



WESTERN AUSTRALIAN TREASURY CORPORATION

# Western Australian Economy and Finances

June 2025

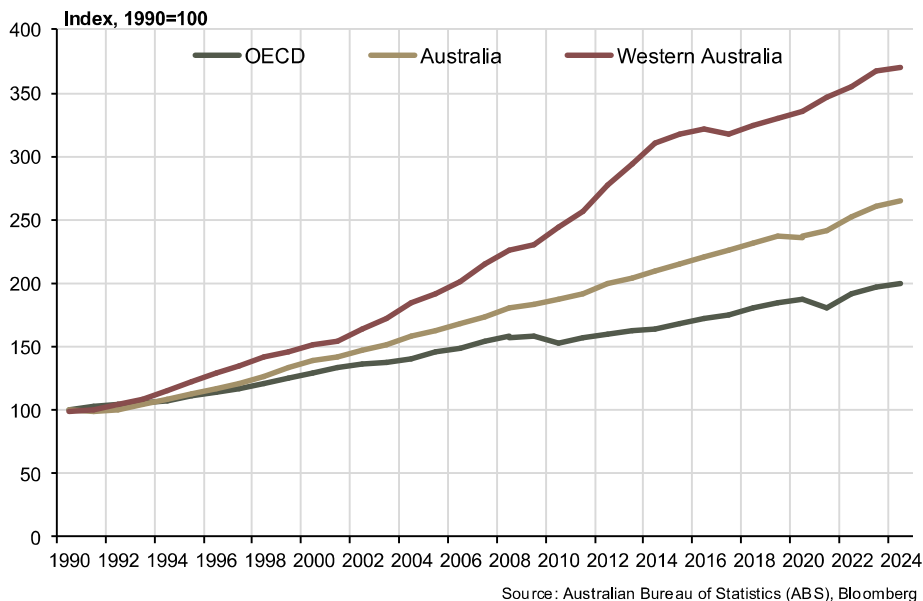
WESTERN AUSTRALIAN  
TREASURY CORPORATION

Financial Solutions  
for the Benefit of All  
Western Australians

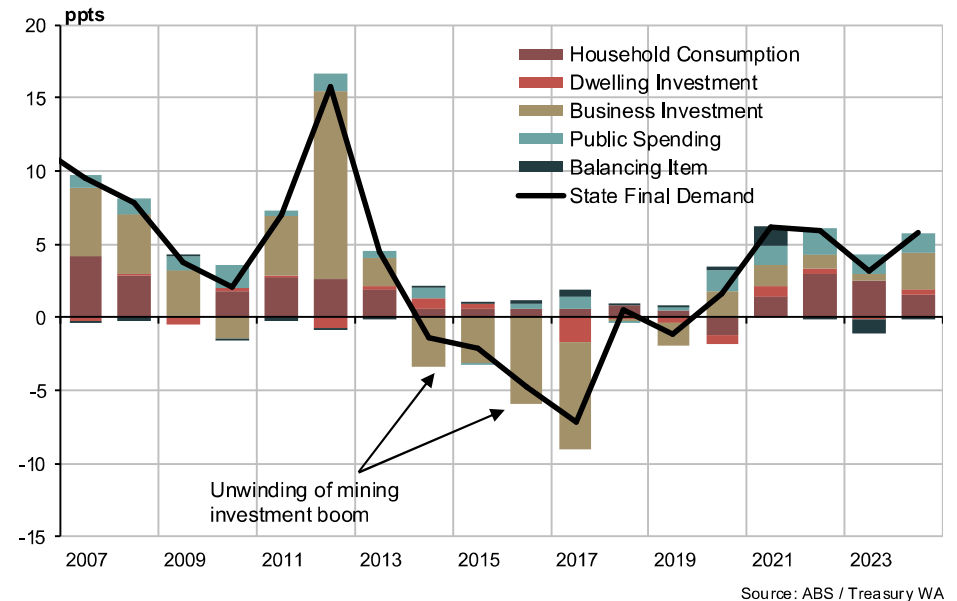
## ECONOMIC OUTPERFORMER

Export-oriented economy and increasing domestic capacity have been key to stellar performance

