



Government Mid-year Financial Projections Statement

2025-26

December 2025



2025-26

**Government Mid-year Financial
Projections Statement**

DECEMBER 2025

2025-26 Government Mid-year Financial Projections Statement
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An electronic copy of this report may be obtained at www.dtf.wa.gov.au
ISSN 1444-9110 (print)
ISSN 1839-9002 (on-line)

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Under Treasurer's Certification

The *Government Financial Responsibility Act 2000* (GFRA) requires that the Treasurer release a Government Financial Strategy Statement at least once every year (section 11), and a *Government Mid-year Financial Projections Statement* (or Mid-year Review) updating the Budget-time forecasts by 31 December each year (section 13). The required content of these statements is detailed in sections 11 and 13 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 Budget Paper No. 3: *Economic and Fiscal Outlook*, presented to the Legislative Assembly on 19 June 2025;
- the content of this Mid-year Review meets the requirements of section 13 of the GFRA. In particular:
 - Appendix 1 details the projections required by section 13(2)(a) of the GFRA;
 - Chapters 1 and 2 detail the economic and other assumptions underlying the Mid-year Review projections (section 13(2)(b));
 - Chapter 1 details the compliance of the projections with the Government's financial targets (section 13(2)(c)); and
 - the Statement of Risks in Chapter 1 details the sensitivity of the projections to various economic and financial assumptions and other risks (sections 13(2)(d) and (e)); and
- this certification gives effect to the requirements of sections 13(2)(f) and 13(6).

This Mid-year Review is based upon Government decisions that I was aware of or that were made available to me by the Treasurer, together with other relevant information known to Treasury and Finance, on or before the Mid-year Review cut-off date of 1 December 2025 and which have a material effect on the State's financial projections.

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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: *Financial Projections and Strategy* and Chapter 2: *The Western Australian Economy*. These assumptions were finalised by Treasury and Finance, under my direction, on 1 December 2025.

A handwritten signature in black ink, appearing to read 'Joann Wilkie', with a stylized, cursive script.

JOANN WILKIE
UNDER TREASURER

18 December 2025

Financial Projections and Strategy

HIGHLIGHTS

- Despite ongoing global uncertainty, the Western Australian economy continues to perform strongly with the outlook for the domestic economy improving since the 2025-26 Budget. This reflects stronger than expected household and government spending, along with sustained high levels of business investment.
- While moderating from recent highs, population growth continues to drive demand for government services and infrastructure. In response, the Government is investing heavily in frontline services, with this Mid-year Review providing a boost to health and mental health services, new housing and homelessness initiatives, and additional funding for child protection and family and domestic violence services.
- Infrastructure investment is also increasing with Asset Investment Program spending over the next four years totalling \$41.8 billion (up \$3.8 billion from the 2025-26 Budget). This program includes \$1.5 billion to be invested through the new Building Hospitals Fund, the delivery of energy decarbonisation projects, and the completion of major transport initiatives.
- Careful financial management has ensured that the State's finances remain in a strong position, with an eighth consecutive general government operating surplus forecast in 2025-26 of \$2.5 billion. Operating surpluses ranging from \$2.7 billion to \$3.1 billion are forecast across the outyears.
- Total public sector net debt at 30 June 2026 is now forecast to be \$35.7 billion, down \$3.3 billion on the level projected at the time of the Budget. At just 7.6% of Gross State Product, this level of net debt remains the lowest in the nation.
- Western Australia remains the only Australian State or Territory with a triple-A credit rating from both Moody's Investors Service and S&P Global.

Introduction

The outlook for the State's finances remains positive with upgrades to key financial indicators relative to the 2025-26 Budget:

- the general government operating surplus for 2025-26 has been revised up by \$89 million to \$2.5 billion;
- higher operating surpluses are forecast across the outyears in the range of \$2.7 billion to \$3.1 billion;
- the infrastructure program has grown by \$3.8 billion to a total of \$41.8 billion over the four years to 30 June 2029; and
- total public sector net debt by the end of the forward estimates period has been revised down by \$352 million to \$42.1 billion at 30 June 2029.

Both general government revenue and expenses have been revised up in the Mid-year Review on the back of continued strong growth in the domestic economy, improvements in commodity prices (particularly iron ore and gold), higher than expected population levels, and the Government's continued investment in frontline service delivery. Additional spending has been allocated to the following key priorities:

- \$1.9 billion boost to health services, including \$1.5 billion for the Building Hospitals Fund;
- an additional \$435 million for housing supply and affordability, with \$234 million allocated for 329 new social homes and 91 refurbishments, increasing investment to over 6,600 social and affordable dwellings;
- \$502 million for community services, including \$300 million for the WA Stolen Generations Redress Scheme and \$110.5 million for family and domestic violence services;
- \$623 million for community safety, with \$181.1 million to expand Acacia Prison and \$147 million to deliver a New Youth Detention Facility;
- various economic development and decarbonisation initiatives, including \$171.3 million to activate more industrial land and investment in headworks to support development, and \$27 million for renewable energy assets in Aboriginal communities; and
- \$165 million in additional cost of living initiatives including extending the Regional Airfare Zone Cap, broadening the Patients Assisted Travel Scheme, support for households experiencing hardship with energy bills, subsidised travel for people with disabilities, and extending the WA Rent Relief Scheme. This is on top of the record \$963 million investment in the 2025-26 Budget, with the one-zone flat fare to commence from 1 January 2026.

Further details on spending changes are outlined in *Appendix 3: Major Spending Changes*.

The following table summarises the key financial aggregates for the 2025-26 Mid-year Review.

Table 1						
KEY BUDGET AGGREGATES						
Western Australia						
	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29
	Actual	Budget Estimate	Mid-year Revision	Outyear	Outyear	Outyear
GENERAL GOVERNMENT SECTOR						
Net Operating Balance (\$m)	3,652	2,414	2,503	2,903	2,725	3,148
Revenue (\$m)	49,689	50,257	51,406	50,202	49,633	50,500
Revenue Growth (%)	8.1	3.9	3.5	-2.3	-1.1	1.7
Expenses (\$m)	46,037	47,844	48,903	47,300	46,908	47,352
Expense Growth (%)	11.0	4.3	6.2	-3.3	-0.8	0.9
TOTAL PUBLIC SECTOR						
Net Debt at 30 June (\$m)	30,172	38,968	35,704	40,369	41,671	42,132
Net Debt as a share of GSP (%)	6.6	9.1	7.6	8.8	8.8	8.6
Asset Investment Program (\$m)	13,132	12,061	12,633	11,751	8,982	8,434
Cash Surplus/Deficit (\$m)	-1,718	-4,837	-4,940	-4,155	-839	-46

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Key assumptions underlying the Mid-year Review financial projections are shown in the following table. A detailed discussion of the economic outlook is provided in Chapter 2: *The Western Australian Economy*.

KEY ASSUMPTIONS ^(a)
Western Australia

Table 2

	2024-25	2025-26	2026-27	2027-28	2028-29
	Actual	Mid-year Revision	Outyear	Outyear	Outyear
Real Gross State Product growth (%) ^(b)	1.3 (0.5)	2.25 (2.5)	3.0	2.5	2.0
Real State Final Demand growth (%) ^(b)	3.0 (3.25)	3.0 (2.5)	2.75 (2.5)	3.0 (2.75)	3.0 (2.75)
Employment growth (%)	3.1 (3.0)	1.25 (1.75)	1.5	1.5	1.5
Unemployment rate (%) ^(c)	3.7 (3.75)	4.25 (3.75)	4.25 (4.0)	4.25	4.5 (4.25)
Wage Price Index growth (%) ^(d)	3.7 (3.75)	3.5	3.0	3.0	3.0
Perth Consumer Price Index growth (%) ^(d,e)	2.7 (2.75)	3.25 (2.75)	2.75 (2.5)	2.5	2.5
Iron ore price (\$US/tonne CFR) ^(c,f)	100.9 (101.4)	96.6 (77.6)	72.0	72.0	72.0
Iron ore volumes (million dry tonnes)	864 (858)	879 (878)	881 (883)	886	885
Crude oil price (\$US per barrel) ^(c)	73.4 (72.9)	64.6 (63.0)	62.1 (64.0)	63.1 (65.3)	64.7 (66.3)
Exchange rate (US cents) ^(c)	64.8 (64.7)	65.1 (64.6)	65.4 (65.7)	66.9 (67.1)	68.3 (68.4)
Population growth (%) ^(d,g)	2.2 (1.9)	1.9 (1.8)	1.7	1.7	1.6
Interest rate assumptions (%):					
– Public Bank Account earnings ^(c)	4.5	3.8 (3.7)	3.7	3.7 (3.6)	3.7 (3.6)
– Consolidated Account borrowings ^(c)	3.6 (3.5)	3.6	3.7	3.9	4.1

(a) 2025-26 Budget assumptions shown in parentheses where different.

(b) Based on 2024-25 State Accounts data and State Final Demand for the September quarter 2025.

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

(d) Data expressed in year-ended terms.

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

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

(g) Estimated actual.

General Government Sector

Operating Statement

A general government operating surplus of \$2.5 billion is forecast for 2025-26, \$89 million higher than the \$2.4 billion surplus forecast in the 2025-26 Budget. Operating surpluses are also forecast in each year of the forward estimates period, broadly in line with those projected in the 2025-26 Budget.

The following table summarises the changes in general government revenue and expenses since the 2025-26 Budget estimates were finalised on 19 June 2025.

Table 3

SUMMARY OF GENERAL GOVERNMENT REVENUE AND EXPENSE VARIATIONS SINCE THE 2025-26 BUDGET					
	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m	Total \$m
2025-26 BUDGET - NET OPERATING BALANCE	2,414	2,419	2,634	2,845	
Revenue					
<i>Taxation</i>	979	654	763	783	3,178
- Total Duty on Transfers	830	499	613	623	2,565
- Motor Vehicle Taxes	130	129	128	133	520
- Landfill Levy	18	21	12	7	58
- Other Taxes	1	5	10	19	36
<i>Commonwealth Grants</i>	-980	435	523	409	387
- GST Grants	128	206	337	424	1,095
- Disability Grants	-1,007	-	-	-	-1,007
- Education and Training Grants	42	78	49	15	184
- Transport Grants	-230	40	104	-57	-144
- Health Grants	108	20	5	1	134
- Critical Minerals Processing Centre Grants	-49	48	48	-	47
- Other Commonwealth Grants	27	44	-19	26	78
<i>Royalty Income</i>	1,723	252	237	192	2,404
- Iron Ore	1,585	17	19	8	1,629
- Gold	167	234	215	184	799
- Other Royalties	-29	1	3	1	-24
<i>Revenue from Public Corporations</i>	-918	1,069	84	120	355
- Dividends	-934	1,036	46	65	213
- Tax Equivalents	15	33	38	55	141
<i>Sales of Goods and Services</i>	275	243	250	245	1,013
- Public Sector Reform Changes	189	180	182	180	731
- Other Sales of Goods and Services	86	62	68	66	282
All Other	70	85	15	5	175
TOTAL REVENUE	1,148	2,738	1,872	1,753	7,512

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

Table 3 (cont.)

**SUMMARY OF GENERAL GOVERNMENT REVENUE AND EXPENSE
VARIATIONS SINCE THE 2025-26 BUDGET**

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m	Total \$m
Expenses					
WA Health	324	106	61	34	525
Premier and Cabinet	251	91	53	78	472
Western Australia Police Force	78	89	37	40	243
Transport and Major Infrastructure	82	-8	119	18	210
Western Australian Sports Centre Trust	42	48	57	63	210
Education	57	89	45	17	208
<i>Other Changes</i>					
General Government Recurrent Expenditure Provision	-	1,020	750	750	2,520
Public Sector Reform Changes	179	170	173	171	693
Interest Expenses	37	74	52	51	215
Provision for Yet-To-Be-Announced-Decisions	81	87	16	16	200
Provision for NDIS contributions	-163	-	-	-	-163
All Other	92	489	419	214	1,214
TOTAL EXPENSES	1,059	2,255	1,781	1,451	6,546
TOTAL VARIANCE	89	483	91	303	966
2025-26 MID-YEAR REVIEW - NET OPERATING BALANCE	2,503	2,903	2,725	3,148	

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

Revenue

General government revenue is forecast to reach \$51.4 billion in 2025-26. Across the four years to 2028-29, revenue has been revised up by a total \$7.5 billion (or 3.9%) since the 2025-26 Budget. This mainly reflects:

- higher Commonwealth grants (up \$387 million), including:
 - an increase in GST grants (up \$1.1 billion), primarily due to an upward revision to Western Australia's estimated share of the national population and the impact of revised financial estimates released by other jurisdictions;
 - the earlier than expected receipt of DisabilityCare Australia Fund revenue (down \$1 billion), which was forecast to be received in 2025-26 but was paid to the State in 2024-25;
 - a \$184 million increase in funding for education and training following agreement on a two-year extension of the Preschool Reform Agreement (\$114 million), and additional National Skills Agreement funding (\$61.6 million);
 - lower transport funding (down \$144 million), reflecting retimed contributions towards jointly-funded projects to align with revised project schedules (\$213 million decrease), partially offset by additional funding for market-driven cost increases (\$64 million), and additional grants for the Safer Local Roads and Infrastructure Program (\$5 million);
 - a \$134 million increase in health-related grants, primarily reflecting extended funding for existing programs, including the Multi-purpose Services Program, Commonwealth Home Support Program, Aged Care Assessment Program, and Public Dental Services for Adults; and
 - the retiming of \$47 million of assumed Commonwealth funding towards the establishment of a Critical Minerals Advanced Processing (CMAP) Common User Facility;
- higher taxation revenue (up \$3.2 billion), mainly due to:
 - a \$2.6 billion increase in forecast total transfer duty collections, reflecting a higher than expected rise in property prices since Budget, and a larger volume of high value commercial transactions;
 - motor vehicle taxes (up \$520 million), reflecting higher vehicle licence duty due to higher than expected sales of both new and used cars; and
 - Landfill Levy (up \$58 million), reflecting higher waste volumes from the delayed commissioning of Waste to Energy facilities;

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- higher royalty income (up \$2.4 billion), primarily due to:
 - higher iron ore royalties (up \$1.6 billion), reflecting an upward revision to the assumed iron ore price in 2025-26, from \$US77.6 per tonne at Budget to \$US96.6 per tonne in this Mid-year Review. This reflects that prices have remained steady at around \$US100 per tonne, well above the 2025-26 Budget price assumptions; and
 - higher gold royalties (up \$799 million), due to upward revisions to price assumptions with strong global demand underpinning record spot prices;
- higher sales of goods and services (up \$1 billion), mainly for:
 - the Department of Housing and Works (up \$740 million), mainly reflecting service delivery agreement revenue for employee arrangements for Housing Authority staff (a public non-financial corporation) following implementation of Public Sector Reforms earlier this year¹; and
 - the Western Australian Sports Centre Trust (up \$149 million), largely reflecting the impact of updates to the number and type of events at Optus Stadium in 2025-26 and over the outyears; and
- higher revenue from public corporations (up \$355 million), primarily due to:
 - the Insurance Commission of Western Australia (up \$113 million), reflecting the impact of increased motor vehicle numbers on forecast premium revenue, and higher investment returns;
 - Western Power (up \$111 million), largely driven by increases in forecast network tariff revenue, higher capital contributions, and a net reduction in interest expenses;
 - DevelopmentWA (up \$56 million), mainly due to increased sales revenue from residential and industrial land developments; and
 - Fremantle Ports Authority (up \$41 million), reflecting higher port charges implemented from 1 October 2025.

This Mid-year Review also reflects the Government's decision to defer 2025-26 interim dividends for both the Water Corporation and Western Power (\$848 million and \$172 million respectively) to 2026-27, to better match the receipt of revenue with the timing of recurrent spending and to balance associated liquidity requirements.

In aggregate terms, revenue is forecast to grow by 3.5% in 2025-26, down from a projected 3.9% at Budget.

¹ The 2025-26 Budget assumed that the Housing Authority would be an Employing Authority in its own right and that this public corporation would directly incur salary, superannuation and other employee costs. However, in finalising administrative requirements following implementation of the Government's Public Sector Reforms (which took effect from 1 July 2025) the arrangements now reflect the general government part of the Department of Housing and Works is responsible for the Authority's employees. As a result, the general government sector now receives Service Delivery revenue from the Housing Authority and incurs salary and related costs.

Detailed forecasts of general government sector revenue are available in Appendix 2: *General Government Operating Revenue*.

THE 2018 GST DISTRIBUTION REFORMS

Western Australia's GST grant fell to just 30% of its population share of the national GST pool in 2015-16, lower than any other State had ever experienced at the time. Following advocacy from the Western Australian Government, the Commonwealth directed the Productivity Commission (PC) to examine the way GST is distributed in Australia.

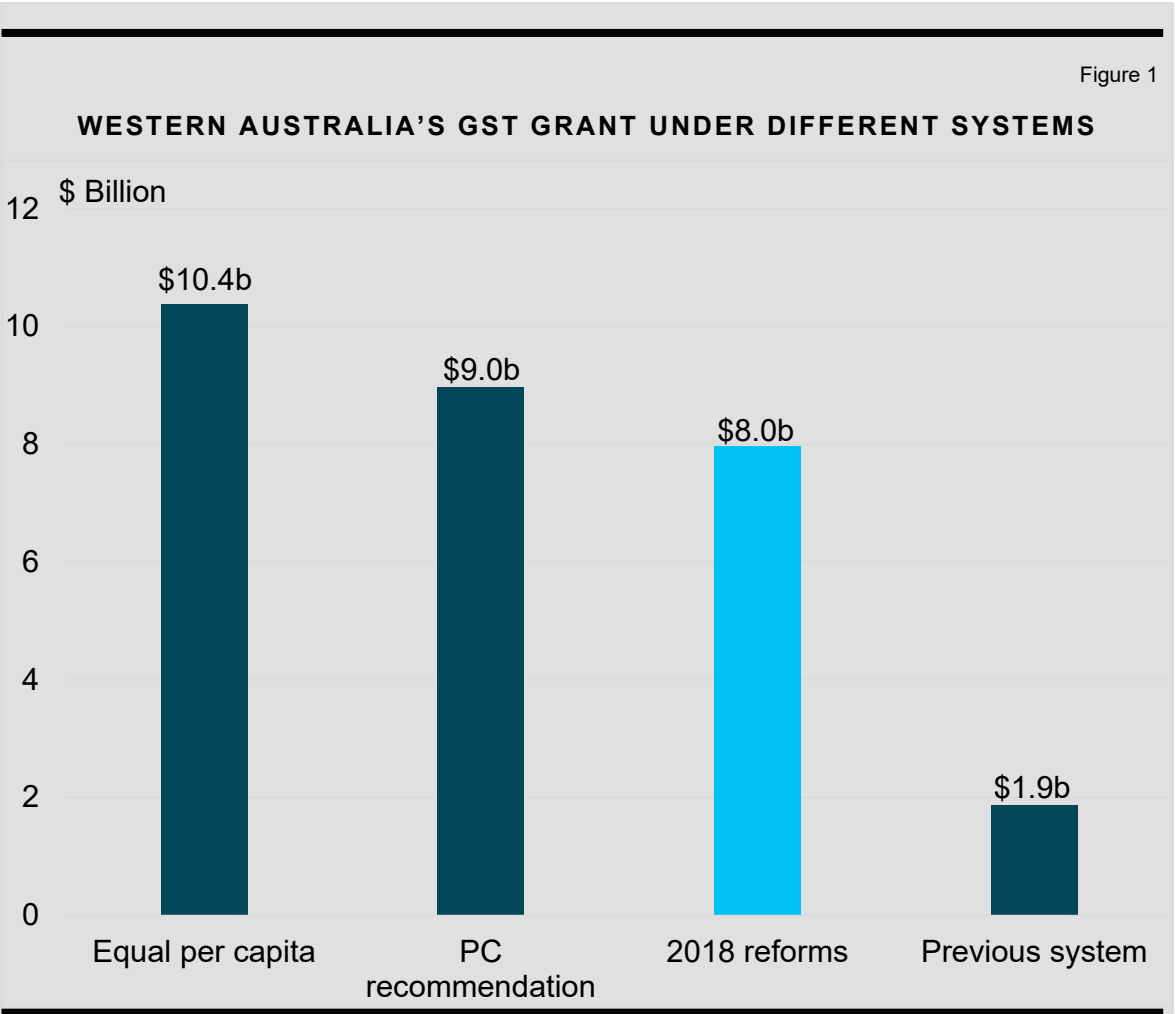
In 2018, the PC inquiry report found that Australia's system of horizontal fiscal equalisation had many problems, was too extreme and needed to change. The PC concluded there was a need for a 'better balance between equity and efficiency'.

In response to the PC's findings, the Commonwealth Government legislated the 2018 GST distribution reforms, which recognise that the way GST was distributed among the States had significant weaknesses, including discouraging policies that support mineral and energy development.

The legislated 2018 reforms include a 'floor' below which no States' relativity can fall, set at 75% from 2024-25, transitioning to a new equalisation benchmark of the fiscally stronger of New South Wales or Victoria from 2026-27 onwards. The reforms also include a temporary guarantee to ensure no State or Territory is worse off as a result of the reforms, which has been extended by the Commonwealth through to 2029-30.

Without the 2018 reforms, Western Australia would be around \$6 billion per annum worse off as highlighted in Figure 1. The State's GST relativity would have fallen to a record low (under 10%) in 2023-24, and 18% in 2025-26 (noting no other State has ever received a GST relativity less than 83%). With the reforms, the State is expected to receive \$8 billion in GST grants this financial year, below its population share of \$10.4 billion, and still providing a \$2.4 billion subsidy to other States and Territories.

Notably, while the 2018 GST reforms deliver a more reasonable balance between equity and economic efficiency, the reforms did not go as far as the PC's recommendation at the time to equalise to the average fiscal capacity of States and Territories, which would have resulted in Western Australia receiving a \$9 billion GST grant this financial year.



In line with the requirements of the 2018 legislated reforms, the Commonwealth has tasked the PC to review whether the reforms are operating efficiently, effectively and as intended, and their fiscal implications for States and the Commonwealth, with the PC expected to release its final report by the end of 2026.

The State Government’s campaign that ‘WA’s GST is working for Australia’ is underway, highlighting the importance of the 2018 GST reforms continuing not just to support the Western Australian economy but the national economy. The GST reforms provide a reasonable balance between supporting smaller jurisdictions, while encouraging national productivity.

Western Australia accounts for almost half of the nation’s goods exports and is the most productive State in per capita terms. If the reforms are unwound, it would undermine the State’s ability to invest in critical economic infrastructure, including ports, roads, utilities and strategic industrial areas that are essential to continue to grow the State’s output, as well as its ability to deliver essential public services such as hospitals, schools and police.

The 2018 GST reforms have been criticised due to their increased cost to the Commonwealth through the no-worse-off guarantee. This increase is largely due to higher than expected iron ore prices. Since the reforms were implemented in 2018, this has resulted in an additional \$21 billion flowing to other States and Territories.

The increased cost to the Commonwealth is significantly outweighed by the additional company tax collections, due to the higher iron ore prices, which are estimated at around three times more than the cost of the no-worse-off guarantee.

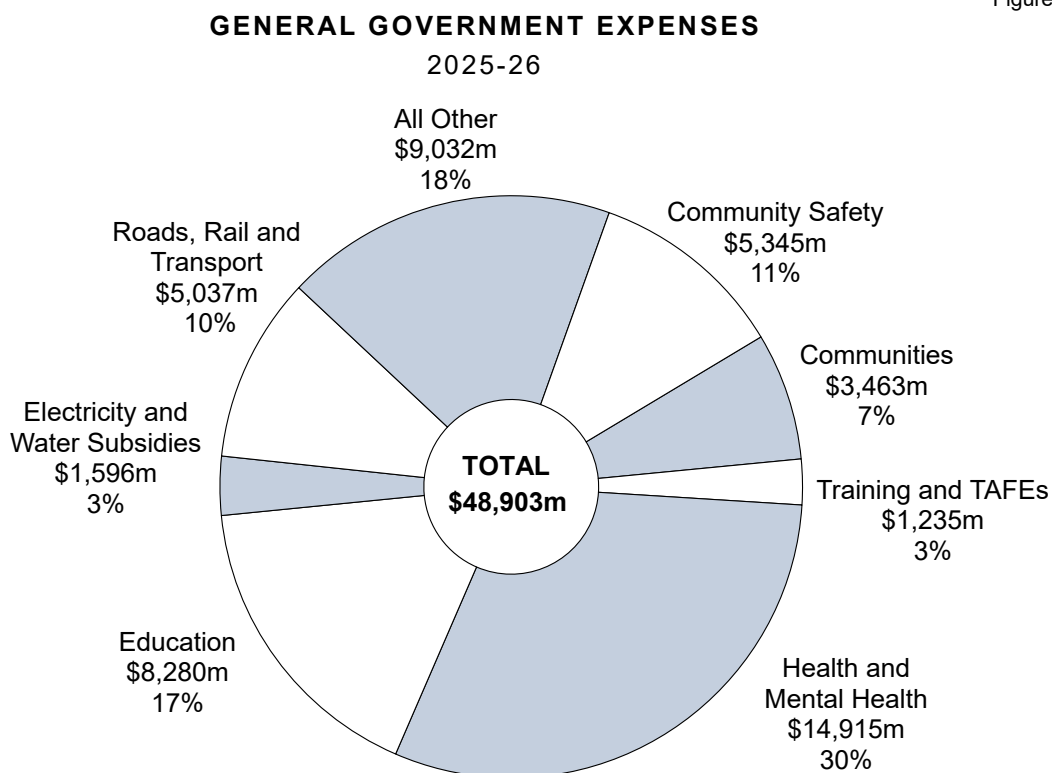
In addition to continuing the 2018 GST reforms, changes are also required to the underlying GST system to address significant flaws in the methodology and to further incentivise States and Territories to grow their economies, including developing mineral resources.

Given the critical importance of the GST distribution, the State Government has boosted resources to the Department of Treasury and Finance to support active engagement in the review, with evidence-based submissions and representations to support retention of the reforms, and ensure the State maintains its fair share of the GST, which is important to all Western Australians.

Expenses

General government expenses are forecast to be \$48.9 billion in 2025-26. Across the four years to 2028-29, recurrent expenditure has been revised up by \$6.5 billion (or 3.6%). A key focus of the additional expenditure is supporting the delivery of health, mental health, education and training, child protection, and family and domestic violence services.

Figure 2



Note: Segments may not add due to rounding.

Material recurrent spending changes since the Budget include:

- health and mental health services (up \$525 million), mainly reflecting:
 - \$111 million across various Commonwealth funding agreements, including for the support of integrated rural and remote aged care and health services under the Multi-Purpose Service Program, continuation of entry-level in-home aged care services under the Commonwealth Home Support Program, and the delivery of aged care assessments under the Aged Care Assessment Program (funded through the Commonwealth's new Single Assessment System);
 - \$101 million in spending carried over and reflowed from 2024-25, including spending by the Future Health Research and Innovation Fund, and for various digital projects and other recurrent programs;
 - \$95 million to meet various election commitments, including investments in paid paramedics in Dawesville and Australind, additional funding for Women's Health Centres, expanding the Patient Assisted Travel Scheme, a new clinic for the Broome Aboriginal Medical Service, community-based diabetes support, costs to support the relocation of Cancer Council WA, and costs for the expansion of the Wirraka Maya Aboriginal Health Service;
 - \$50 million for the delivery of priority maintenance and minor capital works projects through the Health Asset Maintenance Fund; and

- an increase in other health spending, such as \$29 million for the treatment of Western Australian residents in interstate hospitals, \$22 million for vaccines funded by the Commonwealth under the National Immunisation Program, and \$20 million for the operation of the WA Children’s Hospice;
- the Department of the Premier and Cabinet (up \$472 million), primarily for compensation payments and implementation costs for the Government’s Stolen Generations Redress Scheme (\$293 million), payments for the Stolen Wages Class Action claims carried over from 2024-25 (\$76 million), additional spending on Executive Government services (\$33 million), costs for the expansion of the Office of the Coordinator General (\$13 million), and an increase in the State’s Telethon donation for 2025-26 (\$8 million);
- Western Australia Police Force (up \$243 million), mainly to meet additional depreciation expenses resulting from a revised land and building valuation (\$73 million), ICT contract renewals and critical system upgrades (\$66 million), and spending on new road safety initiatives (\$50 million), including expanding education programs, awareness campaigns, community partnerships, and safety camera technology;
- the Department of Transport and Major Infrastructure (up \$210 million), primarily for the continuation of the Regional Airfare Zone Cap scheme (\$68 million) and the Driving Access and Equity (\$12 million) and CoastWA (\$8 million) programs, timing changes and the reclassification of spending previously expected to be incurred as asset investment for the Westport program of works (\$30 million), establishment of program control systems and functions within the Office of Major Infrastructure Delivery (\$22 million), increased costs for the Passenger Transport Subsidy Scheme (\$11 million), and increased spending on infringement processing (\$5 million);
- the Western Australian Sports Centre Trust (up \$210 million), mainly due to updated operating expenditure forecasts at Optus Stadium (\$137 million), which reflect the latest estimates of the number and type of events to be held at the stadium as well as the cost of a new Turf Replacement Lifecycle program, and higher depreciation costs (\$74 million) largely as a result of building revaluations; and
- the Department of Education (up \$208 million), including increased spending under the two-year extension of the Preschool Reform Agreement (\$110 million), updates across a range of other spending supported by Commonwealth Agreements, including the Sporting Schools Program and Services to Indian Ocean Territories (\$16 million), and higher depreciation costs (\$68 million) associated with upward revaluations to the Department’s building assets brought to book at 30 June 2025.

Other material changes in general government expenses since the Budget include:

- a \$2.5 billion provision for spending on priority services to be considered as part of the 2026-27 Budget;

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- the recognition of \$693 million of employee-related expenses, matched by revenue, for the newly formed Department of Housing and Works, which reflects the new department becoming the Employing Authority for Housing Authority employees following Public Sector Reforms implemented from 1 July 2025 (see Revenue section earlier in this chapter);
- a \$215 million increase in interest costs, reflecting the impact of an additional \$750 million in central borrowings across the forward estimates, and other interest costs (\$154 million), predominantly for the payment of interest on public non-financial corporation account balances held in the Public Bank Account;
- a \$200 million expense provision for decisions that are expected to be announced after the release of the Mid-year Review; and
- reversal of the \$163 million provision for outstanding National Disability Insurance Scheme contributions payable to Commonwealth, with these costs settled in 2024-25.

Further detail on material changes in recurrent spending by general government agencies is available in Appendix 3: *Major Spending Changes*.

EXPANDING HOSPITAL CAPACITY

The Government is making significant investments to expand health system capacity as part of the 2025-26 Mid-year Review to transform Western Australia's public hospital system, including major redevelopments at Royal Perth Hospital (RPH) and Peel Health Campus.

Total health infrastructure spending over the four years to 2028-29 will increase to \$4.9 billion, including the establishment of the \$1.5 billion Building Hospitals Fund (BHF), which will deliver new hospital capacity and meet the needs of our growing population. As part of the 2025-26 Mid-year Review, \$70.4 million of BHF spending has been allocated to the following health infrastructure priorities:

- \$29.3 million in planning and development funding for the RPH Emergency Department Expansion;
- \$16.3 million in planning and development funding for the Peel Health Campus redevelopment; and
- \$24.8 million to deliver a Radiation Oncology Unit at Geraldton Health Campus.

In addition to allocations from the BHF, the Mid-year Review includes additional investments to expand hospital capacity, including:

- \$18.8 million to deliver the Mullewa Community Hospital redevelopment;
- \$7.1 million to deliver a new master plan for the broader RPH precinct; and
- \$1.5 million to expand renal dialysis capacity in Geraldton.

This Mid-year Review also provides an additional \$64.6 million to enhance our existing hospital capacity, including the \$50 million Health Asset Maintenance Fund (announced August 2025) and \$14.6 million for minor building works and refurbishments (see Appendix 3).

In line with the Government's health infrastructure election commitments, \$31 million will also be provided to the following organisations:

- \$11 million for the Broome Regional Aboriginal Medical Service towards delivery of a new Broome clinic;
- \$10 million to the Wirraka Maya Aboriginal Health Service to develop their new and expanded facility in South Hedland; and
- \$10 million to progress Cancer Council WA's relocation from their Crawford Lodge within the Queen Elizabeth II Medical precinct to Milroy Lodge in Shenton Park.

The Government will also provide more support for mental health facilities through an additional \$17.3 million for the Fremantle Hospital Mental Health Beds project, and \$8.5 million to deliver the Broome Step Up/Step Down service.

Balance Sheet

The net worth of the general government sector is forecast to increase from \$192.2 billion at 30 June 2025 to \$214.3 billion by 30 June 2029, \$15.1 billion higher than forecast in the 2025-26 Budget.

This largely reflects the impact of the final outcome for 30 June 2025 reported in the 2024-25 *Annual Report on State Finances* (\$12.9 billion). The remaining \$2.2 billion increase in net worth since Budget largely comprises:

- a \$2.4 billion increase in property, plant and equipment, in line with the general government Asset Investment Program;
- an \$837 million increase in the net worth of public corporations², reflecting movements in assets and liabilities in those sectors, driven by infrastructure spending, movements in financial investments and changes in operating performance (see Total Public Sector later in this Chapter); and
- a \$1 billion increase in liabilities, largely due to a projected \$750 million increase in Consolidated Account borrowings, lower projected unfunded superannuation liabilities (down \$364 million as a result of movements in the discount rate used to value these obligations), and higher third party cash balances held by the general government sector (\$201 million, mainly for public corporation deposits held in the Public Bank Account).

General government net debt (consisting of gross debt liabilities less liquid assets) is forecast to be \$30.2 billion by 30 June 2029, \$352 million lower than at Budget-time. Net debt is discussed later in this Chapter.

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

Table 4

GENERAL GOVERNMENT
Balance Sheet at 30 June

	2025 \$m	2026 \$m	2027 \$m	2028 \$m	2029 \$m
2025-26 MID-YEAR REVIEW					
Assets	238,151	251,270	255,961	261,347	264,668
Liabilities	45,962	49,923	51,008	51,314	50,355
<i>Net Worth</i>	<i>192,188</i>	<i>201,347</i>	<i>204,954</i>	<i>210,033</i>	<i>214,313</i>
Net Debt	22,893	27,589	29,901	30,486	30,223
2025-26 BUDGET					
Assets	225,263	234,296	240,101	245,343	248,526
Liabilities	45,964	48,642	50,080	50,239	49,324
<i>Net Worth</i>	<i>179,298</i>	<i>185,654</i>	<i>190,021</i>	<i>195,103</i>	<i>199,201</i>
Net Debt	25,029	29,200	30,680	31,136	30,575
VARIANCE					
Assets	12,888	16,974	15,861	16,004	16,142
Liabilities	-2	1,281	928	1,075	1,031
<i>Net Worth</i>	<i>12,890</i>	<i>15,693</i>	<i>14,933</i>	<i>14,929</i>	<i>15,111</i>
Net Debt	-2,136	-1,611	-780	-651	-352

Note: Columns may not add due to rounding.

Cash Flow Statement

A general government cash surplus of \$683 million is forecast for 2025-26, \$550 million lower than forecast at Budget. This reflects higher recurrent payments and infrastructure spending, partly offset by higher operating receipts, largely from royalties.

General government sector cash surpluses remain in prospect for the remainder of the forward estimates period. Aggregate cash surpluses across the four years to 2028-29 have been revised down since Budget-time, reflecting higher infrastructure spending (see *Asset Investment Program* later in this Chapter), partly offset by the impact on cash of the stronger operating surpluses discussed earlier.

Cash surpluses provide an important non-debt source of funding for the Government's infrastructure program, reducing the extent of new borrowings.

Total Public Sector

Summary

The total public sector operating outlook has strengthened, with an operating surplus of \$532 million in 2025-26 (a turnaround from the operating deficit projection at Budget). Net debt at 30 June 2029 is now forecast to be \$42.1 billion, \$352 million lower than the Budget projection.

The following table summarises the key financial aggregates for the total public sector.

Table 5

TOTAL PUBLIC SECTOR Summary Financial Statement

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	Estimate	Revision	\$m	\$m	\$m
OPERATING STATEMENT						
Revenue	94,895	92,446	106,470	106,619	107,440	108,033
Expenses	91,274	92,731	105,939	106,835	106,651	107,106
Net Operating Balance	3,621	-285	532	-216	789	927
BALANCE SHEET AT 30 JUNE						
Assets	286,389	281,107	297,849	306,223	314,095	320,227
Liabilities	94,201	95,453	96,502	101,269	104,062	105,915
Net Worth	192,188	185,654	201,347	204,954	210,033	214,313
STATEMENT OF CASHFLOWS						
Net Cash Flow s from Operating Activities	10,769	6,578	6,957	6,792	7,417	7,805
Asset Investment Program	13,132	12,061	12,633	11,751	8,982	8,434
Sales of Non-financial Assets	646	646	736	804	726	583
Cash Surplus/Deficit	-1,718	-4,837	-4,940	-4,155	-839	-46
<i>Memorandum Item: Net Debt at 30 June</i>	<i>30,172</i>	<i>38,968</i>	<i>35,704</i>	<i>40,369</i>	<i>41,671</i>	<i>42,132</i>

Note: Columns may not add due to rounding.

Operating Statement³

An operating surplus of \$532 million is forecast for the total public sector in 2025-26. The aggregate operating surplus across the four years to 2028-29 has been revised down slightly (by \$168 million). This includes the stronger general government outlook (discussed earlier), increased profitability in the public financial corporations (PFC) sector and higher deficit projections in the public non-financial corporations (PNFC) sector.

³ Consolidation of the sub-sectors of the public sector removes transactions between each part of government. In aggregate, the operating balance of the total public sector is equal to the sum of the general government and public corporations sectors' operating balances, less transactions between these sectors (such as dividend transfers). Under Australian accounting standards, the dividend costs of the public corporations sectors are not classified as expenses, although the associated dividend income (mainly recorded by the general government sector) is recognised as revenue.

Table 6

TOTAL PUBLIC SECTOR OPERATING BALANCE**By Sector**

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$m	\$m	\$m
Net Operating Balance						
General government sector	3,652	2,414	2,503	2,903	2,725	3,148
Public non-financial corporations sector	219	67	-180	-566	-283	-296
Public financial corporations sector	278	20	60	39	40	45
<i>less</i>						
General government dividend revenue	518	2,788	1,854	2,595	1,697	1,972
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	-3
Total public sector net operating balance	3,621	-285	532	-216	789	927

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

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

Note: Columns may not add due to rounding.

Public Non-Financial Corporations

Relative to Budget, the PNFC sector's operating deficits have increased over the four years to 2028-29. Both revenue and expenses have been revised up substantially, largely driven by the neutral operating balance impact of higher gold prices on the outlook for the Gold Corporation. Other key revisions impacting the PNFC operating balance include:

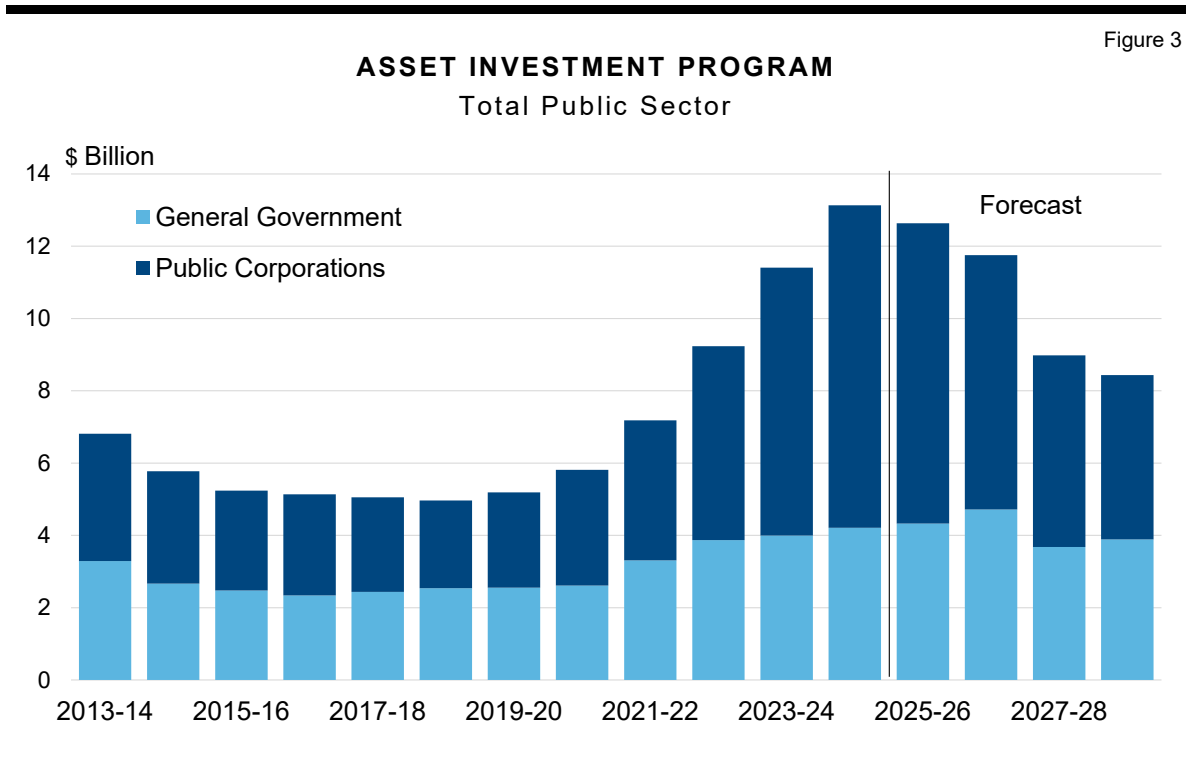
- higher depreciation expenses, primarily due to the flow-on impact of upward valuations of electricity generation and distribution, and port and water infrastructure assets brought to book in the *2024-25 Annual Report on State Finances*; and
- lower operating balance contributions from:
 - the Department of Housing and Works (Housing Authority), primarily driven by higher expenditure for remote Aboriginal communities to support an uplift to housing and municipal services contracts, new social and affordable housing and project timing changes, partially offset by increased appropriation for these new initiatives;
 - Synergy, largely due to the impact of higher interest expenses and contract costs for the Collie Battery and Kwinana Gas Turbines;
 - Lotteries Commission, reflecting higher than forecast Software as a Service implementation costs for the Commission's replacement gaming system; and
 - an increase in forecast profit for Fremantle Port Authority, mainly from higher revenue following changes to port charges implemented from 1 October 2025, partially offset by upwards revisions to maintenance and contract expenses related to the management of port assets.

Public Financial Corporations

Relative to Budget, the operating outlook for the PFC sector has been revised up by \$259 million over the four year period to 2028-29. This largely reflects the impact of a higher profit for the Insurance Commission of Western Australia, primarily reflecting higher motor vehicle registrations and investment returns.

Asset Investment Program

A \$12.6 billion Asset Investment Program (AIP) is projected for 2025-26 (up \$572 million on Budget). This follows the record \$13.1 billion investment recorded in 2024-25. The Government's AIP is forecast to total \$41.8 billion over the four years to 2028-29, an increase of \$3.8 billion on the projection at Budget.

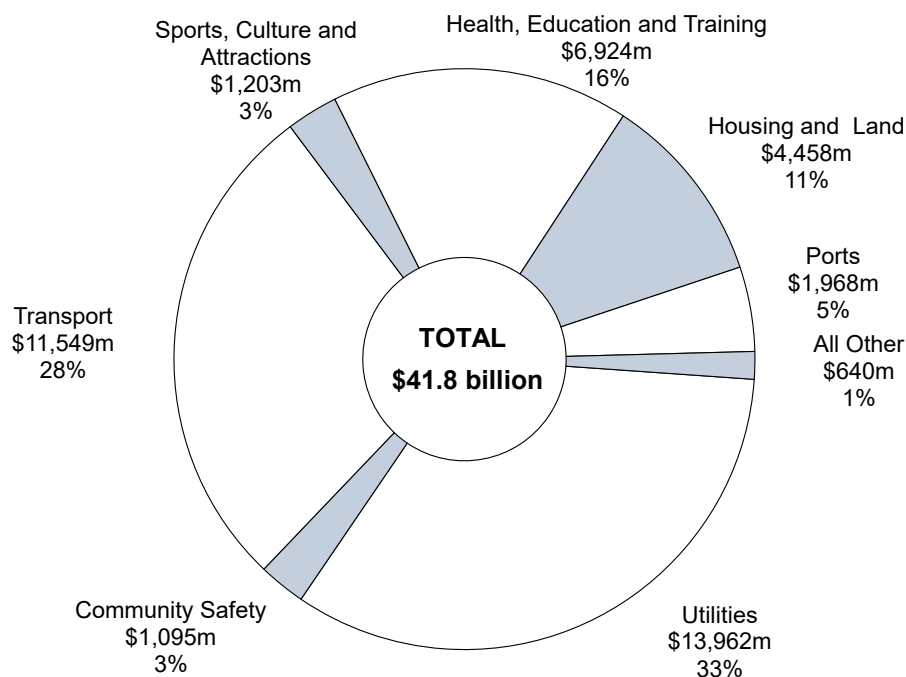


The AIP continues to focus on support for economic development and meeting the demands of the State's growing population, with substantial investment across the forward estimates on energy and water infrastructure (\$14 billion), road, rail and transport (\$11.5 billion), health, education and training (\$6.9 billion), housing and land developments (\$4.5 billion) and ports (\$2 billion).

Figure 4

ASSET INVESTMENT PROGRAM

2025-26 to 2028-29



Note: Segments may not add due to rounding.

Relative to the 2025-26 Budget, material new investment approved in this Mid-year Review includes:

- spending on hospital infrastructure through the Government's new Building Hospitals Fund (\$1.5 billion) to support expanding Western Australia's health system, including projects such as expansion of the Emergency Department at Royal Perth Hospital, redevelopment of the Peel Health Campus and delivery of the Geraldton Radiation Oncology Unit. This Mid-year Review also includes investment in other new projects including the second phase of the Critical Health ICT Infrastructure program (\$26 million), Mullewa Community Hospital Redevelopment (\$19 million, previously provisioned) and Fremantle Hospital 40-Bed Mental Health Project (\$17 million, previously provisioned);
- expansion of prison capacity at Acacia Prison (\$181 million), the construction of a New Youth Detention Facility (\$147 million, previously provisioned), and security and safety upgrades across the prison estate (\$15 million);
- \$361 million for social and affordable housing investment (\$260 million previously provisioned), and delivery of additional Government Regional Officer Housing;
- an additional \$223 million for residential and industrial land development across the State (\$119 million), and investment in associated water and wastewater infrastructure developments (\$105 million); and

- \$81 million for energy projects in regional and remote communities.

Residual movement in the AIP since Budget is largely accounted for by spending carried over from 2024-25.

Further detail of material changes in infrastructure investment since the 2025-26 Budget is available in Appendix 3: *Major Spending Changes*.

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 later in this Chapter.

