



Government of Western Australia  
Department of Treasury

# Pre-election Financial Projections Statement

2024-25

February 2025





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

**2024-25**

**PRE-ELECTION FINANCIAL  
PROJECTIONS STATEMENT**

FEBRUARY 2025

### **Acknowledgement of Country**

The Government of Western Australia respectfully acknowledges the Traditional Custodians throughout Western Australia and their continuing connection to Country, Culture and Community. We pay our respects to all members of the Aboriginal communities and their cultures; and to Elders past and present. We acknowledge and pay tribute to the strength and stewardship of Aboriginal people in sustaining the world's oldest living culture and value the contribution Aboriginal people make to Western Australia's communities and economy.

Further information or enquiries related to this report may be obtained by emailing [info@treasury.wa.gov.au](mailto:info@treasury.wa.gov.au)

**2024–25**  
**Pre-election Financial Projections Statement**

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# Under Treasurer's Certification

Section 15 of the *Government Financial Responsibility Act 2000* (GFRA) requires that the Under Treasurer release a *Pre-election Financial Projections Statement* (PFPS) within ten days of the dissolution of the Legislative Assembly.

The Legislative Assembly was dissolved on 29 January 2025, with the writs for the State election issued by the Governor on 5 February 2025.

The content of this PFPS meets the requirements of section 15 of the GFRA. In particular:

- Appendix 1 details the projections required by section 15(2)(a);
- Chapters 1 and 2 detail the economic and other assumptions underlying the PFPS projections (section 15(2)(b));
- Chapter 1 includes an explanation of the implications of the financial projections for meeting the financial targets set out in the last Government Financial Strategy Statement (section 15(2)(c));
- Chapter 1 also includes an analysis of key financial sensitivities to assumptions and a statement of risks that could materially affect the financial projections (sections 15(2)(d) and (e)); and
- this certification gives effect to the requirements of sections 15(2)(f) and 15(7).

The cut-off date for information and the finalisation of assumptions for inclusion in this PFPS was 1 February 2025, three days after the Legislative Assembly was dissolved (consistent with the requirements of the GFRA).

This PFPS is based upon all relevant decisions that I was aware of or that were made available to me by the Treasurer and other official sources, together with other relevant information known to Treasury, on or before the PFPS cut-off date.

It has been prepared in accordance with applicable Australian Accounting Standards and Government Finance Statistics principles, and is based on the economic forecasts and other assumptions outlined in Chapter 1: *Financial Projections* and Chapter 2: *The Western Australian Economy*. These assumptions were finalised by Treasury, under my direction, on 1 February 2025.



Michael Barnes PSM FIPAAWA  
UNDER TREASURER

7 February 2025

**2024-25 Pre-election Financial Projections Statement**



# Financial Projections

## HIGHLIGHTS

- The outlook for the State's economy remains broadly unchanged from that presented in the 2024-25 Mid-year Review – although employment is tracking stronger, and inflation is tracking lower, than expected at Mid-year Review.
  - As a result, for 2024-25, the forecast unemployment rate has been revised down from 4% to 3.5%, and forecast growth in the Consumer Price Index (CPI) has been revised down from 3.25% to 2.75%.
- The State's fiscal outlook has improved since Mid-year Review, with higher operating surpluses in each year of the forward estimates period, and a \$2 billion reduction in the forecast level of total public sector net debt at 30 June 2028. This improvement largely reflects the impact on general government revenue of:
  - a lower \$A/\$US exchange rate (which has increased forecast mining revenue by \$831 million over the forward estimates);
  - higher GST grants (up \$729 million), mainly due to upward revisions in the Commonwealth's Mid-Year Economic and Fiscal Outlook to both the national GST pool and Western Australia's population share; and
  - slightly higher commodity prices (mainly iron ore and gold), which have increased forecast mining revenue by \$412 million.
- Relative to Mid-year Review, general government expenses have been revised up by a modest \$458 million (or 0.3%) across the forward estimates. Based on year-to-date project expenditure, the State's Asset Investment Program in 2024-25 has been revised up from an estimated \$12.5 billion to \$13.6 billion, but remains broadly unchanged over the forward estimates period at \$42.4 billion.

## Introduction

The general government operating surplus for 2024-25 has been revised to \$3.2 billion, up slightly from the \$3.1 billion surplus forecast at the time of the 2024-25 Mid-year Review. Operating surpluses ranging between \$2.8 billion and \$3.5 billion are now forecast in the outyears.

- Revenue has been revised up by \$2.7 billion (or 1.4%) over the four years to 2027-28. This is largely due to higher mining revenue and GST grants, as well as increased payroll tax collections due to stronger than expected employment growth.
- General government expenses have been revised up by \$458 million (or 0.3%) over the forward estimates period, primarily reflecting Government decisions made since the 2 December 2024 Mid-year Review cut-off date and the impact of the Commonwealth's 2024-25 Mid-Year Economic and Fiscal Outlook (MYEFO).

The Government's Asset Investment Program has remained largely unchanged at \$42.4 billion over the period 2024-25 to 2027-28, but has been revised up in the current year based on year-to-date spending performance by agencies. Total public sector net debt at 30 June 2028 is now expected to be \$2 billion lower than forecast in the Mid-year Review, at \$37.6 billion. This represents 8.5% of the State's economy (as measured by Gross State Product), down from 9% forecast at Mid-year Review.

The key financial aggregates for this PFPS are summarised in the following table.

KEY BUDGET AGGREGATES						
Western Australia						
	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year Revision	PFPS Revision	Outyear	Outyear	Outyear
<b>GENERAL GOVERNMENT SECTOR</b>						
<b>Net Operating Balance (\$m)</b>	<b>4,486</b>	<b>3,097</b>	<b>3,190</b>	<b>3,548</b>	<b>3,525</b>	<b>2,839</b>
Revenue (\$m)	45,947	49,028	49,021	47,938	46,448	46,448
Revenue Growth (%)	5.4	6.7	6.7	-2.2	-3.1	-
Expenses (\$m)	41,461	45,932	45,830	44,390	42,923	43,609
Expense Growth (%)	7.7	10.8	10.5	-3.1	-3.3	1.6
<b>TOTAL PUBLIC SECTOR</b>						
<b>Net Debt at 30 June (\$m)</b>	<b>28,173</b>	<b>32,423</b>	<b>33,812</b>	<b>36,306</b>	<b>37,018</b>	<b>37,606</b>
Net Debt as a share of GSP (%)	6.2	7.6	7.6	8.5	8.6	8.5
Asset Investment Program (\$m)	11,405	12,530	13,561	11,432	9,191	8,253
Cash Surplus/Deficit (\$m)	-49	-3,705	-5,090	-2,022	-363	-222

Key assumptions underlying the PFPS financial projections are shown in the following table. Further discussion of the economic outlook is provided in Chapter 2: *The Western Australian Economy*.

KEY ASSUMPTIONS <sup>(a)</sup>					
Western Australia					
	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual	PFPS Revision	Outyear	Outyear	Outyear
Real Gross State Product growth (%) <sup>(b)</sup>	0.5	2.25	2.5	2.5	2.0
Real State Final Demand growth (%) <sup>(b)</sup>	5.7	3.75	2.75	3.25	2.75
		(3.5)	(3.25)		
Employment growth (%)	3.8	3.25	1.75	1.5	1.5
		(2.5)			
Unemployment rate (%) <sup>(c)</sup>	3.7	3.5	3.75	4.0	4.25
		(4.0)	(4.25)	(4.5)	(4.75)
Wage Price Index growth (%) <sup>(d)</sup>	4.2	3.75	3.5	3.0	3.0
Perth Consumer Price Index growth (%) <sup>(d),(e)</sup>	4.7	2.75	2.75	2.5	2.5
		(3.25)			
Iron ore price (\$US/tonne CFR) <sup>(c),(f)</sup>	119.4	98.0	71.5	71.0	71.0
		(95.3)	(71.0)		
Iron ore volumes (million dry tonnes)	866	876	883	884	884
		(881)			
Crude oil price (\$US per barrel) <sup>(c)</sup>	83.6	76.8	72.9	70.3	69.1
		(74.1)	(70.8)	(69.4)	(68.9)
Exchange rate (US cents) <sup>(c)</sup>	65.6	64.4	63.3	66.0	68.7
		(66.0)	(66.0)	(67.6)	(69.3)
Population growth (%) <sup>(d)</sup>	2.8	1.9	1.8	1.8	1.7
Interest rate assumptions (%):					
– Public Bank Account earnings <sup>(c)</sup>	4.0	4.5	4.0	3.9	3.7
		(4.4)	(3.9)	(3.8)	(3.6)
– Consolidated Account borrowings <sup>(c)</sup>	3.5	3.6	3.5	3.7	3.8
				(3.6)	(3.7)

(a) 2024-25 Mid-year Review assumptions shown in parentheses where different.

(b) Based on 2023-24 State Accounts data and State Final Demand data for the September quarter 2024.

(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 Credits provided across the State.

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

## General Government Sector

### Operating Statement

The table below summarises the key changes in general government revenue and expenses since the 2024-25 Mid-year Review estimates were finalised on 2 December 2024.

SUMMARY OF GENERAL GOVERNMENT REVENUE AND EXPENSE VARIATIONS SINCE THE 2024-25 MID-YEAR REVIEW					
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	Total \$m
<b>2024-25 MID-YEAR REVIEW - NET OPERATING BALANCE</b>	<b>3,097</b>	<b>2,526</b>	<b>2,686</b>	<b>2,578</b>	
<b>Revenue</b>					
<i>Taxation</i>	141	52	54	57	304
- Payroll Tax	49	52	54	57	212
- Total Duty on Transfers	91	-	-	-	91
<i>Commonwealth Grants</i>	-773	1,057	701	191	1,176
- GST Grants	197	224	158	149	729
- North West Shelf/Condensate Compensation	26	56	21	6	109
- Disaster Recovery Grants	-74	-308	458	- <sup>(a)</sup>	76
- Better and Fairer Schools Agreement	33	6	5	5	49
- Phase-out of Live Sheep Exports by Sea – Commonwealth Transition Assistance	17	1	16	10	43
- National Partnership on Recycling Infrastructure	17	12	-	-	29
- Bunbury Water Resource Recovery Scheme	6	16	3	-	25
- National Partnership Agreement on Family, Domestic and Sexual Violence Responses Renewal	-	8	8	9	25
- Wholesale Electricity Market Integration (Project Jupiter)	3	11	5	1	21
- DisabilityCare Australia Fund	-1,008	1,008	-	-	-
- Other Commonwealth Grants	10	24	27	10	70
<i>Royalty Income</i>	615	382	174	37	1,208
- Iron Ore	529	291	140	41	1,002
- Gold	33	63	52	38	186
- Other Royalties	53	27	-18	-42	20
All Other	10	-22	-14	12	-14
<b>TOTAL REVENUE</b>	<b>-8</b>	<b>1,469</b>	<b>915</b>	<b>297</b>	<b>2,674</b>

Table 3

Table 3 (cont.)

**SUMMARY OF GENERAL GOVERNMENT REVENUE AND EXPENSE  
VARIATIONS SINCE THE 2024-25 MID-YEAR REVIEW**

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	Total \$m
<b>Expenses</b>					
<i>Government Decisions</i>					
- Phase-out of Live Sheep Exports by Sea – Commonwealth Transition Assistance	1	16	16	11	43
National Partnership Agreement on Family, Domestic and Sexual Violence Responses Renewal	-	8	8	9	25
Wholesale Electricity Market Integration (Project Jupiter)	3	11	5	1	21
Culturally and Linguistically Diverse Community Capital Grants	10	-	-	-	10
All Other Government Decisions <sup>(b)</sup>	8	13	16	9	46
<i>Changes following release of Commonwealth MYEFO</i>					
Better and Fairer Schools Agreement	33	6	5	5	49
National Partnership on Recycling Infrastructure	15	12	-	-	27
Bunbury Water Resource Recovery Scheme	6	16	3	-	25
GST Administration Costs	- <sup>(a)</sup>	1	-3	-28	-30
All Other MYEFO Changes	4	4	2	2	13
<i>Other Changes</i>					
Provision for NDIS Contributions	-	163	-	-	163
Expense Smoothing Provision	-175	175	-	-	-
Interest Expenses	12	22	20	20	74
Firearms Buyback Scheme	-20	-	-	-	-20
All Other	- <sup>(a)</sup>	1	4	5	11
<b>TOTAL EXPENSES</b>	<b>-101</b>	<b>448</b>	<b>77</b>	<b>35</b>	<b>458</b>
<b>TOTAL VARIANCE</b>	<b>94</b>	<b>1,022</b>	<b>839</b>	<b>261</b>	<b>2,215</b>
<b>2024-25 PFPS - NET OPERATING BALANCE</b>	<b>3,190</b>	<b>3,548</b>	<b>3,525</b>	<b>2,839</b>	

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

(b) See Appendix 3: *Spending Changes Since the Mid-year Review*.

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

## Revenue

General government revenue is expected to grow by 6.7% in 2024-25, unchanged from Mid-year Review. Movements within various revenue categories have been largely offset in the current year, resulting in a net decrease of just \$8 million since the Mid-year Review. These movements include higher iron ore royalty income (up \$529 million) and stronger taxation revenue (up \$141 million), offset by lower Commonwealth grants (down \$773 million, mainly reflecting a changed timing assumption around receipt of Western Australia's DisabilityCare Australia Fund (DCAF) payment (from 2024-25 to 2025-26)).

Across the four years to 2027-28, revenue has been revised up by a total \$2.7 billion relative to the Mid-year Review. This primarily reflects:

- higher royalty income (up \$1.2 billion), mainly due to:
  - lower \$A/\$US exchange rate forecasts across the forward estimates period, which increases the price of commodities in Australian dollar terms (see the feature box later in this section); and
  - moderately higher commodity price assumptions, particularly for iron ore and gold;

## 2024-25 Pre-election Financial Projections Statement

- higher Commonwealth grants revenue (up \$1.2 billion), comprising:
  - higher GST grants (up \$729 million), largely due to upward revisions to national GST pool estimates (and Western Australia's population share) contained in the Commonwealth's 2024-25 MYEFO<sup>1</sup>;
  - higher North West Shelf grants and condensate compensation (up \$109 million), due to the lower \$A/\$US exchange rate and higher oil and gas prices;
  - a reflow of \$1 billion of DCAF grants from 2024-25 to 2025-26, as negotiations with the Commonwealth are still ongoing and are expected to be further delayed by the State and Federal elections in the first half of 2025; and
  - upward revisions to a range of other grants, consistent with latest Commonwealth projections contained in the MYEFO, including new agreements and updates to existing programs; and
- higher taxation revenue (up \$304 million), reflecting an upward revision to payroll tax (up \$212 million) in line with stronger than anticipated labour market conditions, and transfer duty (up \$91 million), driven by an increase in high value commercial transactions in 2024-25.

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

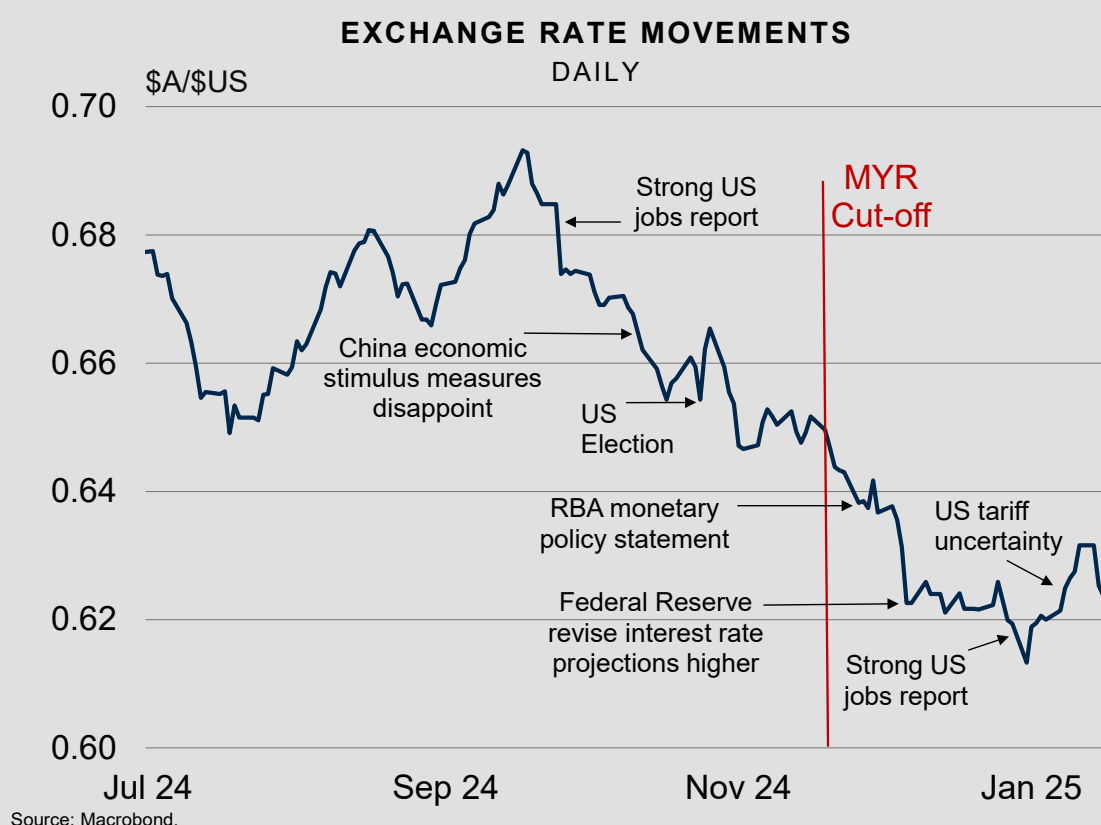
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<sup>1</sup> The Commonwealth's 2024-25 MYEFO was released on 18 December 2024, after the 2 December 2024 cut-off date for Western Australia's Mid-year Review.

## REVENUE IMPACT OF EXCHANGE RATE MOVEMENTS

The Australian dollar has fallen quite sharply against the US dollar since October 2024. While it appeared to settle at around US 65 cents in the lead-up to the Mid-year Review cut-off, it subsequently continued to decline to a low of US 61 cents on 13 January 2025. In the lead-up to the PFPS cut-off, it increased slightly to above US 62 cents (see following figure).

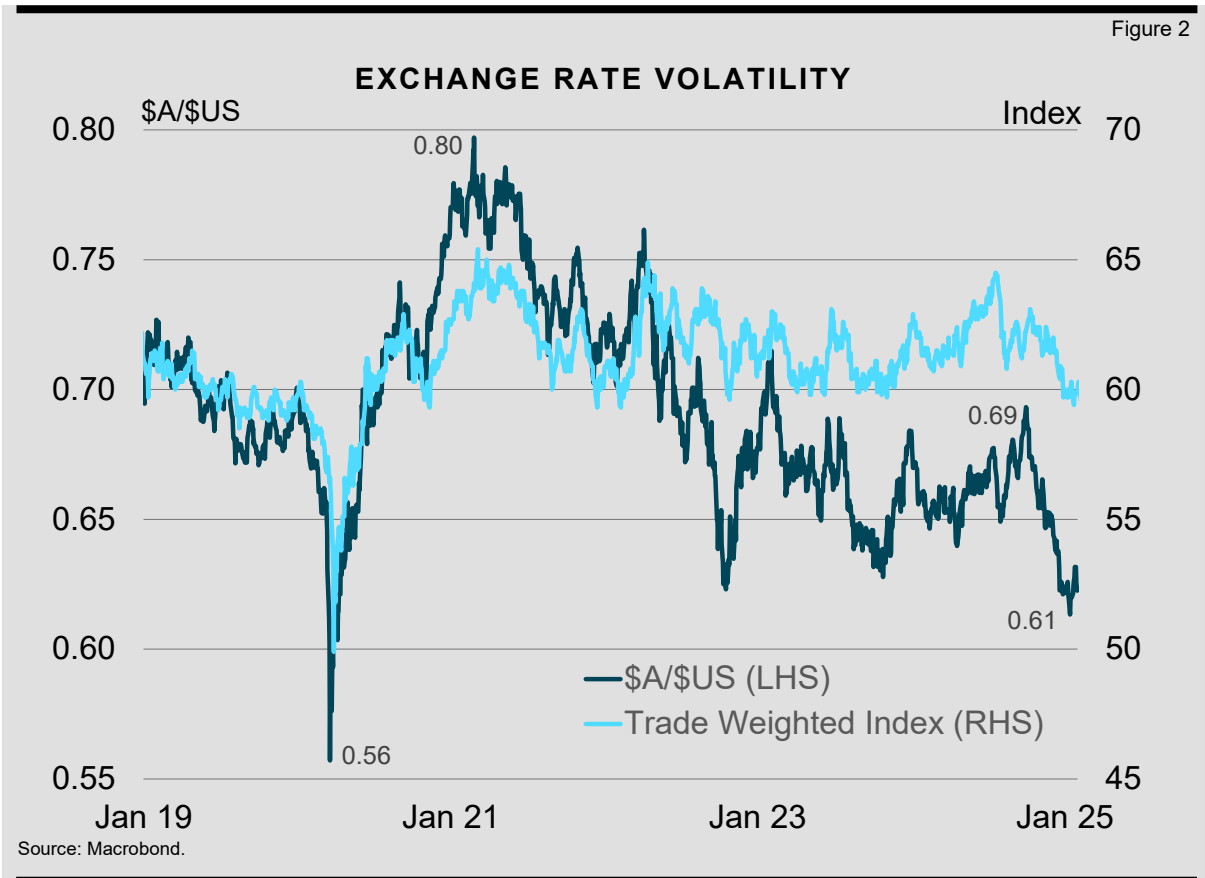
Figure 1



The fall in the Australian dollar primarily reflects broad-based strength of the US dollar.

Continued robust US economic data and an improved outlook for growth have lowered expectations of future US interest rate cuts, providing broad support for the US dollar. In mid-December 2024, the US Federal Reserve raised its 2025 inflation and interest rate projections and more recently left rates unchanged in January. In contrast, in Australia, the Reserve Bank noted in the Monetary Policy Decision Statement from its December meeting that some of the upside risks to inflation had eased. A weaker than anticipated December quarter CPI result also increases the likelihood of a rate cut in the near future. The possibility of relatively stronger US interest rates has contributed to the depreciation of the Australian dollar.

The following figure illustrates that it is primarily the strength of the US dollar that is driving the Australian dollar lower, with the Australian dollar having fallen far less against its Trade Weighted Index.



To a lesser extent, the Australian dollar has also been weighed down by the economic slowdown in China (our major trading partner) and concerns about the rise of protectionist global industrial and trade policies.

Figure 2 above also illustrates the volatility of the exchange rate, particularly against the US dollar. Rapid movements in the exchange rate are not unusual. For example, following the outbreak of COVID-19, the Australian dollar fell rapidly from around US 69 cents to US 56 cents by mid-March 2020. The dollar subsequently recovered to US 70 cents by June 2020 and reached a three year high of US 80 cents in February 2021.

Movements in the exchange rate represent a significant risk (both upside and downside) to general government revenue, as the majority of Western Australia’s commodities are sold through international markets and are priced in US dollars.

The \$A/\$US exchange rate is projected to gradually rise over the forward estimates period, from around US 62 cents at PFPS cut-off to its five-year average of US 70 cents by June 2028. This is the same methodology used in the Mid-year Review, with the downward revisions reflecting the decline in the exchange rate since the Mid-year Review cut-off.

While this is considered a conservative approach, the outlook for the exchange rate is highly uncertain, being largely dependent on developments overseas. Each US 1 cent decrease/increase in the exchange rate increases/decreases mining revenue by around \$170 million per annum.



## Expenses

General government expenses have been revised up by \$458 million over the forward estimates period since finalisation of the Mid-year Review. This reflects the combination of Government decisions since the Mid-year Review cut-off date, the impact of updated estimates following release of the Commonwealth's 2024-25 MYEFO, and other parameter-driven changes detailed below.

Material spending changes to reflect decisions by the Government and the impact of the Commonwealth's MYEFO include:

- additional spending on the delivery and management of education services following updates for the Better and Fairer Schools Agreement (\$49 million);
- an increase in the Rural Business Development Corporation's expenditure over 2025-26 to 2027-28 for Commonwealth financial assistance grants relating to the phasing out of sea-going export of live sheep (\$40 million);
- revised estimates of Western Australia's contribution to the Australian Taxation Office's GST administration costs (down \$30 million);
- higher spending on activities related to the National Partnership on Recycling Infrastructure (\$27 million);
- additional spending on the Bunbury Water Resource Recovery Scheme over 2024-25 to 2026-27 (\$25 million);
- additional spending on the renewed Family, Domestic and Sexual Violence Responses 2021-30 Federation Funding Agreement with the Commonwealth, supporting the continuation of several family and domestic violence programs including the Community Outreach Program and the Aboriginal Health Council of WA (\$25 million);
- the on-passing of new Commonwealth funding to Western Power for Project Jupiter, which is focussed on the integration of household rooftop solar systems and batteries and other appliances into the Wholesale Electricity Market (\$21 million); and
- additional spending to support eligible Culturally and Linguistically Diverse community or non-for-profit associations (\$10 million).

