by farmers or scaled-back activity and investment by business.

The impact of any disruption is also likely to be uneven, with larger firms likely better able to secure supply through established procurement channels and/or able to implement mitigation strategies, while smaller operators may face greater constraints. Firms with stronger margins would also be better able to absorb higher input costs or better placed to secure supply through spot markets. While the extent of any disruption remains highly uncertain, sustained and substantial constraints on input availability would represent a large downside risk to activity in most affected industries and overall economic growth.

The conflict may also indirectly impact the State through any effects on key trading partners and the global economy, with potential for lower demand or higher import costs. However, China (which accounts for over half of the State's exports), has diversified oil import sources and has significant reserves, which could limit negative impacts.

Disruptions to Middle Eastern supply are still expected to have sustained impacts on global energy prices. These effects are likely to flow through to higher inflation, weaker growth and tighter financial conditions globally. March data indicates a significant rise in inflation in the euro area and the US, with expectations of materially higher interest rates than there would have been without the conflict.

Financial market volatility has also increased amid the heightened uncertainty. Rising bond yields are tightening global financial conditions, with indirect implications for Western Australia through trade, commodity demand and financial channels.

Advanced Economies

In the **US**, GDP expanded by 2.1% in 2025, slowing from 2.8% in 2024, reflecting increases in consumption and investment offset by weaker net exports. The IMF has revised down its US growth outlook to 2.3% in 2026 (from 2.4% in the January 2026 WEO), while increasing growth for 2027 to 2.1% (from 2% previously), reflecting a modest effect from the conflict given its net-energy-exporter status.

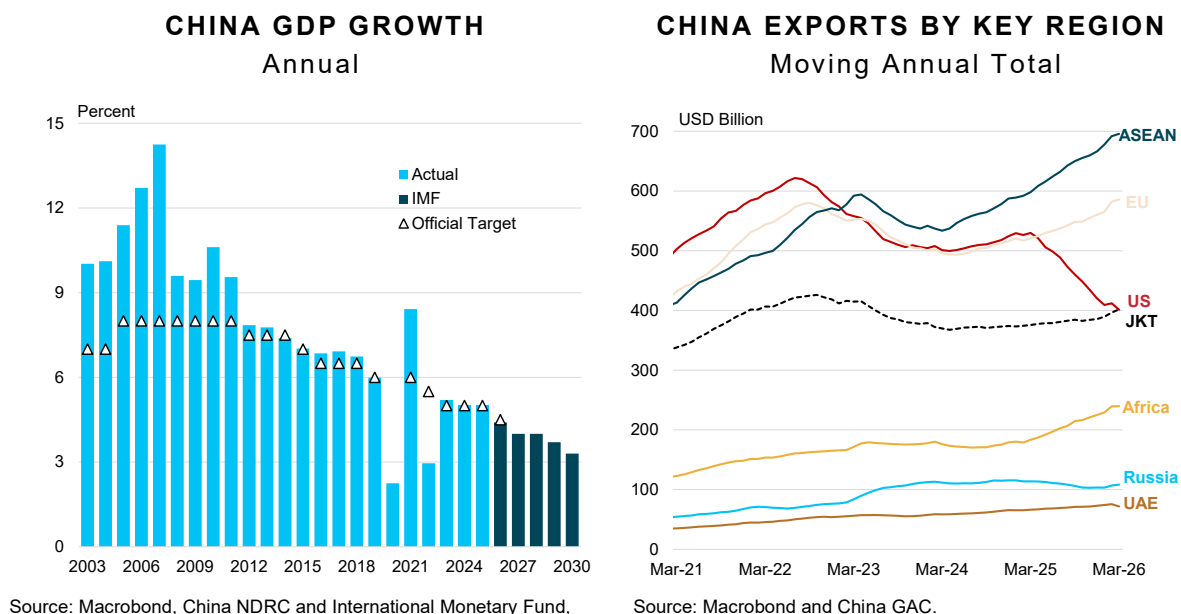
In the **euro area**, GDP expanded by 1.4% in 2025, up from 0.9% in 2024, supported by resilient household consumption and front-loaded exports to US ahead of tariffs. IMF growth forecasts for the euro area have been revised down to 1.1% in 2026 and 1.2% in 2027 (0.2 percentage points lower in both years than the January 2026 forecasts), as the impacts of the conflict outweigh better than expected growth in 2025.

China

At the March 2026 National People’s Congress (NPC) policymakers reaffirmed a shift toward higher-quality, technology-driven growth, reducing reliance on the traditional infrastructure and property-led model. This approach is reflected in the 15th Five-Year Plan (2026-2030), which sets out medium-term economic priorities, including a GDP growth target of around 4.5% to 5% in 2026 and an objective to maintain growth within a “reasonable range” over the period. The IMF has forecast slightly softer growth of 4.4% in 2026 (revised down 0.1 percentage points from the January 2026 WEO), before moderating over the medium term (see figure below, left-hand panel).

Chinese authorities also acknowledged rising geopolitical and trade risks. External demand remained a key contributor to economic growth and industrial production in 2025, despite a sharp decline in exports to the United States following heightened tariff tensions. China has adapted by redirecting trade flows towards ASEAN, as well as parts of Africa and the Middle East (see figure below, right-hand panel).

Figure 11



Domestically, household demand remains weak despite Government policy support. Household caution reflects a prolonged decline in property-related wealth, evident in subdued retail sales, weak credit growth and low inflation.

Industrial output is shifting toward advanced manufacturing, while activity in more steel-intensive sectors is contracting. This transition is expected to support demand for energy and critical minerals over the outlook, while demand for bulk commodities is expected to remain relatively steady. Following weakness through 2025, fixed asset investment has shown early signs of recovery in 2026.

Given the energy intensity of industrial activity, recent developments in Iran pose a risk to energy supply and, in turn, industrial production. China imports around 70% of its crude oil, much of which transits through the Strait of Hormuz. However, strategic reserves, estimated at around 100 to 120 days of import cover, provide a buffer against short-term disruptions. Also, China's energy system is still anchored by coal and there is diversification on the gas side, through LNG and pipeline supply, particularly from Russia and Central Asia.

Global Risks

Risks to the global outlook are firmly tilted to the downside. The Middle East conflict presents the key risk, primarily through the impacts on energy markets, with both direct and indirect effects for Western Australia and its key trading partners (see feature box above). Beyond this, risks include trade policy uncertainty, rising global public debt, and a structural slowdown in the Chinese economy.

Trade policy remains a risk as additional tariffs could weigh on global investment, disrupt supply chains and accelerate trade fragmentation, particularly if coupled with retaliatory measures. Signs of these effects are already evident in the shifting trade pattern of China away from the US.

Elevated global public debt has reduced governments' capacity to respond to shocks, particularly in high-debt developing economies. Government finances are under strain from mounting spending pressure on social needs, defence, and rising interest payments.

While China, Western Australia's key trading partner, is less exposed to the energy crisis than most Asian economies it is experiencing a gradual slowing of its economy. China's ongoing economic rebalancing away from investment and property-led growth toward technology driven growth is expected to result in more moderate and less resource intensive growth. This transition has important implications for Western Australia, given its exposure to Chinese demand for bulk commodities.

Commodity Markets

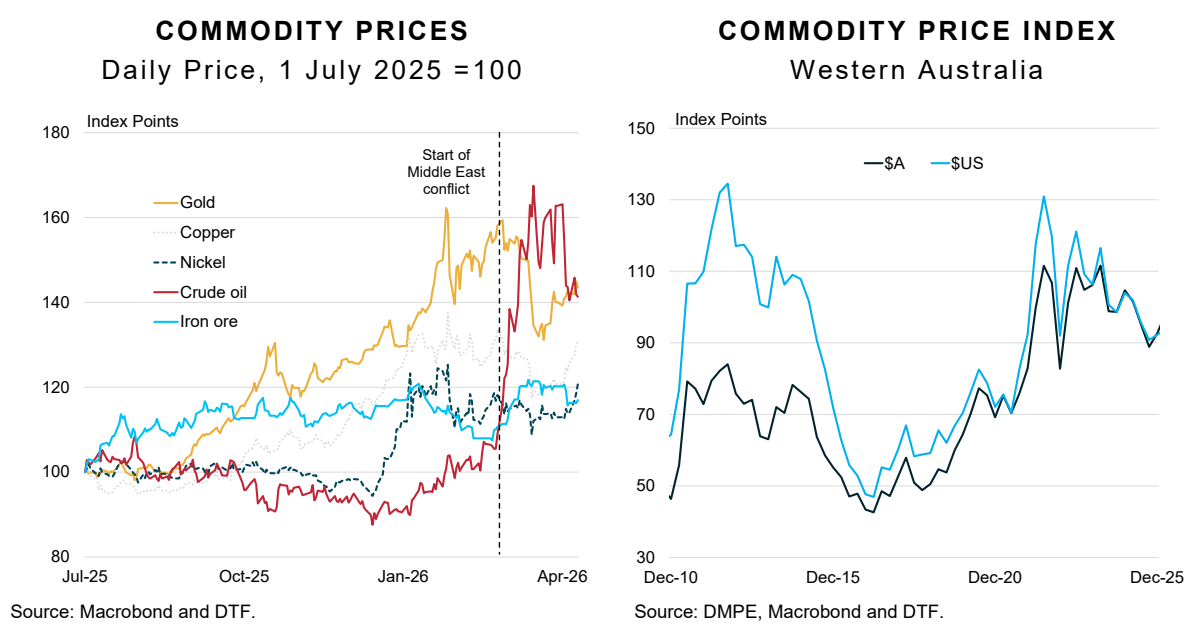
After relative stability during most of 2025, heightened uncertainty due to the Middle East conflict has led to significant volatility in commodity markets (see figure below, left-hand panel). Energy prices have surged following the start of the conflict due to disruptions to supply, whilst gold prices have coincidentally fallen, weighed down by expectations of higher US interest rates and inflation globally (see Gold section). The conflict, especially if prolonged, is expected to keep LNG markets tight and prices elevated (see LNG section).

Base metal prices including nickel and copper have risen since the Mid-year Review. Nickel prices rallied in early 2026 to their highest point since mid-2024 due to uncertainty surrounding supply as the Indonesian Government reduced mining quotas by one-third relative to 2025 levels. After rising through 2025, copper prices accelerated to reach a record high in late January, due to concerns over market deficits. Prices have since fallen back with a deteriorating demand outlook due to the Middle East conflict.

In January 2026, lithium spodumene prices reached their highest levels since 2023, supported by stronger demand and disruptions to supply (see Lithium section). Iron ore prices have remained relatively steady, trading within a narrow range (see Iron Ore section).

The Western Australian commodity price index⁷ remained relatively flat in the September quarter 2025, as strength in gold prices largely offset further weakness in LNG prices, before rising in the December quarter 2025, in line with increases in the iron ore and lithium prices (see figure below, right-hand panel).

Figure 12



The Australian dollar has appreciated around US4 cents since late November, supported by expectations of rising Australian interest rates. It reached US71.8 cents in mid-March before falling back to US69.2 cents at Budget cut-off, as rising concerns over inflation and slower global growth weighed on commodity-linked currencies like the Australian Dollar.

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

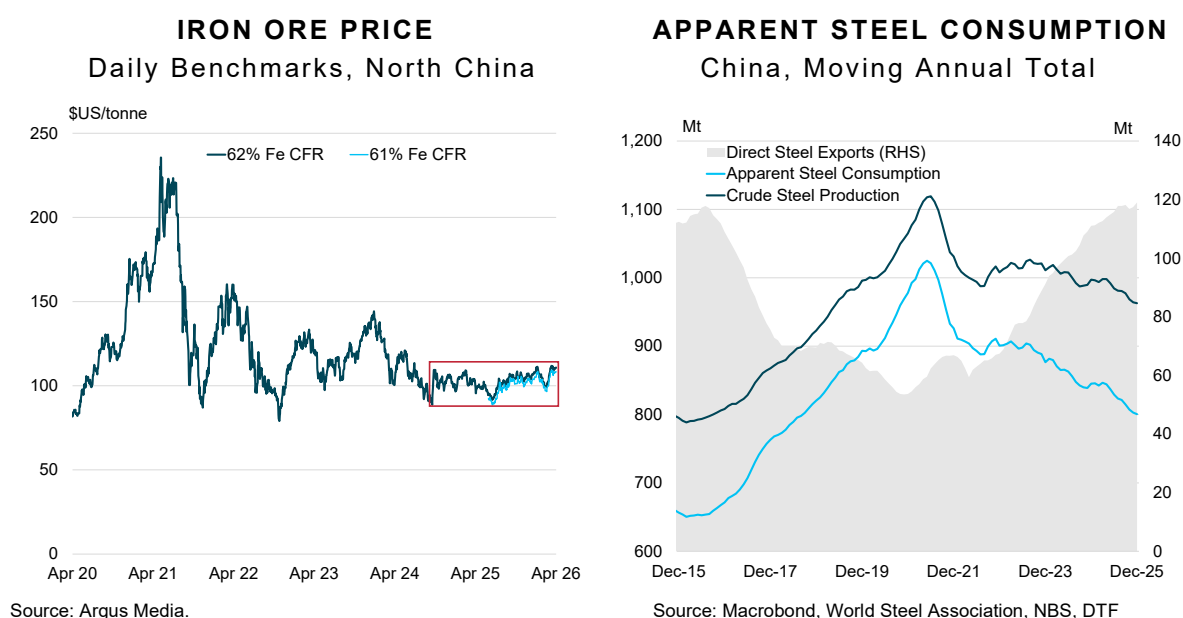
⁷ The commodity price index is a weighted index of iron ore, gold, oil, condensate, LNG, copper, nickel, zinc, lithium and alumina.

Iron Ore

The benchmark iron ore price⁸ has remained broadly stable over the past 18 months, trading within a relatively narrow range around \$US100 per tonne, despite ongoing volatility in global commodity markets (figure below, left-hand panel).

Recent market stability broadly reflects two key factors. First, while China's crude steel output declined by 4.4% in 2025, even weaker apparent domestic steel consumption has been partly offset by stronger external demand, including both direct and indirect steel exports (figure below, right-hand panel). Second, the share of steel produced via blast furnaces⁹, which are more iron ore intensive, has increased relative to electric arc furnaces. Together, these factors have helped sustain Chinese iron ore demand.

Figure 13



The outlook for Chinese iron ore and steel demand remains balanced in the near term. Domestic demand weakness is expected to persist, partly offset by external demand. The downturn in China's property sector continues to weigh on domestic demand, more than offsetting support from infrastructure and manufacturing. Recent announcements from the NPC meeting indicate more measured fiscal support for traditional construction sectors relative to emerging industries, suggesting limited scope for a near-term uplift. Consistent with this, China's construction Purchasing Managers' Index (PMI) has moved into contraction, indicating subdued conditions across the sector.

⁸ From January 2026, the industry adopted a 61% Fe benchmark price, better aligning with the quality of Western Australia iron ore exports. This does not materially affect market conditions but provides a more representative price.

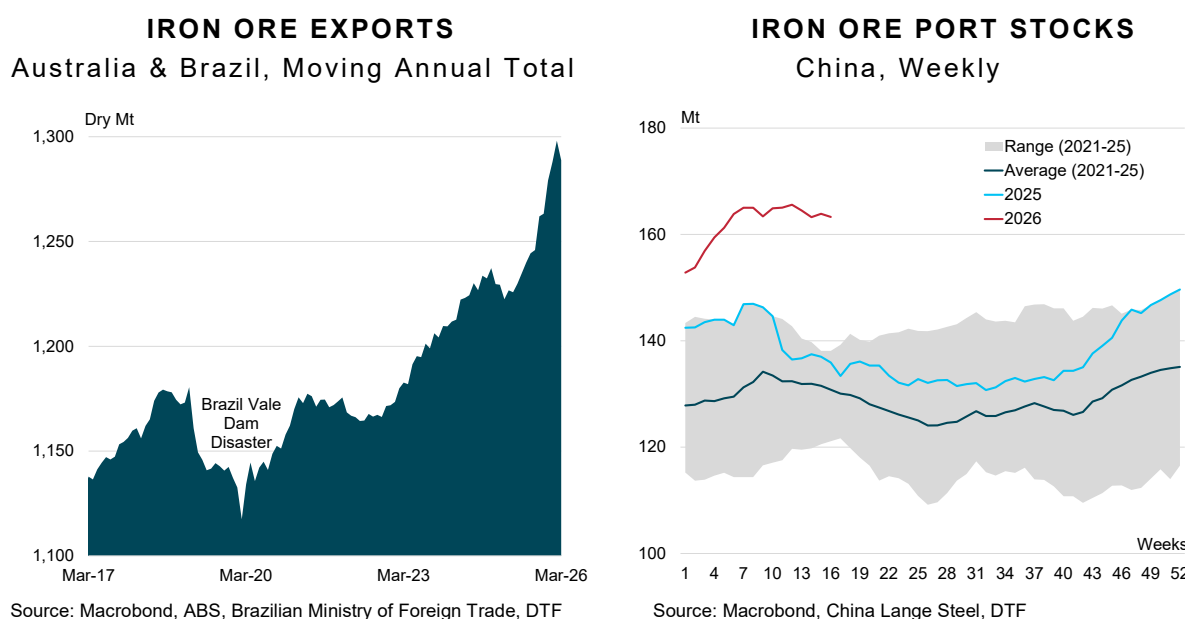
⁹ Blast oxygen furnaces (BOF) are more iron ore intensive, using ~1.6 tonnes of iron ore per tonne of steel, compared with electric arc furnaces (EAF), which primarily use scrap steel and require ~0.1 tonnes. Around 90% of China's steel is produced using BOF, compared with around 50% in the rest of the world.

Direct steel exports remain a key source of support, now accounting for around 12% of total production and limiting the decline in crude steel output. However, this support presents a downside risk, with export volumes increasingly exposed to rising trade tensions and the use of tariffs and anti-dumping measures by key trading partners.

Outside China, crude steel production increased modestly by 0.8% in 2025 although trends varied across countries. Output declined in Japan and South Korea by 4% and 2.8%, respectively, while India’s production rose by 10.4%, with its output now exceeding that of Japan and South Korea combined.

On the supply side, global iron ore production is expected to increase over the outlook period. Shipments from Australia and Brazil, the world’s two largest exporters, have risen sharply in recent months (figure below, left-hand panel), contributing to higher port inventories in China and indicating an excess of supply relative to demand (figure below, right-hand panel). Further increases are expected as existing producers expand output and new projects come online.

Figure 14



Taken together, moderating demand and increasing supply are expected to result in downward pressure on iron ore prices, consistent with maintaining a prudent iron ore price assumption for revenue projections.

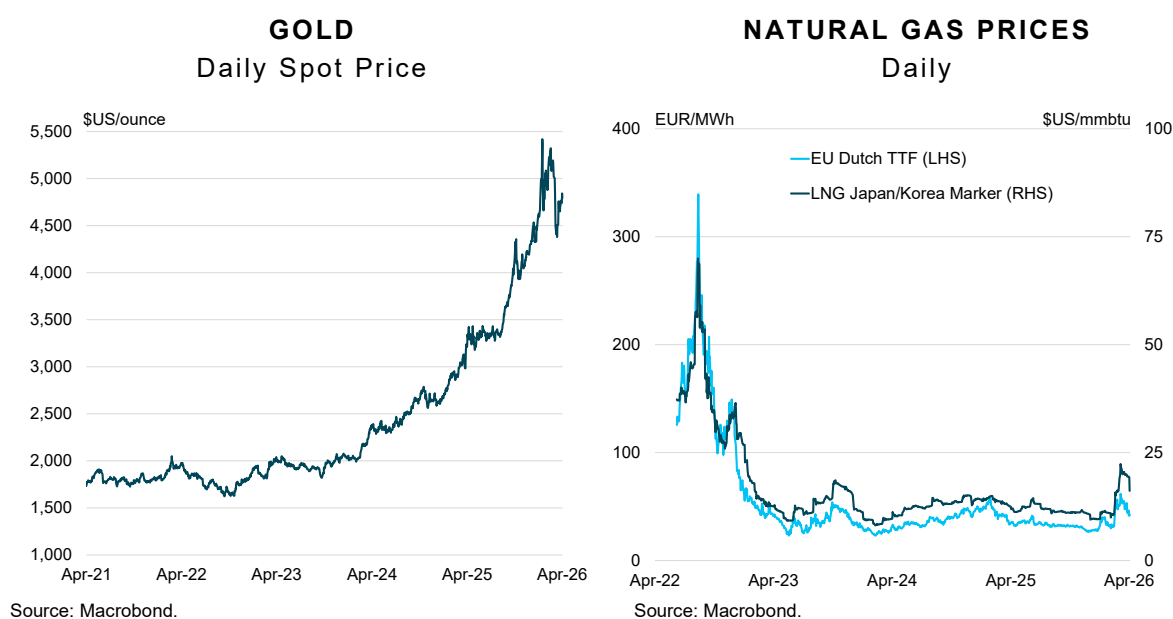
Detail on iron ore price assumptions can be found in Chapter 4: *General Government Revenue*.

Other Commodities

Gold prices increased by almost 50% in 2025, reaching successive record highs, supported by strong safe-haven demand amidst heightened geopolitical and trade policy uncertainty (see figure below, left-hand panel). In 2025, global gold demand exceeded 5,000 tonnes for the first time, as investor demand increased by 84% compared to 2024, at 2,175 tonnes, largely supported by investment in gold-backed exchange-traded funds which contributed over 800 tonnes of additional demand. During 2025 there was a rise in the preference for gold as a safe-haven asset compared to US dollar denominated assets.

Gold prices have been volatile thus far in 2026, surging in late January to a new record of \$US5,418 per ounce on 28 January, before falling sharply in mid-March and wiping out this year's gains. This is consistent with a decline in the relative safe-haven appeal of gold due to expectations of higher US interest rates and global inflation. Gold prices are forecast to gradually fall from 2027 onwards as geopolitical tensions ease.

Figure 15



Natural gas prices remained relatively steady in the second half of 2025 through early 2026, continuing the trend towards lower volatility since mid-2023. Asian LNG demand softened in 2025, most notably from China amid a rise in gas pipeline imports from Russia and record domestic production. Conversely, Europe's LNG imports increased heading into winter 2025, with buyers taking advantage of the abundant supply and lower prices of US LNG.

The effective closure of the Strait of Hormuz has triggered a significant supply shock to global LNG markets, disrupting around 20% of global supply. LNG spot prices have risen sharply, increasing by around 85% in Asia and 65% in Europe as at Budget cut-off. While substantial, these increases remain below the peaks observed following the Russian invasion of Ukraine (see figure above, right-hand panel).

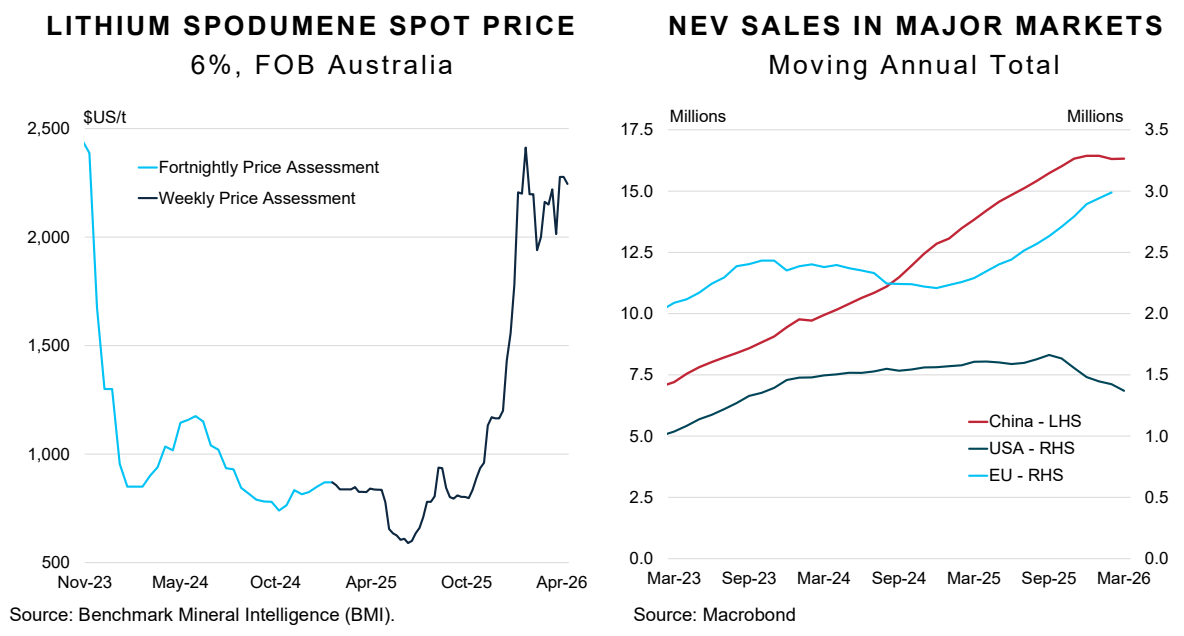
The conflict is expected to keep LNG markets tight and prices elevated, particularly if it is prolonged. Its impact has been most pronounced in Asia, which accounts for most LNG flows transiting the Strait (around 85%). Countries in South Asia are particularly reliant on imported gas from the Middle East for power generation. They are increasing the use of coal and have introduced a range of energy conservation measures. Japan and South Korea are relatively less exposed, with the largest share of their LNG imports coming from Australia. China does source around one third of its LNG from the Middle East but has a relatively diversified range of other energy sources.

Europe is comparatively less exposed, sourcing only around 10% of its LNG from the Middle East. However, it needs to rebuild inventories following a colder-than-expected winter which has intensified the competition for spot cargoes, placing further upward pressure on prices.

The conflict will have a prolonged impact on the LNG market. Extensive missile damage to Qatar’s Ras Laffan facility is expected to take up to five years to repair potentially reducing Qatar’s LNG exports by around one fifth. There is also a risk of delays to Qatar’s planned LNG capacity expansions from 2027.

Lithium Market: The global lithium market has tightened since mid-2025, underpinned by strong demand and several supply disruptions, resulting in a sharp increase in prices. Spodumene prices rose fourfold from their mid-2025 lows to \$US2,413/t in early-2026, before easing slightly to \$US2,278/t at Budget cut-off (see figure below, left-hand panel).

Figure 16



Lithium demand strengthened in 2025, supported by electric vehicle (EVs) sales, the rapid expansion of Battery Energy Storage Systems (BESS), and front-loaded activity ahead of key policy changes, including phasing out of China's export VAT rebates from April 2026. While EVs remain the dominant source of demand for lithium (around 75% of battery demand), growth moderated toward the end of 2025 as policy support reduced in China (tighter eligibility under the trade-in policy and imposing a 5% purchase tax on EVs) and the US (expiry of consumer EV tax credit under the US Inflation Reduction Act) (see above, right-hand panel). However, this was more than offset by robust growth in BESS.

On the supply side, disruptions since mid-2025 have also contributed to a tighter market. In China, anti-involution policies and stricter enforcement of the Mineral Resources Law led to closures of several mines, including CATL's Jianxiawo mine (around 3% of global mine supply). Meanwhile, Zimbabwe (accounting for around 10% of global mine supply), which suspended lithium concentrate exports in February 2026, has now announced export quotas, under strict conditions. This precedes a full ban on lithium concentrate exports effective from January 2027, aimed at increasing domestic refining.

Higher prices are likely to incentivise additional supply, with some producers already announcing restarts and others reassessing project viability. Restarts may be gradual due to high restart costs, but over the longer term, supply risks overshooting demand as BESS growth moderates and there is a gradual slowdown in EV sales as its penetration rate rises. The Middle East conflict may indirectly support lithium demand by accelerating EV adoption as consumers move away from internal combustion vehicles alongside BESS deployment.

Although, Australia's lithium production is expected to increase, its share of global primary lithium supply is projected to fall from an estimated 29% in 2025 to around 25% in 2027 as supply rises faster in other regions, mainly Argentina, China and Nigeria. China is expected to overtake Australia as the largest lithium supplier by around 2027.

2026-27 Economic and Fiscal Outlook

Fiscal Outlook and Strategy

HIGHLIGHTS

- The 2026-27 Budget outlines an eighth consecutive general government sector operating surplus by the Government of \$3.5 billion in 2025-26, and a further operating surplus of \$2.4 billion is estimated in 2026-27, with surpluses forecast in each year of the forward estimates period.
- Additional spending in the Budget is focused on the delivery of the Government's priorities – with a substantial boost in resources for frontline services across health, housing, education and training, justice and community services, along with funding for further targeted cost of living relief.
- Operating surpluses provide a non-debt source of funding for the Asset Investment Program, with \$13.2 billion allocated in 2026-27. The Government's investment in infrastructure totals a record \$44.3 billion over the next four years, with a focus on projects that facilitate the State's future economic growth and diversification and respond to the demands of a growing population – including significant funding for social and affordable housing initiatives and new and upgraded hospitals and schools.
- In support of the substantial investment in infrastructure, total public sector net debt is expected to increase over the forward estimates from 7.1% of Gross State Product (GSP) in 2025-26 to 8.9% of GSP by 2029-30. This level of net debt remains affordable and far lower than any other State and the Commonwealth.
- The State's strong financial management is reflected in Western Australia being the only State or Territory with a triple-A credit rating from both Moody's Ratings and S&P Global. The Budget contains \$579 million of savings associated with the Government's Fiscal Strategy to help ensure the continued achievement of its financial management objectives (see feature box in this Chapter).

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						
	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
OPERATING STATEMENT						
Revenue	49,689	52,646	54,980	52,378	53,653	54,786
Growth (%)	8.1	6.0	4.4	-4.7	2.4	2.1
Expenses	46,037	49,140	52,539	50,626	50,152	50,663
Growth (%)	11.0	6.7	6.9	-3.6	-0.9	1.0
Net Operating Balance	3,652	3,507	2,441	1,752	3,501	4,123
BALANCE SHEET						
Assets	238,151	254,604	261,748	268,849	273,858	276,720
Liabilities	45,962	50,323	53,717	56,788	57,333	54,591
Net Worth	192,188	204,281	208,031	212,061	216,526	222,129
STATEMENT OF CASHFLOWS						
Net Cash Flows from Operating Activities	6,799	5,424	5,720	4,284	5,933	6,671
Less: Asset Investment Program	4,211	4,213	5,522	4,371	4,888	3,530
Plus: Sales of Non-financial Assets	73	101	125	134	144	167
Cash Surplus/Deficit	2,661	1,312	323	47	1,189	3,308
Net Debt at 30 June	22,893	26,244	30,161	32,828	33,202	31,208

A general government operating surplus of \$3.5 billion is now estimated for 2025-26, a \$1 billion increase since the 2025-26 Mid-year Review. An operating surplus of \$2.4 billion is forecast in 2026-27, with surpluses between \$1.8 billion and \$4.1 billion over the outyears.

Stronger revenue projections across the four years to 2029-30 accommodate the Government's significant allocations of new spending in this Budget for key frontline service delivery agencies. This spending aims to progress the delivery of government priorities in health and mental health, education and training, community services and safety, housing and homelessness, and jobs and economic diversification.

This Budget includes more than \$1 billion of cost of living assistance in 2026-27 in recognition of the inflationary impacts caused by the conflict in the Middle East.

Projected operating surpluses are a key non-debt funding source for the Government's record \$44.3 billion Asset Investment Program over the four years to 2029-30. This includes a forecast record investment of \$13.2 billion in 2026-27.

GOVERNMENT FISCAL STRATEGY

The Government remains committed to strong financial management and its key objectives of achieving general government operating surpluses through expenditure management and investing these surpluses into infrastructure that meets the needs of current and future generations. Strong economic and financial management has been reflected in the State maintaining a triple-A credit rating from both Moody's Ratings and S&P Global.

To ensure the continued delivery of these financial management objectives in an environment increasingly shaped by heightened and rapidly evolving global uncertainty, the Government has approved a comprehensive Fiscal Strategy involving the development and implementation of a range of budget management measures. Several initiatives have been progressed as part of the 2026-27 Budget and provide savings totalling \$579 million in net debt terms.

The Fiscal Strategy involves a focus on:

- sustainable management of recurrent expenditure growth, while ensuring frontline service delivery agencies continue to be funded in line with meeting the demands associated with a growing population;
- the targeted reduction of \$50 million to 2029-30 of non-essential goods and services procurement, resulting in reduced spending on consultants (ICT and non-ICT), advertising, temporary personnel and travel, accommodation and other 'back office' costs for the 14 largest general government recurrent spending agencies;
- workforce management measures to assist agencies in managing within approved budget settings, including a voluntary targeted separations scheme for 1,500 full-time equivalent general government sector employees. The scheme will help moderate the rate of growth of non-frontline roles and address agency sustainability issues. The scheme is expected to deliver around \$445 million in savings across the forward estimates, with an estimated \$318 million in savings retained by agencies to be reinvested in priority services. Separation costs totalling \$229 million are expected to be met from the Consolidated Account in 2026-27;
- better revenue collection through increased tax compliance effort and sustained management and collection of tax debts, with \$65 million in additional receipts reflected in this Budget;

2026-27 Economic and Fiscal Outlook

- asset management strategies to provide additional revenue for re-investment in priority capital works projects, including the sale of surplus government land that will increase land availability for residential development (estimated to generate an additional \$250 million to 2029-30 in this Budget); and
- a continued focus on the prioritisation and assurance of ICT expenditure to support robust project planning and delivery, and to progress key whole-of-government capabilities to support public sector productivity, including the ServiceWA App and the Western Australian Government Cyber Security Operations Centre. These initiatives aim to deliver consolidated, secure and scalable digital services to the community and businesses at reduced costs relative to traditional delivery methods.

Table 2

2026-27 BUDGET IMPACT Fiscal Strategy Measures

	2025-26	2026-27	2027-28	2028-29	2029-30	Net Debt at 30 June 2030
	\$m	\$m	\$m	\$m	\$m	\$m
Taxation Compliance and Debt Management:						
- Additional Tax Receipts	-	31	34	-	-	-65
- Resource Costs	-	-1	-1	-	-	3
Voluntary Targeted Separations Scheme:						
- Implementation Costs	-	-229	-	-	-	229
- Net Savings	-	61	125	128	131	-445
Procurement Measure	-	13	13	13	13	-50
Land Sales	-	25	50	75	100	-250
Total Budget Benefit	-	-101	220	215	244	-579

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

Operating Statement

Changes to the outlook for general government revenue and expenses since the 2025-26 Mid-year Review are summarised in the following table.

Table 3

SUMMARY OF GENERAL GOVERNMENT REVENUE AND EXPENSE
Variations Since the 2025-26 Mid-year Review

	2025-26	2026-27	2027-28	2028-29	2029-30	Total
	\$m	\$m	\$m	\$m	\$m	\$m
2025-26 MID-YEAR REVIEW - NET OPERATING BALANCE	2,503	2,903	2,725	3,148		
Revenue						
<i>Revenue Policy Decisions</i>						
Housing Taxation Package	-15	-71	-82	-68		-237
<i>Other Revenue Movements</i>						
<i>Taxation</i>	947	934	1,130	1,443		4,453
- Total Duty on Transfers	862	547	670	908		2,986
- Land Tax	-	276	305	360		941
- Payroll Tax	83	94	101	97		376
- Metropolitan Region Improvement Tax	-	44	48	55		148
- Building and Construction Industry Training Fund Levy	22	25	31	31		109
- Insurance Duty	-24	-26	-27	-28		-105
- Other Taxes	4	-26	1	20		-1
<i>Commonwealth Grants</i>	-419	1,641	1,137	995		3,354
- Health Reform	4	306	386	502		1,199
- Transport Grants	-545	999	468	190		1,112
- North West Shelf Grants / Condensate Compensation	41	229	84	71		425
- GST Grants	126	-9	63	106		285
- 100,000 Homes for First Home Buyers	-	79	59	74		212
- Better and Fairer Schools	30	8	6	1		45
- Critical Minerals Advanced Processing Common-User Facility	-	-49	-49	-		-99
- Disaster Recovery	11	-175	55	-		-109
- Pilbara Ports Common User Upgrades Agreement	-180	195	-15	-		-
- Other Commonwealth Grants	94	57	80	51		283
<i>Royalty Income</i>	854	1,479	234	128		2,695
- Iron Ore	616	1,148	8	-33		1,740
- Gold	58	123	190	193		565
- Lithium	201	190	28	-31		388
- Other Royalties	-21	18	7	-1		3
<i>Revenue from Public Corporations</i>	-338	543	-34	269		440
- Dividends	-361	487	-11	209		325
- Tax Equivalents	23	56	-23	60		115
<i>Sales of Goods and Services</i>	59	117	98	122		397
- Health	2	48	58	78		186
- Other Agencies	57	70	40	44		211
Interest	6	58	35	38		137
All Other	147	77	227	227		678
TOTAL REVENUE	1,240	4,778	2,745	3,154		11,918

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

Table 3 (cont.)

SUMMARY OF GENERAL GOVERNMENT REVENUE AND EXPENSE
Variations Since the 2025-26 Mid-year Review

	2025-26	2026-27	2027-28	2028-29	2029-30	Total
	\$m	\$m	\$m	\$m	\$m	\$m
Expenses						
WA Health	671	2,619	1,903	1,463		6,656
Provisions for Government Wages Policy	-141	48	380	635		922
Education (including administered spending)	73	327	154	131		685
Justice	162	227	140	138		668
Transport and Major Infrastructure (including administered spending)	-70	370	105	92		497
Western Australia Police Force	64	184	101	83		432
Energy and Economic Diversification	-120	215	154	29		277
Main Roads	-115	182	92	40		199
Creative Industries, Tourism and Sport	-22	109	50	-2		136
Premier and Cabinet	1	50	41	33		125
Fire and Emergency Services	34	55	12	11		112
Mental Health Commission	-18	36	40	52		110
<i>Operating and Other Consolidated Account Subsidies</i>						
- DevelopmentWA	-28	450	327	84		833
- Synergy	-25	196	205	38		415
- Public Transport Authority	-(a)	67	62	61		190
- All Other	-69	83	-38	33		10
<i>Other Changes</i>						
Consolidated Account Interest Costs	20	117	134	176		447
Foundational Supports - Thriving Kids	-	66	77	70		212
Voluntary Targeted Separation Scheme	-	168	-125	-128		-85
General Government Recurrent Expenditure Provision reversal	-	-1,020	-750	-750		-2,520
All Other	-181	688	654	512		1,673
TOTAL EXPENSES	237	5,239	3,719	2,800		11,995
TOTAL VARIANCE	1,004	-461	-973	354		-77
2026-27 BUDGET - NET OPERATING BALANCE	3,507	2,441	1,752	3,501	4,123	

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

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

2025-26 Estimated Actual

A general government operating surplus of \$3.5 billion is now expected for 2025-26. This is \$1 billion higher than the \$2.5 billion surplus projection contained in the Mid-year Review, and mainly reflects the net impact of:

- higher taxation revenue (up by a net \$931 million), primarily due to an increase in transfer duty and payroll tax collections, in line with stronger than expected house price growth and labour market conditions, partly offset by the first year impact of the Housing Taxation Package (\$15 million);
- higher royalty income (up \$854 million), with higher than expected iron ore, gold and lithium prices, and upward revisions to iron ore volumes;
- lower Commonwealth grants (down by a net \$419 million), mainly due to the impact of revisions to project schedules and changed timing for transport-related grants (down \$545 million) and Pilbara Ports Common User Upgrades grants (down \$180 million), partly offset by higher GST grants (up \$126 million);

- lower revenue from public corporations (down \$338 million), mainly due to a timing change related to the receipt of a \$400 million special dividend from Pilbara Ports Authority (now to be received in 2026-27) to better match the timing of revenue and spending;
- higher employee costs (up \$420 million), reflecting growth in staffing of frontline services, including in WA Health, and the Departments of Education and Justice; and
- lower transfers (mainly grants and subsidies, down \$289 million) largely due to timing changes.

Final outcomes for the financial year ending 30 June 2026 will be detailed in the *2025-26 Annual Report on State Finances* (to be released by 28 September 2026).

2026-27 and Beyond

A general government operating surplus of \$2.4 billion is forecast for 2026-27, down from \$2.9 billion at the time of Mid-year Review. Operating surpluses are also expected across the outyears, ranging between \$1.8 billion and \$4.1 billion. Operating surpluses are an important non-debt source of funding for the Government's \$44.3 billion Asset Investment Program discussed later in this Chapter and in Chapter 6: *Asset Investment*.

Revenue

General government revenue is forecast to be \$55 billion in 2026-27, up 4.4% on 2025-26. Since the Mid-year Review, general government revenue estimates have been revised up by 7.1% over the period 2026-27 to 2028-29. This is mainly due to:

- higher royalty income (up \$1.8 billion) including:
 - an increase in iron ore royalties (up \$1.1 billion), largely due to higher assumed prices in 2026-27 as the period taken to transition to the long-run iron ore price assumption has been extended by six months;
 - increased gold royalties (up \$507 million), reflecting higher assumed volumes and higher prices over the forward estimates; and
 - increased lithium royalties (up \$187 million), with higher assumed lithium prices in 2026-27;
- a net increase in Commonwealth funding of \$3.8 billion, including:
 - higher transport grants (up \$1.7 billion), reflecting revised milestone timing for jointly funded projects (\$728 million), additional funding for a number of existing projects (\$465 million), and investment in new jointly funded projects including Stage 1 Anketell Road upgrades and flood resilience improvements to Great Northern Highway (\$464 million);
 - higher National Health Reform Agreement (NHRA) funding (up \$1.2 billion), reflecting the new NHRA Addendum agreed with the Commonwealth in early 2026, which includes increased Commonwealth funding for public hospitals;

2026-27 Economic and Fiscal Outlook

- higher North West Shelf and Condensate Compensation grants (up \$384 million), reflecting upward revisions to price forecasts;
- higher funding from Pilbara Ports Common User Upgrades agreement (up \$180 million), following revised timing of some project milestones;
- higher GST grants (up \$159 million), primarily due to Commonwealth revisions to the forecast national GST pool, offset by reductions in Western Australia’s GST relativity following the outcome of the Commonwealth Grants Commission’s 2026 Update;
- lower Commonwealth disaster recovery funding (down \$120 million), with reduced reimbursements required for lower than assumed recovery assistance costs, mainly for communities in the Kimberley impacted by Ex-Tropical Cyclone Ellie (including for infrastructure betterment and temporary accommodation programs);
- a \$99 million decrease reflecting the removal of assumed Commonwealth revenue for the proposed Critical Minerals Advanced Processing facility for which a joint State-Commonwealth funded feasibility study is currently underway. The State Government remains committed to its contribution of up to \$100 million, conditional on a co-funding decision on a 50:50 basis with the Commonwealth; and
- higher other Commonwealth grants including new agreements related to Foundational Supports – Thriving Kids in WA (\$89 million) and the 100,000 Homes for First Home Buyers initiative (\$212 million);
- higher taxation revenue (up \$3.3 billion), including:
 - a \$2.1 billion increase in total duty on transfers, reflecting the impact of higher than expected property prices and a lift in expected revenue from large property transfers, partially offset by the Government’s new Housing Taxation Package;
 - a \$1.1 billion increase in land tax and Metropolitan Region Improvement Tax, due to the stronger outlook for residential land values, and a projected increase in the number of eligible taxpayers that own an investment property;
 - a \$293 million increase in payroll tax, primarily reflecting the flow-through impact of stronger than expected employment and wages in 2025-26 and 2026-27;
 - an \$87 million increase in Building and Construction Industry Training Fund revenue, based on updated construction activity forecasts across the State; and
 - an \$81 million decrease in insurance duty, primarily reflecting the flow-on impact of weaker than anticipated growth in insurance premiums in 2025-26;

- higher public corporations dividend revenue (up \$685 million), mainly from special dividend payments from DevelopmentWA (due to the expected divestment of Housing Australia Future Fund social and affordable housing developments to the community housing sector, and improved profitability forecasts), and the later timing of the receipt of the special dividend from the Pilbara Ports Authority (previously forecast for 2025-26, mentioned earlier). These increases are expected to be partially offset by lower net dividend collections across other public corporations;
- higher agency goods and services revenue (up \$338 million), largely due to higher revenue for WA Health (up \$184 million, mainly reflecting flow-on effects of recent collections from rents and higher Pharmaceutical Benefits Scheme recoveries, and higher patient revenue forecasts), and a range of smaller movements across other agencies in the general government sector;
- higher interest revenue (up \$131 million), reflecting the combined impact of higher forecast interest rates and a rise in projected cash and liquid investment holdings held in the Public Bank Account; and
- higher 'other' revenue (up \$531 million), mainly due to an uplift in forecast traffic infringement revenue following the roll-out of new road safety cameras to be reinvested in new road safety initiatives.

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

Expenses

Expenses in 2026-27 are projected to total \$52.5 billion, an increase of 6.9% on 2025-26. Material changes to general government expenses across 2026-27 to 2028-29 since the release of the 2025-26 Mid-year Review include:

- higher spending by WA Health (up \$6 billion), mainly reflecting:
 - a \$5.1 billion increase for hospital services, primarily for a significant expansion of bed capacity in 2026-27, funding for additional clinical workforce requirements and growing demand;
 - \$123 million to meet higher costs for non-hospital services, including increased demand for health support services and the continuation of supply chain arrangements;
 - \$64 million for the continued expansion of child development services and operation of the Medical Respite Centre;
 - \$62 million for the provision of ongoing regional healthcare programs and the higher cost of delivering services in regional Western Australia;
 - \$58 million to establish a Central Commissioning Office and for the commissioning of the recently purchased Mt Lawley Hospital and the Geraldton Health Campus;

2026-27 Economic and Fiscal Outlook

- \$56 million for a range of aged care services to provide increased support for older people in Western Australia; and
- \$51 million for continued improvements in Emergency Access and support programs to improve patient flow and access to emergency care;
- a \$1.1 billion provision to accommodate bargaining for newly expiring industrial agreements under the Government’s Public Sector Wages Policy. Across the four years to 2029-30, this Budget includes a total \$2.2 billion provision to accommodate bargaining outcomes;
- an increase in spending by the Department of Education (up \$611 million), primarily due to higher allocations to schools following the 2026 school census (\$230 million), additional expenditure on maintenance (\$149 million), higher RiskCover insurance premiums (\$105 million), and the delivery of a third round of the WA Student Assistance Payment (\$89 million);
- higher spending by the Department of Justice (up \$506 million), including for additional staffing for corrective services, reform initiatives, infrastructure planning to address growth in the prison population, higher depreciation costs for custodial infrastructure and audiovisual assets for court services, youth justice initiatives, and additional Criminal Injuries Compensation payments;
- a \$398 million increase in spending by the Department of Energy and Economic Diversification, including the Kalgoorlie Vanadium Battery Energy Storage System (\$110 million), financial support for the NeoSmelt Pilot Project (\$75 million), retiming of spending (\$57 million) and additional grants (\$30 million) through the Investment Attraction Fund, resourcing PoweringWA (\$38 million), community engagement and education related to the State’s energy transition (\$18 million), and the promotion of energy transition investment opportunities (\$12 million);
- higher spending by the Department of Transport and Major Infrastructure (up \$567 million), mainly for the \$100 Fuel Support Payment in 2026-27, the retiming of expenditure from 2025-26 to later years in line with updated program and project schedules (\$96 million), increased infringement processing costs (\$64 million), payments to the Public Transport Authority for the Sutherland Street rail bridge replacement, and the Perth Central Area and Free Transit Zone buses funded from the Perth Parking Licensing Account (\$40 million), increased Passenger Transport Subsidy Scheme expenditure (\$37 million), continued operations to further progress the Westport program of works (\$30 million), an extension of the Driving Access and Equity Program (\$24 million), and increased maritime maintenance and facility costs (\$23 million);
- an increase in spending by the Western Australia Police Force (up \$368 million), primarily for operational service priorities (\$136 million), road safety initiatives (\$96 million), compensation payments and health and wellbeing support initiatives for police officers (\$36 million), the continuation of Operation Regional Shield (\$24 million), higher Government Regional Officer Housing expenditure (\$13 million), and additional staff resources to support frontline capability (\$12 million);

- higher spending by Main Roads (up \$314 million), reflecting increased investment in road maintenance (\$68 million), additional spending on project planning and development (\$60 million), higher depreciation costs due to the increasing value of roads and related assets (\$55 million), increased spending on the Stirling Bus Interchange project (\$47 million), and retiming of grant payments to the Public Transport Authority for road-related works (\$39 million);
- a \$158 million increase in spending for the Department of Creative Industries, Tourism and Sport, largely reflecting additional industry support for the tourism, creative, sport and recreation industries (\$91 million), additional resourcing and staff costs for service delivery (\$22 million), and tourism event sponsorships (\$14 million);
- a \$128 million increase in spending by the Mental Health Commission, largely to support the Social and Emotional Wellbeing model of service delivery (\$34 million), additional funding for critical community services contracts (\$32 million) and investment in priority suicide prevention initiatives (\$20 million);
- higher spending by the Department of the Premier and Cabinet (up \$124 million) primarily to support whole-of-government digital assets and cyber security resilience (\$43 million), costs associated with governance and oversight of the Government's key priorities (\$19 million), delivery of Digital Capability Fund initiatives (\$18 million), higher office accommodation costs (\$7 million), and support for the establishment of Defence West as a statutory body (\$6 million);
- an increase in spending by the Department of Fire and Emergency Services (\$77 million), mainly to support bushfire suppression and natural hazard incidents response activities (\$20 million), enhanced emergency services workforce support (\$13 million), and other operating costs;
- a \$1.6 billion increase in operating and other subsidies funded by the Consolidated Account, mainly to support DevelopmentWA (up \$861 million), Synergy (up \$440 million), and the Public Transport Authority (up \$190 million);
- a \$427 million increase in Consolidated Account interest costs, largely driven by higher projected interest rates;
- investment in partnership with the Commonwealth to establish Foundational Supports – Thriving Kids in WA (\$212 million), with spending by agencies (to be determined post-Budget) that will deliver or commission services in line with a State implementation plan, to be agreed with the Commonwealth; and
- a net \$85 million reduction in employee costs associated with the Government's decision to implement a Voluntary Targeted Separations Scheme as part of this Budget, including provision for \$314 million in cost savings following employee separations under the scheme (increasing to \$445 million by 2029-30), partly offset by a \$229 million increase in spending for appropriation-funded separation costs in 2026-27 (see Government Fiscal Strategy feature box earlier in this Chapter).

These increases have been partially offset by the removal of the \$2.5 billion provision for 2026-27 Budget decisions reflected in the Mid-year Review.

Further details on these and other material changes to general government expenses since the 2025-26 Mid-year Review are provided in Chapter 5: *General Government Expenses*.

Balance Sheet

General government sector net worth (i.e. the value of the sector's assets less the value of its liabilities) is forecast to increase in each year of the forward estimates period, rising from an estimated \$204.3 billion at 30 June 2026 to \$222.1 billion by 30 June 2030.

Public sector assets are projected to increase by \$22.1 billion over the four years to 30 June 2030, mainly reflecting the net impact of:

- an increase in non-financial assets (i.e. land, and property, plant and equipment, up \$19.1 billion), mainly driven by the sector's \$18.3 billion infrastructure spend over the next four years (see Asset Investment Program detailed later in this chapter) and projected increases in the value of the sector's significant land holdings; and
- a \$3.6 billion increase in the net worth of public corporations¹, reflecting forecast increases in holdings of physical assets by non-financial corporations due to infrastructure investment by the sector through the AIP and an increase in the net financial assets of public financial corporations.

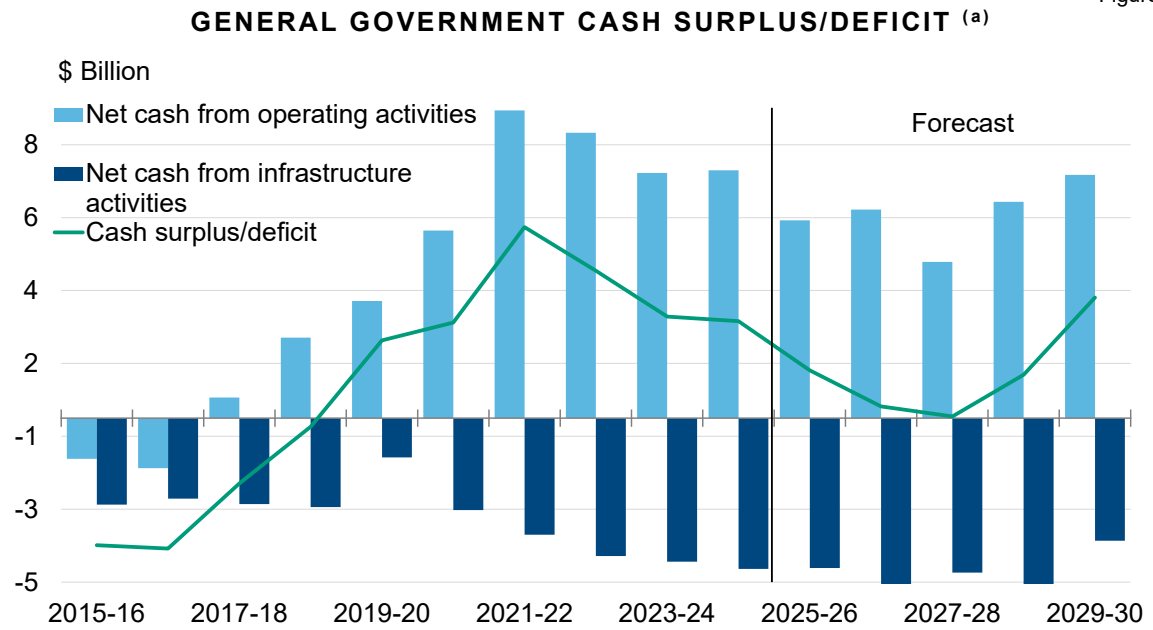
General government liabilities are forecast to be \$54.6 billion at 30 June 2030, \$4.3 billion higher than the estimated outturn for 30 June 2026. This largely reflects higher borrowings to support infrastructure spending (up \$4.2 billion) and higher deposits held in the Public Bank Account on behalf of public corporations (up \$1.2 billion), mainly reflecting the creation of the Clean Energy Fund (see Appendix 5: *Special Purpose Accounts*). These increases are projected to be partly offset by a reduction in unfunded superannuation liabilities (down \$1.3 billion), reflecting favourable movements in the discount rate used to value these obligations.

Cashflow Statement

A cash surplus of \$323 million is forecast for the general government sector in 2026-27, following an estimated \$1.3 billion cash surplus in 2025-26. A modest cash surplus of \$47 million is expected in 2027-28, with growing surpluses in 2028-29 and 2029-30. An aggregate \$4.9 billion cash surplus is forecast across the forward estimates period. While general government cash surpluses are forecast in most years, general government sector net debt is still expected to increase over the forward estimates period, mainly to cover equity contributions to fund infrastructure spending by the public corporations.

¹ 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 Sector²

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

Table 4

TOTAL PUBLIC SECTOR						
Summary Financial Statements						
	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	\$m	\$m	\$m	\$m
OPERATING STATEMENT						
Revenue	94,895	112,974	121,766	119,861	117,123	115,229
Expenses	91,274	111,241	122,228	119,759	116,073	113,180
Net Operating Balance	3,621	1,733	-462	102	1,050	2,049
BALANCE SHEET AT 30 JUNE						
Assets	286,389	302,566	312,674	321,775	329,506	336,417
Liabilities	94,201	98,285	104,643	109,714	112,981	114,287
Net Worth	192,188	204,281	208,031	212,061	216,526	222,129
STATEMENT OF CASHFLOWS						
Net Cash Flows from Operating Activities	10,769	7,699	7,290	7,182	8,431	9,774
Asset Investment Program	13,132	12,226	13,234	10,852	10,685	9,518
Sales of Non-financial Assets	646	792	835	1,138	1,305	1,013
Cash Surplus/Deficit	-1,718	-3,736	-5,109	-2,532	-949	1,269
Net Debt at 30 June	30,172	34,484	40,264	43,329	44,684	43,987

Note: Columns may not add due to rounding.

Operating Statement

Largely reflecting revisions to the general government operating outlook detailed earlier, the total public sector operating surplus is estimated to be \$1.7 billion in 2025-26, up from the \$532 million estimate contained in the Mid-year Review. While an operating deficit (of \$462 million) is forecast for 2026-27, the operating outlook has strengthened over the forward estimates period relative to the Mid-year Review projections with an aggregate operating surplus of \$2.4 billion over the four years to 2028-29.

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

² 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 5

TOTAL PUBLIC SECTOR OPERATING BALANCE
By Sector

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
			\$m			
Net Operating Balance						
General government sector	3,652	3,507	2,441	1,752	3,501	4,123
Public non-financial corporations sector	219	-394	92	-46	-346	-330
Public financial corporations sector	278	111	83	79	73	61
<i>less</i>						
General government dividend revenue	518	1,494	3,082	1,686	2,181	1,807
Public non-financial corporations dividend revenue ^(a)	13	-	-	-	-	-
Agency depreciation costs on right of use assets leased from other government sectors ^(b)	-3	-3	-3	-3	-3	-2
Total public sector net operating balance	3,621	1,733	-462	102	1,050	2,049

(a) Dividends received from Keystart (a public financial corporation) by the Housing Authority (a public non-financial corporation).

(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 \$92 million operating surplus is forecast for the PNFC sector in 2026-27, a turnaround on the \$566 million deficit forecast in the Mid-year Review. Relative to the Mid-year Review projections, the PNFC operating outlook has strengthened by \$629 million over the four years to 2028-29, largely due to the combined impact of:

- higher revenue for DevelopmentWA, including support for the construction of social and affordable housing developments (related to Housing Australia Future Fund arrangements with the Commonwealth), and METRONET station precinct development as part of the Government's response to the Commonwealth's 100,000 Homes for First Home Buyers initiative;
- a revenue increase for Synergy, primarily due to net increases in operating subsidies, partially offset by higher Wholesale Energy Market energy purchase costs and other electricity generation costs;
- a lower operating outlook for Western Power, reflecting backup generation costs, network safety and reliability program costs, the lease for the new Perth Office, and higher interest and depreciation expenses associated with Corporation's increased asset investment, partially offset by higher tariff revenue forecasts;
- lower Water Corporation profitability, mainly due to higher asset maintenance, interest, and depreciation costs for infrastructure in remote communities and new capital projects, partially offset by increased customer revenue; and

- higher Housing Authority (Department of Housing and Works) expenses, driven by increased spending into social housing maintenance and upgrades, including in remote communities, broader social housing costs, and increases in depreciation expenses.

Public Financial Corporations (PFCs)

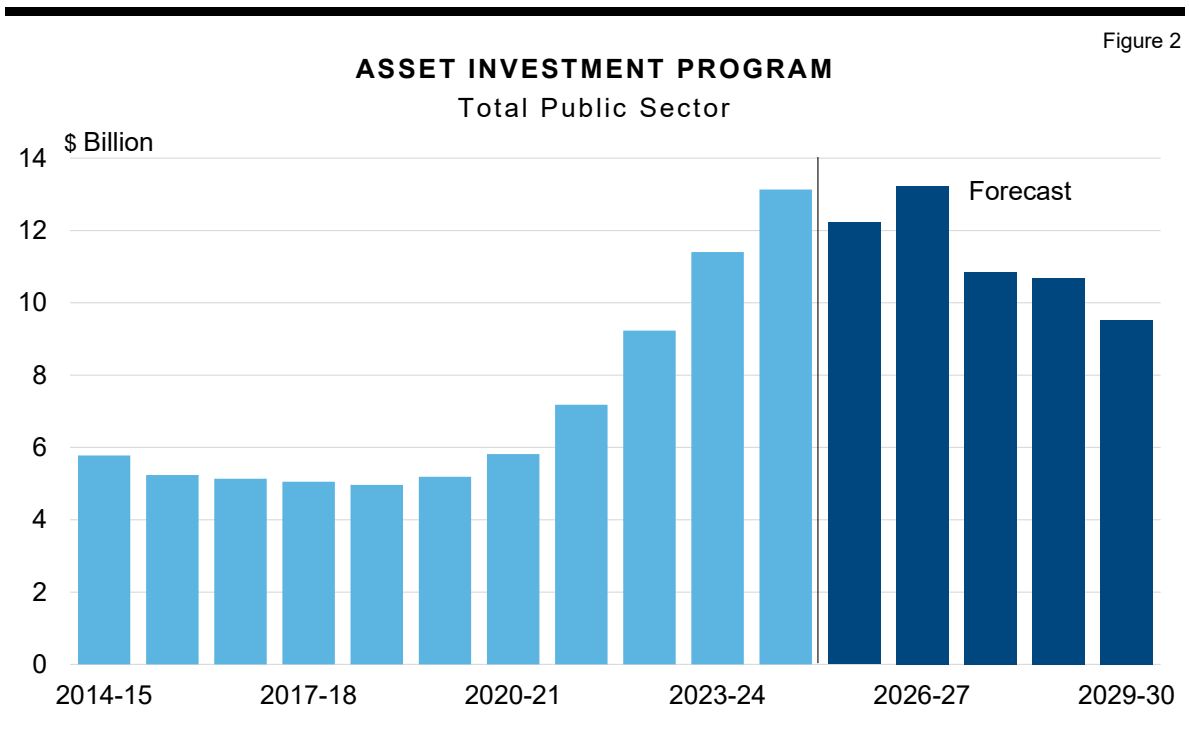
The operating outlook for the PFC sector has been revised up since the Mid-year Review. This mainly reflects the impact of:

- a stronger operating outlook for the Insurance Commission of Western Australia, reflecting lower forecast claims expenses, partly offset by lower forecast insurance premium revenue; and
- higher premium income for the RiskCover Fund, largely offset by increased workers compensation and other liability claims expenses.

Asset Investment Program

A \$44.3 billion Asset Investment Program (AIP) is forecast over the four years to 2029-30. This includes a record \$13.2 billion investment in 2026-27 and follows a \$12.2 billion investment in 2025-26. The forecast AIP reflects delivery of a range of large projects, particularly for hospitals, housing, and electricity and water utilities.

General government sector infrastructure spending totals \$18.3 billion over the four years to 2029-30 (or 41.3% of the total program), with a further \$26 billion to be spent by the public non-financial corporations sector. Investment continues to focus on utility infrastructure (\$13.9 billion), road, rail and transport projects (\$10.8 billion), social and affordable housing and land development (\$6 billion), hospital and other health infrastructure (\$5 billion), education and training projects (\$2.3 billion) and ports (\$1.4 billion).



The Government has also set aside \$2.4 billion to provide for future priority infrastructure works. This includes \$1.4 billion in a new Clean Energy Fund, \$500 million in a new Major Projects Fund (for projects such as the Aboriginal Cultural Centre and Scitech relocation), and a \$500 million top-up of the Building Hospitals Fund.

Relative to the 2025-26 Mid-year Review, an additional \$5.2 billion will be spent on State Infrastructure over the period 2025-26 to 2028-29. Key movements include:

- a \$1.8 billion increase for Main Roads to support existing joint State and Commonwealth funded road projects (\$703 million), a bring-forward of expenditure for the Kwinana Freeway Widening and Reid Highway and Erindale Road Grade Separation (\$585 million previously projected to be spent in 2029-30), investment in new projects and road maintenance activities including delivery of Stage 2 transport improvements in the Murdoch Health and Knowledge Precinct and flood resilience upgrades to the Great Northern Highway (\$351 million), and additional expenditure on the Westport program of works (\$293 million, including Stage 1 Anketell Road upgrades). These increases are partially offset by the retiming of other project expenditure to outside the forward estimates;
- higher spending on hospitals and health projects (up \$1.4 billion), including the bring forward (from 2029-30) of various project delivery timelines (\$760 million), additional hospital maintenance expenditure across multiple programs, including the Health Asset and Infrastructure Replacement Program and the Minor Building Works Program (\$157 million), spending on the Bunbury Hospital Redevelopment, Meekatharra Hospital and Tom Price Hospital projects (\$146 million), Medical Equipment and Imaging Replacement Program (\$143 million), and upgrades to ICT programs including the Critical Health ICT Infrastructure Program and the Human Resources Information Systems program (\$105 million);
- a \$1.4 billion increase in investment by Western Power which provides for the expansion and upgrade of distribution and transmission infrastructure to meet projected energy demand (\$980 million), support for residential housing developments (\$245 million), upgrades to ICT systems (\$112 million), relocation of transmission assets at Anketell Road for Westport (\$38 million), installation of a new transformer at the Kemerton Strategic Industrial Area (\$28 million), and to fit-out the Corporation's new Perth Office (\$23 million);
- an additional \$1.2 billion spend by DevelopmentWA, reflecting delivery of social and affordable housing projects (\$524 million)³, and metropolitan residential (\$431 million), regional residential (\$128 million) and industrial (\$103 million) land development activities;
- a \$997 million increase in investment by the Water Corporation, mainly to construct the Corporation's 50% share of the Dampier Seawater Desalination Plant (with the remaining costs met by the mining sector) and integrating supply into the West Pilbara Water Supply Scheme (\$651 million), investment to facilitate residential lot development (\$167 million), and works undertaken in remote communities (\$104 million);

³ Related to the Government's response to the Commonwealth's Housing Australia Future Fund initiative.

2026-27 Economic and Fiscal Outlook

- an \$831 million increase in spending by the Department of Housing and Works, mainly reflecting increased social housing construction, investment in additional homes, refurbishment and land acquisitions (\$698 million), and increased spending on Government Regional Officer Housing (\$124 million);
- an additional net \$529 million investment in school infrastructure, reflecting the implementation of the Government's 2025 election commitments (with \$222 million for new schools, \$194 million for major and minor school upgrades, and \$46 million for air-conditioning upgrades), additional spending on maintenance and renewal of school assets (\$103 million), school expansions (\$96 million), additional classroom capacity (\$75 million), and various project timing updates (\$24 million). These increases have been partly met from allocations from the Provisions for Yet-To-Be-Announced Decisions (\$226 million) and Climate Action Fund (\$5 million) included in the Mid-year Review;
- higher spending by the Department of Transport and Major Infrastructure (\$115 million), mainly for further works on the Transforming Bunbury's Waterfront project (\$82 million), upgrade and replacement of existing maritime assets (\$11 million), completion of Westport-related infrastructure definition activities (\$6 million), implementation of Digital Driver's Licence (\$5 million), and replacement of Jetty 1 at Barrack Square (\$3 million); and
- a \$108 million increase in spending by the Department of Justice, mainly to expand capacity across the adult custodial estate (\$65 million), for prison maintenance and security upgrades (\$22 million) and to upgrade court audiovisual and recording equipment (\$21 million).

The 2026-27 Budget includes a global provision to smooth the AIP over the forward estimates, updating a similar smoothing provision reflected in the Mid-year Review, resulting in a reduction in aggregate infrastructure spending across 2025-26 to 2027-28, reflowed into 2028-29 and 2029-30, and \$1 billion outside the current forward estimates period.

A global provision of \$554 million is also included across 2026-27 to 2028-29 for social housing-related investments, which will be allocated to the relevant agencies once any future business cases are approved by the Government.

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 total public sector cash deficit of \$5.1 billion is forecast in 2026-27, with declining cash deficits projected across 2027-28 and 2028-29 before a return to a cash surplus in 2029-30.

This outlook is the main driver of forecast increases in net debt across the next four years (see next section) and largely reflects the Government’s record \$44.3 billion Asset Investment Program (discussed earlier), partly offset by the aggregate value of cash operating surpluses over the same period (\$32.7 billion).

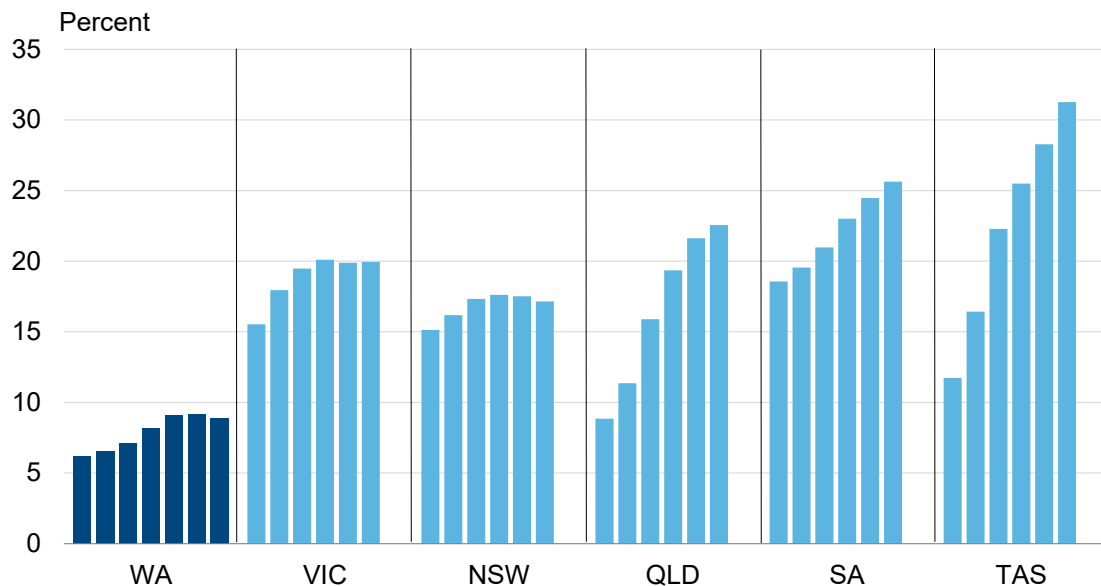
Net Debt

Total public sector net debt is forecast to increase across the forward estimates period, supporting the Government’s \$44.3 billion record infrastructure investment program. Net debt is forecast to be just below \$44 billion at 30 June 2030.

Despite the projected rise across the forward estimates period, total public sector net debt is forecast to be just 7.1% in 2025-26 and remain low at just 8.9% of the State’s economy (GSP) in 2029-30. Net debt remains very affordable and below equivalent projections for other States.

TOTAL PUBLIC SECTOR NET DEBT AS A SHARE OF GSP BY JURISDICTION^(a)
2023-24 to 2029-30

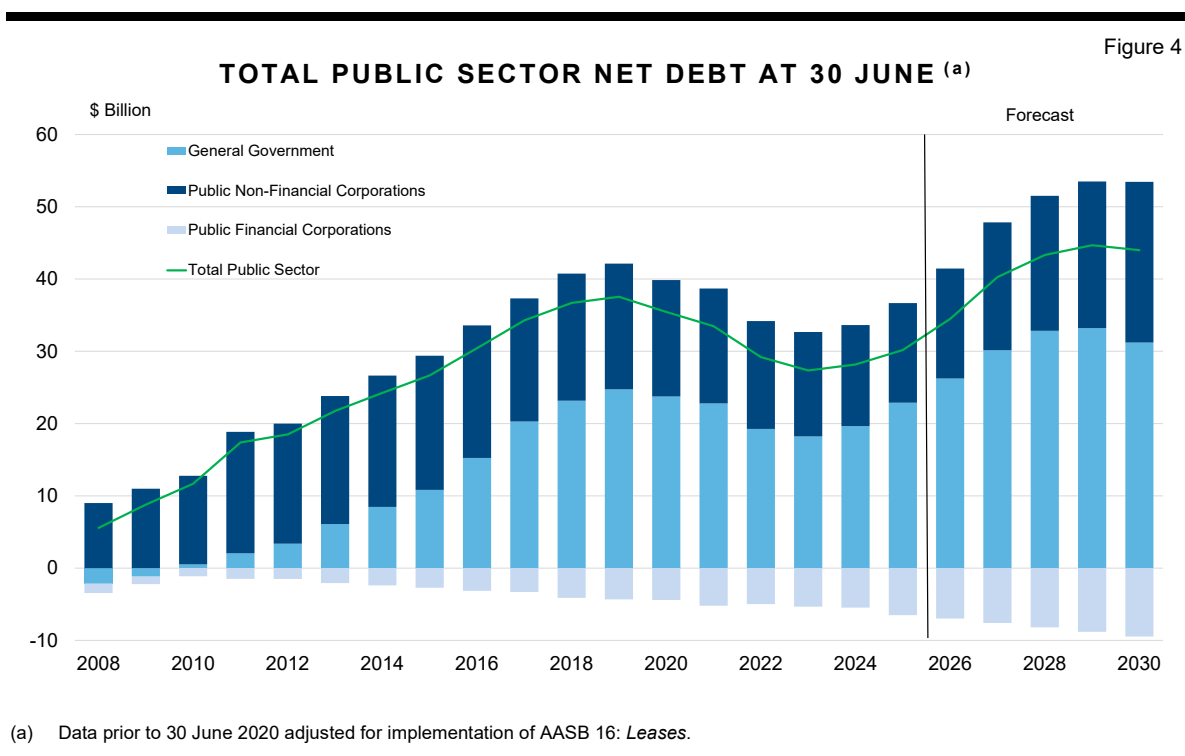
Figure 3



(a) Data for Western Australia, is based on the 2026-27 Budget. For other States’ data based on 2025-26 Mid-year Reviews. 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.

A large portion of the State’s net debt is held by the public non-financial corporations sector, as shown in the chart below. The sector continues to play an important role in economic diversification and growth in Western Australia, and is projected to deliver \$26 billion in infrastructure across the forward estimates period. General government surpluses provide a funding source for infrastructure across the public sector, including \$8.2 billion in equity contributions to the public non-financial corporations sector (which is mainly used for infrastructure spending).

Public financial corporations sector net asset holdings (which act as an offset to net debt liabilities in the general government and public non-financial corporations sectors) are forecast to increase by \$2.5 billion with significant liquid financial holdings held to offset non-debt insurance claim liabilities.



Relative to the 2025-26 Mid-year Review, increases in forecast net debt reflect elevated levels of spending on infrastructure delivery with a primary focus on utilities, road, rail and transport projects, social and affordable housing and land development, and health. Higher total public sector cash operating surpluses partly offset the increase in infrastructure spending.

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

Table 6

NET DEBT OF THE TOTAL PUBLIC SECTOR AT 30 JUNE

	2026	2027	2028	2029	2030
	\$m	\$m	\$m	\$m	\$m
2025-26 Mid-year Review - Total Public Sector Net Debt	35,704	40,369	41,671	42,132	
<i>Less change in net cash flows from operating activities and dividends paid</i>					
- general government	494	361	-514	654	
- public non-financial corporations	262	71	242	-42	
- public financial corporations	-5	77	49	25	
- net impact of internal transactions	-9	-11	-12	-12	
<i>Total public sector</i>	<i>742</i>	<i>498</i>	<i>-235</i>	<i>626</i>	
<i>Plus purchases of non-financial assets</i> ^{(a) (b)}					
Main Roads	-25	899	553	405	
WA Health (including allocations from Provisions)	141	593	557	144	
Western Power	-	638	679	109	
DevelopmentWA	-31	403	486	320	
Water Corporation	119	580	160	137	
Housing and Works	46	251	297	238	
Education (including allocations from Provisions)	1	178	275	75	
Transport and Major Infrastructure	-9	48	65	10	
Justice	-31	98	34	7	
Remove 2025-26 Mid-year Review Smoothing Provision	2,900	750	-850	-1,800	
2026-27 Budget Smoothing Provision update	-2,900	-3,500	-1,000	2,500	
All other	-618	543	613	107	
<i>Total purchase of non-financial assets</i>	<i>-407</i>	<i>1,483</i>	<i>1,870</i>	<i>2,251</i>	
<i>Less proceeds from sale of non-financial assets</i>	<i>55</i>	<i>31</i>	<i>412</i>	<i>723</i>	
<i>Plus all other financing</i> ^(c)	<i>-15</i>	<i>161</i>	<i>70</i>	<i>-10</i>	
<i>Cumulative impact on net debt at 30 June</i>	<i>-1,220</i>	<i>-104</i>	<i>1,659</i>	<i>2,552</i>	
2026-27 Budget - Total Public Sector Net Debt	34,484	40,264	43,329	44,684	43,987

(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.

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.

The Government’s financial targets are expected to be met in each year from 2025-26 to 2029-30, with the exception of the expense management target in 2025-26. Population growth, and the associated demand for services, remains a key driver of expenditure growth for frontline agencies. Notably, total general government expenses for 2025-26 are only marginally higher than those forecast in the 2025-26 Mid-year Review.

Table 7

2026-27 BUDGET FINANCIAL TARGET COMPLIANCE					
	2025-26 Estimated Actual	2026-27 Budget Year	2027-28 Outyear	2028-29 Outyear	2029-30 Outyear
Maintain a net operating surplus for the general government sector each year					
- General government net operating balance (\$m)	3,507	2,441	1,752	3,501	4,123
- 2026-27 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					
- 2026-27 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					
- 2026-27 Budget compliance	No	Yes	Yes	Yes	Yes
Maintain or increase net worth of the total public sector					
- Total public sector net worth (\$b)	204.3	208.0	212.1	216.5	222.1
- 2026-27 Budget compliance	Yes	Yes	Yes	Yes	Yes

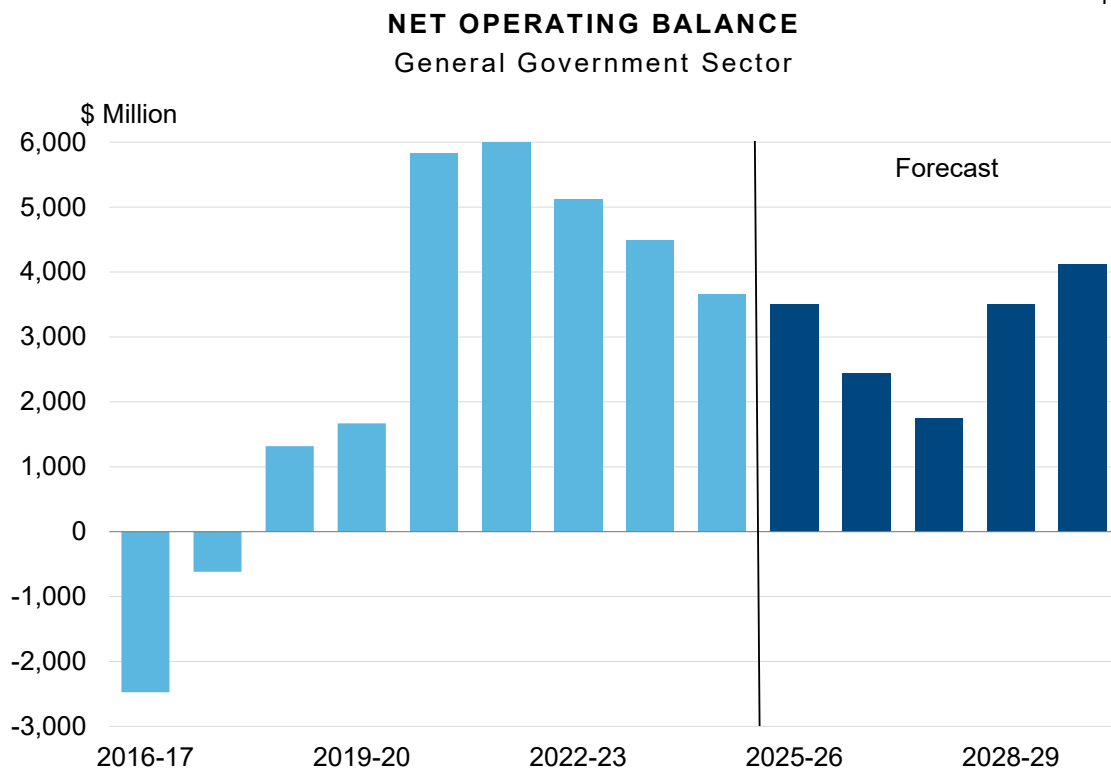
Maintain a net operating surplus for the general government sector each year

This target is forecast to be met in 2025-26 and across each of the four years to 2029-30.

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 is being 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 expected in 2026-27 and follows an estimated \$3.5 billion in 2025-26. Operating surpluses ranging from \$1.8 billion to \$4.1 billion are projected over 2027-28 to 2029-30. Consecutive operating surpluses have been achieved by the general government sector since 2018-19.

Figure 5



Maintain disciplined general government expense management

The Government's expense management target is based on managing public sector wage costs in line with the parameters of the Government's Wages Policy, and overall control of the largest spending, appropriation-funded agencies.

Delivering public sector wage outcomes in line with Government Wages Policy

Wage outcomes are forecast to be in line with the Government's Wages Policy in 2025-26, 2026-27 and each of the outyears. At the 7 April 2026 cut-off date for this Budget, the only key industrial agreement that has expired and is yet to settle is for Firefighters.

EXPIRING KEY INDUSTRIAL AGREEMENTS ^(a)			
Agreement	Employees	Expiry Date	Status
2024-25			
PTA Salaried Officers	1,326	26 Oct 2024	Agreed in-principle ^(b)
Firefighters	1,250	8 Jun 2025	In arbitration
2025-26			
Nil			
2026-27			
PTA Transit Officers	400	6 Oct 2026	Upcoming Agreement
School Teachers and Administrators	34,500	5 Dec 2026	Upcoming Agreement
TAFE Lecturers	2,904	15 Dec 2026	Upcoming Agreement
Arts & Culture Trust Venues Management	349	31 Dec 2026	Upcoming Agreement
VenuesWest	575	31 Dec 2026	Upcoming Agreement
Education Assistants	13,234	31 Dec 2026	Upcoming Agreement
Government Services (Miscellaneous)	4,880	31 Dec 2026	Upcoming Agreement
Main Roads (CSA)	1,333	31 Jan 2027	Upcoming Agreement
Railcar Drivers	501	17 Mar 2027	Upcoming Agreement
Prison Officers	2,951	10 Jun 2027	Upcoming Agreement
Child Protection	2,254	12 Jun 2027	Upcoming Agreement
School Support Officers	5,482	12 Jun 2027	Upcoming Agreement
Youth Custodial Officers	370	12 Jun 2027	Upcoming Agreement
Social Trainers	445	12 Jun 2027	Upcoming Agreement
Insurance Commission (Government Officers)	495	12 Jun 2027	Upcoming Agreement
Public Servants and Government Officers	35,800	12 Jun 2027	Upcoming Agreement
AWU Miscellaneous Public Sector Employees	561	30 Jun 2027	Upcoming Agreement
WA Health PACTS (Health Salaried Officers)	23,993	30 Jun 2027	Upcoming Agreement
WA Police Force	7,286	30 Jun 2027	Upcoming Agreement

(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 recurrent spending outcomes for key service delivery agencies are within 2% of the approved expense limits contained in Resource Agreements set at the time of the Budget.

The target is not expected to be met in 2025-26, with several key service delivery agencies projected to exceed the 2% threshold⁴. Final agency outcomes for 2025-26 and details on the factors driving these outcomes will be available in the *2025-26 Annual Report on State Finances*, to be released by 28 September 2026.

The 2026-27 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 2026-27 Mid-year Review.

Table 9

2026-27 AGENCY RESOURCE AGREEMENTS	
	2026-27 Budget Resource Agreements \$m
WA Health	16,248
Education	8,067
Housing and Works	3,081
Public Transport Authority	2,610
Justice	2,544
Western Australia Police Force	2,524
Commissioner of Main Roads	2,410
Transport and Major Infrastructure	2,387
Communities	2,082
Mental Health Commission	1,772
Training and Workforce Development	1,099
Creative Industries, Tourism and Sport	806
Primary Industries and Regional Development	728
Biodiversity, Conservation and Attractions	696
Energy and Economic Diversification	691

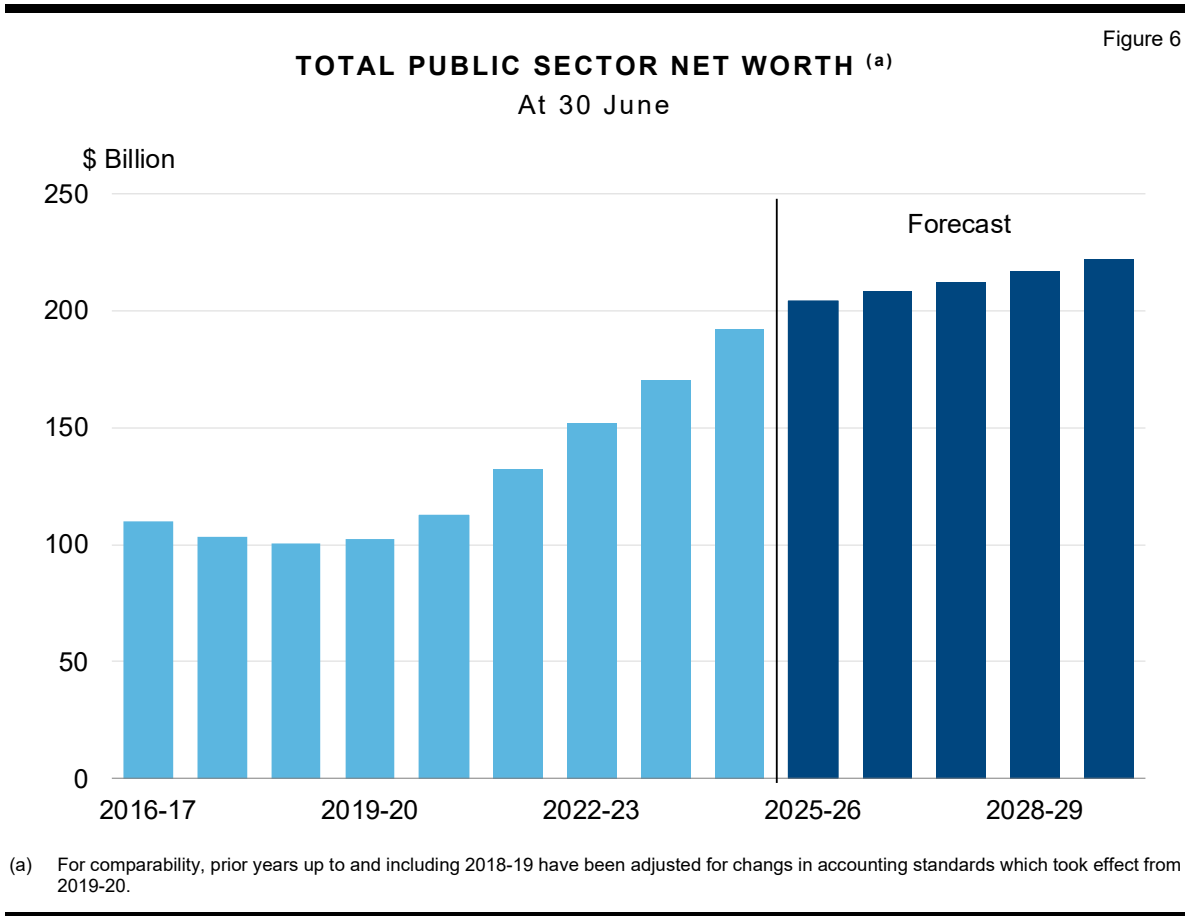
⁴ Key agencies in excess of the 2% upper limit for the financial target in 2025-26 are WA Health, the Western Australia Police Force, the Mental Health Commission and the Departments of Justice; Transport and Major Infrastructure; Primary Industries and Regional Development; and Fire and Emergency Services.