### Real GDP/GSP



### Real State Final Demand (Domestic) Growth

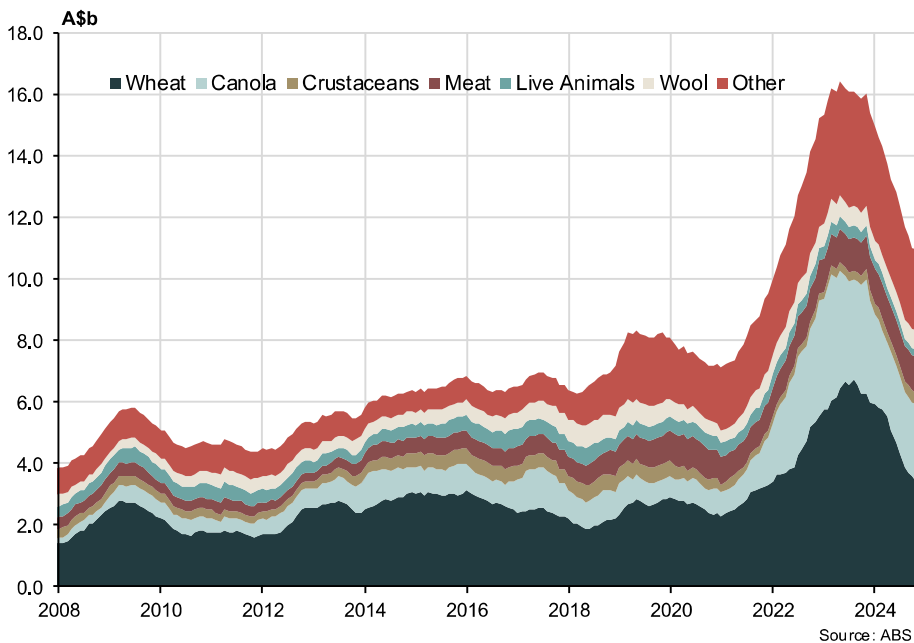


- **Domestic economy** strong, with household consumption, private business investment and public spending all adding to growth since 2021.
- **Labour market** remains very strong. WA's trend unemployment rate historically low (3.8%), while the participation rate, at 68.9% is high.
- **Population** growth has moderated to the still-solid 2.5% in the September quarter of 2024, having peaked at 3.4% a year before.

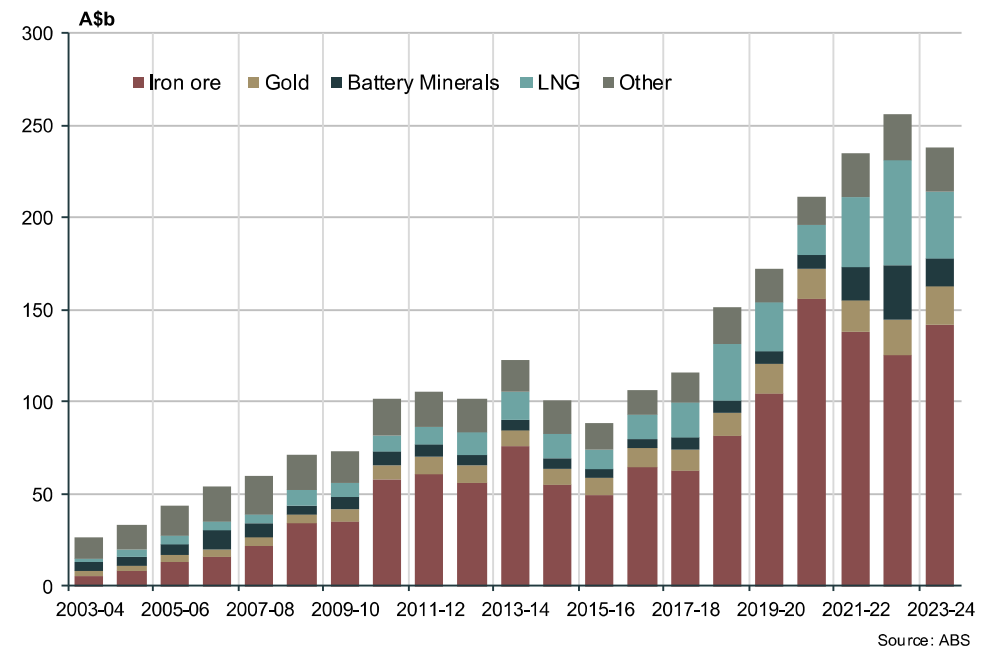
## GLOBAL CONTRIBUTOR

Western Australia benefits from high demand for its commodity exports and proximity to the world's most dynamic economies

### WA Agricultural Exports (rolling 12-month sum)



### Sales of WA Minerals and Energy Commodities



- **WA merchandise exports** are 30% higher than before the COVID-19 pandemic, and were 45% of national goods exports in 2024.
- **Commodities** exported by Western Australia help support growth and energy security in our trading partners, and remain strong in terms of volume and prices.