Cash Flow Statement

A total public sector cash deficit of \$4.9 billion is forecast for 2025-26, broadly unchanged from Budget. Declining cash deficits are forecast across each of the outyears, mainly reflecting lower infrastructure spending after the recent peak in project delivery in 2024-25.

TOTAL PUBLIC SECTOR CASH FLOW
Summary

Table 7

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$m	\$m	\$m
Net cash from operating activities	10,769	6,578	6,957	6,792	7,417	7,805
Net cash flow s from investing in non-financial assets	-12,487	-11,415	-11,897	-10,947	-8,256	-7,851
Cash surplus/- deficit	-1,718	-4,837	-4,940	-4,155	-839	-46
<i>Financing transactions</i>						
Net cash flow from borrowings	351	3,854	2,730	4,526	3,067	1,898
Run-down in cash and cash equivalents	1,023	1,743	3,388	812	-697	-15
All other financing	344	-760	-1,178	-1,183	-1,530	-1,838
Total Financing	1,718	4,837	4,940	4,155	839	46

Note: Columns may not add due to rounding.

Net Debt⁴

Net debt at 30 June 2025 was \$30.2 billion, \$3.4 billion lower than projected in the 2025-26 Budget. Consistent with the Budget-time outlook, net debt is expected to rise across the forward estimates period, reflecting conservative revenue assumptions and the Government's record infrastructure investment.

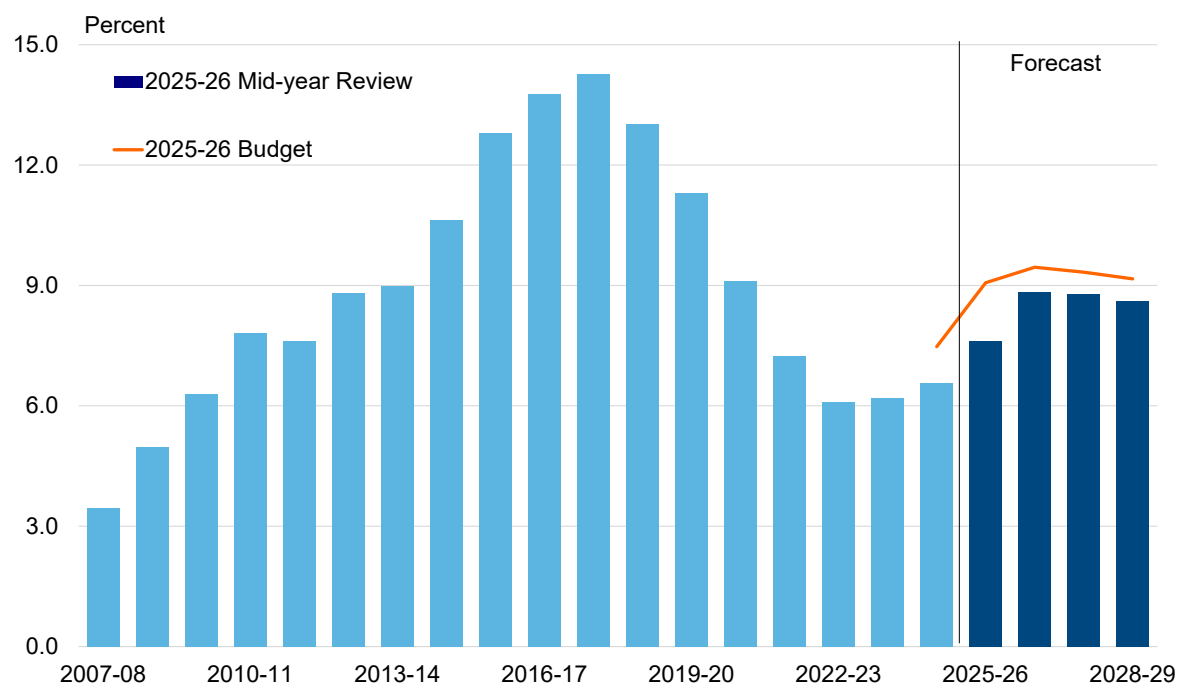
Net debt is forecast to reach \$42.1 billion by 30 June 2029, \$352 million lower than the level forecast at Budget. In addition to the better than expected outcome at 30 June 2025, the lower projection mainly reflects:

- the impact on cash of the general government and PFC operating changes noted earlier (reducing net debt by \$1.4 billion), partially offset by the impact of weaker cash operating surplus forecasts for the PNFC sector (increasing net debt by \$672 million); and
- the increase in the State's AIP (increasing net debt by \$3.8 billion over the four years to 2028-29).

Western Australia's net debt levels remain very affordable. As a share of Gross State Product (GSP), total public sector net debt is projected to be just 8.6% by 2028-29 (down from 9.2% at Budget).

Figure 5

TOTAL PUBLIC SECTOR NET DEBT AS A SHARE OF GSP



⁴ Net debt is an important indicator of the strength of the public sector's financial position and the sustainability of the sector's future call on cash. It is calculated as the difference between financial liabilities that attract a debt servicing cost (such as borrowings and finance leases) and liquid financial assets.

The following table summarises changes to projected net debt levels since the 2025-26 Budget.

NET DEBT OF THE PUBLIC SECTOR AT 30 JUNE				
	2026 \$m	2027 \$m	2028 \$m	2029 \$m
2025-26 Budget - Total Public Sector Net Debt	38,968	41,292	42,161	42,484
<i>Plus Improvement from the 2024-25 outcome</i>	<i>-3,412</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Less change in net cash flows from operating activities and dividends paid</i>				
- general government	-181	796	214	371
- public non-financial corporations	583	-1,250	-9	5
- public financial corporations	-23	65	82	101
<i>Total public sector</i>	<i>379</i>	<i>-389</i>	<i>287</i>	<i>477</i>
<i>Plus purchases of non-financial assets ^{(a) (b)}</i>				
Road, Rail and Transport	404	294	221	-107
Justice	37	145	158	22
WA Health	247	594	-334	-165
Housing and Works	24	244	134	-73
Western Power	318	26	-24	-14
Pilbara Ports Authority	77	146	-1	1
Water Corporation	-273	306	293	-112
DevelopmentWA	-7	42	73	35
Horizon Power	65	36	-	-
Provision for Yet-to-be-Announced Decisions	17	133	73	3
Provision for Building Hospitals	-	95	330	1,005
Removal of 2024-25 Smoothing Provision (impact of carry over spending now reflected in agency projections)	-	-	-400	-350
2025-26 Mid-year Review Smoothing Provision	-500	-	250	250
All other	161	-130	-22	38
<i>Total purchase of non-financial assets</i>	<i>572</i>	<i>1,930</i>	<i>749</i>	<i>533</i>
<i>Less proceeds from sale of non-financial assets</i>	<i>90</i>	<i>44</i>	<i>70</i>	<i>-35</i>
<i>Plus all other financing ^(c)</i>	<i>44</i>	<i>65</i>	<i>41</i>	<i>47</i>
<i>Cumulative impact on net debt at 30 June</i>	<i>-3,264</i>	<i>-923</i>	<i>-490</i>	<i>-352</i>
2025-26 Mid-year Review - Total Public Sector Net Debt	35,704	40,369	41,671	42,132

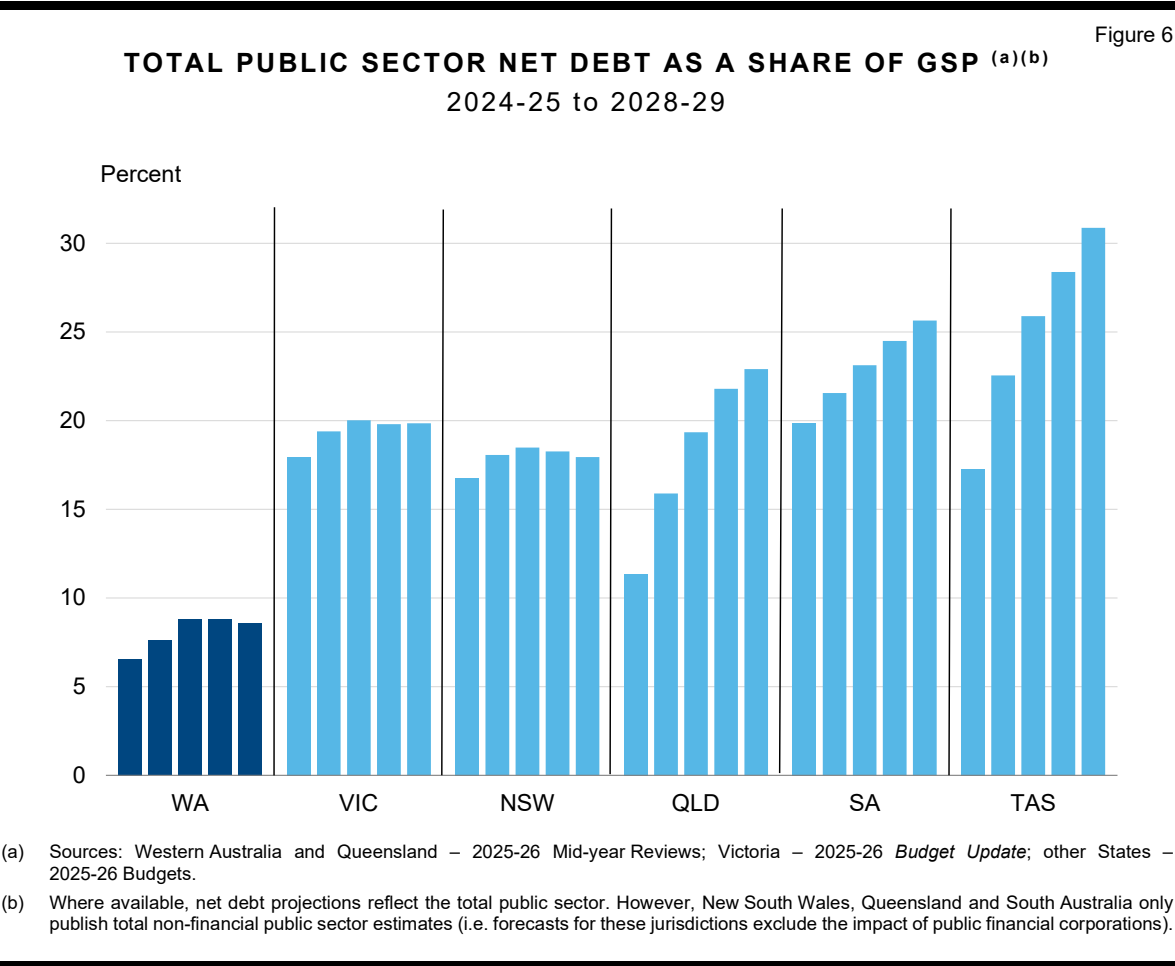
(a) Material asset investment changes are outlined in Appendix 3: *Major Spending Changes*.

(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.

As a share of GSP, Western Australia’s net debt levels are around half of the average debt burden in the other States (8.6% compared with an average in excess of 20% in the other jurisdictions).



Financial Strategy and Targets

This section provides an assessment of the Mid-year Review financial projections against the Government's financial targets, as required by the *Government Financial Responsibility Act 2000*.

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.

All financial targets, other than the expense target (based on agency performance against Resource Agreement expense limits), are expected to be met in 2025-26, with all of the Government's targets forecast to be met in each of the outyears.

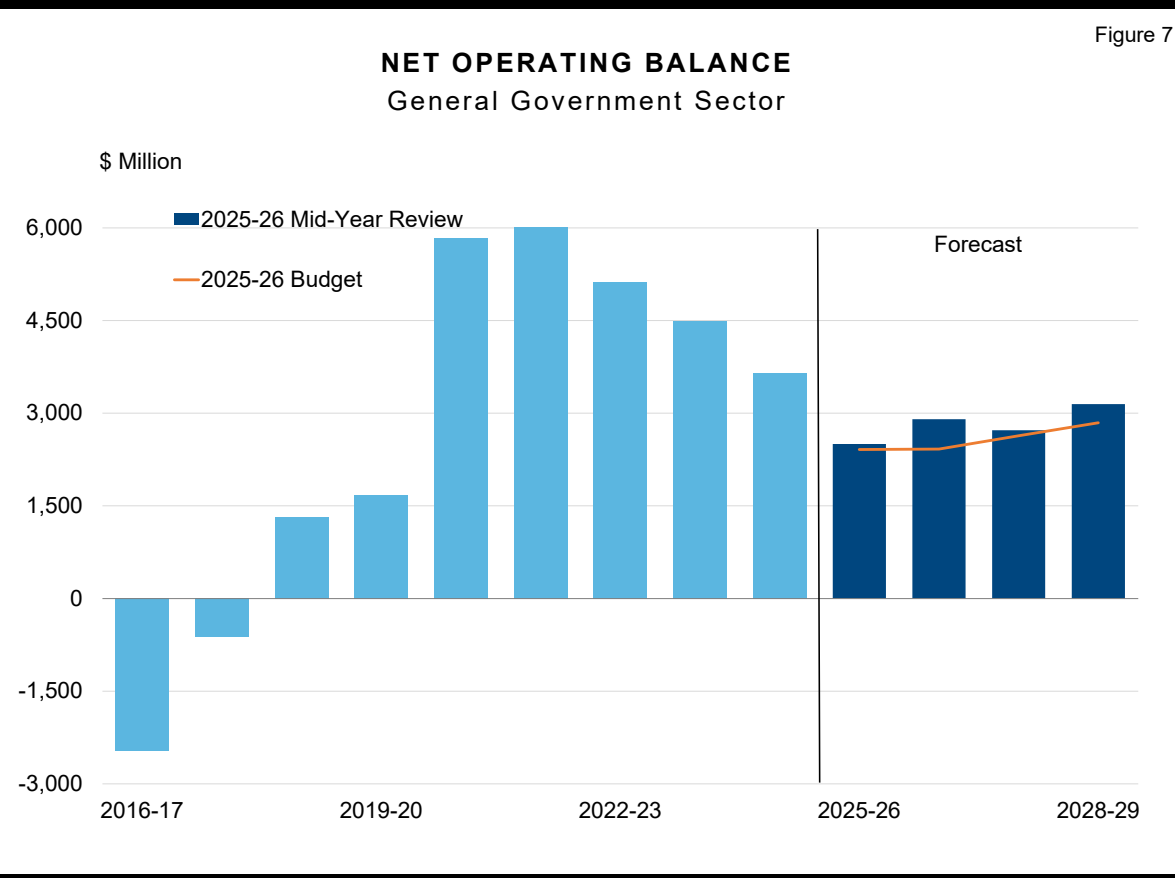
2025-26 MID-YEAR REVIEW – FINANCIAL TARGET COMPLIANCE				
	2025-26 Mid-year Revision	2026-27 Outyear	2027-28 Outyear	2028-29 Outyear
Maintain a net operating surplus for the general government sector each year				
- General government net operating balance (\$m)	2,503	2,903	2,725	3,148
- 2025-26 Mid-year Review compliance	Yes	Yes	Yes	Yes
- 2025-26 Budget compliance	Yes	Yes	Yes	Yes
Maintain disciplined general government expense management through:				
- delivering public sector wages outcomes in line with Government Wages Policy				
- 2025-26 Mid-year Review compliance	Yes	Yes	Yes	Yes
- 2025-26 Budget compliance	Yes	Yes	Yes	Yes
- ensuring key service delivery agency recurrent spending outcomes are in line with budgeted expense limits				
- 2025-26 Mid-year Review compliance	No	Yes	Yes	Yes
- 2025-26 Budget compliance	Yes	Yes	Yes	Yes
Maintain or increase net worth of the total public sector				
- Total public sector net worth (\$b)	201.3	205.0	210.0	214.3
- 2025-26 Mid-year Review compliance	Yes	Yes	Yes	Yes
- 2025-26 Budget compliance	Yes	Yes	Yes	Yes

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

This target is anticipated to be met in 2025-26 and each year through to 2028-29. A general government operating surplus of \$2.5 billion is projected for 2025-26, with surpluses expected within a range of \$2.7 billion and \$3.1 billion in each subsequent year through to 2028-29.

The forecast surplus for 2025-26 is \$89 million higher than expected in the 2025-26 Budget, primarily reflecting upward revisions to forecast royalty and taxation revenue, partially offset by lower receipts from the Commonwealth and changed timing of 2025-26 interim dividends from the Water Corporation and Western Power, and higher spending on priority services (detailed earlier in this chapter and Appendix 3 of this Mid-year Review).

Operating surpluses provide a critical non-debt funding source to support the State’s investment in infrastructure.



Maintain disciplined general government expense management

Disciplined management of recurrent spending in the general government sector is critical to achieving operating surpluses and maintaining a sustainable debt trajectory. The Government's expense target is measured by the following two criteria.

Deliver public sector wages outcomes in line with Government Wages Policy

The principles-based Public Sector Wages Policy applies to all public sector industrial agreements that expire on or after 1 October 2023, for a term of up to three years.

Public sector wage outcomes are forecast to be settled in accordance with the Wages Policy in 2025-26 and across the forward estimates period.

Almost all public sector industrial agreements, covering approximately 180,000 public sector employees, expired during the 18 months to June 2025. Since the Budget was presented in June 2025 a total of \$5.7 million has been provided to the Departments of Education and Biodiversity, Conservation and Attractions, the Western Australia Police Force and the Commissioner of Main Roads in 2025-26 to meet the costs of recently settled agreements. This cost has been met from funds provisioned for wages growth as part of the Budget.

EXPIRING KEY PUBLIC SECTOR INDUSTRIAL AGREEMENTS ^(a)

Table 10

Agreement	Expiry Date	Status
2024-25		
PTA Salaried Officers	26 Oct 2024	Under Negotiation
WA Police Auxillary Officers	1 Nov 2024	Agreed in-principle
Firefighters	8 Jun 2025	Under Negotiation
2025-26		
Nil.	—	—

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

Ensure 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 approved expense limits contained in their Resource Agreements.

The target is not expected to be met in 2025-26. Notwithstanding this outcome, the general government sector is expected to be in a stronger operating surplus position in 2025-26. This reflects a range of spending increases for frontline service delivery agencies to address cost and demand pressures, and other Government priorities which are disclosed earlier in this Chapter and in Appendix 3.

AGENCY RESOURCE AGREEMENTS (a)

Table 11

	2025-26 Budget Resource Agreement	Mid-year Review Total Cost of Service	Less Section 25 Transfers ^(b)	Less spending provisioned in the 2025-26 Budget ^(c)	Adjusted Total Cost of Service	Variance from Previous Limit
	\$m	\$m	\$m	\$m	\$m	%
WA Health	14,224	14,548	-(d)	-	14,548	2.3
Education	7,687	7,749	-(d)	2	7,747	0.8
Housing and Works	3,518 ^(e)	3,591	-	-	3,591	2.1
Public Transport Authority	2,552	2,537	-	-	2,537	-0.6
Commissioner of Main Roads	2,433	2,441	-(d)	-	2,441	0.3
Justice	2,330	2,360	-	4	2,356	1.1
Western Australia Police Force	2,207	2,300	2	-	2,298	4.2
Communities	2,015	2,048	-(d)	4	2,044	1.4
Mental Health Commission	1,601	1,608	-	-	1,608	0.4
Training and Workforce Development	1,060	1,078	-	-	1,078	1.7
Transport and Major Infrastructure	1,012	1,100	-	-	1,100	8.7
Creative Industries, Tourism and Sport	870	927	-	-	927	6.5
Primary Industries and Regional Development	751	801	-	-	801	6.7
Biodiversity, Conservation and Attractions	652	681	3	-	678	4.1
Fire and Emergency Services	640	662	-	-	662	3.5

(a) The target is met when agencies' recurrent spending outcomes are no more than 2% higher than the amount specified in Resource Agreements signed for the Budget year.

(b) Appropriation allocated to an agency in the Budget, transferred to another agency to deliver the approved service.

(c) Spending forecast to be incurred in 2025-26, reflected in the Budget as a provision and now allocated to an agency.

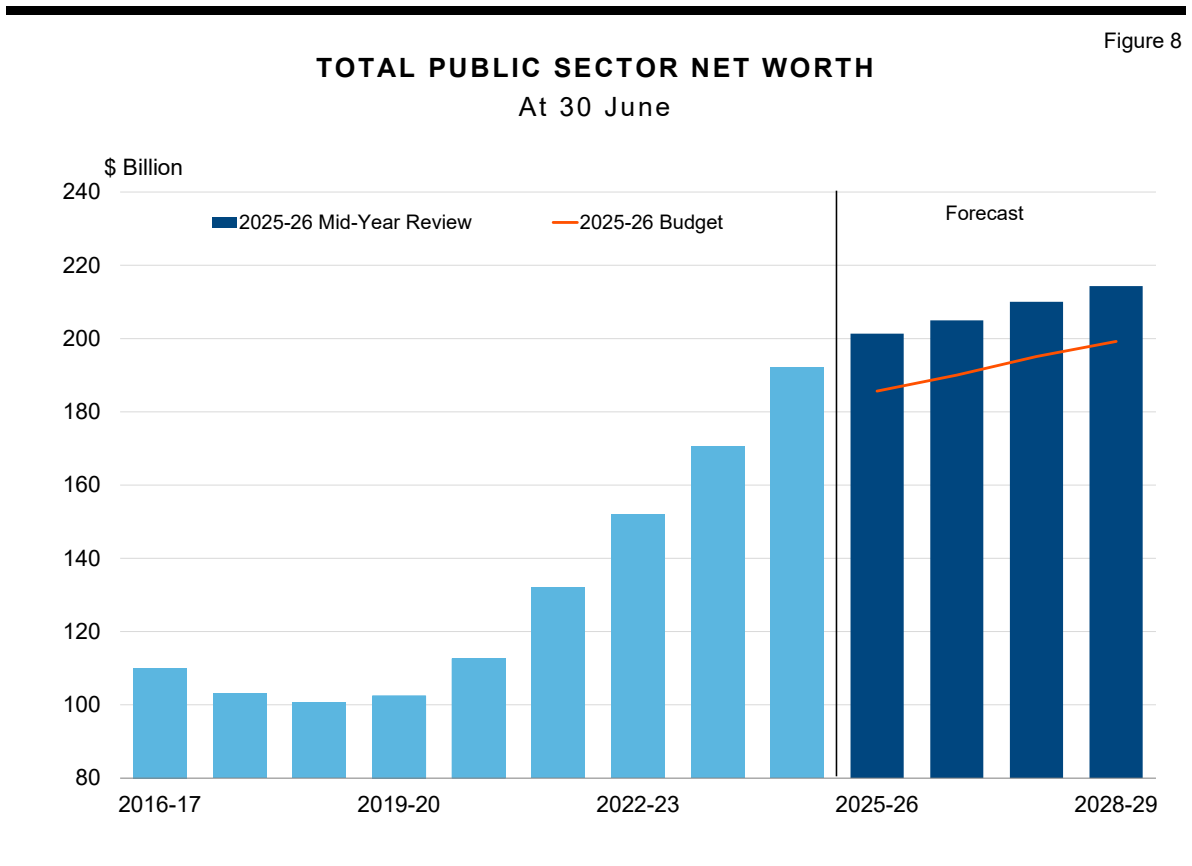
(d) Amount less than \$500,000.

(e) 2025-26 Budget Resource Agreement has been restated to correct the Total Cost of Services estimates shown in Budget Paper No. 2. The Budget Paper incorrectly applied the changes that took effect from 1 July 2025. This misstatement only applied to the calculation of the Total Cost of Services in Housing and Works and had no impact on consolidated forecasts for the general government or total public sectors presented in the Budget Papers.

Maintain or increase net worth of the total public sector

Consistent with expectations outlined in the 2025-26 Budget, this target is projected to be achieved in each year through to 2028-29.

The net worth of the total public sector is forecast to increase to \$214.3 billion by 30 June 2029. This is \$15.1 billion higher than Budget and includes a \$12.9 billion increase reflected in the 2024-25 *Annual Report on State Finances*.



Statement of Risks

Changes Since The 2025-26 Budget

The majority of the risk items outlined in the 2025-26 Budget remain current⁵. Where there has been no change and these items remain current, they are not repeated here. The discussion below highlights changes to the Statement of Risks relative to the 2025-26 Budget.

Risks That Have Crystallised

The impacts of the following risks identified in the 2025-26 Budget are reflected in this Mid-year Review:

- Subsequent to the 2025-26 Budget, agreement was reached between the Commonwealth and the State for Western Australia's participation in the National Disability Insurance Scheme (NDIS) Full Scheme Agreement. Accordingly, the State received its DisabilityCare Australia Fund grant (\$1 billion) prior to 30 June 2025 (with this funding forecast to be received in 2025-26 in the Budget). Payment of \$163 million in disputed invoices was also recognised in 2024-25 (with this cost previously provisioned in 2025-26 in the Budget).
- Funding has been allocated through the Mid-year Review process for the previously reported contingent liability for the Redress Scheme for Stolen Generations.

Ecological Thinning Program Account

Receipts to the Ecological Thinning Program Account will not be fully realised if the level of ecological thinning activity across State forests, or the market value of timber derived from these operations, is lower than assumed in the Budget. The State's financial projections assume that forecast revenue will be returned to the Ecological Thinning Program Account from the sale of native timber extracted under the program. The Ministers for Forestry and the Environment are currently reviewing ecological thinning forecast assumptions, with updated forecasts to be reflected in the 2026-27 Budget.

Foundational Supports for People with Disabilities

Significant reform of the national disability service system is anticipated in response to recommendations arising from the NDIS Review and Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability.

⁵ See Statement of Risks, Chapter 3: *Fiscal Outlook and Strategy*, in 2025-26 Budget Paper No.3: *Economic and Fiscal Outlook* (pages 62-71).

This involves realigning the delivery of disability services across Australia and changes to the roles and responsibilities of all levels of Government, including implementation of new foundational supports by States and Territories and changes to the NDIS. These changes follow from a National Cabinet decision in December 2023, and the Commonwealth announcement in August 2025 of the Thriving Kids program to support children aged under nine years outside of the NDIS. Western Australia remains committed to working together with all governments to ensure that people with disability receive support either through the NDIS or through services to be established under foundational supports.

The establishment of foundational supports, and associated funding arrangements with the Commonwealth, is linked to the negotiations of a new National Health Reform Agreement. The negotiation of a new Agreement remained ongoing at the cut-off date for this Mid-year Review. Accordingly, the cost of delivering foundational supports in Western Australia is not yet included in the forward estimates and will need to be addressed upon finalisation of negotiations with the Commonwealth.

Water Sources

Population growth, industrial development and climate change are placing pressure on existing water sources that supply drinking water and water for industrial use around the State and are likely to require Government decisions on new water sources as part of future Budget processes. Potential new water source options include seawater desalination, additional groundwater resources and mine dewatering surplus.

Changes in Other Risks and Sensitivities

Many of the assumptions that underpin the State's financial projections are subject to continual change due to movements in economic conditions, agreements with external parties (such as the Commonwealth Government) and other factors.

Chapter 2: *The Western Australian Economy* outlines domestic and global risks that have the potential to impact on tax and royalty revenue projections.

The Commonwealth's 2025-26 Mid-Year Economic and Fiscal Outlook had not been released by the cut-off date for this Mid-year Review. Therefore, in addition to specific risks around tied grant funding, any changes in the Commonwealth's estimates of general purpose funding (including GST grants) have not been reflected in these Mid-year Review estimates.

As detailed earlier in this Chapter, the revenue estimates outlined in the 2025-26 Budget have been revised in this Mid-year Review. Approximate annual impacts of changes in key economic parameters are shown in the following table.

Table 12

APPROXIMATE PARAMETER SENSITIVITY OF REVENUE ESTIMATES
2025-26

	Variability (\$m)	Detail
Royalty income and North West Shelf grants	±158	For each US1 cent decrease/increase in the \$A/\$US exchange rate (royalty income is inversely related to the \$A/\$US exchange rate).
Iron ore royalties	±94	For each \$US1 per tonne increase/decrease in the price of iron ore.
Petroleum royalties and North West Shelf grants	±7	For each \$US1 increase/decrease in the price of a barrel of oil.
Payroll tax	±61	For each 1% increase/decrease in taxable wages or employment growth (i.e. the total wages bill).
Underlying transfer duty		
• Prices	±36	For each 1% increase/decrease in average property prices.
• Transactions	±23	For each 1% increase/decrease in transaction levels.

Iron Ore Price and Exchange Rate

Movements in the iron ore price and exchange rate represent substantial risks (both upside and downside) to the general government revenue estimates, as the majority of Western Australia's commodities are sold through international markets and priced in US dollars.

The iron ore price is particularly volatile and has previously varied from forecast assumptions by large amounts. While the iron ore price has been relatively stable over the past 18 months, market prices have ranged between \$US236 per tonne and \$US79 per tonne over the last five years.

Consistent with the Budget methodology, this Mid-year Review is predicated on the assumption that the iron ore price will revert to its long-run average (of \$US72 per tonne) over the next six months (i.e. by July 2025).

Total Duty on Transfers

Residential property transactions are the largest contributor to total transfer duty. Both residential property transactions and prices are susceptible to fluctuations in market sentiment and are therefore inherently volatile and difficult to forecast. Market conditions have tightened since Budget, due to a range of factors (see Housing Market section in Chapter 2), regaining some of the momentum seen in prior years. If strong activity in property market conditions persists, it may impact the transfer duty projections in this Mid-year Review.

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

Contingent Assets and Liabilities

Contingent assets typically consist of the potential settlement of lawsuits of contractual claims. Contingent liabilities generally reflect guarantees, indemnities and sureties, as well as legal and contractual claims. Reflecting their uncertain nature, the financial projections in this Mid-year Review include no allowance for these possible events which constitute a potential risk or benefit to the projections should they eventuate.

Material contingent assets and liabilities were reported in the Notes to the Financial Statements detailed in the *2024-25 Annual Report on State Finances (ARSF)*. No further material contingent liabilities have emerged since the release of the ARSF.

The Western Australian Economy

HIGHLIGHTS

- Western Australia's domestic economy (as measured by State Final Demand) remains strong, growing by 3% in the year to September 2025, continuing to outpace the national growth rate. Over the past five years, the State's domestic economy has expanded by 26.7%, the highest rate of any State or Territory.
- Growth in the domestic economy has been underpinned by the strongest household consumption of any State, the highest level of dwelling investment in seven years, and sustained high levels of business investment.
- Gross State Product grew by 1.3% in 2024-25 and is forecast to strengthen to 2.25% in 2025-26, following weather-related disruptions to iron ore and lithium exports, and other commodity specific factors.
- Robust business investment, new home construction and demand for services (such as health and education) supported strong employment growth of 3.1% in 2024-25.
- Population growth has been stronger than previously anticipated but is expected to gradually return to its decade-average pace of 1.7% in 2026-27 as migration levels normalise following several years of particularly strong inflows.
- Inflationary pressures have re-emerged nationally across a broad range of goods and services since Budget, resulting in an upward revision in near-term inflation slightly above the Reserve Bank of Australia's target band of 2% to 3%.

Western Australia

Gross State Product

Western Australia's economy (Gross State Product, GSP) grew by 1.3% in 2024-25, reflecting the combined impact of a solid domestic economy and a weaker external sector. Notably, goods exports declined due to combination of weather impacts limiting growth in iron ore and lithium exports and other commodity specific factors.

The domestic economy (State Final Demand, SFD) expanded by 3% in the year to the September quarter 2025, the second fastest pace among the States and above the national growth rate. Household consumption continued to grow at the fastest rate of any State, dwelling investment reached its highest level in seven years, and business investment consolidated at high levels.

SFD is forecast to grow by a further 3% in 2025-26 – stronger relative to Budget, due to upward revisions to both household consumption and spending by the government sector.

Goods exports are projected to rebound moderately in 2025-26 and are expected to strengthen further in 2026-27, boosted by production from the Scarborough/Pluto project, before moderating in the outyears as resource firms focus on sustaining production and decarbonising their operations.

Overall, GSP growth is forecast to strengthen to 2.25% in 2025-26 and average 2.5% per year over the outyears. With the external sector broadly stabilising, the State's economic growth outlook is largely supported by domestic economic activity, as it has been since 2019-20.

Figure 1

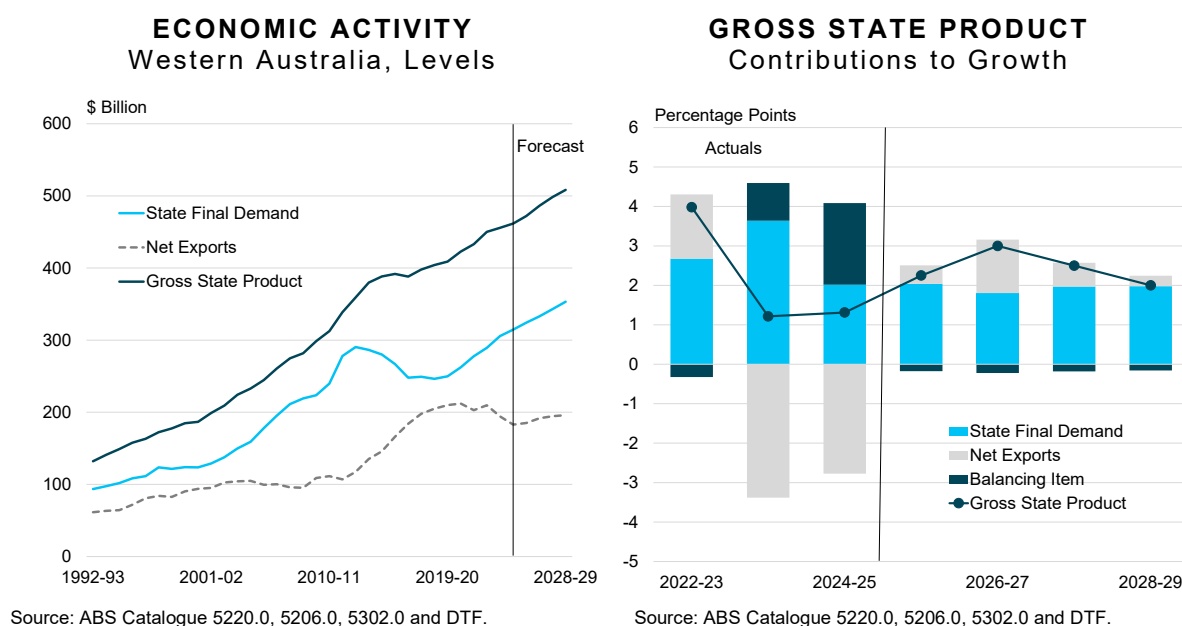


Table 1

ECONOMIC FORECASTS
Western Australia, Annual Growth (%)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29
	Actual	Budget Year	Mid-year Revision	Outyear	Outyear	Outyear
Demand and Output ^(a)						
Household Consumption	2.3	2.75	3.0	3.0	2.75	2.75
Dwelling Investment	5.8	9.25	9.25	2.75	3.5	3.0
Business Investment	-0.9	2.75	2.25	2.75	3.25	3.25
Government Consumption	5.9	3.0	3.25	1.5	2.5	2.5
Government Investment	10.3	-5.5	-3.0	1.0	1.25	1.5
State Final Demand	3.0	2.5	3.0	2.75	3.0	3.0
Merchandise Exports	-4.4	2.0	1.25	3.0	1.5	1.0
Merchandise Imports	-0.5	1.5	1.75	2.0	1.75	1.75
Net Exports ^(b)	-5.9	2.25	1.25	3.5	1.5	0.75
Gross State Product ^(c)	1.3	2.5	2.25	3.0	2.5	2.0
Labour Market						
Employment	3.1	1.75	1.25	1.5	1.5	1.5
Unemployment Rate ^(d)	3.7	3.75	4.25	4.25	4.25	4.5
Participation Rate ^(d)	69.1	68.9	68.7	68.5	68.4	68.3
Population						
Population ^(e)	2.2 ^(f)	1.8	1.9	1.7	1.7	1.6
Prices						
Consumer Price Index ^{(e)(g)}	2.7	2.75	3.25	2.75	2.5	2.5
Wage Price Index ^(e)	3.7	3.5	3.5	3.0	3.0	3.0
Median House Price	18.7	4.3	10.1	4.6	1.5	0.5
Other Key Parameters ^(d)						
Exchange Rate \$A/\$US (US cents)	64.8	64.6	65.1	65.4	66.9	69.3
Iron Ore Price (\$US/t) cost and freight inclusive (CFR)	100.9	77.6	96.6	72.0	72.0	72.0
Crude Oil Price (\$US/barrel)	73.4	63.0	64.6	62.1	63.1	64.7

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

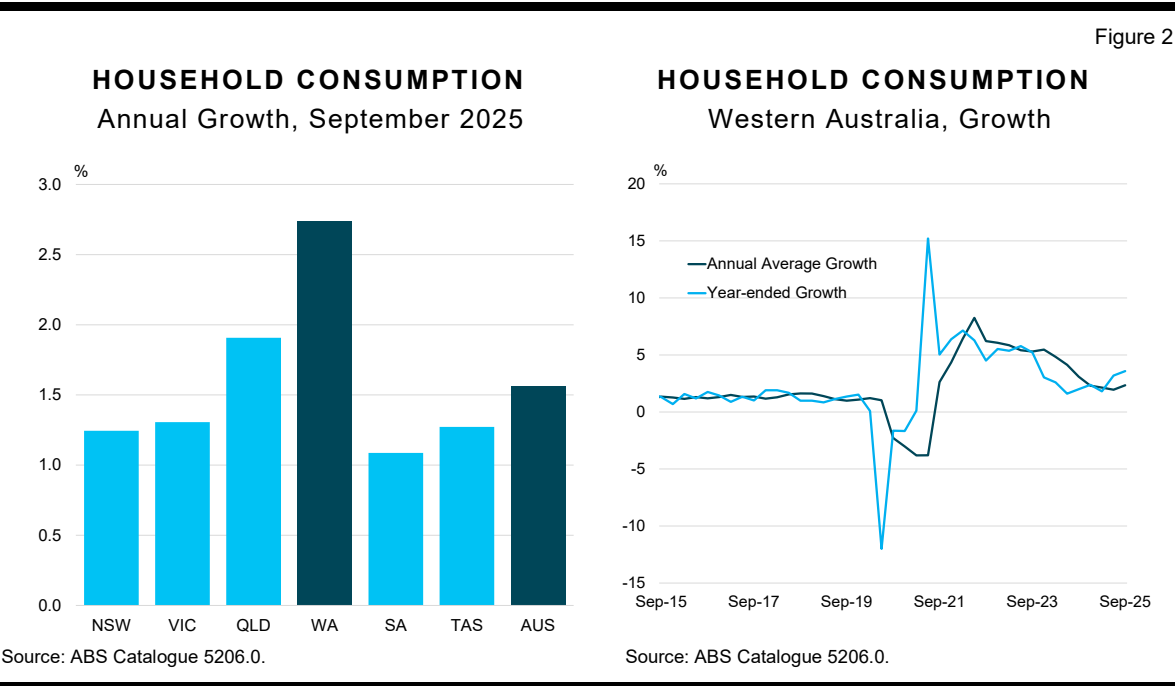
(f) Estimated actual.

(g) 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 increased solidly by 2.7% in the year to the September quarter 2025, lifting from 2.3% in 2024-25 (above the 2% forecast at Budget), Western Australia continues to outpace the other States (left-hand panel in the figure below). This strength is underpinned by faster than expected population growth, further increases in house prices boosting wealth and robust income growth. Spending has been broad-based, with consumption increasing for both essential and discretionary categories.

Household consumption is expected to grow by 3% in 2025-26, revised up from 2.75% at Budget. Consumers maintained a stronger spending pace in the June and September quarters 2025 than anticipated at Budget time, following an easing in growth in the March quarter 2025. Both essential and discretionary spending have contributed to the solid start to 2025-26.

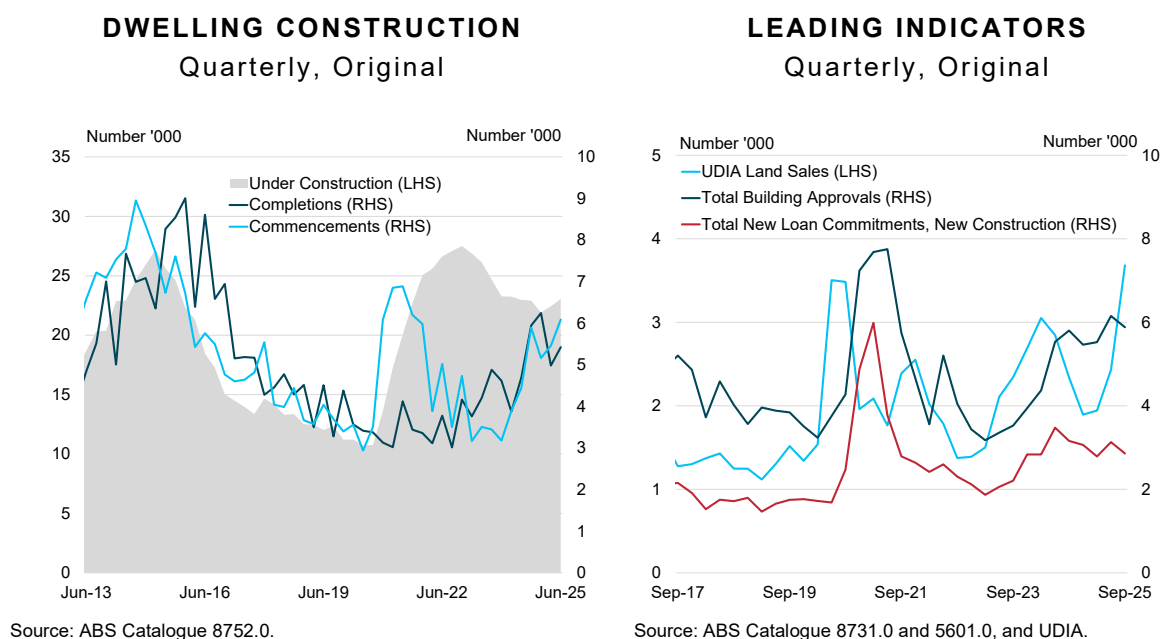
Spending in per capita terms is expected to resume growing in 2025-26 and normalise thereafter, supported by ongoing wages and employment growth as well as high household wealth (as a result of elevated house prices). These underlying drivers, alongside solid population growth, underpin forecast growth in aggregate consumption of 3% in 2026-27 and 2.75% in 2027-28 and 2028-29, consistent with Budget.



Dwelling investment grew by 6.3% in the year to the September quarter 2025. This follows growth of 5.8% in 2024-25, a stronger result than expected at Budget, with 22,650 dwellings completed over the year, the highest level since 2017. These trends indicate an improvement in the capacity of the residential construction industry, though some skilled trade shortages persist.

Dwelling completions remain just below the level of new building commencements in 2024-25, keeping the pipeline of work under construction elevated at 23,063 dwellings in the June quarter 2025. Meanwhile, approvals and finance commitments appear to have stabilised at relatively high levels, while vacant land sales have reached record highs. Given recent trends in the lead indicators, momentum in residential construction is expected to continue consistent with Budget expectations, and as a result dwelling investment is forecast to increase by 9.25% in 2025-26. Following this strength, growth is forecast to stabilise at around 3% per annum in the outyears, in line with steady growth in population and the broader economic conditions.

Figure 3



Business investment grew by 2.3% in the year to the September quarter and is expected to expand by 2.25% over 2025-26, after consolidating at a relatively high level in 2024-25 as major oil and gas projects, including Scarborough and Pluto Train 2, moved past their peak construction phases.

Growth in 2025-26 is expected to be driven by construction work on several iron ore backfill projects and increased expenditure on decarbonisation in the mining and resources sector. Decarbonisation-related expenditure is expected to bolster business investment growth in 2026-27, while work on critical minerals projects, supported by the recent United States-Australia critical minerals agreement, will also contribute to revised growth of 2.75% (up from 2% at Budget). Growth has also been revised up to 3.25% in the final two outyears, underpinned by Rio Tinto's Rhodes Ridge iron ore project and Northern Star Resources' Hemi gold project.

Overall, business investment is expected to be supported by a solid pipeline of sustaining capital expenditure across the resources sector, reaching around \$68 billion by 2028-29, the highest level in over a decade.

Government consumption grew by 5.9% in 2024-25 and is forecast to grow by 3.25% in 2025-26, an upward revision from the Budget forecast of 3%. This reflects Government initiatives focused on priority areas of service delivery driven by stronger than anticipated population growth, including health, education, and community services. From 2026-27 onwards, Government consumption growth is expected to ease, averaging 2.2% per annum.

Following strong growth of 14.2% in 2023-24 and 10.3% in 2024-25, **Government investment** is expected to decline by 3% in 2025-26 (revised from -5.5% at Budget), 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 expected to stabilise at average growth of around 1.3% per year over the outyears.

Merchandise exports declined by 4.4% in 2024-25, reflecting a combination of weather impacts limiting growth in iron ore and lithium exports, and other commodity specific factors. Lower LNG exports due to gas field depletion and cyclone disruptions, a smaller but still historically strong 2024 harvest flowing into 2024-25 exports, and significantly reduced nickel and alumina exports after project closures and suspensions all contributed to the fall.

Goods exports in the September quarter 2025 were 2.5% higher than the same quarter in the previous year and are expected to grow by 1.25% in 2025-26. This is supported by production ramp-ups at the Iron Bridge and Onslow iron ore mines and major lithium projects, as well as a record harvest expected in 2025. However, non-monetary gold exports have been revised to be weaker due to lower refining expectations.

Beyond 2025-26, growth in goods exports is projected to continue, underpinned by stronger lithium exports over the outyears. The commencement of production at the Scarborough/Pluto LNG project is expected to support growth of 3.0% in 2026-27, broadly in line with Budget expectations.

Merchandise imports fell by 0.5% in 2024-25 and are expected to grow by 1.75% in 2025-26 (up from 1.5% at Budget) and stabilise around this rate over the outyears. This outlook reflected an upward revision to household consumption growth in 2025-26 and stronger growth in business investment from 2026-27.

Services exports increased by 8.7% in 2024-25, above Budget forecast growth of 4.5% in 2024-25. Services exports are expected to grow by 2.5% in 2025-26 (up from -1% at Budget) in line with a recovery in inbound international travel and higher than expected levels of education exports. The increase is supported by the restoration and expansion of international air transport capacity and additional international student allocations expected in 2026 following the Federal Government's Student Allowances Guidelines announced in October 2025, which provide 17,500 additional places to be shared by Australian universities. Over the outyears, services exports are expected to continue growing at 2.5%, consistent with Budget forecasts.

Services imports grew by 8% in 2024-25 as resident returns (an indicator of the number of Western Australians travelling overseas) continue to move toward pre-pandemic levels. As this catch-up tapers off, services imports are anticipated to increase by 2.5% in 2025-26. Over the outyears, services imports are expected to grow in line with pre-pandemic historical average rates.