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

Net worth is forecast to increase by \$14.1 billion over the forward estimates period, from \$208 billion at 30 June 2027 to \$222.1 billion by 30 June 2030. The forecast growth in net worth reflects sustained operating surpluses and increases in the value of non-financial assets (including land, property, plant and equipment), supported by rising land values and investment approved as part of the Government’s Asset Investment Program.



Statement of Risks

The inherent uncertainties associated with producing forecasts for a \$490 billion economy and a general government sector recurrent budget of over \$52.5 billion in 2026-27 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.

Geopolitical Events

In addition to the risks highlighted in the remainder of this section, the highly uncertain global geopolitical and economic environment (see Chapter 2) could have a material impact on the State's finances. This could result in disruption in the State's revenue bases, the costs of providing day-to-day government services, infrastructure project costs (through supply chain disruption and costs for fuel and materials), and/or increased community and industry expectations for policy responses from the Government.

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 10

APPROXIMATE PARAMETER SENSITIVITY OF REVENUE ESTIMATES
2026-27

	Variability (\$m)	Detail
Royalty income and North West Shelf grants	±144	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	±93	For each \$US1 per tonne increase/decrease in the price of iron ore.
Gold royalties	±13	For each \$US1 per troy ounce increase/decrease in the price of gold.
Petroleum royalties and North West Shelf grants	±6	For each \$US1 increase/decrease in the price of a barrel of oil.
Lithium royalties	±5	For each 1% increase/decrease in the price of lithium.
Payroll tax	±62	For each 1% increase/decrease in taxable wages or employment growth (i.e. the total wages bill).
Underlying transfer duty		
• Prices	±38	For each 1% increase/decrease in average property prices.
• Transactions	±23	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 (for instance, due to 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. Strong population growth and demand for housing have driven significant price increases in recent years. House price growth in 2025-26 to date has regained momentum, after some easing in mid-2025, leading to higher than expected transfer duty. While this is expected to ease, any further pressure on property prices presents an upside risk to transfer duty.

At the same time, emerging inflationary pressures exacerbated by the Middle East conflict could result in interest rates rising in excess of expectations which could change sentiment leading to weaker than anticipated housing market and transfer duty outcomes.

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.

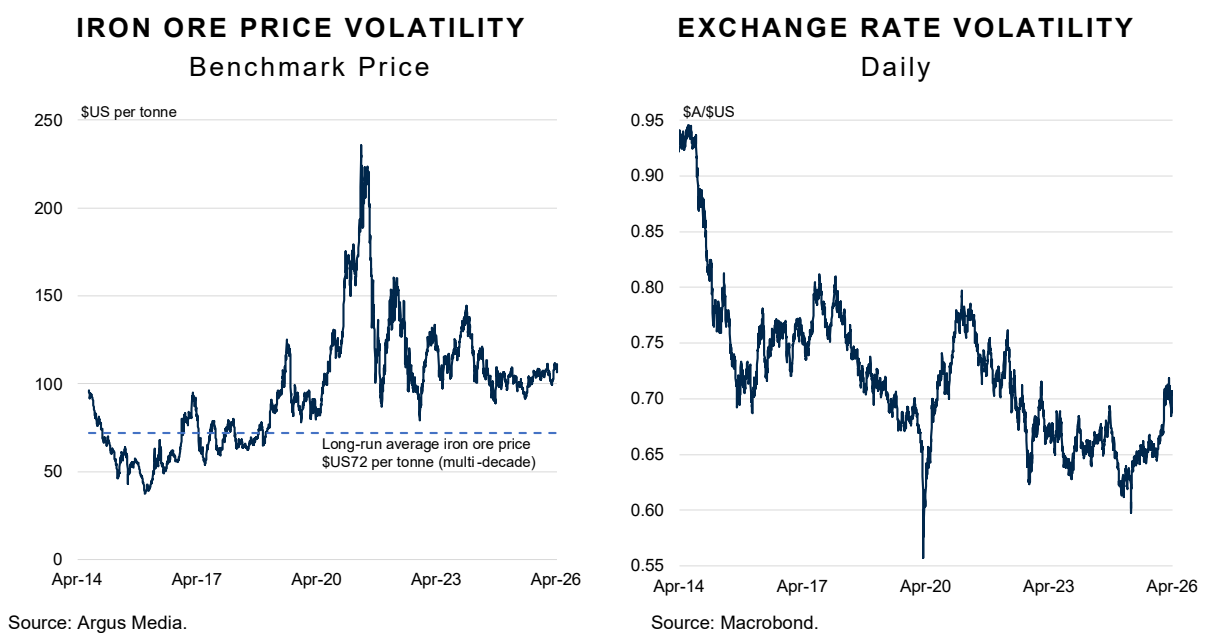
Royalty Income

Movements in the exchange rate represent a large risk (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. Between the 2025-26 Budget and cut-off date for the 2026-27 Budget, the exchange rate has varied between a high of US71.8 cents and a low of US64.1 cents. Exchange rate volatility is an inherent source of uncertainty in relation to the forward estimates of mining revenue.

Movements in the iron ore price is also a large risk to general government revenue. The iron ore market is highly concentrated, with China accounting for around 75% of global imports, making the market susceptible to changes in its economic conditions and policies. While the iron ore price has been particularly stable over the past eighteen months, 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.

An extended conflict in the Middle East is a significant risk to Western Australia’s resources sector with potential for upside and downside risks relative to forecasts. Specifically, if prices for commodities such as gold and LNG remain higher for longer than anticipated there is upside risk to royalty revenue. Conversely, if prices adjust downwards faster than anticipated there is downside risk. There have been disruptions to key markets (e.g. alumina) and large price rises in some input costs (e.g. diesel). An inability to secure fuel supplies could impact some mining related activities and may result in the suspension of some mining operations, leading to a decline in volumes which represent a downside risk.

Figure 7



Commonwealth Grants

The Commonwealth’s 2026-27 Budget will be released after the 7 April 2026 cut-off date for this Budget. The State Budget may therefore 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. Changes occur in response to variations in the national GST pool and State population shares.

This Budget uses projections of the national GST pool and each State’s population from the Commonwealth’s 2025-26 *Mid-Year Economic and Fiscal Outlook* (MYEFO). There is a risk that national GST collections could vary from those currently projected as they are dependent on national economic conditions, which are likely to have varied since release of the MYEFO (see Chapter 2: *Economic Outlook*).

2026-27 Economic and Fiscal Outlook

Moreover, Western Australia's GST relativity will be equalised to the fiscally stronger of New South Wales or Victoria (currently New South Wales) in 2026-27, meaning Western Australia's GST grant will also be impacted by changes to New South Wales' GST relativity.

Following release of the Commonwealth Grants Commission's 2026 Update (released in February 2026), New South Wales' relativity decreased in 2026-27. This resulted in a \$579 million reduction in projected GST grants for Western Australia from 2026-27 to 2028-29, relative to projections contained in the 2025-26 Mid-year Review.

The current Productivity Commission Inquiry into the 2018 GST distribution reforms also presents a significant risk to Western Australia's GST grants from 2027-28 onwards if changes are recommended. The Commonwealth Government will consider the findings of the Productivity Commission's review, which are due to be provided to the Commonwealth Government by the end of 2026.

The continuation of the 2018 GST Reforms is vital 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 \$9.9 billion to \$2.8 billion in 2027-28 alone.

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 2025-26 to 2029-30. 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*.

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 either existing joint commitments that are in delivery or have been formally requested to be jointly funded by the Commonwealth, the funding has been assumed in the forward estimates in line with established funding arrangements. It is expected that the Commonwealth's contributions will be confirmed in its 2026-27 Budget and/or 2026-27 MYEFO.

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 projections 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 WATC 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 15 and 75 basis points higher over 2026-27 to 2029-30 and annual Consolidated Account interest expenses are \$222 million per annum higher by 2029-30, under the 'high' scenario.

CONSOLIDATED ACCOUNT INTEREST RATE SCENARIOS				
	2026-27	2027-28	2028-29	2029-30
'Expected' (%)	4.19	4.35	4.53	4.70
'High' (%)	4.34	4.70	5.09	5.45
Variance (Basis Points)	15	35	56	75
Variance (\$m)	39	94	161	222

Table 11

Asset Investment Program (AIP)

This Budget includes a record \$13.2 billion AIP in 2026-27 and a total of \$44.3 billion over the four years to 2029-30.

Delivery of the Government's substantial pipeline of works continues to be challenged by global supply chain volatility and constrained labour availability, with the conflict in the Middle East likely to exacerbate these pressures should it continue for a prolonged period.

In recognition of the cost and delivery challenges being experienced across the construction sector, and consistent with recent years, this Budget includes a global smoothing provision that reprofiles AIP spending from 2025-26, 2026-27 and 2027-28, into 2028-29 and 2029-30, with an assumption that \$1 billion of the four year program will slip beyond the current forward estimates period. This adjustment is made in anticipation of delivery schedule changes that are yet to be identified at the project level.

The Government continues to work proactively with the construction industry to tackle market challenges, increase productivity and improve the long-term sustainability of the State's infrastructure delivery. Following Public Sector Reforms in 2025, the Department of Transport and Major Infrastructure's Office of Major Infrastructure Delivery now leads the planning and delivery of the State's major non-residential infrastructure projects across portfolios including Health, Justice, Creative Industries, and Sport and Recreation. In parallel, the Department of Housing and Works is delivering building and maintenance works across social housing, education, and broader government facilities.

Energy Decarbonisation

The Government continues to advance its vision to make Western Australia a renewable energy powerhouse through the retirement of the State's coal-fired power stations by 2030, with more than \$6.8 billion allocated to energy decarbonisation initiatives since 2017.

Ensuring system reliability and security during the transition will require further investment and market reforms across generation, storage, and network infrastructure. The scale, timing, and sequencing of this investment is critical, with financial impacts on the State dependent on market conditions, technology costs, and the level of private sector participation.

In addition to the \$6.8 billion investment in energy decarbonisation noted above, and to support this transition, the Government has established the Clean Energy Fund with an initial \$1.4 billion provisioned to deliver future Clean Energy Link – East transmission projects required to connect new renewable generation and storage facilities. The successful delivery of transmission, and related infrastructure, requires coordination to ensure assets are brought online whilst maintaining system reliability and security. Additional investment in the transmission plan will be considered through future Budget processes, informed by updated analysis, including changes in private electricity generation activity.

Synergy Fuel Costs

Synergy is negotiating a coal supply contract that was not finalised by the 2026-27 Budget cut-off date. Depending on the outcomes, it may be necessary to adjust Synergy's fuel costs over the forward estimates.

Electricity Market Costs

A significant proportion of Synergy's cost base arises from complying with Wholesale Electricity Market requirements designed to maintain system security and reliability, including Essential System Services and the Reserve Capacity Mechanism. These costs are largely driven by market arrangements and are beyond Synergy's operational control.

While the cost impacts on Synergy can be monitored and considered through future Budget processes, uncertainty remains regarding future changes to Wholesale Electricity Market Rules.

RiskCover Premiums

Western Australian Government agencies contributing to the RiskCover Fund receive financial protection through a combination of self-insurance and reinsurance, covering liabilities arising from employee injuries, property damage, cyber events and legal claims related to the wide range of activities and services delivered to the community.

In recent years, premiums across all insurance categories have increased, largely driven by structural growth in staff wages and FTEs, growth in the value of the State's assets, agency-specific demand drivers impacting liability insurance, expansion in the scope of risks covered and insurance programs, legislative change and a sustained increase in the proportion of long-duration workers compensation claims.

As part of this Budget, additional funding has been provided to agencies facing immediate and unavoidable premium increases. The Department of Treasury and Finance and the Insurance Commission will continue to work together to identify tangible options to reduce the growth trajectory of workers compensation costs over the forward estimates.

Development of these options may be influenced by the outcomes of the Office of the Auditor General's performance audit currently underway, which is considering how effectively selected entities manage, support and return injured workers to appropriate employment in a timely, safe and cost-efficient manner.

Service Demand

Western Australia continues to experience solid population growth (forecast 1.6% in 2026-27), which is driving sustained demand across a range of government services, particularly in hospitals, schools, vocational education and training, court and prison services, and a range of supporting social services. Demand for services impacts the operating costs for service delivery agencies, including WA Health, and the Departments of Education, Justice and Communities, while also placing additional demand on existing infrastructure assets.

2026-27 Economic and Fiscal Outlook

This Budget includes considerable investment in service delivery and for new and upgraded infrastructure, but is framed with the expectation that population pressures will ease over the forward estimates. However, if the demand for services is greater than expected, consideration of additional investment in future Budget processes may be required.

The Department of Justice continues to develop and implement short to medium term strategies to manage current growth in the prison population, including planning for further expansions of the custodial estate to accommodate prisoner growth in the longer term.

National Disability Insurance Scheme

On 2 February 2026, Western Australia signed the Revised Bilateral Agreement (the Agreement) on the National Disability Insurance Scheme (NDIS) with the Commonwealth, as part of a suite of agreements associated with national health and disability reforms. The Agreement binds Western Australia to increase its NDIS contribution indexation cap from 4% to up to 8%, or actual Scheme growth if this is lower, from 1 July 2028.

The State's actual NDIS contributions have historically tracked below Budget settings when accounting for offsets and adjustments associated with in-kind arrangements, being services the State delivers on behalf of the NDIS. There are also uncertainties around the impact of NDIS reforms on Scheme growth from 1 July 2028.

Accordingly, as the final cost impost on Western Australia is still unknown and not expected to eventuate until 1 July 2028, the financial implications from the Agreement will be considered by the Government as part of future Budget processes.

Freight Rail Network

In 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. With consultation and negotiations continuing to be undertaken with the current lease holder and other affected parties, this Budget allocates an additional \$2 million in 2026-27 for the Transport Portfolio's assessment of commercial options. Any financial impacts resulting from a decision will be accounted for in a future Budget subsequent to the decision.

Water Sources

The 2026-27 Budget includes \$110 million to investigate and plan for sufficient water sources in metropolitan and regional areas. Population growth and a drying climate are increasing water demand while constraining traditional sources, making seawater desalination a preferred solution in many locations.

Desalination has higher capital and operating costs than groundwater extraction and other conventional sources, with costs varying by plant scale and location. Decisions to expand existing or construct new desalination plants will impact State finances. Increased need for regional desalination will raise regional water services costs, increasing the Country Water Pricing Subsidy requirements for the Water Corporation.

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 2025-26 *Annual Report on State Finances*, due for release by 28 September 2026.

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 implemented an interim solution between November 2021 and 31 December 2025 through the provision of temporary indemnities to NGO providers of State funded OOHC and youth accommodation services against PSA claims.

The State Government has now established the permanent long-term PSA Indemnity Scheme for OOHC, youth homelessness accommodation, youth bail services and youth transitional accommodation program providers unable to obtain insurance for PSA claims, to support continued service delivery, while managing the risk of incidences of abuse and future claims.

Under this Scheme, the service contracting agency provides indemnity to eligible NGOs, creating a liability that is insured by the RiskCover Fund. This cost quantified by the Insurance Commission of Western Australia charges NGOs an indemnity fee which will partially offset the cost of potential future claims.

Long Service Leave (LSL) for Casuals

The Western Australian Industrial Relations Commission has issued declarations in recent years that impact long service leave (LSL) entitlements for casual public sector employees in Western Australia. The number of public sector casuals who may have LSL entitlements, either historical or current, is presently unclear but is being estimated by employers who are working to identify casuals who may have LSL entitlements and acquitting those entitlements as required. In addition to previous spending approvals related to this matter, this Budget includes \$59.1 million (\$36.8 million for the Department of Education and \$22.3 million for WA Health) for the settlement of obligations to terminated employees. Further progress to identify and verify outstanding claims for other employees is ongoing, with the total quantum, timing and financial implications of these entitlements unable to be determined.

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.

Barrow Island Royalty Variation

The *Barrow Island Royalty Variation Agreement Act 1985* requires royalties (equal to approximately 40% of the value of production, less eligible rehabilitation and well abandonment costs, in the final calendar year of operations and the subsequent three calendar years) to be refunded. The cost of the refund will be split between the Commonwealth (75%) and Western Australian (25%) Governments in line with royalty income shares.

Chevron has lodged its first claim for the refund, having ceased production in May 2025. While royalties will need to be refunded, the amount of the refund cannot be accurately calculated until the value of production and eligible costs are verified and audited.

Critical Minerals Advanced Processing (CMAP)

In February 2025, the State and Commonwealth Governments announced a joint \$3 million investment to progress a feasibility study into a CMAP common-user facility. The study is now underway. The State Government remains committed to providing a contribution of up to \$100 million, conditional on co-funding on a 50:50 basis with the Commonwealth.

General Government Revenue

HIGHLIGHTS

- The 2026-27 Budget includes a \$297 million Housing Taxation Package to strengthen first home buyer assistance and provide a more diverse and affordable supply of housing options. The Package includes:
 - raising exemption and concession thresholds for first home buyers and increasing the property value cap for the First Home Owner Grant to \$800,000; and
 - extending and expanding the off-the-plan transfer duty concession thresholds to support housing choice, including seniors to downsize.
- Western Australia's GST grants are anticipated to increase to \$9.3 billion in 2026-27, primarily reflecting growth in the national GST pool and an increase in Western Australia's GST relativity to match that of New South Wales. Notably, even with the 2018 GST Reforms in place, Western Australia continues to provide a GST subsidy to other States, as it is expected to receive \$11.7 billion less than its population share of the national GST pool over the period 2025-26 to 2029-30.
- General government revenue is forecast to total \$55 billion in 2026-27, an estimated increase of 4.4% from 2025-26. This is a slower rate of revenue growth than the 6% estimated for 2025-26, and is primarily due to:
 - a decline in transfer duty, reflecting fewer large commercial transactions as well as lower sales in the established property market and more modest house price growth, following elevated sales and strong price growth in recent years; and
 - lower royalty income in line with the Budget's prudent assumption that the iron ore price (estimated to average \$US104.7 per tonne in 2025-26) will revert to its long-run average from May 2027.

Introduction

Following an estimated increase of \$3 billion (or 6%) in 2025-26, general government operating revenue is forecast to grow by \$2.3 billion (or 4.4%), to \$55 billion in 2026-27. General government revenue averages \$53.6 billion per annum over the three outyears.

This mainly reflects:

- increased GST grants in each year of the forecast period, largely due to growth in the national GST pool, with a significant increase in 2026-27 due to Western Australia's GST relativity lifting from the 75% floor in 2025-26 to 82% in 2026-27;
- an additional \$306 million in funding under the National Health Reform Agreement in 2026-27, as well as a progressive increase in recurrent grants from the Commonwealth for education and health;
- a decline in capital grants, primarily transport grants, as key infrastructure projects are completed;
- a significant increase in dividends from public corporations in 2026-27 (including the impact from the Government's decision announced in the Mid-year Review to defer 2025-26 interim dividends for both the Water Corporation and Western Power to 2026-27, along with a one-off special dividend from the Pilbara Ports Authority), before dividend revenue normalises in the outyears;
- lower royalty income, in line with the Budget's prudent assumption that the iron ore price will revert to its long-run average of \$US72 per tonne from May 2027; and
- an increase in taxation revenue over most of the forecast period, with solid employment and wages growth flowing through to higher payroll tax, and an anticipated easing in property market conditions providing modest growth in transfer duty over most years.

Revenue forecasts remain sensitive to key domestic and global risks to the economic outlook (see Chapter 2). The following table summarises the general government revenue forecasts underpinning this Budget.

Table 1

GENERAL GOVERNMENT
Operating Revenue

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
Level (\$m)						
Taxation	14,849	17,024	16,920	17,506	18,424	19,402
Commonwealth grants	18,673	17,408	19,498	18,940	18,903	19,738
Sales of goods and services	3,704	3,711	3,785	3,884	3,971	4,052
Interest income	314	266	357	359	368	366
Revenue from public corporations	1,428	2,429	4,096	2,641	3,244	2,851
Royalty income	9,806	10,822	9,443	8,087	7,785	7,438
Other	915	986	883	962	960	938
Total	49,689	52,646	54,980	52,378	53,653	54,786
Annual Growth (%)						
Taxation	8.9	14.6	-0.6	3.5	5.2	5.3
Commonwealth grants	27.3	-6.8	12.0	-2.9	-0.2	4.4
Sales of goods and services	7.1	0.2	2.0	2.6	2.2	2.1
Interest income	-19.6	-15.3	34.2	0.5	2.4	-0.4
Revenue from public corporations	27.3	70.1	68.6	-35.5	22.8	-12.1
Royalty income	-17.4	10.4	-12.7	-14.4	-3.7	-4.4
Other	12.5	7.8	-10.5	9.0	-0.3	-2.2
Total	8.1	6.0	4.4	-4.7	2.4	2.1

Note: Columns may not add due to rounding.

The remainder of this chapter focuses on new revenue measures implemented since the 2025-26 Mid-year Review, and the detailed basis for the estimates through to 2029-30 in each of the major revenue categories.

Revenue Measures

New revenue measures implemented in the lead-up to, or as part of, the 2026-27 Budget are outlined below. These measures form part of the Government's \$297.3 million Housing Taxation Package.¹

The Housing Taxation Package is targeted, focusing on strengthening first home buyer assistance, and supporting increased supply across multiple housing types.

In addition to the measures outlined in the table below, 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*.

¹ The Housing Taxation Package also includes a \$13.8 million expense to increase the FHOG cap to \$800,000 and \$672,000 in funding for required system changes.

Table 2

SUMMARY OF REVENUE MEASURES IN THE 2026-27 BUDGET

	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m	Total \$m
Revenue Measures						
First Home Owner Rate of Transfer Duty	13.9	49.4	47.7	47.9	38.5	197.4
Off-the-Plan Transfer Duty Concession	1.3	18.4	31.2	17.1	5.2	73.1
Delink Eligibility Between the First Home Owner Rate and First Home Owner Grant	0.4	2.8	2.7	2.7	2.2	10.7
Foreign Buyers Duty Exemption for Builder Sellers	-	0.4	0.4	0.4	0.4	1.6
Total	15.5	71.0	82.0	68.1	46.3	282.9

Note: Columns may not add due to rounding.

First Home Owner Rate of Transfer Duty

For transactions entered into on or after 7 May 2026, first home buyers will now receive:

- a transfer duty exemption for established properties valued up to \$600,000 (up from \$500,000) and a concessional rate of duty for purchases up to \$800,000 (up from \$700,000 in the Perth and Peel region and \$750,000 in other regions); and
- a transfer duty exemption on purchases of vacant land valued up to \$450,000 (up from \$350,000) and a concessional rate of duty for purchases up to \$550,000 (up from \$450,000).

This measure is estimated to reduce transfer duty revenue by \$197.4 million from 2025-26 to 2029-30, supporting around 6,000 first home buyers² into home ownership per annum.

Off-the-Plan Transfer Duty Concession

The Government has extended the off-the-plan transfer duty concession by two-years, from 30 June 2026 to 30 June 2028.

In addition, for eligible pre-construction and under construction transactions entered into on or after 12 March 2026, the Government has made the concession more generous by:

- expanding the concession to include off-the-plan dwellings in survey strata schemes such as units and villas, in addition to apartments, townhouses and other build strata developments; and
- increasing the concession's lower and upper property price thresholds to \$800,000 and \$900,000 (up from \$750,000 and \$850,000, respectively).

² First home buyers may benefit from multiple initiatives under the Housing Taxation Package, including duty concession changes, delinking eligibility between duty concessions and the FHOG, and increasing the FHOG value cap.

As a result of the changes, eligible pre-construction contracts will receive a 100% concession on properties valued up to \$800,000, phasing to a 50% concession for properties valued at or above \$900,000 (capped at \$50,000). For eligible under construction contracts, the concession phases down from 75% to 37.5%.

This measure is estimated to reduce transfer duty revenue by \$73.1 million from 2025-26 to 2029-30 and is expected to encourage housing choice, including for first home buyers and seniors seeking to downsize.

Delink Eligibility Between the First Home Owner Rate of Duty and First Home Owner Grant

Under existing arrangements, eligibility for the first home owner rate of duty for a purchase of vacant residential land is linked to the FHOG cap (increased to \$800,000 in this Budget). This means that a first home buyer purchasing vacant land would be ineligible for a duty concession if the combined value of their land and building exceeded the FHOG property value cap, even if the value of the vacant land fell within the first home owner rate of duty thresholds.

The Budget removes this link for transactions entered into on or after 7 May 2026, ensuring that first home buyers purchasing vacant land between the concession thresholds receive a concession as intended, even if they are ineligible for the FHOG.

This measure is estimated to reduce transfer duty revenue by \$10.7 million from 2025-26 to 2029-30, supporting around 340 first home buyers³ into home ownership per annum.

Foreign Buyers Duty Exemption for Builder Sellers

A new foreign buyers duty exemption will apply to foreign buyers who add housing supply to the market, and is designed to not penalise locally-based builders with foreign ownership.

The exemption applies to transactions entered into on or after 7 May 2026 and is designed to support residential development activity that adds to Western Australia's housing stock. This differs from the existing exemption offered by the Government, which applies only to significant developments of ten or more dwellings.

The new exemption will require that the foreign buyer constructs and sells new dwellings within two years of the original purchase. A wide variety of development activities that add to housing supply will be eligible for the new exemption, including:

- purchasing vacant land and constructing a dwelling(s);
- purchasing and completing a partially constructed dwelling(s);

³ First home buyers may benefit from multiple initiatives under the Housing Taxation Package, including duty concession changes, delinking eligibility between duty concessions and the FHOG, and increasing the FHOG cap.

- purchasing land with established property on which more dwellings will be constructed than demolished; and
- repurposing or refurbishing commercial or industrial buildings into residential dwellings.

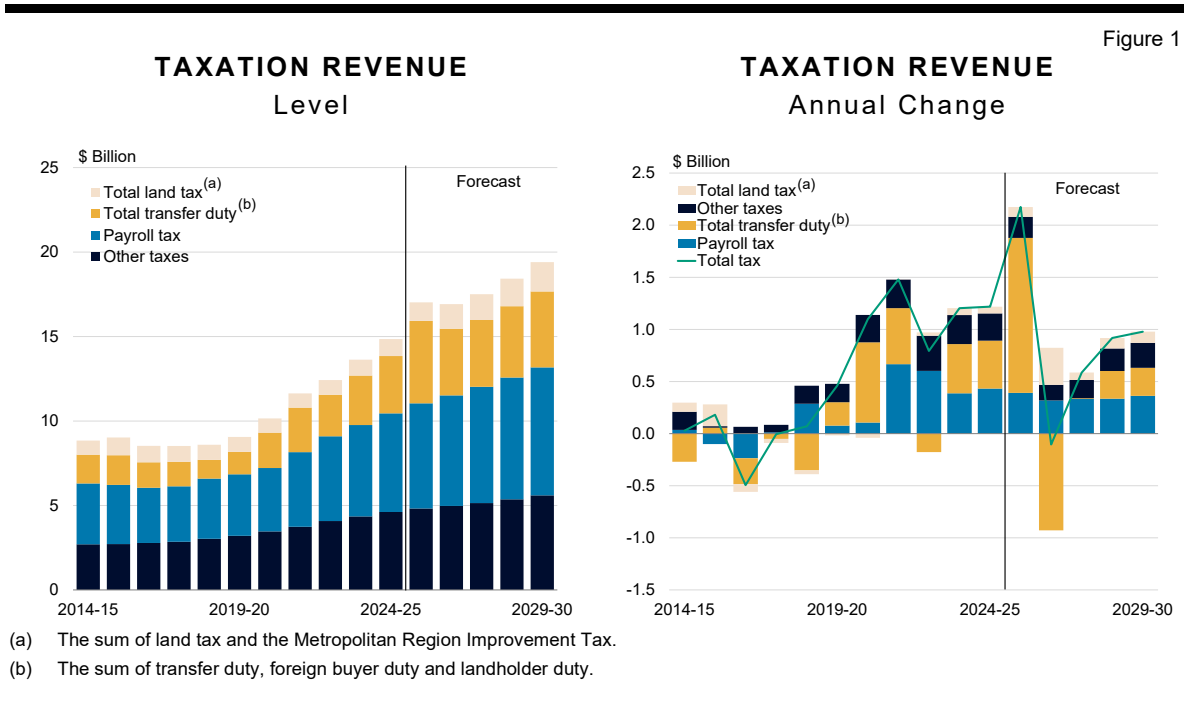
This measure is estimated to reduce foreign buyers duty revenue by \$1.6 million from 2025-26 to 2029-30.

Taxation Revenue

Summary

Taxation revenue is forecast to consolidate, decreasing by 0.6% (or \$104 million) in 2026-27 to \$16.9 billion. This follows projected growth of 14.6% (or \$2.2 billion) in 2025-26 and an 8.9% (\$1.2 billion) increase in 2024-25. The modest decrease in 2026-27 primarily reflects a decline in the value of transfer duty from large commercial transactions, which was unusually high in 2025-26, as well as an easing in property market conditions following several years of exceptionally strong growth in house prices and sales. The decline in transfer duty is partially offset by continued solid growth in payroll tax, consistent with ongoing strength in labour market conditions, and land tax, supported by a strong increase in residential land values.

Over the three years to 2029-30, taxation revenue is forecast to grow by an average annual rate of 4.7%, broadly in line with trends in domestic economic conditions.



Detail

Payroll Tax

Payroll tax is estimated to grow by 6.7% in 2025-26 (or \$391 million). Strong growth in the post-pandemic years has been driven by a buoyant domestic economy and labour market, which supported above long-run average hiring and wages growth, resulting in broad-based increases in payroll tax collections.

Payroll tax is forecast to grow by 5.1% in 2026-27 (or \$318 million), in line with an easing in domestic economic activity and wages growth from recent elevated levels.

Beyond 2026-27, payroll tax is forecast to continue to grow by around 5% per annum, in line with annual average growth over the past decade of 4.9%. Growth over this period is expected to be supported by relatively stable growth in wages, employment and State Final Demand.

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 Duty⁴

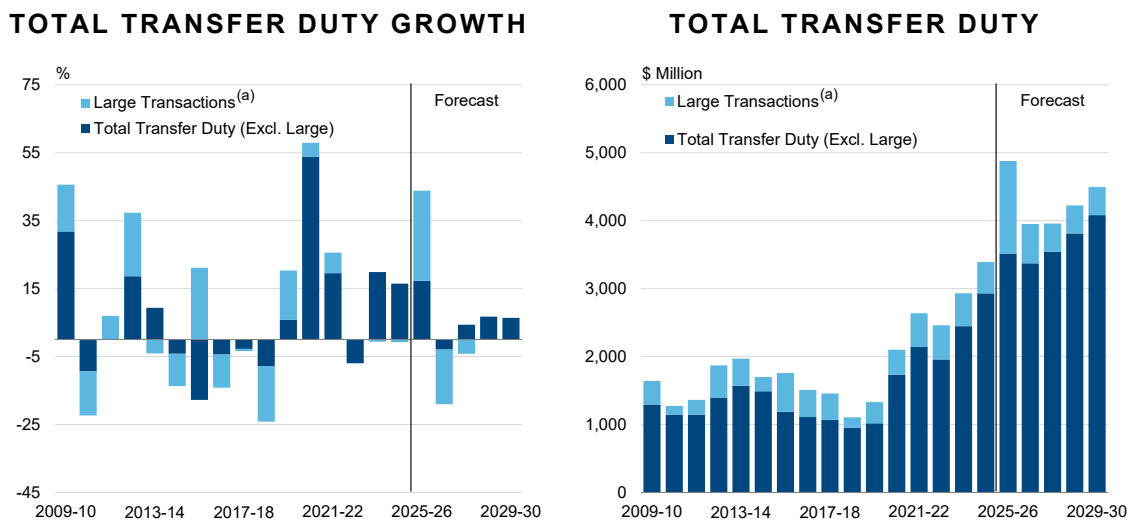
Total transfer duty is estimated to reach \$4.9 billion in 2025-26. This builds on strong growth over the post-pandemic period, largely driven by the residential property market. The strength in 2025-26 primarily reflects a record level of revenue from large commercial transactions. The level of residential property transactions has eased in the past year, though the impact of this on transfer duty has been more than offset by the pace of median house price growth in 2025-26 to date. While the established housing market is expected to be tighter for longer than previously anticipated, conditions are forecast to gradually ease over the Budget period.

Transfer duty is forecast to decline by 19% (or \$928 million) in 2026-27, primarily reflecting fewer very high value commercial transactions, although revenue from these transfers is expected to remain historically high. Revenue from residential property transfers is also anticipated to decline in 2026-27 as lower transactions more than offset continued, albeit moderating, house price growth.

Total transfer duty is forecast to grow by around 4.4% per annum from 2027-28 to 2029-30, reaching around \$4.5 billion in 2029-30 (see figure below). This reflects the expectation that transactions will recover to more typical per capita levels, house price growth moderates and large commercial transactions normalise to around decade average levels.

⁴ The sum of transfer duty, landholder duty and foreign buyers duty.

Figure 2



(a) Large transactions includes Landholder duty and high-value commercial property transfers (typically assessed at over \$1 million).

Total Land Tax⁵

Total land tax collections are forecast to increase to \$1.5 billion in 2026-27, consistent with a lift in unimproved land values and the number of eligible taxpayers.

Total land tax collections are then forecast to grow by an average of 6% per annum in the outyears, broadly in line with the long-run average rate of growth.

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 9.9% in 2025-26 (or \$68.7 million), following 4.5% growth in 2024-25. Further growth of 3.5% (or \$26.6 million) is forecast in 2026-27, primarily due to higher revenue from loan guarantee fees and the Building and Construction Industry Training Fund Levy, and a slight increase to the Perth Parking Levy. This is partially offset by a moderation in revenue from the ESL.

In 2027-28 and beyond, other taxes on property are projected to grow by an average of 6.7% per annum, above the average rate of growth over the past decade of 3.9%.

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. This is due to the prohibition of gaming machines in hotels and clubs.

⁵ The sum of land tax and the Metropolitan Region Improvement Tax (MRIT).

Taxes on gambling are estimated to decline by 4.9% (or \$21.4 million) in 2025-26. This decline reflects a decrease in revenue from Government Lotteries and Casino Tax, which is expected to be partially offset by increased revenue from Betting Tax. Following this, gambling tax revenue is expected to increase by 2.6% (or \$10.7 million) in 2026-27, in line with growth in revenue from Government Lotteries and Betting Tax.

Government Lotteries and Betting Tax revenue is expected to gradually increase over the outyears, leading to modest growth of 1.4% per annum in revenue from taxes on gambling, broadly 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 3% to just over \$1.1 billion in 2025-26, following 7.3% growth in 2024-25. Slower growth in 2025-26 coincides with trends in household insurance premiums, with the insurance component of the Perth Consumer Price Index declining by 2.2% in year-ended terms to March 2026.

Insurance duty is expected to increase by 5.25% in 2026-27 and to hold steady at this rate over the outyears, slightly below decade average growth of 5.9%, and aligns with expected growth in the State's domestic economy and population.

Motor Vehicle Taxes

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

Vehicle licence duty is estimated to have grown by 1.4% (\$11.4 million) in 2025-26, following growth of 5% in 2024-25. Vehicle licence duty has increased rapidly in recent years, supported by elevated levels of vehicle sales and prices. However, there are some signs that prices are starting to stabilise, and sales for new vehicles are starting to moderate. Duty is forecast to decline by 4.2% (\$33.7 million) in 2026-27 and 6% (\$46.4 million) in 2027-28, before easing more gradually in the outyears, reflecting a return to normal vehicle market conditions.

Revenue from motor vehicle registrations is estimated to increase by \$113.9 million (or by 8.1%) in 2025-26, reflecting growth in the stock of both light and heavy vehicles, and a shift towards shorter registration durations (which attract higher fees). Growth in registration revenue is forecast to moderate to 6.2% in 2026-27 (partly reflecting the impact of a six months deferral in heavy vehicle registration fee increases to 1 January 2027, which will provide the trucking industry with partial fee relief in light of fuel cost increases and complement the Commonwealth's decision with respect to the Heavy Vehicle Road User Charge), and then average around 5.9% per annum in the outyears. The slower growth in the outyears is consistent with a normalising of conditions in the vehicle market.

Royalty Income

Summary

Royalty income is estimated to rise to \$10.8 billion in 2025-26, up \$1 billion from 2024-25. The rise in royalty income largely reflects higher average gold and lithium prices, as well as slightly higher iron ore prices and volumes. This has increased gold royalties (up \$418 million), iron ore royalties (up \$338 million) and lithium royalties (up \$252 million).

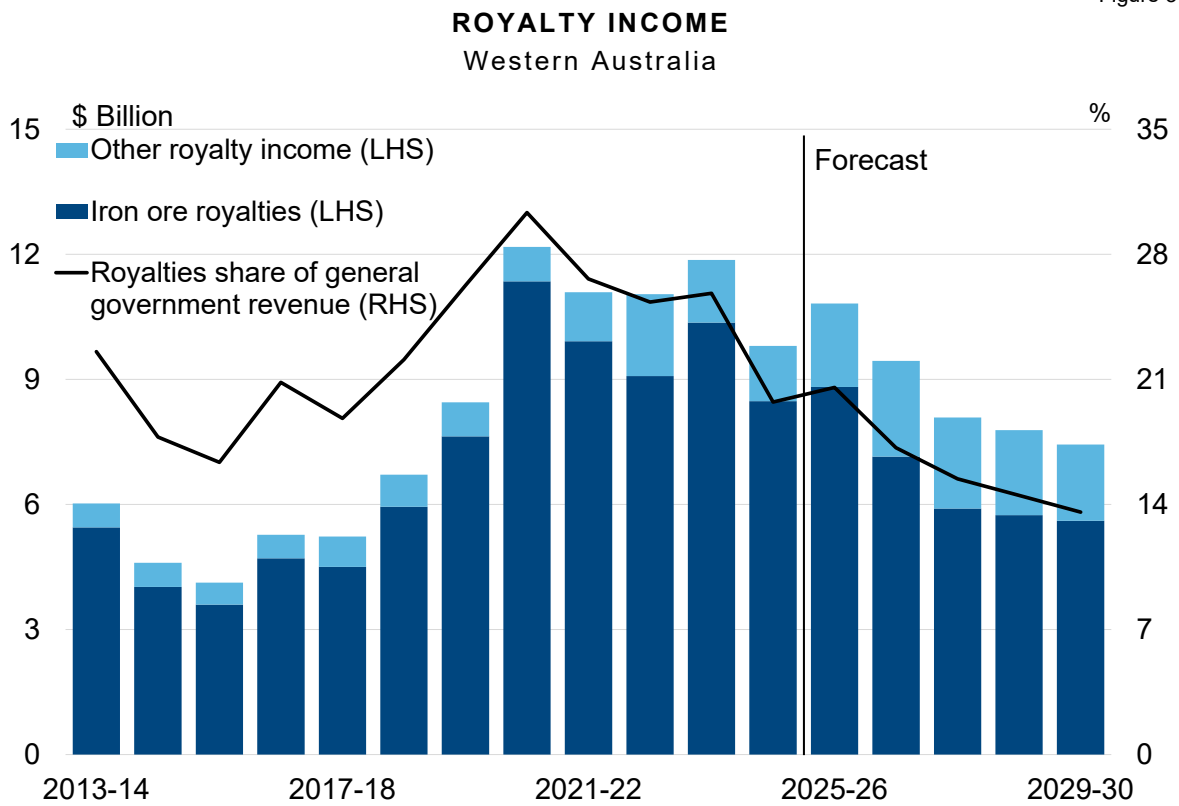
In 2026-27, royalty income is projected to decline by \$1.4 billion to \$9.4 billion. This is due to lower iron ore royalties as the iron ore price is assumed to revert to its long-run average from May 2027. Royalty income is projected to decrease by a further \$1.4 billion in 2027-28, largely because 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 2028-29 and 2029-30, largely because of forecast rises in the \$A/\$US exchange rate (reducing the Australian dollar value of royalty payments) and lower assumed gold prices and gold volumes.

As noted in Chapter 2: *Economic Outlook*, conflict in the Middle East has elevated global uncertainty and led to significant movements in commodity prices. While the iron ore price has been relatively stable, other commodity prices and exchange rates have moved rapidly in response to recent developments and represent the largest risk to royalty income. There are also shorter-term risks from the impact of extreme weather events and fuel availability on export volumes. Downside risks in relation to the iron ore price are mitigated by the prudent budgeting assumption of prices reverting to the long-run average price.

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

Figure 3



Exchange Rate

There was a very rapid appreciation of the \$A/\$US exchange rate from late November 2025 to the end of January 2026 as expectations of higher interest rates in Australia supported the Australian dollar. The exchange rate reached US71.8 cents in mid-March its highest level since June 2022.

The \$A/\$US exchange rate is projected to gradually rise over the Budget period, to reach its long run average by June 2030. This average has been changed from a five-year average used in recent projections to the post-float (December 1983) series average of US75 cents in anticipation of a further strengthening of the Australian dollar.

Iron Ore Royalty Income

Iron ore royalty income is estimated to increase by \$338 million (or 4.0%) in 2025-26, largely due to higher prices and volumes. The iron ore price increases from an average of \$US100.9 per tonne in 2024-25 to an estimated average of \$US104.7 per tonne in 2025-26, while iron ore volumes rise from 864 million tonnes in 2024-25 to 895 million tonnes in 2025-26. Volumes have been supported by the continued ramp up of the Iron Bridge and Onslow Iron projects and a more typical cyclone season than in 2024-25 when volumes were lower due to a series of cyclones.

2026–27 Economic and Fiscal Outlook

Partially offsetting the US dollar iron ore price and volume effect is the negative impact of an appreciation in the \$A/\$US exchange rate from an average of US64.8 cents in 2024-25 to an estimated average of US67.4 cents in 2025-26.

In 2026-27, iron ore royalty income is projected to decline by \$1.7 billion (or 19.0%). This largely reflects an assumed decline in the iron ore price from an estimated \$US104.7 per tonne in 2025-26 to \$US85.2 per tonne in 2026-27.

The iron ore price is assumed to reach its long-run (inflation-adjusted) average of \$US72 per tonne from May 2027. The transition period has been increased by six months as the iron ore market has experienced an extended period of relative stability over the past 18 months and the longer transition period is consistent with the transition period used prior to the 2020-21 Budget (when it was shortened due to instability following the outbreak of COVID). The iron ore price assumptions remain conservative, which is considered prudent given the typically volatile nature of the iron ore price.

In 2027-28 iron ore royalty income is projected to decline by \$1.2 billion 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 \$155 million in 2028-29 and \$138 million in 2029-30 largely due to a rising exchange rate.

Since the 2025-26 Mid-year Review, the iron ore volume assumption for 2025-26 has been revised up by around 16 million tonnes consistent with a strong rebound in production following weather disruptions in early 2025. Volumes are assumed to increase marginally in 2026-27 and 2027-28, due to the continued ramp up of the Iron Bridge project. Volumes are expected to stabilise thereafter as mines depletions are offset by replacement projects.

Iron ore royalty income is forecast to account for 81% of total royalty income in 2025-26, and to average around three quarters of total royalty income from 2026-27 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 rise by \$677 million (or 51.1%) in 2025-26, largely due to higher gold royalties (up \$418 million) and lithium royalties (up \$252 million). These increases are the result of large increases in prices for these commodities. For further detail on the lithium and gold markets, refer to Chapter 2: *Economic Outlook*.

In 2026-27, royalty income from all other commodities is projected to rise by \$292 million (or 14.6%), with gold royalties increasing by \$167 million and lithium royalties rising by \$80 million as prices for both are assumed to rise further. Then in 2027-28, royalty income from all other commodities is projected to fall by \$110 million, with lithium royalties falling by \$67 million and gold royalties by \$41 million as prices for both are projected to moderate as markets normalise.

In 2028-29 and 2029-30, royalty income from all other commodities is projected to fall by \$147 million and \$208 million respectively, with lower gold royalties due to lower assumed prices and volumes due to depletions at existing mines.

Table 3

ROYALTY INCOME AND KEY ASSUMPTIONS
Western Australia

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
Royalty Income (\$m)						
Iron ore	8,481	8,819	7,148	5,902	5,747	5,609
Gold	725	1,143	1,309	1,269	1,118	946
Lithium	208	460	540	473	477	463
Alumina	136	101	96	101	105	105
Copper	43	60	54	50	46	40
Mineral Sands	54	54	54	44	43	42
Petroleum - State component	18	19	58	49	48	40
Other	143	167	182	199	201	193
Total Royalty Income	9,806	10,822	9,443	8,087	7,785	7,438
KEY ASSUMPTIONS						
Exchange rate (US cents)	64.8	67.4	68.9	70.4	72.3	74.2
Iron ore price (CFR, \$US per tonne)	100.9	104.7	85.2	72.0	72.0	72.0
Iron ore volumes (million dry tonnes)	864	895	897	900	900	898
Gold (\$US/troy)	2,823	4,275	4,644	4,448	4,201	3,955
Crude oil price (\$US per barrel)	73.4	79.9	83.9	75.0	72.8	71.4

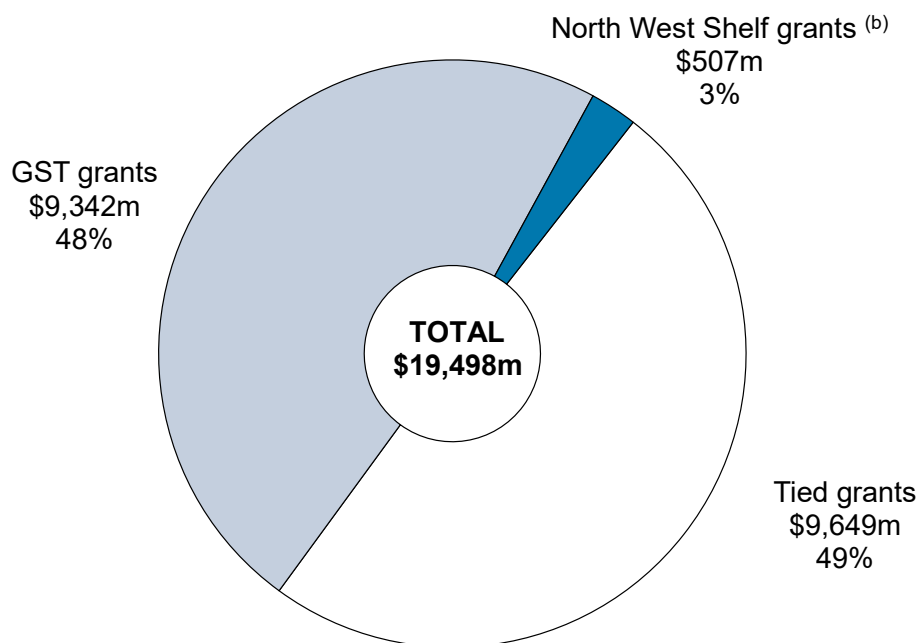
Note: Columns may not add due to rounding.

Commonwealth Grants

Commonwealth grants are estimated to total \$19.5 billion in 2026-27 and account for 35% 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).

Figure 4

COMMONWEALTH GRANTS TO WESTERN AUSTRALIA (a)
2026-27



(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.

COMMONWEALTH GRANTS TO WESTERN AUSTRALIA

Table 4

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
General Purpose Grants						
GST grants (\$m)	7,362	8,094	9,342	9,889	10,410	11,214
North West Shelf grants (\$m) (a)	642	424	507	320	247	181
Total General Purpose Grants (\$m)	8,004	8,518	9,849	10,209	10,657	11,396
Tied Grants (\$m) (b)	10,669	8,890	9,649	8,731	8,246	8,343
TOTAL COMMONWEALTH GRANTS (\$m)	18,673	17,408	19,498	18,940	18,903	19,738
Growth (%)	27.3	-6.8	12.0	-2.9	-0.2	4.4

(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 \$2.1 billion to \$19.5 billion in 2026-27, largely reflecting a \$1.2 billion increase in GST grants, together with increases in tied grants in a number of areas, including health, education, housing and transport.

Commonwealth grants beyond 2026-27 are forecast to be relatively stable. Strong forecast growth in GST and health system grants over this period are projected to be offset by a decline in transport grants as key transport infrastructure projects are completed, as well as the cessation of a number of fixed term grants.

GST Revenue

Western Australia's GST grant is expected to increase to \$9.3 billion in 2026-27, from \$8.1 billion in 2025-26. This is driven by growth in the national GST pool and an increase in Western Australia's GST relativity from the 75% GST floor in 2025-26 to 82% in 2026-27.⁶

ESTIMATED CHANGE IN WESTERN AUSTRALIA'S GST GRANTS	
2025-26 to 2026-27	
	\$m
Estimated 2025-26 GST grant	8,094
Change in the national GST pool	+494
Change in WA population share ^(a)	+39
Change in WA GST relativity	+814
Timing adjustment ^(b)	-100
Total change	+1,247
Estimated 2026-27 GST grant	9,342

(a) This is the impact of the increase in Western Australia's estimated population share from 2025-26 to 2026-27. It does not include the impact of populations in earlier years that have affected Western Australia's GST relativity.

(b) The timing adjustment reflects additional funding in 2025-26 for a \$100 million underpayment in 2024-25 (which reduces the growth from 2025-26 to 2026-27).

Note: Totals may not add due to rounding.

The increase in Western Australia's relativity to 82% reflects that from 2026-27, in addition to a 75% floor, the 2018 GST Reforms ensure no State's relativity falls below the lower of New South Wales or Victoria. As the benchmark State is currently New South Wales, both New South Wales and Western Australia will receive 82% of their population share of the national GST pool in 2026-27.

⁶ A State's GST relativity is its GST grant as a proportion of its population share of the national GST pool.

Table 6

GST RELATIVITIES

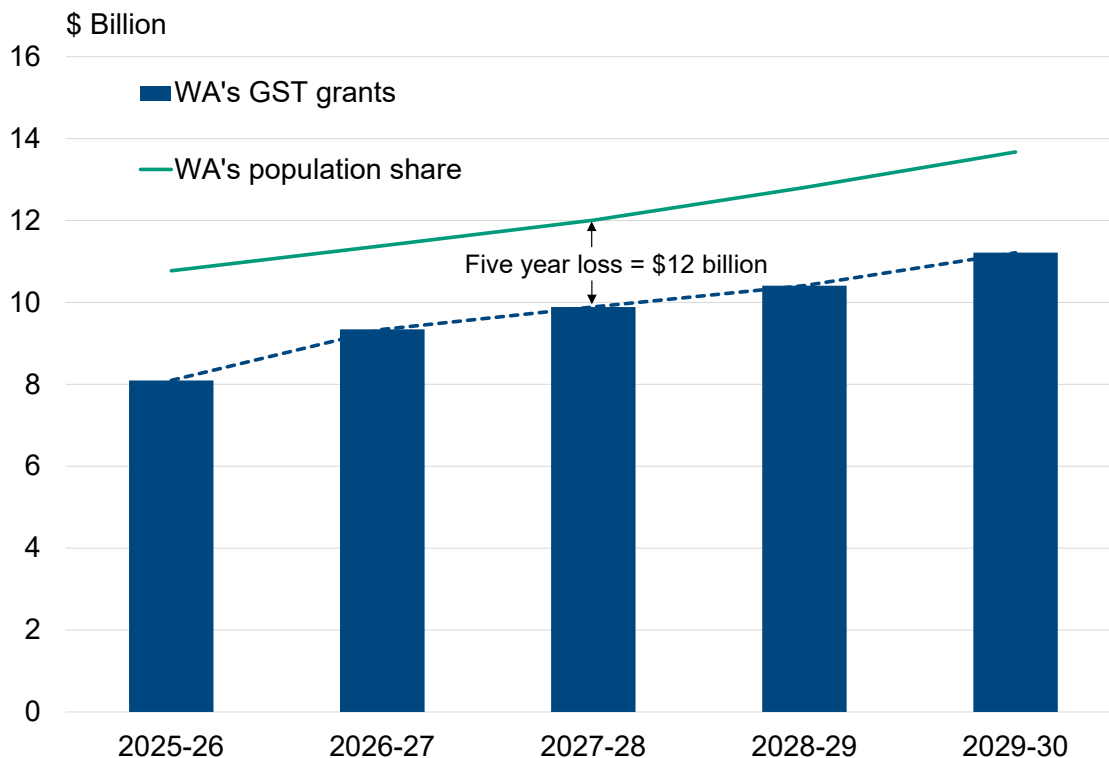
	GST Relativity ^(a)		Impact on GST of revised relativities	
	2025-26	2026-27	\$m	\$ per capita
New South Wales	0.860	0.820	-1,231	-141
Victoria	1.067	1.057	-191	-26
Queensland	0.846	0.872	+606	+105
Western Australia	0.750	0.820	+814	+261
South Australia	1.389	1.359	-184	-96
Tasmania	1.841	1.883	+99	+171
Northern Territory	5.151	5.241	+101	+376
Australian Capital Territory	1.172	1.162	-14	-28

(a) A State's GST relativity is its GST grant as a proportion of its population share of the national GST pool.

However, even with the 2018 GST Reforms, Western Australia will continue to receive far less GST than its population share. Over the five years from 2025-26 to 2029-30, Western Australia is expected to receive \$11.7 billion less than its population share of the GST (see figure below) – effectively a GST subsidy from Western Australia to other States.

Figure 5

LOSS IN WESTERN AUSTRALIA'S GST GRANTS COMPARED TO POPULATION SHARE



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 2024-25 (the latest year of complete data), the Western Australian Department of Treasury and Finance estimates the State's net contribution to be \$36.2 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 outyears are based on:

- projections of GST relativities beyond 2026-27;
- GST pool projections from the Commonwealth's *2025-26 Mid-Year Economic and Financial Outlook*; and
- projections of State shares of the national population.

Western Australia's GST relativity is expected to be pegged to the relativity of New South Wales over the outyears, 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 *2025-26 Mid-year Review*, Western Australia's forecast GST grants over 2025-26 to 2028-29 have increased by \$285 million. This primarily reflects increases in the forecast national GST pool from the Commonwealth's *2025-26 Mid-Year Economic and Fiscal Outlook*, but is partially offset by a reduction in New South Wales' relativity following the release of the Commonwealth Grants Commission's 2026 Update, which impacts Western Australia's relativity as explained above.

Table 7

WESTERN AUSTRALIA'S PROJECTED GST RELATIVITY AND GST SHARE

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
WA GST relativity ^(a)	0.750	0.750	0.820	0.824	0.813	0.820
WA population share (%)	11.0	11.1	11.1	11.1	11.2	11.2
WA share of national GST pool (%) ^(b)	8.2	8.3	9.1	9.2	9.1	9.2

(a) This is the ratio of Western Australia's GST grant to Western Australia's population share of the national GST pool. These figures include the in-system 75% GST floor and the equalisation benchmark to the fiscally stronger of New South Wales or Victoria.

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

PRODUCTIVITY COMMISSION INQUIRY INTO 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, which ensured that every State received a minimum 70% of its population share of the national GST pool from 2019-20, rising to 75% from 2024-25, and transition over six years to a new equalisation benchmark. This benchmark means no State’s relativity will fall below the lower of New South Wales or Victoria from 2026-27 onwards. In addition, the Commonwealth agreed to provide an annual top-up to the national GST pool, and a temporary no-worse-off guarantee (which has currently been extended until the end of 2029-30) to ensure no State receives less funding than they would have under the previous arrangements.

The 2018 GST Reform legislation requires the Productivity Commission to review whether the reforms are operating efficiently, effectively, and as intended. To this end, the Productivity Commission is currently undertaking a review of the reforms, and released an issues paper for this Inquiry in November 2025.

In February 2026, the Western Australian Government provided a thorough evidence-based submission to the Productivity Commission’s Inquiry, which was supported by a Western Australian People’s Submission, with input from over six thousand Western Australians.

The key message of Western Australia’s submission is that the 2018 GST Reforms must be preserved. The submission provides evidence that the reforms:

- are not windfall gains to Western Australia – they provide a reasonable balance between supporting the smaller jurisdictions and encouraging economic development and productivity;
- provide a reasonable approach to mitigate the many extreme (and unforeseen) outcomes, and many perverse incentives (and disincentives) to the pre-reform GST system of horizontal fiscal equalisation;
- have made the system less volatile and more certain, and aligns Australia with every other federation in the OECD, which benefits the whole nation, not just Western Australia; and
- are fiscally sustainable.

In addition, Western Australia's submission recommends that flaws in the underlying GST system be addressed including the treatment of mining royalties. Without the reforms, Western Australia would effectively only retain its population share, or 11%, of its iron ore royalties. As a result, New South Wales, Victoria and Queensland effectively receive more of Western Australia's iron ore and lithium royalties than Western Australia. This is despite the State's significant efforts made to generate royalty revenue, including previous royalty rate increases. Notably, if the equivalent iron ore revenue was generated through increasing payroll tax, Western Australia would retain almost all of this additional revenue and would be at or close to its equal per capita share of the GST.

In addition to retaining the reforms, the submission proposed a 25% discount to the Commonwealth Grants Commission's assessment of mining revenue. Such a discount would more directly and explicitly improve incentives for a State to grow their mining industry as well as reduce the cost of the reforms to the Commonwealth.

Furthermore, the GST system does not appropriately capture the costs of regional service delivery and investment in Western Australia. Many of the State's regional communities support the generation of royalty collections, as well as other revenue that benefit the national economy. Despite Western Australia's land mass being 33 times larger than Tasmania, it receives less than one seventh per capita for compensation of regional costs.

Without the GST Reforms, Western Australia's already considerable contribution to the Federation would be even larger, with our GST subsidy to the other States increasing from \$2 billion to an unsustainable \$8.6 billion – with our population share of national GST revenue falling from 82% (with the reforms) to just 24% (without the reforms) in 2026-27. **This would result in Western Australia being around \$6 billion per year worse off.**

Significantly, 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, higher than expected iron ore prices will see other States receiving around \$34 billion in additional GST over 2020-21 to 2029-30.

While this means an increased cost to the Commonwealth of the GST Reforms, the higher than anticipated iron ore prices have also resulted in higher than budgeted revenue including company tax collections, that have far outweighed the cost of the reforms. The benefit to the Commonwealth Budget through increased company tax revenue alone is estimated to be three to four times greater than the increased cost of the no-worse-off guarantee. Western Australia's four largest iron ore producers paid more than \$117 billion in company tax on their Western Australian iron ore operations in the first six years of the reforms, significantly higher than expected, and compared to the \$23 billion cost of the reforms over this period.

The Productivity Commission will release an interim report by the end of August 2026, with the final report due to the Commonwealth Government by the end of 2026.

The Commonwealth Government's response is expected in early 2027.

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 2026-27, North West Shelf grants⁷ are expected to be \$507 million, an increase from \$424 million in 2025-26. This is mainly due to the impact of higher assumed prices which more than offsets a forecast decline in sales volumes.

Revenue from North West Shelf grants is projected to then decline to \$181 million by 2029-30. 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

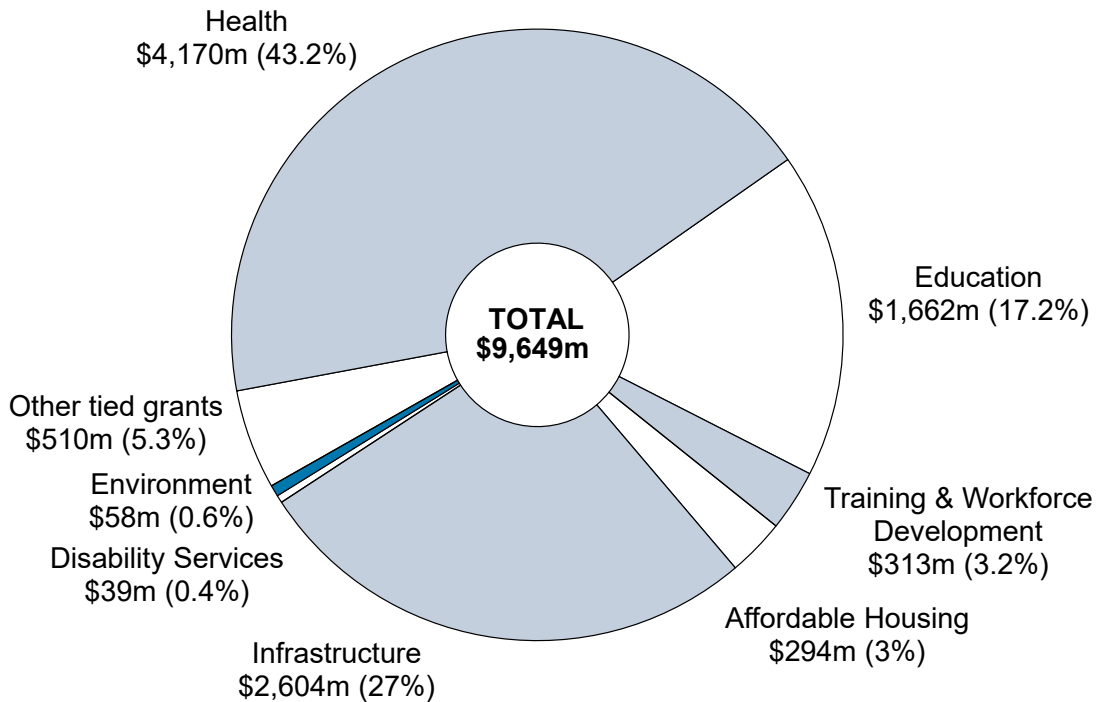
A variety of Commonwealth-State agreements facilitate tied grants for specific services and infrastructure in areas such as health, education, roads and housing. Western Australia is estimated to receive \$9.6 billion in tied grants in 2026-27 (up \$759 million on 2025-26).

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*.

⁷ Includes Commonwealth compensation for the removal of the exemption of condensate from crude oil excise.

Figure 6

**TIED GRANTS FOR WESTERN AUSTRALIA
2026-27**



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 2026-27 comprises:

- major National Agreements, including the National Health Reform Agreement (NHRA) (\$3,995 million), the Better and Fairer Schools Agreement (\$1,566 million), the National Skills Agreement (\$290 million) and the National Agreement on Social Housing and Homelessness (\$199 million);
- Federation Funding Agreements that collate many individual agreements as Schedules, including the Land Transport Infrastructure Projects Agreement (\$2,261 million) and the Preschool Reform Agreement (\$57 million⁸);
- Disaster Recovery Funding Arrangements (\$326 million);
- payments from the Commonwealth in relation to its own-purpose spending programs (\$309 million); and
- a Memorandum of Understanding on Provision of Fire Services (\$3 million).

⁸ Funding under the current Preschool Reform Agreement ends after the 2027 program year.

2026-27 Economic and Fiscal Outlook

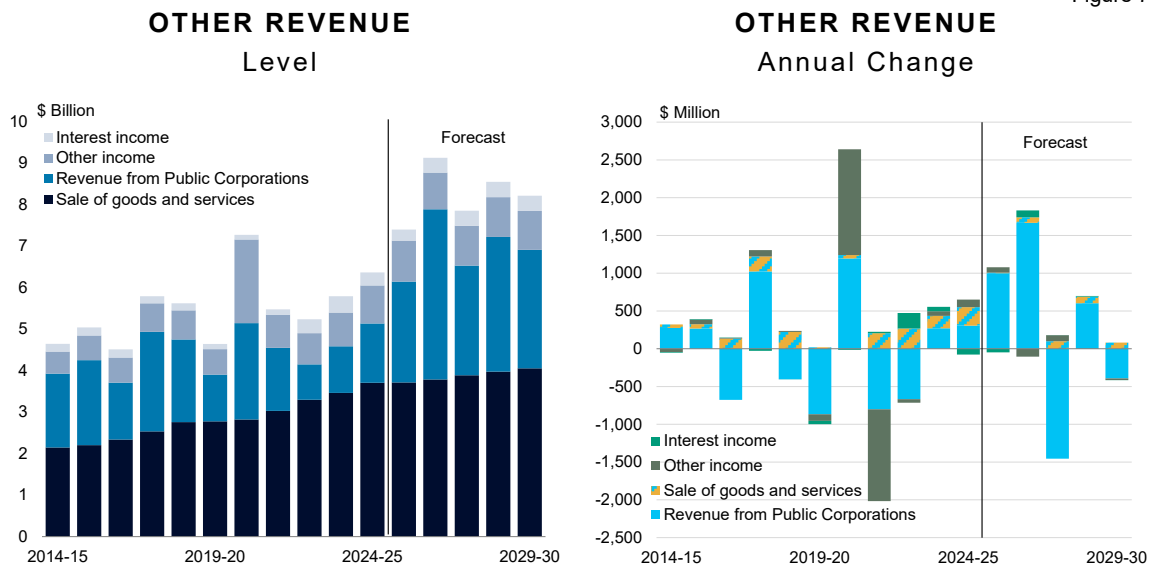
Significant changes in funding between 2025-26 and 2026-27 include:

- a forecast \$369 million increase in funding for the National Health Reform Agreement, reflecting a new five-year funding formula agreed with the Commonwealth in early 2026 to help reverse the previous long-term decline in the Commonwealth's proportional contribution to public hospital costs;
- an estimated \$290 million increase in funding for Disaster Recovery Funding Arrangements, reflecting payments for recovery packages to impacted communities following various natural disasters, including Ex-Tropical Cyclone Ellie;
- an estimated \$175 million increase in funding for the Land Transport Infrastructure Projects Agreement (although declines are projected in subsequent years as a number of major road and rail projects are completed);
- an estimated \$139 million increase in capital funding under the Pilbara Ports Common User Upgrades Agreement;
- a forecast \$83 million increase in funding for the Better and Fairer Schools Agreement;
- an estimated \$79 million for the first year of funding for the new 100,000 Homes for First Home Buyers Agreement; and
- an estimated \$30 million for the first year of funding for the new Thriving Kids program, which will be jointly funded by States and the Commonwealth to support children aged eight years and under with developmental delay and/or autism with low to moderate support needs and their caregivers, including children no longer eligible for the National Disability Insurance Scheme.

Other Revenue

Most '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 7



Sales of Goods and Services

Revenue from the sale of goods and services is estimated to grow by 2% in 2026-27 following much flatter growth (of 0.2%) in 2025-26 and 7.1% in 2024-25. Average annual increases of 2.3% are projected across the remainder of the outyears. This growth profile is affected by the receipt of funding by Main Roads for works on behalf of the Public Transport Authority, which is forecast to wind back as the Stirling Bus Interchange project reaches completion.

Abstracting from the impact of the Main Roads revenue movements, goods and services revenue is forecast to rise by 1.2% in 2026-27, and an annual average increase of around 2.7% in the outyears.

Interest Income

The general government sector earns interest income from investments in cash, advances paid to other sectors, and other liquid asset holdings. Interest revenue is forecast to increase to \$357 million in 2026-27, up from an estimated \$266 million in 2025-26, before increasing at an annual average 0.9% per annum across the three outyears.

The forecast profile for interest income largely reflects the outlook for holdings of interest earning cash and investment assets, interest rates, and the timing of funds moving in and out of the Public Bank Account, including Special Purpose Accounts.

Revenue from Public Corporations

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

Revenue from public corporations in 2026-27 is forecast to total \$4.1 billion, up significantly on the \$2.4 billion estimate for 2025-26. This increase largely reflects movement in dividends following the Government's Mid-year Review decision to defer 2025-26 interim dividends for both the Water Corporation and Western Power to 2026-27, along with a one-off special dividend of \$400 million from the Pilbara Ports Authority, to better match the timing of revenue and expenses across the outyears.

At \$1 billion in 2026-27, tax equivalent revenue is forecast to increase from an estimated \$936 million in 2025-26 driven by stronger profit in the water and electricity utilities, and port authorities.

As the timing and other dividend issues impacting 2026-27 wash out, revenue from public corporations is expected to normalise in the outyears, averaging around \$2.9 billion per annum across the three years to 2029-30. Annual dividend income represents 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 includes fines for traffic infringements, court fines and penalties, penalty tax, donations and gifts from private organisations, asset transfers, and mining tenement rentals revenue. 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. 'Other' income is forecast to decrease from an estimated \$986 million in 2025-26 to \$883 million in 2026-27. This largely reflects the timing of road and road-related asset transfers in 2025-26. Across the three outyears, 'other' revenue is projected to average around \$950 million per annum.

General Government Expenses

HIGHLIGHTS

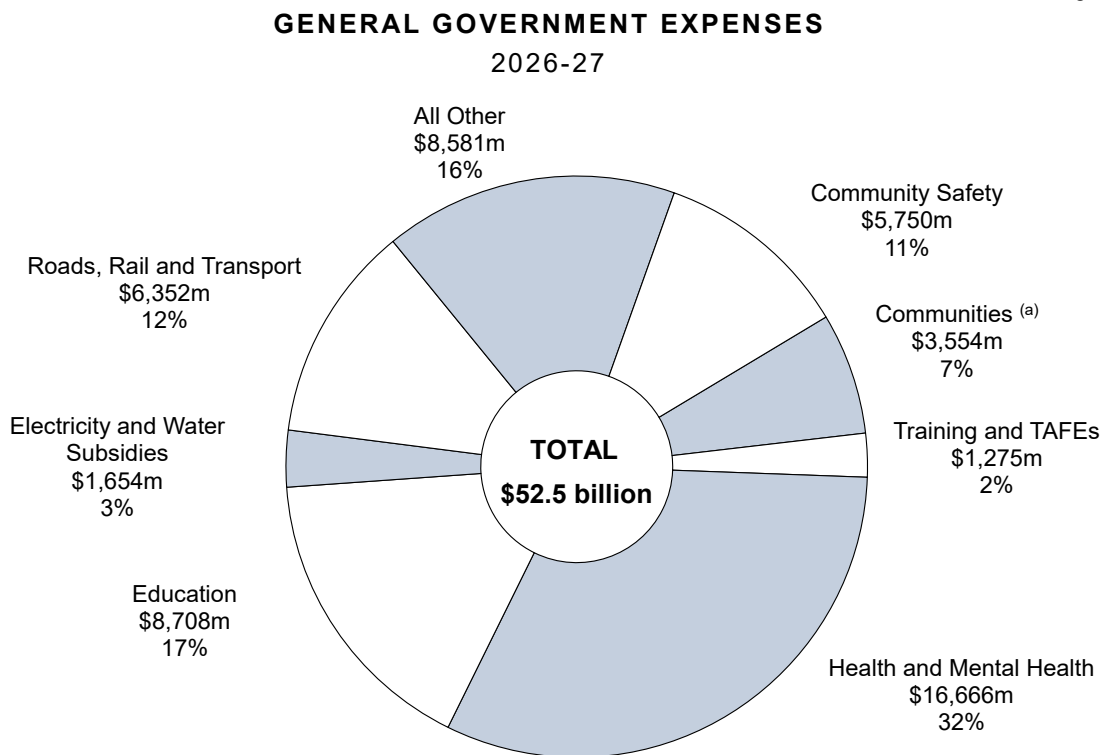
- General government expenses are estimated to total \$52.5 billion in 2026-27, an increase of 6.9% on 2025-26. This reflects the significant additional expenditure allocated in the Budget to support frontline service delivery and the provision of further cost of living relief.
- The Government's priority to ensure all Western Australians can access quality healthcare is reflected in the largest ever funding injection into health and mental health. This includes \$6.5 billion to expand hospital services, and additional resources for strengthening emergency and winter response, improving aged care and discharge pathways, sustaining regional and community services, and increasing workforce capacity across the health system.
- The Budget also has a key focus on new initiatives to ensure every Western Australian has a home, with funding for additional maintenance works on social housing, increased services to support people experiencing homelessness and rough sleeping, grants for residential construction and land development in regional areas, and support for two new Housing and Infrastructure Advanced Manufacturing Facilities.
- Further cost of living support totals over \$1 billion in 2026-27 and responds to the impact of rising fuel prices associated with the Middle East crisis, with targeted relief including a third round of the WA Student Assistance Payment, a \$100 Fuel Support Payment, increases to energy and rent concessions, and continuation of Transperth's Ride to School Free and Fare Free Sundays.
- The Budget also invests significantly into initiatives that drive economic diversification and job creation across Western Australia, including \$156 million to establish the Made in WA Energy Affordability Investment Program and \$85 million to support development of the green iron and steel industry.
- Other key spending priorities include further investment of \$618.7 million in child protection services and \$288.1 million to establish Foundational Supports – Thriving Kids in WA, plus \$1.1 billion to support education and training (including continuation of low and fee-free TAFE).

Introduction

Recurrent spending by the general government sector is budgeted to increase by 6.9% in 2026-27, to a total of \$52.5 billion.

Health and mental health, education and training, community safety and community services (including National Disability Insurance Scheme (NDIS) contributions) account for \$35.9 billion or 68.4% 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 \$2.1 billion in 2026-27, with a further \$1.5 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.

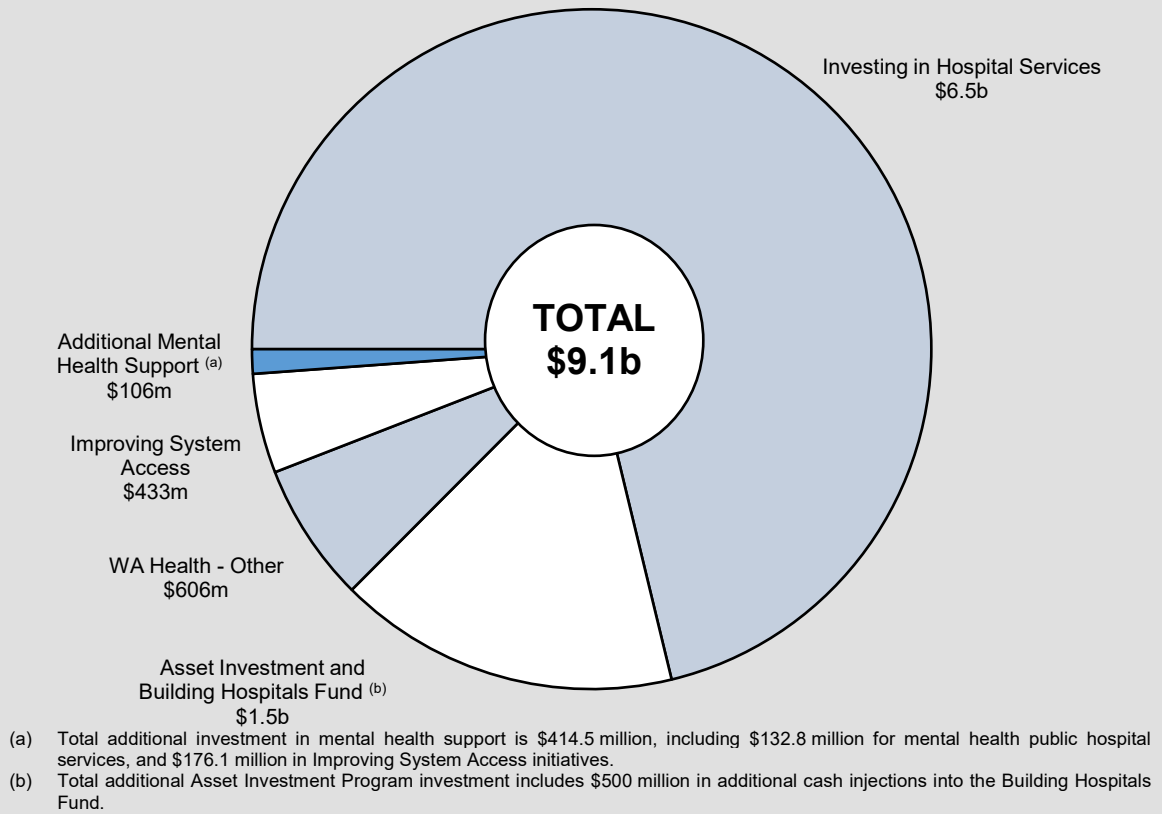
At \$16.7 billion, or 32% of total recurrent spending, this Budget continues the Government’s significant investment in Western Australia’s health and mental health systems (see following feature box for more information).

HEALTH AND MENTAL HEALTH

The 2026-27 Budget reinforces the Government’s commitment to meeting the healthcare needs of Western Australians through ongoing investment in health and mental health services, alongside major infrastructure expansion. This Budget delivers a record additional \$9.1 billion investment, bringing total new investment since the 2021-22 Budget to \$28.8 billion. These investments have supported significant growth in health service activity, hospital bed and workforce capacity, upgrades to health facilities and enhanced mental health services.

Figure 2

\$9.1 BILLION ADDITIONAL HEALTH AND MENTAL HEALTH INVESTMENT Approved as part of the 2026-27 Budget



Investing in Hospital Services

The 2026-27 Budget provides an additional \$6.5 billion of spending on hospital services over 2025-26 to 2029-30, including \$132.8 million allocated to mental health services, supporting sustained growth in activity, beds and workforce. This investment will address demand pressures arising from an ageing population, increases in patient complexity, and sustained population growth, and support a planned pipeline of health system expansion.

Since 2021, the Government has significantly expanded the health workforce, with an additional 5,119 nurses and 2,102 doctors now working in Western Australia’s hospitals – reflecting growth of 34.6% and 41.8% respectively over this period.

Delivering New Hospital Capacity and Infrastructure Improvements

Total asset investment in WA Health and Building Hospitals Fund allocations have increased to \$5.5 billion across 2026-27 to 2029-30, representing the largest allocation to health infrastructure on record and helping to bring more than 900 additional beds into the public health system.

The 2026-27 Budget includes an additional \$1.5 billion for statewide projects, maintenance on existing infrastructure, and to deliver increased hospital capacity through new builds, redevelopments and the purchase of Mt Lawley Hospital.

This investment includes a \$500 million funding uplift to the Building Hospitals Fund, bringing total appropriations into the Fund to \$2 billion. The boosted Fund will continue to support delivery of major health projects including the Royal Perth Hospital Emergency Department Expansion and New Mandurah Hospital projects, as well as the Albany Health Campus Expansion – an election commitment which will see a 32-bed ward delivered using innovative modular technology.

The Fund enables the acquisition of the Mt Lawley Hospital from St John of God Health Care, and is supplemented by additional Government investment for the transition and commissioning of the Hospital. This investment supports procurement of medical equipment, commissioning activities, ICT and infrastructure upgrades, and workforce investment, and will add 118 beds into the public health system.

In addition, this Budget provides continued investment towards regional hospital projects, including the Bunbury Hospital Redevelopment, Tom Price Hospital Redevelopment and Meekatharra Hospital Redevelopment.

Maintenance and Critical Works

The Government is also making the most of existing capacity through investment in maintenance, and optimising service delivery through asset upgrades and refurbishments.

The 2026-27 Budget has allocated an additional \$214.1 million for capital asset maintenance and replacement programs, building on the \$50 million Health Asset Maintenance Fund announced in 2025, with this on top of \$1.1 billion of recurrent maintenance and equipment spending.

Improving System Access and Delivering Alternatives to Emergency Departments

Western Australia's Health system continues to face significant demand, driven in part by more than 300 patients per day who remain in hospital whilst awaiting appropriate aged care or community support. This Budget includes targeted investment totalling \$433 million to manage seasonal demand, improve patient flow and discharge pathways, and providing suitable alternatives to the Emergency Department, with:

- \$176.1 million for community mental health initiatives including \$52.3 million to continue the Active Recovery Team program, \$43.8 million for community mental-health contracts, \$24.8 million to continue initiatives under the Infant, Child and Adolescent System Transformation Program, and \$15.4 million to establish a Crisis Recovery and Intervention Support Service, and further investment to secure the continuation of the Ambulance Mental Health Co-Response Service;
- \$112.7 million to optimise hospital capacity and support emergency access demand management through drawing on private hospital capacity (\$56.2 million), establishing additional public hospital beds at Fiona Stanley Hospital (\$5 million) and dedicated hospital staff to support patient flow (\$5.7 million), and the continuation of the Emergency Access Initiatives including the Emergency Access Reform program (\$6.7 million), the State Health Operations Centre (\$24.4 million), and the Extended Care Paramedics program (\$4.1 million);
- \$94.8 million for initiatives that provide appropriate discharge pathways from hospital, including an additional \$14.6 million for the Transitional Care Program (TCP), a \$45.7 million investment to establish TCP@Home+, onboard Hospital in the Home coordinators, and deliver new Time to Think beds, and \$19.8 million for the Medical Respite Centre, \$12.6 million for the From Hospital to Home Disability Transition Care Program and \$2.3 million for the Long Stay Patient Fund; and
- \$49.3 million for vaccination programs and public awareness campaigns to reduce winter illness related demand pressures in 2026 and 2027.

More Support for Mental Health

This Budget includes further investment of \$414.5 million in mental health comprising \$176.1 million for initiatives to improve system access and reduce pressure on emergency departments (see above), \$132.8 million to expand hospital capacity, as well as \$105.6 million for other community mental health initiatives.

A Stronger Western Australia

The 2026-27 Budget continues the delivery of the Government’s priorities, with a significant increase in spending on health, housing, jobs and economic diversification, and protecting the environment.

Diversifying our economy and making more things in Western Australia

This Budget builds on the Government’s commitment to economic diversification and the creation of jobs by fostering new industries and supporting regional growth in Western Australia. Key spending initiatives include:

- \$156 million over the forward estimates to establish the Made in WA Energy Affordability Investment Program;
- \$91.7 million from the Strategic Industries Fund towards land assembly, planning and studies in the Western Trade Coast and other priority strategic industrial areas;
- \$85 million to support development of the green iron and steel industry, including for the NeoSmelt Pilot Project;
- up to \$45.4 million to extend the Lithium Industry Support Program and expand it with a loan facility for nickel producers;
- a further \$30 million top-up of the Investment Attraction Fund in line with the Government’s election commitment for a second round of the New Energy Industries Funding stream;
- \$18 million to continue development of the Aboriginal tourism industry; and
- \$18 million to support various science and innovation activities, including support for Scitech and development of the State’s nascent space industry.

Ensuring all Western Australians can access the healthcare we need, when we need it

The Government’s commitment to ensuring Western Australians can access the care they need is illustrated through a massive \$9.1 billion boost to health and mental health in this Budget. This includes:

- a record \$6.5 billion boost in spending on the State’s hospital services across the forward estimates;
- over \$140 million on the Government’s Winter Strategy, which includes \$56.2 million for private hospital activity to support delivery of elective surgeries, and \$45.7 million in aged care initiatives;

- \$68.6 million on various regional healthcare programs including cancer services and palliative care teams;
- \$51.4 million to deliver ongoing improvements in emergency access and support programs to expedite discharges for vulnerable patients; and
- \$52.3 million to provide intensive and structured wraparound support to people with complex and co-occurring mental health and alcohol and other drug related issues before they reach crisis.

In addition, \$138.4 million will be spent to address increased demand for health and mental health support services, and to provide additional paediatricians, clinical nurse specialists and allied health staff to continue to expand Child Development Services in metropolitan and regional areas.

Ensuring every Western Australian has a home

Another focus of the 2026-27 Budget is the Government's \$4.7 billion commitment to improving housing supply and affordability to help ensure all Western Australians have access to a home. Key expenditure initiatives include ¹:

- \$51.4 million to increase the capacity of our construction workforce, including extensions to the Group Training Organisation Wage Subsidy, Construction Visa Subsidy Program, and Build a Life in WA incentive, and to continue low and fee free construction training in 2027;
- \$50 million to increase the Regional Housing Support Fund (50% funded by the Commonwealth) to provide grants to assist with construction, infrastructure and site preparation costs for new housing projects in regional areas;
- \$48 million to support the development of Housing and Infrastructure Advanced Manufacturing Facilities to improve construction market capacity and accelerate the delivery of residential (and non-residential) infrastructure at lower costs;
- \$40 million to increase the Infrastructure Development Fund (50% funded by the Commonwealth) to provide grants to developers, landowners and local governments to address infrastructure constraints potentially hindering the development of medium and high density projects;
- \$13.8 million to support first home buyers through an increase to the First Home Owner Grant cap to \$800,000, as part of the \$297 million Housing Tax Package; and
- \$105 million on housing support and homelessness services.

¹ This is in addition to the capital initiatives outlined in Chapter 6.

Building safe and inclusive communities

It is important that Western Australian residents feel safe and supported within their communities. Key expenditure measures in this Budget include:

- \$618.7 million to support vulnerable children and young people in care, including: supporting the complex needs of providing out-of-home care services; assisting with attraction, retention and recognition of Foster Carers; and continuing and expanding the Aboriginal Family Led Decision Making program and Aboriginal Representative Organisation services to work towards meeting the State's Closing the Gap targets;
- an additional \$300.1 million on disability services and reform initiatives, primarily for the establishment of Foundational Supports – Thriving Kids in WA;
- \$106.3 million (including \$19.4 million in capital funding) on Family and Domestic Violence (FDV) initiatives including the recommissioning of FDV crisis accommodation services, the continued operation of Munda Mia and Warlang Bidi therapeutic FDV refuges, and a three-year trial of out-of-hours social workers in emergency departments;
- \$87.8 million to continue services that support vulnerable young people at an increased risk of harm; and
- an additional \$51.6 million to provide subsidised travel for people with a disability who may have trouble using public transport.

Protecting and restoring our environment

The Government remains focused on protecting our environment and continuing to manage the State's energy transition. Spending initiatives in this Budget include:

- \$50.8 million to resource PoweringWA to deliver the State's energy transition, modernising the State's energy systems to cut emissions and meet future generation needs;
- \$16 million for the implementation and administration of a clean energy and emissions reduction research program;
- \$13.3 million (including \$1.8 million of capital) to protect the Swan and Canning Rivers and address the risk of algal blooms in Western Australian estuaries; and
- \$10.6 million to establish and operate the Clean Energy Training and Research Institute, which will support decarbonisation opportunities in the Pilbara.

Major Expense Changes

Summary

The following information provides details of major changes in general government expenses by agency since the 2025-26 *Government Mid-year Financial Projections Statement* (Mid-year Review). 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*.

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

- incentive funding for smaller and low risk agencies under the Streamlined Budget Process² and RiskCover Fund insurance premium increases;
- increased spending of \$41.5 million to index the Non-Government Human Services Sector (NGHSS) service contracts delivered by community service organisations on behalf of public sector agencies. NGHSS indexation is applied to a broad range of community services including statutory child protection, homelessness, family and domestic violence and mental health services. Agency allocations are disclosed in Budget Paper No. 2;
- \$192.8 million to reflect the impact of updated parameters and modelling under accounting standard AASB 16: Leases for Government Regional Officer Housing leases across the public sector, for which agency allocations are disclosed in Budget Paper No. 2; and
- spending allocations as a result of industrial agreements being settled as part of the Government's public sector wages policy.

