



Government of **Western Australia**  
Department of **Treasury**



# Western Australia State Budget 2024-25

WACOSS Post Budget Briefing – 10 May 2024





# Acknowledgement of Country

We respectfully acknowledge the Traditional Custodians, the Whadjuk people of the Noongar Nation on whose Country we are meeting on today and pay our respects to their Elders past and present.

We also extend our respect and acknowledgment to all Traditional Custodians and Aboriginal communities throughout Western Australia and their continuing connection to Country, culture, and community.

We acknowledge and pay tribute to the strength and stewardship of Aboriginal people in sustaining the world's oldest living culture and value the contribution Aboriginal people make to Western Australia's communities and economy.

# Highlights – 2024-25 WA State Budget

The 2024-25 Budget provides cost of living relief for Western Australian families and invests in key services including housing and health.



\$762 million **cost of living relief** for WA households and support for small businesses



\$1.3 billion for **education and training**



\$1.1 billion **housing package** focused on boosting supply



\$1.8 billion **diversification and decarbonisation** package



\$3.2 billion investment in our **health system**



\$42.4 billion record **infrastructure** investment

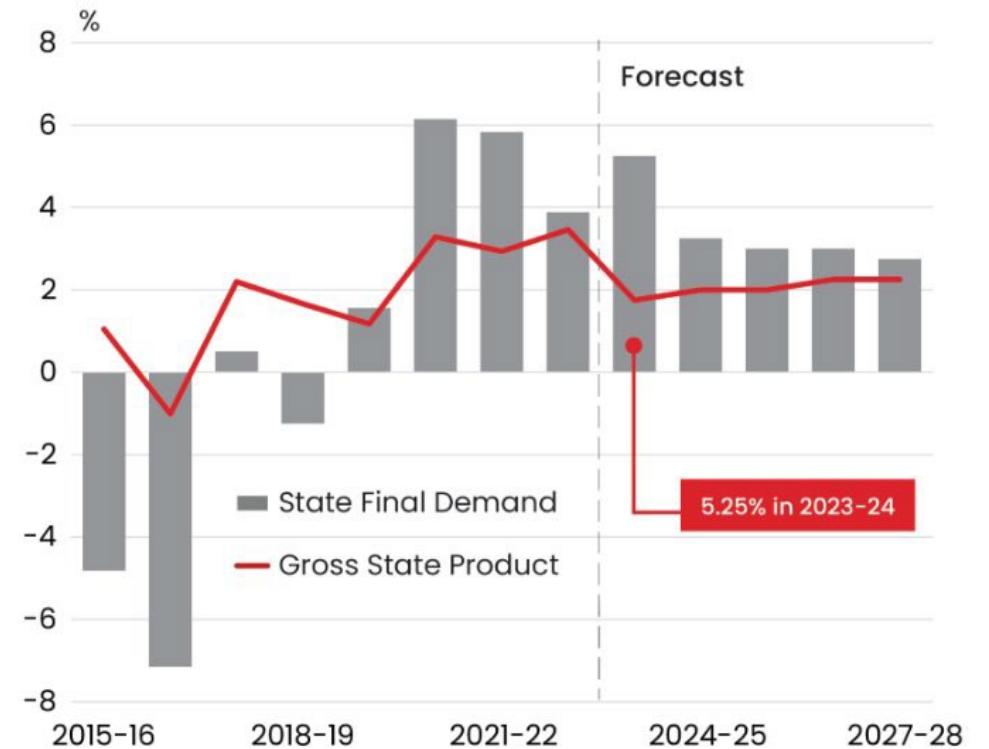


# WA Economic Outlook

# WA Economy

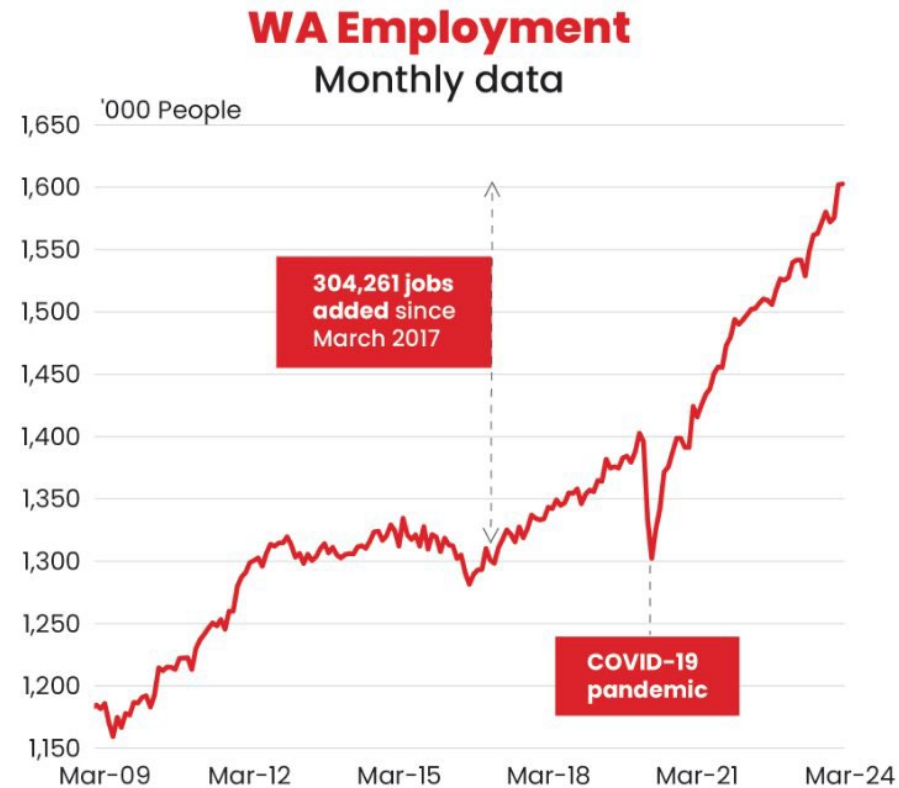
- 5.25% domestic economic growth forecast for 2023-24.
- Strongest business investment in over a decade.
- Significant Government investment in infrastructure, expanding economic capacity.
- Western Australian household consumption resilient and the strongest in the nation.