Other material changes since the Mid-year Review reflect parameter movements. These include:

- a further \$175 million provision for yet-to-be-identified recurrent underspending in 2024-25, assumed to be caught up in 2025-26, reflecting slower than expected expense growth in agency data submitted for the December 2024 Quarterly Financial Results Report (due for release by 1 March 2025);
- a \$163 million provision in 2025-26 for additional National Disability Insurance Scheme (NDIS) contributions that the State is expected to pay the Commonwealth in order to secure the \$1 billion DCAF payment in 2025-26; and

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- a \$74 million increase in interest costs, largely reflecting timing revisions to infrastructure investment (see Asset Investment Program later in this chapter).

Further detail on changes in general government expenses since the Mid-year Review is available in Appendix 3.

### Balance Sheet

The net worth (or net assets) of the general government sector is forecast to increase from \$175.8 billion at 30 June 2025 to \$191 billion by 30 June 2028.

This projected increase is \$2.1 billion higher than the increase contained in the 2024-25 Mid-year Review, largely reflecting the stronger general government revenue outlook detailed earlier in this chapter.

#### GENERAL GOVERNMENT Balance Sheet at 30 June

Table 4

	2024 \$m	2025 \$m	2026 \$m	2027 \$m	2028 \$m
<b>2024-25 PFPS</b>					
Assets	215,616	220,650	226,986	232,760	236,917
Liabilities	45,145	44,851	45,448	46,066	45,876
<i>Net Worth</i>	<i>170,471</i>	<i>175,799</i>	<i>181,538</i>	<i>186,694</i>	<i>191,041</i>
<b>Net Debt</b>	<b>19,651</b>	<b>24,587</b>	<b>26,903</b>	<b>26,651</b>	<b>26,472</b>
<b>2024-25 MID-YEAR REVIEW</b>					
Assets	215,616	221,172	226,242	230,991	234,680
Liabilities	45,145	45,330	45,690	46,124	45,731
<i>Net Worth</i>	<i>170,471</i>	<i>175,842</i>	<i>180,551</i>	<i>184,866</i>	<i>188,950</i>
<b>Net Debt</b>	<b>19,651</b>	<b>23,853</b>	<b>27,488</b>	<b>28,197</b>	<b>28,522</b>
<b>VARIANCE</b>					
Assets	-	-522	744	1,769	2,236
Liabilities	-	-479	-242	-58	145
<i>Net Worth</i>	-	-43	987	1,827	2,091
<b>Net Debt</b>	-	<b>734</b>	<b>-585</b>	<b>-1,546</b>	<b>-2,050</b>

Note: Columns may not add due to rounding.

### Cash Flow Statement

A general government sector cash surplus of \$1.5 billion is forecast for 2024-25, \$731 million lower than forecast in the Mid-year Review. This largely reflects faster than expected infrastructure spending in the year to date (see Asset Investment Program later in this chapter).

Across the three outyears, projected cash surpluses have increased by an average \$976 million per year relative to the Mid-year Review, reflecting the stronger general government revenue estimates outlined earlier as well as changed timing of infrastructure investment. The general government sector has been in a cash surplus position since 2019-20.

## Total Public Sector

### Summary

The total public sector operating outlook has strengthened across the four years to 2027-28 compared with the Mid-year Review. This largely reflects the changes in the general government sector outlined earlier.

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

<b>TOTAL PUBLIC SECTOR</b>						
<b>Summary Financial Statement</b>						
	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<b>OPERATING STATEMENT</b>						
Revenue	83,785	88,503	88,493	88,576	87,998	88,245
Expenses	77,859	86,466	86,506	86,443	86,196	87,119
<b>Net Operating Balance</b>	<b>5,926</b>	<b>2,037</b>	<b>1,988</b>	<b>2,134</b>	<b>1,802</b>	<b>1,126</b>
<b>BALANCE SHEET AT 30 JUNE</b>						
Assets	258,763	263,642	263,765	271,924	281,365	287,160
Liabilities	88,292	87,800	87,966	90,385	94,672	96,119
<b>Net Worth</b>	<b>170,471</b>	<b>175,842</b>	<b>175,799</b>	<b>181,538</b>	<b>186,694</b>	<b>191,041</b>
<b>STATEMENT OF CASHFLOWS</b>						
Net Cash Flow s from Operating Activities	10,879	8,312	7,958	8,750	8,120	7,189
Asset Investment Program	11,405	12,530	13,561	11,432	9,191	8,253
<b>Cash Surplus/-Deficit</b>	<b>-49</b>	<b>-3,705</b>	<b>-5,090</b>	<b>-2,022</b>	<b>-363</b>	<b>-222</b>
<i>Memorandum Item: Net Debt at 30 June</i>	<i>28,173</i>	<i>32,423</i>	<i>33,812</i>	<i>36,306</i>	<i>37,018</i>	<i>37,606</i>

Note: Columns may not add due to rounding.

### Operating Statement<sup>2</sup>

Across the four year forward estimates period, aggregate total public sector operating surpluses have increased by a total \$2.1 billion, driven by the stronger general government revenue outlook outlined earlier.

<sup>2</sup> 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 dividend revenue collected between these sectors. 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

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<b>Net Operating Balance</b>						
General government sector	4,486	3,097	3,190	3,548	3,525	2,839
Public non-financial corporations sector	1,325	397	254	101	-68	137
Public financial corporations sector	357	43	43	13	-1	-23
<i>less</i>						
General government dividend revenue	210	1,502	1,502	1,531	1,658	1,830
Public non-financial corporations dividend revenue <sup>(a)</sup>	35	-	-	-	-	-
Agency depreciation costs on right of use assets leased from other government sectors <sup>(b)</sup>	-3	-3	-3	-3	-3	-3
<b>Total public sector net operating balance</b>	<b>5,926</b>	<b>2,037</b>	<b>1,988</b>	<b>2,134</b>	<b>1,802</b>	<b>1,126</b>

(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 (PNFC)

The PNFC sector is expected to be in an operating surplus position totalling \$425 million over the four years to 2027-28, \$141 million lower than the Mid-year Review estimates. This is mainly due to the estimated costs of new energy fuel supply contracts and movements in projected interest costs, partially offset by revenue for National Water Grid and renewable energy projects.

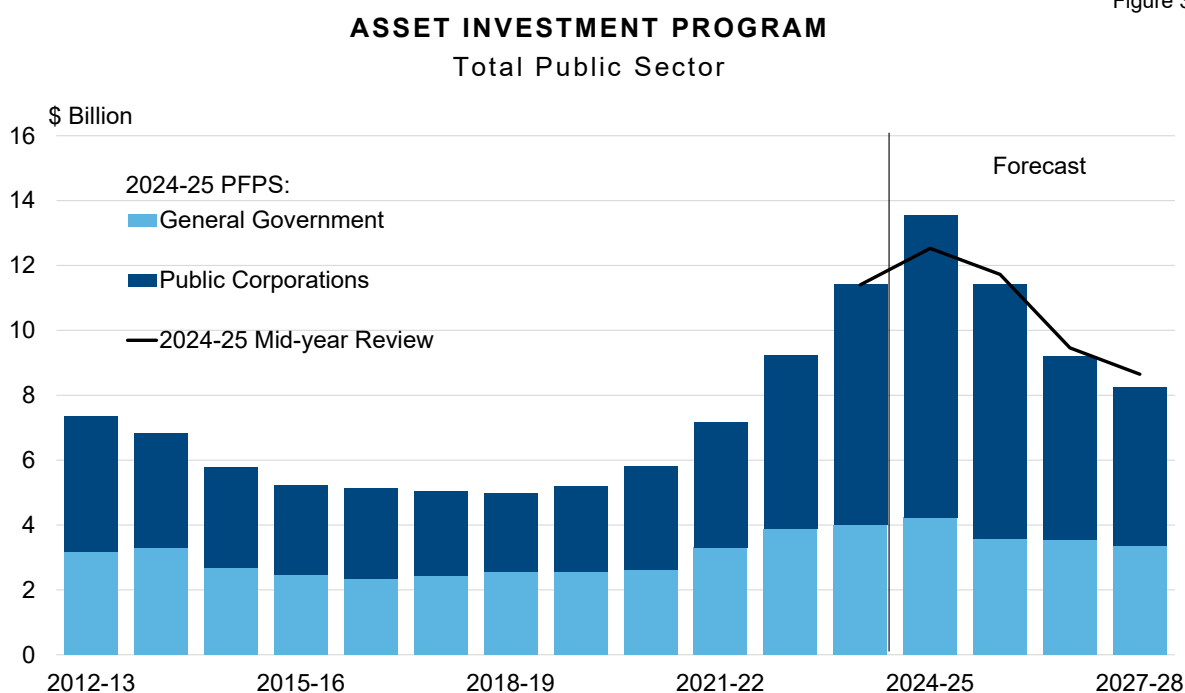
## Public Financial Corporations (PFC)

The PFC sector operating outlook remains unchanged from the Mid-year Review, with an aggregate operating surplus of \$32 million over the forward estimates period.

## Asset Investment Program

Asset Investment Program (AIP) spending of \$13.6 billion is estimated in 2024-25. This reflects a \$1 billion reduction in the 2024-25 underspending provision included in the Mid-year Review. Agency investment activity has accelerated over the year to date, and it is now likely that underspending will be lower (and hence the AIP higher) than previously expected. This change is net debt neutral across the forward estimates period, with an equivalent increase to the underspending profile reflected across the three outyears (\$300 million in each of 2025-26 and 2026-27, and \$400 million in 2027-28).

Figure 3



Over the four years to 2027-28, infrastructure spending is expected to total \$42.4 billion, broadly unchanged since the Mid-year Review.

However, a number of net debt neutral allocations for specific projects have been made from spending provisions reflected in the Mid-year Review. These include allocations to:

- the Department of Education (up \$144 million) for the East Perth Primary School;
- the Public Transport Authority (up \$144 million) for the procurement of two additional Australind railcar sets and five electric ferries; and
- WA Health (up \$39 million) for the Laverton Hospital Development and Fitzroy Crossing Renal Clinic Expansion.

## Balance Sheet

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

## Cash Flow Statement

A total public sector cash deficit of \$5.1 billion is forecast for 2024-25, \$1.4 billion higher than forecast at the time of the Mid-year Review. This mainly reflects stronger year-to-date infrastructure spending by agencies (noted earlier).

In line with the Mid-year Review projections, cash deficits are also projected across the three outyears. However, the stronger operating outlook noted earlier is expected to reduce the total cash deficit by a cumulative \$3.4 billion over this period. A cash deficit of just \$222 million is now forecast for 2027-28, down from the \$923 million cash deficit projected in the Mid-year Review.

Cash deficits are the key driver of movements in net debt, discussed in the next section.

### TOTAL PUBLIC SECTOR CASH FLOW

Table 7

#### Summary

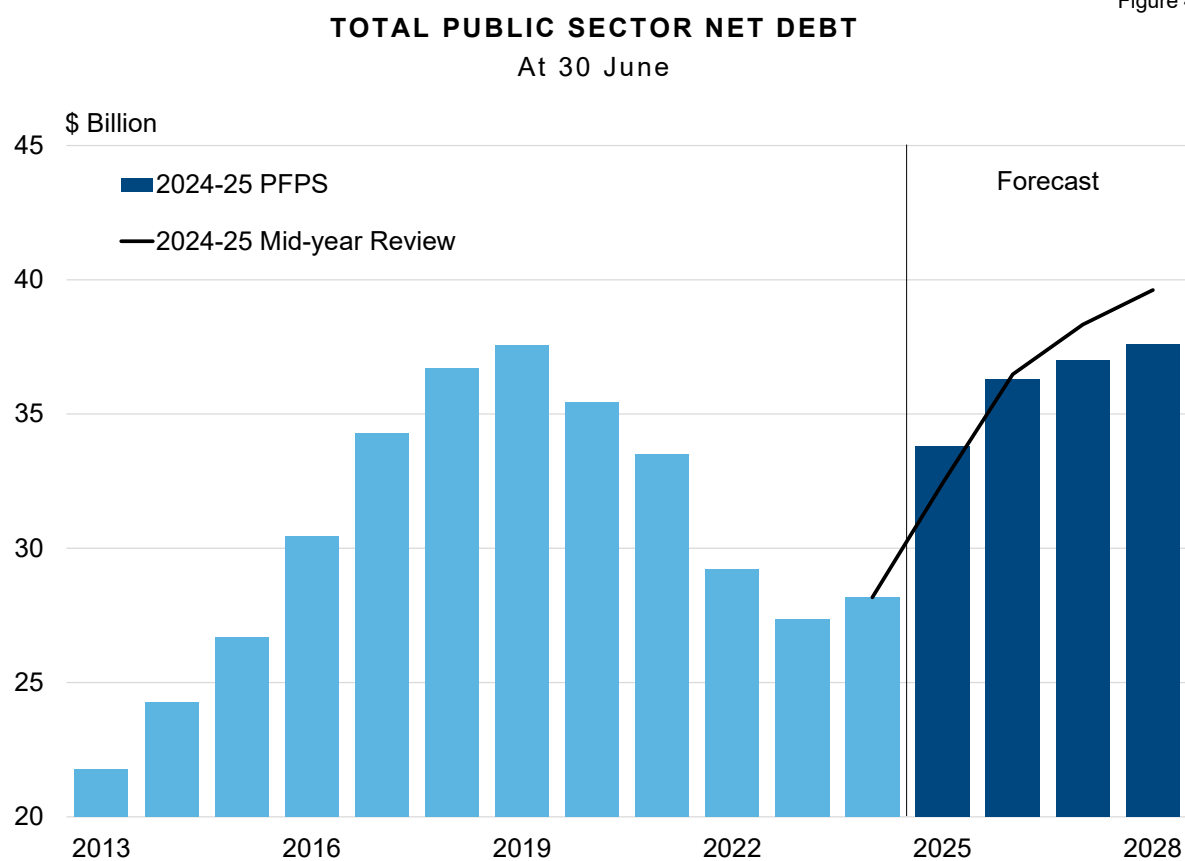
	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
Net cash from operating activities	10,879	8,312	7,958	8,750	8,120	7,189
Net cash flows from investing in non-financial assets	-10,928	-12,016	-13,048	-10,772	-8,484	-7,411
<b>Cash surplus/- deficit</b>	<b>-49</b>	<b>-3,705</b>	<b>-5,090</b>	<b>-2,022</b>	<b>-363</b>	<b>-222</b>
<i>Financing transactions</i>						
Net cash flow from borrowings	226	-189	-23	1,044	2,627	2,358
Run-down in cash and cash equivalents	194	4,341	5,564	1,667	-1,221	-845
All other financing	-371	-448	-451	-689	-1,042	-1,291
<b>Total Financing</b>	<b>49</b>	<b>3,705</b>	<b>5,090</b>	<b>2,022</b>	<b>363</b>	<b>222</b>

Note: Columns may not add due to rounding.

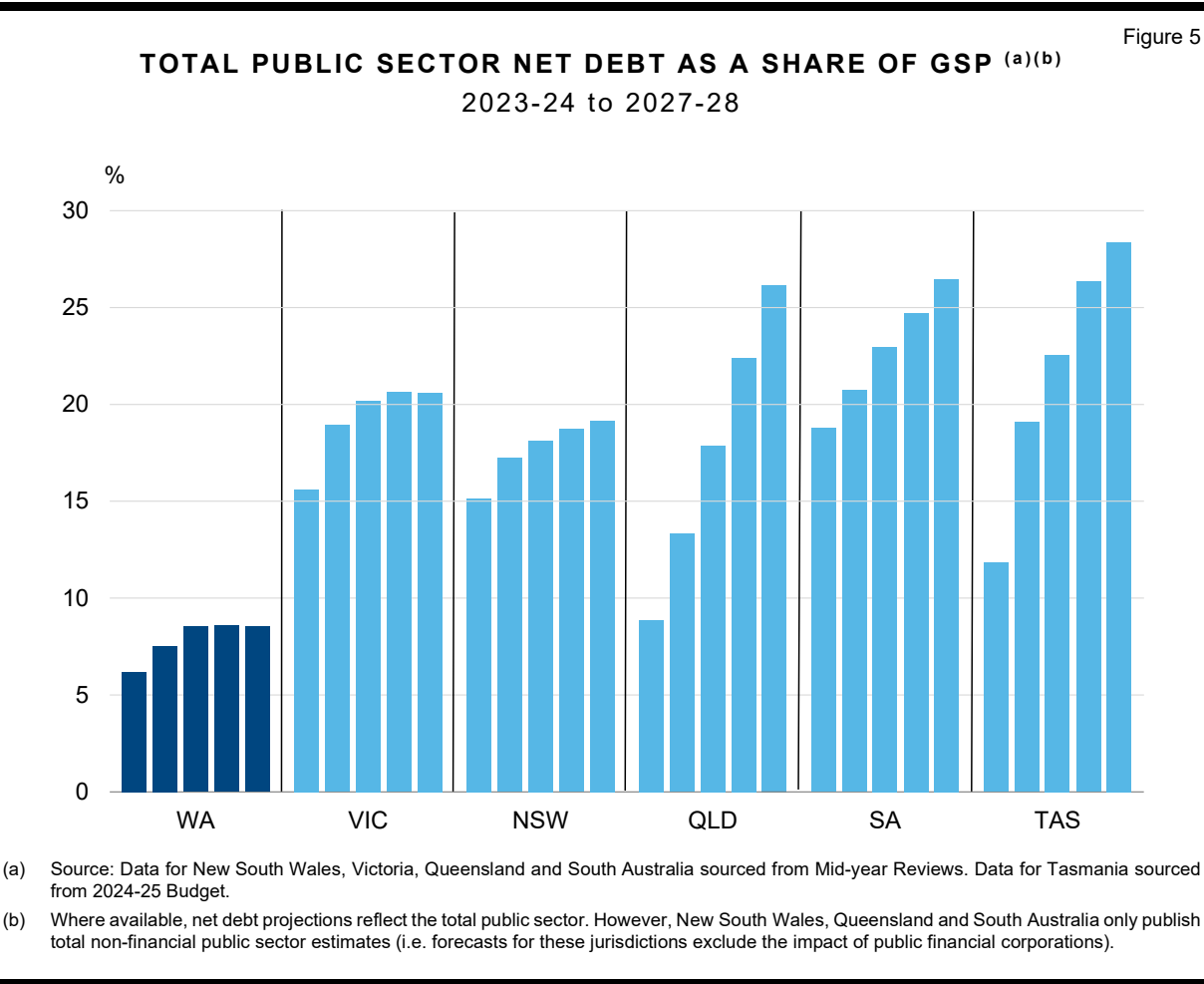
## Net Debt

Reflecting the forecast strengthening in general government operating conditions outlined earlier, the outlook for total public sector net debt has improved since the Mid-year Review. Net debt is now projected to be \$37.6 billion at 30 June 2028, \$2 billion lower than forecast at Mid-year Review.

Figure 4



As a share of Gross State Product (GSP), the State's net debt levels are the lowest in Australia (see below), with a forecast 8.5% share of GSP in 2027-28, down from 9% projected in the Mid-year Review.





The following table summarises changes in total public sector net debt projections since the 2024-25 Mid-year Review.

Table 8				
NET DEBT OF THE TOTAL PUBLIC SECTOR AT 30 JUNE				
	2025 \$m	2026 \$m	2027 \$m	2028 \$m
<b>2024-25 Mid-year Review - Total Public Sector Net Debt</b>	<b>32,423</b>	<b>36,480</b>	<b>38,329</b>	<b>39,618</b>
<i>Less change in net cash flows from operating activities and dividends paid</i>				
- general government	-211	1,262	871	304
- public non-financial corporations	-143	5	-6	- <sup>(a)</sup>
- public financial corporations	-	-	-	-
<i>Total public sector</i>	<i>-354</i>	<i>1,266</i>	<i>865</i>	<i>304</i>
<i>Plus purchases of non-financial assets<sup>(b)</sup></i>				
Education	10	56	29	69
Road, Rail and Transport	22	57	65	-
WA Health	20	19	-	-
Partial Reversal of Health AIP Delivery Provision	-10	-25	-4	-
Update to AIP Smoothing Provision	1,000	-300	-300	-400
Allocations from Provision for Yet-to-be-Announced Decisions	-23	-128	-67	-69
All other <sup>(c)</sup>	13	23	6	3
<i>Total purchase of non-financial assets</i>	<i>1,031</i>	<i>-297</i>	<i>-271</i>	<i>-397</i>
<i>Less proceeds from sale of non-financial assets</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Plus all other financing<sup>(d)</sup></i>	<i>3</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Cumulative impact on net debt at 30 June</i>	<i>1,389</i>	<i>-175</i>	<i>-1,311</i>	<i>-2,012</i>
<b>2024-25 PFPS - Total Public Sector Net Debt</b>	<b>33,812</b>	<b>36,306</b>	<b>37,018</b>	<b>37,606</b>

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

(b) Material asset investment changes are outlined in Appendix 3: *Spending Changes Since the Mid-year Review*.

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

(d) 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.

## Implications for the Government's Financial Targets

The financial targets accompanying the Government Financial Strategy Statement detailed in the 2024-25 Budget are to:

- maintain a net operating surplus for the general government sector on average over the forward estimates period;
- 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.

In keeping with expectations in the 2024-25 Mid-year Review, all of these financial targets are forecast to be met in 2024-25, except the target relating to agency expense limits. All of the targets are projected to be met in each of the outyears (see following table).

The key service delivery agencies identified in the Mid-year Review as likely to exceed the expense limit set in their Resource Agreements by more than 2% are still expected to exceed this limit. This reflects the impact of spending increases detailed in Appendix 3 of this PFPS and/or as reported in the Mid-year Review.

2024-25 PRE-ELECTION FINANCIAL PROJECTIONS STATEMENT FINANCIAL TARGET COMPLIANCE					Table 9
	2024-25 PFPS Revision	2025-26 Outyear	2026-27 Outyear	2027-28 Outyear	
Maintain a net operating surplus for the general government sector on average over the forward estimates period					
- General government net operating balance (\$m)	3,190	3,548	3,525	2,839	
- <b>2024-25 PFPS compliance</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	
- 2024-25 Mid-year Review compliance	Yes	Yes	Yes	Yes	
Maintain disciplined general government expense management through:					
- delivering public sector wages outcomes in line with Government wages policy					
- <b>2024-25 PFPS compliance</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	
- 2024-25 Mid-year Review compliance	Yes	Yes	Yes	Yes	
- ensuring key service delivery agency recurrent spending outcomes are in line with budgeted expense limits					
- <b>2024-25 PFPS compliance</b>	<b>No</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	
- 2024-25 Mid-year Review compliance	No	Yes	Yes	Yes	
Maintain or increase net worth of the total public sector					
- Total public sector net worth (\$b)	175.8	181.5	186.7	191.0	
- <b>2024-25 PFPS compliance</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	
- 2024-25 Mid-year Review compliance	Yes	Yes	Yes	Yes	

## Statement of Risks

### Changes since the 2024-25 Mid-year Review

Most of the risk items outlined in the 2024-25 Budget and 2024-25 Mid-year Review remain valid and largely unchanged. Where there has been no change to these risk items, they are not repeated here. The discussion below highlights changes to the Statement of Risks relative to the Mid-year Review.

### Resolved Risks

The risk outlined in the 2024-25 Mid-year Review relating to Synergy's fuel costs has been resolved, with the cost impact reflected in this PFPS.

### Revenue Estimates

The revenue estimates outlined in the Mid-year Review have been revised for movements in market conditions and other assumptions. Approximate annual impacts of changes in key economic parameters are shown in the following table.

Table 10

APPROXIMATE PARAMETER SENSITIVITY OF THE REVENUE ESTIMATES 2024-25		
	Variability (\$m)	Detail
Royalty income and North West Shelf grants	±170	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	±97	For each \$US1 per tonne increase/decrease in the price of iron ore.
Petroleum royalties and North West Shelf grants	±8	For each \$US1 increase/decrease in the price of a barrel of oil.
Payroll tax	±59	For each 1% increase/decrease in taxable wages or employment growth (i.e. the total wages bill).
Underlying transfer duty		
• Prices	±34	For each 1% increase/decrease in average property prices.
• Transactions	±22	For each 1% increase/decrease in transaction levels.

### 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 inherently volatile and has in the past deviated from Treasury's assumptions by large amounts over short periods. Consistent with the Mid-year Review methodology, this PFPS is predicated on the conservative assumption that the iron ore price will revert to its long-run average (of \$US71 per tonne) over the next six months (i.e. by August 2025).

Risks to the exchange rate outlook are discussed in the feature box earlier in this chapter.

### ***Transfer Duty***

Residential property transactions are the largest contributor to total transfer duty. Both the number of residential property transactions and prices are susceptible to fluctuations in market sentiment and are therefore inherently volatile and difficult to forecast.

If the current strength in the residential property market were to be sustained for longer than anticipated this could lead to a stronger than projected median house price and, in turn, higher than forecast transfer duty revenue. In this regard, consistent with Mid-year Review expectations, the median house price is forecast to increase by 15.8% over 2024-25, before easing to 6.1% growth in 2025-26 and then declining moderately from 2026-27 as the market rebalances.