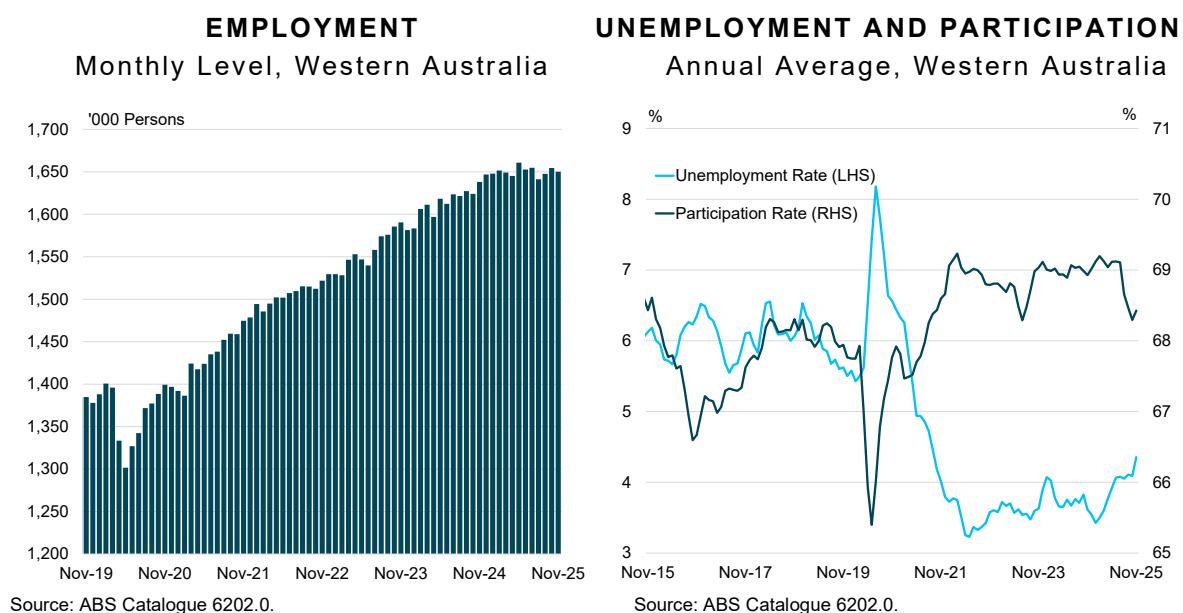
Total net exports are forecast to resume growing in 2025-26, aligning with Budget projections, after a decline in 2024-25. Growth is expected to strengthen further in 2026-27, boosted by production from the Scarborough/Pluto project, before moderating in the outyears, reflecting that most producers are operating at close to capacity.

Labour Market

Western Australian labour market conditions are easing after an extended period of remarkable strength following the pandemic. Labour demand has moderated in line with a consolidation in business investment in 2024-25, softer activity in the non-market sector industries (education, health care and social assistance, and public administration), and slowing population growth, which has reduced pressure in some services industries. As such, employment growth slowed to 2.4% in the year to November 2025.

Employment growth is now forecast to ease further to 1.25% (around 20,500 people) in 2025-26, following a 3.1% increase (49,500 people) in 2024-25. This is a downward revision from 1.75% at Budget, reflecting weaker momentum in non-market sector industries, which have been major contributors to employment growth in recent years. Beyond 2025-26, employment growth is expected to lift to 1.5% per year, aligning with a lift in business investment growth, though remaining below the long run average growth rate of 2.3% per annum.

Figure 4



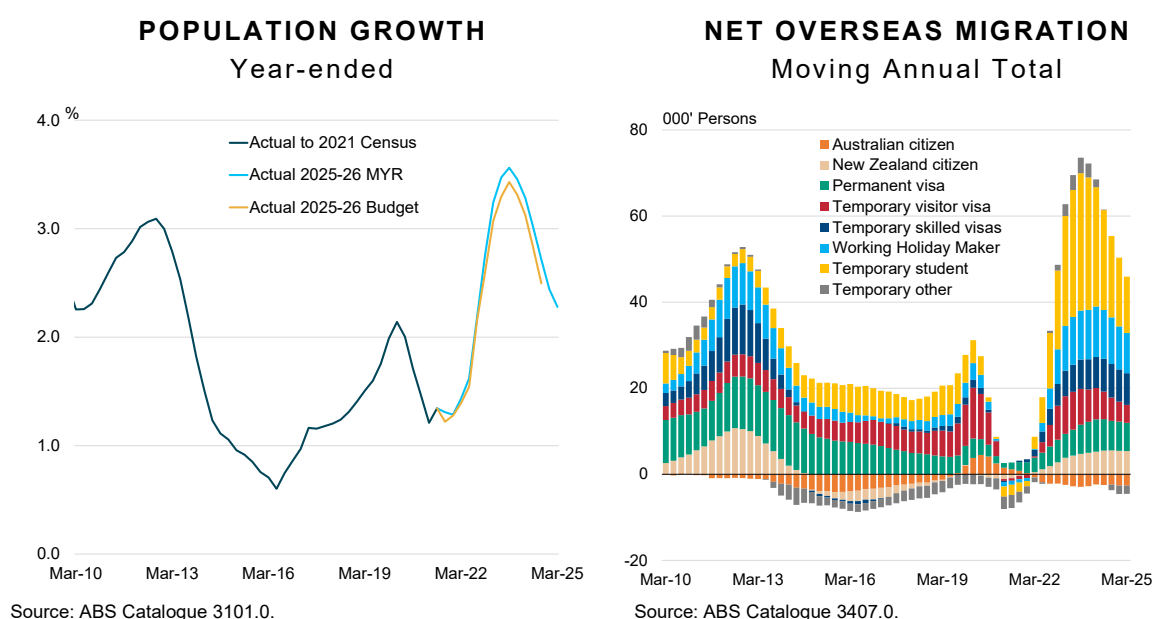
The **unemployment rate** remains low by historical standards, averaging 4% in the year to November 2025, though it has been trending higher in the year to date. The unemployment rate is now expected to lift to 4.25% in 2025-26 and reach 4.5% by 2028-29, though still well below its long run average of 5.8%.

The workforce **participation rate** has been elevated over the period since the pandemic, averaging 68.8% over the year to November 2025, reflecting strength in labour demand and the confidence among job seekers. However, participation has softened more recently and is now expected to average 68.7% in 2025-26, a downward revision from 68.9% at Budget. Over the outyears, the participation rate is forecast to gradually ease to 68.3% by 2028-29, consistent with population ageing and softer employment growth.

Western Australia's **population growth** continues to outpace the rest of the country. Although it has eased from a record 3.6% in the year to September 2023 quarter to 2.3% in March 2025, growth has been stronger than reported at Budget (see figure below, left-hand side). This largely reflects recent ABS updates that increased estimated Net Interstate Migration (NIM) between September 2021 and September 2024, along with slightly stronger-than-expected Net Overseas Migration (NOM).

The State's population growth is now estimated to moderate to 2.2% in 2024-25 (up from 1.9% at Budget), before easing to 1.9% in 2025-26 (up from 1.8% at Budget) and stabilising around 1.7% per year over the medium term. The expected moderation reflects a further decline in NOM, which has fallen by almost two-thirds – from 70,660 people in the year to September 2023 to 41,400 people in the year to March 2025 (see figure below, right-hand side). This decline partly reflects tighter student visa settings, with the forecasts assuming NOM and NIM normalise toward longer run trends after several years of exceptionally strong inflows.

Figure 5



Western Australia's **Wage Price Index** (WPI) increased by 4% in year-ended terms to September 2025, the strongest in the country, partly supported by the progressive implementation of State Government wage agreements.

Consistent with the outlook at Budget, growth in the State's WPI is expected to slow to 3.5% by June 2026 as public wage growth eases and private sector wage growth steadies in line with softer (albeit still tight) labour market conditions.

WPI growth is forecast to stabilise at 3% per annum over the outyears, mirroring relatively stable conditions in the State's labour market and domestic economy. As at Budget, the outlook for nominal wage growth remains above inflation over the forecast period, resulting in a sustained period of real wage increases.

Consumer Price Index

Inflationary pressures in both Perth and nationally have increased since Budget. Growth in Perth's Consumer Price Index (CPI¹) lifted to 3% in the year to the September quarter 2025 (from 2.7% in June), driven by price rises across a broad range of items.

More recently, the Australian Bureau of Statistics' new complete monthly CPI series (which will become Australia's primary measure of inflation) reported Perth's inflation was 3.6% in monthly year-ended terms to October 2025, up from 2.5% five months earlier. The strongest increases by category of larger contributors to the October result were for domestic travel and tobacco.

Reflecting the upward momentum in prices, annual inflation in Perth has been revised from 2.75% to 3.25% by the June quarter 2026. Inflation is expected to be underpinned by a range of essential and discretionary items, consistent with business cost pressures, capacity constraints in some industries, and stronger consumer demand.

Growth in Perth's CPI is expected to gradually return to the middle of the Reserve Bank of Australia's target band by the June quarter 2028 (one year later than previously expected), as demand and supply pressures in the economy come back into balance.

Housing Market

Perth's median house price increased by 18.7% in 2024-25, following growth of 20.2% in 2023-24. Strong population growth has boosted housing demand, while additions to supply remain constrained by skilled labour availability.

Listings for sale remain low and the established market has shown signs of tightening again since Budget. Homeowners appear more cautious about selling, given the challenge of finding their next home in a competitive environment. Although the number of properties available for sale has started to lift from earlier lows, the increase has been more modest than usual seasonal patterns might indicate.

¹ References to CPI refer to the CPI excluding the electricity subindex. This reflects that the successive Household Electricity Credits have resulted in significant volatility in the headline CPI for Perth.

Median selling times remain low, with conditions continuing to vary across Perth and regional areas. Tight market conditions are expected to persist in the near term, in line with stronger than expected population growth, easing toward the decade average by 2026-27.

Median house price growth is expected to moderate over the next two years given increased capacity of the residential construction sector to build more homes and population growth continuing to ease.

Perth's rental vacancy rate has lifted to 2.5% in November 2025, at the lower end of the range considered to be consistent with a more balanced market by the Real Estate Institute of Western Australia, and up from a record low of 0.4% in March 2024. Rental vacancy rates remain varied across the State, with low vacancy rates persisting in some regional centres.

HOUSING INITIATIVES

The Government's focus continues on boosting housing supply – including social, affordable and key worker housing and helping more Western Australians to buy their first home – to deliver on its priority of ensuring every Western Australian has a home.

Since the 2025-26 Budget, new investment of \$434.5 million has been approved, bringing the total commitment of additional housing initiatives to \$6.3 billion.

The supply of new housing in Western Australia is accelerating with building completions growing by 25.2% in 2024-25, the strongest growth in the nation. Building approvals grew by 18.4% over the year to October 2025 totalling 23,726 homes.

The Government continues to remove barriers to housing delivery by supporting enabling infrastructure, growing land supply and expanding the construction workforce, including:

- an additional \$16.5 million in the Housing Enabling Infrastructure Fund investing in new water infrastructure and planning for future works, and unlocking around 5,000 new lots across key residential growth fronts, building on the \$206 million already invested to unlock over 60,000 additional lots;
- DevelopmentWA will spend an additional \$61.9 million over the next four years to boost land supply in suburbs including Alkimos, Brookdale, Byford, Casuarina, Hamilton Hill and Yanchep; and
- \$10 million to extend both the \$10,000 Construction Visa Subsidy Program (CVSP) and Build a Life in WA incentive with an additional 1,000 places being made available. This builds on the \$33 million targeted investment to support 3,300 interstate and overseas skilled construction migrants to come to Western Australia.

The WA Rent Relief Program has been extended to 30 June 2026 with a \$6.5 million top-up to provide one-off rent relief grants of up to \$5,000 to support tenants experiencing financial stress and at risk of eviction. The program to date has supported around 3,700 households and adds to the \$24.4 million investment in November 2023.

The 2025-26 Mid-year Review also includes a further \$201.4 million contribution into the Social and Affordable Investment Fund (SAHIF), bringing the total investment in the SAHIF to \$2.1 billion since 2021-22. The SAHIF top-up, plus an additional investment of \$32.9 million to bring the total to \$234.3 million, will contribute towards an additional 329 new social housing dwellings and 91 refurbishments to extend the useful life of older dwellings.

The investment grows Western Australia's pipeline of social and affordable housing to more than 6,600 new homes by 2028-29. To date, the State Government has delivered more than 3,800 additional dwellings with a further 1,300 under construction or contract.

The Government continues to address demand for housing in the regions, investing over \$57 million in regional housing initiatives aimed at:

- providing essential employees in the regions with accommodation options, investing an additional \$14.7 million for 21 Government Regional Officer Housing dwellings;
- \$10.9 million in the North West Aboriginal Housing Fund to acquire 14 new dwellings for an expanded Aboriginal Employee Housing Grants Program;
- \$26.9 million in tenancy management and tenancy support programs for remote Aboriginal communities; and
- \$1.3 million to pilot a dedicated Housing Supply Office in the Pilbara to work with key regional stakeholders to identify and address specific barriers in the area.

Risks

Western Australia's economic outlook is faced with several key risks, both domestic and external.

The State's mining sector contributed nearly 44% of total economic output in 2024-25 and remains Western Australia's largest full-time employer. However, some key commodity prices, like lithium, continue to experience volatility. While the price of iron ore has been relatively stable and remains well above the long-run average, if the iron ore price were to decline substantially, it could negatively affect business investment and the State's economic performance and revenue streams.

Similar to national trends, the State's housing market has experienced pressure due to escalating material prices and labour costs, combined with strong population growth. Although the rental vacancy rate has improved in the past year, rent price growth persists and available stock remains relatively limited, adding further pressure to the established market. Demand for finishing trades remains high, while shortages in some commencing trades, such as concreters and bricklayers continue. The State Government has committed to boosting the supply and affordability of housing, with a range of initiatives underway, including unlocking land for residential housing, investments in training, and incentives to attract skilled trades to the State.

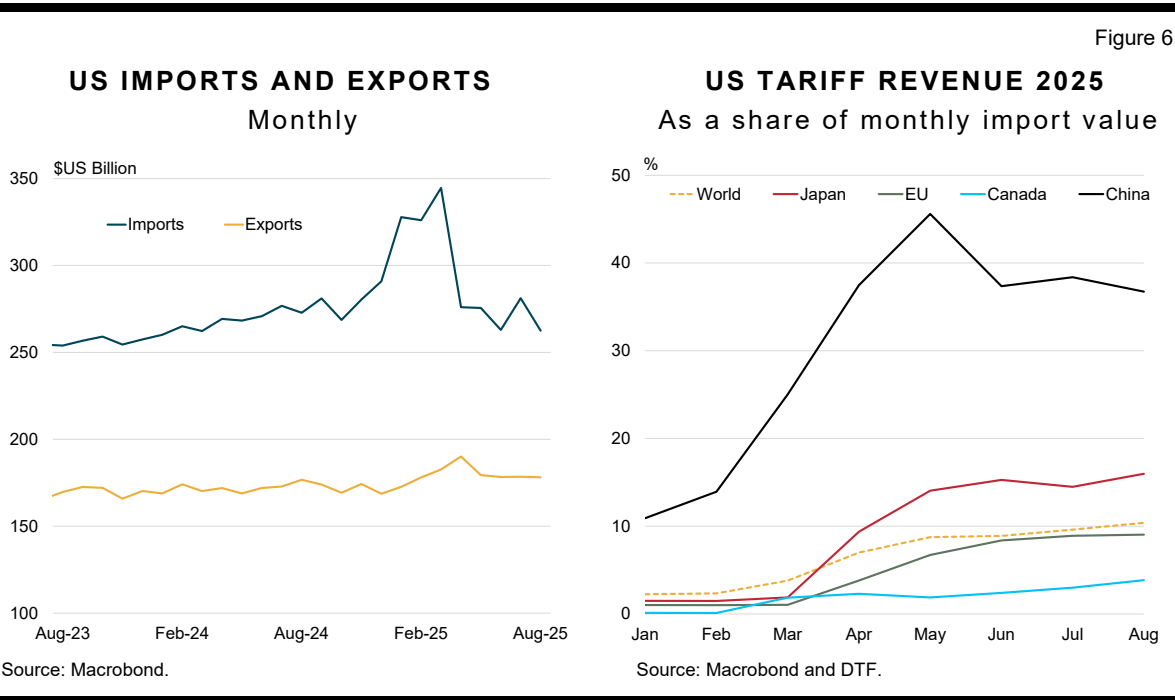
Inflationary pressures have re-emerged since Budget. Although inflation is forecast to moderate from 2026-27, there is a risk that it may be higher or more persistent than projected if Australia’s productivity performance of recent years does not improve. Higher and/or more persistent inflation at the national level may result in the RBA keeping interest rates at current rates for longer. Together with a continuation of elevated costs, this could see consumers pull back on their discretionary spending as they re-prioritise their budgets towards essentials. Given that household consumption represents the largest share of the domestic economy, this trend could significantly dampen overall economic growth. To ease these pressures, the State Government is implementing additional cost of living support measures.

Global Outlook

The global economy has been resilient, but downside risks still predominate. Uncertainty persists around the economic impact of rising US tariffs and the general policy environment. Western Australia is particularly exposed to any further weakening in the Chinese economy.

The International Monetary Fund (IMF) released updated forecasts in October 2025, upgrading its 2025 global economic growth forecast to 3.2% (from 3.0% in its July 2025 update and 2.8% in its April 2025 update), while keeping the 2026 forecast unchanged at 3.1% (but up from 3.0% in its April update). However, these rates of global growth remain low compared to the pre-pandemic (2000-2019) average growth rate of 3.7%.

The IMF now expects a smaller shock from the rise in trade protectionism than it anticipated immediately following the April 2025 US reciprocal tariff announcement. A pull forward of US imports early in 2025 has supported economic activity (see figure below, left-hand panel). The US has reached trade agreements with major trading partners and besides for China there has been limited retaliation against US tariffs.



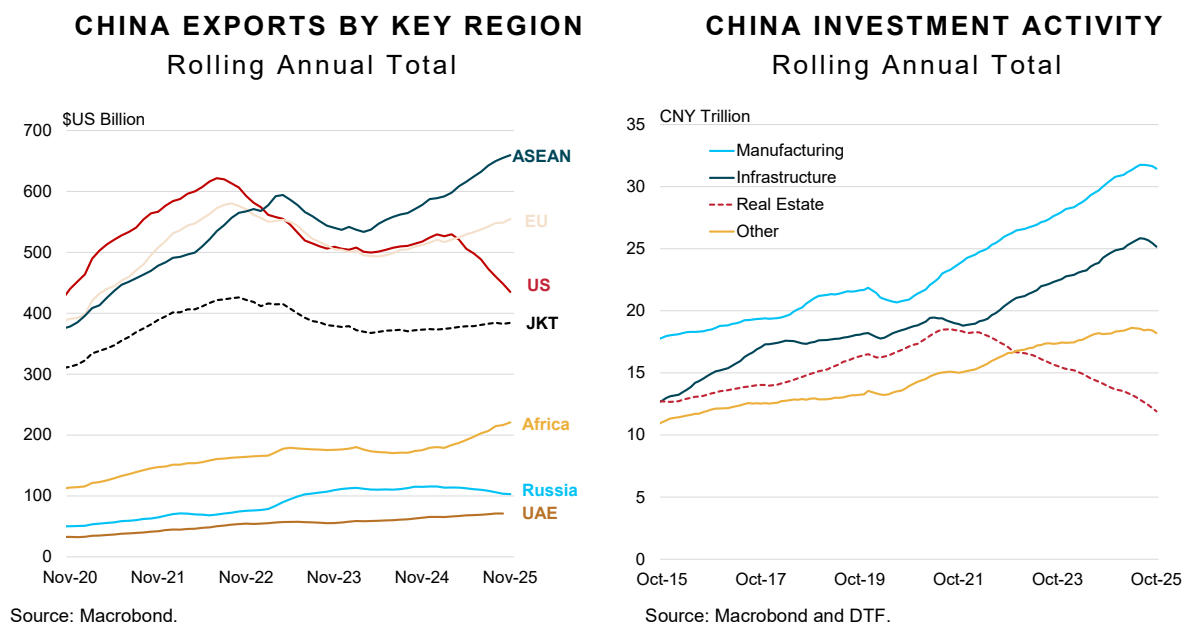
However, US tariffs rates remain high as shown by its increasing tariff revenue (see figure above, right-hand panel). The IMF notes that the negative effects of tariffs could increase over time as US firms gradually pass on the cost of tariffs boosting inflation and as trade flows are permanently rerouted reducing efficiency. Chinese exports have already shifted away from the US towards ASEAN, the EU and Africa (see figure below, left-hand panel).

In its October update the IMF left its forecast for growth in China unchanged at 4.8% in 2025 and 4.2% in 2026. China is still likely to meet its official target for 2025 of 'around 5%' as growth has been supported by exports, government investment and solid industrial activity in high-tech sectors such as electric vehicles, robotics and semiconductors.

Until recently infrastructure and manufacturing investment have helped to offset property weakness, but this investment pulse has now turned (see figure below, right-hand panel).

China is experiencing a sustained period of falling prices with consumption dampened by negative housing related wealth effects and overcapacity across many manufacturing industries resulting in below-cost pricing. It is increasingly implementing anti-involution policies to curb excess capacity and address excessive price competition.

Figure 7



Global Risks

Risks to the global economic outlook have moderated slightly since Budget, with the US reaching agreements with major trading partners. Still, global uncertainty remains highly elevated, and areas of weakness in the Chinese economy have broadened from its property market to manufacturing and infrastructure investment. The IMF notes that risks remain tilted to the downside citing:

- prolonged policy uncertainty and further increases to trade barriers could dampen consumption and investment;

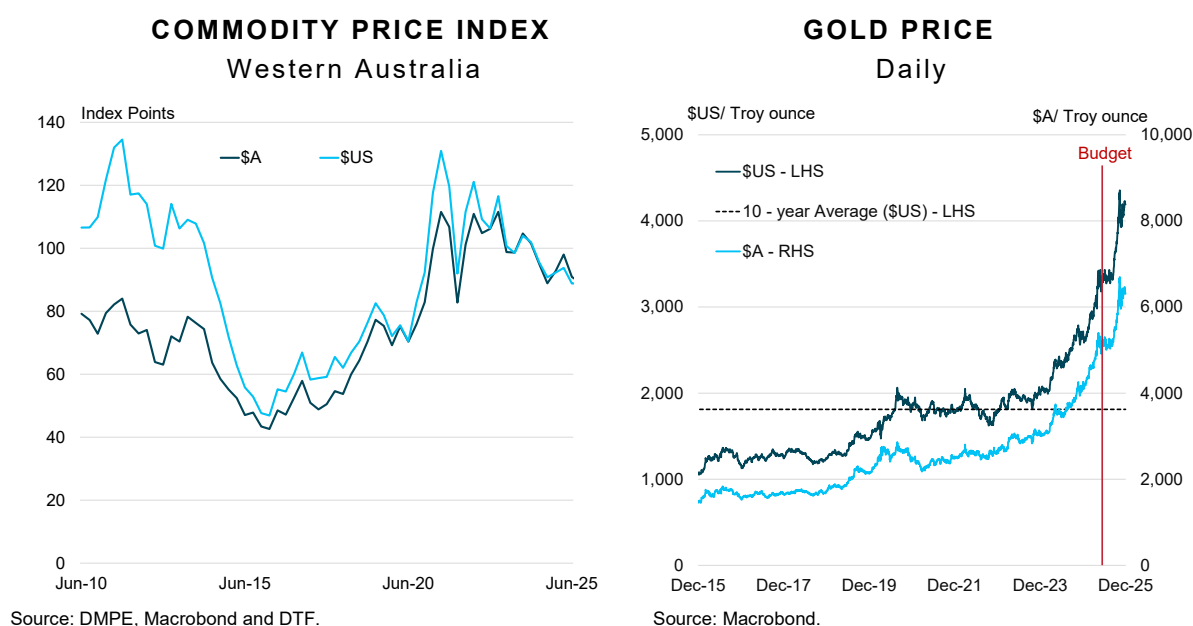
- the ongoing downturn in the Chinese property sector and a misallocation of resources from the large-scale subsidisation of its manufacturing sector;
- potential for an abrupt repricing of tech stocks if the earning and productivity gains from the significant investment in artificial intelligence disappoint; and
- rising borrowing costs and debt leave countries increasingly vulnerable to future shocks.

There is also a risk that the pace of interest rate cuts may slow in the US and UK as their central banks are now balancing inflationary pressures with the loosening of labour markets.

Commodity Markets

The Western Australian commodity price index² rose in the March quarter 2025, reflecting continued strength in gold prices. Subsequent falls in LNG prices in the June quarter 2025 resulted in a decline in the index (see figure below, left-hand panel).

Figure 8



Over the first half of 2025, the US dollar depreciated significantly against other major currencies, including the Australian dollar, reflecting concerns over US trade and other policies. Since May 2025, the US dollar has stabilised with easing trade policy uncertainty.

² The commodity price index is a weighted index of iron ore, gold, oil, condensate, LNG, copper, nickel, zinc, lithium and alumina.

Gold has outperformed other major commodities in 2025, rising by around two thirds since the start of the year and around one third since the Budget cut-off, reaching record highs in both US dollar and Australian dollar terms by mid-October (see figure above, right-hand panel). Prices have been supported by heightened investor demand, with a growing preference towards gold as a safe-haven asset, and monetary policy easing (increasing gold's relative appeal over US interest-bearing assets). The shift in sentiment has been reflected in strong inflows into gold-backed exchange-traded funds. By contrast, central bank purchases, a key source of demand in recent years, have declined with higher prices.

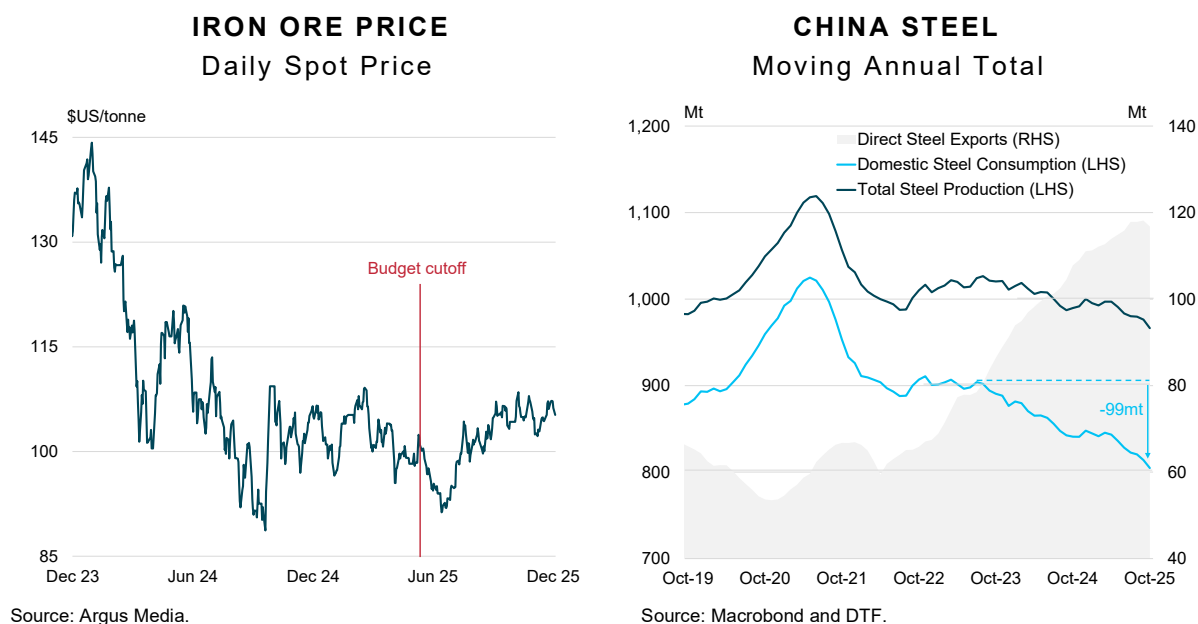
LNG prices declined sharply in April 2025 following the US reciprocal tariff announcements before rising again after the Budget cut-off with escalating conflict in the Middle East. Prices subsequently eased after the ceasefire announcement between Israel and Iran and since August 2025, have been relatively stable. Prices are now well below levels a year ago as demand from Asia has remained weaker and supply has continued to rise. Over the medium term, substantial new supply from the US and Qatar is expected to restrain price growth. While shifts in oil prices, since the Budget cut-off, were similar to those of LNG, in recent months oil prices have continued to trend lower, with further additions to OPEC+ supply.

Iron Ore Market

Iron ore prices have remained steady at around \$US100 per tonne over the past year. Prices dipped from \$US101 per tonne at Budget cut-off (19 May 2025) to \$US91.3 per tonne in mid-June but recovered through July and were sitting around \$US107 per tonne by the Mid-year Review cut-off (1 December 2025, see figure below, left-hand panel).

This stability is notable given growing signs of weakness across parts of China's economy. Investment activity has fallen sharply since Budget, and at the same time output in traditional industrial sectors such as steel, cement and glass has contracted at faster pace. In annual terms, China's crude steel production fell 2.3% in the year to October 2025 and is now trending below the 1-billion-tonne levels seen in recent years (see figure below, right-hand panel).

Figure 9



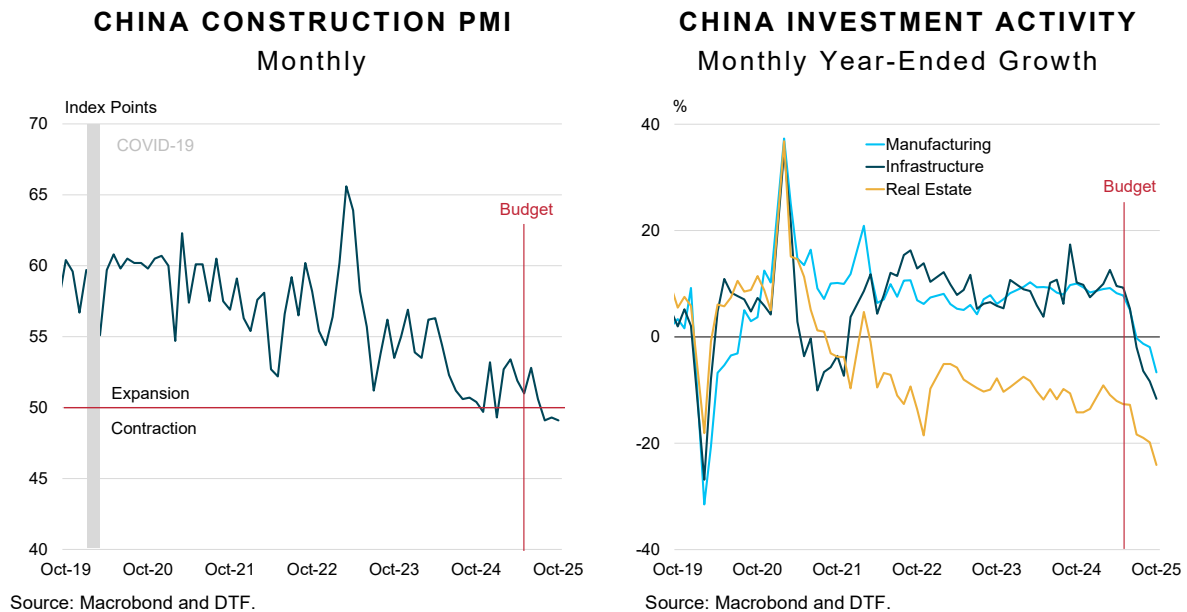
Domestic steel consumption has been declining for longer and more rapidly than total steel output, reflecting the sustained downturn in China's property sector. The effect on iron ore demand has been partly cushioned by higher steel exports from China, with annual export volumes nearly doubling since mid-2022, although these now appear to be levelling out. Also, supporting demand has been the high utilisation rates of Chinese blast furnaces (which use more iron ore than electric arc furnaces whose utilisation rates have been low).

Steel production is expected to remain weak through the rest of 2025 and the beginning of 2026 due to seasonally weak demand during winter, before lifting from March 2026, following the Lunar New Year, as Chinese steel mills restock ahead of the typical construction season.

While the overall demand outlook for iron ore is broadly unchanged from Budget, with Chinese demand expected to gradually fall over the medium term, downside risks have increased. China's construction PMI has fallen below 50 for the three months to October 2025, the largest sustained contraction since the series began, signalling a broad slowdown in construction activity (see figure below, left-hand panel).

China's property market downturn is set to enter its sixth consecutive year, and key indicators such as real estate investment (see figure below, right-hand panel) and new construction starts have weakened further since the Budget.

Figure 10



Investment growth in infrastructure and manufacturing, both of which helped offset the property downturn in recent years, has also declined. This reflects tighter government funding conditions, rising global trade tensions, and a policy shift aimed at reducing industrial overcapacity, all of which have weighed on business confidence.

Outside China, global steel production is broadly flat. Strong growth in India has been largely offset by declines in Europe, Japan and South Korea. Although global steel output is expected to increase modestly in the medium term, iron ore demand is expected to grow more slowly than in the past, as steelmaking outside China relies heavily on electric-arc furnaces. India remains the key potential upside risk for iron ore demand.

On the iron ore supply side, the official commencement of Guinea's Simandou project in November 2025 has not yet had a material impact on prices. However, as the project ramps up toward its nameplate capacity of around 120 million tonnes by the early 2030s – at a time when global iron ore demand is expected to soften – prices could fall below levels seen in recent years. Still, Western Australia's competitive position remains strong, supported by the relatively low cost of most of the State's iron ore production.

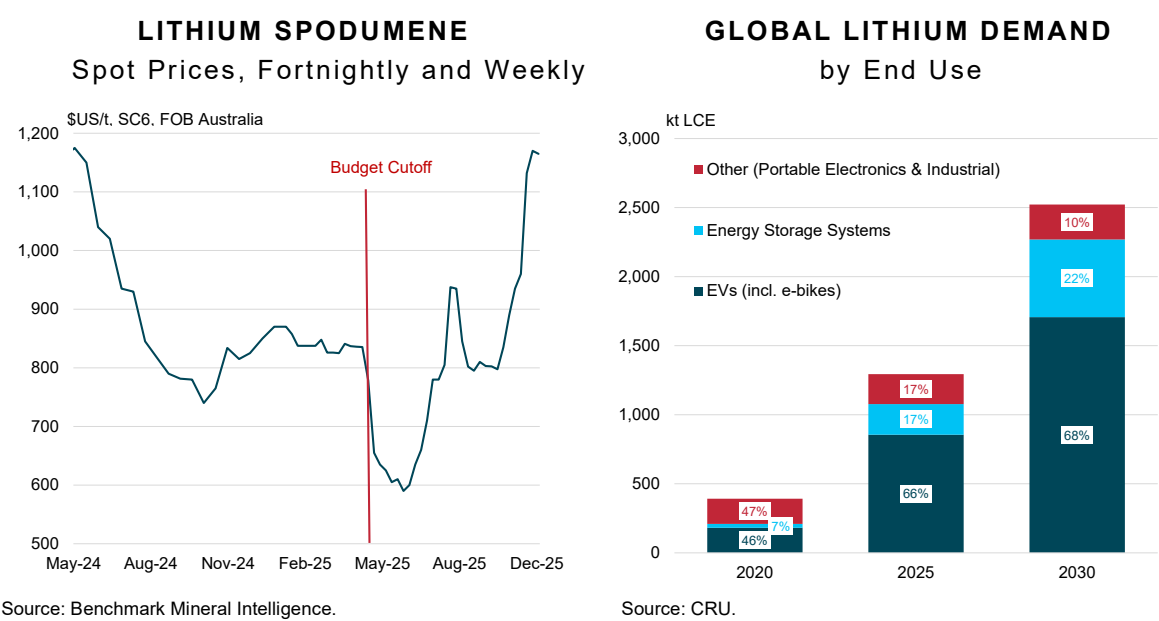
The iron ore price assumption in this Mid-year Review for 2025-26 has been revised up to \$US96.6 per tonne, with prices now assumed to fall to the long run average of \$US72 per tonne by July 2026 (previously December 2025), consistent with the downside risks and the prudence of this price assumption for budgeting purposes.

Lithium Market

Lithium spodumene prices have been volatile since the Budget falling to a four-year low in June 2025, then rising to their highest level since May 2024 in November 2025 (see figure below, left-hand panel). Prices were initially supported by the suspension of several Chinese mines over compliance issues, before speculation around their restart resulted in a fall in early September. Since then, prices have been supported by accelerated demand growth from China’s Energy Storage Systems (ESS) sector.

Global lithium demand remained resilient in 2025 despite policy uncertainties. Electric vehicles (EVs) continue to dominate consumption, accounting for around two-thirds of demand, followed by the fast-growing ESS sector at 17%. China remains the centre of global battery manufacturing and accounts for around 85% of lithium demand. Its EV market continues to outperform other major regions, with sales up 20% in year-ended terms in October and EV penetration exceeding 50%. ESS demand is expected to grow strongly, lifting its share of global lithium demand by 2030, while EVs remain the primary driver of overall growth in consumption (see figure below, right-hand panel).

Figure 11



Global lithium supply continued to increase in 2025, despite short-term mine closures in China, keeping the market in surplus, though at a lower level than previously anticipated by market analysts. The price rally in the second half of 2025 has delayed further price-driven curtailments, with current prices remaining above production costs of most producers. Australian spodumene production is expected to grow over the forecast period, although at a slower pace than projected in the Budget, reflecting updated information from producers.

Technological shifts, particularly latest advances in lithium-iron-phosphate (LFP) batteries in China, are reshaping lithium feedstock preferences. However, the rapid pace of innovation carries risks, with current processing routes and chemistries potentially becoming obsolete over time.

Lithium price forecasts remain largely unchanged from the 2025-26 Budget as the recent price increase may not be sustained as new supply enters the market. However, given the sector's relative market immaturity, lithium prices may still experience unpredictable swings as the balance shifts between periods of surplus and deficits.

Investing in Regional Western Australia

HIGHLIGHTS

- The State Government is committed to developing strong regional communities and economies, with the Royalties for Regions program totalling \$4.1 billion over 2025-26 to 2028-29, including an estimated \$1.2 billion to be spent in 2025-26.
- The Government is investing heavily in an \$11.6 billion regional infrastructure program over the next four years, with new investment approved in this Mid-year Review including an additional \$80.5 million towards upgrades and improvements to regional electricity infrastructure (including \$45.5 million to improve power infrastructure in remote Aboriginal communities), \$28.4 million to deliver the Geraldton Radiation Oncology Unit, and an additional \$18.8 million for the Mullewa Community Hospital Redevelopment.
- Other new regional initiatives in this Mid-year Review include \$68.2 million over the forward estimates to continue the Regional Airfare Zone Cap scheme, \$60.1 million to support housing and municipal service delivery in remote Aboriginal communities, \$34 million towards the development of the renewable hydrogen industry in the State, and \$18.7 million to expand Paid Paramedic Ambulance crews in Australind and Dawesville.

Since the 2025-26 Budget, new spending approved for regional initiatives includes the following.

Diversifying Regional Economies and Creating Local Jobs

- \$57.4 million to complete construction of the Dampier Bulk Handling Facility, which will support the bulk export of urea from the Perdaman Urea project, taking total investment in the project to \$355.7 million.

2025-26 Government Mid-year Financial Projections Statement

- \$19.5 million for the final activities of the Port Hedland Voluntary Buy-Back Scheme and redevelopment of Port Hedland's West End for non-residential use.
- \$8 million to undertake site selection and design works for common use substations at the Maitland and Boodarie Strategic Industrial Areas in the Pilbara.
- \$5.6 million to continue the Collie Delivery Unit to oversee and support the ongoing Just Transition of the Collie region as it shifts away from emissions-intensive industries towards new and emerging sectors.
- \$4.5 million to secure a new location for the construction of the First Point of Entry facilities within the landside security zone at the Port of Broome.
- \$3 million to extend the delivery of discounted airfares to encourage visitation to regional tourism hubs (funded via the Aviation Recovery Fund).
- \$2 million to deliver priority Aboriginal tourism initiatives for the first year of the Jina: Western Australian Aboriginal Tourism Action Plan 2026-2030.
- \$1.9 million to continue the South West Development Commission's Collie Office and support the ongoing Just Transition of the Collie region.

Safe, Strong and Fair Communities: Developing Healthy and Resilient Communities

- \$29.2 million for additional hours of kindergarten to be delivered at schools in regional locations under the two-year extension of the Preschool Reform Agreement through to the end of 2027.
- \$28.4 million to deliver the Geraldton Radiation Oncology Unit funded by the Building Hospital Fund (\$24.8 million) and the Commonwealth (\$3.6 million).
- \$23.2 million in regional family and domestic violence (FDV) initiatives, as part of a State-wide \$110.5 million FDV package approved in this Mid-year Review, comprising:
 - \$11.1 million to increase FDV refuge capacity by an additional six units in Albany and five units in Broome;
 - \$6.1 million towards men's behaviour change programs, and programs targeting perpetrators of family and domestic violence;
 - \$4.1 million to continue the operation of the Safe at Home program in Kalgoorlie, Kununurra and Port Hedland, which assists FDV victim-survivors to stay in their residence;
 - an additional \$1.3 million for the Warlang Bidi Therapeutic Refuge to support FDV victim-survivors in the Peel region; and
 - \$600,000 for DV Assist, a program which provides telephone and online counselling for FDV victim-survivors in regional, rural and remote locations.

- \$18.8 million to award works contract and meet State costs and contingencies for the Mullewa Community Hospital Redevelopment.
- \$18.7 million to expand the coverage of Paid Paramedic Ambulance crews in Australind and Dawesville.
- \$15.9 million for reforms to court security and custodial services, including additional resourcing for the Western Australia Police Force to support the prioritisation of front-line policing services (\$9 million), and court security services (\$6.9 million).
- \$13.8 million (and a further \$1.7 million in 2029-30) to expand the Patient Assisted Travel Scheme eligibility to increase access to allied health and dental services.
- \$13 million to facilitate the acquisition and delivery of transportable classrooms for the 2027 school year in response to enrolment pressures.
- \$12.4 million in operational funding for Mandurah Common Ground, which provides housing for adults who are experiencing ongoing homelessness or rough sleeping.
- \$11 million to support the construction of a Broome Aboriginal Medical Service Healthcare hub.
- \$10.3 million for maintenance and minor works projects to address the most critical health and safety risks in regional schools.
- \$10 million to expand the Wirraka Maya Aboriginal Health Service facility in South Hedland.
- \$8.5 million to meet rising construction costs for the Broome Step Up/Step Down project and future proof the site.
- \$7.6 million to install anti-climb fencing around the women's unit at the West Kimberley Regional Prison to enhance safety and security.
- \$7.5 million to support the expansion and relocation of the Royal Flying Doctors Service Midwest operations from Meekatharra to Geraldton.
- \$7.4 million for the continuation of the Temporary Regional Incentive in 2026, which helps address teacher attraction and retention in hard to staff regional schools.
- \$5.1 million to maintain a second clinical crew member on the Emergency Rescue Helicopter service.
- \$4.7 million to conduct recruitment and commissioning activities for the Geraldton Health Campus Redevelopment project, which is expected to reach practical completion in 2026.
- \$4.2 million to continue the Kimberley Schools Project, through to the end of 2026, which assists in improving educational outcomes in the region.

- \$3.1 million to continue the Temporary Regional Attraction and Retention Incentive for TAFE Lecturers in the Pilbara, Kimberley and Kalgoorlie for the 2026 training year.
- \$2.3 million to purchase seven Remote Area Nursing Posts from the Silverchain Group to ensure the continuation of services in regional communities.
- \$2 million towards the construction of a new facility for Foodbank WA's Bunbury branch to support the continued delivery of food relief in the regions.
- \$1.5 million to refurbish the Geraldton Health Campus Renal Dialysis Unit and expand the number of renal dialysis chairs from nine to fourteen in Geraldton.
- \$1.4 million to ensure service continuity at the Bunbury BreastScreen WA clinic.

Growing Our Communities: Supporting Thriving Regions and Protecting Our Environment

- \$68.2 million over the forward estimates to continue the Regional Airfare Zone Cap scheme, which makes flights to and from Perth more affordable for regional residents.
- \$60.1 million to support housing and municipal service delivery in remote Aboriginal communities.
- \$34 million towards the development of the renewable hydrogen industry in the State.
- \$31.6 million to replace degraded power generation assets in priority remote Aboriginal communities with hybrid and standalone power systems.
- \$31.6 million to enable the Water Corporation to enter a one gigalitre per year water supply agreement, relocate bores across the Millstream aquifer and maximise existing supply capacity in the West Pilbara Water Supply Scheme.
- \$21.7 million for Phase Two of the Regional Drought Resilience Planning and Farm Business Resilience Planning programs, jointly funded by the Commonwealth Government, to support primary producers and regional communities improve their resilience in the event of a drought.
- \$19.7 million to build 12 new social housing dwellings and refurbish 20 social housing dwellings in Kununurra.
- \$19.4 million to accelerate delivery of environmental offsets through the Pilbara Environmental Offsets Fund (PEOF) to be funded by an increase in PEOF revenue.
- \$14.7 million for the acquisition of 21 additional dwellings in key regional locations for the Government Regional Officer Housing program.
- \$14 million to finalise delivery of Horizon Power's standalone power systems (100 units in total) to Esperance and other key regional areas.

- \$10.9 million to expand the Aboriginal Community Controlled Organisation Aboriginal Employee Housing Grants Program and acquire 14 new dwellings for Aboriginal employees in the North West region.
- \$10 million to rectify end-of-life power poles and other network reliability issues in remote Aboriginal communities.
- \$9.1 million to support the Murujuga Aboriginal Corporation to implement the Murujuga Rock Art Monitoring Program.
- \$8.6 million to maintain the landside assets of the Spoilbank Marina in Port Hedland.
- \$8.2 million to undertake network connection works for two new power stations in Laverton and Menzies.
- \$6 million for a Voluntary Fisheries Adjustment Scheme ahead of the establishment of the South Coast Marine Park, which will enable commercial fishers to voluntarily surrender their fishing licenses.
- \$4.8 million for Horizon Power to replace degraded power poles in the Mid West region.
- \$4.1 million for increased costs across a number of regional road projects, including Indian Ocean Drive.
- \$4 million to meet operating cost pressures of Horizon Power providing power services to remote Aboriginal towns.
- \$3.9 million to enable Horizon Power to undertake urgent remediation works for non-compliant customer electricity connections in remote Aboriginal communities.
- \$3.2 million to support and progress negotiation of various native title matters.
- \$3.1 million to meet cost increases associated with the establishment of the Buccaneer Archipelago Marine Parks, primarily related to the construction of a large vessel that will undertake monitoring and compliance activities.
- \$2.8 million funded by the Commonwealth Government's Future Drought Fund – Resilient Landscapes Program, for the Sustainable Solutions for Sandy Soils program, which aims to minimise the impact of soil erosion across the Wheatbelt region.
- \$1.3 million to establish a Pilbara Housing Supply Office Pilot program to help identify, prioritise and facilitate housing projects in the Pilbara region.

2025-26 Government Mid-year Financial Projections Statement

Spending under the Royalties for Regions program is estimated at \$1.2 billion in 2025-26 and a total of \$4.1 billion over the four years to 2028-29, as detailed in the following table.

