

WA 2024 – 25 State Budget

On Thursday 9th May 2024, the Western Australian Labor Government handed down its eighth State Budget. The first for Treasurer, Rita Saffioti MLA.

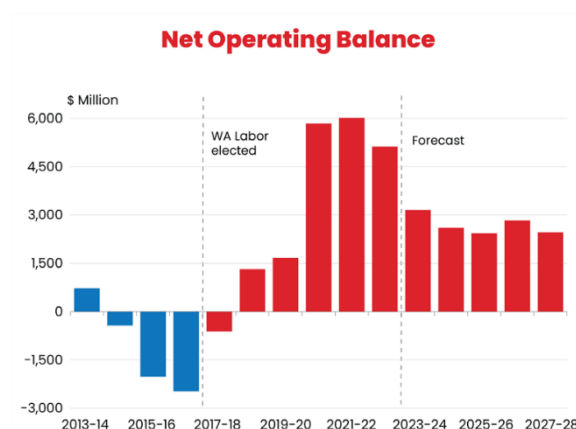
This budget continues to deliver the Nation's strongest economy, with a \$3.2 billion operating surplus this financial year whilst still providing cost of living relief, support to the health system, transport infrastructure, and a boost to housing and land supply.

The WA Premier commented that the economy is strong, and unemployment remains at a historic low, they understand everyday expenses are impacting many people. This year's State Budget responds to the immediate needs of Western Australians and sows the seeds for long-term prosperity.

Economic and Fiscal Outlook

WA's economy is performing very well, with 4.7% domestic growth in 2023, more than twice the growth of the national economy.

- The economy has been fuelled by the strongest business investment in more than a decade, record infrastructure investment by the WA Labor Government, and the strongest population growth on record – 94,000 people in a year.
- WA accounts for nearly half of national exports, generating almost \$260 billion in wealth for the nation.
- More than 1.6 million Western Australians are employed, and the WA Labor Government has created more than 300,000 jobs since coming to office in 2017.
- Unemployment is the lowest in the nation at 3.4% and has been sustained at historic low levels for the second longest period in recorded history.
- Perth CPI has moderated to 3.4%, below national inflation of 3.6%.

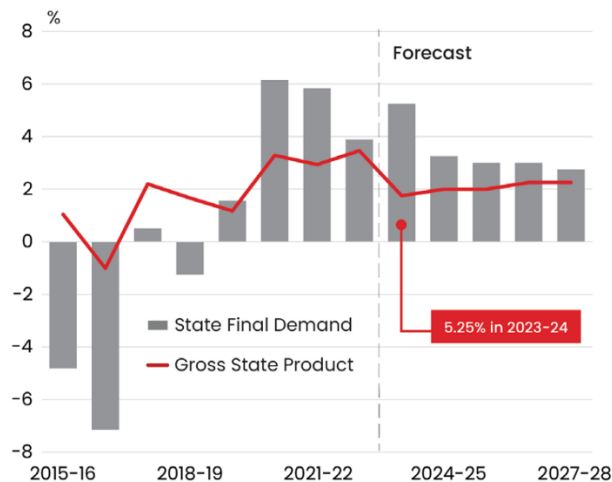


Source: WA State Budget 2024-2025

The 2024-25 Budget highlights WA’s nation-leading economic and financial management.

- A sixth consecutive operating surplus of \$3.2 billion is forecast in 2023-24, in line with last year’s estimates.
- A \$2.6 billion operating surplus is projected in 2024-25 with operating surpluses over the forward estimates period.
- This Budget continues their record investment in infrastructure, with \$42.4 billion to be spent over the next four years.
- Net debt is expected to be lower than forecast at \$28.6 billion in 2023-24, more than \$15 billion lower than projected when WA Labor came to office.
- Compared with other States and Territories, Western Australia’s net debt is relatively stable and the most affordable in the nation.
- Relative to the size of the State’s economy, net debt as a percentage of Gross State Product is expected to remain at just 9.7% by 2027-28 - unchanged from the forecast last Budget and lower than any other jurisdiction.