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

### ***GST Grants***

The Commonwealth released its 2024-25 Mid-Year Economic and Fiscal Outlook after the 2 December 2024 cut-off date for Western Australia's Mid-year Review, with revised forecasts for the GST grant pool and States' populations. These revisions result in higher forecasts for Western Australia's GST grants, as detailed earlier in this chapter. There remains ongoing scope for revisions to these forecasts in future updates.

## **Revenue Risks**

### ***DisabilityCare Australia Fund (DCAF) Payment***

The Commonwealth Treasurer has advised that Western Australia's access to a \$1 billion DCAF payment is contingent on the State signing up to the full scheme agreement for the NDIS and making payments on outstanding NDIS contributions, which are estimated to total \$163.1 million at the end of 2024-25. Negotiations to enter into the full scheme agreement are ongoing and may be impacted by the outcomes of negotiations on broader national disability and health reforms. In the meantime, Western Australia remains on its transition agreement to the NDIS and continues to engage with the Commonwealth to achieve a favourable outcome for its participation in the full scheme agreement.

This PFPS assumes that the State will receive the \$1 billion DCAF payment in 2025-26, and makes provision (also in 2025-26) for outstanding NDIS contributions to the Commonwealth (\$163.1 million).

## **Spending Risks**

### ***Freight Rail Network***

On 23 January 2025, the Government announced its intention to investigate options for the future control and operation of the State's regional freight network, for which the existing lease arrangement is due to expire in 2049. In its announcement, the Government stated that all options, including a return to public ownership, would be investigated and that a decision would be made in the future. As no decisions have been made on any future arrangements, and noting that significant consultation and negotiation will be required with the current lease holder and other affected parties, no revisions to the State's finances have been reflected in this PFPS as a result of this announcement.

### ***Electricity Market Costs***

A significant proportion of Synergy's cost base is influenced by the Wholesale Electricity Market, such as essential system services and the Reserve Capacity Mechanism, which are designed to maintain the security and reliability of the electricity system. The Wholesale Electricity Market Rules, which guide the electricity market operations, were amended in late 2024 and early 2025, with elements coming into effect over the coming months and years. Furthermore, on 19 December 2024, the Economic Regulation Authority determined the Benchmark Reserve Capacity Price for 2027-28, which is higher than for 2026-27. The impact of these amendments and determination on Synergy's cost base will be incorporated into the State's finances as part of a future Budget process.

### ***Prison Population***

Growth in Western Australia's prison population has been faster than anticipated at the time of the Mid-year Review cut-off. As such, there is a risk that the prison population over 2024-25 (and beyond) will be higher than forecast at Mid-year Review. The associated cost and funding implications will need to be firmed up over coming months, and considered as part of the 2025-26 Budget process.

**2024-25 Pre-election Financial Projections Statement**

# The Western Australian Economy

## HIGHLIGHTS

- Relative to Mid-year Review, forecast growth in the State's economy (as measured by Gross State Product or GSP) remains unchanged, with growth of 2.25% forecast for 2024-25.
- This includes slightly stronger than previously expected growth in the domestic economy (as measured by State Final Demand or SFD) – which has been revised up from 3.5% to 3.75% in 2024-25 – offset by a downward revision to exports.
- Data released since the Mid-year Review cut-off point to a stronger labour market and softer inflation than forecast at Mid-year Review.
  - Employment increased by more than 25,000 jobs over November and December 2024, and the monthly unemployment rate fell to just 3.3%. As a result, the forecast unemployment rate for 2024-25 has been revised down to 3.5% (from 4% at Mid-year Review).
  - Inflation data for the December 2024 quarter was softer than expected, with year-ended growth of 3.4% (excluding the electricity sub-index) the slowest in over three years. As a result, forecast growth in Perth's CPI over 2024-25 has been revised down to 2.75% (from 3.25% at Mid-year Review).
- The global economic outlook also remains similar to that at Mid-year Review, although (as noted in Chapter 1) the Australian dollar has depreciated against the US dollar and commodity prices have risen moderately – with both factors contributing to an upward revision to forecast mining revenue.

## **Economic Outlook**

As outlined at Mid-year Review, growth in Western Australia's economy (GSP) is expected to strengthen to 2.25% in 2024-25 and 2.5% in 2025-26.

The GSP outlook is underpinned by strong domestic activity (SFD), with growth expected across all components. Data released since Mid-year Review cut-off (including September quarter SFD data released on 4 December 2024) support the expectation that the domestic economy will grow by a robust 3.75% in 2024-25, up slightly from the 3.5% growth forecast at Mid-year Review.

Household consumption is still expected to remain resilient, buoyed by growth in employment, wages, population and wealth (primarily reflected through house prices). Household consumption grew by 2.4% in the year to September 2024, the strongest of all States.

Growth in business investment is moderating as expected, from a very strong 12.7% in 2023-24 to 6.9% in the year to September 2024. This reflects a consolidation of investment at high levels, supported by the large pipeline of work on major projects under construction.

Dwelling investment increased in the September quarter and is expected to strengthen further throughout the year, incorporating both new demand and the progression of work on the existing pipeline under construction. There were almost 6,000 dwellings commenced in the September quarter, the strongest level in almost three years. Furthermore, over 19,000 homes were completed in the year to September, the highest in almost seven years.

In the public sector, government investment (by all levels of government) rose by a robust 9.3% in the September quarter – the highest in over three years. Preliminary data suggests that the rapid pace of infrastructure investment continued into the December quarter, leading to an upward revision in forecast growth in government investment in 2024-25, from 7% at Mid-year Review to 13.5%. Forecast growth in government consumption remains unchanged at 5.5% in 2024-25.

Net exports in 2024-25 have been revised down since Mid-year Review, from 0.25% to -0.25%. This largely reflects a 5 million tonne downward revision to iron ore volume assumptions due to recent weather events, most notably Tropical Cyclone Sean in mid-January, which temporarily halted shipments from the Pilbara and caused minor damage to port infrastructure. In addition, grain exports were relatively weak in the second half of 2024 compared with recent years.

Labour market conditions in Western Australia have strengthened considerably since Mid-year Review cut-off, with employment rising strongly (by more than 25,000 jobs) over November and December 2024 to reach a record high of 1.64 million people. Meanwhile, the monthly unemployment rate stood at just 3.3% in December, the lowest of all States and well below the 4% rate recorded in October 2024 (the latest data before Mid-year Review cut-off).

As such, forecast employment growth has been revised up by 0.75 percentage points to 3.25% in 2024-25, supported by elevated levels of advertised job vacancies.



Table 1

**ECONOMIC FORECASTS**  
Western Australia, Annual Growth (%)

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year Review	PFPS Revision	Outyear	Outyear	Outyear
<b>Demand and Output <sup>(a)</sup></b>						
Household Consumption	3.1	2.5	2.5	3.0	3.0	2.75
Dwelling Investment	4.1	11.25	11.25	9.75	5.5	1.5
Business Investment	12.7	1.0	1.0	3.25	5.5	3.5
Government Consumption	2.7	5.5	5.5	1.75	1.5	2.5
Government Investment	16.4	7.0	13.5	-5.75	0.5	1.0
<b>State Final Demand</b>	<b>5.7</b>	<b>3.5</b>	<b>3.75</b>	<b>2.75</b>	<b>3.25</b>	<b>2.75</b>
Merchandise Exports	-3.7	0.5	-	2.0	1.5	0.75
Merchandise Imports	9.1	0.75	0.75	1.75	2.75	2.0
Net Exports <sup>(b)</sup>	-7.6	0.25	-0.25	2.0	1.0	0.5
<b>Gross State Product <sup>(c)</sup></b>	<b>0.5</b>	<b>2.25</b>	<b>2.25</b>	<b>2.5</b>	<b>2.5</b>	<b>2.0</b>
<b>Labour Market</b>						
Employment	3.8	2.5	3.25	1.75	1.5	1.5
Unemployment Rate <sup>(d)</sup>	3.7	4.0	3.5	3.75	4.0	4.25
Participation Rate <sup>(d)</sup>	68.9	68.9	69.0	68.9	68.7	68.5
<b>Population</b>						
Population <sup>(e)</sup>	2.8	1.9	1.9	1.8	1.8	1.7
<b>Prices</b>						
Consumer Price Index <sup>(e)(f)</sup>	4.7	3.25	2.75	2.75	2.5	2.5
Wage Price Index <sup>(e)</sup>	4.2	3.75	3.75	3.5	3.0	3.0
Median House Price	20.2	15.8	15.8	6.1	-1.8	-2.9
<b>Other Key Parameters <sup>(d)</sup></b>						
Exchange Rate (US cents)	65.6	66.0	64.4	63.3	66.0	68.7
Iron Ore Price (\$US/t) cost and freight inclusive (CFR)	119.4	95.3	98.0	71.5	71.0	71.0
Crude Oil Price (\$US/barrel)	83.6	74.1	76.8	72.9	70.3	69.1

(a) Based on 2023-24 annual State Accounts data, updated with the latest State Final Demand and Balance of Payments data for the September quarter 2024.

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

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

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

(e) Data expressed in year-ended terms.

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

The continued strength of labour demand is expected to keep the unemployment rate low. The unemployment rate is now forecast to average just 3.5% over 2024-25 (down from 4% at Mid-year Review), before gradually rising to 4.25% by 2027-28.

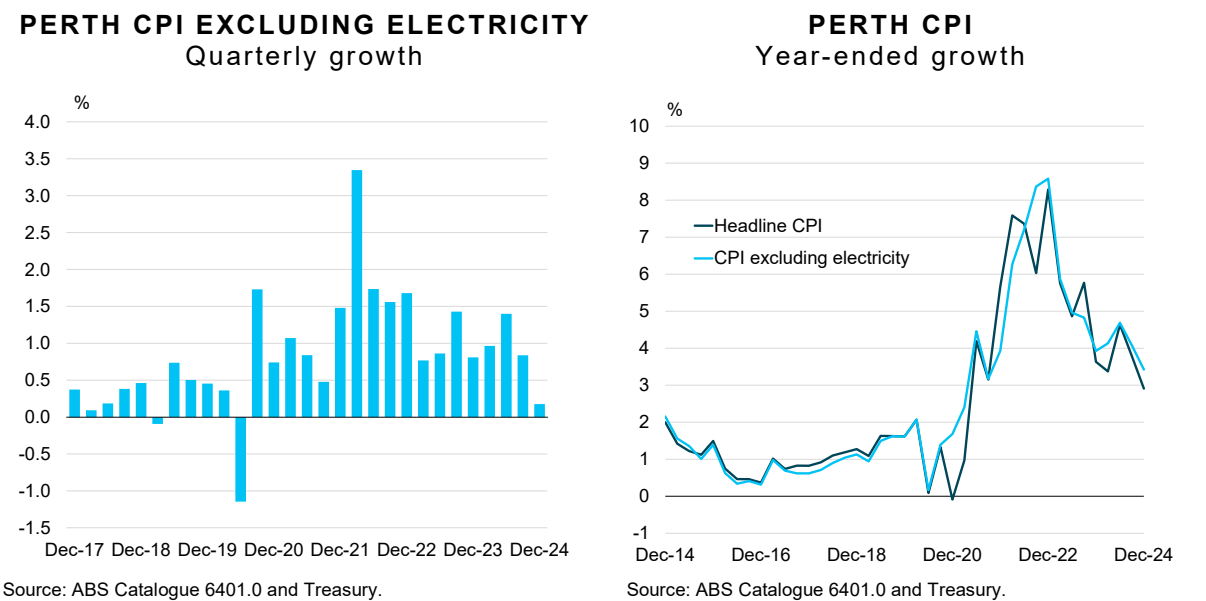
The participation rate has been revised up to 69.0% in 2024-25, supported by stronger than anticipated employment prospects. Participation is expected to taper gradually thereafter, primarily due to demographic shifts in the working age population towards older age cohorts.

Despite stronger than expected labour market conditions, the Wage Price Index outlook is unchanged from Mid-year Review, as aggregate labour demand is sufficiently met with the pool of workers available (although some areas of skill shortage remain). However, with the downward revision to CPI growth (see below), real wage growth has been revised up since Mid-year Review.

Perth's CPI<sup>1</sup> grew by a weaker than expected 0.2% in the December quarter, the lowest result since June 2020 (when childcare was free during the pandemic). As a result, year-ended inflation slowed to 3.4% – the weakest in over three years (see Figure 1 below).

Subdued inflation in the December quarter mainly reflected a deceleration in new dwellings inflation, following five quarters of strong growth. With a more modest outlook now expected for new dwelling prices, CPI growth in 2024-25 has been revised down to 2.75%, from 3.25% at Mid-year Review.

Figure 1



The global outlook remains similar to that at Mid-year Review. In its recent World Economic Outlook Update (January 2025), the International Monetary Fund (IMF) revised its 2025 global growth forecast up by 0.1 percentage points to 3.3%, and left its 2026 forecast unchanged at 3.3%. Amongst major economies, the IMF revised up growth projections for the US and China, but revised down growth for the Euro Area.

There has been a moderate rise in commodity prices since the Mid-year Review. Oil prices have risen with tighter US sanctions on Russian and Iranian oil and colder weather across much of the Northern Hemisphere, while gold prices have increased due to its appeal as a safe haven asset. Iron ore market dynamics remain largely unchanged, with prices in recent weeks being supported by steel mills restocking ahead of Chinese New Year.

The Australian dollar has fallen against the US dollar since the Mid-year Review. A weaker Australian dollar increases revenue as most commodity exports are denominated in US dollars, thereby increasing the Australian dollar income for a given US dollar price. See the exchange rate feature box in Chapter 1: *Financial Projections* for further detail.

<sup>1</sup> References to CPI refer to the CPI excluding the electricity sub-index. This reflects that the successive Household Electricity Credits have resulted in significant volatility in the headline CPI.

## **Risks**

Risks to the economic outlook, both domestically and globally, remain largely unchanged since Mid-year Review.

With trimmed-mean inflation at the national level easing to 3.2% in the December quarter, the Reserve Bank of Australia (RBA) is now widely expected to reduce the cash rate in the near future (which represents an upside risk), although tight labour market conditions may influence the timing and temper the extent of the RBA's rate reductions.

Increasing trade tensions represent an emerging risk, with uncertainty regarding the imposition of additional tariffs under the new US administration, as well as potential retaliatory action by its trading partners. The prospect of escalating trade tensions represents a risk to Western Australia's trade-exposed economy. At this stage, any direct impacts on Western Australia are expected to be minor. However, escalation of trade barriers could potentially have significant indirect impacts, through reduced global growth and upward pressure on inflation (and interest rates).

**2024-25 Pre-election Financial Projections Statement**

## 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*.

## 2024–25 Pre-election Financial Projections Statement

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Table 1.1

## GENERAL GOVERNMENT Operating Statement

	Note	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
		Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
		\$m	Revision	Revision	\$m	\$m	\$m
<i>Results from Transactions</i>							
<b>REVENUE</b>							
Taxation		13,631	14,607	14,747	14,799	15,012	15,237
Current grants and subsidies		12,780	15,065	14,338	15,455	15,388	15,922
Capital grants		1,884	3,124	3,078	3,083	1,412	687
Sales of goods and services		3,460	3,374	3,374	3,391	3,447	3,532
Interest income		391	341	335	265	292	321
Revenue from public corporations							
Dividends from other sector entities	4	210	1,502	1,502	1,531	1,658	1,830
Tax equivalent income	4	912	914	914	931	1,000	952
Royalty income		11,866	9,408	10,023	7,762	7,540	7,247
Other		813	695	711	720	698	720
<b>Total</b>	3	<b>45,947</b>	<b>49,028</b>	<b>49,021</b>	<b>47,938</b>	<b>46,448</b>	<b>46,448</b>
<b>EXPENSES</b>							
Salaries		16,518	18,059	18,063	18,303	18,604	19,159
Superannuation							
Concurrent costs		1,781	2,084	2,084	2,201	2,238	2,305
Superannuation interest cost		167	210	209	200	192	184
Other employee costs		401	409	409	397	388	390
Depreciation and amortisation		2,112	2,278	2,278	2,317	2,352	2,349
Services and contracts		3,403	4,592	4,597	4,074	3,748	3,729
Other gross operating expenses		7,330	6,868	6,809	6,855	6,665	6,859
Interest							
Interest on leases		175	140	140	136	133	130
Other interest		946	941	953	859	899	1,001
Current transfers	5	8,068	9,776	9,676	8,478	7,492	7,309
Capital transfers	5	560	576	612	569	211	195
<b>Total</b>	6	<b>41,461</b>	<b>45,932</b>	<b>45,830</b>	<b>44,390</b>	<b>42,923</b>	<b>43,609</b>
<b>NET OPERATING BALANCE</b>		<b>4,486</b>	<b>3,097</b>	<b>3,190</b>	<b>3,548</b>	<b>3,525</b>	<b>2,839</b>
<i>Other economic flows - included in the operating result</i>							
Net gains on assets/liabilities		-121	-49	-49	-89	-230	-103
Provision for doubtful debts		-20	-14	-14	-15	-15	-16
Changes in accounting policy/adjustment of prior periods		-168	-	-	-	-	-
<b>Total other economic flows</b>		<b>-310</b>	<b>-64</b>	<b>-64</b>	<b>-104</b>	<b>-245</b>	<b>-119</b>
<b>OPERATING RESULT</b>		<b>4,176</b>	<b>3,033</b>	<b>3,127</b>	<b>3,444</b>	<b>3,280</b>	<b>2,720</b>
<i>All other movements in equity</i>							
<i>Items that will not be reclassified to operating result</i>							
Revaluations		5,718	1,001	1,012	2,138	2,032	1,699
Net actuarial gains/-loss - superannuation		188	175	172	165	172	166
Gains recognised directly in equity		- (a)	- (a)	- (a)	- (a)	- (a)	- (a)
Change in net worth of the public corporations sectors		8,411	1,162	1,017	-7	-328	-238
All other		-	-	-	-	-	-
<b>Total all other movements in equity</b>		<b>14,318</b>	<b>2,338</b>	<b>2,201</b>	<b>2,295</b>	<b>1,875</b>	<b>1,627</b>
<b>TOTAL CHANGE IN NET WORTH</b>		<b>18,494</b>	<b>5,371</b>	<b>5,327</b>	<b>5,740</b>	<b>5,155</b>	<b>4,347</b>
<b>KEY FISCAL AGGREGATES</b>							
<b>NET OPERATING BALANCE</b>		<b>4,486</b>	<b>3,097</b>	<b>3,190</b>	<b>3,548</b>	<b>3,525</b>	<b>2,839</b>
<i>Less Net acquisition of non-financial assets</i>							
Purchase of non-financial assets	6	3,997	3,718	4,238	3,578	3,527	3,367
Changes in inventories		-9	- (a)	- (a)	- (a)	-	-
Other movement in non-financial assets		22	-	-	-	-	-
<b>Less:</b>							
Sales of non-financial assets		60	108	108	67	67	67
Depreciation		2,112	2,278	2,278	2,317	2,352	2,349
<b>Total net acquisition of non-financial assets</b>		<b>1,838</b>	<b>1,332</b>	<b>1,852</b>	<b>1,194</b>	<b>1,108</b>	<b>951</b>
<b>NET LENDING/-BORROWING</b>		<b>2,648</b>	<b>1,764</b>	<b>1,339</b>	<b>2,354</b>	<b>2,418</b>	<b>1,888</b>

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

Note: Columns may not add due to rounding.

# 2024-25 Pre-election Financial Projections Statement

Table 1.2

## GENERAL GOVERNMENT Balance Sheet at 30 June

	2024	2025	2025	2026	2027	2028
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<b>ASSETS</b>						
<i>Financial assets</i>						
Cash and deposits	2,510	1,704	1,705	1,212	1,098	976
Advances paid	665	861	861	947	881	821
Investments, loans and placements	7,331	4,223	3,007	1,940	3,282	4,102
Receivables	5,635	5,110	5,419	4,918	4,858	4,699
Shares and other equity						
Investments in other public sector entities - equity method	63,104	64,266	64,121	64,114	63,786	63,548
Investments in other public sector entities - direct injections	19,267	24,279	24,279	28,970	30,693	31,707
Investments in other entities	57	89	89	89	89	89
Other financial assets	9	9	9	— <sup>(a)</sup>	— <sup>(a)</sup>	— <sup>(a)</sup>
<b>Total financial assets</b>	<b>98,580</b>	<b>100,542</b>	<b>99,492</b>	<b>102,191</b>	<b>104,687</b>	<b>105,942</b>
<i>Non-financial assets</i>						
Land	46,524	47,837	47,839	49,106	50,324	51,231
Property, plant and equipment	65,653	67,681	68,203	70,646	72,825	74,869
Right-of-use assets	2,384	2,545	2,545	2,481	2,398	2,314
Service concession assets	1,067	1,022	1,022	981	921	852
Biological assets	6	6	6	6	6	6
Inventories						
Land inventories	—	—	—	—	—	—
Other inventories	243	243	243	243	243	243
Intangibles	726	785	785	817	840	941
Non-current assets held for sale	22	17	17	17	17	17
Investment property	—	—	—	—	—	—
Other	412	496	500	500	500	501
<b>Total non-financial assets</b>	<b>117,036</b>	<b>120,630</b>	<b>121,158</b>	<b>124,795</b>	<b>128,073</b>	<b>130,974</b>
<b>TOTAL ASSETS</b>	<b>215,616</b>	<b>221,172</b>	<b>220,650</b>	<b>226,986</b>	<b>232,760</b>	<b>236,917</b>
<b>LIABILITIES</b>						
Deposits held	2,728	3,460	2,980	3,693	4,179	3,478
Advances received	256	337	337	455	453	425
Borrowings						
Lease liabilities	2,738	2,910	2,910	2,880	2,815	2,768
Service concession liabilities	—	—	—	—	—	—
Other borrowings	24,436	23,934	23,934	23,975	24,463	25,700
Unfunded superannuation	4,137	3,831	3,833	3,566	3,272	2,916
Other employee benefits	4,775	4,805	4,805	4,920	5,025	4,857
Payables	2,977	2,980	2,977	2,890	2,804	2,705
Other liabilities	3,098	3,074	3,075	3,070	3,054	3,028
<b>TOTAL LIABILITIES</b>	<b>45,145</b>	<b>45,330</b>	<b>44,851</b>	<b>45,448</b>	<b>46,066</b>	<b>45,876</b>
<b>NET ASSETS</b>	<b>170,471</b>	<b>175,842</b>	<b>175,799</b>	<b>181,538</b>	<b>186,694</b>	<b>191,041</b>
<i>Of which:</i>						
Contributed equity	—	—	—	—	—	—
Accumulated surplus	29,848	33,153	33,281	36,872	40,313	43,189
Other reserves	140,623	142,689	142,518	144,666	146,380	147,852
<b>NET WORTH</b>	<b>170,471</b>	<b>175,842</b>	<b>175,799</b>	<b>181,538</b>	<b>186,694</b>	<b>191,041</b>
<b>MEMORANDUM ITEMS</b>						
<i>Net financial worth</i>	<i>53,435</i>	<i>55,212</i>	<i>54,641</i>	<i>56,743</i>	<i>58,621</i>	<i>60,066</i>
<i>Net financial liabilities</i>	<i>28,936</i>	<i>33,334</i>	<i>33,759</i>	<i>36,341</i>	<i>35,859</i>	<i>35,189</i>
<i>Net debt</i>						
Gross debt liabilities	30,158	30,641	30,161	31,002	31,911	32,370
Less: liquid financial assets	10,507	6,788	5,574	4,099	5,261	5,898
<b>Net debt</b>	<b>19,651</b>	<b>23,853</b>	<b>24,587</b>	<b>26,903</b>	<b>26,651</b>	<b>26,472</b>

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

Note: Columns may not add due to rounding.