## Economic Growth Western Australia

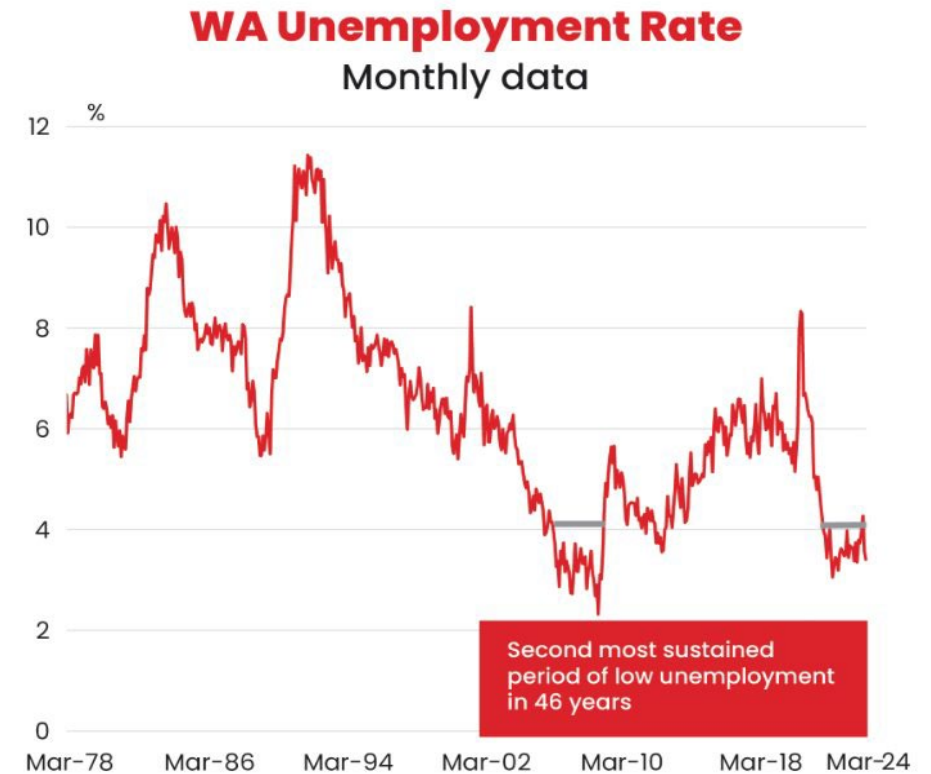


# Labour Market

Strong employment growth continues with more than 1.6 million Western Australians now employed, over 300,000 jobs added since 2017.

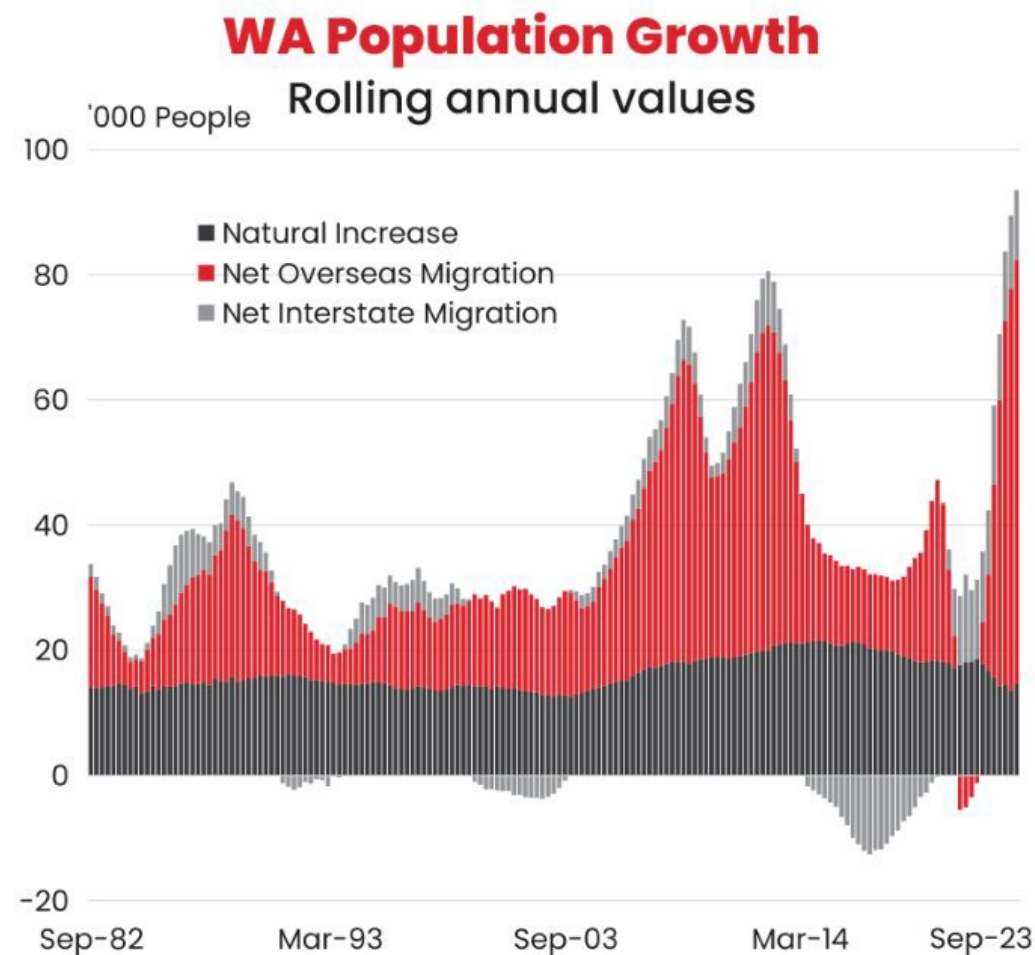


Unemployment rate the lowest of the States and at historically low levels.