This Budget also includes implementation of a number of Fiscal Strategy measures to support the Government's financial management objectives. Specific initiatives reducing general government expenses include:

- procurement savings totalling \$12.5 million in each of 2026-27 to 2029-30 (\$50 million in total), with these savings allocated across the budgets of 14 agencies (as disclosed in the portfolio tables below); and
- provision for a voluntary targeted separation scheme, including implementation costs to be funded by the Consolidated Account (\$229 million in 2026-27), resulting in projected offsetting savings of \$445 million to 2029-30 (reducing net debt by an aggregate \$216 million over the four years to 30 June 2030).

² 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 2026-27 Budget, incentive funding provided to agencies that opt-in to the SBP equates to a 2.5% increase in service appropriation in 2026-27, with eligible agencies limited to those with service appropriations of less than \$100 million.

2026-27 Economic and Fiscal Outlook

Further information on these and other measures are discussed in the Government Fiscal Strategy feature box in Chapter 3 of this Budget Paper.

Changes in total public sector infrastructure spending (i.e. the Asset Investment Program) since the 2025-26 Mid-year Review are outlined in Chapter 6.

PARLIAMENT

Table 1

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
LEGISLATIVE COUNCIL					
– 2026-27 Streamlined Budget Process Incentive Funding	-	0.2	-	-	-
– RiskCover Fund Insurance Premiums	-(a)	-(a)	-	-	-
LEGISLATIVE ASSEMBLY					
– 2026-27 Streamlined Budget Process Incentive Funding	-	0.2	-	-	-
– RiskCover Fund Insurance Premiums	-(a)	-(a)	-	-	-
PARLIAMENTARY SERVICES DEPARTMENT					
– Independent Review of the Employment Arrangements of Electorate Officers (Morton Review) ^(b)	0.5	2.1	-	-	-
– 2026-27 Streamlined Budget Process Incentive Funding	-	0.6	-	-	-
– RiskCover Fund Insurance Premiums	0.1	0.1	-	-	-
PARLIAMENTARY COMMISSIONER FOR ADMINISTRATIVE INVESTIGATIONS (OMBUDSMAN)					
– Scheme for Independent Oversight of Child Safe Organisations	0.4	0.7	-	-	-
– Case Management System Replacement	-	0.5	-	-	-
– RiskCover Fund Insurance Premiums	-(a)	0.1	-	-	-

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

(b) See the Department of the Premier and Cabinet.

Note: Rows may not add due to rounding.

Parliamentary Commissioner for Administrative Investigations (Ombudsman)

Scheme for Independent Oversight of Child Safe Organisations

The Government has committed a total of \$1.7 million for the Ombudsman (\$1.1 million) and the Department of the Premier and Cabinet (\$617,000) over 2025-26 and 2026-27 to develop a new oversight scheme for Child Safe Organisations and Out-of-Home Care Providers, in line with the recommendations of the Royal Commission into Institutional Responses to Child Sexual Abuse.

Case Management System Replacement

The Government will invest \$500,000 in 2026-27 to initiate the development of a modern case management system to support the Ombudsman's functions, including complaint handling, reportable conduct investigations, and reviews of child death and family and domestic violence cases.

GOVERNMENT ADMINISTRATION

Table 2

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
PREMIER AND CABINET					
– Investment in State Digital Assets and Cyber Security Resilience	-	14.7	14.2	14.1	14.7
– Budget Realignment ^(a)	-	6.1	6.3	6.4	7.3
– Digital Capability Fund Initiatives	-	7.7	7.6	2.5	2.6
– Parliamentary Electorate Office Accommodation	-	2.4	2.4	2.5	2.5
– Defence West	-	1.9	2.0	2.0	2.0
– Independent Review of the Employment Arrangements of Electorate Officers (Morton Review)	0.5	1.4	1.5	1.5	1.5
– Council of Aboriginal Services Western Australia	-	-	1.9	2.0	2.1
– Western Australia’s Closing the Gap 2026-2028 Implementation Plan	-	2.5	1.6	0.2	-
– Prevention of Family and Domestic Violence Initiatives ^(b)	-	2.2	2.2	-	-
– RiskCover Fund Insurance Premiums	0.4	1.1	-	-	-
– Support for Regional Papers Project	-	1.0	-	-	-
– Cost of Living – \$100 Fuel Support Payment ^(c)	0.2	0.8	-	-	-
– Remediation of Casual Long Service Leave Entitlements ^(d)	-	1.0	-	-	-
– Cost of Living – 2026 WA Student Assistance Payment ^(d)	-	0.9	-	-	-
– Scheme for Independent Oversight of Child Safe Organisations ^(e)	0.2	0.4	-	-	-
– Ministerial Aircraft Replacement ^(f)	-	-	-	-	-
PUBLIC SECTOR COMMISSION					
– 2026-27 Streamlined Budget Process Incentive Funding	-	1.0	-	-	-
– RiskCover Fund Insurance Premiums	0.1	0.1	-	-	-
GOVERNOR’S ESTABLISHMENT					
– Governor’s Benefit Ball	-	0.3	-	-	-
– RiskCover Fund Insurance Premiums	- ^(g)	- ^(g)	-	-	-
– 2026-27 Streamlined Budget Process Incentive Funding	-	- ^(g)	-	-	-
WESTERN AUSTRALIAN ELECTORAL COMMISSION					
– Western Australian Electoral Commission Reforms ^(h)	0.2	4.3	3.6	3.7	3.8
– Strategic Accommodation Plan	0.1	0.7	0.6	0.6	0.7
– Commonwealth Joint Enrolment Arrangements	0.2	0.7	0.4	0.5	0.5
SALARIES AND ALLOWANCES TRIBUNAL					
– RiskCover Fund Insurance Premiums	- ^(g)	- ^(g)	-	-	-
– 2026-27 Streamlined Budget Process Incentive Funding	-	- ^(g)	-	-	-

Table 2 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
COMMISSIONER FOR CHILDREN AND YOUNG PEOPLE					
– 2026-27 Streamlined Budget Process Incentive Funding	-	0.1	-	-	-
– RiskCover Fund Insurance Premiums	– (g)	– (g)	-	-	-
OFFICE OF THE INFORMATION COMMISSIONER					
– 2026-27 Streamlined Budget Process Incentive Funding	-	0.1	-	-	-
WORKCOVER WA AUTHORITY					
– Updated Financial Estimates	-0.7	-2.5	-2.4	-2.9	-2.4
REGISTRAR, WESTERN AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION					
– 2026-27 Streamlined Budget Process Incentive Funding	-	0.3	-	-	-
– RiskCover Fund Insurance Premiums	– (g)	– (g)	-	-	-

- (a) Expenditure has been reprioritised from within the Department's existing budget to support part or all of this initiative.
- (b) See the Department of Communities.
- (c) See the Cost of Living Relief feature box in Chapter 1.
- (d) See the Department of Education.
- (e) See the Parliamentary Commissioner for Administrative Investigations.
- (f) Amounts are not disclosed due to ongoing commercial negotiations.
- (g) Amount less than \$50,000.
- (h) See Department of Treasury and Finance.
- Note: Rows may not add due to rounding.

Premier and Cabinet

Investment in State Digital Assets and Cyber Security Resilience

The Government will invest \$57.7 million across the forward estimates to continue operational support for State digital assets and enhance cyber security resilience. This includes:

- \$49.5 million to continue operational support for whole-of-government digital platforms, including the ServiceWA App and the WA.gov.au website; and
- \$8.2 million to expand centralised cyber security services through the Western Australian Government Cyber Security Operations Centre, in line with the broader application of the Government Cyber Security Policy.

Budget Realignment

To support the Department's additional responsibilities, including strategic engagement and oversight of the Government's key priorities, \$26.2 million has been allocated over the forward estimates to build and sustain organisational capacity.

Digital Capability Fund Initiatives

Additional spending of \$21.1 million has been allocated from the Digital Capability Fund for the following initiatives over the forward estimates:

- \$12.3 million to establish a central Artificial Intelligence (AI) Investment Fund to enhance public sector productivity, and a Rapid AI Delivery Team to support agencies and provide assurance oversight of AI projects;
- \$6.5 million for the Department (\$5.7 million) and the Department of Treasury and Finance (\$824,000) to perform assurance and advisory activities for ICT project planning and delivery; and
- \$2.3 million to support delivery of a State Digital Driver's Licence (refer to the Department of Transport and Major Infrastructure).

Parliamentary Electorate Office Accommodation

The Government will invest an additional \$13.1 million over the forward estimates for office accommodation for Parliamentary Electorate Offices, comprising \$9.8 million for increased leasing costs and \$3.3 million for major refurbishments and upgrades (see Chapter 6).

Defence West

The Government has allocated \$7.9 million over the forward estimates to support the establishment of Defence West as a statutory body and to continue supporting the development of Western Australia's defence industry, including \$4 million to continue supporting industry tradeshows, \$3.5 million for establishment costs and \$400,000 to continue the Defence Industry Veterans Employment Scheme.

Independent Review of the Employment Arrangements of Electorate Officers (Morton Review)

In its initial response to the Morton Review, the Government has allocated \$10.5 million over 2025-26 to 2029-30. This includes for the Department to increase the number of electorate officers available to support Members of Parliament with multiple electorate offices (\$6.3 million), for the Parliamentary Services Department to progress planning and preparatory activities for the transfer of ICT support functions (\$2.5 million), and for the Department of Treasury and Finance to support implementation of the enhanced Members of Parliament Resources and Transparency Framework (\$1.7 million).

Council of Aboriginal Services Western Australia

The Government has approved \$6 million over 2027-28 to 2029-30 (\$8.1 million to 2030-31) to support the Council of Aboriginal Services Western Australia's continued operation as the peak body representing the State's Aboriginal Community Controlled Organisations across the social services sector.

Western Australia's Closing the Gap 2026-2028 Implementation Plan

The Government will invest \$10.1 million over three years from 2026-27 to 2028-29, including \$5.8 million for the Department of Treasury and Finance, to deliver initiatives under Western Australia's Closing the Gap 2026-2028 Implementation Plan. These include establishing a formal alliance between the Council of Aboriginal Services Western Australia, Aboriginal Health Council of Western Australia, and Aboriginal Advisory Council of Western Australia to strengthen accountability for Closing the Gap outcomes, and an Aboriginal Community Controlled Organisation Transition Pipeline pilot to grow the Aboriginal-led community services sector.

Support for Regional Papers Project

The Government has committed \$1 million in 2026-27 to continue support for regional newspaper publishers, delivering community focused information and public safety campaigns.

Ministerial Aircraft Replacement

The Government has approved entering into a 10 year lease to replace its two ministerial aircraft, with the cost to be offset by the indicative proceeds of selling the State's existing aircraft. Replacement of this fleet supports the safety and connectivity of the Government's operations across Western Australia. Amounts are not disclosed due to ongoing commercial negotiations.

Governor's Establishment

Governor's Benefit Ball

Following the success of the 2025 event, the Establishment will receive \$250,000 in 2026-27 to support the Governor's Benefit Ball, which raises funds for charitable causes.

Western Australian Electoral Commission

Western Australian Electoral Commission Reforms

To meet the requirements of a contemporary electoral environment, the Government will spend an additional \$15.6 million over 2025-26 to 2029-30. The investment will provide a capability uplift to support the reform of electoral service delivery and to respond to recommendations from the Special Inquiry into the Planning and Delivery of the 2025 Western Australian State General Election. The initial focus will be on strategy, governance and integrity, people support, and systems enhancement.

A further \$304,000 will be spent by the Department of Treasury and Finance over 2026-27 and 2027-28 to support the development of a funding model to help identify the resourcing required to deliver future State Elections.

Strategic Accommodation Plan

The Government will spend \$2.7 million over 2025-26 to 2029-30 to relocate a storage facility and ICT warehouse to a combined new site in 2026-27 and to design a long-term accommodation strategy for accommodating major election events in the future.

Commonwealth Joint Enrolment Arrangements

An additional \$2.2 million will be spent over 2025-26 to 2029-30 to address costs associated with Western Australia's contribution to meet the Joint Enrolment Arrangements' (JEAs') operational costs. The JEAs are bilateral agreements between the Commonwealth and each State and Territory to provide a single point of electoral enrolment.

WorkCover WA Authority

Updated Financial Estimates

The Authority will reduce expenditure by \$10.8 million over 2025-26 to 2029-30, largely reflecting revised forecasts of compensation payments to workers of uninsured employers.

FINANCIAL ADMINISTRATION

Table 3

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
TREASURY AND FINANCE					
– Cost of Living – Fuel Excise Relief Program (Administered)	-	33.1	-	-	-
– Increase to First Homeowner Grant Cap (Administered)	– (a)	1.9	3.5	4.1	4.3
– Western Australia’s Closing the Gap 2026-2028 Implementation Plan (b)	-	1.9	1.9	2.0	-
– Augmenting Commercial Advisory Capacity	0.8	1.7	1.0	1.1	1.1
– Employment of People with Disability Procurement Policy	-	0.7	0.7	0.7	0.7
– RevenueWA Compliance and Debt Management Strategy	-	1.3	1.3	-	-
– Aboriginal Business Capability Building	-	0.5	0.5	0.5	0.6
– Independent Review of the Employment Arrangements of Electorate Officers (Morton Review) (b)	-	1.7	-	-	-
– RiskCover Fund Insurance Premiums	0.6	0.7	-	-	-
– Digital Capability Fund Initiatives (b)	-	0.2	0.2	0.2	0.2
– Operating Subsidies (Administered)	-	0.1	0.1	0.1	0.1
– Police Services Expenditure (c)	-	0.2	0.2	-	-
– Justice Reform Initiatives (d)	-	0.2	0.2	-	-
– Independent Review of Racing and Wagering Western Australia (e)	0.2	0.2	-	-	-
– Support for Development of a Funding Model for the WA Electoral Commission (f)	-	0.1	0.2	-	-
OFFICE OF THE AUDITOR GENERAL					
– 2026-27 Streamlined Budget Process Incentive Funding	-	0.4	-	-	-
– RiskCover Fund Insurance Premiums	– (a)	– (a)	-	-	-

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

(b) See Department of the Premier and Cabinet.

(c) See Western Australia Police Force.

(d) See Department of Justice.

(e) See Department of Local Government, Industry Regulation and Safety.

(f) See Western Australians Electoral Commission.

Note: Rows may not add due to rounding.

Treasury and Finance

Cost of Living – Fuel Excise Relief Program (Administered)

The Government will spend up to \$33.1 million for its share in supporting the Commonwealth to reduce fuel excise charges by 10.9%, or 5.7 cents per litre, between 1 April 2026 and 30 June 2026 under the National Agreement on Fuel Excise Relief 2026. This is on top of the 50% reduction in fuel excise charges over the same period being funded by the Commonwealth.

Increase to First Homeowner Grant Cap (Administered)

In response to rising residential construction costs, the Government has approved \$13.8 million over 2025-26 and the forward estimates period to support first home buyers by increasing the First Home Owner Grant property value cap from \$750,000 to \$800,000. This measure forms part of the Government's 2026-27 Housing Taxation Package.

Augmenting Commercial Advisory Capacity

The Department will spend an additional \$5.7 million over the forward estimates to augment its capacity to provide advice on an increasing number of complex commercial contracts to support the delivery of Government priorities.

Employment of People with Disability Procurement Policy

The Government has approved \$2.8 million across the forward estimates to develop and implement the Employment of People with Disability Procurement Policy, fulfilling obligations from the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability.

RevenueWA Compliance and Debt Management Strategy

RevenueWA will spend an additional \$2.6 million over 2026-27 and 2027-28 to undertake additional compliance and debt management activities to support the administration of State taxes and assist taxpayers to meet their taxation obligations.

Aboriginal Business Capability Building

The Department will spend \$2.1 million across the forward estimates to continue the Aboriginal Business Capability Building program, which was established in 2019 to build the capability of Aboriginal businesses and diversify the Government's supplier base.

Operating Subsidies (Administered)

To provide targeted relief to non-Synergy or Horizon Power pension and concession customers, RevenueWA will spend an additional \$555,000 over 2026-27 to 2029-30 to uplift the Energy Assistance Payments, Dependent Child Rebate, and Air Conditioning Allowance by 10% in 2026-27.

JOBS AND ECONOMIC DEVELOPMENT

Table 4

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
ENERGY AND ECONOMIC DIVERSIFICATION					
- Election Commitment – Kalgoorlie Vanadium Battery Energy Storage System ^(a)	-	50.0	30.0	30.0	40.0
- Green Iron and Steel ^(b)	-	60.0	25.0	-	-
- PoweringWA	-	12.5	12.5	12.8	13.0
- Election Commitment – Investment Attraction Fund Top-up	-	-	15.0	15.0	-
- Science and Innovation	-	8.2	3.9	3.0	2.9
- Community Engagement, Awareness, and Education	-	9.0	9.0	-	-
- Investment Attraction	-	6.0	6.0	-	-
- Temporary Fuel Supply for the East Kimberley	10.4	-	-	-	-
- Lithium and Nickel Industry Support Program ^(c)	-2.5	9.4	0.2	-	-
- Industry Support Program	-	1.1	1.1	1.1	2.7
- Election Commitment – Aged Care Low Interest Loan Scheme ^{(c) (d)}	0.6	0.7	0.7	0.7	-
- Made in WA Energy Affordability Investment Program ^(c)	-	0.7	0.7	0.6	0.6
- Albany Gas Transition	0.7	1.1	-	-	-
- Invest and Trade Western Australia	-	1.6	0.1	-	-
- Electricity Industry Act Implementation – Distributed Energy Resources	-	0.5	0.2	0.2	0.2
- Payment to Pilbara-based Aboriginal Corporation	-	1.0	-	-	-
- Centre of Decommissioning Australia	-	0.5	0.5	-	-
- Cost of Living – Energy Ahead Program Extension ^(e)	-	0.2	0.2	0.2	-
- RiskCover Fund Insurance Premiums	0.2	0.2	-	-	-
- Strategic Industries Fund Initiatives ^(f)	-	-	-	-	-

Table 4 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
CREATIVE INDUSTRIES, TOURISM AND SPORT					
– Establishment of the Regional Creative Industries Fund ^(b)	-	7.2	6.9	6.9	6.9
– Department of Creative Industries Tourism and Sport Service Delivery	-	22.0	-	-	-
– Jina: Western Australian Aboriginal Tourism Action Plan 2026-2030	-	3.0	5.0	5.0	5.0
– Demand Generation Package	-	8.3	1.1	1.1	1.1
– Asset Renewal and Maintenance Budget Uplift	-	4.4	3.6	2.1	1.0
– Business Events Perth	-	5.0	5.0	-	-
– Major Performing Arts Companies Boost	-	3.1	3.1	3.2	-
– Royal Commission into Institutional Responses to Child Sexual Abuse ^(g)	-	8.0	-	-	-
– Creative Organisations Multi-year Funding Programs	-	-	3.9	3.9	-
– Western Australian Cricket Association (WACA) Ground High Performance Sport Upgrades	-	6.5	0.3	0.3	0.3
– Binar Community Hub	-	6.0	-	-	-
– Cost of Living – KidSport ^(e)	-	5.5	-	-	-
– World Class Tourism and Hospitality Management School	-	-	5.0	-	-
– Artrage Fringe World Festival	-	-	1.4	1.4	1.4
– Microsoft Cloud Hosting and Licensing	1.4	2.1	-	-	-
– National Redress Scheme for Institutional Child Sexual Abuse	-	1.5	1.6	-	-
– Gwoonwardu Mia Aboriginal Heritage and Cultural Centre ^(h)	-	1.4	1.5	-	-
– CinefestOZ Film Festival	-	0.6	0.7	0.7	0.7
– Riskcover Fund Insurance Premiums	0.9	1.4	-	-	-
– Digital Games and Interactive Technology Fund	-	1.0	1.0	-	-
– Better Beginnings Community Grants Program Extension	-	0.3	0.3	0.3	0.3
– Global Connections through Local Events	-	0.9	-	-	-
– Sound Attenuation Grant Program Pilot ^(b)	-	0.5	-	-	-
– Fiscal Strategy – Procurement Savings	-	-0.3	-0.3	-0.3	-0.3

Table 4 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
PRIMARY INDUSTRIES AND REGIONAL DEVELOPMENT					
– Operational Expenses	41.8	10.0	-	-	-
– Enhancing Biosecurity Preparedness and Response Programs	-	4.9	5.7	7.0	7.1
– 2028 Kimberley Total Solar Eclipse	-	11.9	9.4	1.8	-
– Biosecurity Incident and Emergency Responses					
– Red Dwarf Honey Bee Biosecurity Response	6.4	3.4	-	-	-
– Polyphagous Shot-hole Borer	1.2	3.6	-	-	-
– National Biosecurity Response Co-contributions	0.3	0.1	0.1	0.2	0.2
– Pilbara Hydrogen Hub – Clean Energy Training and Research Institute	-	6.5	2.2	1.9	-
– Fisheries Support Package	-	3.0	2.1	2.1	1.3
– Martu Student Hostel Program	-	1.5	1.5	1.4	1.4
– RiskCover Fund Insurance Premiums	1.4	3.6	-	-	-
– Agricultural Promotion Program	-	3.0	-	-	-
– Aboriginal Pastoral Program	-	0.6	0.6	0.6	0.6
– Water Lily Place Affordable Housing Project	1.8	-	-	-	-
– Agrifood Activation Fund – Food Technology Facility Project	-	-	0.4	0.4	0.4
– Animal Welfare Uplift	-	0.3	0.3	0.3	0.3
– Transforming Bunbury's Waterfront – Stage 3 Phase 2 ⁽ⁱ⁾	-	0.1	0.3	0.4	-
– Gwoonwardu Mia Aboriginal Heritage and Cultural Centre	-	0.4	0.4	-	-
– Broadacre Research Activities	0.1	0.5	-	-	-
– Pastoral Land Carrying Capacity Review	0.2	0.3	-	-	-
– Shark Notification and Response System	-	-	0.1	0.1	0.1
– South West Development Commission – Land and Building Management	-	- ⁽ⁱ⁾	0.1	0.1	0.1
– Kimberley Schools Project Extension ^(k)	-	0.1	0.1	-	-
– Firearms Governance Uplift	-	- ⁽ⁱ⁾	0.1	0.1	-
– Katanning Aerodrome	0.1	-	-	-	-
– Fiscal Strategy – Procurement Savings	-	-0.2	-0.2	-0.2	-0.2
MINES, PETROLEUM AND EXPLORATION					
– Mining Rehabilitation Fund – Five Year Plan	-	-6.8	0.9	17.8	7.8
– Carbon Capture, Utilisation and Storage	-	2.3	2.4	-	-
– Fee for Objections	0.4	0.5	0.5	0.5	0.5
– RiskCover Fund Insurance Premiums	0.6	1.1	-	-	-
– Resources Online	-	0.9	-	-	-
MINERALS RESEARCH INSTITUTE OF WESTERN AUSTRALIA					
– Critical Minerals Advanced Processing Common-User Facility	-4.6	-95.8	-95.8	-	-
– Clean Energy and Emissions Reduction – Research and Development	-	4.0	4.0	4.0	4.0
– RiskCover Fund Insurance Premiums	- ⁽ⁱ⁾	- ⁽ⁱ⁾	-	-	-
GOLD CORPORATION ^(l)					
– State Battery Safety Program	-	6.8	-	-	-
WESTERN AUSTRALIAN MEAT INDUSTRY AUTHORITY					
– Muchea Livestock Centre	-	0.4	0.5	0.6	0.7

Table 4 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
SMALL BUSINESS DEVELOPMENT CORPORATION					
– Small Business Grants Program	-	1.4	-	-	-
– Planning Activities with the Office of Digital Government	-	0.2	0.2	-	-
– RiskCover Fund Insurance Premiums	-	- (i)	-	-	-
RURAL BUSINESS DEVELOPMENT CORPORATION					
– 2026-27 Streamlined Budget Process Incentive Funding	-	- (i)	-	-	-
ECONOMIC REGULATION AUTHORITY					
– Wholesale Electricity Market Investigations	-	1.5	1.7	1.7	1.8
– Corporate Services Restructure	-	0.7	0.7	0.7	0.7
– Graduate Program	-	0.4	0.4	0.4	0.4
– Alternative Electricity Services	-	0.2	0.4	0.4	0.4
FOREST PRODUCTS COMMISSION (l)					
– Ecological Thinning Program	-	-16.7	-14.8	-	-
RACING AND WAGERING WESTERN AUSTRALIA (l)					
– Racing Industry Distributions	-	12.5	-	-	-
BURSWOOD PARK BOARD					
– RiskCover Fund Insurance Premiums	- (i)	- (i)	-	-	-

(a) Funded in part from the Climate Action Fund Special Purpose Account.

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

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

(d) See Department of Health.

(e) See the Cost of Living Relief feature box in Chapter 1.

(f) This item includes spending for various agencies and appears in the Department of Energy and Economic Diversification as the lead agency for the program.

(g) See Department of Communities.

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

(i) See Department of Transport and Major Infrastructure in Chapter 6.

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

(k) See Department of Education.

(l) 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.

Energy and Economic Diversification

Election Commitment – Kalgoorlie Vanadium Battery Energy Storage System

The Department will provide \$150 million of grants over the forward estimates to the successful proponent of the Kalgoorlie Vanadium Battery Energy Storage System (VBESS). The Kalgoorlie VBESS will support grid reliability in the Eastern Goldfields and will help drive long duration energy storage development in Western Australia.

Green Iron and Steel

Exporting green iron and manufacturing green steel is a major opportunity for the State to add value to its raw iron ore exports. The Government has allocated \$85 million over 2026-27 and 2027-28 to capture these opportunities, comprising:

- a \$75 million investment into the NeoSmelt Pilot Project in Kwinana, to test a new low emissions ironmaking process using Pilbara iron ore; and
- a \$10 million grant program to support early-stage industry led studies for green iron and steel projects (with the cost met from within the Department's existing budget).

PoweringWA

The Government has committed an additional \$50.8 million over the forward estimates to resource PoweringWA within the Department to deliver the State's energy transition. This is on top of existing committed spending of \$16.4 million for the Pilbara Energy Transition Plan to be delivered by PoweringWA.

Election Commitment – 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. In line with Government's election commitment, a further \$30 million has been invested in the Fund over 2027-28 and 2028-29 for a second round of the New Energy Industries Funding Stream, focused on critical minerals, renewable hydrogen, green iron and steel, and carbon capture, utilisation and storage.

Science and Innovation

An additional \$18 million has been approved over the forward estimates to support various science and innovation activities in Western Australia. This includes support for Scitech, development of the State's nascent space industry, the continuation of support for the health and medical life sciences sector, implementation of the Digital Industries Acceleration Strategy, and a revamped Premier's Science Fellowship Program.

Community Engagement, Awareness, and Education

The Government is building an understanding of the State's energy transition domestically to provide up to date information to local industry and other key stakeholders. The Department will spend \$18 million over 2026-27 and 2027-28 on community awareness and education, including to promote business opportunities generated by the energy transition and the delivery of reliable, affordable and clean energy.

Investment Attraction

To promote investment opportunities and develop the State as a global energy powerhouse, the Government will invest \$12 million over 2026-27 and 2027-28 to continue extensive trade and investment activities. This spending will support promotion of investment opportunities in the State's energy transition as well as positioning Western Australia as an ideal destination to live, work and do business.

Temporary Fuel Supply for the East Kimberley

To secure critical fuel supply for industry in the East Kimberley amidst global uncertainty, the Government will spend \$10.4 million in 2025-26 for temporary fuel storage and supply.

Lithium and Nickel Industry Support Program

Building on its previous commitment of up to \$150 million for the Lithium Industry Support Program, the Government has committed up to \$45.4 million over 2026-27 and 2027-28 to extend the Program and expand it with a loan facility for nickel producers. This will support Western Australia's critical lithium and nickel industries to sustain operations under current market conditions and comprises:

- \$30 million to partially waive Government fees for lithium hydroxide producers, administered through Synergy, DevelopmentWA, and the Water Corporation, and for rebates by the Department (with a net increase in rebates of \$6.7 million);
- \$15 million for a temporary interest free repayable loan facility, available to operating nickel producers in Western Australia. The loans will be repayment free until either 1 July 2028 or until nickel prices exceed \$US22,000 per tonne for two consecutive quarters; and
- \$430,000 for the Department to continue to administer the program.

Industry Support Program

The Government will invest \$5.9 million over the forward estimates to centralise and enhance the delivery of the Department's grants, loan and equity support programs to improve industry's access to Government funding opportunities and better align Government investment with driving economic diversification opportunities.

Made in WA Energy Affordability Investment Program

The Government has committed \$156 million over the forward estimates to establish the Made in WA Energy Affordability Investment Program, to develop and scale the manufacturing sector. The Program comprises:

- \$153.3 million in low-interest loans to invest in energy-efficient infrastructure and advanced manufacturing equipment. The loans aim to improve energy affordability and competitiveness, whilst supporting delivery of the Made in WA and Diversify WA plans; and
- \$2.7 million for the Department to deliver and administer the program.

Albany Gas Transition

The Department will spend \$1.8 million over 2025-26 to 2026-27 to support customers impacted by the closure of the Albany Gas Distribution System to transition to alternative energy sources. In addition, the Department of Housing and Works will spend \$9 million to transition social housing properties to alternative energy sources.

Invest and Trade Western Australia

To continue to facilitate invest and trade opportunities, an additional \$1.7 million has been approved over 2026-27 and 2027-28 to support the Perth USAsia Centre and other invest and trade priorities.

Electricity Industry Act Implementation – Distributed Energy Resources

The Department will spend an additional \$1.2 million over the forward estimates to deliver priority work revising access codes, technical rules and industry codes under the *Electricity Industry Act 2004* to address risks to the energy system.

Payment to Pilbara-based Aboriginal Corporation

The Government has committed up to \$1 million to a Pilbara-based Aboriginal Corporation in 2026-27 in relation to an existing land agreement. This comprises an additional \$1 million of spending approved in this Budget, building on \$1.5 million previously approved.

Centre of Decommissioning Australia

The Government will continue its contribution, totalling \$1 million over 2026-27 and 2027-28, to support the Centre of Decommissioning Australia in pursuit of developing a sustainable oil and gas decommissioning industry in Western Australia.

Cost of Living – Energy Ahead Program Extension

The Government has committed an additional \$16 million over 2026-27 to 2028-29, including \$12.4 million for Synergy and \$2.9 million for Horizon Power, to extend the Energy Ahead program to deliver energy efficiency upgrades and education to an additional 8,000 Synergy and 386 Horizon Power low income customers.

Strategic Industries Fund Initiatives

The Government established the \$1 billion Strategic Industries Fund (SIF) to activate strategic industrial areas and attract new and emerging industries to the State. A further \$91.7 million has been allocated from the Fund over the forward estimates in this Budget towards land acquisition, planning and enabling infrastructure works, comprising:

- \$54.4 million (and an additional \$2 million in spending not funded by the SIF) for DevelopmentWA to progress land assembly in the Western Trade Coast and Kemerton Strategic Industrial Area (SIA), and to undertake planning works for a common user infrastructure corridor at the Boodarie SIA (see Chapter 6);
- \$21.1 million for the Water Corporation to undertake investigations and planning for a desalination water solution at the Boodarie SIA;
- \$12.5 million, with a further \$12.5 million subject to Commonwealth funding, for Main Roads to undertake planning and project development activities for road upgrades in Latitude 32 and the Australian Marine Complex; and
- \$3.7 million for the Water Corporation to undertake water planning and investigations for the Boodarie and Kemerton SIAs.

Creative Industries, Tourism and Sport

Establishment of the Regional Creative Industries Fund

The Government will reallocate \$28 million of funding over the forward estimates, originally approved for both the Regional Arts and Cultural Investment Program and the Regional Exhibition Touring Boost, towards establishing a Regional Creative Industries Fund to better streamline support and existing grants provided to regional creative organisations.

Department of Creative Industries Tourism and Sport Service Delivery

An additional \$22 million will be spent in 2026-27 to support the continued delivery of services by the Department.

Jina: Western Australian Aboriginal Tourism Action Plan 2026-2030

To support the continued development of the Aboriginal tourism industry, the Government has committed \$18 million over the forward estimates period to deliver priority Aboriginal tourism initiatives identified in the Jina: Western Australian Aboriginal Tourism Action Plan 2026-2030.

Demand Generation Package

The Government will provide an additional \$11.7 million over the forward estimates period to support Tourism WA's ongoing destination marketing and development activities to maintain global awareness of Western Australia as a desirable tourism destination.

Asset Renewal and Maintenance Budget Uplift

Additional funding of \$11 million over the forward estimates period has been approved to increase the Department's annual maintenance budget, including an asset replacement program targeted at key State cultural assets such as the WA Museum Boola Bardip, Art Gallery of Western Australia, and His Majesty's Theatre.

Business Events Perth

Tourism WA will provide an additional \$10 million to Business Events Perth over 2026-27 and 2027-28 to continue securing additional national and international business events for Western Australia, such as conferences, meetings, exhibitions and tradeshows.

Major Performing Arts Companies Boost

For costs faced by major arts and creative organisations recognised under the National Performing Arts Partnership Framework, the Government will provide an increase in grants totalling \$9.4 million over 2026-27 to 2028-29.

Creative Organisations Multi-year Funding Programs

To maintain existing funding levels for the Multi-year Creative Organisations Programs, the Department will spend an additional \$7.8 million over 2027-28 and 2028-29 to support small to medium arts organisations in Western Australia.

Western Australian Cricket Association (WACA) Ground High Performance Sport Upgrades

The Government has committed an additional \$7.4 million over the forward estimates period for upgrades at the WACA Ground and adjoining Waterbank playing fields.

Binar Community Hub

The Government will provide additional grant funding of \$6 million in 2026-27 as part of a 2025 election commitment to support the delivery of the Binar Community Sporting Hub.

World Class Tourism and Hospitality Management School

The State has committed up to \$5 million in 2027-28 to support the establishment of a world-class tourism and hospitality management school in Western Australia.

Artrage Fringe World Festival

An additional \$4.3 million will be provided to Artrage over 2027-28 to 2029-30 to assist with the staging of the annual Perth Fringe World Festival.

Microsoft Cloud Hosting and Licensing

An additional \$3.5 million will be spent across 2025-26 and 2026-27 to meet increased software licensing and cloud hosting costs due to increased demand and price increases.

National Redress Scheme for Institutional Child Sexual Abuse

In response to ongoing demand associated with the State's participation in the National Redress Scheme, an additional \$3.1 million has been allocated over 2026-27 and 2027-28 to meet staffing costs associated with the reporting requirements of the Scheme.

CinefestOZ Film Festival

To support the ongoing delivery of the CinefestOZ Film Festival, the Government will spend an additional \$2.6 million over the forward estimates period, funded from the Royalties for Regions program.

Digital Games and Interactive Technology Fund

The Department will spend an additional \$2 million over 2026-27 and 2027-28 to extend the Digital Games and Interactive Technology Fund for a further two years, supporting the Western Australian games and interactive industry to develop and release high quality digital games.

Better Beginnings Community Grants Program Extension

To provide for the continuation of the Better Beginnings Community Grants Program, the Government has approved additional expenditure of \$1 million over the forward estimates period. The program provides grants to public libraries, community groups and not-for-profit organisations to deliver early reading and literacy activities tailored to their communities.

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 2026-27 to support culturally and linguistically diverse community associations to deliver business opportunities and cultural festivals.

Sound Attenuation Grant Program Pilot

The Department will undertake a pilot of a Sound Attenuation Grant Program at a cost of \$500,000 in 2026-27, to provide support to eligible licensed and unlicensed venues to undertake a variety of works to improve sound attenuation and support the Night Time Economy Strategy. The cost of the pilot program will be met from within the Department's existing budget allocation.

Primary Industries and Regional Development

Operational Expenses

The Government has approved an additional \$51.8 million over 2025-26 and 2026-27 to meet the cost of the Department's service priorities, including salaries, information and communication technology, consumables, building maintenance, travel, accommodation and utilities.

Enhancing Biosecurity Preparedness and Response Programs

To continue the Department's Enhancing Biosecurity Preparedness and Emergency Animal Disease Preparedness programs, \$24.7 million will be spent over 2026-27 to 2029-30. This investment will support continuation of the Department's surveillance, planning, and preparedness activities for high-impact biosecurity threats.

2028 Kimberley Total Solar Eclipse

As part of a whole-of-government approach to the management of the Kimberley Total Solar Eclipse event in July 2028, expenditure of \$24.6 million over 2026-27 to 2028-29 has been approved to enable the delivery of public safety services and essential infrastructure requirements in the East Kimberley, with \$24.3 million allocated to the Department as the lead agency, for the following initiatives:

- \$13.2 million for planning and event management activities, including a planned Doon Doon viewing site, overflow accommodation facilities at Kununurra racecourse, and telecommunication upgrades;
- \$9.2 million to enable the Water Corporation to undertake essential water and wastewater upgrades in Kununurra to support additional visitation;
- \$1.1 million to upgrade roads at the Doon Doon viewing site to be undertaken by Main Roads; and
- \$810,000 for Horizon Power to upgrade power infrastructure at the Kununurra racecourse.

In addition, \$272,000 has been approved for the Department of Biodiversity, Conservation and Attractions to undertake event management activities.

Biosecurity Incident and Emergency Responses

The Department will spend an additional \$15.3 million over 2025-26 to 2029-30 on biosecurity incident and emergency management response activities. This includes:

- \$9.8 million for the red dwarf honey bee biosecurity response, largely funded under national cost sharing arrangements;
- an additional \$4.8 million as part of the State's ongoing management of the impact of the polyphagous shot-hole borer (PSHB), including the State's contribution to the PSHB Transition to Management Response Plan, and for the PSHB Tree Treatment Project; and
- \$918,000 to meet the State's required co-contributions for responses to the Northern Territory Browsing Ant and the Queensland Asian Green Mussel, as well as required national biosecurity organisation membership expenses and subscriptions.

Pilbara Hydrogen Hub – Clean Energy Training and Research Institute

The Pilbara Development Commission will spend \$10.6 million over 2026-27 to 2028-29 to establish and operate the Clean Energy Training and Research Institute (CETRI) in the Pilbara region. The CETRI will create regional training pathways and research capability for the State's hydrogen workforce, and support decarbonisation opportunities in the Pilbara.

Fisheries Support Package

The Government has approved an additional \$8.5 million over the forward estimates period for a Fisheries Support Package to support the new demersal scalefish management rules to halt stock decline, including an enhanced science program, education and awareness programs, and to upgrade the FishCatchWA application to enable demersal catch reporting once recreational fishing reopens. The program includes capital expenditure of \$30,000 for additional monitoring equipment.

Martu Student Hostel Program

The Department will spend an additional \$5.8 million over the forward estimates period for the extension of the Martu Student Hostel Program in Newman, which provides residential accommodation for Martu secondary students living in remote Aboriginal communities in the Western Desert.

Agricultural Promotion Program

An additional \$3 million has been approved for this Program in 2026-27.

Aboriginal Pastoral Program

The Government has committed \$2.4 million over the forward estimates period to continue the Aboriginal Pastoral Program, which supports Aboriginal-owned pastoral enterprises to improve strategic and business planning and governance capability, and creates a training pathway and employment opportunities for Aboriginal people in the pastoral industry.

Water Lily Place Affordable Housing Project

An additional \$1.8 million will be spent in 2025-26 to meet the cost of the Water Lily Place Affordable Housing Project election commitment, which will provide 14 affordable housing units for key workers in Kununurra.

Agrifood Activation Fund – Food Technology Facility Project

The Department will spend \$1.3 million over 2027-28 to 2029-30 to extend support for the Sustainable Innovative Food Technology Facility within the Peel Business Park. The facility provides agrifood businesses access to advanced equipment, technical expertise and affordable production capacity on a common user basis.

Animal Welfare Uplift

To continue the operations of the Animal Welfare Advisory Committee, the Government has approved additional expenditure of \$1.2 million over the forward estimates period. The Committee provides evidence-based advice to the Government on animal welfare policy and legislation.

Gwoonwardu Mia Aboriginal Heritage and Cultural Centre

The Government has committed \$3.7 million over 2026-27 and 2027-28 to support the operation of the Gwoonwardu Mia Aboriginal Heritage and Cultural Centre in Carnarvon. This includes \$2.9 million for the Western Australian Museum to operate the Centre, and \$800,000 to be spent by the Department to undertake maintenance activities.

Broadacre Research Activities

The Department will spend an additional \$593,000 over 2025-26 and 2026-27 to undertake broadacre research activities in line with the Western Australian Science and Technology Plan 2025-2035, funded from dividends received from Intergrain.

Pastoral Land Carrying Capacity Review

The Department will spend \$518,000 over 2025-26 and 2026-27 to undertake a review of the potential carrying capacity of pastoral leases, in partnership with Landgate and the Department of Planning, Lands and Heritage.

Shark Notification and Response System

An additional \$306,000 will be spent over 2027-28 to 2029-30 on annual hosting and support services for the Shark Notification and Response System.

South West Development Commission – Land and Building Management

The Department will spend \$286,000 over 2026-27 to 2029-30 to meet the Commission's building maintenance costs, funded from sale proceeds following a compulsory buy-back by Main Roads of two lots owned by the Commission in Glen Iris.

Firearms Governance Uplift

An additional \$135,000 will be spent over 2026-27 to 2028-29 for security monitoring contracts and maintenance, as well as firearms governance costs including asset maintenance, servicing, testing and replacements to meet legislative requirements.

Katanning Aerodrome

The Department will provide \$138,000 in 2025-26 to the Shire of Katanning for the Katanning Airport runway reconstruction and resurfacing project.

Mines, Petroleum and Exploration

Mining Rehabilitation Fund – Five Year Plan

Additional expenditure of \$19.7 million over 2026-27 to 2029-30 has been approved to address priority safety works under the Abandoned Mines Program five-year plan. This expenditure is fully funded from the Mining Rehabilitation Fund (MRF) Special Purpose Account and is more than offset by increased revenue of \$36 million over the same period generated from MRF Levy collections (\$33.4 million) and interest income (\$2.6 million).

Carbon Capture, Utilisation and Storage (CCUS)

The Department will spend \$4.8 million over 2026-27 and 2027-28 to facilitate and complete the implementation of the CCUS industry regulatory framework for the transportation and storage of greenhouse gas, to facilitate the development of the CCUS industry.

Fee for Objections

The Government has provided \$2.4 million over 2025-26 to 2029-30 to deliver administrative support to the second Perth Mining Warden so contested applications are progressed in a timely manner.

Resources Online

The Government will spend \$920,000 in 2026-27 to undertake system maintenance for the current platform and develop a business case to modernise and streamline the environmental compliance reporting and management functions of the Resources Online digital platform.

Minerals Research Institute of Western Australia

Critical Minerals Advanced Processing (CMAP) Common-User Facility

The State portion of funding for the CMAP has been redirected towards the Lithium and Nickel Industry Support Program and NeoSmelt Pilot Project (see Energy and Economic Diversification for further detail). A feasibility study jointly funded by the State and Commonwealth Governments is underway and the State remains committed to providing a contribution of up to \$100 million, conditional on co-funding on a 50:50 basis with the Commonwealth (see Statement of Risks in Chapter 3).

Clean Energy and Emissions Reduction – Research and Development

The Government will spend \$16 million over 2026-27 to 2029-30 to assist the Institute with the implementation and administration of a clean energy and emissions reduction research program.

Gold Corporation

State Battery Safety Program

The Gold Corporation will spend an additional \$6.8 million in 2026-27 to continue work to assess and mitigate risks associated with 22 State battery sites.

Western Australian Meat Industry Authority

Muchea Livestock Centre

The Authority will spend an additional \$2.1 million over 2026-27 to 2029-30 to support the Muchea Livestock Centre, including undertaking increased preventative maintenance and repairs to support operational continuity.

Small Business Development Corporation

Small Business Grants Program

The Corporation will spend \$1.4 million in 2026-27 to deliver a further round of the Small Business Grants Program which supports small business owners to strengthen and grow their operations.

Planning Activities with the Office of Digital Government

The Corporation will spend \$406,000 over 2026-27 and 2027-28 to work with the Office of Digital Government on planning activities, including a focus on small business transactions.

Economic Regulation Authority

Wholesale Electricity Market Investigations

To manage the increase in investigations arising from the electricity market rule changes made in October 2023, the Government has approved expenditure of \$6.7 million over 2026-27 to 2029-30 for seven additional industry-funded staff.

Corporate Services Restructure

The Government has approved an additional \$2.8 million over 2026-27 to 2029-30 for four additional industry-funded corporate support staff to assist with the growing volume and complexity of the Authority's monitoring and investigative functions.

Graduate Program

To strengthen the Authority's ability to retain graduates, \$1.6 million has been allocated over 2026-27 to 2029-30 for three industry-funded positions, providing a pathway to permanency for those completing the graduate program.

Alternative Electricity Services (AES)

The Government has approved an additional \$1.4 million over 2026-27 to 2029-30 to implement the AES framework, with the framework being fully industry-funded from 1 July 2028.

Forest Products Commission

Ecological Thinning Program

The Government has revised the financial parameters of the Ecological Thinning Program for 2026-27 and 2027-28 to better reflect the expected program delivery. As a result, payments from the Ecological Thinning Account to the Forest Products Commission will be reduced by \$31.4 million (with this amount to instead remain in the Account).

Racing and Wagering Western Australia

Racing Industry Distributions

The Government has allocated up to \$12.5 million to Racing and Wagering Western Australia (RWVA) in 2026-27 to ensure distributions to the racing industry are maintained at the existing level. This spending has been provisioned and will only be incurred if betting revenue is insufficient to meet budgeted distributions to the racing industry. The sustainability of RWVA's funding arrangements is being examined by the Independent Review into the Financial Sustainability and Governance of RWVA.

HEALTH

Table 5

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
WA HEALTH					
– Hospital Services ^(a)	392.4	1,842.6	1,713.4	1,357.6	1,009.7
– RiskCover Fund Insurance Premiums	0.1	103.5	28.4	32.1	32.1
– Contracted Services Uplift	42.8	58.7	-	-	-
– Winter Strategy 2026 ^(b)	26.7	68.4	-	-	-
– Regional Health Programs	-	27.2	28.5	6.5	6.5
– Support for Aged Care Programs	5.9	32.5	15.5	6.3	-
– Purchase and Commissioning of Mt Lawley Hospital ^(c)	21.8	34.8	-	-	-
– Extension of Emergency Access Initiatives	-	34.8	16.2	0.3	-
– Child Development Services System Reform	-	24.5	25.2	0.1	0.1
– WA Health Digital Capability Fund Programs ^(c)	1.4	43.7	0.3	0.3	0.3
– Health Support Services	-	44.8	-	-	-
– Central Commissioning Office	-	10.2	9.0	9.3	7.6
– Multi-Purpose Services	33.9	-	-	-	-
– 2027 Vaccination Programs	-	26.4	0.6	-	-
– Public Sector Casual Long Service Leave	6.7	15.6	-	-	-
– Medical Respite Centre	-	4.7	4.9	5.0	5.2
– Supply Chain Operations	-	8.3	10.5	0.9	-
– Prevention of Family and Domestic Violence Initiatives					
– Social Community Supports Package ^(d)	-	4.9	5.5	3.3	-
– Microsoft Enterprise Agreement	-	12.1	-	-	-
– Geraldton Health Campus Commissioning	-	9.6	0.4	0.4	0.4
– Enterprise Resource Planning	1.9	3.5	0.4	-	-
– Election Commitment – Sister Kate’s Aboriginal Aged Care Facility	5.0	-	-	-	-
– Tobacco and Vaping Compliance Activities	1.8	3.2	-	-	-
– Expansion of BreastScreen Services	-	2.4	2.0	-	-
– Aboriginal Environmental Model of Care	-	0.6	1.7	1.4	-
– Health Navigator Pilot Program	-	3.3	-	-	-
– Strengthening Preventative Health	-	0.9	1.0	-	-
– Therapeutic Approaches in the Children’s Court ^(e)	-	0.9	0.9	-	-
– Election Commitment – Aged Care Low Interest Loan Scheme	0.4	0.4	0.4	0.4	-
– Reportable Conduct Scheme ^(d)	-	0.4	0.4	0.4	0.4
– Royal Commission into Institutional Responses to Child Sexual Abuse ^(d)	-	0.6	0.7	-	-
– Investment in Disability Services (Thriving Kids) ^(d)	-	0.5	0.6	-	-
– Regional Virtual Care Platform ^(c)	-	0.8	-	-	-
– LGBTIQ+ Training	-	0.8	-	-	-
– Early Years Partnership ^(d)	-	0.6	0.1	-	-
– Disaster Recovery Fund – Round Three ^(f)	0.1	0.1	-	-	-
– Fiscal Strategy – Procurement Savings	-	-4.5	-4.5	-4.5	-4.5

Table 5 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
MENTAL HEALTH COMMISSION					
– Active Recovery Team	-	11.9	12.6	13.4	14.4
– Social and Emotional Wellbeing	-	5.4	14.0	14.4	14.8
– Community Services Contracts	-	10.4	10.8	11.2	11.4
– Ambulance Mental Health Co-Response	4.9	8.8	9.3	10.0	10.3
– Suicide Prevention ^(g)	-	5.3	5.9	8.9	9.6
– Infant, Child and Adolescent System Transformation Program	-	6.0	6.3	6.7	7.1
– Crisis Recovery and Intervention Support Services	0.6	3.5	3.6	3.8	3.9
– Administered Entities	-	2.7	2.7	2.8	3.0
– Perth Children’s Hospital Ward 5A	-	6.6	-	-	-
– Prevention of Family and Domestic Violence Initiatives ^(d)	-	1.0	1.1	0.9	0.9
– Needle and Syringe Exchange Program	-	0.5	0.5	0.5	0.5
– Model for Violence Prevention Pilot Extension	-	1.4	-	-	-
– RiskCover Fund Insurance Premiums	-	0.1	-	-	-
HEALTH AND DISABILITY SERVICES COMPLAINTS OFFICE					
– 2026-27 Streamlined Budget Process Incentive Funding	-	0.1	-	-	-
– RiskCover Fund Insurance Premiums	- ^(h)	- ^(h)	-	-	-

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

(b) This excludes spending captured under ‘Support for Aged Care Programs’.

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

(d) See Department of Communities.

(e) See Department of Justice.

(f) See Department of Fire and Emergency Services.

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

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

Note: Rows may not add due to rounding.

WA Health

Hospital Services

Reflecting the Government’s priority to ensure all Western Australians can access the healthcare they need, when they need it, the 2026-27 Budget includes a historic investment to boost spending on the State’s hospital services by an additional \$6.5 billion between 2025-26 and 2029-30.

This investment will bring annual spending on hospital services to \$12.1 billion in 2026-27 and will underpin the Government’s commitments to the delivery of substantially expanded hospital bed capacity, services, and workforce – with a significant increase in hospital beds in 2026-27.

The additional expenditure is partially funded by \$1.8 billion in additional Commonwealth revenue from the new National Health Reform Agreement, signed in early 2026.

Contracted Services Uplift

Spending on services delivered in the community will increase by \$101.5 million over 2025-26 and 2026-27 to enable WA Health to meet its contractual obligations, particularly for patient transport, ambulance services, community dialysis services and in-home health care, reflecting updated cost and volume indexation under various agreements.

Winter Strategy 2026

To deliver the Government’s Winter Strategy for 2026, the Government has committed over \$140 million over 2025-26 to 2026-27. This includes \$95.1 million comprising:

- \$56.2 million for private hospital activity over 2025-26 and 2026-27 to support additional system capacity and delivery of elective surgery, and \$5 million for additional public beds;
- \$14 million for vaccination programs in 2026 to reduce the impact of winter-related illnesses over the winter flu season;
- \$6.9 million for targeted public awareness campaigns to inform the public of options for accessing health services;
- \$5.7 million for winter care teams and bed turnaround teams to support faster patient discharge processes, improving hospital access for those requiring admission;
- \$4.1 million to continue the pilot of the Extended Care Paramedics program; and
- \$3.2 million to pilot a rapid point of care testing program in emergency departments, to better support early identification of influenza-like illness.

This is in addition to \$45.7 million in aged care specific initiatives included under ‘Support for Aged Care Programs’ below.

Regional Health Programs

To continue to provide quality health care closer to home, the Government is investing an additional \$68.6 million in various regional healthcare programs over 2026-27 to 2029-30. This additional funding reflects the higher costs of delivering services in regional Western Australia and provides additional funding to support ongoing services including the Pilbara Health Initiative (\$20.3 million), regional cancer services (\$14.8 million), regional palliative care teams (\$13.7 million), the Country Patient Health Support service (\$5.5 million), and Remote Area Nursing Posts (\$4.9 million). Funding is partly provided through Royalties for Regions.

Support for Aged Care Programs

On any given day, more than 300 older patients remain in hospital, medically cleared for discharge, waiting for an aged care bed. To address Commonwealth shortfalls in aged care provision, \$60.2 million will be invested over 2025-26 to 2028-29, including:

- \$24.2 million for an additional 150 Time to Think beds in time for winter 2026, providing a hospital discharge destination for older patients awaiting aged care;

- \$20.3 million for a new 60-bed pilot TCP@Home+ Program, utilising wearable devices to help older people remain in their homes for longer;
- \$14.6 million to address Transition Care Program contract costs; and
- \$1.1 million for four Aged Care Hospital in the Home Coordinators to ensure aged care patients can receive appropriate medical care outside of a hospital setting.

Extension of Emergency Access Initiatives

The Government has allocated \$51.4 million over 2026-27 to 2028-29 to continue targeted initiatives to deliver ongoing improvements in emergency access, and support programs to expedite discharges for vulnerable patients including:

- \$24.4 million to extend the time-limited funding for the State Health Operations Centre, providing statewide operational coordination for the WA Health system;
- \$12.6 million to continue the From Hospital to Home Disability Transition Care Program for a further 12 months to provide appropriate support for discharge to the community;
- \$6.7 million for an additional two years of funding for the delivery of system access reform programs via the Emergency Access Reform program;
- \$4.1 million over 2026-27 to 2028-29 to support the delivery of the Enhanced Access Community Pharmacy Pilot, enabling community pharmacists to provide treatment for common and mild conditions;
- \$2.3 million to continue the Long Stay Patient Fund, to deliver patient-by-patient solutions to support long stay patients transitioning from hospital to more suitable accommodation; and
- \$1.4 million to continue the delivery of the Access Health Campaign.

Child Development Services System Reform

The Government has allocated \$49.8 million over the forward estimates for the continued provision of expanded Child Development Services in metropolitan and regional areas for a further two years, and associated ongoing lease impacts. The funding will ensure continuation of the uplifted workforce of 119 FTE, including paediatricians, clinical nurse specialists and allied health staff, to help meet demand.

Health Support Services

To continue uplifted resourcing for Health Support Services in 2026-27, an additional \$44.8 million will be spent to address increased demand from WA Health's expanded workforce and capacity.

Central Commissioning Office

To guide the sequenced activation of the significant number of hospital beds coming online over the forward estimates period, \$36.2 million has been provisioned over 2026-27 to 2029-30 to establish a Central Commissioning Office.

Multi-Purpose Services

Further funding of \$33.9 million in 2025-26 has been provided to support integrated rural and remote aged care and health services under the Multi-Purpose Service Program from January to June 2026. The funding for this program is provided through a Commonwealth grant.

2027 Vaccination Programs

An additional \$27.1 million has been committed over 2026-27 and 2027-28 by the Government to support procurement of vaccines for the FluMist and free flu programs for the 2027 winter, continue programs to support vaccination uptake in the community, and support the ongoing delivery of the Respiratory Syncytial Vaccination program.

Public Sector Casual Long Service Leave

The Government has allocated \$22.3 million over 2025-26 and 2026-27 for WA Health to acquit casual long service leave liabilities for terminated casual and mixed-mode employees.

Medical Respite Centre

The Government has committed \$19.8 million over 2026-27 to 2029-30 for the continuation of the Medical Respite Centre, which provides people experiencing homelessness with post-acute care during their recovery from illness or injury.

Supply Chain Operations

To support the supply of medical consumables to metropolitan hospitals, an additional \$19.8 million will be spent over 2026-27 and 2027-28 for the continuation of existing supply chain arrangements.

Microsoft Enterprise Agreement

The Government has invested an additional \$12.1 million in 2026-27 to continue support for critical ICT licences and servers used to support the delivery of health services, with increased spending reflecting higher licensing and security support costs.

Geraldton Health Campus Commissioning

The Government will spend \$10.9 million over 2026-27 to 2029-30 to onboard and train clinical Intensive Care and Mental Health specialists ahead of the opening of the Geraldton Health Campus Redevelopment in September 2026, and secure an additional 78 leased dwellings to accommodate additional staff.

Enterprise Resource Planning

An additional \$5.8 million will be spent over 2025-26 to 2027-28 to prepare for the introduction of a new Enterprise Resource Planning solution.

Election Commitment – Sister Kate’s Aboriginal Aged Care Facility

A \$5 million grant is being provided to Hall & Prior in 2025-26, along with a \$10 million low interest loan, to help deliver the 90 to 100-bed Sister Kate’s Aboriginal Aged Care Facility. This brings the Government’s total investment in this initiative to \$25 million.

Tobacco and Vaping Compliance Activities

The Government will spend \$5 million over 2025-26 and 2026-27 to strengthen tobacco and vaping compliance activities across Western Australia, including the expansion of intelligence and enforcement capacity to improve community safety.

Expansion of BreastScreen Services

To continue to deliver an additional two days per week of assessment appointments at the Joondalup BreastScreen WA clinic, the Government has committed \$4.4 million over 2026-27 and 2027-28.

Aboriginal Environmental Model of Care

The Government has invested \$3.7 million over 2026-27 to 2028-29 to pilot the co-designed model of the Aboriginal Environmental Health program, informed by engagement with Aboriginal organisations and service providers, with the roll-out to be phased over 24 months in the Pilbara, Perth and Kimberley regions.

Health Navigator Pilot Program

The Government will invest \$3.3 million to continue the Health Navigator Pilot Program for a further 12 months to support health system navigation for children in out-of-home care.

Strengthening Preventative Health

The Government will invest \$1.9 million over 2026-27 and 2027-28 to support the delivery of preventative health initiatives.

Election Commitment – Aged Care Low Interest Loan Scheme

To deliver the Government’s \$100 million Aged Care Low Interest Loan Scheme, which aims to increase the number of concessional aged care places in Western Australia, \$1.7 million will be provided over 2025-26 to 2028-29 for two FTEs at WA Health. A further \$2.6 million is reflected under the Department of Energy and Economic Diversification for three FTEs and system administration costs.

LGBTIQA+ Training

The Government has committed \$800,000 for the Western Australian branch of the Australian Medical Association to design and deliver training and education that supports medical practitioners to meet the health and wellbeing needs of LGBTIQA+ people.

Mental Health Commission

Active Recovery Team

The Government will spend \$52.3 million over 2026-27 to 2029-30 to continue operation of the Active Recovery Team program. This service provides intensive and structured wraparound support to people with complex and co-occurring mental health and alcohol and other drug issues before they reach crisis.

Social and Emotional Wellbeing

The Government has committed \$48.6 million over the forward estimates period to continue the Social and Emotional Wellbeing model of service delivery, including the provision of holistic and culturally appropriate support for Aboriginal people accessing mental health services in regional Western Australia. This brings the Government's total investment to \$78.5 million.

Community Services Contracts

To ensure sustainability of critical mental health services delivered in the community, the Commission will spend \$43.8 million over 2026-27 to 2029-30 to continue uplifted funding for community services contracts and address associated costs.

Ambulance Mental Health Co-Response

The Government will spend \$43.2 million over 2025-26 to 2029-30 to continue the Ambulance Mental Health Co-Response Service, which provides virtual triage and crisis care to support people in distress and reduce presentations to emergency departments.

Suicide Prevention

The Government has committed \$29.7 million over the forward estimates period to fund a range of suicide prevention initiatives, including:

- \$7.2 million to continue the Youth Suicide Sanctuary, which provides short-term residential and therapeutic care to 16-24 year olds experiencing suicidal thoughts;
- \$4.9 million to expand the Children and Young People Responsive Suicide Support service; and
- \$4.8 million for additional regional suicide prevention workers.

Infant, Child and Adolescent (ICA) System Transformation Program

A further \$26.1 million will be spent over the forward estimates period, bringing this Government's total investment in ICA System Transformation Program initiatives to \$235.3 million since 2022-23. Investment in this Budget will provide:

- \$16 million for the continuation of the Infant, Child and Adolescent Mental Health Services Bunbury Hub, which provides specialist mental health support for young people;

- \$8.8 million to continue providing a 24/7 virtual ICA mental health advice service for regional professionals and virtual post-emergency department follow up for children and families; and
- \$1.4 million to continue delivering Perinatal Mental Health Support groups for mothers and their infants to support perinatal mental health and early childhood development.

Crisis Recovery and Intervention Support Services

To provide an alternate response pathway for people presenting to emergency departments with mental health concerns, the Government will spend \$15.4 million over 2025-26 to 2029-30 to pilot a Crisis Recovery and Intervention Support Service in one location in the metropolitan region. The program will provide support for individuals who require short-term care that is more intensive than primary care but does not require hospital admission, reducing pressure on emergency departments.

Administered Entities

The Government will spend \$11.3 million over the forward estimates period to support mental health services provided by administered entities comprising:

- Mental Health Advocacy Service – \$9.7 million to uplift pay rates for advocates, and provide advocacy services for additional mental health hospital beds, and psychiatric hostel residents;
- Office of the Chief Psychiatrist – \$1.5 million to fulfill expanded statutory obligations under the *Privacy and Responsible Information Sharing Act 2024* and to support an expanded mental health system; and
- a \$71,000 uplift for provision of support for additional mental health beds at Joondalup Health Campus.

Perth Children’s Hospital Ward 5A

The Government will spend an additional \$6.6 million in 2026-27 to operate 12 temporary mental health beds at Hollywood Private Hospital and maintain public capacity while Perth Children’s Hospital Ward 5A is refurbished.

Needle and Syringe Exchange Program

A further \$2 million will be spent over the forward estimates period to embed the Needle and Syringe Exchange Program in Broome. The program offers equipment exchange, safe disposal, brief interventions and referrals to other services to minimise harm and reduce pressure on emergency departments.

Model for Violence Prevention Pilot Extension

To prevent alcohol-related violence and impacts on frontline services, the Government has committed an additional \$1.4 million in 2026-27 to the Model for Violence Prevention program. The program uses aggregate data to identify prevention initiatives to reduce alcohol-related presentations to the Royal Perth Hospital Emergency Department.

EDUCATION AND TRAINING

Table 6

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW					
	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
EDUCATION					
– Student Enrolment Growth ^(a)	39.4	76.1	76.9	76.6	64.6
– School Maintenance ^(a)	19.8	49.8	46.9	52.6	49.4
– RiskCover Fund Insurance Premiums	12.8	67.5	19.4	18.3	17.2
– Cost of Living – 2026 WA Student Assistance Payment ^(b)	-	88.7	-	-	-
– Public Sector Casual Long Service Leave	-	32.5	3.2	-	-
– Grants to Non-Government Schools	0.3	1.8	3.5	7.9	19.7
– Better and Fairer Schools Agreement – Reform Initiatives ^(a)	-	8.0	7.7	3.9	4.0
– Swimming and Water Safety Programs	-	1.9	1.9	2.0	2.0
– Reportable Conduct Scheme ^(c)	-	1.6	1.7	1.7	1.8
– Kimberley Schools Project	-	3.1	3.2	-	-
– Artificial Intelligence Solution for Teachers	-	2.7	1.8	-	-
– Therapeutic Approaches in the Children’s Court ^(d)	-	0.2	0.2	-	-
– Planning for School Redevelopments	-	0.4	-	-	-
– Fiscal Strategy – Procurement Savings	-	-2.2	-2.2	-2.2	-2.2
TRAINING AND WORKFORCE DEVELOPMENT					
– Training Delivery ^(a)	14.0	69.8	61.9	-	-
– Group Training Organisation Wage Subsidy Program	-	4.4	5.5	4.9	4.8
– National TAFE Network Specific Policy Initiative	2.6	5.2	5.2	2.6	-
– Construction Visa Subsidy Program and Construction Migration Office	-	4.4	6.8	1.1	0.9
– Vocational Education and Training (VET) Data Streamlining Specific Policy Initiative	-	0.4	1.7	2.8	0.9
– Fiscal Strategy – Procurement Savings	-	-0.3	-0.3	-0.3	-0.3
TAFE COLLEGES					
– International Student Enrolment Forecasts	1.0	2.0	2.4	2.2	2.2
– Kimberley Juvenile Justice Strategy ^(d)	-	1.5	1.6	1.7	1.7
– RiskCover Fund Insurance Premiums	1.7	3.7	-	-	-
BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD					
– RiskCover Fund Insurance Premiums	- ^(e)	- ^(e)	-	-	-
– 2026-27 Operational Plan	-17.8	13.0	-1.4	-2.8	-1.1

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

(b) See also the Cost of Living Relief feature box in Chapter 1.

(c) See Department of Communities.

(d) See Department of Justice.

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

Note: Rows may not add due to rounding.

Education

Student Enrolment Growth

Spending on public school services will increase by \$333.6 million over 2025-26 to 2029-30, arising from updated student enrolment projections following the semester 1, 2026 student census. This is primarily driven by an update to the number of students with disability.

School Maintenance

Spending on essential maintenance in schools will be further boosted through an additional \$218.6 million investment over the forward estimates period for repairs and minor maintenance works in public schools across the State.

This investment is in addition to increased spending on targeted maintenance and minor works programs to address high priority facility improvements, to renew and upgrade school infrastructure, and to progress the final tranches of the Minor Upgrades and Cool the Schools election commitments (see Chapter 6), bringing total investment in initiatives to maintain and progress upgrades to school infrastructure to \$408.1 million in this Budget.

Cost of Living – 2026 WA Student Assistance Payment

The Government continues to provide support for cost of living pressures across the State, including through the delivery of a third round of the WA Student Assistance Payment to commence from Term 3 of the 2026 school year.

To deliver this, an additional \$89.5 million will be spent in 2026-27 (including \$867,000 to the Department of the Premier and Cabinet for ServiceWA support) to provide targeted relief to Western Australian families with school-aged children, including payments of \$150 for kindergarten and primary school students and \$250 for secondary school students.

Public Sector Casual Long Service Leave

The Government has allocated \$36.8 million over 2026-27 and 2027-28 (including \$1 million to the Department of the Premier and Cabinet) to continue the settlement and assessment of long service leave entitlements for casual employees of the Department.

This includes settlement payments to terminated employees, resourcing and ICT system upgrades to support the continued assessment of entitlements, and upgrades to the ServiceWA application to facilitate the disbursement of payments to recipients.

Grants to Non-Government Schools

Additional grant funding of \$33.2 million will be provided to non-government schools over 2025-26 to 2029-30 reflecting updated student enrolment forecasts and the State's associated funding obligations under the Better and Fairer Schools Agreement.

Better and Fairer Schools Agreement – Reform Initiatives

The Government will spend an additional \$23.6 million through to 2029-30 under the Commonwealth Better and Fairer Schools Agreement on priority reform initiatives for the State, mainly for:

- the establishment of a Disability and Inclusion Professional Learning Hub for workforce training, with a focus on boosting the capability of public school staff to effectively support and educate students with disability and complex behaviours (\$15.7 million over 2026-27 to 2029-30); and
- the development of an additional Western Australian Certificate of Education pathway (WACE Access) for students from priority cohorts (\$6.9 million to 2029-30) to support improved post-school outcomes.

Swimming and Water Safety Programs

The Government has allocated an additional \$7.7 million over 2026-27 to 2029-30 to enable the continued delivery of high-quality water safety education to school students across the State, and to ensure an adequate supply of swimming instructors.

Kimberley Schools Project

To continue support for students and schools across the Kimberley, with a focus on community partnership and empowerment, the Government will spend a total of \$6.5 million over 2026-27 and 2027-28 (including \$243,000 to the Kimberley Development Commission) to ensure continuation of the Kimberley Schools Project (including the Kindilink program) until the end of 2027.

Artificial Intelligence (AI) Solution for Teachers

An additional \$4.6 million will be spent across 2026-27 and 2027-28 to extend an AI pilot program, which aims to improve lesson planning and reduce teachers' workloads.

Planning for School Redevelopments

The Government will invest \$350,000 in 2026-27 to progress planning activities for public school redevelopments.

Training and Workforce Development

Training Delivery

The State continues to experience heightened demand for vocational training to support workforce mobility across critical sectors of the economy and to continue to grow workforce skills and capability.

To meet this demand, and to continue low and Fee-Free TAFE settings through to 2027, the Government will spend an additional \$145.6 million across 2025-26 to 2027-28 to ensure capacity in the Vocational Education and Training sector.

Group Training Organisation Wage Subsidy Program

Through a contribution from the Construction Training Fund, the Government will spend an additional \$19.6 million over 2026-27 to 2029-30 to provide 330 additional places under the Group Training Organisation (GTO) Wage Subsidy Program comprising:

- 205 additional places at a 50% subsidy;
- 75 additional places at a 75% subsidy for priority cohorts; and
- 50 additional places at a 75% subsidy for women in electrical trades.

This program supports the building and construction sector, and the Government's housing priorities, by subsidising the cost of apprentices and trainees employed by GTOs and hosted out to businesses in the sector.

National TAFE Network Specific Policy Initiative

To progress the National TAFE Network Specific Policy Initiative under the National Skills Agreement, the State will spend \$15.5 million over 2025-26 to 2028-29 to enhance national collaboration across the TAFE network on the development of a training curriculum and provide workforce and training services to support the training sector.

Construction Visa Subsidy Program and Construction Migration Office

The Government will spend \$13.1 million over 2026-27 to 2029-30 to provide an additional 1,100 places under the Construction Visa Subsidy Program and Build a Life in WA incentive.

Each program incentivises Western Australia as a location of choice for attracting skilled building and construction professionals from interstate and overseas. This spending includes the extension of the Construction Migration Office to continue assisting applicants and employers during their progression through the program.

Vocational Education and Training (VET) Data Streamlining Specific Policy Initiative

Under the National Skills Agreement VET Data Streamlining Specific Policy Initiative, the State will spend an additional \$5.8 million to deliver a more streamlined and efficient national dataset, strengthen quality assurance and validation practices, and enable a more timely exchange of data across the national VET sector.

TAFE Colleges

International Student Enrolment Forecasts

Reflecting an uplift in international student enrolments in training across the State, the Government will increase spending across the TAFE Colleges by \$9.8 million over 2025-26 to 2029-30 to increase training services for this student cohort.

Building and Construction Industry Training Board (BCITB)

2026-27 Operational Plan

The BCITB 2026-27 Operational Plan reflects up to date estimates of spending activity across a suite of programs to support the construction sector. This includes an additional \$13 million in 2026-27, primarily for increases in capital grants provided to private training organisations for the upgrade of facilities and equipment to support higher quality training, and increases to the Skills Innovation Grants program to provide targeted initiatives to close critical skills gaps, and assist the construction sector to manage technological and cultural change. Forecast reductions in expenditure in the forward estimates reflect changes in anticipated claim rates and administration improvements.

COMMUNITY SAFETY

Table 7

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
WESTERN AUSTRALIA POLICE FORCE					
– Police Services Expenditure	32.7	95.5	20.5	20.6	20.9
– Road Trauma Trust Account – Road Safety Initiatives	1.9	11.0	44.6	40.8	41.7
– Police Officer Health and Wellbeing	18.9	21.0	7.5	7.3	7.3
– Operation Regional Shield	-	11.9	12.3	-	-
– Frontline Police Optimisation	-	4.0	4.1	4.2	4.3
– Public Safety Network Planning and Design	-	8.4	1.6	-	-
– Community Liaison Officers	-	0.7	2.4	2.3	2.3
– Land Forces Expo 2026	-	6.1	-	-	-
– RiskCover Fund Insurance Premiums	0.8	4.3	-	-	-
– Prevention of Family and Domestic Violence Initiatives					
– Electronic Monitoring Resourcing ^(a)	-	0.9	0.9	0.9	1.0
– Prevention of Family and Domestic Violence Initiatives					
– System Reform Plan ^(a)	-	1.0	0.9	1.0	0.5
– Evidence Act Equipment Upgrades	-	0.7	0.3	0.3	0.3
– Police and Community Youth Centres (PCYC) – safeSPACE	-	1.5	-	-	-
– Interagency Computer Aided Dispatch System – Business Case	-	1.5	-	-	-
– Recruitment Centre Relocation ^(b)	1.1	0.3	-	-	-
– Justice Reform Initiatives ^(c)	0.1	1.2	-	-	-
– Yanchep Police Station Relocation ^(b)	-	1.0	0.1	-	-
– Police Headquarters Security Measures ^(b)	-	0.7	-	-	-
– Video Analytics Capability – Business Case	-	0.3	-	-	-
– Fiscal Strategy – Procurement Savings	-	-0.6	-0.6	-0.6	-0.6
JUSTICE					
– Justice Services Expenditure					
– Custodial and Offender Services	75.0	41.7	39.3	42.1	41.3
– Prison Health Care and Mental Health Services	2.9	11.7	7.0	7.3	8.0
– Justice Reform Initiatives	1.1	14.9	4.0	3.0	3.1
– RiskCover Fund Insurance Premiums	-	68.4	24.5	27.1	21.5
– Criminal Injuries Compensation Payments	69.7	22.1	-	-	-
– Youth Justice Initiatives					
– Kimberley Juvenile Justice Strategy	0.2	8.7	8.3	8.6	8.8
– Therapeutic Model of Care for Young People in Detention	0.5	2.6	2.7	2.8	2.3
– Therapeutic Approaches in the Children's Court	-	2.3	2.3	1.9	1.9
– Adult Community Corrections	-	7.9	8.3	9.0	8.3
– Custodial Safety and Security Initiatives	1.0	11.6	10.6	1.3	0.4
– Public Trustee Services	-	3.5	6.6	6.8	6.9
– Prevention of Family and Domestic Violence Initiatives ^(a)	-	4.0	1.9	0.8	0.8
– Adult Custodial Estate Expansion ^(b)	1.2	5.1	-	-	-
– Workers Compensation Claims Management	0.1	1.6	2.1	0.9	0.9
– Custody Notification Service	-	0.9	1.0	1.0	1.0
– Yiwarra Kuju – Martu Western Desert Justice Program	-	0.6	0.6	0.6	0.6
– Legal Services for Victim-Survivors of Sexual Assault Pilot Agreement	0.3	1.2	0.6	-	-
– Prison Infrastructure Upgrades ^(b)	-	0.9	-	-	-
– Reportable Conduct Scheme ^(a)	-	0.4	0.4	0.4	0.4
– Royal Commission into Institutional Responses to Child Sexual Abuse ^(a)	-	0.4	0.4	-	-

Table 7 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
STATE SOLICITOR'S OFFICE					
– State Agreements	-	1.0	1.0	1.0	1.1
– Office Accommodation Capacity Expansion	-	3.3	-	-	-
– Legislative Instructing Function	-	1.5	1.5	-	-
– Children in Care Class Action ^(a)	-	1.4	1.4	-	-
– Royal Commission into Institutional Responses to Child Sexual Abuse ^(a)	-	0.8	0.8	0.5	0.6
– RiskCover Fund Insurance Premiums	0.1	0.2	-	-	-
LEGAL AID COMMISSION OF WESTERN AUSTRALIA					
– Justice Reform Initiatives ^(c)	0.2	2.3	3.1	3.2	3.2
– Legal Assistance Services	5.6	0.8	0.6	-	-
– Therapeutic Approaches in the Children's Court ^(c)	-	1.3	1.3	0.6	0.6
– Disability Advocacy and Referral Diversion for Young People	-	0.5	0.5	0.5	0.5
– Elder Rights WA	-	0.4	0.4	0.4	0.4
– Prevention of Family and Domestic Violence Initiatives ^(a)	0.2	1.0	0.1	-	-
– RiskCover Fund Insurance Premiums	0.1	0.2	-	-	-
FIRE AND EMERGENCY SERVICES					
– Operational Expenses	15.9	21.4	1.6	1.5	1.3
– Bushfire Suppression and Natural Hazards Incidents Response	-	20.0	-	-	-
– Enhanced Support for Emergency Services Volunteers	-	2.7	5.1	5.4	5.6
– Fleet Replacement	13.3	5.4	-	-	-
– RiskCover Fund Insurance Premiums	0.1	10.6	-	-	-
– Disaster Ready Fund – Round Three	4.7	3.2	2.5	-	-
– State Bushfire Mitigation Branch	-	0.4	0.4	0.4	0.4
– State Emergency Management Training Centre	-	1.5	-	-	-
– Large Air Tanker – Lead Aircraft	0.3	0.3	0.3	0.3	0.3
– Natural Hazard Research Australia	0.1	0.2	0.2	0.2	0.2
– Interagency Computer Aided Dispatch System – Business Case ^(d)	-	0.2	-	-	-
– Fiscal Strategy – Procurement Savings	-	-0.2	-0.2	-0.2	-0.2
– Workforce Management Solution ^(e)	0.3	-0.8	-0.6	-0.1	- ^(f)
OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS					
– Demand for Prosecution Services	-	9.9	12.1	11.9	13.4
– National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse	-	0.6	0.7	-	-
– Justice Reform Initiatives ^(c)	-	0.3	0.3	-	-
CORRUPTION AND CRIME COMMISSION					
– Salaries and Allowances Tribunal Determination Update	- ^(f)	- ^(f)	0.1	0.1	0.1
– RiskCover Fund Insurance Premiums	0.1	- ^(f)	-	-	-
CHEMISTRY CENTRE (WA)					
– Operational Expenditure	2.4	3.4	3.1	3.4	3.9
– Lithium Co-product Testing	-	2.5	2.5	-	-
– RiskCover Fund Insurance Premiums	0.1	0.1	-	-	-
OFFICE OF THE INSPECTOR OF CUSTODIAL SERVICES					
– 2026-27 Streamlined Budget Process Incentive Funding	-	0.1	-	-	-

Table 7 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
PARLIAMENTARY INSPECTOR OF THE CORRUPTION AND CRIME COMMISSION					
– RiskCover Fund Insurance Premiums	– (f)	– (f)	–	–	–
(a) See Department of Communities.					
(b) This item has both recurrent and capital expenditure, the majority of which is capital and is therefore detailed in Chapter 6.					
(c) See Department of Justice.					
(d) See Western Australia Police Force.					
(e) See Department of Fire and Emergency Services in Chapter 6.					
(f) Amount less than \$50,000.					
Note: Rows may not add due to rounding.					

Western Australia Police Force

Police Services Expenditure

The Western Australia Police Force will spend an additional \$190.2 million over 2025-26 to 2029-30 towards the Force's operational service priorities, including police officer medical expenses, body worn camera and armour, accommodation-related costs, and aircraft maintenance and fuel costs. A further \$453,000 will be spent by the Department of Treasury and Finance to support the development of a budget forecasting model.

Road Trauma Trust Account – Road Safety Initiatives

A total of \$339.9 million will be invested from the Road Trauma Trust Account to deliver new and expanded road safety initiatives over 2025-26 to 2029-30 aimed at reducing the number of people killed or seriously injured on Western Australian roads. Key initiatives include:

- \$60.7 million for continued expansion of awareness campaigns, community partnerships and school education programs over 2027-28 to 2029-30;
- investment in infrastructure to support road safety upgrade programs, including:
 - a \$41.6 million State contribution towards the \$83.2 million Great Northern Highway between Fitzroy to Gogo (see Chapter 6 – Commissioner of Main Roads); and
 - \$8.9 million to the Department of Transport and Major Infrastructure and Main Roads for delivery of a new School Path Connections Program;
- \$42.5 million for ongoing operating costs for the Government's Safety Camera Program managed by the Road Safety Commission;
- \$36.1 million to the Department of Transport and Major Infrastructure for continuation of the Driving Access and Equity Program;

2026–27 Economic and Fiscal Outlook

- \$26.5 million to address cost and program variations across existing road safety initiatives, including \$5.7 million for the Metropolitan Intersection Crash Program (see Commissioner of Main Roads);
- \$13 million investment in enforcement initiatives including camera operations, and \$9.2 million for high visibility and targeted operations by the Western Australia Police Force;
- \$89.9 million to the Department of Transport and Major infrastructure to support infringement processing (see Department of Transport and Major Infrastructure – Chapters 5 and 6); and
- funding to support evidence, insights and innovation initiatives, including \$6.7 million for a research program and innovation fund, \$3.7 million for the child car restraints pilot program, and \$1.1 million allocation for planning for a road safety data hub within the Road Safety Commission.

Police Officer Health and Wellbeing

The Government has invested an additional \$62 million over 2025-26 to 2029-30 to improve health and wellbeing outcomes for frontline police officers injured in the course of duty. This funding will support police compensation payments and increase resourcing within the Western Australia Police Force's Health and Wellbeing Division to improve return to work outcomes, transition pathways for non-operational officers, and medical retirement processes. Police compensation payments are partly offset by the removal of an existing provision of \$23 million (see Chapter 5 Provisions).

Operation Regional Shield

To continue the Operation Regional Shield initiative, the Government has committed an additional \$24.2 million to support deployment of police officers to provide a targeted response to youth crime and anti-social behaviour in regional Western Australia over 2026-27 and 2027-28.

Frontline Police Optimisation

The Western Australia Police Force will spend \$16.7 million over the forward estimates period to establish additional public servant positions to support frontline capability, provide an internal career pathway for non-operational police officers, and to boost police officer hours for frontline policing duties.

Public Safety Network Planning and Design

The Government has allocated a further \$10 million over 2026-27 and 2027-28 to progress planning and design for the Western Australian Public Safety Network. This project aims to integrate multiple existing radio communications networks, improve interoperability between agencies and strengthen network resilience, coverage and capability.

Community Liaison Officers

The Western Australia Police Force will spend \$7.7 million over the forward estimates period to boost the number of Community Liaison Officers across regional and metropolitan Western Australia. These roles are focused on strengthening engagement and collaboration between the Western Australia Police Force and Aboriginal and Culturally and Linguistically Diverse communities.

Land Forces Expo 2026

An additional \$10.5 million over 2025-26 to 2026-27 will be spent by the Western Australia Police Force to deliver security arrangements associated with Perth hosting the Land Forces Expo 2026 in October 2026. This includes \$4.4 million in capital expenditure (see Chapter 6).

Evidence Act Equipment Upgrades

The Government has committed \$1.6 million over 2026-27 to 2029-30 to upgrade recording equipment in interview rooms and police vehicles to support future implementation of reforms under the *Evidence Act 2025*.

Police and Community Youth Centres (PCYC) – safeSPACE

To support the continuation of the existing PCYC safeSPACE programs in Kalgoorlie, Kununurra and Roebourne, the Government has committed an additional \$1.5 million in 2026-27.

Interagency Computer Aided Dispatch System – Business Case

The Government has allocated a further \$1.7 million in 2026-27 to finalise a business case for a replacement interagency computer aided dispatch system to support the safety of first responders and the public. This includes \$1.5 million for the Western Australia Police Force and \$190,000 for the Department of Fire and Emergency Services.

Video Analytics Capability – Business Case

To support contemporary policing and ensure the Western Australia Police Force remains at the forefront of technology to help keep communities safe, the Government has allocated \$250,000 in 2026-27 to progress a business case to uplift the agency's data and video analytics capability.

Justice

Justice Services Expenditure

The Department will spend an additional \$317.1 million over 2025-26 to 2029-30 to meet demand and deliver policy responses primarily associated with continued growth in the State's prison population, including:

- \$239.4 million to deliver custodial and offender services for a higher prison population;

2026–27 Economic and Fiscal Outlook

- \$40.8 million to deliver Justice Reform initiatives including court intervention and prison in-reach programs targeted at reducing avoidable remand, and early resolution of court matters. This includes \$14.7 million across the Legal Aid Commission, Western Australia Police Force, Department of Communities, Office of the Director of Public Prosecutions, and Department of Treasury and Finance; and
- \$36.9 million for primary health care and mental health services in prisons, and to enhance attraction and retention of prison health staff.

Criminal Injuries Compensation Payments

The Government has allocated an additional \$91.8 million over 2025-26 and 2026-27 for compensation payments to victims of crime under the *Criminal Injuries Compensation Act 2003*, reflecting improved accessibility and community awareness of the program.

Youth Justice Initiatives

To improve outcomes for young people in contact with the criminal justice system, the Government will spend an additional \$71.4 million over 2025-26 to 2029-30 to continue and expand youth justice initiatives, comprising:

- \$41 million to extend the Kimberley Juvenile Justice Strategy to prevent youth crime and support at-risk youth in the Kimberley, including \$6.5 million for the North Regional TAFE to deliver a culturally responsive alternative learning program;
- \$19.6 million for therapeutic Children's Court programs to divert young people from the criminal justice system (In-Roads) and address the overrepresentation of Aboriginal children in out-of-home care (Dandjoo Bidi-Ak), including \$11.2 million across the Legal Aid Commission, the Departments of Communities and Education, and WA Health; and
- \$10.8 million to continue implementation of a therapeutic model of care for young people in detention, enhancing the safety and wellbeing of staff and detainees across the youth custodial estate.

Adult Community Corrections

The Department will spend an additional \$33.4 million over the forward estimates period to deliver services for offenders managed in the community.

Custodial Safety and Security Initiatives

To enhance the safety and security of staff and prisoners across the adult custodial estate and mitigate the impact of prison population growth, the Government will spend an additional \$27 million over 2025-26 to 2029-30, comprising:

- \$21.2 million for a range of staffing initiatives to enhance prison officer recruitment and training, incentivise staff relocation to regional prisons, improve staff wellbeing, and address a backlog of prisoner security-rating assessments;

- \$3.6 million for security enhancement measures, including expansion of the Body Worn Camera program, introduction of X-ray scanners at priority prisons, and an additional secure prisoner transport vehicle; and
- capital expenditure of \$2.2 million in 2025-26 and 2026-27 on equipment, vehicle fit-out and ICT upgrades (see Chapter 6).

Public Trustee Services

The Government has allocated \$24.5 million over the forward estimates period for additional resourcing to address increased caseloads and demand for trust management services, including \$771,000 for ICT system upgrades (see Chapter 6).

Workers Compensation Claims Management

The Department will spend an additional \$5.6 million over 2025-26 to 2029-30 to improve the management of workplace injuries and workers' compensation claims, and establish dedicated health and safety coordinators at priority custodial facilities.

Custody Notification Service

To enable the continued provision of fundamental legal advice and a welfare check to all Aboriginal people taken into police custody, the Government has allocated an additional \$3.9 million over the forward estimates period for the Custody Notification Service delivered by the Aboriginal Legal Service of Western Australia.