Table 1.3

# **GENERAL GOVERNMENT** **Cash Flow Statement**

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	FFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<i>Cash received</i>						
Taxes received	13,444	14,623	14,764	14,815	15,028	15,254
Grants and subsidies received	17,024	20,935	19,877	21,167	19,512	19,409
Receipts from sales of goods and services	3,704	3,365	3,365	3,309	3,424	3,492
Interest receipts	354	341	335	265	290	321
Dividends and tax equivalents	1,034	2,458	2,458	2,515	2,695	2,903
Other receipts	14,802	12,127	12,458	10,423	9,734	9,516
<i>Total cash received</i>	<i>50,362</i>	<i>53,848</i>	<i>53,256</i>	<i>52,495</i>	<i>50,684</i>	<i>50,896</i>
<i>Cash Paid</i>						
Wages, salaries and supplements, and superannuation	-18,259	-20,441	-20,445	-20,738	-21,089	-22,037
Payments for goods and services	-11,251	-12,072	-12,043	-11,406	-10,950	-11,151
Interest paid	-1,044	-1,068	-1,079	-978	-1,002	-1,108
Grants and subsidies paid	-10,424	-12,359	-12,016	-11,314	-10,039	-9,946
Dividends and tax equivalents	-	-	-	-	-	-
Other payments	-2,659	-2,093	-2,070	-1,838	-1,869	-1,850
<i>Total cash paid</i>	<i>-43,638</i>	<i>-48,033</i>	<i>-47,653</i>	<i>-46,274</i>	<i>-44,949</i>	<i>-46,092</i>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>6,724</b>	<b>5,815</b>	<b>5,604</b>	<b>6,221</b>	<b>5,735</b>	<b>4,805</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-3,997	-3,718	-4,238	-3,578	-3,527	-3,367
Sales of non-financial assets	60	108	108	67	67	67
<i>Total cash flows from investments in non-financial assets</i>	<i>-3,938</i>	<i>-3,610</i>	<i>-4,130</i>	<i>-3,511</i>	<i>-3,460</i>	<i>-3,300</i>
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	71	10	10	10	10	10
For liquidity purposes	64	72	72	64	68	53
<i>Cash paid</i>						
For policy purposes	-3,746	-5,817	-5,817	-4,713	-1,734	-1,032
For liquidity purposes	-97	-173	-173	-13	-3	-26
<i>Total cash flows from investments in financial assets</i>	<i>-3,708</i>	<i>-5,909</i>	<i>-5,909</i>	<i>-4,652</i>	<i>-1,660</i>	<i>-994</i>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-7,646</b>	<b>-9,519</b>	<b>-10,039</b>	<b>-8,163</b>	<b>-5,119</b>	<b>-4,294</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<i>Cash received</i>						
Advances received	18	25	25	32	25	24
Borrowings	619	316	316	364	610	1,358
Deposits received	936	732	252	713	486	-
Other financing receipts	286	4	4	16	8	29
<i>Total cash receipts from financing activities</i>	<i>1,858</i>	<i>1,077</i>	<i>597</i>	<i>1,125</i>	<i>1,129</i>	<i>1,411</i>
<i>Cash paid</i>						
Advances paid	-18	-25	-25	-32	-25	-24
Borrowings repaid	-50	-804	-804	-312	-109	-108
Deposits paid	-1	-	-	-	-	-702
Other financing payments	-765	-401	-404	-384	-383	-379
<i>Total payments for financing activities</i>	<i>-833</i>	<i>-1,230</i>	<i>-1,233</i>	<i>-728</i>	<i>-517</i>	<i>-1,213</i>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>1,025</b>	<b>-153</b>	<b>-636</b>	<b>397</b>	<b>612</b>	<b>198</b>
<b>Net increase in cash and cash equivalents</b>	<b>103</b>	<b>-3,858</b>	<b>-5,072</b>	<b>-1,546</b>	<b>1,227</b>	<b>709</b>
Cash and cash equivalents at the beginning of the year	9,093	9,196	9,196	4,124	2,578	3,806
Cash and cash equivalents at the end of the year	9,196	5,338	4,124	2,578	3,806	4,514
<b>KEY FISCAL AGGREGATES</b>						
Net cash flows from operating activities	6,724	5,815	5,604	6,221	5,735	4,805
Net cash flows from investing in non-financial assets	-3,938	-3,610	-4,130	-3,511	-3,460	-3,300
<b>Cash surplus/-deficit</b>	<b>2,787</b>	<b>2,205</b>	<b>1,473</b>	<b>2,709</b>	<b>2,275</b>	<b>1,505</b>

Note: Columns may not add due to rounding.

Table 1.4

**PUBLIC NON-FINANCIAL CORPORATIONS**  
**Operating Statement**

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	FFPS			
	\$m	Revision	Revision	Outyear	Outyear	Outyear
		\$m	\$m	\$m	\$m	\$m
<i>Results from Transactions</i>						
<b>REVENUE</b>						
Current grants and subsidies	4,020	4,720	4,723	3,541	3,374	3,259
Capital grants	314	380	386	340	28	27
Sales of goods and services	38,101	40,741	40,743	41,881	42,943	43,160
Interest income	343	294	294	245	242	255
Other	606	584	584	568	584	632
<b>Total</b>	<b>43,384</b>	<b>46,719</b>	<b>46,730</b>	<b>46,575</b>	<b>47,170</b>	<b>47,332</b>
<b>EXPENSES</b>						
Salaries	1,524	1,628	1,628	1,663	1,703	1,754
Superannuation						
Concurrent costs	168	188	188	200	205	211
Superannuation interest cost	-	-	-	-	-	-
Other employee costs	68	49	49	49	50	51
Depreciation and amortisation	3,270	3,539	3,539	3,824	3,943	3,978
Services and contracts	994	1,063	1,063	1,008	997	974
Other gross operating expenses	32,433	35,813	35,958	36,504	36,974	36,861
Interest						
Interest on leases	72	72	72	67	64	56
Other interest	845	801	810	779	831	946
Tax equivalents	756	880	880	897	974	934
Current transfers	1,896	2,264	2,264	1,430	1,489	1,424
Capital transfers	32	26	26	53	8	6
<b>Total</b>	<b>42,059</b>	<b>46,322</b>	<b>46,476</b>	<b>46,474</b>	<b>47,238</b>	<b>47,195</b>
<b>NET OPERATING BALANCE</b>	<b>1,325</b>	<b>397</b>	<b>254</b>	<b>101</b>	<b>-68</b>	<b>137</b>
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	-98	-162	-164	-123	-29	56
Provision for doubtful debts	-14	-50	-50	-41	-42	-42
Changes in accounting policy/adjustment of prior periods	44	-	-	-	-	-
<b>Total other economic flows</b>	<b>-68</b>	<b>-212</b>	<b>-214</b>	<b>-165</b>	<b>-70</b>	<b>14</b>
<b>OPERATING RESULT</b>	<b>1,257</b>	<b>185</b>	<b>40</b>	<b>-63</b>	<b>-138</b>	<b>151</b>
<i>Other non-owner movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	7,007	2,373	2,373	1,378	1,268	1,245
Net actuarial gains/-loss - superannuation	-27	1	1	2	2	2
Gains recognised directly in equity	-	-1	-1	-1	-1	-1
All other	-	-	-	-	-	-
<b>Total other non-owner movements in equity</b>	<b>6,980</b>	<b>2,373</b>	<b>2,373</b>	<b>1,379</b>	<b>1,269</b>	<b>1,246</b>
<i>Movements in owner equity</i>						
Dividends	-5	-1,421	-1,421	-1,457	-1,582	-1,755
Capital injections	3,787	5,013	5,013	4,691	1,724	1,014
<b>Total movements in owner equity</b>	<b>3,781</b>	<b>3,592</b>	<b>3,591</b>	<b>3,234</b>	<b>142</b>	<b>-741</b>
<b>TOTAL CHANGE IN NET WORTH</b>	<b>12,018</b>	<b>6,150</b>	<b>6,004</b>	<b>4,549</b>	<b>1,273</b>	<b>656</b>
<b>KEY FISCAL AGGREGATES</b>						
<b>NET OPERATING BALANCE</b>	<b>1,325</b>	<b>397</b>	<b>254</b>	<b>101</b>	<b>-68</b>	<b>137</b>
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	7,475	8,916	9,428	7,848	5,658	4,880
Changes in inventories	993	155	155	-22	57	8
Other movement in non-financial assets	169	188	188	169	178	185
<b>Less:</b>						
Sales of non-financial assets	494	517	517	593	641	775
Depreciation	3,270	3,539	3,539	3,824	3,943	3,978
<b>Total net acquisition of non-financial assets</b>	<b>4,873</b>	<b>5,203</b>	<b>5,714</b>	<b>3,578</b>	<b>1,310</b>	<b>320</b>
<b>NET LENDING/-BORROWING</b>	<b>-3,549</b>	<b>-4,806</b>	<b>-5,460</b>	<b>-3,477</b>	<b>-1,377</b>	<b>-183</b>

Note: Columns may not add due to rounding.

Table 1.5

**PUBLIC NON-FINANCIAL CORPORATIONS**  
Balance Sheet at 30 June

	2024	2025	2025	2026	2027	2028
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<b>ASSETS</b>						
<i>Financial assets</i>						
Cash and deposits	4,337	4,754	4,275	4,909	5,397	4,793
Advances paid	-	-	-	-	-	-
Investments, loans and placements	3,546	3,055	3,046	2,852	2,988	3,434
Receivables	2,097	1,807	1,807	1,819	1,857	1,890
Shares and other equity						
Investments in other public sector entities - equity method	-	-	-	-	-	-
Investments in other public sector entities - direct injections	-	-	-	-	-	-
Investments in other entities	23	21	21	56	58	60
Other financial assets	181	156	156	142	132	132
<b>Total financial assets</b>	<b>10,185</b>	<b>9,794</b>	<b>9,305</b>	<b>9,779</b>	<b>10,432</b>	<b>10,308</b>
<i>Non-financial assets</i>						
Land	10,135	10,621	10,621	10,913	11,076	11,214
Property, plant and equipment	80,351	86,854	87,363	91,708	94,126	96,011
Right-of-use assets	411	386	386	422	382	353
Service concession assets	2,549	2,530	2,530	2,511	2,492	2,511
Biological assets	224	240	240	253	266	288
Inventories						
Land inventories	1,440	1,525	1,525	1,841	1,868	1,534
Other inventories	8,459	8,614	8,614	8,592	8,649	8,656
Intangibles	389	455	455	455	484	480
Non-current assets held for sale	96	96	96	96	96	96
Investment property	23	23	23	23	23	23
Other	615	278	278	261	261	262
<b>Total non-financial assets</b>	<b>104,693</b>	<b>111,621</b>	<b>112,131</b>	<b>117,075</b>	<b>119,723</b>	<b>121,428</b>
<b>TOTAL ASSETS</b>	<b>114,878</b>	<b>121,415</b>	<b>121,436</b>	<b>126,854</b>	<b>130,155</b>	<b>131,736</b>
<b>LIABILITIES</b>						
Deposits held	-	-	-	-	-	-
Advances received	256	337	337	455	453	425
Borrowings						
Lease liabilities	803	747	747	765	684	635
Service concession liabilities	298	291	291	283	275	268
Other borrowings	20,506	20,834	21,000	21,927	24,029	25,146
Unfunded superannuation	68	54	54	43	29	23
Other employee benefits	546	513	513	515	517	519
Payables	10,343	10,458	10,459	10,391	10,462	10,373
Other liabilities	2,681	2,654	2,654	2,546	2,502	2,488
<b>TOTAL LIABILITIES</b>	<b>35,501</b>	<b>35,888</b>	<b>36,055</b>	<b>36,924</b>	<b>38,951</b>	<b>39,876</b>
<b>NET ASSETS</b>	<b>79,377</b>	<b>85,526</b>	<b>85,381</b>	<b>89,930</b>	<b>91,204</b>	<b>91,860</b>
<i>Of which:</i>						
Contributed equity	19,522	24,535	24,535	29,226	30,950	31,964
Accumulated surplus	17,892	18,162	18,016	16,505	14,784	13,147
Other reserves	41,963	42,830	42,830	44,200	45,469	46,749
<b>NET WORTH</b>	<b>79,377</b>	<b>85,526</b>	<b>85,381</b>	<b>89,930</b>	<b>91,204</b>	<b>91,860</b>
<b>MEMORANDUM ITEMS</b>						
<i>Net financial worth</i>	<i>-25,316</i>	<i>-26,095</i>	<i>-26,750</i>	<i>-27,144</i>	<i>-28,520</i>	<i>-29,568</i>
<i>Net debt</i>						
Gross debt liabilities	21,863	22,209	22,374	23,429	25,441	26,474
Less: liquid financial assets	7,884	7,809	7,320	7,762	8,385	8,227
<b>Net debt</b>	<b>13,979</b>	<b>14,400</b>	<b>15,054</b>	<b>15,668</b>	<b>17,056</b>	<b>18,247</b>

Note: Columns may not add due to rounding.

# 2024-25 Pre-election Financial Projections Statement

Table 1.6

## PUBLIC NON-FINANCIAL CORPORATIONS Cash Flow Statement

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	PFPS			
	\$m	Revision	Revision	Outyear	Outyear	Outyear
		\$m	\$m	\$m	\$m	\$m
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<i>Cash received</i>						
Grants and subsidies received	4,319	5,070	5,065	3,879	3,401	3,299
Receipts from sales of goods and services	28,091	27,030	27,046	27,493	28,286	28,484
Interest receipts	318	305	305	246	243	255
Dividends and tax equivalents	81	35	35	-	-	-
Other receipts	2,046	1,941	1,941	1,940	1,889	1,943
<b>Total cash received</b>	<b>34,855</b>	<b>34,382</b>	<b>34,392</b>	<b>33,559</b>	<b>33,819</b>	<b>33,981</b>
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-1,688	-1,864	-1,864	-1,868	-1,902	-1,957
Payments for goods and services	-21,563	-20,897	-20,899	-21,040	-21,286	-21,324
Interest paid	-856	-824	-833	-792	-878	-1,017
Grants and subsidies paid	-919	-994	-994	-1,007	-991	-916
Tax equivalents	-769	-798	-798	-903	-957	-991
Other payments	-5,176	-5,308	-5,451	-4,335	-4,182	-3,972
<b>Total cash paid</b>	<b>-30,972</b>	<b>-30,685</b>	<b>-30,839</b>	<b>-29,945</b>	<b>-30,197</b>	<b>-30,177</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>3,883</b>	<b>3,696</b>	<b>3,554</b>	<b>3,614</b>	<b>3,622</b>	<b>3,804</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-7,475	-8,916	-9,428	-7,848	-5,658	-4,880
Sales of non-financial assets	494	517	517	593	641	775
<b>Total cash flows from investments in non-financial assets</b>	<b>-6,981</b>	<b>-8,399</b>	<b>-8,910</b>	<b>-7,255</b>	<b>-5,017</b>	<b>-4,105</b>
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	-	-	-	-	-	-
For liquidity purposes	54	98	98	59	44	35
<i>Cash paid</i>						
For policy purposes	-10	-	-	-6	-	-28
For liquidity purposes	-67	-61	-61	-51	-36	-31
<b>Total cash flows from investments in financial assets</b>	<b>-23</b>	<b>37</b>	<b>37</b>	<b>2</b>	<b>8</b>	<b>-25</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-7,004</b>	<b>-8,362</b>	<b>-8,873</b>	<b>-7,252</b>	<b>-5,009</b>	<b>-4,130</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<i>Cash received</i>						
Advances received	-	119	119	95	-	-
Borrowings	5,667	5,762	5,927	5,378	5,849	4,073
Deposits received	-	-	-	-	-	-
Other financing receipts	3,791	5,832	5,832	4,717	1,735	1,723
<b>Total cash received</b>	<b>9,458</b>	<b>11,712</b>	<b>11,878</b>	<b>10,190</b>	<b>7,584</b>	<b>5,796</b>
<i>Cash paid</i>						
Advances paid	-18	-25	-25	-32	-25	-24
Borrowings repaid	-5,300	-5,094	-5,094	-4,329	-3,958	-3,413
Deposits paid	-	-	-	-	-	-
Other financing payments	-1,213	-931	-452	-916	-696	-202
Dividends paid	-5	-1,421	-1,421	-1,457	-1,582	-1,755
<b>Total cash paid</b>	<b>-6,536</b>	<b>-7,472</b>	<b>-6,993</b>	<b>-6,734</b>	<b>-6,261</b>	<b>-5,394</b>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>2,922</b>	<b>4,240</b>	<b>4,886</b>	<b>3,456</b>	<b>1,323</b>	<b>403</b>
<b>Net increase in cash and cash equivalents</b>	<b>-199</b>	<b>-425</b>	<b>-434</b>	<b>-182</b>	<b>-64</b>	<b>76</b>
Cash and cash equivalents at the beginning of the year	3,800	3,601	3,601	3,167	2,984	2,920
Cash and cash equivalents at the end of the year	3,601	3,176	3,167	2,984	2,920	2,996
<b>KEY FISCAL AGGREGATES</b>						
Net cash flows from operating activities	3,883	3,696	3,554	3,614	3,622	3,804
Net cash flows from investing in non-financial assets	-6,981	-8,399	-8,910	-7,255	-5,017	-4,105
Dividends paid	-5	-1,421	-1,421	-1,457	-1,582	-1,755
<b>Cash surplus/-deficit</b>	<b>-3,103</b>	<b>-6,124</b>	<b>-6,778</b>	<b>-5,098</b>	<b>-2,978</b>	<b>-2,056</b>

Note: Columns may not add due to rounding.

Table 1.7

**TOTAL NON-FINANCIAL PUBLIC SECTOR**  
**Operating Statement**

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	FFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<i>Results from Transactions</i>						
<b>REVENUE</b>						
Taxation	13,011	14,025	14,166	14,200	14,392	14,609
Current grants and subsidies	12,780	15,065	14,338	15,455	15,388	15,922
Capital grants	1,884	3,124	3,078	3,083	1,412	687
Sales of goods and services	40,796	43,355	43,357	44,548	45,665	46,065
Interest income	647	556	550	437	463	495
Royalty income	11,866	9,408	10,023	7,762	7,540	7,247
Dividend and tax equivalents	395	115	115	108	101	93
Other	1,303	1,240	1,255	1,252	1,247	1,316
<i>Total</i>	<b>82,684</b>	<b>86,887</b>	<b>86,881</b>	<b>86,845</b>	<b>86,209</b>	<b>86,435</b>
<b>EXPENSES</b>						
Salaries	18,041	19,686	19,691	19,965	20,307	20,913
Superannuation						
Concurrent costs	1,950	2,272	2,272	2,401	2,443	2,516
Superannuation interest cost	167	210	209	200	192	184
Other employee costs	369	365	365	353	345	347
Depreciation and amortisation	5,380	5,814	5,814	6,139	6,293	6,324
Services and contracts	4,397	5,669	5,673	5,093	4,757	4,715
Other gross operating expenses	38,781	41,740	41,825	42,465	42,742	42,915
Interest						
Interest on leases	242	207	207	198	192	182
Other interest	1,711	1,669	1,690	1,570	1,663	1,870
Current transfers	5,561	6,961	6,858	5,982	5,207	5,070
Capital transfers	278	221	251	282	191	174
<i>Total</i>	<b>76,875</b>	<b>84,812</b>	<b>84,855</b>	<b>84,650</b>	<b>84,331</b>	<b>85,210</b>
<b>NET OPERATING BALANCE</b>	<b>5,808</b>	<b>2,075</b>	<b>2,026</b>	<b>2,195</b>	<b>1,878</b>	<b>1,225</b>
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	-219	-212	-213	-212	-259	-48
Provision for doubtful debts	-34	-64	-64	-56	-57	-57
Changes in accounting policy/adjustment of prior periods	-122	-	-	-	-	-
<i>Total other economic flows</i>	<b>-375</b>	<b>-276</b>	<b>-277</b>	<b>-268</b>	<b>-315</b>	<b>-105</b>
<b>OPERATING RESULT</b>	<b>5,433</b>	<b>1,800</b>	<b>1,748</b>	<b>1,927</b>	<b>1,563</b>	<b>1,120</b>
<i>All other movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	12,725	3,376	3,386	3,517	3,301	2,945
Net actuarial gains/-loss - superannuation	162	176	173	166	174	168
Gains recognised directly in equity	-3	-4	-4	-4	-4	-4
Change in net worth of the PFC sector	177	23	23	134	122	119
All other	-	-	-	-	-	-
<i>Total all other movements in equity</i>	<b>13,061</b>	<b>3,571</b>	<b>3,579</b>	<b>3,813</b>	<b>3,593</b>	<b>3,227</b>
<b>TOTAL CHANGE IN NET WORTH</b>	<b>18,494</b>	<b>5,371</b>	<b>5,327</b>	<b>5,740</b>	<b>5,155</b>	<b>4,347</b>
<b>KEY FISCAL AGGREGATES</b>						
<b>NET OPERATING BALANCE</b>	<b>5,808</b>	<b>2,075</b>	<b>2,026</b>	<b>2,195</b>	<b>1,878</b>	<b>1,225</b>
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	11,396	12,522	13,554	11,426	9,185	8,247
Changes in inventories	985	155	155	-22	57	8
Other movement in non-financial assets	191	188	188	169	178	185
<i>Less:</i>						
Sales of non-financial assets	477	513	513	659	708	842
Depreciation	5,380	5,814	5,814	6,139	6,293	6,324
<i>Total net acquisition of non-financial assets</i>	<b>6,714</b>	<b>6,537</b>	<b>7,569</b>	<b>4,775</b>	<b>2,420</b>	<b>1,274</b>
<b>NET LENDING/-BORROWING</b>	<b>-906</b>	<b>-4,462</b>	<b>-5,543</b>	<b>-2,580</b>	<b>-542</b>	<b>-49</b>

Note: Columns may not add due to rounding.

## 2024-25 Pre-election Financial Projections Statement

Table 1.8

### TOTAL NON-FINANCIAL PUBLIC SECTOR Balance Sheet at 30 June

	2024	2025	2025	2026	2027	2028
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<b>ASSETS</b>						
<i>Financial assets</i>						
Cash and deposits	4,152	3,033	3,035	2,465	2,354	2,331
Advances paid	410	524	524	492	427	396
Investments, loans and placements	10,722	7,128	5,903	4,639	6,128	7,383
Receivables	7,568	6,670	6,979	6,498	6,460	6,394
Shares and other equity						
Investments in other public sector entities - equity method	2,994	3,019	3,019	3,153	3,276	3,395
Investments in other public sector entities - direct injections	-	-	-	-	-	-
Investments in other entities	80	110	110	145	147	150
Other financial assets	9	9	9	- (a)	- (a)	- (a)
<b>Total financial assets</b>	<b>25,936</b>	<b>20,493</b>	<b>19,579</b>	<b>17,393</b>	<b>18,793</b>	<b>20,049</b>
<i>Non-financial assets</i>						
Land	56,659	58,457	58,460	60,019	61,399	62,444
Property, plant and equipment	146,004	154,534	155,566	162,354	166,951	170,880
Right-of-use assets	2,795	2,931	2,931	2,903	2,780	2,667
Service concession assets	3,616	3,552	3,552	3,492	3,414	3,364
Biological assets	230	246	246	258	272	294
Inventories						
Land inventories	1,440	1,525	1,525	1,841	1,868	1,534
Other inventories	8,702	8,856	8,856	8,834	8,891	8,899
Intangibles	1,115	1,240	1,240	1,273	1,324	1,421
Non-current assets held for sale	118	113	113	113	113	113
Investment property	23	23	23	23	23	23
Other	1,027	773	777	760	760	762
<b>Total non-financial assets</b>	<b>221,729</b>	<b>232,251</b>	<b>233,288</b>	<b>241,869</b>	<b>247,795</b>	<b>252,401</b>
<b>TOTAL ASSETS</b>	<b>247,665</b>	<b>252,744</b>	<b>252,867</b>	<b>259,262</b>	<b>266,588</b>	<b>272,450</b>
<b>LIABILITIES</b>						
Deposits held	26	28	28	30	32	34
Advances received	256	337	337	455	453	425
Borrowings						
Lease liabilities	3,391	3,513	3,513	3,497	3,363	3,257
Service concession liabilities	298	291	291	283	275	268
Other borrowings	44,943	44,768	44,934	45,902	48,492	50,846
Unfunded superannuation	4,206	3,885	3,888	3,609	3,302	2,939
Other employee benefits	5,321	5,318	5,318	5,435	5,543	5,376
Payables	13,176	13,211	13,208	13,062	13,031	12,903
Other liabilities	5,577	5,550	5,551	5,452	5,403	5,363
<b>TOTAL LIABILITIES</b>	<b>77,193</b>	<b>76,902</b>	<b>77,069</b>	<b>77,724</b>	<b>79,894</b>	<b>81,410</b>
<b>NET ASSETS</b>	<b>170,471</b>	<b>175,842</b>	<b>175,799</b>	<b>181,538</b>	<b>186,694</b>	<b>191,041</b>
<i>Of which:</i>						
Contributed equity	-	-	-	-	-	-
Accumulated surplus	47,747	51,321	51,304	53,384	55,105	56,343
Other reserves	122,724	124,521	124,494	128,154	131,589	134,698
<b>NET WORTH</b>	<b>170,471</b>	<b>175,842</b>	<b>175,799</b>	<b>181,538</b>	<b>186,694</b>	<b>191,041</b>
<b>MEMORANDUM ITEMS</b>						
<i>Net financial worth</i>	-51,258	-56,409	-57,489	-60,331	-61,102	-61,361
<i>Net financial liabilities</i>	54,252	59,427	60,508	63,484	64,378	64,756
<i>Net debt</i>						
Gross debt liabilities	48,914	48,938	49,103	50,167	52,616	54,829
Less: liquid financial assets	15,284	10,685	9,462	7,596	8,909	10,110
<b>Net debt</b>	<b>33,630</b>	<b>38,253</b>	<b>39,641</b>	<b>42,571</b>	<b>43,707</b>	<b>44,719</b>

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

Note: Columns may not add due to rounding.

