

# Australian states and territories snapshot

April 2024



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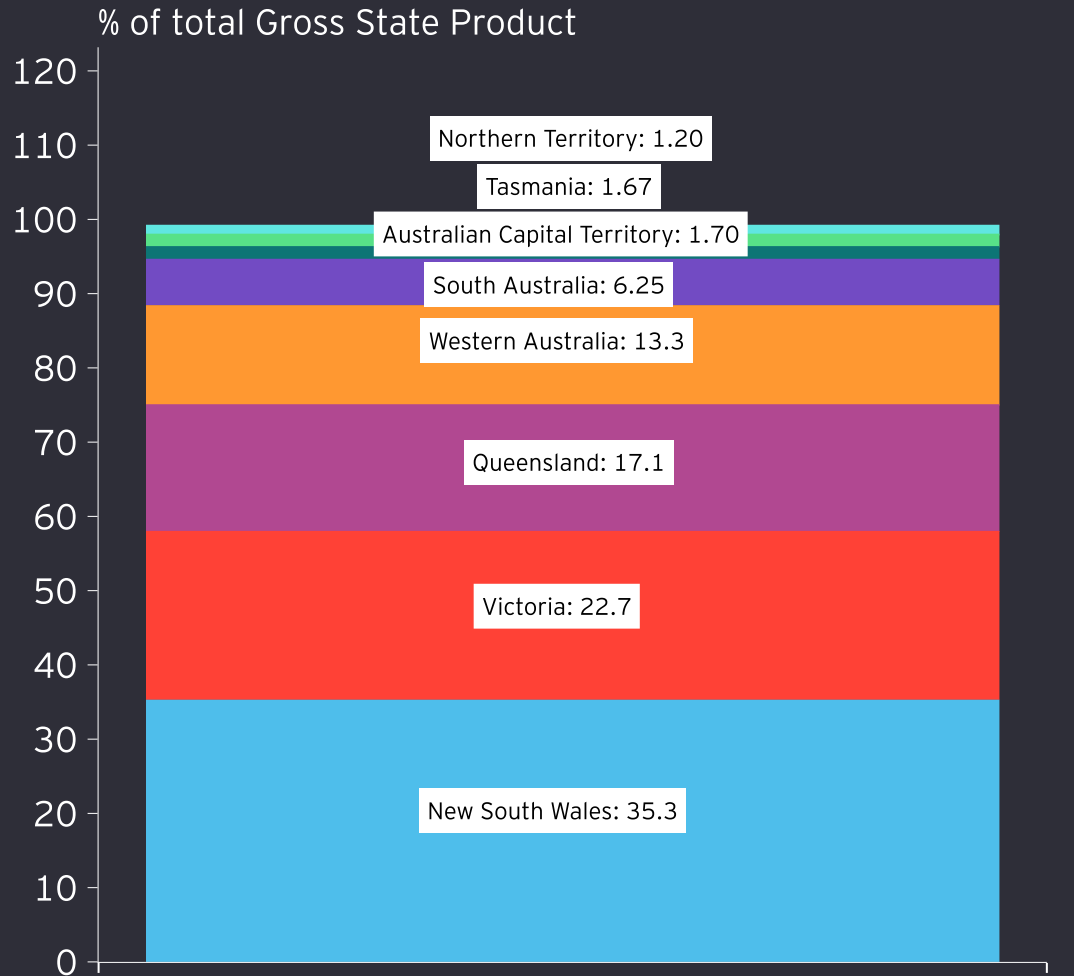
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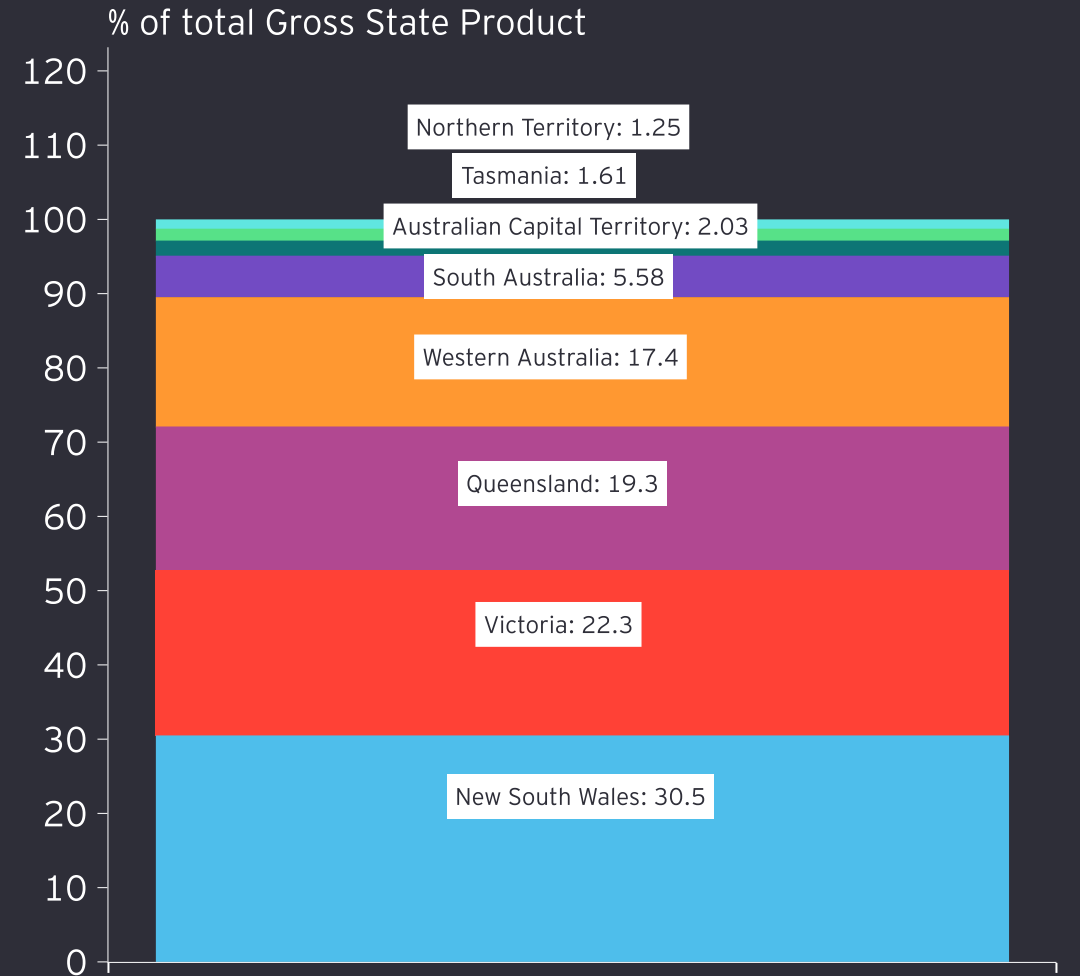
# WA and Queensland have grown their share of the national economy over the past 20 years

## FY 2000: Gross State Product by jurisdiction



Source: ABS, Macrobond, EY

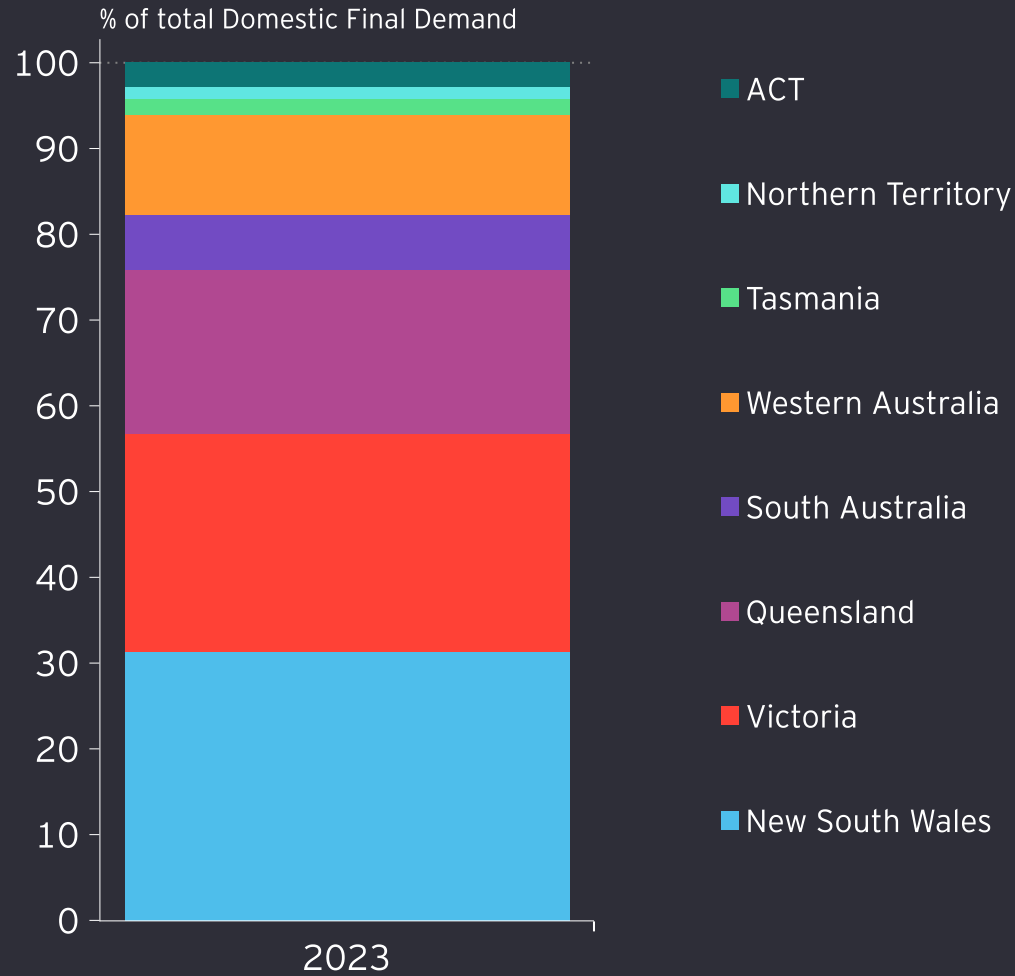
## FY 2023: Gross State Product by jurisdiction



Source: ABS, Macrobond, EY

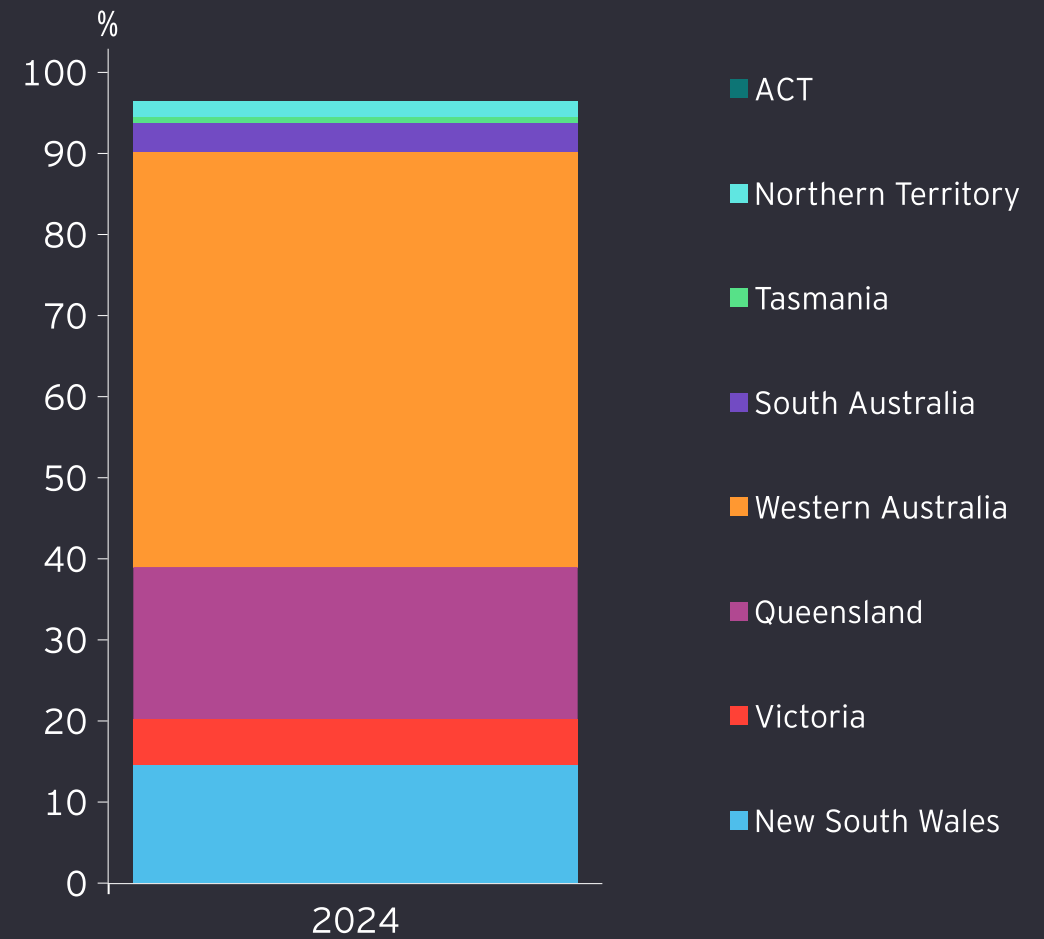
# WA continues to be the export powerhouse of the nation, making up over 50 per cent of all Australian exports

## Domestic Final Demand by jurisdiction



Source: ABS, Macrobond, EY

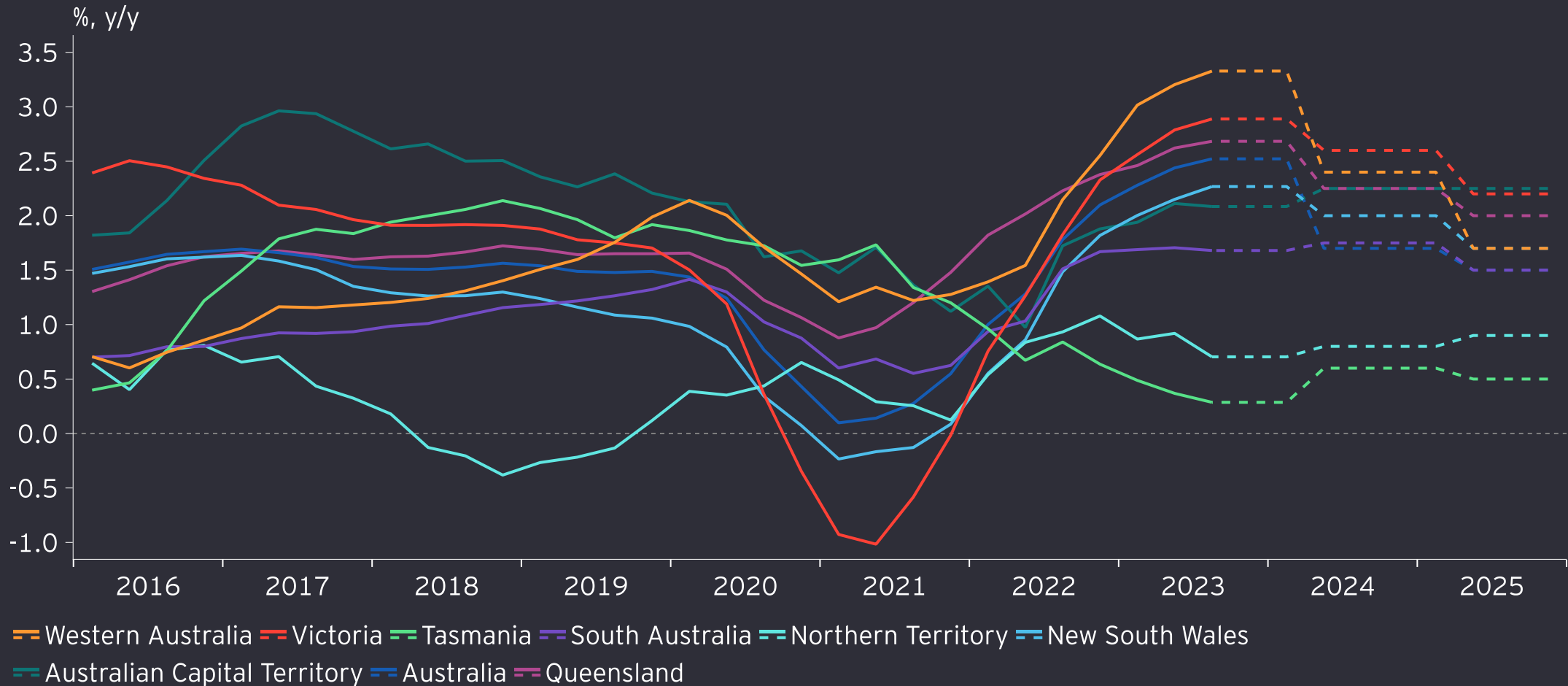
## Proportion of Australian exports by state



Source: ABS, Macrobond, EY  
\*may not add to 100% due to exclusion of re-exports

# WA is experiencing the strongest population growth, followed by Victoria after a strong bounce back out of the pandemic period

Estimated resident population, including budget update forecasts\*

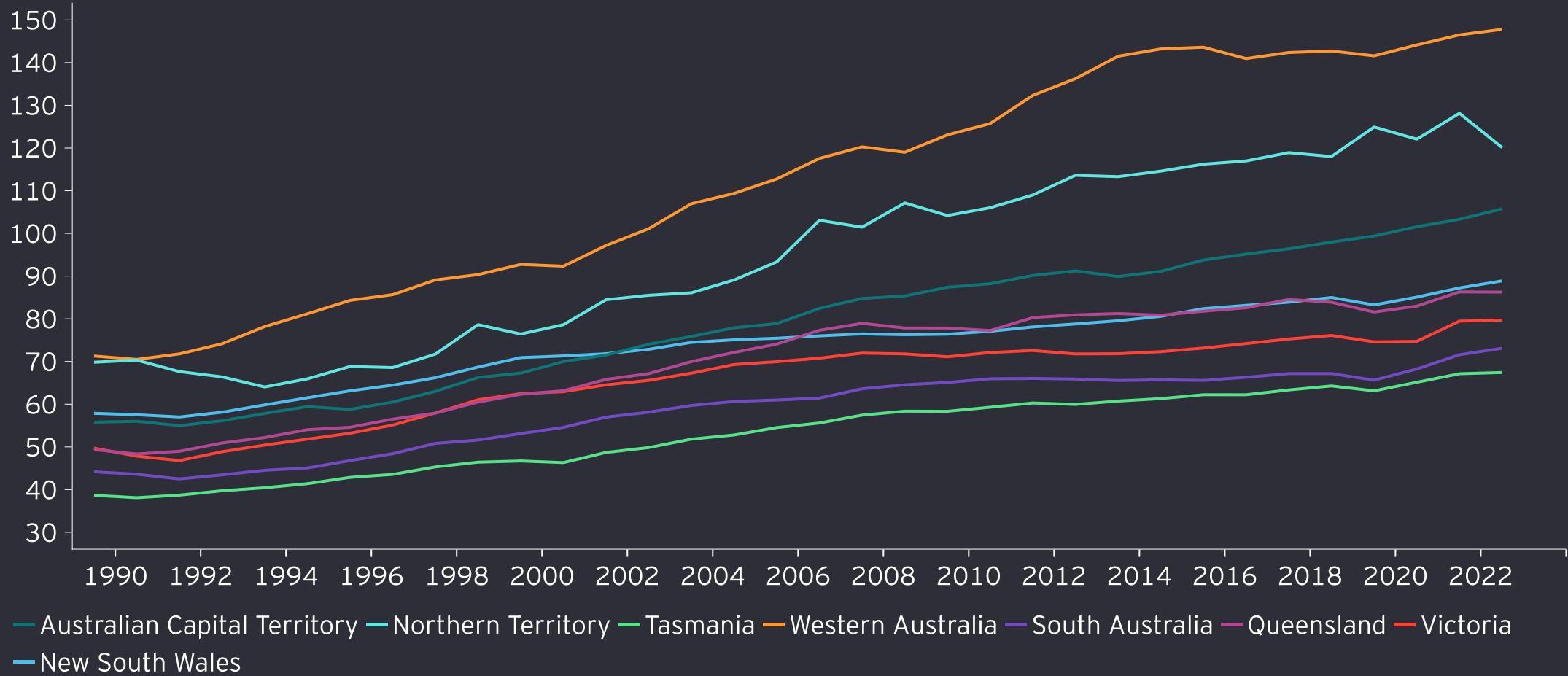


Source: ABS, Macrobond, State Budget Updates, EY

\*SA and Commonwealth forecasts from FY24 Budgets as no update available

# WA continues to have the highest GSP per capita

Gross State Product per capita  
thousand

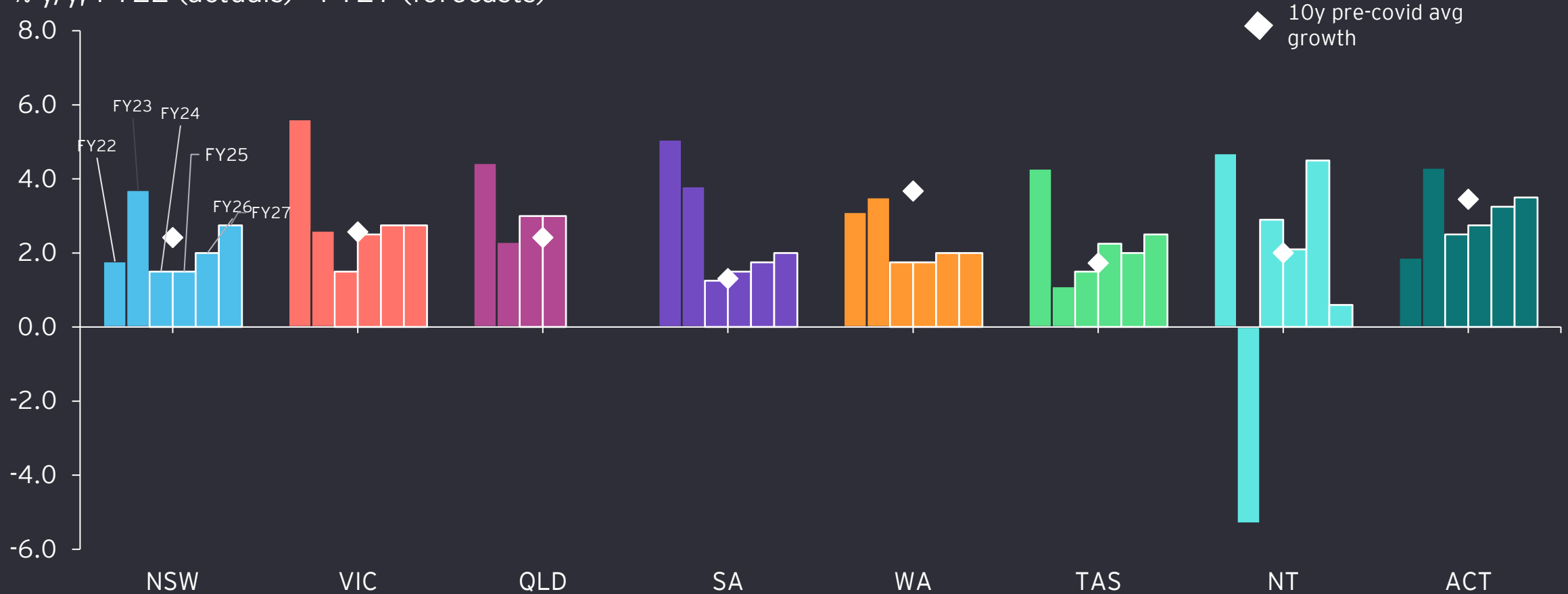


Source: ABS, Macrobond, EY

# Queensland, Tasmania and the NT are expected to grow a little stronger in FY24 compared to FY23, all others are expected to be weaker

## Gross State Product

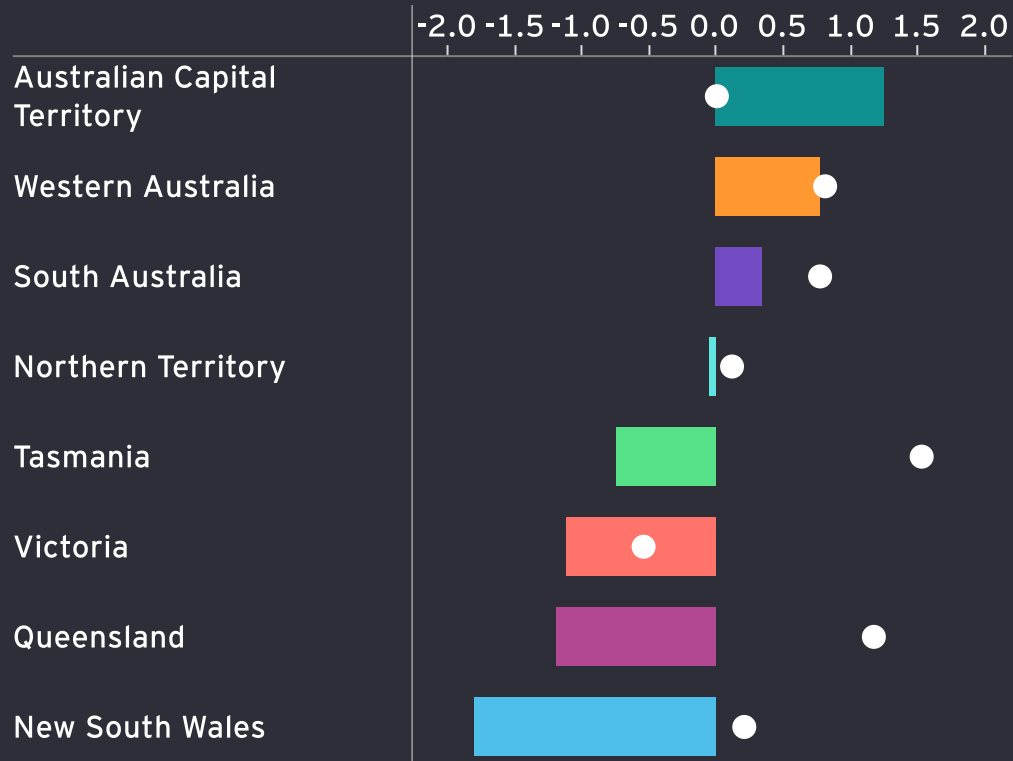
% y/y, FY22 (actuals) - FY27 (forecasts)



Source: ABS, State Mid-Year Budget Updates, EY  
 \*no forecast provided for QLD for FY26 and FY27

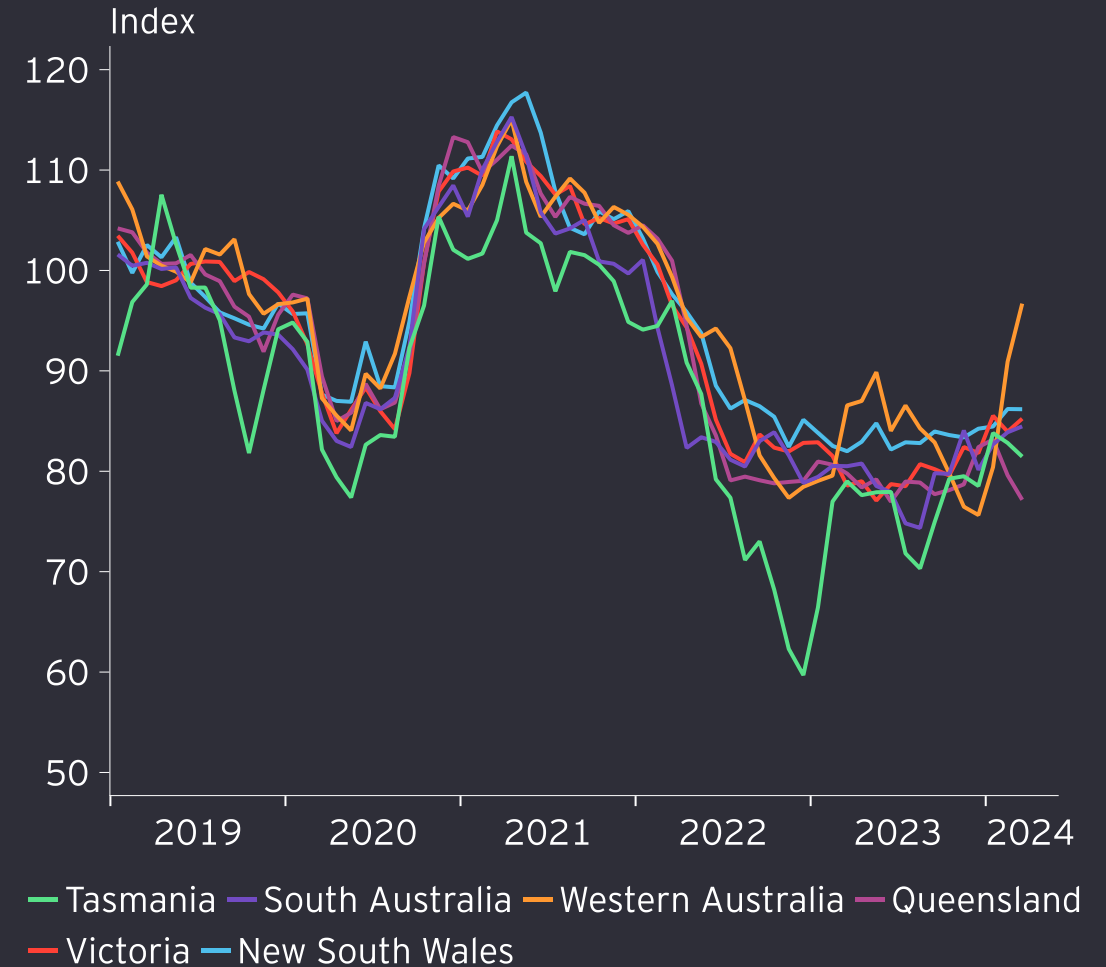
# All but Victoria saw retail trade improve in the December quarter, while consumer sentiment in WA has recovered most strongly

Retail Trade, Constant Prices; December 2023  
y/y, % (bar); q/q, % (dot)



Source: ABS, Macrobond, EY

Melbourne Institute Consumer Sentiment Index

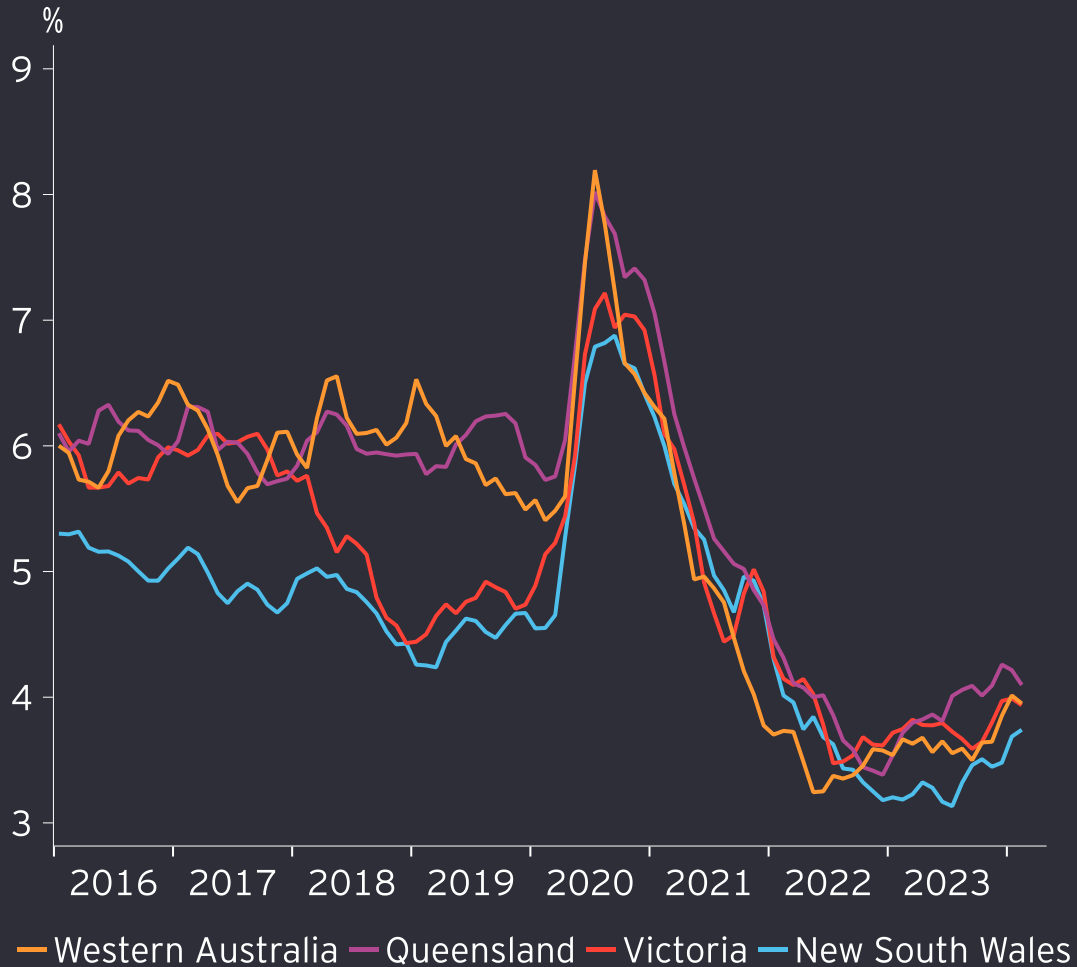


Source: Melbourne Institute, Macrobond, EY



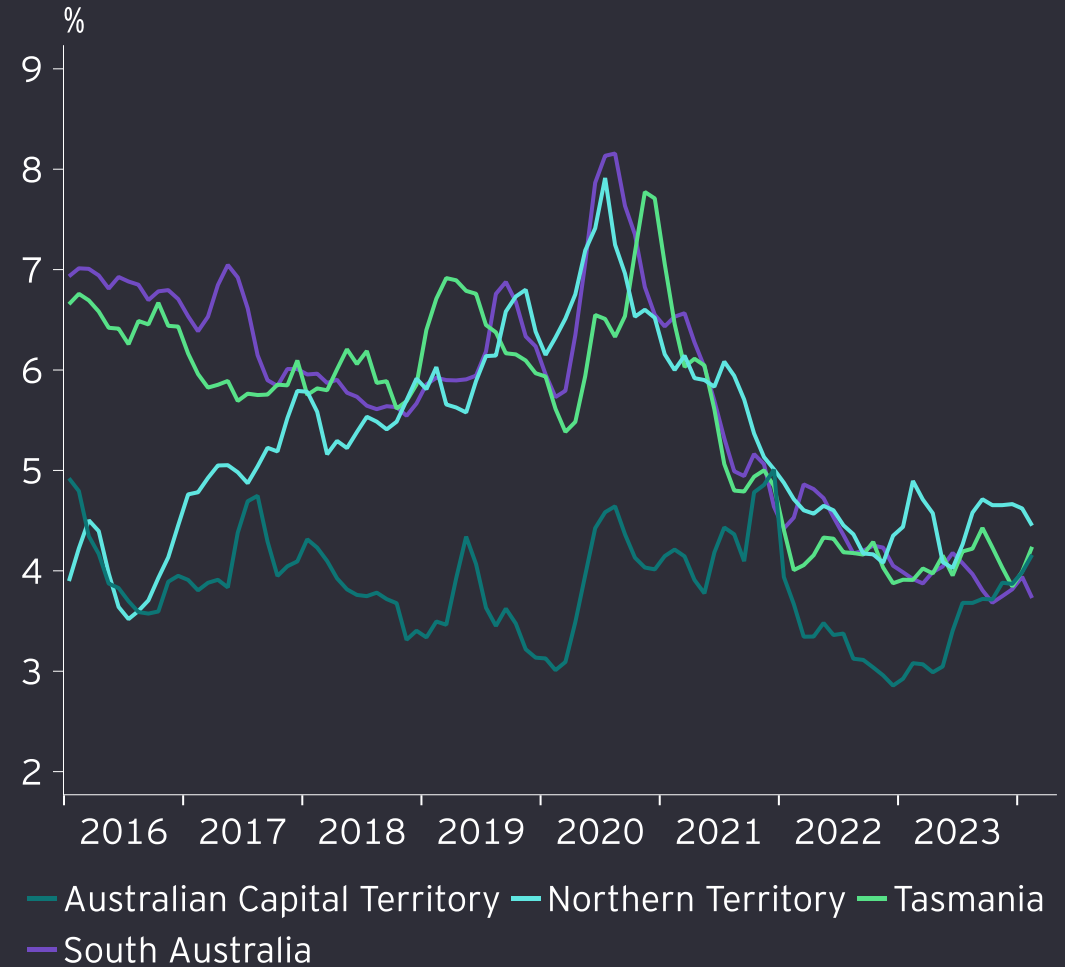
# Every state and territory has seen a small rise in unemployment, but unemployment rates remain close to record lows

