

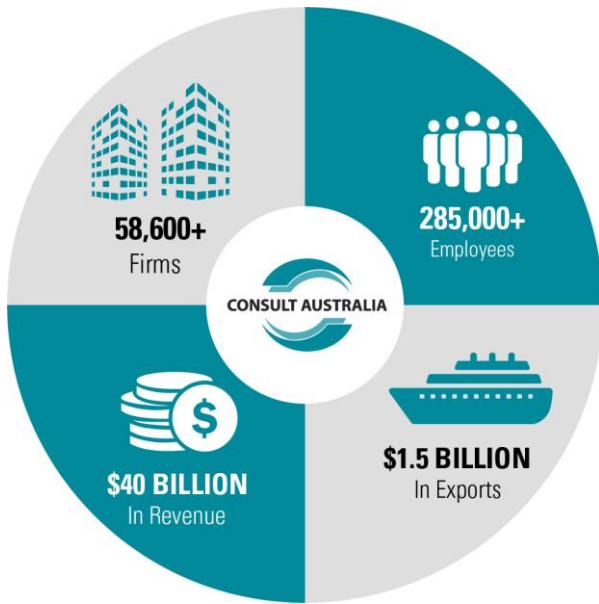


MAY 2022 WA Budget Summary (2022-23)

Consult Australia

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ABOUT US

Consult Australia is the industry association representing consulting businesses in design, advisory and engineering, an industry comprised of over 58,600 businesses across Australia. This includes some of Australia’s top 500 companies and many small businesses (97%). Our members provide solutions for individual consumers through to major companies in the private sector and across all tiers of government. Our industry directly employs over 285,000 people in architectural, engineering and technical services and many more in advisory and business support. It is also a job creator for the Australian economy, the services we provide unlock many more jobs across the construction industry and the broader community.

Our members include:



A full membership list is available at: <https://www.consultaustralia.com.au/home/about-us/members>

KEY ECONOMIC ANNOUNCEMENTS

Economic forecast

WA's State Budget focuses on creating more jobs, investing in health and infrastructure as well as further strengthening and diversifying WA's economy to support sustainable long-term growth.

The domestic economy is forecasted to grow by 4%, with an operating surplus estimated at \$1.6 billion in 2022-23. Net debt is forecasted to decline to be \$29.9 billion as of 30 June 2022. While government revenue is forecasted to total \$38.5 billion, expenses is estimated to total \$36.8 billion. The Gross State Product (GSP) is estimated to grow by 2% with growth anticipated to ease, reflecting the moderation of construction work on residential dwellings and private and public sector stabilising at high levels.

Unemployment rate is estimated to remain very low averaging 3.75% from 2022-23, which is the lowest since 2008-09. Additional 28,900 people are expected to be employed in 2022-23.

The 2022-23 Budget initiatives comprises of the following:

- address cost of living pressures by providing a \$400 Household Electricity Credit to all households from July 2022
- invest a record \$2.5 billion in the State's health and mental health systems
- provide a further \$1.6 billion to respond to COVID-19, increasing the Government's total response to \$11.2 billion
- invest a further \$1.3 billion in the diversification of the State's economy, including key sectors like tourism, defence and international education
- boost the Climate Action Fund by a further \$500 million to a total of \$1.25 billion
- pay down \$1.2 billion of existing debt

SUPPORT FOR SMALLER AND MEDIUM-SIZED BUSINESS

The Government will deliver a range of measures to support WA businesses including:

- \$4.5 million to support small and medium businesses to strengthen their local capability and competitiveness as suppliers of products, services and works to the Government and other major projects
- \$0.8 million for Tenant Rent relief Scheme, the Landlord Rent Relief Incentive and the Small Business Hardship Grants Program under the COVID-19 Business Assistance Packages.

FUTURE PIPELINE OF INVESTMENTS

Education

The Government will continue to invest in education by investing in:

- \$595 million in new and upgraded school facilities including the upgrade and expansion of public schools
- \$54.6 million increase in support for students with disabilities and additional learning needs
- \$42.5 million for COVID-19 measures in schools to ensure continued learning in line with public health advice including maintaining mask and personal protective equipment supplies and Rapid Antigen Test distribution and
- \$41.2 million will be invested in measures to accelerate recovery of the international education sector including increased marketing and student incentives.