**TOTAL NON-FINANCIAL PUBLIC SECTOR**  
**Cash Flow Statement**

Table 1.9

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<i>Cash received</i>						
Taxes received	12,807	14,044	14,185	14,220	14,412	14,623
Grants and subsidies received	17,024	20,935	19,877	21,167	19,512	19,409
Receipts from sales of goods and services	30,877	29,536	29,552	29,984	30,879	31,241
Interest receipts	602	567	561	438	464	495
Dividends and tax equivalents	341	274	274	155	156	157
Other receipts	16,379	13,560	13,891	11,846	11,094	10,903
<i>Total cash received</i>	<i>78,030</i>	<i>78,917</i>	<i>78,340</i>	<i>77,810</i>	<i>76,518</i>	<i>76,829</i>
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-19,947	-22,305	-22,309	-22,606	-22,991	-23,994
Payments for goods and services	-31,583	-31,750	-31,721	-31,250	-31,015	-31,323
Interest paid	-1,830	-1,813	-1,833	-1,697	-1,811	-2,044
Grants and subsidies paid	-6,967	-8,245	-7,906	-8,411	-7,600	-7,533
Dividends and tax equivalents	-	-	-	-	-	-
Other payments	-7,198	-6,822	-6,942	-5,576	-5,434	-5,190
<i>Total cash paid</i>	<i>-67,525</i>	<i>-70,934</i>	<i>-70,712</i>	<i>-69,540</i>	<i>-68,851</i>	<i>-70,083</i>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>10,505</b>	<b>7,983</b>	<b>7,629</b>	<b>8,270</b>	<b>7,667</b>	<b>6,745</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-11,396	-12,522	-13,554	-11,426	-9,185	-8,247
Sales of non-financial assets	477	513	513	659	708	842
<i>Total cash flows from investments in non-financial assets</i>	<i>-10,919</i>	<i>-12,009</i>	<i>-13,040</i>	<i>-10,766</i>	<i>-8,477</i>	<i>-7,405</i>
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	71	10	10	10	10	10
For liquidity purposes	118	170	170	123	112	67
<i>Cash paid</i>						
For policy purposes	-67	-10	-10	-10	-10	-10
For liquidity purposes	-163	-234	-234	-64	-39	-36
<i>Total cash flows from investments in financial assets</i>	<i>-42</i>	<i>-65</i>	<i>-65</i>	<i>59</i>	<i>73</i>	<i>31</i>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-10,960</b>	<b>-12,074</b>	<b>-13,105</b>	<b>-10,707</b>	<b>-8,405</b>	<b>-7,374</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<i>Cash received</i>						
Advances received	-	119	119	95	-	-
Borrowings	6,286	6,077	6,243	5,742	6,460	5,431
Deposits received	-	-	-	-	-	-
Other financing receipts	283	4	4	10	8	(a)
<i>Total cash received</i>	<i>6,569</i>	<i>6,200</i>	<i>6,366</i>	<i>5,846</i>	<i>6,468</i>	<i>5,432</i>
<i>Cash paid</i>						
Advances paid	-18	-25	-25	-32	-25	-24
Borrowings repaid	-5,349	-5,898	-5,898	-4,641	-4,068	-3,522
Deposits paid	-1	-	-	-	-	-
Other financing payments	-842	-468	-472	-465	-474	-472
<i>Total cash paid</i>	<i>-6,210</i>	<i>-6,392</i>	<i>-6,395</i>	<i>-5,138</i>	<i>-4,567</i>	<i>-4,018</i>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>359</b>	<b>-192</b>	<b>-30</b>	<b>708</b>	<b>1,901</b>	<b>1,414</b>
<b>Net increase in cash and cash equivalents</b>	<b>-96</b>	<b>-4,283</b>	<b>-5,506</b>	<b>-1,728</b>	<b>1,163</b>	<b>785</b>
Cash and cash equivalents at the beginning of the year	12,892	12,796	12,796	7,290	5,562	6,725
Cash and cash equivalents at the end of the year	12,796	8,513	7,290	5,562	6,725	7,510
<b>KEY FISCAL AGGREGATES</b>						
Net cash flows from operating activities	10,505	7,983	7,629	8,270	7,667	6,745
Net cash flows from investing in non-financial assets	-10,919	-12,009	-13,040	-10,766	-8,477	-7,405
<b>Cash surplus/-deficit</b>	<b>-413</b>	<b>-4,026</b>	<b>-5,412</b>	<b>-2,496</b>	<b>-810</b>	<b>-660</b>

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

Note: Columns may not add due to rounding.

# 2024-25 Pre-election Financial Projections Statement

Table 1.10

## PUBLIC FINANCIAL CORPORATIONS Operating Statement

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<i>Results from Transactions</i>						
<b>REVENUE</b>						
Current grants and subsidies	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-
Sales of goods and services	1,737	1,690	1,690	1,773	1,859	1,931
Interest income	2,038	2,269	2,269	2,296	2,380	2,486
Other	171	159	159	169	179	190
<b>Total</b>	<b>3,945</b>	<b>4,118</b>	<b>4,118</b>	<b>4,238</b>	<b>4,418</b>	<b>4,608</b>
<b>EXPENSES</b>						
Salaries	77	87	87	88	89	92
Superannuation						
Concurrent costs	9	10	10	11	11	11
Superannuation interest cost	-	-	-	-	-	-
Other employee costs	415	330	330	344	361	379
Depreciation and amortisation	11	15	15	11	11	11
Services and contracts	9	16	16	13	14	14
Other gross operating expenses	1,103	1,510	1,510	1,599	1,707	1,811
Interest						
Interest on leases	2	2	2	3	2	2
Other interest	1,800	2,066	2,066	2,116	2,192	2,287
Tax equivalents	156	34	34	34	26	18
Current transfers	5	6	6	6	6	6
Capital transfers	1	1	1	1	1	1
<b>Total</b>	<b>3,588</b>	<b>4,076</b>	<b>4,076</b>	<b>4,225</b>	<b>4,419</b>	<b>4,631</b>
<b>NET OPERATING BALANCE</b>	<b>357</b>	<b>43</b>	<b>43</b>	<b>13</b>	<b>-1</b>	<b>-23</b>
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	61	230	230	242	242	264
Provision for doubtful debts	-	-	-	-	-	-
Changes in accounting policy/adjustment of prior periods	-(a)	-	-	-	-	-
<b>Total other economic flows</b>	<b>61</b>	<b>230</b>	<b>230</b>	<b>242</b>	<b>242</b>	<b>264</b>
<b>OPERATING RESULT</b>	<b>419</b>	<b>273</b>	<b>273</b>	<b>255</b>	<b>242</b>	<b>240</b>
<i>Other non-owner movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	2	-167	-167	-46	-43	-45
Net actuarial gains/-loss - superannuation	-(a)	-(a)	-(a)	-(a)	-(a)	-(a)
Gains recognised directly in equity	-2	-	-	-	-	-
All other	-	-	-	-	-	-
<b>Total other non-owner movements in equity</b>	<b>1</b>	<b>-167</b>	<b>-167</b>	<b>-46</b>	<b>-43</b>	<b>-45</b>
<i>Movements in owner equity</i>						
Dividends	-239	-81	-81	-74	-76	-76
Capital injections	-1	-1	-1	-1	-(a)	-(a)
<b>Total movements in owner equity</b>	<b>-241</b>	<b>-82</b>	<b>-82</b>	<b>-75</b>	<b>-76</b>	<b>-76</b>
<b>TOTAL CHANGE IN NET WORTH</b>	<b>179</b>	<b>24</b>	<b>24</b>	<b>135</b>	<b>123</b>	<b>119</b>
<b>KEY FISCAL AGGREGATES</b>						
<b>NET OPERATING BALANCE</b>	<b>357</b>	<b>43</b>	<b>43</b>	<b>13</b>	<b>-1</b>	<b>-23</b>
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	9	8	8	6	6	6
Changes in inventories	-	-	-	-	-	-
Other movement in non-financial assets	-	-	-	-	-	-
<i>Less:</i>						
Sales of non-financial assets	-(a)	-(a)	-(a)	-(a)	-(a)	-(a)
Depreciation	11	15	15	11	11	11
<b>Total net acquisition of non-financial assets</b>	<b>-2</b>	<b>-7</b>	<b>-7</b>	<b>-5</b>	<b>-5</b>	<b>-5</b>
<b>NET LENDING/-BORROWING</b>	<b>359</b>	<b>50</b>	<b>50</b>	<b>18</b>	<b>4</b>	<b>-19</b>

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

Note: Columns may not add due to rounding.



Table 1.11

**PUBLIC FINANCIAL CORPORATIONS**  
Balance Sheet at 30 June

	2024	2025	2025	2026	2027	2028
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<b>ASSETS</b>						
<i>Financial assets</i>						
Cash and deposits	627	461	461	465	467	471
Advances paid	2,071	1,808	1,808	1,752	1,981	2,427
Investments, loans and placements	55,195	54,650	54,816	57,464	62,065	64,236
Receivables	1,028	1,018	1,018	1,037	1,061	1,085
Shares and other equity						
Investments in other public sector entities - equity method	-	-	-	-	-	-
Investments in other public sector entities - direct injections	-	-	-	-	-	-
Investments in other entities	2,856	3,066	3,066	3,305	3,538	3,771
Other financial assets	8	8	8	8	8	8
<b>Total financial assets</b>	<b>61,786</b>	<b>61,011</b>	<b>61,176</b>	<b>64,030</b>	<b>69,121</b>	<b>71,999</b>
<i>Non-financial assets</i>						
Land	-	-	-	-	-	-
Property, plant and equipment	4	6	6	6	6	6
Right-of-use assets	41	33	33	29	25	21
Service concession assets	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-
Inventories						
Land inventories	-	-	-	-	-	-
Other inventories	-	-	-	-	-	-
Intangibles	20	19	19	19	19	20
Non-current assets held for sale	-	-	-	-	-	-
Investment property	-	-	-	-	-	-
Other	5	5	5	5	5	5
<b>Total non-financial assets</b>	<b>70</b>	<b>62</b>	<b>62</b>	<b>59</b>	<b>55</b>	<b>52</b>
<b>TOTAL ASSETS</b>	<b>61,856</b>	<b>61,073</b>	<b>61,239</b>	<b>64,088</b>	<b>69,176</b>	<b>72,050</b>
<b>LIABILITIES</b>						
Deposits held	-	-	-	-	-	-
Advances received	- (a)	- (a)	- (a)	-	-	-
Borrowings						
Lease liabilities	47	44	44	44	42	39
Service concession liabilities	-	-	-	-	-	-
Other borrowings	52,390	51,046	51,211	53,371	57,783	59,982
Unfunded superannuation	3	3	3	3	3	3
Other employee benefits	17	18	18	18	19	19
Payables	232	285	285	285	272	253
Other liabilities	6,172	6,658	6,658	7,214	7,780	8,359
<b>TOTAL LIABILITIES</b>	<b>58,861</b>	<b>58,054</b>	<b>58,220</b>	<b>60,935</b>	<b>65,900</b>	<b>68,655</b>
<b>NET ASSETS</b>	<b>2,994</b>	<b>3,019</b>	<b>3,019</b>	<b>3,153</b>	<b>3,276</b>	<b>3,395</b>
<i>Of which:</i>						
Contributed equity	-255	-256	-256	-256	-257	-257
Accumulated surplus	3,222	3,368	3,368	3,505	3,626	3,742
Other reserves	27	-94	-94	-96	-94	-90
<b>NET WORTH</b>	<b>2,994</b>	<b>3,019</b>	<b>3,019</b>	<b>3,153</b>	<b>3,276</b>	<b>3,395</b>
<b>MEMORANDUM ITEMS</b>						
<i>Net financial worth</i>	<i>2,925</i>	<i>2,957</i>	<i>2,957</i>	<i>3,095</i>	<i>3,221</i>	<i>3,344</i>
<i>Net debt</i>						
Gross debt liabilities	52,437	51,090	51,256	53,415	57,825	60,021
Less: liquid financial assets	57,894	56,919	57,085	59,680	64,514	67,134
<b>Net debt</b>	<b>-5,457</b>	<b>-5,829</b>	<b>-5,829</b>	<b>-6,265</b>	<b>-6,689</b>	<b>-7,113</b>

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

Note: Columns may not add due to rounding.

# 2024-25 Pre-election Financial Projections Statement

Table 1.12

## PUBLIC FINANCIAL CORPORATIONS Cash Flow Statement

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<i>Cash received</i>						
Grants and subsidies received	-	5	5	5	5	5
Receipts from sales of goods and services	1,759	1,853	1,853	1,975	2,057	2,148
Interest receipts	1,987	2,269	2,269	2,296	2,380	2,486
Dividends and tax equivalents	-	-	-	-	-	-
Other receipts	218	233	233	248	260	271
<b>Total cash received</b>	<b>3,964</b>	<b>4,359</b>	<b>4,359</b>	<b>4,524</b>	<b>4,702</b>	<b>4,910</b>
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-85	-96	-96	-98	-100	-103
Payments for goods and services	-1,188	-1,347	-1,347	-1,423	-1,535	-1,641
Interest paid	-1,758	-2,078	-2,078	-2,120	-2,195	-2,290
Grants and subsidies paid	-	-	-	-	-	-
Tax equivalents	-55	-158	-158	-81	-81	-81
Other payments	-219	-236	-236	-249	-262	-275
<b>Total cash paid</b>	<b>-3,305</b>	<b>-3,915</b>	<b>-3,915</b>	<b>-3,969</b>	<b>-4,173</b>	<b>-4,390</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>659</b>	<b>444</b>	<b>444</b>	<b>555</b>	<b>529</b>	<b>520</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-9	-8	-8	-6	-6	-6
Sales of non-financial assets	-(a)	-(a)	-(a)	-(a)	-(a)	-(a)
<b>Total cash flows from investments in non-financial assets</b>	<b>-9</b>	<b>-7</b>	<b>-7</b>	<b>-6</b>	<b>-6</b>	<b>-6</b>
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	-	-	-	-	-	-
For liquidity purposes	10,365	8,023	8,023	8,077	8,064	8,160
<i>Cash paid</i>						
For policy purposes	-	-1	-1	-1	-(a)	-(a)
For liquidity purposes	-10,111	-8,032	-8,032	-8,431	-8,683	-8,983
<b>Total cash flows from investments in financial assets</b>	<b>254</b>	<b>-10</b>	<b>-10</b>	<b>-355</b>	<b>-620</b>	<b>-824</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>245</b>	<b>-17</b>	<b>-17</b>	<b>-361</b>	<b>-626</b>	<b>-830</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<i>Cash received</i>						
Advances received	-	-	-	-	-	-
Borrowings	28,185	24,991	25,157	27,877	29,460	27,959
Deposits received	-	-	-	-	-	-
Other financing receipts	-	-	-	-	-	-
<b>Total cash received</b>	<b>28,185</b>	<b>24,991</b>	<b>25,157</b>	<b>27,877</b>	<b>29,460</b>	<b>27,959</b>
<i>Cash paid</i>						
Advances paid	-	-	-	-	-	-
Borrowings repaid	-28,899	-25,359	-25,524	-27,933	-29,226	-27,510
Deposits paid	-	-	-	-	-	-
Other financing payments	-2	-3	-3	-1	-3	-3
Dividends paid	-286	-116	-116	-74	-76	-76
<b>Total cash paid</b>	<b>-29,188</b>	<b>-25,477</b>	<b>-25,643</b>	<b>-28,009</b>	<b>-29,304</b>	<b>-27,589</b>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>-1,002</b>	<b>-486</b>	<b>-486</b>	<b>-131</b>	<b>156</b>	<b>370</b>
<b>Net increase in cash and cash equivalents</b>	<b>-98</b>	<b>-58</b>	<b>-58</b>	<b>62</b>	<b>58</b>	<b>60</b>
Cash and cash equivalents at the beginning of the year	2,116	2,018	2,018	1,960	2,021	2,080
Cash and cash equivalents at the end of the year	2,018	1,960	1,960	2,021	2,080	2,140
<b>KEY FISCAL AGGREGATES</b>						
Net cash flows from operating activities	659	444	444	555	529	520
Net cash flows from investing in non-financial assets	-9	-7	-7	-6	-6	-6
Dividends paid	-286	-116	-116	-74	-76	-76
<b>Cash surplus/-deficit</b>	<b>364</b>	<b>321</b>	<b>321</b>	<b>474</b>	<b>447</b>	<b>438</b>

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

Note: Columns may not add due to rounding.

Table 1.13

**TOTAL PUBLIC SECTOR**  
**Operating Statement**

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	FFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<i>Results from Transactions</i>						
<b>REVENUE</b>						
Taxation	13,007	14,019	14,160	14,194	14,387	14,603
Current grants and subsidies	12,780	15,065	14,338	15,455	15,388	15,922
Capital grants	1,884	3,124	3,078	3,083	1,412	687
Sales of goods and services	41,789	44,384	44,385	45,620	46,785	47,219
Interest income	986	1,106	1,097	1,043	1,062	1,061
Royalty income	11,866	9,408	10,023	7,762	7,540	7,247
Other	1,473	1,398	1,413	1,419	1,424	1,505
<i>Total</i>	<i>83,785</i>	<i>88,503</i>	<i>88,493</i>	<i>88,576</i>	<i>87,998</i>	<i>88,245</i>
<b>EXPENSES</b>						
Salaries	18,118	19,773	19,777	20,053	20,396	21,005
Superannuation						
Concurrent costs	1,958	2,282	2,282	2,412	2,454	2,527
Superannuation interest cost	167	210	209	200	192	184
Other employee costs	784	695	695	697	706	726
Depreciation and amortisation	5,391	5,829	5,829	6,149	6,304	6,335
Services and contracts	4,406	5,669	5,673	5,093	4,757	4,715
Other gross operating expenses	39,140	42,602	42,687	43,376	43,722	43,962
Interest						
Interest on leases	243	209	209	200	195	184
Other interest	1,812	2,016	2,034	1,996	2,074	2,237
Current transfers	5,561	6,961	6,858	5,982	5,207	5,070
Capital transfers	278	222	252	283	192	175
<i>Total</i>	<i>77,859</i>	<i>86,466</i>	<i>86,506</i>	<i>86,443</i>	<i>86,196</i>	<i>87,119</i>
<b>NET OPERATING BALANCE</b>	<b>5,926</b>	<b>2,037</b>	<b>1,988</b>	<b>2,134</b>	<b>1,802</b>	<b>1,126</b>
<i>Other economic flows - included in the operating result</i>						
Net gains on assets/liabilities	-158	19	17	30	-16	216
Provision for doubtful debts	-34	-64	-64	-56	-57	-57
Changes in accounting policy/adjustment of prior periods	-125	-	-	-	-	-
<i>Total other economic flows</i>	<i>-317</i>	<i>-45</i>	<i>-47</i>	<i>-26</i>	<i>-73</i>	<i>159</i>
<b>OPERATING RESULT</b>	<b>5,610</b>	<b>1,992</b>	<b>1,941</b>	<b>2,108</b>	<b>1,729</b>	<b>1,285</b>
<i>All other movements in equity</i>						
<i>Items that will not be reclassified to operating result</i>						
Revaluations	12,727	3,207	3,217	3,470	3,257	2,899
Net actuarial gains/-loss - superannuation	162	176	173	166	174	168
Gains recognised directly in equity	-5	-4	-4	-4	-4	-4
All other	-	-	-	-	-	-
<i>Total all other movements in equity</i>	<i>12,884</i>	<i>3,379</i>	<i>3,387</i>	<i>3,632</i>	<i>3,426</i>	<i>3,062</i>
<b>TOTAL CHANGE IN NET WORTH</b>	<b>18,494</b>	<b>5,371</b>	<b>5,327</b>	<b>5,740</b>	<b>5,155</b>	<b>4,347</b>
<b>KEY FISCAL AGGREGATES</b>						
<b>NET OPERATING BALANCE</b>	<b>5,926</b>	<b>2,037</b>	<b>1,988</b>	<b>2,134</b>	<b>1,802</b>	<b>1,126</b>
<i>Less Net acquisition of non-financial assets</i>						
Purchase of non-financial assets	11,405	12,530	13,561	11,432	9,191	8,253
Changes in inventories	985	155	155	-22	57	8
Other movement in non-financial assets	191	188	188	169	178	185
<i>Less:</i>						
Sales of non-financial assets	477	513	513	660	708	842
Depreciation	5,391	5,829	5,829	6,149	6,304	6,335
<i>Total net acquisition of non-financial assets</i>	<i>6,712</i>	<i>6,530</i>	<i>7,561</i>	<i>4,770</i>	<i>2,415</i>	<i>1,269</i>
<b>NET LENDING/-BORROWING</b>	<b>-786</b>	<b>-4,493</b>	<b>-5,574</b>	<b>-2,637</b>	<b>-613</b>	<b>-143</b>

Note: Columns may not add due to rounding.

## 2024-25 Pre-election Financial Projections Statement

Table 1.14

### TOTAL PUBLIC SECTOR Balance Sheet at 30 June

	2024	2025	2025	2026	2027	2028
	Actual	Mid-year	PFPS			
	\$m	Revision	Revision	Outyear	Outyear	Outyear
		\$m	\$m	\$m	\$m	\$m
<b>ASSETS</b>						
<i>Financial assets</i>						
Cash and deposits	4,774	3,486	3,488	2,920	2,810	2,789
Advances paid	2,481	2,332	2,332	2,244	2,409	2,823
Investments, loans and placements	18,950	15,335	14,111	14,546	17,793	18,394
Receivables	7,807	6,982	7,290	6,827	6,810	6,773
Equity - Investments in other entities	2,936	3,176	3,176	3,450	3,685	3,921
Other financial assets	17	17	17	8	8	8
<i>Total financial assets</i>	<i>36,964</i>	<i>31,329</i>	<i>30,414</i>	<i>29,996</i>	<i>33,515</i>	<i>34,707</i>
<i>Non-financial assets</i>						
Land	56,659	58,457	58,460	60,019	61,399	62,444
Property, plant and equipment	146,009	154,540	155,572	162,360	166,956	170,886
Right-of-use assets	2,836	2,964	2,964	2,933	2,805	2,689
Service concession assets	3,616	3,552	3,552	3,492	3,414	3,364
Biological assets	230	246	246	258	272	294
Inventories						
Land inventories	1,440	1,525	1,525	1,841	1,868	1,534
Other inventories	8,702	8,856	8,856	8,834	8,891	8,899
Intangibles	1,135	1,259	1,259	1,292	1,344	1,441
Non-current assets held for sale	118	113	113	113	113	113
Investment property	23	23	23	23	23	23
Other	1,031	778	781	765	764	767
<i>Total non-financial assets</i>	<i>221,798</i>	<i>232,313</i>	<i>233,350</i>	<i>241,928</i>	<i>247,850</i>	<i>252,453</i>
<b>TOTAL ASSETS</b>	<b>258,763</b>	<b>263,642</b>	<b>263,765</b>	<b>271,924</b>	<b>281,365</b>	<b>287,160</b>
<b>LIABILITIES</b>						
Deposits held	20	20	20	20	20	20
Advances received	256	337	337	455	453	425
Borrowings						
Lease liabilities	3,438	3,557	3,557	3,541	3,405	3,296
Service concession liabilities	298	291	291	283	275	268
Other borrowings	50,366	49,371	49,537	51,717	55,875	57,602
Unfunded superannuation	4,209	3,888	3,891	3,612	3,305	2,941
Other employee benefits	5,338	5,336	5,336	5,453	5,561	5,395
Payables	13,032	13,145	13,143	12,996	12,965	12,836
Other liabilities	11,335	11,854	11,854	12,309	12,812	13,336
<b>TOTAL LIABILITIES</b>	<b>88,292</b>	<b>87,800</b>	<b>87,966</b>	<b>90,385</b>	<b>94,672</b>	<b>96,119</b>
<b>NET ASSETS</b>	<b>170,471</b>	<b>175,842</b>	<b>175,799</b>	<b>181,538</b>	<b>186,694</b>	<b>191,041</b>
<i>Of which:</i>						
Contributed equity	-	-	-	-	-	-
Accumulated surplus	50,969	54,689	54,673	56,889	58,731	60,085
Other reserves	119,502	121,153	121,126	124,649	127,963	130,956
<b>NET WORTH</b>	<b>170,471</b>	<b>175,842</b>	<b>175,799</b>	<b>181,538</b>	<b>186,694</b>	<b>191,041</b>
<b>MEMORANDUM ITEMS</b>						
<i>Net financial worth</i>	<i>-51,327</i>	<i>-56,471</i>	<i>-57,552</i>	<i>-60,390</i>	<i>-61,157</i>	<i>-61,413</i>
<i>Net financial liabilities</i>	<i>51,327</i>	<i>56,471</i>	<i>57,552</i>	<i>60,390</i>	<i>61,157</i>	<i>61,413</i>
<i>Net debt</i>						
Gross debt liabilities	54,378	53,577	53,742	56,016	60,029	61,611
Less : liquid financial assets	26,205	21,153	19,930	19,710	23,011	24,005
<i>Net debt</i>	<i>28,173</i>	<i>32,423</i>	<i>33,812</i>	<i>36,306</i>	<i>37,018</i>	<i>37,606</i>

Note: Columns may not add due to rounding.