Unemployment Rate, 3-month moving average



Source: ABS, Macrobond, EY

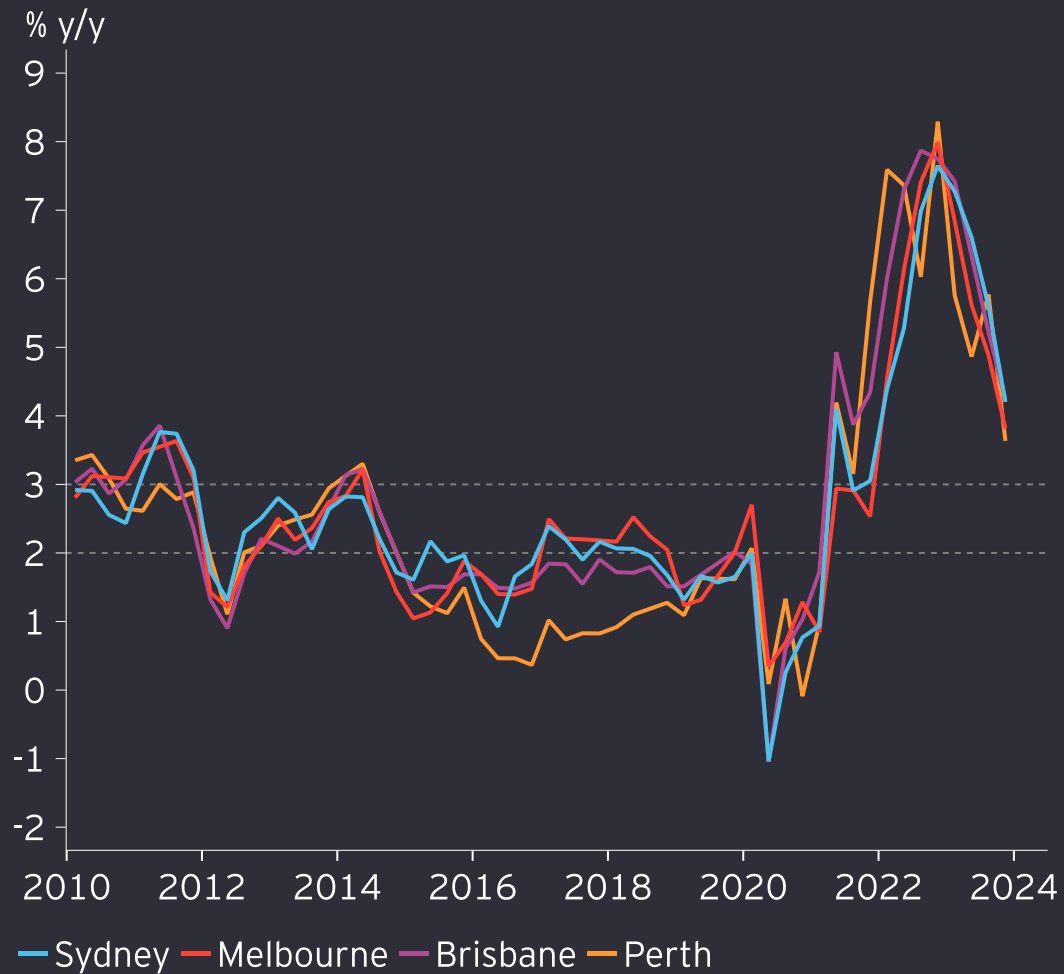
Unemployment Rate, 3-month moving average



Source: ABS, Macrobond, EY

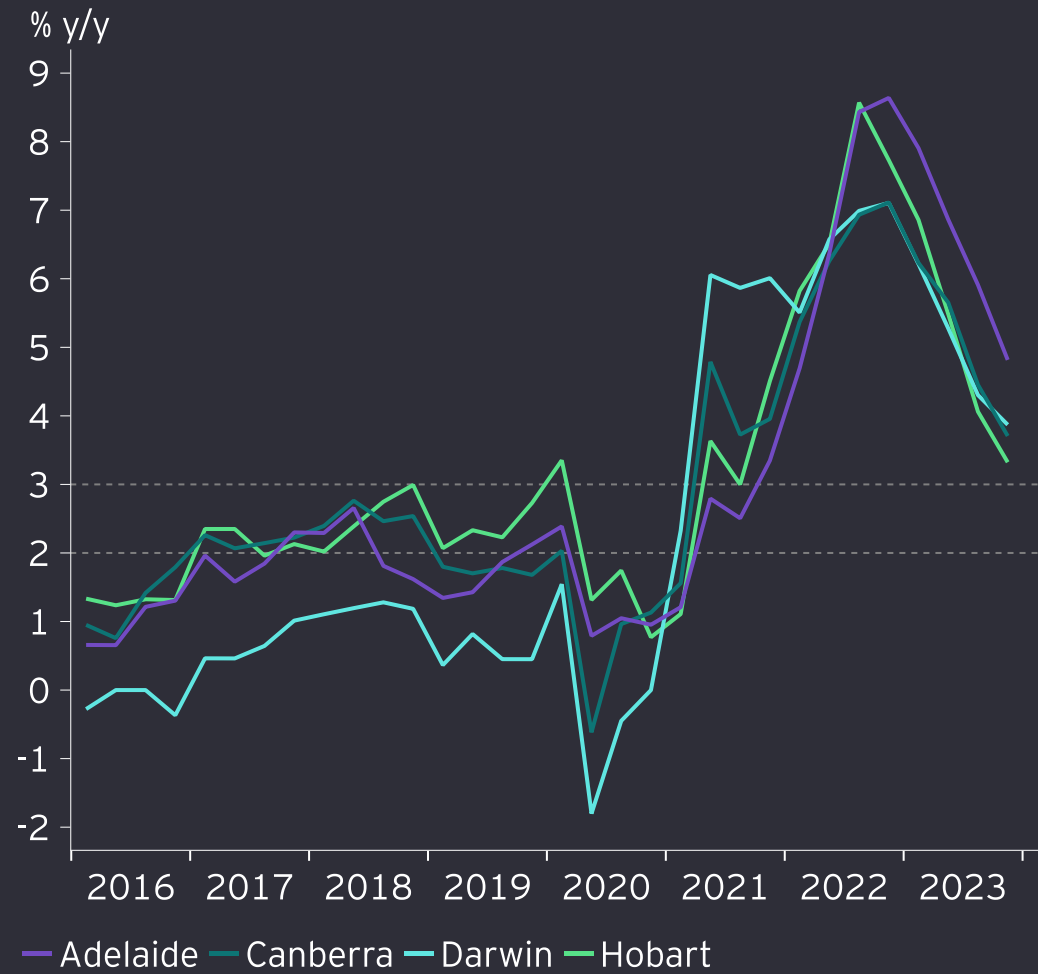
# Inflation has moderated, but it remains too high. Prices are growing fastest in Adelaide and Brisbane, while inflation in Hobart is closest to the RBA's target

Consumer Price Index



Source: ABS, Macrobond, EY

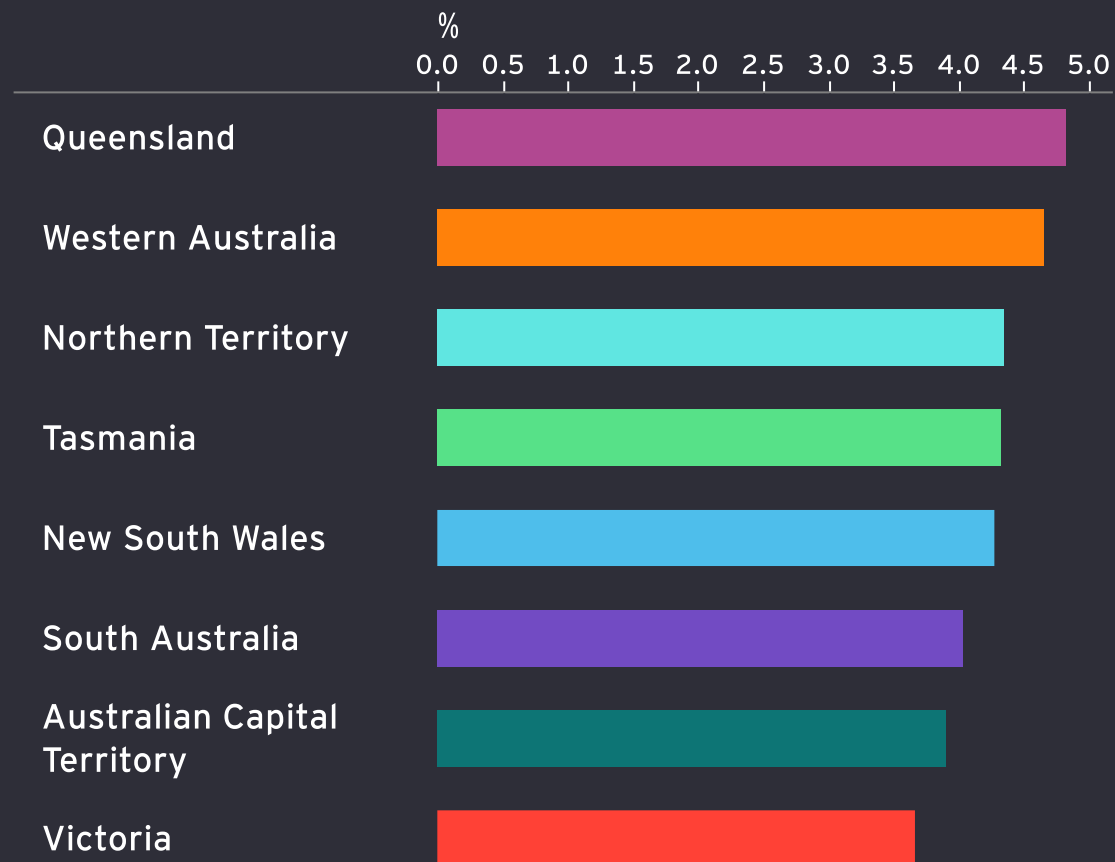
Consumer Price Index



Source: ABS, Macrobond, EY

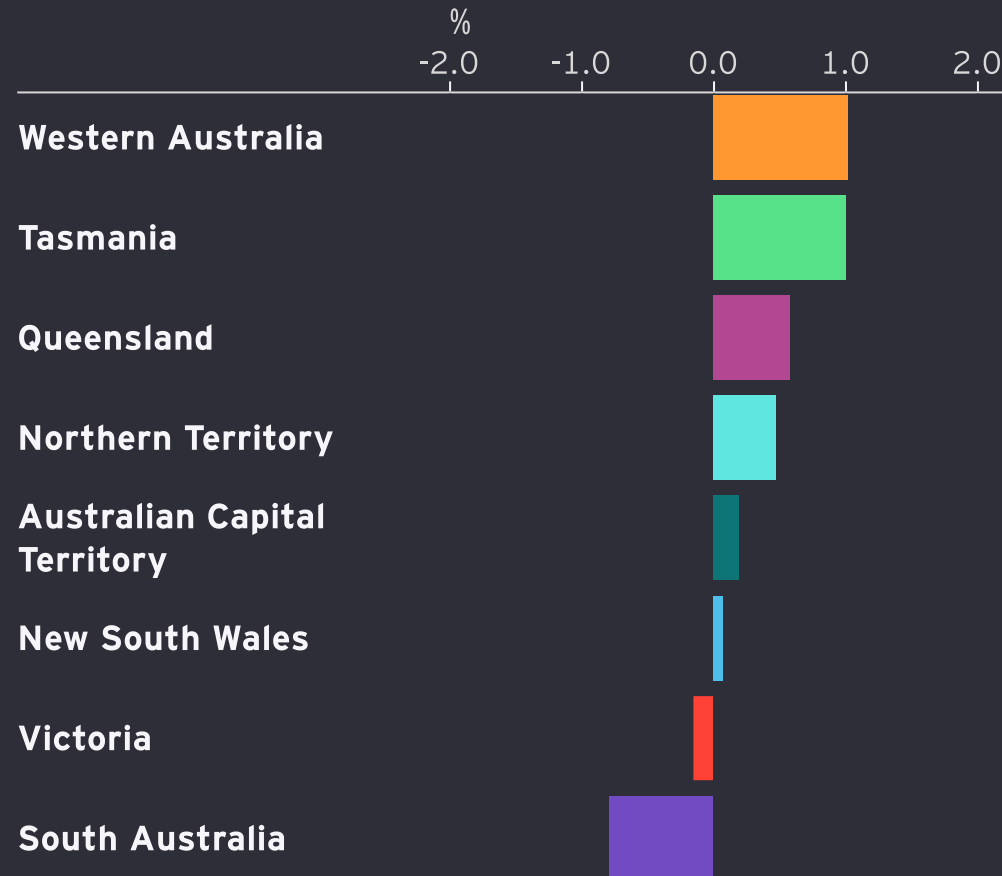
# Nominal wages rose in every state and territory in the December quarter, and real wage growth is now positive in most jurisdictions

Wage Price Index, y/y, December 2023



Source: ABS, Macrobond, EY

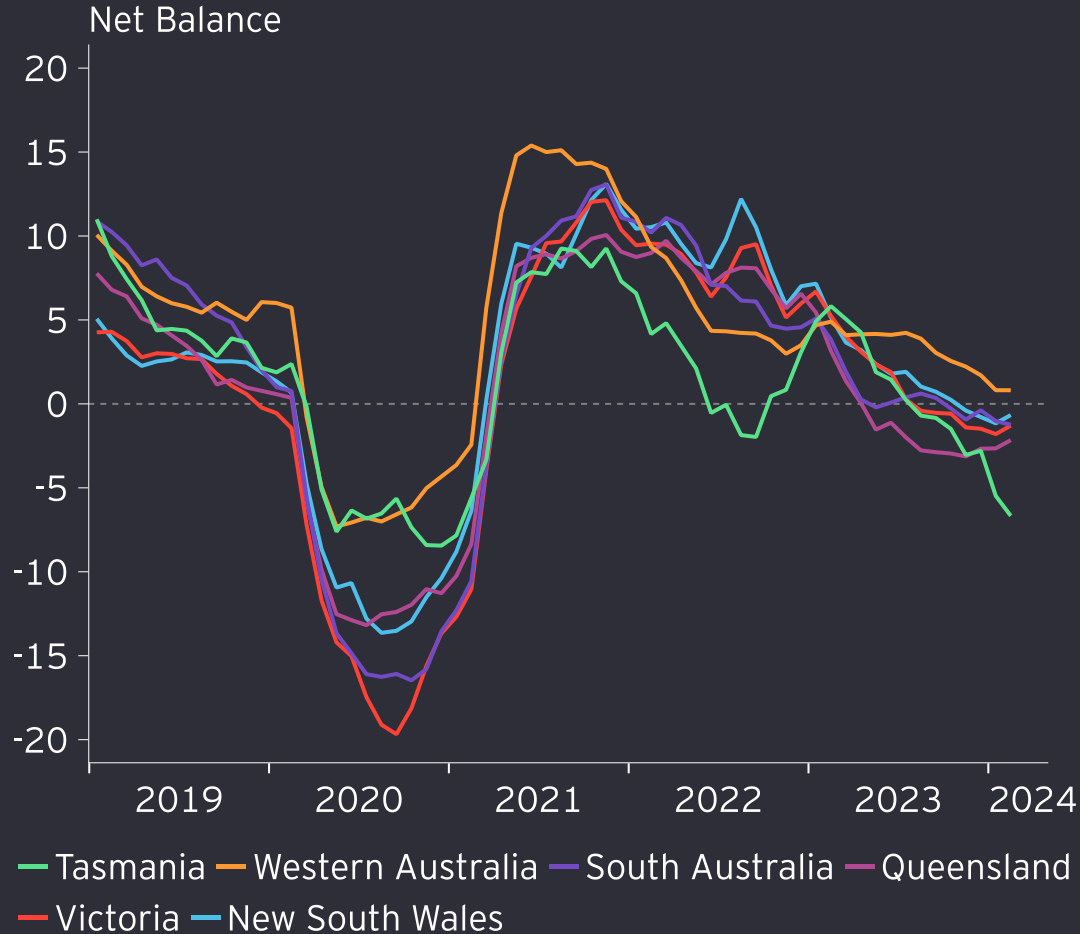
Real wages, y/y, December 2023



Source: ABS, Macrobond, EY

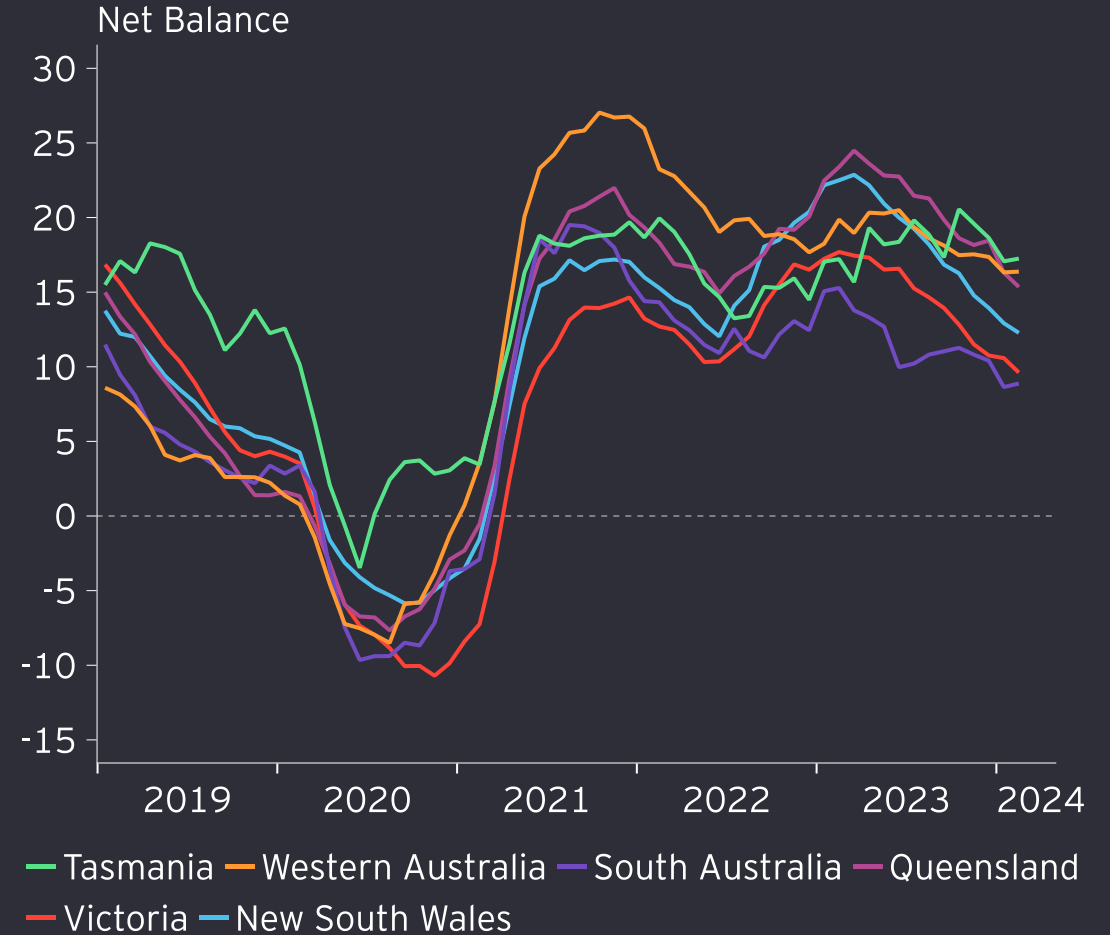
# Business conditions remain positive in all states but are lower than a year ago. Confidence has trended lower

## NAB Business Confidence



Source: NAB, Macrobond, EY  
\*1 year moving average

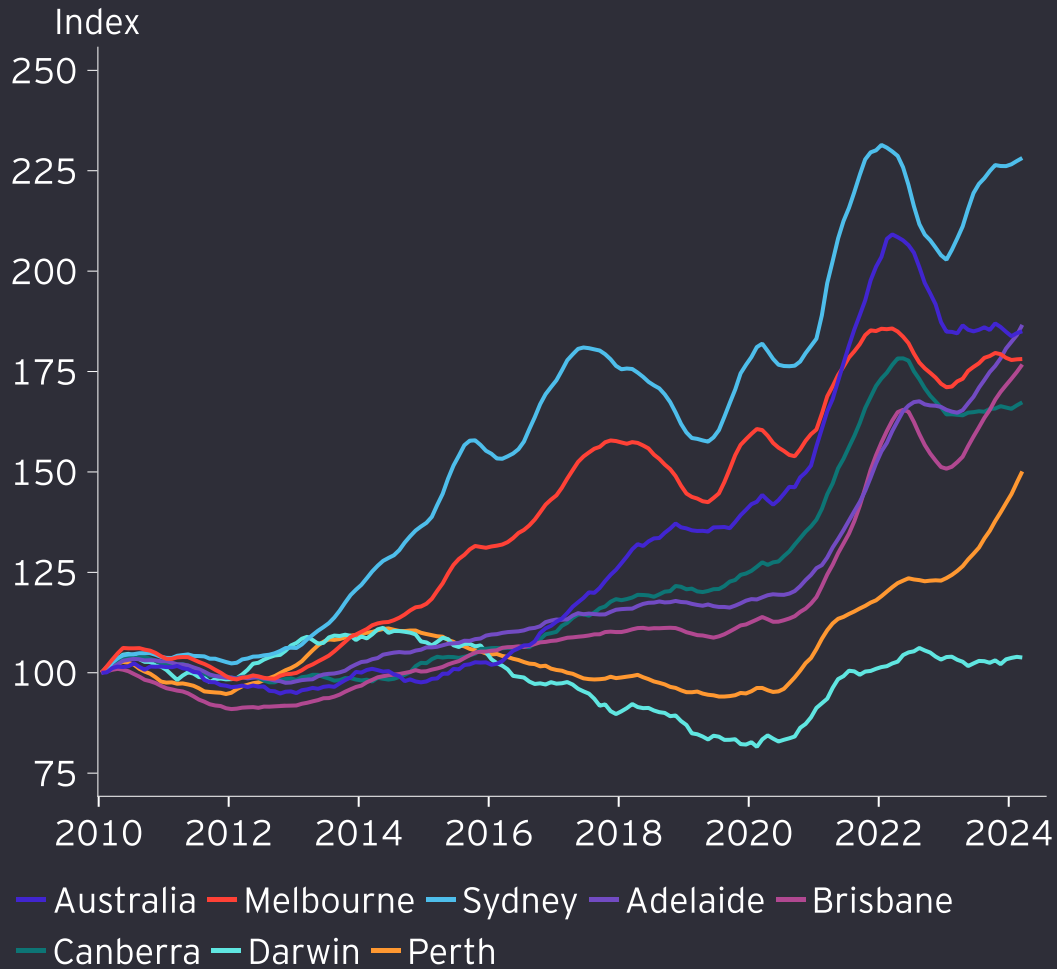
## NAB Business Conditions



Source: ABS, Macrobond, EY  
\*1 year moving average

# Since the pandemic, house price growth has been strongest in Queensland and WA (around 56 per cent) and weakest in Victoria (14 per cent)\*

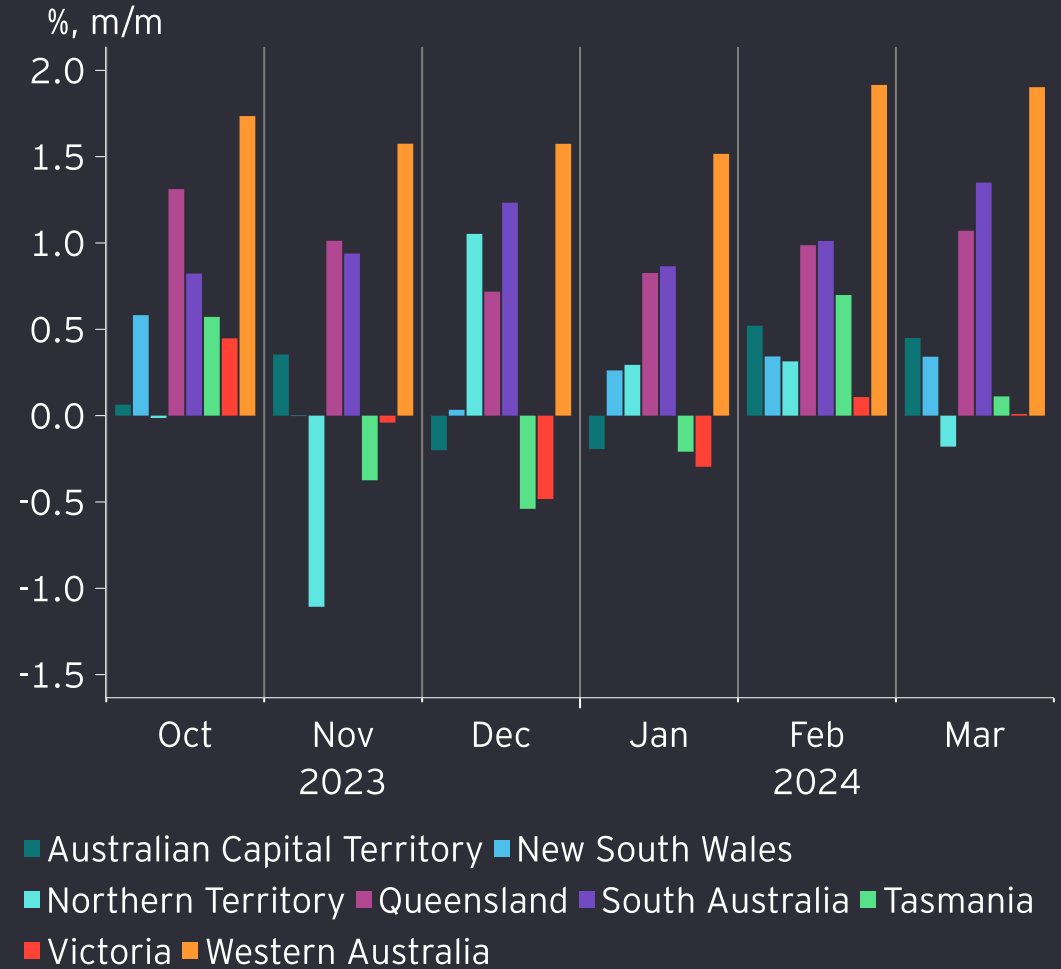
Dwelling prices by capital city



Source: CoreLogic, Macrobond, EY

\* change in prices since February 2020

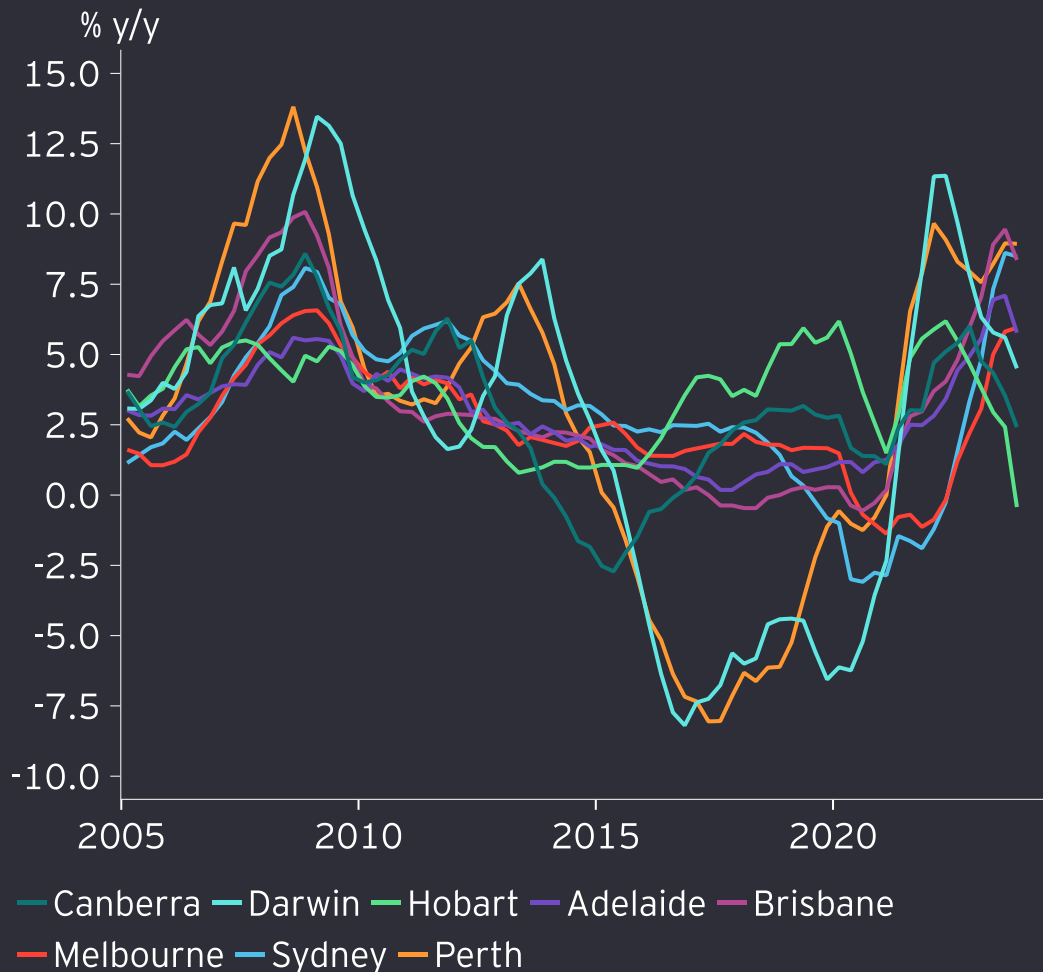
Dwelling prices by region; Oct-23 to Mar-24



Source: ABS, Macrobond, EY

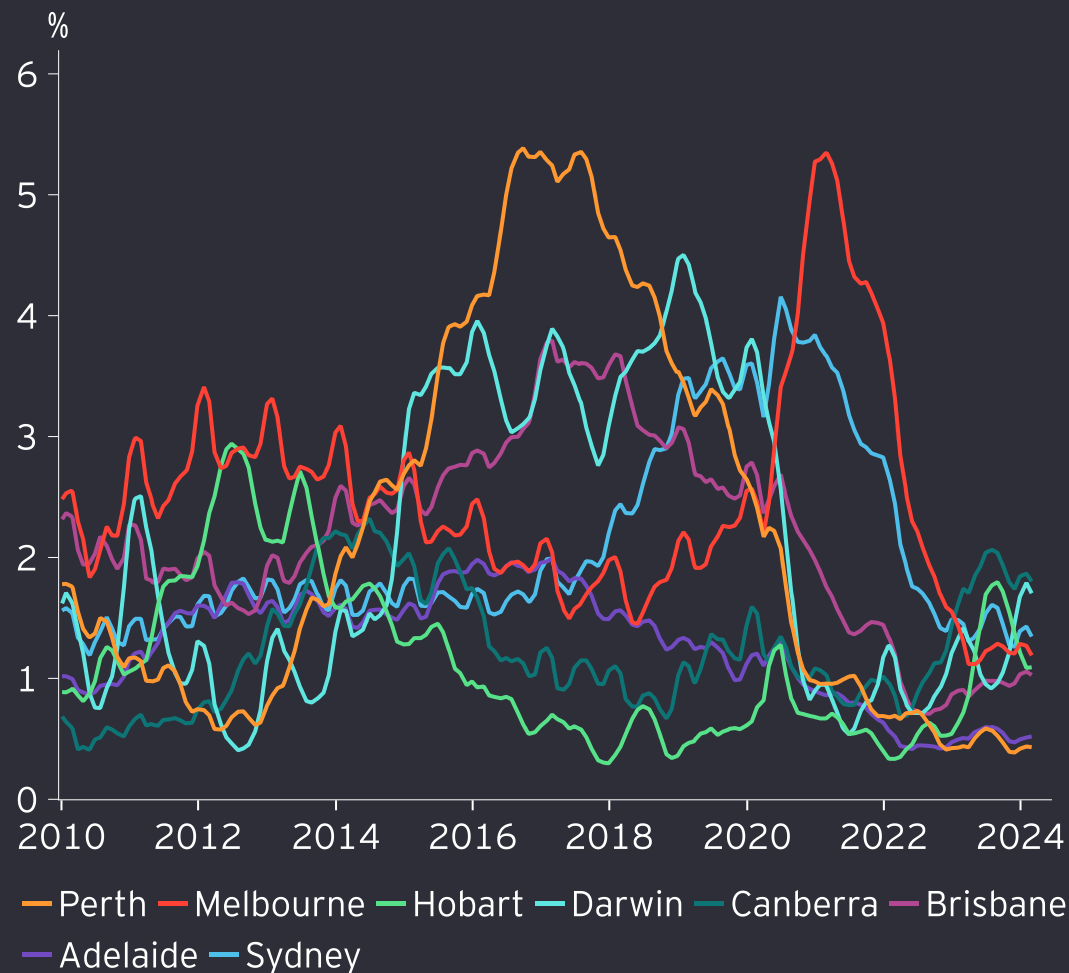
# Rents have surged higher as vacancy rates remain close to record low levels with minimal rental stock available