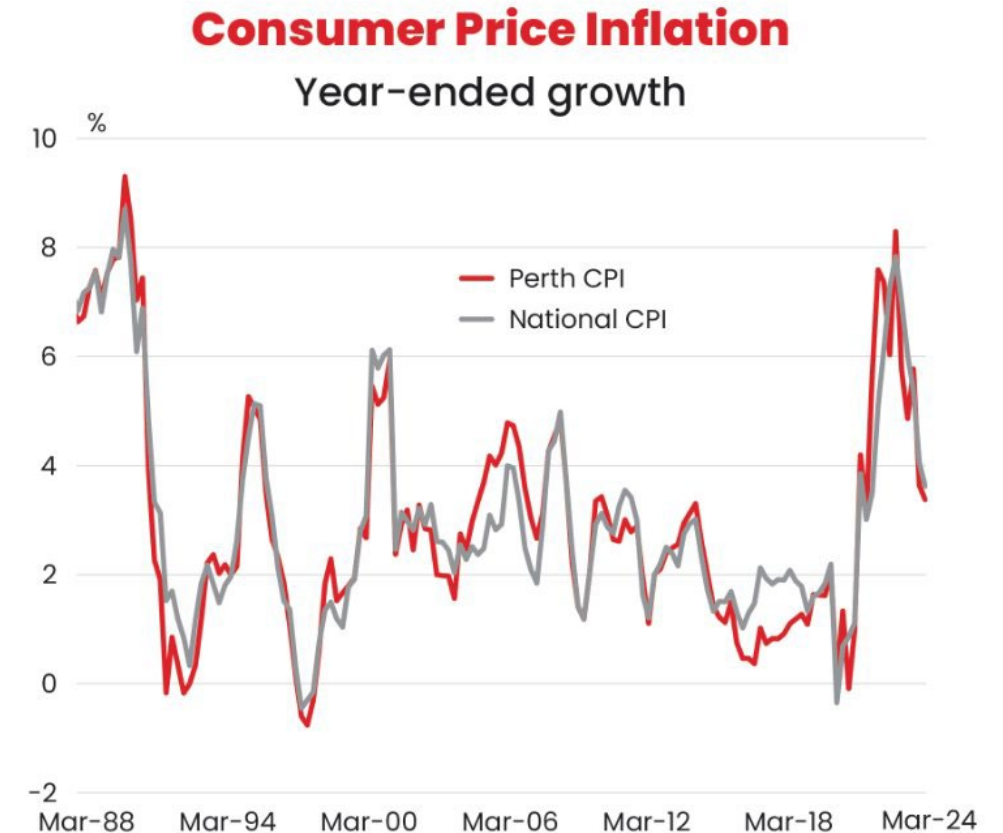
# Population Growth

- **Western Australia's population grew by 94,000 people over the year to September – the biggest increase on record.**
- Population growth has been fuelled by strong net overseas migration nationally, as well as net interstate migration.
- WA's population is expected to exceed 3 million people next financial year.



# Inflation

- **Global inflation has eased from its peak in late 2022, but some pressures persist.**
- **WA CPI declined to 3.4% to March 2024:**
  - Below 3.6% nationally.
  - Housing price pressures persist.
- **Treasury forecast CPI to ease to 3% by mid-2025 and 2.5% by mid-2026.**