Table 1.15

**TOTAL PUBLIC SECTOR**  
**Cash Flow Statement**

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<i>Cash received</i>						
Taxes received	12,803	14,033	14,174	14,209	14,401	14,612
Grants and subsidies received	17,024	20,935	19,877	21,167	19,512	19,409
Receipts from sales of goods and services	31,976	30,727	30,743	31,258	32,197	32,612
Interest receipts	909	1,097	1,089	1,048	1,076	1,076
Dividends and tax equivalents	-	-	-	-	-	-
Other	16,594	13,791	14,122	12,092	11,352	11,172
<b>Total cash received</b>	<b>79,305</b>	<b>80,583</b>	<b>80,005</b>	<b>79,773</b>	<b>78,537</b>	<b>78,881</b>
<i>Cash paid</i>						
Wages, salaries and supplements, and superannuation	-20,032	-22,401	-22,406	-22,704	-23,090	-24,097
Payments for goods and services	-32,109	-32,433	-32,404	-31,971	-31,810	-32,185
Interest paid	-1,908	-2,152	-2,170	-2,130	-2,238	-2,428
Grants and subsidies paid	-6,967	-8,240	-7,901	-8,406	-7,595	-7,528
Dividends and tax equivalents	-	-	-	-	-	-
Other payments	-7,411	-7,046	-7,166	-5,813	-5,684	-5,453
<b>Total cash paid</b>	<b>-68,427</b>	<b>-72,271</b>	<b>-72,047</b>	<b>-71,023</b>	<b>-70,417</b>	<b>-71,691</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>10,879</b>	<b>8,312</b>	<b>7,958</b>	<b>8,750</b>	<b>8,120</b>	<b>7,189</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<i>Cash flows from investments in non-financial assets</i>						
Purchase of non-financial assets	-11,405	-12,530	-13,561	-11,432	-9,191	-8,253
Sales of non-financial assets	477	513	513	660	708	842
<b>Total cash flows from investments in non-financial assets</b>	<b>-10,928</b>	<b>-12,016</b>	<b>-13,048</b>	<b>-10,772</b>	<b>-8,484</b>	<b>-7,411</b>
<i>Cash flows from investments in financial assets</i>						
<i>Cash received</i>						
For policy purposes	68	10	10	10	10	10
For liquidity purposes	10,483	8,193	8,193	8,200	8,176	8,227
<i>Cash paid</i>						
For policy purposes	-67	-10	-10	-10	-10	-10
For liquidity purposes	-10,274	-8,266	-8,266	-8,495	-8,722	-9,019
<b>Total cash flows from investments in financial assets</b>	<b>210</b>	<b>-73</b>	<b>-73</b>	<b>-295</b>	<b>-547</b>	<b>-792</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-10,718</b>	<b>-12,090</b>	<b>-13,121</b>	<b>-11,068</b>	<b>-9,031</b>	<b>-8,203</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<i>Cash received</i>						
Advances received	-	119	119	95	-	-
Borrowings	22,839	19,095	19,260	23,238	25,394	24,437
Deposits received	-	-	-	-	-	-
Other financing receipts	283	3	3	9	7	-
<b>Total cash received</b>	<b>23,122</b>	<b>19,216</b>	<b>19,382</b>	<b>23,342</b>	<b>25,402</b>	<b>24,437</b>
<i>Cash paid</i>						
Advances paid	-18	-25	-25	-32	-25	-24
Borrowings repaid	-22,613	-19,283	-19,283	-22,194	-22,768	-22,079
Deposits paid	-	-	-	-	-	-
Other financing payments	-846	-471	-474	-466	-477	-476
<b>Total cash paid</b>	<b>-23,476</b>	<b>-19,780</b>	<b>-19,783</b>	<b>-22,691</b>	<b>-23,270</b>	<b>-22,578</b>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>-354</b>	<b>-563</b>	<b>-401</b>	<b>651</b>	<b>2,132</b>	<b>1,859</b>
<b>Net increase in cash and cash equivalents</b>	<b>-194</b>	<b>-4,341</b>	<b>-5,564</b>	<b>-1,667</b>	<b>1,221</b>	<b>845</b>
Cash and cash equivalents at the beginning of the year	15,007	14,813	14,813	9,248	7,581	8,803
Cash and cash equivalents at the end of the year	14,813	10,471	9,248	7,581	8,803	9,648
<b>KEY FISCAL AGGREGATES</b>						
Net cash flows from operating activities	10,879	8,312	7,958	8,750	8,120	7,189
Net cash flows from investing in non-financial assets	-10,928	-12,016	-13,048	-10,772	-8,484	-7,411
<b>Cash surplus/-deficit</b>	<b>-49</b>	<b>-3,705</b>	<b>-5,090</b>	<b>-2,022</b>	<b>-363</b>	<b>-222</b>

Note: Columns may not add due to rounding.

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## NOTE 1: STATEMENT OF COMPLIANCE

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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*.

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## NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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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.

*(b) Basis of preparation*

These financial projections do not include all the notes of the type normally included in an annual financial report. The accounting policies adopted in this publication are consistent with those outlined in the *2023-24 Annual Report on State Finances* (ARSF). These are described in detail in Note 3: *Summary of Significant Accounting Policies* in Appendix 1 of the 2023-24 ARSF.

The projections are presented in Australian dollars and all amounts are rounded to the nearest million dollars (\$m).

*(c) Unaudited data*

These financial projections are not audited.

### NOTE 3: GENERAL GOVERNMENT OPERATING REVENUE

A detailed dissection of general government revenue (which includes the UPF taxation disclosure) is included at Appendix 2: *General Government Operating Revenue*.

### NOTE 4: GENERAL GOVERNMENT REVENUE FROM PUBLIC CORPORATIONS

The following table provides detail of general government revenue from public corporations (dividend and income tax equivalent income) in line with UPF disclosure requirements.

GENERAL GOVERNMENT REVENUE FROM PUBLIC CORPORATIONS						
	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<i>Dividends</i>						
From public non-financial corporations	5	1,421	1,421	1,457	1,582	1,755
From public financial corporations	205	81	81	74	76	76
<i>Total dividends</i>	<i>210</i>	<i>1,502</i>	<i>1,502</i>	<i>1,531</i>	<i>1,658</i>	<i>1,830</i>
<i>Tax equivalent income</i>						
From public non-financial corporations	756	880	880	897	974	934
From public financial corporations	156	34	34	34	26	18
<i>Total tax equivalent income</i>	<i>912</i>	<i>914</i>	<i>914</i>	<i>931</i>	<i>1,000</i>	<i>952</i>
<b>Total revenue from public corporations</b>	<b>1,122</b>	<b>2,416</b>	<b>2,416</b>	<b>2,462</b>	<b>2,658</b>	<b>2,782</b>

Note: Columns may not add due to rounding.

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**NOTE 5: GENERAL GOVERNMENT TRANSFER EXPENSES**


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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.

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**TRANSFER EXPENSES <sup>(a)</sup>**

## General Government

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<b>CURRENT TRANSFERS</b>						
Local government	365	617	617	537	463	425
Private and not-for-profit sector	2,358	2,969	2,865	2,746	2,143	2,095
Other sectors of government	5,345	6,191	6,194	5,195	4,885	4,789
<i>Total Current Transfers</i>	<i>8,068</i>	<i>9,776</i>	<i>9,676</i>	<i>8,478</i>	<i>7,492</i>	<i>7,309</i>
<b>CAPITAL TRANSFERS</b>						
Local government	90	48	48	45	32	30
Private and not-for-profit sector	156	148	178	184	151	138
Other sectors of government	314	380	386	340	28	27
<i>Total Capital Transfers</i>	<i>560</i>	<i>576</i>	<i>612</i>	<i>569</i>	<i>211</i>	<i>195</i>

(a) Includes grants, subsidies and other transfer expenses.

Note: Columns may not add due to rounding.

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## 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 <sup>(a)</sup> General Government

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<i>Expenses</i>						
General public services	1,708	1,819	1,833	1,777	1,828	1,925
Public order and safety	4,839	5,209	5,238	4,988	5,020	5,108
Economic affairs	2,769	3,435	3,438	2,280	1,987	1,822
Environmental protection	593	705	719	687	616	613
Housing and community amenities	1,706	1,906	1,914	1,910	1,823	1,738
Health	13,168	13,966	14,014	13,763	13,696	14,157
Recreation, culture and religion	1,106	1,263	1,274	1,080	1,014	1,002
Education	8,039	8,874	8,933	9,027	9,169	9,419
Social protection	3,846	4,335	4,337	3,939	3,769	3,812
Transport	3,686	4,417	4,434	4,260	3,719	3,702
Provisions not allocated	-	2	-302	678	282	311
<b>Total General Government Expenses</b>	<b>41,461</b>	<b>45,932</b>	<b>45,830</b>	<b>44,390</b>	<b>42,923</b>	<b>43,609</b>
<i>Purchases of new non-financial assets</i>						
General public services	146	186	186	138	102	96
Public order and safety	192	421	421	255	145	73
Economic affairs	34	142	143	188	73	49
Environmental protection	91	177	179	161	92	54
Housing and community amenities	94	150	151	63	51	83
Health	342	894	904	950	910	552
Recreation, culture and religion	92	243	243	126	117	62
Education	693	630	639	652	412	291
Social protection	30	20	20	6	3	2
Transport	2,284	2,344	2,344	1,902	1,312	824
Provisions not allocated	-	-1,488	-991	-863	310	1,280
<b>Total Purchases of Non-financial Assets</b>	<b>3,997</b>	<b>3,718</b>	<b>4,238</b>	<b>3,578</b>	<b>3,527</b>	<b>3,367</b>

(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.

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.

## 2024-25 Pre-election Financial Projections Statement

Table 2.1

### OPERATING REVENUE General Government

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<b>TAXATION</b>						
Taxes on employers' payroll and labour force						
<i>Payroll tax</i>	5,404	5,830	5,880	6,145	6,452	6,777
Property taxes						
<i>Land tax</i>	844	887	887	910	923	935
Transfer duty	2,575	3,028	3,119	2,835	2,581	2,327
Foreign Buyers Surcharge	33	32	32	35	36	36
Landholder duty	324	194	194	194	194	194
<i>Total duty on transfers</i>	2,932	3,254	3,345	3,064	2,810	2,556
Other stamp duties	- (a)	- (a)	- (a)	- (a)	- (a)	- (a)
Metropolitan Region Improvement Tax	95	101	101	103	105	106
Perth Parking Levy	56	62	62	65	67	69
Emergency Services Levy	401	424	424	451	478	507
Loan Guarantee Fees	131	136	136	148	161	170
Building and Construction Industry Training Fund Levy	76	58	58	60	63	65
<i>Total other property taxes</i>	760	781	781	827	874	918
Taxes on provision of goods and services						
Lotteries Commission	248	198	198	201	203	208
Video lottery terminals	- (a)	- (a)	- (a)	- (a)	- (a)	- (a)
Casino tax	59	54	54	54	54	54
Betting tax	125	129	129	129	130	132
<i>Total taxes on gambling</i>	432	381	381	384	387	394
Insurance duty	1,000	1,071	1,071	1,127	1,187	1,249
Other	20	18	18	19	23	24
<i>Total taxes on insurance</i>	1,020	1,089	1,089	1,147	1,210	1,273
Taxes on use of goods and performance of activities						
Vehicle licence duty	755	756	756	621	589	545
Permits - oversize vehicles and loads	11	8	8	8	8	8
Motor vehicle registrations	1,293	1,442	1,442	1,538	1,611	1,685
Other vehicle taxes	40	40	40	35	36	37
<i>Total motor vehicle taxes</i>	2,099	2,245	2,245	2,201	2,244	2,274
Mining Rehabilitation Levy	44	44	44	41	41	41
Landfill Levy	96	95	95	80	69	69
<b>Total Taxation</b>	<b>13,631</b>	<b>14,607</b>	<b>14,747</b>	<b>14,799</b>	<b>15,012</b>	<b>15,237</b>

Note: Columns may not add due to rounding.

Table 2.1 (cont.)

**OPERATING REVENUE**  
**General Government**

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<b>CURRENT GRANTS AND SUBSIDIES</b>						
General Purpose Grants						
GST grants	6,565	7,194	7,391	7,833	8,774	9,124
North West Shelf grants	694	551	576	469	321	253
Commonwealth compensation for changed crude oil excise arrangements	34	22	23	19	13	10
National Agreements						
Skills and Workforce Development	90	-	-	-	-	-
Skills	115	248	251	259	263	264
Housing and Homelessness <sup>(b)</sup>	191	-	-	-	-	-
Social Housing and Homelessness <sup>(b)</sup>	-	190	190	195	199	203
Mental Health and Suicide Prevention	3	3	3	3	-	-
Schools Reform - Quality Schools <sup>(c)</sup>	1,221	1,268	649	-	-	-
Better and Fairer Schools <sup>(c)</sup>	-	40	692	1,463	1,557	1,612
Health Reform	3,070	3,252	3,252	3,464	3,689	3,929
National Partnerships/Other Grants						
Health	230	249	249	152	136	131
Transport	89	335	335	296	181	202
Disability Services	4	1,010	2	1,011	-	-
Other	476	703	725	292	255	194
<b>Total Current Grants and Subsidies</b>	<b>12,780</b>	<b>15,065</b>	<b>14,338</b>	<b>15,455</b>	<b>15,388</b>	<b>15,922</b>
<b>CAPITAL GRANTS</b>						
National Partnerships/Other Grants						
Transport	1,707	2,752	2,752	2,549	779	622
Other	177	373	326	534	633	65
<b>Total Capital Grants</b>	<b>1,884</b>	<b>3,124</b>	<b>3,078</b>	<b>3,083</b>	<b>1,412</b>	<b>687</b>

Note: Columns may not add due to rounding.

## 2024-25 Pre-election Financial Projections Statement

Table 2.1 (cont.)

### OPERATING REVENUE General Government

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<b>SALES OF GOODS AND SERVICES</b>						
WA Health	937	983	983	995	1,029	1,064
Department of Transport	312	313	313	317	320	326
Department of Education	223	224	224	229	234	238
State Training Providers/TAFE Colleges	101	89	89	102	103	115
Department of Training and Workforce Development	26	28	28	33	38	42
Western Australian Land Information Authority	86	89	89	103	85	91
Department of Biodiversity, Conservation and Attractions	87	132	132	144	145	146
Department of Justice	164	169	169	178	179	179
Department of Energy, Mines, Industry Regulation and Safety	223	169	169	176	180	181
All Other	1,300	1,178	1,178	1,113	1,133	1,149
<b>Total Sale of Goods and Services</b>	<b>3,460</b>	<b>3,374</b>	<b>3,374</b>	<b>3,391</b>	<b>3,447</b>	<b>3,532</b>
<b>INTEREST INCOME</b>	<b>391</b>	<b>341</b>	<b>335</b>	<b>265</b>	<b>292</b>	<b>321</b>
<b>REVENUE FROM PUBLIC CORPORATIONS</b>						
Dividends	210	1,502	1,502	1,531	1,658	1,830
Tax Equivalent Regime	912	914	914	931	1,000	952
<b>Total Revenue from Public Corporations</b>	<b>1,122</b>	<b>2,416</b>	<b>2,416</b>	<b>2,462</b>	<b>2,658</b>	<b>2,782</b>
<b>ROYALTY INCOME</b>						
Iron Ore	10,365	8,096	8,625	6,171	5,874	5,637
Other	1,502	1,312	1,397	1,592	1,666	1,609
<b>Total Royalty Income</b>	<b>11,866</b>	<b>9,408</b>	<b>10,023</b>	<b>7,762</b>	<b>7,540</b>	<b>7,247</b>
<b>OTHER</b>						
Mining Tenement Rentals	180	180	195	180	180	180
Fines	239	240	240	253	254	256
Revenue not elsew here counted	394	275	275	287	264	283
<b>Total Other</b>	<b>813</b>	<b>695</b>	<b>711</b>	<b>720</b>	<b>698</b>	<b>720</b>
<b>TOTAL REVENUE</b>	<b>45,947</b>	<b>49,028</b>	<b>49,021</b>	<b>47,938</b>	<b>46,448</b>	<b>46,448</b>

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

(b) The Social Housing and Homelessness National Agreement commenced on 1 July 2024.

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

Note: Columns may not add due to rounding.

## **Spending Changes Since the Mid-year Review**

Spending changes detailed in this appendix include:

- Government decisions made between the 2 December 2024 cut-off date for the 2024-25 Mid-year Review and the 1 February 2025 cut-off date for this PFPS; and
- parameter changes affecting agency spending over the forward estimates period. These include the impact of issues such as variations in Commonwealth-funded programs, and higher costs and/or demand for government services.

Changes relating purely to timing, which are broadly net debt neutral across the forward estimates period, and changes to depreciation expense, are generally not included in this appendix. Material timing changes are discussed in Chapter 1.

The spending changes tables in this appendix also contain allocations to agencies for industrial agreement outcomes that have been funded from the global provision for Government Wages Policy.

Spending Changes

PARLIAMENT

SPENDING CHANGES					Table 3.1
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	
PARLIAMENTARY COMMISSIONER FOR ADMINISTRATIVE INVESTIGATIONS (OMBUDSMAN)					
Asset Investment					
– Asset Replacement Program	– (a)	0.1	–	–	
(a) Amount less than \$50,000.					
Note: Rows may not add due to rounding.					

Parliamentary Commissioner for Administrative Investigations  
(Ombudsman)

Asset Investment

Asset Replacement Program

The Ombudsman will spend \$99,000 over 2024-25 and 2025-26 to develop a new website to improve functionality, funded from an underspend in the Ombudsman’s 2023-24 Asset Investment Program.



## GOVERNMENT ADMINISTRATION

SPENDING CHANGES					Table 3.2
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	
<b>PREMIER AND CABINET</b>					
<b>Expenses</b>					
– Celebrate WA 2025	0.8	-	-	-	
– Murujuga Aboriginal Corporation	0.4	-	-	-	
– Industrial Agreement Settlement	– (a)	– (a)	– (a)	– (a)	
(a) Amount less than \$50,000.					
Note: Rows may not add due to rounding.					

### Premier and Cabinet

#### Expenses

##### ***Celebrate WA 2025***

Celebrate WA is a not-for-profit organisation responsible for promoting and organising the annual Western Australia Day celebrations. The Department will spend an additional \$800,000 in 2024-25 to support the planned 2025 WA Day program of events.

##### ***Murujuga Aboriginal Corporation***

The Department will provide \$432,000 in 2024-25 to the Murujuga Aboriginal Corporation to enable it to strengthen its organisational capacity to effectively engage with stakeholders.

## JOBS AND ECONOMIC DEVELOPMENT

Table 3.3

## SPENDING CHANGES

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
<b>JOBS, TOURISM, SCIENCE AND INNOVATION</b>				
<b>Expenses</b>				
– Investment Attraction – New Energies Industries Grants <sup>(a)</sup>	12.0	7.7	12.4	4.2
– Digital Industries Initiatives <sup>(a)</sup>	1.0	3.0	3.0	0.5
– Business Events Perth <sup>(a)</sup>	-	5.0	-	-
– Magnium Pilot Plant <sup>(a)</sup>	2.5	-	-	-
– International Education Grants <sup>(a)</sup>	-	2.0	-	-
<b>PRIMARY INDUSTRIES AND REGIONAL DEVELOPMENT</b>				
<b>Expenses</b>				
– Regional Telecommunication Programs <sup>(b)</sup>	-	3.2	9.6	3.2
– Royal Society for the Prevention of Cruelty to Animals (RSPCA) WA Grant Funding <sup>(c)</sup>	0.6	2.7	2.9	-
– Phase out of Live Sheep Exports by Sea – Commonwealth Transition Assistance <sup>(d)</sup>	0.9	1.3	0.6	0.5
– Boosting High Pathogenicity Avian Influenza Biosecurity Response Capability	0.7	2.2	0.1	-
– Support for Farmers' Market Operators <sup>(c)</sup>	1.0	1.0	-	-
– Green Steel WA Electric Arc Furnace Steel Mill Bankable Feasibility Study <sup>(e)</sup>	1.8	-	-	-
– TradeStart Advisor Program <sup>(e)</sup>	-	0.2	0.2	0.2
– Assisting Staying in Place to Thrive <sup>(e)</sup>	0.2	0.1	-	-
<b>Asset Investment</b>				
– Katanning Office Roof Repair	1.2	-	-	-
– Boosting High Pathogenicity Avian Influenza Biosecurity Response Capability	0.1	1.0	-	-
<b>ENERGY, MINES, INDUSTRY REGULATION AND SAFETY</b>				
<b>Expenses</b>				
– Streamlining of Legislative Exam Process	1.1	3.3	-	-
<b>RURAL BUSINESS DEVELOPMENT CORPORATION</b>				
<b>Expenses</b>				
– Phase out of Live Sheep Exports by Sea – Commonwealth Transition Assistance	-	15.0	15.0	10.0

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

(b) These programs have been funded from within existing provisions set aside in the State Agricultural Telecommunications Infrastructure Fund and the Western Australian Regional Digital Connectivity Program.

(c) This initiative has been fully or partially funded from the MYR Provision for Yet-To-Be-Announced Decisions.

(d) See Rural Business Development Corporation.

(e) This initiative has been funded from within the existing Royalties for Regions (RfR) program.

Note: Rows may not add due to rounding.

## Jobs, Tourism, Science and Innovation

## Expenses

*Investment Attraction – New Energies Industries Grants*

To encourage investment in new energies industries, \$41 million has been allocated from the Investment Attraction Fund (\$36.3 million over the forward estimates) to support projects across the critical minerals and Carbon Capture, Utilisation and Storage industries.

***Digital Industries Initiatives***

Following the recently released Digital Industries Acceleration Strategy, \$7.5 million has been committed over the forward estimates primarily for a grant program that aims to boost digitalisation of Western Australian businesses and industries.

***Business Events Perth***

An additional \$5 million has been allocated in 2025-26 to continue support for Business Events Perth to attract conferences, exhibitions and tradeshow to the State.

***Magnium Pilot Plant***

Additional expenditure of \$2.5 million in 2024-25 has been approved to accelerate the opening of Magnium Australia's pilot magnesium plant in Collie's Light Industrial Area.

***International Education Grants***

To encourage international education providers to shift towards new operating models and to develop new income streams, \$2 million in 2025-26 has been approved for a Sector Support and Transition Grant program.

**Primary Industries and Regional Development****Expenses*****Regional Telecommunication Programs***

The Government has approved expenditure of \$16 million over 2025-26 to 2027-28 as its contribution to the First Nation Community Wi-Fi Project (\$9 million), the Mobile Black Spot Program Round 8 (\$5 million), and the Mobile Network Hardening Program Round 3 (\$2 million). These programs aim to improve mobile coverage and infrastructure resilience in regional and remote areas with high natural disaster risk, and deliver free community Wi-Fi solutions for Aboriginal people.

***RSPCA WA Grant Funding***

The Government has approved additional grant funding of \$6.3 million over 2024-25 to 2026-27 to the RSPCA WA towards animal care and service delivery activities, including an additional six FTE, improving call centre levels, and inspectorate staff training.

***Phase out of Live Sheep Exports by Sea – Commonwealth Transition Assistance***

See Rural Business Development Corporation.

***Boosting High Pathogenicity Avian Influenza Biosecurity Response Capability***

An additional \$4 million will be spent over 2024-25 to 2026-27 (jointly funded by the State and Commonwealth Governments) for the enhancement of High Pathogenicity Avian Influenza (HPAI) Biosecurity response capability. This expenditure includes:

- \$2 million to strengthen Western Australia's biosecurity response capability and enable improved disease mapping, tracking, and data analysis; and
- \$2 million (including \$1.1 million in asset investment) to procure specialist capital equipment to support the detection of HPAI and enhance response efforts to reduce the risk of ongoing spread.

***Support for Farmers' Market Operators***

The Department will spend \$2 million over 2024-25 and 2025-26 to provide grant funding to regional and metropolitan farmers' markets registered with the WA Farmers' Market Association. The grants program aims to partially offset the costs associated with farmers' market operations, supporting sustainability and growth in the sector.

***Green Steel WA Electric Arc Furnace Steel Mill Bankable Feasibility Study***

An additional \$1.8 million has been allocated in 2024-25 to continue to support Green Steel WA to undertake the Collie Electric Arc Furnace (EAF) Steel Mill Bankable Feasibility Study associated with the proposed development of an EAF Steel Mill in Collie to process local scrap steel for local consumption and export.

***TradeStart Advisor Program***

An amount of \$600,000 over 2025-26 to 2027-28 will be spent to support the Great Southern Development Commission and the South West Development Commission TradeStart Advisor programs.

***Assisting Staying in Place to Thrive***

An allocation of \$250,000 over 2024-25 and 2025-26 has been approved to provide one-off grant funding to Linkwest to support the expansion of the 'Assisting Staying in Place to Thrive' program. The program promotes the use of local communities to support older people in regional areas of Western Australia and enable them to remain in their own homes and community.

***Asset Investment Program***

***Katanning Office Roof Repair***

The Department will spend \$1.2 million in 2024-25 to undertake urgent roof replacement works at its Katanning Office to allow re-occupation of the building and the continuity of research.

***Boosting High Pathogenicity Avian Influenza Biosecurity Response Capability***

See above.

## **Energy, Mines, Industry Regulation and Safety**

### **Expenses**

#### ***Streamlining of Legislative Exam Process***

To comply with the Work Health and Safety (WHS) (Mines) Regulations 2022, holders of certain statutory positions on mine sites are required to successfully sit a WHS legislation exam to undertake the role. Additional expenditure of \$4.4 million over 2024-25 and 2025-26, fully funded from the Mine Safety Levy, has been approved to implement ICT system upgrades and process improvements to deliver the examinations in a more efficient and effective manner.