## Consumer price index - rents



Source: ABS, Macrobond, EY

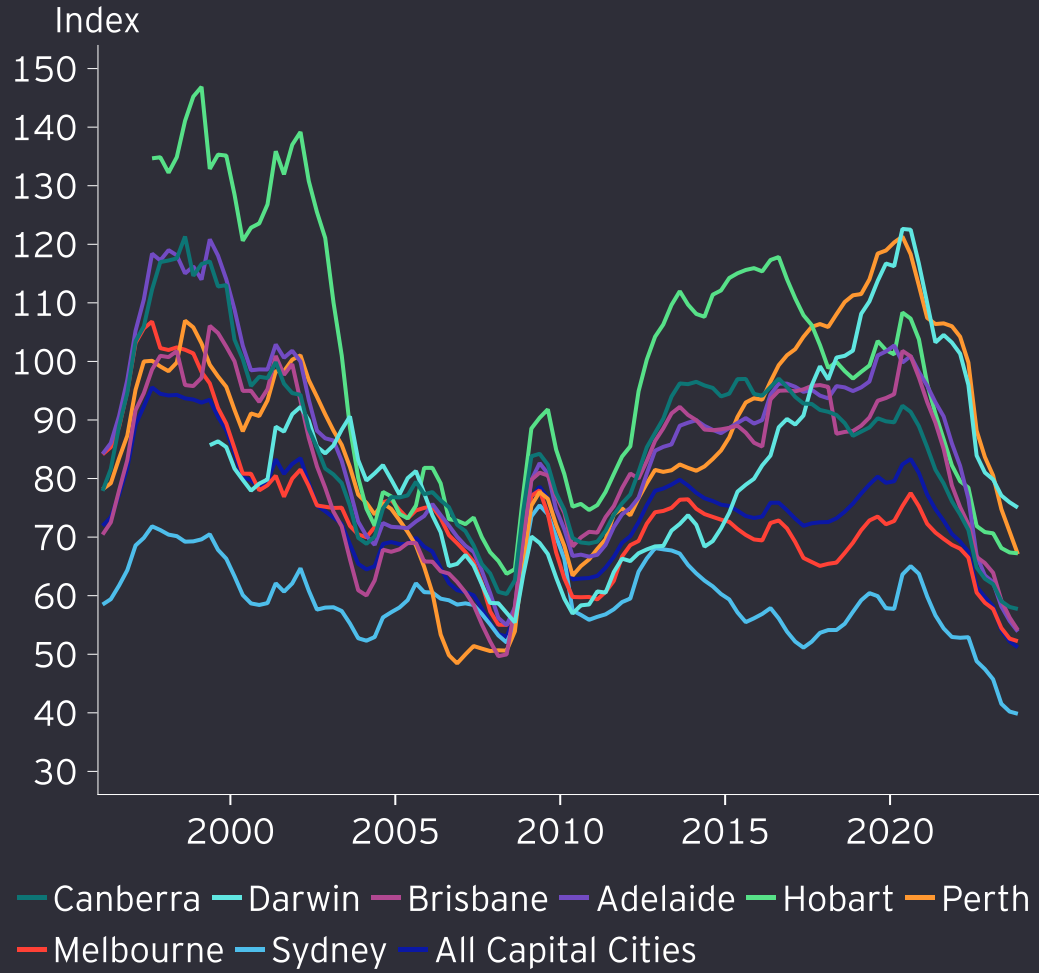
## Vacancy rates by capital city



Source: SQM, Macrobond

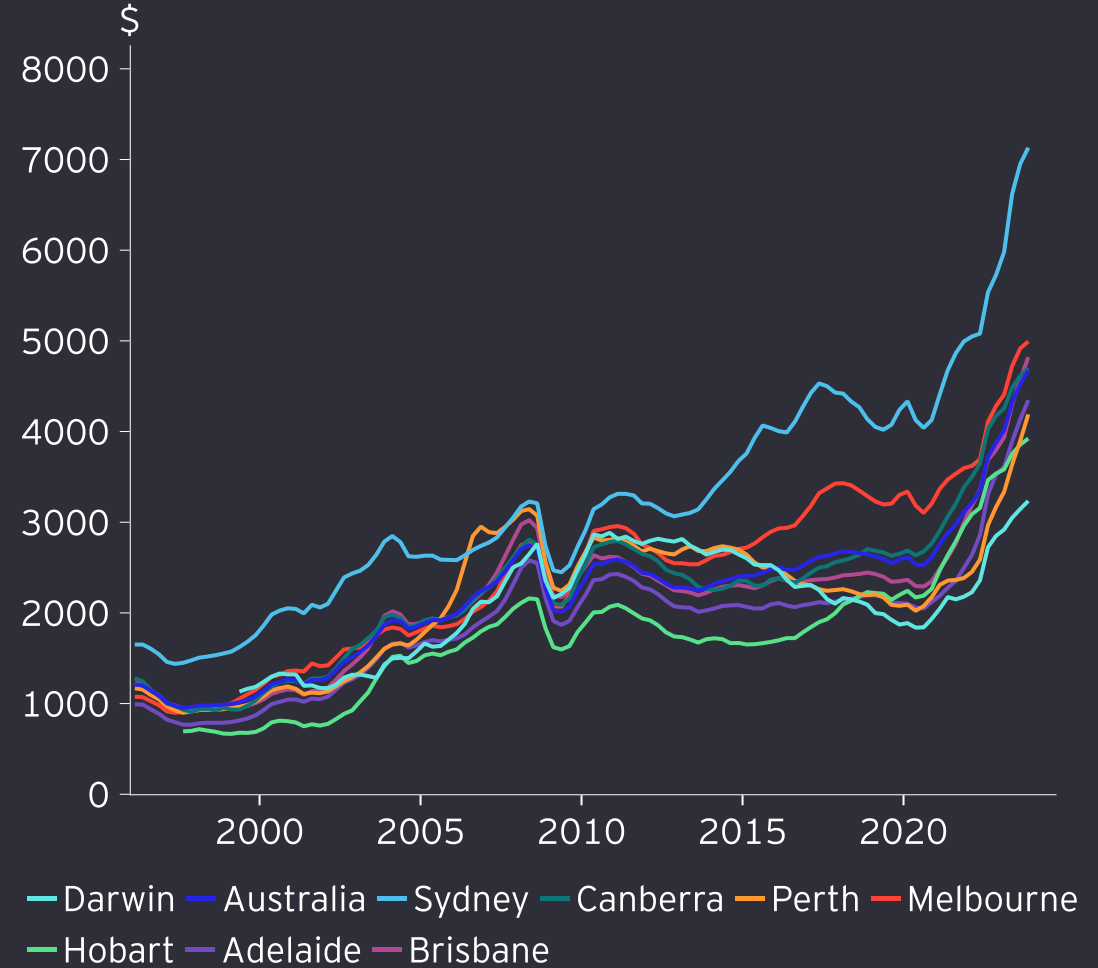
# Housing affordability is at its worst levels in decades, with Sydney the least affordable capital city in Australia, while Darwin is the most affordable

## Housing Affordability



Source: HIA, Macrobond, EY

## Monthly Repayment by Capital City



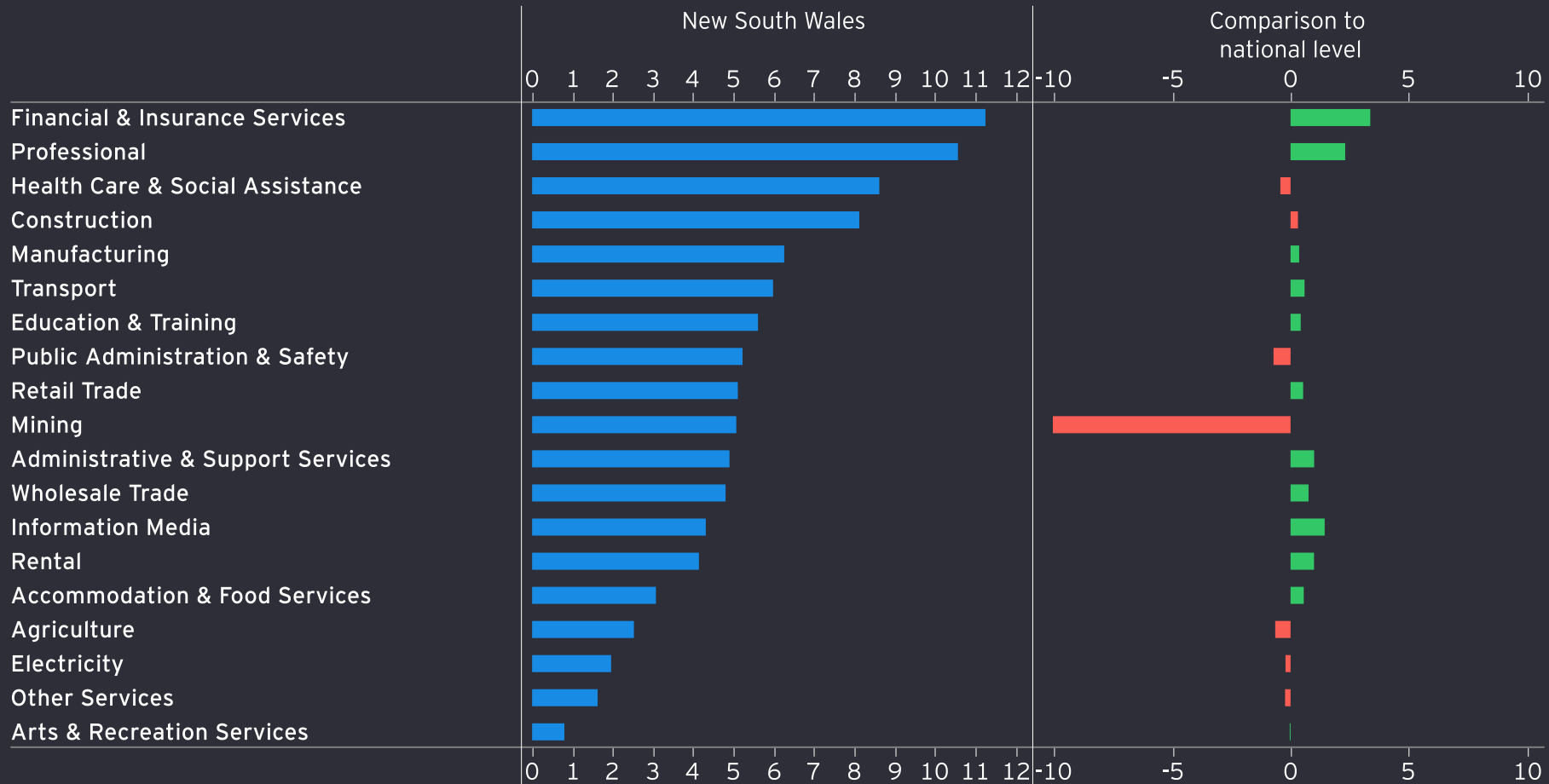
Source: HIA, Macrobond

# New South Wales



# Financial & Insurance Services is the biggest industry in NSW

NSW industry share (FY23) and comparison to national industry share (Q4 2023)

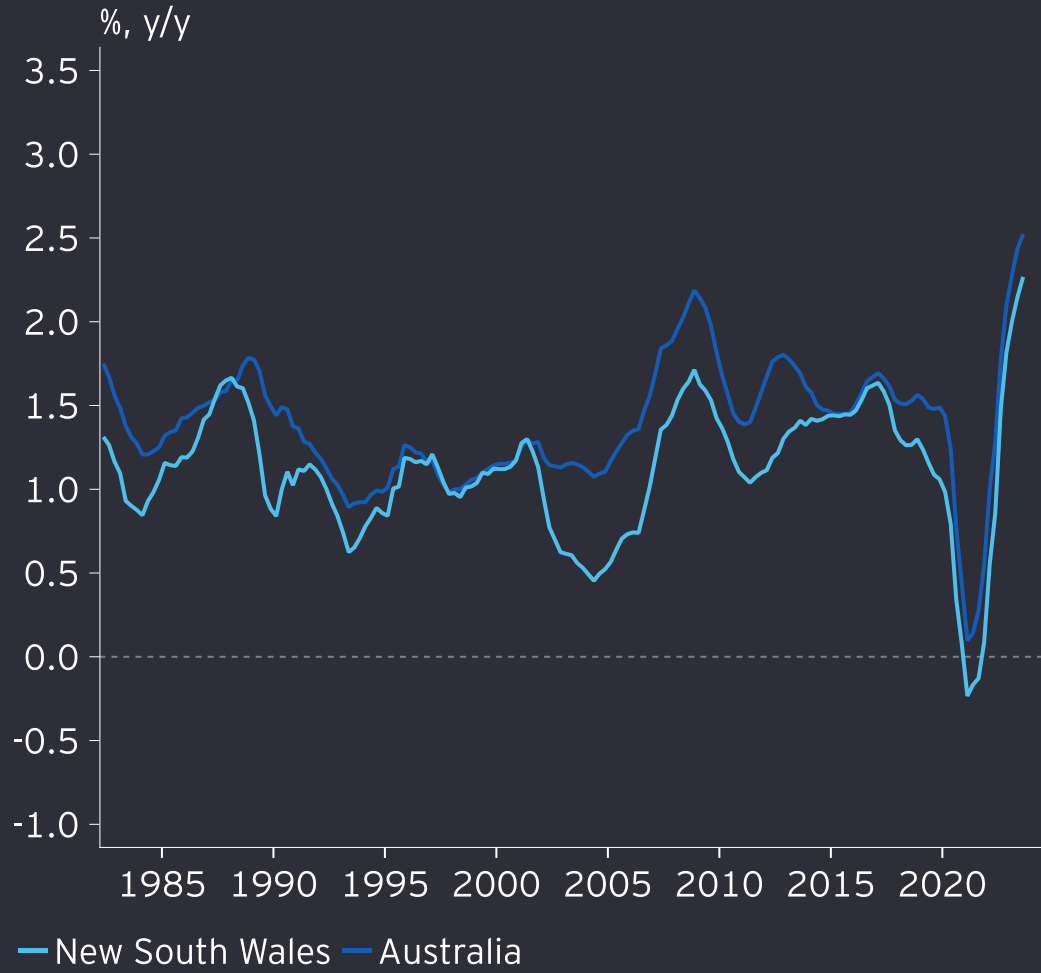


Source: ABS, Macrobond, EY

\*green indicates the industry share is higher than national, red indicates the industry share is lower than national.

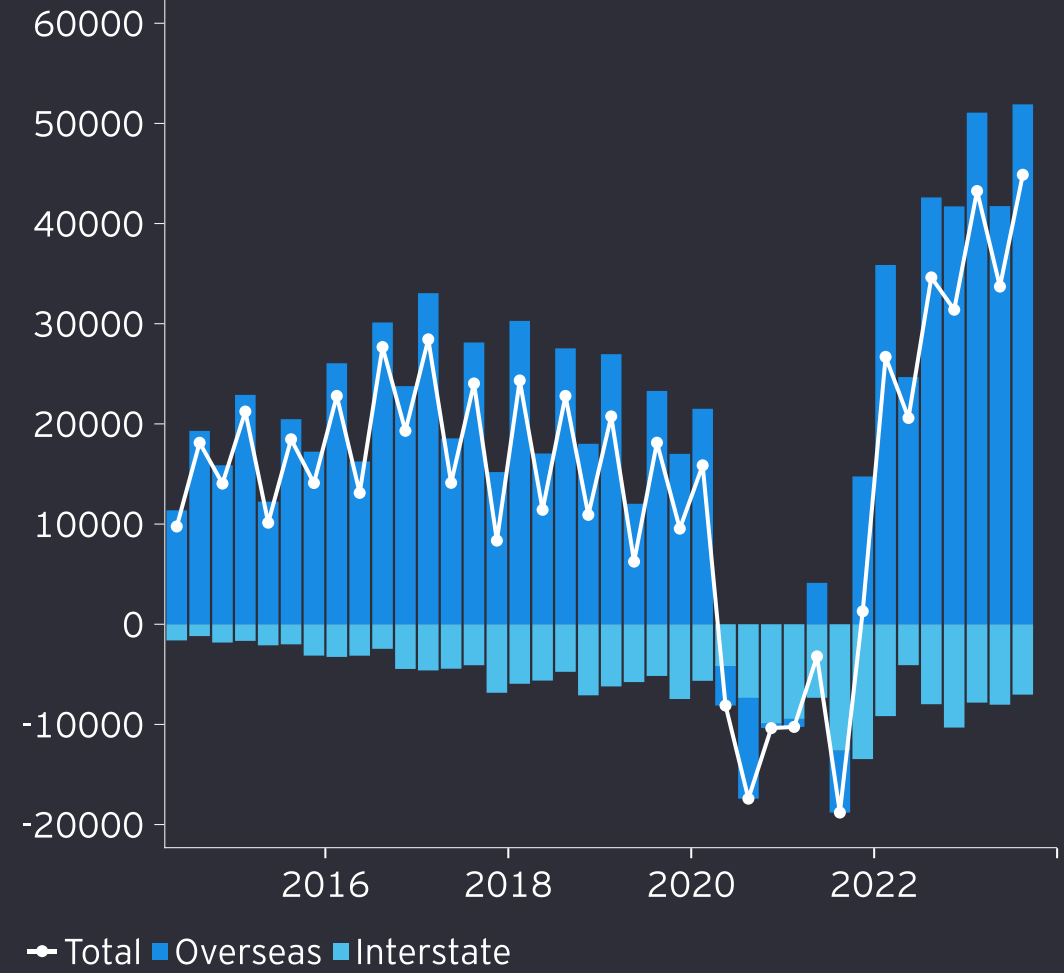
# Population growth is strong as overseas migrants return, but net interstate migration is negative

Estimated resident population



Source: ABS, Macrobond, EY

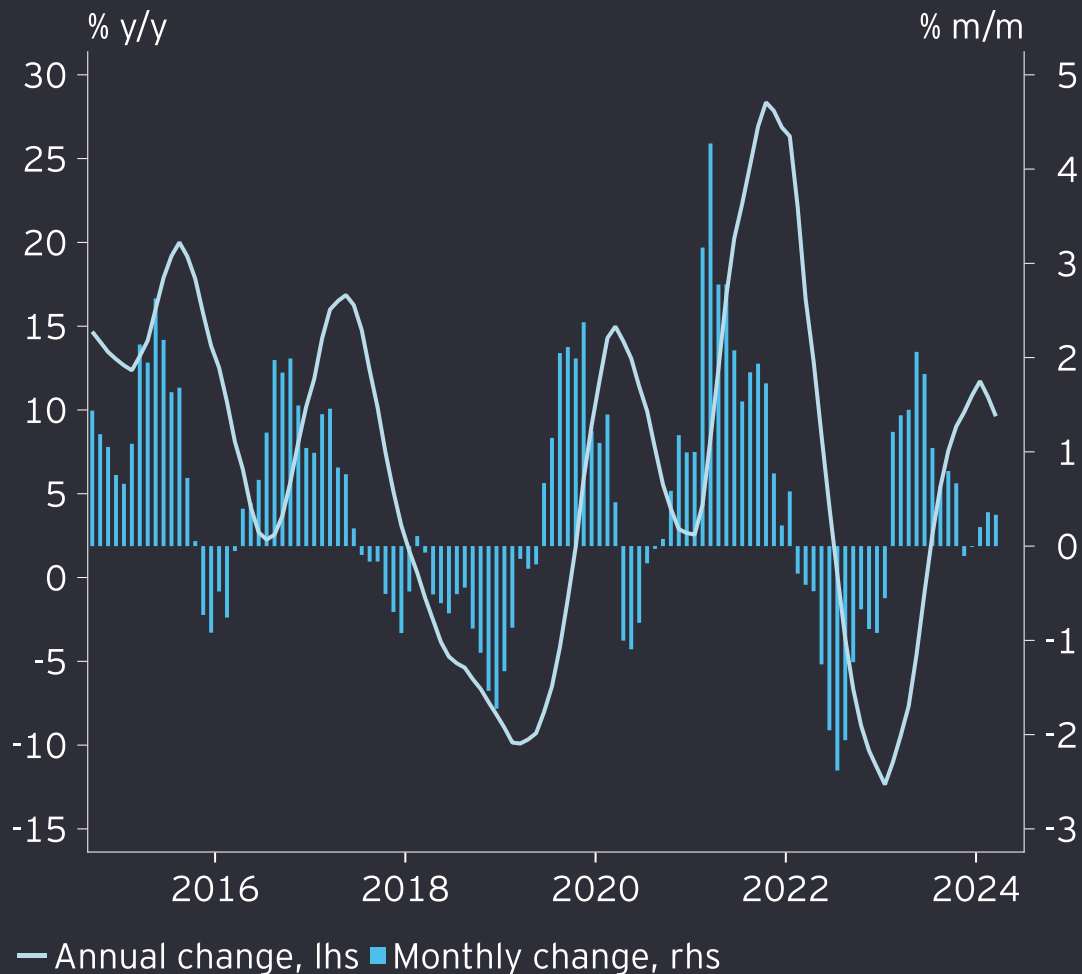
Net Migration, New South Wales



Source: ABS, Macrobond, EY

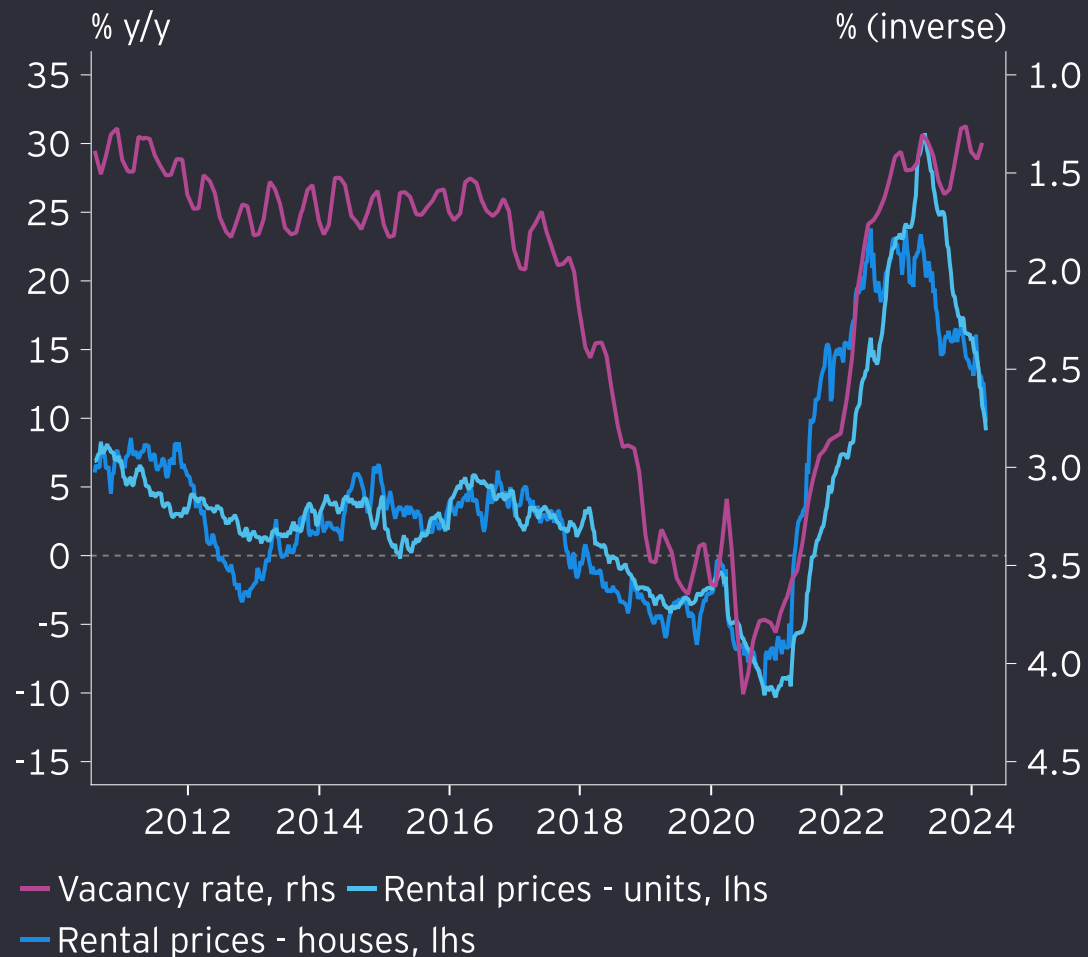
# NSW dwelling prices are up by 9.6 per cent since March last year. Monthly price growth has slowed, however. Rental growth rates may have peaked

## Greater Sydney dwelling prices



Source: CoreLogic, Macrobond, EY

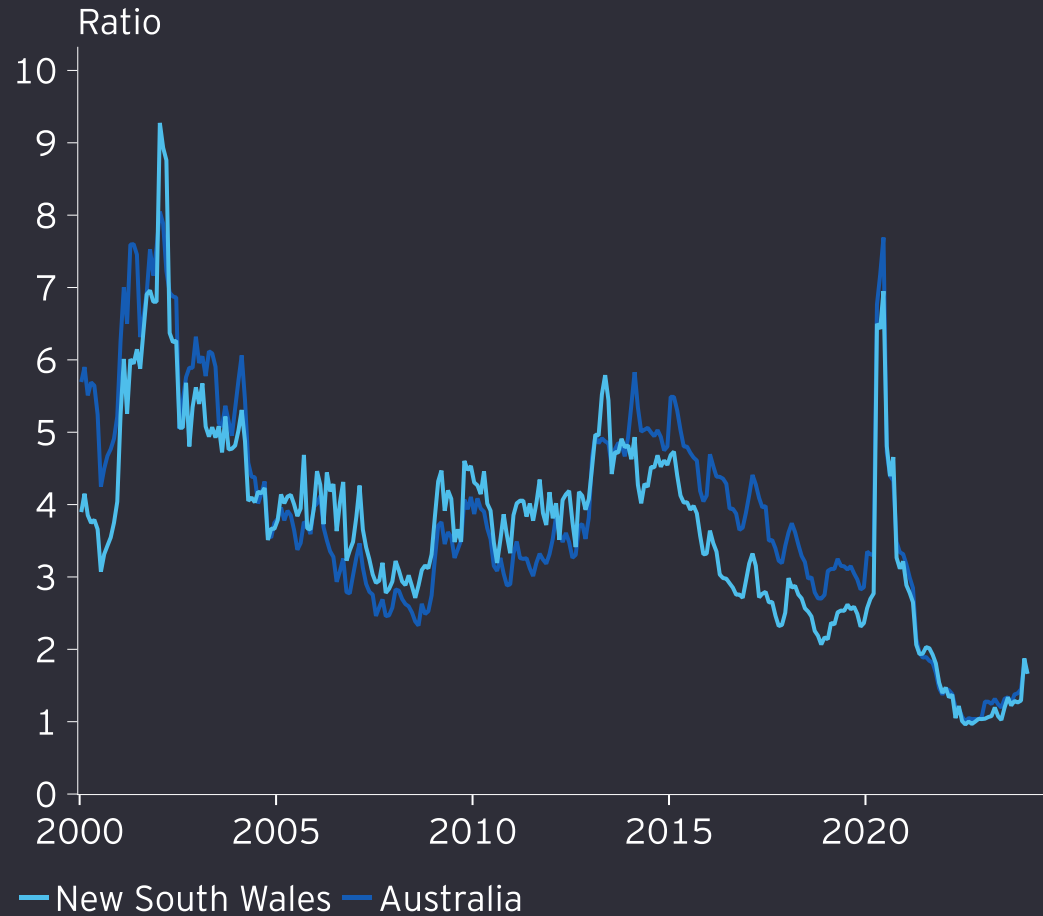
## Sydney asking rents and vacancy rate



Source: SQM, Macrobond

# NSW has the second lowest quarterly unemployment rate. While wages have picked up, NSW records the fourth lowest annual wages growth

### Number of unemployed people for each job vacancy, NSW



Source: ABS, Macrobond, EY

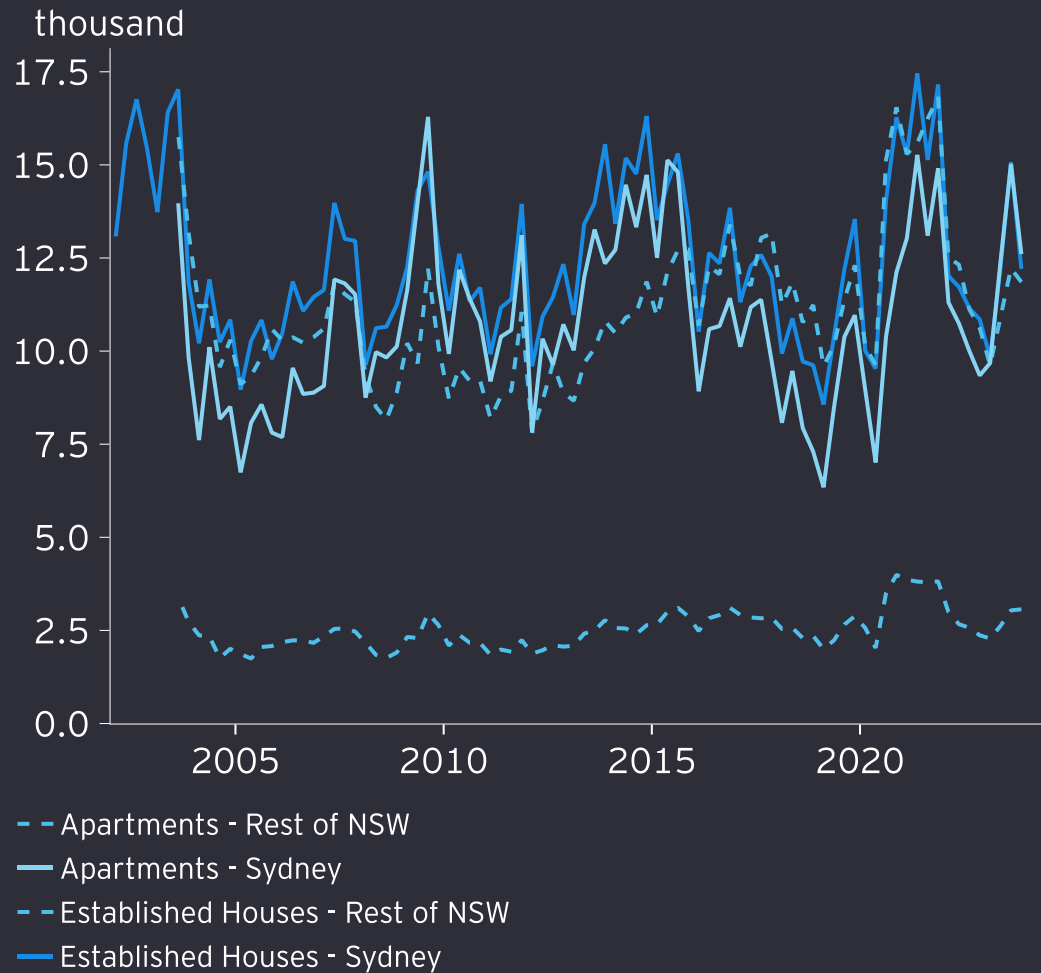
### Wage Price Index, NSW



Source: ABS, Macrobond, EY

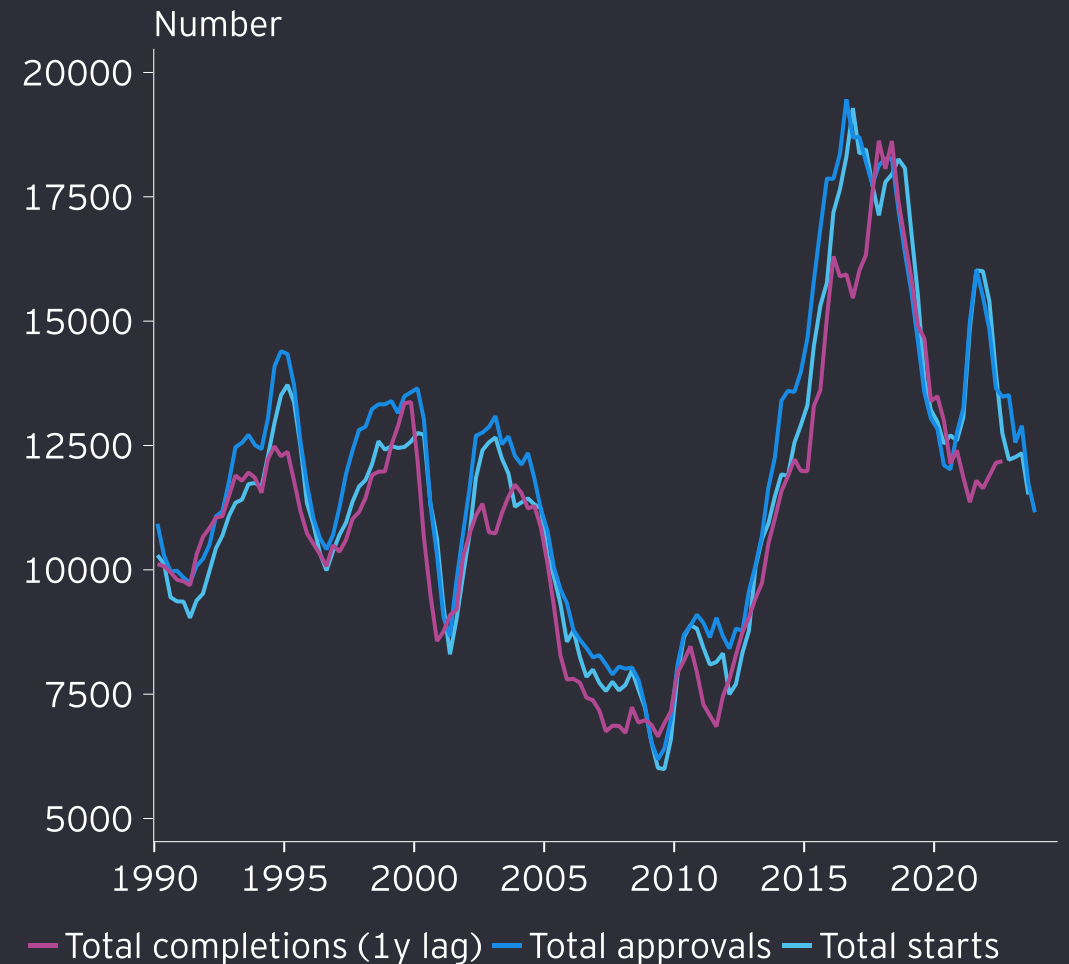
# Dwelling completions continue to lag as skill shortages, especially in the latter stages of construction, persist, while approvals are at a 10-year low