Table 1

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2024-25 Actual	2025-26 Budget Estimate	2025-26 Mid-Year Revision	2026-27 Outyear	2027-28 Outyear	2028-29 Outyear	Total Four Years
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
INVESTING IN JOBS							
Aboriginal Business Participation	2.9	1.4	0.6	-	-	-	0.6
Aboriginal Pastoral Training Program	0.5	0.2	0.5	- (a)	-	-	0.5
Aboriginal Tourism Fund	2.7	3.2	3.3	-	-	-	3.3
Aboriginal Tourism Initiatives	0.9	0.9	0.9	0.9	0.9	0.9	3.6
Agrifood Activation Fund - Food Technology Facility Project (Peel)	1.5	1.6	1.7	0.6	-	-	2.4
Albany Middleton Beach Stage 2	- (a)	-	-	-	-	-	-
Albany Wave Energy Demonstration	0.4	-	-	-	-	-	-
Allanson Farm Shop Restaurant and Caravan Park	-	4.0	4.0	-	-	-	4.0
Aquaculture Development Plan	1.3	1.6	1.8	1.4	1.3	0.2	4.7
Aquaculture Development Zones	0.5	0.6	0.9	-	-	-	0.9
Boost to Food Industry Innovation	0.9	1.6	2.4	-	-	-	2.4
Brand WA – Destination Marketing	5.5	5.5	5.5	5.5	5.5	5.5	22.0
Brand WA – Event Tourism	7.5	7.8	7.9	8.2	6.3	6.3	28.6
Building Western Australian Grains Research and Development Capacity	13.6	11.1	14.6	10.0	10.0	4.3	38.8
CinefestOZ Film Festival	-	-	0.6	-	-	-	0.6
Collie Adventure Trails	0.1	1.0	1.8	-	-	-	1.8
Collie Delivery Unit	0.4	0.5	0.5	0.1	-	-	0.7
Collie Futures Fund	2.7	1.7	3.4	1.0	-	-	4.4
Collie Green Steel – Electric Arc Furnace Steel Mill	1.9	-	1.1	-	-	-	1.1
Collie Just Transition Office	-	-	-	0.6	0.6	0.7	1.9
Collie Recovery of Magnesium Hydroxide	- (a)	-	-	-	-	-	-
Collie Tourism Readiness and Economic Stimulation	0.3	-	0.1	-	-	-	0.1
Collie Visitor's Centre Upgrade Project	-	0.5	0.5	-	-	-	0.5
Coral Bay Seasonal Staff Accommodation	0.2	0.3	0.6	0.3	-	-	0.9
Country Firefighters Recruitment	4.6	5.0	5.0	5.0	5.0	5.0	20.1
Derby/West Kimberley Economic Development Strategy	0.1	0.1	0.2	-	-	-	0.2
Develop Serviced Land at Shotts and Kemerton	0.6	-	- (a)	-	-	-	- (a)
Economic Activation of East Keralup	-	0.2	0.2	-	-	-	0.2
Feasibility Study for AMTECH for Bunbury Geographe	0.5	0.5	0.5	-	-	-	0.5
Food Industry Innovation	1.2	1.5	1.1	2.0	2.0	1.5	6.7
Foot and Mouth Disease	-	1.6	1.8	0.5	-	-	2.3
Future Drought Fund Program Extension	1.7	3.0	7.9	-	-	-	7.9
Goldfields Major Solar Feasibility	-	0.4	0.4	-	-	-	0.4
Help Grain Growers to Better Manage Risk (e-Connected Grainbelt)	1.8	2.2	2.2	2.5	1.9	1.8	8.4
Industry Attraction and Development Fund – Collie	-	11.0	5.0	12.2	-	-	17.2
Industry Attraction and Development Fund – Collie – Administration	0.2	-	0.4	-	-	-	0.4
Industry Growth Partnership Processed Oats Industry	2.6	2.4	2.4	1.9	-	-	4.3
Kimberley Tourism Program	0.8	0.1	0.1	-	-	-	0.1
Kununurra Cotton Gin Infrastructure Support Package	2.6	-	0.2	0.7	-	-	0.9
Magnium – Magnesium Refinery	0.6	0.7	0.1	-	-	-	0.1
Mount Augustus Tourism Infrastructure	0.4	4.6	3.6	4.0	1.0	-	8.6
Myalup-Wellington Water for Growth	1.2	10.9	5.7	14.0	11.4	-	31.1
New Norcia Ground Station	-	-	0.4	-	-	-	0.4

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2024-25 Actual	2025-26 Budget Estimate	2025-26 Mid-Year Revision	2026-27 Outyear	2027-28 Outyear	2028-29 Outyear	Total Four Years
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Northern Beef Industry Strategy	0.3	-	0.2	-	-	-	0.2
Ord Channel Upgrade	0.1	-	0.3	-	-	-	0.3
Ord Channel Upgrade – Knox Development	14.8	35.0	24.0	28.0	-	-	52.0
Ord Expansion Project	0.1	0.3	0.8	-	-	-	0.8
Ord Expansion Project – Environmental Obligations	0.7	5.1	2.7	4.5	0.5	0.2	7.9
Peel Business Park activation	1.0	-	-	-	-	-	-
Regional Local Content Initiative	-	0.1	0.1	0.1	- ^(a)	-	0.1
Regional Natural Resource Management – State Barrier Fence	1.9	1.5	1.7	-	-	-	1.7
Regional Telecommunications Project	4.5	8.4	9.3	2.6	0.4	-	12.3
Sheep and Goat Electronic Identification	2.0	13.4	6.4	5.9	4.5	-	16.8
South Coast Aquaculture Development Zone	-	-	0.3	-	-	-	0.3
Southern Forests Irrigation Scheme	1.2	13.3	9.0	5.6	-	-	14.6
Space Launch Facility Study	-	1.0	1.0	1.0	-	-	2.0
State Agricultural Telecommunications Infrastructure Improvement Fund	0.3	0.5	2.3	-	-	-	2.3
Strategic Industrial Areas	0.9	1.2	1.0	-	-	-	1.0
Surf Beaches Mobile Coverage Grants Program	0.2	1.8	1.8	-	-	-	1.8
Sustainable Development of the Abrolhos Islands	- ^(a)	-	-	-	-	-	-
Sustainable Pallets	-	4.4	4.4	3.0	-	-	7.4
Total Solar Eclipse 2023	0.6	-	-	-	-	-	-
TradeStart	-	0.2	0.2	0.2	0.2	-	0.6
Transform Peel – Phase 1	5.9	-	-	-	-	-	-
Transforming Agriculture in the Pilbara	0.8	0.1	-	-	-	-	-
Transforming Bunbury's Waterfront – Stage 3	49.7	28.9	15.5	16.1	-	-	31.5
Walmanyjun Redevelopment	-	9.0	9.0	-	-	-	9.0
Wellington National Park Public Access Improvements	2.0	0.5	0.5	-	-	-	0.5
Western Australian Industry Growth Partnership Wine Export	0.6	1.7	1.7	1.5	1.4	1.5	6.1
Western Australian Regional Digital Connectivity Program	7.4	15.2	15.8	21.0	3.2	-	40.0
Western Australian Regional Screen Fund	4.0	4.0	4.0	4.0	4.0	4.0	16.0
Yawuru Strategic Economic Development	-	-	0.2	-	-	-	0.2
Yerriminup Agribusiness Precinct Activation	-	2.0	-	4.0	-	-	4.0
TOTAL – INVESTING IN JOBS	161.7	235.5	202.3	169.1	60.1	31.9	463.4
PUTTING PATIENTS FIRST							
Digital Innovation, Transport and Access to Care	69.2	74.8	74.8	75.9	77.1	77.1	305.0
Emergency and Acute Workforce	20.5	20.5	20.5	20.5	20.5	20.5	82.0
Health Services							
Albany General Dental Clinic	- ^(a)	10.0	6.1	6.0	-	-	12.0
Albany Radiation Oncology	- ^(a)	-	1.0	-	-	-	1.0
Find Cancer Early	0.4	0.4	0.4	0.4	0.4	0.4	1.6
Meet and Greet Service	0.3	0.6	0.5	0.6	0.6	0.6	2.3
Paid Paramedics for the Regions	8.9	9.0	9.0	9.0	9.0	9.0	36.0
Pilbara Health Initiatives	6.4	5.1	5.1	-	-	-	5.1
Regional Cancer Services	1.0	1.5	1.5	-	-	-	1.5
Regional Renal Support Teams	2.2	2.2	2.2	2.2	1.9	2.1	8.4
Renal Dialysis	3.8	3.4	3.7	3.4	3.4	3.4	13.9
South West Aboriginal Medical Service Health Hub	-	7.7	0.5	7.5	5.0	5.3	18.3
Health Infrastructure							
Albany Health Campus Carpark	0.2	0.1	1.8	-	-	-	1.8
Bunbury Hospital	9.7	30.2	30.2	46.5	-	-	76.7
Carnarvon Residential Aged Care Facility	- ^(a)	-	1.5	-	-	-	1.5
Collie Hospital Upgrade	- ^(a)	- ^(a)	0.2	-	-	-	0.2

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2024-25 Actual \$m	2025-26 Budget Estimate \$m	2025-26 Mid-Year Revision \$m	2026-27 Outyear \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	Total Four Years \$m
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	2.3	9.1
Critical Staff Accommodation Refurbishment Program	4.2	-	-	-	-	-	-
Geraldton Health Campus Redevelopment	37.9	18.3	19.1	-	-	-	19.1
Geraldton Hospital Co-location	- (a)	0.1	0.5	1.0	-	-	1.5
Meekatharra Hospital	1.3	0.5	2.0	9.7	35.1	-	46.8
Primary Health Centres Demonstration Program	0.6	3.0	2.6	1.4	-	-	4.0
Remote Indigenous Health Clinics	-	0.2	0.2	-	-	-	0.2
Tom Price Hospital Redevelopment	0.5	-	2.4	2.0	-	-	4.4
Other Health Programs							
Nidjalla Waangan Mia Aboriginal Health Services	- (a)	0.1	0.1	-	-	-	0.1
Women's Community Health Services: Kimberley Women's Health Program	-	0.3	0.3	1.2	0.8	0.8	3.1
Mental Health Programs							
Aboriginal Social and Emotional Wellbeing	4.5	8.2	8.2	3.3	-	-	11.4
Broome Sobering Up Centre	0.2	8.7	9.9	0.7	-	-	10.6
East Kimberley Psychiatric Services	1.3	1.4	1.4	1.4	1.4	1.4	5.7
Mental Health Anti-Ligature works at Regional Hospitals	0.2	-	-	-	-	-	-
Mental Health Support in Schools	0.8	1.2	1.2	0.8	0.8	0.8	3.6
Methamphetamine Action Plan - South West AOD Residential Rehabilitation & Treatment Service	2.9	2.9	2.9	2.9	2.9	2.9	11.7
North West Drug and Alcohol Support Program - Kimberley	7.1	7.1	7.1	7.1	7.1	7.1	28.3
Regional Men's Health	0.9	0.9	0.9	0.9	0.9	0.9	3.5
Geraldton Step up/down facilities	2.3	2.5	2.5	2.5	2.5	2.5	9.9
Mental Health Step up/down facilities - Kalgoorlie/Goldfields	2.3	2.6	2.6	2.6	2.6	2.6	10.5
Sub-acute Mental Health Services in Bunbury	2.0	2.3	2.3	2.3	2.3	2.3	9.1
Sub-acute Mental Health Services in Kalgoorlie	-	-	-	3.2	3.3	3.4	9.9
Sub-acute Mental Health Services in Karratha	3.7	5.7	6.0	3.3	2.9	2.7	14.9
Sub-acute Mental Health Services in South Hedland	0.4	8.0	6.0	10.7	4.7	3.8	25.1
WACHS Mental Health Emergency Telehealth Service	6.0	6.2	6.2	6.3	6.3	6.3	25.2
TOTAL – PUTTING PATIENTS FIRST	204.2	247.4	245.4	237.6	193.8	158.1	834.8
INVESTING IN OUR CHILDREN'S EDUCATION							
Aboriginal and Islander Education Officers	3.6	3.6	3.6	3.6	3.6	3.6	14.3
Agricultural and Farms Schools Lifecycle	1.9	2.0	2.5	1.1	-	-	3.6
Agricultural College - Cunderdin	0.4	0.5	1.2	-	-	-	1.2
Albany Senior High School	6.5	0.9	2.5	- (a)	-	-	2.5
Baler Primary School	0.7	3.2	5.1	0.1	-	-	5.2

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2024-25 Actual	2025-26 Budget Estimate	2025-26 Mid-Year Revision	2026-27 Outyear	2027-28 Outyear	2028-29 Outyear	Total Four Years
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Better Beginnings - Early Literacy	0.3	0.3	0.3	0.3	0.3	0.3	1.0
Broome Senior High School	0.5	1.1	1.1	-	-	-	1.1
Cassia Primary School	0.9	2.7	5.1	0.1	-	-	5.2
Clontarf Colleges	1.5	1.5	1.5	1.5	1.5	1.5	6.2
Country Week Assistance Program	-	1.9	1.9	1.9	2.0	2.1	8.0
Dampier Primary School	0.8	0.1	0.2	-	-	-	0.2
Donnybrook District High School	-(a)	-	-	-	-	-	-
Eaton Community College	1.8	-	-	-	-	-	-
Feasibility Study Residential Colleges for Aboriginal Students in Newman	-	-	0.1	-	-	-	0.1
Halls Creek District High School	0.6	-	-	-	-	-	-
Improving Teacher Quality	1.9	1.9	1.9	1.9	1.9	1.9	7.7
Independent Learning Co-ordinators	1.4	1.5	1.5	1.5	1.5	1.5	6.0
Kimberley Schools Project	3.6	3.6	5.1	3.8	-	-	8.8
Puntukurnu Aboriginal Medical Service Jiji Program	-	0.8	1.2	0.8	0.8	0.4	3.0
Put Education Assistants Back in the Classroom	9.1	9.1	9.1	9.1	9.1	9.1	36.6
Regional Learning Specialists	1.5	1.5	1.5	1.5	1.5	1.5	6.0
Regional School Breakfast and Nutritional Education Program	0.2	0.2	0.2	0.2	0.2	0.2	0.9
Regional School Bus Services	82.2	82.3	82.3	82.4	82.4	82.4	329.4
Remote Schools Infrastructure Program - Administered	-	2.0	0.4	5.0	1.6	1.0	8.0
Respectful Relationship Programs in Schools	0.1	0.1	0.1	0.1	0.1	0.1	0.4
Roebourne District High School Redevelopment	11.8	2.3	-	-	-	-	-
Vocational Education Regional Subsidies	45.4	45.4	45.4	45.4	45.4	45.4	181.6
Waggrakine Primary School	5.8	1.9	2.8	0.1	-	-	2.9
Western Australian College of Agriculture – Kimberley	-(a)	-	-	-	-	-	-
TOTAL – INVESTING IN OUR CHILDREN'S EDUCATION	182.5	170.5	176.5	160.5	152.0	151.1	640.1
INVESTING IN OUR COMMUNITIES							
Aboriginal Community Controlled Organisation Employee Housing Grants	1.9	7.3	14.1	8.2	2.1	0.4	24.8
Aboriginal Governance and Leadership Development Program	1.1	1.4	1.5	1.6	1.1	1.1	5.2
Albany (Emu Point) Maritime Facility – Jetty B Remediation	-	1.0	-	1.0	-	-	1.0
Albany Entertainment Centre	0.4	0.5	0.5	0.5	0.5	0.5	2.0
Albany Fishing Platform	-	0.2	0.2	-	-	-	0.2
Albany Pilot Station Precinct	0.3	3.3	1.1	5.9	1.0	-	8.0
Albany Trails	-	1.7	2.7	0.5	-	-	3.2
Assisting Staying in Place to Thrive	0.2	0.1	0.1	-	-	-	0.1
Augusta Childcare Facility	-	0.2	0.2	-	-	-	0.2
Beach Emergency Numbering System	-	-	0.4	-	-	-	0.4
Broome Aboriginal-led Specialist Family Violence Court	0.2	5.9	5.8	1.1	1.1	1.1	9.0
Broome Aboriginal Short Stay Accommodation Facility	2.3	2.8	3.4	2.8	2.8	2.8	11.7
Broome Family and Domestic Violence Hub	2.5	6.5	6.5	4.0	3.8	3.9	18.2
Bunbury Dolphin Discovery Centre	0.1	0.3	0.4	0.1	-	-	0.5
Bunbury Hands Oval Upgrades and Temporary Facilities	0.9	2.7	4.0	0.8	-	-	4.8
Bunbury Prison Alcohol & Other Drug Unit	2.0	2.8	2.6	3.2	2.6	2.6	11.0
Carnarvon One Mile Jetty	0.2	3.8	3.8	-	-	-	3.8

2025-26 Government Mid-year Financial Projections Statement

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	Total
	Actual	Budget	Mid-Year	Outyear	Outyear	Outyear	Four
	\$m	\$m	Revision	\$m	\$m	\$m	Years
Carnarvon One Mile Jetty - Partial							
Demolition of Jetty	-	0.6	0.6	-	-	-	0.6
Collie Mine Workers Institute	-	1.0	1.0	-	-	-	1.0
Community Resource Centres	14.1	14.3	14.3	15.1	15.5	15.5	60.3
Community Safety Crime Prevention Plan	0.2	-	-	-	-	-	-
Community Safety Network	9.2	8.5	8.7	8.5	8.5	8.5	34.1
Culturally Appropriate Services to Victims of							
Domestic Violence	0.1	0.1	0.1	0.1	0.1	0.1	0.4
Dalyellup Family Centre	0.2	-	-	-	-	-	-
Dalyellup Multipurpose Community and							
Youth Centre	1.0	-	-	-	-	-	-
Dampier Peninsula Activation	-	2.1	2.1	-	-	-	2.1
Dawesville Community Centre	3.2	2.4	-	-	-	-	-
Driving Access and Equity Program	5.9	5.5	5.5	-	-	-	5.5
Dry Season Response (2024)	0.1	1.0	1.4	-	-	-	1.4
East Kimberley Transitional Housing	0.8	1.0	2.2	1.0	0.8	-	4.1
Edenvale Heritage Precinct Upgrade	-	0.8	0.8	-	-	-	0.8
Enhanced Driver Training and Education for							
Regional and Remote Communities	1.3	1.6	1.6	1.6	1.4	1.4	5.9
Essential and Municipal Services							
Improvement in Remote Aboriginal							
Communities	0.5	6.5	6.5	-	-	-	6.5
Ex-Tropical Cyclone Ellie – Clean-up							
Program	1.7	9.2	4.2	15.5	8.6	-	28.3
Ex-Tropical Cyclone Ellie – Community and							
Industry Recovery Officer Program	5.9	1.8	3.3	-	-	-	3.3
Ex-Tropical Cyclone Ellie – Freight							
Assistance Package	-	-	0.2	-	-	-	0.2
Ex-Tropical Cyclone Ellie – Prescribed							
Body Corporate Participation in Recovery							
Package	0.1	0.8	1.1	-	-	-	1.1
Family Domestic Violence Refuge – Peel	1.2	1.2	1.2	1.2	1.2	1.2	4.8
Financial Counselling Services	0.7	0.7	0.7	-	-	-	0.7
Fitzroy Crossing Evacuation Centre and							
Multipurpose Complex	-	-	-	-	5.0	5.0	10.0
Fitzroy Crossing Night Place (Marra Worra							
Worra)	-	3.0	3.0	-	-	-	3.0
Fitzroy Crossing Key Worker Housing	0.2	-	5.0	-	-	-	5.0
Geraldton Aboriginal Short Stay							
Accommodation	-	4.5	4.5	3.5	3.9	3.6	15.5
Geraldton Netball Association	-	-	-	2.8	-	-	2.8
Goldfields Arts Centre	0.2	0.1	0.1	0.1	0.1	0.1	0.6
Gwoonwardu Mia Aboriginal Heritage and							
Cultural Centre - Carnarvon	1.2	1.2	1.2	-	-	-	1.2
Halls Creek Town Development Masterplan	-	0.7	1.1	-	-	-	1.1
Harvey All Abilities Playground	-	0.8	0.8	-	-	-	0.8
Hedland Transitional Housing	2.2	0.4	0.4	0.2	-	-	0.6
Homelessness Funding Support Package	0.4	-	-	-	-	-	-
Indigenous Visitor Hostels Derby	1.9	2.2	2.5	2.2	2.2	2.2	9.2
Indigenous Visitor Hostels Kalgoorlie	0.1	0.3	0.4	0.3	0.3	0.3	1.2
Jalbi Jiya (Your Home) Program	0.2	0.6	1.0	-	-	-	1.0
Jarrahdale Trails Centre	-	1.5	1.5	2.0	1.5	-	5.0
Kalbarri Evacuation Centre	-	0.2	0.2	0.1	-	-	0.3
Kalgoorlie Career Fire Rescue Service							
Station Upgrade	0.7	-	- (a)	-	-	-	- (a)
Kalgoorlie LED Street Lighting	-	2.5	2.5	-	-	-	2.5
Kalgoorlie Motorsports Precinct	0.9	0.1	1.1	-	-	-	1.1
Kalgoorlie Mountain Bike Trail	-	-	-	1.7	-	-	1.7
Katanning Early Childhood Hub	-	1.6	1.6	-	-	-	1.6

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	Total
	Actual	Budget	Mid-Year	Outyear	Outyear	Outyear	Four
	\$m	\$m	Revision	\$m	\$m	\$m	Years
Kimberley Community Action Fund	0.3	-	0.4	-	-	-	0.4
Koombana Bay Park Facilities	-	0.3	0.2	0.2	-	-	0.4
Kununurra Aquatic and Leisure Centre Redevelopment Project	-	-	4.9	-	-	-	4.9
Leonora Drive-In Theatre	-	0.3	0.3	-	-	-	0.3
Marron Enhancement at Harvey, Logue Brook and Wellington Dam	-	0.5	0.5	1.2	1.2	0.1	3.0
Martu Student Hostel	-	0.7	1.5	-	-	-	1.5
McKail North Urban Master Plan Albany	-	0.8	0.8	-	-	-	0.8
Mira Mar Landslip	-	-	- (a)	-	-	-	- (a)
Motorplex Complex Albany	2.0	-	0.1	-	-	-	0.1
Munda Biddi Trail	-	1.0	1.0	-	-	-	1.0
Newman Youth and Community Hub	-	-	-	7.5	-	-	7.5
North West Aboriginal Housing Initiative	-	0.2	- (a)	2.3	2.5	0.1	4.9
Nyamba Buru Yawuru - Health and Wellbeing Campus	7.5	-	-	-	-	-	-
Olabud Doogethu Halls Creek Youth Justice Reinvestment Project	0.5	- (a)	0.5	-	-	-	0.5
On-country Youth Facilities	8.1	3.4	4.5	3.8	2.5	-	10.7
Operation Regional Shield	11.5	11.7	11.7	-	-	-	11.7
Oyster Harbour Ulster Road (Albany)	8.5	-	-	-	-	-	-
Peel Regional Trails	0.2	-	-	-	-	-	-
Pilbara Aboriginal Home Ownership Program	0.3	10.5	10.5	8.0	0.7	0.7	19.8
Pilbara Housing Supply Office Pilot	-	-	0.4	0.7	0.2	-	1.3
Pilbara Town Based Reserves	0.4	7.0	7.1	7.4	-	-	14.5
Pinjarra (North) Park Upgrades	-	0.8	0.8	-	-	-	0.8
Police Radio Network	0.8	1.1	1.1	1.1	1.1	1.1	4.5
Port Hedland Aquatic Centre	-	-	-	-	-	22.5	22.5
Regional Arts and Cultural Investment Program	5.8	5.1	5.1	4.9	4.9	4.9	19.9
Regional Athlete Support Program	1.5	1.7	1.7	1.7	1.7	1.7	6.7
Regional Economic Development Grants	5.9	7.7	8.3	7.0	5.3	5.0	25.6
Regional Enforcement Unit	5.5	5.5	5.5	5.5	5.5	5.5	21.9
Regional Exhibition Touring Boost	1.8	2.6	2.6	2.3	2.0	2.0	9.0
Regional Museum Grants - Regional Collections Development Program	0.2	0.2	0.2	-	-	-	0.2
Regional Pensioner Travel Card	36.9	46.6	46.9	45.5	45.9	45.4	183.7
Regional Police Incentives	2.5	2.5	2.5	2.5	2.5	2.5	10.0
Regional Racing Fund	-	4.3	4.3	3.3	3.9	13.8	25.2
Regional Renewal Program	3.8	0.1	-	-	-	-	-
Regional Youth Justice Services	5.8	5.8	5.8	5.8	5.8	5.8	23.1
Remote Aboriginal Communities	72.4	63.6	63.6	53.8	64.0	64.0	245.5
Remote Aboriginal Communities Support Fund	-	-	1.2	-	-	-	1.2
Remote Essential and Municipal Services	56.5	63.5	63.9	56.0	56.0	55.9	231.8
Remote Swimming Pools	0.6	0.6	0.6	0.6	0.6	0.6	2.4
Riverview Residence – Upgrade to Over 55's Estate	-	0.3	2.0	-	-	-	2.0
Robe River Kuruma Housing Pathway Support Program	-	0.7	0.7	0.8	-	-	1.5
Rural, Regional and Remote Network	0.4	0.2	0.2	0.1	-	-	0.3
Pilbara Safe Spaces Program	0.2	1.4	1.4	1.4	1.5	2.3	6.6
Pringle Village Stage 2 – Seniors Independent Living – Kalgoorlie	-	5.0	5.0	10.0	5.0	-	20.0
safeSPACE Program	1.9	-	-	-	-	-	-
Soldiers Park and Collie Swimming Club	-	0.9	0.9	-	-	-	0.9
South Hedland and CBD Revitalisation – Stage 2	- (a)	-	0.7	-	-	-	0.7

2025-26 Government Mid-year Financial Projections Statement

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	Total
	Actual	Budget	Mid-Year	Outyear	Outyear	Outyear	Four
	\$m	\$m	Revision	\$m	\$m	\$m	Years
Southern Forests Food Council	0.2	0.3	0.3	-	-	-	0.3
Southern Ocean Surf Reef	4.8	-	1.0	-	-	-	1.0
Turkey Point Upgrades	-	-	-	1.0	-	-	1.0
Upgrade access to Dalyellup Beach	-	0.3	0.3	0.7	-	-	1.0
Upgrades to Hay Park - Bunbury	0.1	-	-	-	-	-	-
Volunteer Fuel Card	0.5	1.0	1.0	1.0	1.0	1.0	4.0
Volunteering Development Services	0.7	0.7	0.7	0.7	-	-	1.5
Warmun People's Place Renovation	2.8	0.1	0.1	-	-	-	0.1
Water Lily Place Affordable	-	-	-	-	-	-	-
Accommodation	-	5.0	5.0	-	-	-	5.0
Wellington Dam Bridge Upgrade	2.1	14.0	11.9	-	-	-	11.9
Wellington National Park Upgrades	-	2.3	2.3	0.6	-	-	2.9
Western Desert Justice Program	0.8	0.6	0.6	-	-	-	0.6
William Bay National Park Upgrades	-	1.3	1.3	1.3	1.0	-	3.5
Yindjibarndi Ganallili Accommodation	-	-	-	-	-	-	-
and Transitional Housing Program	0.7	0.2	1.1	-	-	-	1.1
Yura Yungi Employee Accommodation	-	-	-	-	-	-	-
and Career Development Program	0.4	-	0.7	-	-	-	0.7
TOTAL – INVESTING IN OUR COMMUNITIES	320.8	401.4	425.6	324.2	278.5	284.8	1,313.1
INVESTING IN OUR ROADS AND PORTS							
AgLime Routes	0.2	-	-	-	-	-	-
Albany Ring Road	12.0	-	-	-	-	-	-
Broome Marina Planning	0.1	-	0.2	-	-	-	0.2
Bunbury Port - Inner Harbour Access	-	-	-	-	-	-	-
Bridge	22.9	1.6	3.4	-	-	-	3.4
Burrup Peninsula Hearson Cove Road	-	-	-	-	-	-	-
Realignment	3.0	-	-	-	-	-	-
Chidlow-York Road and Forrest Street	-	-	-	-	-	-	-
Intersection Upgrade	0.3	0.4	0.4	0.3	-	-	0.7
Covalent Lithium Mine Access Road	12.0	-	-	-	-	-	-
Fishing Boat Harbour Boat Building	-	-	-	-	-	-	-
Precinct	-	6.4	6.4	-	-	-	6.4
Fitzroy Crossing Airport Upgrade	-	-	-	-	-	-	-
Project - Planning	-	0.8	0.8	-	-	-	0.8
Forrest Highway (Vittoria Road)	1.1	2.0	2.0	0.7	-	-	2.7
Great Eastern Highway - Ghooli to	-	-	-	-	-	-	-
Benari	9.2	10.4	10.0	7.4	5.6	-	23.0
Great Northern Highway - Broome to	-	-	-	-	-	-	-
Kununurra - Nellie Springs to Sally	-	-	-	-	-	-	-
Downs Well and Arthur Creek	0.3	2.0	2.8	5.2	2.6	-	10.6
Great Northern Highway - Newman to	-	-	-	-	-	-	-
Port Hedland - Overtaking Lanes	5.8	0.6	2.9	-	-	-	2.9
Greenbushes Lithium Supply Chain	-	-	-	2.8	-	-	2.8
Indian Ocean Drive - Jurien Bay to	-	-	-	-	-	-	-
Brand Highway	8.8	1.3	0.4	-	-	-	0.4
Karratha-Tom Price Road - Sealing of	-	-	-	-	-	-	-
50km to Millstream	0.7	16.1	8.1	2.2	8.0	-	18.3
Kununurra-Halls Creek-Balgo Regular	-	-	-	-	-	-	-
Passenger Transport	0.2	0.2	0.2	0.2	-	-	0.4
Land Acquisition and Road	-	1.0	1.0	-	-	-	1.0
Improvements	-	-	-	-	-	-	-
Mandurah Estuary Bridge Duplication	39.6	28.5	25.7	0.5	-	-	26.2
Mandurah Train Station - Parking	-	-	1.2	-	-	-	1.2
Bays	-	-	-	-	-	-	-
Marble Bar Road Upgrade	0.3	6.2	8.7	-	-	-	8.7
Menang Drive-Chester Pass Road	-	-	-	-	-	-	-
Grade Separation	3.9	31.0	24.5	25.2	-	-	49.7

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2024-25 Actual \$m	2025-26 Budget Estimate \$m	2025-26 Mid-Year Revision \$m	2026-27 Outyear \$m	2027-28 Outyear \$m	2028-29 Outyear \$m	Total Four Years \$m
Mid West and Great Southern							
Secondary Freight Network Program	3.8	1.7	3.0	-	-	-	3.0
Oakajee Strategic Industrial Area Access Road	21.7	-	1.8	-	-	-	1.8
Outback Way (Laverton to WA Border)	-	-	-	12.0	12.0	12.0	36.0
Pinjarra Heavy Haulage Deviation	-	0.4	0.4	2.0	2.0	2.0	6.4
Port of Wyndham - First Point of Entry Infrastructure	-	7.0	7.0	7.0	-	-	14.0
Port of Derby - Barge Landing	-	-	-	0.8	0.8	-	1.5
Port of Broome - Business Case for Additional Fuel Terminal	-	-	0.4	-	-	-	0.4
Port of Broome - Business Case for Cruise Terminal Facilities	-	0.5	0.5	-	-	-	0.5
Regional Airfare Zone Cap for Regional Residents	31.1	35.9	33.3	29.6	22.6	24.3	109.8
Regional Blackspot Program	3.6	3.5	2.9	7.0	-	-	9.9
South Coast Hwy (Kojaneerup)	-	-	0.5	2.0	10.0	12.5	25.0
Square Kilometre Array Roads	9.0	5.0	3.0	5.0	4.2	-	12.2
Tanami Road	11.4	13.6	13.0	10.0	10.0	10.0	43.0
Toodyay Road Upgrade - Dryandra to Toodyay	0.9	10.8	8.4	4.6	-	-	13.0
Truck Rest Stops	0.3	1.3	0.6	1.0	1.0	1.0	3.6
WA Agricultural Supply Chain Improvements	3.3	3.3	3.3	8.6	20.4	-	32.3
TOTAL - INVESTING IN OUR ROADS AND PORTS	205.4	191.7	176.8	134.0	99.2	61.8	471.7
INVESTING IN OUR ENVIRONMENT							
Aboriginal Ranger Program	30.5	23.0	23.5	17.0	17.5	17.0	75.0
Bindjareb Djilba (Peel-Harvey Estuary) Protection Plan	1.2	1.9	1.9	2.5	2.5	2.5	9.4
Buccaneer Archipelago Marine Parks	3.7	19.1	12.9	13.4	-	-	26.3
Bushfire Mitigation on Crown Land							
Regional Townsites	3.6	3.8	3.8	3.8	3.8	3.8	15.0
Climate Resilience Fund	2.7	4.0	4.2	0.3	-	-	4.6
Dampier Peninsula and Buccaneer Archipelago Visitor Plan	0.1	-	-	-	-	-	-
Dampier Peninsula Project	0.1	-	0.2	-	-	-	0.2
Danggu Geikie Gorge Upgrades	-	0.7	0.2	0.7	-	-	0.9
Drummond Cove Coastal Protection	0.1	2.8	2.8	-	-	-	2.8
Dung Beetle Soil Health Grants Initiative	0.5	-	0.1	-	-	-	0.1
Dwellingup Trails Gap Project	1.0	-	-	-	-	-	-
East Keralup Bio-Energy project	-	0.2	0.2	-	-	-	0.2
Enhanced Prescribed Burning Program	5.5	5.5	5.5	5.5	5.5	5.5	22.0
Fitzroy River Catchment	0.1	-	- (a)	-	-	-	- (a)
Fitzroy River Management Plan	- (a)	-	0.2	-	-	-	0.2
Healthy Estuaries WA	8.6	6.7	6.7	6.7	6.8	6.8	27.0
Kalgulup Regional Park	2.4	1.6	1.6	1.5	1.5	1.5	6.1
Karijini National Park Upgrades	4.8	0.5	0.8	-	-	-	0.8
Kimberley Wilderness Walk, Wunaamin Miliwundi Ranges	0.1	0.3	0.2	0.2	-	-	0.3
Marine Parks Management	0.7	0.7	0.7	0.7	0.7	0.7	2.8
Murujuga Joint Management	1.1	1.1	1.1	1.1	1.1	1.1	4.3
Murujuga National Park (Conzinc Bay)	0.2	4.1	0.2	1.0	3.4	-	4.7
Natural Resource Management Program	5.7	6.8	7.4	6.8	6.7	7.7	28.6
Ngari Capes Marine Park	1.2	1.2	1.2	1.2	1.2	1.2	4.6
Ningaloo Coastal Reserve	1.8	1.3	1.3	1.3	1.3	1.3	5.2
Northern Native Seed Initiative	1.0	2.0	1.4	1.3	0.5	0.7	3.8
Peel Harvey Estuary Resource	0.1	0.1	0.1	-	-	-	0.1

Table 1 (cont.)

ROYALTIES FOR REGIONS EXPENDITURE

INITIATIVE	2024-25 Actual	2025-26 Budget Estimate	2025-26 Mid-Year Revision	2026-27 Outyear	2027-28 Outyear	2028-29 Outyear	Total Four Years
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Pilbara Hydrogen Hub	0.2	23.0	7.7	15.2	25.2	20.7	68.8
Plan for Our Parks – Indigenous Land Use Agreements	0.2	0.6	1.7	-	-	-	1.7
Renewable Hydrogen Strategy	-	2.1	0.9	1.3	-	-	2.2
Rural Water Planning	2.1	6.4	7.2	-	-	-	7.2
Southern Rangelands Restoration Project	- (a)	-	- (a)	-	-	-	- (a)
Torndirrup National Park, The Gap	2.8	-	-	-	-	-	-
Vertebrate Pest Management Program	0.2	1.0	1.2	1.2	0.5	-	2.8
Water Smart Farms Project	0.2	-	0.1	-	-	-	0.1
Wild Dogs Action Plan	3.1	3.6	4.3	3.4	3.3	3.3	14.4
Yawuru Conservation Park	0.2	1.3	1.3	2.3	-	-	3.5
Yawuru Joint Management	1.1	1.1	1.1	1.1	1.1	1.1	4.5
TOTAL – INVESTING IN OUR ENVIRONMENT	86.9	126.2	103.8	89.3	82.5	74.7	352.2
ADMINISTRATION AND ADMINISTERED ITEMS							
Administration ^(b)	79.3	88.1	83.1	81.5	81.3	82.2	328.1
Administered Items ^(c)	-	15.0	14.0	20.0	20.4	26.2	80.6
TOTAL – ADMINISTRATION AND ADMINISTERED ITEMS	79.3	103.1	97.1	101.5	101.7	108.4	408.7
Underspend Provision	-	-197.6	-202.1	-182.8	-35.0	-	-419.9
TOTAL – ROYALTIES FOR REGIONS FUND	1,240.8	1,278.2	1,225.5	1,033.3	932.7	870.9	4,062.3
Regional Reform Fund Special Purpose Account Transfer ^(d)	12.0	10.4	5.2	16.6	2.6	8.5	33.0

(a) Amounts 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 the proposals.

(d) Total Royalties for Regions contributions are forecast to be \$150 million.

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

Source: Department of Primary Industries and Regional Development.

APPENDIX 1

Detailed Financial Projections

This Appendix contains detailed financial projections for the various sectors of the total public sector defined by the Government Finance Statistics (GFS) framework. The tables in this section satisfy Uniform Presentation Framework (UPF) requirements applicable for all States, Territories and the Commonwealth, and are also consistent with Australian Accounting Standards, in particular, AASB 1049: *Whole of Government and General Government Sector Financial Reporting*.

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Table 1.1

GENERAL GOVERNMENT **Operating Statement**

	Note	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29
		Actual	Budget	Mid-year	Outyear	Outyear	Outyear
		\$m	\$m	Revision	\$m	\$m	\$m
<i>Results from Transactions</i>							
REVENUE							
Taxation		14,849	15,113	16,093	16,057	16,458	17,049
Current grants and subsidies		15,226	15,776	15,045	16,087	16,702	17,319
Capital grants		3,447	3,031	2,781	1,769	1,101	589
Sales of goods and services		3,704	3,377	3,652	3,668	3,785	3,849
Interest income		314	280	260	299	324	329
Revenue from public corporations							
Dividends from other sector entities	4	518	2,788	1,854	2,595	1,697	1,972
Tax equivalent income	4	910	898	913	959	977	1,002
Royalty income		9,806	8,245	9,968	7,963	7,853	7,657
Other		915	749	839	805	735	733
Total	3	49,689	50,257	51,406	50,202	49,633	50,500
EXPENSES							
Salaries		18,370	19,041	19,407	19,476	19,866	20,411
Superannuation							
Concurrent costs		2,069	2,280	2,331	2,340	2,388	2,453
Superannuation interest cost		157	206	215	210	196	183
Other employee costs		431	452	461	426	400	402
Depreciation and amortisation		2,320	2,406	2,458	2,501	2,498	2,490
Services and contracts		3,562	4,755	4,660	4,428	4,238	4,170
Other gross operating expenses		7,985	7,144	7,684	7,194	7,254	7,468
Interest							
Interest on leases		190	152	152	150	146	142
Other interest		1,017	1,023	1,061	1,180	1,262	1,353
Current transfers	5	9,159	9,713	9,736	9,024	8,419	8,072
Capital transfers	5	776	670	739	370	239	209
Total	6	46,037	47,844	48,903	47,300	46,908	47,352
NET OPERATING BALANCE		3,652	2,414	2,503	2,903	2,725	3,148
<i>Other economic flows - included in the operating result</i>							
Net gains on assets/liabilities		8	-133	-138	-197	-185	-56
Provision for doubtful debts		-51	-15	-15	-15	-16	-16
Changes in accounting policy/adjustment of prior periods		4	-	-	-	-	-
Total other economic flows		-39	-147	-153	-212	-201	-71
OPERATING RESULT		3,613	2,266	2,349	2,691	2,525	3,076
<i>All other movements in equity</i>							
<i>Items that will not be reclassified to operating result</i>							
Revaluations		11,629	4,421	4,285	2,301	2,520	2,448
Net actuarial gains/-loss - superannuation		-85	173	347	250	227	228
Gains recognised directly in equity	(a)	-	-1	-1	-1	-1	-11
Change in net worth of the public corporations sectors		6,560	-504	2,178	-1,633	-192	-1,461
All other		-	-	-	-	-	-
Total all other movements in equity		18,104	4,089	6,809	916	2,554	1,203
TOTAL CHANGE IN NET WORTH		21,717	6,355	9,159	3,607	5,079	4,280
KEY FISCAL AGGREGATES							
NET OPERATING BALANCE		3,652	2,414	2,503	2,903	2,725	3,148
Less <i>Net acquisition of non-financial assets</i>							
Purchase of non-financial assets	6	4,211	3,961	4,329	4,716	3,678	3,888
Changes in inventories		-21	-	-	-	-	-
Other movement in non-financial assets		-10	-	18	-	-	-
Less:							
Sales of non-financial assets		73	83	82	68	67	67
Depreciation		2,320	2,406	2,458	2,501	2,498	2,490
Total net acquisition of non-financial assets		1,786	1,472	1,807	2,146	1,112	1,331
NET LENDING/-BORROWING		1,866	941	695	756	1,613	1,817

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

Note: Columns may not add due to rounding.

2025-26 Government Mid-year Financial Projections Statement

Table 1.2

GENERAL GOVERNMENT Balance Sheet at 30 June

	2025	2026	2026	2027	2028	2029
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$m	\$m	\$m
ASSETS						
<i>Financial assets</i>						
Cash and deposits	3,571	1,740	2,921	2,888	2,967	2,920
Advances paid	737	955	943	1,013	1,013	1,024
Investments, loans and placements	3,478	2,326	3,749	2,890	3,218	3,044
Receivables	5,102	5,004	4,966	4,746	4,673	4,698
Shares and other equity						
Investments in other public sector entities - equity method	69,664	66,028	71,842	70,209	70,017	68,556
Investments in other public sector entities - direct injections	24,552	28,757	29,158	31,827	33,230	34,091
Investments in other entities	69	89	79	93	93	93
Other financial assets	10	— (a)	— (a)	— (a)	— (a)	— (a)
Total financial assets	107,183	104,900	113,659	113,666	115,212	114,426
<i>Non-financial assets</i>						
Land	53,693	53,122	57,356	58,976	60,722	62,443
Property, plant and equipment	72,089	71,207	75,116	78,274	80,419	82,850
Right-of-use assets	2,525	2,480	2,474	2,396	2,311	2,223
Service concession assets	1,180	986	1,139	1,078	1,008	939
Biological assets	9	6	9	9	9	9
Inventories						
Land inventories	—	—	—	—	—	—
Other inventories	221	243	221	221	221	221
Intangibles	795	826	887	930	1,042	1,150
Assets classified as held for sale	24	17	18	18	18	18
Investment property	2	—	2	2	2	2
Other	428	511	390	391	382	387
Total non-financial assets	130,967	129,396	137,612	142,296	146,135	150,242
TOTAL ASSETS	238,151	234,296	251,270	255,961	261,347	264,668
LIABILITIES						
Deposits held	3,316	3,189	4,172	4,199	4,027	3,166
Advances received	288	414	454	498	469	441
Borrowings						
Lease liabilities	2,879	2,888	2,849	2,782	2,739	2,671
Service concession liabilities	—	—	—	—	—	—
Other borrowings	24,197	27,730	27,727	29,212	30,448	30,934
Unfunded superannuation	4,023	3,516	3,576	3,210	2,830	2,396
Other employee benefits	5,255	4,872	5,375	5,490	5,318	5,396
Payables	3,010	2,872	2,966	2,891	2,774	2,670
Other liabilities	2,994	3,161	2,805	2,726	2,708	2,682
TOTAL LIABILITIES	45,962	48,642	49,923	51,008	51,314	50,355
NET ASSETS	192,188	185,654	201,347	204,954	210,033	214,313
<i>Of which:</i>						
Contributed equity	—	—	—	—	—	—
Accumulated surplus	33,378	35,058	35,839	38,767	41,507	44,789
Other reserves	158,811	150,596	165,508	166,186	168,526	169,523
NET WORTH	192,188	185,654	201,347	204,954	210,033	214,313
MEMORANDUM ITEMS						
<i>Net financial worth</i>	<i>61,221</i>	<i>56,257</i>	<i>63,735</i>	<i>62,658</i>	<i>63,898</i>	<i>64,071</i>
<i>Net financial liabilities</i>	<i>32,995</i>	<i>38,528</i>	<i>37,265</i>	<i>39,377</i>	<i>39,349</i>	<i>38,576</i>
<i>Net debt</i>						
Gross debt liabilities	30,680	34,221	35,202	36,691	37,684	37,211
Less : liquid financial assets	7,787	5,021	7,612	6,791	7,198	6,988
Net debt	22,893	29,200	27,589	29,901	30,486	30,223

(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	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$m	\$m	\$m
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash received</i>						
Taxes received	14,796	15,143	16,115	16,073	16,475	17,066
Grants and subsidies received	21,556	21,429	20,453	20,561	20,608	20,784
Receipts from sales of goods and services	3,868	3,293	3,580	3,624	3,723	3,782
Interest receipts	341	280	260	300	324	330
Dividends and tax equivalents	1,393	3,696	2,823	3,580	2,776	2,969
Other receipts	12,901	11,168	13,357	11,222	10,857	10,675
Total cash received	54,855	55,009	56,588	55,361	54,763	55,605
<i>Cash Paid</i>						
Wages, salaries and supplements, and superannuation	-20,398	-21,563	-21,985	-22,072	-22,810	-23,215
Payments for goods and services	-12,059	-12,449	-12,956	-12,173	-12,022	-12,196
Interest paid	-1,150	-1,124	-1,161	-1,294	-1,375	-1,471
Grants and subsidies paid	-11,486	-12,933	-12,736	-11,769	-11,086	-10,729
Dividends and tax equivalents	-	-	-	-	-	-
Other payments	-2,963	-1,828	-2,820	-2,694	-2,672	-2,715
Total cash paid	-48,057	-49,897	-51,657	-50,003	-49,965	-50,326
NET CASH FLOWS FROM OPERATING ACTIVITIES	6,799	5,112	4,930	5,359	4,798	5,279
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-4,211	-3,961	-4,329	-4,716	-3,678	-3,888
Sales of non-financial assets	73	83	82	68	67	67
Total cash flows from investments in non-financial assets	-4,138	-3,878	-4,247	-4,648	-3,611	-3,821
<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	46	53	65	76	43
<i>Cash paid</i>						
For policy purposes	-5,210	-5,028	-5,067	-2,678	-1,431	-895
For liquidity purposes	-93	-108	-85	-116	-85	-85
Total cash flows from investments in financial assets	-5,192	-5,080	-5,088	-2,719	-1,429	-927
NET CASH FLOWS FROM INVESTING ACTIVITIES	-9,330	-8,958	-9,335	-7,367	-5,040	-4,748
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	18	32	19	21	28	29
Borrowings	65	4,117	4,116	1,613	1,360	613
Deposits received	574	-	856	27	-	-
Other financing receipts	483	15	15	7	18	23
Total cash receipts from financing activities	1,140	4,164	5,006	1,669	1,406	665
<i>Cash paid</i>						
Advances paid	-18	-32	-19	-21	-28	-29
Borrowings repaid	-292	-822	-575	-115	-110	-109
Deposits paid	-	-249	-	-	-172	-862
Other financing payments	-988	-430	-434	-415	-420	-418
Total payments for financing activities	-1,298	-1,533	-1,027	-552	-732	-1,417
NET CASH FLOWS FROM FINANCING ACTIVITIES	-158	2,631	3,979	1,117	674	-752
Net increase in cash and cash equivalents	-2,690	-1,215	-426	-892	433	-221
Cash and cash equivalents at the beginning of the year	9,196	4,707	6,506	6,080	5,188	5,621
Cash and cash equivalents at the end of the year	6,506	3,492	6,080	5,188	5,621	5,400
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	6,799	5,112	4,930	5,359	4,798	5,279
Net cash flows from investing in non-financial assets	-4,138	-3,878	-4,247	-4,648	-3,611	-3,821
Cash surplus/-deficit	2,661	1,233	683	711	1,187	1,458

Note: Columns may not add due to rounding.