Yiwarra Kuju – Martu Western Desert Justice Program

To improve criminal justice outcomes and reduce recidivism for the Martu Western Desert community, the Government will spend \$2.4 million over the forward estimates to continue on-Country diversionary and prevention programs, and prison based cultural workshops following the positive evaluation of the pilot program.

Legal Services for Victim-Survivors of Sexual Assault Pilot Agreement

To improve access to trauma-informed legal support and strengthen culturally safe legal services for priority cohorts, the Department will spend \$2.1 million of Commonwealth funding over 2025-26 to 2027-28 to extend and expand pilot legal services for victim-survivors of sexual assault.

State Solicitor's Office

State Agreements

To support the ongoing modernisation of State Agreements (administered by the Department of Energy and Economic Diversification), the Government has approved an additional \$4.2 million over the forward estimates for legal resourcing to meet the increasing demand for agreement variations.

Office Accommodation Capacity Expansion

To accommodate workforce growth, the State Solicitor's Office will spend \$3.3 million in 2026-27 to expand its existing office accommodation capacity.

Legislative Instructing Function

The Government has allocated \$3 million across 2026-27 and 2027-28 for additional resources within the State Solicitor's Office to support growing demand for specialist legal advice and instruction on complex and high priority legislative reforms.

Legal Aid Commission of Western Australia

Legal Assistance Services

The Government has allocated an additional \$7 million over 2025-26 to 2027-28 for the Commission to manage increasing demand for legal representation and assistance in criminal law matters, including supporting implementation of the *Community Protection (Offender Reporting) Amendment Act 2024*.

Disability Advocacy and Referral Diversion for Young People (DARDY)

The Commission will spend an additional \$2 million over 2026-27 to 2029-30 for continuation of the DARDY program, providing integrated legal representation and social support for First Nations young persons with disability who are involved with the criminal justice system.

Elder Rights WA

To support older Western Australians experiencing or at risk of elder abuse, the Government has allocated an additional \$1.6 million over 2026-27 to 2029-30 for Elder Rights WA, providing legal advice, assistance and advocacy services.

Fire and Emergency Services

Operational Expenses

The Government will spend an additional \$41.7 million over 2025-26 to 2029-30 to meet a range of cost movements, including for salaries and overtime (\$20.1 million), property, fleet and equipment maintenance (\$16.6 million), Trainee Firefighter School (\$3.1 million), and ICT services (\$1.9 million).

Bushfire Suppression and Natural Hazards Incidents Response

Recognising the increased likelihood of more frequent and severe climate-related disaster events, the Government has committed \$20 million in 2026-27 to support timely and effective bushfire suppression and natural hazard incidents response activities.

Enhanced Support for Emergency Services Volunteers

Western Australia's emergency management system is supported by career firefighters and over 26,000 volunteers, who contribute their time, skills and expertise across the State.

To bolster support for emergency services volunteers, the Government will invest \$18.8 million over 2026-27 to 2029-30 to uplift the Department's non-frontline capability. Additional resourcing will assist in providing enhanced governance arrangements and contemporary support systems. This includes enhanced health and safety compliance frameworks and improved volunteer training capability.

Fleet Replacement

The Government will spend an additional \$18.7 million over 2025-26 and 2026-27 to meet costs associated with replacing the volunteer firefighter fleet. A further \$12.5 million will be spent over 2025-26 to 2029-30 on the career firefighter fleet replacement (see Chapter 6).

The investment will assist in providing reliable, fit-for-purpose emergency response vehicles, which are essential to the Department's ability to deliver emergency services effectively.

Disaster Ready Fund – Round Three

This initiative reflects the Commonwealth Agreement of \$12.1 million to support disaster resilience and risk reduction projects in Western Australia under the Disaster Ready Fund – Round Three. Funding will be spent over 2025-26 to 2027-28 on 15 projects aimed at strengthening community resilience and mitigating the impacts of natural disasters.

The Department will spend \$11.6 million, comprising \$10.4 million in recurrent expenditure and \$1.2 million in capital expenditure (see Chapter 6) on grants to local governments and other service organisations, delivery of two projects, and administration of the grants program.

Further projects will be delivered by the Department of Biodiversity, Conservation and Attractions (\$261,000) and WA Health (\$247,000).

State Bushfire Mitigation Branch

An additional \$2.2 million, including \$580,000 in capital expenditure (see Chapter 6) will be spent over 2025-26 to 2029-30 to fully embed a dedicated State Bushfire Mitigation Branch in the Department of Fire and Emergency Services to increase mitigation works in high-risk bushfire areas, including on unallocated Crown Land and unmanaged reserves. This investment will help secure a fit-for-purpose facility and the essential machinery required to assist communities in recovery after natural disasters and emergency incidents.

State Emergency Management Training Centre

The Government has committed an additional \$1.5 million in 2026-27 to finalise planning of the new State Emergency Management Training Centre, which is expected to enhance future training outcomes for firefighters and volunteers.

Large Air Tanker – Lead Aircraft

Additional Commonwealth funding of \$1.5 million will be spent over 2025-26 to 2029-30 on increased leasing costs associated with support aircraft, which plays an essential role in the coordination, navigation, and supervision of the operation of the Large Air Tanker (LAT).

The LAT, capable of carrying up to 15,000 litres of water or fire retardant, and refilling in just 10 minutes, is a critical asset in Western Australia's aerial firefighting fleet. It is ready for rapid deployment each year during the high-risk bushfire season, significantly bolstering the State's firefighting capabilities.

Natural Hazard Research Australia

The Government will spend an additional \$800,000 over 2025-26 to 2029-30 to meet the State's increased financial contribution to Natural Hazards Research Australia (NHRA).

The NHRA was established by the Australian Government in 2021 to conduct evidence-based research to better predict, prepare for, and respond to natural disasters and ensure that findings are incorporated into States' and Territories' natural disaster management policies, procedures, and capability programs.

Office of the Director of Public Prosecutions

Demand for Prosecution Services

To manage increased demand for prosecution services, the Government has approved \$47.2 million over 2026-27 to 2029-30 for the Office to address forecast demand, including increasing case complexity and evidentiary volumes, and for the continuation of a number of initiatives targeting earlier trial resolution and specialist prosecutions.

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

In response to ongoing demand associated with the State's participation in the National Redress Scheme, an additional \$1.3 million has been allocated over 2026-27 and 2027-28 for the provision of legal information services.

Chemistry Centre (WA)

Operational Expenditure

The Chemistry Centre will spend an additional \$16.3 million over 2025-26 to 2029-30 to deliver its core services, including chemical analysis for government agencies, research bodies, universities, and industry groups.

Lithium Co-product Testing

An additional \$5 million is to be spent over 2026-27 and 2027-28 to support testing and research, as part of a broader program of work, to enable the reuse of Delithiated Beta Spodumene (a lithium co-product) in construction materials. The Chemistry Centre will lead the scientific testing part of the program, which will inform policy and construction standards reform work being progressed by the Department of Water and Environmental Regulation, the Department of Energy and Economic Diversification and the Minerals Research Institute of Western Australia.

COMMUNITY SERVICES

Table 8

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
COMMUNITIES					
– Investment in Child Protection Services	-	151.6	175.2	191.0	63.3
– Investment in Homelessness Services	0.3	13.0	25.0	26.0	26.2
– Services for At Risk Youth	-	19.2	23.8	22.7	22.0
– Prevention of Family and Domestic Violence Initiatives	-	8.1	12.0	12.3	12.7
– Financial and Budget Sustainability	-	33.2	-	-	-
– RiskCover Fund Insurance Premiums	0.6	17.1	-	-	-
– Investment in Disability Services	-	5.5	3.2	2.4	1.6
– Worker Safety Device Expansion	-	2.3	1.8	1.1	1.2
– Cost of Living – Grandcarers Support ^(a)	-	2.5	1.2	1.2	1.2
– Early Years Partnership	-	2.0	0.9	1.4	-
– Civil Claims – Historical Institutional Abuse of Children in Care	-	1.6	1.6	-	-
– In-Roads Therapeutic Court Program ^(b)	-	1.5	1.6	-	-
– LGBTIQ+ Inclusion Initiatives	-	0.4	1.3	1.3	-
– Dandjoo Bidi-Ak Protection and Care Therapeutic Court ^(b)	-	0.5	0.6	0.6	0.6
– Seniors Initiatives	-	0.3	0.6	0.6	0.6
– Indian Ocean Territories Services Commonwealth Agreement	0.2	0.2	0.2	0.2	0.2
– Volunteering Services	-	-	0.8	-	-
– Justice Reform Initiatives ^(b)	-	0.2	0.2	-	-
– Fiscal Strategy – Procurement Savings	-	-0.5	-0.5	-0.5	-0.5
LOCAL GOVERNMENT, INDUSTRY REGULATION AND SAFETY (DLGIRS)					
– DLGIRS Organisational Review	-	7.4	3.3	2.9	2.8
– Cost of Living – WA Rent Relief Program Extension ^(a)	-	13.5	-	-	-
– WorkSafe – Mental Awareness Respect and Safety (MARS)	-	5.0	5.0	-	-
– Banned Drinkers Register	-	3.3	3.5	1.3	1.4
– WorkSafe – Codes of Practice Development and Communication	-	1.7	1.8	1.9	1.9
– Licensing and Compliance System Replacement	0.3	2.9	-	-	-
– WorkSafe – Mines Statutory Positions Program	-	1.6	1.6	-	-
– Financial Oversight Powers of Building Regulators	-	0.7	0.8	0.8	0.8
– Bonds Management System	-	2.9	-	-	-
– Pets WA and Pet Sterilisation ^(c)	0.2	0.8	0.7	0.7	0.2
– RiskCover Fund Insurance Premiums	0.6	1.0	-	-	-
– Digital Driver’s Licence and Digital Identity Ecosystem ^(d)	-	1.6	-	-	-
– Activate Perth	-	0.3	0.3	0.3	0.3
– Independent Review of Racing and Wagering Western Australia ^(e)	0.4	0.2	-	-	-

Table 8 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
WESTERN AUSTRALIA SPORTS CENTRE TRUST (VENUESWEST)					
– Venue Security and Public Safety	-	- ^(f)	0.9	0.9	0.9
– RiskCover Fund Insurance Premiums	0.1	0.5	-	-	-

(a) See the Cost of Living Relief feature box in Chapter 1.

(b) See Department of Justice.

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

(d) See Department of Transport and Major Infrastructure.

(e) See Department of Treasury and Finance.

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

Note: Rows may not add due to rounding.

Communities

Investment in Child Protection Services

The Government will invest a further \$618.7 million over the forward estimates on initiatives that support vulnerable children and young people, including those in out-of-home care, which will be delivered by Communities (\$581.2 million) and other agencies (\$37.5 million), as follows:

- \$358.7 million over 2026-27 to 2028-29 to support the higher cost of providing out-of-home care services delivered by external providers;
- \$62.6 million over 2026-27 to 2029-30 to meet an updated cost of service delivery across the Department's functions based on cost and activity drivers, predominantly in the child protection system;
- \$46.3 million over the forward estimates period to support the attraction, retention and recognition of Foster Carers (including family and kinship carers), through an uplift in existing financial supports and the introduction of a Foster and Grand Carer Gold Card program. This amount includes \$10.3 million currently provisioned for spending on future benefits for this cohort (see Provisions later in this Chapter);
- \$44.9 million over 2026-27 to 2029-30 for the continuation and expansion of the Aboriginal Family Led Decision Making program and Aboriginal Representative Organisation services, which will support Western Australia's progress to meeting Closing the Gap targets;
- \$29.5 million over 2026-27 to 2029-30 to address increased demand for the Home Stretch WA program in metropolitan and regional areas;

2026–27 Economic and Fiscal Outlook

- \$18.4 million to improve child safety through the implementation of the remaining recommendations from the Royal Commission into Institutional Responses to Child Sexual Abuse, including the Scheme for Independent Oversight of Child Safe Organisations. The additional resources will be allocated to the Departments of Creative Industries, Tourism and Sport (\$8 million), Communities (\$4 million), Health (\$1.3 million), Justice (\$811,000), the Premier and Cabinet (\$617,000), the Ombudsman (\$1.1 million), and the State Solicitor’s Office (\$2.7 million);
- \$17.2 million over 2026-27 to 2029-30 to support the recommissioning of specialised Child Sexual Abuse Therapeutic Services and Indigenous Healing Services across the State;
- \$17.1 million over 2026-27 to 2029-30 for additional resourcing to address continued high volumes of Working with Children Checks;
- \$13.9 million to ensure statutory requirements under the State’s Reportable Conduct Scheme are fulfilled by the Departments of Education (\$6.8 million), Communities (\$4 million), Health (\$1.6 million) and Justice (\$1.5 million);
- \$3.9 million over 2026-27 and 2027-28 to continue resourcing the State Solicitor’s Office (\$2.8 million) and Communities (\$1.1 million) to support the State’s defence of the Children in Care Class Action;
- \$3.6 million in 2026-27, funded through the Digital Capability Fund, to progress the early phases of the delivery of a new end-to-end child protection case management system; and
- \$2.4 million over 2026-27 to 2029-30 for services that provide tailored supports for adults who spent their childhood in out-of-home care arrangements.

Investment in Homelessness Services

Services to support people experiencing homelessness or rough sleeping will be boosted through an additional \$91.1 million over the forward estimates, including \$90.5 million for Communities and \$684,800 for the Department of Housing and Works, comprising:

- \$27.8 million over 2026-27 to 2029-30 to support the recommissioning of homelessness accommodation services across the State;
- \$17.2 million over 2026-27 to 2029-30 to support operations at the expanded Indigo Junction youth homelessness accommodation facility;
- \$13.2 million over 2026-27 to 2029-30 to operate and maintain a 43-unit Perth Aboriginal Short Stay Accommodation facility, which will provide safe, culturally appropriate and affordable accommodation for Aboriginal people visiting Perth, comprising:
 - \$12.5 million for tenancy support services (to be delivered by Communities); and
 - \$684,800 for property management (to be delivered by Housing and Works);

- \$10.7 million over 2026-27 to 2029-30 to provide secure funding for the Safe Night Space for Women on an ongoing basis;
- \$8.2 million over 2027-28 to 2029-30 for the continuation of the expansion of the Entrypoint Homelessness and Assessment Referral services, which assists people who are homeless, or at risk of homelessness, access accommodation and supports;
- \$6.2 million over 2027-28 to 2029-30 to deliver Housing First Support Services and property management for up to 25 social housing dwellings in Kalgoorlie under the Regional Supportive Landlord Model, supporting people experiencing homelessness or rough sleeping;
- \$4.8 million over 2026-27 to 2029-30 to deliver the Kalgoorlie Transitional Services, which provide a year-round and culturally safe Return to Country transportation service from Kalgoorlie-Boulder to remote regional communities in and around Warburton, and the Tjuntjuntjara and Ngaanyatjarra Lands; and
- \$3.1 million for the expansion of an in-reach supported youth accommodation service for young people aged 12 to 25, prioritising young people from the LGBTIQ+ community.

Services for At Risk Youth

The Department will spend an additional \$87.8 million over the forward estimates period to continue services that support vulnerable young people who face complex problems that place them at an increased risk of harm. This includes:

- \$61.4 million to continue services at all Target 120 sites and maintain supports for young people and their families to avoid interaction with the justice system;
- \$20.3 million to provide a baseline funding uplift for contracts in the At Risk Youth portfolio to support service sustainability and continuity;
- \$3.9 million over 2026-27 to 2028-29 for the Target 120 Plus program in Broome, to continue providing intensive support for young people who are currently or have previously spent time in juvenile justice detention; and
- \$2.1 million over 2026-27 and 2027-28 to meet the Government's election commitment to pilot a program to provide culturally specific supports for young people of African descent and their families.

Prevention of Family and Domestic Violence (FDV) Initiatives

The Government's commitment to preventing and responding to FDV will be boosted through an additional investment totalling \$106.3 million over the forward estimates period. Of this, \$86.9 million reflects operational expenditure, with \$45 million to be spent by Communities, and \$41.9 million by other agencies. A further \$19.4 million in capital funding will be spent on prevention of FDV initiatives (see Chapter 6 – Communities).

2026–27 Economic and Fiscal Outlook

The operational expenditure initiatives in this Budget include:

- \$34 million to be spent by Communities over 2026-27 to 2029-30 to support the recommissioning of FDV crisis accommodation services, and the delivery of five pipeline services due to commence operation in the next 12 months;
- \$13.7 million to be spent by WA Health over 2026-27 to 2028-29 to implement a social community supports package consistent with the 2024-2029 FDV System Reform Plan, including:
 - \$9.9 million for a three-year trial of out-of-hours social workers in emergency departments and continuation of the Ngala Thriving Families navigation program;
 - \$3 million to uplift baseline funding for sexual assault support services; and
 - \$696,000 to fund two FTE to address demand for specialist violence counselling at the Sexual Assault Resource Centre;
- \$10.6 million to be spent by Communities over 2027-28 to 2029-30 to continue the operation of Munda Mia and Warlang Bidi therapeutic FDV refuges, which provide intensive supports for women experiencing FDV with co-occurring mental health concerns or harm from alcohol or other drugs;
- \$5.7 million over 2026-27 to 2029-30 for additional resourcing to progress 2024-2029 FDV System Reform actions undertaken by the Departments of Justice (\$1.1 million), Communities (\$446,000), Health (\$391,000), Western Australia Police Force (\$3.4 million), and the Mental Health Commission (\$370,000);
- \$4.6 million to be spent by WA Health (\$3.5 million) and the Department of Justice (\$1.1 million) over 2026-27 to 2027-28 to continue the Clinical Forensic Service, supporting FDV prosecutions and victim-survivor wellbeing;
- \$4.3 million to be spent by the Department of the Premier and Cabinet over 2026-27 to 2027-28 to complete procurement and establishment of the Central Information Portal data asset, and to develop a Common Risk Assessment and Management Framework tool, delivering on commitments under the 2024-2029 FDV System Reform Plan;
- \$3.8 million by the Western Australia Police Force over 2026-27 to 2029-30 to support additional resources for family violence electronic monitoring;
- \$3.5 million by the Mental Health Commission over the forward estimates period for continuation of the Family Violence Perpetrator Intervention Program;
- \$3.4 million by the Department of Justice over the forward estimates period for continuation of the Leave Safe Stay Safe program, supporting a safe transition for women re-entering the community from the justice system;
- \$3 million by the Department of Justice and Legal Aid Commission in 2026-27 to extend the Family Violence Restraining Order Shuttle Conferencing pilot program;

- \$397,000 by the Legal Aid Commission over 2025-26 to 2027-28 to recognise funding from the Mens Outreach Service Aboriginal Corporation to deliver specialist family and domestic violence support and advocacy services from the Broome FDV Hub; and
- \$56,000 by the Legal Aid Commission over 2025-26 to recognise funding from the City of Stirling to provide legal assistance and outreach services from the Naala Djookan Healing Centre.

Financial and Budget Sustainability

The Department will spend an additional \$33.2 million in 2026-27 to meet immediate salaries and Government Office Accommodation lease costs.

Investment in Disability Services

The Government will spend an additional \$13.8 million over the forward estimates period, comprising \$12.7 million by the Department and \$1.1 million by WA Health, to maintain the provision of State disability services and support the implementation of disability reform initiatives, including:

- \$7.6 million over 2026-27 and 2029-30 for service continuity in State-delivered and contracted disability services;
- \$4.6 million over 2026-27 and 2027-28 to support finalisation of the service model and implementation plan for Foundational Supports – Thriving Kids services in Western Australia, which includes \$1.1 million of expenditure by WA Health; and
- \$1.6 million over 2026-27 and 2027-28 to progress the design of safeguarding reform options to meet the State's commitments related to recommendations from the Disability Royal Commission.

Worker Safety Device Expansion

This Budget invests an additional \$6.4 million over 2026-27 to 2029-30 from the Digital Capability Fund for the state-wide implementation of the Worker Safety Device pilot program. The program is anticipated to improve service delivery timeliness and productivity, health and safety compliance and reduce manual processes.

Cost of Living – Grandcarers Support

To support Grandcarers, the Government will invest a further \$6.1 million over 2026-27 to 2029-30 in the Grandcarers Support Scheme, including \$1.3 million to provide a further cost-of-living payment for Grandcarers in 2026-27.

Early Years Partnership

The Government will spend \$5 million over 2026-27 and 2028-29 to support Early Years Partnership (EYP) initiatives aimed at improving child wellbeing and school readiness and decreasing developmental vulnerability in four Western Australian communities. This amount will be spent by Communities (\$4.3 million) and by the WA Country Health Service (\$726,000), and will include community activities and projects, as well as support for the construction of the Derby Early Learning and Family Centre.

Civil Claims – Historical Institutional Abuse of Children in Care

To support the provision of services focused on assisting participants to access the National Redress Scheme, an additional \$3.2 million will be spent over 2026-27 and 2027-28 to appropriately resource the management of information requests, and respond to civil claims.

LGBTIQA+ Inclusion Initiatives

The Government will invest \$3.1 million over 2026-27 and 2028-29 to support the delivery of initiatives aligned to the development of Western Australia's first LGBTIQA+ Inclusion Strategy. This includes extending expiring contracts with both the LGBTIQA+ peak body and with organisations providing youth services, while also supporting implementation of the Strategy.

Seniors Initiatives

This Budget invests a further \$2.1 million over the forward estimates period towards initiatives supporting older Western Australians, including an extension to the Age Friendly Communities Grants Program and funding to support operations of the WA Seniors peak body.

Indian Ocean Territories Services Commonwealth Agreement

Through the Indian Ocean Territories Service Delivery Arrangement with the Commonwealth, the Department of Communities will spend \$1.2 million over 2025-26 to 2029-30 to engage an additional child protection worker to support children and families in the Indian Ocean Territories.

Volunteering Services

To continue supporting and improving volunteering in regional Western Australia, the Government will invest a further \$758,000 in 2027-28 to fund volunteer development services organisations who deliver programs to uplift the capability of individual volunteers to support volunteering in Western Australia.

Local Government, Industry Regulation and Safety

DLGIRS Organisational Review

The Government has allocated an additional \$16.5 million over 2026-27 to 2029-30 to maintain DLGIRS' capacity to deliver statutory functions and meet operating costs.

Cost of Living – WA Rent Relief Program Extension

The Department will spend an additional \$13.5 million in 2026-27 to meet the cost of extending the WA Rent Relief Program to June 2027. The program assists eligible tenants in private rental homes who are experiencing rental stress, or who are in rental arrears and at risk of eviction, with a one-off payment of up to \$5,000.

WorkSafe – Mental Awareness Respect and Safety (MARS)

The Government will spend \$10 million over 2026-27 and 2027-28 to support the ongoing implementation and delivery of the MARS Program, which helps to address mental health, workplace culture and safety issues in the Western Australian mining industry.

Banned Drinkers Register

The Government has committed \$9.5 million over 2026-27 to 2029-30 to meet the cost of supporting the Banned Drinkers Register across Banned Drinkers Areas (which include the Kimberley, Pilbara and Goldfields regions, and the towns of Carnarvon and Gascoyne Junction) on an ongoing basis.

WorkSafe – Codes of Practice Development and Communication

An additional \$7.2 million over 2026-27 to 2029-30 has been approved to provide ongoing increased support to WorkSafe to develop work health and safety (WHS) guidance material and address industry-wide WHS concerns.

Licensing and Compliance System Replacement

To complete implementation of the licensing and compliance system replacement solution, an additional \$3.2 million over 2025-26 and 2026-27 has been approved for the project, supporting the Government's liquor reforms.

WorkSafe – Mines Statutory Positions Program

The Government has committed \$3.1 million over 2026-27 and 2027-28 to meet the administration cost of extending the Mines Statutory Positions Program, which facilitates WHS legislation examinations for mine personnel pursuing statutory positions.

Financial Oversight Powers of Building Regulators

To strengthen financial oversight and maintain consumer confidence in the construction industry, the Government has committed \$3 million over 2026-27 to 2029-30 to increase capacity to investigate builders at risk of financial failure and to take enforcement action against registered building service providers who fail to comply with directions from the Building Commissioner's authorised officers.

Bonds Management System

The Government will spend \$2.9 million in 2026-27 to enhance the existing Bonds Management System (BMS) to support new legislative requirements and undertake preparatory work to transition the BMS to a more contemporary system.

Pets WA and Pet Sterilisation

The Department will spend \$1.7 million over 2025-26 to 2029-30 to support the roll-out of centralised reporting of local government decisions on applications for approval to breed dogs, including \$629,000 of capital expenditure over 2025-26 to 2026-27 (see Chapter 6). A further \$1.5 million has been provided to extend the low-income pet sterilisation program.

Activate Perth

To revitalise the Perth central business district and support the night-time economy, the Government has approved \$1 million over 2026-27 to 2029-30 for the continuation of Activate Perth (a not-for-profit organisation) to deliver the Fill the Space Program.

Independent Review of Racing and Wagering Western Australia

The Department will spend \$1 million over 2025-26 and 2026-27, comprising \$583,000 for the Department and \$454,000 for the Department of Treasury and Finance, to undertake a joint review of Racing and Wagering Western Australia's financial sustainability, governance and regulatory frameworks.

Western Australian Sports Centre Trust (VenuesWest)

Venue Security and Public Safety

To improve venue security and public safety at seven self-managed venues, including Perth High Performance Centre, Arena Joondalup and HBF Park, an additional \$3.7 million over 2026-27 to 2029-30 will be spent on the implementation of system improvements and increased in-house security, which includes \$1.1 million in capital expenditure for upgrades to existing access control and alarm systems (see Chapter 6).

TRANSPORT AND MAJOR INFRASTRUCTURE

Table 9

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
TRANSPORT AND MAJOR INFRASTRUCTURE					
– Cost of Living – \$100 Fuel Support Payment ^(a)					
– Payments (Administered)	-	187.0	-	-	-
– Administration	1.0	9.0	-	-	-
– Road Trauma Trust Account – Road Safety Initiatives ^(b)					
– Infringement Processing	4.5	20.0	24.3	19.9	20.8
– Driving Access and Equity Program	-	-	11.6	12.0	12.5
– School Path Connections Program	-	0.8	1.6	1.6	2.7
– Westport ^(c)					
– Westport Office	-	-	-	28.0	28.7
– Priority Digital Systems	1.7	1.4	1.4	0.5	-
– Passenger Transport Subsidy Scheme	-	10.7	12.4	13.6	14.9
– Maritime Asset Maintenance	-	8.9	10.2	-	-
– Office of Major Infrastructure Delivery	-	16.9	-	-	-
– Active Transport Fund Projects	2.7	4.4	4.9	3.4	-
– Towing Industry Reform	-	3.6	2.8	2.3	2.3
– Digital Driver's Licence and Identity Ecosystem	-	2.3	2.9	2.6	2.6
– Regional Airfare Zone Cap Scheme	-	6.0	-	-	-
– Transforming Bunbury's Waterfront – Stage 3 Phase 2 ^(c)	-	-	0.6	2.6	2.8
– Maritime Facility Costs	-	2.3	0.8	0.9	0.9
– Cyber Security Program	-	4.9	-	-	-
– Inter-Regional Flight Network	-	1.8	2.0	-	-
– Fremantle Container Rail Subsidy	-	1.0	1.5	-	-
– Freight Rail Network – Commercial Option Analysis	-	2.0	-	-	-
– Strategic Modelling	-	0.4	0.4	0.4	0.5
– Regional Regular Public Transport Air Services	-	0.5	0.2	0.3	0.3
– Regional Airport Pavement Assessments	-	0.2	-	0.8	-
– Your Move Schools	-	- ^(d)	0.2	0.3	0.4
– Housing and Infrastructure Advanced Manufacturing Facilities	0.6	-	-	-	-
– Owner-Driver Reform	-	0.1	-	-	-
– Industry Support – Deferral of Heavy Vehicle Registration Fee Increases (Administered)	-	-	-	-	-
– Fiscal Strategy – Procurement Savings	-	-0.3	-0.3	-0.3	-0.3
COMMISSIONER OF MAIN ROADS					
– Major Project Planning and Development	-	20.0	20.0	20.0	20.0
– Road Maintenance Funding	-	33.1	43.0	-	-
– Information and Communication Technology	-	18.4	-	-	-
– Street Lighting Cable Theft Replacement Program	-	11.8	-	-	-
– RiskCover Fund Insurance Premiums	2.2	3.5	-	-	-
– Safer Local Roads and Infrastructure Program	0.6	3.0	1.0	-	-
– Road Trauma Trust Account – Road Safety Initiatives ^(b)					
– School Path Connections Program	-	-	0.5	1.0	0.8
– Regional Airports Development Scheme	-	1.1	-	-	-
– Fiscal Strategy – Procurement Savings	-	-0.7	-0.7	-0.7	-0.7

Table 9 (cont.)

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
PUBLIC TRANSPORT AUTHORITY OF WESTERN AUSTRALIA ^(e)					
– Railcar Maintenance	-15.3	12.3	21.0	32.0	27.6
– Public Sector Wages Policy	6.6	10.6	11.4	11.7	11.9
– Australind Train Service	-	9.1	11.6	11.9	12.2
– Cost of Living					
– Ride to School Free Program ^(a)	-	5.2	10.4	10.4	10.4
– Fare Free Sundays ^(a)	3.3	7.1	7.5	7.7	8.0
– RiskCover Fund Insurance Premiums	3.5	28.1	-	-	-
– Public Transport Operations Control Centre	1.9	3.1	3.2	3.3	3.5
– Cost and Funding Updates	-	-1.0	11.3	-0.1	-0.2
– Broome Town Bus Services	-	1.7	1.8	1.9	1.9
– Cyber Security Program	-	3.3	-	-	-
– Fiscal Strategy – Procurement Savings	-	-0.7	-0.7	-0.7	-0.7
HOUSING AND WORKS					
– Goods and Services Procurement Resourcing	-	3.1	3.1	3.2	3.3
– Albany Gas Transition ^(f)	-	3.0	3.0	3.0	-
– Cyber Security and Business Continuity ICT Programs	-	7.2	-	-	-
– Government Office Accommodation	-	2.0	3.7	-	-
– RiskCover Insurance Premiums	0.5	0.6	-	-	-
– Housing Relocation Program	-	0.2	0.3	0.3	-
– Perth Aboriginal Short Stay Accommodation Operational Contracts ^(g)	-	-	-	0.3	0.3
– Fiscal Strategy – Procurement Savings	-	-1.0	-1.0	-1.0	-1.0
INFRASTRUCTURE WA					
– 2050 Commission’s Priorities	-	1.4	-	-	-
– Market Capacity	-	0.5	-	-	-

(a) See Cost of Living Relief feature box in Chapter 1.

(b) See Western Australia Police Force.

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

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

(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 Energy and Economic Diversification.

(g) See Department of Communities.

Note: Rows may not add due to rounding.

Transport and Major Infrastructure

Cost of Living – \$100 Fuel Support Payment

Western Australian driver’s licence holders will be eligible to apply for a \$100 Fuel Support Payment through the ServiceWA app from 1 July 2026. The program, which will remain open to 31 December 2026, will cost \$198 million over 2025-26 and 2026-27, with \$187 million to be spent on forecast payments (reflected in the Department’s administered accounts) and \$11 million on implementation and administration (comprising \$10 million by the Department of Transport and Major Infrastructure and \$1 million by the Department of the Premier and Cabinet).

Passenger Transport Subsidy Scheme (PTSS)

The Department will spend an additional \$51.6 million over 2026-27 to 2029-30 on the PTSS, which provides subsidised travel for eligible people with a disability. The additional spending is a result of recent increases in the total amount of annual subsidy payments to users and for associated operating costs. A further \$1 million will be invested in the mobile application used by clients to increase functionality and scheme accessibility (see Chapter 6).

Maritime Asset Maintenance

Following growth in the number of maritime assets (including publicly accessible marinas and jetties) managed by the Department and associated increases in costs, an additional \$19 million will be spent over 2026-27 and 2027-28 to maintain the infrastructure. A further \$11.3 million of capital investment has been committed over the same period to increase the agency's asset maintenance and replacement program, which will deliver proactive maintenance on assets to optimise delivery efficiencies and maximise their useful life (see Chapter 6).

Office of Major Infrastructure Delivery (OMID)

The Department will spend an additional \$16.9 million in 2026-27 to deliver the State's major non-residential infrastructure projects, with the newly established OMID having commenced critical work to strengthen its program-level controls and systems to support delivery of the State's most critical and complex infrastructure projects.

Active Transport Fund Projects

The Department will administer the allocation of \$15.4 million of Commonwealth grant funding to local government authorities over 2025-26 to 2028-29, with the funding to support the upgrade and construction of a number of bicycle and walking paths.

Towing Industry Reform

The Government's reforms to the crash towing industry have improved safety, consumer protections and regulatory transparency, with the final phase of implementation to include the embedding of regulatory compliance activities and authorisation fees. The Department will spend \$1.2 million over 2026-27 and 2027-28 for the implementation project team to oversee the final stages of the reforms and a further \$9.8 million will be spent across the forward estimates on ongoing governance and regulation activities. From 1 July 2027, towing service provider authorisation fees are expected to be introduced in support of the new industry requirements.

Digital Driver's Licence and Identity Ecosystem

To deliver more efficient and effective services through streamlined identity verification processes and enable larger digital transaction volumes, the Government will spend \$28.2 million (including \$13.5 million of capital investment, see Chapter 6) to implement a WA Digital Driver's Licence and Working with Children Check credential through the ServiceWA mobile application (see also Department of the Premier and Cabinet and Department of Local Government, Industry Regulation and Safety).

Regional Airfare Zone Cap Scheme

An additional \$6 million is forecast to be provided to support higher than forecast demand for the Regional Airfare Zone Cap scheme's capped, lower-cost airfares for regional residents travelling to and from Perth in 2025-26, for which the payments to participating airlines will occur in early 2026-27.

Maritime Facility Costs

An additional \$5 million will be spent over the forward estimates to operate the State's maritime facilities, primarily as a result of increased electricity costs.

Cyber Security Program

The Department will spend a further \$4.9 million in 2026-27 to complete the first stage of its enhanced Cyber Security Program, which aims to better protect Western Australians' personal information held by the Department and reduce cyber risks.

Inter-Regional Flight Network

The Government has committed an additional \$3.8 million over 2026-27 and 2027-28 to continue to support the Inter-Regional Flight Network air service, which operates direct flights between Geraldton, Karratha, Port Hedland and Broome.

Fremantle Container Rail Subsidy

As a result of higher forecast rail freight activity, an additional \$2.5 million will be spent over 2026-27 and 2027-28 on payments that subsidise the movement of container freight by rail to and from Fremantle Port.

Freight Rail Network – Commercial Option Analysis

To support the Government's consideration of options for the future control and operation of the State's freight rail network, the Department will spend an additional \$2 million in 2026-27 to continue assessment of commercial options and to progress consultation and negotiation activities.

Strategic Modelling

The Department will spend \$1.7 million over 2026-27 to 2029-30 to continue priority strategic modelling functions, which will support the Transport Portfolio's demand forecasting, motor vehicle fleet (including size and composition) modelling and system-wide transport modelling.

Regional Regular Public Transport (RPT) Air Services

The Government will spend \$1.3 million over 2026-27 to 2029-30 to continue to support the Derby-Broome and Kununurra-Halls Creek-Balgo subsidised RPT air services.

Regional Airport Pavement Assessments

The Department will spend a total of \$1 million across 2026-27 to 2028-29 for the continued use of the Intelligent Pavement Assessment Vehicle (iPAVE) technology, which provides airport pavement assessment condition reports, assesses airstrip safety and allows for the prioritisation of planned airstrip upgrades.

Your Move Schools

The Your Move Schools program will be expanded at a cost of \$815,000 over 2026-27 to 2029-30. The program provides resources and support to schools (including bike education training and safe routes to school mapping) to encourage students and families to walk, wheel, scoot, or ride to school.

Housing and Infrastructure Advanced Manufacturing Facilities (HIAMF)

The Department will spend \$600,000 in 2025-26 to provide bid contribution payments to the successful proponents of the recent competitive tender process for construction of new HIAMFs. Atlas Precast and Built Living will now each develop and operate an HIAMF, with the facilities to increase production capacity and accelerate the delivery of major housing and infrastructure projects in Western Australia.

Owner-Driver Reform

To progress reforms to the State's owner-drivers legislation, which provides protections for small businesses and independent contractors, \$100,000 will be spent in 2026-27. This reform will help ensure safe and sustainable operations for eligible owner-drivers of light vehicles such as on-demand food delivery workers and small parcel couriers, bringing them under the same protections currently enjoyed by owner-drivers of heavy vehicles.

Industry Support – Deferral of Heavy Vehicle Registration Fee Increases (Administered)

To further support the trucking industry in response to increased fuel prices, the Government has deferred the scheduled 2.5% increase in Heavy Vehicle licence fees and charges in 2026-27 from 1 July 2026 to 1 January 2027. The six month deferral, which will result in \$4.5 million of foregone motor vehicle licence fee revenue in 2026-27, is in line with the decisions of National Cabinet on 30 March 2026 and complements the Commonwealth Government's decisions with respect to the national Heavy Vehicle Road User Charge, with that charge waived for three months (to 30 June 2026) and its next scheduled increase deferred by six months (to 1 January 2027).

Commissioner of Main Roads

Major Project Planning and Development

Following the release of Infrastructure Australia's 2026 Infrastructure Priority List and in line with the Commonwealth Government's increased expectations for project readiness prior to Commonwealth funding commitments, the State will strengthen the Transport Portfolio's project planning capability. To ensure Western Australia is well-positioned to secure additional Commonwealth investment and maximise its negotiating position for priority infrastructure projects, \$80 million will be spent on additional planning and project development over 2026-27 to 2029-30.

Road Maintenance Funding

An additional \$113.5 million (including \$37.5 million of capital investment, see Chapter 6) over 2026-27 and 2027-28 has been allocated to address the increased cost of delivering road maintenance works, which reflects the expanding road network and sustained increases in civil construction costs. The additional funding will address critical risks and support the delivery of proactive maintenance, such as pavement rehabilitation, across the State.

Information and Communication Technology

An additional \$18.4 million will be spent in 2026-27 on growing licensing and contract expenses, and additional network service requirements associated with information and communication technology.

Street Lighting Cable Theft Replacement Program

Main Roads will spend \$11.8 million in 2026-27 on cable replacement and anti-theft treatments along the Kwinana Freeway and Tonkin and Reid Highways in response to an increase in instances of cable theft across the State's Principal Shared Path and street lighting network.

Safer Local Roads and Infrastructure Program

The Safer Local Roads and Infrastructure Program, jointly funded by the State and Commonwealth Governments, will improve the safety and productivity of heavy vehicle movements in the regions with the allocation of \$7.5 million (including \$2.9 million of capital investment, see Chapter 6) over 2025-26 to 2027-28 for the delivery of new and expanded Heavy Vehicle rest areas.

Regional Airports Development Scheme

On behalf of the Commonwealth Government and the Department of Transport and Major Infrastructure, Main Roads will spend \$1.1 million in 2026-27 to reseal the main runway at Kalumburu Airport.

Public Transport Authority of Western Australia

Railcar Maintenance

The Authority will be provided with an additional operating subsidy of \$77.6 million over 2025-26 to 2029-30 to fund maintenance on the A- and B-Series railcars, which will help support additional capacity on the network.

Australind Train Service

An additional operating subsidy of \$44.7 million will be paid to the Authority over 2026-27 to 2029-30 for the costs of operating increased Australind train services. The service will recommence when the first of the new locally manufactured diesel railcars enter service and operate at an increased frequency following commissioning of the expanded fleet (with the two additional railcar sets expected to be operational later this year).

Public Transport Operations Control Centre (PTOCC)

An operating subsidy of \$15.1 million over 2026-27 to 2029-30 will be paid to the Authority to fund essential building and maintenance costs for the new PTOCC.

Cost and Funding Updates

The operating subsidy paid to the Authority to deliver public transport services over 2025-26 to 2029-30 will increase by \$9.8 million as a result of revised cost estimates.

Broome Town Bus Services

Following the cessation of the former privately operated Broome Explorer service in August 2025, the Authority commenced bus service operations in Broome. To continue and expand these services on a permanent basis, \$14.2 million will be spent over 2026-27 to 2029-30 for the purchase of additional buses to establish a depot and for ticketing equipment and essential infrastructure upgrades, comprising \$6.9 million of capital expenditure (see Chapter 6) and \$7.2 million for service operation costs.

Cyber Security Program

The Authority will spend a further \$3.3 million in 2026-27 to undertake cyber security upgrades, which aims to better protect the personal information of Western Australians held by the Authority and reduce cyber risks.

Housing and Works

Goods and Services Procurement Resourcing

The Government has committed \$12.7 million over the forward estimates period to support the Department of Housing and Works' goods and services procurement function, with funding to reduce delays and improve service quality.

Cyber Security and Business Continuity ICT Programs

An additional \$7.2 million will be spent in 2026-27 to maintain cyber security and support business continuity for the Department of Housing and Works' ICT systems.

Government Office Accommodation

The Government will spend \$5.7 million over 2026-27 to 2027-28 for the delivery of government office accommodation:

- \$3.8 million over 2026-27 to 2027-28 to demolish vacant office accommodation in Karratha that was identified as having significant structural defects;
- \$1 million in 2026-27 to install 80 electric vehicle chargers at Government premises, to support the Government's target for at least 50% of new fleet vehicle purchases in eligible categories to be electric vehicles; and
- \$897,000 for the continuation of the Asset Management Reform and Greenfleet programs, to support improved asset planning across Government and the electrification of State Fleet vehicles.

Housing Relocation Program

The Government will spend \$819,000 over 2026-27 to 2028-29 to deliver the Housing Relocation Program, which aims to voluntarily relocate Aboriginal families experiencing overcrowding into appropriately sized dwellings.

Infrastructure WA

2050 Commission's Priorities

In February 2026, the Government announced that the 2050 Commission would be established in mid-2027, replacing Infrastructure WA and some of the inquiry functions of the Economic Regulation Authority. The 2050 Commission is expected to assist with risk mitigation associated with infrastructure investment and delivery, and to support emerging sectors and Western Australia's economic diversification goals.

The Government has invested \$1.4 million in 2026-27 for Infrastructure WA to commence implementing the 2050 Commission's priorities.

Market Capacity

The Government will spend \$465,000 in 2026-27 to continue implementation of the second phase of Market Capacity analysis. The project includes developing analytical tools to forecast workforce, materials, and equipment needs to deliver the infrastructure being planned for the next decade and beyond and to identify any supply risks.

ENVIRONMENT

Table 10

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
WATER AND ENVIRONMENTAL REGULATION					
– WA Circular Economy	-	4.6	7.6	5.6	-
– Murujuga Rock Art Monitoring Program – WSP Contract Extension	1.4	5.9	3.7	1.4	0.2
– Healthy Estuaries WA	-	1.6	1.6	1.6	1.6
– Priority Environmental Policy – Strategic Initiatives – Native Vegetation Policy Extension	-	0.5	1.7	1.7	1.8
– Extending Climate Adaptation Capability	-	0.6	0.6	0.6	0.7
– Statewide Backlog Strategy – Water Regulation Extension	-	1.1	1.1	-	-
– Westport – Environmental Impact Assessment ^(a)	-	0.4	0.5	-	-
– WA Vegetation Extent Pilot Extension	-	0.4	-	-	-
BIODIVERSITY, CONSERVATION AND ATTRACTIONS					
– Rottneest Island Authority – Operating Forecast Update	1.1	12.8	13.3	14.7	18.6
– Conserving and Restoring Swan and Canning Rivers	-	2.2	1.1	1.2	0.8
– RiskCover Fund Insurance Premiums	1.1	5.6	-	-	-
– Threatened Ecological Communities ^(b)	-	0.5	1.1	1.1	0.7
– Polyphagous Shot-hole Borer Monitoring	-	0.3	0.4	0.4	-
– Disaster Recovery Fund – Round Three ^(c)					
– Flash Flood Warning System in Karijini National Park	0.1	-	0.1	-	-
– Walpole Townsite Airstrip Fenceline Construction	- ^(d)	- ^(d)	-	-	-
– Total Solar Eclipse ^(e)	-	- ^(d)	0.1	0.1	-
– Public Sector Wages Policy	- ^(d)	- ^(d)	- ^(d)	- ^(d)	- ^(d)
– Fiscal Strategy – Procurement Savings	-	-0.2	-0.2	-0.2	-0.2

(a) See Department of Transport and Major Infrastructure in Chapter 6.

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

(c) See Department of Fire and Emergency Services.

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

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

Note: Rows may not add due to rounding.

Water and Environmental Regulation

WA Circular Economy

The WA Circular Economy grants program will provide grants and targeted support for the collection and recycling of emerging waste streams to aid the development of local recycling capacity and market development. The Department will provide grants totalling \$17.8 million over 2026-27 to 2028-29 for this program.

Murujuga Rock Art Monitoring Program – WSP Contract Extension

The Department will spend an additional \$12.6 million over 2025-26 to 2029-30 to extend the environmental monitoring and development of Environmental Quality Criteria under the Murujuga Rock Art Monitoring Program.

Healthy Estuaries WA

An additional \$6.2 million has been committed over 2025-26 to 2029-30 to support the health of our estuary environments.

Priority Environmental Policy – Strategic Initiatives – Native Vegetation Policy Extension

The Department will spend an additional \$5.6 million over the forward estimates to deliver priority environmental reforms to streamline approvals processes and improve environmental outcomes.

Extending Climate Adaptation Capability

An additional \$2.5 million will be spent over the forward estimates for priority work on the Sector Adaptation Plan program and Climate Risk Capability Initiative.

Statewide Backlog Strategy – Water Regulation Extension

The Department will spend an additional \$2.3 million over 2026-27 and 2027-28 to continue work to reduce a backlog in water licensing approvals.

WA Vegetation Extent Pilot Extension

An additional \$395,000 from the Digital Capability Fund has been committed to continue work on a proof of concept and business case for the use of artificial intelligence to map and track native vegetation across the State.

Biodiversity, Conservation and Attractions

Rottnest Island Authority – Operating Forecast Update

Forecast operating expenditure for the Rottnest Island Authority is expected to increase by \$60.5 million over 2025-26 to 2029-30 to deliver services and higher expected visitation on Rottnest Island. This expense increase is expected to be fully offset by additional revenue from increased admissions, accommodation and rental revenue.

Conserving and Restoring Swan and Canning Rivers

An additional \$7.1 million has been approved to increase the State's investment in the Swan and Canning Rivers over 2026-27 to 2029-30, including the provision of mobile oxygenation units and real time monitoring stations, catchment restoration and infrastructure, community programs, and biodiversity management and biosecurity. This spending includes \$1.8 million of capital expenditure (see Chapter 6).

Threatened Ecological Communities

The Department will spend \$3.4 million over the forward estimates period to strengthen recovery planning for priority threatened ecological communities under the *Biodiversity Conservation Act 2016*. The cost of this initiative will be met from within the Department's existing budget parameters.

Polyphagous Shot-hole Borer Monitoring

The Government has committed an additional \$1.1 million over 2026-27 to 2028-29 to establish a surveillance and management program for polyphagous shot-hole borer (PSHB) in Kings Park, aligned with national PSHB Transition to Management arrangements.

PLANNING AND LAND USE

Table 11

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW					
	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
PLANNING, LANDS AND HERITAGE					
– Regional Housing Support Fund	-	6.3	6.3	18.8	18.8
– Infrastructure Development Fund	-	1.0	1.5	11.0	26.5
– Swan Active Ellenbrook	17.5	5.0	2.5	-	-
– Aboriginal Cultural Heritage Services	-	2.6	2.7	2.8	2.9
– Housing Diversity Pipeline	-	0.3	2.7	2.7	2.8
– Agency Resourcing	-	-	2.7	1.2	-
– Strategic Projects Team	-	0.9	0.9	1.0	1.0
– Housing Pattern Book ^(a)	-	1.6	0.5	-	-
– Fremantle Prison	-	0.2	0.2	0.2	0.3
– Indigenous Land Use Agreement Negotiation Team	-	0.4	0.4	-	-
– RiskCover Fund Insurance Premiums	- ^(b)	0.6	-	-	-
– Mira Mar Landslide Remediation	-	0.3	-	-	-
WESTERN AUSTRALIAN LAND INFORMATION AUTHORITY (LANDGATE)					
– RiskCover Fund Insurance Premiums	- ^(b)	0.3	-	-	-
DEVELOPMENTWA ^(c)					
– Operating Subsidies	2.2	306.6	327.2	64.8	1.7
– Interagency Land Transfers	6.7	83.3	-	-	-
– Housing and Infrastructure Advanced Manufacturing Facilities	-	47.5	-	-	-
HERITAGE COUNCIL OF WESTERN AUSTRALIA					
– 2026-27 Streamlined Budget Process Incentive Funding	-	- ^(b)	-	-	-
THE NATIONAL TRUST OF AUSTRALIA (WESTERN AUSTRALIA)					
– Avondale Farm Conservation	-	0.5	1.2	1.2	-
– Natural Heritage Covenanting Program	-	0.3	-	-	-
– RiskCover Fund Insurance Premiums	0.1	0.2	-	-	-
– General Maintenance	-	0.1	-	-	-

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

(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

Regional Housing Support Fund

To increase residential land supply in the regions, the Department will spend an additional \$50 million over the forward estimates to increase the Regional Housing Support Fund from \$25 million to \$75 million. Grants from the Fund are available to local governments, community housing providers, landowners and developers to assist with construction, infrastructure and site preparation costs for new housing projects in regional areas.

The Regional Housing Support Fund will support the delivery of homes for first home buyers, with \$25 million of the \$50 million increase to be funded by the Commonwealth through the 100,000 Homes for First Home Buyers program.

Infrastructure Development Fund

To increase residential land supply, the Department will spend an additional \$40 million over the forward estimates to increase the Infrastructure Development Fund from \$80 million to \$120 million. Grants from the Fund are available to developers, landowners and local governments to support water and power infrastructure for the development of medium and high-density housing projects.

The Infrastructure Development Fund will support the delivery of dwellings for first home buyers, with half of the \$40 million increase to be funded by the Commonwealth through the 100,000 Homes for First Home Buyers program.

Swan Active Ellenbrook

The Commonwealth Government increased its contribution to the Swan Active Ellenbrook facility from \$5 million to \$30 million over 2025-26 to 2027-28. The State, through the Department, is facilitating the delivery of this additional funding to the City of Swan. The Swan Active Ellenbrook aquatic and recreational facility is being constructed next to the Ellenbrook train station and will provide a range of aquatic, sport, health, wellbeing and community facilities.

Aboriginal Cultural Heritage Services

To continue to deliver Aboriginal Cultural Heritage services under the amended *Aboriginal Cultural Heritage Act 1972*, the Government has committed \$11 million to convert 13 existing positions from temporary to ongoing. This will allow continued assessment of new notifications of information relating to Aboriginal heritage sites, on-going delivery of Native Title Capacity Building Grants and heritage surveys and clearance of a backlog of lodgements.

Housing Diversity Pipeline

To increase residential land supply, the Government has committed \$6.2 million over the forward estimates to convert eight existing temporary positions to ongoing. These positions coordinate the Housing Diversity Pipeline, which is a program that unlocks underutilised government land for housing development. A further \$2.3 million has also been committed for remediation works to support land divestment that will facilitate new housing.

Agency Resourcing

The Government has committed an additional \$3.9 million over 2027-28 and 2028-29 to continue existing fixed-term resourcing across various business areas in the Department of Planning, Lands and Heritage to meet demand for services and deliver on priorities.

Strategic Projects Team

To ensure major strategic projects progress efficiently through planning and land use approvals, the Department will spend an additional \$3.8 million over the forward estimates to continue the Strategic Projects Team (convert five existing temporary positions to ongoing).

Housing Pattern Book

To accelerate social housing delivery, the Government will spend \$2 million to develop a Housing Pattern Book, which will provide a library of home designs aligned to streamlined planning approvals.

Fremantle Prison

The Government has allocated an additional \$790,000 over the forward estimates to support the delivery of visitor and heritage services at Fremantle Prison.

Indigenous Land Use Agreement Negotiation Team

To ensure effective and efficient negotiations of new Indigenous Land Use Agreements (ILUAs) arising from Native Title determinations, the Department will spend \$768,000 over 2026-27 and 2027-28, with additional staff to bring expertise in Crown Land and Aboriginal Lands Trust divestment to the cross-agency ILUA negotiation team.

Mira Mar Landslide Remediation

The Department will spend \$250,000 in 2026-27 to finalise the long-term remediation plans and determine estimated costs in relation to the site of a landslide in Mira Mar, Albany.

DevelopmentWA

Operating Subsidies

To support the delivery of projects aligned to Government priorities, the Government will provide DevelopmentWA with operating subsidies totalling \$702.6 million over 2025-26 to 2029-30 to either fully or partially offset the cost of asset investment detailed in Chapter 6, comprising:

- \$523.8 million towards Housing Australia Future Fund projects;
- \$66.7 million for land development to activate METRONET station precincts;
- \$62.4 million towards the South Hedland Western Edge residential development;
- \$17.4 million towards the Kensington redevelopment;
- \$12 million towards the Broome North residential development;
- \$11 million towards the development of industrial land in Newman;
- \$5 million for headworks to support the 500 Homes for First Home Buyers initiative funded by the Commonwealth; and
- \$4.3 million for the redevelopment of the ECU Mount Lawley precinct.

Interagency Land Transfers

The Government will provide DevelopmentWA with an operating subsidy of up to \$90 million over 2025-26 and 2026-27 to offset impairment losses on land transferred from other Government agencies. The funds will then be returned to the general government sector as special dividends. Impairment losses arise when the carrying value of the land exceeds its recoverable amount following transfer. This typically occurs because transferring agencies value land at fair value (highest and best use), whereas DevelopmentWA is required to value land at the lower of cost and net realisable value (as the land is treated as inventory and reflects the Government's implied restrictions on the use of the land).

Housing and Infrastructure Advanced Manufacturing Facilities

To support housing delivery, the Government will provide \$47.5 million to DevelopmentWA in 2026-27 to support the development of Housing and Infrastructure Advanced Manufacturing Facilities. The new facilities located in Neerabup and Kwinana will improve construction market capacity and accelerate the delivery of residential and non-residential infrastructure at lower costs. DevelopmentWA will also spend \$8 million to upgrade power and water supply at Meridian Park, Neerabup to accommodate Built Living's facility.

The National Trust of Australia (Western Australia)

Avondale Farm Conservation

The National Trust of Australia will spend \$4.2 million over 2026-27 to 2028-29 on the Avondale Farm Conservation and activation project, including \$1.4 million of asset investment works. This includes updating the Conservation Management Plan and carrying out conservation works for the farmhouse and kitchen block, restoration of the laboratory and silo, upgrading the entry road and replacing stock grids and fencing.

Natural Heritage Covenancing Program

To address the backlog of auditing and compliance activities for covenancing applications, an additional \$348,000 will be spent in 2026-27.

General Maintenance

The Government will spend \$120,000 in 2026-27 on maintenance works, specifically masonry repairs at the Old Boy's School, painting and exterior building repairs at Wanslea Centre, and gutter repairs at Stirling House.

UTILITIES

Table 12

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW					
	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
SYNERGY^(a)					
– Operating Subsidies	-20.5	183.2	201.0	33.3	8.9
– Cost of Living – Energy Ahead Program Extension ^(b)	-	3.2	4.4	4.8	-
– Lithium Industry Support Program ^(b)	-4.9	10.1	-	-	-
HORIZON POWER^(a)					
– Operating Subsidies	-	2.7	2.7	2.8	3.0
– Cost of Living – Energy Ahead Program Extension ^(b)	-	0.7	1.1	1.1	-
– Remote Communities Advanced Metering Infrastructure ^(c)	-	0.6	0.7	-	-
WATER CORPORATION^(a)					
– Operating Subsidies	-79.1	33.0	-18.0	35.7	18.6
– Strategic Industries Fund Initiatives ^(b)	0.3	9.4	15.1	-	-
BUNBURY WATER CORPORATION^(a)					
– Operating Subsidies	0.1	0.5	0.6	0.7	0.8
BUSSELTON WATER CORPORATION^(a)					
– Operating Subsidies	-	-2.6	-3.1	-3.8	-2.3

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

Note: Rows may not add due to rounding.

Synergy

Operating Subsidies

Synergy will receive additional operating subsidies totalling \$406 million over 2025-26 to 2029-30, primarily due to:

- a \$355.5 million new operating subsidy to keep increases in household electricity bills below inflation growth for a seventh straight year in 2026-27;
- a \$69.1 million new operating subsidy for the unrecoverable cost impact of the new Tranche 8 market rules to increase battery availability requirements from four to six hours;
- a net \$28.2 million subsidy increase to provide a 10% uplift to the various electricity concessions including the Energy Assistance Payments, Dependent Child Rebates and Air Conditioning Allowances, providing targeted cost of living relief to pension and concession customers;
- \$3.4 million to undertake preliminary site investigations of the South Fremantle Power Station foreshore; and
- a \$900,000 increase to other financial viability subsidies including for disconnection and reconnection services, due to revised forecasts.

Horizon Power

Operating Subsidies

Operating subsidies provided to Horizon Power will increase by \$11.1 million over 2026-27 to 2029-30. This is due to an additional \$10 million to fund contracts, insurance and travel expenses associated with servicing remote Aboriginal communities (funded from the Remote Communities Fund), and \$1.1 million to provide a 10% increase to energy social concessions in 2026-27, providing targeted relief to pension and concession customers.

Water Corporation

Operating Subsidies

Operating subsidy payments to the Water Corporation will reduce by \$9.8 million over 2025-26 to 2029-30. This reflects a \$406.2 million reduction in operating subsidy payments across the forward estimates period based on 2024-25 actual consumption and forecast population growth which more than offset increases of \$338 million to secure water supply to the West Pilbara Water Supply Scheme, \$61.5 million to establish a Regional Water Source Fund, and \$25 million for additional asset maintenance in regional areas.

Bunbury Water Corporation (Aqwest)

Operating Subsidies

The Government will increase the operating subsidies to Aqwest by \$2.7 million over 2025-26 to 2029-30 to subsidise residential and non-residential tariffs.

Busselton Water Corporation (Busselton Water)

Operating Subsidies

The operating subsidies for Busselton Water will decrease by \$11.9 million over 2026-27 to 2029-30, following Western Australian Treasury Corporation revising down the Weighted Average Cost of Capital used to calculate Busselton Water's operating subsidy.

PROVISIONS

Table 13

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW					
	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
PROVISIONS					
– Public Sector Wages Provisions:	-141.6	48.1	379.6	635.0	912.4
– Foundational Supports – Thriving Kids in WA	-	65.6	76.5	70.1	71.2
– Road Trauma Trust Account Spending	-	-	-	38.9	46.8
– Remote Communities (Commonwealth Funded)	-	0.1	7.2	9.8	8.0
– Government Regional Officer Housing – Shared Equity Home Ownership Subsidy Scheme	-	2.0	4.1	6.1	8.2
– Social Housing (Commonwealth Funded)	-	-	-	-	15.0
– Foster and Grand Carer Gold Card	-	3.2	2.3	2.4	2.4
– Workers' Compensation for Western Australia Police Force	-5.7	-5.7	-5.7	-5.7	-
– Provision for Yet-To-Be-Announced Decisions	-80.8	-87.5	-15.7	-16.0	-
– Fiscal Strategy – Voluntary Targeted Separation Scheme	-	168.0	-124.9	-128.0	-131.2
– Impacts of Severe Tropical Cyclone Narelle and Middle East Conflict ^(a)	-	-	-	-	-
– Provision for Health System Support ^(b)	-	-	-	-	-

(a) Amounts not disclosed due to the uncertainty of potential claims.
(b) Amounts are not disclosed to avoid prejudicing ongoing negotiations.

Note: Rows may not add due to rounding.

Provisions

Public Sector Wages Provisions

Since the 2025-26 Mid-year Review, \$57.4 million has been allocated from the existing wages policy provision to various agencies following settlement of industrial agreements. This Budget allocates \$2.2 billion to fund public sector Wages Policy for the next round of bargaining.

Foundational Supports – Thriving Kids in WA³

This Budget includes a \$288.1 million spending provision to reflect contributions from the State and Commonwealth Governments over the forward estimates period to establish Foundational Supports – Thriving Kids services in the State, in line with the National Agreement on Foundational Supports.

Of the total provisioned amount, \$283.4 million will be provided to agencies that will deliver or commission services in line with a State implementation plan that is to be agreed with the Commonwealth. A further \$4.6 million has been allocated to the Department of Communities and WA Health to support planning and implementation.

³ 'Foundational Supports' is the term the NDIS Review used to describe disability services outside the NDIS, with Thriving Kids supports specifically targeted to children under nine with developmental delay and/or autism with low to moderate support needs and their caregivers.

Road Trauma Trust Account (RTTA) Spending

This Budget includes \$85.7 million of provisioned future spending from the RTTA in 2028-29 and 2029-30 to support priority road safety investments to be allocated as part of future Budget processes.

Remote Communities (Commonwealth Funded)

As part of this Budget, \$25 million has been provisioned for yet to be confirmed Commonwealth Housing Australia Future Fund (HAFF) support to be on passed to the Department of Housing and Works (Housing Authority) – a public non-financial corporation. These funds are expected to be applied to the delivery of repairs, maintenance and improvements of housing in remote Aboriginal communities.

Government Regional Officer Housing – Shared Equity Home Ownership Subsidy Scheme

See Chapter 6 – Provisions.

Social Housing (Commonwealth Funded)

This Budget includes a \$15 million provision for yet to be confirmed Commonwealth funding for Housing Australia Future Fund projects to be on passed to the Department of Housing and Works (Housing Authority) – a public non-financial corporation – for refurbishment of social housing dwellings (see Chapter 6 – Provisions).

Foster and Grand Carer Gold Card

This Budget includes a \$10.3 million provision to support the implementation of the Government's Foster and Grand Carer Gold Card program, to provide future supports to eligible foster carers, family carers, special guardianship carers, and grandcarers.

Workers' Compensation for Western Australia Police Force

The current \$23 million provision for workers' compensation for police officers, originally disclosed in the 2016-17 Pre-Election Financial Projections Statement, has been applied to the Western Australia Police Force budget to partly offset costs associated with police compensation payments within the Police Officer Health and Wellbeing initiative (detailed earlier this Chapter).

Provision for Yet-To-Be-Announced Decisions

The 2025-26 Mid-year Review included a provision for the impact of Government decisions that were expected to be announced after the 18 December 2025 release of the Mid-year Review. All Mid-year Review decisions have since been announced and are reflected in agency disclosures earlier in this chapter.

Fiscal Strategy – Voluntary Targeted Separation Scheme

This Budget includes a provision for projected savings and implementation costs for a Voluntary Targeted Separation Scheme for up to 1,500 FTE during 2026-27. The net cost of the scheme is \$216 million, comprising projected savings of \$445 million over the forward estimates period, partly offset by \$229 million in appropriation funded implementation costs in 2026-27. Further information on the Government's Fiscal Strategy is available in a feature box in Chapter 3.

General Government Recurrent Expenditure Provision

The Mid-year Review allowance for expected 2026-27 Budget spending requirements has been replaced by the impact of decisions reflected elsewhere in this chapter.

Impacts of Severe Tropical Cyclone Narelle and Middle East Conflict

The Government has provisioned funding in this Budget to provide support for costs that may flow from Severe Tropical Cyclone Narelle and the conflict in the Middle East.

Provision for Health System Support

The Government has provisioned spending to enable the progression of a potential opportunity for additional support to the health system in Western Australia. This arrangement is subject to ongoing negotiations with counterparties and is therefore currently confidential as negotiations move forward.

Asset Investment

HIGHLIGHTS

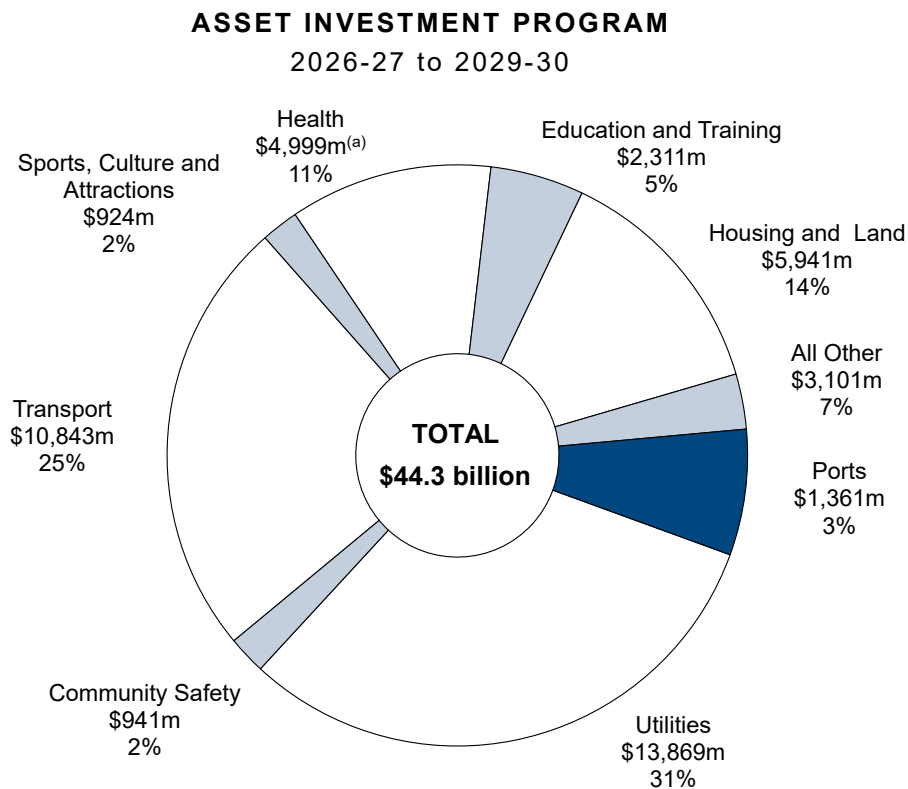
- A \$13.2 billion Asset Investment Program (AIP) is budgeted for 2026-27, which follows a substantial \$12.2 billion expected outturn in 2025-26. The Government is investing a record \$44.3 billion over the four years to 2029-30 in line with its priority to deliver quality infrastructure and services across our State.
- 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, significant new expenditure to increase housing and land supply, and additional health and education infrastructure to meet the demands of population growth.
- Initiatives to boost housing supply, diversity and affordability comprise new investment of \$4.7 billion in this Budget, including \$1 billion for new social and affordable housing under the Housing Australia Future Fund, \$522 million for enabling infrastructure to support new homes, and \$375 million to deliver 500 affordable homes for first home buyers.
- Energy reliability and capacity remain a key focus, with additional investment of \$972.6 million by Western Power to maintain the safety and reliability of the electricity network and support growing energy demand. A Clean Energy Fund has also been established with an initial allocation of \$1.4 billion to facilitate decarbonisation of the State's energy system.
- The Budget provides a record \$5.5 billion for hospital and health infrastructure, with new spending including \$214.1 million on maintenance and critical asset replacement, \$224.8 million to acquire the Mt Lawley Hospital, \$92.8 million on the new Tom Price Hospital and \$60 million for the Albany Health Campus expansion.
- Additional expenditure of \$466.5 million has also been allocated to progress a range of Government election commitments for Western Australian schools including major primary and secondary school upgrades, new primary schools at Eglinton North, Yanchep East, Treeby East and Vasse West, works for the new Alkimos North Senior High School, and the Cool the Schools program.

Introduction

The 2026-27 Budget includes a \$13.2 billion Asset Investment Program (AIP) in 2026-27 and a record total expenditure of \$44.3 billion over the next four years, as the Government continues to support economic development and the delivery of services through infrastructure that creates local jobs, drives industry growth and diversification, and strengthens communities across the State.

Strategic investment in energy and water infrastructure represents the largest share of the AIP, with \$13.9 billion allocated over the next four years (representing 31% of the total infrastructure spend). Road, rail and other transport infrastructure spend totals \$10.8 billion over the next four years, with annual spending tapering off over the outyears as major projects are completed. The AIP also includes a record \$7.3 billion for health, education and training infrastructure, and \$5.9 billion for housing and land.

Figure 1



(a) A further \$500 million has been allocated to the Building Hospitals Fund over 2027-28 and 2028-29, reflecting the significant pipeline of hospital infrastructure works with the release of this funding to be approved in future Budgets (see Appendix 5).

Note: Segments may not add due to rounding.

The operating surpluses projected across the forward estimates are a key funding source for the AIP and reduce the need for additional borrowings to fund infrastructure investment.

Diversifying Our Economy and Making More Things in Western Australia

Investment in road, rail and transport infrastructure is estimated at \$4.3 billion in 2026-27 and \$10.8 billion over the next four years. New spending in this Budget includes:

- progressing the Westport program of works, including detailed project planning and key enabling activities with the commencement of construction on the new ports key road connections at a cost of \$647 million, jointly funded by the State and Commonwealth Governments;
- commencing replacement of up to 21 timber bridges across 11 regional road corridors including Northam to York and York to Quairading, through a \$127.4 million investment, to improve road safety and freight network efficiency;
- undertaking Stage 2 transport improvements to address road access and capacity constraints within the Murdoch Health and Knowledge Precinct, at a cost of \$124 million jointly funded by State and Commonwealth Governments; and
- improving road safety and increasing the resilience of the Great Northern Highway against flooding, through the investment of \$83.2 million to deliver Stage 1 of the Great Northern Highway-Fitzroy to Gogo project.

Table 1

ASSET INVESTMENT IN ROAD, RAIL AND TRANSPORT INFRASTRUCTURE

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
Commissioner of Main Roads	2,070.4	2,673.8	1,730.1	1,332.3	752.8
Public Transport Authority of Western Australia	1,877.5	1,367.3	1,103.9	728.4	630.9
Department of Transport and Major Infrastructure	132.9	228.0	157.2	79.9	58.3
Total	4,080.8	4,269.1	2,991.2	2,140.6	1,442.1

Note: Columns may not add due to rounding.

The AIP includes investment in port infrastructure totalling \$1.4 billion over the next four years, with new investment approved as part of the Budget including:

- \$50 million investment to construct a bypass channel at the Port of Port Hedland to improve port operations resilience in the event of a vessel grounding in the main channel; and
- \$4.8 million to commence planning studies and business case development to define options required to increase capacity of the Port of Bunbury.

Table 2

ASSET INVESTMENT IN PORTS

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
Pilbara Ports Authority	556.2	339.2	81.0	25.8	25.0
Mid West Ports Authority	97.5	114.7	116.0	81.9	10.4
Fremantle Port Authority	96.1	107.7	87.8	87.3	103.7
Southern Ports Authority	51.1	55.6	45.8	26.7	22.4
Kimberley Ports Authority	26.5	12.8	6.0	5.4	5.5
Total	827.4	630.1	336.6	227.1	166.9

Note: Columns may not add due to rounding.

Investment by the State's electricity and water utilities totals \$13.9 billion over the forward estimates, of which \$5.4 billion will be spent in 2026-27. The core focus of the utilities is to sustain their existing service capacity, expand capacity to meet new demand, and continue to plan and deliver the Government's significant decarbonisation investment. New projects in this Budget include:

- \$972.6 million investment in Western Power's sustaining, growth and structural asset investment program categories to maintain the safety and reliability of the network, expand capacity and support growing energy demand; and
- \$659.3 million investment to secure water supply in the West Pilbara through Water Corporation's investment in the Dampier Seawater Desalination Plant and an upgrade to the Harding Dam water treatment plant.

In addition, \$1.4 billion has been allocated to establish a new Clean Energy Fund, aimed at facilitating increased investment in renewable energy and storage projects and enabling infrastructure, including the Clean Energy Link network transmission program (see Appendix 5: *Special Purpose Accounts*).

Table 3

ASSET INVESTMENT IN WESTERN AUSTRALIAN UTILITIES

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
ELECTRICITY UTILITIES					
Western Power	2,026.0	2,322.9	1,967.6	1,236.6	1,152.7
Synergy	629.3	199.4	17.9	22.0	22.0
Horizon Power	173.1	141.3	85.5	89.8	89.8
WATER UTILITIES					
Water Corporation	2,068.5	2,681.1	1,650.5	981.4	1,082.0
Bunbury Water Corporation	18.9	37.0	6.2	4.2	3.6
Busselton Water Corporation	11.0	6.6	29.8	23.3	15.2
Total	4,926.7	5,388.3	3,757.6	2,357.3	2,365.4

Note: Columns may not add due to rounding.

Ensuring All Western Australians Can Access the Healthcare We Need, When We Need It

The allocation for health and mental health infrastructure projects has increased to a record \$5.5 billion over the next four years including:

- \$3.7 billion for initiatives to improve service delivery and address population-driven demand for health services;
- \$1.3 billion in Building Hospitals Fund provisions; and
- a further \$500 million to be held in the Building Hospitals Fund in recognition of the large pipeline of hospital projects (to be allocated to spending in a future Budget process – see Provisions and Appendix 5: *Special Purpose Accounts*).

Allocations approved in the 2026-27 Budget include:

- \$214.1 million to address maintenance and critical asset replacement needs across the State's public hospitals;
- \$168.3 million investment to acquire the Mt Lawley Hospital and provide an additional capacity of 118 beds (with a further \$56.6 million in recurrent expenditure for commissioning activities);
- \$142.6 million investment to continue the high priority medical and imaging equipment replacement program across the hospital system; and
- \$19.6 million to continue the delivery of the staff accommodation program for rural and remote WA Country Health staff.

Table 4

ASSET INVESTMENT IN HEALTH

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
WA Health	1,489.8	2,235.9	1,116.3	287.0	63.9
Provision for Building Hospitals Fund	-	286.0	1,004.6	-	-
Mental Health Commission	19.9	5.7	-	-	-
Total	1,509.6	2,527.6	2,120.9	287.0	63.9

Note: Columns may not add due to rounding.

Delivering Quality Infrastructure and Services Across Our State

This Budget also includes \$2.1 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:

- \$157 million total investment to deliver major upgrades and refurbishments at four primary and four secondary schools (\$135.2 million), and to progress planning activities for 15 major upgrade projects (\$21.8 million);

2026–27 Economic and Fiscal Outlook

- \$140 million for four new primary schools to open in 2028 at Eglinton North, Yanchep East, Treeby East and Vasse West;
- \$189.6 million investment for maintenance and minor works at schools, including the next tranche of the Cool the Schools program; and
- \$96.2 million to deliver additional permanent accommodation at four schools experiencing increased student demand.

Table 5

ASSET INVESTMENT IN EDUCATION AND TRAINING

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
Education	662.0	809.8	708.5	319.2	266.2
Training and Workforce Development	49.0	69.5	46.3	29.6	23.9
TAFE Colleges	22.0	10.7	9.5	7.7	7.7
Building and Construction Industry Training Board	0.5	0.5	0.5	0.5	0.5
Total	733.5	890.4	764.8	357.0	298.3

Note: Columns may not add due to rounding.

Investment in cultural and sporting infrastructure and attractions totals \$924 million over the next four years, including \$29 million to expand and upgrade facilities at the Perth Zoo to enhance visitor experiences and support conservation outcomes.

Table 6

ASSET INVESTMENT IN SPORTS, CULTURE AND ATTRACTIONS

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
Biodiversity, Conservation and Attractions	200.5	208.1	138.9	92.9	59.0
Creative Industries, Tourism and Sport	196.8	191.2	59.9	31.4	21.4
Western Australian Sports Centre Trust (VenuesWest)	68.6	39.5	37.9	22.7	20.5
Western Australian Institute of Sport	0.1	0.1	0.1	0.1	0.1
Total	466.0	439.0	236.9	147.1	101.1

Note: Columns may not add due to rounding.

In addition, a total of \$500 million has been allocated to a Major Projects Fund to facilitate priority projects such as the Aboriginal Cultural Centre and Scitech Relocation (see Appendix 5: *Special Purpose Accounts*).

Building Safe and Inclusive Communities

This Budget provides \$940.5 million in asset investment across the next four years to support delivery of community safety and justice services. Investment in new initiatives includes:

- \$61 million to provide 260 additional beds across the adult custodial estate, including an additional unit (160 beds) at Acacia Prison;

- \$9 million to deliver the next stage of the Firearms Licensing and Registry System which will allow integration with the National Firearms Register; and
- \$7.4 million to provide Fire and Emergency Services with a contemporary workforce management system to streamline rostering and enable real time tracking of emergency attendance.

Table 7

ASSET INVESTMENT IN COMMUNITY SAFETY

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
Western Australia Police Force	171.6	130.8	29.6	26.3	25.3
Justice	168.8	281.5	209.1	43.9	14.5
Fire and Emergency Services	72.4	50.4	55.8	41.0	32.4
Total	412.8	462.7	294.5	111.1	72.2

Note: Columns may not add due to rounding.

Ensuring Every Western Australian Has a Home

This Budget includes a record \$4.7 billion to boost housing supply, diversity and affordability across Western Australia. Key new infrastructure investments include:

- \$1 billion for DevelopmentWA and Housing and Works to build 1,426 new social and affordable dwellings in partnership with the Commonwealth through the Housing Australia Future Fund;
- \$570 million for DevelopmentWA to deliver new residential developments across Perth's north, south and east and to prepare underutilised land at METRONET station precincts for new, diverse housing opportunities;
- \$522 million from the Government's Housing Enabling Infrastructure Fund for Western Power and the Water Corporation to deliver power, water, wastewater and drainage infrastructure required to make new homes possible;
- \$399 million for key government worker housing including more than 500 homes as part of the Seven Cities initiative;
- \$375 million for the upfront construction of 500 affordable homes, to be sold to first home buyers supported by Keystart shared equity loans;
- \$234 million to deliver maintenance works to Government residential housing assets including social housing, Government Regional Officer Housing dwellings and Aboriginal housing;
- \$218 million for Housing and Works to deliver a further 165 social dwellings, refurbishment of 215 social dwellings and the acquisition of land for future builds; and
- \$116 million for DevelopmentWA to deliver the Broome North and South Hedland Western Edge residential developments, to supply an additional 232 lots to the market.

See the Housing Investment feature box for more information.

A total \$5.9 billion is to be spent on asset investment by the key housing and land delivery agencies over the four years to 2029-30.

Table 8

ASSET INVESTMENT IN HOUSING AND LAND

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
DevelopmentWA	943.0	1,028.5	872.1	555.7	429.7
Housing and Works ^(a)	762.6	922.9	678.7	452.7	253.9
Provision for Housing Projects	-	101.0	136.0	166.0	151.0
Western Australian Planning Commission	71.9	47.3	47.3	49.3	49.3
Total	1,777.5	2,099.6	1,734.0	1,223.6	883.8

(a) Includes the Housing Authority component of the Department of Housing and Works.

Note: Columns may not add due to rounding.

HOUSING INVESTMENT

The Government continues to invest heavily in housing, with a massive \$4.7 billion of new initiatives committed in the 2026-27 Budget to boost housing supply, diversity and affordability across Western Australia. This brings the Government’s total investment in new housing initiatives to \$10.8 billion since 2021-22.

This Budget delivers support across the housing continuum, helping vulnerable households and everyday Western Australians to access stable and affordable housing. Commonwealth co-investment, through the 100,000 Homes for First Home Buyers program, will ensure a significant share of newly enabled lots and dwellings are reserved for first home buyers. The Commonwealth will provide the State with \$212 million in grants and \$849 million in interest-free loans to support the delivery of almost 11,000 dwellings for first home buyers over the next eight years.

Unlocking Land Supply

The Budget includes \$1.3 billion to boost land supply and build the infrastructure that makes new homes possible. This includes \$570 million to deliver major new residential developments across Perth’s north, south and east, and to prepare underutilised land at METRONET station precincts for new, diverse housing opportunities.

The Government’s Housing Enabling Infrastructure Fund has been increased in this Budget to \$665 million (up from the initial investment of \$400 million) to continue to deliver infrastructure needed to unlock new land supply. To deliver power, water, wastewater and drainage infrastructure, \$522 million will be spent to service the priority growth areas, including North Ellenbrook and East Wanneroo, and service METRONET station precincts. A further \$40 million is being injected into the Infrastructure Development Fund, providing financial support directly to community housing providers, developers and local governments to support the feasibility of well-located infill developments.

Boosting our Investment in Social and Affordable Housing

A record \$1.5 billion will be invested to significantly boost the supply of social and affordable housing across the State. This includes \$1 billion to build 1,426 new dwellings, delivered in partnership with the Commonwealth through the Housing Australia Future Fund. In addition, an allocation by the State (through the Housing Authority) of \$218 million will enable the delivery of a further 165 dwellings, the refurbishment of 215 dwellings and the acquisition of land for future builds to ensure that every Western Australian has access to a secure home. The Government is also investing \$234 million in maintenance and upgrades, bringing underutilised homes back online and improving existing supply.

Increasing the Capacity of our Construction Workforce

Fundamental to the State's ability to deliver new housing is our construction workforce. This includes a further \$19.6 million from the Construction Training Fund to provide an additional 330 places under the Group Training Organisation Wage Subsidy Program. An additional \$13.1 million will be spent to extend the Construction Visa Subsidy Program and Build a Life in WA incentive by 1,100 places, as well as \$18.7 million to continue low and fee-free courses to train more plumbers, bricklayers and plasterers.

Supporting First Home Buyers and Providing Tax Relief to Boost Housing Supply

A \$297 million housing tax package includes increasing transfer duty assistance for first home buyers, raising the property value cap of the First Home Owner Grant, expanding and increasing off the plan duty concessions, and supporting seniors looking to downsize. These initiatives combine to provide greater assistance and increase the supply of diverse and accessible housing options.

The Government will also invest \$375 million to fund the upfront construction of 500 affordable homes, to be sold to first home buyers with Keystart shared equity loans made available to help more Western Australians get a foothold in the housing market.

Greater support for industry is being provided, with \$250 million to establish a Presales Finance Guarantee and \$250 million for a First Home Buyer Commercial Financing Facility. These products reduce financing barriers, significantly improve project feasibility and together accelerate the delivery of well-located and affordably priced dwellings.

Supporting Housing Productivity and Innovation

This Budget continues to invest in innovative ways to boost productivity in the construction and manufacturing sectors and increase housing supply. The Government will contribute a total of \$48 million to establish Housing and Infrastructure Advanced Manufacturing Facilities in Neerabup and Kwinana. This transformational investment is expected to boost the State's capacity to build thousands of medium and high-density apartments, faster and at a lower cost, as well as support major infrastructure projects including hospitals, schools and correctional facilities.

This investment builds on the Government’s \$50 million Housing Innovation Fund, which is supporting alternative production methods to enhance productivity across the supply chain, and Keystart’s Modular Home Loan product.

Investments to Boost Housing Supply in Regional Western Australia

The Government has approved a total \$419 million investment in housing for regional government workers. The focus of this investment is the Government’s new Seven Cities initiative, which will include the delivery of more than 500 homes. This includes a \$170 million investment by major resources companies through the Resources Community Investment Initiative, including \$100 million from Rio Tinto, \$50 million from BHP and \$20 million from Hancock Prospecting (with the latter commitment received after the cut-off date for this Budget). It also includes a revamped Home Ownership Subsidy Scheme (HOSS), which will include shared equity to encourage government workers to purchase homes in the communities they work in and an expansion of the Build to Lease investor scheme to encourage private sector investment in the delivery of GROH.

Regional investment also includes \$116 million for the Broome North and South Hedland Western Edge residential developments. Together these developments will supply an additional 232 lots to the market. This is supported with a \$50 million boost to the Regional Housing Support Fund, to significantly improve the feasibility of non-government regional housing projects.

These investments build on allocations from the Housing Enabling Infrastructure Fund to projects in Albany, Eaton, Australind and East Boyanup.

Housing Support and Homelessness Initiatives

The Government is supporting people who are experiencing rental pressures with a \$13.5 million boost for the WA Rent Relief Program, which provides grants of up to \$5,000 in support.

This is part of the Budget’s \$105 million increase for housing support and homelessness initiatives, which also includes \$45 million for homelessness accommodation services across the State, \$13.2 million to operationalise a new Aboriginal Short Stay accommodation service in Perth, \$10.7 million in ongoing funding for the Safe Night Space for Women service and \$6.2 million to deliver Housing First Support Services for people experiencing homelessness or rough sleeping in Kalgoorlie under the Regional Supportive Landlord Model.

The 2026-27 Budget’s housing investment package will ensure that more Western Australians have access to safe and secure accommodation and increased opportunities for home ownership. It will boost supply of residential land and deliver diverse and affordable housing to ensure every Western Australian has a home.

Major Infrastructure Spending Changes

Summary

The following tables provide details of major changes in total public sector infrastructure spending by agency since the 2025-26 Mid-year Review. These include policy decisions made between the cut-off date for the Mid-year Review (1 December 2025) and the cut-off date for this Budget (7 April 2026), 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*.

GOVERNMENT ADMINISTRATION

Table 9

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
PREMIER AND CABINET					
– Digital Driver’s Licence and Digital Identity Ecosystem ^(a)	-	4.1	4.3	-	-
– Parliamentary Electorate Office Accommodation ^(b)	-	2.1	0.6	0.6	-

(a) See the Department of Transport and Major Infrastructure in Chapter 5.

(b) 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.

FINANCIAL ADMINISTRATION

Table 10

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
TREASURY AND FINANCE					
– 2026-27 Housing Taxation Package – System Changes	0.7	-	-	-	-
WESTERN AUSTRALIAN TREASURY CORPORATION					
– Information Technology Upgrades	-	1.5	2.9	0.7	0.8

Note: Rows may not add due to rounding.

Treasury and Finance

2026-27 Housing Taxation Package – System Changes

An additional \$672,000 will be spent in 2025-26 to facilitate RevenueWA's system changes to implement the 2026-27 Housing Taxation Package (see Chapter 4: *General Government Revenue – Revenue Measures*).

Western Australian Treasury Corporation (WATC)

Information Technology Upgrades

WATC will invest \$5.9 million over the forward estimates to upgrade computer hardware and software to maintain standards required by financial institutions and to adequately service capital markets.

JOBS AND ECONOMIC DEVELOPMENT

Table 11

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
CREATIVE INDUSTRIES, TOURISM AND SPORT					
– Perth Cultural Centre Rejuvenation	-	5.0	-	-	-
– Replacement of Automated Fly Control System at the State Theatre Centre of Western Australia	-	3.1	-	-	-
PRIMARY INDUSTRIES AND REGIONAL DEVELOPMENT					
– Asset Maintenance Uplift	-	3.9	2.5	-	-
– Shark Notification and Response System	0.3	0.5	-	-	-
– Fisheries Support Package ^(a)	-	- ^(b)	- ^(b)	- ^(b)	-
MINES, PETROLEUM AND EXPLORATION					
– Perth Drill Core Library Upgrades	-	1.5	1.5	1.5	1.5
– Modernisation of Resource Tenure Systems	-	1.0	-	-	-
FOREST PRODUCTS COMMISSION					
– Softwood Plantation Investment Program	-	-	2.3	0.6	-
BURSWOOD PARK BOARD					
– Playground Replacement	-	1.0	1.0	-	-

(a) This item has both recurrent and capital expenditure, the majority of which is recurrent and is therefore detailed in Chapter 5.

