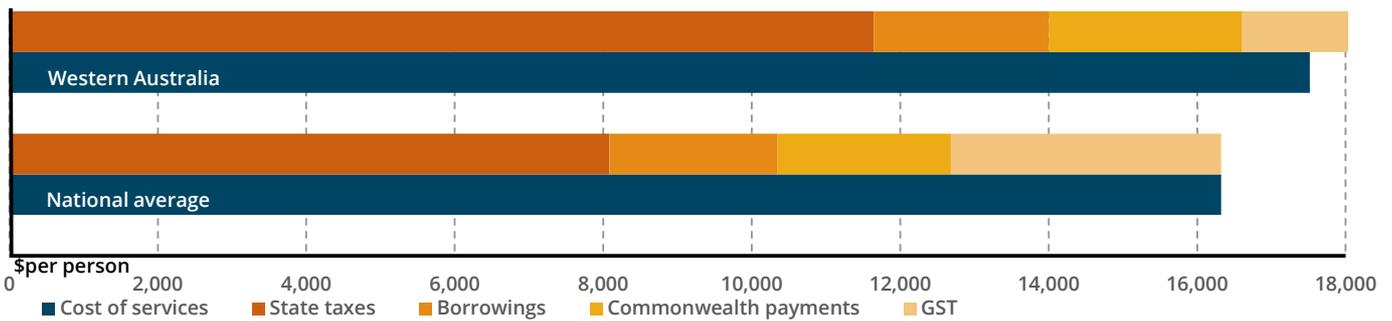




Western Australia

Western Australia will receive around \$9.3 billion in GST in 2026–27, \$1,347 million more than in 2025–26. The change reflects Western Australia’s assessed GST needs, changes in population and its share of the growth in the GST pool. It also reflects the lifting of Western Australia’s relativity to the standard state.

GST distribution in 2026–27



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 greatest ability to raise revenue from mining royalties.



Western Australia’s revenue per person from payroll tax is above the national average.

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



Western Australia’s public sector wage cost pressures are estimated to be higher than the national average, making it more expensive to deliver services than in other states.



12.3% of Western Australia’s population live in outer regional and remote areas, where service costs are higher, compared with the national average of 9.8%.

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. Legislation means that its GST relativity is equal to the standard state of New South Wales (0.82).

Key factors that changed Western Australia's GST distribution since 2025–26



+\$1,390 million

A decrease in iron ore prices reduced Western Australia's revenue raising capacity from mining royalties, increasing its GST distribution.



-\$538 million

An above-average increase in the value of property transfers in Western Australia increased its relative revenue-raising capacity, decreasing its GST distribution.



+\$365 million

Data on COVID-19 expenses from 2021–22 have fallen out of the 3 years assessed by the Commission, with expenses declining significantly in subsequent years. States with previously above-average COVID-19 expenses now have lower expenses. This decreases their GST distribution, increasing the GST distribution for other states, including Western Australia.



-\$311 million

Western Australia's above-average share of Commonwealth payments, largely for investment in rail, reduced its GST distribution.



-\$171 million

A downward revision to Western Australia's natural disaster relief expenses reduced its expenditure need, decreasing its GST distribution.



+\$160 million

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

For further information see <https://www.cgc.gov.au/reports-for-government/2026-update/>