2025-26 Government Mid-year Financial Projections Statement

Table 1.4

PUBLIC NON-FINANCIAL CORPORATIONS Operating Statement

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$m	\$m	\$m
<i>Results from Transactions</i>						
REVENUE						
Current grants and subsidies	4,496	4,215	4,222	3,891	3,775	3,527
Capital grants	388	358	426	89	29	-
Sales of goods and services	45,774	44,674	56,809	58,889	59,321	59,177
Interest income	356	171	206	186	166	170
Other	731	597	608	629	686	729
<i>Total</i>	<i>51,746</i>	<i>50,014</i>	<i>62,270</i>	<i>63,684</i>	<i>63,978</i>	<i>63,603</i>
EXPENSES						
Salaries	1,690	1,881	1,739	1,788	1,844	1,845
Superannuation						
Concurrent costs	195	239	209	215	222	222
Superannuation interest cost	-	-	-	-	-	-
Other employee costs	70	54	55	56	56	58
Depreciation and amortisation	3,694	3,872	4,034	4,226	4,333	4,415
Services and contracts	1,090	1,071	1,133	1,055	1,020	980
Other gross operating expenses	40,673	39,369	51,775	53,345	53,207	52,737
Interest						
Interest on leases	74	70	72	70	65	41
Other interest	845	734	738	870	1,029	1,165
Tax equivalents	805	860	865	915	931	954
Current transfers	2,360	1,733	1,728	1,591	1,503	1,464
Capital transfers	33	65	101	118	51	19
<i>Total</i>	<i>51,527</i>	<i>49,948</i>	<i>62,450</i>	<i>64,249</i>	<i>64,260</i>	<i>63,899</i>
NET OPERATING BALANCE	219	67	-180	-566	-283	-296
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	-90	-111	-82	-204	-29	48
Provision for doubtful debts	-10	-45	-45	-41	-41	-41
Changes in accounting policy/adjustment of prior periods	-48	-	-	-	-	-
<i>Total other economic flows</i>	<i>-148</i>	<i>-157</i>	<i>-128</i>	<i>-245</i>	<i>-69</i>	<i>8</i>
OPERATING RESULT	71	-90	-307	-811	-352	-288
<i>Other non-owner movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	6,349	2,111	3,947	1,475	1,531	441
Net actuarial gains/loss - superannuation	-41	2	10	3	3	2
Gains recognised directly in equity	-	-1	-1	-1	-1	-1
All other	-	-	-	-	-	-
<i>Total other non-owner movements in equity</i>	<i>6,308</i>	<i>2,112</i>	<i>3,956</i>	<i>1,477</i>	<i>1,533</i>	<i>442</i>
<i>Movements in owner equity</i>						
Dividends	-436	-2,711	-1,768	-2,512	-1,610	-1,882
Capital injections	5,285	5,004	4,681	2,668	1,403	861
<i>Total movements in owner equity</i>	<i>4,849</i>	<i>2,293</i>	<i>2,913</i>	<i>157</i>	<i>-207</i>	<i>-1,021</i>
TOTAL CHANGE IN NET WORTH	11,228	4,315	6,562	823	974	-867
KEY FISCAL AGGREGATES						
NET OPERATING BALANCE	219	67	-180	-566	-283	-296
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	9,005	8,094	8,306	7,046	5,305	4,540
Changes in inventories	2,183	359	349	96	38	24
Other movement in non-financial assets	233	195	177	210	220	226
<i>Less:</i>						
Sales of non-financial assets	669	563	661	752	666	516
Depreciation	3,694	3,872	4,034	4,226	4,333	4,415
<i>Total net acquisition of non-financial assets</i>	<i>7,057</i>	<i>4,213</i>	<i>4,137</i>	<i>2,374</i>	<i>564</i>	<i>-141</i>
NET LENDING/-BORROWING	-6,839	-4,147	-4,316	-2,940	-846	-155

Note: Columns may not add due to rounding.

Table 1.5

PUBLIC NON-FINANCIAL CORPORATIONS
Balance Sheet at 30 June

	2025	2026	2026	2027	2028	2029
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$m	\$m	\$m
ASSETS						
<i>Financial assets</i>						
Cash and deposits	4,803	4,343	5,381	5,514	5,578	4,919
Advances paid	-	-	-	-	-	-
Investments, loans and placements	2,968	729	816	671	665	657
Receivables	1,947	1,787	1,765	1,798	1,855	1,908
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	56	52	54	56	58
Other financial assets	156	142	142	142	142	142
<i>Total financial assets</i>	<i>9,892</i>	<i>7,057</i>	<i>8,156</i>	<i>8,179</i>	<i>8,296</i>	<i>7,684</i>
<i>Non-financial assets</i>						
Land	11,976	11,827	13,089	13,515	13,954	14,408
Property, plant and equipment	90,740	92,766	96,692	99,805	101,550	101,663
Right-of-use assets	454	426	491	519	488	461
Service concession assets	2,994	2,511	2,972	2,951	2,969	2,948
Biological assets	201	250	211	222	233	243
Inventories						
Land inventories	1,409	1,884	1,799	1,885	1,718	1,577
Other inventories	10,641	9,410	10,990	11,087	11,125	11,149
Intangibles	335	472	364	386	391	405
Assets classified as held for sale	6	8	6	6	6	6
Investment property	28	23	28	28	28	28
Other	354	366	347	346	345	345
<i>Total non-financial assets</i>	<i>119,136</i>	<i>119,943</i>	<i>126,989</i>	<i>130,751</i>	<i>132,807</i>	<i>133,233</i>
TOTAL ASSETS	129,028	127,000	135,144	138,930	141,103	140,917
LIABILITIES						
Deposits held	-	-	-	-	-	-
Advances received	288	414	454	498	469	441
Borrowings						
Lease liabilities	886	759	887	872	830	771
Service concession liabilities	278	283	270	262	254	247
Other borrowings	20,105	19,657	19,675	22,555	23,956	24,686
Unfunded superannuation	66	55	53	46	46	39
Other employee benefits	607	574	621	636	651	667
Payables	12,911	11,235	12,912	13,049	12,951	12,982
Other liabilities	3,285	2,536	3,106	3,023	2,981	2,988
<i>TOTAL LIABILITIES</i>	<i>38,423</i>	<i>35,514</i>	<i>37,978</i>	<i>40,940</i>	<i>42,140</i>	<i>42,821</i>
NET ASSETS	90,605	91,486	97,167	97,990	98,963	98,096
<i>Of which:</i>						
Contributed equity	24,807	29,087	29,488	32,156	33,559	34,421
Accumulated surplus	17,509	16,387	16,127	12,804	10,804	8,616
Other reserves	48,289	46,012	51,552	53,030	54,600	55,059
NET WORTH	90,605	91,486	97,167	97,990	98,963	98,096
MEMORANDUM ITEMS						
<i>Net financial worth</i>	<i>-28,532</i>	<i>-28,457</i>	<i>-29,822</i>	<i>-32,761</i>	<i>-33,844</i>	<i>-35,137</i>
<i>Net debt</i>						
Gross debt liabilities	21,556	21,113	21,285	24,186	25,510	26,145
Less : liquid financial assets	7,771	5,072	6,197	6,185	6,243	5,576
<i>Net debt</i>	<i>13,785</i>	<i>16,041</i>	<i>15,088</i>	<i>18,001</i>	<i>19,267</i>	<i>20,569</i>

Note: Columns may not add due to rounding.

Table 1.6

PUBLIC NON-FINANCIAL CORPORATIONS
Cash Flow Statement

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	Year	Revision	\$m	\$m	\$m
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash received</i>						
Grants and subsidies received	4,922	4,646	4,724	3,987	3,809	3,531
Receipts from sales of goods and services	34,912	29,744	35,867	36,997	37,361	37,579
Interest receipts	346	171	208	184	165	169
Dividends and tax equivalents	35	4	13	-	-	-
Other receipts	2,257	1,959	1,937	1,988	2,021	2,083
Total cash received	42,472	36,525	42,750	43,157	43,356	43,363
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-1,871	-2,084	-1,932	-1,987	-2,037	-2,055
Payments for goods and services	-28,369	-23,227	-29,600	-30,228	-30,100	-29,817
Interest paid	-896	-758	-747	-880	-1,035	-1,153
Grants and subsidies paid	-1,008	-1,141	-1,149	-1,203	-1,035	-950
Tax equivalents	-729	-831	-841	-905	-998	-915
Other payments	-5,648	-4,677	-5,036	-4,480	-4,398	-4,555
Total cash paid	-38,520	-32,719	-39,305	-39,683	-39,602	-39,445
NET CASH FLOWS FROM OPERATING ACTIVITIES	3,952	3,806	3,445	3,473	3,754	3,918
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-9,005	-8,094	-8,306	-7,046	-5,305	-4,540
Sales of non-financial assets	669	563	661	752	666	516
Total cash flows from investments in non-financial assets	-8,336	-7,531	-7,645	-6,294	-4,639	-4,025
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	-	-	-	-	-	-
For liquidity purposes	-	124	132	123	86	83
<i>Cash paid</i>						
For policy purposes	-	-6	-6	-	-18	-23
For liquidity purposes	-67	-84	-84	-90	-96	-112
Total cash flows from investments in financial assets	-67	34	42	32	-28	-53
NET CASH FLOWS FROM INVESTING ACTIVITIES	-8,403	-7,497	-7,603	-6,262	-4,666	-4,077
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	50	143	185	65	- ^(a)	-
Borrowings	4,638	4,433	4,796	5,297	4,273	3,479
Deposits received	-	-	-	-	-	-
Other financing receipts	5,228	5,281	5,071	2,668	1,593	1,746
Total cash received	9,916	9,857	10,051	8,031	5,866	5,225
<i>Cash paid</i>						
Advances paid	-18	-32	-19	-21	-28	-29
Borrowings repaid	-4,400	-3,408	-3,339	-2,415	-2,871	-2,748
Deposits paid	-	-	-	-	-	-
Other financing payments	-804	-233	-1,138	-268	-233	-225
Dividends paid	-436	-2,711	-1,768	-2,512	-1,610	-1,883
Total cash paid	-5,657	-6,384	-6,263	-5,216	-4,743	-4,884
NET CASH FLOWS FROM FINANCING ACTIVITIES	4,259	3,473	3,788	2,815	1,122	340
Net increase in cash and cash equivalents	-192	-218	-370	26	211	181
Cash and cash equivalents at the beginning of the year	3,601	3,112	3,409	3,039	3,065	3,276
Cash and cash equivalents at the end of the year	3,409	2,895	3,039	3,065	3,276	3,456
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	3,952	3,806	3,445	3,473	3,754	3,918
Net cash flows from investing in non-financial assets	-8,336	-7,531	-7,645	-6,294	-4,639	-4,025
Dividends paid	-436	-2,711	-1,768	-2,512	-1,610	-1,883
Cash surplus/-deficit	-4,820	-6,436	-5,967	-5,332	-2,494	-1,990

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

Note: Columns may not add due to rounding.

Table 1.7

TOTAL NON-FINANCIAL PUBLIC SECTOR
Operating Statement

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$m	\$m	\$m
<i>Results from Transactions</i>						
REVENUE						
Taxation	14,224	14,485	15,469	15,409	15,796	16,374
Current grants and subsidies	15,226	15,776	15,045	16,087	16,702	17,319
Capital grants	3,447	3,031	2,781	1,769	1,101	589
Sales of goods and services	48,556	47,357	59,609	61,734	62,283	62,276
Interest income	549	360	326	353	363	373
Royalty income	9,806	8,245	9,968	7,963	7,853	7,657
Dividend and tax equivalents	201	114	134	126	133	138
Other	1,569	1,299	1,387	1,394	1,381	1,422
Total	93,578	90,667	104,720	104,838	105,613	106,148
EXPENSES						
Salaries	20,060	20,922	21,146	21,264	21,711	22,256
Superannuation						
Concurrent costs	2,264	2,520	2,540	2,555	2,609	2,675
Superannuation interest cost	157	206	215	210	196	183
Other employee costs	381	378	386	364	363	366
Depreciation and amortisation	6,011	6,276	6,489	6,725	6,829	6,903
Services and contracts	4,652	5,833	5,801	5,491	5,266	5,158
Other gross operating expenses	47,547	45,671	58,461	59,552	59,444	59,257
Interest						
Interest on leases	255	214	217	213	203	176
Other interest	1,750	1,674	1,667	1,926	2,171	2,398
Current transfers	6,642	6,824	6,845	6,312	5,724	5,577
Capital transfers	421	377	395	399	261	227
Total	90,140	90,895	104,162	105,009	104,778	105,176
NET OPERATING BALANCE	3,439	-228	558	-172	835	972
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	-82	-244	-221	-401	-214	-7
Provision for doubtful debts	-62	-60	-60	-56	-56	-57
Changes in accounting policy/adjustment of prior periods	-43	-	-	-	-	-
Total other economic flows	-187	-304	-281	-457	-270	-64
OPERATING RESULT	3,252	-532	277	-629	565	908
<i>All other movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	17,979	6,533	8,381	3,776	4,052	2,889
Net actuarial gains/-loss - superannuation	-127	176	357	252	229	230
Gains recognised directly in equity	-3	-5	-5	-5	-5	-15
Change in net worth of the PFC sector	616	184	148	212	238	267
All other	-	-	-	-	-	-
Total all other movements in equity	18,465	6,887	8,881	4,235	4,514	3,371
TOTAL CHANGE IN NET WORTH	21,717	6,355	9,159	3,607	5,079	4,280
KEY FISCAL AGGREGATES						
NET OPERATING BALANCE	3,439	-228	558	-172	835	972
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	13,119	12,055	12,627	11,745	8,975	8,428
Changes in inventories	2,161	359	349	96	38	25
Other movement in non-financial assets	222	195	195	210	220	226
<i>Less:</i>						
Sales of non-financial assets	645	646	736	804	726	583
Depreciation	6,011	6,276	6,489	6,725	6,829	6,903
Total net acquisition of non-financial assets	8,847	5,688	5,947	4,523	1,679	1,193
NET LENDING-BORROWING	-5,408	-5,917	-5,389	-4,695	-843	-221

Note: Columns may not add due to rounding.

2025-26 Government Mid-year Financial Projections Statement

Table 1.8

TOTAL NON-FINANCIAL PUBLIC SECTOR Balance Sheet at 30 June

	2025	2026	2026	2027	2028	2029
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	Year	Revision	\$m	\$m	\$m
		\$m	\$m			
ASSETS						
<i>Financial assets</i>						
Cash and deposits	5,111	2,931	4,173	4,246	4,561	4,716
Advances paid	450	541	489	515	544	583
Investments, loans and placements	6,234	2,890	4,362	3,376	3,681	3,502
Receivables	6,826	6,547	6,520	6,323	6,369	6,402
Shares and other equity						
Investments in other public sector entities - equity method	3,611	3,299	3,834	4,046	4,284	4,551
Investments in other public sector entities - direct injections	-	-	-	-	-	-
Investments in other entities	86	145	131	147	149	151
Other financial assets	10	- (a)	- (a)	- (a)	- (a)	- (a)
Total financial assets	22,328	16,352	19,508	18,653	19,588	19,907
<i>Non-financial assets</i>						
Land	65,669	64,949	70,445	72,490	74,676	76,851
Property, plant and equipment	162,829	163,973	171,808	178,079	181,969	184,512
Right-of-use assets	2,979	2,905	2,964	2,915	2,800	2,683
Service concession assets	4,174	3,496	4,111	4,030	3,977	3,887
Biological assets	210	256	221	231	242	253
Inventories						
Land inventories	1,409	1,884	1,799	1,885	1,718	1,577
Other inventories	10,863	9,652	11,211	11,308	11,346	11,370
Intangibles	1,130	1,298	1,250	1,316	1,433	1,555
Assets classified as held for sale	31	25	24	24	24	24
Investment property	30	23	30	30	30	30
Other	779	876	735	735	725	729
Total non-financial assets	250,101	249,338	264,598	273,044	278,939	283,472
TOTAL ASSETS	272,429	265,691	284,106	291,697	298,527	303,379
LIABILITIES						
Deposits held	44	30	35	35	35	35
Advances received	288	414	454	498	469	441
Borrowings						
Lease liabilities	3,562	3,489	3,541	3,478	3,376	3,251
Service concession liabilities	278	283	270	262	254	247
Other borrowings	44,301	47,386	47,402	51,767	54,404	55,620
Unfunded superannuation	4,089	3,571	3,629	3,256	2,876	2,434
Other employee benefits	5,862	5,446	5,996	6,126	5,970	6,064
Payables	15,725	13,883	15,694	15,745	15,592	15,476
Other liabilities	6,093	5,534	5,739	5,577	5,517	5,498
TOTAL LIABILITIES	80,241	80,037	82,759	86,743	88,494	89,066
NET ASSETS	192,188	185,654	201,347	204,954	210,033	214,313
<i>Of which:</i>						
Contributed equity	-	-	-	-	-	-
Accumulated surplus	50,894	51,452	51,973	51,578	52,318	53,413
Other reserves	141,295	134,201	149,374	153,376	157,715	160,900
NET WORTH	192,188	185,654	201,347	204,954	210,033	214,313
MEMORANDUM ITEMS						
<i>Net financial worth</i>	<i>-57,913</i>	<i>-63,685</i>	<i>-63,251</i>	<i>-68,090</i>	<i>-68,907</i>	<i>-69,160</i>
<i>Net financial liabilities</i>	<i>61,524</i>	<i>66,984</i>	<i>67,085</i>	<i>72,136</i>	<i>73,190</i>	<i>73,711</i>
<i>Net debt</i>						
Gross debt liabilities	48,473	51,603	51,701	56,039	58,539	59,594
Less: liquid financial assets	11,795	6,362	9,023	8,137	8,786	8,802
Net debt	36,678	45,241	42,678	47,902	49,753	50,792

(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	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$m	\$m	\$m
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash received</i>						
Taxes received	14,170	14,518	15,495	15,429	15,810	16,392
Grants and subsidies received	21,556	21,429	20,453	20,561	20,608	20,784
Receipts from sales of goods and services	37,693	32,239	38,493	39,684	40,144	40,500
Interest receipts	573	360	328	353	362	372
Dividends and tax equivalents	264	159	228	164	168	171
Other receipts	14,653	12,611	14,777	12,661	12,325	12,206
<i>Total cash received</i>	<i>88,908</i>	<i>81,316</i>	<i>89,774</i>	<i>88,852</i>	<i>89,416</i>	<i>90,425</i>
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-22,270	-23,648	-23,917	-24,059	-24,847	-25,270
Payments for goods and services	-38,985	-34,519	-41,243	-41,071	-40,784	-40,755
Interest paid	-1,932	-1,792	-1,767	-2,043	-2,283	-2,498
Grants and subsidies paid	-7,538	-9,396	-9,129	-8,955	-8,282	-8,119
Dividends and tax equivalents	-	-	-	-	-	-
Other payments	-7,981	-5,880	-7,235	-6,529	-6,405	-6,596
<i>Total cash paid</i>	<i>-78,706</i>	<i>-75,234</i>	<i>-83,291</i>	<i>-82,657</i>	<i>-82,601</i>	<i>-83,237</i>
NET CASH FLOWS FROM OPERATING ACTIVITIES	10,202	6,082	6,483	6,195	6,816	7,188
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-13,119	-12,055	-12,627	-11,745	-8,975	-8,428
Sales of non-financial assets	645	646	736	804	726	583
<i>Total cash flows from investments in non-financial assets</i>	<i>-12,474</i>	<i>-11,410</i>	<i>-11,892</i>	<i>-10,942</i>	<i>-8,249</i>	<i>-7,845</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	170	185	187	163	125
<i>Cash paid</i>						
For policy purposes	-25	-10	-10	-10	-10	-10
For liquidity purposes	-160	-191	-169	-206	-181	-197
<i>Total cash flows from investments in financial assets</i>	<i>-75</i>	<i>-21</i>	<i>16</i>	<i>-19</i>	<i>-18</i>	<i>-72</i>
NET CASH FLOWS FROM INVESTING ACTIVITIES	-12,549	-11,430	-11,875	-10,961	-8,268	-7,918
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	50	143	185	65	- ^(a)	-
Borrowings	4,703	8,549	8,912	6,910	5,632	4,092
Deposits received	4	-	-	-	-	-
Other financing receipts	502	9	9	7	-	-
<i>Total cash received</i>	<i>5,259</i>	<i>8,702</i>	<i>9,106</i>	<i>6,983</i>	<i>5,632</i>	<i>4,092</i>
<i>Cash paid</i>						
Advances paid	-18	-32	-19	-21	-28	-29
Borrowings repaid	-4,692	-4,230	-3,914	-2,531	-2,982	-2,857
Deposits paid	-	-	-	-	-	-
Other financing payments	-1,084	-524	-577	-530	-527	-517
<i>Total cash paid</i>	<i>-5,793</i>	<i>-4,786</i>	<i>-4,510</i>	<i>-3,082</i>	<i>-3,537</i>	<i>-3,403</i>
NET CASH FLOWS FROM FINANCING ACTIVITIES	-535	3,916	4,597	3,900	2,095	689
Net increase in cash and cash equivalents	-2,882	-1,432	-796	-866	643	-41
Cash and cash equivalents at the beginning of the year	12,796	7,818	9,914	9,118	8,253	8,896
Cash and cash equivalents at the end of the year	9,914	6,385	9,118	8,253	8,896	8,855
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	10,202	6,082	6,483	6,195	6,816	7,188
Net cash flows from investing in non-financial assets	-12,474	-11,410	-11,892	-10,942	-8,249	-7,845
Cash surplus/-deficit	-2,273	-5,328	-5,409	-4,747	-1,434	-658

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

Note: Columns may not add due to rounding.

Table 1.10

PUBLIC FINANCIAL CORPORATIONS
Operating Statement

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$m	\$m	\$m
			\$m			
<i>Results from Transactions</i>						
REVENUE						
Current grants and subsidies	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-
Sales of goods and services	1,840	1,871	1,904	2,002	2,104	2,209
Interest income	2,034	2,279	2,205	2,434	2,645	2,842
Other	182	161	161	171	182	193
Total	4,055	4,311	4,269	4,607	4,931	5,244
EXPENSES						
Salaries	87	97	98	101	104	107
Superannuation						
Concurrent costs	10	12	12	12	12	13
Superannuation interest cost	-	-	-	-	-	-
Other employee costs	457	404	404	426	449	474
Depreciation and amortisation	14	10	11	10	10	10
Services and contracts	7	9	9	10	10	10
Other gross operating expenses	1,335	1,658	1,657	1,781	1,884	1,993
Interest						
Interest on leases	3	3	3	2	2	2
Other interest	1,753	2,040	1,951	2,163	2,349	2,513
Tax equivalents	105	38	48	43	47	48
Current transfers	6	21	17	17	21	26
Capital transfers	-	1	1	2	2	3
Total	3,777	4,291	4,210	4,568	4,891	5,199
NET OPERATING BALANCE	278	20	60	39	40	45
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	434	288	241	255	282	310
Provision for doubtful debts	-	-	-	-	-	-
Changes in accounting policy/adjustment of prior periods	-(a)	-	-	-	-	-
Total other economic flows	434	288	241	255	282	310
OPERATING RESULT	712	308	301	293	322	355
<i>Other non-owner movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	2	-46	83	2	2	2
Net actuarial gains/loss - superannuation	1	-(a)	-(a)	-(a)	-(a)	-(a)
Gains recognised directly in equity	-2	-	-	-	-	-
All other	-	-	-	-	-	-
Total other non-owner movements in equity	1	-46	83	2	2	2
<i>Movements in owner equity</i>						
Dividends	-96	-77	-86	-83	-87	-90
Capital injections	-	-1	-74	-	-	-
Total movements in owner equity	-96	-78	-161	-83	-87	-90
TOTAL CHANGE IN NET WORTH	617	184	223	212	238	267
KEY FISCAL AGGREGATES						
NET OPERATING BALANCE	278	20	60	39	40	45
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	13	6	6	6	7	6
Changes in inventories	-	-	-	-	-	-
Other movement in non-financial assets	-	-	-	-	-	-
Less:						
Sales of non-financial assets	-(a)	-(a)	-(a)	-(a)	-(a)	-(a)
Depreciation	14	10	11	10	10	10
Total net acquisition of non-financial assets	-1	-5	-5	-5	-4	-4
NET LENDING/-BORROWING	280	24	65	44	44	49

(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	2026	2027	2028	2029
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$m	\$m	\$m
ASSETS						
<i>Financial assets</i>						
Cash and deposits	954	283	210	216	223	228
Advances paid	1,584	1,353	1,930	2,084	2,510	3,195
Investments, loans and placements	57,639	60,359	59,129	64,068	67,267	69,043
Receivables	1,080	1,047	1,081	1,108	1,132	1,158
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	3,360	3,032	3,318	3,636	3,963
Other financial assets	2	8	2	2	2	2
Total financial assets	64,006	66,411	65,383	70,795	74,768	77,590
<i>Non-financial assets</i>						
Land	-	-	-	-	-	-
Property, plant and equipment	8	6	7	6	7	7
Right-of-use assets	36	29	32	28	24	21
Service concession assets	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-
Inventories						
Land inventories	-	-	-	-	-	-
Other inventories	-	-	-	-	-	-
Intangibles	23	19	23	23	23	23
Assets classified as held for sale	-	-	-	-	-	-
Investment property	-	-	-	-	-	-
Other	5	5	4	4	4	4
Total non-financial assets	72	59	65	61	58	54
TOTAL ASSETS	64,079	66,470	65,448	70,856	74,826	77,644
LIABILITIES						
Deposits held	-	-	-	-	-	-
Advances received	-	-	-	-	-	-
Borrowings						
Lease liabilities	47	44	44	42	39	36
Service concession liabilities	-	-	-	-	-	-
Other borrowings	53,624	55,679	54,250	58,793	61,878	63,771
Unfunded superannuation	3	2	2	2	2	2
Other employee benefits	20	18	20	21	21	20
Payables	187	323	407	422	442	467
Other liabilities	6,587	7,104	6,891	7,530	8,160	8,797
TOTAL LIABILITIES	60,468	63,171	61,614	66,810	70,542	73,093
NET ASSETS	3,611	3,299	3,834	4,046	4,284	4,551
<i>Of which:</i>						
Contributed equity	-255	-329	-329	-329	-329	-329
Accumulated surplus	3,837	3,643	4,000	4,155	4,331	4,531
Other reserves	29	-15	163	220	282	349
NET WORTH	3,611	3,299	3,834	4,046	4,284	4,551
MEMORANDUM ITEMS						
<i>Net financial worth</i>	<i>3,539</i>	<i>3,240</i>	<i>3,769</i>	<i>3,985</i>	<i>4,226</i>	<i>4,497</i>
<i>Net debt</i>						
Gross debt liabilities	53,671	55,723	54,294	58,835	61,917	63,807
Less: liquid financial assets	60,178	61,996	61,268	66,368	70,000	72,467
Net debt	-6,506	-6,273	-6,974	-7,533	-8,082	-8,660

Note: Columns may not add due to rounding.

Table 1.12

PUBLIC FINANCIAL CORPORATIONS
Cash Flow Statement

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$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	2,067	2,097	2,215	2,337	2,459
Interest receipts	2,041	2,277	2,203	2,432	2,643	2,840
Dividends and tax equivalents	-	-	-	-	-	-
Other receipts	241	258	260	275	291	306
<i>Total cash received</i>	<i>4,248</i>	<i>4,606</i>	<i>4,565</i>	<i>4,926</i>	<i>5,276</i>	<i>5,611</i>
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-93	-108	-110	-113	-116	-120
Payments for goods and services	-1,368	-1,525	-1,524	-1,597	-1,730	-1,857
Interest paid	-1,712	-2,042	-1,955	-2,166	-2,351	-2,515
Grants and subsidies paid	-	-	-	-	-	-
Tax equivalents	-146	-77	-128	-80	-81	-81
Other payments	-244	-275	-274	-290	-309	-330
<i>Total cash paid</i>	<i>-3,563</i>	<i>-4,028</i>	<i>-3,991</i>	<i>-4,246</i>	<i>-4,588</i>	<i>-4,904</i>
NET CASH FLOWS FROM OPERATING ACTIVITIES	684	578	574	680	688	707
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-13	-6	-6	-6	-7	-6
Sales of non-financial assets	-(a)	-(a)	-(a)	-(a)	-(a)	-(a)
<i>Total cash flows from investments in non-financial assets</i>	<i>-13</i>	<i>-5</i>	<i>-5</i>	<i>-5</i>	<i>-6</i>	<i>-6</i>
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	-	-	-	-	-	-
For liquidity purposes	10,286	9,349	9,363	9,374	9,585	9,824
<i>Cash paid</i>						
For policy purposes	-	-	-	-	-	-
For liquidity purposes	-9,314	-9,684	-10,151	-10,056	-10,539	-11,040
<i>Total cash flows from investments in financial assets</i>	<i>971</i>	<i>-335</i>	<i>-789</i>	<i>-682</i>	<i>-953</i>	<i>-1,216</i>
NET CASH FLOWS FROM INVESTING ACTIVITIES	958	-340	-794	-687	-960	-1,222
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	-	-	-	-	-	-
Borrowings	26,449	29,090	28,047	29,153	28,444	26,666
Deposits received	-	-	-	-	-	-
Other financing receipts	-	-	-	-	-	-
<i>Total cash received</i>	<i>26,449</i>	<i>29,090</i>	<i>28,047</i>	<i>29,153</i>	<i>28,444</i>	<i>26,666</i>
<i>Cash paid</i>						
Advances paid	-	-	-	-	-	-
Borrowings repaid	-26,109	-29,555	-30,315	-29,006	-28,028	-26,003
Deposits paid	-	-	-	-	-	-
Other financing payments	-6	-1	-4	-3	-3	-3
Dividends paid	-117	-82	-101	-83	-87	-90
<i>Total cash paid</i>	<i>-26,233</i>	<i>-29,638</i>	<i>-30,419</i>	<i>-29,092</i>	<i>-28,118</i>	<i>-26,096</i>
NET CASH FLOWS FROM FINANCING ACTIVITIES	216	-549	-2,372	61	326	570
Net increase in cash and cash equivalents	1,859	-311	-2,592	53	54	55
Cash and cash equivalents at the beginning of the year	2,018	2,022	3,877	1,285	1,339	1,393
Cash and cash equivalents at the end of the year	3,877	1,711	1,285	1,339	1,393	1,448
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	684	578	574	680	688	707
Net cash flows from investing in non-financial assets	-13	-5	-5	-5	-6	-6
Dividends paid	-117	-82	-101	-83	-87	-90
Cash surplus/-deficit	554	491	468	592	595	612

(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	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	Year	Revision	\$m	\$m	\$m
<i>Results from Transactions</i>						
REVENUE						
Taxation	14,219	14,464	15,453	15,392	15,776	16,349
Current grants and subsidies	15,226	15,776	15,045	16,087	16,702	17,319
Capital grants	3,447	3,031	2,781	1,769	1,101	589
Sales of goods and services	49,590	48,439	60,721	62,906	63,514	63,563
Interest income	857	1,031	954	935	932	941
Royalty income	9,806	8,245	9,968	7,963	7,853	7,657
Other	1,750	1,460	1,547	1,565	1,562	1,615
<i>Total</i>	<i>94,895</i>	<i>92,446</i>	<i>106,470</i>	<i>106,619</i>	<i>107,440</i>	<i>108,033</i>
EXPENSES						
Salaries	20,147	21,019	21,244	21,365	21,815	22,363
Superannuation						
Concurrent costs	2,274	2,531	2,552	2,567	2,622	2,688
Superannuation interest cost	157	206	215	210	196	183
Other employee costs	838	781	790	789	812	841
Depreciation and amortisation	6,025	6,285	6,499	6,735	6,839	6,913
Services and contracts	4,659	5,833	5,801	5,491	5,266	5,158
Other gross operating expenses	48,076	46,550	59,335	60,513	60,464	60,339
Interest						
Interest on leases	258	216	219	215	206	178
Other interest	1,777	2,106	2,042	2,237	2,444	2,637
Current transfers	6,642	6,824	6,845	6,312	5,724	5,577
Capital transfers	422	378	396	400	264	230
<i>Total</i>	<i>91,274</i>	<i>92,731</i>	<i>105,939</i>	<i>106,835</i>	<i>106,651</i>	<i>107,106</i>
NET OPERATING BALANCE	3,621	-285	532	-216	789	927
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	352	44	21	-146	69	303
Provision for doubtful debts	-62	-60	-60	-56	-56	-57
Changes in accounting policy/adjustment of prior periods	-44	-	-	-	-	-
<i>Total other economic flows</i>	<i>247</i>	<i>-16</i>	<i>-40</i>	<i>-202</i>	<i>12</i>	<i>246</i>
OPERATING RESULT	3,868	-301	492	-418	801	1,174
<i>All other movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	17,981	6,486	8,315	3,778	4,054	2,891
Net actuarial gains/-loss - superannuation	-126	176	357	252	229	230
Gains recognised directly in equity	-5	-5	-5	-5	-5	-15
All other	-	-	-	-	-	-
<i>Total all other movements in equity</i>	<i>17,849</i>	<i>6,656</i>	<i>8,667</i>	<i>4,025</i>	<i>4,278</i>	<i>3,106</i>
TOTAL CHANGE IN NET WORTH	21,717	6,355	9,159	3,607	5,079	4,280
KEY FISCAL AGGREGATES						
NET OPERATING BALANCE	3,621	-285	532	-216	789	927
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	13,132	12,061	12,633	11,751	8,982	8,434
Changes in inventories	2,161	359	349	96	38	25
Other movement in non-financial assets	222	195	195	210	220	226
<i>Less:</i>						
Sales of non-financial assets	646	646	736	804	726	583
Depreciation	6,025	6,285	6,499	6,735	6,839	6,913
<i>Total net acquisition of non-financial assets</i>	<i>8,846</i>	<i>5,684</i>	<i>5,942</i>	<i>4,518</i>	<i>1,675</i>	<i>1,189</i>
NET LENDING/-BORROWING	-5,225	-5,969	-5,410	-4,734	-886	-262

Note: Columns may not add due to rounding.

2025-26 Government Mid-year Financial Projections Statement

Table 1.14

TOTAL PUBLIC SECTOR Balance Sheet at 30 June

	2025	2026	2026	2027	2028	2029
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$m	\$m	\$m
ASSETS						
<i>Financial assets</i>						
Cash and deposits	6,056	3,204	4,381	4,461	4,782	4,943
Advances paid	2,034	1,894	2,418	2,599	3,054	3,779
Investments, loans and placements	18,147	16,309	16,537	16,114	16,967	17,335
Receivables	7,135	6,789	6,684	6,479	6,508	6,528
Equity - Investments in other entities	2,833	3,506	3,163	3,465	3,785	4,114
Other financial assets	11	8	2	2	2	2
<i>Total financial assets</i>	<i>36,216</i>	<i>31,710</i>	<i>33,186</i>	<i>33,119</i>	<i>35,098</i>	<i>36,701</i>
<i>Non-financial assets</i>						
Land	65,669	64,949	70,445	72,490	74,676	76,851
Property, plant and equipment	162,837	163,980	171,815	178,085	181,976	184,519
Right-of-use assets	3,014	2,934	2,996	2,943	2,823	2,704
Service concession assets	4,174	3,496	4,111	4,030	3,977	3,887
Biological assets	210	256	221	231	242	253
Inventories						
Land inventories	1,409	1,884	1,799	1,885	1,718	1,577
Other inventories	10,863	9,652	11,211	11,308	11,346	11,370
Intangibles	1,153	1,317	1,273	1,338	1,456	1,578
Assets classified as held for sale	31	25	24	24	24	24
Investment property	30	23	30	30	30	30
Other	785	880	739	739	728	733
<i>Total non-financial assets</i>	<i>250,174</i>	<i>249,397</i>	<i>264,663</i>	<i>273,104</i>	<i>278,997</i>	<i>283,526</i>
TOTAL ASSETS	286,389	281,107	297,849	306,223	314,095	320,227
LIABILITIES						
Deposits held	34	20	34	34	34	34
Advances received	288	414	454	498	469	441
Borrowings						
Lease liabilities	3,609	3,533	3,585	3,519	3,415	3,287
Service concession liabilities	278	283	270	262	254	247
Other borrowings	52,199	56,124	54,699	59,229	62,301	64,180
Unfunded superannuation	4,092	3,574	3,631	3,258	2,878	2,436
Other employee benefits	5,882	5,464	6,017	6,147	5,990	6,084
Payables	15,511	13,780	15,495	15,548	15,395	15,278
Other liabilities	12,309	12,260	12,319	12,775	13,324	13,928
<i>TOTAL LIABILITIES</i>	<i>94,201</i>	<i>95,453</i>	<i>96,502</i>	<i>101,269</i>	<i>104,062</i>	<i>105,915</i>
NET ASSETS	192,188	185,654	201,347	204,954	210,033	214,313
<i>Of which:</i>						
Contributed equity	-	-	-	-	-	-
Accumulated surplus	54,731	55,096	55,973	55,733	56,649	57,944
Other reserves	137,457	130,558	145,374	149,220	153,384	156,369
NET WORTH	192,188	185,654	201,347	204,954	210,033	214,313
MEMORANDUM ITEMS						
<i>Net financial worth</i>	<i>-57,985</i>	<i>-63,743</i>	<i>-63,316</i>	<i>-68,151</i>	<i>-68,964</i>	<i>-69,214</i>
<i>Net financial liabilities</i>	<i>57,985</i>	<i>63,743</i>	<i>63,316</i>	<i>68,151</i>	<i>68,964</i>	<i>69,214</i>
<i>Net debt</i>						
Gross debt liabilities	56,408	60,375	59,041	63,542	66,474	68,189
Less : liquid financial assets	26,236	21,407	23,337	23,173	24,804	26,057
<i>Net debt</i>	<i>30,172</i>	<i>38,968</i>	<i>35,704</i>	<i>40,369</i>	<i>41,671</i>	<i>42,132</i>

Note: Columns may not add due to rounding.

Table 1.15

TOTAL PUBLIC SECTOR
Cash Flow Statement

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$m	\$m	\$m
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Cash received</i>						
Taxes received	14,164	14,492	15,474	15,407	15,784	16,362
Grants and subsidies received	21,556	21,429	20,453	20,561	20,608	20,784
Receipts from sales of goods and services	38,899	33,517	39,798	41,069	41,606	42,037
Interest receipts	876	1,071	994	958	954	956
Dividends and tax equivalents	-	-	-	-	-	-
Other	14,893	12,867	15,037	12,935	12,616	12,512
<i>Total cash received</i>	90,387	83,375	91,756	90,931	91,569	92,651
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-22,363	-23,756	-24,027	-24,172	-24,963	-25,390
Payments for goods and services	-39,593	-35,255	-41,974	-41,837	-41,639	-41,690
Interest paid	-1,905	-2,267	-2,186	-2,382	-2,584	-2,757
Grants and subsidies paid	-7,538	-9,391	-9,124	-8,950	-8,277	-8,114
Dividends and tax equivalents	-	-	-	-	-	-
Other payments	-8,219	-6,128	-7,488	-6,797	-6,688	-6,895
<i>Total cash paid</i>	-79,619	-76,797	-84,799	-84,138	-84,152	-84,846
NET CASH FLOWS FROM OPERATING ACTIVITIES	10,769	6,578	6,957	6,792	7,417	7,805
CASH FLOWS FROM INVESTING ACTIVITIES						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-13,132	-12,061	-12,633	-11,751	-8,982	-8,434
Sales of non-financial assets	646	646	736	804	726	583
<i>Total cash flows from investments in non-financial assets</i>	-12,487	-11,415	-11,897	-10,947	-8,256	-7,851
<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	9,519	9,547	9,561	9,748	9,949
<i>Cash paid</i>						
For policy purposes	-25	-10	-10	-10	-10	-10
For liquidity purposes	-9,474	-9,876	-10,320	-10,262	-10,719	-11,237
<i>Total cash flows from investments in financial assets</i>	897	-356	-772	-701	-972	-1,288
NET CASH FLOWS FROM INVESTING ACTIVITIES	-11,590	-11,771	-12,669	-11,648	-9,227	-9,139
CASH FLOWS FROM FINANCING ACTIVITIES						
<i>Cash received</i>						
Advances received	50	143	185	65	- (a)	-
Borrowings	21,762	24,861	24,135	26,624	25,462	23,815
Deposits received	-	-	-	-	-	-
Other financing receipts	502	9	9	7	-	-
<i>Total cash received</i>	22,314	25,014	24,329	26,697	25,462	23,815
<i>Cash paid</i>						
Advances paid	-18	-32	-19	-21	-28	-29
Borrowings repaid	-21,411	-21,008	-21,405	-22,098	-22,396	-21,916
Deposits paid	-	-	-	-	-	-
Other financing payments	-1,086	-525	-581	-533	-530	-521
<i>Total cash paid</i>	-22,515	-21,564	-22,004	-22,653	-22,954	-22,466
NET CASH FLOWS FROM FINANCING ACTIVITIES	-201	3,449	2,325	4,044	2,508	1,349
Net increase in cash and cash equivalents	-1,023	-1,743	-3,388	-812	697	15
Cash and cash equivalents at the beginning of the year	14,813	9,839	13,790	10,402	9,590	10,287
Cash and cash equivalents at the end of the year	13,790	8,095	10,402	9,590	10,287	10,302
KEY FISCAL AGGREGATES						
Net cash flows from operating activities	10,769	6,578	6,957	6,792	7,417	7,805
Net cash flows from investing in non-financial assets	-12,487	-11,415	-11,897	-10,947	-8,256	-7,851
Cash surplus/-deficit	-1,718	-4,837	-4,940	-4,155	-839	-46

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

Note: Columns may not add due to rounding.

NOTE 1: STATEMENT OF COMPLIANCE

The public sector financial statements projections presented in this Appendix have been prepared in accordance with Australian Accounting Standards and the Australian Bureau of Statistics' *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 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.

The following table provides detail of current and capital transfer expenses of the general government sector, in line with UPF disclosure requirements.

(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.

NOTE 3: GENERAL GOVERNMENT OPERATING REVENUE

A detailed dissection of general government revenue 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.

GENERAL GOVERNMENT REVENUE FROM PUBLIC CORPORATIONS						
	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year			
	\$m	Year	Revision	Outyear	Outyear	Outyear
		\$m	\$m	\$m	\$m	\$m
<i>Dividends</i>						
From public non-financial corporations	436	2,711	1,768	2,512	1,610	1,882
From public financial corporations	83	77	86	83	87	90
<i>Total dividends</i>	<i>518</i>	<i>2,788</i>	<i>1,854</i>	<i>2,595</i>	<i>1,697</i>	<i>1,972</i>
<i>Tax equivalent income</i>						
From public non-financial corporations	805	860	865	915	931	954
From public financial corporations	105	38	48	43	47	48
<i>Total tax equivalent income</i>	<i>910</i>	<i>898</i>	<i>913</i>	<i>959</i>	<i>977</i>	<i>1,002</i>
Total revenue from public corporations	1,428	3,686	2,767	3,553	2,674	2,974

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 transactions 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	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	Year	Revision	\$m	\$m	\$m
		\$m	\$m			
CURRENT TRANSFERS						
Local government	464	670	716	637	485	455
Private and not-for-profit sector	2,723	3,178	3,311	2,938	2,573	2,396
Other sectors of government	5,972	5,866	5,709	5,449	5,361	5,221
<i>Total Current Transfers</i>	<i>9,159</i>	<i>9,713</i>	<i>9,736</i>	<i>9,024</i>	<i>8,419</i>	<i>8,072</i>
CAPITAL TRANSFERS						
Local government	235	66	67	46	35	53
Private and not-for-profit sector	153	245	246	235	175	155
Other sectors of government	388	358	426	89	29	-
<i>Total Capital Transfers</i>	<i>776</i>	<i>670</i>	<i>739</i>	<i>370</i>	<i>239</i>	<i>209</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	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	Year	Revision	\$m	\$m	\$m
		\$m	\$m			
<i>Expenses</i>						
General public services	1,803	1,952	2,261	2,348	2,426	2,556
Public order and safety	5,364	5,291	5,500	5,358	5,291	5,347
Economic affairs	3,096	2,936	2,973	2,535	2,188	1,866
Environmental protection	694	730	749	703	659	650
Housing and community amenities	1,817	2,098	2,116	2,078	2,009	1,834
Health	14,471	14,663	14,986	14,083	14,460	14,983
Recreation, culture and religion	1,179	1,357	1,524	1,296	1,205	1,231
Education	8,887	9,428	9,495	9,544	9,666	9,884
Social protection	4,405	4,252	4,308	3,961	3,978	4,048
Transport	4,320	4,667	4,750	4,189	4,156	4,059
Provisions not allocated ^(b)	-	469	240	1,204	870	893
Total General Government Expenses	46,037	47,844	48,903	47,300	46,908	47,352
<i>Purchases of new non-financial assets</i>						
General public services	149	137	162	102	95	118
Public order and safety	269	362	469	294	251	105
Economic affairs	44	259	239	101	83	124
Environmental protection	105	203	212	131	93	69
Housing and community amenities	107	123	155	50	79	112
Health	511	1,119	1,372	1,655	847	1,149
Recreation, culture and religion	220	136	162	105	54	35
Education	605	746	719	552	402	272
Social protection	12	12	14	8	6	3
Transport	2,189	2,053	2,249	1,958	1,270	998
Provisions not allocated ^(b)	-	-1,190	-1,423	-242	498	903
Total Purchases of Non-financial Assets	4,211	3,961	4,329	4,716	3,678	3,888

(a) Data in this table are for consolidated general government aggregates and exclude internal transactions within the sector. The information in this table classifies spending by general government agencies by function as defined in the GFS framework.

(b) Provisions not allocated by COFOG, includes Provision for Yet-to-be-Announced Decisions.

Note: Columns may not add due to rounding.