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

Note: Rows may not add due to rounding.

Creative Industries, Tourism and Sport

Perth Cultural Centre Rejuvenation

A further \$5 million will be spent in 2026-27 to meet additional costs associated with the completion of the Perth Cultural Centre Rejuvenation, increasing the total cost of the project to \$60 million.

Replacement of Automated Fly Control System at the State Theatre Centre of Western Australia

The Government will spend an additional \$3.1 million to address cost increases and additional works associated with the replacement of the automated fly control system at the Heath Ledger Theatre located in the State Theatre Centre of Western Australia.

Primary Industries and Regional Development

Asset Maintenance Uplift

Additional capital expenditure of \$6.4 million over 2026-27 and 2027-28 has been allocated for asset maintenance works at the Hillarys Research Centre, Geraldton Regional Office and the Albany Regional Office, primarily for air-conditioning system replacements and upgrades.

Shark Notification and Response System

An additional \$839,000 over 2025-26 and 2026-27 will be spent to complete system development and user acceptance testing of the Shark Notification and Response System.

Mines, Petroleum and Exploration

Perth Drill Core Library Upgrades

To support continuity of services provided at the Perth Drill Core Library, the Government will spend \$6 million over 2026-27 to 2029-30 on a program of upgrade and maintenance renewal works.

Modernisation of Resource Tenure Systems

The Government will invest \$1 million in 2026-27 to develop a business case and progress planning for the modernisation of the Electronic Mineral Titles System and the Petroleum and Geothermal Register tenure system.

Forest Products Commission

Softwood Plantation Investment Program

An additional \$2.9 million will be spent over 2027-28 and 2028-29 to expand the State's softwood plantation estate and facilitate a reliable supply of timber to the housing construction industry. This expenditure will be funded from the Government's \$350 million Softwood Plantation Expansion Fund.

Burswood Park Board

Playground Replacement

The Government will invest an additional \$2 million over 2026-27 and 2027-28 to complete the replacement of the existing playground with a new modern play area designed to appeal to a broader age range, which children of all abilities can enjoy.

HEALTH

Table 12

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
WA HEALTH					
– Hospital Maintenance Package	1.1	42.1	57.0	57.0	57.0
– Purchase and Commissioning of Mt Lawley Hospital ^(a)	15.0	153.3	-	-	-
– Medical Equipment and Imaging Replacement Program	-	14.2	63.4	65.0	-
– WA Health Digital Capability Fund Programs	15.0	90.2	-	-	-
– Bunbury Hospital Redevelopment	-	2.5	78.2	20.2	-
– Tom Price Hospital Redevelopment	-	19.3	40.3	1.2	-
– Election Commitment – Albany Health Campus Expansion ^(b)	5.0	45.1	8.8	-	-
– Sir Charles Gairdner Hospital Major Capital Works	2.7	32.5	8.3	0.9	-
– Meekatharra Hospital Redevelopment	-	22.0	2.4	-	-
– Critical Staff Accommodation Program	-	4.6	4.8	5.0	5.2
– Broome Renal Hostel	-	16.2	-	-	-
– Bentley Health Service Secure Extended Care Unit	-	2.8	6.7	1.0	-
– South Hedland Step Up/Step Down ^(c)	-	4.4	3.2	-	-
– Armadale Mental Health Emergency Centre	-	-	4.2	1.2	-
– Laverton Hospital	-	3.9	-	-	-
– Child Adolescent Mental Health Service Bentley Community Clinic	-	0.7	1.8	0.3	-
– Queen Elizabeth II Medical Centre Master Planning	-	1.5	-	-	-
– Regional Virtual Care Platform	-	1.3	-	-	-

(a) Partially funded from the Building Hospitals Fund.

(b) Funded from the Building Hospitals Fund.

(c) Funded from Royalties for Regions.

Note: Rows may not add due to rounding.

WA Health

Hospital Maintenance Package

The Government will spend an additional \$214.1 million on maintenance and asset replacement across the State's public hospitals, including the following allocations:

- \$157 million over 2026-27 to 2029-30 to establish the Health Asset and Infrastructure Replacement Program to support a dedicated asset renewal program to address ageing plant, equipment and infrastructure across the WA Health system, including upgrades for Sir Charles Gairdner Hospital electrical infrastructure;
- \$48.2 million over 2025-26 to 2029-30 of additional investment into the Minor Building Works Program to increase minor capital improvements and upgrades, enabling works for medical equipment and compliance works; and
- \$8.9 million in 2026-27 to continue the refurbishment of the Cardiac Catheterisation Laboratories at Fiona Stanley Hospital.

Purchase and Commissioning of Mt Lawley Hospital

The Government will invest \$224.8 million over 2025-26 and 2026-27 to acquire the Mt Lawley Hospital from St John of God Health Care and add 118 beds to the public system, inclusive of \$168.3 million in capital expenditure and \$56.6 million in recurrent expenditure (see Chapter 5), detailed below:

- \$168.3 million in capital expenditure to acquire the facility, procure vital medical and ICT equipment, convert the medical centre to an outpatient centre, carry out building repairs, and make improvements to the Central Sterilisation Services Department;
- \$34.1 million for recurrent commissioning, including:
 - \$21.6 million for the delivery of a structured transition program to ensure the hospital is ready to operate on 1 September 2026;
 - \$8.4 million for system integration and the pre-transition commencement and training of all key clinical staff and Nurse Unit Managers, as well as the establishment of hospital supplies and consumables; and
 - \$4.1 million for temporary Health Support Service staff to support the transition and to establish the Critical Health ICT Infrastructure Program (CHIIP) Local Area Network; and
- \$22.4 million to deliver contracted hospital activity from March 2026 through to the scheduled transition to public ownership.

Medical Equipment and Imaging Replacement Program

An additional \$142.6 million over 2026-27 to 2028-29 has been approved to replace high-priority medical and imaging equipment approaching the end of its useful life. This funding will support a rolling program of works state-wide, enabling planned and staged replacement of critical equipment across the health system, enhancing procurement planning, improving clinical outcomes and ensuring equitable and uninterrupted access to care across metropolitan and regional facilities.

WA Health Digital Capability Fund Programs

The Government has committed \$151.4 million through the Digital Capability Fund for digital health projects, comprising \$105.2 million in capital investment and \$46.1 million in recurrent expenditure (see Chapter 5) for the following projects:

- \$60.5 million in additional capital expenditure in 2026-27 and an additional \$7.1 million in recurrent expenditure for the CHIIP to improve network reliability and maintain essential digital infrastructure;
- an additional \$42.7 million of capital investment over 2025-26 and 2026-27 and \$18 million of recurrent expenditure over 2025-26 to 2029-30 to continue delivery of WA Health's Human Resource Management Information System (HRMIS) program. The program will replace legacy payroll, rostering and human resources systems with a single cloud-based system;

2026–27 Economic and Fiscal Outlook

- \$14.3 million in recurrent expenditure to support the ongoing operational costs to deliver the Stage 1 Electronic Medical Records initiative across WA Health;
- \$4.2 million in recurrent expenditure over 2025-26 and 2026-27 to support the ongoing implementation of the Cyber Security Program; and
- \$2 million in capital investment and \$2.5 million in recurrent expenditure in 2026-27 to support critical ICT systems and for planning a New Infectious Diseases Management System.

Bunbury Hospital Redevelopment

To deliver the Bunbury Hospital Redevelopment in line with the Government's commitment, an additional \$100.9 million has been approved over 2026-27 to 2028-29, bringing the total capital investment into the redevelopment to \$571.9 million.

Tom Price Hospital Redevelopment

The Government has approved an additional \$60.8 million over 2026-27 to 2028-29 to enable the Tom Price Hospital project to proceed to main works. The additional allocation brings the total capital investment into the hospital to \$92.8 million, which includes a \$20 million contribution from Rio Tinto.

Election Commitment – Albany Health Campus Expansion

A total of \$59 million over 2025-26 to 2027-28 has been approved for the construction of a 32-bed ward funded from the Building Hospitals Fund to manage increased demand. Along with \$1 million for planning approved at the 2025-26 Budget, the Government's total commitment has been established at \$60 million.

Sir Charles Gairdner Hospital (SCGH) Major Capital Works

An additional \$44.3 million over 2025-26 to 2028-29 has been allocated to continue delivering six projects at SCGH. Funding is provided to enable the progression of the Emergency Department and Clinical Toxicology Unit, the Image Guided Theatres, Intensive Care Unit 10-bed pod, Biplanar refurbishments, CT scanner and the Cyclotron projects. The additional funding takes the total capital cost of the projects being undertaken at SCGH to \$195.1 million.

Meekatharra Hospital Redevelopment

Additional funding of \$24.4 million has been approved for the Meekatharra Hospital Redevelopment in 2026-27 and 2027-28. This takes the total capital cost of this project to \$73.4 million and will enable the delivery of a new modular facility for healthcare services in Meekatharra.

Critical Staff Accommodation Program

To deliver safe, fit-for-purpose accommodation for rural and remote WA Country Health Service staff, the Government will invest an additional \$19.6 million over 2026-27 to 2029-30 for the continued delivery of the Critical Staff Accommodation Program.

Broome Renal Hostel

The Government has approved an additional \$16.2 million for the Broome Renal Hostel in 2026-27, establishing a revised project capital budget of \$23.3 million. The 20-bed hostel will provide accommodation for patients receiving renal dialysis services in Broome.

Bentley Health Service Secure Extended Care Unit

An additional \$10.5 million has been approved between 2026-27 and 2028-29, increasing the project capital budget to \$66.8 million. The project will provide a 24-bed secure mental health facility for high needs patients.

South Hedland Step Up/Step Down

To enable the award of the main construction contract, an additional \$7.6 million will be spent over 2026-27 and 2027-28, funded by Royalties for Regions. This additional investment increases the project capital budget to \$17.7 million.

Armadale Mental Health Emergency Centre

A further \$5.4 million has been allocated over 2027-28 and 2028-29 to deliver the project including the cost for the addition of three ensembles to meet updated psychiatric clinical standards and earthworks. The additional allocation will increase the project capital budget to \$21 million.

Laverton Hospital

Additional funding of \$3.9 million has been approved for the Laverton Hospital redevelopment in 2026-27. The additional funding takes the total capital cost of this project to \$65.7 million and will deliver modern emergency facilities, multidisciplinary ambulatory care and outpatient services in Laverton.

Child and Adolescent Mental Health Services Bentley Community Clinic

The Government has approved \$2.8 million over 2026-27 to 2028-29 to relocate a new Child and Adolescent Mental Health Services Community Clinic at the Bentley Health Campus. This project will provide improved access to community-based mental health care within the Bentley catchment.

Queen Elizabeth II Medical Centre Master Planning

Funding of \$1.5 million has been allocated in 2026-27 to develop an updated Queen Elizabeth II (QEII) Medical Centre Master Plan to inform future developments in the precinct, funded by the QEII Medical Centre Trust.

Regional Virtual Care Platform

The Government has approved \$1.3 million of capital investment and \$824,000 of recurrent expenditure in 2026-27 (see Chapter 5) to commence the replacement of the WA Country Health Service's regional virtual care platform, supporting procurement activities and targeted replacement of audiovisual equipment.

EDUCATION AND TRAINING

Table 13

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
EDUCATION					
– Election Commitment – Major Upgrades	9.0	25.7	92.3	24.7	5.3
– Election Commitment – 2028 New Primary Schools	6.2	104.3	38.2	-8.7	-
– Maintenance and Minor Works	-	32.8	49.4	20.5	-
– School Expansions	-	23.7	51.8	20.1	0.6
– Election Commitment – New Schools	-	56.6	23.6	2.2	-
– Additional Classroom Capacity	-	2.0	46.0	18.8	-
– Election Commitment – Cool the Schools	1.3	19.1	16.5	8.9	-
– Election Commitment – Minor Upgrades	-	16.2	16.6	8.3	-
– Applecross Senior High School – Learning Hub	0.3	7.2	0.4	-	-
– Planning for Additions and Improvements	-	2.0	-	-	-
TRAINING AND WORKFORCE DEVELOPMENT					
– Election Commitment – Munster TAFE Expansion ^(a)	0.5	6.7	11.9	5.0	-

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

Education

Election Commitment – Major Upgrades

The Government will invest \$135.2 million over the forward estimates period to deliver major upgrades and refurbishments at four primary schools and four secondary schools as part of the New Schools and Maintenance Vision election commitment, including:

- Como Secondary College (\$29.7 million);
- Karrinyup Primary School (\$27.2 million);
- Champion Bay Senior High School (\$21.4 million);
- Belridge Secondary College (\$16.2 million);
- Byford Primary School (\$12.1 million);
- Cowaramup Primary School (\$10.7 million);
- Glen Forrest Primary School (\$10.7 million); and
- Geraldton Senior High School (\$7.1 million).

A further \$21.8 million will be spent to progress planning activities for 15 of the committed major upgrade projects.

Election Commitment – 2028 New Primary Schools

In February 2026, the Government confirmed the locations for four new primary schools to open for the 2028 school year: Eglinton North, Yanchep East, Treeby East and Vasse West. To deliver these projects, the Government will invest an additional \$140 million over 2025-26 to 2028-29, bringing the total investment in these schools to \$202.4 million.

Maintenance and Minor Works

A further \$102.7 million will be invested over 2026-27 to 2028-29 to support high-priority maintenance and minor works projects at schools, which includes an asset renewal program to replace roofs, hardcourts and toilets across the school estate.

School Expansions

To address localised enrolment pressures, the Government will invest \$96.2 million over the forward estimates period to deliver additional permanent accommodation at the following four schools experiencing increasing student demand:

- Harrisdale Senior High School (\$40.8 million);
- Piara Waters Primary School (\$23.2 million);
- Riva Primary School (\$21 million); and
- Inglewood Primary School (\$11.2 million).

Election Commitment – New Schools

The Government will invest \$82.4 million from 2026-27 to 2028-29 towards the delivery of two new secondary schools under the New Schools and Maintenance Vision election commitment, comprising:

- \$68.4 million for land acquisition and the forward works package relating to the new Alkimos North Senior High School; and
- \$14 million in 2026-27 to progress land acquisition for the new Brabham Senior High School.

Additional Classroom Capacity

To enable the timely expansion of capacity in public schools to meet enrolment pressures as a result of strong population growth, an additional \$66.9 million will be invested from 2026-27 to 2028-29 for the acquisition and delivery of classrooms for the 2027 and 2028 school years.

Election Commitment – Cool the Schools

Under the Government's Cool the Schools election commitment, an additional \$45.8 million will be spent from 2025-26 to 2028-29 to progress the second and final tranche of the \$89.1 million air-conditioning upgrades program at 45 schools across Western Australia.

Election Commitment – Minor Upgrades

As part of the New Schools and Maintenance Vision commitment, \$41.1 million will be invested from 2026-27 to 2028-29 to deliver the second and final tranche of minor upgrades projects in schools, progressing a range of improvements including classroom refurbishments, upgraded sports facilities, new play equipment, and student services upgrades.

Applecross Senior High School – Learning Hub

A total of \$7.9 million will be invested to deliver a double-storey learning hub at Applecross Senior High School to meet immediate enrolment demands for Day 1, 2027.

Planning for Additions and Improvements

An additional \$2 million will be invested by the Department in 2026-27 to undertake planning activities for a number of projects, including major upgrades and redevelopments.

Training and Workforce Development

Election Commitment – Munster TAFE Expansion

The Government will invest \$24.1 million across 2025-26 to 2028-29 to fund the expansion of South Metropolitan TAFE's Munster Campus, in addition to a previous investment of \$429,000 to commence planning for the project. The contemporary facilities will support training for future workforce skills, with a focus on renewable industries including wind energy, battery technology, green hydrogen, electrification, automation and robotics.

COMMUNITY SAFETY

Table 14

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
WESTERN AUSTRALIA POLICE FORCE					
– Fremantle District Police Complex	-	9.9	0.5	0.5	-
– Firearms Reform Program – Licensing and Registry System	-	9.0	-	-	-
– Police Headquarters Security Measures	-	3.0	2.0	-	-
– Land Forces Expo 2026 ^(a)	2.1	2.3	-	-	-
– Yanchep Police Station Relocation	-	4.3	-	-	-
– Recruitment Centre Relocation	-	2.3	-	-	-
– Road Trauma Trust Account – Road Safety Initiatives ^(a)	-	1.0	-	-	-
JUSTICE					
– Adult Custodial Estate Expansion	-	33.8	23.9	3.3	-
– Court Audiovisual Equipment Upgrades	2.5	18.2	-	-	-
– Prison Infrastructure Upgrades	0.2	11.8	4.1	3.4	-
– Custodial Safety and Security Initiatives ^(a)	0.1	2.1	-	-	-
– Public Trustee Services ^(a)	-	0.8	-	-	-
FIRE AND EMERGENCY SERVICES					
– Fleet Replacement ^(a)	3.6	8.1	0.3	0.3	0.3
– Workforce Management Solution	-1.2	7.1	2.8	-	-
– Volunteer Fire and Emergency (Rescue) Service – Upgrade and Replacement Program	1.5	-	-	-	-
– Disaster Ready Fund – Round Three ^(a)	0.2	0.7	0.3	-	-
– State Bushfire Mitigation Branch ^(a)	-	0.6	-	-	-

(a) These items have 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.

Western Australia Police Force

Fremantle District Police Complex

The Government has committed \$10.9 million over 2026-27 to 2028-29 to finalise construction of the Fremantle District Police Complex.

Firearms Reform Program – Licensing and Registry System

The Government has invested \$9 million to continue to deliver the next stage of works for the Firearms Licensing and Registry System. This investment will deliver dedicated trade and club portals and ensure the State is well positioned to integrate with the National Firearms Register.

Police Headquarters Security Measures

The Government has committed \$5.7 million over 2025-26 to 2027-28 to support a range of security upgrades at the Police Headquarters in East Perth, including additional security staffing. This includes \$5 million in capital improvements and \$745,000 in recurrent expenditure (see Chapter 5).

Yanchep Police Station Relocation

To ensure the Western Australia Police Force maintains a police station presence in Yanchep, \$5.4 million will be spent from 2025-26 to 2026-27 to relocate the existing modular station to a new local site prior to the expiry of the current land lease. This investment includes \$1.1 million in recurrent expenditure (see Chapter 5).

Recruitment Centre Relocation

The Government has committed \$3.7 million over 2025-26 to 2026-27 to relocate the Western Australia Police Force's recruitment centre to a new Perth Central Business District location, including \$1.4 million in recurrent expenditure (see Chapter 5). The relocation will support the recruitment of new officers to deliver community safety outcomes across the State.

Justice

Adult Custodial Estate Expansion

In response to ongoing prison population growth, the Government will invest an additional \$67.2 million over 2025-26 to 2028-29 to expand capacity across the adult custodial estate, comprising:

- \$45.6 million in capital expenditure for a further 160 beds as part of the Acacia Prison Expansion project, bringing the total project cost to \$226.6 million for a 480-bed expansion;
- \$15.4 million in capital expenditure for ongoing expansion works at Casuarina Prison, and to deliver an additional 100 beds across the custodial estate; and
- \$6.3 million in recurrent expenditure to progress planning for further custodial infrastructure expansions (see Chapter 5).

Court Audiovisual Equipment Upgrades

The Government will spend \$20.7 million over 2025-26 and 2026-27 to replace and upgrade audiovisual and recording equipment across court and mediation rooms at the District Court Building and the David Malcolm Justice Centre, improving court processes and the ability for witnesses to provide testimony remotely.

Prison Infrastructure Upgrades

An additional \$20.4 million has been allocated over 2025-26 to 2028-29 to upgrade and maintain prison facilities across the State, including replacement of mechanical and electrical systems, perimeter technology upgrades and refurbishment of the Hakea Prison kitchen. This includes \$900,000 for associated operational costs in 2026-27 (see Chapter 5).

Fire and Emergency Services

Workforce Management Solution

The Government will spend \$7.4 million over 2025-26 to 2027-28 to replace the outdated staff management system with a modern, cloud-based Workforce Management Solution to streamline rostering, enable real-time tracking of emergency attendance, and support fatigue management. An additional \$1.3 million will also be capitalised from the Government's initial \$4.1 million project investment (see Chapter 5).

Volunteer Fire and Emergency (Rescue) Service – Upgrade and Replacement Program

An additional \$1.5 million will be spent in 2025-26 to address cost increases associated with the upgrade and replacement of various Volunteer Fire and Emergency (Rescue) Service facilities.

COMMUNITY SERVICES

Table 15

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
COMMUNITIES					
– Prevention of Family and Domestic Violence Initiatives ^(a)	-	1.7	1.1	8.3	8.3
– ICT Services Transition	-	2.9	-	-	-
LOCAL GOVERNMENT, INDUSTRY REGULATION AND SAFETY					
– Pets WA and Pet Sterilisation ^(b)	0.3	0.4	-	-	-
WESTERN AUSTRALIAN SPORTS CENTRE TRUST (VENUESWEST)					
– Priority Capital Improvements	-	5.6	5.6	-	-
– Perth High Performance Centre Roof Replacement	-	-	2.2	2.2	-
– Optus Stadium Superscreens and LED Ribbons	-	-	3.8	-	-
– RAC Arena Audio System	-	3.0	-	-	-
– Venue Security and Public Safety ^(b)	-	1.1	-	-	-

(a) Expenditure has been reprioritised from within existing budget to support this initiative.

(b) 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.

Communities

Prevention of Family and Domestic Violence (FDV) Initiatives

A total of \$19.4 million in capital funding will be spent on prevention of FDV initiatives, comprising:

- \$18.1 million to establish a family and domestic violence refuge in Perth's northern suburbs. The refuge will provide crisis and transitional accommodation for victim-survivors of family and domestic violence in a location of high demand; and
- \$1.3 million in 2026-27 to purchase land in Geraldton for the purpose of developing a new family and domestic violence refuge as part of Government's election commitment. The investment will boost the availability of crisis accommodation in Geraldton for women and children victim-survivors of family and domestic violence.

ICT Services Transition

A total of \$2.9 million will be invested in 2026-27 to maintain essential ICT services while transition work and enhancements progress to migrate ICT systems from the Department of Communities to the Department of Housing and Works.

Western Australian Sports Centre Trust (Venueswest)

Priority Capital Improvements

An additional \$11.3 million over 2026-27 and 2027-28 will be invested to undertake priority capital improvements across 13 venues, including fire panel, fire systems and emergency warning system upgrades and the replacement of end-of-life heating, ventilation, and air-conditioning systems.

Perth High Performance Centre Roof Replacement

The Government will invest an additional \$4.3 million over 2027-28 and 2028-29 towards the replacement of the roof at the Perth High Performance Centre.

Optus Stadium Superscreens and LED Ribbons

The Government has allocated an additional \$3.8 million in 2027-28 for the replacement of the two super screens and LED ribbon displays at Optus Stadium, which are at the end of their useful life.

RAC Arena Audio System

VenuesWest will invest \$3 million in 2026-27 to undertake an in-house, custom-designed audio system upgrade at RAC Arena, which is intended to attract touring artists and help secure additional events.

TRANSPORT AND MAJOR INFRASTRUCTURE

Table 16

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
TRANSPORT AND MAJOR INFRASTRUCTURE					
– Transforming Bunbury's Waterfront – Stage 3 Phase 2	-	15.2	59.2	7.9	-
– Westport – Marine Project Development Plan	0.7	4.8	-	-	25.8
– Maritime Asset Maintenance ^(a)	-	4.6	6.7	-	-
– Digital Driver's Licence and Identity Ecosystem ^(a)	-	0.8	2.4	1.6	0.3
– Barrack Square Jetty 1 Replacement	-	-	-	3.0	-
– Cloud Transformation of Transport Services Systems Database	-	2.9	-	-	-
– Passenger Transport Subsidy Scheme ^(a)	-	1.0	-	-	-
– On-Demand Transport System Enhancements	-	0.5	-	-	-
– Road Trauma Trust Account – Road Safety Initiatives – Infringement Processing ^(b)	0.4	-	-	-	-
COMMISSIONER OF MAIN ROADS					
– Various Road Projects – Additional Investment ^(c)	-	538.7	164.4	-	-
– Westport ^(d)					
– Anketell Road Construction	12.2	18.4	65.4	173.0	217.6
– Land Acquisitions	-	24.0	-	-	-
– Regional Bridge Replacement Program	-	0.3	16.3	60.8	50.0
– Murdoch Health and Knowledge Precinct Stage 2 Transport Improvements	-	29.0	62.5	32.5	-
– Great Northern Highway – Fitzroy to Gogo Stage 1	-	31.8	30.8	20.6	-
– Road Maintenance Funding ^(a)	-	16.3	21.2	-	-
– Latitude 32 and Australian Marine Complex Road Infrastructure Planning ^(e)	-	8.0	10.0	5.0	2.0
– Road Trauma Trust Account – Road Safety Initiatives – Metropolitan Intersections Crash Program ^(b)	-	5.7	-	-	-
– Safer Local Roads and Infrastructure Program ^(a)	0.3	2.6	-	-	-
– 2028 Kimberley Total Solar Eclipse – Doon Doon Viewing Site ^(f)	-	-	1.1	-	-
PUBLIC TRANSPORT AUTHORITY OF WESTERN AUSTRALIA					
– Electric Bus Transition	-	-	29.9	31.2	6.4
– Stirling Bus Interchange	18.0	47.0	-	-	-
– Sutherland Street Rail Bridge	-	7.5	40.0	2.5	-
– Broome Town Bus Services ^(a)	6.9	-	-	-	-
– Health Precinct Transport Improvements	-	3.0	-	-	-
– Lift Replacement Program – Planning	-	2.0	-	-	-
HOUSING AND WORKS					
– Investment in Social Housing	-	248.0	248.1	202.1	25.3
– Housing Maintenance	-	1.1	92.1	71.9	68.8
– Government Regional Officer Housing	-	7.3	59.0	57.9	65.5
– State Fleet Vehicle Asset Investment Program	36.2	-	-	-	-
– Housing Services	-	23.4	12.3	-	-
PILBARA PORTS AUTHORITY					
– Port Hedland Channel Zone 5 Bypass	-	50.0	-	-	-
SOUTHERN PORTS AUTHORITY					
– Bunbury Port Optimisation Plan Stage 1 Planning	-	0.8	4.0	-	-

(a) This item has both recurrent and capital expenditure, the majority of which is recurrent and is therefore detailed in Chapter 5.

(b) See Western Australia Police Force in Chapter 5.

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

(d) See Department of Transport and Major Infrastructure.

(e) See Department of Energy and Economic Diversification in Chapter 5.

(f) See Department of Primary Industries and Regional Development in Chapter 5.

Note: Rows may not add due to rounding.

Transport and Major Infrastructure

Transforming Bunbury's Waterfront – Stage 3 Phase 2

The Government has committed \$89.1 million over the forward estimates to undertake Phase 2 works as part of Stage 3 of the Transforming Bunbury's Waterfront project, which will deliver the essential infrastructure that is required to operate the facility. The Department will spend \$88.3 million over 2026-27 to 2029-30, including \$5.9 million of recurrent expenditure (see Chapter 5), with the Department of Primary Industries and Regional Development to spend \$832,000 for the project management office (see Chapter 5). The additional investment brings the total cost for the project to \$208 million.

Westport

As the Westport program of works progresses, an additional \$647 million is being invested by the State and Commonwealth Governments over 2025-26 to 2029-30 (and a further \$459 million in 2030-31) to continue key planning and enabling activities and to commence construction of the new port's key road connections.

The Department will spend an additional \$31.4 million to complete marine and port infrastructure definition activities, \$4.9 million to progress implementation of priority digital systems (see Chapter 5) and a further \$56.6 million for continued Westport Office operations (see Chapter 5).

Main Roads will also spend \$24 million to acquire additional land to enable construction, and the Department of Water and Environmental Regulation will spend \$905,000 to support environmental impact assessments for the Outer Harbour Port Development and Kwinana Bulk Terminal replacement projects.

The required Anketell Road upgrades are a critical enabling component of the program, with the route essential for both port construction and freight movements. To deliver the first stage of works, \$42.4 million will be spent over 2026-27 and 2027-28 to relocate power (Western Power, \$37.7 million) and water (Water Corporation, \$4.6 million) assets, with a total of \$487 million to be spent by Main Roads over 2025-26 to 2029-30 (and a further \$459 million in 2030-31) for the construction of Anketell Road West between Leath Road and Abercrombie Road.

Barrack Square Jetty 1 Replacement

The Department will spend an additional \$3 million in 2028-29 (funded from the Perth Parking Licensing Account) on the replacement of Jetty 1 at Barrack Square. This brings the total capital cost for the project to \$21.5 million.

Cloud Transformation of Transport Services Systems Database

An additional \$2.9 million will be spent in 2026-27 to support Tranches 3 and 4 of the Department's Transport Services Systems cloud migration programs, which will facilitate the transition of core systems from the existing Oracle platform to the Amazon Web Services public cloud.

On-Demand Transport System Enhancements

To support minor enhancements to the Department’s On-Demand Transport interfaces, an additional \$500,000 will be spent in 2026-27 for enhancements to improve the user experience.

Commissioner of Main Roads

Various Road Projects – Additional Investment

An additional \$703.1 million over 2025-26 to 2027-28 (jointly funded by the State and Commonwealth) will be invested in several existing road projects that are currently under construction or have recently opened to the public. This reflects market-driven cost increases and scope enhancements.

Regional Bridge Replacement Program

Main Roads will spend \$127.4 million over 2026-27 to 2029-30 to deliver a package of up to 21 bridge replacements across 11 regional road corridors including Northam to York and York to Quairading. The program, jointly funded by the State and Commonwealth, is focused on replacing ageing timber bridges and will improve road safety and deliver economic benefits through improved freight access.

Murdoch Health and Knowledge Precinct Stage 2 Transport Improvements

To improve road access within the Murdoch Health and Knowledge Precinct, an additional \$124 million (jointly funded by the State and Commonwealth Governments) will be spent by Main Roads over 2026-27 to 2028-29 to deliver Stage 2 transport improvements.

Great Northern Highway – Fitzroy to Gogo Stage 1

Main Roads will invest \$83.2 million (jointly funded by the State and Commonwealth Governments) over 2026-27 to 2028-29 to deliver Stage 1 of the Great Northern Highway-Fitzroy to Gogo Project, which will improve road safety and resilience of the road to flooding. Stage 1 upgrades include road reconstruction and widening, connections to Gogo Road, Bayulu Access Road and Yurabi Road, and replacement of a single lane bridge with a dual-lane culvert structure.

Public Transport Authority of Western Australia

Electric Bus Transition

The Authority will spend \$67.5 million (funded from Commonwealth revenue) over 2027-28 to 2029-30 to deliver infrastructure upgrades at three depots as part of the ongoing, jointly funded electric bus transition program.

Stirling Bus Interchange

Additional investment of \$65 million, jointly funded by the State and Commonwealth Governments, has been committed over 2025-26 and 2026-27 to deliver the Stirling Bus Interchange upgrade.

Sutherland Street Rail Bridge

To maintain the supporting structure of the Sutherland Street rail bridge, \$50 million will be invested over 2026-27 to 2028-29. The works will be delivered as part of the Authority's Rail Infrastructure Program and are jointly funded by the State and Commonwealth Governments.

Health Precinct Transport Improvements

The Authority will spend \$3 million in 2026-27 to develop options to improve accessibility and connectivity at the Mclver Station and Royal Perth Hospital precinct.

Lift Replacement Program – Planning

To undertake planning to prioritise the Authority's lift replacement program across metropolitan stations, the Authority will spend \$2 million in 2026-27.

Housing and Works

Investment in Social Housing

The Government has made a substantial investment totalling \$4.7 billion in this Budget to support housing supply across the State (see Housing Investment feature box elsewhere in this Chapter). As part of Government's continued investment into social housing, a total of \$723.5 million will be spent over 2025-26 to 2029-30 to deliver 844 social housing dwellings, refurbish 215 properties and acquire land that will support the delivery of approximately 233 additional dwellings. The Government has also committed significant recurrent spending to housing (through the Housing Authority a public non-financial corporation).

Housing Maintenance

The Government will spend a further \$234 million over the forward estimates to deliver maintenance works to its portfolio of residential housing assets, including social housing, Government Regional Officer Housing dwellings and Aboriginal housing.

Government Regional Officer Housing (GROH)

This \$189.7 million investment in GROH by the Department of Housing and Works focuses on the delivery of more than 500 homes as part of the Seven Cities initiative (see Housing Investment feature box earlier in this Chapter).

State Fleet Vehicle Asset Investment Program

The Government will spend \$36.2 million in 2025-26 to acquire vehicles required by State government agencies. This investment is offset by an increase in forecast revenue from the sale of vehicles.

Housing Services

The Government will spend \$35.7 million over 2026-27 to 2027-28 for the delivery of core housing services, including tenancy support services (\$18.7 million), social housing operational expenditure (\$5.1 million) and the payment of debt, rates and utilities related to housing projects (\$11.8 million).

Pilbara Ports Authority

Port Hedland Channel Zone 5 Bypass

To mitigate the risk of extended channel closure and disruption to port activities in the event of a vessel grounding in the main channel at the Port of Port Hedland, the Pilbara Ports Authority will spend \$50 million in 2026-27 to construct a bypass channel, allowing port operations to continue during any salvage activities. This spending will be fully funded by port user contributions.

Southern Ports Authority

Bunbury Port Optimisation Plan Stage 1 Planning

The Southern Ports Authority will spend \$4.8 million over 2026-27 and 2027-28 to commence studies with long lead times and develop a business case for increased capacity at the Port of Bunbury to accommodate the anticipated growth in both business-as-usual trade and energy transition related cargo.

ENVIRONMENT

Table 17

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
BIODIVERSITY, CONSERVATION AND ATTRACTIONS					
– Zoological Parks Authority					
– African Savannah Expansion	-	5.0	7.0	8.0	-
– Nocturnal House Refurbishment	-	4.9	-	-	-
– Native Species Breeding Program Facilities Upgrade and Replacement	-	1.8	2.0	0.3	-
– Garaan-ngaddim Horizontal Falls Tourism Transition	-	3.6	1.4	-	-
– Rottnest Island Authority – Water Infrastructure Upgrade	-	4.5	-	-	-
– Hamelin Pool Boardwalk Replacement	-	2.5	-	-	-
– Conserving and Restoring Swan and Canning Rivers ^(a)	-	0.1	0.4	1.2	-
– Kings Park Public Safety and Security	-	1.0	-	-	-

(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.

Biodiversity, Conservation and Attractions

Zoological Parks Authority – African Savannah Expansion

The Government has committed \$20 million over 2026-27 to 2028-29 to expand and upgrade the existing African Savannah Precinct. This includes the decommissioning of the Asian elephant enclosure and conversion of the area to include a new giraffe barn, animal night quarters, visitor lookouts, and to undertake extensive regrading and surface works.

Zoological Parks Authority – Nocturnal House Refurbishment

A total of \$4.9 million will be spent in 2026-27 to refurbish and upgrade the existing Nocturnal House.

Zoological Parks Authority – Native Species Breeding Program Facilities Upgrade and Replacement

The Zoological Parks Authority will spend \$4.1 million over 2026-27 to 2028-29 to upgrade and replace existing facilities that support the Native Species Breeding program, improving functionality, welfare and conservation outcomes.

Garaan-ngaddim Horizontal Falls Tourism Transition

An amount of \$5 million has been committed over 2026-27 and 2027-28 to provide essential on-site infrastructure at Garaan-ngaddim Horizontal Falls to support the Dambimangari Aboriginal Corporation's delivery of culturally appropriate visitor experiences.

Rottnest Island Authority – Water Infrastructure Upgrade

The Government has committed an additional \$4.5 million in 2026-27 to continue the refurbishment of water storage tanks on Rottnest Island.

Hamelin Pool Boardwalk Replacement

The Department will spend an additional \$2.5 million in 2026-27 for the replacement of the Hamelin Pool boardwalk in the Shark Bay world heritage area, which was destroyed by Cyclone Seroja in 2021.

Kings Park Public Safety and Security

Security infrastructure at Kings Park will be upgraded at a cost of \$955,000 in 2026-27 through the installation of closed-circuit television, automated number plate recognition coverage, and modern lighting.

PLANNING AND LAND USE

Table 18

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
PLANNING, LANDS AND HERITAGE					
– Fremantle Prison – Sustaining Capital Works	-	1.5	1.5	-	-
– Planning Online	0.9	1.8	-	-	-
DEVELOPMENTWA					
– Housing Australia Future Fund Projects	-	228.0	249.7	46.7	-
– Residential Land Development	55.2	-22.2	108.9	173.4	148.3
– South Hedland Western Edge	0.7	12.6	27.6	19.8	14.6
– METRONET Station Precincts	-	20.0	46.7	-	-
– Industrial Land Development	-	-	1.9	20.4	28.7
– Strategic Industries Fund Initiatives ^(a)	-	47.1	5.4	3.9	-
– Investment in Social Housing ^(b)	-	45.3	-	-	-
– Broome North Residential	-	13.0	13.5	12.0	2.2
– Newman Industrial	-	28.5	2.9	0.6	0.1
– Kensington Redevelopment	-	15.3	15.0	-	-
– Australian Marine Complex – Landing Craft Heavy	-	20.0	10.0	-	-
– Housing and Infrastructure Advanced Manufacturing Facilities ^(c)	-	8.0	-	-	-
– 500 Homes for First Home Buyers	-	5.0	-	-	-
– ECU Mount Lawley Redevelopment	1.5	2.8	-	-	-
NATIONAL TRUST OF AUSTRALIA (WA)					
– Avondale Farm Conservation ^(c)	-	-	0.7	0.7	-

(a) See Department of Energy and Economic Diversification detailed in Chapter 5.

(b) See Department of Housing and Works.

(c) 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.

Planning, Lands and Heritage

Fremantle Prison – Sustaining Capital Works

The Government will spend an additional \$3 million over 2026-27 and 2027-28 to undertake sustaining capital works at Fremantle Prison to maintain the heritage asset and tourism attraction.

Planning Online

The Government is investing a further \$2.7 million over 2025-26 and 2026-27 from the Digital Capability Fund to complete the Planning Online project. Planning Online will deliver an online portal for a broad range of planning lodgements and improving public engagement.

DevelopmentWA

Housing Australia Future Fund Projects

As part of the Government's ongoing investment in social and affordable housing, DevelopmentWA will invest \$524.4 million over 2026-27 to 2028-29 to fund the upfront construction cost of eight Housing Australia Future Fund projects. These developments will deliver 747 social and affordable dwellings and will be sold to the community housing sector. The Commonwealth is supporting these projects by providing payments to the community housing provider for 25 years, helping to bridge the gap between the cost of the developments and the rental income received from tenants.

Residential Land Development

To increase residential land supply, DevelopmentWA will spend an additional \$463.5 million over 2025-26 to 2029-30 on residential land developments. The investment is primarily for civil works associated with the delivery of northern metropolitan residential developments in Eglinton, Alkimos, Yanchep, Jindowie and Ocean Reef, as well as southern and eastern metropolitan residential developments in Forrestfield, Forrestdale and Gosnells. This expenditure is estimated to support an additional 3,500 dwellings.

South Hedland Western Edge

DevelopmentWA will spend \$75.2 million over 2025-26 to 2029-30 to increase regional residential land supply through Stage 1 of the Western Edge residential development in South Hedland. Delivery of civil works and enabling infrastructure will support the release of 121 residential lots to support housing supply in the Pilbara.

METRONET Station Precincts

Additional investment of \$66.7 million over 2026-27 and 2027-28 has been allocated to progress the Government priority to develop land within METRONET station precincts. This investment will unlock underutilised land to enable the development of high-density housing close to METRONET stations. It will also support the delivery of homes for first home buyers and is funded by the Commonwealth through the 100,000 Homes for First Home Buyers program.

Industrial Land Development

To maintain an ongoing supply of industrial lots, DevelopmentWA will spend an additional \$51.1 million over 2027-28 to 2029-30 to develop industrial land across the Perth metropolitan area and regional Western Australia, including in Kwinana, Broome and Pinjarra.

Broome North Residential

The Government has allocated \$40.7 million to DevelopmentWA over the forward estimates to increase regional residential land supply through the development of 111 lots in the Gujjarra residential estate within the Broome North development.

Newman Industrial

To deliver Stage 4 of the Newman Light Industrial Area, capital expenditure of \$32 million has been allocated over the forward estimates. This investment will supply 16 lots to the market, addressing shortages of serviced industrial land in the East Pilbara.

Kensington Redevelopment

In preparation for a new residential development and sporting facility in Kensington, DevelopmentWA will spend \$30.3 million over 2026-27 and 2027-28 to remediate the land.

Australian Marine Complex – Landing Craft Heavy

DevelopmentWA will invest \$30 million over 2026-27 and 2027-28 to deliver new common-user facilities in support of the Commonwealth's Landing Craft Heavy contract with Austal Defence Australia. The investment will enable the relocation of non-defence industry users displaced by Austal's need for exclusive access to facilities within the Australian Marine Complex. This investment is funded by the Commonwealth.

500 Homes for First Home Buyers

To support housing delivery and home ownership, the Government has allocated \$5 million to DevelopmentWA in 2026-27 to undertake headworks that may be required to support the construction of 500 affordable dwellings for first home buyers (see Provisions later in this Chapter). This investment is funded through the Commonwealth's 100,000 Homes for First Home Buyers program.

ECU Mount Lawley Redevelopment

Additional spending of \$4.3 million has been allocated over 2025-26 and 2026-27 for planning and early works related to the redevelopment of the ECU Mount Lawley precinct. Plans for the precinct include diverse residential living options, as well as commercial and community amenities.

UTILITIES

Table 19

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
SYNERGY					
– Security of Critical Infrastructure	-	1.7	-	-	-
WESTERN POWER					
– Asset Investment Program – Uplift	-	428.6	544.0	-	-
– Residential Lot Development – Housing Enabling Infrastructure Fund	-	86.3	71.4	87.6	2.0
– Sustaining ICT Uplift	-	112.4	-	-	-
– Clean Energy Link – Kemerton Strategic Industrial Area	-	1.1	14.9	12.1	27.0
– Westport – Anketell Road – Stage 1A ^(a)	-	5.5	32.3	-	-
– Perth Office	-	4.6	9.0	9.0	-
– West Mundijong Industrial Estate	-	-	7.6	-	-
HORIZON POWER					
– Remote Communities – Advanced Metering Infrastructure	-	11.0	11.7	-	-
– Retail System Replacement	-	2.5	3.8	-	-
– Residential Housing Replenishment	-	1.8	3.8	-	-
– Stovehill Road Karratha Remediation Project	-	3.5	-	-	-
– 2028 Kimberley Total Solar Eclipse ^(b)	-	0.5	0.3	-	-
WATER CORPORATION					
– West Pilbara Water Supply Scheme	195.4	444.4	19.5	-	-
– Residential Lot Development – Housing Enabling Infrastructure Fund	-	51.8	56.2	58.6	75.5
– Perth Seawater Desalination Plant – Enhanced Backwash	-	5.4	26.1	7.1	-
– Wellington Dam Bridge Replacement	7.2	3.0	-	-	-
– Regional Drainage Bridge Replacement	-	0.3	4.0	4.6	0.5
– 2028 Kimberley Total Solar Eclipse ^(b)	-	5.2	4.0	-	-
– Westport – Anketell Road – Stage 1A ^(a)	-	1.2	3.5	-	-
BUSSELTON WATER CORPORATION					
– Dunsborough Bulk Water Supply Upgrade – Stage 3	-	0.1	0.3	3.9	4.0

(a) See Department of Transport and Major Infrastructure.

(b) See Department of Primary Industries and Regional Development in Chapter 5. Represented in general government expenses as grants and subsidies, sourced from the Consolidated Account and paid through the Department of Primary Industries and Regional Development.

Note: Rows may not add due to rounding.

Synergy

Security of Critical Infrastructure

The Government has committed \$1.7 million to undertake cyber security upgrades to protect Western Australians personal information held by Synergy and reduce cyber risks.

Western Power

Asset Investment Program – Uplift

A total of \$972.6 million will be invested over 2026-27 and 2027-28 on Western Power's sustaining, growth and structural asset investment program categories. The investment is to maintain the safety and reliability of the network, expand the network, undertake customer connections, and increase electricity capacity infrastructure to support growing energy demand.

Residential Lot Development – Housing Enabling Infrastructure Fund

To unlock and increase land supply, Western Power will spend \$247.3 million over the forward estimates to upgrade the network. This includes \$64.1 million to deliver new distribution feeders in North Ellenbrook, East Wanneroo, North-East Baldivis, and other metropolitan locations, \$100 million on METRONET station precincts, and \$83.2 million for the planning, scoping, land acquisition, and long-lead items required to build two new zone substations in North Ellenbrook and East Wanneroo. A portion of residential lots enabled by the investment will be reserved for first home buyers. Accordingly, this investment is jointly funded by the State and Commonwealth through the 100,000 Homes for First Home Buyers program.

Sustaining ICT Uplift

Western Power will spend \$112.4 million in 2026-27 on ICT projects that manage critical infrastructure, meet regulatory obligations, replace corporate software, and enhance field operations technology capabilities.

Clean Energy Link – Kemerton Strategic Industrial Area (SIA)

A total \$55 million will be invested over the forward estimates to replace a transformer with a higher-capacity unit for the Kemerton SIA and enable the Clean Energy Link – Kemerton upgrade works.

Perth Office

Due to extensive water damage to Western Power's head office, it will move to new premises in 2026-27 and invest \$22.6 million over 2026-27 to 2028-29 to fit out the new Perth Office.

West Mundijong Industrial Estate

A further \$7.6 million will be spent in 2027-28 to deliver a distribution feeder to the West Mundijong Industrial Estate, providing additional electricity capacity to customers.

Horizon Power

Remote Communities – Advanced Metering Infrastructure

Horizon Power will invest \$24 million over 2026-27 and 2027-28 to install Advanced Metering Infrastructure in 38 remote Aboriginal communities, including \$1.3 million in operating resources (see Chapter 5). The program improves safety and service reliability by enabling real-time usage monitoring, early detection of network issues and fewer field visits in remote locations.

Retail System Replacement

The Government has approved additional investment of \$6.3 million over 2026-27 and 2027-28 as part of a \$31.8 million retail system replacement program. The upgraded platform will improve billing accuracy, reduce the risk of service failures and strengthen data security.

Residential Housing Replenishment

Horizon Power will spend \$5.6 million over 2026-27 and 2027-28 to construct six new staff houses to reduce reliance on leased properties, support workforce retention and help maintain reliable services in remote and regional areas.

Stovehill Road Karratha Remediation Project

Horizon Power will invest \$3.5 million in 2026-27 to widen and reconstruct the 1.65 kilometre Stovehill Road in Karratha, a key access route for multiple utility providers. The upgrade will improve safety and ensure reliable operational access for utility crews.

Water Corporation

West Pilbara Water Supply Scheme

Water Corporation will invest \$659.3 million over 2025-26 to 2027-28 to secure water supply in the West Pilbara. This expenditure includes Water Corporation's 50% share of the Dampier Seawater Desalination Plant and integration works (\$651.4 million) and an upgrade to Harding Dam's water treatment plant (\$7.9 million).

Residential Lot Development – Housing Enabling Infrastructure Fund

To unlock land and supply in North Ellenbrook, East Wanneroo and other metropolitan and regional locations, \$215.6 million will be spent over 2026-27 to 2029-30 to construct water, wastewater and drainage assets. An additional \$26.6 million will be spent to deliver the same services in METRONET station precincts. A portion of residential lots enabled by the investment will be reserved for first home buyers. Accordingly, this investment is jointly funded by the State and Commonwealth through the 100,000 Homes for First Home Buyers program.

Perth Seawater Desalination Plant – Enhanced Backwash

To manage the impact of increased seawater turbidity on Perth Seawater Desalination Plant during Westport construction and operation, \$38.5 million will be spent from 2026-27 to 2028-29 to implement an enhanced backwash program to address immediate operational risks and to prepare for future expansion.

Wellington Dam Bridge Replacement

An additional \$10.2 million will be spent over 2025-26 and 2026-27 to replace Wellington Dam Bridge and for implementation of risk mitigation measures.

Regional Drainage Bridge Replacement

To improve load capacity, \$9.4 million will be spent over 2026-27 to 2029-30 to replace two regional road bridges over drainage assets.

Busselton Water Corporation

Dunsborough Bulk Water Supply Upgrade – Stage 3

An additional \$8.2 million will be spent over 2026-27 to 2029-30 for the Dunsborough Bulk Water Supply Upgrade – Stage 3 project to upgrade water infrastructure supplying Dunsborough.

PROVISIONS

Table 20

MAJOR SPENDING CHANGES SINCE THE 2025-26 MID-YEAR REVIEW

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
PROVISIONS					
– 500 Homes for First Home Buyers	-	60.0	95.0	125.0	95.0
– Government Regional Officer Housing – Shared Equity Home Ownership Subsidy Scheme	-	41.0	41.0	41.0	41.0
– Social Housing	-	-	-	-	15.0
– Climate Action Fund	-34.6	-	-	-	-
– WA Health Asset Investment Program Delivery	-	-5.0	-50.0	-	-
– Building Hospitals Fund	-	-95.0	-44.0	-	-
– Provision for Yet-To-Be-Announced Decisions	-16.9	-132.5	-72.8	-3.5	-
– Asset Investment Program Smoothing Provisions					
– Removal of 2025-26 Mid-year Review Smoothing	2,900.0	750.0	-850.0	-1,800.0	-1,000.0
– 2026-27 Budget Smoothing Provision	-2,900.0	-3,500.0	-1,000.0	2,500.0	3,900.0

Note: Rows may not add due to rounding.

Provisions

500 Homes for First Home Buyers

A total of \$375 million has been set aside over 2026-27 to 2029-30 to build 500 affordable dwellings for first home buyers, supported by Keystart shared equity loans. The funding will be released to delivery agencies upon final investment decisions as part of future Budget processes. The program leverages Commonwealth funding under the 100,000 Homes for First Home Buyers and existing Urban Connect Shared Equity funding.

Government Regional Officer Housing – Shared Equity Home Ownership Subsidy Scheme

The Government has provisioned \$184.4 million over 2026-27 to 2029-30 for a revamped Shared Equity Home Ownership Subsidy Scheme, which will encourage new housing supply, home ownership and the retention of key service workers in regional areas. The cost of the replacement build program will be partially offset by expected sales proceeds.

Social Housing

A provision of \$15 million in 2029-30 has been included in this Budget for the refurbishment of social housing dwellings. This funding is subject to confirmation of the funding from the Commonwealth's Housing Australia Future Fund.

Climate Action Fund

Since the 2025-26 Mid-year Review, allocations from the Climate Action Fund have been made to the Department of Energy and Economic Diversification (\$29.6 million for the Kalgoorlie Vanadium Battery Energy Storage System, detailed in Chapter 5) and Department of Education (\$5 million for the Schools Clean Energy Technology Fund, disclosed earlier in this chapter). A balance of \$45.7 million remains provisioned for future climate-related initiatives.

WA Health Asset Investment Program Delivery

An allocation of \$55 million has been made to WA Health over 2026-27 and 2027-28 as part of this Budget for Broome Renal Hospital (\$14.5 million) and Tom Price Hospital (\$40.5 million), detailed earlier in this chapter. The provision has now been fully allocated.

Building Hospitals Fund

The Building Hospitals Fund was established as part of the 2025-26 Mid-year Review, with \$1.43 billion held as a provision for future health infrastructure projects. This Budget includes allocations from the provision to WA Health totalling \$139 million, disclosed earlier in this chapter. The Government has allocated a further \$500 million to the Fund over 2027-28 and 2028-29 which will be allocated to spending in a future Budget process.

Provision for Yet-To-Be-Announced Decisions

The 2025-26 Mid-year Review included a provision for the impact of Government decisions that were expected to be announced after the 18 December 2025 release of the Mid-year Review. All Mid-year Review decisions have since been announced and are reflected in agency disclosures earlier in this chapter.

Asset Investment Program Smoothing Provisions

The provision to smooth the AIP over the forward estimates period has been updated to adjust for expected timing changes across the Government's record Asset Investment Program, with spending from 2025-26 to 2027-28 assumed to be spent in later years, including \$1 billion outside the current forward estimates period.

2026–27 Economic and Fiscal Outlook

Investing in Regional Western Australia

HIGHLIGHTS

- The 2026-27 Budget continues to grow and develop regional Western Australia, with \$9.5 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 2026-27 to 2029-30.
- The Government continues to boost regional housing and land supply with \$672 million for regional housing initiatives, including \$399 million for key government worker housing focused on the delivery of more than 500 homes as part of the Government's Seven Cities initiative, \$116 million to unlock residential land in Broome and South Hedland, and a \$50 million top-up to the Regional Housing Support Fund to assist with construction, infrastructure and site preparation costs for new housing projects.
- Delivery of high quality and sustainable health services in regional Western Australia is a key priority, with around \$3.1 billion per annum spent on health and mental health services. A \$808 million pipeline of regional health and mental infrastructure investment 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 more than \$1.9 billion per annum across over 340 schools, and \$318.9 million of infrastructure investment in regional Western Australia. New investment approved in this Budget includes \$52 million for a new primary school in Vasse West, and \$51 million for major upgrades at Byford Primary School, Champion Bay Senior High School, Cowaramup Primary School and Geraldton Senior High School.
- Over \$1.1 billion has been allocated in this Budget to improve and expand water and power services in the regions, including \$659 million to secure water supply in the West Pilbara, \$150 million for the Kalgoorlie Vanadium Battery Energy Storage System, and \$77 million for additional electricity capacity for industrial customers in Kalgoorlie and Australind.

Delivering Strong Financial and Economic Management: Diversifying Our Economy and Making More Things in Western Australia

Growing quality regional jobs and business opportunities continues to be a priority for the State Government. This Budget includes initiatives that will encourage new industries, support and grow existing industries, along with programs that promote a skilled and productive workforce in the regions.

New regional initiatives funded in the 2026-27 Budget include:

- \$36.1 million to boost the supply of general industrial land in the regions, including \$32 million for additional lots at the Newman Light Industrial Area in the Pilbara;
- \$24.6 million to deliver public safety services and essential infrastructure requirements in the lead up to the Kimberley Total Solar Eclipse Event in July 2028;
- \$14 million to implement the regional components of the *Jina: Western Australian Aboriginal Tourism Action Plan 2026-2030*, to support the development of new Aboriginal tourism events and experiences and build capacity for Aboriginal peoples' participation in the Aboriginal tourism sector;
- \$12.3 million for land assembly in the Kemerton Strategic Industrial Area in the South West;
- \$10.6 million to establish and operate the Clean Energy Training and Research Institute, creating regional training pathways and research capability for the State's hydrogen workforce, and supporting decarbonisation opportunities in the Pilbara;
- \$3.7 million to support the operation of the Gwoonwardu Mia Aboriginal Heritage and Cultural Centre in Carnarvon;
- \$3.3 million for DevelopmentWA to progress infrastructure corridor studies at the Boodarie Strategic Industrial Area in the Pilbara;
- \$2.6 million to support the ongoing delivery of the CinefestOZ Film Festival in the South West;
- \$2.4 million to continue the Aboriginal Pastoral Program, which supports Aboriginal-owned pastoral enterprises; and
- \$1.3 million to continue support for the Sustainable Innovative Food Technology Facility in the Peel Business Park, providing agrifood businesses access to advanced equipment, technical expertise and affordable production capacity on a common user basis.

Ensuring all Western Australians can Access the Healthcare we Need, when we Need It

The Government spends over \$3.1 billion per annum on health and mental health services in regional Western Australia and remains committed to providing high quality and sustainable services. Additional funding provided as part of the Budget includes:

- \$100.9 million in additional funding for the Bunbury Hospital Redevelopment, bringing the total cost of this project to \$571.9 million;
- \$60.8 million for Tom Price Hospital Redevelopment;
- \$59 million to build a new 32-bed ward as part of the Albany Health Campus Expansion;
- \$48.6 million to continue the Social and Emotional Wellbeing model of service delivery in regional Western Australia;
- \$24.8 million to continue regional initiatives under the Infant, Child and Adolescent Taskforce, including the Bunbury Hub and the Brief Crisis Intervention program;
- \$24.4 million in additional funding for the Meekatharra Hospital Redevelopment;
- \$20.3 million to continue providing specialist health care services as part of the Pilbara Health Initiative;
- \$19.6 million for housing refurbishments, replacements and purchases under the WA Country Health Service's Critical Staff Accommodation Program;
- \$16.2 million in additional funding for the Broome Renal Hostel that will provide accommodation for renal dialysis patients accessing services in Broome;
- \$14.8 million to support the cost of providing cancer services in regional Western Australia;
- \$13.7 million over 2026-27 and 2027-28 to continue regional palliative care teams that ensure people in regional areas can access palliative care services;
- \$10.9 million to onboard and train clinicians ahead of the opening of the Geraldton Health Campus Redevelopment in September 2026;
- \$7.6 million to continue the delivery of the South Hedland Step Up/Step Down facility;
- \$5.5 million for the Country Patient Health Support Service, which provides comprehensive journey planning and support for regional residents travelling to Perth for medical treatment;
- \$4.9 million to continue to provide additional funding for the State's Remote Area Nursing Posts that provide health care services in small towns and communities;

2026–27 Economic and Fiscal Outlook

- \$4.8 million to fund additional staff to support Suicide Prevention Coordinators in coordinating regional suicide prevention plans;
- \$3.9 million in additional funding for the \$65.7 million Laverton Hospital Redevelopment that will provide modern emergency facilities, multidisciplinary ambulatory care, and outpatient services;
- \$3.9 million to continue to provide critical Eye Services in the Pilbara and Kimberley that reduce eye diseases and vision problems;
- \$3.2 million for the Country Nursing and Midwife Incentive program, which provides financial incentives for staff working at the State’s most remote and difficult to staff sites;
- \$2.2 million to commence the replacement of the WA Country Health Service’s Avaya virtual care platform; and
- \$2 million to continue the Needle Syringe Exchange Program in Broome. The program offers equipment exchange, safe disposal, brief interventions and referrals to other services.

Ensuring Every Western Australian has a Home

As part of Government’s continued investment into social and affordable housing, a total of \$1.5 billion will be spent over 2026-27 to 2029-30 to deliver an additional 1,591 social and affordable dwellings, refurbish 215 properties and acquire land that will support the delivery of approximately 233 additional dwellings, across both metropolitan and regional Western Australia.

The Government is investing \$399 million in key government worker housing including more than 500 homes to be delivered as part of the Seven Cities initiative. This includes a contribution of \$150 million from the major resource companies (Rio Tinto (\$100 million) and BHP (\$50 million), with a further contribution from Hancock Prospecting (\$20 million – made after the cut-off date for this Budget)) through the Resources Community Investment Initiative, a revamped Home Ownership Subsidy Scheme to include shared equity, and an expansion of the GROH build to lease program.

Other new regional housing and land supply measures in this Budget include:

- \$116 million for DevelopmentWA to develop residential land at South Hedland Western Edge in the Pilbara (\$75.2 million) and Broome North in the Kimberley (\$40.7 million);
- \$81.7 million for new builds and upgrades to housing in remote communities;
- a \$50 million top-up to the Regional Housing Support Fund (from \$25 million to \$75 million) to provide additional grants to local governments, community housing providers and landowners/developers to assist with construction, infrastructure and site preparation costs for new housing projects in regional areas;

- \$3.6 million as part of the extension of the Construction Visa Subsidy Program and Build a Life in WA incentive to continue attracting skilled building and construction workers to the regions; and
- \$1.8 million additional investment for the Water Lily Place Affordable Accommodation Project, which will provide 14 affordable housing units for key workers in Kununurra.

Building Safe and Inclusive Communities

The Department of Communities employs approximately 1,051 staff in regional Western Australia providing child protection and family supports, disability support services, initiatives for the prevention of family and domestic violence, services for people experiencing homelessness, and a range of community services. New spending approved in this Budget includes:

- \$61.4 million over 2026-27 to 2029-30 to continue services at all Target 120 sites, including 15 regional locations, which supports at-risk youth and their families to reduce the incidence of reoffending;
- \$44.9 million over 2026-27 to 2029-30 for the continuation and expansion of the Aboriginal Family Led Decision Making program and Aboriginal Representative Organisation services, which will support the Department in meeting Closing the Gap targets;
- \$20.3 million to provide a funding uplift to providers of services for At Risk Youth, including 38 providers in regional Western Australia, to ensure service sustainability and continuity;
- \$17.2 million to support the re-commissioning of Child Sexual Abuse Therapeutic Services and Indigenous Healing Services, including providers at 11 locations in regional Western Australia;
- \$11 million to boost homelessness services in Kalgoorlie-Boulder, including the establishment of Housing First Support Services to support the rollout of the Regional Supportive Landlord Model, and continuation of the Kalgoorlie Transitional Services;
- \$9.5 million to meet the operational costs of supporting the Banned Drinker Register across four Banned Drinkers Areas (Kimberley, Pilbara and Goldfields regions, and the towns of Carnarvon and Gascoyne Junction) on a permanent basis;
- \$6.4 million to continue the Worker Safety Device pilot program, and progress with a State-wide rollout, including the expansion of coverage to high-risk roles in regional Western Australia;
- \$4.8 million to support Early Years Partnership initiatives in the regions, aimed at improving child wellbeing and school readiness and decreasing developmental vulnerability in four Western Australian communities;

2026-27 Economic and Fiscal Outlook

- \$3.9 million for the Target 120 Plus program in Broome, to continue providing intensive support for young people who are currently or have previously served time in juvenile justice detention;
- \$2.1 million to continue operation of Warlang Bidi Therapeutic Refuge to support victim-survivors of Family and Domestic Violence in the Peel region; and
- \$1.3 million to purchase land in Geraldton for a new family and domestic violence refuge to serve the Mid West.

To support the Government's commitment to keep regional communities safe, around \$570 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 2,000 police officers and staff.

Additional funding provided as part of this Budget includes:

- \$24.2 million to continue Operation Regional Shield over 2026-27 and 2027-28, which will support the deployment of police officers to provide a targeted response to youth crime and anti-social behaviour in regional Western Australia;
- \$7.7 million to expand the Community Liaison Officers initiative, which will fund new roles in both regional and metropolitan Western Australia to focus on strengthening engagement and collaboration between the Western Australia Police Force and local Aboriginal and culturally and linguistically diverse communities; and
- \$1.5 million to continue the Police and Community Youth Centres' safeSPACE program for 2026-27 in Kalgoorlie, Kununurra and Roebourne.

The Department of Justice spends around \$414 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:

- \$41 million to continue and expand the Kimberley Juvenile Justice Strategy to reduce youth crime and support at-risk youth in the Kimberley;
- \$3.9 million to incentivise staff relocation to regional prisons; and
- \$2.4 million to continue the Yiwarra Kuju - Martu Western Desert Justice Program, which provides on-country diversionary and prevention programs to improve criminal justice outcomes and reduce recidivism for the Martu Western Desert community.

Protecting and Restoring our Environment

The Department of Biodiversity, Conservation and Attractions maintains a network of 125 national parks, 21 marine reserves, 12 Regional 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 \$315 million in 2026-27. 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 in this Budget includes:

- \$12.6 million to extend the contract for environmental monitoring and development of Environmental Quality Criteria under the Murujuga Rock Art Monitoring Program, funded by industry contributions;
- \$6.2 million to expand the Healthy Estuaries WA program;
- \$5 million to provide essential on-site infrastructure at Garaan-ngaddim Horizontal Falls to support the Dambimangari Aboriginal Corporation's delivery of culturally appropriate visitor experiences; and
- \$2.5 million to complete the replacement of the Hamelin Pool boardwalk in the Shark Bay world heritage area, which was destroyed by Cyclone Seroja in 2021.

Delivering Quality Infrastructure and Services Across Our State

The State's \$9.5 billion regional Asset Investment Program is providing a pipeline of work that will grow regional economies and jobs and improve infrastructure and services in regional centres and remote communities.

New regional spending approved to support infrastructure and service delivery in this Budget includes:

- \$89.1 million for Stage 3 Phase 2 of Transforming Bunbury's Waterfront project, including essential upgrades to services and coastal structures and the installation of boat pens;
- \$50 million to construct a bypass channel at Port Hedland to mitigate the risk of extended channel closure and disruption to port activities in the event of a vessel grounding in the main channel, with this spending fully funded by port user contributions;
- \$44.7 million to increase the frequency of the Australind train service upon the commissioning of the new expanded diesel railcar fleet;

2026–27 Economic and Fiscal Outlook

- \$14.2 million to continue and expand the Broome Town Bus Service, including for new and upgraded infrastructure (including buses, a depot and SmartRider ticketing equipment);
- \$10.4 million in 2025-26 to secure temporary fuel supply and storage for the East Kimberley;
- a further \$6 million towards capped airfares for flights taken in 2025-26 under the Regional Airfare Zone Cap scheme;
- \$5.8 million for the extension of the Martu Student Hostel Program in Newman, providing residential accommodation for Martu secondary students living in remote Aboriginal communities in the Western Desert;
- \$4.8 million to commence planning works, including preparation of a business case, for stage one of the Bunbury Port Optimisation Plan. This Plan will develop options for additional capacity at the Port of Bunbury to accommodate the anticipated growth in both business-as-usual trade and energy transition related cargo;
- \$3.8 million to continue to support the Inter-Regional Flight Network air service, which operates direct flights between Geraldton, Karratha, Port Hedland and Broome;
- \$3.8 million to demolish structurally compromised public buildings in Karratha, which will support future development on the site;
- \$3.4 million over 2025-26 to 2029-30 for additional parliamentary electorate officers to support regional electorates;
- \$3.3 million for essential maintenance works at the Department of Primary Industries and Regional Development's Geraldton and Albany Regional Offices;
- \$2 million for Scitech to conduct regional outreach programs and community engagement;
- \$2 million to develop Regional Implementation Plans as part of Closing the Gap implementation, in partnership with the Aboriginal people of each region;
- \$1.3 million to extend the Derby-Broome and Kununurra-Halls Creek-Balgo Regular Public Transport air services;
- \$1.1 million of Commonwealth funding, in addition to the allocation of a further \$1.6 million of State funding from within existing budget settings, to reseal the main runway at Kalumburu Airport; and
- \$1 million in 2026-27 to continue support of regional newspaper publications.

Improving Our Road Network

The Government continues to invest in improving and renewing road infrastructure, with a total of \$3.6 billion to be spent on road projects and programs over the next four years. This investment will improve safety and increase freight efficiency across the regions.

A number of major regional road projects that are in construction will continue in 2026-27, including Manuwarra Red Dog Highway (\$380 million), and Great Eastern Highway Upgrades – Coates Gully, Walgoolan to Southern Cross and Ghooli to Benari (\$250 million) and Indian Ocean Drive – Jurien Bay to Brand Highway (\$104.2 million).

This Budget includes an additional \$221.3 million for new regional road projects which are largely jointly funded with the Commonwealth, including the Regional Bridge Replacement program (\$127.4 million) and upgrades to the Fitzroy to Gogo section of the Great Northern Highway (\$83.2 million).

A further \$197.6 million of joint funding has been allocated to existing regional road projects, including the Bunbury Outer Ring Road, Toodyay Road – Dryandra to Toodyay, and Great Northern Highway – Newman to Port Hedland overtaking lanes.

Investing in Education and Early Childhood Development

The State Government will spend more than \$1.9 billion per annum to provide approximately 88,000 students enrolled in over 340 schools across regional Western Australia access to a quality education. Over the next four years, \$318.9 million will be invested in regional primary and secondary school maintenance, refurbishments, upgrades and new builds.

New spending in this Budget includes:

- \$113.8 million to facilitate the New Schools and Maintenance Vision election commitments, comprising:
 - \$52.3 million for a new primary school to open in Vasse West for the 2028 school year;
 - \$51.3 million to deliver major upgrades at Champion Bay Senior High School, Cowaramup Primary School and Geraldton Senior High School; and
 - \$10.2 million to deliver a range of minor works projects, including classroom refurbishments, sports facilities, play equipment, and student services upgrades;
- \$16.7 million for additional classroom capacity;
- \$9.2 million to deliver air-conditioning upgrades as part of the Cool the Schools commitment;
- \$8.1 million for an asset renewal program to address the replacement of roofs, hardcourts and toilets;
- \$6.4 million to support maintenance and minor works projects across regional schools;
- \$6.5 million to continue the Kimberley Schools Project until the end of 2027 including targeted teaching approaches and KindiLink delivery, to continue to improve early childhood learning, attendance, and student and community engagement in the region;

2026–27 Economic and Fiscal Outlook

- \$5.4 million for piggery remediation works at the WA College of Agriculture in Cunderdin;
- \$2 million to extend the Remote Schools Infrastructure Program, which provides grants for infrastructure upgrades at eligible non-government schools in the Kimberley;
- \$1.3 million to deliver solar and LED lighting upgrades as part of the Schools Clean Energy Program;
- \$1.1 million for maintenance works at the Manjimup local Education office; and
- \$790,000 for maintenance works at Kalgoorlie Primary School.

Over the forward estimates period, an average of around \$313 million per annum will be spent to deliver Vocational Education and Training, career and employment advice, and TAFE support services across regional Western Australia.

To enhance the capacity and capability of the regional TAFE Colleges, \$52 million will be spent on regional TAFE projects, including \$10.2 million under the TAFE Modern Equipment program.

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 \$3.4 billion over 2026-27 to 2029-30. This includes Western Power's safety-related expenditure on poles and wires, construction of Synergy's King Rocks Wind Farm, Horizon Power's Asset Investment Program, Water Corporation securing water supply in the West Pilbara and capital expenditure by the Busselton Water Corporation.

New regional power and water initiatives approved in this Budget include:

- \$659.3 million over the forward estimates period to secure water supply in the West Pilbara, comprising:
 - \$651.4 million between 2025-26 to 2027-28 to fund Water Corporation's 50% share of the Dampier Seawater Desalination Plant and integrate supply into the West Pilbara Water Supply Scheme; and
 - \$7.9 million to upgrade the Harding Dam water treatment plant;
- \$150 million grant funding for the Kalgoorlie Vanadium Battery Energy Storage System;
- \$76.7 million to unlock additional electricity capacity for industrial customers in Kalgoorlie and Australind;
- \$61.5 million to establish a Regional Water Source Fund to progress water source planning and investigation in the regions;

- \$55 million to replace an end-of-life transformer at the Kemerton Strategic Industrial Area to improve network reliability and enable future Clean Energy Link network capacity expansion works;
- \$25 million to undertake water and wastewater asset maintenance works in regional areas;
- \$24.8 million for industrial water source planning and investigation activities in the Boodarie and Kemerton Strategic Industrial Areas;
- \$24 million to roll out Advanced Metering Infrastructure in 38 remote Aboriginal communities;
- \$23 million for water, wastewater and drainage infrastructure to facilitate residential land supply in Albany, Eaton, Australind and Boyanup;
- \$9.4 million to upgrade two regional road bridges;
- \$8.2 million to upgrade water supply infrastructure supplying water to Dunsborough;
- \$3.5 million to widen and reconstruct Stovehill Road in Karratha, a key access route for utility service providers; and
- \$1.5 million per annum for the ongoing operation of the upgraded Ord M1 Channel.

In addition, \$3.9 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 \$2.7 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, \$1.2 billion is provided by metropolitan customers through the Tariff Equalisation Contribution paid to Horizon Power to subsidise the provision of electricity to regional customers.

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 2026-27 Budget RfR program is detailed in the following table.

Table 1

ROYALTIES FOR REGIONS EXPENDITURE						
INITIATIVE	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m	Total Four Years \$m
DELIVERING STRONG FINANCIAL AND ECONOMIC MANAGEMENT: DIVERSIFYING OUR ECONOMY AND MAKING MORE THINGS IN WESTERN AUSTRALIA						
Aboriginal Pastoral Training Program	0.5	0.6	0.6	0.6	0.6	2.4
Aboriginal Tourism Fund	3.3	-	-	-	-	-
Aboriginal Tourism Initiatives	0.9	0.9	0.9	0.9	0.9	3.6
Agrifood Activation Fund - Food Technology Facility Project	1.7	0.6	0.4	0.4	0.4	1.9
Albany Entertainment Centre	0.5	0.5	0.5	0.5	0.5	2.0
Allanson Farm Shop Restaurant and Caravan Park	4.0	-	-	-	-	-
Aquaculture Development Plan	1.8	1.4	1.3	0.2	-	2.9
Aquaculture Development Zones	0.9	0.1	-	-	-	0.1
Australian Steel Institute	0.1	-	-	-	-	-
Better Beginnings - Early Literacy	0.3	0.3	0.3	0.3	0.3	1.0
Boost to Food Industry Innovation	2.4	-	-	-	-	-
Brand WA - Destination Marketing	5.5	5.5	5.5	5.5	5.5	22.0
Brand WA - Event Tourism	7.4	8.7	6.3	6.3	6.3	27.5
Building Western Australian Grains Research and Development Capacity	14.6	10.0	10.0	4.3	10.0	34.3
Bunbury Dolphin Discovery Centre	0.4	0.1	-	-	-	0.1
CinefestOZ Film Festival	0.6	0.6	0.7	0.7	0.7	2.6
Collie Futures Fund	3.0	0.8	0.5	-	-	1.4
Collie Industry Attraction and Development Fund	5.0	12.2	-	-	-	12.2
Collie Industry Attraction and Development Fund - Administration Funding	0.2	0.2	-	-	-	0.2
Collie Just Transition Office	-	0.6	0.6	0.7	-	1.9
Collie Office	0.5	0.1	-	-	-	0.1
Collie Visitor's Centre Upgrade Project	0.5	-	-	-	-	-
Dampier Peninsula Activation	0.8	1.3	-	-	-	1.3
Derby/West Kimberley Economic Development Strategy	0.2	-	-	-	-	-
Develop Serviced Land at Kemerton and Shotts Strategic Industrial Areas, and Support Broader Collie Industrial Investigations	-(a)	-	-	-	-	-
Dry Season Response (2024)	1.1	0.4	-	-	-	0.4
East Keralup Bio-Energy project	-	0.2	-	-	-	0.2
Economic Activation of East Keralup	-	0.2	-	-	-	0.2
Feasibility Study for AMTECH for Bunbury Geographe	0.5	-	-	-	-	-
Food Industry Innovation	1.1	2.0	2.0	1.5	1.5	7.0
Goldfields Major Solar Feasibility	0.4	-	-	-	-	-
Great Eastern Highway Upgrades - Ghooli to Benari	6.0	13.0	4.0	-	-	17.0
Green Steel - Collie Electric Arc Furnace Steel Mill	1.1	-	-	-	-	-

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE						
INITIATIVE	2025-26	2026-27	2027-28	2028-29	2029-30	Total Four Years \$m
	Estimated Actual \$m	Budget Year \$m	Outyear \$m	Outyear \$m	Outyear \$m	
Greenbushes Lithium Supply Chain	-	2.8	-	-	-	2.8
Help Grain Growers to Better Manage Risk	2.2	2.5	1.9	1.8	2.1	8.3
Implementation of Sheep and Goat Electronic Industry Growth Partnership Processed Oats Industry	6.4	5.9	4.5	-	-	10.4
Industry Growth Partnership Wine Export	2.4	1.9	-	-	-	1.9
Karratha-Tom Price Road - Sealing of 50km to Millstream	0.1	-	-	-	-	-
Kimberley Total Solar Eclipse - Doon Doon	8.1	2.2	8.0	-	-	10.2
Kimberley Tourism Support	-	-	2.9	0.8	-	3.7
Kununurra Cotton Gin Infrastructure Support Package	0.1	-	-	-	-	-
Magnium – Magnesium Refinery FID	0.2	0.7	-	-	-	0.7
Menang Drive-Chester Pass Road Grade Separation	0.1	-	-	-	-	-
Mid West and Great Southern Secondary Freight Network Program	24.5	25.2	-	-	-	25.2
Myalup-Wellington Water for Growth	3.0	-	-	-	-	-
New Norcia Ground Station	5.7	14.0	11.4	-	-	25.4
Northern Beef Industry Strategy	0.4	-	-	-	-	-
Oakajee Strategic Industrial Area Access Road	0.2	-	-	-	-	-
Ord Channel Upgrade	1.8	-	-	-	-	-
Ord Channel Upgrade – Knox Development	0.3	-	-	-	-	-
Ord Expansion Project	24.0	28.0	-	-	-	28.0
Ord Expansion Project - Environmental Obligations	0.8	-	-	-	-	-
Outback Way (Laverton to WA Border)	2.7	4.5	0.5	0.2	-	5.2
Pilbara Hydrogen Hub	-	12.0	12.0	12.0	12.0	48.0
Pilbara Hydrogen Hub - Clean Energy Training and Research Institute	-	8.5	23.0	18.8	5.0	55.3
Pilbara Hydrogen Hub - Environment and Aboriginal	-	6.5	2.2	1.9	-	10.6
Pilbara Hydrogen Hub - Pre-Indigenous Land Use Agreement	-	1.8	-	-	-	1.8
Pilbara Hydrogen Hub - Hydrogen Pipeline	0.2	-	-	-	-	-
Regional Arts and Cultural Investment Program	0.2	0.8	-	-	-	0.8
Regional Bridge Replacement Program	5.1	-	-	-	-	-
Regional Creative Industries Fund	-	0.2	8.2	30.4	25.0	63.7
Regional Economic Development Grants - Gascoyne	-	7.2	6.9	6.9	6.9	28.0
Regional Economic Development Grants - Goldfields Esperance	1.1	0.7	0.7	0.6	0.6	2.5
Regional Economic Development Grants - Great Southern	1.4	0.8	0.6	0.6	0.6	2.5
Regional Economic Development Grants - Kimberley	1.0	0.9	0.6	0.6	0.6	2.6
Regional Economic Development Grants - Mid West	0.6	0.6	0.6	0.6	0.6	2.2
Regional Economic Development Grants - Peel	0.7	1.1	0.6	0.6	0.6	2.7
Regional Economic Development Grants - Pilbara	1.1	0.6	0.6	0.6	0.6	2.2
Regional Economic Development Grants - South West	0.8	0.6	0.7	0.6	0.6	2.4
Regional Economic Development Grants - Wheatbelt	1.1	0.6	0.6	0.6	0.6	2.3
Regional Exhibition Touring Boost	0.6	1.2	0.6	0.6	0.6	2.8
Regional Local Content Initiative	2.6	-	-	-	-	-
Regional Museum Grants - Regional Collections Development Program	0.1	0.1	- ^(a)	-	-	0.1
Regional Workers Incentives - Administration	0.2	-	-	-	-	-
Regional Workers Incentives - Price Index	0.1	0.1	0.1	0.1	0.1	0.5
	-	0.2	-	0.2	-	0.4

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m	Total Four Years \$m
Regional Workers Incentives Allowance						
Payments	13.8	13.8	13.8	13.8	13.8	55.2
Renewable Hydrogen Strategy	0.9	1.3	-	-	-	1.3
Southern Forests Food Council	0.3	-	-	-	-	-
Southern Forests Irrigation Scheme	9.0	5.6	-	-	-	5.6
Space Launch Facility Study	0.1	1.9	-	-	-	1.9
Square Kilometre Array roads	3.0	5.0	4.2	-	-	9.2
Strategic Industrial Areas	1.0	-	-	-	-	-
Sustainable Pallets	-	7.4	-	-	-	7.4
TradeStart	0.2	0.2	0.2	-	-	0.4
Truck Wash Down Facilities Project	1.8	0.5	-	-	-	0.5
Walmanyjun Cable Beach Foreshore Redevelopment	9.0	-	-	-	-	-
Western Australian Regional Screen Fund	4.0	4.0	4.0	4.0	4.0	16.0
Wine Industry Export Growth Partnership	1.6	1.5	1.4	1.5	-	4.4
Yerriminup Agribusiness Precinct Activation	-	4.0	-	-	-	4.0
ENSURING ALL WESTERN AUSTRALIANS CAN ACCESS THE HEALTHCARE WE NEED, WHEN WE NEED IT						
Digital Innovation, Transport and Access to Care	74.8	75.9	77.1	77.1	77.1	307.3
Emergency and Acute Workforce	20.5	20.5	20.5	20.5	20.5	82.0
Aboriginal Social and Emotional Wellbeing	8.2	3.3	-	-	-	3.3
Albany General Dental Clinic	-	-	4.4	7.7	-	12.0
Albany Health Campus Carpark	1.6	0.2	-	-	-	0.2
Albany Radiation Oncology	1.0	-	-	-	-	-
Broome Sobering Up Centre	9.9	0.7	-	-	-	0.7
Bunbury Hospital	56.2	20.5	-	-	-	20.5
Carnarvon Residential Aged Care Facility	1.5	-	-	-	-	-
Collie Hospital Upgrade	0.2	-	-	-	-	-
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
East Kimberley Psychiatric Services	1.4	1.4	1.4	1.4	1.4	5.7
Find Cancer Early	0.4	0.4	0.4	0.4	0.4	1.6
Fitzroy Crossing Evacuation Centre and Multipurpose Complex	-	-	5.0	5.0	-	10.0
Geraldton Health Campus Redevelopment	19.1	-	-	-	-	-
Geraldton Hospital Co-location	0.5	1.0	-	-	-	1.0
Geraldton Netball Association	-	2.8	-	-	-	2.8
Kalgoorlie Motorsports Precinct	1.1	-	-	-	-	-
Kalgoorlie Mountain Bike Trail	-	1.7	-	-	-	1.7
Kununurra Aquatic and Leisure Centre Redevelopment Project	4.9	-	-	-	-	-
Meekatharra Hospital	2.0	9.7	35.1	-	-	44.8
Meet and Greet Service	0.5	0.6	0.6	0.6	0.5	2.3
Methamphetamine Action Plan - Southwest AOD Residential Rehabilitation and Treatment Services	2.9	2.9	2.9	2.9	2.9	11.7
Motorplex Complex Albany	0.1	-	-	-	-	-
Mullewa Hospital	2.6	1.4	-	-	-	1.4
Munda Biddi Trail	1.0	-	-	-	-	-
Nidjalla Waangan Mia Aboriginal Health Services	0.1	-	-	-	-	-
North West Drug and Alcohol Support Program - Kimberley	7.1	7.1	7.1	7.1	7.1	28.3

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE						
INITIATIVE	2025-26	2026-27	2027-28	2028-29	2029-30	Total Four Years \$m
	Estimated Actual \$m	Budget Year \$m	Outyear \$m	Outyear \$m	Outyear \$m	
Paid Paramedics for the Regions	9.0	9.0	9.0	9.0	9.0	36.0
Pilbara Health Initiatives	5.1	5.1	5.1	5.1	5.1	20.3
Port Hedland Aquatic Centre	-	-	-	22.5	-	22.5
Puntukumu Aboriginal Medical Service Jiji Program	1.2	0.8	0.8	0.4	-	1.9
Regional Athlete Support Program	1.7	1.7	1.7	1.7	1.7	6.7
Regional Men's Health	0.9	0.9	0.9	0.9	0.9	3.5
Regional Renal Support Teams	2.2	2.2	1.9	2.1	2.1	8.3
Remote Indigenous Health Clinics	0.2	-	-	-	-	-
Renal Dialysis Centre in Halls Creek	0.3	-	-	-	-	-
Renal Hostels	3.4	3.4	3.4	3.4	3.4	13.6
Soldiers Park and Collie Swimming Club	0.9	-	-	-	-	-
South West Aboriginal Medical Service Health Hub	0.5	7.5	5.0	5.3	-	17.8
Specialist Cancer Services	1.5	1.6	1.6	-	-	3.2
Sub-acute Mental Health Services - Bunbury	2.3	2.3	2.3	2.3	2.3	9.1
Sub-acute Mental Health Services - Geraldton	2.5	2.5	2.5	2.5	2.5	9.9
Sub-acute Mental Health Services - Kalgoorlie/Goldfields	2.6	5.8	5.9	6.0	6.0	23.8
Sub-acute Mental Health Services - Karratha	6.0	3.3	2.9	2.7	2.7	11.5
Sub-acute Mental Health Services - South Hedland	2.4	15.1	7.8	3.8	3.8	30.5
Tom Price Hospital Redevelopment	4.4	-	-	-	-	-
WACHS Mental Health Emergency Telehealth Service	6.2	6.3	6.3	6.3	6.3	25.3
Women's Community Health Services: Kimberley Women's Health Program	0.3	1.2	0.8	0.8	-	2.9
ENSURING EVERY WESTERN AUSTRALIAN HAS A HOME						
Aboriginal Community Controlled Organisation	2.9	12.4	5.1	4.5	-	21.9
Broome Aboriginal Short Stay Accommodation - Maintenance	0.1	1.5	0.5	0.5	0.5	3.2
Broome Aboriginal Short Stay Accommodation - Operational Funding	2.3	2.2	2.2	2.2	2.2	8.9
East Kimberley Transitional Housing	2.2	1.0	0.8	-	-	1.8
Fitzroy Crossing Key Worker Housing	5.0	-	-	-	-	-
Geraldton Aboriginal Short Stay Accommodation	4.3	3.9	3.6	3.6	3.6	14.8
Hedland Transitional Housing	0.4	0.2	-	-	-	0.2
Indigenous Visitor Hostels - Derby	1.8	2.9	2.2	2.2	2.2	9.5
Indigenous Visitor Hostels - Kalgoorlie	- ^(a)	0.6	0.3	0.3	0.3	1.4
Jalbi Jiya (Your Home) Program	1.0	-	-	-	-	-
McKail North Urban Master Plan Albany	0.8	-	-	-	-	-
North West Aboriginal Housing Initiative	-	4.3	0.6	-	0.1	5.0
Pilbara Aboriginal Home Ownership Program	0.5	14.3	2.9	2.0	0.2	19.3
Pilbara Housing Supply Unit	0.4	0.7	0.2	-	-	0.9
Pringle Village Stage 2 – Seniors' Independent Living – Kalgoorlie	5.0	10.0	5.0	-	-	15.0
Riverview Residence - upgrade to over 55's estate	2.0	-	-	-	-	-
Robe River Kuruma Housing Pathway Support Program	0.7	0.8	-	-	-	0.8
Warmun People's Place Renovation Project	0.1	-	-	-	-	-
Water Lily Place Affordable Accommodation	6.8	-	-	-	-	-
Yindjibarndi Ganallii Accommodation and Transitional Housing Program	1.1	-	-	-	-	-
Yura Yungi Employee Accommodation and Career Development Program	0.7	-	-	-	-	-