House and attached dwelling transfers, NSW



Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - NSW

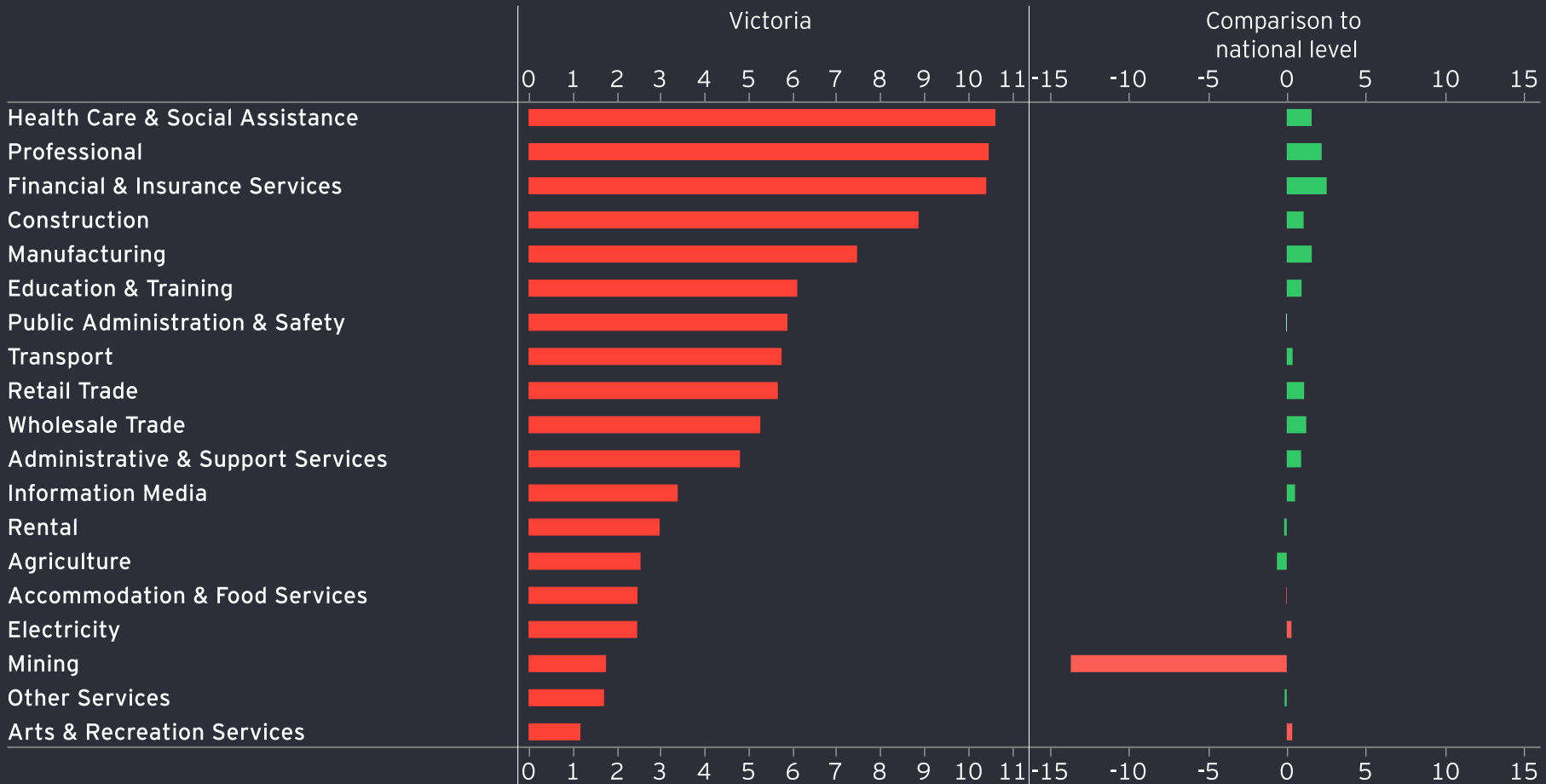


Source: ABS, Macrobond, EY

# Victoria

# Victoria's industry structure is broadly based

VIC industry share (FY23) and comparison to national industry share (Q4 2023)

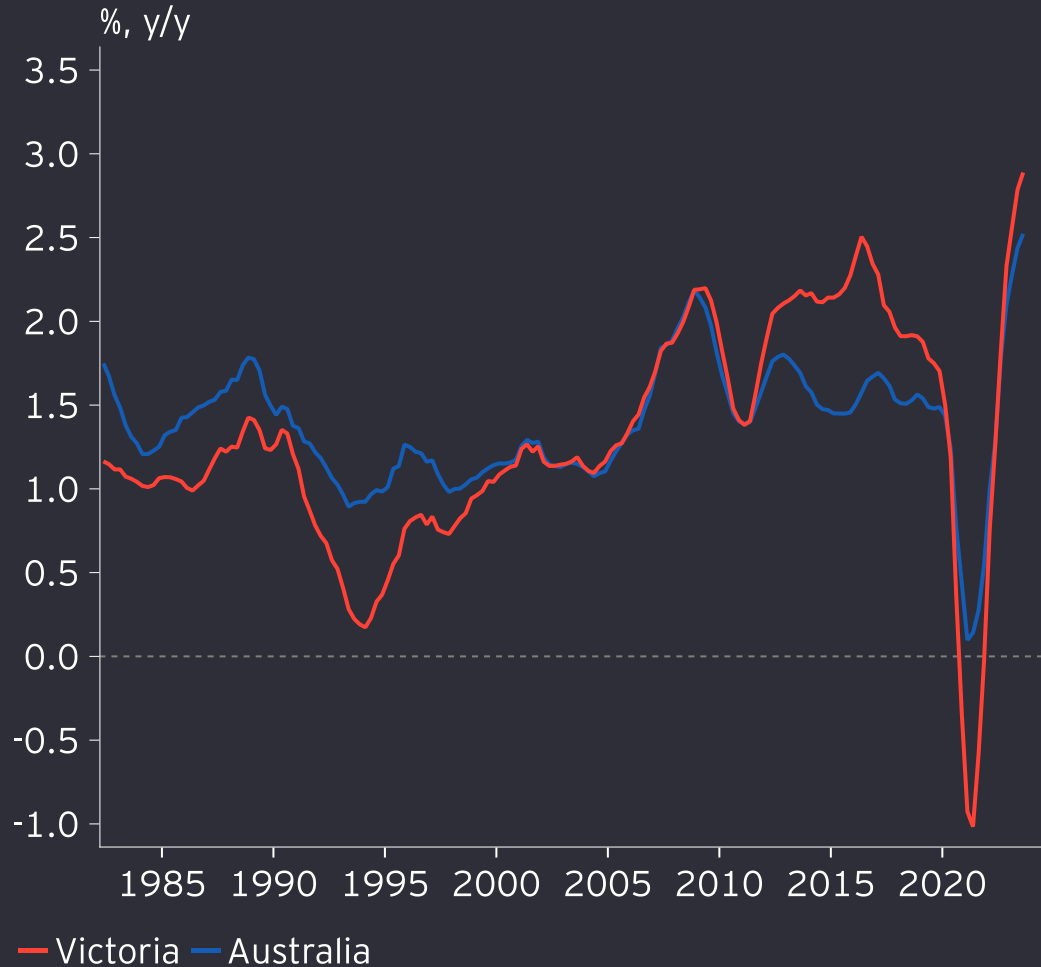


Source: ABS, Macrobond, EY

\*green indicates the industry share is higher than national, red indicates the industry share is lower than national.

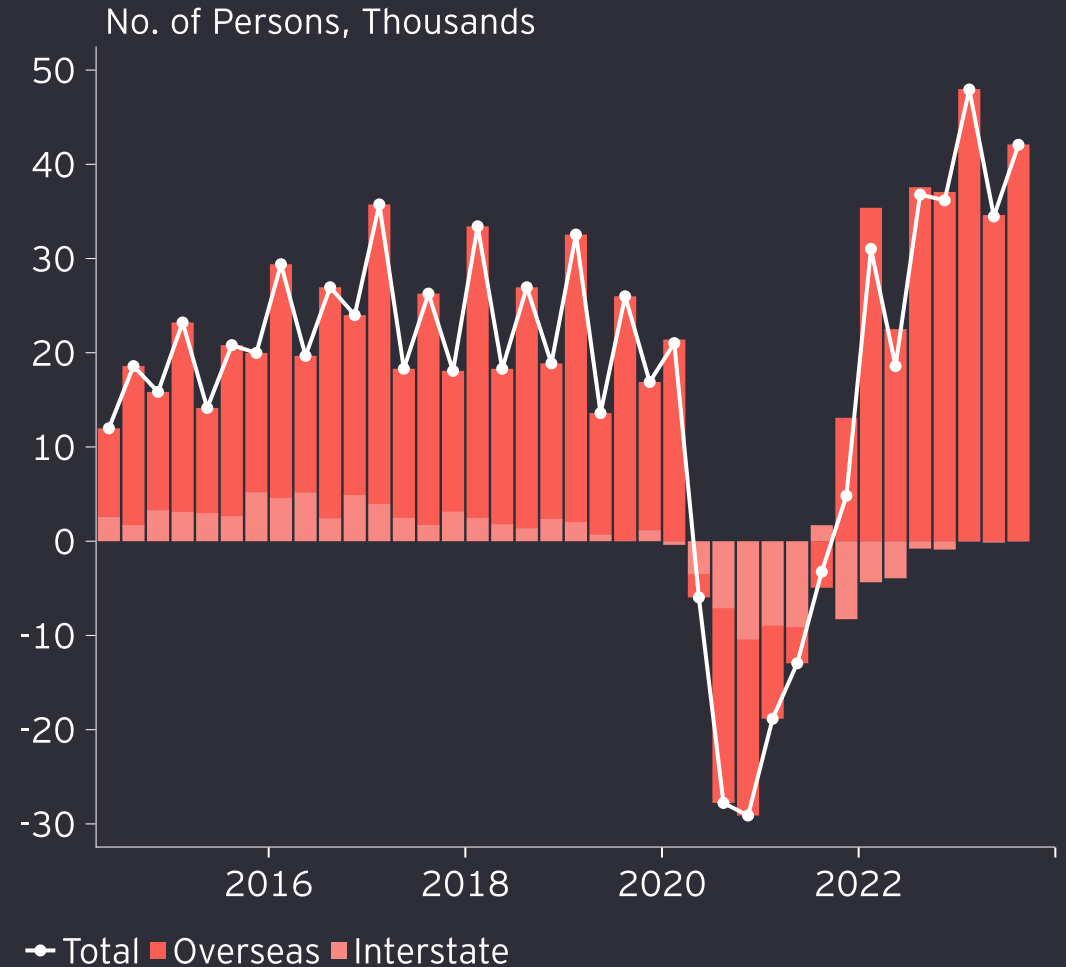
# Victoria has the second fastest population growth in the nation. Interstate migration is a neutral influence at the moment

## Estimated resident population



Source: ABS, Macrobond, EY

## Net Migration, Victoria

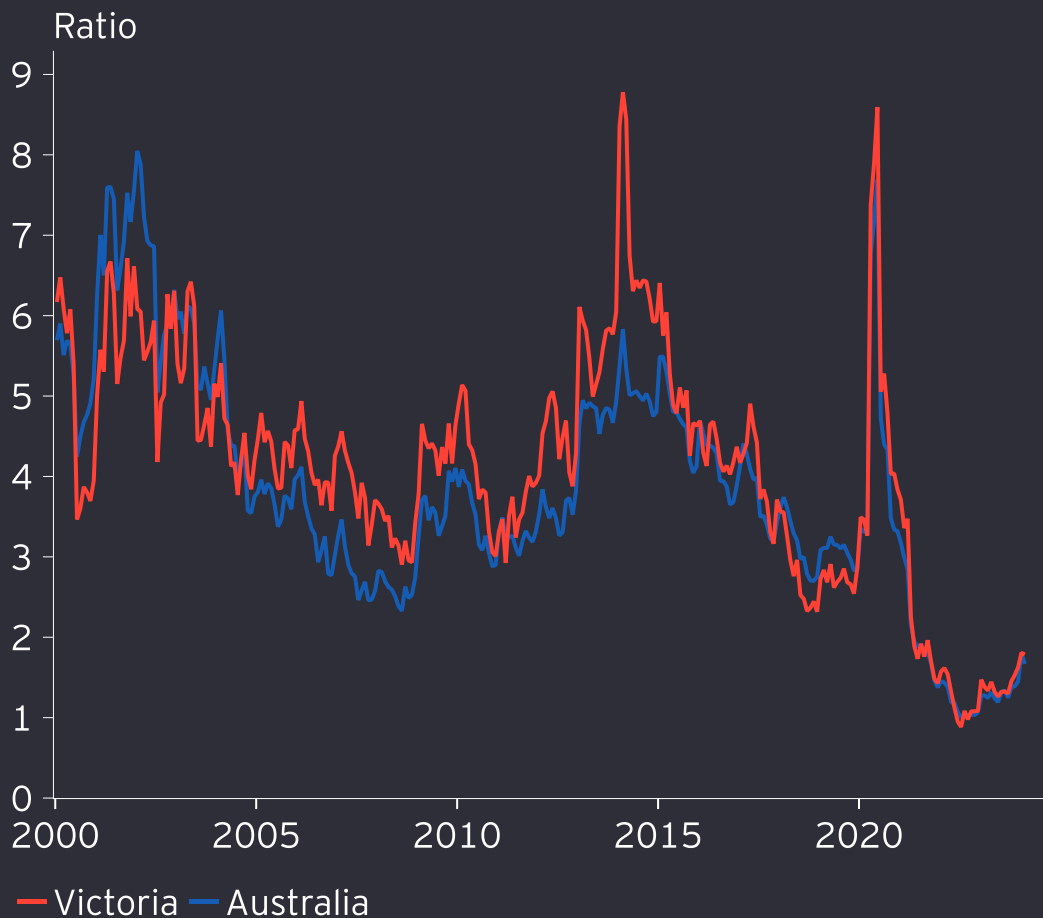


Source: ABS, Macrobond, EY



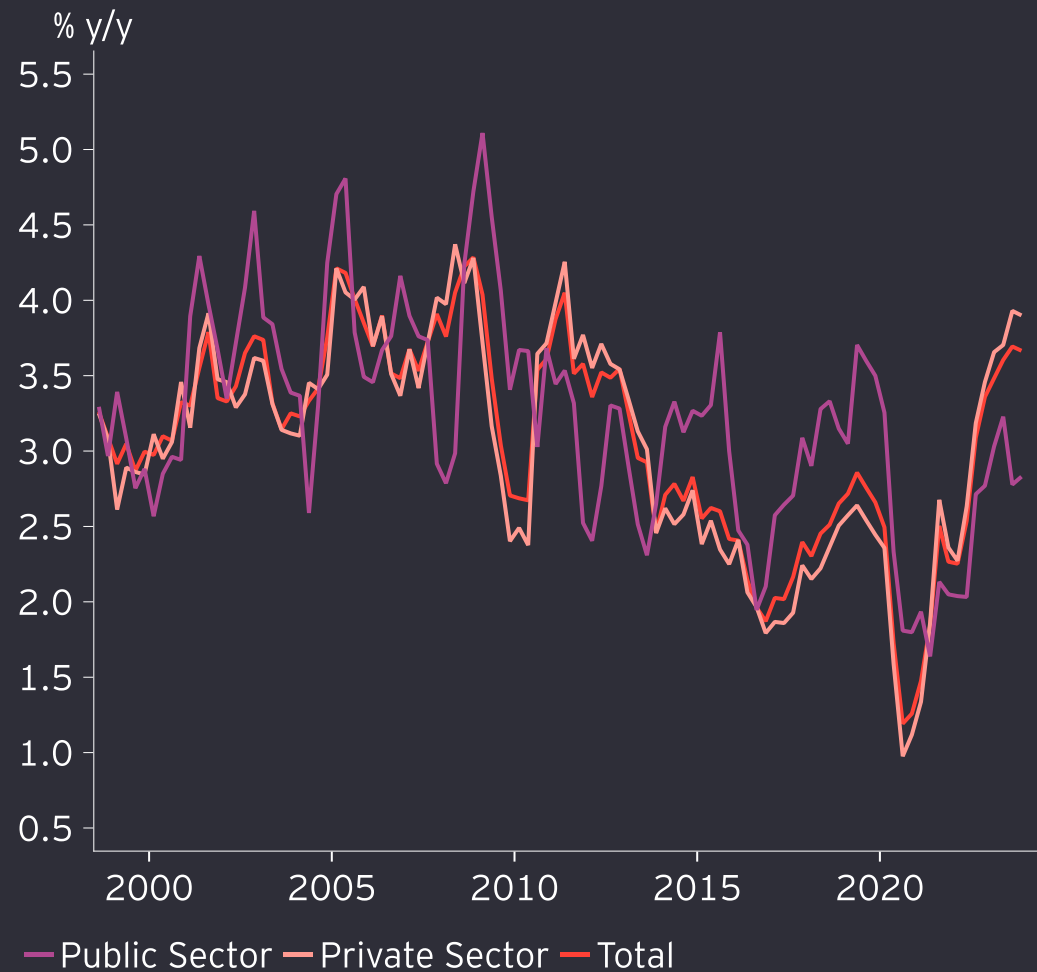
# Victoria is experiencing the lowest annual wage growth of all states and territories, despite a tight labour market

## Number of unemployed people for each job vacancy, Victoria



Source: ABS, Macrobond, EY

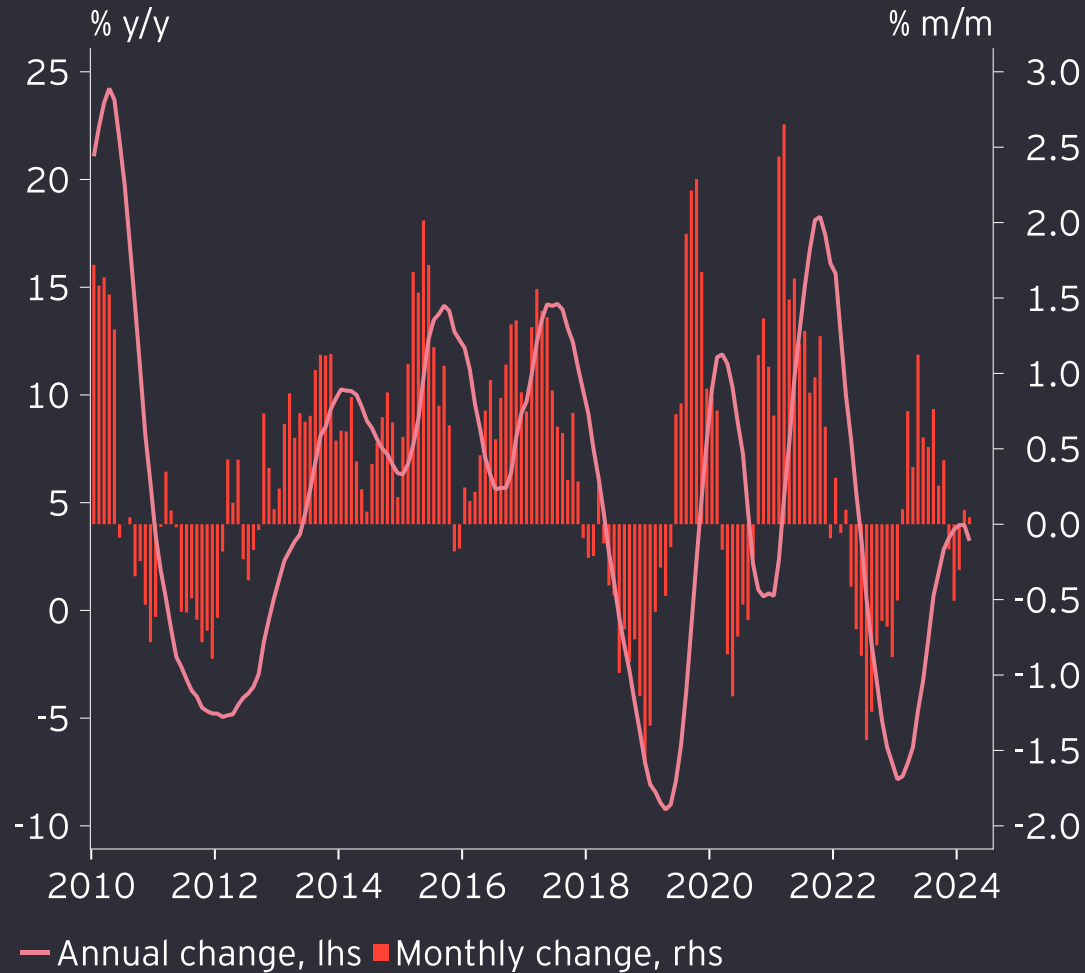
## Wage Price Index, Victoria



Source: ABS, Macrobond, EY

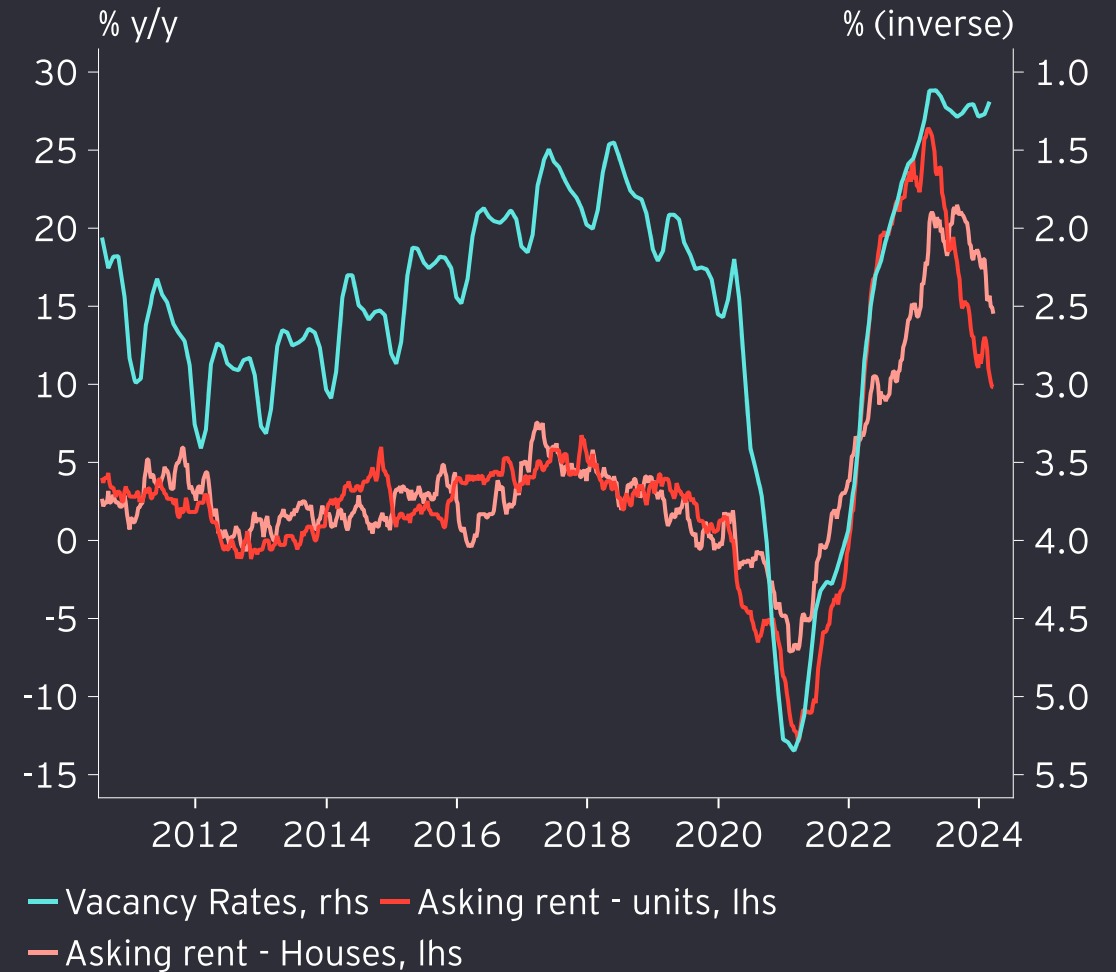
# Dwelling prices increased 3.2 per cent over the year to March 2024, while rental growth rates may have peaked

## Greater Melbourne dwelling prices



Source: CoreLogic, Macrobond, EY

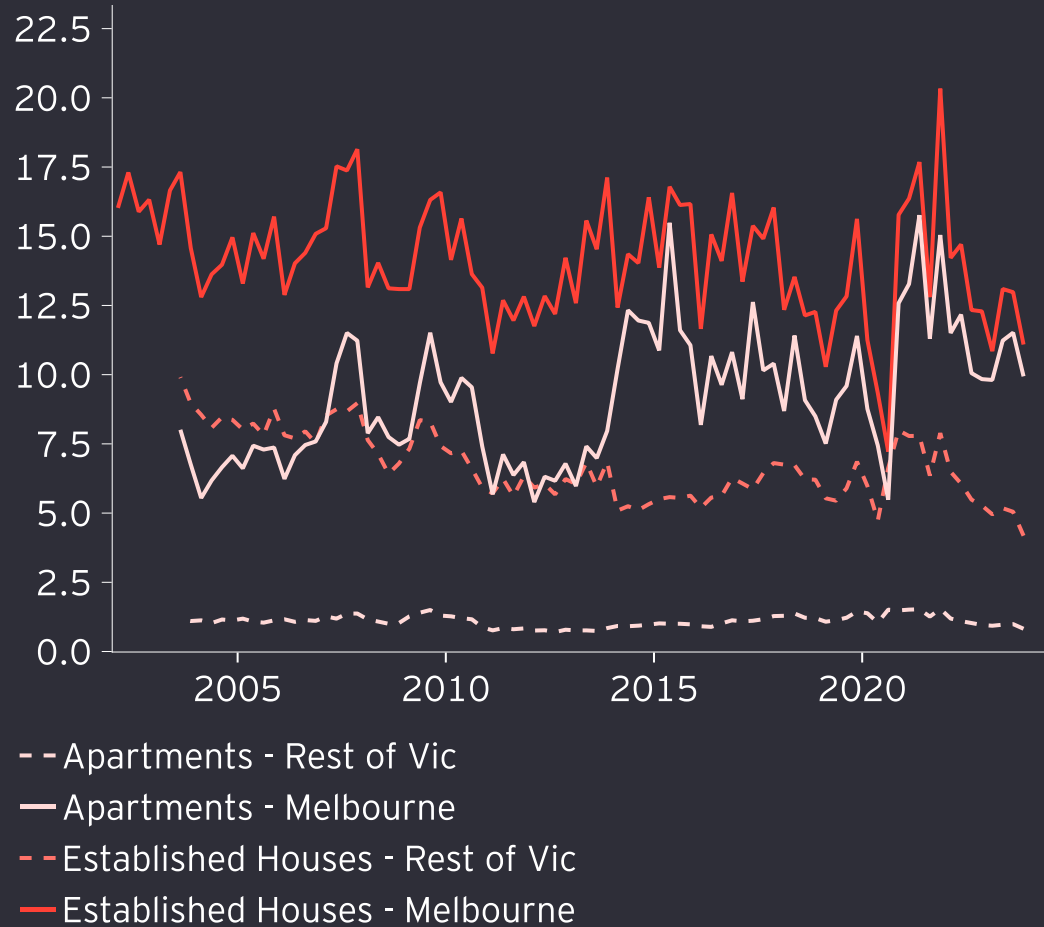
## Melbourne asking rents and vacancy rate



Source: SQM, Macrobond, EY

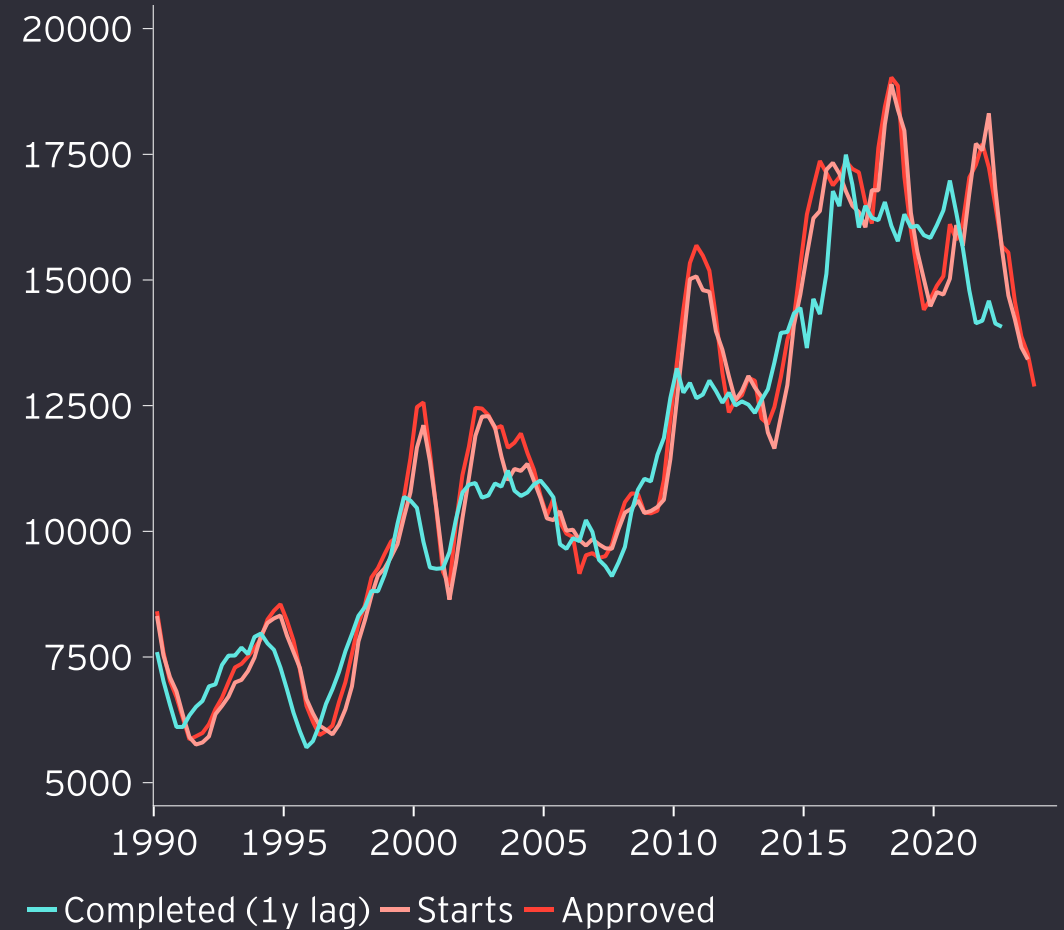
# Dwelling starts and approvals continue to fall in Victoria as higher debt servicing costs and longer build lead times dampen demand

House and attached dwelling transfers, VIC  
thousand



Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - VIC  
Number

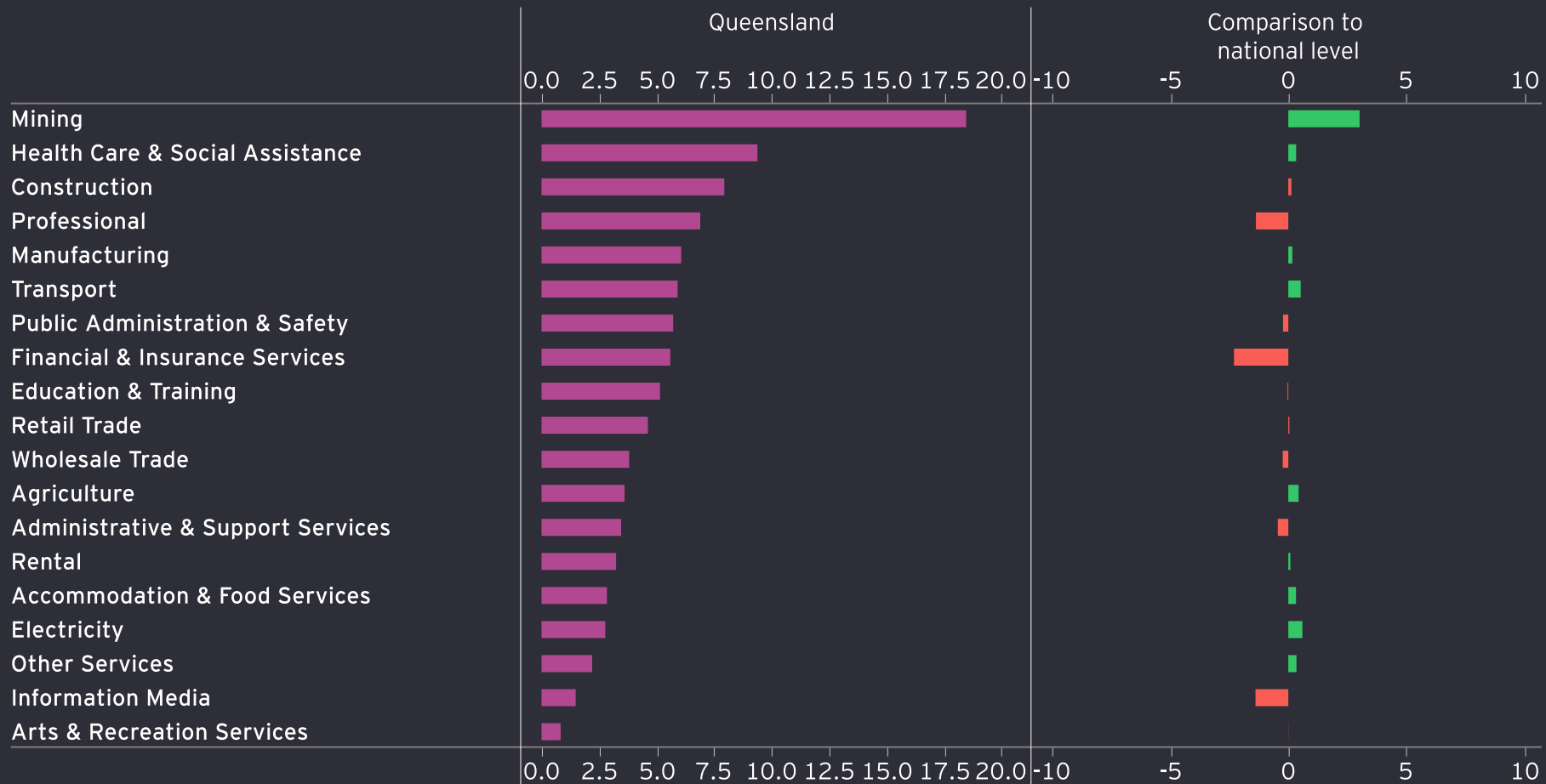


Source: ABS, Macrobond, EY

# Queensland

# Mining is the biggest single industry, making up more than 18 per cent of the Queensland economy

QLD industry share (FY23) and comparison to national industry share (Q4 2023)

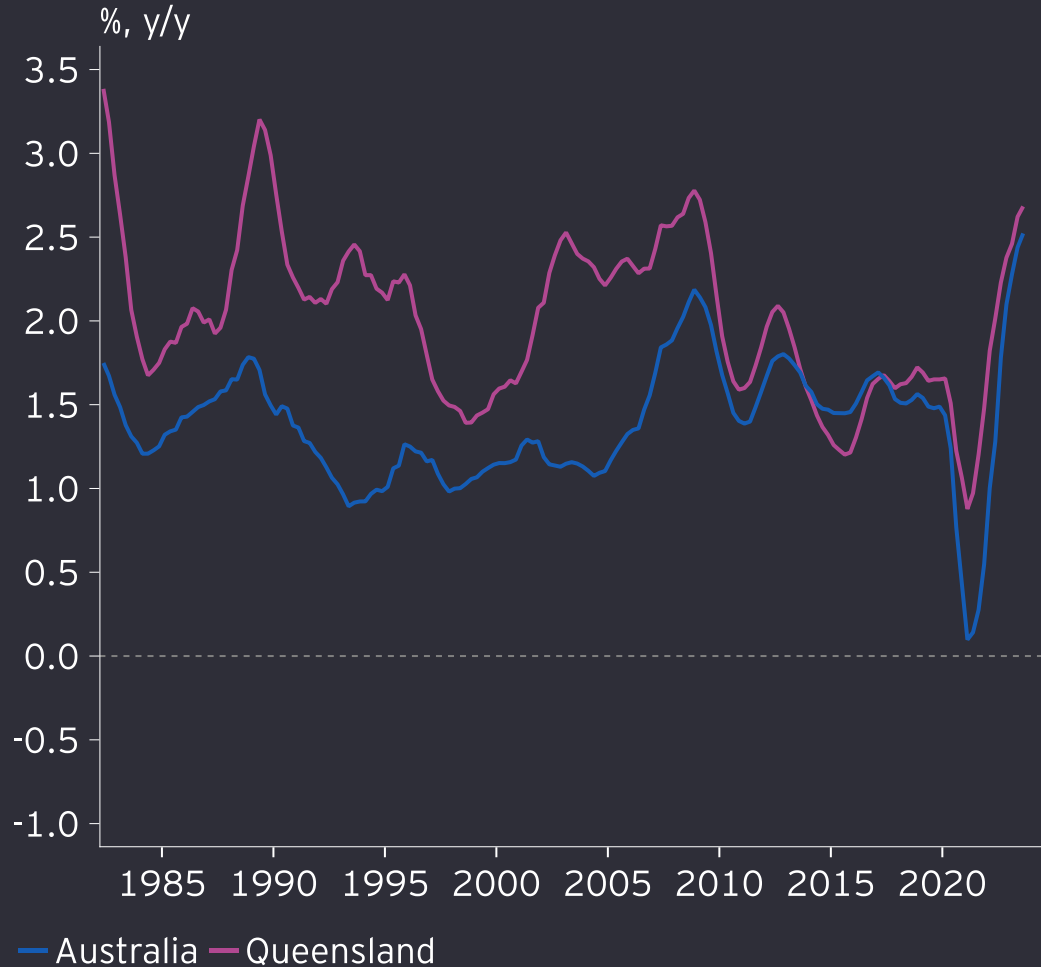


Source: ABS, Macrobond, EY

\*green indicates the industry share is higher than national, red indicates the industry share is lower than national.