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	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$m	\$m	\$m
TAXATION						
Taxes on employers' payroll and labour force						
<i>Payroll tax</i>	5,836	6,154	6,144	6,451	6,776	7,115
Property taxes						
<i>Land tax</i>	903	988	988	1,020	1,053	1,088
Transfer duty	3,101	2,994	3,648	3,254	3,141	3,155
Foreign Buyers Surcharge	29	14	22	27	36	36
Landholder duty	262	194	362	194	194	194
<i>Total duty on transfers</i>	3,392	3,202	4,032	3,474	3,370	3,385
Other stamp duties	- (a)	- (a)	- (a)	- (a)	- (a)	- (a)
Metropolitan Region Improvement Tax	101	110	110	114	118	122
Perth Parking Levy	59	64	64	67	69	70
Emergency Services Levy	424	456	456	482	501	519
Loan Guarantee Fees	134	157	151	165	180	191
Building and Construction Industry Training Fund Levy	77	63	70	78	79	86
<i>Total other property taxes</i>	795	851	852	905	947	988
Taxes on provision of goods and services						
Lotteries Commission	229	212	212	219	222	226
Video lottery terminals	- (a)	- (a)	- (a)	- (a)	- (a)	- (a)
Casino tax	72	62	62	62	62	62
Betting tax	132	129	138	139	141	143
<i>Total taxes on gambling</i>	433	403	412	420	425	431
Insurance duty	1,073	1,127	1,129	1,189	1,251	1,317
Other	18	17	17	23	24	25
<i>Total taxes on insurance</i>	1,091	1,145	1,147	1,212	1,275	1,341
Taxes on use of goods and performance of activities						
Vehicle licence duty	793	678	805	771	724	722
Permits - oversize vehicles and loads	11	8	8	8	8	8
Motor vehicle registrations	1,407	1,520	1,520	1,619	1,712	1,811
Other vehicle taxes	43	42	45	43	43	44
<i>Total motor vehicle taxes</i>	2,254	2,248	2,378	2,440	2,487	2,584
<i>Mining Rehabilitation Levy</i>	48	44	44	44	44	44
<i>Landfill Levy</i>	98	80	98	90	81	72
Total Taxation	14,849	15,113	16,093	16,057	16,458	17,049

Note: Columns may not add due to rounding.

Table 2.1 (cont.)

OPERATING REVENUE
General Government

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$m	\$m	\$m
CURRENT GRANTS AND SUBSIDIES						
General Purpose Grants						
GST grants	7,362	7,840	7,969	9,351	9,826	10,304
North West Shelf grants	612	365	363	264	224	167
Commonwealth compensation for changed crude oil excise arrangements	30	20	20	15	12	9
National Agreements						
Skills	250	259	271	282	283	273
Social Housing and Homelessness	190	195	195	199	203	203
Mental Health and Suicide Prevention	3	3	3	-	-	-
Schools Reform - Quality Schools ^(b)	649	-	-	-	-	-
Better and Fairer Schools ^(b)	693	1,461	1,454	1,557	1,612	1,671
Health Reform	3,265	3,622	3,622	3,689	3,929	4,158
National Partnerships/Other Grants						
Health	267	152	240	156	136	115
Transport	160	339	339	225	229	216
Disability Services	1,010	1,011	5	-	-	-
Other	735	508	566	350	249	204
Total Current Grants and Subsidies	15,226	15,776	15,045	16,087	16,702	17,319
CAPITAL GRANTS						
National Partnerships/Other Grants						
Transport	3,273	2,526	2,296	1,067	959	569
Other	174	505	486	702	142	20
Total Capital Grants	3,447	3,031	2,781	1,769	1,101	589

Note: Columns may not add due to rounding.

Table 2.1 (cont.)

OPERATING REVENUE
General Government

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	Revision	\$m	\$m	\$m
SALES OF GOODS AND SERVICES						
WA Health	1,010	1,050	1,069	1,029	1,064	1,092
Department of Transport and Major Infrastructure	317	349	350	355	363	379
Department of Education	229	235	235	242	247	252
State Training Providers/TAFE Colleges	117	88	88	103	115	115
Department of Training and Workforce Development	28	33	34	34	35	36
Western Australian Land Information Authority	95	109	109	89	94	116
Department of Biodiversity, Conservation and Attractions	86	146	146	153	156	158
Department of Justice	166	173	173	180	181	180
Department of Local Government, Industry Regulation and Safety	335	293	293	298	298	300
All Other	1,322	901	1,155	1,185	1,232	1,220
Total Sale of Goods and Services	3,704	3,377	3,652	3,668	3,785	3,849
INTEREST INCOME	314	280	260	299	324	329
REVENUE FROM PUBLIC CORPORATIONS						
Dividends	518	2,788	1,854	2,595	1,697	1,972
Tax Equivalent Regime	910	898	913	959	977	1,002
Total Revenue from Public Corporations	1,428	3,686	2,767	3,553	2,674	2,974
ROYALTY INCOME						
Iron Ore	8,481	6,618	8,203	6,000	5,894	5,779
Other	1,325	1,628	1,765	1,964	1,959	1,877
Total Royalty Income	9,806	8,245	9,968	7,963	7,853	7,657
OTHER						
Mining Tenement Rentals	197	185	204	192	192	192
Fines	237	253	285	319	263	264
Revenue not elsewhere counted	480	311	351	294	280	277
Total Other	915	749	839	805	735	733
TOTAL REVENUE	49,689	50,257	51,406	50,202	49,633	50,500

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

(b) The Better and Fairer Schools National Agreement commenced 1 January 2025.

Note: Columns may not add due to rounding.

Major Spending Changes

Changes to general government expenses and total public sector asset investment detailed in this Appendix include:

- all material decisions made between the 19 May 2025 cut-off date for the 2025-26 Budget and the 1 December 2025 cut-off date for this Mid-year Review; and
- parameter changes of a material nature affecting agency spending over the forward estimates period. These include the impact of issues such as variations in Commonwealth funded programs, and higher cost and demand for government services.

Changes relating to the timing of projects that are broadly net debt neutral across the forward estimates period, and changes to depreciation expense, are not included in this Appendix.

The major spending changes tables in this Appendix also contain the allocations to agencies for industrial agreement outcomes that have been funded from the provision for Government Wages Policy. Wage outcomes for agreements covering more than 180,000 public sector employees have been achieved under the Government's principles-based wages policy at Mid-year Review cut-off.

GOVERNMENT ADMINISTRATION

Table 3.1

MAJOR SPENDING CHANGES

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
PREMIER AND CABINET				
Expenses				
– Stolen Generations Redress Scheme	124.5	72.6	34.7	60.7
– Support for Executive Government Services	7.8	8.6	8.3	8.0
– The Office of the Coordinator General	3.0	3.4	3.4	3.5
– Increased Telethon Donation	8.0	-	-	-
– Continuation of the Collie Delivery Unit	-	1.8	1.9	1.9
– Defence Joint Transition Team	0.7	1.4	1.4	1.5
– 2029 State Bicentenary	1.3	1.0	1.1	1.1
– Native Title Negotiation	3.2	-	-	-
– GST Marketing Campaign	1.0	-	-	-
– Artificial Intelligence Enabled Discharge Optimisation	0.7	-	-	-
– Audit into WA Health Infrastructure Maintenance ^(a)	0.4	-	-	-
– Parliamentary Electorate Offices	0.1	0.2	-	-
Asset Investment				
– Parliamentary Electorate Offices	4.3	0.9	0.5	0.5
WESTERN AUSTRALIAN ELECTORAL COMMISSION				
Expenses				
– Special Inquiry – Recommendations Implementation	2.5	0.4	0.1	0.1
– Local Government Election Cost Pressures	1.9	-	-	-
REGISTRAR, WESTERN AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION				
Expenses				
– Increase in the Jurisdictional Reach of the WAIRC	0.2	0.3	0.3	0.3

(a) See WA Health.

Note: Rows may not add due to rounding.

Premier and Cabinet

Expenses

Stolen Generations Redress Scheme

In recognition of the enduring effects of past child removal policies on Aboriginal people in Western Australia, the Government has approved \$300 million over the forward estimates to deliver the Stolen Generations Redress Scheme.

This includes \$29.4 million allocated to the Departments of the Premier and Cabinet (\$22 million); Creative Industries, Tourism and Sport (\$2.9 million); Justice (\$2.8 million); and Communities (\$1.9 million) to administer and deliver the Scheme, and to provide legal assistance and financial counselling.

Support for Executive Government Services

The Government has approved an additional \$32.7 million over the forward estimates for the Department to administer and support various Executive Government services, including resourcing for Ministerial offices and additional assistance for the opposition and minor parties in the Legislative Council.

The Office of the Coordinator General

The Government has committed an additional \$13.3 million over the forward estimates to increase resourcing for the Office of the Coordinator General, which supports the Government's energy transition and economic diversification agendas by overseeing and fast-tracking priority project approvals. Following Royal Assent, this function will be strengthened by the State Development Legislation, providing the Coordinator General with tools to ensure investment opportunities are delivered in an appropriate timeframe.

Increased Telethon Donation

The Government has approved an additional \$8 million in 2025-26 to increase its annual donation from \$13 million in 2024 to \$14 million in 2025.

Continuation of the Collie Delivery Unit

To support the ongoing Just Transition of the Collie region as it shifts away from emissions-intensive industries towards new and emerging sectors, a further \$5.6 million has been approved over 2026-27 to 2028-29 to continue the Collie Delivery Unit.

Defence Joint Transition Team

The establishment of a Defence Precinct at Henderson is a critical element of Australia's contributions to the AUKUS program, representing a significant opportunity for the nation. A collaborative approach to this joint opportunity is being taken by the Commonwealth and State, with the Government committing \$5 million over the forward estimates for the State's contributions to a joint transition team. The team will support and plan for the Defence Precinct, including its impact on non-Defence industry, the community and the environment.

2029 State Bicentenary

The Government has committed \$4.4 million over the forward estimates to support planning and delivery of the 2029 State Bicentenary, including facilitating participation and engagement with the Aboriginal community.

Native Title Negotiation

The Government will spend an additional \$3.2 million in 2025-26 to support and progress negotiation of various native title matters.

GST Marketing Campaign

Funding of \$1 million has been allocated in 2025-26 for an awareness campaign to highlight the importance to both Western Australia and the Nation of the 2018 GST reforms that are currently under review by the Productivity Commission.

Artificial Intelligence Enabled Discharge Optimisation

The Government has committed \$700,000 for the Office of Digital Government and WA Health to trial artificial intelligence-enabled discharge planning to optimise patient flow and improve bed availability at Royal Perth Hospital for the 2026 winter season.

Parliamentary Electorate Offices

See below.

Asset Investment

Parliamentary Electorate Offices

Following the 2025 State election, \$6.2 million will be invested over the forward estimates to support accommodation requirements for parliamentary electorate offices. A further \$805,000 in recurrent spending has been approved over 2025-26 and 2026-27 for the Departments of Housing and Works (\$571,000) and the Premier and Cabinet (\$234,000) to support the program.

Western Australian Electoral Commission

Expenses

Special Inquiry – Recommendations Implementation

To assist with the implementation of the recommendations from the Special Inquiry into the Planning and Delivery of the 2025 Western Australian State General Election, the Commission will spend an additional \$3.1 million over 2025-26 to 2029-30.

As part of this investment, the Commission will acquire a new financial management system and enhance internal audit functions to help identify and implement strategies to mitigate potential operational and financial risks.

Local Government Election Cost Pressures

The Government invested an additional \$1.9 million in 2025-26 to provide more resources, including ICT and cybersecurity support, to assist the effective delivery of local government elections in October 2025.

Registrar, Western Australian Industrial Relations Commission (WAIRC)

Expenses

Increase in the Jurisdictional Reach of the WAIRC

The Commission will spend an additional \$1.1 million over 2025-26 to 2028-29 (\$1.4 million to 2029-30) to meet the demand generated by amendments to the *Industrial Relations Legislation Amendment Acts 2021 and 2024 (WA)*, which increased the Commission's jurisdictional reach to include bullying, sexual harassment, local government, and award modernisation.

FINANCIAL ADMINISTRATION

MAJOR SPENDING CHANGES				
	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
TREASURY AND FINANCE				
Expenses				
– Changes to First Home Owner Grant Land Valuations (Administered)	0.1	0.6	0.8	1.0
– Use of Hospital Sites	1.5	-	-	-
– Gold State Super Unclaimed Monies (Administered)	0.4	0.4	-	-
OFFICE OF THE AUDITOR GENERAL				
Expenses				
– Audit Tool and Financial Audit Methodology	0.2	0.3	0.3	0.3
– Server Room	0.1	0.1	0.1	0.1
Asset Investment				
– Server Room	0.1	-	-	-

Note: Rows may not add due to rounding.

Treasury and Finance

Expenses

Changes to First Home Owner Grant (FHOG) Land Valuations (Administered)

The Government has changed FHOG eligibility rules for new builds. If a building contract is signed within 12 months of purchasing the land, the purchase price of the land – rather than its market value at the time the building contract is signed – will be used to determine eligibility. This change is estimated to increase FHOG expenditure by \$2.5 million between 2025-26 and 2028-29.

Use of Hospital Sites

The Department will spend \$1.5 million in 2025-26 on external legal and commercial advice, and building condition assessments, to support WA Health in the potential use of hospital sites.

Gold State Super Unclaimed Monies (Administered)

The Government Employees Superannuation Board will spend \$750,000 over 2025-26 and 2026-27 on upgrades to its administration platform to enable the transfer of unclaimed Gold State Super monies to the Australian Tax Office.

Office of the Auditor General

Expenses

Audit Tool and Financial Audit Methodology

The Office of the Auditor General (OAG) will spend an additional \$1 million over 2025-26 to 2028-29 to meet ongoing ICT support costs for critical updates, technical support, and security enhancements related to the Audit Tool and Financial Audit Methodology software.

Server Room

To mitigate risks of disruption to audit activity and to support a secure and stable ICT system, the OAG will spend \$630,000 over 2025-26 to 2028-29, including \$90,000 in asset investment in 2025-26, to relocate the existing server room that is no longer fit for purpose.

Asset Investment

Server Room

See above.

JOBS AND ECONOMIC DEVELOPMENT

Table 3.3

MAJOR SPENDING CHANGES				
	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
ENERGY AND ECONOMIC DIVERSIFICATION				
Expenses				
– Strategic Industries Fund Allocations ^(a)	9.0	28.2	-	-
– Supporting Social Licence for the Pilbara Energy Transition	2.9	-	-	-
– Ngarluma Green Energy Park Development	2.7	-	-	-
– Energy Ahead	0.1	0.1	-	-
CREATIVE INDUSTRIES, TOURISM AND SPORT				
Expenses				
– WACA High Performance Sport Upgrades	8.3	4.6	-	-
– Arts and Culture Trust	4.0	4.0	4.0	-
– Affordable Airfares Program	-	3.0	-	-
– Stolen Generations Redress Scheme – Research Team ^(b)	0.7	0.8	0.7	0.7
– Aboriginal Tourism	-	2.0	-	-
– WACA Ground Aquatic Centre	0.3	0.3	0.2	-
– CinefestOZ Film Festival 2026	0.6	-	-	-
– Election Commitment – Digital Capability Fund – Access All Areas Kids Vouchers	0.2	0.3	-	-
– Creative Industries Initiative Planning	0.2	0.3	-	-
– Artrage Fringe World Festival 2027	-	0.2	-	-
– Event Tourism ^(c)	-	-	-	-
Asset Investment				
– Perth Concert Hall Carpark Interface	-	23.0	-	-
PRIMARY INDUSTRIES AND REGIONAL DEVELOPMENT				
Expenses				
– West Coast Demersal Fisheries Support Package	12.7	13.7	0.9	-
– Regional Drought Resilience Planning and Farm Business Resilience Programs	1.8	6.3	6.9	6.8
– South Coast Marine Park – Voluntary Fisheries Adjustment Scheme	4.0	2.0	-	-
– Digital Capability Fund – Fisheries Digital Transformation Program Stage One ^(d)	4.6	-	-	-
– 2025 Perth Royal Show	2.8	-	-	-
– Resilient Landscapes Program – Sustainable Solutions for Sandy Soils	0.6	0.7	0.7	0.7
– South West Development Commission Collie Office	-	0.6	0.6	0.7
– Feral Cat Management	0.5	0.6	0.4	-
– Pilbara Housing Supply Office Pilot Program	0.4	0.7	0.2	-
– Firearms Governance and Storage Uplift	0.2	0.3	0.3	- ^(e)
– National Plant Health Surveillance Program	0.1	0.1	0.2	0.2
– Coral Bay Workers Accommodation Facility	0.3	0.3	-	-
– New Norcia Ground Station (Yarawindah)	0.4	-	-	-
– National Livestock Identification System Uplift	0.2	0.1	-	-
– Enhancing National Pest Animal and Weed Management	0.3	-	-	-
Asset Investment				
– Plant and Equipment – Externally Funded Projects	1.2	1.0	1.0	-
– Buccaneer Archipelago Marine Parks ^(d)	-6.0	9.0	-	-
– West Coast Demersal Fisheries Support Package	1.0	1.0	-	-
– Firearms Governance and Storage Uplift	0.2	- ^(e)	0.1	- ^(e)
MINES, PETROLEUM AND EXPLORATION				
Expenses				
– Corporate Services Uplift	0.4	0.8	0.8	0.8
– Safety Works for Mineral House and Carlisle Core Library	1.6	0.6	-	-

Table 3.3 (cont.)

MAJOR SPENDING CHANGES

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
WESTERN AUSTRALIAN MEAT INDUSTRY AUTHORITY				
Expenses				
– Public Sector Wages Policy	_(e)	_(e)	_(e)	_(e)
Asset Investment				
– Muchea Livestock Centre ^(f)	0.8	-	-	-
<p>(a) Expenditure has been reprioritised from within the Strategic Industries Fund's existing allocations to support part or all of this initiative.</p> <p>(b) See Department of the Premier and Cabinet.</p> <p>(c) Amount of expenditure is not disclosed to avoid prejudicing commercial negotiations.</p> <p>(d) Expenditure has been reprioritised from within the Department's existing budget to support part or all of this initiative.</p> <p>(e) Amounts under \$50,000.</p> <p>(f) Expenditure has been reprioritised from within the Authority's existing budget to support part or all of this initiative.</p> <p>Note: Rows may not add due to rounding.</p>				

Energy and Economic Diversification**Expenses*****Strategic Industries Fund Allocations***

The Government established the \$1 billion Strategic Industries Fund to drive the activation of industrial areas and diversify the State's economy for the future. To continue momentum in attracting new and emerging industries to the State, a total of \$82.5 million has been approved from the Fund over the forward estimates, comprising:

- \$36.4 million for DevelopmentWA to acquire land at Latitude 32 in the Western Trade Coast, building on the Government's existing allocation of \$125 million;
- \$34 million for the Department to support the development of the renewable hydrogen industry in the State;
- \$8 million for the Department to provide a grant to Horizon Power to undertake site selection and design works for common use substations at the Maitland and Boodarie Strategic Industrial Areas;
- \$2.5 million for DevelopmentWA to acquire and develop land for the Advanced Manufacturing Technology Hub election commitment, in addition to \$4.8 million that has been provided from the Department for this work; and
- \$1.5 million for Main Roads to plan and design intersection upgrades at the Ashburton North Strategic Industrial Area.

Supporting Social Licence for the Pilbara Energy Transition

A commitment of \$2.9 million in 2025-26 has been made to fund the Traditional Owner Participation Support program and Pilbara Energy Transition Aboriginal Steering Committee.

Ngarluma Green Energy Park Development

The Department will provide \$2.7 million in 2025-26 to the Ngarluma Aboriginal Corporation for preliminary studies, approvals and negotiations for the proposed Green Energy Park project through its subsidiary Ngarluma Green Energy Pty Ltd.

Energy Ahead

The Government has allocated a further \$4 million over 2025-26 and 2026-27 to extend the Energy Ahead program, which assists households experiencing financial hardship in reducing their energy bills. An operating subsidy of \$3.3 million will be provided to Synergy, a \$583,000 operating subsidy to Horizon Power, and \$188,000 to the Department to run the program.

Creative Industries, Tourism and Sport

Expenses

WACA High Performance Sport Upgrades

The Government has committed \$9.9 million over 2025-26 and 2026-27 to upgrade the Lillee Marsh Stand at the WACA and the adjoining site at Waterbank to support high-performance sport, with a further \$3 million committed to improve storm water management systems. The Perth Bears will be the first occupants of the upgraded high-performance facility ahead of the 2027 National Rugby League season

Arts and Culture Trust

The Arts and Culture Trust will spend an additional \$12 million over 2025-26 to 2027-28 to address increased operational expenses and support the management of major metropolitan and regional venues and spaces, including the new Perth Film Studios, His Majesty's Theatre, the State Theatre Centre and Perth Cultural Centre.

Affordable Airfares Program

The Department will spend an additional \$3 million in 2026-27, funded through the Aviation Recovery Fund, to extend the delivery of discounted airfares to encourage visitation to regional Western Australian tourism hubs into 2026.

Aboriginal Tourism

To support the continued development of the Aboriginal tourism industry, the Government has committed \$2 million in 2026-27 to deliver priority Aboriginal tourism initiatives for the first year of the Jina: Western Australian Aboriginal Tourism Action Plan 2026-2030.

WACA Ground Aquatic Centre

A total of \$840,000 has been budgeted over 2025-26 to 2027-28 to meet costs associated with the operation of the new WACA Ground aquatic centre.

CinefestOZ Film Festival 2026

To support the delivery of the 2026 CinefestOZ Film Festival, the Government will spend an additional \$621,000 in 2025-26 funded from the Royalties for Regions program.

Election Commitment – Digital Capability Fund – Access All Areas Kids Vouchers

An additional \$574,000 over 2025-26 and 2026-27 has been approved to deliver the Access All Areas Kids Vouchers 2025 election commitment via the ServiceWA platform.

Creative Industries Initiative Planning

The Government has allocated \$500,000 over 2025-26 and 2026-27 to progress planning for a potential Creative Industries initiative.

Artrage Fringe World Festival 2027

An additional \$200,000 will be provided to Artrage in 2026-27 to assist in the staging of the 2027 Perth Fringe World Festival.

Event Tourism

Additional investment has been provisioned in 2025-26 to support bids to secure potential major events. The amount of expenditure is not disclosed to avoid prejudicing commercial negotiations.

Asset Investment

Perth Concert Hall Carpark Interface

The Government will invest a further \$23 million in 2026-27 on the Perth Concert Hall Redevelopment project to increase the project scope to include an interface with a future two-storey carpark, bringing the total project cost to \$173 million.

Department of Primary Industries and Regional Development

Expenses

West Coast Demersal Fisheries Support Package

The Government has approved a \$29.2 million Fisheries Support Package (including \$2 million in asset investment) over 2025-26 to 2027-28 to support the implementation of management changes required to assist in the recovery of West Coast demersal scalefish populations. The Package includes:

- a compulsory fisheries adjustment scheme for commercial fishers (\$20 million);
- an education and awareness campaign and additional monitoring and compliance activities as the new management arrangements take effect (\$4 million);
- a rebate program for recreational fishing boat licence holders to support independent tackle stores (\$3.3 million); and
- an extension of the Statewide Fish Aggregating Device Program through to 30 June 2028 to encourage recreational fishers to target non-demersal species (\$1.9 million).

Regional Drought Resilience Planning and Farm Business Resilience Programs

The Department will spend a total of \$21.7 million over the forward estimates period to deliver Phase Two of the Regional Drought Resilience Planning and Farm Business Resilience Programs. These programs support primary producers and regional communities to undertake planning and preparatory activities to improve resilience in the event of a drought. These initiatives are jointly funded by the Commonwealth Government through the Future Drought Fund.

South Coast Marine Park – Voluntary Fisheries Adjustment Scheme

As part of the establishment of the South Coast Marine Park, \$6 million has been approved over 2025-26 and 2026-27 for the establishment of a Voluntary Fisheries Adjustment Scheme under the *Fisheries Adjustment Schemes Act 1987*. The Scheme will enable fishers to surrender their fishing licences and voluntarily exit the south coast fisheries, prior to the implementation of fishing prohibitions in the marine park.

Digital Capability Fund – Fisheries Digital Transformation Program Stage One

The Department will spend an additional \$4.6 million in 2025-26 to complete Stage One of the Fisheries Digital Transformation Program, which will deliver an updated user-friendly commercial fishing licensing system.

2025 Perth Royal Show

The Government approved an additional \$2.8 million for the Royal Agricultural Society of Western Australia in 2025-26 to enable lower admission prices at the 2025 Perth Royal Show, including a 50% reduction to children and concession pricing, and to support nightly fireworks displays, entertainment and regional and local agricultural shows.

Resilient Landscapes Program – Sustainable Solutions for Sandy Soils

Following a successful application for Commonwealth funding from the Future Drought Fund – Resilient Landscapes Program, \$2.8 million will be spent over 2025-26 to 2028-29 for the Sustainable Solutions for Sandy Soils program, which aims to improve groundcover and minimise the impact of soil erosion across the Wheatbelt region.

South West Development Commission Collie Office

To assist with the State Government's Just Transition Plan of the Collie Region an additional \$1.9 million over 2026-27 to 2028-29 has been allocated to continue the South West Development Commission's Collie Office.

Feral Cat Management

The Department will spend \$1.4 million over 2025-26 to 2027-28 to undertake joint feral cat management initiatives with the Department of Biodiversity, Conservation and Attractions under the Western Australian Feral Cat Strategy 2023-2028.

Pilbara Housing Supply Office Pilot Program

The Government will spend \$1.3 million over 2025-26 to 2027-28 to establish a Pilbara Housing Supply Office Pilot program to help identify, prioritise and facilitate housing projects in the region.

Firearms Governance and Storage Uplift

The Department will spend \$1.1 million over the forward estimates period (including \$370,000 of asset investment) to meet new firearm storage, licensing and governance requirements associated with the new *Firearms Act 2024*.

National Plant Health Surveillance Program

Following an extension of the Commonwealth-funded National Plant Health Surveillance Program, an additional \$636,000 will be spent over the forward estimates period to support Australia's plant biosecurity system, which involves collaborating with other jurisdictions to detect and minimise the impact of national priority plant pest incursions.

Coral Bay Workers Accommodation Facility

An additional \$580,000 will be spent over 2025-26 and 2026-27 for property and tenancy management services associated with a lease extension for the Coral Bay Workers Accommodation Facility.

New Norcia Ground Station (Yarawindah)

The Government has committed \$350,000 as a capital grant to the Shire of Victoria Plains in 2025-26 to deliver tourism infrastructure at the European Space Agency's New Norcia Ground Station (Yarawindah). The project will provide a new viewing pod, wayfinding signage, and upgraded visitor parking at the facility.

National Livestock Identification System Uplift

As part of the Commonwealth-funded National Livestock Identification System database initiative, the Department will spend \$329,000 over 2025-26 and 2026-27 to deliver upgrades to livestock traceability software, improving integration with the national database to support collective responses to animal disease outbreaks and food safety incidents.

Enhancing National Pest Animal and Weed Management

Following a decision to extend the Commonwealth-funded Enhancing National Pest Animal and Weed Management project, the Department will spend \$342,000 in 2025-26 to deliver projects to help land managers, the community and industry to better manage established pest animals and weeds. The Department of Biodiversity, Conservation and Attractions will also spend an additional \$298,000 on this initiative in 2025-26.

Asset Investment

Plant and Equipment – Externally Funded Projects

The Department will spend \$3.2 million over 2025-26 to 2027-28, funded from external sources, including industry partnerships, to purchase equipment to undertake research and other activities as specified in contracts with external bodies. This includes \$1.2 million to purchase specialised vehicles for aerial and ground-based crop monitoring at the Department's Northam research station.

Buccaneer Archipelago Marine Parks

An additional \$3.1 million will be spent in 2026-27 primarily to meet cost increases associated with the construction of a large vessel that will undertake monitoring and compliance activities in the Buccaneer Archipelago Marine Parks.

West Coast Demersal Fisheries Support Package

See above.

Firearms Governance and Storage Uplift

See above.

Mines Petroleum and Exploration

Expenses

Corporate Services Uplift

To support the establishment of the new Department's corporate services, \$2.8 million will be spent over 2025-26 to 2028-29.

Safety Works for Mineral House and Carlisle Core Library

To address safety and compliance risks at Mineral House and the Carlisle Core Library, the Department will spend \$2.2 million over 2025-26 and 2026-27 on maintenance works for electrical switchboards, fire safety systems, plumbing and asbestos remediation.

Western Australian Meat Industry Authority

Asset Investment

Muchea Livestock Centre

The Government will invest \$750,000 in 2025-26 to undertake carpark and western embankment remediation works at the Muchea Livestock Centre.

HEALTH

MAJOR SPENDING CHANGES

Table 3.4

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
WA HEALTH				
Expenses				
– Commonwealth Agreements	90.8	16.1	4.2	-
– Health Asset Maintenance Fund	37.5	12.5	-	-
– Cross Border Agreements	28.8	-	-	-
– National Immunisation Program	5.5	5.5	5.5	5.5
– Digital Capability Fund – Human Resources Management Information System	21.3	-	-	-
– WA Children's Hospice	2.4	9.2	9.3	-
– National Blood Program	20.7	-	-	-
– Election Commitment – Paid Paramedics	-	6.4	6.0	6.3
– Election Commitment – Women's Health Centres	2.0	3.0	4.0	5.0
– Election Commitment – Patient Assisted Travel Scheme Expansion	1.7	3.8	4.2	4.2
– Election Commitment – New Clinic for Broome Aboriginal Medical Service	0.5	7.0	3.5	-
– Supply Chain Operations	9.5	1.8	-	-
– Election Commitment – Community-Based Diabetes Support	2.4	2.7	2.6	2.6
– Election Commitment – Cancer Council of WA Relocation	-	-	10.0	-
– Election Commitment – Wirraka Maya Aboriginal Health Service Expansion	10.0	-	-	-
– Election Commitment – Royal Flying Doctor Service – Geraldton	0.9	2.2	2.2	2.2
– Critical Care Paramedics - Emergency Rescue Helicopter Service	1.7	3.4	-	-
– FluMist	4.8	-	-	-
– Geraldton Health Campus Commissioning	4.7	-	-	-
– Mental Health Patient Transport Officers	1.8	2.3	-	-
– Woodville House	-	3.9	-	-
– BreastScreen WA – Demand and Capacity Pressures	1.9	0.6	0.6	0.6
Asset Investment				
– Election Commitment – Royal Perth Hospital – Emergency Department Expansion	30.1	2.4	3.8	-
– Digital Capability Fund – Critical Health ICT Infrastructure Program (CHIIP)	26.0	-	-	-
– Election Commitment – Geraldton Radiation Oncology	7.2	21.2	-	-
– Mullewa Community Hospital Redevelopment	18.8	– (a)	-	-
– Fremantle Mental Health Beds	16.0	1.3	-	-
– Peel Health Campus Redevelopment	16.3	-	-	-
– Broome Step Up/Step Down	4.7	3.7	0.1	-
– Fiona Stanley Hospital Cardiac Catheter Labs	7.6	-	-	-
– Minor Building Works	7.0	-	-	-
– Purchase of ex-Silverchain Remote Area Nursing Posts	2.3	-	-	-
– Election Commitment – Geraldton Renal Dialysis Expansion	1.5	-	-	-
MENTAL HEALTH COMMISSION				
Expenses				
– Bilateral Schedule on Mental Health Suicide Prevention WA Agreement Extension	-	7.4	-	-

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

Note: Rows may not add due to rounding.

WA Health

Expenses

Commonwealth Agreements

Under agreements with the Commonwealth, an additional \$111.1 million will be spent from 2025-26 to 2027-28, including:

- \$29.2 million in 2025-26 to support integrated rural and remote aged care and health services under the Multi-Purpose Service Program from July to December 2025;
- \$21.8 million over 2025-26 and 2026-27 to continue entry-level in-home aged care services under the Commonwealth Home Support Program;
- \$20.2 million in 2025-26 to deliver aged care assessments under the Aged Care Assessment Program, funded through the Commonwealth's new Single Assessment System;
- \$9.7 million in 2025-26 to improve access to public oral health services for eligible patients under the Public Dental Services for Adults Agreement; and
- \$7.2 million over 2025-26 to 2027-28 to expand the Newborn Bloodspot Screening Program, which tests newborn blood samples to detect rare conditions and can improve the health of these babies by allowing early intervention.

Health Asset Maintenance Fund

In line with the announcement on 18 August 2025, the Government has allocated \$50 million across 2025-26 and 2026-27 for the Health Asset Maintenance Fund, which will deliver prioritised maintenance across Sir Charles Gairdner Hospital, Royal Perth Hospital, and Armadale Health Service.

In addition, the Government approved \$440,000 in 2025-26 for the Department of the Premier and Cabinet to administer an audit of existing hospital maintenance at Health Service Providers and the Department of Health.

A further \$14.6 million is allocated to health infrastructure maintenance spending in this Mid-year Review, separate to the Health Asset Maintenance Fund (see Minor Building Works and Fiona Stanley Hospital Cardiac Catheter Labs items below).

Cross Border Agreements

Additional spending of \$28.8 million in 2025-26 has been approved to reflect the cost of Western Australian residents receiving public health care in other States and Territories. This is largely offset by revenue of \$18.8 million received for interstate residents receiving public health care in Western Australia.

National Immunisation Program

To support an increase in both the cost and volume of vaccines provided by the Commonwealth to Western Australia under the National Immunisation Program, WA Health will spend an additional \$5.5 million per annum over the forward estimates period.

Digital Capability Fund – Human Resources Management Information System (HRMIS)

The Government will invest a further \$21.3 million in 2025-26 to continue delivery of WA Health's HRMIS Program. The program will replace legacy payroll, rostering and human resources systems with a single cloud-based system. The additional investment reflects updated implementation timelines and supports continued program delivery.

WA Children's Hospice

With the WA Children's Hospice scheduled to open in 2026, the Government has allocated \$21 million across 2025-26 to 2027-28 to operate the facility and continue the Paediatric Palliative Care Service (PPCS).

National Blood Program

WA Health will spend an additional \$20.7 million in 2025-26 to meet increased demand for imported blood products used within the Western Australian hospital system.

Election Commitment – Paid Paramedics

The Government is investing \$18.7 million over 2026-27 to 2028-29 to support an additional 15 paid paramedics, four new ambulances, upgrades to the depot in Dawesville and a new depot in Australind.

Election Commitment – Women's Health Centres

To ensure the continuity of critical health services provided to women, the Government will spend \$14 million over 2025-26 to 2028-29 to provide an uplift to the Women's Health Centres.

Election Commitment – Patient Assisted Travel Scheme Expansion

To further assist regional Western Australians with cost-of-living pressures, an additional \$13.8 million over 2025-26 to 2028-29 (and a further \$1.7 million in 2029-30) will be spent to expand the Patient Assisted Travel Scheme eligibility criteria to increase access to allied health and dental services that are not available locally.

Election Commitment – New Clinic for Broome Aboriginal Medical Service

To support the expansion and development of the Broome Aboriginal Medical Service (BRAMS), the Government has committed \$11 million over 2025-26 to 2027-28 towards the construction of a BRAMS Healthcare Hub.

Supply Chain Operations

The Government has committed \$11.3 million over 2025-26 and 2026-27 to support the delivery of critical medical consumables to hospitals in the WA Health system.

Election Commitment – Community-Based Diabetes Support

The Government has committed \$10.4 million over 2025-26 to 2028-29 to provide community-based support and reduce hospital admissions for people living with diabetes.

Election Commitment – Cancer Council WA (CCWA) Relocation

The Government has allocated \$10 million in 2027-28 to progress CCWA's relocation from Crawford Lodge within the Queen Elizabeth II Medical precinct to Milroy Lodge in Shenton Park.

Election Commitment – Wirraka Maya Aboriginal Health Service Expansion

To improve access to safe and effective healthcare services for Aboriginal and Torres Strait Islander peoples, the Government has committed \$10 million in 2025-26 to expand the Wirraka Maya Health Service facility in South Hedland.

Election Commitment – Royal Flying Doctor Service – Geraldton

The Government has allocated \$7.5 million over 2025-26 to 2028-29 to support the expansion and relocation of the Royal Flying Doctor Service Midwest operations from Meekatharra to Geraldton.

Critical Care Paramedics – Emergency Rescue Helicopter Service

To maintain the provision of a second clinical crew member on the Emergency Rescue Helicopter Service, the Government has committed \$5.1 million over 2025-26 to 2026-27.

FluMist

The Government has allocated \$4.8 million in 2025-26 for the purchase of an intranasal influenza vaccine, to support vaccination uptake amongst children ahead of winter in 2026.

Geraldton Health Campus Commissioning

Ahead of the Geraldton Health Campus Redevelopment project reaching practical completion, the Government will spend \$4.7 million in 2025-26 on recruitment and commissioning activities.

Mental Health Patient Transport Officers

The Government has committed \$4.1 million over 2025-26 to 2026-27 to provide a dedicated service, staffed by Mental Health Patient Transport Officers, for the transfer of involuntary mental health patients in regional Western Australia.

Woodville House

To continue the Woodville House pilot program, the Government has allocated \$3.9 million in 2026-27, providing medium-term support for people experiencing homelessness following discharge from hospital.

BreastScreen WA – Demand and Capacity Pressures

The Government will spend \$3.7 million over 2025-26 to 2028-29 to staff a fifth mobile screening service to deliver approximately 5,000 additional screens per annum, and to complete the fit-out of the new Bunbury BreastScreen WA clinic, to ensure service continuity.

Asset Investment

Election Commitment – Royal Perth Hospital (RPH) – Emergency Department (ED) Expansion

The Government has committed an additional \$29.3 million in 2025-26 to progress the procurement and development of the RPH ED Expansion project from the Building Hospitals Fund (BHF, see Appendix 5), which is in addition to \$5 million provided at the 2025-26 Budget.

A further \$7.1 million over 2025-26 and 2027-28 has been allocated to proceed with the development of a Concept Master Development Plan for the RPH precinct.

Digital Capability Fund – Critical Health ICT Infrastructure Program (CHIIP)

To address cyber security risks and maintain essential digital infrastructure, the Government will invest \$26 million in 2025–26 to progress Phase 2 of the CHIIP program. This will ensure continuity of remediation and network modernisation works across more than 460 health sites while planning for the State-wide roll-out continues.

Election Commitment – Geraldton Radiation Oncology

An additional \$28.4 million over 2025-26 and 2026-27 has been invested to deliver the Geraldton Radiation Oncology Unit funded by the BHF (\$24.8 million) (see Appendix 5) and Commonwealth revenue (\$3.6 million). This brings the total cost of this project to \$38.4 million.

Mullewa Community Hospital Redevelopment

The Government has committed an additional \$18.8 million in 2025-26 and 2026-27 to deliver the Mullewa Community Hospital Redevelopment, bringing the total cost of the project to \$25.1 million.

Fremantle Mental Health Beds

To complete the Fremantle Hospital 40-Bed Mental Health Project, the Government will spend an additional \$17.3 million over 2025-26 and 2026-27, with this primarily to address latent conditions on the site. This brings the Government's total investment into the project, which aims to expand treatment and support options for patients in the southern corridor, to \$85.5 million.

Peel Health Campus Redevelopment

An additional \$16.3 million will be spent in 2025-26 funded by the BHF (see Appendix 5), to continue the progression of the Peel Health Campus Redevelopment project.

Broome Step Up/Step Down

The Government will spend an additional \$8.5 million over 2025-26 to 2027-28 to meet rising construction costs being experienced in the Broome Step Up/Step Down project, and to enable additional services and space for future expansion.

Fiona Stanley Hospital Cardiac Catheter Labs

The Government has allocated \$7.6 million in 2025-26 to begin refurbishment of the Cardiac Catheterisation Laboratories at Fiona Stanley Hospital.

Minor Building Works

The Government will invest \$7 million in 2025-26 to deliver additional works under the minor building works program across metropolitan and regional health facilities. This funding will maintain and upgrade buildings and equipment to ensure the safety of patients and staff.

Purchase of ex-Silverchain Remote Area Nursing Posts

To ensure the continuation of services in regional communities, the Government will spend \$2.3 million in 2025-26 to purchase seven Remote Area Nursing Posts from the Silverchain Group.

Election Commitment – Geraldton Renal Dialysis Expansion

The Government has committed \$1.5 million in 2025-26 to refurbish the Geraldton Health Campus Renal Dialysis Unit and expand the number of renal dialysis chairs from nine to fourteen. This is in addition to \$0.5 million provided at 2025-26 Budget.

Mental Health Commission

Expenses

Bilateral Schedule on Mental Health and Suicide Prevention WA Agreement Extension

Pending negotiation on a new National Mental Health and Suicide Prevention Agreement with the Commonwealth, the Government has committed to spend an additional \$7.4 million in 2026-27, inclusive of a Commonwealth contribution of \$3.1 million, to ensure continuity of eating disorder and aftercare services.

EDUCATION AND TRAINING

MAJOR SPENDING CHANGES

Table 3.5

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
EDUCATION				
Expenses				
- Preschool Reform Agreement – Extension	27.7	54.8	27.2	-
- Non-Government Schools	0.4	1.1	3.8	11.0
- Maintenance and Minor Works ^(a)	7.7	7.3	-	-
- Teachers Temporary Regional Incentive 2026 ^(a)	1.9	5.6	-	-
- Disability Reform Team ^(a)	0.7	1.5	1.5	1.6
- Kimberley Schools Project Extension	0.6	3.6	-	-
- Support Payment to Schools ^(a)	0.9	-	-	-
- Public Sector Wages Policy	0.2	0.2	0.2	0.2
Asset Investment				
- Transportable Classrooms	-	37.1	14.9	-
- Maintenance and Minor Works	3.0	2.8	-	-
- Planning for School Expansions ^(a)	3.7	1.8	-	-
TRAINING AND WORKFORCE DEVELOPMENT/TAFE COLLEGES				
Expenses				
- National Skills Agreement – Specific Policy Initiatives ^(a)	14.9	29.1	30.3	23.9
- Construction Visa Subsidy Program and Build a Life in WA Incentive	5.0	5.0	-	-
- Temporary Regional Attraction and Retention Incentive ^(a)	1.6	1.6	-	-

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

Note: Rows may not add due to rounding.

Education

Expenses

Preschool Reform Agreement – Extension

As part of a two-year extension to the Commonwealth Preschool Reform Agreement, an additional \$109.7 million will be spent from 2025-26 to 2027-28 towards the delivery of 15 hours of kindergarten per week at Western Australian schools over the 2026 and 2027 school years.

Non-Government Schools

An additional \$16.4 million will be spent over the forward estimates period to meet the State's funding obligations to the non-government school sector under the Better and Fairer Schools Agreement (2025-2034).

Maintenance and Minor Works

A further \$20.8 million will be invested over 2025-26 to 2026-27 (\$15 million recurrent expenditure and \$5.8 million capital expenditure) for priority maintenance items identified at public schools.

Teachers Temporary Regional Incentive 2026

To extend support for schools experiencing sustained teacher supply challenges in regional and remote locations, the Government will spend \$7.4 million over 2025-26 and 2026-27 to extend the Temporary Regional Incentive for teachers into the 2026 school year.

Disability Reform Team

As part of the Government's commitment to strengthening access, inclusion and support for students with disability, \$5.3 million will be spent over the forward estimates towards the establishment of a dedicated Disability Reform Team within the Department.

Kimberley Schools Project Extension

An additional \$4.2 million will be spent over 2025-26 to 2026-27 to support a six-month extension of the Kimberley Schools Project (including the KindiLink program) to the end of the 2026 calendar year.

Support Payment to Schools

As a one-off payment to Parents and Citizens and Parents and Friends associations across both the public and non-government sectors, \$882,000 will be spent in 2025-26 (via a reallocation of residual 2025 WA Student Assistance Payment funds).

Asset Investment

Transportable Classrooms

To enable the timely expansion of capacity in public schools to meet enrolment pressures as a result of strong population growth, an additional \$51.9 million will be invested over 2026-27 and 2027-28 to facilitate the acquisition and delivery of transportable classrooms for the 2027 school year.

Maintenance and Minor Works

See above.

Planning for School Expansions

A total of \$5.5 million will be invested over 2025-26 to 2026-27 to continue planning activities for a number of school expansion projects in response to localised student enrolment pressures.

Training and Workforce Development/TAFE Colleges

Expenses

National Skills Agreement – Specific Policy Initiatives

Under the National Skills Agreement, in accordance with shared funding arrangements with the Commonwealth, the State will spend \$98.2 million over 2025-26 to 2028-29 (a total of \$115.2 million to 2030-31) to implement specific policy initiatives in the Vocational Education and Training (VET) sector relating to Closing the Gap (\$43.9 million), measures to strengthen the VET Workforce (\$15.2 million), ensuring access to Foundational Skills (\$8 million), Improving Completions (\$46.5 million) and progressing the National TAFE Network (\$1.6 million).

Construction Visa Subsidy Program and Build a Life in WA Incentive

The Government will spend an additional \$10 million over 2025-26 to 2026-27 to extend the Construction Visa Subsidy Program and Build a Life in WA incentive by 1,000 places. These additional places will support the growth of the State's trade workforce to meet demand in the construction sector.

Temporary Regional Attraction and Retention Incentive

Spending totalling \$3.1 million over 2025-26 to 2026-27 has been approved to extend the Temporary Regional Attraction and Retention Incentive for TAFE lecturers in the Kimberley, Pilbara and Kalgoorlie for the 2026 training year.

COMMUNITY SAFETY

Table 3.6

MAJOR SPENDING CHANGES

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
WESTERN AUSTRALIA POLICE FORCE				
Expenses				
– Road Trauma Trust Account – Road Safety Initiatives	13.2	36.5	-	-
– Police Services Expenditure – ICT Projects	17.8	20.8	13.3	14.4
– Firearms Reform Program				
– Project Resourcing	3.4	2.1	-	-
– Voluntary Buyback Scheme 6.0	7.1	-	-	-
– Firearms Licensing and Registry System	0.6	-	-	-
– Family and Domestic Violence Initiatives – Central Triage Team ^(a)	-	3.4	3.4	3.5
– Court Security and Custodial Services Reforms ^(b)	5.0	4.0	-	-
– National Support and Intervention Program	1.7	1.7	1.8	-
– Operation Heat Shield	5.1	-	-	-
– Offender Reporting Reform – Implementation	2.0	0.7	0.1	0.1
– Police and Community Youth Centres (PCYC) – safeSPACE	1.4	-	-	-
– Land Forces Expo 2026	0.7	-	-	-
– Public Sector Wages Policy	2.1	2.2	2.4	2.5
Asset Investment				
– Kimberley District Support Facility	9.9	3.4	-	-
– Digital Capability Fund – Firearms Licensing and Registry System ^(c)	2.2	-	-	-
– Offender Reporting Reform – Implementation	1.9	-	-	-
JUSTICE				
Expenses				
– Court Security and Custodial Services Reforms	15.8	14.4	-	-
– Custodial Services Expenditure	8.4	7.8	5.6	5.8
– Youth Custodial Estate – Crisis Care Unit	1.3	2.6	2.6	2.7
– National Support and Intervention Program ^(d)	1.4	1.5	1.6	-
– Stolen Generations Redress Scheme ^(e)	0.6	0.7	0.7	0.8
Asset Investment				
– Adult Custodial Estate Expansion	8.3	64.9	94.8	13.1
– New Youth Detention Facility ^(f)	1.4	71.9	64.2	9.5
– Custodial Infrastructure Upgrades	5.3	9.4	-	-
STATE SOLICITOR'S OFFICE				
Expenses				
– Legal Costs on Behalf of the State	2.2	-	-	-
LEGAL AID COMMISSION OF WESTERN AUSTRALIA				
Expenses				
– Commonwealth Legal Assistance Services	1.0	0.3	0.3	0.3
FIRE AND EMERGENCY SERVICES				
Expenses				
– Aerial Firebombing Capability Extension	-	4.4	4.6	4.8
– Dedicated After Hours Emergency WA Warnings – Trial ^(g)	0.9	-	-	-
OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS				
Expenses				
– Confiscations Practice	0.6	2.8	2.1	2.1

MAJOR SPENDING CHANGES

Table 3.6 (cont.)