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2025-26	2026-27	2027-28	2028-29	2029-30	Total Four Years
	Estimated Actual \$m	Budget Year \$m	Outyear \$m	Outyear \$m	Outyear \$m	
BUILDING SAFE AND INCLUSIVE COMMUNITIES						
Aboriginal Business Participation	0.6	-	-	-	-	-
Aboriginal Governance and Leadership Development Program	1.5	1.6	1.1	1.1	1.1	4.7
Albany Pilot Station Precinct Development	0.8	4.4	2.8	-	-	7.2
Assisting Staying in Place to Thrive	0.1	-	-	-	-	-
Beach Emergency Numbering System	0.4	-	-	-	-	-
Broome Aboriginal-led Specialist Family Violence Court	0.7	2.3	4.7	0.9	1.0	8.9
Broome Family and Domestic Violence Hub	3.7	4.0	6.6	3.9	3.9	18.4
Bunbury Prison Alcohol & Other Drug Unit	2.6	3.2	2.6	2.6	2.6	10.9
Carnarvon One Mile Jetty - Partial Demolition of Jetty	0.6	-	-	-	-	-
Community Safety Network	8.7	8.5	8.5	8.5	8.5	33.9
Country Firefighters Recruitment	5.0	5.5	5.8	5.8	5.9	23.0
Culturally appropriate services to victims of domestic violence	0.1	0.1	0.1	0.1	0.1	0.4
Dampier Peninsula Project	0.2	-	-	-	-	-
Driving Access and Equity Program	5.5	-	-	-	-	-
Enhanced Driver Training and Education for Regional and Remote Communities	1.9	1.6	1.4	1.4	1.4	5.7
Enhanced Prescribed Burning Program	5.5	5.5	5.5	5.5	5.5	22.0
Essential and Municipal Services Improvement in Remote Aboriginal Communities	6.5	-	-	-	-	-
Ex-Tropical Cyclone Ellie - Clean-up Package	6.7	13.1	9.5	-	-	22.5
Ex-Tropical Cyclone Ellie - Community and Industry Recovery Officer Program	3.0	1.3	-	-	-	1.3
Ex-Tropical Cyclone Ellie - Freight Assistance Package	0.2	-	-	-	-	-
Ex-Tropical Cyclone Ellie - Prescribed Body Corporate	0.3	0.8	-	-	-	0.8
Family Domestic Violence Refuge – Peel	1.2	1.2	1.2	1.2	1.2	4.8
Financial Counselling Services	0.7	-	-	-	-	-
Fitzroy Crossing Night Place (Marra Worra Worra)	3.0	-	-	-	-	-
Goldfields Arts Centre	0.1	0.1	0.1	0.1	0.1	0.6
Gwoonwardu Mia Aboriginal Heritage and Cultural Centre	1.2	1.6	1.6	-	-	3.1
Harvey All Abilities Playground	0.8	-	-	-	-	-
Kalbarri Evacuation Centre	0.2	0.1	-	-	-	0.1
Kalgoorlie CFRS Station Upgrade	- ^(a)	-	-	-	-	-
Kalgoorlie LED Street Lighting	2.5	-	-	-	-	-
Kimberley Community Action Fund	0.4	-	-	-	-	-
Kimberley On country Youth Facilities	-	-	-	-	0.8	0.8
Kimberley On-Country Youth Program - Marlamanu	3.1	3.0	3.0	0.8	-	6.8
Newman Youth and Community Hub	-	7.5	-	-	-	7.5
Olabud Doogethu Halls Creek Youth Justice Reinvestment Project	0.5	-	-	-	-	-
Operation Regional Shield	11.7	11.9	12.3	-	-	24.2
Pilbara Safe Spaces Program	1.4	1.4	1.5	2.3	1.6	6.7
Police Radio Network - Continuation	1.1	1.1	1.1	1.1	1.1	4.5
Regional Pensioner Travel Card	46.9	45.5	45.9	45.4	46.1	182.9
Regional Police Incentives	2.5	2.5	2.5	2.5	2.5	10.0
Regional Traffic Enforcement Unit	5.5	5.5	5.5	5.5	5.5	21.9
Regional Youth Justice Service	5.8	5.8	5.8	5.8	5.8	23.1
Remote Aboriginal Communities	63.6	53.8	64.0	64.0	64.0	245.8

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE						
INITIATIVE	2025-26	2026-27	2027-28	2028-29	2029-30	Total Four Years \$m
	Estimated Actual \$m	Budget Year \$m	Outyear \$m	Outyear \$m	Outyear \$m	
Remote Aboriginal Communities Support Fund	1.2	-	-	-	-	-
Remote Essential and Municipal Services	63.9	56.0	56.0	55.9	56.0	223.9
Remote Swimming Pools	0.6	0.6	0.6	0.6	0.6	2.4
Respectful relationship programs in schools	0.1	0.1	0.1	0.1	0.1	0.4
Rural, Regional and Remote Network	0.2	0.1	-	-	-	0.1
Surf Beaches Mobile Coverage Grants Program	1.8	-	-	-	-	-
Volunteer Fuel Card	1.0	1.0	1.0	1.0	1.0	4.0
Volunteering Development Services	0.7	0.7	0.8	-	-	1.5
Wellington Dam Bridge Upgrade	11.9	-	-	-	-	-
Yawuru Strategic Economic Development	0.2	-	-	-	-	-
Yiwarra Kuju-Martu Western Desert Justice Program	0.6	0.6	0.6	0.6	0.6	2.4
PROTECTING AND RESTORING OUR ENVIRONMENT						
Aboriginal Ranger Program	22.0	18.5	17.5	17.0	20.5	73.5
Bindjareb-Djilba (Peel-Harvey Estuary) Protection Plan	2.2	2.5	2.5	2.5	-	7.5
Buccaneer Archipelago Marine Parks	12.9	13.4	-	-	-	13.4
Bushfire Mitigation on Crown Land Regional Townsites	3.8	3.8	3.8	3.8	3.8	15.0
Climate Resilience Fund - Administration	2.1	1.5	0.2	0.2	-	1.9
Climate Resilience Fund - Southern Rangelands Revitalisation	0.3	0.3	-	-	-	0.3
Collie Adventure Trails	1.8	-	-	-	-	-
Collie Tourism Readiness and Economic Stimulation	0.1	-	-	-	-	-
Danggu Geikie Gorge Upgrades	0.2	0.7	-	-	-	0.7
Drummond Cove Coastal Protection Project	2.8	-	-	-	-	-
Dung Beetle Soil Health Grants Initiative	0.1	-	-	-	-	-
Fitzroy River Catchment	-(a)	-	-	-	-	-
Fitzroy River Management Plan	0.1	-	-	-	-	-
Future Drought Fund Program Extension (Phase 1 and 2)	7.9	-	-	-	-	-
Healthy Estuaries WA - Continuation	6.7	6.7	6.8	6.8	6.8	27.0
Kalgulup Regional Park	1.6	1.5	1.5	1.5	1.6	6.1
Karijini National Park Upgrades	0.8	-	-	-	-	-
Kimberley Wilderness Walk, Wunaamin Miliwundi Ranges	0.1	0.2	-	-	-	0.2
Mount Augustus Tourism Infrastructure	3.6	4.0	1.0	-	-	5.0
Murujuga Joint Management	1.1	1.1	1.1	1.1	1.1	4.3
Murujuga National Park (Conzinc Bay)	0.2	1.0	3.4	-	-	4.4
Natural Resource Management Program	7.4	6.8	6.7	7.7	6.2	27.4
Ngari Capes Marine Park	1.2	1.2	1.2	1.2	1.2	4.6
Ningaloo Coastal Reserve	1.3	1.3	1.3	1.3	1.3	5.2
Northern Native Seed Initiative	1.0	1.7	0.5	0.7	0.4	3.2
Peel Harvey Catchment Council - Science Plan for Our Parks	0.1	-	-	-	-	-
1.1	0.6	-	-	-	-	0.6
Regional Natural Resource Management - State Barrier Fence	1.7	-	-	-	-	-
0.7	0.7	0.7	0.7	0.7	0.7	2.8
Rural Water Planning	4.8	2.4	-	-	-	2.4
Southern Rangelands Restoration Project	-(a)	-	-	-	-	-
Vertebrate Pest Management Program	1.2	1.2	0.5	-	-	1.7
Water Smart Farms Project	0.1	-	-	-	-	-
Wellington National Park Public Access Improvements	0.5	-	-	-	-	-
2.3	0.6	-	-	-	-	0.6
Wild Dogs Action Plan	4.3	3.4	3.3	3.3	3.4	13.4
William Bay National Park Upgrades	1.3	1.3	1.0	-	-	2.3

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m	Total Four Years \$m
Yawuru Conservation Park	0.1	3.5	-	-	-	3.5
Yawuru Joint Management	1.1	1.1	1.1	1.1	1.1	4.5
DELIVERING QUALITY INFRASTRUCTURE AND SERVICES ACROSS OUR STATE						
Aboriginal and Islander Education Officers	3.6	3.6	3.6	3.6	3.6	14.3
AFL Additional Fixtures in Western Australia	4.0	0.8	-	-	-	0.8
Agricultural and Farms Schools Lifecycle	2.5	1.1	-	-	-	1.1
Agricultural College - Cunderdin	1.2	-	-	-	-	-
Albany (Emu Point) Maritime Facility – Jetty B Remediation	-	1.0	-	-	-	1.0
Albany Fishing Platform	0.2	-	-	-	-	-
Albany Senior High School	2.5	- (a)	-	-	-	- (a)
Albany Trails	2.7	0.5	-	-	-	0.5
Augusta Childcare Facility	0.2	-	-	-	-	-
Baler Primary School	5.1	0.1	-	-	-	0.1
Broome Marina Planning	0.2	-	-	-	-	-
Broome Senior High School	1.1	-	-	-	-	-
Bunbury Outer Ring Road	-	14.6	-	-	-	14.6
Bunbury Port - Inner Harbour Access Bridge	3.4	-	-	-	-	-
Camaron One Mile Jetty	3.8	-	-	-	-	-
Cassia Primary School	5.1	0.1	-	-	-	0.1
Chidlow-York Road and Forrest Street Intersection Upgrade	-	0.4	0.3	-	-	0.7
Clontarf Colleges	1.5	1.5	1.5	1.5	1.5	6.2
Collie Mine Workers Institute	1.0	-	-	-	-	-
Community Resource Centres	14.3	15.1	15.5	15.5	15.8	61.9
Coral Bay Seasonal Staff Accommodation	0.6	0.3	-	-	-	0.3
Country Week Assistance Program	1.9	1.9	2.0	2.1	2.1	8.3
Dampier Primary School	0.2	-	-	-	-	-
Derby-Broome Air Service	-	0.5	-	-	-	0.5
Edenvale Heritage Precinct Upgrade	0.8	-	-	-	-	-
Feasibility Study Residential Colleges for Aboriginal Students in Newman	0.1	-	-	-	-	-
Fishing Boat Harbour - Boat Building Precinct	2.4	4.0	-	-	-	4.0
Fitzroy Crossing Airport Upgrade Project - Planning	0.4	0.4	-	-	-	0.4
Forrest Highway (Vittoria Road)	2.0	2.1	-	-	-	2.1
Great Northern Highway - Broome to Kununurra - Nellie Springs to Sally Downs Well and Arthur Creek	0.8	2.8	7.0	-	-	9.8
Great Northern Highway - Newman to Port Hedland - Overtaking Lanes	2.9	7.0	-	-	-	7.0
Halls Creek Town Development Masterplan - State Contribution	1.1	-	-	-	-	-
Improving Teacher Quality	1.9	1.9	1.9	1.9	1.9	7.7
Independent Learning Co-ordinators	1.5	1.5	1.5	1.5	1.5	6.0
Indian Ocean Drive - Jurien Bay to Brand Highway	0.4	4.0	-	-	-	4.0
Jarrahdale Trails Centre	1.5	2.0	1.5	-	-	3.5
Kalgoorlie Primary School - Structural and Ventilation Works	-	0.1	0.7	-	-	0.8
Katanning Aerodrome	0.1	-	-	-	-	-
Katanning Early Childhood Hub	1.6	-	-	-	-	-
Kimberley Schools Project Extension	0.1	0.1	-	-	-	0.1
Kimberley Schools Project Extension 2026	5.0	6.8	3.3	-	-	10.1
Koombana Bay Park Facilities	0.2	0.2	-	-	-	0.2
Kununurra-Halls Creek-Balgo Regular Passenger Transport	0.2	0.2	0.2	0.3	0.3	1.1
Land Acquisition and Road Improvements	1.0	-	-	-	-	-

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE						
INITIATIVE	2025-26	2026-27	2027-28	2028-29	2029-30	Total Four Years \$m
	Estimated Actual \$m	Budget Year \$m	Outyear \$m	Outyear \$m	Outyear \$m	
Leonora Drive-In Theatre	0.3	-	-	-	-	-
Mandurah Estuary Bridge Duplication	25.7	0.5	-	-	-	0.5
Mandurah train station - new parking bays	0.1	1.1	-	-	-	1.1
Manjimup Local Education Office - Structural Rectification	-	0.2	0.9	-	-	1.1
Marble Bar Road Upgrade	8.7	-	-	-	-	-
Marron Enhancement at Harvey, Logue Brook and Wellington Dam	0.5	1.2	1.2	0.1	-	2.5
Martu Student Hostel	1.5	1.5	1.5	1.5	1.5	5.8
Mental Health Support in Schools	1.2	0.8	0.8	0.8	0.8	3.2
Mira Mar Landslip	-(a)	-	-	-	-	-
Pilbara Aboriginal Town Based Reserves	-	7.4	-	-	-	7.4
Pilbara Town Based Reserves - Irrungadji	4.9	-	-	-	-	-
Pilbara Town Based Reserves - Pampajinya	1.2	-	-	-	-	-
Pilbara Town Based Reserves - Tjalka Boorda	1.0	-	-	-	-	-
Pinjarra (North) Park Upgrades	0.8	-	-	-	-	-
Pinjarra Heavy Haulage Deviation - Stages 1 and 2	0.4	2.0	-	-	-	2.0
Planning for School Redevelopments	-	0.4	-	-	-	0.4
Port of Broome - Business Case for Additional Fuel Terminal	0.4	-	-	-	-	-
Port of Broome - Business Case for Cruise Terminal Facilities	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	-	-	-	7.0
Put Education Assistants Back in the Classroom	9.1	9.1	9.1	9.1	9.1	36.6
Regional Airfare Zone Cap for Regional Residents	33.3	35.6	22.6	24.3	25.8	108.3
Regional Blackspot Program	3.7	3.5	2.7	-	-	6.2
Regional Learning Specialists	1.5	1.5	1.5	1.5	1.5	6.0
Regional Racing Fund	4.3	3.3	3.9	13.8	-	20.9
Regional School Breakfast and Nutritional Education Program	0.2	0.2	0.2	0.2	0.2	0.9
Regional School Bus Services	82.3	82.4	82.4	82.4	82.4	329.5
Regional Telecommunications Project	8.7	2.6	0.4	-	-	3.0
Remote Schools Infrastructure Program - Administered	0.4	5.0	1.6	1.0	2.0	9.6
Scitech Regional Outreach and Community Engagement	-	1.0	1.0	-	-	2.0
South Coast Highway (Kojaneerup)	0.5	2.0	10.0	12.5	-	24.5
South Hedland and CBD Revitalisation - Stage 2	0.7	-	-	-	-	-
Southern Ocean Surf Reef	1.0	-	-	-	-	-
State Agricultural Telecommunications Infrastructure Fund	2.3	-	-	-	-	-
Tanami Road	12.0	10.0	10.0	10.0	5.8	35.8
Toodyay Road Upgrade - Dryandra to Toodyay	8.6	4.4	-	-	-	4.4
Transforming Bunbury Waterfront Stage 3	11.7	19.9	-	-	-	19.9
Truck Rest Stops	0.6	1.0	1.0	1.0	1.1	4.1
Turkey Point Upgrades	-	1.0	-	-	-	1.0
Upgrade access to Dalyellup Beach	0.3	0.7	-	-	-	0.7
Vocational Education Regional Subsidies	45.4	45.4	45.4	45.4	45.4	181.6
WA Agricultural Supply Chain Improvements	3.3	8.6	20.4	-	-	29.0
WA Regional Digital Connectivity Program	15.8	21.0	3.2	-	-	24.2
Waggrakine Primary School	2.8	0.1	-	-	-	0.1
Western Australian College of Agriculture – Cunderdin Piggery	-	3.7	1.7	-	-	5.4

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m	Total Four Years \$m
ADMINISTRATION AND ADMINISTERED ITEMS						
Administration ^(b)	68.9	67.8	67.4	68.1	61.2	264.5
Administered Items ^(c)	12.0	18.7	16.1	19.3	20.0	74.0
Overprogramming Provision	-313.4	-55.6	-	-	-	-55.6
TOTAL - ROYALTIES FOR REGIONS FUND	1,059.8	1,236.9	1,032.7	916.9	816.1	4,002.6
Regional Reform Fund Special Purpose						
Account Transfer ^(d)	5.2	16.6	2.6	8.5	0.5	33.5

(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.

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*.

Contents

	Page
Financial Projections	
General Government	
Table 1.1: Operating Statement	247
Table 1.2: Balance Sheet at 30 June	248
Table 1.3: Cash Flow Statement	249
Public Non-Financial Corporations	
Table 1.4: Operating Statement	250
Table 1.5: Balance Sheet at 30 June	251
Table 1.6: Cash Flow Statement	252
Total Non-Financial Public Sector	
Table 1.7: Operating Statement	253
Table 1.8: Balance Sheet at 30 June	254
Table 1.9: Cash Flow Statement	255
Public Financial Corporations	
Table 1.10: Operating Statement	256
Table 1.11: Balance Sheet at 30 June	257
Table 1.12: Cash Flow Statement	258
Total Public Sector	
Table 1.13: Operating Statement	259
Table 1.14: Balance Sheet at 30 June	260
Table 1.15: Cash Flow Statement	261
Notes to the Financial Projections	
Note 1: Statement of Compliance	262
Note 2: Summary of Significant Accounting Policies	262
Note 3: General Government Operating Revenue	262
Note 4: General Government Revenue from Public Corporations	263
Note 5: General Government Transfer Expenses	264
Note 6: Classification of the Functions of Government	265
Note 7: Convergence Differences	266
Note 8: Composition of Sectors	267

Table 1.1

GENERAL GOVERNMENT
Operating Statement

	Note	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
		Actual	Estimated	Budget	Outyear	Outyear	Outyear
		\$m	Actual	Year	\$m	\$m	\$m
			\$m	\$m			
<i>Results from Transactions</i>							
REVENUE							
Taxation		14,849	17,024	16,920	17,506	18,424	19,402
Current grants and subsidies		15,226	15,260	16,707	17,306	18,071	19,240
Capital grants		3,447	2,148	2,791	1,634	832	498
Sales of goods and services		3,704	3,711	3,785	3,884	3,971	4,052
Interest income		314	266	357	359	368	366
Revenue from public corporations							
Dividends from other sector entities		518	1,494	3,082	1,686	2,181	1,807
Tax equivalent income		910	936	1,014	955	1,062	1,044
Royalty income		9,806	10,822	9,443	8,087	7,785	7,438
Other		915	986	883	962	960	938
Total	3,4	49,689	52,646	54,980	52,378	53,653	54,786
EXPENSES							
Salaries		18,370	19,782	21,424	21,611	21,993	22,338
Superannuation							
Concurrent costs		2,069	2,376	2,574	2,597	2,644	2,686
Superannuation interest cost		157	232	220	201	189	175
Other employee costs		431	485	485	457	453	455
Depreciation and amortisation		2,320	2,541	2,691	2,559	2,556	2,550
Services and contracts		3,562	4,650	4,788	4,330	4,200	4,287
Other gross operating expenses		7,985	7,625	7,828	7,683	7,761	7,923
Interest							
Interest on leases		190	159	162	152	147	149
Other interest		1,017	1,104	1,344	1,439	1,551	1,624
Current transfers	5	9,159	9,455	10,490	9,311	8,461	8,285
Capital transfers	5	776	730	532	286	199	191
Total	6	46,037	49,140	52,539	50,626	50,152	50,663
NET OPERATING BALANCE		3,652	3,507	2,441	1,752	3,501	4,123
<i>Other economic flows - included in the operating result</i>							
Net gains on assets/liabilities		8	-145	-224	-133	-117	-52
Provision for doubtful debts		-51	-15	-15	-16	-16	-16
Changes in accounting policy/adjustment of prior periods		4	-	-	-	-	-
Total other economic flows		-39	-159	-240	-149	-133	-68
OPERATING RESULT		3,613	3,347	2,202	1,603	3,368	4,056
<i>All other movements in equity</i>							
<i>Items that will not be reclassified to operating result</i>							
Revaluations		11,629	5,759	3,096	2,401	2,512	2,510
Net actuarial gains/-loss - superannuation		-85	431	226	209	220	214
Gains recognised directly in equity		-	-8	-12	-12	-18	-65
Change in net worth of the public corporations sectors		6,560	2,563	-1,761	-171	-1,618	-1,111
All other		-	-	-	-	-	-
Total all other movements in equity		18,104	8,746	1,549	2,426	1,097	1,548
TOTAL CHANGE IN NET WORTH		21,717	12,093	3,750	4,029	4,465	5,603
KEY FISCAL AGGREGATES							
NET OPERATING BALANCE		3,652	3,507	2,441	1,752	3,501	4,123
<i>Less Net acquisition of non-financial assets</i>							
Purchase of non-financial assets	6	4,211	4,213	5,522	4,371	4,888	3,530
Changes in inventories		-21	-12	- ^(a)	-	- ^(a)	- ^(a)
Other movement in non-financial assets		-10	163	-	-	-	-
Less:							
Sales of non-financial assets		73	101	125	134	144	167
Depreciation		2,320	2,541	2,691	2,559	2,556	2,550
Total net acquisition of non-financial assets		1,786	1,722	2,706	1,678	2,189	813
NET LENDING/-BORROWING		1,866	1,785	-265	74	1,313	3,311

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

Note: Columns may not add due to rounding.

Table 1.2

GENERAL GOVERNMENT
Balance Sheet at 30 June

	2025	2026	2027	2028	2029	2030
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	Actual	Year	\$m	\$m	\$m
		\$m	\$m			
ASSETS						
<i>Financial assets</i>						
Cash and deposits	3,571	3,386	3,357	3,402	3,379	3,362
Advances paid	737	917	1,192	1,438	1,726	1,278
Investments, loans and placements	3,478	5,065	4,550	5,085	5,209	5,074
Receivables	5,102	5,541	4,839	4,729	4,787	4,781
Shares and other equity						
Investments in other public sector entities - equity method	69,664	72,227	70,466	70,295	68,677	67,566
Investments in other public sector entities - direct injections	24,552	28,362	32,156	34,401	35,619	36,577
Investments in other entities	69	78	93	93	93	93
Other financial assets	10	- ^(a)	- ^(a)	- ^(a)	- ^(a)	- ^(a)
Total financial assets	107,183	115,575	116,652	119,442	119,489	118,730
<i>Non-financial assets</i>						
Land	53,693	59,089	61,675	63,451	65,400	67,030
Property, plant and equipment	72,089	74,743	78,232	80,817	83,886	85,921
Right-of-use assets	2,525	2,488	2,468	2,375	2,280	2,212
Service concession assets	1,180	1,136	1,078	1,007	937	868
Biological assets	9	9	9	9	9	9
Inventories						
Land inventories	-	-	-	-	-	-
Other inventories	221	209	209	209	209	209
Intangibles	795	888	994	1,117	1,222	1,328
Non-current assets held for sale	24	41	14	14	14	14
Investment property	2	2	-	-	-	-
Other	428	422	416	407	412	398
Total non-financial assets	130,967	139,029	145,096	149,407	154,369	157,990
TOTAL ASSETS	238,151	254,604	261,748	268,849	273,858	276,720
LIABILITIES						
Deposits held	3,316	4,568	6,540	8,174	7,790	5,736
Advances received	288	423	603	789	1,027	563
Borrowings						
Lease liabilities	2,879	2,889	2,895	2,832	2,754	2,694
Service concession liabilities	-	-	-	-	-	-
Other borrowings	24,197	27,731	29,222	30,958	31,944	31,929
Unfunded superannuation	4,023	3,508	3,209	2,920	2,577	2,256
Other employee benefits	5,255	5,372	5,654	5,660	5,923	6,196
Payables	3,010	3,059	2,953	2,830	2,708	2,625
Other liabilities	2,994	2,773	2,642	2,625	2,610	2,593
TOTAL LIABILITIES	45,962	50,323	53,717	56,788	57,333	54,591
NET ASSETS	192,188	204,281	208,031	212,061	216,526	222,129
<i>Of which:</i>						
Contributed equity	-	-	-	-	-	-
Accumulated surplus	33,378	36,825	39,230	41,019	44,579	48,773
Other reserves	158,811	167,456	168,801	171,041	171,947	173,356
NET WORTH	192,188	204,281	208,031	212,061	216,526	222,129
MEMORANDUM ITEMS						
<i>Net financial worth</i>	<i>61,221</i>	<i>65,252</i>	<i>62,935</i>	<i>62,654</i>	<i>62,156</i>	<i>64,139</i>
<i>Net financial liabilities</i>	<i>32,995</i>	<i>35,337</i>	<i>39,687</i>	<i>42,042</i>	<i>42,140</i>	<i>40,004</i>
<i>Net debt</i>						
Gross debt liabilities	30,680	35,612	39,259	42,753	43,515	40,922
Less: liquid financial assets	7,787	9,367	9,098	9,924	10,314	9,714
Net debt	22,893	26,244	30,161	32,828	33,202	31,208

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

Note: Columns may not add due to rounding.

Table 1.3

GENERAL GOVERNMENT
Cash Flow Statement

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	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	14,796	17,046	16,958	17,544	18,440	19,419
Grants and subsidies received	21,556	19,935	22,295	21,823	21,868	22,793
Receipts from sales of goods and services	3,868	3,644	3,731	3,840	3,917	4,026
Interest receipts	341	266	358	359	368	367
Dividends and tax equivalents	1,393	2,512	4,077	2,725	3,190	2,818
Other receipts	12,901	13,659	13,341	11,423	11,116	10,770
Total cash received	54,855	57,062	60,760	57,713	58,899	60,192
<i>Cash Paid</i>						
Wages, salaries and supplements, and superannuation	-20,398	-22,405	-24,054	-24,517	-24,725	-25,073
Payments for goods and services	-12,059	-12,832	-13,261	-12,547	-12,604	-12,885
Interest paid	-1,150	-1,209	-1,464	-1,553	-1,662	-1,743
Grants and subsidies paid	-11,486	-12,263	-13,189	-12,047	-11,165	-11,097
Dividends and tax equivalents	-	-	-	-	-	-
Other payments	-2,963	-2,929	-3,073	-2,765	-2,808	-2,723
Total cash paid	-48,057	-51,638	-55,040	-53,429	-52,965	-53,521
NET CASH FLOWS FROM OPERATING ACTIVITIES	6,799	5,424	5,720	4,284	5,933	6,671
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-4,211	-4,213	-5,522	-4,371	-4,888	-3,530
Sales of non-financial assets	73	101	125	134	144	167
Total cash flows from investments in non-financial assets	-4,138	-4,112	-5,397	-4,237	-4,744	-3,363
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	27	10	10	10	10	10
For liquidity purposes	83	47	70	75	60	64
<i>Cash paid</i>						
For policy purposes	-5,210	-4,283	-3,819	-2,287	-1,266	-984
For liquidity purposes	-93	-91	-185	-174	-109	-67
Total cash flows from investments in financial assets	-5,192	-4,318	-3,924	-2,376	-1,305	-976
NET CASH FLOWS FROM INVESTING ACTIVITIES	-9,330	-8,430	-9,321	-6,613	-6,049	-4,339
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	18	20	24	89	89	554
Borrowings	65	4,116	1,613	1,860	1,113	114
Deposits received	574	1,252	1,972	1,634	-	-
Other financing receipts	483	28	22	33	38	15
Total cash receipts from financing activities	1,140	5,416	3,631	3,616	1,241	683
<i>Cash paid</i>						
Advances paid	-18	-20	-24	-89	-89	-554
Borrowings repaid	-292	-575	-115	-110	-109	-109
Deposits paid	-	-	-	-	-383	-2,054
Other financing payments	-988	-444	-433	-487	-436	-444
Total payments for financing activities	-1,298	-1,039	-572	-687	-1,017	-3,161
NET CASH FLOWS FROM FINANCING ACTIVITIES	-158	4,377	3,058	2,929	224	-2,478
Net increase in cash and cash equivalents	-2,690	1,371	-543	600	108	-146
Cash and cash equivalents at the beginning of the year	9,196	6,506	7,877	7,334	7,934	8,042
Cash and cash equivalents at the end of the year	6,506	7,877	7,334	7,934	8,042	7,895
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	6,799	5,424	5,720	4,284	5,933	6,671
Net cash flows from investing in non-financial assets	-4,138	-4,112	-5,397	-4,237	-4,744	-3,363
Cash surplus/-deficit	2,661	1,312	323	47	1,189	3,308

Note: Columns may not add due to rounding.

Table 1.4

PUBLIC NON-FINANCIAL CORPORATIONS
Operating Statement

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget			
	\$m	Actual	Year	Outyear	Outyear	Outyear
		\$m	\$m	\$m	\$m	\$m
<i>Results from Transactions</i>						
REVENUE						
Current grants and subsidies	4,496	4,015	4,772	4,412	3,787	3,680
Capital grants	388	386	138	68	1	23
Sales of goods and services	45,774	61,641	69,496	68,685	65,013	61,405
Interest income	356	224	200	193	200	214
Other	731	605	758	692	742	752
<i>Total</i>	<i>51,746</i>	<i>66,871</i>	<i>75,365</i>	<i>74,049</i>	<i>69,742</i>	<i>66,074</i>
EXPENSES						
Salaries	1,690	1,836	1,904	1,958	2,004	2,042
Superannuation						
Concurrent costs	195	221	229	235	241	245
Superannuation interest cost	-	-	-	-	-	-
Other employee costs	70	61	65	64	65	66
Depreciation and amortisation	3,694	4,013	4,238	4,422	4,564	4,645
Services and contracts	1,090	1,143	1,292	1,183	1,080	1,061
Other gross operating expenses	40,673	56,494	63,943	62,660	58,393	54,554
Interest						
Interest on leases	74	78	76	75	70	65
Other interest	845	740	809	1,016	1,174	1,292
Tax equivalents	805	871	929	866	969	946
Current transfers	2,360	1,734	1,675	1,568	1,511	1,489
Capital transfers	33	76	113	49	19	- ^(a)
<i>Total</i>	<i>51,527</i>	<i>67,265</i>	<i>75,273</i>	<i>74,095</i>	<i>70,089</i>	<i>66,405</i>
NET OPERATING BALANCE	219	-394	92	-46	-346	-330
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	-90	5	-622	-343	35	92
Provision for doubtful debts	-10	-55	-54	-41	-41	-41
Changes in accounting policy/adjustment of prior periods	-48	-	-	-	-	-
<i>Total other economic flows</i>	<i>-148</i>	<i>-49</i>	<i>-676</i>	<i>-384</i>	<i>-6</i>	<i>51</i>
OPERATING RESULT	71	-443	-584	-430	-352	-280
<i>Other non-owner movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	6,349	3,904	1,467	1,503	440	470
Net actuarial gains/-loss - superannuation	-41	15	1	1	2	2
Gains recognised directly in equity	-	-1	- ^(a)	-1	-1	-1
All other	-	-	-	-	-	-
<i>Total other non-owner movements in equity</i>	<i>6,308</i>	<i>3,918</i>	<i>1,468</i>	<i>1,503</i>	<i>441</i>	<i>471</i>
<i>Movements in owner equity</i>						
Dividends	-436	-1,405	-2,994	-1,583	-2,068	-1,682
Capital injections	5,285	3,885	3,794	2,245	1,218	958
<i>Total movements in owner equity</i>	<i>4,849</i>	<i>2,480</i>	<i>800</i>	<i>661</i>	<i>-850</i>	<i>-724</i>
TOTAL CHANGE IN NET WORTH	11,228	5,955	1,684	1,735	-761	-533
KEY FISCAL AGGREGATES						
NET OPERATING BALANCE	219	-394	92	-46	-346	-330
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	9,005	8,033	7,769	6,482	5,792	5,983
Changes in inventories	2,183	1,437	365	-3	-85	-30
Other movement in non-financial assets	233	195	203	211	220	227
<i>Less:</i>						
Sales of non-financial assets	669	716	773	1,011	1,162	845
Depreciation	3,694	4,013	4,238	4,422	4,564	4,645
<i>Total net acquisition of non-financial assets</i>	<i>7,057</i>	<i>4,936</i>	<i>3,325</i>	<i>1,257</i>	<i>202</i>	<i>689</i>
NET LENDING/-BORROWING	-6,839	-5,329	-3,233	-1,303	-549	-1,019

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

Note: Columns may not add due to rounding.

Table 1.5

PUBLIC NON-FINANCIAL CORPORATIONS
Balance Sheet at 30 June

	2025	2026	2027	2028	2029	2030
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	Actual	Year	\$m	\$m	\$m
		\$m	\$m			
ASSETS						
<i>Financial assets</i>						
Cash and deposits	4,803	5,626	7,309	9,011	8,666	6,703
Advances paid	-	-	-	-	-	-
Investments, loans and placements	2,968	839	682	641	634	665
Receivables	1,947	1,733	1,797	1,848	1,888	1,941
Shares and other equity						
Investments in other public sector entities - equity method	-	-	-	-	-	-
Investments in other public sector entities - direct injections	-	-	-	-	-	-
Investments in other entities	17	52	54	56	58	60
Other financial assets	156	142	142	142	142	142
Total financial assets	9,892	8,392	9,984	11,698	11,389	9,511
<i>Non-financial assets</i>						
Land	11,976	13,089	13,515	13,954	14,408	14,876
Property, plant and equipment	90,740	96,475	100,067	102,368	103,211	104,179
Right-of-use assets	454	485	559	598	560	525
Service concession assets	2,994	2,972	2,951	2,969	2,948	2,928
Biological assets	201	212	222	233	243	253
Inventories						
Land inventories	1,409	1,800	1,726	1,446	1,045	1,008
Other inventories	10,641	12,079	12,443	12,440	12,355	12,325
Intangibles	335	346	351	348	352	331
Non-current assets held for sale	6	6	6	6	6	6
Investment property	28	28	28	28	28	28
Other	354	336	335	335	335	336
Total non-financial assets	119,136	127,828	132,204	134,725	135,491	136,795
TOTAL ASSETS	129,028	136,220	142,188	146,423	146,880	146,306
LIABILITIES						
Deposits held	-	-	-	-	-	-
Advances received	288	423	553	639	777	363
Borrowings						
Lease liabilities	886	902	921	941	879	854
Service concession liabilities	278	270	262	254	247	240
Other borrowings	20,105	20,080	23,938	26,507	27,692	28,150
Unfunded superannuation	66	63	72	89	105	106
Other employee benefits	607	621	637	652	669	684
Payables	12,911	14,158	14,475	14,317	14,241	14,210
Other liabilities	3,285	3,143	3,085	3,045	3,053	3,015
TOTAL LIABILITIES	38,423	39,660	43,944	46,445	47,662	47,622
NET ASSETS	90,605	96,560	98,244	99,978	99,218	98,684
<i>Of which:</i>						
Contributed equity	24,807	28,692	32,485	34,730	35,948	36,906
Accumulated surplus	17,509	16,364	12,786	10,740	8,304	6,326
Other reserves	48,289	51,504	52,973	54,508	54,966	55,452
NET WORTH	90,605	96,560	98,244	99,978	99,218	98,684
MEMORANDUM ITEMS						
<i>Net financial worth</i>	-28,532	-31,268	-33,960	-34,746	-36,273	-38,111
<i>Net debt</i>						
Gross debt liabilities	21,556	21,675	25,674	28,341	29,595	29,607
Less : liquid financial assets	7,771	6,465	7,991	9,652	9,300	7,367
Net debt	13,785	15,209	17,684	18,689	20,295	22,239

Note: Columns may not add due to rounding.

Table 1.6

PUBLIC NON-FINANCIAL CORPORATIONS
Cash Flow Statement

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	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	4,922	4,528	4,887	4,466	3,792	3,706
Receipts from sales of goods and services	34,912	43,449	48,403	48,012	46,014	44,184
Interest receipts	346	222	199	191	199	213
Dividends and tax equivalents	35	13	-	-	-	-
Other receipts	2,257	1,939	2,132	2,113	2,153	2,107
Total cash received	42,472	50,150	55,621	54,782	52,158	50,211
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-1,871	-2,025	-2,102	-2,148	-2,210	-2,269
Payments for goods and services	-28,369	-36,962	-41,829	-40,925	-38,156	-35,791
Interest paid	-896	-755	-841	-1,051	-1,187	-1,322
Grants and subsidies paid	-1,008	-1,158	-1,269	-1,080	-976	-926
Tax equivalents	-729	-891	-915	-960	-926	-926
Other payments	-5,648	-5,014	-4,639	-4,649	-4,644	-4,699
Total cash paid	-38,520	-46,805	-51,595	-50,812	-48,098	-45,933
NET CASH FLOWS FROM OPERATING ACTIVITIES	3,952	3,345	4,027	3,970	4,060	4,278
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-9,005	-8,033	-7,769	-6,482	-5,792	-5,983
Sales of non-financial assets	669	716	773	1,011	1,162	845
Total cash flows from investments in non-financial assets	-8,336	-7,317	-6,996	-5,471	-4,631	-5,138
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	-	-	-	-	-	-
For liquidity purposes	-	142	138	94	88	87
<i>Cash paid</i>						
For policy purposes	-	-19	-15	-33	-38	-15
For liquidity purposes	-67	-88	-114	-118	-134	-147
Total cash flows from investments in financial assets	-67	35	9	-57	-85	-75
NET CASH FLOWS FROM INVESTING ACTIVITIES	-8,403	-7,282	-6,987	-5,528	-4,716	-5,213
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	50	180	152	150	227	95
Borrowings	4,638	4,997	6,585	5,594	3,995	3,288
Deposits received	-	-	-	-	-	-
Other financing receipts	5,228	4,288	3,809	2,277	1,639	3,028
Total cash received	9,916	9,465	10,545	8,022	5,862	6,411
<i>Cash paid</i>						
Advances paid	-18	-20	-24	-89	-89	-504
Borrowings repaid	-4,400	-3,159	-2,724	-3,002	-2,810	-2,835
Deposits paid	-	-	-	-	-	-
Other financing payments	-804	-1,478	-2,204	-1,765	-223	-382
Dividends paid	-436	-1,405	-2,994	-1,584	-2,068	-1,682
Total cash paid	-5,657	-6,061	-7,946	-6,439	-5,191	-5,402
NET CASH FLOWS FROM FINANCING ACTIVITIES	4,259	3,403	2,599	1,582	671	1,009
Net increase in cash and cash equivalents	-192	-533	-362	24	16	74
Cash and cash equivalents at the beginning of the year	3,601	3,409	2,875	2,514	2,538	2,554
Cash and cash equivalents at the end of the year	3,409	2,875	2,514	2,538	2,554	2,627
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	3,952	3,345	4,027	3,970	4,060	4,278
Net cash flows from investing in non-financial assets	-8,336	-7,317	-6,996	-5,471	-4,631	-5,138
Dividends paid	-436	-1,405	-2,994	-1,584	-2,068	-1,682
Cash surplus/-deficit	-4,820	-5,377	-5,963	-3,085	-2,639	-2,542

Note: Columns may not add due to rounding.

Table 1.7

TOTAL NON-FINANCIAL PUBLIC SECTOR
Operating Statement

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget			
	\$m	Actual	Year	Outyear	Outyear	Outyear
		\$m	\$m	\$m	\$m	\$m
<i>Results from Transactions</i>						
REVENUE						
Taxation	14,224	16,410	16,269	16,834	17,736	18,706
Current grants and subsidies	15,226	15,260	16,707	17,306	18,071	19,240
Capital grants	3,447	2,148	2,791	1,634	832	498
Sales of goods and services	48,556	64,456	72,385	71,696	68,188	64,666
Interest income	549	351	417	414	434	439
Royalty income	9,806	10,822	9,443	8,087	7,785	7,438
Dividend and tax equivalents	201	153	173	191	206	223
Other	1,569	1,549	1,601	1,614	1,662	1,651
Total	93,578	111,148	119,786	117,776	114,915	112,862
EXPENSES						
Salaries	20,060	21,617	23,328	23,569	23,997	24,379
Superannuation						
Concurrent costs	2,264	2,597	2,803	2,832	2,885	2,931
Superannuation interest cost	157	232	220	201	189	175
Other employee costs	381	417	432	403	400	403
Depreciation and amortisation	6,011	6,551	6,927	6,978	7,117	7,193
Services and contracts	4,652	5,801	6,089	5,522	5,288	5,357
Other gross operating expenses	47,547	63,076	70,708	69,298	65,181	61,503
Interest						
Interest on leases	255	227	229	218	208	198
Other interest	1,750	1,715	2,023	2,326	2,599	2,791
Current transfers	6,642	6,785	6,978	6,037	5,744	5,649
Capital transfers	421	420	506	267	217	169
Total	90,140	109,438	120,243	117,651	113,825	110,749
NET OPERATING BALANCE	3,439	1,711	-457	125	1,090	2,113
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	-82	-139	-847	-476	-82	40
Provision for doubtful debts	-62	-69	-69	-56	-57	-57
Changes in accounting policy/adjustment of prior periods	-43	-	-	-	-	-
Total other economic flows	-187	-208	-916	-533	-139	-17
OPERATING RESULT	3,252	1,502	-1,373	-407	952	2,096
<i>All other movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	17,979	9,812	4,563	3,903	2,953	2,980
Net actuarial gains/-loss - superannuation	-127	447	227	211	222	216
Gains recognised directly in equity	-3	-12	-15	-16	-22	-68
Change in net worth of the PFC sector	616	344	349	339	361	380
All other	-	-	-	-	-	-
Total all other movements in equity	18,465	10,590	5,123	4,437	3,513	3,507
TOTAL CHANGE IN NET WORTH	21,717	12,093	3,750	4,029	4,465	5,603
KEY FISCAL AGGREGATES						
NET OPERATING BALANCE	3,439	1,711	-457	125	1,090	2,113
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	13,119	12,220	13,228	10,846	10,680	9,513
Changes in inventories	2,161	1,425	365	-3	-85	-30
Other movement in non-financial assets	222	358	203	211	220	227
<i>Less:</i>						
Sales of non-financial assets	645	791	834	1,138	1,305	1,012
Depreciation	6,011	6,551	6,927	6,978	7,117	7,193
Total net acquisition of non-financial assets	8,847	6,661	6,034	2,938	2,394	1,504
NET LENDING/-BORROWING	-5,408	-4,950	-6,492	-2,813	-1,304	609

Note: Columns may not add due to rounding.

Table 1.8

TOTAL NON-FINANCIAL PUBLIC SECTOR
Balance Sheet at 30 June

	2025	2026	2027	2028	2029	2030
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	Actual	Year	\$m	\$m	\$m
		\$m	\$m			
ASSETS						
<i>Financial assets</i>						
Cash and deposits	5,111	4,487	4,419	4,532	4,548	4,622
Advances paid	450	493	638	799	949	915
Investments, loans and placements	6,234	5,676	5,035	5,525	5,648	5,531
Receivables	6,826	7,112	6,463	6,500	6,551	6,582
Shares and other equity						
Investments in other public sector entities - equity method	3,611	4,029	4,378	4,717	5,078	5,458
Investments in other public sector entities - direct injections	-	-	-	-	-	-
Investments in other entities	86	130	146	148	151	153
Other financial assets	10	- ^(a)	- ^(a)	- ^(a)	- ^(a)	- ^(a)
Total financial assets	22,328	21,929	21,080	22,223	22,924	23,261
<i>Non-financial assets</i>						
Land	65,669	72,178	75,190	77,405	79,808	81,907
Property, plant and equipment	162,829	171,218	178,299	183,185	187,097	190,100
Right-of-use assets	2,979	2,973	3,027	2,973	2,840	2,737
Service concession assets	4,174	4,108	4,029	3,976	3,885	3,795
Biological assets	210	222	232	242	253	263
Inventories						
Land inventories	1,409	1,800	1,726	1,446	1,045	1,008
Other inventories	10,863	12,288	12,652	12,649	12,564	12,534
Intangibles	1,130	1,234	1,345	1,465	1,574	1,659
Non-current assets held for sale	31	47	21	21	21	21
Investment property	30	30	28	28	28	28
Other	779	756	749	740	744	732
Total non-financial assets	250,101	266,854	277,297	284,129	289,858	294,783
TOTAL ASSETS	272,429	288,783	298,378	306,352	312,783	318,044
LIABILITIES						
Deposits held	44	35	285	285	285	285
Advances received	288	423	603	789	1,027	563
Borrowings						
Lease liabilities	3,562	3,572	3,627	3,581	3,447	3,349
Service concession liabilities	278	270	262	254	247	240
Other borrowings	44,301	47,811	53,160	57,465	59,635	60,078
Unfunded superannuation	4,089	3,571	3,281	3,009	2,682	2,362
Other employee benefits	5,862	5,993	6,291	6,312	6,591	6,879
Payables	15,725	17,082	17,282	17,098	16,852	16,722
Other liabilities	6,093	5,745	5,556	5,499	5,491	5,437
TOTAL LIABILITIES	80,241	84,502	90,346	94,291	96,257	95,915
NET ASSETS	192,188	204,281	208,031	212,061	216,526	222,129
<i>Of which:</i>						
Contributed equity	-	-	-	-	-	-
Accumulated surplus	50,894	53,197	52,023	51,766	52,890	55,106
Other reserves	141,295	151,084	156,008	160,294	163,636	167,023
NET WORTH	192,188	204,281	208,031	212,061	216,526	222,129
MEMORANDUM ITEMS						
<i>Net financial worth</i>	-57,913	-62,573	-69,266	-72,069	-73,332	-72,654
<i>Net financial liabilities</i>	61,524	66,602	73,645	76,786	78,411	78,112
<i>Net debt</i>						
Gross debt liabilities	48,473	52,111	57,937	62,374	64,641	64,515
Less: liquid financial assets	11,795	10,657	10,092	10,856	11,145	11,068
Net debt	36,678	41,454	47,845	51,518	53,496	53,447

(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

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash received</i>						
Taxes received	14,170	16,430	16,305	16,864	17,749	18,718
Grants and subsidies received	21,556	19,935	22,295	21,823	21,868	22,793
Receipts from sales of goods and services	37,693	46,093	51,110	50,857	49,018	47,153
Interest receipts	573	349	417	414	433	439
Dividends and tax equivalents	264	228	169	181	196	210
Other receipts	14,653	15,081	14,863	12,919	12,661	12,256
<i>Total cash received</i>	<i>88,908</i>	<i>98,118</i>	<i>105,159</i>	<i>103,057</i>	<i>101,924</i>	<i>101,569</i>
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-22,270	-24,430	-26,155	-26,665	-26,935	-27,342
Payments for goods and services	-38,985	-48,445	-53,623	-52,028	-49,407	-47,164
Interest paid	-1,932	-1,825	-2,165	-2,468	-2,715	-2,925
Grants and subsidies paid	-7,538	-8,862	-9,541	-8,631	-8,319	-8,288
Dividends and tax equivalents	-	-	-	-	-	-
Other payments	-7,981	-7,327	-7,058	-6,733	-6,760	-6,721
<i>Total cash paid</i>	<i>-78,706</i>	<i>-90,888</i>	<i>-98,543</i>	<i>-96,525</i>	<i>-94,136</i>	<i>-92,439</i>
NET CASH FLOWS FROM OPERATING ACTIVITIES	10,202	7,230	6,616	6,532	7,788	9,130
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-13,119	-12,220	-13,228	-10,846	-10,680	-9,513
Sales of non-financial assets	645	791	834	1,138	1,305	1,012
<i>Total cash flows from investments in non-financial assets</i>	<i>-12,474</i>	<i>-11,429</i>	<i>-12,394</i>	<i>-9,708</i>	<i>-9,375</i>	<i>-8,501</i>
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	27	10	10	10	10	10
For liquidity purposes	83	189	208	169	148	151
<i>Cash paid</i>						
For policy purposes	-25	-10	-10	-10	-10	-10
For liquidity purposes	-160	-179	-299	-292	-244	-213
<i>Total cash flows from investments in financial assets</i>	<i>-75</i>	<i>9</i>	<i>-91</i>	<i>-123</i>	<i>-96</i>	<i>-62</i>
NET CASH FLOWS FROM INVESTING ACTIVITIES	-12,549	-11,420	-12,485	-9,831	-9,471	-8,563
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	50	180	152	150	227	145
Borrowings	4,703	9,114	8,197	7,454	5,109	3,402
Deposits received	4	-	-	-	-	-
Other financing receipts	502	9	7	-	-	-
<i>Total cash received</i>	<i>5,259</i>	<i>9,303</i>	<i>8,356</i>	<i>7,604</i>	<i>5,336</i>	<i>3,547</i>
<i>Cash paid</i>						
Advances paid	-18	-20	-24	-89	-89	-554
Borrowings repaid	-4,692	-3,734	-2,839	-3,112	-2,919	-2,944
Deposits paid	-	-	-	-	-	-
Other financing payments	-1,084	-522	-529	-480	-521	-688
<i>Total cash paid</i>	<i>-5,793</i>	<i>-4,275</i>	<i>-3,392</i>	<i>-3,681</i>	<i>-3,530</i>	<i>-4,186</i>
NET CASH FLOWS FROM FINANCING ACTIVITIES	-535	5,028	4,964	3,923	1,807	-639
Net increase in cash and cash equivalents	-2,882	838	-905	623	124	-73
Cash and cash equivalents at the beginning of the year	12,796	9,914	10,752	9,847	10,470	10,594
Cash and cash equivalents at the end of the year	9,914	10,752	9,847	10,470	10,594	10,522
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	10,202	7,230	6,616	6,532	7,788	9,130
Net cash flows from investing in non-financial assets	-12,474	-11,429	-12,394	-9,708	-9,375	-8,501
Cash surplus/-deficit	-2,273	-4,199	-5,778	-3,176	-1,587	629

Note: Columns may not add due to rounding.

Table 1.10

PUBLIC FINANCIAL CORPORATIONS
Operating Statement

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	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	1,840	1,878	2,034	2,142	2,245	2,348
Interest income	2,034	2,333	2,776	3,123	3,462	3,730
Other	182	176	188	201	214	228
<i>Total</i>	<i>4,055</i>	<i>4,387</i>	<i>4,998</i>	<i>5,466</i>	<i>5,921</i>	<i>6,306</i>
EXPENSES						
Salaries	87	98	109	112	116	119
Superannuation						
Concurrent costs	10	12	13	14	14	14
Superannuation interest cost	-	-	-	-	-	-
Other employee costs	457	421	478	504	532	561
Depreciation and amortisation	14	10	12	10	10	10
Services and contracts	7	9	10	11	11	11
Other gross operating expenses	1,335	1,564	1,691	1,806	1,920	2,042
Interest						
Interest on leases	3	3	2	2	2	2
Other interest	1,753	2,076	2,492	2,816	3,123	3,354
Tax equivalents	105	65	85	89	93	98
Current transfers	6	17	20	22	26	30
Capital transfers	-	1	2	2	3	3
<i>Total</i>	<i>3,777</i>	<i>4,276</i>	<i>4,914</i>	<i>5,387</i>	<i>5,848</i>	<i>6,245</i>
NET OPERATING BALANCE	278	111	83	79	73	61
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	434	226	352	371	411	455
Provision for doubtful debts	-	-	-	-	-	-
Changes in accounting policy/adjustment of prior periods	-	-	-	-	-	-
<i>Total other economic flows</i>	<i>434</i>	<i>226</i>	<i>352</i>	<i>371</i>	<i>411</i>	<i>455</i>
OPERATING RESULT	712	337	435	450	484	517
<i>Other non-owner movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	2	244	2	-9	-10	-11
Net actuarial gains/-loss - superannuation	1	(a)	(a)	(a)	(a)	(a)
Gains recognised directly in equity	-2	-	-	-	-	-
All other	-	-	-	-	-	-
<i>Total other non-owner movements in equity</i>	<i>1</i>	<i>244</i>	<i>2</i>	<i>-9</i>	<i>-10</i>	<i>-11</i>
<i>Movements in owner equity</i>						
Dividends	-96	-88	-88	-102	-113	-125
Capital injections	-	-74	-	-	-	-
<i>Total movements in owner equity</i>	<i>-96</i>	<i>-163</i>	<i>-88</i>	<i>-102</i>	<i>-113</i>	<i>-125</i>
TOTAL CHANGE IN NET WORTH	617	418	349	339	361	380
KEY FISCAL AGGREGATES						
NET OPERATING BALANCE	278	111	83	79	73	61
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	13	6	6	6	5	5
Changes in inventories	-	-	-	-	-	-
Other movement in non-financial assets	-	-	-	-	-	-
Less:						
Sales of non-financial assets	(a)	(a)	(a)	(a)	(a)	(a)
Depreciation	14	10	12	10	10	10
<i>Total net acquisition of non-financial assets</i>	<i>-1</i>	<i>-5</i>	<i>-7</i>	<i>-4</i>	<i>-5</i>	<i>-5</i>
NET LENDING/-BORROWING	280	116	91	84	78	67

(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

	2025	2026	2027	2028	2029	2030
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	Actual	Year	\$m	\$m	\$m
		\$m	\$m			
ASSETS						
<i>Financial assets</i>						
Cash and deposits	954	294	549	557	566	573
Advances paid	1,584	2,391	2,855	3,442	4,235	5,375
Investments, loans and placements	57,639	59,518	64,752	69,135	71,555	72,552
Receivables	1,080	812	826	847	866	881
Shares and other equity						
Investments in other public sector entities - equity method	-	-	-	-	-	-
Investments in other public sector entities - direct injections	-	-	-	-	-	-
Investments in other entities	2,748	3,027	3,382	3,733	4,091	4,458
Other financial assets	2	8	8	8	8	8
Total financial assets	64,006	66,050	72,373	77,723	81,322	83,848
<i>Non-financial assets</i>						
Land	-	-	-	-	-	-
Property, plant and equipment	8	7	6	6	8	9
Right-of-use assets	36	32	28	24	21	17
Service concession assets	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-
Inventories						
Land inventories	-	-	-	-	-	-
Other inventories	-	-	-	-	-	-
Intangibles	23	23	21	21	19	17
Non-current assets held for sale	-	-	-	-	-	-
Investment property	-	-	-	-	-	-
Other	5	4	4	4	4	4
Total non-financial assets	72	65	59	56	51	47
TOTAL ASSETS	64,079	66,116	72,432	77,779	81,373	83,896
LIABILITIES						
Deposits held	-	-	-	-	-	-
Advances received	-	-	50	150	250	200
Borrowings						
Lease liabilities	47	44	42	39	36	33
Service concession liabilities	-	-	-	-	-	-
Other borrowings	53,624	55,189	60,484	64,757	67,258	68,807
Unfunded superannuation	3	2	2	2	2	2
Other employee benefits	20	20	21	21	20	20
Payables	187	419	472	541	616	698
Other liabilities	6,587	6,411	6,984	7,552	8,112	8,676
TOTAL LIABILITIES	60,468	62,086	68,054	73,061	76,295	78,438
NET ASSETS	3,611	4,029	4,378	4,717	5,078	5,458
<i>Of which:</i>						
Contributed equity	-255	-329	-329	-329	-329	-329
Accumulated surplus	3,837	4,034	4,315	4,591	4,884	5,190
Other reserves	29	325	393	456	524	598
NET WORTH	3,611	4,029	4,378	4,717	5,078	5,458
MEMORANDUM ITEMS						
<i>Net financial worth</i>	<i>3,539</i>	<i>3,964</i>	<i>4,319</i>	<i>4,662</i>	<i>5,027</i>	<i>5,411</i>
<i>Net debt</i>						
Gross debt liabilities	53,671	55,233	60,576	64,946	67,544	69,041
Less: liquid financial assets	60,178	62,203	68,156	73,134	76,356	78,500
Net debt	-6,506	-6,969	-7,580	-8,188	-8,812	-9,460

Note: Columns may not add due to rounding.

Table 1.12

PUBLIC FINANCIAL CORPORATIONS
Cash Flow Statement

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	Actual	Year	\$m	\$m	\$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	1,965	2,075	2,338	2,457	2,591	2,729
Interest receipts	2,041	2,339	2,774	3,121	3,460	3,730
Dividends and tax equivalents	-	-	-	-	-	-
Other receipts	241	260	279	296	314	331
Total cash received	4,248	4,678	5,395	5,878	6,370	6,794
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-93	-110	-122	-126	-130	-133
Payments for goods and services	-1,368	-1,519	-1,638	-1,786	-1,937	-2,090
Interest paid	-1,712	-2,080	-2,494	-2,818	-3,125	-3,356
Grants and subsidies paid	-	-	-	-	-	-
Tax equivalents	-146	-128	-83	-85	-89	-94
Other payments	-244	-273	-298	-317	-339	-361
Total cash paid	-3,563	-4,109	-4,635	-5,133	-5,621	-6,034
NET CASH FLOWS FROM OPERATING ACTIVITIES	684	570	760	746	749	761
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-13	-6	-6	-6	-5	-5
Sales of non-financial assets	-(a)	-(a)	-(a)	-(a)	-(a)	-(a)
Total cash flows from investments in non-financial assets	-13	-5	-5	-6	-5	-5
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	-	-	-	-	-	-
For liquidity purposes	10,286	10,053	9,652	9,909	10,246	10,634
<i>Cash paid</i>						
For policy purposes	-	-	-	-	-	-
For liquidity purposes	-9,314	-11,296	-10,765	-11,167	-11,699	-12,276
Total cash flows from investments in financial assets	971	-1,243	-1,113	-1,257	-1,453	-1,642
NET CASH FLOWS FROM INVESTING ACTIVITIES	958	-1,248	-1,119	-1,263	-1,457	-1,646
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	-	-	50	100	100	-
Borrowings	26,449	28,518	31,459	29,628	27,257	28,417
Deposits received	-	-	-	-	-	-
Other financing receipts	-	-	-	-	-	-
Total cash received	26,449	28,518	31,509	29,728	27,357	28,417
<i>Cash paid</i>						
Advances paid	-	-	-	-	-	-50
Borrowings repaid	-26,109	-30,243	-30,754	-29,050	-26,476	-27,298
Deposits paid	-	-	-	-	-	-
Other financing payments	-6	-4	-3	-3	-3	-4
Dividends paid	-117	-101	-86	-96	-106	-116
Total cash paid	-26,233	-30,347	-30,842	-29,149	-26,586	-27,468
NET CASH FLOWS FROM FINANCING ACTIVITIES	216	-1,829	667	579	771	948
Net increase in cash and cash equivalents	1,859	-2,508	308	61	63	63
Cash and cash equivalents at the beginning of the year	2,018	3,877	1,370	1,678	1,739	1,802
Cash and cash equivalents at the end of the year	3,877	1,370	1,678	1,739	1,802	1,865
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	684	570	760	746	749	761
Net cash flows from investing in non-financial assets	-13	-5	-5	-6	-5	-5
Dividends paid	-117	-101	-86	-96	-106	-116
Cash surplus/-deficit	554	464	669	644	638	640

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

Note: Columns may not add due to rounding.

Table 1.13

TOTAL PUBLIC SECTOR
Operating Statement

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget			
	\$m	Actual	Year	Outyear	Outyear	Outyear
		\$m	\$m	\$m	\$m	\$m
<i>Results from Transactions</i>						
REVENUE						
Taxation	14,219	16,393	16,249	16,812	17,710	18,676
Current grants and subsidies	15,226	15,260	16,707	17,306	18,071	19,240
Capital grants	3,447	2,148	2,791	1,634	832	498
Sales of goods and services	49,590	65,526	73,537	72,908	69,453	65,981
Interest income	857	1,101	1,251	1,300	1,396	1,517
Royalty income	9,806	10,822	9,443	8,087	7,785	7,438
Other	1,750	1,724	1,788	1,814	1,876	1,878
<i>Total</i>	94,895	112,974	121,766	119,861	117,123	115,229
EXPENSES						
Salaries	20,147	21,716	23,437	23,681	24,113	24,498
Superannuation						
Concurrent costs	2,274	2,609	2,816	2,846	2,898	2,945
Superannuation interest cost	157	232	220	201	189	175
Other employee costs	838	838	910	907	931	964
Depreciation and amortisation	6,025	6,561	6,939	6,988	7,127	7,203
Services and contracts	4,659	5,801	6,089	5,522	5,288	5,357
Other gross operating expenses	48,076	63,841	71,527	70,184	66,131	62,523
Interest						
Interest on leases	258	229	231	220	210	200
Other interest	1,777	2,208	2,573	2,905	3,222	3,494
Current transfers	6,642	6,785	6,978	6,037	5,744	5,649
Capital transfers	422	421	508	269	220	172
<i>Total</i>	91,274	111,241	122,228	119,759	116,073	113,180
NET OPERATING BALANCE	3,621	1,733	-462	102	1,050	2,049
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	352	87	-495	-105	329	495
Provision for doubtful debts	-62	-69	-69	-56	-57	-57
Changes in accounting policy/adjustment of prior periods	-44	-	-	-	-	-
<i>Total other economic flows</i>	247	17	-564	-161	273	438
OPERATING RESULT	3,868	1,751	-1,026	-59	1,323	2,487
<i>All other movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	17,981	9,907	4,565	3,895	2,943	2,969
Net actuarial gains/-loss - superannuation	-126	447	227	211	222	216
Gains recognised directly in equity	-5	-12	-15	-16	-22	-68
All other	-	-	-	-	-	-
<i>Total all other movements in equity</i>	17,849	10,342	4,776	4,089	3,142	3,116
TOTAL CHANGE IN NET WORTH	21,717	12,093	3,750	4,029	4,465	5,603
KEY FISCAL AGGREGATES						
NET OPERATING BALANCE	3,621	1,733	-462	102	1,050	2,049
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	13,132	12,226	13,234	10,852	10,685	9,518
Changes in inventories	2,161	1,425	365	-3	-85	-30
Other movement in non-financial assets	222	358	203	211	220	227
<i>Less:</i>						
Sales of non-financial assets	646	792	835	1,138	1,305	1,013
Depreciation	6,025	6,561	6,939	6,988	7,127	7,203
<i>Total net acquisition of non-financial assets</i>	8,846	6,656	6,027	2,934	2,388	1,499
NET LENDING/-BORROWING	-5,225	-4,922	-6,489	-2,832	-1,339	550

Note: Columns may not add due to rounding.

Table 1.14

TOTAL PUBLIC SECTOR
Balance Sheet at 30 June

	2025	2026	2027	2028	2029	2030
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
ASSETS						
<i>Financial assets</i>						
Cash and deposits	6,056	4,780	4,716	4,838	4,863	4,944
Advances paid	2,034	2,884	3,444	4,091	4,934	6,090
Investments, loans and placements	18,147	17,845	17,364	18,559	19,377	19,823
Receivables	7,135	6,971	6,256	6,212	6,173	6,109
Equity - Investments in other entities	2,833	3,158	3,529	3,882	4,241	4,611
Other financial assets	11	9	9	9	9	9
Total financial assets	36,216	35,647	35,317	37,590	39,597	41,586
<i>Non-financial assets</i>						
Land	65,669	72,178	75,190	77,405	79,808	81,907
Property, plant and equipment	162,837	171,226	178,305	183,191	187,104	190,108
Right-of-use assets	3,014	3,005	3,055	2,997	2,861	2,755
Service concession assets	4,174	4,108	4,029	3,976	3,885	3,795
Biological assets	210	222	232	242	253	263
Inventories						
Land inventories	1,409	1,800	1,726	1,446	1,045	1,008
Other inventories	10,863	12,288	12,652	12,649	12,564	12,534
Intangibles	1,153	1,256	1,366	1,486	1,593	1,677
Non-current assets held for sale	31	47	21	21	21	21
Investment property	30	30	28	28	28	28
Other	785	759	753	743	748	735
Total non-financial assets	250,174	266,920	277,356	284,185	289,909	294,830
TOTAL ASSETS	286,389	302,566	312,674	321,775	329,506	336,417
LIABILITIES						
Deposits held	34	34	34	34	34	34
Advances received	288	423	603	789	1,027	563
Borrowings						
Lease liabilities	3,609	3,616	3,669	3,620	3,483	3,382
Service concession liabilities	278	270	262	254	247	240
Other borrowings	52,199	55,651	61,221	66,120	69,068	70,626
Unfunded superannuation	4,092	3,574	3,283	3,011	2,684	2,364
Other employee benefits	5,882	6,013	6,312	6,333	6,611	6,899
Payables	15,511	16,864	17,064	16,880	16,634	16,504
Other liabilities	12,309	11,840	12,195	12,673	13,193	13,675
TOTAL LIABILITIES	94,201	98,285	104,643	109,714	112,981	114,287
NET ASSETS	192,188	204,281	208,031	212,061	216,526	222,129
<i>Of which:</i>						
Contributed equity	-	-	-	-	-	-
Accumulated surplus	54,731	57,231	56,338	56,358	57,774	60,296
Other reserves	137,457	147,050	151,693	155,703	158,752	161,833
NET WORTH	192,188	204,281	208,031	212,061	216,526	222,129
MEMORANDUM ITEMS						
<i>Net financial worth</i>	-57,985	-62,638	-69,325	-72,124	-73,383	-72,701
<i>Net financial liabilities</i>	57,985	62,638	69,325	72,124	73,383	72,701
<i>Net debt</i>						
Gross debt liabilities	56,408	59,994	65,789	70,817	73,859	74,845
Less: liquid financial assets	26,236	25,509	25,524	27,488	29,174	30,857
Net debt	30,172	34,484	40,264	43,329	44,684	43,987

Note: Columns may not add due to rounding.

Table 1.15

TOTAL PUBLIC SECTOR
Cash Flow Statement

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash received</i>						
Taxes received	14,164	16,408	16,280	16,837	17,718	18,683
Grants and subsidies received	21,556	19,935	22,295	21,823	21,868	22,793
Receipts from sales of goods and services	38,899	47,376	52,566	52,383	50,628	48,849
Interest receipts	876	1,147	1,281	1,328	1,424	1,537
Dividends and tax equivalents	-	-	-	-	-	-
Other	14,893	15,340	15,141	13,214	12,974	12,586
<i>Total cash received</i>	<i>90,387</i>	<i>100,207</i>	<i>107,563</i>	<i>105,585</i>	<i>104,611</i>	<i>104,447</i>
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-22,363	-24,540	-26,277	-26,791	-27,065	-27,475
Payments for goods and services	-39,593	-49,171	-54,379	-52,884	-50,363	-48,221
Interest paid	-1,905	-2,363	-2,749	-3,079	-3,371	-3,648
Grants and subsidies paid	-7,538	-8,857	-9,536	-8,626	-8,314	-8,283
Dividends and tax equivalents	-	-	-	-	-	-
Other payments	-8,219	-7,577	-7,332	-7,023	-7,067	-7,046
<i>Total cash paid</i>	<i>-79,619</i>	<i>-92,508</i>	<i>-100,273</i>	<i>-98,403</i>	<i>-96,181</i>	<i>-94,673</i>
NET CASH FLOWS FROM OPERATING ACTIVITIES	10,769	7,699	7,290	7,182	8,431	9,774
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-13,132	-12,226	-13,234	-10,852	-10,685	-9,518
Sales of non-financial assets	646	792	835	1,138	1,305	1,013
<i>Total cash flows from investments in non-financial assets</i>	<i>-12,487</i>	<i>-11,434</i>	<i>-12,399</i>	<i>-9,714</i>	<i>-9,380</i>	<i>-8,505</i>
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	27	10	10	10	10	10
For liquidity purposes	10,369	10,242	9,860	10,078	10,394	10,785
<i>Cash paid</i>						
For policy purposes	-25	-10	-10	-10	-10	-10
For liquidity purposes	-9,474	-11,475	-11,064	-11,459	-11,943	-12,489
<i>Total cash flows from investments in financial assets</i>	<i>897</i>	<i>-1,234</i>	<i>-1,204</i>	<i>-1,381</i>	<i>-1,548</i>	<i>-1,704</i>
NET CASH FLOWS FROM INVESTING ACTIVITIES	-11,590	-12,668	-13,603	-11,094	-10,928	-10,209
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	50	180	202	250	327	95
Borrowings	21,762	24,796	28,902	27,155	24,805	25,501
Deposits received	-	-	-	-	-	-
Other financing receipts	502	9	7	-	-	-
<i>Total cash received</i>	<i>22,314</i>	<i>24,985</i>	<i>29,111</i>	<i>27,405</i>	<i>25,132</i>	<i>25,596</i>
<i>Cash paid</i>						
Advances paid	-18	-20	-24	-89	-89	-554
Borrowings repaid	-21,411	-21,141	-22,838	-22,235	-21,834	-23,925
Deposits paid	-	-	-	-	-	-
Other financing payments	-1,086	-526	-532	-483	-525	-692
<i>Total cash paid</i>	<i>-22,515</i>	<i>-21,686</i>	<i>-23,394</i>	<i>-22,807</i>	<i>-22,448</i>	<i>-25,171</i>
NET CASH FLOWS FROM FINANCING ACTIVITIES	-201	3,299	5,717	4,598	2,684	425
Net increase in cash and cash equivalents	-1,023	-1,670	-596	685	187	-10
Cash and cash equivalents at the beginning of the year	14,813	13,790	12,120	11,523	12,208	12,395
Cash and cash equivalents at the end of the year	13,790	12,120	11,523	12,208	12,395	12,385
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	10,769	7,699	7,290	7,182	8,431	9,774
Net cash flows from investing in non-financial assets	-12,487	-11,434	-12,399	-9,714	-9,380	-8,505
Cash surplus/-deficit	-1,718	-3,736	-5,109	-2,532	-949	1,269

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 *2024-25 Annual Report on State Finances (ARSF)*, which are described in detail in Note 3: *Summary of Significant Accounting Policies* in Appendix 1 of the 2024-25 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*.

GENERAL GOVERNMENT REVENUE FROM PUBLIC CORPORATIONS

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
			\$m			
<i>Dividends</i>						
From public non-financial corporations	436	1,405	2,994	1,583	2,068	1,682
From public financial corporations	83	88	88	102	113	125
<i>Total dividends</i>	<i>518</i>	<i>1,494</i>	<i>3,082</i>	<i>1,686</i>	<i>2,181</i>	<i>1,807</i>
<i>Tax equivalent income</i>						
From public non-financial corporations	805	871	929	866	969	946
From public financial corporations	105	65	85	89	93	98
<i>Total tax equivalent income</i>	<i>910</i>	<i>936</i>	<i>1,014</i>	<i>955</i>	<i>1,062</i>	<i>1,044</i>
Total revenue from public corporations	1,428	2,429	4,096	2,641	3,244	2,851

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						
	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	\$m	\$m	\$m	\$m
<i>CURRENT TRANSFERS</i>						
Local government	464	690	676	500	469	487
Private and not-for-profit sector	2,723	3,303	3,524	2,795	2,522	2,366
Other sectors of government	5,972	5,462	6,289	6,016	5,470	5,433
<i>Total Current Transfers</i>	<i>9,159</i>	<i>9,455</i>	<i>10,490</i>	<i>9,311</i>	<i>8,461</i>	<i>8,285</i>
<i>CAPITAL TRANSFERS</i>						
Local government	235	95	46	35	53	53
Private and not-for-profit sector	153	249	348	183	145	115
Other sectors of government	388	386	138	68	1	23
<i>Total Capital Transfers</i>	<i>776</i>	<i>730</i>	<i>532</i>	<i>286</i>	<i>199</i>	<i>191</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

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	\$m	\$m	\$m	\$m
<i>Expenses</i>						
General public services	1,803	2,353	2,608	2,659	2,795	2,853
Public order and safety	5,364	5,744	5,766	5,499	5,498	5,620
Economic affairs	3,096	2,850	2,996	2,524	1,988	1,905
Environmental protection	694	727	748	686	675	665
Housing and community amenities	1,817	1,801	2,732	2,438	2,024	1,929
Health	14,471	15,710	16,808	16,413	16,508	16,696
Recreation, culture and religion	1,179	1,462	1,375	1,210	1,211	1,168
Education	8,887	9,562	9,885	9,906	10,029	10,265
Social protection	4,405	4,311	4,473	4,338	4,395	4,310
Transport	4,320	4,566	4,893	4,494	4,396	4,469
Provisions not allocated ^(b)	-	54	254	458	633	781
Total General Government Expenses	46,037	49,140	52,539	50,626	50,152	50,663
<i>Purchases of non-financial assets</i>						
General public services	149	188	120	101	119	118
Public order and safety	269	416	467	297	114	75
Economic affairs	44	106	186	136	104	54
Environmental protection	105	178	178	113	77	51
Housing and community amenities	107	132	116	102	121	73
Health	511	1,512	2,244	1,405	1,293	65
Recreation, culture and religion	220	168	141	53	30	16
Education	605	727	883	759	354	296
Social protection	12	10	23	16	12	19
Transport	2,189	2,215	2,914	1,890	1,415	813
Provisions not allocated ^(b)	-	-1,440	-1,750	-500	1,250	1,950
Total Purchases of Non-financial Assets	4,211	4,213	5,522	4,371	4,888	3,530

(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.

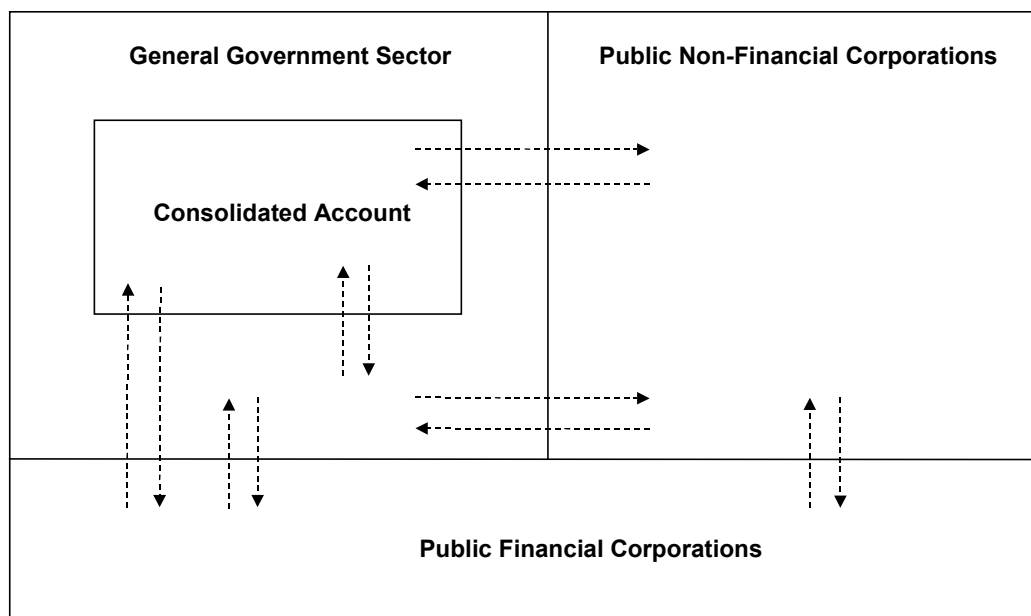
- GFS recognises dividends to owners by the PNFC and PFC sectors as a GFS expense, whereas under GAAP they are treated as a distribution to owners and therefore a direct reduction of accumulated funds. This difference does not flow through to the total public sector as internal dividend transfers are 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 ceased on 30 June 2025 and/or commenced from 1 July 2025).

Public Non-Financial Corporations

Bunbury Water Corporation	Lotteries Commission
Busselton Water Corporation	Metropolitan Cemeteries Board
Department of Housing and Works (Housing Authority) ^(a)	Mid West Ports Authority
DevelopmentWA	Pilbara Ports Authority
Electricity Networks Corporation (Western Power)	Public Transport Authority of Western Australia
Electricity Generation and Retail Corporation (Synergy)	Racing and Wagering Western Australia
Forest Products Commission	Regional Power Corporation (Horizon Power)
Fremantle Port Authority	Rottneest Island Authority
Gold Corporation and its subsidiaries	Southern Ports Authority
Kimberly Ports Authority	Water Corporation
	Western Australian Coastal Shipping Commission

Public Financial Corporations

Country Housing Authority ^(b)	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 ceased on 30 June 2025 and/or commenced from 1 July 2025).

(b) Agency abolished on 19 March 2026.

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

2026-27 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

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	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>	5,836	6,227	6,546	6,878	7,212	7,575
Property taxes						
<i>Land tax</i>	903	988	1,295	1,359	1,448	1,544
Transfer duty	3,101	4,302	3,637	3,691	3,954	4,220
Foreign Buyers Surcharge	29	27	30	45	49	52
Landholder duty	262	549	283	222	222	222
<i>Total duty on transfers</i>	3,392	4,878	3,950	3,958	4,224	4,494
Other stamp duties	- (a)	- (a)	- (a)	- (a)	- (a)	- (a)
Metropolitan Region Improvement Tax	101	110	158	166	177	189
Perth Parking Levy	59	64	65	66	68	70
Emergency Services Levy	424	456	453	486	521	559
Loan Guarantee Fees	134	150	169	186	196	204
Building and Construction Industry Training Fund Levy	77	92	103	110	117	127
<i>Total other property taxes</i>	795	873	948	1,014	1,080	1,149
Taxes on provision of goods and services						
Lotteries Commission	229	212	221	225	229	233
Video lottery terminals	- (a)	- (a)	- (a)	- (a)	- (a)	- (a)
Casino tax	72	62	62	62	62	62
Betting tax	132	138	139	141	143	145
<i>Total taxes on gambling</i>	433	412	422	428	435	440
Insurance duty	1,073	1,105	1,163	1,224	1,288	1,356
Other	18	17	17	22	23	23
<i>Total taxes on insurance</i>	1,091	1,123	1,180	1,247	1,311	1,379
Taxes on use of goods and performance of activities						
Vehicle licence duty	793	805	771	724	722	721
Permits - oversize vehicles and loads	11	8	8	8	8	8
Motor vehicle registrations	1,407	1,520	1,614	1,712	1,811	1,919
Other vehicle taxes	43	45	47	48	49	50
<i>Total motor vehicle taxes</i>	2,254	2,378	2,440	2,492	2,589	2,697
Mining Rehabilitation Levy	48	48	49	51	52	53
Landfill Levy	98	98	90	81	72	71
Total Taxation	14,849	17,024	16,920	17,506	18,424	19,402

Note: Columns may not add due to rounding.

Table 2.1 (cont.)

OPERATING REVENUE
General Government

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
			\$m			
CURRENT GRANTS AND SUBSIDIES						
General Purpose Grants						
GST grants	7,362	8,094	9,342	9,889	10,410	11,214
North West Shelf grants	612	402	481	304	235	172
Commonwealth compensation for changed crude oil excise arrangements	30	22	26	17	13	9
National Agreements						
Skills	250	269	290	296	283	262
Social Housing and Homelessness	190	195	199	203	203	203
Mental Health and Suicide Prevention	3	3	-	-	-	-
Foundational Supports - Thriving Kids	-	-	30	30	30	30
Schools Reform - Quality Schools	649	-	-	-	-	-
Better and Fairer Schools	693	1,483	1,566	1,618	1,672	1,742
Health Reform	3,265	3,626	3,995	4,315	4,660	5,033
National Partnerships/Other Grants						
Health	267	275	156	136	115	115
Transport	160	310	253	231	237	248
Disability Services	1,010	4	-	-	-	-
Other	735	577	369	268	215	212
Total Current Grants and Subsidies	15,226	15,260	16,707	17,306	18,071	19,240
CAPITAL GRANTS						
National Partnerships/Other Grants						
Transport	3,273	1,781	2,039	1,424	738	475
Other	174	368	752	210	95	23
Total Capital Grants	3,447	2,148	2,791	1,634	832	498

Note: Columns may not add due to rounding.

Table 2.1 (cont.)

OPERATING REVENUE
General Government

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated	Budget	Outyear	Outyear	Outyear
	\$m	\$m	Year	\$m	\$m	\$m
			\$m			
SALES OF GOODS AND SERVICES						
WA Health	1,010	1,071	1,077	1,122	1,170	1,220
Department of Transport and Major Infrastructure	317	350	352	363	375	390
Department of Education	229	235	243	255	261	267
State Training Providers/TAFE Colleges	117	99	94	115	116	116
Department of Training and Workforce Development	28	33	33	37	38	38
Western Australian Land Information Authority	95	110	91	96	117	96
Department of Biodiversity, Conservation and Attractions	86	149	165	169	172	177
Department of Justice	166	172	177	181	183	185
Department of Local Government, Industry Regulation and Safety	327	298	309	310	312	315
All Other	1,330	1,194	1,243	1,235	1,227	1,250
Total Sale of Goods and Services	3,704	3,711	3,785	3,884	3,971	4,052
INTEREST INCOME	314	266	357	359	368	366
REVENUE FROM PUBLIC CORPORATIONS						
Dividends	518	1,494	3,082	1,686	2,181	1,807
Tax Equivalent Regime	910	936	1,014	955	1,062	1,044
Total Revenue from Public Corporations	1,428	2,429	4,096	2,641	3,244	2,851
ROYALTY INCOME						
Iron Ore	8,481	8,819	7,148	5,902	5,747	5,609
Other	1,325	2,003	2,295	2,185	2,038	1,829
Total Royalty Income	9,806	10,822	9,443	8,087	7,785	7,438
OTHER						
Mining Tenement Rentals	197	204	209	209	209	209
Fines	237	287	366	399	401	405
Revenue not elsewhere counted	480	496	308	354	350	324
Total Other	915	986	883	962	960	938
TOTAL REVENUE	49,689	52,646	54,980	52,378	53,653	54,786

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

Note: Columns may not add due to rounding.

2025-26 General Government Operating Revenue

This appendix contains general government revenue estimates for the 2025-26 financial year, comparing the original 2025-26 Budget estimates, and 2025-26 Mid-year Review.

The final, audited revenue outturn for 2025-26 will be available in the *2025-26 Annual Report on State Finances*, due for release by 28 September 2026.

Table 3.1

2025-26 OPERATING REVENUE
General Government

	2025-26 Budget Year \$m	2025-26 Mid-year Revision \$m	2025-26 Estimated Actual \$m
TAXATION			
Taxes on employers' payroll and labour force			
<i>Payroll tax</i>	6,154	6,144	6,227
Property taxes			
<i>Land tax</i>	988	988	988
Transfer duty	2,994	3,648	4,302
Foreign Buyers Surcharge	14	22	27
Landholder duty	194	362	549
<i>Total duty on transfers</i>	3,202	4,032	4,878
Other stamp duties	- ^(a)	- ^(a)	- ^(a)
Metropolitan Region Improvement Tax	110	110	110
Perth Parking Levy	64	64	64
Emergency Services Levy	456	456	456
Loan Guarantee Fees	157	151	150
Building and Construction Industry Training Fund Levy	63	70	92
<i>Total other property taxes</i>	851	852	873
Taxes on provision of goods and services			
Lotteries Commission	212	212	212
Video lottery terminals	- ^(a)	- ^(a)	- ^(a)
Casino tax	62	62	62
Betting tax	129	138	138
<i>Total taxes on gambling</i>	403	412	412
Insurance duty	1,127	1,129	1,105
Other	17	17	17
<i>Total taxes on insurance</i>	1,145	1,147	1,123
Taxes on use of goods and performance of activities			
Vehicle licence duty	678	805	805
Permits - oversize vehicles and loads	8	8	8
Motor vehicle registrations	1,520	1,520	1,520
Other vehicle taxes	42	45	45
<i>Total motor vehicle taxes</i>	2,248	2,378	2,378
<i>Mining Rehabilitation Levy</i>	44	44	48
<i>Landfill Levy</i>	80	98	98
Total Taxation	15,113	16,093	17,024

Note: Columns may not add due to rounding.

2025-26 OPERATING REVENUE
General Government

Table 3.1 (cont.)

	2025-26 Budget Year \$m	2025-26 Mid-year Revision \$m	2025-26 Estimated Actual \$m
CURRENT GRANTS AND SUBSIDIES			
<i>General Purpose Grants</i>			
GST grants	7,840	7,969	8,094
North West Shelf grants	365	363	402
Commonwealth compensation for changed crude oil excise arrangements	20	20	22
<i>National Agreements</i>			
Skills	259	271	269
Social Housing and Homelessness	195	195	195
Mental Health and Suicide Prevention	3	3	3
Better and Fairer Schools	1,461	1,454	1,483
Health Reform	3,622	3,622	3,626
<i>National Partnerships/Other Grants</i>			
Health	152	240	275
Transport	339	339	310
Disability Services	1,011	5	4
Other	508	566	577
Total Current Grants and Subsidies	15,776	15,045	15,260
CAPITAL GRANTS			
<i>National Partnerships/Other Grants</i>			
Transport	2,526	2,296	1,781
Other	505	486	368
Total Capital Grants	3,031	2,781	2,148

Note: Columns may not add due to rounding.

Table 3.1 (cont.)

2025-26 OPERATING REVENUE
General Government

	2025-26 Budget Year \$m	2025-26 Mid-year Revision \$m	2025-26 Estimated Actual \$m
SALES OF GOODS AND SERVICES			
WA Health	1,050	1,069	1,071
Department of Transport	349	350	350
Department of Education	235	235	235
State Training Providers/TAFE Colleges	88	88	99
Department of Training and Workforce Development	33	34	33
Western Australian Land Information Authority	109	109	110
Department of Biodiversity, Conservation and Attractions	146	146	149
Department of Justice	173	173	172
Department of Local Government, Industry Regulation and Safety	293	293	298
All Other	901	1,155	1,194
Total Sale of Goods and Services	3,377	3,652	3,711
INTEREST INCOME	280	260	266
REVENUE FROM PUBLIC CORPORATIONS			
Dividends	2,788	1,854	1,494
Tax Equivalent Regime	898	913	936
Total Revenue from Public Corporations	3,686	2,767	2,429
ROYALTY INCOME			
Iron Ore	6,618	8,203	8,819
Other	1,628	1,765	2,003
Total Royalty Income	8,245	9,968	10,822
OTHER			
Mining Tenement Rentals	185	204	204
Fines	253	285	287
Revenue not elsewhere counted	311	351	496
Total Other	749	839	986
TOTAL REVENUE	50,257	51,406	52,646

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

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 \$16.1 billion deficit position at 30 June 2027, a \$4.8 billion increase on the estimated \$11.3 billion cash deficit balance at 30 June 2026. 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 \$26.9 billion at 30 June 2026, up \$4 billion from the 30 June 2025 outcome (consistent with the expectations at the time of the 2025-26 Budget). Reflecting the conservative nature of the iron ore royalty price assumptions in this Budget (see Chapter 4) and funding for the Government's priority areas and infrastructure programs, Consolidated Account borrowings are forecast to rise by \$1.5 billion in 2026-27, and increase to a projected \$31.1 billion by 30 June 2030.