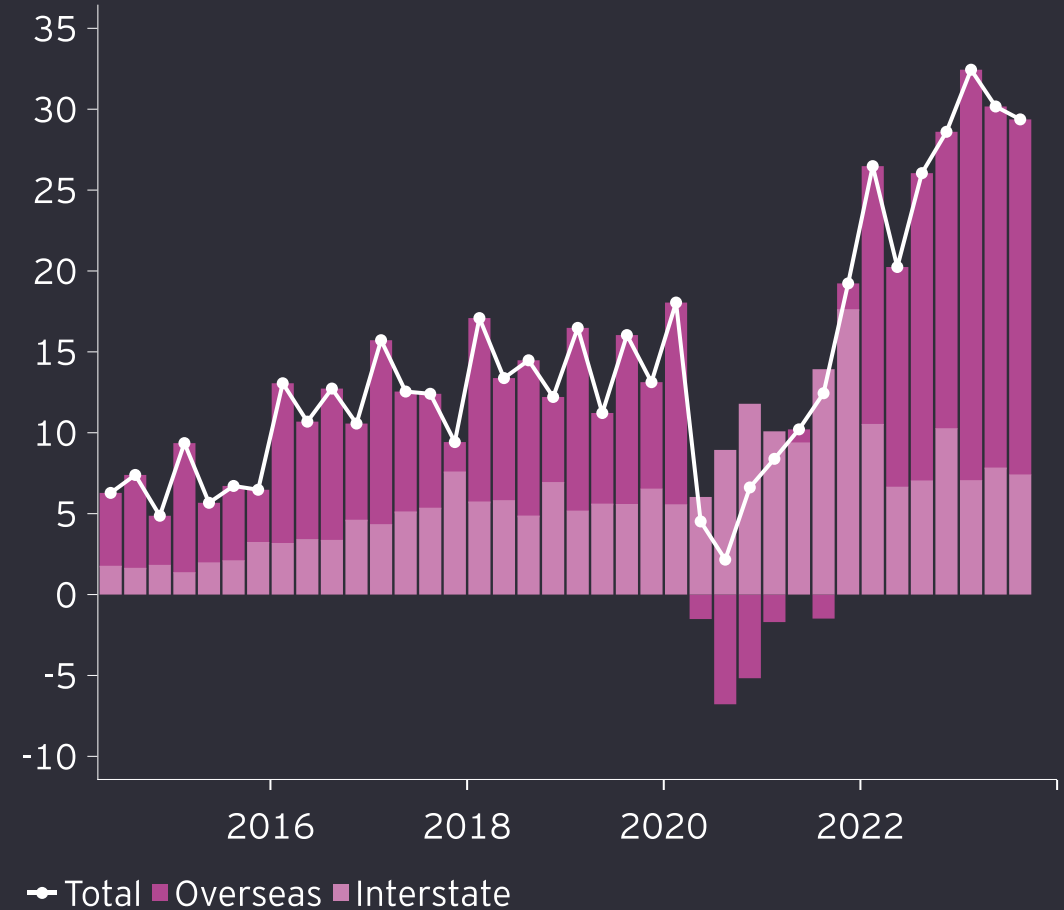
# Queensland is experiencing the third fastest population growth, behind only WA and Victoria, driven by both overseas and interstate migration

Estimated resident population



Source: ABS, Macrobond, EY

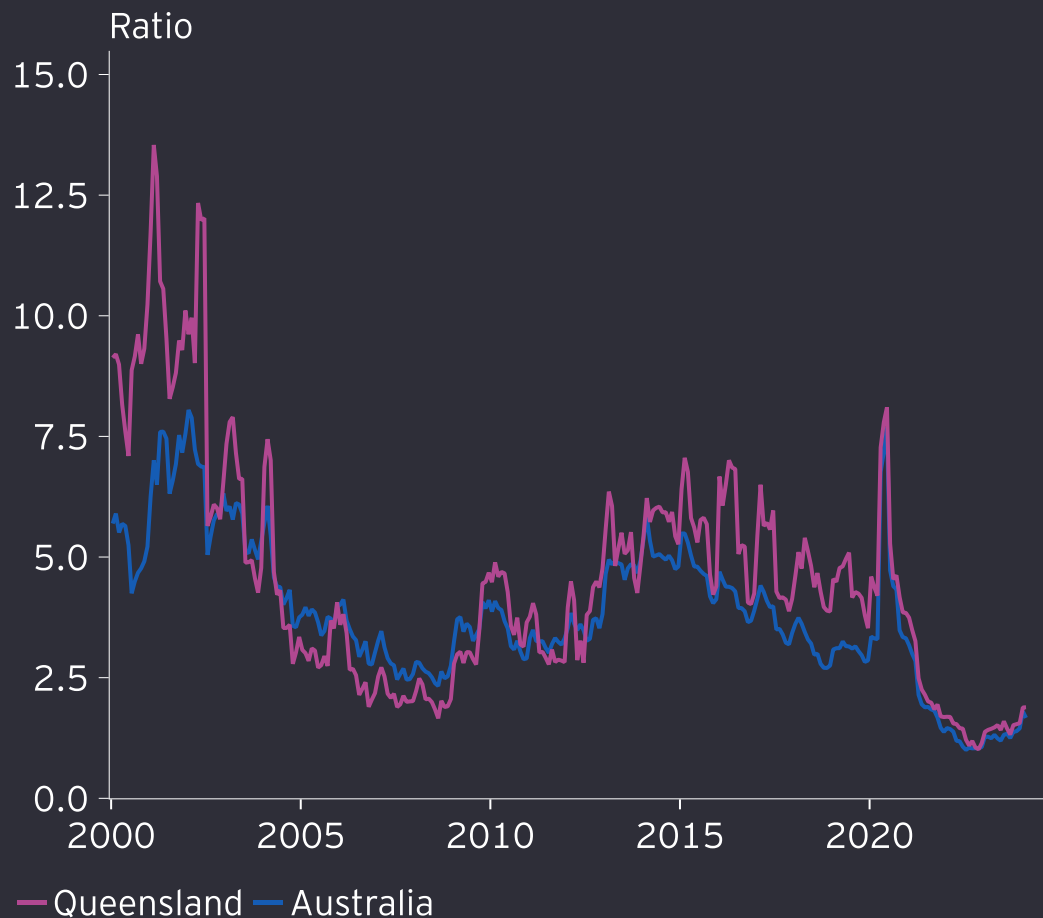
Net Migration, Queensland  
No. of Persons, Thousands



Source: ABS, Macrobond, EY

# Queensland has the second lowest unemployed to job vacancy ratio in Australia, yet its annual wage growth is the strongest

### Number of unemployed people for each job vacancy, Queensland



Source: ABS, Macrobond, EY

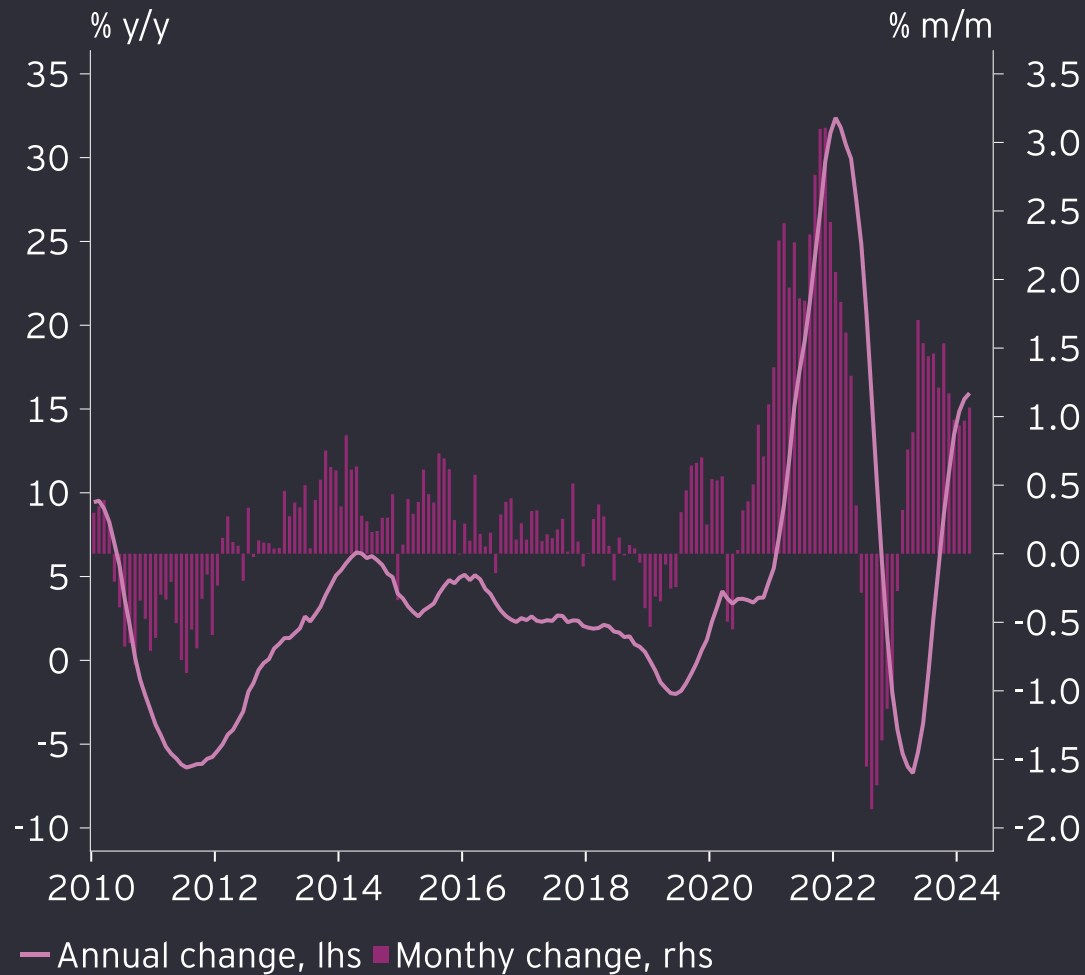
### Wage Price Index, QLD



Source: ABS, Macrobond, EY

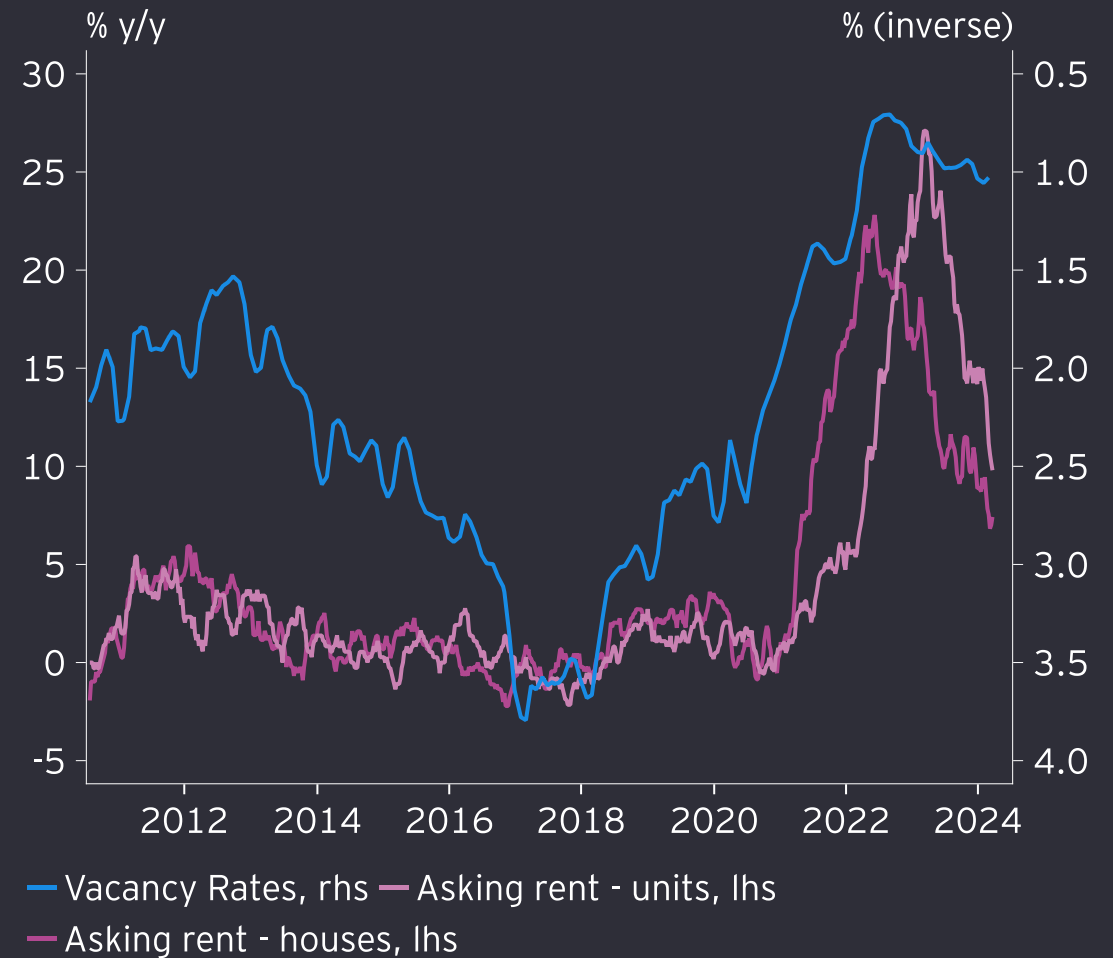
# Brisbane's dwelling prices have the second strongest growth rate in the country, increasing by 15.9 per cent over the year to March 2024

## Greater Brisbane dwelling prices



Source: CoreLogic, Macrobond, EY

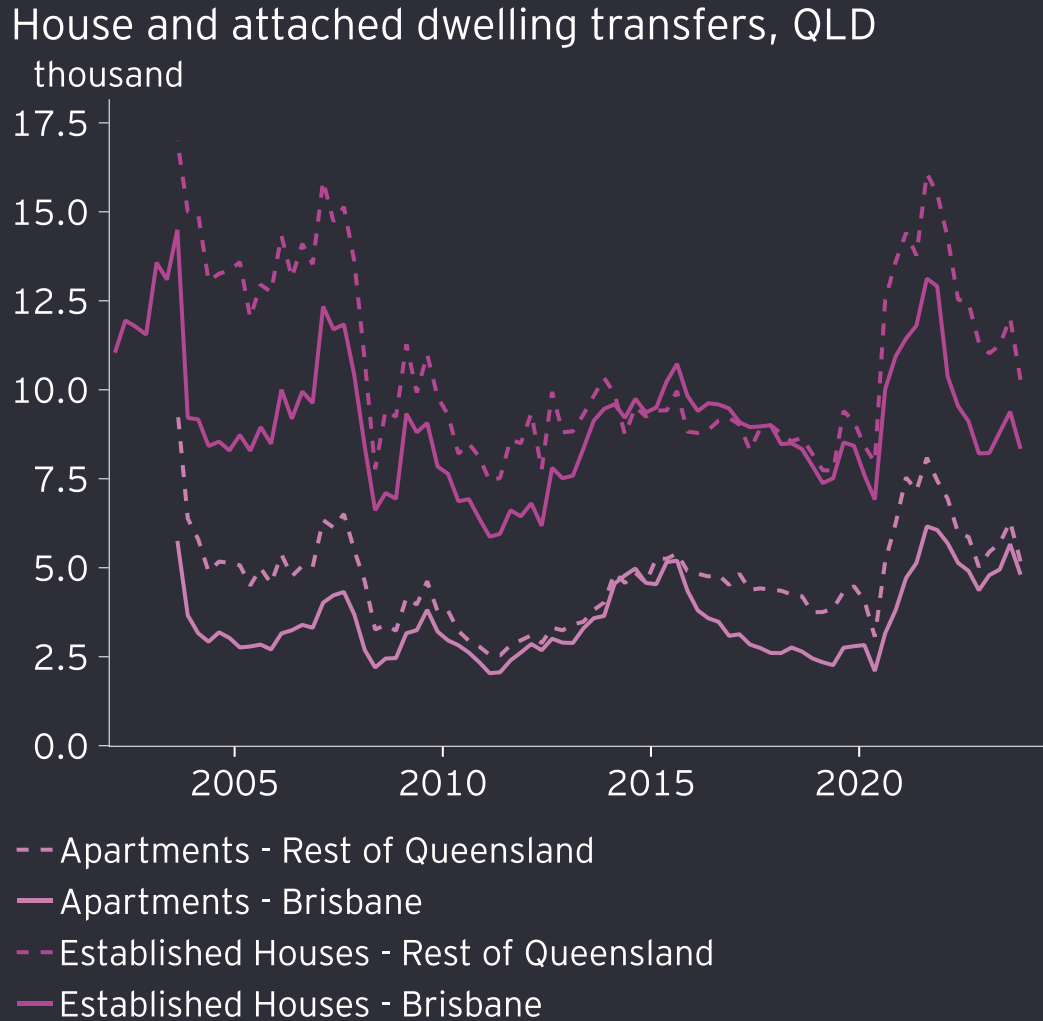
## Brisbane asking rents and vacancy rate



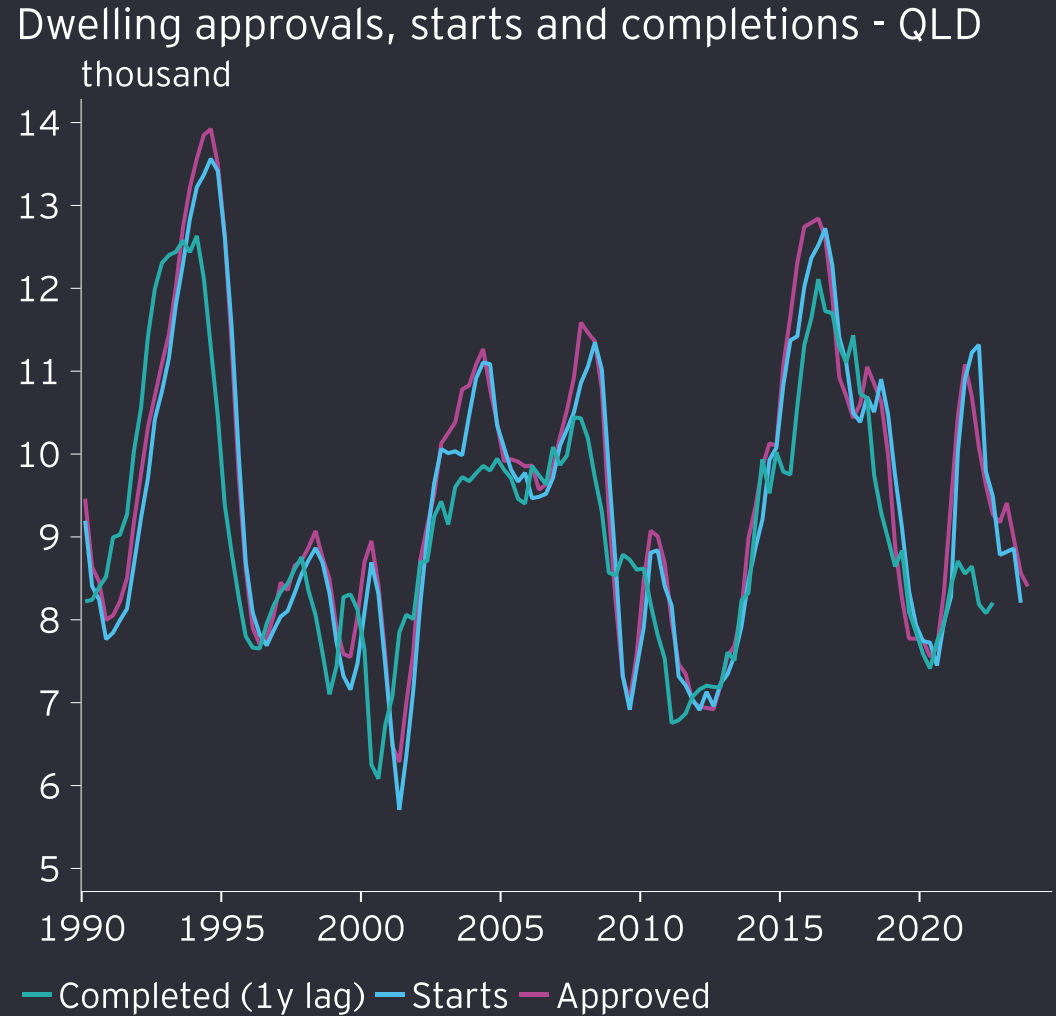
Source: SQM, Macrobond



# Dwelling completions lag as construction skill shortages continue to persist



Source: ABS, Macrobond, EY

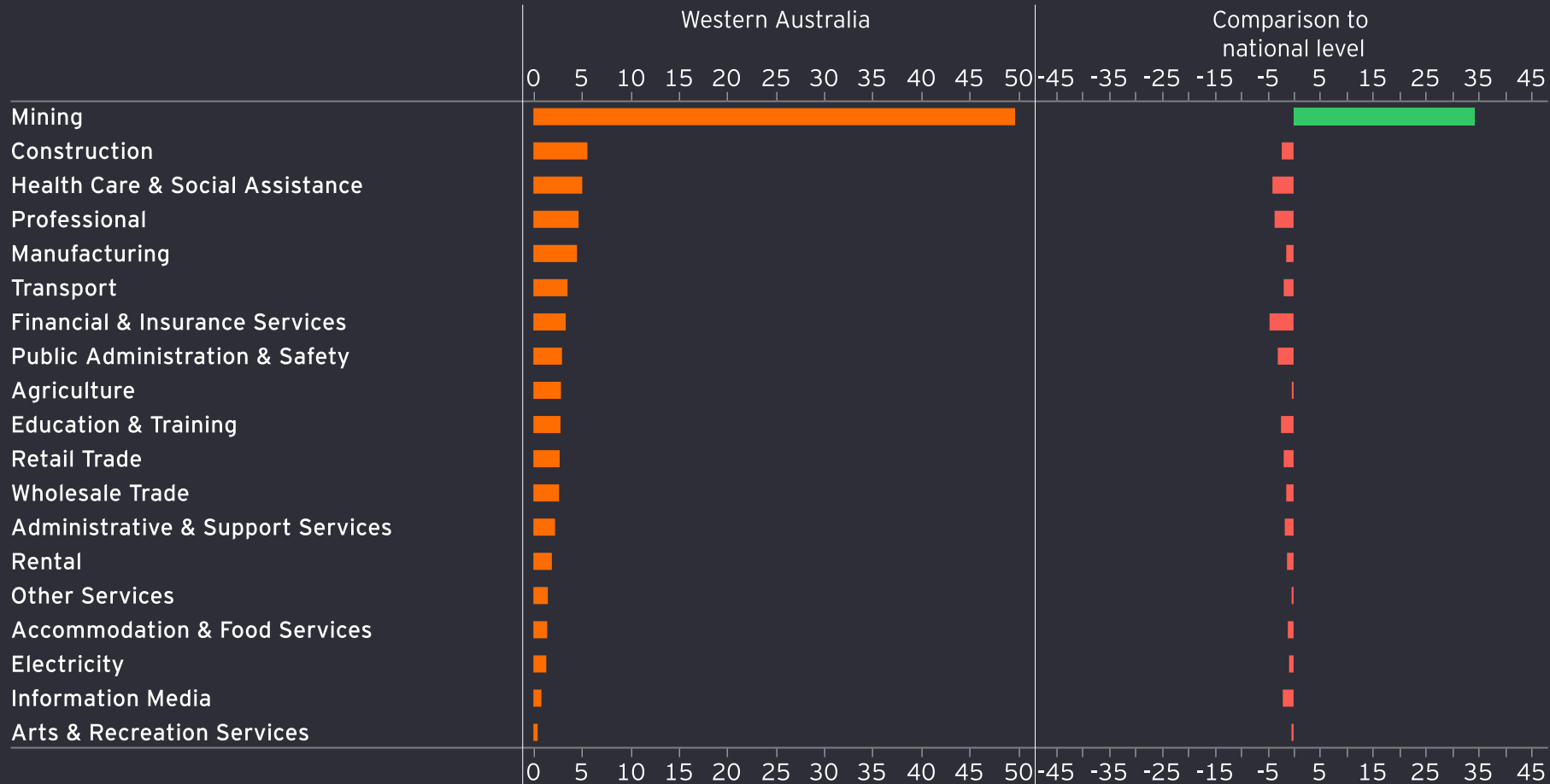


Source: ABS, Macrobond, EY

# Western Australia

# Mining makes up almost 50 per cent of the WA economy

WA industry share (FY23) and comparison to national industry share (Q4 2023)

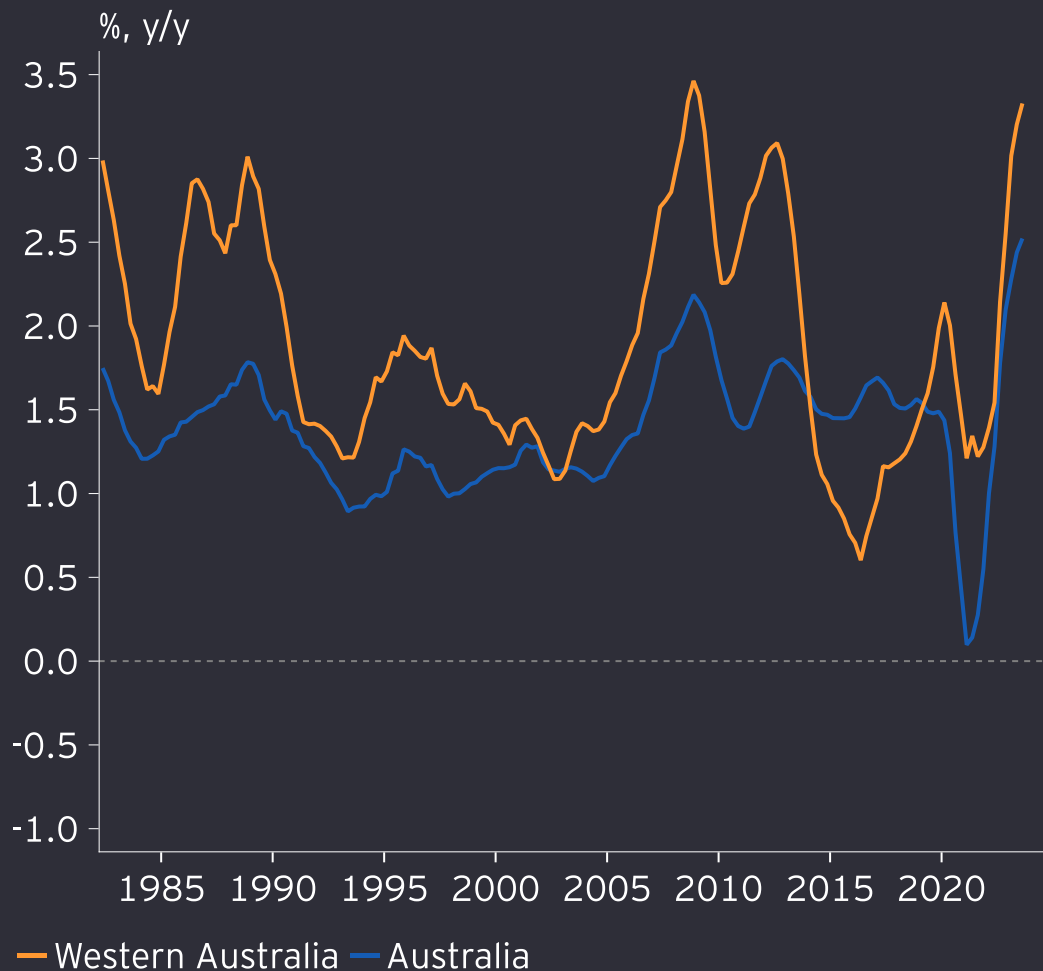


Source: ABS, Macrobond, EY

\*green indicates the industry share is higher than national, red indicates the industry share is lower than national.

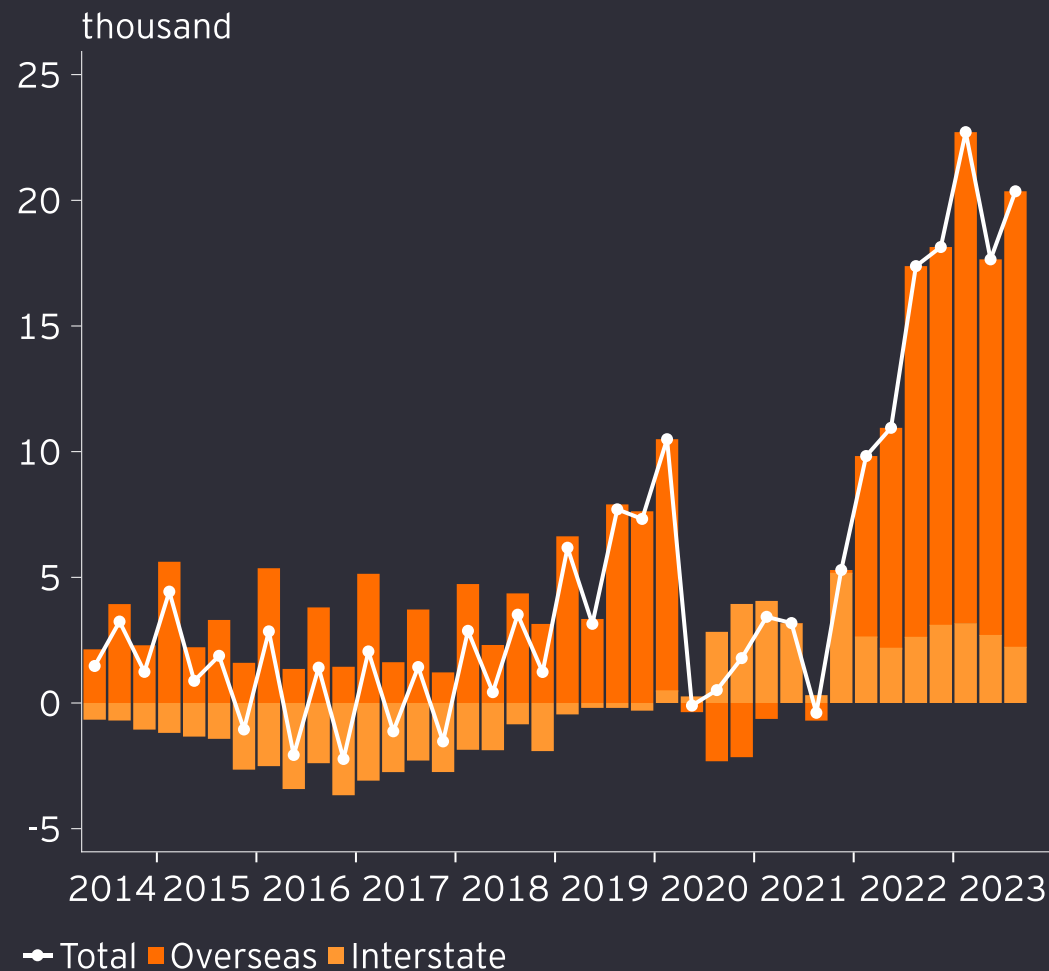
# WA has the fastest growing population at 3.3 per cent in the year to September, the fastest rate since the mining boom