Health

The WA Government will invest \$2.5 billion to support health and mental health initiatives including:

- \$1.6 billion to boost WA's COVID-19 pandemic response and recovery measures which includes \$635 million to secure Rapid Antigen Tests and run the WA Free RAT Program and \$537 million for COVID-19 testing and monitoring, medical equipment, contact tracing, hotel quarantine and vaccination roll out
- \$223.4 million investment in health infrastructure projects including Geraldton Health Campus Redevelopment project, Medical and Imaging Replacement Program, Digital Medical records, Aluminium Composite Panel remediation and 10-bed unit to upgrade the intensive care unit (ICU) at Sir Charles Gairdner Hospital. This is in addition to the \$1.8 billion for new Women and Babies Hospital
- \$251.7 million in measures to improve emergency care and address the system causes of ambulance ramping
- \$158.3 million for health and mental health investments in the regions
- an additional \$181 million to fund new and expanded mental health services, including \$47.3 million to support immediate Infants, Children and Adolescent Taskforce recommendations
- \$22.3 million in staffing and recruitment to build the health care workforce

Housing

An additional investment of \$408 million is allocated for housing and homelessness which includes:

- \$350 million Remote Communities Fund to support improved water, electricity and municipal services, and increase availability of appropriate housing in remote Aboriginal communities
- \$19.7 million for the delivery of a Perth Aboriginal Short Stay Accommodation
- \$19.1 million for the development of new residential land in key regional locations of Karratha and Kalgoorlie
- 50 per cent land tax concession for new build-to-rent developments
- enhancing the transfer duty rebate for off-the-plan apartment purchases, to help promote more investment in high density developments, including a 100 per cent rebate for apartments valued up to \$500,000
- New Keystart pilot product aimed at supporting medium and high density living around transport hubs

Transport

Further highlights of the investment in infrastructure in the 2022-23 Budget includes:

- \$1 billion investment across METRONET projects to transform public transport network including Train Control and Signalling project, relocating the Canning Bridge Bus Interchange, removal of Morrison Road Level Crossing and Thornlie-Cockburn Link and Yanchep Rail Extension projects
- \$9 billion for major road projects and upgrades to boost local jobs and improve traffic congestion
- \$1.7 billion investment to port projects such as Geraldton Port, Lumsden Point of Port Hedland, Marine Services Hub in Broome and Esperance and Bunbury Ports to enhance greater trade opportunities, job creation and diversification across the economy
- \$347 million investment in pedestrian and cycling infrastructure including expansion of local bicycle infrastructure and continue to the Principal Shared Path Expansion Program. Funding will also deliver riding and walking facilities such as Swan River Crossing project, Mitchell Freeway projects and Tonkin Highway Extension and deliver transformational active transport projects including Causeway Pedestrian and Cyclist Bridge.

Digitalisation

The Government will invest \$400 million top up to the Digital Capability Fund to mitigate service delivery risks, and to progress digital transformation focusing on areas such as:

- ServiceWA app to support whole-of-government digital platforms
- ICT Digital Foundations Program to migrate multiple networks, grants databases and payroll functions into single systems
- implementing a new consolidated human resource management system to ensure better support to employees and compliance with legislative requirements and procurement policies
- replacing current Property Asset Management and Project Management Information systems to better support the management of housing assets and delivery of social housing services
- improving Public Transport Authority's Asset Management Information Systems to support the safe and efficient operation of public transport services
- replacement of State's land use planning ICT system to facilitate online lodgement of planning applications and provide a more contemporary approach to public engagement linked to mapping and three-dimensional imaging

SKILLS AND WORKFORCE

Training

The Government will invest \$76.5 million in training initiatives to meet skills shortages and enable Western Australians to reskill and find work in local jobs throughout the State including:

- building WA defence industry's professional and para-professional workforce which is expected to need 1,000 plus additional workers by 2027
- training to boost workforce participation and training in WA's in-demand construction industry and defence industry's workforce
- Collie Just Transition Plan which includes the establishment of a new Jobs and Skills Centre in Collie and a TAFE Transition Team to support affected employees through career and training services