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

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Estimated Actual	Budget Year	Outyear	Outyear	Outyear
	\$m	\$m	\$m	\$m	\$m	\$m
REVENUE						
<i>Operating Activities</i>						
Taxation	12,223	14,359	14,152	14,576	15,320	16,126
Commonwealth Grants	11,583	9,515	11,249	10,853	10,877	11,542
Government Enterprises	1,392	2,512	4,077	2,725	3,190	2,818
Royalty receipts	9,937	10,581	10,153	8,157	7,860	7,523
Other receipts from agencies	1,847	2,033	2,219	2,430	2,513	2,618
Other	546	528	581	591	621	549
Total Operating Activities	37,528	39,528	42,431	39,332	40,381	41,177
<i>Financing Activities</i>						
Transfers from the Debt Reduction Account	-	-	-	-	-	-
Borrowings	-	4,000	1,500	1,750	1,000	-
Public Bank Account Interest Earned Account	-	-	-	-	-	-
Other Receipts	13	- ^(a)	-	-	-	-
Total Financing Activities	13	4,000	1,500	1,750	1,000	-
TOTAL REVENUE	37,541	43,528	43,931	41,082	41,381	41,177
EXPENDITURE						
<i>Recurrent</i>						
Authorised by Other Statutes	3,147	3,310	3,791	3,932	4,229	4,402
Appropriation Act (No. 1)	30,042	32,360	37,009	34,983	34,463	34,273
Recurrent Expenditure under the Treasurer's Advance ^(b)	2,338	1,195	-	-	-	-
Total Recurrent Expenditure	35,528	36,864	40,800	38,915	38,692	38,675
<i>Investing Activities</i>						
Authorised by Other Statutes	404	376	275	298	277	277
Appropriation Act (No. 2)	8,042	6,651	10,045	4,753	2,846	1,822
Investing Expenditure under the Treasurer's Advance ^(b)	202	312	-	-	-	-
Total Investing Activities	8,647	7,339	10,321	5,051	3,122	2,098
<i>Financing Activities</i>						
Funding for loan repayments (through the Debt Reduction Account)	-	-	-	-	-	-
Appropriation Act (No. 2)	-	-	-	-	-	-
Other financing	12	-	-	-	-	-
Total Financing Activities	12	-	-	-	-	-
TOTAL EXPENDITURE	44,187	44,204	51,121	43,966	41,814	40,774
NET MOVEMENT (REVENUE LESS EXPENDITURE)	-6,646	-675	-7,190	-2,884	-433	403
Consolidated Account Balance						
Opening balance at 1 July	-27,803	-34,449	-35,124	-42,314	-45,198	-45,632
Closing balance at 30 June	-34,449	-35,124	-42,314	-45,198	-45,632	-45,229
<i>Of which:</i>						
Appropriations payable	-21,869	-23,809	-26,217	-28,500	-30,804	-33,112
Cash balance at 30 June	-12,580	-11,316	-16,096	-16,699	-14,828	-12,117
Memorandum item: Consolidated Account Borrowings at 30 June	22,887	26,887	28,387	30,137	31,137	31,137

(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 total amount forecast to be drawn against recoverable advances, excesses and new items in 2025-26 is \$1,526.9 million².

The following table shows the forecast position of the Treasurer's Advance for the year ending 30 June 2026.

TREASURER'S ADVANCE AS AT 30 JUNE			Table 4.2
	2024-25 Actual ^(a)	2025-26 Projection	
	\$m	\$m	
AUTHORISED LIMIT ^(b)	3,007.1	1,204.9	
<i>Total projected to be drawn against Treasurer's Advance authorisation</i>	2,564.5	1,526.9	
Comprising			
Net recoverable advances as at 30 June	24.4	20.0	
Overdraw n Special Purpose Accounts	-	-	
Excesses and New Items			
- recurrent	2,338.5	1,194.8	
- capital	201.6	312.1	
(a) A total of \$3,007.1 million was authorised for 2024-25. The original \$1,080.8 million authority was increased by \$1,926.3 million by the passage of the <i>Treasurer's Advance Authorisation Act 2025</i> .			
(b) The final authorised limit for 2025-26 is subject to the passage of the Treasurer's Advance Authorisation Bill 2026.			
Note: Columns may not add due to rounding.			

² Section 29 of the FMA authorises the annual Treasurer's Advance limit to be equivalent to 3% of the total amount appropriated for the previous year by the Appropriation Acts. For 2025-26, this equates to an 'automatic' limit of \$1,204.9 million, which is 3% of the total \$40.2 billion appropriated by Appropriation Bills 1 and 2 in the 2024-25 Budget. The Treasurer's Advance Authorisation Bill 2026 to amend this limit is currently before the Parliament. The Bill seeks to increase the authorised limit by \$1,200 million to \$2,404.9 million which is sufficient to meet the draw downs against the Treasurer's Advance forecast in this appendix and maintain a margin for any further unanticipated increases in funding required before 30 June 2026.

Transfers, Excesses and New Items

Table 4.3 details excesses and/or new items that are projected to occur during 2025-26 and the impact of these on the Treasurer's Advance under the authority of section 27 of the FMA.

2025-26 TRANSFERS, EXCESSES AND NEW ITEMS						
Item	Treasurer's Advance					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	6.4	-	-	-(c)	6.4	-
Legislative Assembly						
Item 2: Delivery of Services	6.4	-	-	-(c)	6.4	-
Parliamentary Services						
Item 3: Delivery of Services	24.7	-	-	0.5	25.3	-
Parliamentary Commissioner for Administrative Investigations						
Item 4: Delivery of Services	12.9	-	-	0.4	13.3	-
Premier and Cabinet						
Item 5: Delivery of Services	224.5	0.7	-	35.3	260.5	-
Item 6: Administered Grants, Subsidies and Other Transfer Payments	192.6	-	-	119.8	312.4	-
Western Australian Electoral Commission						
Item 9: Delivery of Services	8.6	-	-	5.3	13.9	4.1
Salaries and Allowances Tribunal						
Item 10: Delivery of Services	1.1	-	-	-(c)	1.1	-
Office of the Information Commissioner						
Item 12: Delivery of Services	5.3	-	-	-(c)	5.3	-
Treasury and Finance						
Item 14: Delivery of Services	123.1	8.9	-	8.4	140.3	-
Item 15: Bunbury Water Corporation	9.2	-	-	0.6	9.8	-
Item 16: Busselton Water Corporation	4.4	-	-	0.1	4.4	-
Item 21: Public Transport Authority of Western Australia	1,412.8	7.1	-	-	1,419.8	-
Item 22: Regional Power Corporation (Horizon Power)	25.7	-	-	2.6	28.3	-
Item 24: Western Australian Land Authority (DevelopmentWA)	217.1	9.9	-	-	226.9	-
Item 31: Goods and Services Tax (GST) Administration Costs	76.2	-	-	3.6	79.8	-
Item 34: Provision for Government Wages Policy	149.9	-16.0	-	-	133.9	-
Item 38: WA Health	12.3	-	-	58.0	70.3	-
Item 39: Western Australian Land Authority (DevelopmentWA) - Provision for Housing	61.6	-9.9	-	-	51.8	-
Item 40: All Other Grants, Subsidies and Transfer Payments	262.2	-	-	1.1	263.3	-
Office of the Auditor General						
Item 41: Delivery of Services	16.0	-	-	-(c)	16.0	-
Energy and Economic Diversification						
Item 42: Delivery of Services	331.8	-0.8	-	-	331.0	-
Creative Industries, Tourism and Sport						
Item 44: Delivery of Services	452.9	0.1	-	3.2	456.2	-
Item 46: Art Gallery of Western Australia	10.8	-	-	0.1	10.8	-
Item 47: Arts and Culture Trust	15.0	-	-	4.3	19.3	-
Item 49: Library Board of Western Australia	30.3	-	-	-(c)	30.4	-
Item 50: Western Australian Museum	38.9	-	-	1.5	40.4	-
Primary Industries and Regional Development						
Item 51: Delivery of Services	290.6	-	-	51.4	342.1	-
Mines, Petroleum and Exploration						
Item 53: Delivery of Services	114.6	-	-	3.1	117.7	-
WA Health						
Item 58: Delivery of Services	7,971.8	1.8	-	531.8	8,505.4	-

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

2025-26 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		
Mental Health Commission						
Item 60: Mental Health Advocacy Service	7.8	-	-	.(c)	7.8	-
Item 61: Mental Health Tribunal	4.4	-	-	.(c)	4.4	-
Item 62: Office of the Chief Psychiatrist	5.6	-	-	.(c)	5.6	-
Health and Disability Services Complaints Office						
Item 63: Delivery of Services	3.9	-	-	.(c)	3.9	-
Education						
Item 64: Delivery of Services	5,921.2	0.3	-	40.1	5,961.7	-
Item 65: Administered Grants, Subsidies and Other Transfer Payments	529.0	-	-	0.8	529.7	-
Training and Workforce Development						
Item 66: Delivery of Services	652.2	-	-	3.5	655.7	-
Western Australia Police Force						
Item 67: Delivery of Services	1,928.7	2.1	-	92.7	2,023.5	-
Justice						
Item 69: Delivery of Services	1,842.0	1.4	-	117.3	1,960.6	-
State Solicitor's Office						
Item 70: Delivery of Services	54.1	-	-	3.2	57.3	-
Fire and Emergency Services						
Item 71: Delivery of Services	137.9	-	-	15.6	153.5	-
Office of the Director of Public Prosecutions						
Item 73: Delivery of Services	65.2	-	-	0.1	65.2	-
Corruption and Crime Commission						
Item 74: Delivery of Services	33.6	-	-	.(c)	33.6	-
Chemistry Centre (WA)						
Item 75: Delivery of Services	11.7	-	-	0.2	12.0	-
Office of the Inspector of Custodial Services						
Item 76: Delivery of Services	3.8	-	-	.(c)	3.8	-
Parliamentary Inspector of the Corruption and Crime Commission						
Item 77: Delivery of Services	0.5	-	-	.(c)	0.5	-
Communities						
Item 78: Delivery of Services	1,699.4	-0.1	-	25.9	1,725.2	-
Local Government, Industry Regulation and Safety						
Item 80: Delivery of Services	109.7	-	-	1.3	111.0	-
Item 81: Administered Grants, Subsidies and Other Transfer Payments	49.7	-	-	45.7	95.4	-
Transport and Major Infrastructure						
Item 83: Delivery of Services	156.6	3.4	-	4.9	164.9	-
Commissioner of Main Roads						
Item 85: Delivery of Services	715.9	0.4	-	-	716.3	-
Housing and Works						
Item 86: Delivery of Services	307.3	-12.3	-	9.9	305.0	-
Infrastructure WA						
Item 87: Delivery of Services	5.9	-	-	1.6	7.5	-
Biodiversity, Conservation and Attractions						
Item 89: Delivery of Services	413.7	3.1	-	-	416.8	-
Western Australian Land Information Authority						
Item 92: Delivery of Services	48.1	-	-	0.5	48.6	-
National Trust of Australia (WA)						
Item 94: Delivery of Services	4.1	-	-	0.1	4.2	-
Total Recurrent		-	-	1,194.8		4.1

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

Table 4.3 (cont.)

2025-26 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		
Capital Appropriations						
Legislative Assembly						
Item 96: Capital Appropriation	_(c)	-	-	_(c)	_(c)	-
Parliamentary Commissioner for Administrative Investigations						
Item 98: Capital Appropriation	_(c)	-	-	_(c)	_(c)	-
Premier and Cabinet						
Item 99: Capital Appropriation	1.5	-	-	10.9	12.4	-
Western Australian Electoral Commission						
Item 102: Capital Appropriation	_(c)	-	-	_(c)	_(c)	-
Office of the Information Commissioner						
Item 104: Capital Appropriation	0.1	-	-	_(c)	0.1	-
Treasury and Finance						
Item 106: Capital Appropriation	1.1	-	-	0.7	1.8	-
Item 113: Electricity Generation and Retail Corporation (Synergy)	419.5	-	-	66.7	486.2	-
Item 114: Electricity Networks Corporation (Western Power)	599.0	-	-	48.0	647.0	-
Item 122: WA Health	144.3	-81.5	-	-	62.8	-
Item 124: Western Australian Meat Industry Authority	2.7	-	-	0.5	3.2	-
Item 125: Western Australia Police Force	13.1	-13.1	-	-	-	-
New Item: Building Hospitals Fund	-	-	54.2	-	54.2	49.2
Creative Industries, Tourism and Sport						
Item 131: Capital Appropriation	144.1	-	-	5.5	149.6	-
Mines, Petroleum and Exploration						
Item 134: Capital Appropriation	3.1	-	-	_(c)	3.2	-
WA Health						
Item 135: Capital Appropriation	553.7	81.5	-	76.3	711.6	-
Western Australia Police Force						
Item 140: Capital Appropriation	153.2	13.1	-	24.5	190.8	-
State Solicitor's Office						
Item 142: Capital Appropriation	0.1	-	-	_(c)	0.1	-
Fire and Emergency Services						
Item 143: Capital Appropriation	2.2	-	-	0.7	2.9	-
Office of the Director of Public Prosecutions						
Item 144: Capital Appropriation	1.7	-	-	0.1	1.8	-
Communities						
Item 147: Capital Appropriation	22.6	-	-	2.0	24.7	-
Transport and Major Infrastructure						
Item 150: Capital Appropriation	114.7	-	-	21.4	136.1	-
Water and Environmental Regulation						
Item 154: Capital Appropriation	15.4	-	-	0.3	15.7	-
Planning, Lands and Heritage						
Item 156: Capital Appropriation	6.5	-	-	_(c)	6.5	-
Total Capital		-	54.2	257.9		49.2
TOTAL		-	54.2	1,452.7		53.3

(a) Authorised under section 25 of the FMA.

(b) Budget cut-off date, 7 April 2026.

(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 2025-26 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 2025-26 Budget include:

- \$81.5 million from the appropriation administered by Treasury and Finance for WA Health, released to the agency to deliver various capital projects including the Bunbury Hospital Redevelopment and New Mandurah Hospital projects, cladding works at both the Queen Elizabeth II Medical Centre precinct and Fiona Stanley Hospital, and the Perth Health Innovation Hub;
- \$16 million from the provision administered by Treasury and Finance for Government Wages Policy to various agencies to meet the costs of industrial agreements finalised since the 2025-26 Budget, including the Public Transport Authority Salaried Officers and Trades Agreements, Australian Workers' Union Public Sector General Agreement, Western Australia Police Force Auxiliary Officers Agreement, WA Health System Building and Engineering Services, Dental Technicians and Clinical Academics Agreements, and the Department of Justice Nurses Agreement (see following table);

Table 4.4

2025-26 PROVISION FOR GOVERNMENT WAGES POLICY

Item	Agency	Transfer from Appropriation Item 34 \$m
21	Public Transport Authority of Western Australia	7.1
58	WA Health	1.9
64	Department of Education	0.2
67	Western Australia Police Force	2.1
69	Justice	1.4
85	Commissioner of Main Roads	0.4
89	Biodiversity, Conservation and Attractions	3.1
TOTAL		16.0

Note: Columns may not add due to rounding.

- \$13.1 million from the appropriation administered by Treasury and Finance for the Western Australia Police Force, released to the agency for construction of the Kimberley District Support Facility;
- \$12.3 million from the Department of Housing and Works to the Department of Treasury and Finance (\$8.9 million) for the transfer of functions under the Government's 2025 Public Sector Reform arrangements, and to the Department of Transport and Major Infrastructure (\$3.4 million) to reflect the transfer of the Major Projects function to the Office of Major Infrastructure Delivery;

2026–27 Economic and Fiscal Outlook

- \$9.9 million from the appropriation administered by Treasury and Finance for the Western Australian Land Authority (DevelopmentWA) – Provision for Housing, released to the agency to commence the construction of social and affordable housing developments as part of the Housing Australia Future Fund;
- \$769,000 from the Department of Energy and Economic Diversification to the Department of the Premier and Cabinet (\$719,000) to support the expansion of the Office of the Coordinator General (\$473,000) and for Defence West resourcing (\$246,000), and to the Department of Creative Industries, Tourism and Sport (\$50,000) to increase the Tourism Investment Delivery Division budget after the functions and initial budget were transferred from 1 July 2025 as part of the Government’s Public Sector Reform (PSR);
- \$210,000 from the Department of Communities to the Department of Education, and \$75,000 from the Department of Education to the Department of Creative Industries, Tourism and Sport, reflecting the net impact of reallocating 13 projects under the Government’s Small Scale Election Commitments program; and
- \$91,000 from WA Health to the Department of Communities to support the transfer of funding and service agreement costs for the WA Seniors Peak Body and Advocacy Organisation, Advocare (\$56,000), and to ensure two of the Government’s Small Scale Election Commitments related to grants (Ability WA and ECU Yanchep Health Hub) for sensory equipment and toys for the Yanchep Health Hub are delivered by the appropriate agency (\$35,000).

Excess and New Items

Legislative Council

Item 1: **Delivery of Services** (\$11,000), reflecting updated RiskCover Insurance premiums (\$16,000), partially offset by reduced motor vehicle lease costs (\$5,000).

Legislative Assembly

Item 2: **Delivery of Services** (\$10,000), reflecting updated RiskCover Insurance premiums (\$14,000), partially offset by reduced motor vehicle lease costs (\$4,000).

Item 96: **Capital Appropriation** (\$2,000), for revised motor vehicle lease costs.

Parliamentary Services

Item 3: **Delivery of Services** (\$543,000), for the Department to undertake planning activities associated with the delivery of ICT support functions for Members of Parliament and Electorate Officers previously provided by the Department of the Premier and Cabinet (\$450,000), and to meet revised RiskCover Insurance premiums (\$93,000).

Parliamentary Commissioner for Administrative Investigations

Item 4: **Delivery of Services** (\$408,000), to develop a new oversight scheme for Child Safe Organisations and Out-of-Home Care Providers (\$368,000) and reflect updated RiskCover Insurance premiums (\$38,000) and motor vehicle lease costs (\$2,000).

Item 98: **Capital Appropriation** (\$3,000), for revised motor vehicle lease costs.

Premier and Cabinet

Item 5: **Delivery of Services** (\$35.3 million), mainly due to an increase in the State's Telethon Donation (\$8 million), resourcing for various Executive Government Services (\$7.8 million), costs to administer the Stolen Generations Redress Scheme (\$6.7 million), spending to progress the negotiation of various Native Title matters (\$3.2 million), expansion of the Office of the Coordinator General (\$3 million), and to support planning and delivery of the 2029 State Bicentenary (\$1.3 million).

Item 6: **Administered Grants, Subsidies and Other Transfer Payments** (\$119.8 million), primarily for payments to eligible applicants under the Stolen Generations Redress Scheme.

Item 99: **Capital Appropriation** (\$10.9 million), largely for accommodation requirements for Parliamentary electorate offices and other priorities.

Western Australian Electoral Commission

Item 9: **Delivery of Services** (\$5.3 million), to assist with the implementation of recommendations from the Special Inquiry into the Planning and Delivery of the 2025 Western Australian State General Election (\$2.7 million), support for the effective delivery of local government elections in October 2025 (\$1.9 million), payments for various operating costs, including Western Australia's contribution towards the Commonwealth Joint Enrolment Arrangements and higher RiskCover insurance premiums (\$613,000), and the Strategic Accommodation Plan (\$100,000). At the cut-off date for this Budget, \$4.1 million of the total increase had been drawn.

Item 102: **Capital Appropriation** (\$3,000), for revised motor vehicle lease costs.

Salaries and Allowances Tribunal

Item 10: **Delivery of Services** (\$5,000), for revised RiskCover insurance premiums.

Office of the Information Commissioner

Item 12: **Delivery of Services** (\$11,000), for revised motor vehicle lease costs.

Item 104: **Capital Appropriation** (\$10,000), for revised motor vehicle lease costs.

Treasury and Finance

Item 14: **Delivery of Services** (\$8.4 million), mainly for continuing delivery of various existing Government priorities such as the Land Tax Inquiry Fee project, Network Infrastructure consultancies and Aboriginal Business Capability Program (\$2.7 million), salary spending retimed from 2024-25 reflecting movement in resource requirements (\$2.5 million), the provision of advice on complex commercial and contractual issues (\$2.3 million), and revised RiskCover insurance premiums (\$617,000).

Item 15: **Bunbury Water Corporation** (\$619,000), due to higher subsidies required for residential and non-residential customers who pay below-cost tariffs (\$580,000), an increase in concessional claims for higher than expected water volumes sold to pensioner and senior customers (\$16,000), and support for unreported water supply to fire services in 2022-23 and 2023-24 (\$23,000).

2026–27 Economic and Fiscal Outlook

Item 16: **Busselton Water Corporation** (\$64,000), due to higher than expected numbers of eligible concessions for pensioner and senior customers.

Item 22: **Regional Power Corporation (Horizon Power)** (\$2.6 million), for operating costs associated with servicing remote Aboriginal communities (\$2.2 million) and to provide resourcing to extend the Energy Ahead program (\$389,000).

Item 31: **Goods and Services Tax (GST) Administration Costs** (\$3.6 million), to reimburse the Australian Taxation Office for Western Australia's share of additional administration costs for the national GST system.

Item 38: **WA Health** (\$58 million), including allowance for increased hospital activity, ambulance and patient transport contractual obligations, and to address immediate Silverchain Contract costs.

Item 40: **All Other Grants, Subsidies and Transfer Payments** (\$1.1 million), for the payment of additional interest due on monies held in trusts on behalf of various agencies (\$2.5 million) and a net increase across a range of other grants, subsidies and transfer payments administered the Department (\$760,000), partly offset by lower payments for eligible pensioner concessions for local government rates (down \$2.1 million).

Item 106: **Capital Appropriation** (\$730,000), for system changes required to implement the 2026-27 Housing Taxation Package (\$672,000), and for revised motor vehicle lease costs (\$58,000).

Item 113: **Electricity Generation and Retail Corporation (Synergy)** (\$66.7 million), to fund retimed investment in the Collie Battery (\$51.3 million), Kwinana Battery 2 project (\$10.2 million) and King Rocks Wind Farm (\$5.2 million) which had been expected to occur in 2024-25.

Item 114: **Electricity Networks Corporation (Western Power)** (\$48 million), reflecting costs for the relocation and upgrading of network assets across the Perth metropolitan area (\$48.7 million), and planning for the relocation of transmission lines affected by the Anketell Road upgrade (\$5.7 million), partly offset by a reduction for changes in the timing of customer-driven works and the Targeted Underground Power Program (\$5.9 million).

Item 124: **Western Australian Meat Industry Authority** (\$486,000), to undertake carpark and western embankment remediation works at the Muchea Livestock Centre.

New Item: **Building Hospitals Fund** (\$54.2 million), reflecting the allocation of \$54.2 million to the Building Hospitals Fund for project payments in 2025-26. Of this allocation, \$49.2 million has been drawn to progress the planning and development of the expansion of the Emergency Department at Royal Perth Hospital, the New Mandurah Hospital, and funding to support construction of the oncology service at Geraldton Health Campus. The remaining \$5 million of funding in 2025-26 has been allocated to fund the Albany Health Campus Expansion Project.

Office of the Auditor General

Item 41: **Delivery of Services** (\$8,000), for increases in RiskCover fund insurance premiums.

Creative Industries, Tourism and Sport

Item 44: **Delivery of Services** (\$3.2 million), related to the bring forward of funding for cultural and arts programs (\$10.7 million) and destination marketing and event tourism activities (\$9 million), and further works at the WACA ground (\$8.3 million), partially offset by the reprofiling of grants to the outyears of \$24.8 million associated with the delivery of sporting infrastructure projects reflecting delays in planning and completion of these projects.

Item 46: **Art Gallery** (\$61,000), for increased RiskCover insurance premiums.

Item 47: **Arts and Culture Trust** (\$4.3 million), to meet costs associated with the management of metropolitan and regional venues and spaces, including His Majesty's Theatre, Perth Concert Hall, the State Theatre Centre of Western Australia, and the Perth Cultural Centre precinct (\$4 million), to meet wage costs under the Venue Management Agreement which was finalised after the 2025-26 Budget process (\$127,000), and an increase in RiskCover insurance premiums (\$136,000).

Item 49: **Library Board of Western Australia** (\$46,000), for increased RiskCover insurance premiums.

Item 50: **Western Australian Museum** (\$1.5 million), to offset a forecast shortfall in admission revenue (\$1 million), an increase in RiskCover insurance premiums (\$354,000), and to align the annual remuneration costs of the Museum Board of Trustees' with the Public Sector Commission's latest remuneration rates (\$148,000).

Item 131: **Capital Appropriation** (\$5.5 million), to strengthen the Art Gallery of Western Australia's cash balances (\$4 million) and bring forward funding previously planned for 2026-27 to meet the working capital requirements of the Perth Film Studios which are now operational ahead of schedule (\$1.5 million).

Primary Industries and Regional Development

Item 51: **Delivery of Services** (\$51.4 million), primarily for:

- meeting the Department's service priorities, including salaries, ICT, consumables, building maintenance, travel, accommodation and utilities (\$41.8 million);
- a Fisheries Support Package to implement management changes required to assist in the recovery of West Coast demersal scalefish populations (\$12.7 million);
- the establishment of a Voluntary Fisheries Adjustment Scheme to enable fishers to voluntarily surrender licences prior to the establishment of the South Coast Marine Park (\$4 million);
- the provision of funding to the Royal Agricultural Society of Western Australia to support the 2025 Perth Royal Show (\$2.8 million);
- the delivery of Phase Two of the Regional Drought Resilience Planning Program (\$491,000); and

2026–27 Economic and Fiscal Outlook

- a range of active biosecurity responses, including the Polyphagous Shot-Hole Borer and Red Dwarf Honey Bee, and to meet the Department's commitments under national cost sharing arrangements (\$1.5 million).

These increases are partially offset by timing and other changes for a range of initiatives (\$12.7 million), including a change in reporting of the State Biosecurity Response Centre between the Department's controlled and administered functions (\$8.3 million), timing updates to the Busselton Jetty Marine Discovery Centre and emergency animal disease preparedness activities (\$2.4 million), and the reallocation of funding for Stage 2 of the Fisheries Digital Transformation Program to the Digital Capability Fund (\$2 million).

Mines, Petroleum and Exploration

Item 53: **Delivery of Services** (\$3.1 million), to address safety and compliance risks at Mineral House and the Carlisle Core Library (\$1.6 million), movements in costs associated with the Government's 2025 Public Sector Reforms originally expected to be delivered by the Department of Local Government, Industry Regulation and Safety (\$954,000), an increase in RiskCover insurance premiums (\$585,000), higher Government Regional Officers Housing (GROH) costs (\$468,000), and to provide additional corporate services support for the new Department's operations (\$375,000). These increases are partially offset by higher than expected receipt of regulatory fees (\$870,000).

Item 134: **Capital Appropriation** (\$37,000), for increased GROH costs.

WA Health

Item 58: **Delivery of Services** (\$531.8 million), primarily to support higher activity in public hospitals including from additional workforce requirements (\$381.7 million), delivery of the Government's 2026 Winter Strategy (\$26.7 million), the impact of increased demand for imported blood products under the National Blood Arrangement (\$20.7 million), commissioning the Mt Lawley Hospital and the Geraldton Health Campus (\$19.5 million), costs associated with renal dialysis contracts (\$15.1 million), cost movements applying to the delivery of several Government Election Commitments (\$13.7 million), additional costs of Western Australian residents receiving public health care in other States and Territories under Cross-Border Arrangements (\$10.1 million), expansion of the Wirraka Maya Aboriginal Health Service (\$10 million), higher supply chain costs (\$8.2 million) and priority maintenance expenditure through the Health Asset Maintenance Fund (\$6.7 million).

Item 135: **Capital Appropriation** (\$76.3 million), reflecting updated project cash flows across projects managed by the Office of Major Infrastructure Delivery (\$50.6 million), the delivery of priority capital maintenance works through the Health Asset Maintenance Fund (\$30.8 million), increased construction costs for the Fremantle Hospital 40-Bed Mental Health Project (\$16 million), Mullewa Community Hospital Redevelopment costs (\$13.3 million), and for the refurbishment of two cardiac catheterisation laboratories at Fiona Stanley Hospital (\$7.6 million), partially offset by recashflows of project expenditure to 2026-27 and the forward estimates period.

Mental Health Commission

Item 60: **Mental Health Advocacy Service** (\$2,000), for revised motor vehicle lease costs.

Item 61: **Mental Health Tribunal** (\$3,000), for revised motor vehicle lease costs.

Item 62: **Office of the Chief Psychiatrist** (\$3,000), for revised motor vehicle lease costs.

Health and Disability Services Complaints Office

Item 63: **Delivery of Services** (\$4,000), for revised RiskCover insurance premiums.

Education

Item 64: **Delivery of Services** (\$40.1 million), mainly driven by upward revisions in student enrolments (\$42.5 million), additional funding for maintenance (\$26 million), increases in RiskCover insurance premiums (\$12.8 million), higher GROH related expenditure (\$6.7 million), and higher ICT contract costs (\$3.4 million). These increases are partly offset by a reclassification of previously forecast recurrent spending primarily on Small Scale Election Commitments that are capital in nature (\$32.9 million), and alignment of the State funding to revisions in Commonwealth funding projections (\$19.8 million).

Item 65: **Administered Grants, Subsidies and Other Transfer Payments** (\$758,000), reflecting an increase in grants to non-government schools due to updated State funding obligations under the Commonwealth Better and Fairer Schools Agreement.

Training and Workforce Development

Item 66: **Delivery of Services** (\$3.5 million), primarily reflecting the allocation of an additional 1,000 places for the Construction Visa Subsidy Program and Build a Life in WA Incentive skilled worker attraction initiative (\$5 million), increased RiskCover premiums (\$1.7 million), and updated cashflows to reflect expected timing of spending for the Adult Apprentice Incentive Election Commitment (\$1 million), partially offset by revised timing of funding for the AUKUS Defence Industry Incentive Scheme (\$3.4 million), and movement in forecast GROH tenant rent revenue (\$882,000).

Western Australia Police Force

Item 67: **Delivery of Services** (\$92.7 million), to address unavoidable cost and demand pressures relating to:

- operational service priorities across the Western Australia Police Force (\$32.9 million);
- police compensation payments (\$18.9 million);
- renewal of several ICT contracts for core services (\$17.8 million);
- continuation of Operation Heat Shield in 2025-26 (\$5.1 million);
- increased resourcing for court security and custodial services in regional Western Australia (\$5 million);
- additional investment in firearms reform (\$4.1 million);
- increased funding to support implementation of the *Community Protection (Offender Reporting) Amendment Act 2024* (\$3.5 million);
- higher office accommodation and GROH costs (\$2.7 million);

2026–27 Economic and Fiscal Outlook

- increased vehicle leasing costs (\$1.8 million);
- continuation of Police and Community Youth Centres' safeSPACE programs in Kalgoorlie, Kununurra and Roebourne in 2025-26 (\$1.4 million); and
- a range of other smaller cost movements.

These funding increases are partially offset by a range of timing changes and other smaller movements affecting the 2025-26 appropriation.

Item 140: **Capital Appropriation** (\$24.5 million), primarily reflecting a carry-forward for construction of the Fremantle District Police Complex (\$27.5 million), increased GROH costs (\$3 million), funding for the delivery of security operations for the Land Forces Expo 2026 (\$2.1 million), and increased vehicle leasing costs (\$1.2 million). These increases are partly offset by the net impact of timing changes to align with updated project schedules across the agency's Asset Investment Program and other small cost movements impacting appropriation (\$9.3 million).

Justice

Item 69: **Delivery of Services** (\$117.3 million), mainly for cost and demand pressures and associated policy responses related to growth in the prisoner and offender population (\$91.2 million), cost increases for contracted court and custodial services (\$16.9 million), increased demand for legal assistance grants (\$5.5 million), continuation of youth justice programs and additional youth custodial resources for the new Crisis Care Unit at the Banksia Hill Detention Centre (\$2.5 million), and reclassification of capital spending for maintenance of court audiovisual equipment (\$1 million).

State Solicitor's Office

Item 70: **Delivery of Services** (\$3.2 million), mainly reflecting payments and legal costs incurred on behalf of the State, comprising mesothelioma settlement payments, ex-gratia and act of grace payments, legal indemnities and external legal costs (\$2.2 million), and office accommodation leasing costs (\$897,000).

Item 142: **Capital Appropriation** (\$26,000), reflecting revised motor vehicle lease costs.

Fire and Emergency Services

Item 71: **Delivery of Services** (\$15.6 million), primarily for overtime (\$9.2 million), property, fleet and equipment maintenance (\$5.9 million), the Trainee Firefighter School (\$704,000) and other minor operational costs (\$264,000). These increases are partially offset by minor spending reductions across various other activities (\$501,000).

Item 143: **Capital Appropriation** (\$720,000), for cost increases associated with replacing the firefighting fleet.

Office of the Director of Public Prosecutions

Item 73: **Delivery of Services** (\$94,000), reflecting revised motor vehicle lease costs.

Item 144: **Capital Appropriation** (\$73,000), reflecting revised motor vehicle lease costs.

Corruption and Crime Commission

Item 74: **Delivery of Services** (\$49,000), for increases in RiskCover insurance premiums (\$57,000), partly offset by lower motor vehicle lease costs (\$8,000).

Chemistry Centre (WA)

Item 75: **Delivery of Services** (\$239,000), to support accelerated testing of delithiated beta spodumene, a lithium processing co-product, for potential use in construction materials (\$188,000), and RiskCover premium expenses (\$51,000).

Office of the Inspector of Custodial Services

Item 76: **Delivery of Services** (\$4,000), reflecting higher RiskCover insurance premiums.

Parliamentary Inspector of the Corruption and Crime Commission

Item 77: **Delivery of Services** (\$5,000), for increases in RiskCover insurance premiums.

Communities

Item 78: **Delivery of Services** (\$25.9 million), largely to address unavoidable service demand and other operating cost movements, particularly for out-of-home care reforms (\$13 million), community services initiatives for vulnerable community members, including people experiencing homelessness, victim survivors of family and domestic violence and child abuse, and for people with disability (\$12.5 million), and other operational requirements across the Department (\$5.9 million). These funding increases are partially offset by changes in delivery timelines for existing projects, resulting in decreased expenditure in 2025-26 (\$5.5 million).

Item 147: **Capital Appropriation** (\$2 million), mainly related to revised vehicle lease and GROH costs (\$1.7 million), and to deliver the Government's Election Commitment to expand the Albany Women's refuge by six units (\$370,000).

Local Government, Industry Regulation and Safety

Item 80: **Delivery of Services** (\$1.3 million), due to higher RiskCover insurance premiums (\$616,000), the transfer of the Gambling Harm Reduction Support Services Fund to the Department's controlled ledger (\$500,000), progressing gambling legislative reform work by the Gaming and Wagering Commission (\$476,000), the retiming of grant payments to Guide Dogs WA (\$450,000), progressing the Racing and Wagering Western Australia financial sustainability and governance review (\$380,000), the implementation of retirement village reforms under the *Retirement Villages Amendment Act 2024* (\$136,000) and a \$100,000 grant for the 2025 Telethon Family Festival. These increases are partly offset by lower funding for services delivered by the Department of Mines, Petroleum and Exploration (\$954,000) and minor spending reductions across various other activities including motor vehicle lease and GROH costs (\$371,000).

Item 81: **Administered Grants, Subsidies and Other Transfer Payments** (\$45.7 million), to support an increase in Home Indemnity Insurance claims (\$20 million), higher GST gambling rebates provided to the Lotteries Commission (\$19.7 million), and the extension of the Western Australia Rent Relief Program to 30 June 2026 (\$6.5 million). These increases are partly offset by the responsibility for the Gambling Harm Reduction Support Services Fund being assumed by the Department's controlled function (\$500,000).

Transport and Major Infrastructure

Item 83: **Delivery of Services** (\$4.9 million), primarily reflecting funding for increased leave liability expense, development and administration costs associated with the \$100 cost of living Fuel Support Payment for holders of a Western Australian driver's licence, additional zero emission vehicle rebates, increased infringement processing costs, and for the Office of Major Infrastructure Delivery's bid contribution payments for the Housing and Infrastructure Advanced Manufacturing Facilities.

Item 150: **Capital Appropriation** (\$21.4 million), mainly reflecting the bring forward of State funding (to offset corresponding deferrals in the timing of the assumed receipt of Commonwealth revenue) for the jointly funded Westport program of works, partially offset by the recashflow of funding (to later years) for the Ocean Reef Marina, Woodman Point Jetty redevelopment and ICT infrastructure projects in line with updated delivery schedules.

Housing and Works

Item 86: **Delivery of Services** (\$9.9 million), primarily for housing and municipal service programs in remote Aboriginal communities (\$13.1 million), Housing Support Services (\$4.5 million), and services provided to other government agencies such as the provision of office accommodation and State Fleet (\$2.1 million). These increases are partially offset by reflows of funding for other services from 2025-26 (\$9.8 million).

Infrastructure WA

Item 87: **Delivery of Services** (\$1.6 million), mainly to progress the Government's major infrastructure priorities (\$1 million) and to undertake the second phase of the Western Trade Coast - Construction Market Capacity Constraints analysis (\$560,000).

Western Australian Land Information Authority

Item 92: **Delivery of Services** (\$532,000), comprising higher accommodation lease costs at the Authority's Midland office (\$531,000), and an increase in RiskCover premium expenses (\$1,000).

National Trust of Australia (WA)

Item 94: **Delivery of Services** (\$124,000), for increases in RiskCover insurance premiums.

Water and Environmental Regulation

Item 154: **Capital Appropriation** (\$334,000), primarily reflecting retiming of expenditure for the State Groundwater Investigation Program (\$1.4 million), and accelerated delivery of Compliance Resourcing (\$956,000), Water Modelling (\$587,000), the Southern Forests Irrigation Scheme (\$403,000), and Carnarvon Metering Telemetry (\$250,000). These increases are largely offset by conversion and reallocation of land acquisition spending to other projects (\$3.1 million), and the reflow of expenditure for Accelerating Water Planning to Support Economic Development to align with delivery timelines (\$200,000).

Planning, Lands and Heritage

Item 156: **Capital Appropriation** (\$43,000), for higher than forecast motor vehicle lease and GROH costs.

2026-27 Economic and Fiscal Outlook

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 accounts established to achieve priority policy outcomes. SPAs created for purely administrative purposes are not included in this Appendix but are reported 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.

Material drawdowns in 2026-27 include funding for the Department of Education (\$10.7 million) and WA Health (\$12.6 million). The remaining balance of the Fund is expected to be allocated in the 2026-27 Mid-year Review.

ASSET MAINTENANCE FUND

Table 5.1

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m	2029-30 \$m
<i>Opening Balance</i>	138	43	9	4	1
Receipts	-	-	-	-	-
Payments	95	34	5	3	-
Closing Balance	43	9	4	1	1

Note: Columns may not add due to rounding.

Building Hospitals Fund

The Government established this Fund in 2025-26 with an initial allocation of \$1.5 billion funded by the lower than expected net debt outcome for 2024-25. To date, drawdowns from the Fund totalling \$209.4 million have been approved to support investment in priority health infrastructure projects, including Royal Perth Hospital Emergency Department Expansion, the Geraldton Radiation Oncology Service and the New Mandurah Hospital, with \$139 million approved in this Budget to support spending on projects such as the Albany Health Campus Expansion (see Chapter 6: *Asset Investment*).

A further \$500 million has been allocated to the Fund over 2027-28 and 2028-29, reflecting the significant pipeline of hospital infrastructure works with the release of this funding to be approved in future Budgets, including a matching contribution to the Commonwealth towards a Perkins Comprehensive Cancer Centre. The Government has also approved the remaining \$1.36 billion of funds in the New Women and Babies Hospital Account to be reflected in the Building Hospitals Fund.

BUILDING HOSPITALS FUND

Table 5.2

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m	2029-30 \$m
<i>Opening Balance</i>	-	1,363	1,773	1,255	500
Receipts	1,417	1,446	250	250	-
Payments	54	1,036	768	1,005	-
Closing Balance	1,363	1,773	1,255	500	500

Note: Columns may not add due to rounding.

Clean Energy Fund

The Government has approved the establishment of the Clean Energy Fund as part of this Budget with an allocation of \$1.4 billion. The Fund will support clean energy projects like Clean Energy Link – East, which will expand the South West Interconnected System to bring more renewable energy to households and industry in Perth and the South West.

CLEAN ENERGY FUND

Table 5.3

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m	2029-30 \$m
<i>Opening Balance</i>	-	10	292	931	1,392
Receipts	10	282	639	461	23
Payments	-	-	-	-	-
Closing Balance	10	292	931	1,392	1,415

Note: Columns may not add due to rounding.

Climate Action Fund

The Climate Action Fund was established in 2022 to hold funds for future climate action and renewable energy initiatives. Funds expected to be drawn down in 2026-27 (\$125 million) and across the outyears (\$140 million) reflect support for the following initiatives:

- \$195 million to the Department of Energy and Economic Diversification for Collie's ongoing transition from emissions-intensive industries, the Kalgoorlie Vanadium Battery Energy Storage System, ongoing support for the transition away from native forest logging, and for various climate action and renewable hydrogen initiatives;
- \$8 million to be drawn for the Department of Water and Environmental Regulation to accelerate green energy approvals, deliver Stage 2 of the Climate Science Initiative, investigate climate change impacts on Western Australia's water resources, develop a whole-of-government emissions monitoring system, and for a range of other initiatives supporting decarbonisation and climate resilience;
- \$5 million for the Department of Education to invest in the Schools Clean Energy Program that will deliver solar and LED lighting in schools;
- \$4 million for the Department of Primary Industries and Regional Development for the Southern Rangelands Revitalisation Project Expansion, Water Smart Farms, Collie Small Grants Program, and other initiatives supporting decarbonisation and climate resilience;
- \$3 million for the Department of Training and Workforce Development as part of the Collie Transition Package supporting the local workforce to transition into new industries, including the provision of training facilities and services delivered locally in the Collie region; and
- \$5 million for various other agencies to support a range of other climate-related initiatives.

The projections include \$46 million held as a global spending provision for initiatives to be approved in future Budgets.

CLIMATE ACTION FUND

Table 5.4

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	453	272	147	86	64
Receipts	-	-	-	-	-
Payments	181	125	61	22	57
Closing Balance	272	147	86	64	6

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. Funds are not expected to flow through the Account over the forward estimates period as the Government is allocating operating surpluses (including the impact of revenue movements) to the support of investment in infrastructure.

The application of operating surpluses provides an important, non-debt source of funding for the Government's record \$44.3 billion Asset Investment Program (see further detail in Chapters 3 and 6) that reduces the need to fund via debt. Net debt levels remain more than \$9 billion lower than projected in 2017, despite delivering more than \$70 billion in infrastructure between 2017-18 and 2025-26.

Digital Capability Fund

Almost \$1.7 billion has been appropriated to the Digital Capability Fund since its establishment in 2021-22. The Fund provides funding to public sector entities for the upgrade of ICT systems to improve service delivery, enhance cyber security and mitigate operational risks.

Drawdowns from the Fund totalling \$337.8 million in 2025-26 and \$533.7 million across the outyears will be made to 28 agencies. Larger allocations are to WA Health (\$456.1 million), the Western Australian Land Information Authority (Landgate, \$89.5 million), the Department of the Premier and Cabinet (\$63 million), the Department of Transport and Major Infrastructure (\$49.4 million) and the Western Australia Police Force (\$46.7 million).

The residual \$39.6 million balance forecast at 30 June 2030 has been allocated beyond the current forward estimates period (including for Landgate's Spatial WA project). Further detail on new initiatives that are supported from the Fund in this Budget are available in agency disclosures in Chapters 5 and 6.

Table 5.5

DIGITAL CAPABILITY FUND

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m	2029-30 \$m
<i>Opening Balance</i>	593	272	185	83	55
Receipts	17	301	-	-	-
Payments	338	389	101	29	15
Closing Balance	272	185	83	55	40

Note: Columns may not add due to rounding.

Ecological Thinning Account

This Account was established as part of the 2023-24 Mid-year Review, with funding set aside to conduct ecological thinning works under the 2024-33 Forest Management Plan, to support activities that will reduce moisture stress and promote forest health.

A total of \$150.6 million was appropriated to the Account over 2023-24 and 2024-25, with receipts in 2025-26 and beyond reflecting sales revenue from ecological thinning activities. Drawdowns totalling \$199 million are forecast over the forward estimates, with allocations for Forest Products Commission contractor payments, overheads, regeneration costs and other operating expenditure.

ECOLOGICAL THINNING ACCOUNT

Table 5.6

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m	2029-30 \$m
<i>Opening Balance</i>	119	104	89	87	83
Receipts	12	16	44	44	44
Payments	26	31	46	47	48
Closing Balance	104	89	87	83	79

Note: Columns may not add due to rounding.

Major Projects Fund

The Major Projects Fund has been established as part of this Budget to support the funding of major projects including the Aboriginal Cultural Centre and Scitech relocation. An initial allocation of \$500 million has been allocated across the four years to 2029-30. Funds will be drawn down as projects are approved to proceed, works are progressed, and joint funding secured from the Commonwealth.

MAJOR PROJECTS FUND

Table 5.7

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m	2029-30 \$m
<i>Opening Balance</i>	-	-	125	250	375
Receipts	-	125	125	125	125
Payments	-	-	-	-	-
Closing Balance	-	125	250	375	500

Note: Columns may not add due to rounding.

METRONET Account

This Account was established in 2017 to support the delivery of METRONET transport infrastructure projects. Forecast receipts for 2026-27 and each of the outyears reflect State and Commonwealth funding. Funds to be drawn across the forward estimates period will support ongoing METRONET works.

Table 5.8

METRONET ACCOUNT					
	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	203	15	27	10	-
Receipts	672	325	77	133	133
Payments	860	313	94	143	133
Closing Balance	15	27	10	-	-

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.

Receipts in 2025-26 and beyond mainly reflect the allocation of a portion of annual motor vehicle licence revenue. Forecast payments over the four years to 2029-30 comprise \$173 million for roads associated with METRONET and \$628 million for Westport road projects.

Table 5.9

METRONET AND WESTPORT ROADS ACCOUNT					
	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	9	42	235	578	984
Receipts	394	450	513	652	739
Payments	361	257	170	246	128
Closing Balance	42	235	578	984	1,595

Note: Columns may not add due to rounding.

Metropolitan Region Improvement Account

This Account operates under the *Planning and Development Act 2005* to hold funds for the management of the Metropolitan Region Scheme, including receipts from the Metropolitan Region Improvement Tax (MRIT) imposed under the *Metropolitan Region Improvement Tax Act 1959*.

Receipts over the four years to 2029-30 mainly reflect MRIT collections (\$694 million), rent and interest income (\$134 million), and proceeds from the sale of land and buildings (\$33 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 (\$12 million) and works in progress on a range of smaller infrastructure projects (\$6 million).

METROPOLITAN REGION IMPROVEMENT ACCOUNT

Table 5.10

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	492	552	684	814	956
Receipts	161	210	207	219	230
Payments	101	77	77	77	77
Closing Balance	552	684	814	956	1,109

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. Drawdowns are used to support 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 legacy mine sites.

MINING REHABILITATION FUND

Table 5.11

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	356	375	398	412	422
Receipts	62	64	65	67	69
Payments	44	40	51	57	47
Closing Balance	375	398	412	422	444

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 \$82 million in 2025-26 and \$11 million in 2026-27 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 for the remaining duration of the Scheme.

Table 5.12

**NATIONAL REDRESS SCHEME AND CIVIL LITIGATION
FOR SURVIVORS OF INSTITUTIONAL CHILD SEXUAL ABUSE ACCOUNT**

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m	2029-30 \$m
<i>Opening Balance</i>	54	72	20	1	1
Receipts	82	11	-	-	-
Payments	64	63	19	-	-
Closing Balance	72	20	1	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 almost \$1.8 billion to support the New Women and Babies Hospital Project. As part of this Budget, the Government has approved the closure of this account by 30 June 2026. An amount of \$392 million is to be drawn from the Account to progress construction during 2025-26, with all remaining unspent monies (\$1.36 billion) to be transferred to the Building Hospitals Fund (discussed earlier in this Appendix). The Building Hospitals Fund will support ongoing investment in the New Women and Babies Hospital as well as the allocation of monies set aside for other hospital facilities.

Construction of the Women and Babies Hospital is underway, with foundation piling works completed in early April 2026.

Table 5.13

NEW WOMEN AND BABIES HOSPITAL ACCOUNT

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m	2029-30 \$m
<i>Opening Balance</i>	1,755	-	-	-	-
Receipts	-	-	-	-	-
Payments	1,755	-	-	-	-
Closing Balance	-	-	-	-	-

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 and to preserve and enhance the city's environment. Receipts are sourced from licence fees, penalties and money appropriated by the 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 5.14

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	163	194	204	207	240
Receipts	64	65	66	68	70
Payments	34	55	63	36	34
Closing Balance	194	204	207	240	276

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. Monies held in the Fund have been allocated to upgrade water, wastewater, and power services (\$200 million), and to build new houses, upgrade existing houses, and undertake municipal works (\$150 million).

A further \$127 million has been approved as part of this Budget, including \$93 million for the Department of Housing and Works to deliver additional housing investment (\$82 million) and municipal services (\$11 million), and for Horizon Power to progress the Advanced Metering infrastructure project (\$24 million) and manage increasing costs associated with servicing remote communities (\$10 million).

REMOTE COMMUNITIES FUND

Table 5.15

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	215	102	144	45	15
Receipts	-	127	-	-	-
Payments	113	85	100	30	15
Closing Balance	102	144	45	15	-

Note: Columns may not add due to rounding.

Resources Community Investment Initiative Project Account

The Resources Community Investment Initiative (RCII) was established in November 2022 and is a major partnership between the Western Australian Government and the resources sector that facilitates investment in infrastructure and community projects across the State. Contributing companies publicly committed to \$750 million in investment through the RCII over 10 years at the time.

Contributions towards the Pilbara Safe Spaces and Roebourne District High School Redevelopment were received in 2025-26. The Budget includes a projected \$102 million in further funding for specific projects to be funded through the RCII, with contributions to be reflected in this Account as individual funding agreements are finalised.

2026–27 Economic and Fiscal Outlook

In addition, \$170 million has been committed to Government Regional Officer Housing by Rio Tinto (\$100 million), BHP (\$50 million) and Hancock Prospecting (\$20 million – made after the cut-off date for this Budget) as part of the Seven Cities initiative. Further investments in projects are expected to be made shortly.

RESOURCES COMMUNITY INVESTMENT INITIATIVE PROJECT ACCOUNT

Table 5.16

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m	2029-30 \$m
<i>Opening Balance</i>	13	20	17	7	5
Receipts	18	6	6	6	2
Payments	11	10	16	8	-
Closing Balance	20	17	7	5	7

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 2026-27 are mainly for:

- investment in road infrastructure, including upgrades to the Great Northern Highway between Fitzroy and Gogo Station, the Regional Road Safety Program and the Metropolitan Intersections Program managed by Main Roads, and the Safe School Path Connections Program managed by the Department of Transport and Major Infrastructure (DTMI);
- enforcement activities, including high visibility and targeted operations by the Western Australia Police Force, and the Road Safety Camera Program managed by the Road Safety Commission;
- infringement and demerit point processing undertaken by DTMI;
- road safety advertising and awareness campaigns, and community engagement and school education programs; and
- evidence, insights and innovation initiatives to support data-driven decision-making response, including the State Trauma Registry, research and innovation programs, and planning for a road safety data hub.

ROAD TRAUMA TRUST ACCOUNT

Table 5.17

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	88	47	7	20	20
Receipts	155	231	262	263	263
Payments	196	271	249	263	263
Closing Balance	47	7	20	20	20

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 2026-27 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 5.18

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	1,000	1,000	1,000	1,000	1,000
Receipts	980	1,205	1,032	917	815
Payments	980	1,205	1,032	917	815
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 with projected transfers from the RfR Fund that totalled \$150 million. Drawdowns are to support strategic reforms in regional Western Australia, with a focus on regional Aboriginal reform initiatives.

An additional \$30 million is to be paid into the Fund over the four years to 2029-30 to support the provision of funding for the Kimberley Schools Project, On-country Residential Youth Facilities, Aboriginal Community Controlled Organisation – Aboriginal Employee Housing Grants program, Pilbara Safe Spaces program, East Kimberley and Hedland Transitional Housing projects, and the Robe River Kuruma Housing Pathway Support program.

Table 5.19

ROYALTIES FOR REGIONS REGIONAL REFORM FUND

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m	2029-30 \$m
<i>Opening Balance</i>	– (a)	–	–	–	–
Receipts	4	20	7	2	1
Payments	4	20	7	2	1
Closing Balance	–	–	–	–	–

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

Note: Columns may not add due to rounding.

Social and Affordable Housing Investment Fund

The Social and Affordable Housing Investment Fund was established as part of the 2021-22 Budget to increase the supply of social housing, with further allocations approved as part of subsequent Budget processes.

A further \$723.5 million has been approved as part of this Budget to deliver 844 social housing dwellings, refurbish 215 properties and acquire land that will support the delivery of approximately 233 additional dwellings. This takes the Government’s total investment through the Fund to \$2.9 billion since its inception.

Funds to be drawn in 2026-27 and across the outyears are to support progress towards the Government’s commitment to delivering more than 9,800 social and affordable housing dwellings by 2029-30 (see Housing Investment feature box in Chapter 6).

Table 5.20

SOCIAL AND AFFORDABLE HOUSING INVESTMENT FUND

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m	2029-30 \$m
<i>Opening Balance</i>	672	254	673	247	25
Receipts	80	1,171	–	–	–
Payments	498	751	426	222	25
Closing Balance	254	673	247	25	–

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 housing construction industries. Initiatives supported by investment from the Fund will also offset carbon dioxide production and support regional employment.

Drawdowns totalling \$109.7 million are forecast over 2026-27 to 2029-30, with \$80.8 million for the acquisition of land and \$28.9 million for other costs associated with the establishment of softwood plantations.

Table 5.21

SOFTWOOD PLANTATION EXPANSION FUND					
	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	220	170	121	82	71
Receipts	-	-	-	-	-
Payments	50	49	39	11	11
Closing Balance	170	121	82	71	60

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. Project-ready industrial lands will enable industry to invest with confidence and drive the diversification of the State's economy for the future.

The Account has received \$1 billion over the 2024-25 and 2025-26 Budgets, with past and expected payments now totalling \$362 million by the end of the forward estimates. In this initial phase of work, payments are largely supporting land assembly and development, and the studies and planning necessary to enable future investments into critical enabling infrastructure. With input from industry, this planning is critical to informing the prioritisation and sequencing of the State's investment, to unlock industrial areas for new and major projects.

The Government has allocated new payments totalling \$91.7 million in this Budget across priority Strategic Industrial Areas, including \$51.1 million to assemble land in the Western Trade Coast and Kemerton, \$21.1 million to plan for a desalination solution in Boodarie, and \$12.5 million to plan for road upgrades at the Western Trade Coast (see Chapter 5 and 6 for further details). A total of \$638 million remains to be allocated to new initiatives in future Budgets.

Table 5.22

STRATEGIC INDUSTRIES FUND					
	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	498	766	674	651	639
Receipts	455	25	20	-	-
Payments	187	116	44	12	1
Closing Balance	766	674	651	639	638

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. Changes largely reflect increases in grants and targeted support for the collection and recycling of end-of-life solar panels and embedded batteries.

Table 5.23

WASTE AVOIDANCE AND RESOURCE RECOVERY ACCOUNT					
	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	45	42	28	20	15
Receipts	26	24	22	22	22
Payments	29	38	30	27	21
Closing Balance	42	28	20	15	16

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 \$85.8 million and a further \$77.9 million in interest income in 2026-27. Interest income is projected to increase from 2027-28 as investments are expected to transition to asset classes with higher forecast returns.

Table 5.24

WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH AND INNOVATION FUND					
	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	1,846	1,929	2,023	2,095	2,178
Receipts	132	172	158	169	165
Payments	49	78	86	86	86
Closing Balance	1,929	2,023	2,095	2,178	2,256

Note: Columns may not add due to rounding.

Payments from the Fund each year reflect the on-passing of budgeted interest earnings to the Western Australian Future Health Research and Innovation Account administered by the Minister for Medical Research, (see following table). Forecast drawdowns of \$89 million from the Account in 2026-27 (\$350 million over the four years to 2029-30), are to support a range of grants for health, medical research, innovation and commercialisation activities in Western Australia.

Table 5.25

**WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH
AND INNOVATION ACCOUNT**

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	40	33	22	20	20
Receipts	49	78	86	86	86
Payments	56	89	89	86	86
Closing Balance	33	22	20	20	20

Note: Columns may not add due to rounding.

Western Australian Student Assistance Payment Fund

This Fund has been re-established as part of this Budget to provide cost of living relief for Western Australian families. An \$83 million allocation for the new assistance payment will support families with schooling expenses in 2026 (including \$150 for eligible kindergarten and primary students, and \$250 for eligible secondary students). The third round of the WA Student Assistance Payment will commence from Term 3 of the 2026 school year.

Table 5.26

WESTERN AUSTRALIAN STUDENT ASSISTANCE PAYMENT FUND

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	-	-	-	-	-
Receipts	-	83	-	-	-
Payments	-	83	-	-	-
Closing Balance	-	-	-	-	-

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, with a further \$289 million of joint State and Commonwealth funding and \$8 million of rental income forecast to be paid into it over the period 2026-27 to 2029-30. The funding in the Account will be drawn down for approved initiatives to continue to progress Westport planning and enabling works.

2026-27 Economic and Fiscal Outlook

Drawdowns totalling \$326 million are forecast over 2026-27 to 2029-30, with these funds 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 5.27

WESTPORT ACCOUNT

	2025-26	2026-27	2027-28	2028-29	2029-30
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	266	29	19	7	3
Receipts	94	121	65	57	54
Payments	330	131	77	60	58
Closing Balance	29	19	7	3	-

Note: Columns may not add due to rounding.

State Government Social Concessions Expenditure Statement

Introduction

The State Government provides social concessions in the form of rebates, discounts and waivers for services, and subsidies to help reduce the cost of living for individuals and families in need.

This appendix reports the entire range of social concessions provided by State Government agencies. The information provided reflects actual expenditure on each social concession by agency in 2024-25, and estimated expenditure in 2025-26 and 2026-27.

The total value of State Government social concessions in 2026-27 is estimated at \$4.4 billion, including \$2.7 billion in operating subsidies for electricity, water, and public transport services¹. These concessions are ongoing and are in addition to the 2026 WA Student Assistance Payment and \$100 Fuel Support Payment to holders of a Western Australian driver's licence provided through this Budget.

General Notes on the Statement

For the purposes of this appendix, social concessions are defined as:

- discounts, rebates and waivers for services, and subsidies to improve access to, and affordability of, a range of services based on eligibility criteria related to factors such as age, income and special needs or disadvantage; and
- concessional prices for services provided by public non-financial corporations where the price charged to all consumers is less than the full cost of service provision, and grants paid to private and State training providers to subsidise the cost of training services.

¹ Operating subsidies for social concessions purposes form the vast bulk of operating subsidies reported in Appendix 8: *Public Corporations and Major Tariffs, Fees and Charges*.

2026-27 Economic and Fiscal Outlook

The information in this Appendix is compiled from agency information.

The method of estimating the value of concessions varies. In some cases, the estimate reflects the amount of a good or service consumed at the concessional price or fare and is the difference between the concession and the otherwise applicable price or fare. In others, such as those involving a fixed annual charge, the estimates reflect the rebate or subsidy paid.

The estimated number of recipients is recorded against each social concession. Where the number of unique recipients is not recorded, the number of occasions the concession has been accessed is used instead.

Table 6.1

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

	2024-25	2024-25	2025-26	2025-26	2026-27	2026-27
	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)	4,747	124,590	6,053	155,200	6,596	164,900
- Children's Discount ^(a)	1,164	61,075	1,785	91,520	1,945	97,240
- Education Excursion Discount ^(a)	848	34,806	909	36,480	993	38,760
- Seniors and Concession Card Discounts ^(a)	303	38,385	463	57,200	504	60,775
- Carers – Free Entry ^(a)	283	7,436	287	7,360	313	7,820
National Parks						
- Day Entrance Fee Concessions	558	79,698	558	79,698	598	79,698
- Annual Pass Concessions ^(b)	210	4,193	150	3,000	159	3,000
- RAC Concession Passes ^(b)	70	2,817	105	4,200	111	4,200
Camping Concessions	912	200,846	912	200,846	1,095	200,846
Valley of the Giants Tree Top Walk Concession	108	21,516	108	21,516	119	21,516
Monkey Mia Conservation Park Entry Fee Concessions						
- Day Entry Pass Fee	64	14,125	64	14,125	64	14,125
- Monthly Entry Fee	19	4,236	19	4,236	19	4,236
Rottnest Island						
- Bike Hire (Pedal and Flipper) ^(c)	6	572	6	572	13	1,144
- Tour Concessions (Wadjemup Lighthouse and Oliver Hill Gun and Tunnel)	9	3,339	10	3,505	10	3,681
Leeuw in-Naturaliste National Park						
- Calgardup Cave	4	754	4	754	4	754
- Giants Cave	1	224	1	224	1	224
Yanchep National Park						
- Crystal Cave Concessions	9	2,562	9	2,562	10	2,562
Dryandra Woodland National Park						
- Barna Mia Night Tour Concession Fee	4	684	4	684	4	684
Sub Total	9,319		11,447		12,558	
BUNBURY WATER CORPORATION						
Pensioners and Seniors Consumption Rebate ^(d)	657	4,516	637	4,516	612	4,516
Pensioners and Seniors Supply Charge Rebate ^(d)	362	3,863	372	3,863	382	3,863
Ex-Gratia Water (Leak) Allowance	387	250	400	250	410	250
Sub Total	1,406		1,409		1,404	
BUSSELTON WATER CORPORATION						
Pensioners and Seniors Consumption Rebate ^(d)	473	4,211	522	4,211	491	4,211
Pensioners and Seniors Supply Charge Rebate ^(d)	366	4,211	349	4,211	327	4,211
Ex-Gratia Water (Leak) Allowance	50	91	50	91	50	91
Sub Total	889		921		868	
COMMUNITIES						
Seniors Cost of Living Rebate	33,378	351,080	33,948	361,135	35,230	373,214
Grandcarers Support Scheme ^(e)	3,385	1,986	2,652	2,000	3,790	1,900
Seniors Safety and Security Rebate ^(e)	3,079	8,007	3,000	8,000	1,500	4,000
Grandcarers Support Scheme Cost of Living Payment ^(f)	1,276	1,733	n/a	n/a	1,400	1,900
Sub Total	41,118		39,600		41,920	

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

	2024-25	2024-25	2025-26	2025-26	2026-27	2026-27
	Actual	Actual	Estimated	Estimated	Budget	Budget
	\$'000	Recipients	Actual	Actual	Estimate	Estimate
			\$'000	Recipients	\$'000	Recipients
CREATIVE INDUSTRIES, TOURISM AND SPORT						
KidSport Financial Assistance Vouchers ^(g)	10,943	31,087	8,850	29,500	9,442	31,500
Museum Concessions ^(h)	7,748	601,657	3,695	338,947	2,503	254,986
Arts and Culture Trust Concessions	185	21,924	195	20,580	200	21,183
Holiday Camps (AKA Recreation Camp Fee Concessions)	23	616	23	600	21	550
Sub Total	18,899		12,763		12,166	
EDUCATION						
Secondary Assistance Scheme						
- Education Program Allowance	6,806	28,957	7,012	29,837	7,045	29,977
- Clothing Allowance ⁽ⁱ⁾	13,386	28,957	3,456	29,837	3,447	29,977
- Abstudy Supplement ^(j)	3	35	n/a	n/a	n/a	n/a
Boarding Away from Home Allowance						
- Isolated Children and Students in Respite ^(k)	1,401	1,024	1,354	965	1,299	902
- Agriculture College – Special Subsidy	436	323	435	314	447	314
- Gifted and Talented Program	52	39	54	39	54	38
Sub Total	22,084		12,311		12,292	
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	141,685	282,119	145,936	290,583	150,314	299,300
Patient Assisted Travel Scheme						
- WA Country Health Service ^(l)	51,333	37,766	62,349	38,521	64,843	39,291
- Peel Health Service	24	42	25	43	25	43
Subsidised Dental Care						
- Oral Health Centre of WA	16,486	15,305	17,148	15,305	17,645	15,305
- Dental Health Services	14,921	45,130	15,149	44,488	15,604	44,488
Dental Subsidy Schemes						
- Metropolitan Patients	5,940	15,229	6,145	15,297	6,329	15,297
- Country Patients	4,725	14,807	5,016	15,262	5,167	15,262
Spectacle Subsidy Scheme	2,177	40,128	2,243	40,988	2,310	42,216
Patient Cabcharge	1,163	20,428	1,207	21,455	1,251	22,176
Community Pharmacies	935	11,251	973	11,243	1,010	11,276
Child and Adolescent Health Service						
- Concession Parking ^(m)	345	24,295	426	29,129	437	29,857
- Patient Meal Vouchers	99	3,421	91	3,134	94	3,228
- Patient Pre-loaded SmartRiders	7	1,258	7	1,074	7	1,188
Regional Access Support Scheme – Voluntary Assisted Dying ⁽ⁿ⁾	195	119	242	167	272	233
Home Haemodialysis Subsidy	54	99	61	97	62	98
Sub Total	240,089		257,018		265,370	

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

	2024-25	2024-25	2025-26	2025-26	2026-27	2026-27
	Actual	Actual	Estimated	Estimated	Budget	Budget
	\$'000	Recipients	Actual	Actual	Estimate	Estimate
			\$'000	Recipients	\$'000	Recipients
HORIZON POWER						
Tariff Equalisation Contribution ^{(d)(o)}	230,000	n/a	242,000	n/a	290,000	n/a
Energy Assistance Payment ^(d)	2,100	8,378	2,254	7,214	2,508	7,316
Air Conditioning Rebate – Electricity ^(d)	1,087	3,066	1,253	2,851	1,346	2,835
Dependent Child Rebate ^(d)	875	2,930	1,048	2,534	1,086	2,386
Power for Remote Water and Waste Water Services ^(d)	675	51	1,030	51	1,054	51
Tariff Migration (Caravan Park Subsidy) ^(d)	49	5	20	5	26	5
Tariff Adjustment Payment ^{(d)(p)}	2,772	38,201	n/a	n/a	n/a	n/a
Sub Total	237,558		247,605		296,020	
HOUSING AND WORKS						
Rental Subsidy	292,350	29,997	297,143	30,489	301,929	30,980
Bond Assistance Loan Scheme – Interest Foregone	338	7,696	333	8,662	353	9,553
Centenarian Initiative	64	4	96	6	209	13
Rental Sales Scheme Subsidy ^(q)	42	15	63	23	48	16
Sub Total	292,794		297,635		302,539	
INSURANCE COMMISSION OF WESTERN AUSTRALIA						
Farm Vehicles – 50% Insurance Premium Rebate	1,499	7,975	1,547	8,013	1,635	8,216
Voluntary Emergency Vehicles	118	681	120	683	127	700
Sub Total	1,617		1,667		1,762	
JUSTICE						
Legal Aid Concessions ^(r)	92,565	159,407	84,492	166,806	84,492	166,806
Public Trustee Concessions	7,835	6,557	8,059	6,844	8,328	6,844
Court and Tribunal Concessions	4,921	13,759	5,252	14,377	5,489	14,621
Registry of Births, Deaths and Marriages	192	3,189	223	3,572	229	3,591
Sub Total	105,513		98,026		98,538	
KEYSTART						
Hardship Program ^(s)	n/a	1,736	n/a	1,500	n/a	1,250
LOCAL GOVERNMENT, INDUSTRY REGULATION AND SAFETY						
Building Commission – Complaint Fee Concessions ^(t)	6	100	7	119	7	119
Sub Total	6		7		7	
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	8	2,640	8	2,772	8	2,910
Children's Discount for Property Visitation	2	450	2	473	2	500
Sub Total	10		10		10	

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

	2024-25	2024-25	2025-26	2025-26	2026-27	2026-27
	Actual	Actual	Estimated	Estimated	Budget	Budget
	\$'000	Recipients	\$'000	Recipients	Estimate	Estimate
					\$'000	Recipients
PLANNING, LANDS AND HERITAGE						
Fremantle Prison Entry Concessions ^(u)	976	87,779	1,186	96,738	1,172	96,738
Pension Protection Plan Fees and Charges (Rebates & Deferrals Act 1992)	5	1	5	1	5	1
Sub Total	980		1,191		1,176	
PRIMARY INDUSTRIES AND REGIONAL DEVELOPMENT						
Recreational Fishing Licence Fee Concessions						
- Fishing from a Boat	609	31,473	600	30,992	582	30,063
- Rock Lobster	267	11,639	268	11,691	268	11,691
- Net Fishing	100	4,351	100	4,380	100	4,380
- Abalone	63	2,692	63	2,703	63	2,703
- South West Freshwater Angling	55	2,336	57	2,443	57	2,443
- Marron	56	2,373	56	2,393	56	2,393
Sub Total	1,150		1,144		1,126	
PUBLIC TRANSPORT AUTHORITY OF WESTERN AUSTRALIA						
Transperth						
- General Fare Subsidy ^{(d)(v)}	1,107,966	83,787,036	1,166,352	91,806,790	1,217,151	94,189,907
- Concession and School Children Fares ^{(d)(w)}	63,982	31,385,407	60,580	33,274,419	56,690	35,076,052
- Free Transit Zone ^{(d)(x)}	20,650	13,586,695	23,648	13,926,362	24,594	14,274,521
- Perth Stadium Special Events ^(d)	12,093	2,122,082	16,287	2,122,082	16,287	2,122,082
- Pensioners, Seniors and Carers Free Travel ^{(d)(y)}	16,375	4,724,568	15,719	5,064,213	14,807	5,369,068
Regional School Bus Services						
- General Fare Subsidy and Other Services ^(d)	144,058	24,932	147,235	24,819	145,358	24,893
- Student Conveyance Allowance ^(d)	4,280	4,025	4,256	4,186	4,389	4,207
Transwa						
- General Fare Subsidy ^{(d)(v)}	39,504	180,377	43,098	191,705	54,970	208,242
- Concession Fares ^{(d)(v)}	3,190	150,917	3,499	161,502	3,934	176,507
- Pensioners, Seniors and Carers Free Travel ^{(d)(y)}	1,778	15,943	1,950	17,068	2,188	18,569
Regional Town Bus Services						
- General Fare Subsidy ^(d)	16,797	2,082,410	15,709	2,241,458	18,034	2,251,459
- Concession Fares ^(d)	4,084	1,758,587	4,000	1,826,703	3,825	1,833,041
- Pensioners, Seniors and Carers Free Travel ^(d)	690	238,604	724	252,650	738	256,313
Cost of Living Assistance						
- Ride to School Free ^{(d)(v)}	7,966	12,367,536	10,200	13,046,993	10,400	13,043,331
- Fare Free Sundays ^(d)	6,798	2,663,685	6,660	3,119,258	7,143	3,524,397
- Summer of Free Public Transport ^{(d)(y)}	20,248	6,990,302	n/a	n/a	n/a	n/a
Sub Total	1,470,459		1,519,917		1,580,508	

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

	2024-25	2024-25	2025-26	2025-26	2026-27	2026-27
	Actual	Actual	Estimated	Estimated	Budget	Budget
	\$'000	Recipients	Actual	Actual	Estimate	Estimate
			\$'000	Recipients	\$'000	Recipients
SYNERGY						
Energy Assistance Payment ^{(d)(z)}	83,054	301,674	86,663	307,104	96,949	312,325
Dependent Child Rebate ^{(d)(z)}	17,885	55,074	18,662	56,065	20,877	57,018
Customer De-energisation ^(d)	2,000	39,823	1,883	37,176	1,998	37,176
Paper Bill Fee Waiver ^(d)	1,877	221,513	1,514	225,500	1,540	229,334
Customer Re-energisation ^(d)	1,180	28,277	1,124	29,757	1,180	29,757
Account Establishment Fee Rebate ^(d)	517	20,354	526	20,720	535	21,073
Over the Counter Fee Waiver ^(d)	426	64,458	516	65,618	525	66,734
Late Payment Fee Waiver ^(d)	384	42,449	391	43,213	397	43,948
Air Conditioning Allowance ^{(d)(z)}	52	281	55	286	61	291
Sub Total	107,375		111,333		124,062	
TRAINING AND WORKFORCE DEVELOPMENT						
Tuition Fees – Vocational Education and Training Courses						
- General Subsidy	482,762	78,130	487,096	79,687	546,509	85,816
- Concession Card Holders (70% Course Fee Discount)	3,844	10,374	3,880	9,926	4,137	10,462
- Severe Financial Hardship (100% Course Fee Waiver)	119	232	104	180	104	180
South West Bus Service – Fare Concessions	13	50	10	40	10	38
Sub Total	486,738		491,090		550,760	
TRANSPORT AND MAJOR INFRASTRUCTURE						
Travel Subsidy Schemes						
- Regional Pensioner Travel Card ^(aa)	33,373	60,158	41,317	61,962	41,010	63,820
- Permanently Disabled – Taxi Subsidy	21,226	12,250	23,896	12,000	23,436	11,800
- Remote Boarding Students ^(ab)	991	461	1,241	439	1,241	430
- Seniors – Annual Free Trip South ^(ac)	666	841	1,077	826	1,077	820
- Seniors – Inter town Bus Services ^(ac)	253	9,811	350	9,774	350	10,000
- Seniors – Intra town Bus Services ^(ac)	75	49,525	162	65,424	162	65,000
Light Vehicle Licence Fee Concessions						
- Pensioners, Veterans and Seniors (50% Discount)	39,400	215,961	41,405	218,544	43,511	221,158
- Pensioners and Veterans (100% Discount)	14,373	39,390	14,998	39,582	15,651	39,775
Drivers Licence Fee Concessions						
- Pensioners, Veterans and Seniors (100% Discount)	4,830	103,101	5,141	106,654	5,382	111,668
- Pensioners, Veterans and Seniors (50% Discount)	2,201	72,166	2,413	76,857	2,607	83,013
Perth Parking Licence Fee – Social Exemptions	1,160	1,032	1,192	1,032	1,209	1,019
Sub Total	118,547		133,192		135,635	

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

	2024-25	2024-25	2025-26	2025-26	2026-27	2026-27
	Actual	Actual	Estimated	Estimated	Budget	Budget
	\$'000	Recipients	\$'000	Recipients	Estimate	Estimate
					\$'000	Recipients
TREASURY AND FINANCE						
Seniors (25%) and Pensioners (50%) Rebates						
- Local Government Rates	127,082	254,019	137,779	258,591	149,229	262,987
- Emergency Services Levy	26,464	252,978	28,692	257,532	31,076	261,910
Energy Subsidies						
- Thermoregulatory Dysfunction	1,872	2,369	1,953	2,412	2,036	2,453
- Life Support Equipment	1,496	1,724	1,561	1,755	1,627	1,785
Energy Concession Extension Scheme	3,291	9,349	3,514	9,517	3,800	9,679
Sub Total	160,205		173,499		187,768	
WATER CORPORATION						
Country Customer Equity Policies						
- Country Water Pricing Subsidy (Water Services) ^{(d)(ad)}	314,146	245,489	468,411	247,959	557,970	250,469
- Drainage Charge Exemption ^{(d)(ae)}	35,539	n/a	35,439	n/a	36,725	n/a
Service Charge Rebates						
- Pensioner or State Concession Card Holders (up to 50%) ^(d)	70,244	164,174	71,294	166,644	72,186	169,152
- Dual Commonwealth Seniors Health Card and WA Seniors Card Holders (up to 50%) ^(d)	14,196	30,773	14,415	31,236	15,101	31,706
- WA Seniors Card Holders (up to 25%) ^(d)	4,106	57,445	4,092	58,309	4,200	59,186
- Rebates for Retirement Properties (up to 25%) ^(d)	2	21	2	21	2	21
Pensioners Consumption Concessions ^(d)	29,646	204,184	30,566	207,257	32,515	210,376
Ex-Gratia Water (Leak) Allowance ^(d)	16,871	14,241	17,293	14,241	17,766	14,241
Pensioners Rate Deferral Policy – Interest Cost ^(d)	1,475	24,298	1,354	24,664	1,239	25,035
Medical Assist ^(d)	92	272	94	272	96	272
Sub Total	486,317		642,960		737,800	
WESTERN AUSTRALIAN SPORTS CENTRE TRUST – VENUESWEST						
Fitness Membership Concessions	51	477	53	488	55	488
Aquatic Centre Entry Concessions						
- Single-entry	20	12,468	18	11,458	19	11,458
- Multi-entry (Aqua Card)	23	1,214	18	1,114	18	1,114
Sub Total	94		89		92	
Total	3,803,253		4,054,920		4,364,468	

- (a) 2024-25 figures impacted by the Zoo4You free entry initiative between 9 September and 30 November 2024.
- (b) RAC Concession Passes were unavailable for three months in 2024-25, with the resulting temporary shift to Annual Passes during this time reversing in 2025-26.
- (c) Online bookings expected to be introduced in 2026-27, resulting in an estimated doubling of the number of recipients.
- (d) Operating subsidies are reported in Appendix 8.
- (e) Variations in cost in 2026-27 reflects changes in forecast number of applicants and timing changes.
- (f) A supplemental cost of living payment for Grandcarers was provided as a temporary concession in 2024-25 and has been reinstated for 2026-27.
- (g) KidSport vouchers reduced to \$300 in 2025-26 (down from \$500 in 2024-25).
- (h) Museum visitation is forecast to decline in 2026-27 following the cessation of incentives, including periods of free admission, provided in prior years.
- (i) Impacted by the temporary increase to the Clothing Allowance from \$115 to \$300 for the 2024 and 2025 school years. The clothing allowance returned to \$115 in the 2026 school year.
- (j) Ceased in 2025, as recipients are now eligible to apply for the Secondary Assistance Scheme.
- (k) Forecasts reflect recent trend of declining application numbers.
- (l) The increase reflects the higher cost of airfares and an uplift in the mileage subsidy (from \$0.26 to \$0.40 per km from 1 July 2025), raising the cost per recipient.
- (m) The rise in number of recipients is primarily driven by more frequent visits from eligible clients.

Table 6.1 (cont.)

SUMMARY OF STATE GOVERNMENT SOCIAL CONCESSIONS
Western Australia

- (n) Increasing demand for Voluntary Assisted Dying has resulted in higher utilisation of the Regional Access Support Scheme to support regional service capacity.
- (o) Impacted by new energy and gas supply agreements and higher operating costs for Horizon Power, with costs related to salaries agreement outcomes, a new retail billing system, and decarbonisation power purchase agreement resourcing. Customer numbers are not applicable to this subsidy.
- (p) Tariff Adjustment Payment is now included under Tariff Equalisation Contribution.
- (q) The increase in recipients in 2025-26 is due to a time-limited Transitional Housing initiative.
- (r) The reduction in cost from 2025-26 reflects the timing of grant approvals, with a higher number of grant applications and extensions finalised in 2024-25 to enable transition to a new client relationship management system.
- (s) Concessions vary by participant, noting the program assists borrowers with reduced payments for up to six months, with extensions assessed on a case-by-case basis. While requests for assistance have increased due to higher interest rates and cost of living pressures, repeat assistance is expected to moderate over 2025-26 and 2026-27 as alternative long term hardship arrangements are explored.
- (t) The increase reflects the five-year average and a return to normal baseline.
- (u) The key drivers of growth from 2024-25 include School Group and Supervisor entry, indicating strong engagement in educational and support programs.
- (v) Increases reflect increased patronage, driven by fares policy settings and the expansion of public transport services.
- (w) The reduction in the value of concession subsidies from 2024-25 reflects the introduction of the Go Anywhere Fare from January 2026, representing a half-year impact in 2025-26 and a full-year impact from 2026-27 onwards.
- (x) Reflects the allocation of additional funds from the Perth Parking Licensing Account to the Public Transport Authority from 2025-26 to align with budgeted Perth Central Area Transit and Free Transit Zone bus service costs.
- (y) Reported costs reflect the period of free public transport from 14 December 2024 to 5 February 2025.
- (z) Government has endorsed uplifting this concession by 10% in 2026-27.
- (aa) The increase in 2025-26 is driven by a 17% increase in the card value (to \$775, as announced in the 2025-26 Budget), with the slight reduction in forecast expenditure from 2025-26 to 2026-27 based on a lower assumed utilisation rate in 2026-27.
- (ab) Increased costs in 2025-26 and 2026-27 primarily reflect differences in geographic locations and the estimated number of trips per recipient.
- (ac) The increase in 2025-26 reflects the impacts of lower than forecast demand in 2024-25, with demand in 2025-26 and 2026-27 expected to be in line with original forecasts.
- (ad) Concessions represent a subset of the Country Water Pricing Subsidy reported in Appendix 8. Increases in subsidy payments are mainly due to impact of upgrades to the West Pilbara Water Supply Scheme and establishment of a Regional Water Source Fund.
- (ae) Customer numbers are not applicable to this subsidy.

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.

2026-27 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					
	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m
PARLIAMENT					
Parliamentary Services	4.3	5.4	1.5	1.5	1.5
Parliamentary Commissioner for Administrative Investigations	0.4	0.2	0.2	0.2	0.2
GOVERNMENT ADMINISTRATION					
Premier and Cabinet	6.8	8.6	6.9	2.2	1.5
Public Sector Commission	10.2	9.2	0.1	0.1	0.1
Governor's Establishment	0.1	0.1	0.1	0.1	0.1
Western Australian Electoral Commission	0.3	0.3	0.3	0.3	0.3
Office of the Information Commissioner	0.1	0.7	1.9	-	-
WorkCover WA Authority	0.8	1.1	1.2	0.4	0.8
Registrar, Western Australian Industrial Relations Commission	0.2	0.2	0.2	0.2	0.2
FINANCIAL ADMINISTRATION					
Treasury and Finance	2.5	1.4	1.4	1.4	1.4
Western Australian Treasury Corporation	0.1	1.7	3.1	1.0	1.0
Office of the Auditor General	0.8	0.7	0.7	0.7	0.7
Insurance Commission of Western Australia	4.4	2.9	1.6	2.6	2.8
Keystart	1.2	1.2	1.2	1.2	1.2
JOBS AND ECONOMIC DEVELOPMENT					
Energy and Economic Diversification	0.8	- (a)	0.2	0.2	0.3
Creative Industries, Tourism and Sport	196.8	191.2	59.9	31.4	21.4
Primary Industries and Regional Development	55.4	113.4	126.9	140.6	22.1
Mines, Petroleum and Exploration	8.0	3.0	2.0	2.0	2.0
Gold Corporation	23.9	26.0	17.8	12.0	11.6
Western Australian Meat Industry Authority	1.2	0.5	0.5	0.5	0.5
Small Business Development Corporation	0.2	-	-	- (a)	-
Economic Regulation Authority	0.7	0.1	-	-	-
Forest Products Commission	44.0	43.6	31.4	3.6	3.6
Racing and Wagering Western Australia	21.1	12.0	12.0	12.0	12.0
Western Australian Greyhound Racing Association	0.3	0.3	0.3	0.3	0.3
The Burswood Park Board	1.1	2.4	3.2	0.4	0.4
HEALTH					
WA Health	1,489.8	2,235.9	1,116.3	287.0	63.9
Mental Health Commission	19.9	5.7	-	-	-

ASSET INVESTMENT PROGRAM

Table 7.1 (cont.)

	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m
EDUCATION AND TRAINING					
Education	662.0	809.8	708.5	319.2	266.2
Training and Workforce Development	49.0	69.5	46.3	29.6	23.9
TAFE Colleges	22.0	10.7	9.5	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	171.6	130.8	29.6	26.3	25.3
Justice	168.8	281.5	209.1	43.9	14.5
State Solicitor's Office	0.3	-	-	-	-
Legal Aid Commission of Western Australia	0.7	0.6	0.7	0.6	0.6
Fire and Emergency Services	72.4	50.4	55.8	41.0	32.4
Office of the Director of Public Prosecutions	3.4	10.0	0.6	0.7	0.7
Corruption and Crime Commission	1.1	1.5	1.3	1.3	1.3
Chemistry Centre (WA)	10.0	4.7	2.5	2.5	2.5
COMMUNITY SERVICES					
Communities	9.3	21.9	14.9	11.9	19.2
Local Government, Industry Regulation and Safety	9.8	7.1	0.4	0.4	0.4
Western Australian Sports Centre Trust	68.6	39.5	37.9	22.7	20.5
Western Australian Institute of Sport	0.1	0.1	0.1	0.1	0.1
Lotteries Commission	5.1	9.2	2.1	1.8	1.1
Metropolitan Cemeteries Board	13.9	8.9	13.1	13.2	11.3
TRANSPORT AND MAJOR INFRASTRUCTURE					
Transport and Major Infrastructure	132.9	228.0	157.2	79.9	58.3
Commissioner of Main Roads	2,070.4	2,673.8	1,730.1	1,332.3	752.8
Public Transport Authority of Western Australia	1,877.5	1,367.3	1,103.9	728.4	630.9
Housing and Works	924.4	1,016.0	766.8	565.2	366.4
Fremantle Port Authority	96.1	107.7	87.8	87.3	103.7
Kimberley Ports Authority	26.5	12.8	6.0	5.4	5.5
Mid West Ports Authority	97.5	114.7	116.0	81.9	10.4
Pilbara Ports Authority	556.2	339.2	81.0	25.8	25.0
Southern Ports Authority	51.1	55.6	45.8	26.7	22.4
ENVIRONMENT					
Water and Environmental Regulation	33.2	27.0	12.2	13.0	12.6
Biodiversity, Conservation and Attractions	200.5	208.1	138.9	92.9	59.0

Table 7.1 (cont.)