### Estimated resident population



Source: ABS, Macrobond, EY

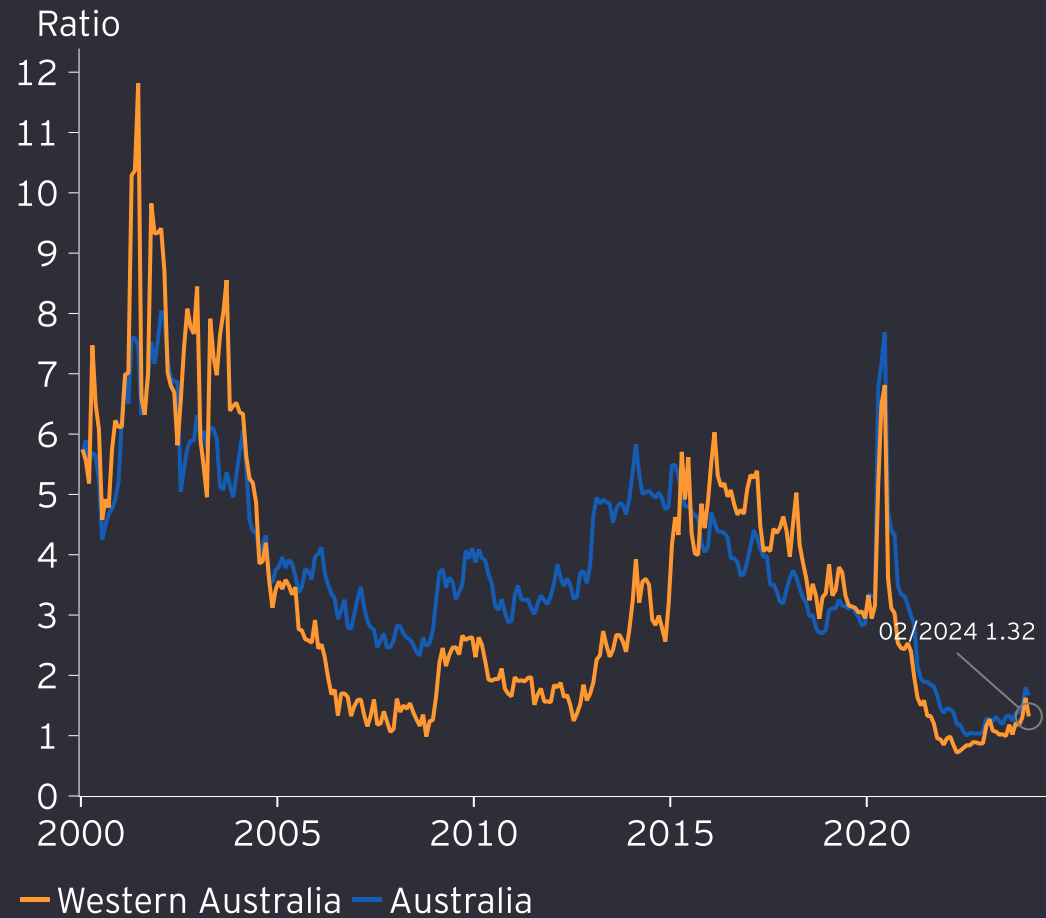
### Net Migration, Western Australia



Source: ABS, Macrobond, EY

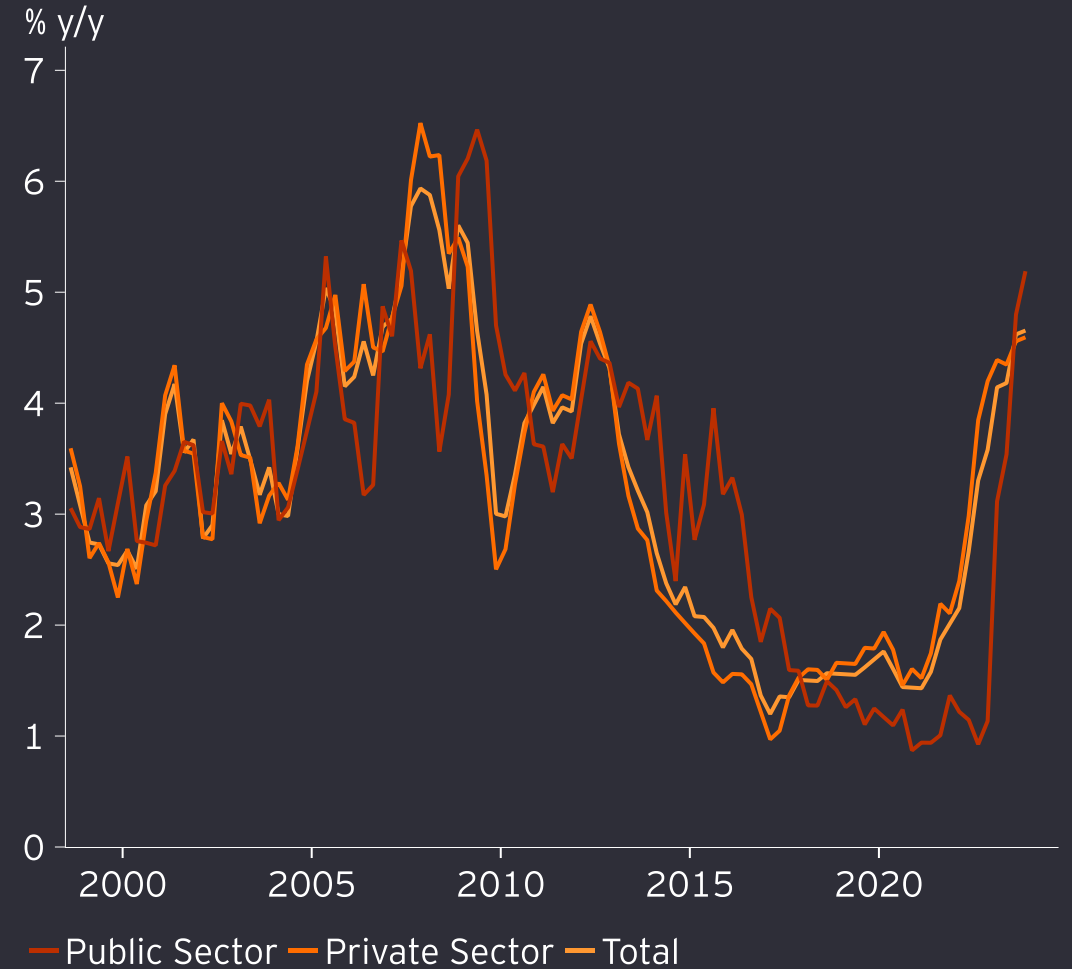
# WA has the tightest labour market in the country and the second strongest wages growth after Queensland

## Number of unemployed people for each job vacancy, WA



Source: ABS, Macrobond, EY

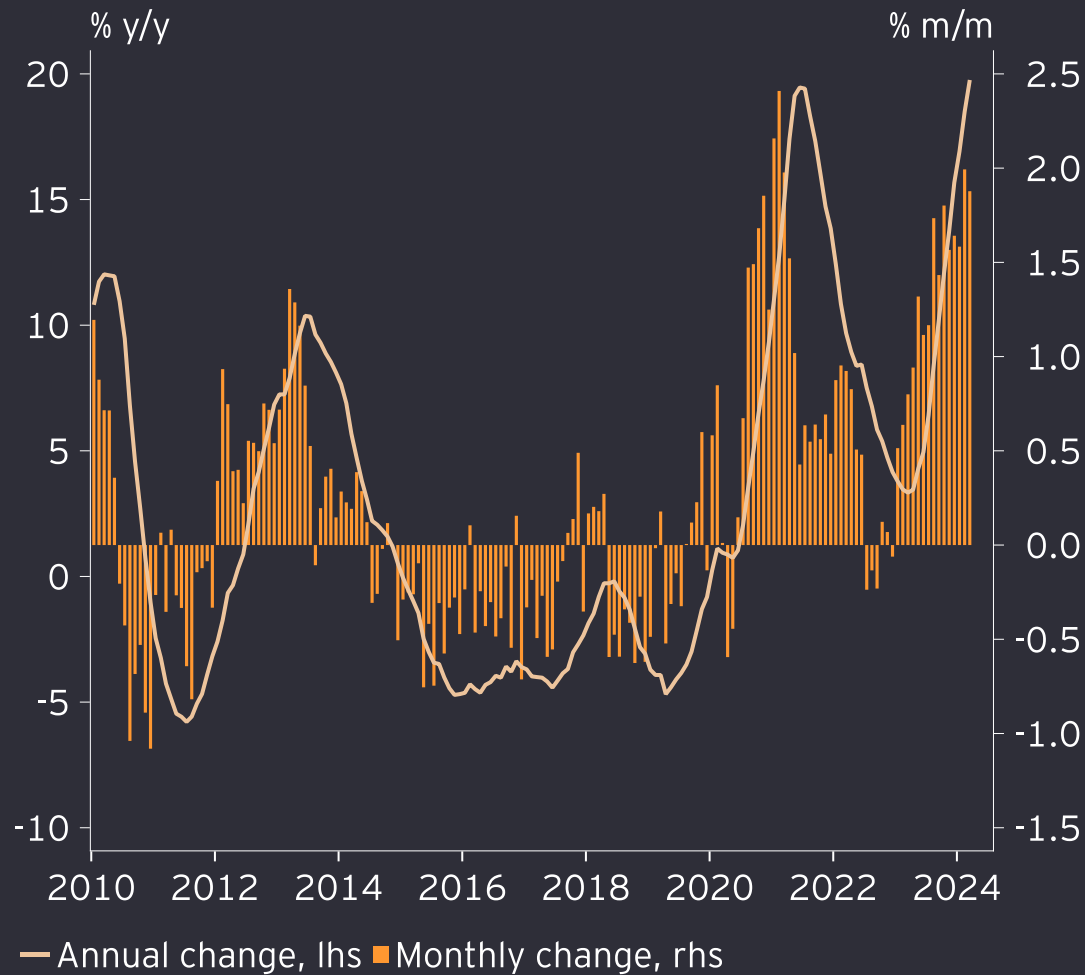
## Wage Price Index, WA



Source: ABS, Macrobond, EY

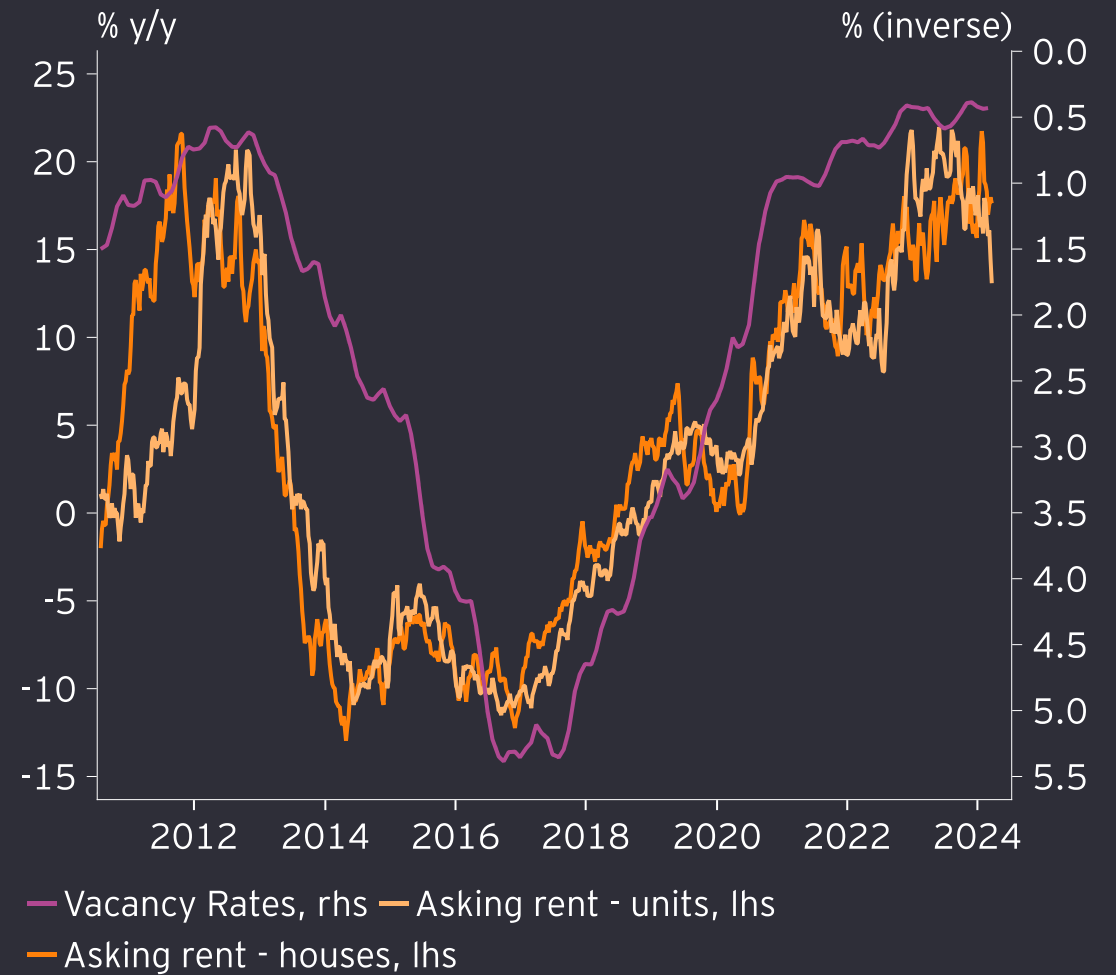
# Perth house prices rose nearly 20 per cent over the year to March 2024. The rental vacancy rate is the lowest in the country

Perth dwelling prices



Source: CoreLogic, Macrobond, EY

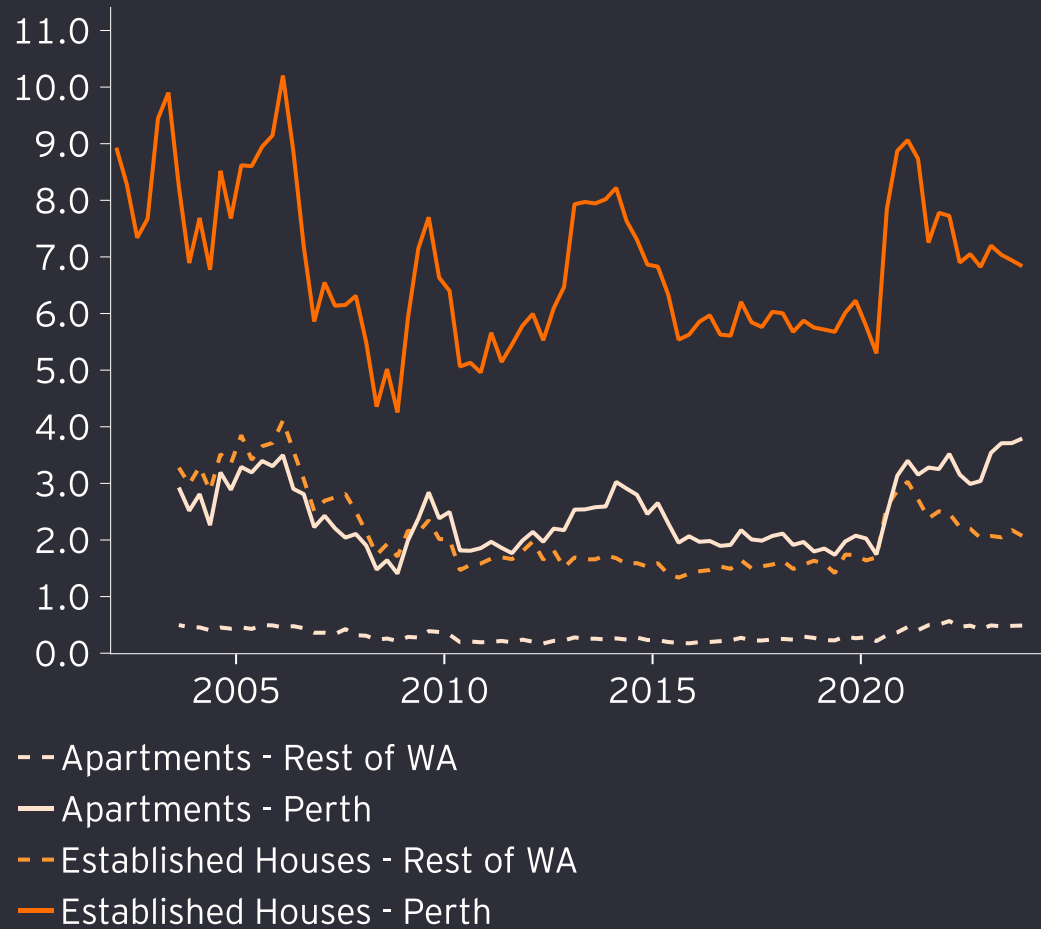
Perth asking rents and vacancy rate



Source: SQM, Macrobond, EY

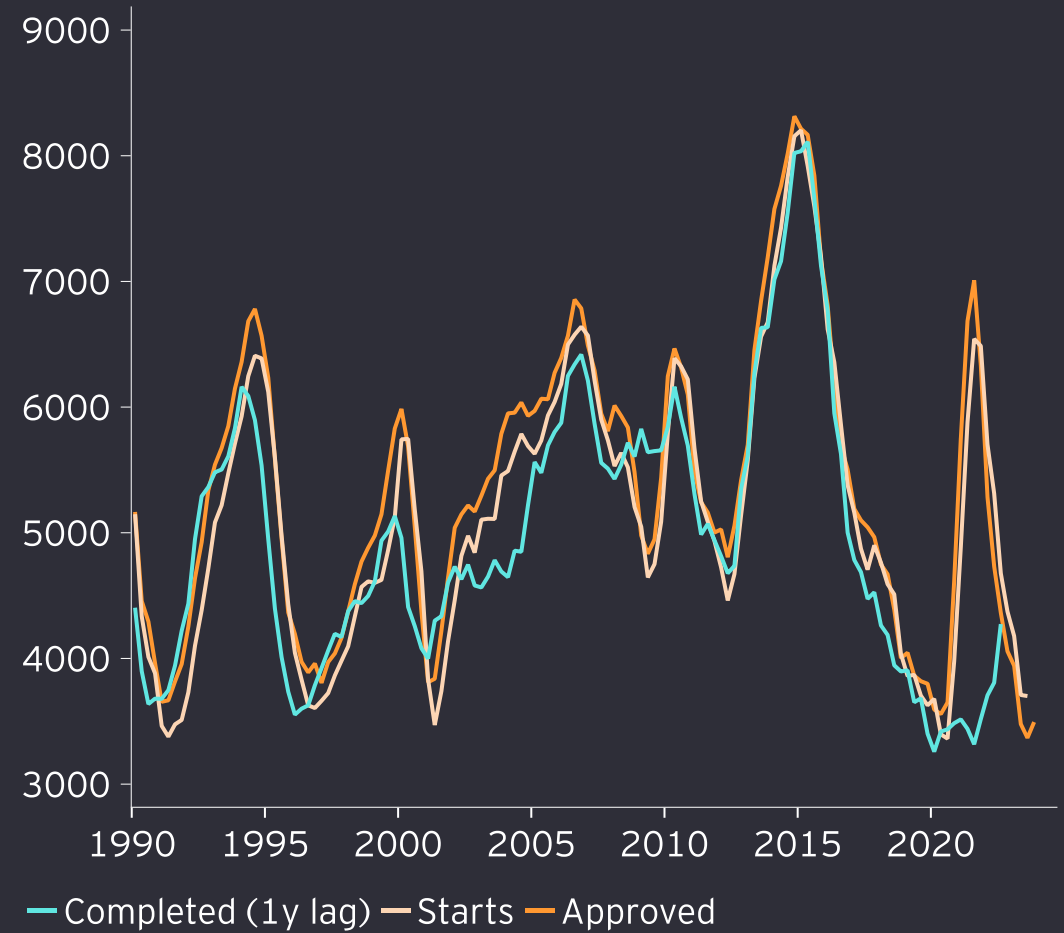
# Residential construction completions continue to be hampered by skills and material shortages, while building approvals are at their lowest on record

House and attached dwelling transfers, WA  
thousand



Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - WA  
Number



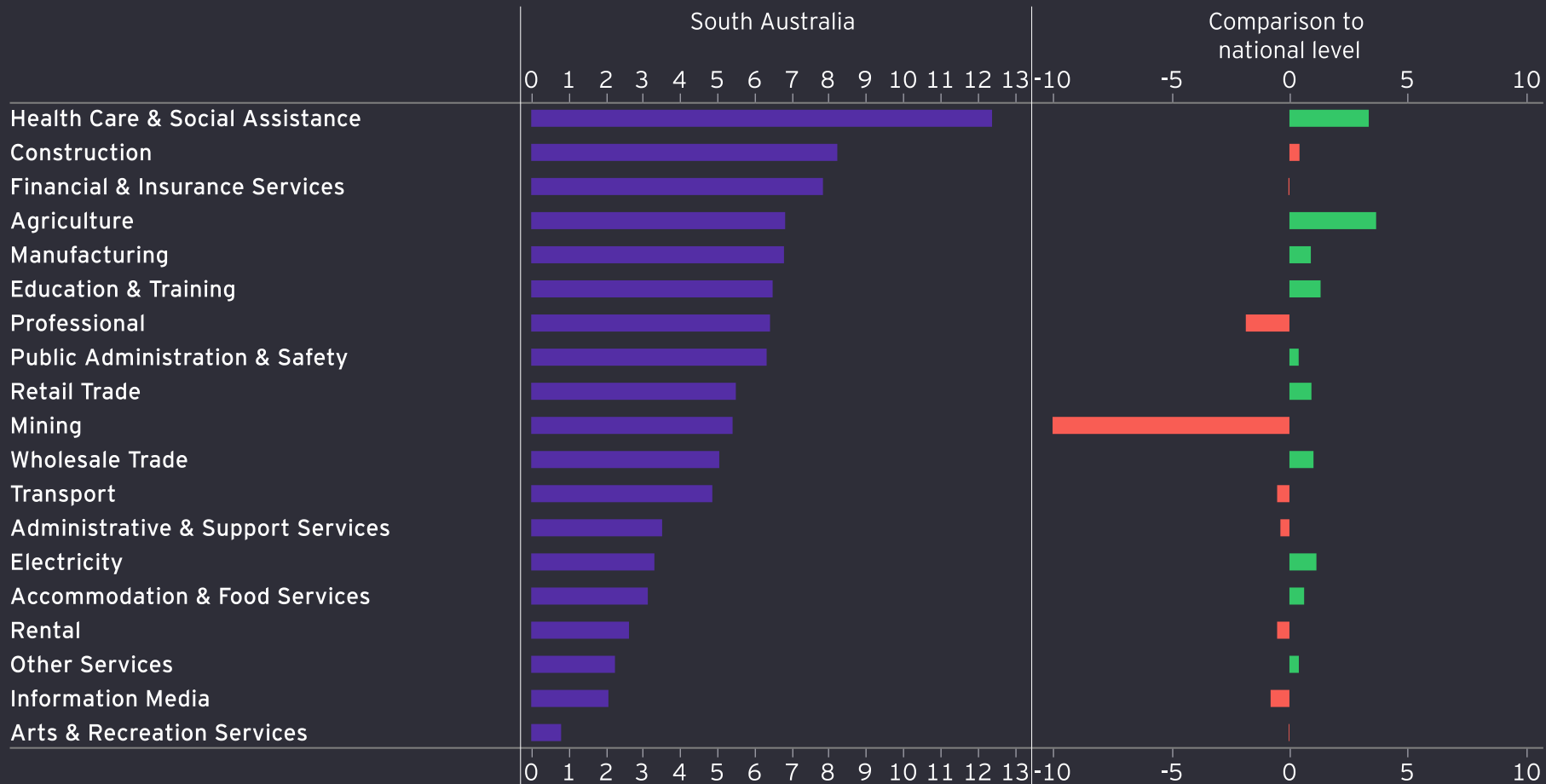
Source: ABS, Macrobond, EY

# South Australia



# South Australia has a relatively large health care and social assistance industry

SA industry share (FY23) and comparison to national industry share (Q4 2023)

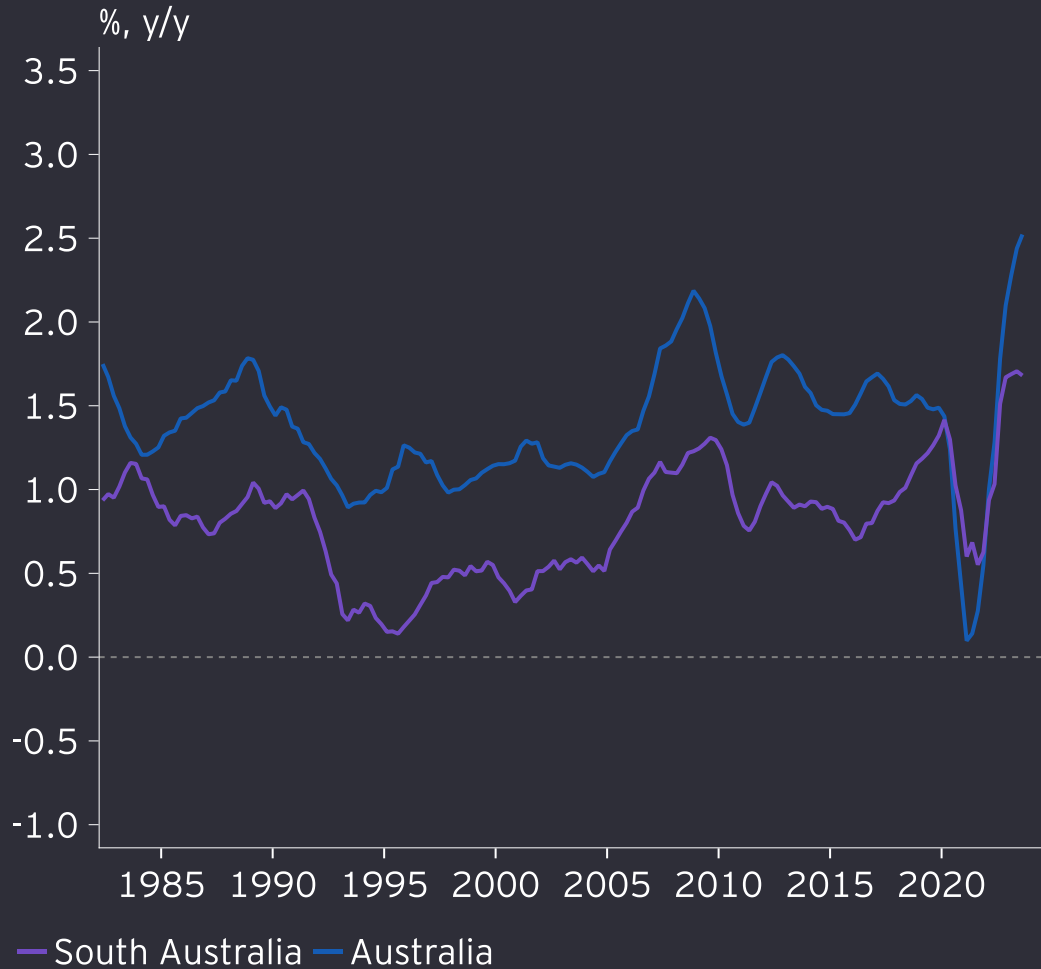


Source: ABS, Macrobond, EY

\*green indicates the industry share is higher than national, red indicates the industry share is lower than national.

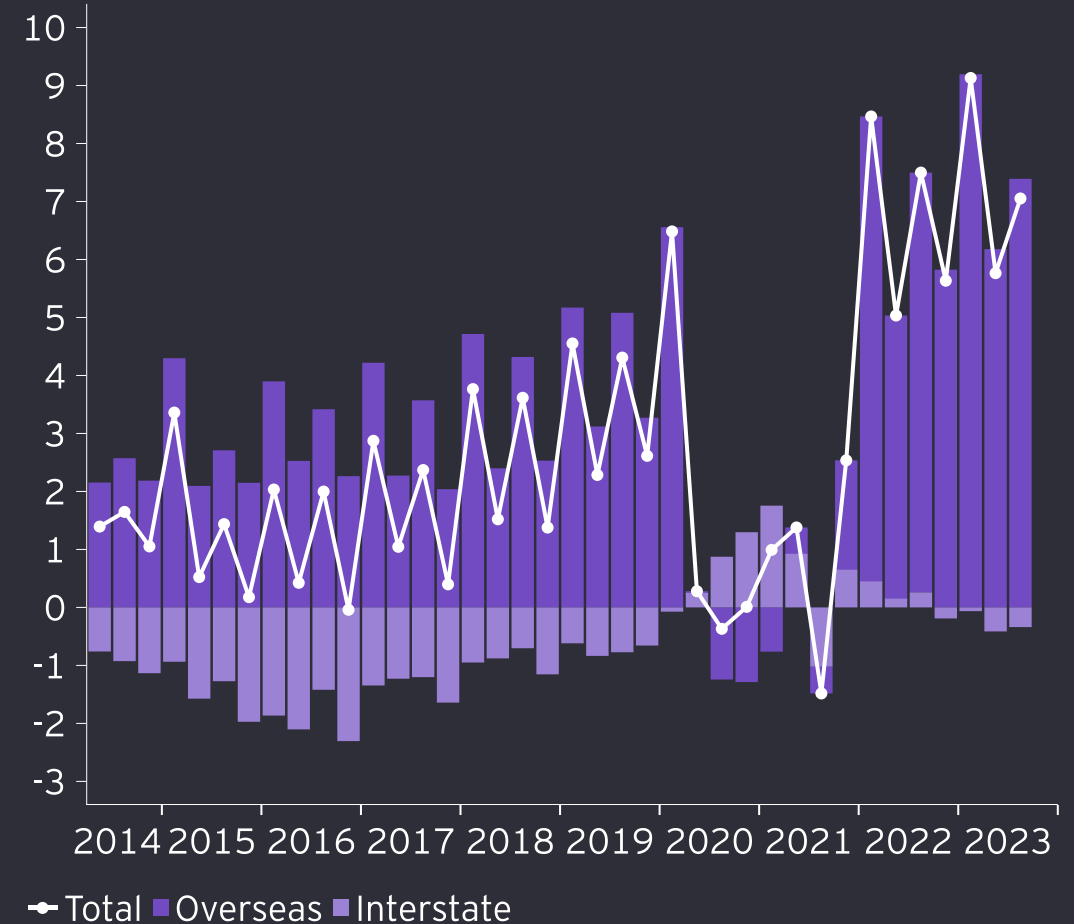
# Overseas migration has bounced back, but population growth remains below the national average as interstate migration falls in net terms

Estimated resident population



Source: ABS, Macrobond, EY

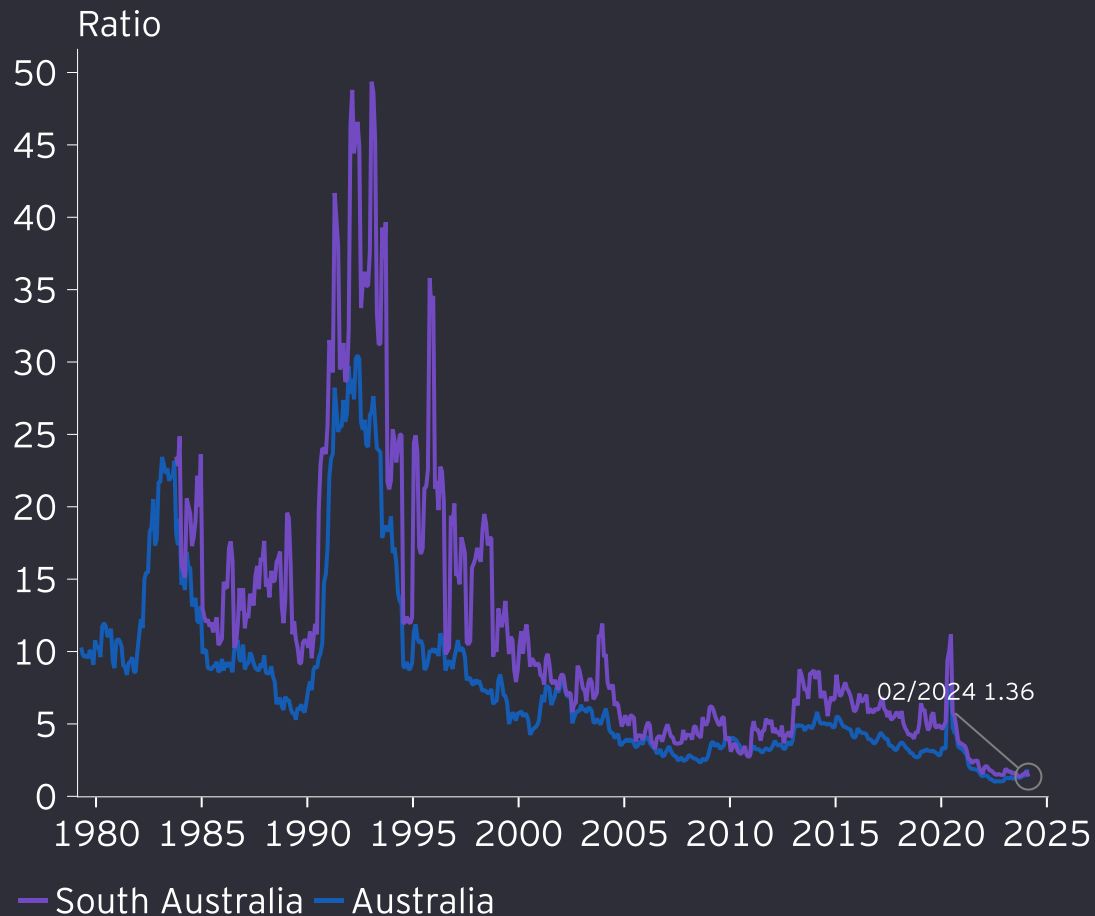
Net Migration, South Australia  
thousands



Source: ABS, Macrobond, EY

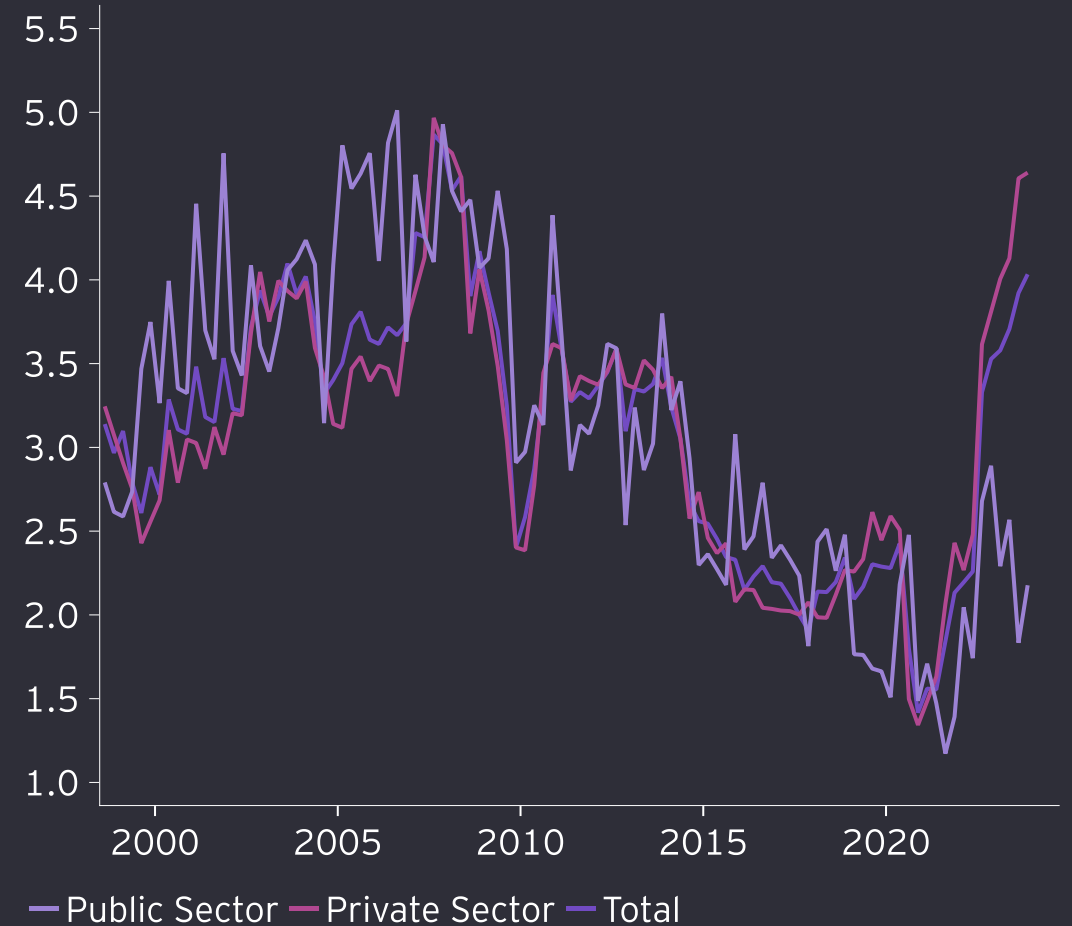
# South Australia has one of the tightest labour markets, second only to WA, but wages growth continues to lag the other states