Economic Growth Western Australia



Source: WA State Budget 2024-2025

The State’s Budget papers, including Treasurer Saffioti’s speech are available from the WA Government’s Our State Budget website, [here](#).

Below are a series of highlights from across a range of policy areas contained within the budget.

Housing and Homelessness

- \$400 million in additional funding for the expanded Social and Affordable Housing Investment Fund, bringing the total number of new social homes to almost 5,000.
- Funding available to support affordable housing projects in partnership with the Commonwealth through Housing Australia funding and the community housing sector.
- \$179 million maintenance investment for WA's 45,000 social homes, government worker housing, and other assets.
- \$144 million to deliver new housing projects, including at Pier Street in Perth.
- \$92 million to support more than 120 critical homelessness services across the State, as well as wrap-around services for rough sleepers to transition into permanent accommodation.
- \$85 million to boost the capacity of residential construction workforce, including:
 - \$21 million for an additional 150 places to subsidise wages for new apprentices and trainees for Group Training Organisations.
 - \$37 million to provide incentives to complete apprenticeships, including tool allowances and milestone payments.
- \$82 million to increase the stamp duty exemption threshold for first home buyers to \$450,000 and increase the concession threshold to \$600,000, assisting almost 5,000 first home buyers per year, and increasing the total saving to up to \$15,390 in stamp duty.
- \$5 million for \$5,000 incentive payments to encourage owners of vacant homes to make them available on the rental market.

Cost of Living Support

- \$492 million to deliver a fourth electricity credit, with \$400 of assistance to all households and more than 90,000 small businesses.
- Additional energy bill relief will be provided to those most in need, with \$734 of support for pensioners and at least \$1,086 for eligible families.
- \$103 million for the WA Student Assistance Payment, providing further support for families with \$250 available for each high school student and \$150 for each kindy and primary school student.
- \$41 million to provide free public transport to school-aged students.
- \$65 million to continue WA Labor's affordable airfare caps for regional WA residents.
- \$20 million to boost the Regional Pensioner Travel Card by \$100, to \$675, to support pensioners in regional WA with travel costs.
- \$8 million for free flu vaccines in May and June for all Western Australians aged six months and older.

Health and Mental Health

This Budget continues the record investment in health and mental health, with a further \$3.2 billion to boost capacity, employ more staff, and improve access to quality care.

WA has the best-funded hospital system per capita in the country, 14% above the national average, with annual spending on health services increasing by 45% since 2017.

- \$1.2 billion for public hospital services, to meet the growing demand for services in Western Australia.
- \$405 million for health services in the regions, including more funding for regional workforce initiatives and priority programs, such as the Patient Assisted Travel Scheme and Kimberley Ambulance Service.

- \$260 million on mental health and alcohol and other drug services, including further investment in suicide prevention initiatives.
- \$61 million to build on previous responses to the recommendations of the Infant, Children, and Adolescent Mental Health Taskforce.
- \$155 million for initiatives that will continue to improve emergency access and reduce ambulance ramping.
- \$39 million for Child Development Services to deliver an increase in assessment and intervention services.
- \$839 million in additional infrastructure investment, bringing total investment to \$3.3 billion.

Economic Diversification and Energy Transition

This Budget advances the Cook Government's economic agenda to expedite approvals reform and promote future industries, including science and innovation.