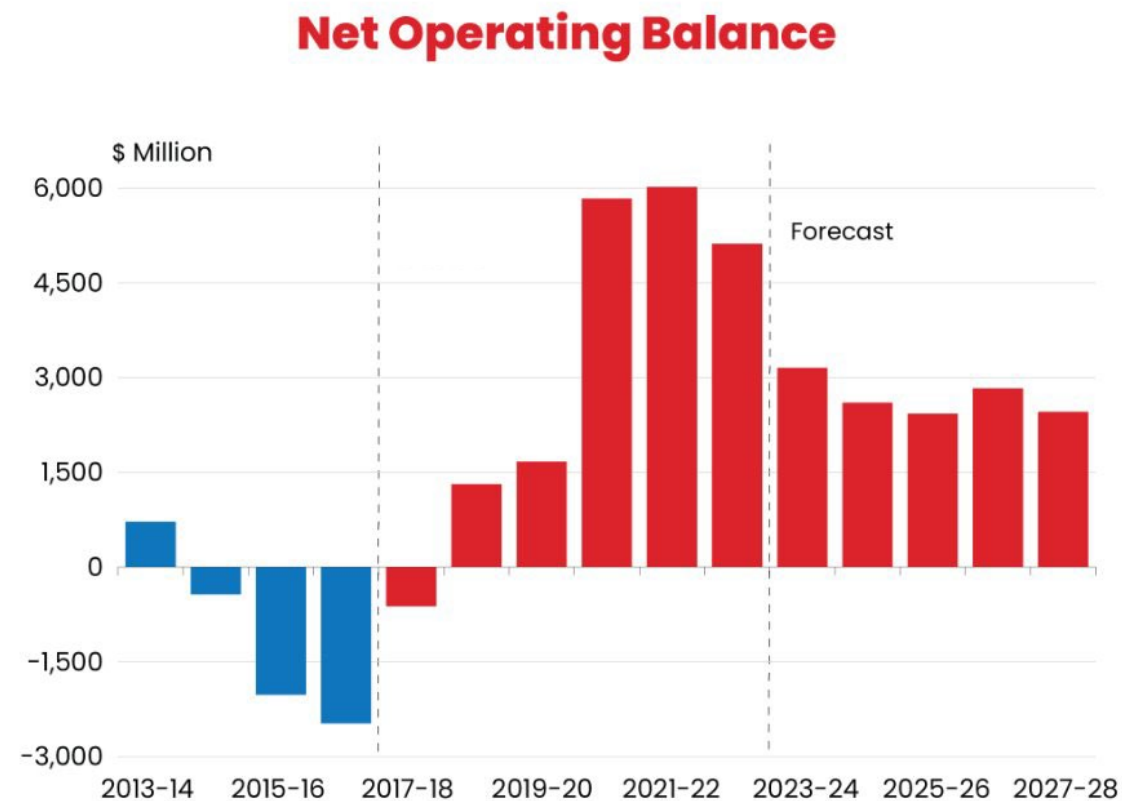


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# WA State of the Finances

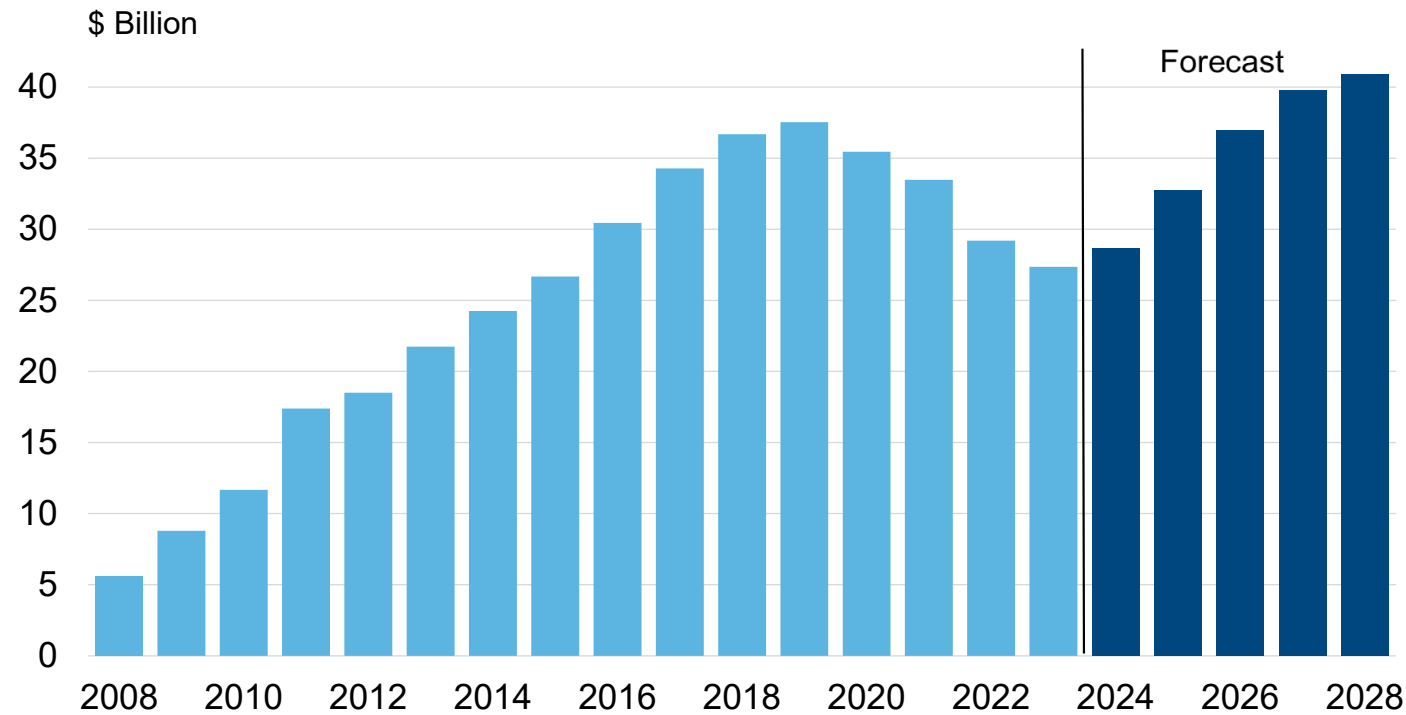
# Net Operating Balance

- **Sixth consecutive operating surplus in 2023-24 of \$3.2 billion.**
- \$2.6 billion surplus projected in 2024-25.
- Operating surpluses to be maintained across the forward estimates period.
- Strong financial position allows record investments in frontline services, cost of living support and infrastructure.



# Net Debt

- **Forecast net debt of \$40 billion by the end of forward estimates**
  - Balancing cost of capital works.
  - Conservative revenue forecasts.