## Number of unemployed people for each job vacancy, South Australia



Source: ABS, Macrobond, EY

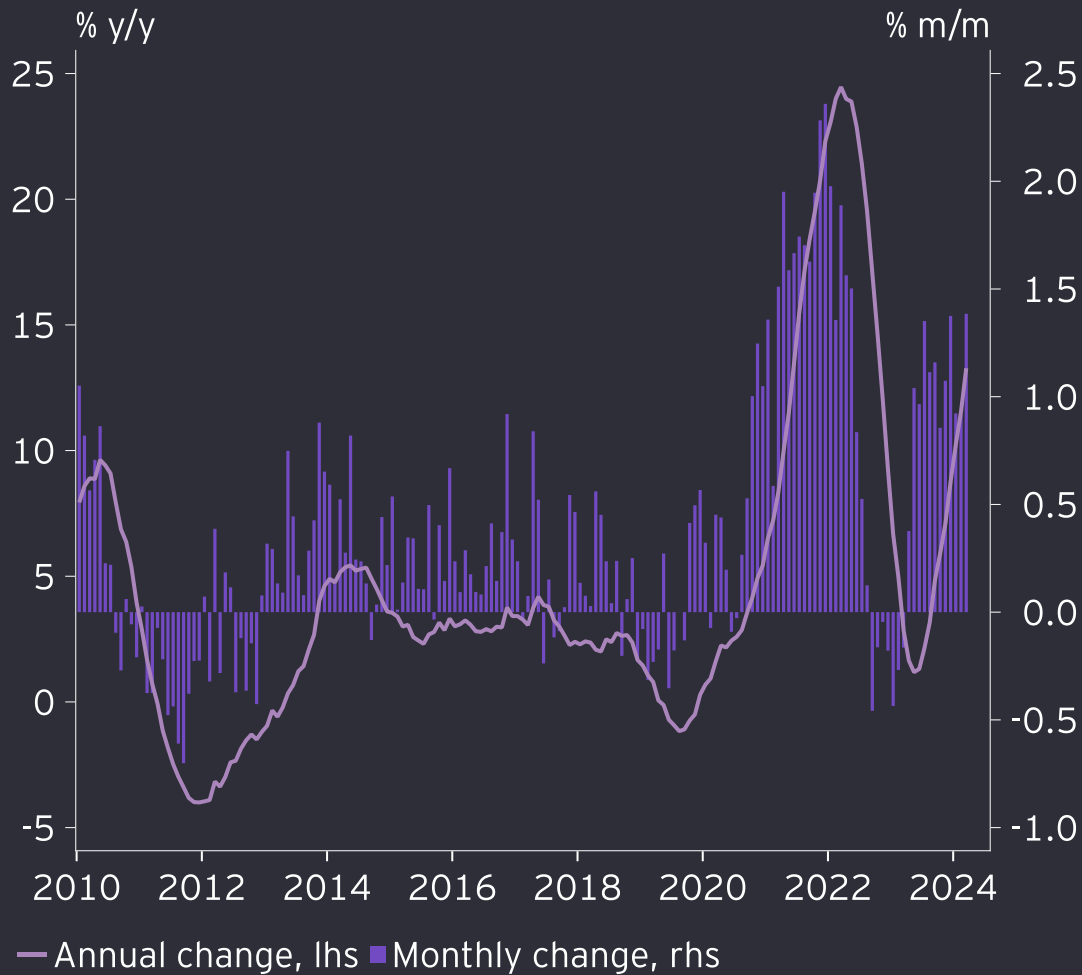
## Wage Price Index, SA



Source: ABS, Macrobond, EY

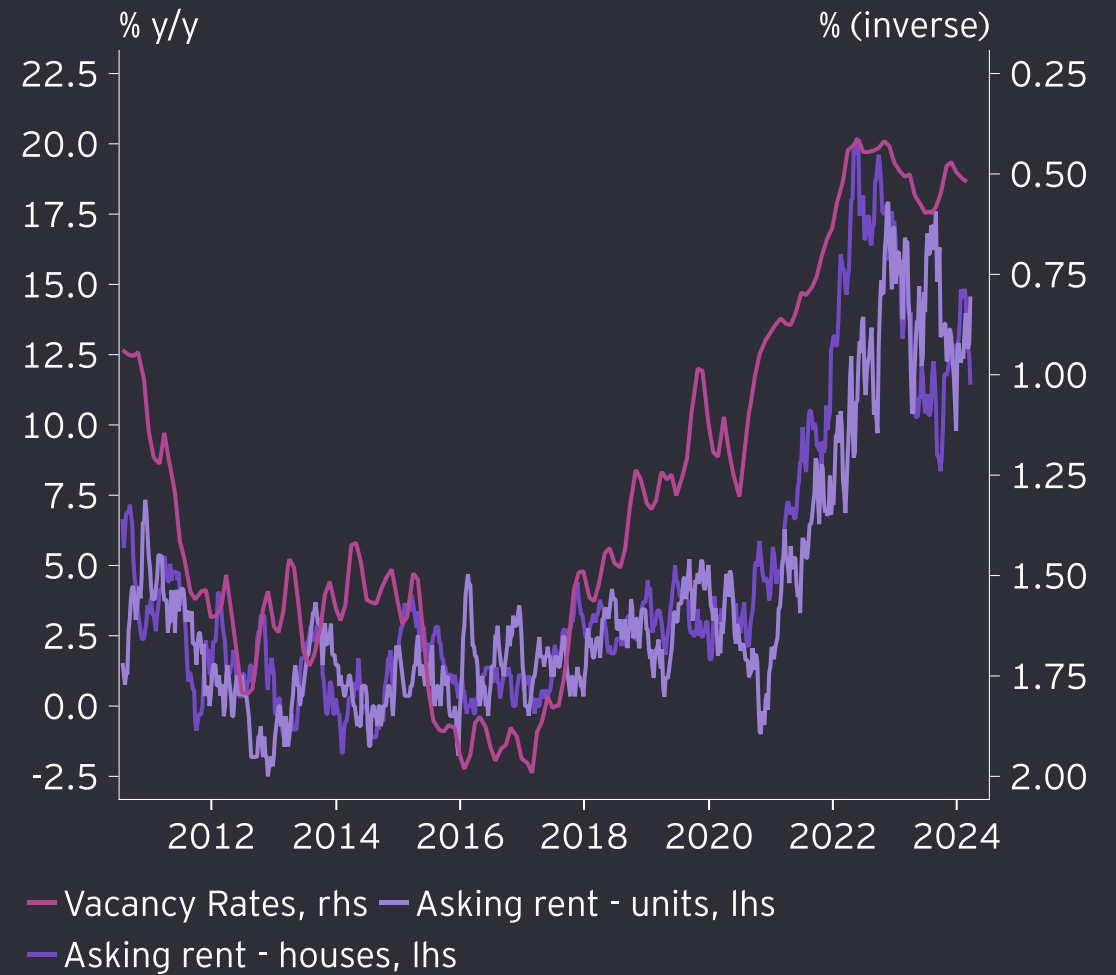
# Adelaide has the third fastest dwelling price growth, with prices increasing over 13 per cent since March 2023

Greater Adelaide dwelling prices



Source: CoreLogic, Macrobond, EY

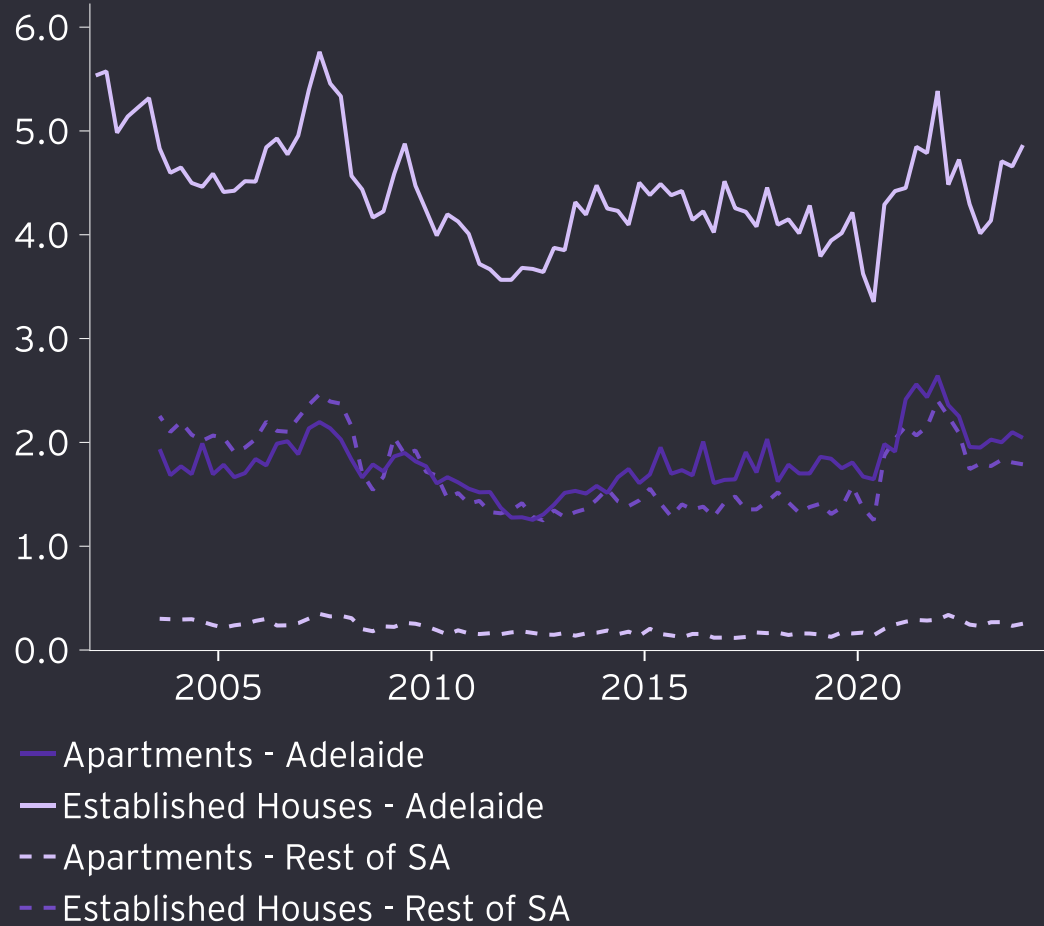
Adelaide asking rents and vacancy rate



Source: SQM, Macrobond, EY

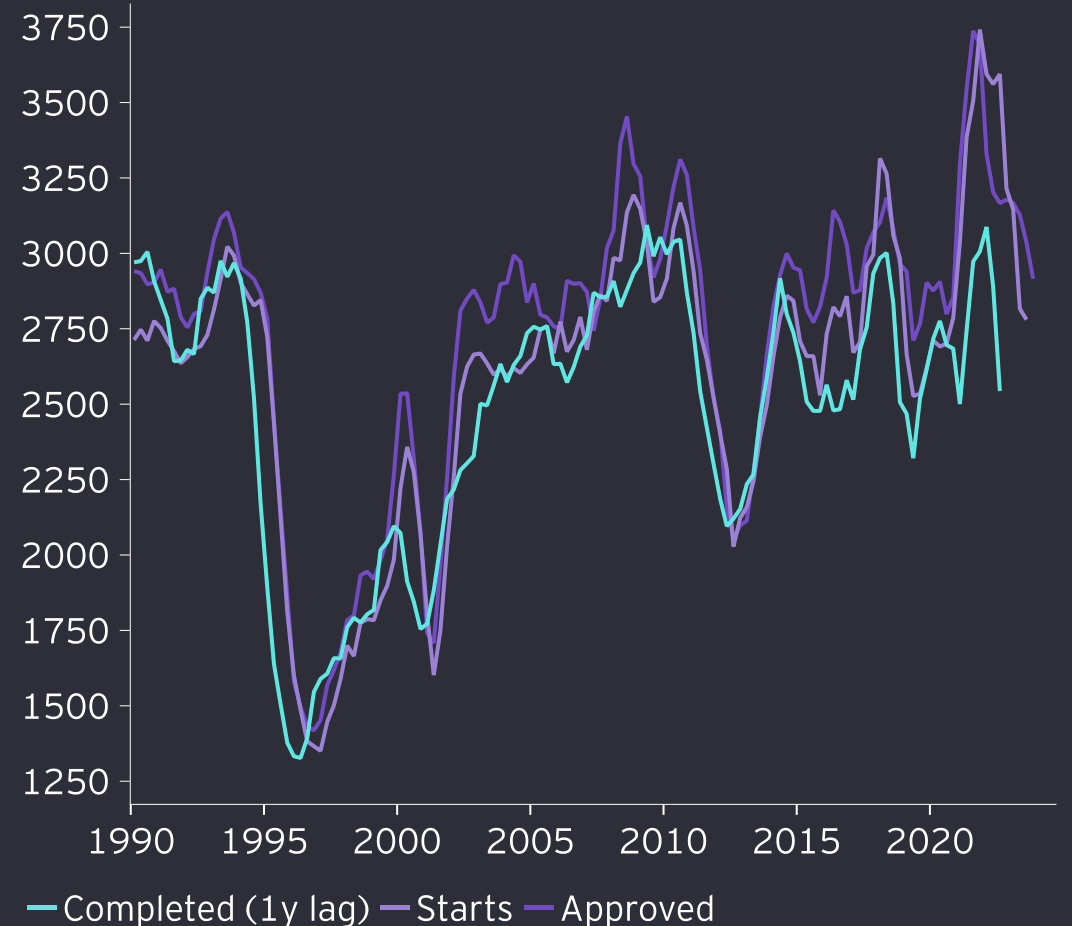
# Dwelling completions continue to fall as material and skill shortages pose a challenge

House and attached dwelling transfers, SA thousand



Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - SA Number

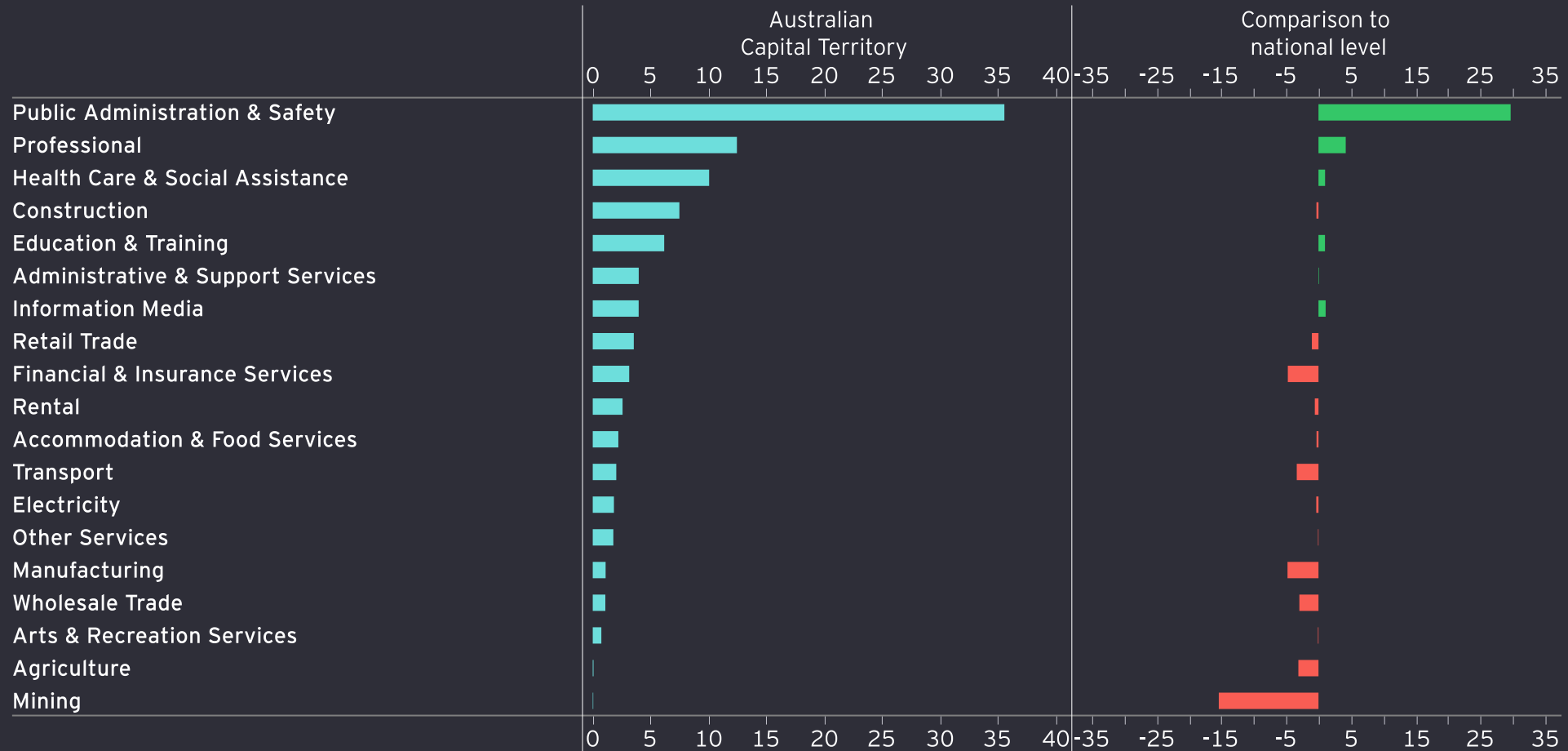


Source: ABS, Macrobond, EY

# Australian Capital Territory

# The public sector makes up more than a third of ACT's economy

ACT industry share (FY23) and comparison to national industry share (Q4 2023)

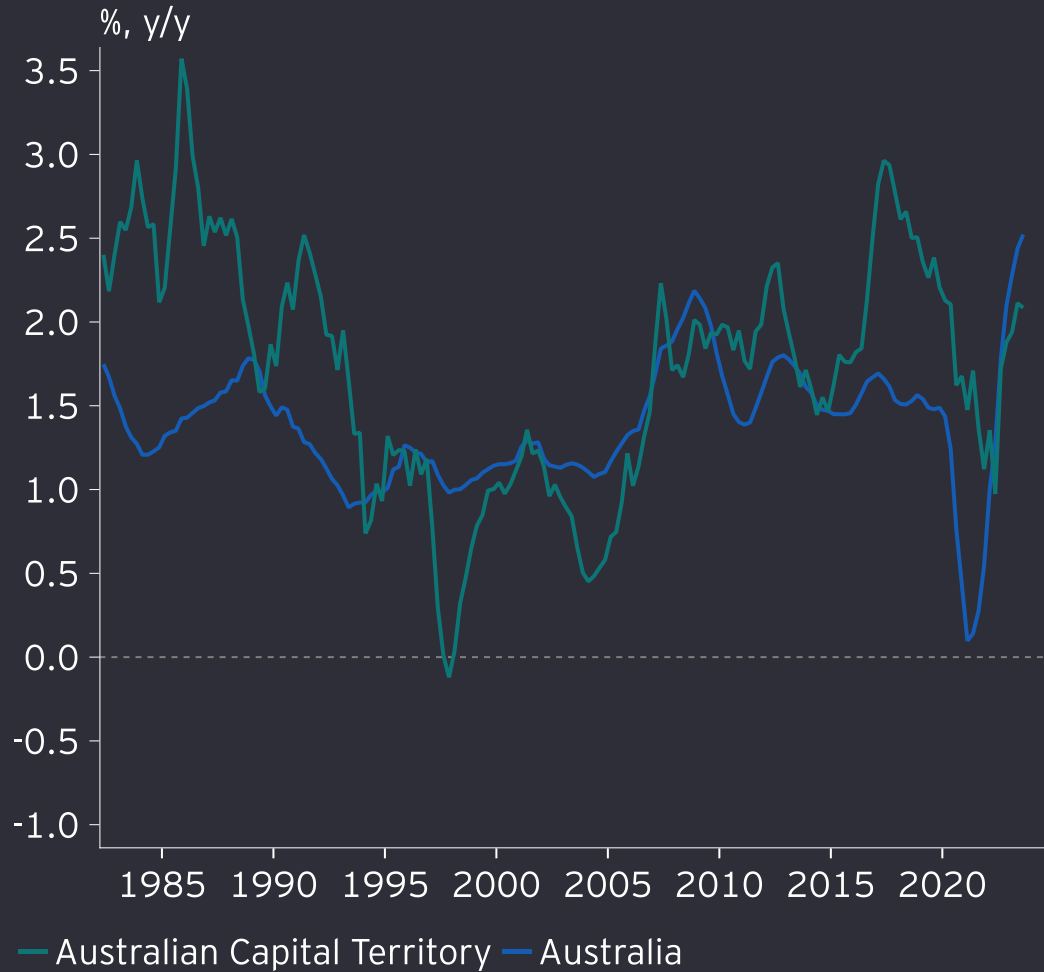


Source: ABS, Macrobond, EY

\*green indicates the industry share is higher than national, red indicates the industry share is lower than national.

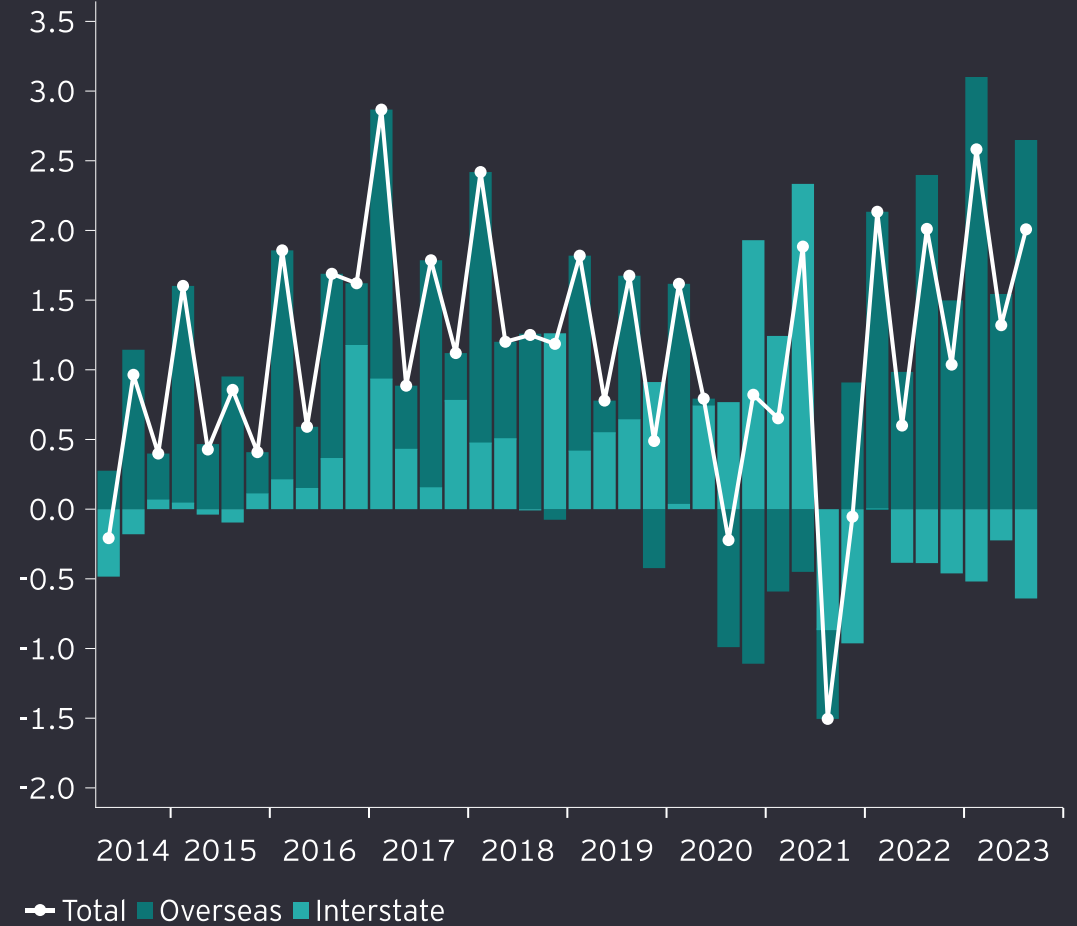
# Population growth has picked up due to overseas migration, while the number of people moving to other states trends higher in net terms

Estimated resident population



Source: ABS, Macrobond, EY

Net Migration, Australian Capital Territory  
No. of Persons, Thousands

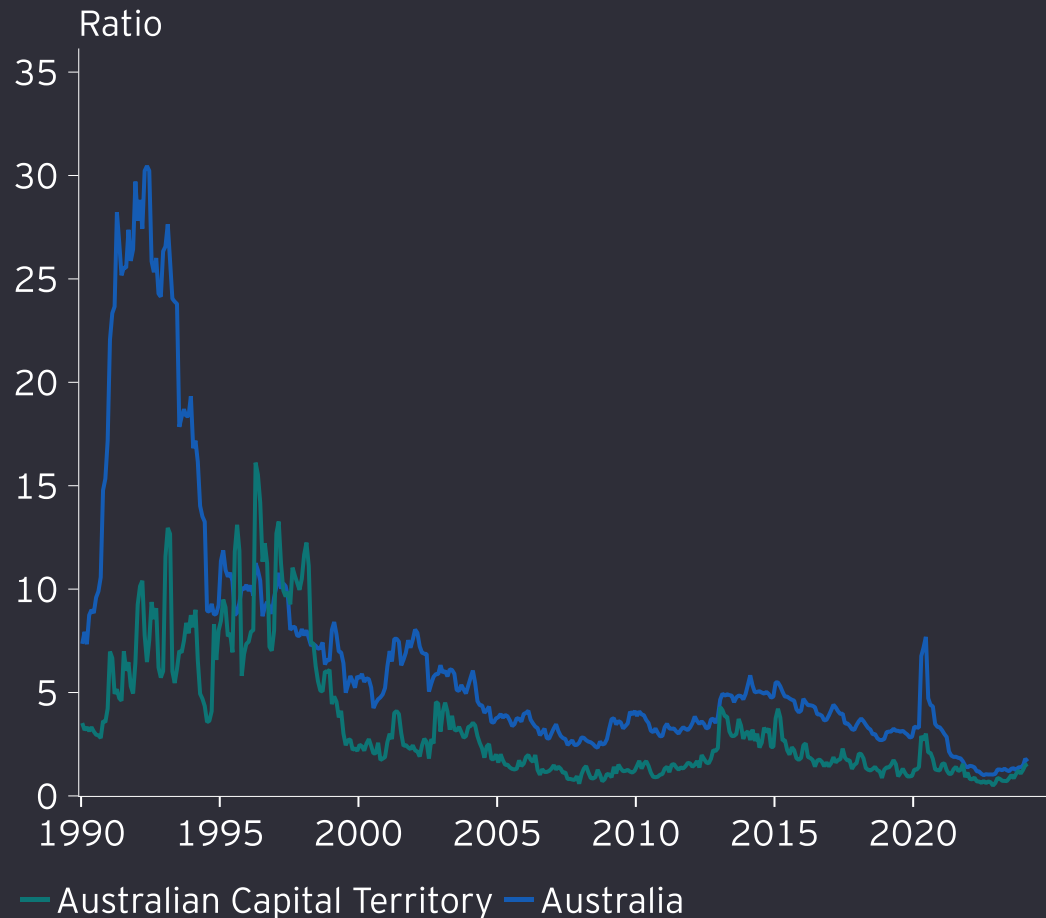


Source: ABS, Macrobond, EY



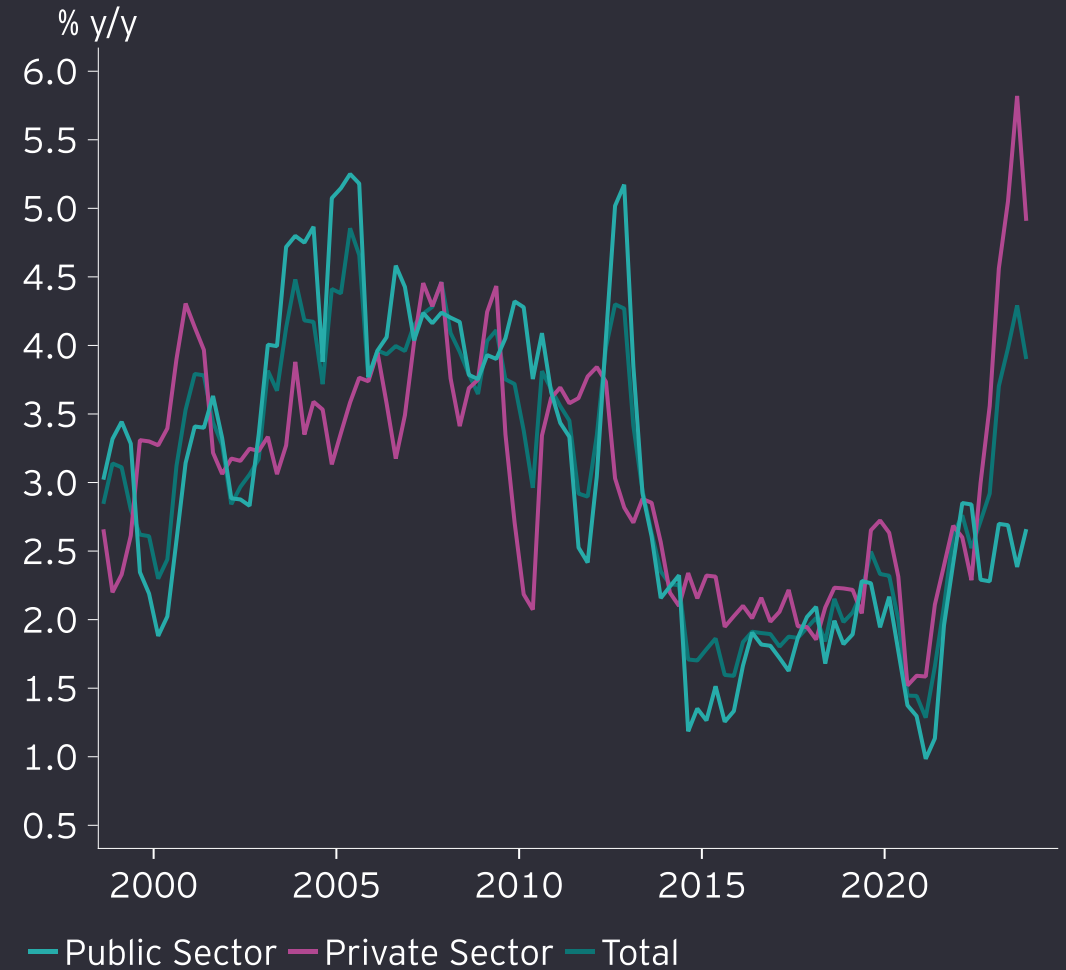
# Labour market conditions in the ACT look to have eased a little, while wages growth may have peaked in the private sector

## Number of unemployed people for each job vacancy, ACT



Source: ABS, Macrobond, EY

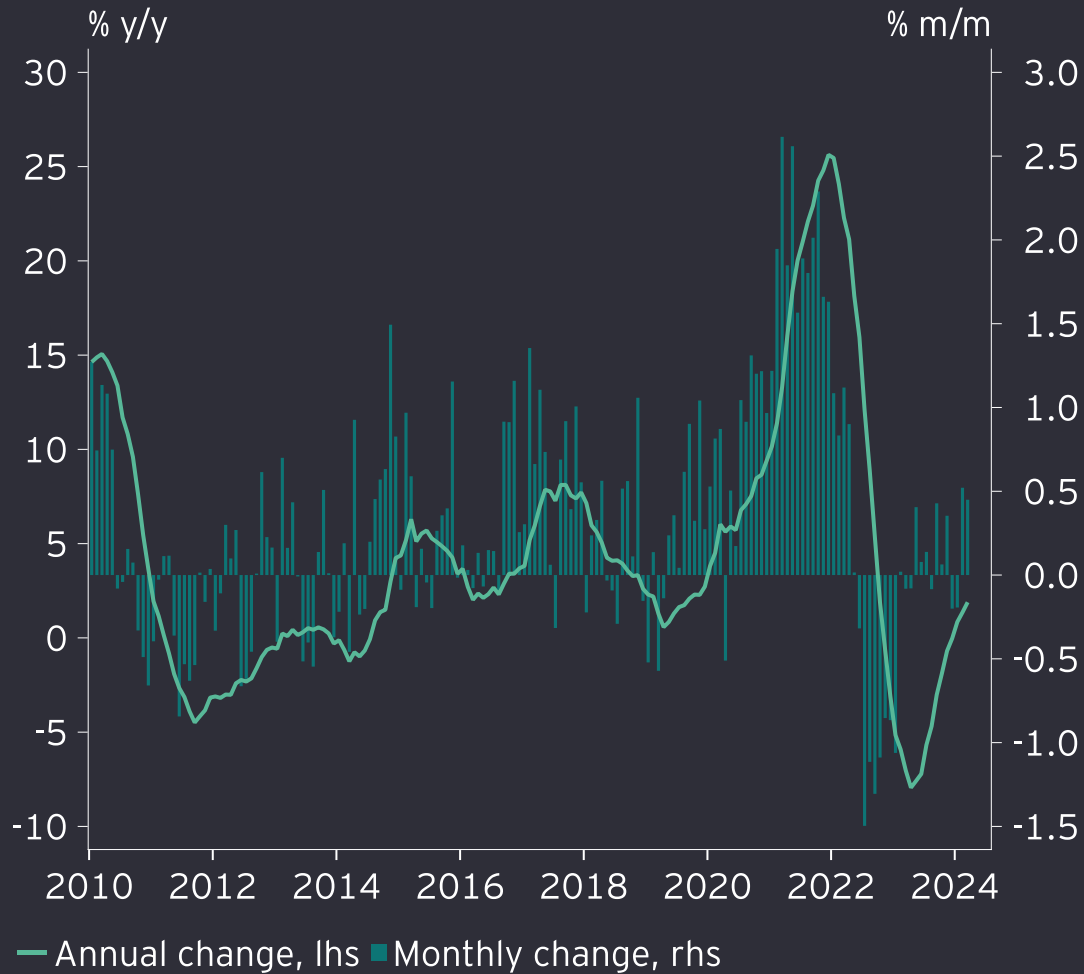
## Wage Price Index, ACT



Source: ABS, Macrobond, EY

# House prices in Canberra have increased by 1.9 per cent over the year to March 2024, while rental price growth has slowed as the vacancy rate climbs