- \$500 million fund to unlock WA's strategic industrial areas and pave the way for WA to become a global leader in clean energy.
- \$200 million for a new Critical Minerals Advanced Processing Common User Facility, subject to joint funding from the Commonwealth.
- \$373 million investment in port facilities across the State, including delivery of the Dampier Bulk Handling Facility, plus upgrades to maintain capacity and resilience.
- \$15 million for a business case to increase the supply of water to the Goldfields to meet future needs and industry growth.
- \$324 million to undertake extensive planning and procure long-lead transmission infrastructure for the State's main electricity grid to unlock industry growth and connect more renewable energy.
- \$148 million to construct common user electricity network infrastructure in the North West Interconnected System in the Pilbara.
- \$36 million to continue to reform approvals system and slash red tape, including establishing cross-government triage teams and accelerating the roll-out of Environment Online.
- \$53 million to establish a Founders Factory accelerator in WA to support entrepreneurs and start-ups, as well as to continue STEM initiatives, support growth in the State's space industry and for new exhibits at Scitech.
- \$352 million boost for tourism including a major Outdoor Adventure Tourism package to upgrade tourism facilities around the State and support regional businesses.

Environment and Water

- \$73 million of additional investment in Plan for WA Parks.
- \$67 million investment in the Forest Management Plan 2024-33.
- \$30 million to strengthen regional bushfire management.

These investments are in addition to the measures we have delivered to protect the environment, including:

- legislating the State's commitment to net zero.
- ending native forest logging.
- continuing the biggest expansion of WA's conservation estate in history.

The 2024-25 Budget commits an additional \$320 million to upgrade vital water infrastructure across the State, to unlock development and secure Western Australia's water supply.

- \$80 million additional investment in vital water and wastewater pipeline renewals.
- \$97 million to boost water security in the regions.

Education and Training

- \$391 million will be invested to meet student enrolment growth for both public and non-government schools, and support students with disability or who speak English as an additional language.
- \$410 million to build new schools, expand capacity, and upgrade and maintain existing schools
- \$195 million investment in training including expanding the capacity of the WA construction workforce. This includes \$13 million for the Heavy Driver training program and Skilled Migrant Job Connect program. It also includes \$8 million for further fee free TAFE
- \$1.6 billion over the next four years to build, upgrade, and redevelop schools.

Metronet and Transport Infrastructure

The METRONET program of works comprises 18 projects that are delivering a world-class public transport system, supporting thousands of local jobs and opportunities for local businesses.

- \$4.8 billion investment in METRONET over the forward estimates, supported by \$2.9 billion in funding from the Commonwealth. This Budget includes \$254 million in additional State funding for METRONET infrastructure.
- \$373 million investment in port facilities across the State, including delivery of the Dampier Bulk Handling Facility, plus upgrades to maintain capacity and resilience of infrastructure.
- \$116 million for Westport, including for early marine, civil and road works to transition container trade from Fremantle to Kwinana, unlocking future trade opportunities and economic capacity.
- \$240 million for key freight routes including the Brooking Channel Bridge, Bunbury Outer Ring Road, Albany Ring Road, and improvements to Great Northern Highway in the Kimberley and the Pilbara.
- \$65 million to extend the Regional Airfare Zone Cap scheme, which has so far delivered more than a quarter of a million capped airfares for regional residents.
- \$29 million for upgrades to airstrips in regional centres and Aboriginal remote communities.

Communities

- \$96 million for family and domestic violence response, prevention, and reform initiatives. The package includes \$54 million to expand and reform interagency FDV Response Teams, with a focus on early intervention to keep victim-survivors safe.
- \$88 million for child protection initiatives, including \$46 million to expand access to the Home Stretch WA program for young people leaving out of home care, providing support to the age of 21.
- \$16 million State investment towards a \$35 million boost for the 10-year Early Years Partnership.
- \$70 million towards reforms that will improve fairness, advocacy, and services for persons with mental impairment in the justice system, while ensuring the safety of the community.

- \$17 million to support the historic overhaul of firearms laws.
- \$16 million for youth justice programs for at-risk young people.
- \$23 million for an additional 60 Career Fire and Rescue Service firefighters, which brings the total commitment in this term of Government to 132 extra career firefighters.
- \$9 million to support WA's essential volunteer emergency services.
- \$18 million to improve facilities at fire stations.