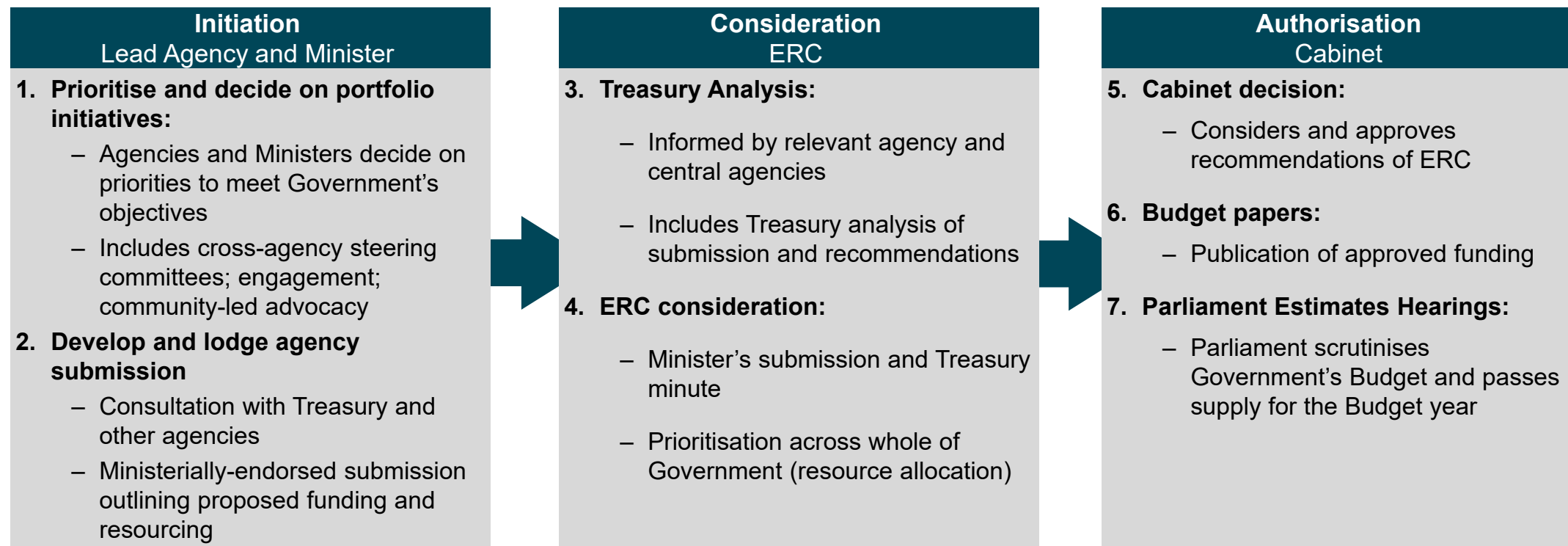


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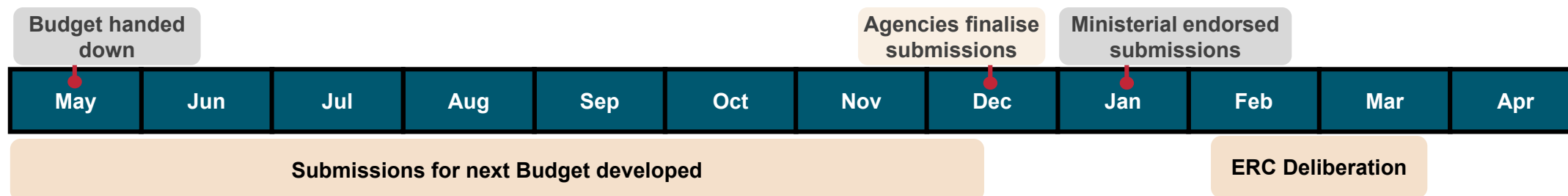
# Authorising Environment

# State Budget Process

Timing is important – there is a short window between Budget decision-making cycles



Typical timeframes (note this will be different in an election year)





# Key Initiatives: 2024-25 State Budget

# Supporting WA households

**\$762 million cost of living package delivering record support to Western Australian families:**

- **\$400 electricity credit** for all WA households and small businesses.
- **WA Student Assistance Payment** providing up to \$250 per child.
- **Free public transport for school students** saving up to \$560 for a family with two kids.
- \$65 million to extend **regional airfare caps**.
- \$100 boost to the **Regional Pensioner Travel Card** to \$675 per year.



# Housing

- **Massive \$1.1 billion additional investment to boost housing supply and affordability, and support homelessness services.**
- \$400 million investment in the Social and Affordable Housing Investment Fund increasing total investment to \$1.6 billion.
- Almost 5,000 social houses committed in this term with more than 2,100 already delivered.
- \$179 million uplift to maintain the State's 45,000 social, remote and government worker houses.
- \$144 million in Housing Diversity Pipeline projects.





# Stronger Communities

- \$96 million for family and domestic violence initiatives and reform, bringing total new investment to \$422 million since 2021.
- \$88 million for child protection initiatives.
- \$70 million to implement reforms to improve fairness, advocacy and services for persons with mental impairment in the justice system.
- \$17 million to support historic overhaul of firearms laws.
- \$16 million for youth justice programs for Aboriginal and at-risk young people.



# Supporting Community Services Sector

Support for services contracted to the **non-government community services sector** include:

- \$44.3 million in Non-Government Human Services Sector (NGHSS) indexation updates.
- \$80.5 million for Health and Mental Health-related community service providers, including:
  - \$32.2 million to continue existing suicide prevention initiatives, of which \$18 million will go to community service providers.
- \$96.4 million to address and respond to FDV, including:
  - \$28.1 million to continue the FDV Response Teams (FDVRT) operating model, of which \$19 million will go to extending existing contracts delivered by community service providers.
- \$92.2 million to boost critical homelessness services delivered by the sector, including:
  - \$70.2 million increase in baseline funding for over 120 homelessness services providers.