ASSET INVESTMENT PROGRAM					
	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m
PLANNING AND LAND USE					
Planning, Lands and Heritage	14.6	9.1	3.3	1.8	1.8
Western Australian Planning Commission	71.9	47.3	47.3	49.3	49.3
Western Australian Land Information Authority	10.0	33.1	24.8	11.6	8.6
DevelopmentWA	943.0	1,028.5	872.1	555.7	429.7
National Trust of Australia (WA)	7.5	1.7	1.4	1.4	0.7
UTILITIES					
Synergy	629.3	199.4	17.9	22.0	22.0
Western Power	2,026.0	2,322.9	1,967.6	1,236.6	1,152.7
Horizon Power	173.1	141.3	85.5	89.8	89.8
Water Corporation	2,068.5	2,681.1	1,650.5	981.4	1,082.0
Bunbury Water Corporation	18.9	37.0	6.2	4.2	3.6
Busselton Water Corporation	11.0	6.6	29.8	23.3	15.2
PROVISIONS					
Smoothing Provision	-2,900.0	-3,500.0	-1,000.0	2,500.0	3,900.0
Provision for Aluminium Composite Panel Cladding	10.4	-	-	-	-
Provision for Building Hospitals Fund	-	-	286.0	1,004.6	-
Provision for Climate Action Fund	-	20.0	-	-	25.7
Provision for Housing Support Program	-	0.4	-	-	-
Provision for Government Regional Officer Housing – Shared Equity Home Ownership Subsidy Scheme	-	41.0	41.0	41.0	41.0
Provision for Social Housing	-	-	-	-	15.0
Provision for 500 Homes for First Home Owners	-	60.0	95.0	125.0	95.0
Inter-agency Purchases	-88.6	-170.0	-46.5	-26.5	-39.3
TOTAL	12,225.8	13,233.7	10,851.7	10,685.1	9,518.0

ASSET INVESTMENT PROGRAM

Table 7.1 (cont.)

	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m
<i>Funded by:</i>					
APPROPRIATIONS					
Capital Appropriation	5,594.7	5,959.8	3,808.1	2,015.2	1,278.5
OTHER FUNDING					
Holding Account	125.2	107.2	105.3	95.7	95.6
Agency Borrowings	4,137.4	3,742.8	2,637.5	1,825.5	1,652.7
Royalties for Regions	307.3	228.2	100.1	50.4	27.1
Commonwealth Grants	1,189.8	1,283.0	849.5	538.4	335.9
Land and Property Sales	70.7	38.5	37.9	37.8	37.3
Internal Funds and Balances	2,214.6	3,299.9	3,054.8	2,389.7	2,135.1
Special Purpose Accounts					
Asset Maintenance Fund	61.5	25.7	1.0	2.8	-
Building Hospitals Fund	54.2	1,035.8	768.2	1,004.6	-
Climate Action Fund	100.5	22.0	3.0	-	25.7
Digital Capability Fund	187.0	231.9	33.4	1.6	0.3
New Women and Babies Hospital Account	391.8	-	-	-	-
Remote Communities Fund	53.7	11.0	11.7	-	-
Social and Affordable Housing Investment Fund	429.0	649.5	393.7	213.6	25.3
Softwood Plantation Expansion Account	42.7	42.9	31.0	3.4	3.4
Strategic Industries Fund	165.8	55.6	16.3	6.4	1.0
Smoothing Provision	-2,900.0	-3,500.0	-1,000.0	2,500.0	3,900.0
TOTAL	12,225.8	13,233.7	10,851.7	10,685.1	9,518.0

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

Note: Columns may not add due to rounding.

2026-27 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 \$484 million to public corporations in 2026-27 (see following table), with subsidy payments to public corporations (\$4.6 billion) expected to exceed tax equivalent and dividend revenue received from these corporations (\$4.1 billion).

PUBLIC CORPORATIONS
Revenue to and Expenses from the General Government Sector ^(a)

	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m
Electricity Corporations		
Dividends, Tax Equivalents, and Local Government Rate Equivalents		
Horizon Power	23.6	16.6
Synergy	0.6	0.6
Western Power	351.4	570.9
<i>Subtotal</i>	<i>375.6</i>	<i>588.2</i>
Operating Subsidies		
Horizon Power	62.0	58.3
Synergy	692.5	670.8
Western Power	-	-
<i>Subtotal</i>	<i>754.5</i>	<i>729.2</i>
Other Subsidies		
Horizon Power	5.0	6.6
Synergy	6.5	6.6
Western Power	2.5	2.2
<i>Subtotal</i>	<i>14.0</i>	<i>15.5</i>
<i>Net Electricity Corporations</i>	<i>-392.9</i>	<i>-156.4</i>
Water Corporation		
Dividends, Tax Equivalents, and Local Government Rate Equivalents		
Operating Subsidies	668.2	846.2
Other Subsidies	62.2	81.5
<i>Net Water Corporation</i>	<i>587.5</i>	<i>1,247.9</i>
Public Transport Authority ^(b)		
Operating Subsidies	1,495.2	1,556.1
Other Subsidies	32.3	32.8
<i>Net Public Transport Authority</i>	<i>-1,527.5</i>	<i>-1,588.9</i>
Other Public Corporations		
Dividends, Tax Equivalents, and Local Government Rate Equivalents		
Operating Subsidies	284.9	802.6
Other Subsidies	493.3	515.6
<i>Net Other Public Corporations</i>	<i>-42.4</i>	<i>14.0</i>
Total revenue from Public Corporations		
	2,429.2	4,095.9
Dividends	1,493.5	3,081.9
Income Tax Equivalents	897.2	973.1
Local Government Rate Equivalents	38.5	40.9
Total expense to Public Corporations		
	3,804.5	4,579.5
Operating Subsidies	3,202.8	3,934.1
Other Subsidies	601.7	645.4
Net impact on General Government Sector ^(c)	-1,375.3	-483.5

(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 2026-27 is estimated to total \$4.1 billion, comprising \$3.1 billion in dividend payments, \$973 million in income tax equivalent payments, and \$41 million in local government rate equivalent payments.

This is \$1.7 billion (or 69%) higher than in 2025-26 and mainly reflects higher dividend payments from Water Corporation and Western Power in 2026-27 (as these entities will not pay interim dividends for 2025-26 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	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m
ELECTRICITY CORPORATIONS					
Horizon Power					
Income tax expense	8.4	5.5	5.2	7.3	11.4
Local government rates expense	0.8	1.3	1.3	1.4	1.4
Dividends	14.4	9.9	8.4	10.9	17.3
<i>Subtotal</i>	<i>23.6</i>	<i>16.6</i>	<i>14.9</i>	<i>19.7</i>	<i>30.1</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	145.6	163.8	154.5	202.8	166.9
Local government rates expense	1.8	1.8	1.9	1.9	2.0
Dividends	204.0	405.3	249.9	316.3	279.5
<i>Subtotal</i>	<i>351.4</i>	<i>570.9</i>	<i>406.3</i>	<i>521.0</i>	<i>448.3</i>
WATER CORPORATIONS					
Water Corporation					
Income tax expense	491.0	520.7	466.9	495.4	512.9
Local government rates expense	8.8	9.0	9.2	9.5	9.7
Dividends	818.1	1645.9	825.7	901.0	941.4
<i>Subtotal</i>	<i>1,317.9</i>	<i>2,175.6</i>	<i>1,301.9</i>	<i>1,405.9</i>	<i>1,464.0</i>
Bunbury Water Corporation					
Income tax expense	6.5	1.6	4.5	0.9	1.1
Local government rates expense	0.1	0.1	0.1	0.1	0.1
Dividends	3.1	13.7	2.5	9.9	1.6
<i>Subtotal</i>	<i>9.7</i>	<i>15.3</i>	<i>7.2</i>	<i>10.9</i>	<i>2.7</i>
Busselton Water Corporation					
Income tax expense	1.8	0.8	3.6	1.7	0.6
Local government rates expense	0.1	0.1	0.1	0.1	0.1
Dividends	5.2	4.5	1.9	9.2	4.4
<i>Subtotal</i>	<i>7.1</i>	<i>5.3</i>	<i>5.6</i>	<i>11.0</i>	<i>5.0</i>
PORT AUTHORITIES					
Fremantle Port Authority					
Income tax expense	18.6	24.6	24.1	26.7	28.2
Local government rates expense	1.1	1.2	1.2	1.3	1.3
Dividends	30.2	37.5	39.4	42.4	45.3
<i>Subtotal</i>	<i>49.9</i>	<i>63.3</i>	<i>64.7</i>	<i>70.4</i>	<i>74.8</i>
Kimberley Ports Authority					
Income tax expense	2.3	0.3	1.0	1.1	1.2
Local government rates expense	0.2	0.2	0.2	0.2	0.2
Dividends	3.7	0.6	1.8	2.4	2.7
<i>Subtotal</i>	<i>6.2</i>	<i>1.1</i>	<i>3.0</i>	<i>3.7</i>	<i>4.1</i>
Mid West Ports Authority					
Income tax expense	13.1	18.8	32.8	49.2	49.2
Local government rates expense	1.3	1.3	1.3	1.3	1.3
Dividends	22.7	30.4	51.3	87.0	87.0
<i>Subtotal</i>	<i>37.0</i>	<i>50.5</i>	<i>85.5</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					
	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m
Details of Revenue					
Pilbara Ports Authority					
Income tax expense	92.8	113.9	104.0	94.9	96.5
Local government rates expense	6.8	6.9	7.1	7.3	7.5
Dividends	236.7	652.4	248.4	226.7	224.2
<i>Subtotal</i>	336.3	773.2	359.4	328.9	328.2
Southern Ports Authority					
Income tax expense	2.3	7.0	3.2	7.1	8.1
Local government rates expense	1.0	1.3	1.3	1.4	1.4
Dividends	5.7	10.2	7.2	10.7	13.8
<i>Subtotal</i>	9.0	18.6	11.7	19.1	23.4
LAND AGENCIES					
DevelopmentWA					
Income tax expense	27.5	23.4	20.0	29.6	16.3
Local government rates expense	15.7	16.7	15.1	18.7	18.6
Dividends	59.8	137.7	139.6	441.8	51.7
<i>Subtotal</i>	103.0	177.8	174.8	490.1	86.7
OTHER AGENCIES					
Keystart					
Income tax expense	1.0	2.4	6.1	10.2	15.6
Dividends	1.8	4.1	10.6	17.9	27.2
<i>Subtotal</i>	2.8	6.5	16.7	28.1	42.8
Gold Corporation					
Income tax expense	20.6	5.2	4.2	4.5	4.2
Local government rates expense	0.1	0.2	0.2	0.2	0.2
Dividends	0.4	43.5	4.0	7.3	7.9
<i>Subtotal</i>	21.2	48.8	8.3	12.0	12.3
Western Australian Treasury Corporation					
Income tax expense	7.6	10.3	11.0	11.4	11.7
Dividends	16.6	13.2	18.0	19.3	20.0
<i>Subtotal</i>	24.2	23.5	29.0	30.7	31.7
Insurance Commission of Western Australia					
Income tax expense	56.2	72.1	71.5	71.4	70.5
Dividends	69.9	70.8	73.8	76.2	78.3
<i>Subtotal</i>	126.1	143.0	145.2	147.6	148.7
Forest Products Commission					
Income tax expense	2.0	2.9	2.1	3.7	4.5
Local government rates expense	0.2	0.3	0.3	0.4	0.4
Dividends	1.3	2.1	3.2	2.2	5.0
<i>Subtotal</i>	3.4	5.3	5.6	6.3	10.0
Subtotal Amounts					
Income tax expense^(a)	897.2	973.1	914.6	1,018.0	998.8
Local government rates expense	38.5	40.9	40.0	44.3	44.8
Dividends	1,493.5	3,081.9	1,685.9	2,181.3	1,807.4
TOTAL	2,429.2	4,095.9	2,640.5	3,243.5	2,850.9

(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 that Keystart now discloses dividends following its transition into a GTE on 1 July 2025.

Table 8.3

PUBLIC CORPORATION DIVIDEND PAYOUT RATIOS					
	2025-26	2026-27	2027-28	2028-29	2029-30
	%	%	%	%	%
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
Keystart ^(a)	75	75	75	75	75
Gold Corporation	75	75	75	75	75
Western Australian Treasury Corporation	75	75	75	75	75
Insurance Commission of Western Australia ^(b)	75	75	75	75	75
Forest Products Commission	75	75	75	75	75

(a) Annual ratio may be adjusted based on the need to maintain capital adequacy and any other factors or circumstances considered by Keystart's Board of Directors, alongside the Treasurer's concurrence.

(b) Annual ratio may be adjusted based on the need to maintain appropriate capital adequacy and any other factors or circumstances considered by the Board of the Insurance Commission of Western Australia, alongside the Treasurer's concurrence.

Note: The Western Australian Land Information Authority (Landgate) is eligible to pay dividends to Government. However, as this agency is not in the public corporation's sector, it is not included in this table.

Expenses

Total subsidies provided to public corporations in 2026-27 are estimated at \$4.6 billion, an increase of \$775 million from 2025-26. The general government sector is forecast to pay a total of \$15.9 billion across the four-year period to 2029-30 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 15.3% in 2026-27; and
- Water Corporation is expected to receive operating subsidies totalling \$846.2 million in 2026-27. A significant portion of which (\$626.3 million) is to support the provision of water, wastewater and drainage services to regional areas, where the cost recovery rate is expected to be 53% in 2026-27.

The decision to increase the residential electricity tariff by 2.75% (equal to the forecast growth in the Consumer Price Index) in 2026-27 results in the tariff remaining below the cost of supply. This is estimated to result in a cost recovery rate of 75% for residential electricity services, compared with 78% in 2025-26.

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) and the new Cost Growth Assistance Payment (CGAP).

The SSTP is a subsidy that recognises Synergy is required to be the provider of last resort and 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 2026-27, a new CGAP financial viability subsidy will be provided to Synergy to partially fund the under recovery of the A1 tariff that cannot be passed on to residential customers. Synergy will also receive a new operating subsidy for the unrecoverable cost impact of complying with the new Tranche 8 market rules that increased battery availability requirements from four to six hours.

2026–27 Economic and Fiscal Outlook

Synergy is also reimbursed 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

	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m	Total 2026-27 to 2029-30 \$m
Cost Growth Assistance Payment	-	176.0	179.5	-	-	355.5
Distributed Energy Buyback Scheme ^(a)	-	-	-	4.9	4.9	9.7
Non Co-optimised Essential System Services Recovery	157.9	133.1	30.1	-	-	163.2
Over-the-Counter and Paper-Bill Fee Recovery	2.0	2.1	2.1	2.1	0.6	6.9
Re- and De-energisation Fee Recovery	3.0	3.2	1.3	1.3	0.5	6.2
Renewable Energy Buyback Scheme ^(b)	-	-	-	0.2	-	0.2
System Security Transition Payment	92.6	92.6	92.6	-	-	185.3
Tariff Equalisation Contribution Recovery	115.9	120.2	120.7	120.7	120.7	482.3
Tranche 8	-	-	16.1	41.4	11.7	69.1
TOTAL	371.5	527.2	442.3	170.5	138.4	1,278.5

(a) 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 and 2029-30, 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 and 2029-30.

(b) 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 and 2029-30, 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 \$2.7 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 securing climate independent water sources in the West Pilbara Water Supply Scheme.

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 2026-27, 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						
	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m	Total 2026-27 to 2029-30 \$m
Country Water Pricing Subsidy	460.4	626.3	658.3	719.3	718.3	2,722.3
Tariff Equalisation Contribution	242.0	290.0	293.0	289.0	296.0	1,168.0
TOTAL	702.4	916.3	951.3	1,008.3	1,014.3	3,890.3

Note: Columns may not add due to rounding.

A detailed list of expenses to individual public corporations from the general government sector is provided in the following table.

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

Table 8.6

Details of Payment	Funding Department	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m
ELECTRICITY CORPORATIONS						
<i>Horizon Power</i>						
<i>Operating Subsidies</i>						
Air Conditioning Allowance (North of 26th Parallel)	DTF (b)	1.3	1.3	1.4	1.4	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)	5.8	-	-	-	-
Dependent Child Rebate	DTF (b)	1.0	1.1	1.1	1.1	1.2
Energy Ahead	DTF (b)	0.4	0.9	1.1	1.1	-
Electric Vehicle Operating Subsidy	DTF (b)	0.3	0.3	0.4	0.4	-
Residential Battery Scheme	DTF (b)	0.7	0.3	0.1	0.1	-
Remote Communities Essential Services	DTF (b)	1.0	1.1	1.1	1.1	1.1
Tariff Migration - Movement to L2 and A2 Tariff	DTF (b)	- (c)	- (c)	- (c)	- (c)	- (c)
Transfer of Essential Services	DTF (b)	8.1	15.3	14.0	14.1	15.4
Transfer of Essential Services - Remote Communities	DTF (b)	8.6	3.0	3.1	2.5	2.6
Transfer of Essential Services - Royalties for Regions	DTF (b)	32.0	32.0	32.0	32.0	32.0
WA Government Energy Assistance Payment	DTF (b)	2.3	2.5	2.6	2.6	2.7
<i>Other Subsidies</i>						
2028 Kimberley Total Solar Eclipse	DPIRD (d)	-	0.5	0.3	-	-
Hardship Utility Grant Scheme	Communities (e)	0.2	0.2	0.2	0.2	0.2
Pilbara Energy Transition Plan	DEED (f)	4.0	5.0	-	-	-
Residential Battery Scheme - Compliance	DEED (f)	0.8	0.9	-	-	-
<i>Subtotal</i>		<i>67.0</i>	<i>65.0</i>	<i>57.7</i>	<i>57.1</i>	<i>57.1</i>

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

	Funding Department	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m
Details of Payment						
Synergy						
<i>Operating Subsidies</i>						
Account Establishment Fee Rebate	DTF ^(b)	0.5	0.5	0.5	0.6	0.6
Air Conditioning Allowance	DTF ^(b)	0.1	0.1	0.1	0.1	0.1
Cost Growth Assistance Payment	DTF ^(b)	-	176.0	179.5	-	-
Cost of Living Support - Commonwealth Energy Bill Relief	DTF ^(b)	168.1	-	-	-	-
Customer Engagement Platform	DTF ^(b)	2.2	-	-	-	-
Dependent Child Rebate	DTF ^(b)	18.7	20.9	21.8	22.7	23.6
Distributed Energy Buyback Scheme	DTF ^(b)	-	-	-	4.9	4.9
Emergency Solar Management	DTF ^(b)	9.8	-	-	-	-
Energy Ahead	DTF ^(b)	2.2	4.3	4.4	4.8	-
Feasibility Studies for Replacement Generation Assets	DTF ^(b)	10.0	4.2	-	-	-
Hardship Response	DTF ^(b)	1.7	1.7	1.7	1.7	-
Late Payment Fee Waiver	DTF ^(b)	0.4	0.4	0.4	0.4	0.4
Lithium Industry Support Program	DTF ^(b)	12.8	10.1	-	-	-
Non Co-optimised Essential System Services Recovery	DTF ^(b)	157.9	133.1	30.1	-	-
Over-the-Counter and Paper-Bill Fee Recovery	DTF ^(b)	2.0	2.1	2.1	2.1	0.6
Re- and De-energisation Fee Recovery	DTF ^(b)	3.0	3.2	1.3	1.3	0.5
Renewable Energy Buyback Scheme	DTF ^(b)	-	-	-	0.2	-
Residential Battery Scheme	DTF ^(b)	8.0	1.1	0.7	-	-
South Fremantle Power Station - Site Investigations	DTF ^(b)	-	3.4	-	-	-
System Security Transition Payment	DTF ^(b)	92.6	92.6	92.6	-	-
Tariff Equalisation Contribution Recovery	DTF ^(b)	115.9	120.2	120.7	120.7	120.7
Tranche 8	DTF ^(b)	-	-	16.1	41.4	11.7
WA Government Energy Assistance Payment	DTF ^(b)	86.7	96.9	101.1	105.2	109.6
<i>Other Subsidies</i>						
Hardship Utility Grant Scheme	Communities ^(e)	6.5	6.6	6.7	6.8	6.8
<i>Subtotal</i>		699.0	677.4	579.7	312.7	279.5
Western Power						
<i>Other Subsidies</i>						
WA Residential Battery Scheme - Compliance Audits	DEED ^(f)	2.5	2.2	-	-	-
<i>Subtotal</i>		2.5	2.2	-	-	-

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

Details of Payment	Funding Department	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m
WATER CORPORATIONS						
Water Corporation						
<i>Operating Subsidies</i>						
Concessional Lands (g)	DTF (b)	81.7	85.1	88.7	92.4	96.3
Country Water Pricing Subsidy (h)	DTF (b)	460.4	626.3	658.3	719.3	718.3
Metropolitan Operations	DTF (b)	4.4	1.7	0.8	-	-
Pensioner and Senior Concessions	DTF (b)	121.7	125.2	127.9	130.7	133.5
Strategic Water Infrastructure Program (Infill Sewerage)	DTF (b)	-	7.9	4.1	-	-
<i>Other Subsidies</i>						
Coolangatta Industrial Estate	DEED (f)	2.9	0.5	-	-	-
Essential and Municipal Services Upgrade Program	Communities (e)	3.5	7.0	7.0	-	-
Great Southern Region Water Carting	DWER (i)	1.6	-	-	-	-
Metering Services	DWER (i)	0.2	0.2	-	-	-
Oakagee Strategic Industrial Area Water Supply Phase 2	DEED (f)	2.0	1.9	0.3	-	-
Perth Seawater Desalination Plant 1 and 2 Pre-treatment Facility	DTMI (i)	0.9	-	-	-	-
Remote Essential Services Program - Remote Communities Fund	DTF (b)	26.4	33.4	20.1	-	-
Remote Essential Services Program - Royalties for Regions	DTF (b)	23.9	23.9	23.9	23.9	23.9
Water Deficiency Declaration	DWER (i)	0.5	-	-	-	-
Kimberley Lunar Eclipse	DPIRD (d)	-	5.2	4.0	-	-
Boodarie Strategic Industrial Area	DEED (f)	0.3	8.9	14.6	-	-
Kemerton Strategic Industrial Area	DEED (f)	-	0.5	0.5	-	-
<i>Subtotal</i>		730.4	927.7	950.3	966.3	972.0
Bunbury Water Corporation						
<i>Operating Subsidies</i>						
Non-residential Tariff Subsidy	DTF (b)	3.1	2.8	2.9	3.1	3.2
Pensioner and Senior Concessions	DTF (b)	1.0	1.0	1.0	1.0	1.1
Residential Tariff Subsidy	DTF (b)	5.1	5.5	5.7	5.8	6.0
<i>Subtotal</i>		9.2	9.3	9.6	9.9	10.3
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)	3.6	1.3	1.4	1.9	3.4
<i>Subtotal</i>		4.4	2.1	2.3	2.8	4.3

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

Details of Payment	Funding Department	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m
PORT AUTHORITIES						
Fremantle Ports Authority						
<i>Other Subsidies</i>						
Westport Feasibility Study – Kwinana Bulk Jetty Relocation	DTMI ⁽ⁱ⁾	2.4	-	-	-	-
<i>Subtotal</i>		<u>2.4</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Mid West Ports Authority						
<i>Operating Subsidies</i>						
Lithium Industry Support Program	DTF ^(b)	6.0	-	-	-	-
<i>Subtotal</i>		<u>6.0</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Pilbara Ports Authority						
<i>Operating Subsidies</i>						
Spoilbank Marina - Maintenance of Landside Assets	DTF ^(b)	2.2	2.2	2.2	2.2	2.2
<i>Other Subsidies</i>						
Dampier – Burrup Port Infrastructure	DEED ^(f)	7.0	6.0	6.2	6.2	6.2
<i>Subtotal</i>		<u>9.2</u>	<u>8.2</u>	<u>8.4</u>	<u>8.3</u>	<u>8.3</u>
Southern Ports Authority						
<i>Operating Subsidies</i>						
Lithium Industry Support Program	DTF ^(b)	1.0	-	-	-	-
<i>Subtotal</i>		<u>1.0</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

	Funding Department	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m
Details of Payment						
LAND AGENCIES						
DevelopmentWA						
<i>Operating Subsidies</i>						
500 Homes for First Home Buyers – Headworks	DTF ^(b)	-	5.0	-	-	-
Anzac Drive West	DTF ^(b)	13.2	-	-	-	-
Australian Marine Complex	DTF ^(b)	0.2	1.4	-	7.7	-
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)	7.9	-	-	-	-
Broome North Residential Development	DTF ^(b)	-	10.0	2.0	-	-
Bunbury Waterfront	DTF ^(b)	2.8	-	-	-	-
Burrup Strategic Industrial Area	DTF ^(b)	1.6	1.2	1.3	1.3	1.3
Court Place - Social and Affordable Housing Development	DTF ^(b)	5.7	56.2	36.1	-	-
Council of Australian Governments' Waste Export Ban	DTF ^(b)	5.0	-	-	-	-
East Keralup Economic Activation	DTF ^(b)	1.7	-	-	-	-
Nyamba Buru Yawuru Health and Wellbeing Campus	DTF ^(b)	3.0	3.0	-	-	-
Nyamba Buru Yawuru - Retail	DTF ^(b)	-	6.0	-	-	-
East Perth Power Station Remediation	DTF ^(b)	7.1	-	-	-	-
Edith Cowan University Mt Lawley Redevelopment	DTF ^(b)	-	4.3	-	-	-
Housing and Infrastructure Advanced Manufacturing Facilities	DTF ^(b)	-	47.5	-	-	-
Housing Australia Future Fund Projects	DTF ^(b)	54.5	361.4	346.7	54.4	-
Housing Pipeline Diversity Projects	DTF ^(b)	3.5	3.0	-	-	-
Housing Support Package	DTF ^(b)	9.3	3.6	-	-	-
Industrial Land Development Fund	DTF ^(b)	2.9	6.7	-	-	-
Inter-Agency Land Transfer Subsidy	DTF ^(b)	6.7	83.3	-	-	-
Kalgoorlie Heavy Industrial - Lot 350, Great Eastern Highway	DTF ^(b)	-	2.2	-	-	-
Karratha Industrial	DTF ^(b)	4.1	4.4	6.5	-	-
Kensington Redevelopment	DTF ^(b)	-	15.3	2.1	-	-
Kwinana Land - Holding Costs	DTF ^(b)	2.2	2.2	2.3	2.3	2.4
Land Agency Reform - Holding Costs	DTF ^(b)	9.0	7.3	7.3	7.3	7.3
METRONET Station Precincts	DTF ^(b)	-	20.0	46.7	-	-
Newman Industrial Area	DTF ^(b)	-	11.0	-	-	-
Ocean Reef Marina	DTF ^(b)	8.7	-	-	-	-
Regional Development Assistance Program	DTF ^(b)	7.0	7.0	7.0	7.0	7.0
Regional Residential Land Developments	DTF ^(b)	10.0	26.0	16.5	4.7	5.4

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

	Funding Department	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m
Details of Payment						
DevelopmentWA						
Residential Land Development for Social and Affordable Housing - Holding Costs	DTF ^(b)	19.0	15.7	15.0	14.4	13.8
Royalties for Regions	DTF ^(b)	-	0.4	-	-	-
South Port Hedland Western Edge Development	DTF ^(b)	0.7	12.6	27.6	19.8	1.7
Stake Hill - Peel Business Park	DTF ^(b)	6.3	5.0	-	-	-
Subi East Precinct	DTF ^(b)	8.1	-	-	-	-
Metropolitan Redevelopment Authority	DTF ^(b)	15.5	12.6	12.6	12.6	12.6
Technology Precinct - Australian Marine Complex & Bentley	DTF ^(b)	1.2	1.3	1.3	1.3	1.3
Yamatji Nation Settlement	DTF ^(b)	-	3.1	-	-	-
<i>Other Subsidies</i>						
Bentley Residential Redevelopment	DHW ^(k)	1.0	8.1	-	-	-
Collie Industrial Land	DEED ^(f)	4.8	6.4	0.2	1.4	-
Housing Pipeline Diversity Fees	DPLH ^(l)	1.5	-	-	-	-
Housing Pipeline Diversity Projects	DHW ^(k)	5.8	1.7	-	-	-
Mount Barker-Yerriminup	DPIRD ^(d)	-	4.0	-	-	-
Transforming Bunbury Waterfront - Stage 2B	DPIRD ^(d)	1.3	2.6	1.8	-	-
<i>Subtotal</i>		<u>250.1</u>	<u>780.6</u>	<u>552.1</u>	<u>153.2</u>	<u>72.0</u>
OTHER						
Racing and Wagering Western Australia						
<i>Other Subsidies</i>						
Direct Grants - Racing Bets Levy	LGIRS ^(m)	114.7	114.7	118.1	121.7	121.7
Point of Consumption Tax - Racing Funding	DTF ^(b)	41.3	41.8	42.4	42.9	43.5
Racing Industry Support	DTF ^(b)	-	12.5	-	-	-
Regional Racing Infrastructure Fund	LGIRS ^(m)	4.3	3.3	3.9	13.8	-
<i>Subtotal</i>		<u>160.3</u>	<u>172.3</u>	<u>164.4</u>	<u>178.4</u>	<u>165.2</u>
Gold Corporation						
<i>Other Subsidies</i>						
State Battery Safety Program	DTF ^(b)	-	6.8	-	-	-
<i>Subtotal</i>		<u>-</u>	<u>6.8</u>	<u>-</u>	<u>-</u>	<u>-</u>
Forest Products Commission						
<i>Operating Subsidies</i>						
Forest Products Commission	DTF ^(b)	26.4	31.2	46.0	47.1	47.9
<i>Subtotal</i>		<u>26.4</u>	<u>31.2</u>	<u>46.0</u>	<u>47.1</u>	<u>47.9</u>

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

	Funding Department	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m
Details of Payment						
Public Transport Authority (m)						
<i>Operating Subsidies</i>						
Transperth						
General	DTF (b)	1,166.4	1,217.2	1,226.4	1,247.7	1,272.3
Concessions	DTF (b)	35.8	34.1	35.3	36.4	37.5
Pensioners, Seniors and Carers Free Travel	DTF (b)	15.7	14.8	15.5	16.0	16.6
Perth Stadium Special Events	DTF (b)	16.3	16.3	16.3	16.3	16.3
School Children Fares	DTF (b)	24.8	22.6	23.9	25.3	26.6
Regional School Bus Services						
Conveyance Allowance	DTF (b)	4.3	4.4	4.9	4.4	4.4
School Bus Services	DTF (b)	140.6	137.9	137.5	138.4	138.7
Regional Town Bus Services						
General	DTF (b)	15.7	18.0	18.2	18.7	19.0
Concessions	DTF (b)	4.0	3.8	4.0	4.1	4.2
Pensioners, Seniors and Carers Free Travel	DTF (b)	0.7	0.7	0.7	0.7	0.7
Cost of Living						
Fare Free Sundays	DTF (b)	6.7	7.1	7.5	7.7	8.0
Ride to School Free	DTF (b)	10.2	10.4	10.4	10.4	10.4
Transwa						
General	DTF (b)	43.1	55.0	56.7	58.0	59.4
Concessions	DTF (b)	3.5	3.9	4.1	4.2	4.3
Pensioners, Seniors and Carers Free Travel	DTF (b)	1.9	2.2	2.3	2.3	2.4
Freight Network – General	DTF (b)	5.6	7.7	20.9	9.4	8.2
<i>Other Subsidies</i>						
Chamber of Commerce and Industry - Apprenticeship Support Australia Grant	DTWD (c)	0.1	- (c)	- (c)	- (c)	- (c)
Perth City Deal – Bus Stops Accessibility Upgrades	DTMI (i)	0.4	-	-	-	-
Regional School Bus Services – Intensive English Centres and Other Services	Education (p)	6.7	7.5	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)	23.6	24.6	25.6	26.6	27.7
Tunnel Monitoring	DTMI (i)	1.5	0.7	0.6	0.6	0.6
<i>Subtotal</i>		<u>1,527.5</u>	<u>1,588.9</u>	<u>1,617.5</u>	<u>1,634.1</u>	<u>1,664.2</u>

Table 8.6 (cont.)

EXPENSES FROM THE GENERAL GOVERNMENT SECTOR TO PUBLIC CORPORATIONS (a)

Details of Payment	Funding Department	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m
Department of Housing and Works						
<i>Other Subsidies</i>						
Government Office Accommodation	DTF ^(b)	4.1	4.1	- ^(c)	- ^(c)	-
Investment in Social and Affordable Housing	DTF ^(b)	7.6	1.5	12.5	10.0	-
North West Aboriginal Housing Fund	Various	37.7	40.5	11.3	6.5	0.2
Remote Communities	Various	109.5	73.6	74.9	76.1	77.4
Social Housing Operations	Various	137.3	165.7	114.9	108.0	119.0
Various	Various	13.2	22.3	24.0	22.6	9.7
<i>Subtotal</i>		<u>309.2</u>	<u>307.7</u>	<u>237.7</u>	<u>223.1</u>	<u>206.3</u>
Total		3,804.5	4,579.5	4,225.6	3,593.2	3,487.0

(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 Primary Industries and Regional Development.

(e) Department of Communities.

(f) Department of Energy and Economic Diversification.

(g) Includes concessions provided for non-rated and exempt properties.

(h) Subsidy allocations are indicative and may be updated as part of a future Budget process.

(i) Department of Water and Environmental Regulation.

(j) Department of Transport and Major Infrastructure.

(k) Department of Housing and Works.

(l) Department of Planning, Lands and Heritage.

(m) Department of Local Government, Industry Regulation and Safety.

(n) Includes service appropriations authorised under the *Salaries and Allowances Act 1975*.

(o) Department of Training and Workforce Development.

(p) Department of Education.

Note: Columns may not add due to rounding.

Household Tariffs, Fees and Charges

The Department of Treasury and Finance models 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 annually reviews and adjusts its assumptions about the typical household use of government services to ensure they remain appropriate. Following consultation with Western Power and Water Corporation, the 2026-27 assumptions for household utility usage have been updated to reflect long-term trends.

Results

The impact of changes in tariffs, fees and charges in 2026-27 on the 'representative' household is shown in the table below.

Table 8.7
ESTIMATED IMPACT ON THE 'REPRESENTATIVE' HOUSEHOLD

	2025-26 \$ level	% change	\$ change	2026-27 \$ level
Utility Charges				
Electricity ^(a)	2,030.54	2.75	55.84	2,086.38
Water, wastewater, and drainage ^{(b) (c)}	1,915.12	2.75	52.59	1,967.71
<i>Total</i>	3,945.66	2.75	108.43	4,054.09
Public Transport ^(d)				
Student fares ^(e)	–	–	–	–
Standard fares ^{(f) (g)}	1,002.24	-18.2	-181.98	820.26
<i>Total</i>	1,002.24	-18.2	-181.98	820.26
Motor Vehicles ^(h)				
Vehicle licence charge	464.84	3.9	17.92	482.76
Driver's licence	96.40	2.5	2.42	98.82
Recording fee	9.50	2.1	0.20	9.70
Motor Injury Insurance (MII)	458.88	3.1	14.32	473.20
<i>Total</i>	1,029.62	3.4	34.86	1,064.48
\$100 Fuel Support Payments ⁽ⁱ⁾	–	–	-200.00	-200.00
Emergency Services Levy	337.35	5.0	16.80	354.15
Stamp Duty ^(j)				
Stamp duty on general insurance	309.89	–	–	309.89
Stamp duty on MII	47.32	–	–	47.32
<i>Total</i>	357.21	–	–	357.21
Total Expenditure	6,672.08	-3.3	-221.89	6,450.19

(a) Consumes 4,964 kWh of electricity per annum, based on the 5-year average consumption level for a household.

(b) Consumes 220 kL of water per annum, based on the long-term average consumption level for a household.

(c) Owns and occupies a property in the Perth metropolitan area 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 from the 2024 school year onwards on a permanent basis.

(f) Purchases six standard Transperth fares 48 weeks per year. Reflects travel to attend work three days per week and accounts for annual leave provisions.

(g) The 2026-27 percentage and dollar change reductions reflect a full year impact of reduced fares under the Go Anywhere Fare election commitment. The changes are relative to 2025-26, which was based on six months of the former two-zone fare cap (which ended December 2025) and six months of the Go Anywhere Fare (which commenced January 2026).

(h) 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).

(i) Payments to holders of a Western Australian driver's licence, based on two drivers per household.

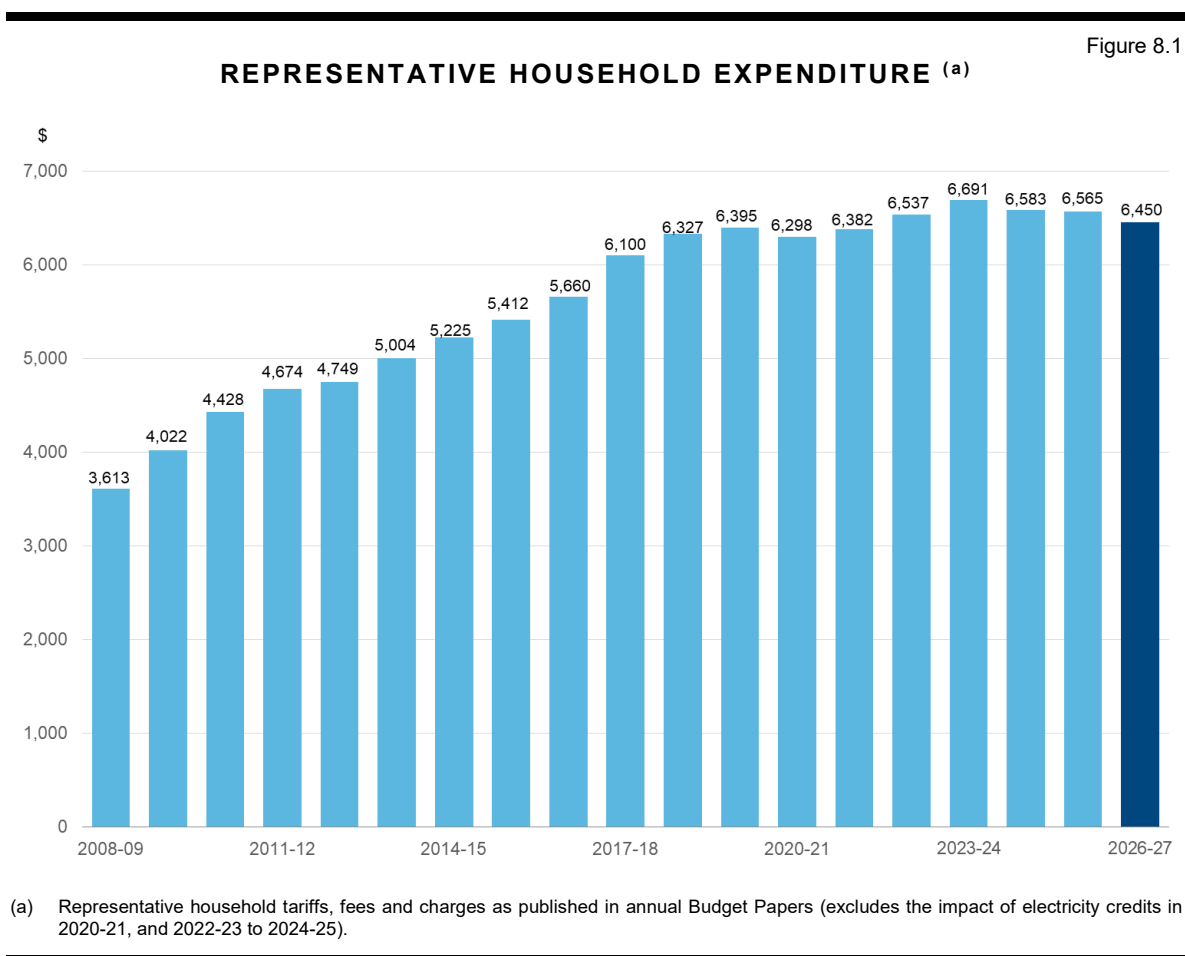
(j) The household model isolates the impact of changes in stamp duty rates on insurance premiums (rather than the impact of changes in underlying premiums). An increase in this component of the model will only occur if the rate of stamp duty is changed. Each year, latest available data from Insurance Statistics Australia on average general and MII insurance premiums is used to calculate stamp duty. Average insurance premiums as at December 2025 have been used to estimate stamp duty in both 2025-26 and 2026-27.

Note: Columns may not add due to rounding.

2026-27 Economic and Fiscal Outlook

Total tariffs, fees and charges paid by the 'representative' household on this basket of public sector goods and services in 2026-27 is \$6,450.19. This represents a decrease of \$221.89 (or 3.3%) relative to the same basket in 2025-26. As a result, the household basket is the lowest it has been in five years. This is the seventh year in a row that the Government has kept household tariffs, fees and charges in line with or below projected inflation.

Tariffs, fees and charges paid by a representative household since 2008-09, as published in annual Budget Papers, are shown in the following figure.



Electricity Tariffs

Approved electricity tariff changes for 2026-27, and the Budget planning assumptions from 2027-28 onwards, are outlined below.

Table 8.8

2026-27 BUDGET ELECTRICITY TARIFF PRICE PATH				
	2026-27 %	2027-28 %	2028-29 %	2029-30 %
NON-CONTESTABLE TARIFFS				
Residential (A1/A2)	2.75	2.50	2.50	2.50
Residential Hot Water (B1)	2.75	2.50	2.50	2.50
Community and Charitable Organisations (C1/C2)	2.75	2.50	2.50	2.50
Charitable Organisation Providing Residential Accommodation (D1/D2)	2.75	2.50	2.50	2.50
Combined Residential/Business (K1/K2)	2.75	2.50	2.50	2.50
Small Business (L1/L2)	2.75	2.50	2.50	2.50
Small Business Time of Use (R1)	2.75	2.50	2.50	2.50
Unmetered Supply (UMS) ^(a)	1.32	1.32	1.32	1.32
Traffic Lighting (W1/W2) ^(a)	4.94	4.94	4.94	4.94
Street Lighting (Z) – South West Interconnected System ^(a)	5.72	5.72	5.72	5.72
Street Lighting (Z) – Horizon Power service area ^(a)	5.90	5.90	5.90	5.90
CONTESTABLE TARIFFS ^(a)				
Medium Business (L3/L4)	1.91	1.91	1.91	1.91
Medium Business Time of Use (R3)	2.94	2.94	2.94	2.94

(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 2026-27 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 2.75% increase to water consumption (fixed and variable), wastewater, and drainage tariffs for metropolitan and country customers in 2026-27, and a 2.5% increase thereafter to align with forecast inflation rates.

A selection of key tariff changes from 2025-26 to 2026-27 are provided in the following table.

WATER CORPORATION'S 2026-27 TARIFF CHANGES			
	2025-26	2026-27	% change ^(a)
METROPOLITAN RESIDENTIAL TARIFFS			
Water			
Standard fixed service charge (\$)	296.89	305.05	2.75
<i>Consumption charges (c/kL) ^(b)</i>			
0-150 kL	205.2	210.8	2.73
151-500 kL	273.4	280.9	2.74
Over 500 kL	511.5	525.6	2.76
Wastewater (c in \$GRV) ^{(c)(d)}			
First \$20,000 Gross Rental Value (GRV)	4.551	n.a.	2.75
Over \$20,000 GRV	3.946	n.a.	2.75
Drainage			
Drainage charge (c/\$ of GRV) ^{(d)(e)}	0.603	n.a.	2.75
METROPOLITAN NON-RESIDENTIAL TARIFFS			
Water			
Standard fixed service charge (\$)	315.50	324.18	2.75
Minimum charge (15 or 20 mm) (\$) ^(f)	315.50	324.18	2.75
Consumption charges (c/kL) ^(g)	292.1	300.1	2.74
Wastewater ^(h)			
First fixture (\$)	1,184.25	1,216.82	2.75
Volumetric charge (c/kL)	435.2	447.2	2.76
Drainage			
Drainage charge (c/\$ of GRV) ^{(d)(e)}	0.385	n.a.	2.75

(a) % change may diverge from the approved price increase due to rounding.
 (b) Country residential water consumption charges are no more than metropolitan charges for the first 300 kilolitres (kL).
 (c) Country residential wastewater charges are subject to minimum and maximum charges.
 (d) 2.5% increase is based on effective absolute revenue impact, not rate directly.
 (e) Drainage is not charged outside the metropolitan region.
 (f) The charge varies depending upon the size of the meter.
 (g) Country non-residential water consumption charges are location-based.
 (h) 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 2.75% increase.

For Budget planning purposes, it has been assumed that household water, wastewater and drainage tariffs will increase by 2.5% per annum from 2027-28 onwards, which is below or in line with inflation forecasts over the forward estimates period.

Public Transport Fares

The \$3.50 'Go Anywhere' Transperth cash and contactless fare, which allows for travel across the entire network with a single low-cost fare, was introduced on 1 January 2026 and will remain unchanged across the forward estimates.

From 1 January 2027, the Autoload SmartRider Go Anywhere fare will increase by 10 cents to \$2.90 (a 3.6% increase).

The \$2 per day Park and Ride fee is unchanged, and concession fares will also be maintained at 46% of the equivalent standard fare across the forward estimates.

Seniors, disability and age pensioner cardholders and their carers continue to travel free on weekdays before 6.00 am, between 9.00 am and 3.30 pm, and after 7.00 pm, and at any time on weekends and public holidays.

As part of the Government's cost of living initiatives, the Ride to School Free Program (which provides free travel for eligible school students using a valid Student SmartRider card on regular Transperth services Monday to Friday during the school year) and the Fare Free Sundays initiative (which allows those that hold a valid SmartRider card to travel for free on all Transperth services on Sundays) will continue over the forward estimates.

The following table details the standard cash and Autoload SmartRider fares for 2026 and 2027.

Table 8.10

TRANSPERTH FARES 2026 AND 2027				
	2026	\$ increase	% increase	2027
Standard Cash Fare				
2 sections	\$2.40	-	-	\$2.40
Go Anywhere Fare ^(a)	\$3.50	-	-	\$3.50
Day Rider ^(b)	\$7.00	-	-	\$7.00
Family Rider ^(b)	\$7.00	-	-	\$7.00
Student ^(c)	\$0.00	-	-	\$0.00
Autoload SmartRider Fare				
2 sections	\$1.92	\$0.07	3.6	\$1.99
Go Anywhere Fare ^(a)	\$2.80	\$0.10	3.6	\$2.90
Day Rider ^(b)	\$7.00	-	-	\$7.00
Student ^(c)	\$0.00	-	-	\$0.00

(a) Concession fares are 46% of the full standard fare, subject to rounding.

(b) The fares for the Day Rider and Family Rider were \$10.40 prior to 1 January 2026, when they were reduced to \$7.00 respectively as part of the introduction of the Go Anywhere Fare.

(c) 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.

2026-27 Economic and Fiscal Outlook

Western Australian Treasury Corporation Borrowings

Introduction

The Western Australian Treasury Corporation (WATC) is the State's central borrowing authority and primary provider of debt finance for Western Australia's public sector. Each Australian State and Territory has a central borrowing authority to fund its debt, similar to WATC.

The Treasurer borrows from WATC on behalf of the State for general public purposes. Borrowings for general public purposes are authorised by the *Loan Act 2017* and preceding Loan Acts. The proceeds of all loans raised under the Loan Acts are paid into the Consolidated Account. The funds are then appropriated to agencies by Parliament in accordance with the State Budget.

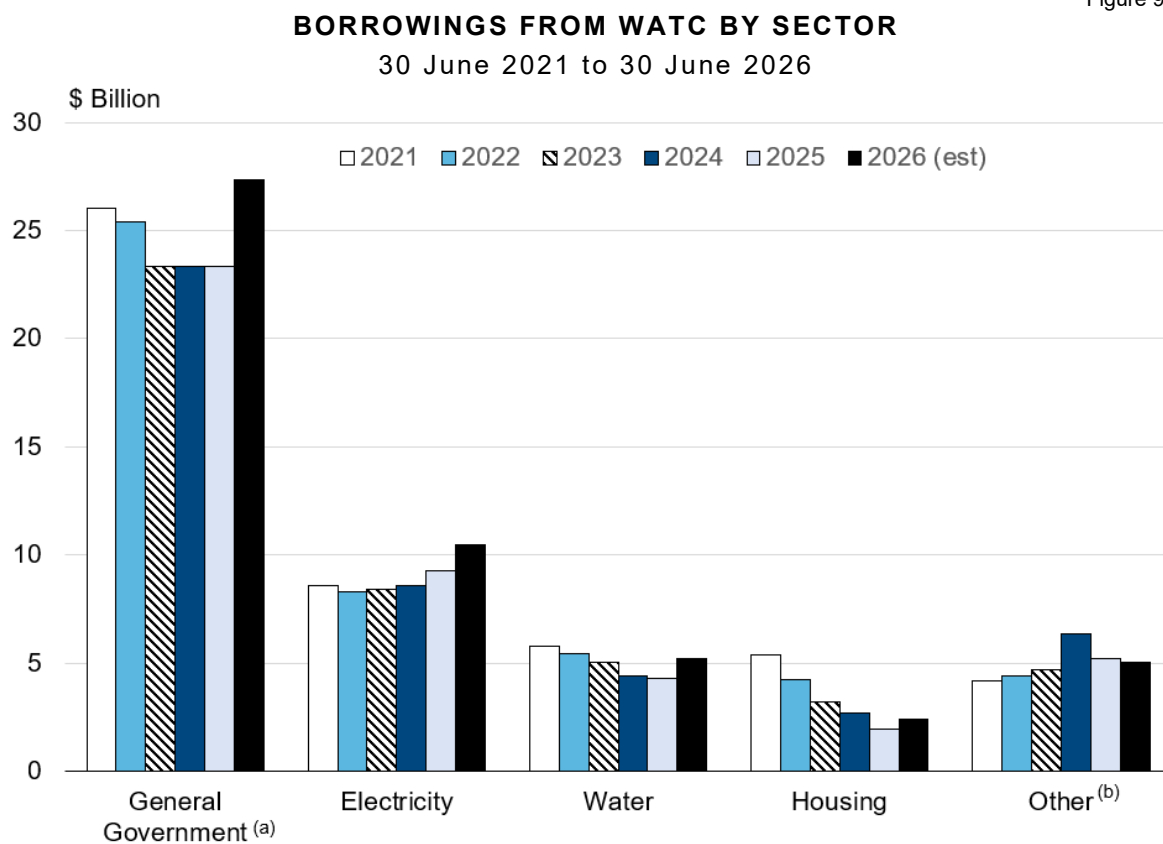
Individual agencies with borrowing powers in their enabling legislation also borrow from WATC. These include Government Trading Enterprises, some general government statutory authorities, public universities and local governments.

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 2026, total borrowings from WATC are estimated to be \$50.5 billion. A breakdown of this portfolio by sector, and its evolution since 30 June 2021, 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).

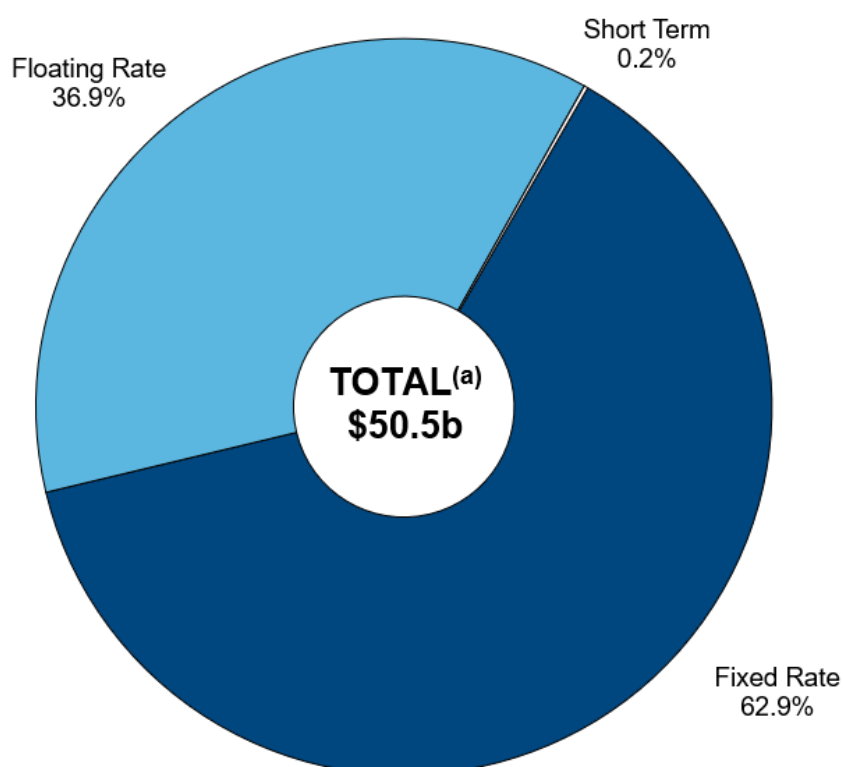
(b) Ports, transport, public universities, local governments and all other public entity borrowings from WATC.

Total Borrowings from WATC

As at 30 June 2026, total agency borrowings from WATC are estimated to be \$50.5 billion, allocated over WATC's loan products as shown below, at an estimated average portfolio interest rate of 3.96%.

ALLOCATION OF LOAN PRODUCTS AT 30 JUNE 2026

Figure 9.2



(a) Estimated allocation as at 30 June 2026.

Total borrowings from WATC are projected to rise to \$64.6 billion by the end of 2029-30.

Consolidated Account Borrowings

Consolidated Account borrowings (i.e. borrowings for general public purposes) are estimated to represent 53.2% of WATC lending at 30 June 2026.

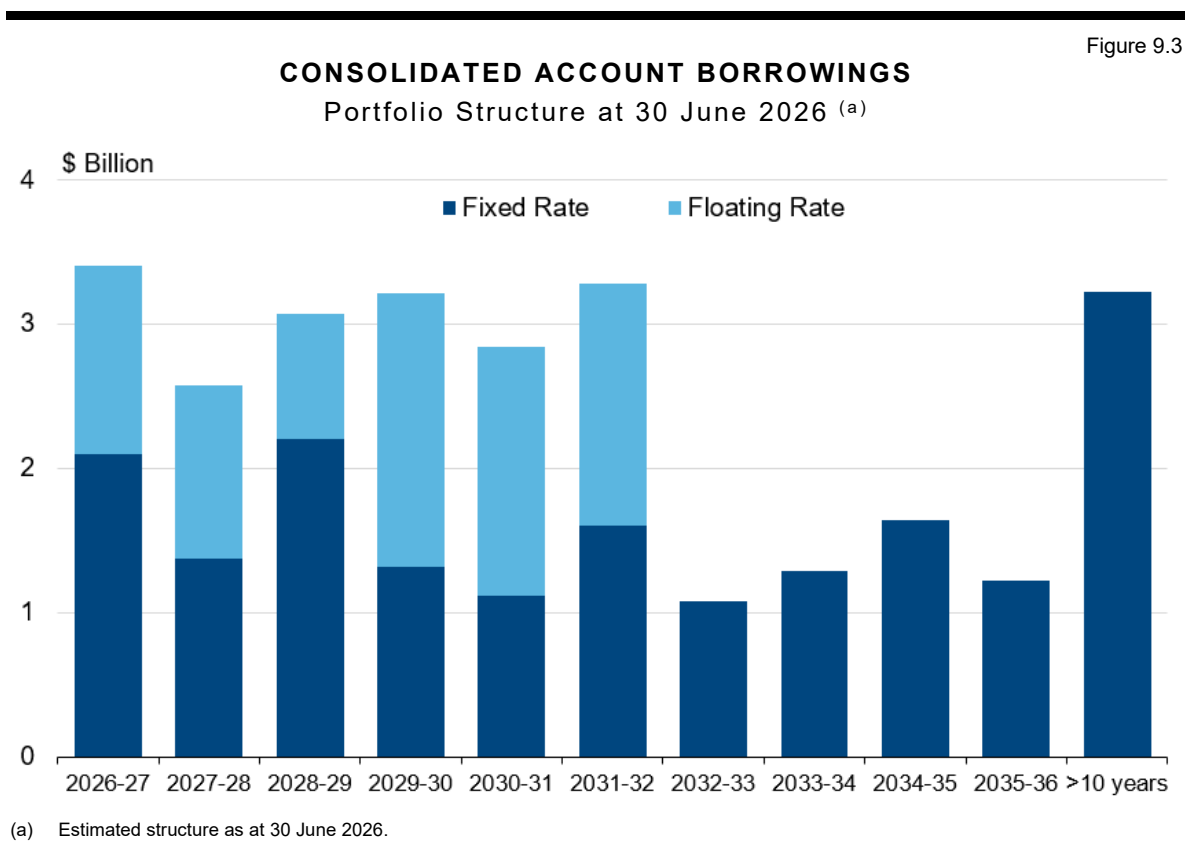
The *Loan Act 2017* authorises the borrowing requirements of the Consolidated Account. The Department of Treasury and Finance is responsible for administering Loan Acts on behalf of the Treasurer. The remaining Loan Act² authorisation at 30 June 2026 is estimated to be \$7.5 billion.

² Including the *Financial Legislation Amendment Act 2021*, which provided for the Loan Act authorisation to reflect the repayment of Consolidated Account borrowings.

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 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 Finance, 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 2026 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 2026, Consolidated Account borrowings are estimated to total \$26.9 billion, with an estimated average interest rate of 3.94% across a portfolio of term fixed rate and term floating rate loans.

Consolidated Account borrowings are expected to increase to \$28.4 billion over 2026-27 before growing to \$31.1 billion by 30 June 2030.

Table 9.1

CONSOLIDATED ACCOUNT BORROWING PROGRAM					
	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m	2029-30 \$m
2025-26 BUDGET					
– New Borrowing	4,000	1,000	1,000	500	n/a
– Repayments	-	-	-	-	n/a
Net New Borrowing	4,000	1,000	1,000	500	n/a
2025-26 MID-YEAR REVIEW					
– New Borrowing	4,000	1,500	1,250	500	n/a
– Repayments	-	-	-	-	n/a
Net New Borrowing	4,000	1,500	1,250	500	n/a
2026-27 BUDGET					
– New Borrowing	4,000	1,500	1,750	1,000	-
– Repayments	-	-	-	-	-
Net New Borrowing	4,000	1,500	1,750	1,000	-

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 2026, all other borrowings from WATC (i.e. excluding the Consolidated Account) are expected to total \$23.7 billion, at an estimated average portfolio interest rate of 3.98%. This is forecast to increase to \$28 billion over 2026-27 before growing to \$33.6 billion by 2029-30 (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 \$40.7 billion outstanding at 30 June 2026, with thirteen annual bond maturities from 2026 to 2041.
- Floating Rate Notes (FRNs) – with coupon rates that change every three months, which are expected to have a face value of \$9 billion outstanding at 30 June 2026, with six maturities from 2027 to 2032.

2026–27 Economic and Fiscal Outlook

- 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 \$2.8 billion outstanding at 30 June 2026.
- 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 \$50 million outstanding at 30 June 2026. 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 11% of outstandings as of 30 June 2026. 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 70% of WATC bonds and FRNs are currently held by Australian banks³ to meet regulatory requirements for their Tier 1 High Quality Liquid Asset portfolios⁴.

Historically, WATC has estimated that between 10% and 15% of WATC bonds are held by offshore investors. In the 2026 financial year 41% of WATC's syndicated fixed rate bond issuance was purchased by offshore investors. With FRNs issued via syndication 10% were allocated to offshore. By comparison, the Commonwealth has approximately 55% of its debt issuance held by investors offshore (issuance excludes RBA holdings).

³ The holders of WATC paper are difficult to identify with precision, as holdings are in nominee company names with some investors preferring to remain anonymous. This is similar for central borrowing authorities in other States.

⁴ 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).

2026-27 Economic and Fiscal Outlook

Identification of benchmark revenue bases and rates requires a degree of judgement. Furthermore, data limitations mean that the tax and royalty expenditures identified in this statement are only approximations. Data sources and methods used for estimating these expenditures are also subject to review each year (such that time series estimates may not be fully comparable).

Estimates of the expenditures have been derived from a range of sources, including unpublished data from relevant Government departments, 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 2024-25 and 2025-26.

Table 10.1

SUMMARY OF MAJOR TAX AND ROYALTY EXPENDITURES
Western Australia

	2024-25 Estimated Actual \$m	2025-26 Estimated Actual \$m
PAYROLL TAX		
Tax-free threshold	1,864.8	2,149.8
State Government departments exemption ^{(a)(b)}	445.4	447.9
Public hospitals exemption ^(a)	418.7	456.1
Schools/colleges exemption ^(a)	351.6	392.6
Charitable bodies exemption	375.8	384.9
Local governments exemption	120.9	127.8
Apprentices and trainees exemption	60.0	50.2
LAND TAX AND METROPOLITAN REGION IMPROVEMENT TAX (MRIT)		
Principal place of residence exemption	715.3	876.3
Tax-free threshold	513.8	677.6
Primary production exemption	372.1	406.4
MRIT not applied State-wide	52.0	68.6
Religious bodies exemption	28.9	31.0
Educational institutions exemption ^(a)	33.0	33.6
Public charitable or benevolent institutions exemption	23.2	25.3
Land value growth cap	13.2	18.6
Developers concession	8.1	13.5
Retirement villages exemption	11.3	12.1
Club or sporting associations exemption/concession	8.3	8.6
Aged care facilities exemption	8.7	9.3
Caravan parks exemption	4.7	5.0
Public or religious hospitals exemption ^(a)	1.7	1.7
TRANSFER DUTY (INCLUDING LANDHOLDER DUTY)		
Connected entities restructure exemption ^(c)	290.5	115.9
First home owners' exemption/concession ^(d)	75.2	54.6
Family farms exemption	7.7	3.6
Off-the-plan concession (pre-construction) ^(d)	16.0	26.7
Off-the-plan concession (under construction) ^(d)	8.9	15.4
INSURANCE DUTY		
Health insurance policies exemption	366.8	387.3
Workers' compensation insurance exemption	138.1	145.5
Reinsurance exemption	14.1	14.6
Marine hulls exemption	11.4	12.0
VEHICLE LICENCE FEES		
Pensioners and Seniors vehicle concession	55.1	58.7
Primary producers vehicle concession	14.6	15.0
VEHICLE LICENCE DUTY		
Heavy vehicles concession	126.3	128.1
Caravans and camper trailers exemption	57.5	62.3
MINING ROYALTIES		
Gold royalty-free threshold	12.7	17.3
Salt State Agreement Acts concession	3.0	1.5
TOTAL	6,629.4	7,255.6

(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.

(d) The 2025-26 estimated actual tax expenditure excludes the impact of policy changes announced in the 2026-27 Budget.

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.

Land Tax and Metropolitan Region Improvement Tax (MRIT)

Principal place of residence exemption

Generally, land used by the owner as their primary residence at midnight 30 June is exempt from land tax and MRIT for the following assessment year.

Tax-free threshold

Land owners that have aggregated, assessable unimproved land values of less than \$300,000 are not liable for land tax, nor are they subject to the MRIT if they own land within the Perth Metropolitan Area.

Primary production exemption

Land used in carrying out certain primary production businesses on a commercial basis is exempt from land tax and MRIT (where applicable) if all relevant conditions are met.

MRIT not applied State-wide

Land that is subject to land tax but is not located within the Perth Metropolitan Area is not subject to the MRIT.

Religious bodies exemption

Land owned by, or held in trust for, a religious body is exempt from land tax and MRIT provided that the land is used for religious, public worship or educational purposes, or for the residence of a minister of the religious body.

Educational institutions exemption

Land owned by, or held in trust for, a university or educational institution in Western Australia is exempt from land tax and MRIT provided that it is used solely for the purposes of the institution.

Public charitable or benevolent institutions exemption

Land owned by, or held in trust for, a public charitable or benevolent institution is exempt from land tax and MRIT if it is used solely for the public charitable or benevolent purposes for which the institution was established.

Land value growth cap

A 50% cap on growth in land values applies for the purpose of assessing land tax and MRIT to help reduce the volatility and unpredictability of growth in individual land tax and MRIT liabilities.

Developers concession

Land tax and MRIT is only paid on the un-subdivided (or ‘englobo’) value of land holdings at midnight 30 June, rather than the full subdivided value of lots, for one year after the creation of the lots.

Retirement villages exemption

Land used for a retirement village within the meaning of the *Retirement Villages Act 1992* is exempt from land tax and MRIT.

Club or sporting associations exemption/concession

Land owned by sporting or other not-for-profit associations used to provide facilities necessary for or conducive to meeting the objects of the association is exempt from land tax and MRIT. Not-for-profit facilities that are commercially available to the public may be eligible for a 50% concession if at least half of the land is being used to meet the objects of the association.

Aged care facilities exemption

Land used for the purposes of providing a residential care service that is certified under the *Commonwealth Aged Care Act 1997* is exempt from land tax and MRIT.

Caravan parks exemption

Land used as caravan parks, park home sites or camping grounds is exempt from land tax and MRIT.

Public or religious hospitals exemption

Land used solely for the purposes of a public hospital, or a hospital conducted by or on behalf of a religious body, is exempt from land tax and MRIT.

Transfer Duty (including Landholder Duty)

Connected entities restructure exemption

Certain transactions between related corporations or unit trust schemes are exempt from transfer duty.

First home owners’ exemption/concession

Prior to 21 March 2025, first home buyers were 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.

From 21 March 2025, first home buyers were then entitled to a concessional rate of transfer duty for a new or established property if the value of the property was below \$700,000 (or \$750,000 outside of Perth and Peel) or vacant land valued below \$450,000. No duty was payable if the new or established dwelling's value was below \$500,000, or the vacant land was below \$350,000.

As reported in Chapter 4: *General Government Revenue*, for purchases of established properties by first home buyers from 7 May 2026, the property value for a full transfer duty exemption has been increased to \$600,000, and the threshold for a concessional rate of duty has been increased to \$800,000. The vacant land transfer duty exemption threshold has been raised to \$450,000 with the concession phasing out at \$550,000.

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)

In 2024-25 and 2025-26, a person that enters a contract to purchase a dwelling in certain strata schemes before construction of the development commences is eligible for a transfer duty concession of the following amounts depending on when the contract is signed, with a maximum value of \$50,000.

OFF-THE-PLAN PRE-CONSTRUCTION CONCESSION RATES

Table 10.2

Contract signing dates	Thresholds	Concession Rates
01/07/2024 – 20/03/2025	Under \$650,000:	100% concession
	\$650,000 to \$750,000:	100% concession phasing to 50% concession
	Over \$750,000:	50% concession
21/03/2025 – 11/03/2026	Under \$750,000:	100% concession
	\$750,000 to \$850,000:	100% concession phasing to 50% concession
	Over \$850,000:	50% concession
12/03/2026 – 30/06/2026	Under \$800,000:	100% concession
	\$800,000 to \$900,000:	100% concession phasing to 50% concession
	Over \$900,000:	50% concession

As reported in Chapter 4: *General Government Revenue* the off-the-plan concession has been extended to include eligible residential dwellings in a survey-strata scheme and the concession will continue until 30 June 2028.

Off-the-plan concession (under-construction)

In 2024-25 and 2025-26, a person that enters a contract to purchase a dwelling in certain strata schemes before construction of the development commences is eligible for a transfer duty concession of the following amounts depending on when the contract is signed, with a maximum value of \$50,000.

OFF-THE-PLAN UNDER-CONSTRUCTION CONCESSION RATES

Contract signing dates	Thresholds	Concession Rates
01/07/2024 – 20/03/2025	Under \$650,000:	75% concession
	\$650,000 to \$750,000:	75% concession phasing to 37.5% concession
	Over \$750,000:	37.5% concession
21/03/2025 – 11/03/2026	Under \$750,000:	75% concession
	\$750,000 to \$850,000:	75% concession phasing to 37.5% concession
	Over \$850,000:	37.5% concession
12/03/2026 – 30/06/2026	Under \$800,000:	75% concession
	\$800,000 to \$900,000:	75% concession phasing to 37.5% concession
	Over \$900,000:	37.5% concession

As reported in Chapter 4: *General Government Revenue*, the off-the-plan concession has been extended to include eligible residential dwellings in a survey strata scheme and the concession will continue until 30 June 2028.

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

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 2024-25 rate paid by salt projects covered by the various salt State Agreement Acts was around 47 cents per tonne, compared to the 2024-25 salt royalty rate prescribed under the Mining Regulations 1981 of 73 cents per tonne. The effective average 2025-26 rate was around 58 cents per tonne.

2026-27 Economic and Fiscal Outlook

Western Australia's Net Contribution to the Federation

The Western Australian Department of Treasury and Finance (DTF) estimates the annual net redistribution across States that occurs through the Commonwealth Budget. The redistribution for each State is measured as the difference between Commonwealth revenue generated in a given State (including an estimate of GST collections) and the Commonwealth expenditure for the benefit of that State (including GST grants).

For example, States with higher wages and business profits contribute more to Commonwealth income and company taxes. States that have stronger economic conditions, or less health and welfare needs may draw less on health expenditure, social security benefits and business support programs.

A positive redistribution for a State indicates a net contribution to the Federation, while a negative figure indicates that the State receives a net subsidy.

Using the latest available data, Western Australia is estimated to have contributed \$36 billion to the Federation (or \$12,016 per person) in net terms in 2024-25.

Results for all States are shown in the following table. New South Wales was the only other State to make a net contribution in 2024-25 (with Victoria receiving only a marginal subsidy). However, the net contribution from Western Australia far surpasses all other States and was more than 11 times that of New South Wales on a per capita basis.

Table 11.1

NET CONTRIBUTION OF EACH STATE TO THE FEDERATION (a)
2024-25

	Total Commonwealth Budget	
	\$m	\$ per capita
New South Wales	8,931	1,046
Victoria	-47	-7
Queensland	-17,270	-3,073
Western Australia	36,172	12,016
South Australia	-14,202	-7,509
Tasmania	-6,610	-11,485
Northern Territory	-6,974	-26,564
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: DTF 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 2024-25 data is not yet available, it has been proxied by escalating earlier data using relevant economic indicators.

Western Australia's large net contribution to the Federation is mainly driven by:

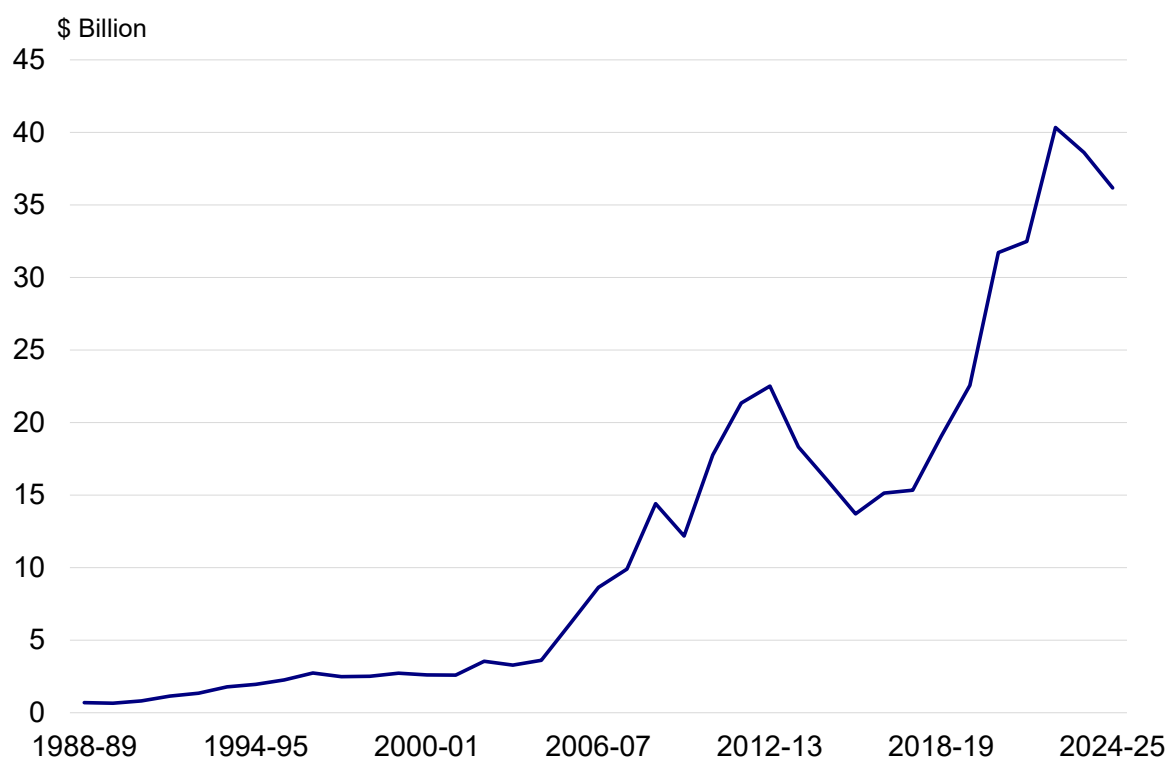
- a high level of Commonwealth company tax and personal income tax derived from Western Australia;
- Western Australia's low GST grant share, relative to its population share, compared to other States; and
- the relatively low level of Commonwealth spending in Western Australia on personal benefit payments and services compared to other States.

Reflecting the revenue and expenditure components of Western Australia's contribution to the Federation, DTF estimates that the Commonwealth derived \$115 billion in revenue from Western Australia in 2024-25, while expenditure for the State (adjusted for the State's share of the Commonwealth budget deficit) totalled \$78 billion.

The following chart shows that Western Australia's net annual contribution continues at near-record levels, having grown strongly in recent decades and reaching a peak of over \$40 billion in 2022-23. Western Australia's net contribution to the Federation has totalled \$449 billion from 1986-87 to 2024-25 (which includes a \$42 billion contribution from GST since 2000-01).

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 2024-25.

Source: DTF estimates.

The following table shows a breakdown of Western Australia's net contribution to the Federation in 2024-25 compared to 2023-24. Positive contributions reflect Western Australia contributing more than its population share to Commonwealth revenue or receiving less than its population share of Commonwealth expenditure. The moderation in the total contribution between 2023-24 and 2024-25 largely reflects the following factors:

- a reduction in estimated tax from mining companies;
- an increase in the State's per capita GST share from 70% in 2023-24 to 75% in 2024-25 (still the lowest share of all States and Territories); and
- a one-off \$1 billion Commonwealth disability payment to Western Australia in 2024-25.

Table 11.2

COMPONENTS OF WESTERN AUSTRALIA'S NET CONTRIBUTION
Relative to Western Australia's Population Share

	2023-24 ^(a) Preliminary \$m	2023-24 ^(a) Revised \$m	2024-25 Preliminary \$m
Personal income tax	4,106	4,434	4,212
Company tax	26,657	27,067	24,767
Fuel excise (net of rebates)	-346	-466	-640
Taxes and royalties on mineral extraction ^(b)	1,153	1,153	1,178
Commonwealth services ^(c)	2,140	2,049	2,541
Personal benefit payments	2,235	2,283	2,575
GST-related grants net of GST revenues	2,816	2,822	2,167
Other grants to State and local governments ^(d)	-218	-192	-1,665
Other ^(e)	479	-539	1,037
Total	39,022	38,610	36,172

(a) Figures for 2023-24 have been revised compared to preliminary estimates published in the 2025-26 Budget, reflecting updated data and increased availability of relevant data.

(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: DTF 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 2024-25 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.

Commonwealth Tied Grants

This Appendix lists all Commonwealth tied grants (e.g. for health, education, housing and transport) that are included in the State Budget and characterised as such in the Commonwealth Budget¹.

The figures in this Appendix may differ from the Commonwealth's due to differing assumptions in relation to timing, parameters and (occasionally) the continuation of an agreement.

¹ While not reported in this Appendix, the State Budget also includes Commonwealth grants that the Commonwealth characterises as its own-purpose expenditures (e.g. fee-for-service arrangements and funding provided under competitive tenders open to the private sector). Examples are grants for the provision of hospital services to veterans and for the provision of services to the Cocos Keeling Islands.

Table 12.1

COMMONWEALTH TIED GRANTS (a)(b)(c)

	Terms of the Latest Agreement		Estimated Commonwealth Funding to Western Australia					Total Five Years \$m
	Funding Start Year	Funding Expiry Year	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m	
HEALTH								
National Health Reform Agreement	2026-27	2030-31	3,625.8	3,995.2	4,314.8	4,660.0	5,032.8	21,628.5
Bentley Hospital Surgicentre	2024-25	2027-28	17.5	17.5	24.5	-	-	59.4
Supporting Older Australian Patients	2024-25	2027-28	15.4	15.9	16.0	-	-	47.3
Community Health and Hospitals Program for Western Australia	2019-20	2024-25	24.6	-	-	-	-	24.6
Public Dental Services for Adults	2016-17	2025-26	9.7	-	-	-	-	9.7
New born Bloodspot Screening Expansion	2024-25	2027-28	4.0	2.0	2.0	-	-	8.0
National Mental Health and Suicide Prevention	2023-24	2026-27	3.0	-	-	-	-	3.0
Essential Vaccines (excluding free of charge resources)	2017-18	2027-28	1.4	2.2	2.2	-	-	5.8
Access to HIV Treatment for People who are not Eligible for Medicare	2022-23	2026-27	3.0	2.5	-	-	-	5.5
John Flynn Prevocational Doctor Program	2022-23	2026-27	2.8	1.7	-	-	-	4.6
National Bowel Cancer Screening Program	2020-21	2027-28	1.0	1.1	1.1	-	-	3.2
Expanding Access to Cervical Screening Services	2024-25	2026-27	1.4	1.0				2.5
Specialist Dementia Care	2019-20	2026-27	0.9	0.9	-	-	-	1.7
Improving Trachoma Control Services	2021-22	2025-26	1.6	-	-	-	-	1.6
Comprehensive Palliative Care in Aged Care	2019-20	2025-26	1.0	-	-	-	-	1.0
Smoking and Vaping Cessation Activities	2023-24	2026-27	0.5	0.5	-	-	-	1.0
Rheumatic Fever Strategy	2021-22	2025-26	0.9	-	-	-	-	0.9
Lymphoedema Compression Garments	2019-20	2028-29	0.2	0.2	0.2	-	-	0.6
OzFoodNet Program	2020-21	2026-27	0.2	0.2	-	-	-	0.5
Stillbirth Autopsies and Investigations	2022-23	2025-26	0.5	-	-	-	-	0.5
Encouraging More Clinical Trials in Australia	2021-22	2024-25	0.5	-	-	-	-	0.5
Vaccine Preventable Diseases Surveillance Program	2020-21	2026-27	0.1	0.1	-	-	-	0.2
TOTAL HEALTH			3,716.2	4,040.9	4,360.8	4,660.0	5,032.8	21,810.5

Table 12.1 (cont.)

COMMONWEALTH TIED GRANTS (a)(b)(c)

	Terms of the Latest Agreement		Estimated Commonwealth Funding to Western Australia					Total Five Years \$m
	Funding Start Year	Funding Expiry Year	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m	
EDUCATION								
Better and Fairer Schools Agreement	2024-25	2034-35	1,483.4	1,565.9	1,618.0	1,672.0	1,742.1	8,081.4
National Preschool Reform Agreement ^(d)	2021-22	2027-28	56.6	57.1	28.3	-	-	142.0
National Student Wellbeing Program	2022-23	2026-27	7.7	7.7	-	-	-	15.5
Consent and Respectful Relationships Education	2023-24	2027-28	2.4	1.0	1.0	-	-	4.3
School Pathways Program	2023-24	2025-26	1.1	-	-	-	-	1.1
TOTAL EDUCATION			1,551.3	1,631.7	1,647.2	1,672.0	1,742.1	8,244.3
TRAINING AND WORKFORCE DEVELOPMENT								
National Skills Agreement ^(e)	2023-24	2028-29	268.5	290.1	295.8	283.0	262.2	1,399.7
Fee-Free TAFE Skills Agreement	2022-23	2026-27	18.6	13.4	-	-	-	32.0
TOTAL TRAINING AND WORKFORCE DEVELOPMENT			287.1	303.5	295.8	283.0	262.2	1,431.7
AFFORDABLE HOUSING								
National Agreement on Social Housing and Homelessness	2024-25	2028-29	194.6	199.3	203.1	202.8	202.8	1,002.7
100,000 Homes for First Home Buyers	2026-27	2028-29	-	79.1	58.7	74.2	-	212.0
HomeBuilder	2020-21	2025-26	0.6	-	-	-	-	0.6
TOTAL AFFORDABLE HOUSING			195.3	278.5	261.8	277.0	202.8	1,215.3

Table 12.1 (cont.)

COMMONWEALTH TIED GRANTS (a)(b)(c)

	Terms of the Latest Agreement		Estimated Commonwealth Funding to Western Australia					Total Five Years \$m
	Funding Start Year	Funding Expiry Year	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m	
COMMUNITY AND DISABILITY SERVICES								
National Agreement on Foundational Support - Thriving Kids	2025-26	2030-31	-	29.7	29.7	29.7	29.7	118.8
Family, Domestic and Sexual Violence Responses	2021-22	2029-30	14.3	9.1	8.6	8.8	9.0	49.7
Accessible Australia	2025-26	2025-26	1.0	-	-	-	-	1.0
TOTAL COMMUNITY AND DISABILITY SERVICES			15.4	38.8	38.3	38.5	38.7	169.5
INFRASTRUCTURE								
Land Transport Infrastructure Projects	2024-25	2028-29	2,086.4	2,261.0	1,617.2	946.0	679.4	7,590.1
Pilbara Ports Common User Upgrades Agreement	2023-24	2028-29	133.0	272.0	5.0	20.0	-	430.0
National Water Grid Fund	2021-22	2030-31	41.3	19.8	30.6	0.6	8.0	100.2
Henderson - Stage 1 - Continuity of Service Funding	2025-26	2025-26	30.0	-	-	-	-	30.0
Sw an Active Ellenbrook	2024-25	2027-28	17.5	5.0	2.5	-	-	25.0
Perth City Deal ^(f)	2020-21	2024-25	-	1.8	-	-	-	1.8
Regional Roads Australia Mobile Program Tranche 3	2024-25	2027-28	3.6	-	0.4	-	-	4.0
Busselton Jetty	2024-25	2024-25	5.0	-	-	-	-	5.0
Administration of Community Infrastructure Programs ^(g)	2024-25	2024-25	- ^(h)	-	-	-	-	- ^(h)
TOTAL INFRASTRUCTURE			2,316.9	2,559.6	1,655.7	966.6	687.4	8,186.1

Table 12.1 (cont.)

COMMONWEALTH TIED GRANTS (a)(b)(c)

	Terms of the Latest Agreement		Estimated Commonwealth Funding to Western Australia					Total Five Years \$m
	Funding Start Year	Funding Expiry Year	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m	
ENVIRONMENT								
Energy Bill Relief Fund	2023-24	2025-26	174.9	-	-	-	-	174.9
Phase Out of Live Sheep Exports by Sea - transition assistance	2024-25	2028-29	16.3	15.6	10.5	0.2	-	42.5
Household Energy Upgrades Fund (Social Housing)	2024-25	2026-27	10.9	18.3	-	-	-	29.3
Pest and Disease Preparedness and Response Programs ⁽ⁱ⁾	2022-23	2028-29	14.4	6.3	2.8	1.6	-	25.0
Recycling Infrastructure	2021-22	2025-26	12.5	-	-	-	-	12.5
Disaster Ready Fund - Round Three	2025-26	2025-26	12.1	-	-	-	-	12.1
Urban Rivers and Catchments Program	2023-24	2027-28	3.9	3.5	2.6	-	-	9.9
Future Drought Fund - Regional Drought Resistance Planning	2025-26	2028-29	0.5	2.3	1.9	1.8	-	6.5
Future Drought Fund - Farm Business Resilience	2025-26	2028-29	-	1.7	1.7	1.7	-	5.2
Protecting Our Communities (Disaster Resilience)	2024-25	2024-25	4.2	-	-	-	-	4.2
Community Solar Banks	2023-24	2025-26	3.7	-	-	-	-	3.7
Partnering to Implement the National Soil Action Plan 2023-28 Program	2024-25	2027-28	0.9	0.7	0.5	-	-	2.1
World Heritage Management	2023-24	2027-28	0.4	0.4	0.4	0.4	0.4	2.1
Food Waste for Healthy Soils	2022-23	2025-26	1.9	-	-	-	-	1.9
Critical Minerals National Productivity Initiative	2024-25	2024-25	-	0.7	0.7	-	-	1.4
Enhancing National Pest Animal and Weed Management	2020-21	2025-26	1.0	0.1	-	-	-	1.0
National Plant Health Surveillance Program	2021-22	2028-29	0.2	0.2	0.2	0.2	-	0.6
Boosting HPAI Biosecurity Response Capability	2024-25	2025-26	0.5	-	-	-	-	0.5
Northern Australia Plant/People Capacity and Response Network	2022-23	2025-26	0.5	-	-	-	-	0.5
TOTAL ENVIRONMENT			258.7	49.7	21.2	5.9	0.4	335.9

Table 12.1 (cont.)

COMMONWEALTH TIED GRANTS (a)(b)(c)

	Terms of the Latest Agreement		Estimated Commonwealth Funding to Western Australia					Total Five Years \$m
	Funding Start Year	Funding Expiry Year	2025-26 Estimated Actual \$m	2026-27 Budget Year \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	2029-30 Outyear \$m	
OTHER								
Natural Disaster Relief and Recovery Arrangements	2018-19	n.a.	35.7	325.6	63.2	-	-	424.5
National Access to Justice Partnership	2025-26	2029-30	98.4	101.1	103.1	105.2	107.3	515.1
Provision of Fire Services - Memorandum of Understanding	2022-23	2026-27	2.7	2.7	2.7	2.7	2.7	13.6
National Support and Intervention Program	2025-26	2027-28	3.1	3.2	3.4	-	-	9.7
National Firearms Register	2024-25	2027-28	1.3	3.7	1.7	-	-	6.7
Family Law Information Sharing	2025-26	2027-28	1.2	1.2	1.3	-	-	3.7
Specialised Legal Services for Victims & Survivors of Sexual Violence	2023-24	2027-28	1.2	1.2	0.6	-	-	2.9
Strategic Indigenous Tourism Projects	2024-25	2025-26	2.1	-	-	-	-	2.1
Implementation of Mandatory Country of Origin Labelling for Seafood	2024-25	2024-25	0.1	- ^(h)	- ^(h)	-	-	0.2
TOTAL OTHER			145.7	438.8	176.1	107.9	110.0	978.5
TOTAL COMMONWEALTH TIED GRANTS			8,486.4	9,341.4	8,456.9	8,010.8	8,076.4	42,371.8

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) Excludes grants that the Commonwealth characterises as its own-purpose expenditures.
- (c) Includes funding under expected continuations of agreements.
- (d) Includes \$33,000 in 2025-26 for the former Universal Access to Early Childhood Education 2018 – 2021 agreement.
- (e) Includes \$5 million in 2024-25 and 2025-26 for the TAFE Centres of Excellence Project Plan.
- (f) Excludes Commonwealth funding paid directly to Edith Cowan University as this is not included in the State Budget.
- (g) 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.
- (h) Amounts less than \$50,000.
- (i) Funding start and expiry years reflect the three active programs under this agreement that Western Australia is a party to.

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

2026-27 Economic and Fiscal Outlook