## **Rural Business Development Corporation**

### **Expenses**

#### ***Phase out of Live Sheep Exports by Sea – Commonwealth Transition Assistance***

To assist sheep producers and other supply chain participants to transition away from live exports by sea, the Department of Primary Industries and Regional Development and the Corporation will spend \$43.3 million over 2024-25 to 2027-28, fully funded by the Commonwealth Government. This transition assistance comprises:

- \$40 million for the Rural Business Development Corporation to deliver a processing capacity grant program to support the expansion of Western Australia's sheep processing capacity; and
- \$3.3 million for the Department to deliver a community wellbeing program to promote resilience in communities impacted by the phase out of live sheep exports by sea.

## HEALTH

## SPENDING CHANGES

Table 3.4

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
<b>WA HEALTH</b>				
<b>Expenses</b>				
– Industrial Agreement Settlement	45.4	90.7	150.2	175.6
– ‘Time to Think’ Transition Beds	2.4	2.6	-	-
– On Track to Thrive <sup>(a) (b)</sup>	-	1.3	1.3	-
<b>Asset Investment</b>				
– Laverton Hospital	16.3	19.4	-	-
– Fitzroy Crossing Renal Clinic Expansion	3.3	-	-	-

(a) See Department of Justice.

(b) This initiative has been fully or partially funded from the MYR Provision for Yet-To-Be-Announced Decisions.

Note: Rows may not add due to rounding.

## WA Health

## Expenses

***‘Time to Think’ Transition Beds***

To mitigate risks to the hospital system associated with the increased demand for, and time to access, aged care, an additional \$5 million will be spent over 2024-25 and 2025-26 to contract and operationalise 35 ‘Time to Think’ beds with community service providers. The pilot will trial a hospital discharge pathway for older patients awaiting aged care placement.

**Asset Investment*****Laverton Hospital***

The budget for the Laverton Hospital project has been increased by \$35.7 million over 2024-25 and 2025-26, to be drawn from the WA Health Asset Investment Program (AIP) Delivery provision. This will facilitate award of the main works contract to replace the ageing hospital.

***Fitzroy Crossing Renal Clinic Expansion***

The Government has approved a draw-down of an additional \$3.3 million in 2024-25 from the WA Health AIP Delivery provision to facilitate award of the construction contract for the Fitzroy Crossing Renal Dialysis Clinic Expansion project.

## EDUCATION AND TRAINING

### SPENDING CHANGES

Table 3.5

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
<b>EDUCATION</b>				
<b>Expenses</b>				
– Industrial Agreement Settlement	22.0	53.8	71.7	74.0
– Commonwealth Agreements	33.0	6.0	4.9	5.4
– On Track to Thrive <sup>(a) (b) (c)</sup>	-	0.6	0.4	-
<b>Asset Investment</b>				
– East Perth Primary School <sup>(b)</sup>	3.4	40.1	31.3	69.1
– Roebourne District High School	5.0	15.0	-	-
– School Expansions <sup>(c)</sup>	3.6	2.0	-	1.0
<b>TRAINING AND WORKFORCE DEVELOPMENT/TAFE COLLEGES</b>				
<b>Expenses</b>				
– National Skills Agreement – Specific Policy Initiatives	3.6	4.8	4.0	4.0
– National Skills Agreement – Commonwealth Update	0.8	3.0	4.4	5.2
– Temporary Regional Attraction and Retention Incentive <sup>(c)</sup>	0.8	2.3	-	-
– Industrial Agreement Settlement	- <sup>(d)</sup>	0.1	0.2	0.2
<b>BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD</b>				
<b>Expenses</b>				
– Industrial Agreement Settlement	0.1	0.2	0.3	0.3

(a) See Department of Justice.

(b) This initiative has been fully or partially funded from the MYR Provision for Yet-To-Be-Announced Decisions.

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

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

Note: Rows may not add due to rounding.

## Education

### Expenses

#### **Commonwealth Agreements**

Reflecting updates to Commonwealth Agreements (primarily the Better and Fairer Schools Agreement), an additional \$49.4 million will be spent on the delivery and management of education services over 2024-25 to 2027-28.

#### **Asset Investment**

##### **East Perth Primary School**

Additional investment of \$164.9 million (\$144 million to 2027-28) has been approved to construct the new East Perth Primary School to address enrolment pressures in inner city suburbs, with the project to be completed by the 2029 school year.

***Roebourne District High School***

An additional \$20 million has been approved to progress the second phase of the Roebourne District High School redevelopment, which includes secondary school classrooms, rooms to deliver culturally appropriate pastoral care, and preparation areas for teachers and Aboriginal Education Officers. This expenditure is proposed to be funded through the Resources Community Investment Initiative, but as at the cut-off date for this PFPS, a formal funding agreement had yet to be executed.

***School Expansions***

The Department will invest \$6.6 million over 2024-25 to 2027-28, reallocated from existing capital expenditure, to progress planning for expansions across seven schools, driven by forecast enrolment pressures, and to complete refurbishments occurring at Roleystone Community College.

**Training and Workforce Development/TAFE Colleges**

**Expenses**

***National Skills Agreement – Specific Policy Initiatives***

Under the National Skills Agreement, the State will spend a total of \$16.2 million over 2024-25 to 2027-28 to implement specific policy initiatives relating to the establishment of the Defence Centre of Excellence at South Metropolitan TAFE (\$14.6 million) and the progression of the State's Vocational Education and Training (VET) Data Streamlining Program (\$1.6 million).

***National Skills Agreement – Commonwealth Update***

In recognition of updated Commonwealth economic parameters and population estimates for the National Skills Agreement, the State will spend an additional \$13.4 million over 2024-25 to 2027-28 for the management and delivery of VET services.

***Temporary Regional Attraction and Retention Incentive***

To ensure regional TAFEs in the Kimberley, Pilbara and Kalgoorlie have the workforce to deliver VET training, \$3.1 million over 2024-25 and 2025-26 has been approved to provide temporary incentive payments to lecturers for the 2025 training year.



## COMMUNITY SAFETY

### SPENDING CHANGES

Table 3.6

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
<b>WESTERN AUSTRALIA POLICE FORCE</b>				
<b>Expenses</b>				
– Industrial Agreement Settlement	37.0	54.1	68.8	70.5
– Community Protection (Offender Reporting) Amendment Act 2024	2.1	-	-	-
– Firearms Buyback Scheme	-20.0	-	-	-
<b>JUSTICE</b>				
<b>Expenses</b>				
– Industrial Agreement Settlement	11.2	17.9	24.3	30.0
– On Track to Thrive <sup>(a)</sup>	-	0.4	0.5	-
– Youth Bail Support Services <sup>(a)</sup>	-	0.4	0.5	-
<b>LEGAL AID COMMISSION OF WESTERN AUSTRALIA</b>				
<b>Expenses</b>				
– Youth Bail Support Services <sup>(a) (b)</sup>	-	0.5	0.7	-
<b>FIRE AND EMERGENCY SERVICES</b>				
<b>Expenses</b>				
– Disaster Ready Fund – Round Two	0.8	0.5	0.3	-
– Industrial Agreement Settlement	-	-	0.1	0.1
<b>CORRUPTION AND CRIME COMMISSION</b>				
<b>Expenses</b>				
– Industrial Agreement Settlement	0.6	0.9	1.2	1.2

(a) This initiative has been fully or partially funded from the MYR Provision for Yet-To-Be-Announced Decisions.

(b) See Department of Justice.

Note: Rows may not add due to rounding.

## Western Australia Police Force

### Expenses

#### ***Community Protection (Offender Reporting) Amendment Act 2024***

The *Community Protection (Offender Reporting) Amendment Act 2024* enhances the monitoring and reporting for certain offenders to better protect the community. An additional \$2.1 million has been provided in 2024-25 to develop an offender reporting portal and for associated IT reforms in support of Stage 1 changes under the Act.

#### ***Firearms Buyback Scheme***

The Dealer Buyback Scheme reimbursed licensed gun dealers for surrendered stock ahead of new firearm laws coming into effect. The scheme has now been completed, with an estimated \$20 million in unspent funding to be returned to the Consolidated Account.

## **Justice**

### **Expenses**

#### ***On Track to Thrive***

Additional expenditure totalling \$7.8 million over 2025-26 and 2026-27 has been approved for a two-year pilot of the 'On Track to Thrive' program in Perth and Geraldton. The program is intended to divert vulnerable children under the minimum age of criminal responsibility away from the criminal justice system. The pilot comprises:

- \$3.2 million for the Department of Communities to expand family support services;
- \$2.6 million for WA Health to expand the Health Navigator Pilot Program;
- \$1 million for the Department of Education to expand education support services; and
- \$926,000 for the Department of Justice to manage implementation and evaluate the pilot program.

#### ***Youth Bail Support Services***

Additional expenditure of \$2.1 million over 2025-26 and 2026-27 has been approved to pilot expanded youth bail support services in Perth and Geraldton, comprising:

- \$1.3 million for the Legal Aid Commission to deliver youth bail support services for non-Aboriginal young people in Perth and Geraldton; and
- \$833,000 for the Department of Justice to expand the Youth Engagement Program for Aboriginal young people to Geraldton (\$733,000) and to evaluate the success of the expanded services (\$100,000).

## **Fire and Emergency Services**

### **Expenses**

#### ***Disaster Ready Fund – Round Two***

Western Australia has signed the Disaster Ready Fund – Round Two agreement with the Commonwealth in mid-December 2024, with an additional \$1.6 million to be spent over 2024-25 to 2026-27 to deliver an additional four resilience and risk reduction initiatives aimed at mitigating the impacts of natural disasters.

## COMMUNITY SERVICES

### SPENDING CHANGES

Table 3.7

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
<b>COMMUNITIES</b>				
<b>Expenses</b>				
– National Partnership Agreement for Family, Domestic and Sexual Violence Responses Renewal	-	8.2	8.4	8.6
– Spencer Park Mixed Use Development <sup>(a)</sup>	-	25.0	-	-
– National Agreement on Social Housing and Homelessness	0.3	0.1	0.5	0.3
– Child Sexual Abuse Therapeutic and Indigenous Healing Services	0.3	0.5	0.1	-
– On Track to Thrive <sup>(a) (b)</sup>	-	1.6	1.6	-
– Safe Passage Home: Ngurrakutu Bus Service	0.8	-	-	-
– Industrial Agreement Settlement	– <sup>(c)</sup>	– <sup>(c)</sup>	– <sup>(c)</sup>	– <sup>(c)</sup>
<b>LOCAL GOVERNMENT, SPORT AND CULTURAL INDUSTRIES</b>				
<b>Expenses</b>				
– Culturally and Linguistically Diverse Community Capital Grants	10.3	-	-	-
– Industrial Agreement Settlement	0.3	0.4	0.5	0.5
– Regional Arts Sector Investment Program and CinefestOZ <sup>(d)</sup>	0.5	-	-	-

(a) This initiative has been fully or partially funded from the MYR Provision for Yet-To-Be-Announced Decisions.

(b) See Department of Justice.

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

(d) This initiative has been funded from within the existing Royalties for Regions (RfR) program.

Note: Rows may not add due to rounding.

## Communities

### Expenses

#### ***National Partnership Agreement for Family, Domestic and Sexual Violence Responses Renewal***

As part of the Commonwealth's renewed Family, Domestic and Sexual Violence Responses 2021-30 Federation Funding Agreement, a total of \$25.2 million will be spent over the forward estimates period (\$43 million to 2029-30). This funding will support the continuation of several programs, including the Community Outreach Program and the Aboriginal Health Council of Western Australia pilot to provide community-led responses to family violence.

#### ***Spencer Park Mixed Use Development***

Expenditure of \$25 million in 2025-26 has been approved to support the delivery of 51 new homes in Spencer Park, Albany, comprising 40 social and affordable homes and 11 Government Regional Officer Housing units. These homes will be delivered by a Community Housing Provider.

#### ***National Agreement on Social Housing and Homelessness***

As a result of the Commonwealth's 2024-25 Mid-Year Economic and Fiscal Outlook, Western Australia will receive an additional \$1.2 million over the forward estimates period for social housing and services for people experiencing or at risk of homelessness via the National Agreement on Social Housing and Homelessness.

***Child Sexual Abuse Therapeutic and Indigenous Healing Services***

An additional \$903,000 has been allocated over 2024-25 to 2026-27 for Child Sexual Abuse Therapeutic Services and Indigenous Healing Service providers to ease cost pressures and continue providing services to victim survivors of child sexual abuse.

***Safe Passage Home: Ngurrakutu Bus Service***

To support a safe transportation service for Aboriginal people visiting Kalgoorlie-Boulder from regional and remote communities, an additional \$830,000 has been allocated in 2024-25. The additional funding will support the purchase of a new 4WD bus, operational costs, and employment of staff for the journeys.

**Local Government, Sport and Cultural Industries**

**Expenses**

***Culturally and Linguistically Diverse (CaLD) Community Capital Grants***

The Department will spend an additional \$10.3 million in 2024-25 to enable a further 44 CaLD community or not-for-profit associations, which were deemed eligible for support, to undertake refurbishments and/or upgrades to existing community facilities used for cultural, linguistic, social and welfare activities.

***Regional Arts Sector Investment Program and CinefestOZ***

A further \$500,000 in 2024-25 has been provided to the Regional Arts Sector Investment Program to increase funding to 17 recipient regional arts organisations and to enable CinefestOZ to deliver its 2025 event program.

## TRANSPORT

SPENDING CHANGES					Table 3.8
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	
<b>TRANSPORT</b>					
<b>Expenses</b>					
– Port Rockingham Marina	- (a)	-	-	-	
<b>COMMISSIONER OF MAIN ROADS</b>					
<b>Expenses</b>					
– Industrial Agreement Settlement	9.4	11.7	13.6	13.9	
– Burswood Park Motorsport Street Circuit and Entertainment Precinct – Planning <sup>(b)</sup>	1.5	-	-	-	
<b>PUBLIC TRANSPORT AUTHORITY</b>					
<b>Asset Investment</b>					
– Additional Australind Railcars <sup>(b)</sup>	22.1	29.3	28.6	-	
– Swan River Ferry Service Expansion <sup>(b)</sup>	-	28.0	36.0	-	

(a) Confidential item subject to the settlement of a commercial agreement.

(b) This initiative has been fully or partially funded from the MYR Provision for Yet-To-Be-Announced Decisions.

Note: Rows may not add due to rounding.

### Commissioner of Main Roads

#### Expenses

##### ***Burswood Park Motorsport Street Circuit and Entertainment Precinct – Planning***

Main Roads is spending \$1.5 million in 2024-25 to continue planning for the motorsport circuit and entertainment precinct that is proposed to be built at Burswood Park, including undertaking site assessments and developing a detailed design brief.

#### Public Transport Authority

#### Asset Investment

##### ***Additional Australind Railcars***

The Authority will spend an additional \$80 million over 2024-25 to 2026-27 to procure two additional three-car diesel railcar sets for the Australind train service, which will support an increase in the reliability of the service upon its recommencement and allow for an increase in service frequency in the future.

##### ***Swan River Ferry Service Expansion***

To support the proposed expansion of the Transperth Swan River ferry service to include a new return route between Elizabeth Quay and Applecross via Matilda Bay, the Authority will spend \$64 million over 2025-26 and 2026-27 to progress the procurement of five new locally manufactured electric-powered ferries.

## ENVIRONMENT

## SPENDING CHANGES

Table 3.9

	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m
<b>WATER AND ENVIRONMENTAL REGULATION</b>				
<b>Expenses</b>				
– Carryover – National Partnership on Recycling Infrastructure	15.5	12.0	-	-
– Carryover – Food Waste for Healthy Soils	1.4	1.9	-	-
– National Water Grid Fund	0.4	1.1	1.3	-
– Recycling Modernisation Fund – Plastics Technology Stream	1.2	0.5	-	-
<b>Asset Investment</b>				
– National Water Grid Fund	0.8	1.4	1.2	0.6
<b>BIODIVERSITY, CONSERVATION AND ATTRACTIONS</b>				
<b>Expenses</b>				
– High Pathogenicity Avian Influenza Response	1.0	1.5	-	-
– Industrial Agreement Settlement	0.2	0.2	0.3	0.3
<b>Asset Investment</b>				
– High Pathogenicity Avian Influenza Response	2.0	-	-	-

Note: Rows may not add due to rounding.

## Water and Environmental Regulation

## Expenses

***Carryover – National Partnership on Recycling Infrastructure***

To align expenditure cash flows with current Commonwealth forecasts, the Department will distribute \$27.5 million in Commonwealth grant funding over 2024-25 and 2025-26 to projects that expand Western Australia's recycling infrastructure capacity.

***Carryover – Food Waste for Healthy Soils***

A total of \$3.3 million of previously approved capital grants, funded by the Commonwealth, will be distributed over 2024-25 and 2025-26 to support infrastructure projects that increase the State's organic waste processing capacity. This will align grant expenditure with the Commonwealth's Mid-Year Economic and Fiscal Outlook cash flow timings.

***National Water Grid Fund***

See below.

***Recycling Modernisation Fund – Plastics Technology Stream***

To improve the recycling and recovery rates of hard-to-recycle plastics in Western Australia, Commonwealth funding of \$1.8 million will be spent over 2024-25 and 2025-26 to fund recycling processing infrastructure projects.

## **Asset Investment**

### ***National Water Grid Fund***

The Department will spend an additional \$6.8 million of Commonwealth funding over the forward estimates (comprising \$4 million in asset investment and \$2.8 million in capital grants) on improving the availability and security of water in agricultural and regional areas.

## **Biodiversity, Conservation and Attractions**

### **Expenses**

#### ***High Pathogenicity Avian Influenza Response***

The Department will spend \$4.5 million (including \$2 million of capital expenditure) over 2024-25 and 2025-26 to enable planning, preparation and early response capacity for high pathogenicity avian influenza. This includes construction of a staffed emergency response animal treatment facility, targeted on-ground actions across the State, additional funding for the Wildcare Helpline, and modifications to animal enclosures at Perth Zoo.

## **Asset Investment**

### ***High Pathogenicity Avian Influenza Response***

See above.

## PLANNING AND LAND USE

SPENDING CHANGES					Table 3.10
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	
<b>PLANNING, LANDS AND HERITAGE</b>					
<b>Expenses</b>					
– Industrial Agreement Settlement	–(a)	0.1	0.1	0.1	
<b>DEVELOPMENTWA</b>					
<b>Asset Investment</b>					
– Batavia Coast Marina Stage 2	1.7	-	-	-	

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

Note: Rows may not add due to rounding.

### DevelopmentWA

#### Asset Investment

##### *Batavia Coast Marina Stage 2*

DevelopmentWA will spend an additional \$1.7 million in 2024-25 on the Batavia Coast Marina Stage 2 project due to cost escalation incurred in relation to road infrastructure. This spending will be met by the City of Greater Geraldton utilising funding originally provided to the City in 2018-19.



## UTILITIES

SPENDING CHANGES					Table 3.11
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	
<b>WESTERN POWER</b>					
<b>Expenses</b>					
– Project Jupiter <sup>(a)</sup>	3.4	11.1	4.9	1.4	
<b>Asset Investment</b>					
– Project Jupiter	1.7	4.9	1.7	0.7	
<b>BUNBURY WATER CORPORATION</b>					
<b>Expenses</b>					
– Commonwealth Funding – Bunbury Water Resource Recovery Scheme <sup>(a)</sup>	6.0	15.7	3.3	-	
<b>Asset Investment</b>					
– Commonwealth Funding – Bunbury Water Resource Recovery Scheme	6.0	15.7	3.3	-	
<b>BUSSELTON WATER CORPORATION</b>					
<b>Expenses</b>					
– Re-cashflow – Commonwealth Funding – Busselton Water Supply Improvement (Plant 8) <sup>(a)</sup>	-	-	-	2.0	
<b>Asset Investment</b>					
– Re-cashflow – Commonwealth Funding – Busselton Water Supply Improvement (Plant 8)	-	-	-	2.0	
(a) Represented in general government expenses as grants and subsidies, sourced from the Consolidated Account and paid through the Department of Treasury.					
Note: Rows may not add due to rounding.					

### Western Power

#### Expenses

##### *Project Jupiter*

Western Power will spend \$20.8 million of Commonwealth funding over 2024-25 to 2027-28 to orchestrate the integration of household rooftop solar systems and batteries and appliances into the Wholesale Electricity Market. This amount comprises \$9 million in asset investment and \$11.8 million in grants to Synergy and the Australian Energy Market Operator to deliver the project in conjunction with Western Power.

#### Asset Investment

##### *Project Jupiter*

See above.

## **Bunbury Water Corporation**

### **Expenses**

#### ***Commonwealth Funding – Bunbury Water Resource Recovery Scheme***

See below.

### **Asset Investment**

#### ***Commonwealth Funding – Bunbury Water Resource Recovery Scheme***

The Bunbury Water Corporation will spend an additional \$24.9 million on the Bunbury Water Resource Recovery Scheme project over 2024-25 to 2026-27, funded from the Commonwealth Government's National Water Grid Fund. This project is jointly funded by the State and Commonwealth Governments, with an estimated total cost of \$55.6 million. The project contributes to ensuring sustainability of the groundwater resource by using recycled water for open-space irrigation, commercial uses and aquifer recharge.

## **Busselton Water Corporation**

### **Expenses**

#### ***Re-cashflow – Commonwealth Funding – Busselton Water Supply Improvement (Plant 8)***

See below.

### **Asset Investment**

#### ***Re-cashflow – Commonwealth Funding – Busselton Water Supply Improvement (Plant 8)***

Busselton Water will spend \$2 million in previously approved funding from the National Water Grid Fund in 2027-28 instead of 2028-29. This project, jointly funded by the State and Commonwealth Governments, is part of moving groundwater abstraction further inland to address the threat of the existing coastal bores being affected by seawater.

## PROVISIONS

SPENDING CHANGES					Table 3.12
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	
<b>PROVISIONS</b>					
<b>Expenses</b>					
– General Government Expense Smoothing	-175.0	175.0	-	-	
– Provision for Additional National Disability Insurance Scheme Contributions	-	163.1	-	-	
– Public Sector Wages Provision	-126.2	-230.0	-330.8	-366.4	
– Provision for Yet-To-Be-Announced Decisions	-3.1	-33.0	-7.6	-	
– Asset Maintenance Fund	-	-1.2	-	-	
<b>Asset Investment</b>					
– Asset Investment Program Smoothing Provision	1,000.0	-300.0	-300.0	-400.0	
– Provision for Yet-To-Be-Announced Decisions	-23.4	-128.1	-67.4	-69.1	
– WA Health AIP Delivery Provision	-10.1	-25.0	-3.9	-	

Note: Rows may not add due to rounding.

## Expenses

### ***General Government Expense Smoothing***

The 2024-25 Mid-year Review included a \$325 million provision for yet-to-be-identified delays in the delivery of recurrent services in 2024-25, with this spending expected to be 'caught up' in 2025-26. Agency data submitted for the December 2024 *Quarterly Financial Results Report* (QFRR, due for release by 1 March 2025) indicate that recurrent spending by general government agencies is proceeding at a slightly slower pace than expected at the time of the Mid-year Review. Accordingly, this PFPS includes a further \$175 million provision for underspending in 2024-25, assumed to be caught up in 2025-26.

### ***Provision for Additional National Disability Insurance Scheme (NDIS) Contributions***

An estimated \$1 billion in Commonwealth grant funding in 2025-26 (associated with compensation from the Commonwealth's DisabilityCare Australia Fund following Western Australia's yet-to-be-finalised full transition to the NDIS) remains subject to negotiation. The Commonwealth Government has indicated that successful negotiation will be subject to the State paying outstanding NDIS contributions for forecast service delivery. The current value for the outstanding State contributions (which have been in dispute with the Commonwealth and were reported as a contingent liability in the 2023-24 *Annual Report on State Finances*) totals \$163.1 million (to the end of 2024-25), and has been reflected as a new spending provision in this PFPS.

### ***Public Sector Wages Provision***

A total of \$1.1 billion has been allocated to agencies (and disclosed earlier in this appendix) for industrial agreements settled since the 2024-25 Mid-year Review, leaving \$934 million in the provision for future settlements up to 2027-28.

### ***Provision for Yet-To-Be-Announced Decisions***

The 2024-25 Mid-year Review included a provision for the impact of Government decisions that were expected to be announced after that report's 23 December 2024 release. Where announcements have since been made, this provision has been reduced accordingly. Further information is reflected in the agency changes noted earlier in this appendix. In net debt terms, this provision totalled \$438.8 million in the Mid-year Review. A total of \$299.7 million of this has been allocated to agencies as part of this PFPS, leaving \$139.1 million remaining in the provision.

### ***Asset Maintenance Fund***

A \$1.2 million allocation from the Asset Maintenance Fund spending provision has been approved for urgent roof repairs to the Department of Primary Industries and Regional Development's Katanning regional office (disclosed earlier in this appendix).