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
CORRUPTION AND CRIME COMMISSION				
Expenses				
– Resourcing for Oversight Functions	0.5	0.5	-	-
CHEMISTRY CENTRE (WA)				
Expenses				
– Lithium Co-product Testing	0.2	0.2	0.1	-
Asset Investment				
– Additional Laboratory Accommodation ^(h)	1.3	2.2	-	-

(a) See Department of Communities.

(b) See Department of Justice.

(c) Funded through the Digital Capability Fund.

(d) See Western Australia Police Force.

(e) See Department of the Premier and Cabinet.

(f) Partly offset by a reduction in the provision for the New Youth Detention Facility.

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

(h) Includes the reclassification of \$1.6 million from recurrent to capital expenditure.

Note: Rows may not add due to rounding.

Western Australia Police Force

Expenses

Road Trauma Trust Account – Road Safety Initiatives

A total of \$79.7 million will be invested from the Road Trauma Trust Account to deliver new and expanded road safety initiatives over 2025-26 to 2026-27 to support a reduction in the number of people killed or seriously injured on Western Australian roads. Key initiatives include:

- additional awareness campaigns, community partnerships, and expansion of school education programs (\$27.2 million);
- investment in road infrastructure to deliver road safety upgrade programs (\$25 million; see Commissioner of Main Roads);
- an expansion of both enforcement and non-enforcement safety camera technology (\$20 million); and
- other initiatives, including additional resources to support infringement processing (\$5 million; see the Department of Transport and Major Infrastructure) and a review of penalties and flexible infringement policies (\$2.5 million).

Police Services Expenditure – ICT Projects

The Government has committed \$66.2 million over 2025-26 to 2028-29 to be spent on key ICT contract renewals, improving security features and optimising the ICT systems that underpin the Western Australia Police Force's operations.

Firearms Reform Program

To support the ongoing delivery of the Firearms Reform Program, the Government has approved additional investment of \$15.3 million over 2025-26 to 2026-27, comprising:

- \$5.5 million over 2025-26 to 2026-27 for additional resourcing to support implementation of new licensing arrangements;
- \$7.1 million in 2025-26 for Voluntary Buyback Scheme 6.0, which is targeted to firearms dealers and corporate firearm licence holders, funded from unspent allocations carried over from 2024-25; and
- \$2.8 million in 2025-26 to deliver key components of the Firearms Licensing and Registry System, with \$2.2 million of this to be funded through the Digital Capability Fund.

National Support and Intervention Program

The Government has approved an increase in expenses of \$9.7 million over 2025-26 to 2027-28 (\$5.2 million for the Western Australia Police Force and \$4.5 million for the Department of Justice) to implement initiatives to reduce violent extremism under the National Support and Intervention Program Federation Funding Agreement.

Operation Heat Shield

The Government has committed an additional \$5.1 million in 2025-26 to support an increased policing presence in metropolitan and regional locations over the summer period.

Offender Reporting Reform – Implementation

The Western Australia Police Force will spend an additional \$4.8 million over 2025-26 to 2027-28 to implement system changes to support compliance activities under the *Community Protection (Offender Reporting) Amendment Act 2024*, which aims to protect the community through monitoring of reportable offenders. This funding includes \$1.9 million in capital expenditure and will deliver key ICT upgrades and temporary legal resources to implement new legislative requirements.

Police and Community Youth Centres (PCYC) – safeSPACE

To support the continuation of the existing Police and Community Youth Centre (PCYC) safeSPACE programs in Kalgoorlie, Kununurra, and Roebourne, the Government has committed an additional \$1.4 million in 2025-26.

Land Forces Expo 2026

The Government has approved temporary resourcing of \$655,000 in 2025-26 for the Western Australia Police Force to plan for security operations for the Land Forces Expo 2026, to be hosted in Perth.

Asset Investment

Kimberley District Support Facility

To support enhanced policing and public safety, the Government will invest an additional \$13.2 million over 2025-26 and 2026-27 for the construction of the Kimberley District Support Facility, with completion planned by the end of 2027.

Digital Capability Fund – Firearms Licensing and Registry System

See above.

Offender Reporting Reform – Implementation

See above.

Justice

Expenses

Court Security and Custodial Services Reforms

The Government has committed \$39.2 million over 2025-26 and 2026-27 to implement reforms to Court Security and Custodial Services (CS&CS) across the State, with the aim of reducing demand on the Western Australia Police Force and improving long-term service delivery. Initiatives include:

- \$25.8 million for contracted services to address demand and service pressures, including expanded regional court security services;
- \$9 million for the WA Police Force to provide continued interim support for CS&CS in regional WA; and
- \$4.4 million for the Department of Justice to establish a project team to progress implementation planning for long-term statewide CS&CS delivery arrangements.

Custodial Services Expenditure

To manage continued growth in the State's prison population, an additional \$27.6 million has been approved over the forward estimates period to increase the operational capacity of Acacia Prison (\$22.2 million over 2025-26 to 2028-29) and support custodial staffing at Casuarina Prison and Hakea Prison (\$5.5 million over 2025-26 and 2026-27).

Youth Custodial Estate – Crisis Care Unit

The Government has allocated \$9.1 million over 2025-26 to 2028-29 for additional youth custodial resources for the new Crisis Care Unit scheduled to open in March 2026. The therapeutic eight-bed facility will provide dedicated support to young people experiencing mental health crises.

Asset Investment

Adult Custodial Estate Expansion

To meet demands on the adult custodial estate, the Government has approved \$181.1 million over the forward estimates period for a 320-bed expansion of Acacia Prison, expected to be delivered by 2029.

New Youth Detention Facility

The Government has committed an additional \$147 million over 2025-26 and 2028-29 to deliver the New Youth Detention Facility, co-located with the Banksia Hill Detention Centre. The new purpose-built facility will provide 30 beds to accommodate high needs young persons in custody and will replace the Unit 18 youth detention facility at Casuarina Prison.

Custodial Infrastructure Upgrades

The Department will spend an additional \$14.7 million over 2025-26 and 2026-27 on infrastructure upgrades across the adult prison estate, including secure anti-climb fencing around the women's unit at West Kimberley Regional Prison, replacement of cell doors at Hakea Prison, and continuation of the ligature minimisation program.

State Solicitor's Office

Expenses

Legal Costs on Behalf of the State

The State Solicitor's Office will spend \$2.2 million in 2025-26 on unavoidable costs incurred on behalf of the State including mesothelioma settlement payments, ex-gratia payments, and legal indemnities.

Legal Aid Commission of Western Australia

Expenses

Commonwealth Legal Assistance Services

The Legal Aid Commission will spend an additional \$2 million of Commonwealth funding over 2025-26 to 2028-29, reflecting a five-year extension for the Self-Represented Litigants Service, a one-year extension for the National Disability Insurance Scheme Appeals Service in 2025-26, and additional community legal education activities for Christmas and Cocos (Keeling) Islands in 2025-26.

Fire and Emergency Services

Expenses

Aerial Firebombing Capability Extension

Additional funding of \$13.8 million has been allocated over 2026-27 to 2028-29 to extend the lease for two Black Hawk helicopters, including a provision for costs associated with flying charges, to maintain the Department's current aerial firefighting capability and help keep communities safe during the bushfire seasons.

Dedicated After Hours Emergency WA Warnings – Trial

The Emergency WA platform (website and mobile app) provides users with near-real-time information about incidents, alerts and warnings for hazards that are geographically close. The Department will spend \$916,000 in 2025-26 to conduct a trial of dedicated afterhours resources to enhance the platform's operations, especially during the high-threat fire season.

Office of the Director of Public Prosecutions

Expenses

Confiscations Practice

To address growth in the complexity and volume of confiscation cases under the *Criminal Property Confiscation Act 2000*, an additional \$7.7 million has been allocated for additional legal resources to manage confiscations applications, proceedings and civil litigation over 2025-26 to 2028-29.

Corruption and Crime Commission

Expenses

Resourcing for Oversight Functions

The Government has committed an additional \$1 million over 2025-26 and 2026-27 to increase the inspection and compliance team by four FTEs, to address the increasing volume and complexity of inspections related to the functions undertaken by the Western Australian Police.

Chemistry Centre WA

Expenses

Lithium Co-product Testing

The Chemistry Centre will spend an additional \$482,000 over 2025-26 to 2027-28 to accelerate testing of Delithiated Beta Spodumene (DBS), a lithium by-product, for use in construction materials. If viable applications are confirmed, DBS could improve the environmental sustainability of the lithium industry and help ease construction material shortages for major infrastructure projects.

Asset Investment

Additional Laboratory Accommodation

ChemCentre will spend an additional \$3.4 million over 2025-26 and 2026-27 to purchase and fit-out an additional laboratory facility within the Bentley Technology Park. This will address accommodation pressures.

COMMUNITY SERVICES

MAJOR SPENDING CHANGES

Table 3.7

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
COMMUNITIES				
Expenses				
– Family and Domestic Violence (FDV) Initiatives	3.3	37.3	34.0	18.8
– Out-of-Home Care Services	19.0	-	-	-
– Long-term Physical and Sexual Abuse Indemnity Scheme	1.4	2.9	2.3	0.8
– Mandurah Common Ground	0.6	1.9	1.9	2.0
– Multi-Agency Investigation and Support Team	2.1	2.1	-	-
– Occupational Violence and Aggression Works Program	0.9	2.2	-	-
– Family Law Information Sharing Agreement	1.1	0.8	0.8	-
– Supportive Landlord Model (Djuripiny Mia 100)	0.3	0.6	0.7	0.7
– Contribution to Foodbank WA	2.0	-	-	-
– Safe Night Space for Women	-	1.8	-	-
– Education and Care Regulatory Unit	0.8	0.3	-	-
– Ability Link	0.3	-	-	-
– Tuart Place	0.2	-	-	-
Asset Investment				
– Albany Women's Refuge	0.4	3.0	3.5	-
LOCAL GOVERNMENT, INDUSTRY REGULATION AND SAFETY				
Expenses				
– Home Indemnity Insurance (HII)	33.0	-	-	-
– Western Australia Rent Relief Program Extension	6.5	-	-	-
– Gambling Legislation Reform	0.5	1.4	1.5	1.6
– Retirement Villages Act 1992 Reforms	0.9	0.9	0.8	0.8
– WorkSafe – Codes of Practice Development and Communication	0.5	1.1	1.2	0.6
– Western Australia Residential Battery Scheme	1.4	1.5	-	-
– Local Government Inspector	0.3	0.7	0.7	0.7
– Short-term Rental Accommodation (STRA) and Vacant Property Rental (VPR) Incentive Schemes ^(a)	1.8	0.4	-	-
– Telethon Family Festival	0.1	-	-	-
WESTERN AUSTRALIAN SPORTS CENTRE TRUST				
Expenses				
– Optus Stadium Operator Adjustment	30.8	32.3	36.1	37.6
Asset Investment				
– Perth Motorplex Drag Strip Replacement	5.0	-	-	-

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

Note: Rows may not add due to rounding.

Communities

Expenses

Family and Domestic Violence (FDV) Initiatives

An additional \$110.5 million will be spent over the forward estimates to support the Government's ongoing commitment to preventing and responding to FDV, including:

- \$14.8 million to boost FDV refuge capacity to respond to demand for emergency and crisis support, including in Albany (\$6.9 million in capital expenditure to deliver an additional six units at the new Albany Women's Refuge, as part of the Government's 2025 election commitment), as well as Midland and Broome (\$7.9 million in operational expenditure to bring online an additional five units in each location);
- \$34.9 million over 2025-26 to 2028-29 for the delivery of seven-day a week operation of Family and Domestic Violence Response Teams (FDVRTs) in metropolitan Perth, comprising:
 - \$15.9 million for Communities to provide additional child protection resources for the Centralised Triage Team (CTT) and to relocate to new premises;
 - \$10.2 million for Western Australia Police Force to embed civilian police staff in the CTT; and
 - \$8.7 million for additional Coordinated Response Services delivered by community service organisations; and
- \$45.8 million over 2026-27 to 2028-29 to embed the Government's commitment to, and investment in, 12 System Reform initiatives, developed in partnership with the FDV Taskforce, and a further \$15.1 million to secure continuation of time-limited interventions, including pilot programs under evaluation.

Out-of-Home Care Services

The Government will spend a further \$19 million in 2025-26 to support critical out-of-home care services, delivered by community service organisations under contract, in response to an increase in the number of children in care with complex needs.

Long-term Physical and Sexual Abuse Indemnity Scheme

An additional \$7.4 million will be spent over 2025-26 to 2028-29 to facilitate the implementation of a longer-term solution to the withdrawal of market insurance options for physical and sexual abuse for community service organisations who deliver services supporting children and young people on behalf of the State. Coverage for physical and sexual abuse claims has been provided under a State indemnity to eligible community service organisations who are unable to secure insurance from the market since November 2021.

Mandurah Common Ground

As part of a total \$12.4 million investment on the operations of the new 50-unit Mandurah Common Ground, \$6.4 million will be spent over 2025-26 to 2028-29 by Communities on wrap-around support services to tenants once the facility is opened, including case management and access to other specialist services. A further \$6 million will be spent over 2025-26 to 2028-29 by the Department of Housing and Works on property and tenancy management services.

Multi-Agency Investigation and Support Team

The Government has invested \$4.2 million over 2025-26 to 2026-27 to support the continuation of the Multi-Agency Investigation Support Team (MIST), which works in multidisciplinary teams with survivors of child sexual abuse and their families through the criminal justice process.

Occupational Violence and Aggression Works Program

To minimise health and safety risks to staff and visitors at Department of Communities premises, the Government will invest \$3.1 million over 2025-26 and 2026-27 to deliver improvements including reception and CCTV upgrades, alarm system installation, and other safety works.

Family Law Information Sharing Agreement

Under the State's agreement with the Commonwealth Government, Communities will spend \$2.7 million over 2025-26 to 2027-28 to continue the co-location of child protection and policing staff at the Family Court of Western Australia. This collaboration intends to support timely information sharing for decision making for the safety and well-being of victims and survivors of family violence and their children.

Supportive Landlord Model (Djuripiny Mia 100)

A total of \$2.3 million over 2025-26 to 2028-29 will be spent to ensure the continuity of Djuripiny Mia 100, which delivers wrap-around tenancy supports to 100 households with vulnerable and complex individuals who have experienced homelessness in Bunbury, Peel and Perth.

Contribution to Foodbank WA

To support the continued delivery of food relief in the regions, the Government will contribute \$2 million in 2025-26 towards the construction of a new facility for Foodbank WA's Bunbury branch.

Safe Night Space for Women

The Government has allocated \$1.8 million in 2026-27 to ensure the continuity of the Safe Night Space for Women in Northbridge, which supports women who are rough sleeping, homeless, or at risk of homelessness after hours.

Education and Care Regulatory Unit

The Government has approved \$1.1 million over 2025-26 and 2026-27 to bolster the capacity of Communities' Education and Care Regulatory Unit which approves and monitors early childhood education and care services across Western Australia.

Ability Link

To improve employment outcomes and ensure economic participation for people with disability, the Government will commit \$300,000 in 2025-26 to the Chamber of Commerce and Industry WA to extend the Ability Link project, aimed at supporting more businesses to employ people with disability across different industries.

Tuart Place

The Government will provide a further \$150,000 in 2025-26 for the Tuart Place program, to ease cost pressures and continue the delivery of tailored supports for adults who spent their childhood in out-of-home care.

Asset Investment

Albany Women's Refuge

See above.

Local Government, Industry Regulation and Safety

Expenses

Home Indemnity Insurance (HII)

An increase in expenditure of \$33 million in 2025-26 has been approved to accommodate an expected increase in HII claims. To help meet this additional expenditure, the Government is providing a cash top-up of \$20 million to the HII Account in 2025-26.

Western Australia Rent Relief Program Extension

To support tenants experiencing financial stress and at risk of eviction, the Government will spend an additional \$6.5 million in 2025-26 for grant payments and administrative costs to extend the program to 30 June 2026. The program provides one-off rent relief grants of up to \$5,000 and wrap around support services to tenants.

Gambling Legislation Reform

The Government will spend an additional \$4.9 million over 2025-26 to 2028-29 to support the continuation of the gambling legislative reform team within the Gaming and Wagering Commission to continue policy and legislative reforms arising from the Perth Casino Royal Commission Final Report.

Retirement Villages Act 1992 Reforms

The Government will invest \$3.5 million over 2025-26 to 2028-29 to support retirement village reforms, including implementation of legislative requirements under the *Retirement Villages Amendment Act 2024*.

WorkSafe – Codes of Practice Development and Communication

To meet legislative requirements associated with administering the *Work Health and Safety Act 2020*, the Government will spend an additional \$3.5 million over 2025-26 to 2028-29 for WorkSafe to develop mining work health and safety (WHS) guidance material and address WHS concerns from the mining industry.

Western Australia Residential Battery Scheme

The Government will spend \$2.9 million over 2025-26 and 2026-27 to accommodate an increase in inspections of residential battery installations to bolster the roll-out of the Commonwealth Cheaper Home Batteries Program and Western Australia Residential Battery Scheme on 1 July 2025.

Local Government Inspector

An additional \$2.3 million will be spent over the forward estimates to provide resourcing to support local government authorities address compliance issues and provide improvement recommendations to the Local Government Inspector, following amendments to the *Local Government Act 1995*.

Short-Term Rental Accommodation (STRA) and Vacant Property Rental (VPR) Incentive Schemes

The Government will spend an additional \$2.2 million over 2025-26 and 2026-27 for incentive payments and administrative costs to extend the application period of the STRA and VPR Schemes to 28 February 2026.

Telethon Family Festival

The Government has spent \$100,000 in 2025-26 for a grant payment to the Channel 7 Telethon Trust to support the delivery of the 2025 Telethon Family Festival.

Western Australian Sports Centre Trust

Expenses

Optus Stadium Operator Adjustment

Revenue estimates at Optus Stadium have been revised up by \$144.8 million over 2025-26 to 2028-29, reflecting the latest estimates of the number and type of events to be held at the Stadium. This will more than offset a forecast \$136.8 million increase in associated operating expenditure at the Stadium over the same period. The increase in operating expenditure includes \$5.8 million for a Turf Replacement Lifecycle Program, which is required in response to the expected changes to the number and profile of events at the Stadium.

Asset Investment

Perth Motorplex Drag Strip Replacement

The Government will invest an additional \$5 million in 2025-26 to replace the drag strip at Perth Motorplex, with the existing strip reaching the end of its serviceable life.

TRANSPORT AND MAJOR INFRASTRUCTURE

Table 3.8

MAJOR SPENDING CHANGES				
	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
TRANSPORT AND MAJOR INFRASTRUCTURE				
Expenses				
– Regional Airfare Zone Cap	-	21.3	22.6	24.3
– Office of Major Infrastructure Delivery	22.4	-	-	-
– Driving Access and Equity Program	-	11.8	-	-
– Passenger Transport Subsidy Scheme	11.1	-	-	-
– CoastWA ^(a)	-	2.6	2.7	2.7
– Road Trauma Trust Account – Road Safety Initiatives ^(b)				
– Infringement Processing	2.0	3.0	-	-
– Zero Emission Vehicle Rebates	0.8	-	-	-
– Off-Road Vehicle Registration	-	0.1	0.1	0.1
– Lancelin Coastal Erosion Emergency Remediation	0.2	-	-	-
Asset Investment				
– Albany (Emu Point) Maritime Facility – Jetty B	-	1.0	-	-
– Towing Industry Reform – Digital Towing Services Provider Register	0.8	-	-	-
– Off-Road Vehicle Registration	0.5	-	-	-
COMMISSIONER OF MAIN ROADS				
Expenses				
– Safer Local Roads and Infrastructure Program	1.8	2.2	1.9	-
– Yellagonga Regional Park – Access to Perry's Paddock Car Park	0.6	1.4	-	-
– Oakajee Strategic Industrial Area Access Road	1.8	-	-	-
– Public Sector Wages Policy	0.4	0.4	0.4	0.5
Asset Investment				
– Westport – Anketell Road				
– Land Acquisition	18.6	-	-	-
– Project Development Plan	2.9	3.8	0.1	-
– Road Trauma Trust Account - Road Safety Initiatives ^(b)				
– Safer Roads and Bridges Program	5.0	20.0	-	-
– Road Projects	9.5	-	-	-
– Albany Highway, Williams Street, Kenwick Link Intersection Upgrades	6.5	-	-	-
– Great Northern Highway – Fitzroy to Gogo	3.0	-	-	-
– Ashburton North Strategic Industrial Area Access Road Upgrades ^(c)	1.0	0.5	-	-
PUBLIC TRANSPORT AUTHORITY				
Asset Investment				
– METRONET ^(d)	67.1	88.6	-	-
– Stirling Street Property Acquisition	27.5	-	-	-
– SmartRider Upgrade Project	9.4	-	-	-
HOUSING AND WORKS				
Expenses				
– Housing Australia Future Fund	35.3	68.5	22.0	8.5
– Remote Communities	13.1	21.2	12.3	13.5
– Mandurah Common Ground ^(e)	0.7	1.7	1.8	1.8
– Aboriginal Employee Housing Grants	0.4	1.9	1.9	0.4
Asset Investment				
– Investment in Social Housing	45.7	116.4	72.2	-
– Housing Australia Future Fund	6.0	49.6	44.6	11.5
– Government Officer Regional Housing	14.7	-	-	-

MAJOR SPENDING CHANGES

Table 3.8 (cont.)

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
INFRASTRUCTURE WA				
Expenses				
– 2027 State Infrastructure Strategy and Western Trade Coast	1.5	-	-	-
FREMANTLE PORT AUTHORITY				
Asset Investment				
– New Kwinana Bulk Terminal Planning	10.0	12.5	-	-
KIMBERLEY PORTS AUTHORITY				
Asset Investment				
– Port of Broome – First Point of Entry	4.5	-	-	-
– Port of Broome – Fuel Terminal Planning	0.4	-	-	-
PILBARA PORTS AUTHORITY				
Expenses^(f)				
– Spoilbank Marina Maintenance	2.2	2.2	2.2	2.2
Asset Investment				
– Dampier Bulk Handling Facility	57.4	-	-	-
– Port Hedland Voluntary Buy-Back Scheme	-19.9	28.5	9.4	1.5
(a) See Department of Planning, Lands and Heritage.				
(b) See Western Australia Police Force.				
(c) See Department of Energy and Economic Diversification.				
(d) Offset by a reduction in the Provision for METRONET Projects Under Development.				
(e) See Department of Communities.				
(f) 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.				

Transport and Major Infrastructure

Expenses

Regional Airfare Zone Cap

The Government has allocated an additional \$68.2 million over 2026-27 to 2028-29 for the continuation of the Regional Airfare Zone Cap scheme, which provides capped, lower-cost airfares for regional residents to ensure that they can access affordable return flights to and from Perth. The updated scheme, which has been approved for a further five years from 1 July 2026, will provide ongoing certainty for regional residents and protect the long-term viability of this initiative.

Office of Major Infrastructure Delivery

The Department will spend an additional \$22.4 million in 2025-26 to establish new and vital program management control systems and functions to oversee delivery of the State's major infrastructure projects.

Driving Access and Equity Program

The Driving Access and Equity Program provides targeted support to help disadvantaged Western Australians attain their driver's licence. An additional \$11.8 million will be spent in 2026-27 to continue the program in existing locations for a further 12 months until 30 June 2027.

Passenger Transport Subsidy Scheme

An additional \$11.1 million will be spent on the Passenger Transport Subsidy Scheme in 2025-26, which provides subsidised on-demand rank or hail travel for eligible people with a disability.

Zero Emission Vehicle Rebates

Based on the number of eligible Zero Emission Vehicle Rebate applications received by the scheme's end date of 10 May 2025, an additional \$840,000 was spent in 2025-26 for the higher-than-forecast rebate payments.

Off-Road Vehicle Registration

See below.

Lancelin Coastal Erosion Emergency Remediation

The Department will spend \$150,000 in 2025-26 to provide a grant to the Shire of Gingin for emergency coastal protection works at Lancelin's northern foreshore, which has been impacted by recent erosion.

Asset Investment

Albany (Emu Point) Maritime Facility – Jetty B

Jetty B at Emu Point in Albany will be replaced as it reaches the end of its useful life, with an additional \$1 million (funded from within the Department's existing budget settings) to supplement the funding previously allocated for its refurbishment (\$1 million).

Towing Industry Reform – Digital Towing Services Provider Register

To continue to progress the Government's reforms to the crash towing industry, \$823,000 will be spent in 2025-26 to design and implement (utilising DoTDirect) a digital register for towing services provider authorisations.

Off-Road Vehicle Registration

To develop and implement a fully automated online Off-Road Vehicle registration system to improve safety, traceability and compliance of vehicles, the Department will spend \$759,000 (including \$289,000 in recurrent expenditure) over 2025-26 to 2028-29 to upgrade DoTDirect.

Commissioner of Main Roads

Expenses

Safer Local Roads and Infrastructure Program

Additional State and Commonwealth funding totalling \$5.8 million has been committed to the Safer Local Roads Program over 2025-26 to 2027-28, with the additional spending to address current and emerging local government road infrastructure needs.

Yellagonga Regional Park – Access to Perry’s Paddock Car Park

To improve access to Perry’s Paddock Car Park at Yellagonga Regional Park, Main Roads will spend \$2 million over 2025-26 and 2026-27 on road and intersection upgrades.

Oakajee Strategic Industrial Area Access Road

Main Roads will spend an additional \$1.8 million in 2025-26 on delivery of the Oakajee Strategic Industrial Area Access Road.

Asset Investment

Westport – Anketell Road

A further \$30.7 million will be spent over 2025-26 to 2027-28 to continue to progress planning and development for the Anketell Road upgrades to support the new port. This includes Main Roads expenditure of \$18.6 million for the acquisition of additional land along the proposed alignment and \$6.8 million to complete the Project Development Plan, and Western Power spending \$5.3 million to commence early design and planning for required utility relocation works.

Road Projects

Main Roads will invest an additional \$9.5 million in 2025-26 on a number of State and Commonwealth funded projects that are in construction and are experiencing cost pressures as a result of market conditions.

Albany Highway, William Street, Kenwick Link Intersection Upgrade

By upgrading the busy junction at the intersection of Albany Highway, William Street and Kenwick Link, Main Roads will improve traffic flow and reduce congestion at a cost of \$6.5 million in 2025-26.

Great Northern Highway – Fitzroy to Gogo

Main Roads will spend \$3 million in 2025-26 to undertake planning activities, including design and geotechnical and environmental investigations for the potential upgrade of the Great Northern Highway between Fitzroy Crossing and Gogo.

Public Transport Authority

Asset Investment

METRONET

Joint State and Commonwealth Government investment of \$155.8 million has been released from the Provision for METRONET Projects Under Development to the Authority over 2025-26 and 2026-27 to complete the METRONET program of works, including for the replacement of aged signalling and communication systems between Byford and Mundijong.

Stirling Street Property Acquisition

The Authority has spent \$27.5 million in 2025-26 to acquire a premises that it had been leasing at 34-50 Stirling Street Perth, which will also accommodate the Department of Transport and Major Infrastructure's newly established Office of Major Infrastructure Delivery.

SmartRider Upgrade Project

An additional \$9.4 million will be spent in 2025-26 to complete the SmartRider system upgrade that has enabled contactless payment options (using bank cards, phones and smartwatches) from 8 December 2025. The increased costs relate to the necessary hardware and software requirements that were required to complete the project.

Housing and Works

Expenses

Housing Australia Future Fund

See below.

Remote Communities

The Department will spend an additional \$60.1 million over 2025-26 to 2028-29 to support housing and municipal services delivery in remote Aboriginal communities, and to undertake urgent maintenance at remote airstrips, community swimming pools and accommodation facilities.

Aboriginal Employee Housing Grants

An additional \$4.5 million will be spent over 2025-26 to 2028-29, funded from the Community Services Fund, to expand the Aboriginal Community Controlled Organisations (ACCO) Aboriginal Employee Housing Grants Program. This initiative is part of a total \$10.9 million investment over the same period to acquire 14 new dwellings for Aboriginal ACCO employees.

Asset Investment

Investment in Social Housing

The Government continues to support investment into social housing, with an additional \$234.3 million investment to be spent over 2025-26 to 2027-28, which includes \$201.4 million into the Social and Affordable Housing Investment Fund. This brings total investment in the Fund to \$2.1 billion (see Appendix 5).

This investment will deliver an additional 329 social housing dwellings and 91 refurbishments across the State, including a further 12 new social housing dwellings and 20 social housing refurbishments in Kununurra.

Housing Australia Future Fund

A total of \$246 million will be drawn down from the Social and Affordable Housing Investment Fund to deliver 481 social and 67 affordable dwellings under Round 2 of the Housing Australia Future Fund program.

The Government's investment at the 2025-26 Mid-year Review will bring its total commitment to new social and affordable houses to more than 6,600 by 2028-29.

Government Officer Regional Housing

To boost housing for workers supporting key services in regional Western Australia, the Department will invest \$14.7 million in 2025-26 on the acquisition of 21 dwellings for the Government Regional Officer Housing program.

Infrastructure WA

Expenses

2027 State Infrastructure Strategy and Western Trade Coast

An additional \$1 million will be spent in 2025-26 to progress the development of the 2027 State Infrastructure Strategy, which identifies Western Australia's infrastructure priorities over a 20-year period, including a focus on identifying gaps that affect the liveability of key regional centres in Western Australia.

A further \$560,000 will be invested in 2025-26 to undertake the second phase of the Western Trade Coast – Construction Market Capacity Constraints (WTC) analysis. This analysis aims to identify risks to the budgets and timelines for delivering WTC infrastructure and potential supply chain risks.

Fremantle Port Authority

Asset Investment

New Kwinana Bulk Terminal Planning

The Fremantle Port Authority will spend \$22.5 million over 2025-26 and 2026-27 to undertake further detailed planning on the preferred option to replace the existing Kwinana Bulk Terminal, which is nearing end-of-life.

Kimberley Ports Authority

Asset Investment

Port of Broome – First Point of Entry

An additional \$4.5 million will be spent at the Port of Broome in 2025-26 to secure a new location to construct the First Point of Entry facilities for cargo and cruise vessels within the landside security zone. This brings total expenditure for this project to \$10.5 million.

Port of Broome – Fuel Terminal Planning

Kimberley Ports Authority will spend \$350,000 in 2025-26 to produce a development plan for an additional fuel terminal at the Port of Broome. Work includes undertaking surveys, a concept design, high-order cost estimates and stakeholder consultations.

Pilbara Ports Authority

Expenses

Spoilbank Marina Maintenance

To maintain the landside assets of the Spoilbank Marina, the Government will provide \$8.6 million over the forward estimates period to the City of Port Hedland.

Asset Investment

Dampier Bulk Handling Facility

The Government has committed an additional \$57.4 million in 2025-26 for construction of the Dampier Bulk Handling Facility, which will support the bulk export of urea from the Perdaman Urea project.

Port Hedland Voluntary Buy-Back Scheme

The Port Hedland Voluntary Buy-Back Scheme allows residents within Port Hedland's West End area (close to port operations) the opportunity to voluntarily sell their property for a commercially attractive, Government guaranteed market price. The Government has committed an additional \$19.5 million over 2025-26 to 2028-29 on final activities of the Port Hedland Voluntary Buy-Back Scheme (which closes on 31 December 2025) and redevelopment of Port Hedland's West End for non-residential use. This investment will be fully funded by port user charges.

ENVIRONMENT

MAJOR SPENDING CHANGES

Table 3.9

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
WATER AND ENVIRONMENTAL REGULATION				
Expenses				
– Pilbara Environmental Offsets Fund	-1.5	5.2	6.9	8.8
– Murujuga Cultural Landscape	0.9	4.1	4.2	-
– WARR Account Revenue Updates	1.1	2.7	0.8	3.9
– Indian Ocean Territories Agreement 2025-26 Extension	2.8	-	-	-
– Digital Capability Fund – Environment Online	-	1.3	-	-
Asset Investment				
– Digital Capability Fund – Environment Online	-	8.7	-	-
BIODIVERSITY, CONSERVATION AND ATTRACTIONS				
Expenses				
– Public Sector Wages Policy	3.1	3.0	3.1	3.2
– Election Commitment – Expansion of the Healthy Oceans Program (Coral Restoration Stream)	0.1	3.1	1.6	0.1
– South West Native Title Settlement – Resourcing for Joint Management Planning	0.6	1.4	1.5	1.4
– Botanic Gardens and Parks Authority – Rio Tinto Naturescape	0.7	0.7	0.7	0.7
– Enhancing National Pest Animal and Weed Management ^(a)	0.3	-	-	-

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

Note: Rows may not add due to rounding.

Water and Environmental Regulation

Expenses

Pilbara Environmental Offsets Fund

The Department will spend a further \$19.4 million over the forward estimates to accelerate delivery of environmental offsets through the Pilbara Environmental Offsets Fund (PEOF) and three FTEs. The additional expenditure will be funded by an increase in PEOF revenue.

Murujuga Cultural Landscape

The Government has committed an additional \$9.1 million over 2025-26 to 2027-28 for the Department to provide funding and support to the Murujuga Aboriginal Corporation to implement the Murujuga Rock Art Monitoring Program.

WARR Account Revenue Updates

The Government has approved an additional \$8.5 million over the forward estimates, funded by revised estimates for waste levy revenue and interest earned on the Waste Avoidance and Resource Recovery Special Purpose Account, for operational spending towards targets in the Waste Avoidance and Resource Recovery Strategy 2030.

Indian Ocean Territories Agreement 2025-26 Extension

As part of the Indian Ocean Territories Agreement, the Commonwealth Government has committed to spend an additional \$2.8 million in 2025-26 for the Department to continue delivery of water and environment services to the Indian Ocean Territories.

Digital Capability Fund – Environment Online

See below.

Asset Investment

Digital Capability Fund – Environment Online

The Department will spend an additional \$10 million in 2026-27 for continued development of the Environment Online project, to be funded via the Digital Capability Fund. This includes recurrent spending of \$1.3 million in 2026-27 to cover software licensing costs.

Biodiversity, Conservation and Attractions

Expenses

Election Commitment – Expansion of the Healthy Oceans Program (Coral Restoration Stream)

The Government will spend a further \$5 million over 2025-26 to 2028-29 to expand the Healthy Oceans Program 2025 election commitment to include a coral restoration grants stream.

South West Native Title Settlement – Resourcing for Joint Management Planning

An additional \$4.8 million will be spent over 2025-26 to 2028-29 to support the development and negotiation of joint management agreements under the South West Native Title Settlement Agreement.

Botanic Gardens and Parks Authority – Rio Tinto Naturescape

Following the renewal of its partnership agreement with Rio Tinto, the Botanic Gardens and Parks Authority will spend \$2.8 million over 2025-26 to 2028-29 to support pre-school and community education programs and projects within Rio Tinto Naturescape Kings Park.

PLANNING AND LAND USE

MAJOR SPENDING CHANGES

Table 3.10

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
PLANNING, LANDS AND HERITAGE				
Expenses				
– Swan Active Ellenbrook	-	8.0	-	-
– Service Delivery Agreement Expenditure				
– CoastWA	-	3.3	3.4	3.4
– Transport Route Planning	0.5	-	-	-
DEVELOPMENTWA				
Expenses ^(a)				
– Karratha Madigan Road	2.2	0.3	0.3	0.3
Asset Investment				
– Strategic Industries Fund Allocations ^(b)	41.8	1.8	-	-
– Metropolitan and Residential Programs	7.7	24.8	23.7	5.8
– Industrial Lands Program	-17.0	-13.1	23.8	19.3

(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.

Note: Rows may not add due to rounding.

Planning, Lands and Heritage

Expenses

Swan Active Ellenbrook

The Government has committed an additional \$8 million in 2026-27 towards the Swan Active Ellenbrook aquatic and recreation facility, bringing the State's total contribution to this project to \$20 million. The project is a joint commitment of the State and the Commonwealth Governments and is being delivered by the City of Swan under an agreement with the Department.

Service Delivery Agreement Expenditure – CoastWA

Under a Service Delivery Agreement with the Western Australian Planning Commission, the Department will spend an additional \$10.1 million over 2026-27 to 2028-29 to extend the CoastWA program for a further three years. This program supports coastal planning, management and adaptation initiatives to address the growing impacts of coastal hazards and promote long-term sustainable land use and development along the coast.

The program is delivered in partnership with the Department of Transport and Major Infrastructure, which will also spend an additional \$8 million over the same period to support the program's continuation.

Service Delivery Agreement Expenditure – Transport Route Planning

To continue planning in the East Wanneroo area, the Department will spend an additional \$500,000 in 2025-26 for the Western Australian Planning Commission to conduct a further five transport studies as part of its Transport Route Planning Work program. These studies are being funded from the Metropolitan Region Improvement Fund, via a Service Delivery Agreement with the Department.

DevelopmentWA

Expenses

Karratha Madigan Road

The Government will provide an operating subsidy of \$3.1 million over the forward estimates to DevelopmentWA to recognise the impact of selling an additional 33 lots at Madigan Road, Karratha to Perdaman at a discount, to support more workers to live locally and boost housing supply.

Asset Investment

Metropolitan and Residential Programs

To increase the supply of residential lots in the Perth metropolitan area, DevelopmentWA will spend an additional \$61.9 million over the forward estimates across its Metropolitan and Residential Lands Programs, boosting land supply in suburbs including Alkimos, Brookdale, Byford, Casuarina, Hamilton Hill and Yanchep.

Industrial Lands Program

As part of its Industrial Lands Program, DevelopmentWA will spend an additional \$13 million over 2027-28 and 2028-29 to develop more general and strategic industrial land, including lots at Meridian Park in the Neerabup Industrial Park and Hope Valley in the Western Trade Coast.

UTILITIES

MAJOR SPENDING CHANGES

Table 3.11

	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
SYNERGY				
Expenses ^(a)				
– Energy Ahead ^(b)	2.2	1.1	-	-
WESTERN POWER				
Asset Investment				
– Asset Investment Plan Uplift	200.8	-	-	-
– Westport – Anketell Road – Stage 1A ^(c)	5.3	-	-	-
HORIZON POWER				
Expenses ^(a)				
– Remote Aboriginal Communities – Operating Uplift	2.2	1.8	-	-
– Energy Ahead ^(b)	0.4	0.2	-	-
Asset Investment				
– Remote Aboriginal Communities – Critical Generation Replacement Program	9.7	21.9	-	-
– Standalone Power Systems – Rounds 4 and 5	14.0	-	-	-
– Remote Aboriginal Communities – Critical Distribution Network Upgrades	2.0	8.0	-	-
– Laverton and Menzies Power Purchase Agreement	2.5	5.8	-	-
– Customer Connection – Lumsden Point	7.8	0.2	-	-
– Mid West Pole Replacement Program	4.8	-	-	-
– Remote Aboriginal Communities – Priority Asset Programs	3.9	-	-	-
WATER CORPORATION				
Expenses ^(a)				
– West Pilbara Water Supply Scheme	0.7	2.8	5.5	5.7
– Management of Hazardous Gases in the Sewer Network	0.1	0.5	0.5	-
– Residential Lot Development – Housing Enabling Infrastructure Fund	0.3	0.2	-	-
Asset Investment				
– Facilitation of Industrial Lot Development	11.7	58.3	18.8	-
– Residential Lot Development – Housing Enabling Infrastructure Fund	5.6	5.9	4.4	0.1
– West Pilbara Water Supply Scheme	4.7	8.2	-	-

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

(b) See Department of Energy and Economic Diversification.

(c) See Commissioner of Main Roads.

Note: Rows may not add due to rounding.

Western Power

Asset Investment

Asset Investment Plan Uplift

Western Power will spend \$200.8 million in 2025-26 to address immediate capital cost pressures and manage operational risks across its asset portfolio, including transmission capacity expansion, housing infrastructure enablement, new customer connections, and increasing regulatory obligations.

Horizon Power

Expenses

Remote Aboriginal Communities – Operating Uplift

An operating subsidy of \$4 million over 2025-26 and 2026-27 has been provided to Horizon Power to meet the increasing operating cost pressures and compliance obligations associated with servicing its remote Aboriginal communities.

Asset Investment

Remote Aboriginal Communities – Critical Generation Replacement Program

Horizon Power will spend \$31.6 million over 2025-26 and 2026-27 to undertake planning activities and works to replace degraded power generation assets in priority remote Aboriginal communities with hybrid and standalone power systems.

Standalone Power Systems – Round 4 and 5

The Standalone Power Systems (SPS) program delivers off-grid power units comprising solar, battery and a generator. The Government has invested a further \$14 million in 2025-26 to complete delivery of the remaining SPS units through Rounds 4 and 5 of the program (100 units in total).

Remote Aboriginal Communities – Critical Distribution Network Upgrades

Horizon Power will spend \$10 million over 2025-26 and 2026-27 to rectify distribution network issues in remote Aboriginal communities, such as end-of-life power poles and non-compliant customer connections.

Laverton and Menzies Power Purchase Agreement

As part of a new Power Purchase Agreement, Horizon Power will invest \$8.2 million over 2025-26 and 2026-27 to undertake the required network connection works to replace the current aging power stations and build two new power stations in the towns of Laverton and Menzies.

Customer Connection – Lumsden Point

Horizon Power will spend \$8 million over 2025-26 and 2026-27 to undertake the network connection works required for the Pilbara Ports Authority's Lumsden Point project.

Mid West Pole Replacement Program

Horizon Power will spend \$4.8 million in 2025-26 to replace power poles in the Mid West region that have recently been identified as requiring replacement.

Remote Aboriginal Communities – Priority Asset Programs

Horizon Power will spend \$3.9 million in 2025-26 to undertake urgent remediation works that address non-compliant customer electricity connections in remote Aboriginal communities.

Water Corporation

Expenses

West Pilbara Water Supply Scheme

Water Corporation will receive an operating subsidy of \$14.7 million over 2025-26 to 2028-29 to enter into a 1 gigalitre per year water supply agreement and spend \$12.9 million relocating bores across the Millstream aquifer.

Management of Hazardous Gases in the Sewer Network

An operating subsidy totalling \$1.1 million over 2025-26 to 2027-28 will be provided to Water Corporation so it can assess the capacity of its sewer network to meet required monitoring standards for hazardous gases, including hydrogen sulphide and methane.

Residential Lot Development – Housing Enabling Infrastructure Fund

See below.

Asset Investment

Facilitation of Industrial Lot Development

Water Corporation will spend \$88.8 million over 2025-26 to 2027-28 on water and wastewater headworks infrastructure that facilitates industrial lot development, mainly on the Western Trade Coast and in Neerabup.

Residential Lot Development – Housing Enabling Infrastructure Fund

The Housing Enabling Infrastructure Fund will provide \$16 million capital and \$500,000 operating expenditure over the four years to 2028-29 to deliver the first phases of long-term infrastructure requirements to support the future development of up to 80,000 residential lots.

West Pilbara Water Supply Scheme

See Expenses item above.

PROVISIONS

MAJOR SPENDING CHANGES					Table 3.12
	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m	
PROVISIONS					
Expenses					
– General Government Recurrent Expenditure Provision	-	1,020.0	750.0	750.0	
– Provision for Yet-To-Be-Announced Decisions	80.8	87.5	15.7	16.0	
– Election Commitment – Ronald McDonald House Expansion	-	10.0	-	-	
– Court Security and Custodial Services	-3.4	-2.6	-	-	
– Strategic Industries Fund	-5.0	-5.0	-5.0	-5.0	
– Public Sector Wages Provision	-5.7	-5.9	-6.2	-6.4	
– Provision for Additional National Disability Insurance Scheme Contributions	-163.1	-	-	-	
– Allocation of General Government Expenses Smoothing	-300.0	-200.0	-	-	
– St John of God Mt Lawley Hospital Acquisition ^(a)	-	-	-	-	
Asset Investment					
– Building Hospitals Fund	-	95.0	330.0	1,004.6	
– Provision for Yet-To-Be-Announced Decisions	16.9	132.5	72.8	3.5	
– WA Health AIP Delivery	-	-36.1	-	-	
– New Youth Detention Facility	-9.3	-50.2	-79.7	-6.1	
– METRONET Projects Under Development	-	-60.0	-60.0	-65.0	
– Social and Affordable Housing Investment Fund	-	-137.0	-123.0	-	
– Asset Investment Program Smoothing Provision:					
– 2025-26 Mid-year Review Smoothing Provision	-500.0	-	250.0	250.0	
– Removal of 2024-25 Smoothing Provision	-	-	-400.0	-350.0	
– St John of God Mt Lawley Hospital Acquisition ^(a)	-	-	-	-	

(a) The amounts are not disclosed to avoid prejudicing a commercial transaction.

Note: Rows may not add due to rounding.

Provisions

Expenses

General Government Recurrent Expenditure Provision

This Mid-year Review includes a \$2.5 billion provision as an allowance for spending requirements which are expected to arise for consideration as part of the 2026-27 Budget.

Provision for Yet-To-Be-Announced Decisions

Provision has been made in this Mid-year Review for the impact of Government decisions that are expected to be announced after the release of the Mid-year Review. These yet-to-be-announced decisions have a net debt impact of \$430.2 million over the forward estimates period. Inclusion of such a provision is consistent with practice in other jurisdictions, and with the requirements of the *Government Financial Responsibility Act 2000*.

Election Commitment – Ronald McDonald House Expansion

The Government has provisioned \$10 million in 2026-27 for the expansion of Ronald McDonald House. Funding to meet this election commitment will be drawn once a business case has been approved by the Government.

Court Security and Custodial Services

The 2025-26 Budget spending provision to support contract negotiations for court security and custodial services has been allocated in this Mid-year Review (see Department of Justice disclosure earlier in this appendix).

Strategic Industries Fund

The 2025-26 Budget included a provision of \$20 million to be allocated from the Strategic Industries Fund for future planning initiatives. This amount has been allocated to various initiatives (see the Department of Energy and Economic Diversification disclosure earlier in this appendix).

Public Sector Wages Provision

A total of \$24.2 million has been allocated to agencies (and disclosed earlier in this appendix) for industrial agreements settled since the 2025-26 Budget.

Provision for Additional National Disability Insurance Scheme Contributions

The 2025-26 Budget included a provision for outstanding contributions associated with the State's transition to the full National Disability Insurance Scheme expected to be paid in 2025-26. The payment, together with \$1 billion in DisabilityCare Australia Fund grant revenue, was finalised before 30 June 2025.