WA Regions

- \$405 million investment in regional health services, including a funding boost to the Patient Assisted Travel Scheme.
- \$85 million for dedicated regional cost of living support.
- \$73 million for Plan for WA Parks, including the proposed South Coast Marine Park and the Fortescue Marsh Nature Reserve.
- \$60 million in grants for regional community housing providers to deliver new and refurbished housing.
- \$107 million for the Brooking Channel Bridge replacement in the Kimberley to improve the resilience of infrastructure to future flooding.
- \$35 million investment in regional housing, including delivery of development-ready land in Broome, Karratha, and Kalgoorlie.
- \$30 million for additional bushfire mitigation and frontline resources at priority locations.
- \$29 million for upgrades to regional and remote airstrips across the State.

WA Women

The 2024-25 Budget invests in services and initiatives to improve women's health, wellbeing, safety, and workforce opportunities.

- \$96 million for prevention of family and domestic violence, bringing total investment to \$422 million since 2021.
- \$173 million in additional funding for the Bunbury Regional Hospital redevelopment.
- \$16 million State investment into the Early Years Partnership, with a further \$19 million from the Minderoo Foundation, supporting initiatives that deliver better outcomes for children in the critical early stages of child development.
- Additional funding to bring the 75-bed Cockburn Mental Health Clinic, formerly operated by Bethesda, into the public mental health system.
- \$46 million to extend the payment of superannuation on unpaid parental leave from 12 to 24 weeks, for all WA public sector employees.
- Record funding for the Women's Grants for a Stronger Future Program, with a \$1.4 million boost over 2023-24 and 2024-25.
- \$5 million for upgrades to Career Fire and Rescue Station shower and locker rooms to enable privacy for women.

Arts, Sports, Recreation and Tourism

- \$165 million for a new Outdoor Adventure Tourism package that will allow Western Australians to enjoy our natural attractions and will drive regional tourism.

- Record \$150 million investment in the future of Rottnest Island, including a massive expansion in staff accommodation for island businesses, relocation of freight from the Main Jetty, and upgrades for utilities.
- \$37 million for other tourism initiatives to continue to attract international and interstate visitors, secure unique and major blockbuster events, and create a new Metro Events Program to support more local events.
- \$13 million to fund a screen industry workforce development plan and encourage digital games production, bringing investment under the WA Screen Industry Strategy to \$32 million.
- \$233 million to progress construction of WA's new screen production facility in Malaga.
- \$7 million top-up to the Community Sporting and Recreation Facilities Fund, bringing total investment in 2024-25 to \$26 million, supporting 35 projects across the State.
- \$6 million funding uplift for arts organisations.

Aboriginal Wellbeing

- \$73 million for Plan for WA Parks initiatives supporting Indigenous land use agreements with Native Title holders.
- Creating job opportunities on WA major road projects.
- \$9 million for Jobs and Skills Centres Aboriginal support funding, the Aboriginal Business Capability Building Program and financial counselling services.
- \$16 million for the Early Years Partnership to improve wellbeing and school readiness for children aged 0 to 4 in communities.
- \$8 million for the Driver Access and Equity Program supporting employment and economic opportunities through better access to vehicle licence training.
\$12 million for the Aboriginal Social and Emotional Wellbeing Program providing mental health support in five communities, including one youth-specific program in the Kimberley.
- \$8 million for additional health and mental health services including renal dialysis, eye services and suicide prevention.
- \$6 million for Aboriginal Representative Organisation and Aboriginal Family Led Decision Making to promote the safety of children in child protection.
- \$6 million for Community Liaison Officers employed by WA Police.
- \$16 million for youth justice programs.
- \$25 million to improve energy performance for housing in Aboriginal Communities in the Kimberley and regional towns.

Further Information

For more information, please contact Hawker Britton's WA Director Juliana Plummer on 0427 519 224

Further Hawker Britton Occasional Papers on the activities of the Western Australian Government are available [here](#).