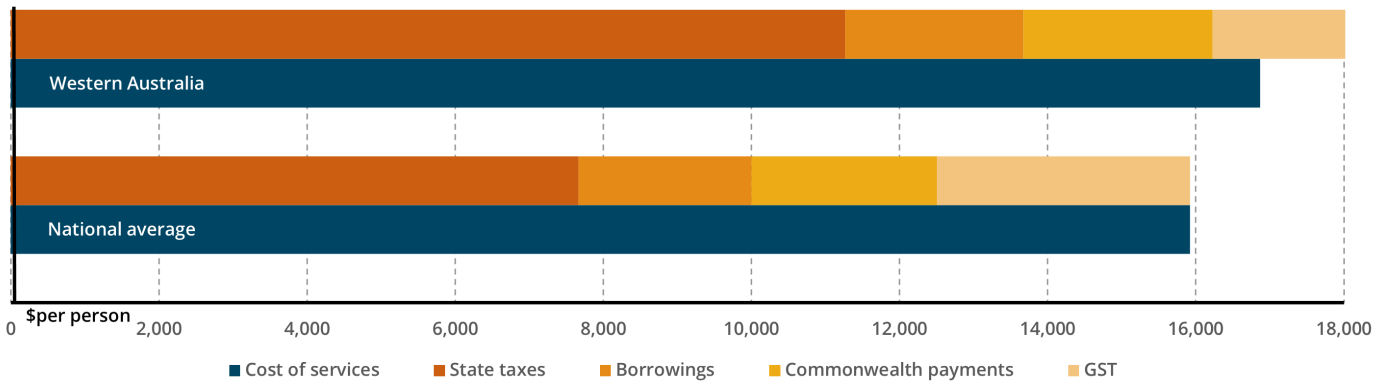




Western Australia

Western Australia will receive around \$7.8 billion in GST in 2025–26, \$395 million more than in 2024–25. The change reflects the application of the GST floor of 0.75. It also reflects changes in population and its share of the growth in the GST pool.

GST distribution in 2025–26



How Western Australia compares with other states and territories

Western Australia’s capacity to raise revenue from its own taxes is higher than the national average.



Western Australia has the highest capacity to raise revenue from mining royalties at \$4,931 per person, which is above the national average of \$1,305 per person.



Western Australia can raise \$1,918 per person from payroll tax, which is above the national average of \$1,432 per person.

The characteristics of the people living in Western Australia mean that the cost of providing government services is higher than the national average.



The Commission estimates Western Australia’s public sector wage costs pressures to be higher than the national average, making it more expensive to deliver services than in other states.



12% of Western Australia’s population live in outer regional and remote areas, where service costs are higher, compared with the national average of 10%.

Overall, the above-average revenue raising capacity of Western Australia outweighs its above-average cost of providing services. It therefore receives a per person GST distribution below the national average, equal to the floor of 0.75.

Key factors that changed Western Australia's GST needs since 2024–25



+\$1,268 million

Lower iron ore prices and higher coal prices, reduced Western Australia's relative revenue raising capacity, increasing its GST needs.



-\$330 million

An assessment of COVID-19 business support expenses was introduced in the 2025 Review. Western Australia's below-average COVID-19 business support expenses decreased its GST needs.



+\$251 million

Updated data in the 2025 Review increased the share of mining expenses assessed as regulation instead of business development, increasing Western Australia's GST needs.



-\$243 million

Introducing smoothing of wage cost estimates in the 2025 Review brought Western Australia's wage cost estimate closer to its long-term average, decreasing its GST needs.



+\$198 million

Above-average growth in population-weighted density in Perth increased Western Australia's need for urban transport investment, increasing its GST needs.



+\$196 million

Below-average growth in taxable land values, reduced Western Australia's relative revenue raising capacity and increased its GST needs.

For further information see <https://www.cgc.gov.au/reports-for-government/2025-methodology-review>