### ***Asset Investment***

#### ***Asset Investment Program Smoothing Provision***

Agency data submitted for inclusion in the December 2024 QFRR indicate that investment in infrastructure is proceeding faster than expected, and it is therefore likely that underspending will be lower than the \$3 billion underspend provision reflected in the Mid-year Review. This PFPS includes a \$1 billion reduction in the 2024-25 underspend provision. This change is net debt neutral over the forward estimates period, with an equivalent adjustment to the underspending profile reflected across the three outyears.

#### ***WA Health AIP Delivery Provision***

A \$135.1 million asset investment provision was included in the Mid-year Review for the management of emerging cost pressures and to support the delivery of a range of existing infrastructure projects in the health sector. An allocation of \$39 million has since been approved for the Fitzroy Crossing Renal Clinic Expansion project (\$3.3 million) and the Laverton Hospital Development project (\$35.6 million), detailed earlier in this appendix.

# **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 \$12.6 billion cash overdraft position at 30 June 2025, compared to the \$12.1 billion cash deficit balance projected in the 2024-25 Mid-year Review. This largely reflects the change in expected timing of receipt of the DisabilityCare Australia Fund grant from the Commonwealth (now projected to be received in 2025-26), partly offset by higher than estimated tax and royalty receipts in 2024-25. The cash deficit position is expected to increase in 2025-26 before declining to a projected \$10.7 billion by 30 June 2028. This reflects the impact on the Consolidated Account of both revenue and spending forecasts detailed elsewhere in this PFPS.

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

In line with expectations at the time of the Mid-year Review, new Consolidated Account borrowings of around \$2 billion are expected across the forward estimates period, with borrowings projected to stand at \$24.9 billion at 30 June 2028. This level of borrowings remains well below the \$34.5 billion cumulative limit approved by the *Loan Act 2017* and preceding *Loan Acts*<sup>1</sup>.

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<sup>1</sup> 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.

## 2024-25 Pre-election Financial Projections Statement

Table 4.1

### CONSOLIDATED ACCOUNT TRANSACTIONS

	2023-24	2024-25	2024-25	2025-26	2026-27	2027-28
	Actual	Mid-year	PFPS	Outyear	Outyear	Outyear
	\$m	Revision	Revision	\$m	\$m	\$m
<b>REVENUE</b>						
<i>Operating Activities</i>						
Taxation	11,024	12,318	12,378	12,608	12,291	12,268
Commonwealth Grants	8,300	11,434	10,567	10,687	9,897	9,799
Government Enterprises	1,036	2,458	2,458	2,515	2,695	2,903
Royalty receipts	12,006	9,734	10,132	7,815	7,559	7,428
Other receipts from agencies	1,713	1,956	1,971	2,022	2,104	2,144
Other	550	511	511	487	469	505
<i>Total Operating Activities</i>	<b>34,629</b>	<b>38,411</b>	<b>38,016</b>	<b>36,134</b>	<b>35,016</b>	<b>35,048</b>
<i>Financing Activities</i>						
Transfers from the Debt Reduction Account	-	-	-	-	-	-
Borrowings	-	-	-	250	500	1,250
Public Bank Account Interest Earned Account	100	-	-	-	-	-
Other Receipts	21	1	1	- <sup>(a)</sup>	-	-
<i>Total Financing Activities</i>	<b>121</b>	<b>1</b>	<b>1</b>	<b>250</b>	<b>500</b>	<b>1,250</b>
<b>TOTAL REVENUE</b>	<b>34,751</b>	<b>38,411</b>	<b>38,017</b>	<b>36,385</b>	<b>35,516</b>	<b>36,298</b>
<b>EXPENDITURE</b>						
<i>Recurrent</i>						
Authorised by Other Statutes	2,782	3,118	3,120	3,261	3,437	3,607
Appropriation Act (No. 1)	26,909	30,211	30,205	29,928	29,379	29,570
Recurrent Expenditure under the Treasurer's Advance <sup>(b)</sup>	2,258	1,966	1,980	-	-	-
<i>Total Recurrent Expenditure</i>	<b>31,950</b>	<b>35,296</b>	<b>35,305</b>	<b>33,189</b>	<b>32,817</b>	<b>33,177</b>
<i>Investing Activities</i>						
Authorised by Other Statutes	438	404	404	316	259	277
Appropriation Act (No. 2)	5,941	8,406	8,436	6,605	3,257	2,123
Investing Expenditure under the Treasurer's Advance <sup>(b)</sup>	230	507	507	-	-	-
<i>Total Investing Activities</i>	<b>6,609</b>	<b>9,317</b>	<b>9,347</b>	<b>6,921</b>	<b>3,516</b>	<b>2,399</b>
<i>Financing Activities</i>						
Funding for loan repayments (through the Debt Reduction Account)	-	-	-	-	-	-
Appropriation Act (No. 2)	-	-	-	-	-	-
Other financing	18	-	-	-	-	-
<i>Total Financing Activities</i>	<b>18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURE</b>	<b>38,577</b>	<b>44,612</b>	<b>44,652</b>	<b>40,110</b>	<b>36,333</b>	<b>35,576</b>
<b>NET MOVEMENT (REVENUE LESS EXPENDITURE)</b>	<b>-3,827</b>	<b>-6,201</b>	<b>-6,635</b>	<b>-3,725</b>	<b>-817</b>	<b>722</b>
<b>Consolidated Account Balance</b>						
Opening balance at 1 July	-23,976	-27,803	-27,803	-34,437	-38,162	-38,979
Closing balance at 30 June	-27,803	-34,004	-34,437	-38,162	-38,979	-38,257
<i>Of which:</i>						
Appropriations payable	-20,111	-21,866	-21,865	-23,763	-25,682	-27,600
Cash balance at 30 June	-7,692	-12,138	-12,573	-14,399	-13,297	-10,657
<b>Memorandum item: Consolidated Account Borrowings at 30 June</b>	<b>22,887</b>	<b>22,887</b>	<b>22,887</b>	<b>23,137</b>	<b>23,637</b>	<b>24,887</b>

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

(b) Additional expenditure authorised under the Treasurer's Advance is charged to the Consolidated Account and appropriated accordingly under section 27(3) of the *Financial Management Act 2006* (FMA).

Note: Columns may not add due to rounding.

## The Treasurer's Advance

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.

The total amount forecast to be drawn against recoverable advances, excesses and new items in 2024-25 is \$2,507.1 million. This exceeds the \$1,080.8 million limit for 2024-25 authorised by the FMA<sup>2</sup>. Accordingly, a Treasurer's Advance Authorisation Bill to extend the limit will need to be introduced and debated as a priority issue when the Parliament resumes after the March election.

The \$2,507.1 million forecast for 2024-25 compares with the \$2,493.4 million projection at the time of the 2024-25 Mid-year Review. The \$13.8 million increase reflects a small number of new excesses (outlined later in this appendix).

The following table shows the projected position of the Treasurer's Advance at 30 June 2025.

**TREASURER'S ADVANCE AS AT 30 JUNE**

Table 4.2

	2023-24 Actual <sup>(a)</sup>	2024-25 Projection <sup>(b)</sup>
	\$m	\$m
<b>AUTHORISED LIMIT</b>	<b>3,209.9</b>	<b>1,080.8</b>
<i>Total projected to be drawn against Treasurer's Advance authorisation</i>	2,514.7	2,507.1
Comprising		
Net recoverable advances as at 30 June	26.2	20.0
Overdrawn Special Purpose Accounts	-	-
Excesses and New Items		
- recurrent	2,258.4	1,980.2
- capital	230.1	506.9

(a) The original \$909.9 million authority for 2023-24 was increased by \$2,300 million by the passage of the *Treasurer's Advance Authorisation Act 2024*.

(b) Detailed disclosure of the final audited outcome for 2024-25 will be available in the 2024-25 *Annual Report on State Finances*, due to be released by 28 September 2025.

Note: Columns may not add due to rounding.

<sup>2</sup> Section 29 of the FMA authorises the Treasurer's Advance limit to be equivalent to 3% of the total amount appropriated for the previous year by the Appropriation Acts. For 2024-25, the \$1,080.8 million limit represents 3% of the total \$36 billion appropriated by Appropriation Bills 1 and 2 in the 2023-24 Budget.

**Transfers, Excesses and New Items**

Table 4.3 details excesses and/or new items that are projected to occur during 2024-25 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 2024-25. 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 2025.



## 2024-25 TRANSFERS, EXCESSES AND NEW ITEMS

Table 4.3

Item	Treasurer's Advance					Revised Appropriation Limit \$m	Drawn against Treasurer's Advance to date <sup>(b)</sup> \$m
	Budget \$m	Transfers <sup>(a)</sup> \$m	New Items \$m	Approved Excesses \$m			
Recurrent Appropriations							
Legislative Council							
Item 1: Delivery of Services	6.0	0.2	-	0.1	6.2	-	
Legislative Assembly							
Item 2: Delivery of Services	5.8	0.2	-	0.1	6.2	-	
Parliamentary Services							
Item 3: Delivery of Services	23.7	0.4	-	0.4	24.5	-	
Parliamentary Commissioner for Administrative Investigations							
Item 4: Delivery of Services	12.3	0.3	-	-	12.6	-	
Premier and Cabinet							
Item 5: Delivery of Services	181.2	3.4	-	14.6	199.2	-	
Item 6: Administered Grants, Subsidies and Other Transfer Payments	260.2	-	-	149.1	409.3	74.7	
Public Sector Commission							
Item 7: Delivery of Services	29.5	0.6	-	-	30.1	-	
Western Australian Electoral Commission							
Item 9: Delivery of Services	38.7	0.4	-	4.0	43.0	-	
Salaries and Allowances Tribunal							
Item 10: Delivery of Services	1.1	-(c)	-	-	1.1	-	
Commissioner for Children and Young People							
Item 11: Delivery of Services	3.0	-0.1	-	-	2.9	-	
Office of the Information Commissioner							
Item 12: Delivery of Services	3.0	0.1	-	-	3.0	-	
Registrar, Western Australian Industrial Relations Commission							
Item 13: Delivery of Services	9.8	0.1	-	-	10.0	-	
Treasury							
Item 14: Delivery of Services	61.4	1.3	-	0.6	63.3	-	
Item 15: Bunbury Water Corporation	6.0	-	-	-(c)	6.0	-	
Item 16: Busselton Water Corporation	4.3	-	-	0.1	4.4	-	
Item 17: Electricity Generation and Retail Corporation (Synergy)	831.1	-	-	378.5	1,209.5	40.5	
Item 19: Public Transport Authority of Western Australia	1,283.9	5.0	-	67.3	1,356.2	-	
Item 20: Regional Power Corporation (Horizon Power)	29.3	-	-	28.7	58.0	9.4	
Item 21: Water Corporation	681.4	-	-	9.4	690.7	-	
Item 27: Department of Transport	14.0	-6.6	-	-	7.4	-	
Item 29: Department of Local Government, Sport and Cultural Industries	25.0	-17.5	-	-	7.5	-	
Item 36: Provision for METRONET High Wycombe Community Hub	12.5	-3.0	-	-	9.5	-	
Item 37: Provision for Government Wages Policy	585.4	-562.3	-	167.0	190.1	-	
Item 38: Provision for Wages Policy Outcomes not yet Finalised	0.8	-0.2	-	-	0.6	-	
Item 41: State Property - Emergency Services Levy	21.7	-	-	1.4	23.1	-	
Item 42: WA Health	27.8	-	-	11.7	39.5	-	
Item 43: All Other Grants, Subsidies and Transfer Payments	14.6	-	-	7.0	21.6	-	
Note: Columns/rows may not add due to rounding.							

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

## 2024-25 Pre-election Financial Projections Statement

Table 4.3 (cont.)

### 2024-25 TRANSFERS, EXCESSES AND NEW ITEMS

Item	Treasurer's Advance					Drawn against Treasurer's Advance to date <sup>(b)</sup>
	Budget \$m	Transfers <sup>(a)</sup> \$m	New Items \$m	Approved Excesses \$m	Revised Appropriation Limit \$m	
Treasury (cont.)						
New Item: Gold Corporation	-	-	4.3	-	4.3	-
New Item: DevelopmentWA	-	-	10.3	-	10.3	-
New item: Mid West Ports Authority	-	-	2.6	-	2.6	-
New item: Southern Ports Authority	-	-	1.9	-	1.9	-
Office of the Auditor General						
Item 44: Delivery of Services	13.9	0.8	-	0.1	14.8	-
Finance						
Item 45: Delivery of Services	217.8	3.4	-	-	221.3	-
Jobs, Tourism, Science and Innovation						
Item 47: Delivery of Services	364.3	3.3	-	-	367.7	-
Item 48: Administered Grants, Subsidies and Other Transfer Payments	14.3	-	-	59.7	74.0	-
Primary Industries and Regional Development						
Item 49: Delivery of Services	266.3	6.1	-	38.2	310.6	-
Energy, Mines, Industry Regulation and Safety						
Item 51: Delivery of Services	220.8	3.8	-	5.7	230.3	-
Item 52: Administered Grants, Subsidies and Other Transfer Payments	126.8	0.1	-	-	126.8	-
Small Business Development Corporation						
Item 53: Delivery of Services	17.3	0.3	-	0.3	17.9	-
Economic Regulation Authority						
Item 55: Delivery of Services	3.0	0.1	-	-	3.0	-
Infrastructure WA						
Item 56: Delivery of Services	5.5	0.1	-	-	5.6	-
WA Health						
Item 57: Delivery of Services	7,261.6	112.0	-	370.1	7,743.7	-
Mental Health Commission						
Item 58: Delivery of Services	1,033.5	11.1	-	53.5	1,098.1	-
Item 59: Mental Health Advocacy Service	7.1	0.1	-	1.1	8.3	-
Item 60: Mental Health Tribunal	3.9	┘ <sup>(c)</sup>	-	-	3.9	-
Item 61: Office of the Chief Psychiatrist	5.0	0.1	-	-	5.1	-
Health and Disability Services Complaints Office						
Item 62: Delivery of Services	3.7	0.1	-	┘ <sup>(c)</sup>	3.8	-
Education						
Item 63: Delivery of Services	5,174.5	253.1	-	-	5,427.6	-
Item 64: Administered Grants, Subsidies and Other Transfer Payments	498.0	-	-	6.0	504.0	-
Training and Workforce Development						
Item 65: Delivery of Services	536.7	26.3	-	42.0	605.0	-
Western Australia Police Force						
Item 66: Delivery of Services	1,728.4	43.9	-	53.2	1,825.4	-
Justice						
Item 68: Delivery of Services	1,581.0	27.2	-	107.0	1,715.2	-
State Solicitor's Office						
Item 69: Delivery of Services	42.0	1.2	-	-	43.3	-

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

## 2024-25 TRANSFERS, EXCESSES AND NEW ITEMS

Table 4.3 (cont.)

Item	Budget \$m	Transfers <sup>(a)</sup> \$m	New Items \$m	Treasurer's Advance		Revised Appropriation Limit \$m	Drawn against Treasurer's Advance to date <sup>(b)</sup> \$m
				Approved Excesses \$m			
Fire and Emergency Services							
Item 70: Delivery of Services	121.0	2.2	-	5.7		128.9	-
Office of the Director of Public Prosecutions							
Item 72: Delivery of Services	58.7	1.5	-	0.1		60.3	-
Corruption and Crime Commission							
Item 73: Delivery of Services	33.2	0.6	-	0.6		34.3	-
Chemistry Centre (WA)							
Item 74: Delivery of Services	9.4	0.5	-	-		9.9	-
Office of the Inspector of Custodial Services							
Item 75: Delivery of Services	3.7	0.1	-	-		3.7	-
Parliamentary Inspector of the Corruption and Crime Commission							
Item 76: Delivery of Services	0.5	-(c)	-	-		0.5	-
Communities							
Item 77: Delivery of Services	1,643.9	17.0	-	274.1		1,935.0	-
Item 78: Administered Grants, Subsidies and Other Transfer Payments	1,265.4	-	-	37.8		1,303.2	-
Local Government, Sport and Cultural Industries							
Item 79: Delivery of Services	299.5	19.3	-	-		318.8	-
Item 80: Administered Grants, Subsidies and Other Transfer Payments	61.6	-(c)	-	9.8		71.4	-
Item 81: Art Gallery of Western Australia	10.4	0.1	-	-		10.5	-
Item 82: Arts and Culture Trust	15.6	0.5	-	3.9		19.9	-
Item 84: Library Board of Western Australia	29.3	0.3	-	-		29.6	-
Item 85: Western Australian Museum	41.0	0.5	-	3.2		44.8	-
Western Australian Sports Centre Trust							
Item 86: Delivery of Services	111.9	2.5	-	3.4		117.7	-
Transport							
Item 87: Delivery of Services	120.1	12.5	-	25.1		157.7	-
Water and Environmental Regulation							
Item 90: Delivery of Services	132.0	3.3	-	2.7		138.0	-
Biodiversity, Conservation and Attractions							
Item 91: Delivery of Services	390.6	6.2	-	-		396.8	-
Planning, Lands and Heritage							
Item 92: Delivery of Services	207.5	6.4	-	17.6		231.6	-
Western Australian Land Information Authority							
Item 94: Delivery of Services	48.7	1.8	-	0.3		50.8	-
National Trust of Australia (WA)							
Item 96: Delivery of Services	3.9	0.1	-	-		4.0	-
<b>Total Recurrent</b>		-	19.0	1,961.2			124.6

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

## 2024-25 Pre-election Financial Projections Statement

Table 4.3 (cont.)

### 2024-25 TRANSFERS, EXCESSES AND NEW ITEMS

Item	Treasurer's Advance					Revised Appropriation Limit \$m	Drawn against Treasurer's Advance to date <sup>(b)</sup> \$m
	Budget	Transfers <sup>(a)</sup>	New Items	Excesses			
	\$m	\$m	\$m	\$m			
Capital Appropriations							
Legislative Assembly							
Item 98: Capital Appropriation	_(c)	-	-	_(c)	_(c)	-	
Premier and Cabinet							
Item 101: Capital Appropriation	2.3	-	-	0.8	3.1	-	
Western Australian Electoral Commission							
Item 104: Capital Appropriation	0.4	-	-	_(c)	0.4	-	
Treasury							
Item 107: Capital Appropriation	0.5	-	-	_(c)	0.5	-	
Item 108: Department of Biodiversity, Conservation and Attractions	12.6	-12.3	-	-	0.3	-	
Item 109: Department of Communities	16.4	-3.4	-	-	13.0	-	
Item 110: Department of Education	11.1	-3.1	-	-	8.0	-	
Item 113: Electricity Generation and Retail Corporation (Synergy)	1,073.8	-	-	91.2	1,165.0	-	
Item 114: Electricity Networks Corporation (Western Power)	145.5	-	-	63.5	209.0	-	
Item 118: Provision for Aluminium Composite Panel Cladding	41.7	-3.7	-	-	38.0	-	
Item 123: WA Health	67.2	-	-	34.4	101.6	-	
Item 124: Water Corporation	59.8	-	-	34.3	94.0	-	
Item 125: Western Australian Land Authority (DevelopmentWA)	17.8	-	-	22.6	40.4	22.6	
Office of the Auditor General							
Item 131: Capital Appropriation	0.3	-	-	0.2	0.5	-	
Finance							
Item 132: Capital Appropriation	28.8	-	-	2.3	31.1	-	
Jobs, Tourism, Science and Innovation							
Item 133: Capital Appropriation	2.3	-	-	30.0	32.3	-	
Primary Industries and Regional Development							
Item 134: Capital Appropriation	66.7	-	-	75.0	141.7	-	
Energy, Mines, Industry Regulation and Safety							
Item 135: Capital Appropriation	2.0	-	-	0.1	2.1	-	
WA Health							
Item 138: Capital Appropriation	478.4	3.7	-	-	482.1	-	
Education							
Item 141: Capital Appropriation	513.1	3.1	-	-	516.2	-	
Western Australia Police Force							
Item 143: Capital Appropriation	130.7	-	-	43.0	173.8	-	
Justice							
Item 144: Capital Appropriation	148.6	-	-	24.3	172.8	-	
Office of the Director of Public Prosecutions							
Item 147: Capital Appropriation	0.8	-	-	0.1	0.9	-	
Chemistry Centre (WA)							
Item 149: Capital Appropriation	4.2	-	-	4.0	8.2	-	

Note: Columns may not add due to rounding.

## 2024-25 TRANSFERS, EXCESSES AND NEW ITEMS

Table 4.3 (cont.)

Item	Treasurer's Advance				Revised Appropriation Limit \$m	Drawn against Treasurer's Advance to date <sup>(b)</sup> \$m
	Budget \$m	Transfers <sup>(a)</sup> \$m	New Items \$m	Excesses \$m		
Communities Item 150: Capital Appropriation	248.9	3.4	-	9.9	262.2	-
Local Government, Sport and Cultural Industries Item 151: Capital Appropriation	138.1	-	-	70.1	208.3	-
Biodiversity, Conservation and Attractions Item 159: Capital Appropriation	150.1	12.3	-	-	162.4	-
Planning, Lands and Heritage Item 160: Capital Appropriation	7.3	-	-	1.0	8.3	-
<b>Total Capital</b>		-	-	<b>506.9</b>		<b>22.6</b>
<b>TOTAL</b>		-	<b>19.0</b>	<b>2,468.1</b>		<b>147.2</b>

(a) Authorised under section 25 of the FMA.

(b) *Pre-election Financial Projections Statement* cut-off date, 1 February 2025.

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

Note: Columns may not add due to rounding.

## Transfers

Section 25 of the FMA allows appropriation originally allocated in the 2024-25 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 between the 2024-25 Budget and the 2 December 2024 cut-off date for the 2024-25 Mid-year Review are detailed in Appendix 4 of the Mid-year Review. Transfers approved since the Mid-year Review cut-off date include:

- \$126.2 million from the Provision for Government Wages Policy (administered by Treasury) to various agencies to meet the costs of industrial agreements finalised since the Mid-year Review (see following table);

Table 4.4

**2024-25 PROVISION FOR GOVERNMENT WAGES POLICY**

		Transfer from Appropriation Item 37
Item	Agency	\$m
5	Premier and Cabinet	_(a)
57	WA Health	41.0
58	Mental Health Commission	4.4
63	Department of Education	22.0
65	Training and Workforce Development	_(a)
66	Western Australia Police Force	37.0
68	Justice	11.2
70	Fire and Emergency Services	_(a)
73	Corruption and Crime Commission	0.6
77	Communities	_(a)
79	Local Government, Sport and Cultural Industries	0.1
82	Arts and Culture Trust	0.2
89	Commissioner of Main Roads	9.4
91	Biodiversity, Conservation and Attractions	0.2
92	Planning, Lands and Heritage	_(a)
<b>TOTAL</b>		<b>126.2</b>

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

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

- \$17.5 million from the appropriation administered by Treasury for the Department of Local Government, Sport and Cultural Industries released to the agency to meet costs associated with the delivery of the Western Australian Cricket Association Ground Improvement Project; and
- \$1.6 million from the appropriation administered by Treasury for the Department of Education released to the agency to fund commencement of construction of the second stage of Piara Waters Senior High School, which will provide additional accommodation for Years 11 and 12 and specialist facilities for students with disability.

## Excess and New Items

The following section outlines instances where there have been updates to excesses and/or new appropriation items approved since the 2024-25 Mid-year Review.

### ***Premier and Cabinet***

Item 5: **Delivery of Services** (\$14.6 million) – in addition to the \$13.4 million outlined in the Mid-year Review, a further \$800,000 has been allocated to Celebrate WA to support the planned 2025 WA Day program of events, and \$432,000 to the Murujuga Aboriginal Corporation to enable it to strengthen its organisational capacity to effectively engage with stakeholders.

### ***Primary Industries and Regional Development***

Item 49: **Delivery of Services** (\$38.2 million) – in addition to the Mid-year Review increase of \$35.9 million, a further \$2.3 million has been allocated to support farmers' markets (\$1 million), boost biosecurity response capability related to High Pathogenicity Avian Influenza (\$701,000), and to further support the RSPCA WA to deliver animal care and service delivery activities (\$584,000).

### ***WA Health***

Item 57: **Delivery of Services** (\$370.1 million) – in addition to the \$367.7 million outlined in the Mid-year Review, an additional \$2.4 million has been allocated to commence a new hospital discharge pathway trial for older patients awaiting aged care placement.

### ***Training and Workforce Development***

Item 65: **Delivery of Services** (\$42 million) – in addition to the \$39.9 million supplementation detailed in the Mid-year Review, a further \$2.1 million has been approved to support the establishment of a Defence Centre of Excellence at the South Metropolitan TAFE.

### ***Western Australia Police Force***

Item 66: **Delivery of Services** (\$53.2 million) – in addition to the \$51.1 million increase reflected in the Mid-year Review, a further \$2.1 million has been allocated to the development of an offender reporting portal in support of the *Community Protection (Offender Reporting) Act 2024*.

### ***Communities***

Item 77: **Delivery of Services** (\$274.1 million) – in addition to the \$273.1 million outlined in the Mid-year Review, an additional \$1.1 million has been allocated to support a range of community service initiatives, including responding to homelessness/rough sleeping and cost of living measures.

### ***Transport***

Item 87: **Delivery of Services** (\$25.1 million) – in addition to the approved increase of \$22.5 million reflected in the Mid-year Review, a further \$2.6 million has been allocated as an allowance for contract payments that are expected to emerge during late 2024-25.