# Aboriginal Wellbeing

**Almost \$300 million in further investments** focused on Closing the Gap and other initiatives which specifically or predominantly promote Aboriginal wellbeing, including:

- \$16 million for a range of youth justice programs, including the Therapeutic Approaches in the Children's Court of WA.
- \$12 million for the Aboriginal Social and Emotional Wellbeing Program.
- \$9 million for Jobs and Skills Centres Aboriginal Support funding, the Aboriginal Business Capability Building program, and financial counselling services delivered by ACCOs.
- \$6 million for Aboriginal Representative Organisation and Aboriginal Family Led Decision Making.
- \$3 million for the Aboriginal Community Connectors Program.

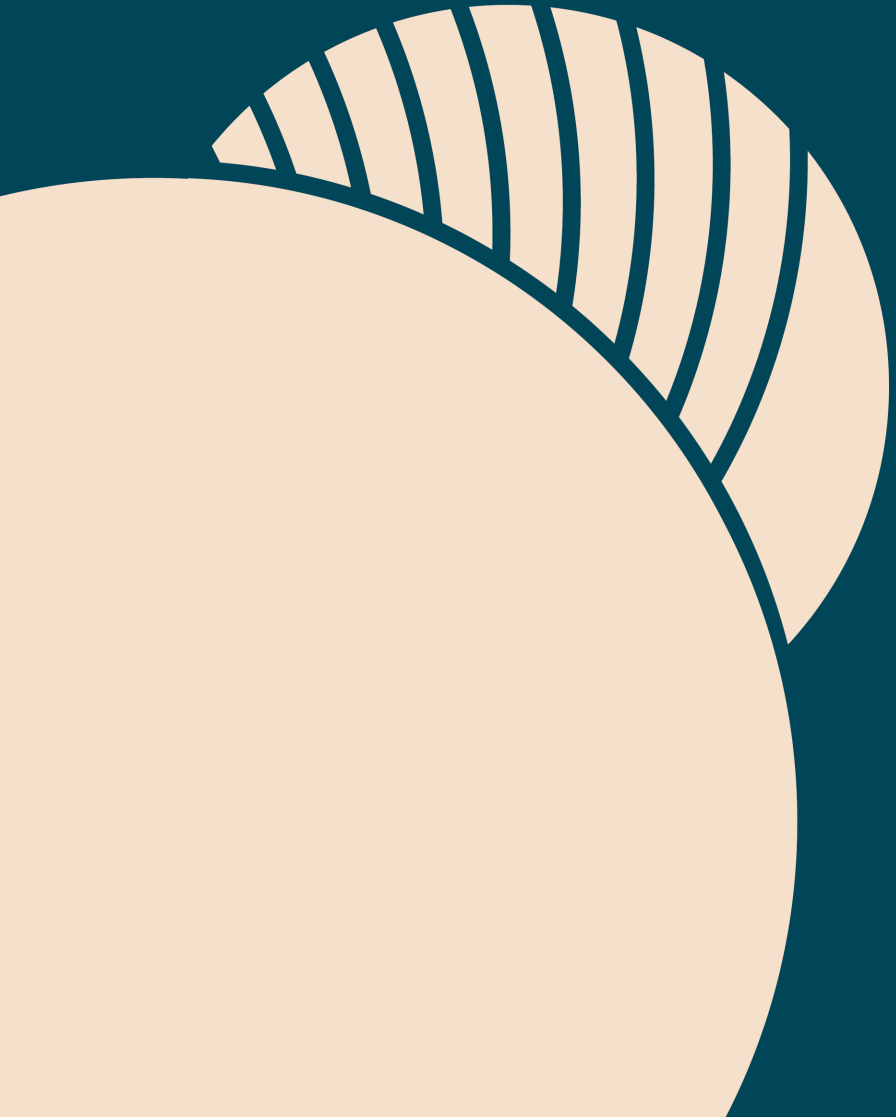
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# Summary

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The WA 2024-25 Budget provides:

- Cost of living support for households and small businesses.
- Boosting housing supply and affordability.
- Investing in key services including our health system, education and training.
- Strengthening our communities.
- Diversifying and decarbonising our economy through reform to make it easier to do business, investments in key industries and enabling infrastructure.



**Thank you**

Any questions?