General Government Expenses Smoothing

The Budget included a \$500 million smoothing provision (with catch-up spending assumed to emerge across 2025-26 and 2026-27) to recognise expected timing adjustments in spending in 2024-25. Spending carried over from 2024-25 has been allocated to a range of agencies this Mid-year Review.

St John of God Mt Lawley Hospital Acquisition

The Government has provisioned recurrent expenditure and asset investment over 2025-26 to 2026-27 for the purchase of the Mt Lawley Hospital, commissioning costs, and for immediate capital works and medical equipment replacement. The amount of expenditure is not disclosed as commercial negotiations for the purchase are ongoing.

Asset Investment

Building Hospitals Fund

The Government has set aside \$1.5 billion for future health infrastructure projects. This Mid-year Review includes drawdowns totalling \$70.4 million over 2025-26 and 2026-27 to progress planning for the expansion of the Emergency Department at Royal Perth Hospital and redevelopment of the Peel Health Campus, together with funding to support construction of an oncology service at Geraldton Health Campus. The remaining \$1.4 billion of spending has been provisioned across 2026-27 to 2028-29 and will be allocated to specific projects as Government approvals are made in future Budgets.

Provision for Yet-To-Be-Announced Decisions

See Expenses section above.

WA Health AIP Delivery

An allocation of \$36.1 million has been made to WA Health this Mid-year Review for the Mullewa Community Hospital Redevelopment and Fremantle Mental Health Beds projects, detailed earlier this appendix. A balance of \$55 million remains provisioned to enable the delivery of a range of existing WA Health infrastructure projects.

New Youth Detention Facility

The provision reflecting the construction of the New Youth Detention Facility included in the 2024-25 Mid-year Review has been allocated to the Department of Justice (see disclosure earlier this appendix).

METRONET Projects Under Development

Provisioned METRONET spending totalling \$185 million over 2026-27 to 2028-29 (and by a further \$10 million beyond the forward estimates) has been allocated in this Mid-year Review. This primarily reflects joint State and Commonwealth funding allocated to the Public Transport Authority for the completion of various METRONET projects.

Social and Affordable Housing Investment Fund

As part of the Government's commitment to deliver over 6,600 social and affordable housing dwellings by 2028-29, \$260 million has been allocated from the Budget-time provision to the Department of Housing and Works. This includes \$246 million under Round 2 of the Housing Australia Future Fund to deliver 481 social and 67 affordable housing dwellings. This provision has now been fully allocated.

Asset Investment Program Smoothing Provision

This Mid-year Review includes an update to the Budget-time smoothing provision to account for anticipated adjustments in project timing that can affect AIP project delivery and spending. The carryover of underspending in 2024-25 has been retimed in agency budgets (with the outyear smoothing provision now removed). A further \$500 million has been added to 2025-26 for likely additional spending reflowed to 2027-28 and 2028-29. The total provision for underspending in 2025-26 is now \$2.9 billion (up from \$2.4 billion at Budget).

St John of God Mt Lawley Hospital Acquisition

See Expenses section above.

The Consolidated Account and the Treasurer's Advance

The Consolidated Account

The *Constitution Act 1889* 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.

The Consolidated Account is forecast to be in a \$12.5 billion cash overdraft position at 30 June 2026, \$1.2 billion lower than the \$13.6 billion cash deficit balance projected in the 2025-26 Budget. This reflects the lower deficit outturn at 30 June 2025 reported in the *2024-25 Annual Report on State Finances*, along with higher than estimated tax and royalty receipts, partly offset by lower Commonwealth grants, receipts from Government Enterprises, and higher appropriations for recurrent purposes in 2025-26. The cash deficit position is expected to increase in 2026-27 before declining to a projected \$10.3 billion by 30 June 2029. This reflects the impact on the Consolidated Account of both revenue and spending forecasts detailed elsewhere in this Mid-year Review.

The Consolidated Account cash deficit position is more than offset by other Public Bank Account cash and liquid deposits held in Special Purpose Accounts administered by the Treasurer and by agencies.

2025-26 Government Mid-year Financial Projections Statement

Forecast Consolidated Account borrowing requirements have increased by \$750 million across the forward estimates period compared with Budget, with borrowings projected to stand at \$30.1 billion at 30 June 2029. This level of 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	2025-26	2026-27	2027-28	2028-29
	Actual	Budget	Mid-year	Outyear	Outyear	Outyear
	\$m	\$m	\$m	\$m	\$m	\$m
REVENUE						
<i>Operating Activities</i>						
Taxation	12,223	12,478	13,454	13,266	13,540	13,997
Commonwealth Grants	11,583	10,852	9,917	10,522	10,519	10,765
Government Enterprises	1,392	3,696	2,823	3,580	2,776	2,969
Royalty receipts	9,937	8,947	10,325	8,185	7,880	7,707
Other receipts from agencies	1,847	1,991	2,038	2,120	2,203	2,285
Other	546	479	517	479	505	517
<i>Total Operating Activities</i>	37,528	38,443	39,074	38,153	37,424	38,241
<i>Financing Activities</i>						
Transfers from the Debt Reduction Account	-	-	-	-	-	-
Borrowings	-	4,000	4,000	1,500	1,250	500
Public Bank Account Interest Earned Account	-	-	-	-	-	-
Other Receipts	13	- ^(a)	- ^(a)	-	-	-
<i>Total Financing Activities</i>	13	4,000	4,001	1,500	1,250	500
TOTAL REVENUE	37,541	42,443	43,075	39,653	38,674	38,741
EXPENDITURE						
<i>Recurrent</i>						
Authorised by Other Statutes	3,147	3,314	3,289	3,640	3,833	4,078
Appropriation Act (No. 1)	30,042	33,278	32,916	32,590	32,137	32,539
Recurrent Expenditure under the Treasurer's Advance ^(b)	2,338	-	534	-	-	-
<i>Total Recurrent Expenditure</i>	35,528	36,592	36,739	36,230	35,970	36,617
<i>Investing Activities</i>						
Authorised by Other Statutes	404	316	316	259	277	277
Appropriation Act (No. 2)	8,042	7,982	7,604	6,694	2,827	1,903
Investing Expenditure under the Treasurer's Advance ^(b)	202	-	247	-	-	-
<i>Total Investing Activities</i>	8,647	8,298	8,168	6,953	3,104	2,179
<i>Financing Activities</i>						
Funding for loan repayments (through the Debt Reduction Account)	-	-	-	-	-	-
Appropriation Act (No. 2)	-	-	-	-	-	-
Other financing	12	-	-	-	-	-
<i>Total Financing Activities</i>	12	-	-	-	-	-
TOTAL EXPENDITURE	44,187	44,890	44,907	43,183	39,074	38,796
NET MOVEMENT (REVENUE LESS EXPENDITURE)	-6,646	-2,447	-1,833	-3,530	-400	-56
Consolidated Account Balance						
Opening balance at 1 July	-27,803	-35,026	-34,449	-36,282	-39,812	-40,212
Closing balance at 30 June	-34,449	-37,473	-36,282	-39,812	-40,212	-40,267
<i>Of which:</i>						
Appropriations payable	-21,869	-23,835	-23,821	-25,886	-27,941	-30,000
Cash balance at 30 June	-12,580	-13,637	-12,461	-13,925	-12,271	-10,268
Memorandum item: Consolidated Account Borrowings at 30 June	22,887	26,887	26,887	28,387	29,637	30,137

(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*.

Note: Columns may not add due to rounding.

The Treasurer's Advance

The *Financial Management Act 2006* (FMA) 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. Recoverable advances, and new or supplementary funding, are charged to the Treasurer's Advance.

Based on the revised estimates included in this Mid-year Review, the total amount forecast to be drawn against recoverable advances, excesses and new items in 2025-26 is \$801.8 million, which is less than the \$1,204.9 million limit for 2025-26 authorised by the FMA².

At the 1 December 2025 cut-off date for this Mid-year Review, \$4.1 million has been drawn down for excesses or new items. A \$20 million allowance is included in this Mid-year Review for net recoverable advances that may be in place at 30 June 2026.

Table 4.2 shows the projected position of the Treasurer's Advance at 30 June 2026.

TREASURER'S ADVANCE			Table 4.2
	2024-25 Actual ^(a)	2025-26 Projection	
	\$m	\$m	
AUTHORISED LIMIT	3,007.1	1,204.9	
<i>Total projected to be drawn against Treasurer's Advance authorisation</i>	2,564.5	801.8	
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	534.4	
- capital	201.6	247.4	
(a) The original \$1,080.8 million authority for 2024-25 was increased by \$1,926.3 million by the passage of the <i>Treasurer's Advance Authorisation Act 2025</i> .			
(b) Detailed disclosure of the final audited outcome for 2025-26 will be available in the 2025-26 <i>Annual Report on State Finances</i> , due to be released by 28 September 2026.			
Note: Columns may not add due to rounding.			

² Section 29 of the FMA authorises the Treasurer's Advance limit to be equivalent to 3% of the total amount appropriated for the previous year by the Appropriation Acts. For 2025-26, the \$1,204.9 million limit represents 3% of the total \$40.2 billion appropriated by Appropriation Bills 1 and 2 in the 2024-25 Budget.

Transfers, Excesses and New Items

Table 4.3 details excesses and/or new items that are projected to occur during 2025-26 and the expected impact of these on the Treasurer's Advance under the authority of section 27 of the FMA.

The projections shown in Table 4.3 are subject to movements in agencies' appropriations through the remainder of 2025-26. Funding in excess of budget for appropriation items shown in the table will only occur if management responses do not achieve compensating shortfalls in other spending supported by these items prior to 30 June 2026.

2025-26 Government Mid-year Financial Projections Statement

Table 4.3

2025-26 TRANSFERS, EXCESSES AND NEW ITEMS

Item	Treasurer's Advance					Drawn against Treasurer's Advance to date ^(b)
	Budget	Transfers ^(a)	New Items	Approved Excesses	Revised Appropriation Limit	
	\$m	\$m	\$m	\$m	\$m	\$m
Recurrent Appropriations						
Premier and Cabinet						
Item 5: Delivery of Services	224.5	0.7	-	32.7	257.9	-
Item 6: Administered Grants, Subsidies and Other Transfer Payments	192.6	-	-	117.2	309.8	-
Western Australian Electoral Commission						
Item 9: Delivery of Services	8.6	-	-	4.4	13.0	4.1
Treasury and Finance						
Item 14: Delivery of Services	123.1	-	-	8.8	131.9	-
Item 15: Bunbury Water Corporation	9.2	-	-	0.6	9.8	-
Item 16: Busselton Water Corporation	4.4	-	-	0.1	4.4	-
Item 17: Electricity Generation and Retail Corporation (Synergy)	778.5	-	-	2.8	781.3	-
Item 21: Public Transport Authority of Western Australia	1,412.8	-	-	0.1	1,412.9	-
Item 22: Regional Power Corporation (Horizon Power)	25.7	-	-	2.6	28.3	-
Item 24: Western Australian Land Authority (DevelopmentWA)	217.1	-	-	22.6	239.7	-
Item 31: Goods and Services Tax (GST) Administration Costs	76.2	-	-	3.5	79.7	-
Item 34: Provision for Government Wages Policy	149.9	-5.7	-	-	144.2	-
Item 38: WA Health	12.3	-	-	3.7	16.0	-
Item 40: All Other Grants, Subsidies and Transfer Payments	262.2	-	-	3.4	265.6	-
Energy and Economic Diversification						
Item 42: Delivery of Services	331.8	-0.8	-	2.4	333.4	-
Creative Industries, Tourism and Sport						
Item 44: Delivery of Services	452.9	0.1	-	-	453.1	-
Item 47: Arts and Culture Trust	15.0	-	-	4.1	19.1	-
Item 50: Western Australian Museum	38.9	-	-	0.1	39.0	-
Primary Industries and Regional Development						
Item 51: Delivery of Services	290.6	-	-	14.4	305.0	-
Mines, Petroleum and Exploration						
Item 53: Delivery of Services	114.6	-	-	2.9	117.6	-
WA Health						
Item 58: Delivery of Services	7,971.8	-0.1	-	111.6	8,083.3	-
Mental Health Commission						
Item 59: Delivery of Services	1,160.8	-	-	6.7	1,167.4	-
Education						
Item 64: Delivery of Services	5,921.2	0.3	-	-	5,921.6	-
Item 65: Administered Grants, Subsidies and Other Transfer Payments	529.0	-	-	0.4	529.4	-
Training and Workforce Development						
Item 66: Delivery of Services	652.2	-	-	6.1	658.3	-
Western Australia Police Force						
Item 67: Delivery of Services	1,928.7	2.1	-	33.5	1,964.3	-
Justice						
Item 69: Delivery of Services	1,842.0	-	-	28.7	1,870.7	-
State Solicitor's Office						
Item 70: Delivery of Services	54.1	-	-	2.2	56.2	-
Fire and Emergency Services						
Item 71: Delivery of Services	137.9	-	-	-(c)	138.0	-
Chemistry Centre (WA)						
Item 75: Delivery of Services	11.7	-	-	0.2	11.9	-

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

2025-26 TRANSFERS, EXCESSES AND NEW ITEMS

Table 4.3 (cont.)

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	
Communities						
Item 78: Delivery of Services	1,699.4	-0.2	-	29.0	1,728.2	-
Local Government, Industry Regulation and Safety						
Item 80: Delivery of Services	109.7	-	-	1.1	110.8	-
Item 81: Administered Grants, Subsidies and Other Transfer Payments	49.7	-	-	43.0	92.7	-
Transport and Major Infrastructure						
Item 83: Delivery of Services	156.6	-	-	31.6	188.2	-
Commissioner of Main Roads						
Item 85: Delivery of Services	715.9	0.4	-	6.9	723.2	-
Housing and Works						
Item 86: Delivery of Services	307.3	-	-	4.9	312.2	-
Infrastructure WA						
Item 87: Delivery of Services	5.9	-	-	1.5	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	-
Total Recurrent		-	-	534.4		4.1
Capital Appropriations						
Premier and Cabinet						
Item 99: Capital Appropriation	1.5	-	-	4.3	5.8	-
Western Australian Electoral Commission						
Item 102: Capital Appropriation	_(c)	-	-	_(c)	_(c)	-
Treasury and Finance						
Item 113: Electricity Generation and Retail Corporation (Synergy)	419.5	-	-	66.7	486.2	-
Item 114: Electricity Networks Corporation (Western Power)	599.0	-	-	67.2	666.2	-
Item 118: Pilbara Ports Authority	341.3	-	-	10.5	351.8	-
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	-	-	-	49.2	49.2	-
Creative Industries, Tourism and Sport						
Item 131: Capital Appropriation	144.1	-	-	0.5	144.6	-
Western Australia Police Force						
Item 140: Capital Appropriation	153.2	13.1	-	34.2	200.5	-
Justice						
Item 141: Capital Appropriation	183.1	-	-	13.9	196.9	-
Communities						
Item 147: Capital Appropriation	22.6	-	-	0.4	23.0	-
Total Capital		-	-	247.4		-
TOTAL		-	-	781.8		4.1

(a) Authorised under section 25 of the FMA.

(b) Mid-year Review cut-off date, 1 December 2025.

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

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

Transfers

Section 25 of the FMA allows appropriation originally allocated in the 2025-26 Budget to be transferred to other agencies 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:

- \$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;
- \$5.7 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 Australian Workers' Union Public Sector General Agreement, Western Australia Police Force Auxiliary Officers Agreement and Main Roads Transport Workers Union Agreement (see following table);

Table 4.4

2025-26 PROVISION FOR GOVERNMENT WAGES POLICY

Item	Agency	Transfer from Appropriation Item 34 \$m
64	Department of Education	0.2
67	Western Australia Police Force	2.1
85	Commissioner of Main Roads	0.4
89	Biodiversity, Conservation and Attractions	3.1
TOTAL		5.7

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

- \$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 Small Scale Election Commitments program; and
- \$56,000 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.

Excess and New Items

The following excesses and/or new appropriation items have been approved since the 2025-26 Budget.

Premier and Cabinet

Item 5: **Delivery of Services** (\$32.7 million), largely to support the State's Telethon Donation (\$8 million), increased resourcing for various Executive Government services (\$7.8 million), administration of the Stolen Generations Redress Scheme (\$7.3 million), progressing negotiation of various Native Title matters (\$3.2 million), expansion of the Office of the Coordinator General (\$3 million), and for the planning and delivery of the 2029 State Bicentenary (\$1.3 million).

Item 6: **Administered Grants, Subsidies and Other Transfer Payments** (\$117.2 million), for payments to be made to eligible applicants under the Stolen Generations Redress Scheme.

Item 99: **Capital Appropriation** (\$4.3 million), to support accommodation requirements for Parliamentary electorate offices.

Western Australian Electoral Commission

Item 9: **Delivery of Services** (\$4.4 million), to assist with the implementation of the recommendations from the Special Inquiry into the Planning and Delivery of the 2025 Western Australian State General Election (\$2.5 million) and to support the effective delivery of local government elections in October 2025 (\$1.9 million). At the time of the Mid-year Review cut-off date, \$4.1 million of the total increase had been drawn.

Item 102: **Capital Appropriation** (\$1,000), for a minor increase in motor vehicle lease costs.

Treasury and Finance

Item 14: **Delivery of Services** (\$8.8 million), to facilitate due diligence analysis on financial transactions related to a commercial negotiation process and to continue delivery of existing Government priorities (\$4.7 million), a salary expenditure reflow to meet resourcing requirements in 2025-26 (\$2.5 million) and lower than forecast external revenue, reflecting income that was incorrectly allocated to Treasury and Finance as part of the Public Sector Reform changes incorporated in the 2025-26 Budget (\$1.6 million, with an equivalent increase in external revenue and lower appropriation reflected in Housing and Works).

Item 15: **Bunbury Water Corporation** (\$619,000), due to higher subsidies required for residential and non-residential customers who pay tariffs that are below cost (\$580,000), an increase in concessional claims for higher than expected water volume sold to pensioner and senior customers (\$16,000), and an adjustment to resolve unreported operating costs from 2022-23 and 2023-24 for water supplied to fire services (\$23,000).

Item 16: **Busselton Water Corporation** (\$64,000), due to higher than expected numbers of pensioner and senior customers.

Item 17: **Electricity Generation and Retail Corporation (Synergy)** (\$2.8 million), including the impact of minor movement in the Tariff Equalisation Contribution subsidy (\$3.5 million), further funding for the Energy Ahead program that assists households in financial hardship reduce their energy bills (\$2.2 million), and the carryover from 2024-25 of electricity charge waivers under the Government's Lithium Industry Support Program (LISP \$2.1 million), which is partially offset through the transfer of certain LISP waivers to the Department of Energy and Economic Diversification (\$5 million).

Item 21: **Public Transport Authority of Western Australia** (\$141,000), for retimed maintenance costs brought forward from 2027-28.

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 24: **Western Australian Land Authority (DevelopmentWA)** (\$22.6 million), mainly reflecting higher operating subsidies to support residential land and housing developments (\$14.1 million) and the acquisition and development of industrial land (\$6.6 million).

Item 31: **Goods and Services Tax (GST) Administration Costs** (\$3.5 million), due to the Australian Taxation Office recouping Western Australia's share of additional costs in administering the national GST system.

Item 38: **WA Health** (\$3.7 million), to address immediate cost pressures for the Department's Silverchain Contract.

Item 40: **All Other Grants, Subsidies and Transfer Payments** (\$3.4 million), for the payment of additional interest due on monies held in trusts on behalf of various agencies.

Item 113: **Electricity Generation and Retail Corporation (Synergy)** (\$66.7 million), to fund Synergy's investment in its Collie Battery (\$51.3 million), Kwinana Battery 2 project (\$5.2 million) and King Rocks Wind Farm (\$10.2 million) which had been expected to occur in 2024-25.

Item 114: **Electricity Networks Corporation (Western Power)** (\$67.2 million), reflecting costs for the relocation and upgrading of network assets across the Perth metropolitan area (\$48.7 million), the return of dividend and income tax cash paid to the Consolidated Account for expenses from higher customer contributions revenue (\$9.2 million), for the planning costs for the relocation of transmission lines affected by the Anketell Road upgrade (\$5.3 million), and the Government's contribution to the Targeted Underground Power Program (\$4 million).

Item 118: **Pilbara Ports Authority** (\$10.5 million), to deliver final costs of the Port Hedland Voluntary Buy-Back Scheme (which closes on 31 December 2025) and redevelopment of Port Hedland's West End for non-residential use. The cost of this investment is met from a special levy on port users, with these contributions flowing through the Consolidated Account.

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** (\$49.2 million), reflecting the allocation of \$49.2 million to the Building Hospitals Fund to progress the planning and development of the expansion of the Emergency Department at Royal Perth Hospital, redevelopment of the Peel Health Campus, and funding to support construction of the oncology service at Geraldton Health Campus. The balance of appropriation to establish this Fund (\$1.45 billion) is to be drawn in 2026-27 (see Appendix 5: *Special Purpose Accounts*).

Energy and Economic Diversification

Item 42: **Delivery of Services** (\$2.4 million), primarily to enhance Traditional Owner participation through the Pilbara Energy Transition Plan (\$2.9 million), and to support early stage works at the Ngarluma Green Energy Park Development (\$2.7 million). These increases are partially offset by the net impact of a number of movements and timing changes, including the reflow of expenditure out of 2025-26 for various science and innovation grants (\$2.2 million), and funding for the Strategic Industrial Areas Program Management Office (\$649,000), and the WA Jobs Taskforce (\$368,000).

Creative Industries, Tourism and Sport

Item 47: **Arts and Culture Trust** (\$4.1 million), to meet cost pressures 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), and to meet wage costs under the Venue Management Agreement which was finalised after the 2025-26 Budget process (\$127,000).

Item 50: **Western Australian Museum** (\$148,000), to align the annual remuneration cost of the Museum Board of Trustees' with the Public Sector Commission's latest remuneration rates.

Item 131: **Capital Appropriation** (\$500,000), to bolster the Art Gallery of Western Australia cash balance (\$4 million) and bring forward funding from 2026-27 into 2025-26 to provide working capital for the commencement of operations at the Perth Film Studios' ahead of schedule (\$1.5 million). These funding changes are partly offset by lower capital funding requirements for the Malaga Sports Precinct in 2025-26.

Primary Industries and Regional Development

Item 51: **Delivery of Services** (\$14.4 million), primarily for:

- a Fisheries Support Package to support the implementation of 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 licenses 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); and
- the delivery of Phase Two of the Regional Drought Resilience Planning Program (\$491,000).

These increases are partially offset by timing changes for a range of initiatives (\$3.8 million), including the Busselton Jetty Marine Discovery Centre and emergency animal disease preparedness activities, 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** (\$2.9 million), to address safety and compliance risks at Mineral House and the Carlisle Core Library (\$1.6 million), reflect Public Sector Reform movements originally expected to be delivered by the Department of Local Government, Industry Regulation and Safety (\$954,000) and provide additional corporate services support for the new Department's operations (\$375,000).

WA Health

Item 58: **Delivery of Services** (\$111.6 million), primarily for the delivery of priority maintenance and minor capital works projects through the Health Asset Maintenance Fund (\$37.5 million), the impact of increased demand for imported blood products under the National Blood Arrangement (\$20.7 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), cost movements applying to the delivery of several Government election commitments (\$8.3 million) and supply chain costs (\$8.2 million).

Mental Health Commission

Item 59: **Delivery of Services** (\$6.7 million), additional funding for the operation of the Cockburn Mental Health Clinic (\$2.8 million), commissioning of the Geraldton Emergency Department adult mental health inpatient unit (\$3.1 million) and for the Non-Government Human Services Sector indexation update (\$742,000).

Education

Item 65: **Administered Grants, Subsidies and Other Transfer Payments** (\$423,000), reflecting an increase in grants to the non-government school sector to meet the State's funding obligations under the Better and Fairer Schools Agreement.

Training and Workforce Development

Item 66: **Delivery of Services** (\$6.1 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), and revised delivery timing for the Adult Apprentice Incentive election commitment (\$1 million).

Western Australia Police Force

Item 67: **Delivery of Services** (\$33.5 million), mainly to:

- renew several ICT contracts for core services (\$17.8 million);
- continue Operation Heat Shield for a further year (\$5.1 million);

- provide an uplift in court security and custodial services resourcing in regional Western Australia, enabling the prioritisation of sworn officers to frontline policing services (\$5 million);
- provide further investment in firearms reform (\$4.1 million);
- provide further investment to support implementation of the *Community Protection (Offender Reporting) Amendment Act 2024* (\$3.5 million);
- continue Police and Community Youth Centre's safeSPACE programs in Broome, Kununurra and Kalgoorlie (\$1.4 million); and
- fund planning for security operations associated with Perth hosting the Land Forces Expo in 2026 (\$655,000).

These funding increases are partially offset by a range of timing and other smaller movements affecting the 2025-26 appropriation.

Item 140: **Capital Appropriation** (\$34.2 million), primarily reflecting a carry forward for construction of the Fremantle District Police Complex (\$27.5 million) and a cost increase for the Kimberley District Support Facility (\$9.9 million), partly offset by cost savings across the agency's other Asset Investment Program projects (\$3.2 million).

Justice

Item 69: **Delivery of Services** (\$28.7 million), mainly reflecting demand and service pressures for contracted court security and custodial services (\$15.8 million), increased custodial capacity and staffing support in response to growth in the prison population (\$8.4 million), additional youth custodial resources for the new Crisis Care Unit at the Banksia Hill Detention Centre (\$1.3 million), reclassification of capital spending for maintenance of court audiovisual equipment (\$1 million) and legal assistance costs associated with the Western Australian Stolen Generations Redress Scheme (\$559,000).

Item 141: **Capital Appropriation** (\$13.9 million), mainly for planning and enabling works for the expansion of Acacia Prison (\$8.3 million), and security and safety upgrades across the adult prison estate (\$6.6 million). These increases are partially offset by lower capital funding following reclassification of capital spending to recurrent expenditure for maintenance of court audiovisual equipment (\$1 million).

State Solicitor's Office

Item 70: **Delivery of Services** (\$2.2 million), reflecting expected 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.

Fire and Emergency Services

Item 71: **Delivery of Services** (\$33,000), primarily due to cost increases in existing agreements for Community Emergency Services Managers, which are jointly funded by State and local governments.

Chemistry Centre (WA)

Item 75: **Delivery of Services** (\$188,000), to accelerate testing of delithiated beta spodumene, a lithium processing co-product, for potential use in construction materials.

Communities

Item 78: **Delivery of Services** (\$29 million), largely to address service demand and cost pressures, 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, victim survivors of child abuse, and people with disability (\$12.5 million); and other operational requirements across the Department (\$3.5 million).

Item 147: **Capital Appropriation** (\$370,000), to deliver the Government's election commitment to expand the Albany Women's refuge by six units to accommodate victim survivors of family and domestic violence.

Local Government, Industry Regulation and Safety

Item 80: **Delivery of Services** (\$1.1 million), to implement retirement village reforms under the *Retirement Villages Amendment Act 2024* (\$947,000), continue gambling legislative reform work within the Gaming and Wagering Commission (\$476,000), reflect the transfer of the Gambling Harm Reduction Support Services Fund to the Department's controlled ledger (\$500,000) and to provide 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).

Item 81: **Administered Grants, Subsidies and Other Transfer Payments** (\$43 million), to support an increase in Home Indemnity Insurance claims (\$20 million), higher GST gambling rebates provided to the Lotteries Commission (\$17 million), and to support 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** (\$31.6 million), for Passenger Transport Subsidy Scheme payments and to establish new program management control systems and functions to oversee delivery of the State's major infrastructure projects within the Office of Major Infrastructure Delivery.

Commissioner of Main Roads

Item 85: **Delivery of Services** (\$6.9 million), largely due to higher interest payments on short-term borrowings from the Western Australian Treasury Corporation (\$10.2 million), offset by lower than expected expenditure for the Eric Street Bridge refurbishment in 2025-26 (\$4.6 million).

Housing and Works

Item 86: **Delivery of Services** (\$4.9 million), primarily to fund housing and municipal service programs in remote Aboriginal communities (\$13.1 million) and to support housing and homelessness services (\$1.2 million), including operational funding for Mandurah Common Ground. These increases are partially offset by reflows of 2025-26 expenditure on government office accommodation and other services (\$9.4 million).

Infrastructure WA

Item 87: **Delivery of Services** (\$1.5 million), to progress development of the 2027 State Infrastructure Strategy (\$1 million) and 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** (\$531,000), for higher accommodation lease costs at the Authority's Midland office.

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 that are part of the projections included in this Mid-year Review. The forecast SPA balances (and transactions in and out of these accounts) form part of the overall consolidated projections outlined elsewhere in this publication.

Details of material new spending allocations are available in Appendix 3 of this Mid-year Review.

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.

Amended timing for a range of maintenance projects have been reflected in this Mid-year Review.

ASSET MAINTENANCE FUND

Table 5.1

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	241	138	39	10	4
Receipts	– (a)	–	–	–	–
Payments	103	98	29	6	3
Closing Balance	138	39	10	4	– (a)

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

Note: Columns may not add due to rounding.

Building Hospitals Fund

This Account has been established this year with an allocation of \$1.5 billion to be paid into the new Fund over 2025-26 (\$49 million) and 2026-27 (\$1.45 billion). Draw downs from the Fund will support investment in priority health infrastructure projects.

Funds totalling \$70.4 million across 2025-26 and 2026-27 have been approved to support the planning and development of the Peel Health Campus Redevelopment and Royal Perth Hospital Emergency Department Redevelopment projects, and project costs to deliver the oncology unit at the Geraldton Health Campus. The residual \$1.43 billion infrastructure spend is provisioned across the forward estimates period with allocations to specific hospital projects to be reflected in future Budgets.

BUILDING HOSPITALS FUND					
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	-	-	-	1,335	1,005
Receipts	-	49	1,451	-	-
Payments	-	49	116	330	1,005
Closing Balance	-	-	1,335	1,005	-

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 2025-26 (\$255 million) and across the outyears (\$168 million) reflect support for the following initiatives:

- \$195 million to the Department of Energy and Economic Diversification to continue support for the transition away from native forest logging, Collie's ongoing transition from emissions-intensive industries, and for various climate action and renewable hydrogen initiatives;
- \$108 million for Synergy decarbonisation works associated with the King Rocks Wind Farm and expansion of the Warradarge Wind Farm;
- \$25 million to the Department of Water and Environmental Regulation to accelerate green energy approvals, develop a whole-of-government emissions monitoring system, support heat modelling of the Perth Metropolitan area, develop a Climate Risk Advisory Service, and for a range of other initiatives supporting decarbonisation and climate resilience;
- \$12 million to the Department of Training and Workforce Development as part of the Collie Transition Package, to support the local workforce to transition into new industries, including provision of training facilities and services delivered locally in the Collie region; and

- \$28 million to various agencies and public corporations, including for the Southern Rangelands Revitalisation Project Expansion, phase 2 of WaterSmart Farms, and supporting the resilience and adaptative capacity of WA's threatened species.

CLIMATE ACTION FUND

Table 5.3

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	679	453	198	129	90
<i>Receipts</i>	-	-	-	-	-
<i>Payments</i>	226	255	70	39	60
Closing Balance	453	198	129	90	30

Note: Columns may not add due to rounding.

Debt Reduction Account

A 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. Consistent with Budget-time expectations, funds are not expected to flow through the Account as part of this Mid-year Review.

Digital Capability Fund

The Digital Capability Fund was established in 2021-22 to provide funding to public sector entities for the upgrade of ICT systems and digital transformation to improve service delivery, enhance cyber security and mitigate operational risks. Over \$1.4 billion has been appropriated to the Fund since its establishment.

Payments from the Fund totalling \$361 million in 2025-26 and \$285 million across the outyears will be made to 27 agencies. Larger allocations of these drawdowns are to WA Health (\$328 million), Land Information Authority (\$108.2 million), the Department of the Premier and Cabinet (\$34.1 million), Western Australia Police Force (\$27.7 million) and the Department of Local Government, Industry Regulation and Safety (\$23.8 million).

The residual \$25 million balance forecast at 30 June 2029 has been allocated beyond the current forward estimates period (including for Landgate's Spatial WA project). New initiatives in this Mid-year Review that are supported from the Fund are detailed in Appendix 3.

DIGITAL CAPABILITY FUND

Table 5.4

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	434	593	250	113	41
<i>Receipts</i>	458	17	59	-	-
<i>Payments</i>	298	361	196	72	16
Closing Balance	593	250	113	41	25

Note: Columns may not add due to rounding.

Ecological Thinning Program 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 \$43.1 million are forecast in 2025-26, with \$34.2 million allocated towards contractor payments, \$8.3 million for associated overheads and \$500,000 for regeneration costs. A further \$139.1 million is allocated towards contractor payments, overheads and regeneration costs over the outyears.

Table 5.5
ECOLOGICAL THINNING PROGRAM ACCOUNT

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	12	119	114	111	108
Receipts	135	38	42	44	44
Payments	28	43	46	46	47
Closing Balance	119	114	111	108	105

Note: Columns may not add due to rounding.

METRONET Account

This SPA was established in 2017 to support the delivery of METRONET transport infrastructure projects. Forecast receipts for 2025-26 reflect State and Commonwealth funding. Funds to be drawn during 2025-26 will support ongoing METRONET works.

Table 5.6
METRONET ACCOUNT

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	197	203	5	5	5
Receipts	3,025	797	297	68	105
Payments	3,019	995	297	68	105
Closing Balance	203	5	5	5	5

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 was expanded in September 2023 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 motor vehicle licence revenue. Forecast payments over the four years to 2028-29 comprises of \$452 million for roads associated with METRONET and \$368 million associated with Westport projects. Additional payments from this Account, particularly for Westport road initiatives, will be considered in future Budget processes (and will reduce the balance of the Account accordingly).

METRONET AND WESTPORT ROADS ACCOUNT					
	2024-25	2025-26	2026-27	2027-28	2028-29
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	38	9	22	388	833
Receipts	340	394	499	573	652
Payments	368	381	132	129	178
Closing Balance	9	22	388	833	1,307

Note: Columns may not add due to rounding.

Metropolitan Region Improvement Fund

This Account was established under the *Metropolitan Region Improvement Tax Act 1959* to hold funds for the management of the Metropolitan Region Scheme, including receipts from the Metropolitan Region Improvement Tax (MRIT).

Receipts in the four years to 2028-29 mainly reflect MRIT collections (\$466 million), rent and interest income (\$128 million) and proceeds from the sale of land and buildings (\$35 million). Payments over the same period are mainly for the acquisition of land and buildings (\$176 million), service delivery costs (\$127 million), compensation payments on land acquisition (\$20 million), and works in progress on a range of smaller infrastructure projects (\$7 million).

Additional payments from this Account will be considered in future Budget processes and reduce the balance of the Account accordingly.

METROPOLITAN REGION IMPROVEMENT FUND					
	2024-25 ^(a)	2025-26	2026-27	2027-28	2028-29
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	452	492	552	627	709
Receipts	149	161	152	159	163
Payments	109	101	77	77	77
Closing Balance	492	552	627	709	795

(a) Receipts and payments during 2024-25 were restated after finalisation of the 2024-25 *Annual Report on State Finances*.

Note: Columns may not add due to rounding.

Mining Rehabilitation Fund

The Mining Rehabilitation Fund was established in 2013 to hold levy collections under the *Mining Rehabilitation Fund Act 2012*.

Receipts reflect forecast levy contributions from mining operators and interest earned on the Fund balance. Funds are used to undertake rehabilitation activities where a tenement operator fails to meet rehabilitation obligations, and all other options available to recover funds from the operator have been exhausted. Interest earnings are used to support administration of the Fund, and for rehabilitation works at abandoned mine sites.

Table 5.9

MINING REHABILITATION FUND					
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	321	356	371	382	390
Receipts	63	58	58	58	58
Payments	27	44	47	50	39
Closing Balance	356	371	382	390	409

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 of \$10 million in 2024-25 and \$82 million in 2025-26 reflect Government decisions to allocate additional funding to this Account to meet revised drawdown forecasts for scheme payments, civil litigation claims and administration costs across the forward estimates period.

Table 5.10

NATIONAL REDRESS SCHEME AND CIVIL LITIGATION FOR SURVIVORS OF INSTITUTIONAL CHILD SEXUAL ABUSE ACCOUNT					
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	87	54	71	35	19
Receipts	10	82	-	-	-
Payments	43	65	36	16	-
Closing Balance	54	71	35	19	19

Note: Columns may not add due to rounding.

New Women and Babies Hospital Account

This Account was established in 2021-22 with an allocation of \$1,787 million to support the New Women and Babies Hospital Project. In May 2025 the managing contractor was appointed to deliver the project and the completion date of 2029 confirmed.

Any updates to the timing of draw downs will be reflected in the 2026-27 Budget process.

NEW WOMEN AND BABIES HOSPITAL ACCOUNT					
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	1,764	1,755	1,475	808	758
Receipts	-	-	-	-	-
Payments	9	279	667	50	-
Closing Balance	1,755	1,475	808	758	758

Note: Columns may not add due to rounding.

Perth Parking Licensing Account

This Account was established in 1999 to hold funds raised through the licensing of parking spaces to support the provision of a balanced transport system within central Perth as well as preserve and enhance the city's environment. Receipts consist of licence fees, penalties and money appropriated by Parliament.

Funds drawn from the Account are spent on the Central Area Transit (CAT) bus system and other free public transport services within central Perth, improving infrastructure for public transport, cycling and walking, enhancing the central city's amenity and liveability, and administering the *Perth Parking Management Act 1999*.

Additional payments from this Account will be considered in future Budget processes and reduce the balance of the Account accordingly.

PERTH PARKING LICENSING ACCOUNT					
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	183	163	192	224	256
Receipts	59	64	67	69	70
Payments	79	36	35	36	27
Closing Balance	163	192	224	256	300

Note: Columns may not add due to rounding.

Remote Communities Fund

The Remote Communities Fund was established as part of the 2022-23 Budget, with a \$350 million State contribution to support essential infrastructure and services in remote Aboriginal communities in Western Australia.

As part of the 2022-23 Mid-year Review, monies held in the Fund were allocated to Horizon Power and the Water Corporation to upgrade water, wastewater, and power services (\$200 million), and to the Department of Communities (\$150 million) to build new houses, upgrade existing houses, and undertake municipal works.

Drawdowns from the Fund reflect the timing of these projects, including \$112.7 million in 2025-26 on essential water and power services (\$72.8 million), and housing and municipal services (\$39.8 million).

Table 5.13

REMOTE COMMUNITIES FUND

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	295	215	102	54	3
Receipts	-	-	-	-	-
Payments	80	113	48	52	-
Closing Balance	215	102	54	3	3

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.

A contribution towards the Perth Zoo Pilbara Immersive Habitat Learning Space project was received in the first half of 2025-26. Other resource industry contributions over the forward estimates period support the operation of Pilbara Safe Spaces. A total of \$102 million has now been committed to specific projects funded by the RCII, with contributions to be reflected in this Account once individual funding agreements are signed.

Table 5.14

RESOURCES COMMUNITY INVESTMENT INITIATIVE PROJECT ACCOUNT

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	-	13	19	16	6
Receipts	13	10	2	2	2
Payments	-	4	5	12	4
Closing Balance	13	19	16	6	4

Note: Columns may not add due to rounding.

Road Trauma Trust Account

This Account was established to provide for road safety initiatives. Receipts reflect prescribed penalties paid during the year, other funds collected under the *Road Traffic (Administration) Act 2008*, and interest revenue earned on the Account balance.

Drawdowns from the Account in 2025-26 are mainly for:

- investment in road infrastructure, including the Regional Road Safety Program, the Metropolitan Intersections project, and school zones and crossings managed by Main Roads;
- spending on enforcement, including camera operations and the Impaired Driving Detection Program, and the purchase of new enforcement and non-enforcement road safety cameras;
- infringement and demerit point processing by the Department of Transport and Major Infrastructure, and development of a flexible infringement and penalties policy; and
- road safety advertising and awareness campaigns, community engagement, and education activities, including the Road Smart Kickstart and Road Smart Interactive school programs.

The Account balance is forecast to reduce across the forward estimates period, as remaining funds are drawn down for committed road safety initiatives.

ROAD TRAUMA TRUST ACCOUNT					
	2024-25	2025-26	2026-27	2027-28	2028-29
	\$m	\$m	\$m	\$m	\$m
<i>Opening Balance</i>	120	88	53	29	12
Receipts	97	155	188	130	131
Payments	128	190	211	146	135
Closing Balance	88	53	29	12	9

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 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 3: *Investing in Regional Western Australia*.

Table 5.16

ROYALTIES FOR REGIONS FUND

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	1,000	1,000	1,000	1,000	1,000
Receipts	1,179	1,208	1,033	933	871
Payments	1,179	1,208	1,033	933	871
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 established as part of the 2015-16 Budget with \$150 million transferred from the RfR Fund. Drawdowns support strategic reforms in regional Western Australia, with a focus on regional Aboriginal reform initiatives.

Payments of \$33 million over the four years to 2028-29 will support On-country Residential Youth Facilities, Aboriginal Community Controlled Organisation Aboriginal Employee Housing Grants program, Pilbara Safe Spaces program, Kimberley Schools Unit, the Robe River Kuruma Housing Pathway Support program, the East Kimberley and Hedland Transitional Housing projects, and the Jalbi Jiya (Your Home) program.

Table 5.17

ROYALITES FOR REGIONS REGIONAL REFORM FUND

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	6	– (a)	–	–	–
Receipts	12	5	17	3	9
Payments	17	6	17	3	9
Closing Balance	– (a)	–	–	–	–

(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 as part of subsequent Budget processes. The purpose of the Fund has also been expanded to include support of affordable housing initiatives.

A further \$201.4 million contribution to the Fund is included in this Mid-year Review. This top-up contribution, together with the allocation of existing monies held in the Fund, is being directed to the delivery of social housing dwellings and refurbishments across the State, taking the Government's total investment through the Fund to \$2.1 billion since its inception.

Funds to be drawn in 2025-26 and across the outyears are to support progress towards the Government's commitment to delivering more than 6,600 social and affordable housing dwellings by 2028-29 (see Housing Initiatives feature box in Chapter 2).

Table 5.18

SOCIAL AND AFFORDABLE HOUSING INVESTMENT FUND					
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	693	672	254	198	20
Receipts	400	80	447	-	-
Payments	421	498	503	178	20
Closing Balance	672	254	198	20	-

Note: Columns may not add due to rounding.

Softwood Plantation Expansion Fund

This Fund was established in 2021-22 as part of the Government's Climate Action Package, with \$350 million set aside to expand the State's softwood plantation estate and support the Western Australian timber and construction industries. Initiatives supported by investment from the Fund will also offset carbon dioxide production and support regional employment.

Drawdowns totalling \$122.2 million are forecast over 2025-26 to 2028-29, with \$91.3 million for the acquisition of land and \$30.9 million for other costs associated with the establishment of softwood plantations.

Table 5.19

SOFTWOOD PLANTATION EXPANSION FUND					
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	254	220	170	119	109
Receipts	-	-	-	-	-
Payments	34	50	51	11	10
Closing Balance	220	170	119	109	98

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 expected payments now totalling \$268 million over the forward estimates.

Payments will largely support land acquisition and development, support for the renewable hydrogen industry, and the planning, prioritisation, and sequencing of the State's associated investment. The Government has allocated payments totalling \$82.5 million in this Mid-year Review (including existing allocations that have been reprioritised) across the Advanced Manufacturing and Technology Hub and priority Strategic Industrial Areas such as the Western Trade Coast, Boodarie and Maitland (see Appendix 3 for further details). A total of \$730 million remains to be allocated to new initiatives in future Budgets.

Table 5.20

STRATEGIC INDUSTRIES FUND

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	-	498	760	728	737
Receipts	500	455	25	20	-
Payments	2	193	58	11	7
Closing Balance	498	760	728	737	730

Note: Columns may not add due to rounding.

Waste Avoidance and Resource Recovery Account

The Waste Avoidance and Resource Recovery Account was established in 2008 under section 79 of the *Waste Avoidance and Resource Recovery Act 2007* to hold revenue allocated from the waste levy. The purpose of the Account is to fund nominated programs and other waste management initiatives approved by the Minister for Environment.

Table 5.21

WASTE AVOIDANCE AND RESOURCE RECOVERY ACCOUNT

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	41	45	41	33	32
Receipts	26	25	24	22	21
Payments	23	29	32	23	20
Closing Balance	45	41	33	32	33

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 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.

Forecast annual receipts include 1% of the Budget-time forecast of royalty income (\$82.5 million in 2025-26) and interest earned on the Fund balance (\$49.3 million in 2025-26).

Table 5.22

WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH AND INNOVATION FUND

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	1,764	1,846	1,929	2,006	2,080
Receipts	135	132	152	149	159
Payments	52	49	75	75	75
Closing Balance	1,846	1,929	2,006	2,080	2,164

Note: Columns may not add due to rounding.

Payments from the Fund each year reflect the on-passing of budgeted interest earnings to WA Health, and are held in the Western Australian Future Health Research and Innovation Account (see following table). Payments of \$56 million from the Account are forecast in 2025-26 (\$292 million over the four years to 2028-29), supporting a range of health, medical research, innovation and commercialisation activities in Western Australia.

Table 5.23

WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH AND INNOVATION ACCOUNT					
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	43	39	32	22	20
Receipts	56	49	75	75	75
Payments	60	56	85	77	75
Closing Balance	40	33	22	20	20

Note: Columns may not add due to rounding.

Western Australian Student Assistance Payment Fund

This SPA was re-established as part of the 2025-26 Budget with an \$82.3 million allocation to support Western Australian families with payments to assist with schooling expenses in 2025 (including \$150 for eligible kindergarten and primary students, and \$250 for eligible secondary students).

The claims period commenced on 28 April 2025 and closed on 4 July 2025. The Government has approved the surplus funds (\$882,000) to be repurposed as a one-off payment to schools' Parents and Citizens, and Parents and Friends associations.

Table 5.24
(a)

WESTERN AUSTRALIAN STUDENT ASSISTANCE PAYMENT FUND					
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
<i>Opening Balance</i>	-	7	-	-	-
Receipts	82	-(b)	-	-	-
Payments	75	7	-	-	-
Closing Balance	7	-	-	-	-

(a) The Western Australian Student Assistance Payment Fund established as part of the 2024-25 Budget has been closed, with 2024-25 payments of \$2.9 million and unused residual funding of \$19 million returned to the Consolidated Account. This Fund reflects a new SPA of the same name for the new assistance payment in 2025.

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

Note: Columns may not add due to rounding.

Westport Account

This Account was established as part of the 2021-22 Budget to support the Westport project, with a further \$268 million of joint State and Commonwealth funding and \$10 million of rental income forecast to paid into it over the period 2025-26 to 2028-29. The funding in the Account will be drawn down for approved initiatives to continue to progress Westport planning and enabling works.

Drawdowns totalling \$545 million are forecast over 2025-26 to 2028-29, 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 5.25

WESTPORT ACCOUNT					
	2024-25	2025-26	2026-27	2027-28	2028-29
	\$m	\$m	\$m	\$m	\$m
Opening Balance	322	266	10	8	-
Receipts	11	93	85	68	32
Payments	67	348	88	76	32
Closing Balance	266	10	8	-	-

Note: Columns may not add due to rounding.