## LOOKING AHEAD

# Western Australia will play a vital role in enhancing energy and military security for the Asia-Pacific region

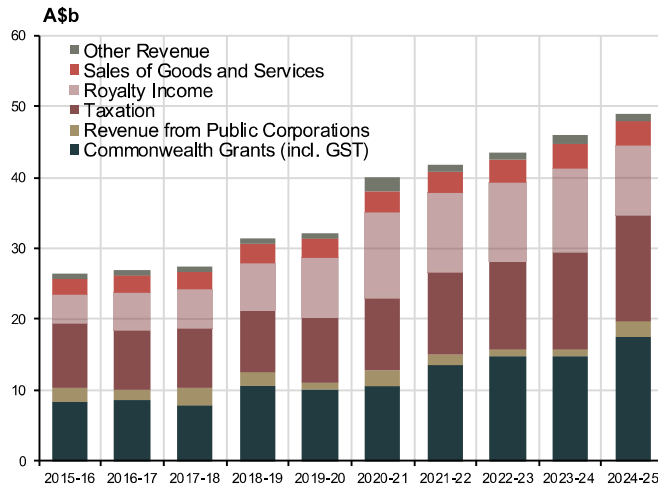
- The WA Government is **diversifying** the State's economy to respond to changing export opportunities.
- Priority to boost WA manufacturing sector, including:
  - support **critical mineral** exploration and production,
  - **downstream processing** of lithium and graphite,
  - local **battery** manufacturing,
  - local manufacturing of **wind turbines**,
  - **green iron and green steel** action plan.
- This comes on top of WA already being a **leading global supplier** of critical minerals and LNG, which will play a vital role in securing power grid stability during the energy transition process.
- Decarbonising its own energy network, with **coal generation removed** by 2030.
- The AUKUS agreement and global strategic landscape have presented WA with opportunities to include **defence industry** in the diversification plan, by:
  - establishing a defence precinct for defence shipbuilding and servicing,
  - enhancing facilities in the already existing navy bases.



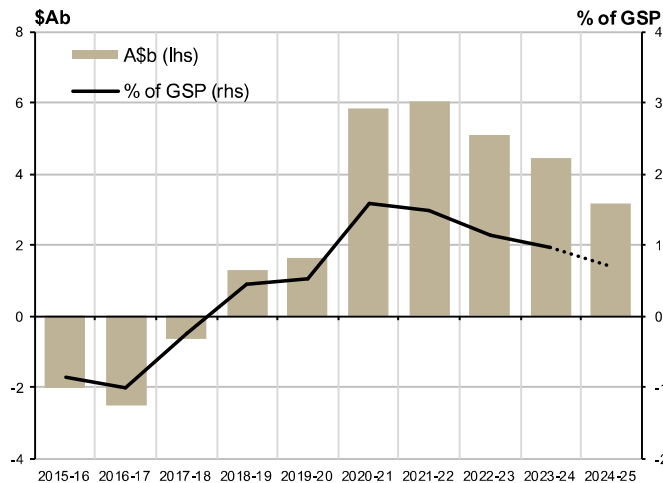
## STRONG GOVERNMENT FINANCES

The WA Government has a strong and diverse revenue base, with strong expenditure controls resulting in ongoing operating surpluses and low debt to GSP

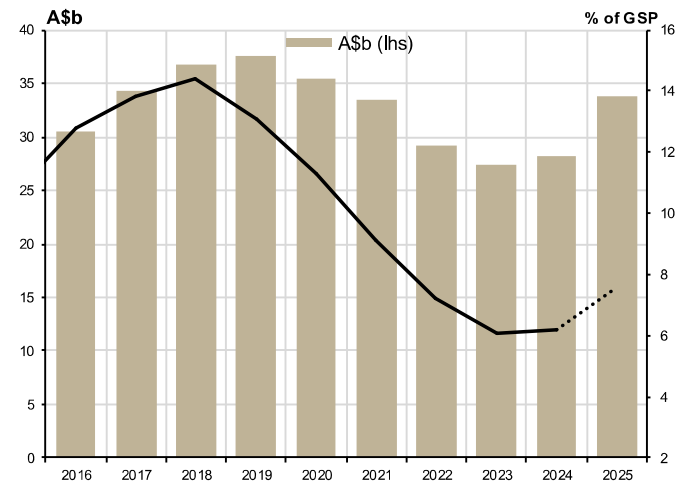
### Total General Government Revenue



### General Government Operating Balance



### Public Sector Net Debt at 30 June



Source: Treasury WA

- The WA government has a **diverse and growing** revenue base
- WA's strong revenue raising capacity means it receives a relatively low level of grants from the Commonwealth.
- WA budget has recorded **operating surpluses** in each of the past six years and a seventh is estimated for 2024-25.
- Debt to GSP is estimated to be 7.6% at 30 June 2025