Canberra dwelling prices



Source: CoreLogic, Macrobond, EY

Canberra asking rents and vacancy rate

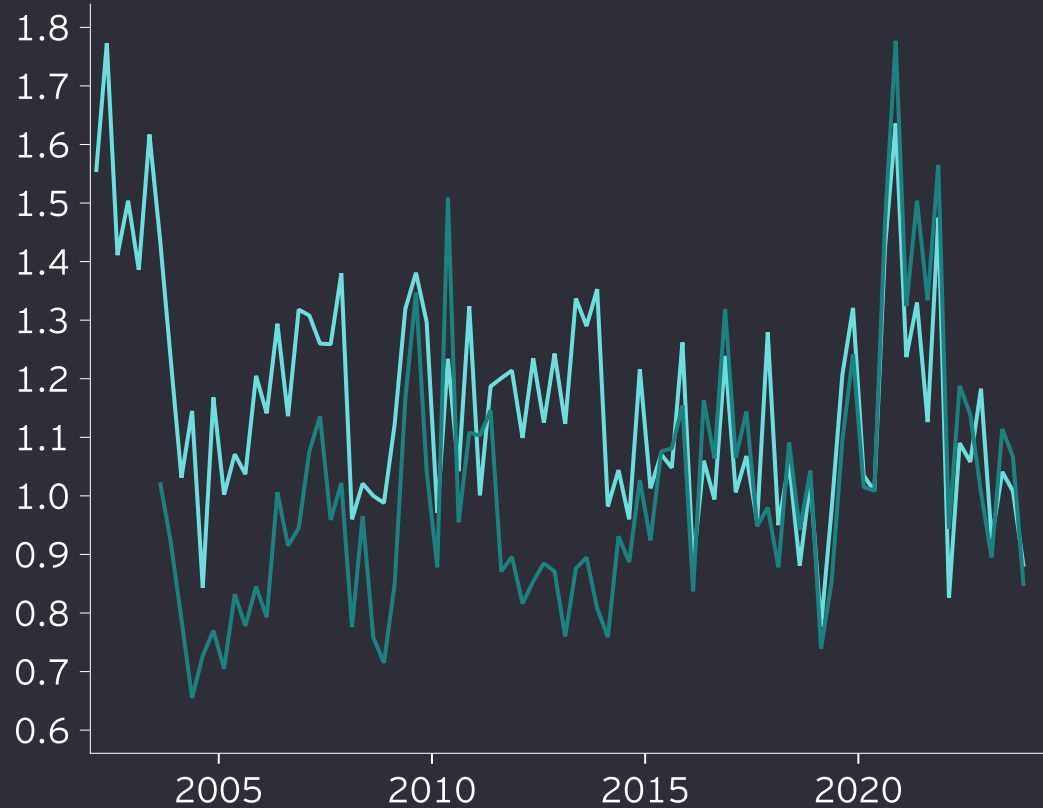


Source: SQM, Macrobond

# Dwelling completions have fallen in the ACT, while approvals have started to rise

## House and attached dwelling transfers, ACT

thousand

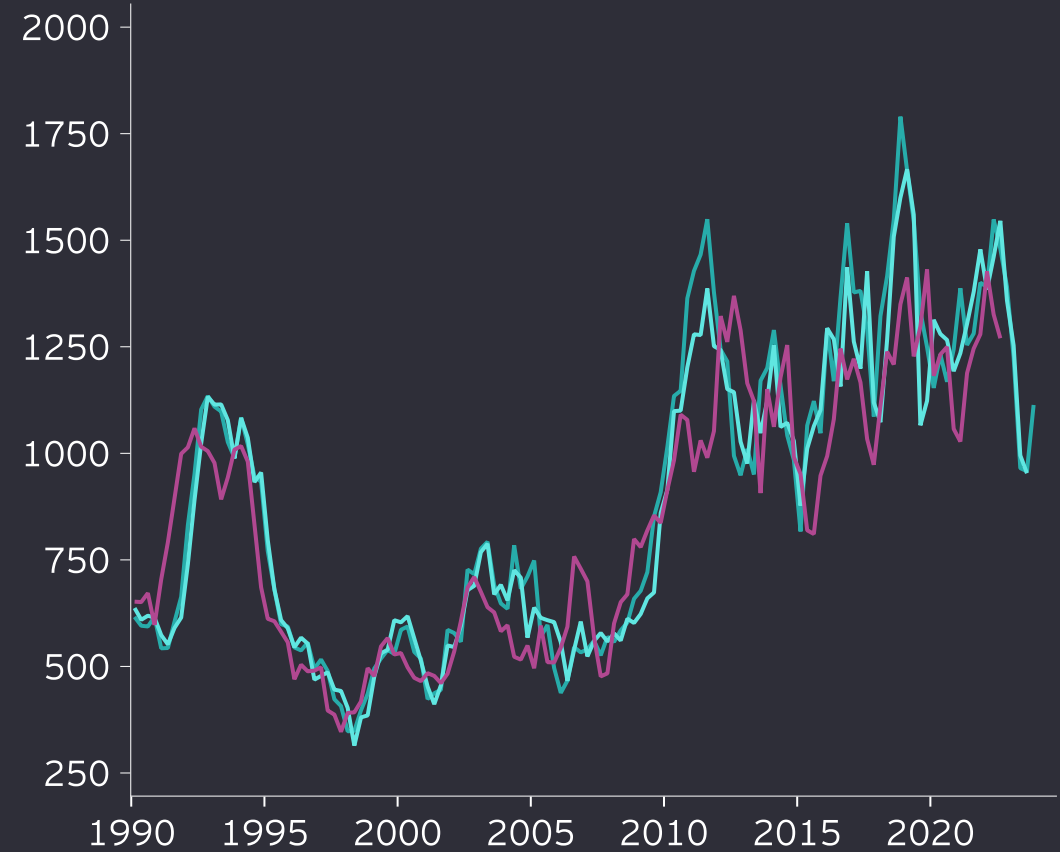


- Apartments - Canberra
- Established Houses - Canberra

Source: ABS, Macrobond, EY

## Dwelling approvals, starts and completions - ACT

Number



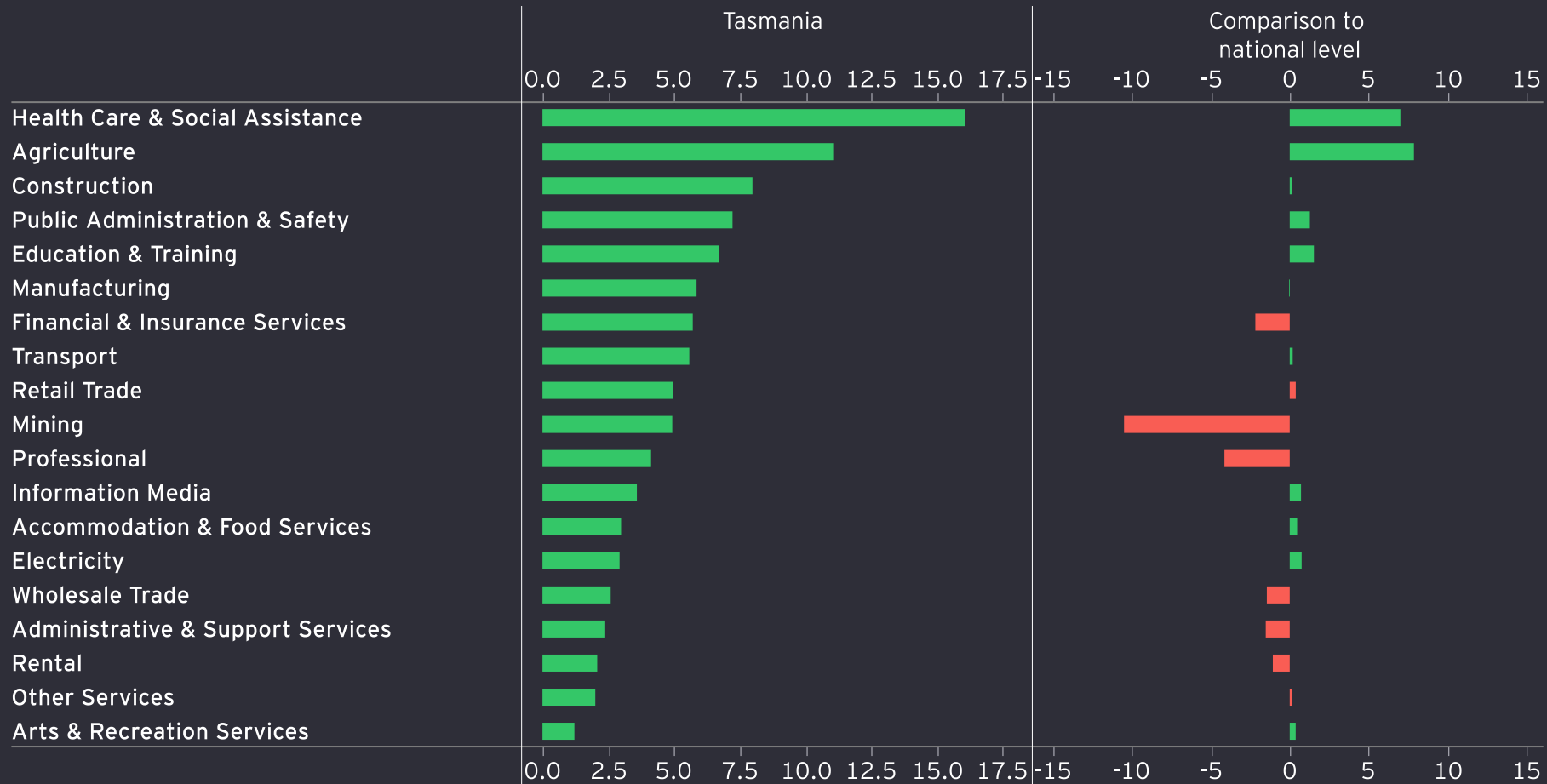
- Completed (1y lag)
- Starts
- Approved

Source: ABS, Macrobond, EY

# Tasmania

# Tasmania has a strong focus on health care and agriculture

TAS industry share (FY23) and comparison to national industry share (Q4 2023)

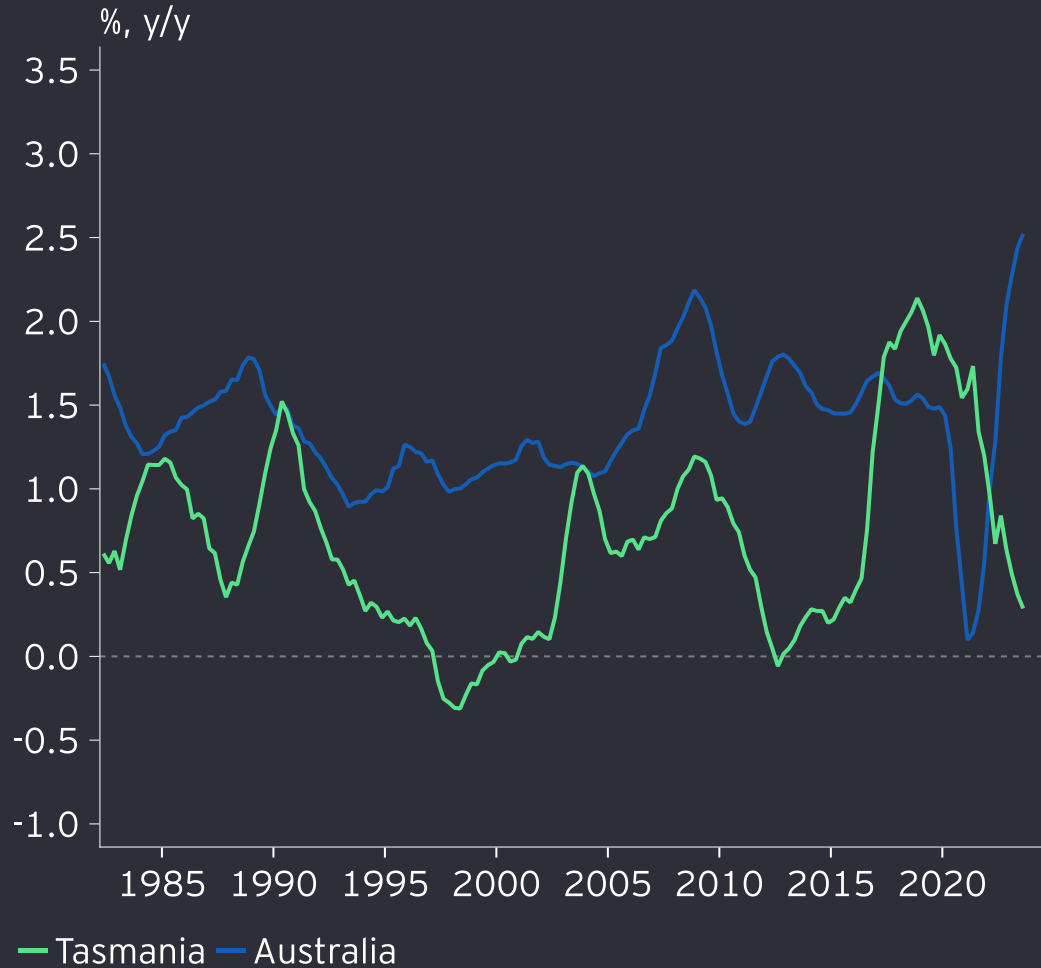


Source: ABS, Macrobond, EY

\*green indicates the industry share is higher than national, red indicates the industry share is lower than national.

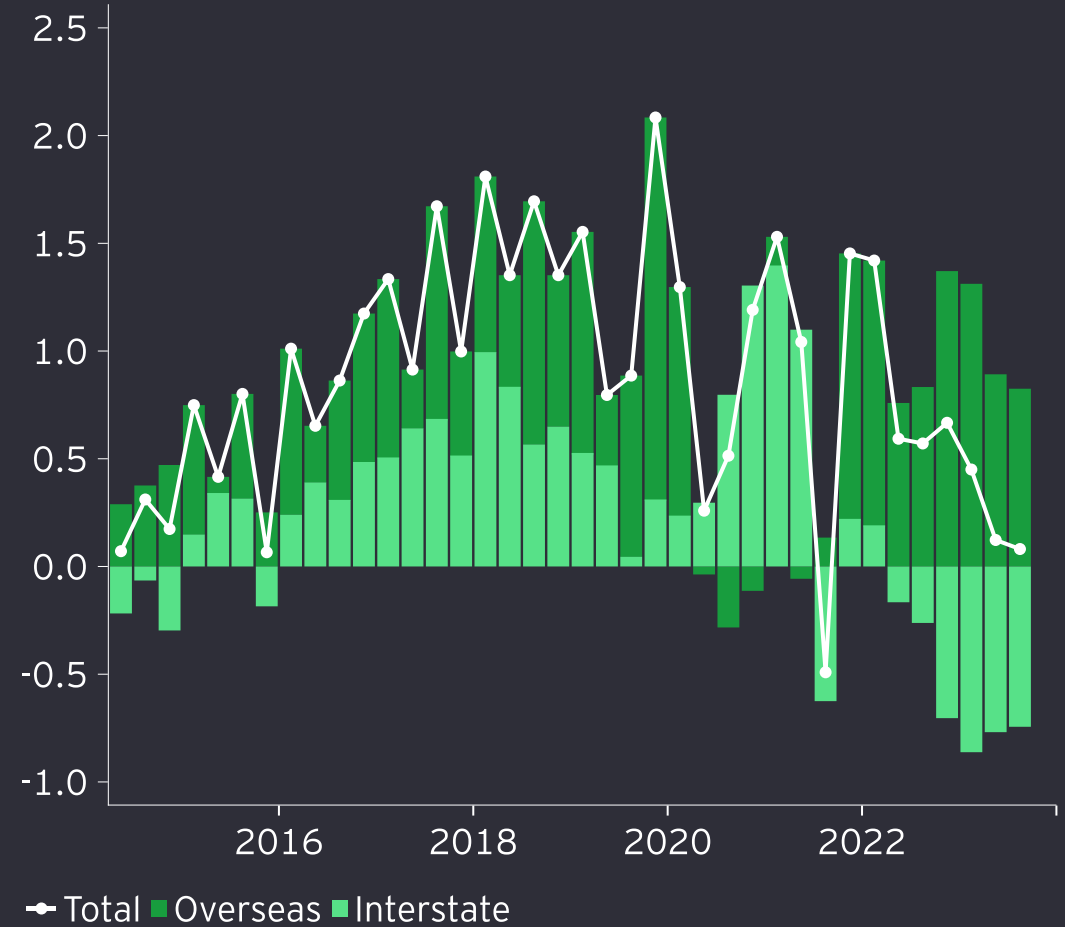
# Tasmania's population growth rate is well below the national average as the state suffers net interstate departures

Estimated resident population



Source: ABS, Macrobond, EY

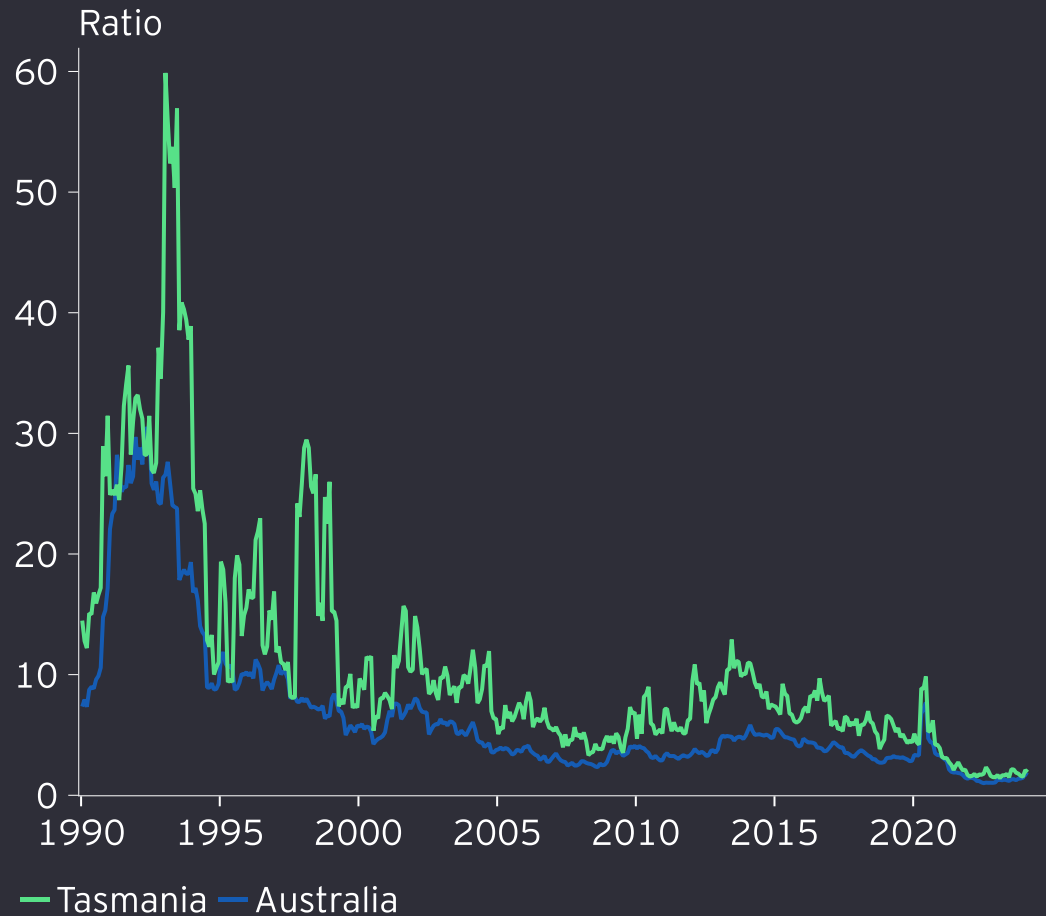
Net Migration, Tasmania  
thousands



Source: ABS, Macrobond, EY

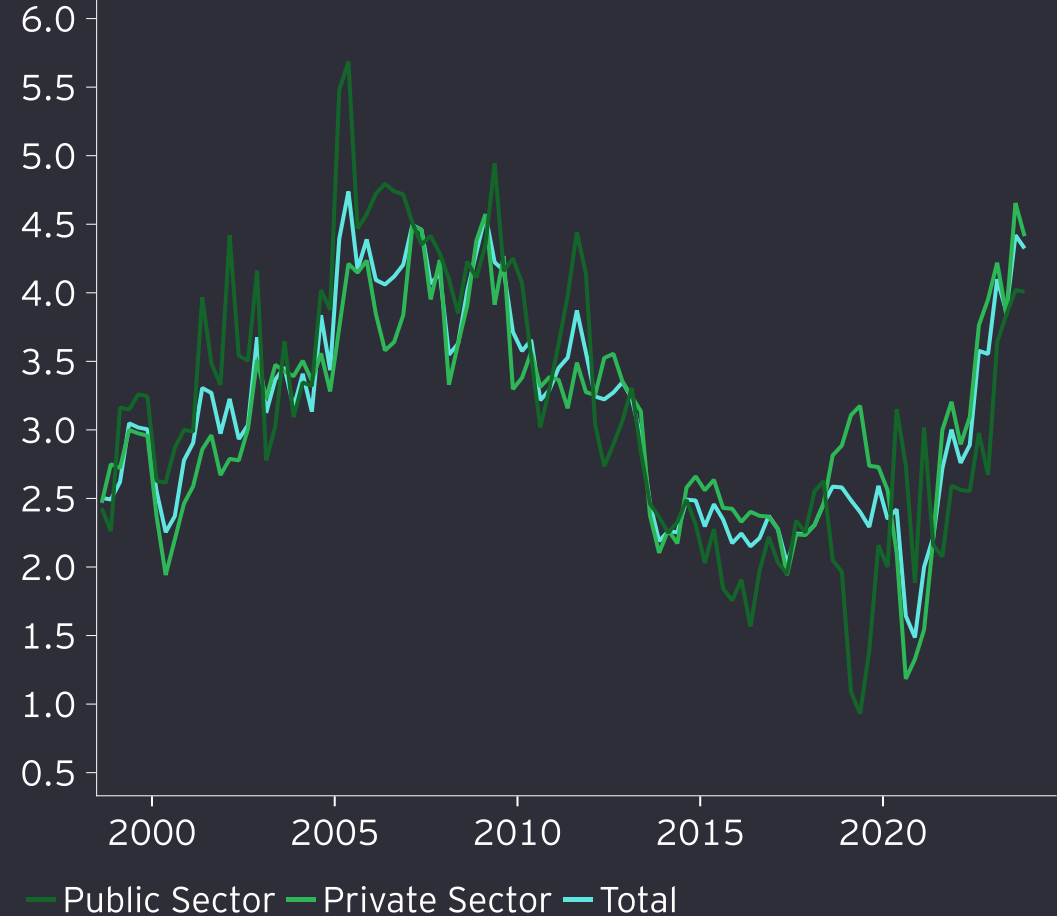
# Labour market conditions have eased, with Tasmania having the highest number of unemployed people relative to its job vacancies

## Number of unemployed people for each job vacancy, Tasmania



Source: ABS, Macrobond, EY

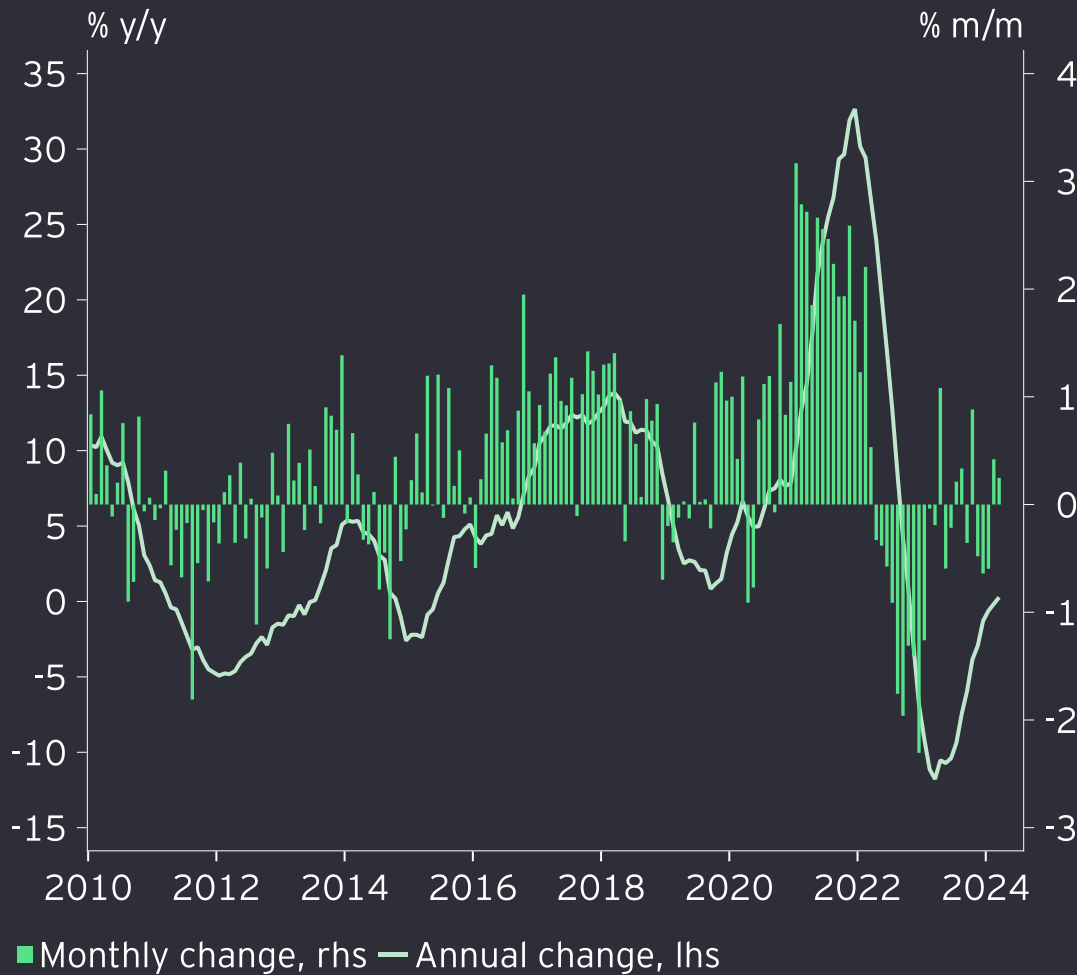
## Wage Price Index, Tasmania



Source: ABS, Macrobond, EY

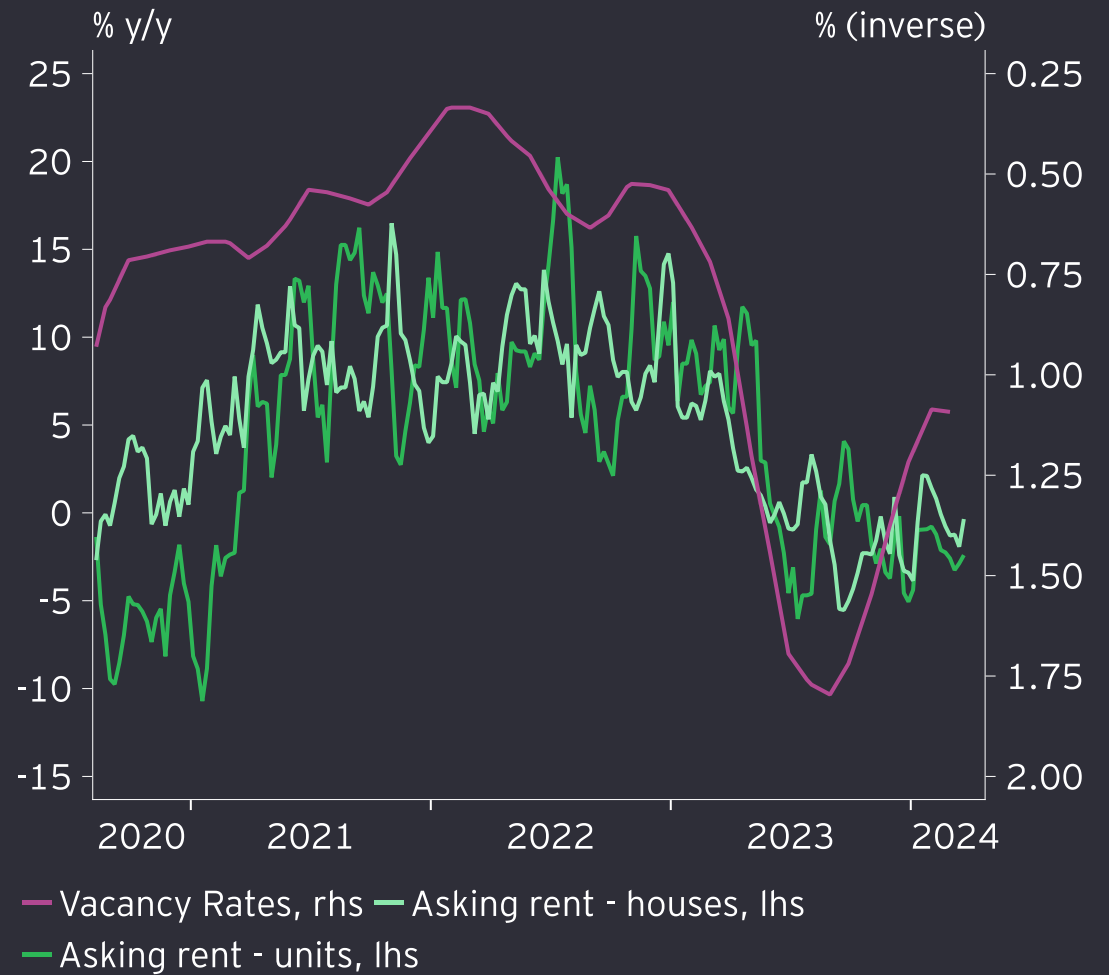
# Conditions in the property market have eased, with house prices rising by just 0.3 per cent in the year to March 2024 and rents falling

## Greater Hobart dwelling prices



Source: CoreLogic, Macrobond, EY

## Hobart asking rents and vacancy rate

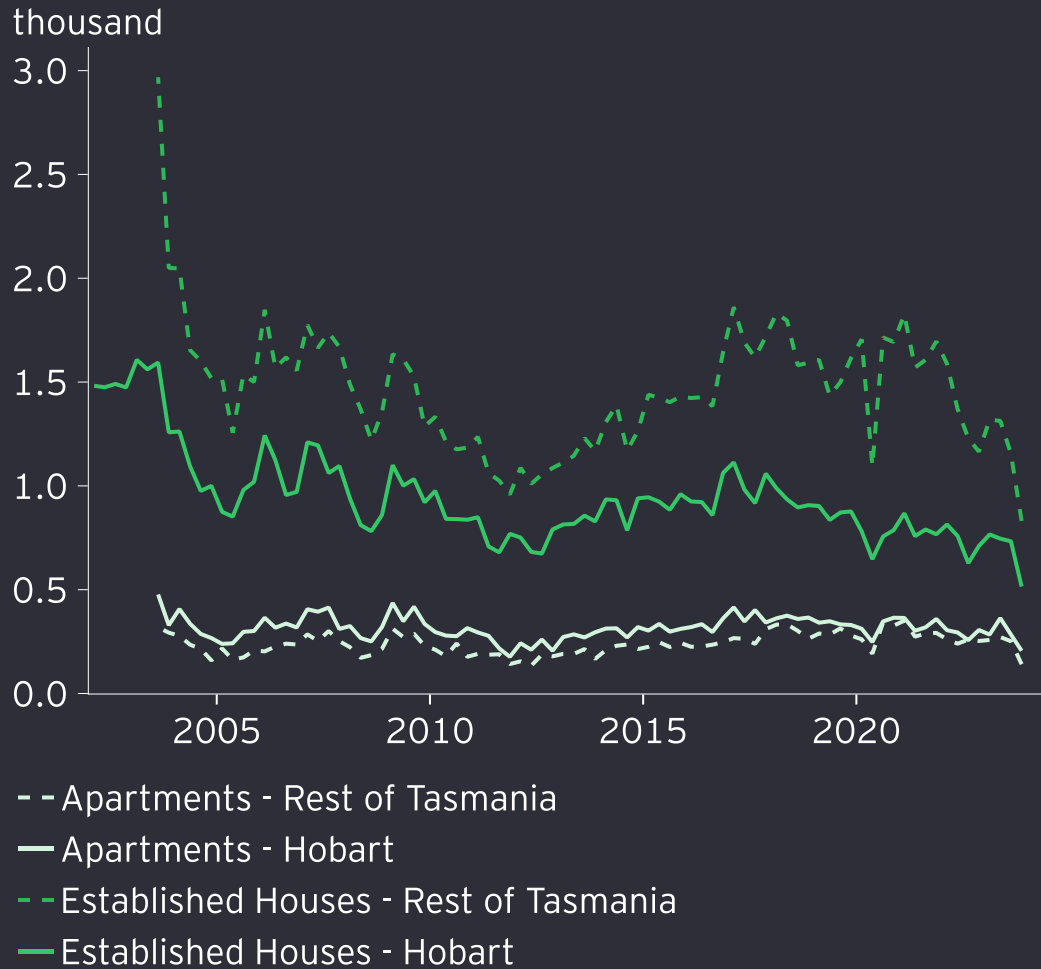


Source: SQM, Macrobond, EY



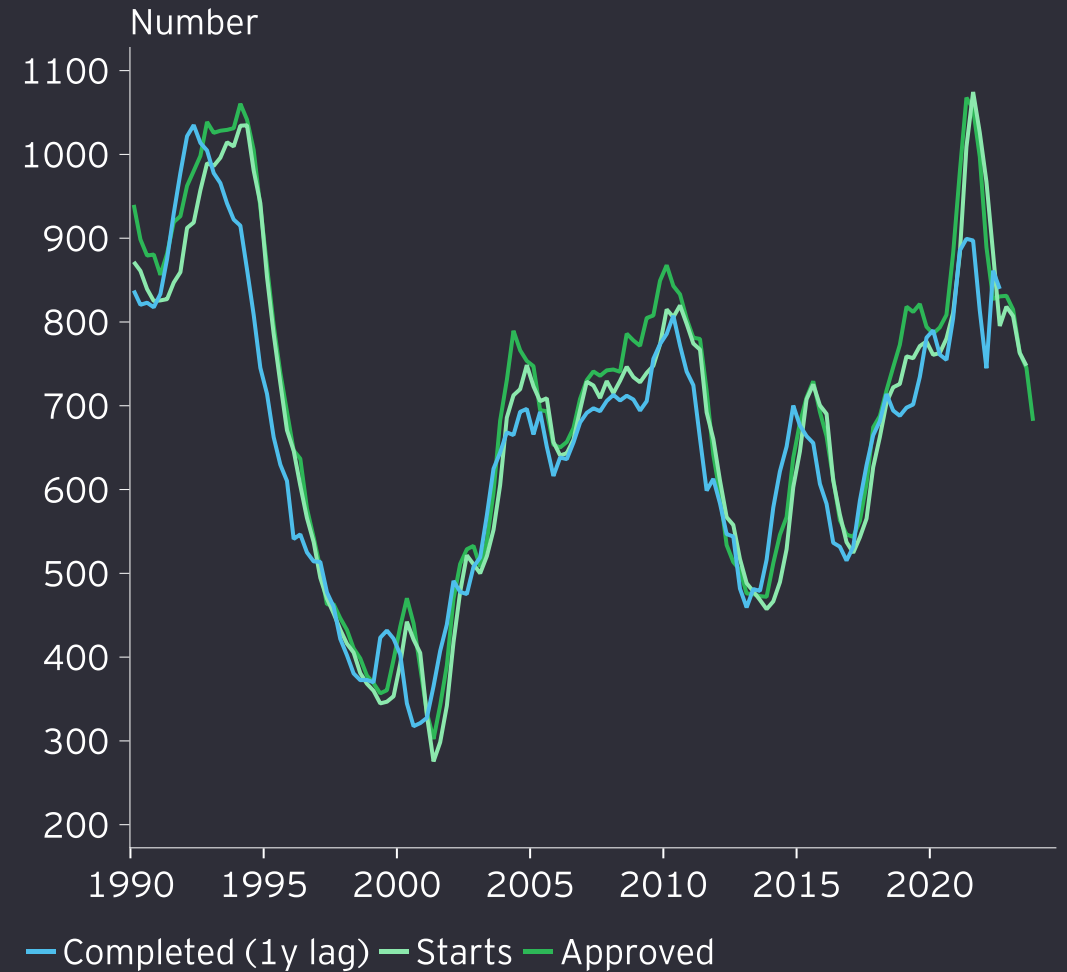
# Dwelling transfers are falling and completions are lagging, as disruptions persist and demand for new homes is impacted by higher borrowing costs

House and attached dwelling transfers, TAS



Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - TAS

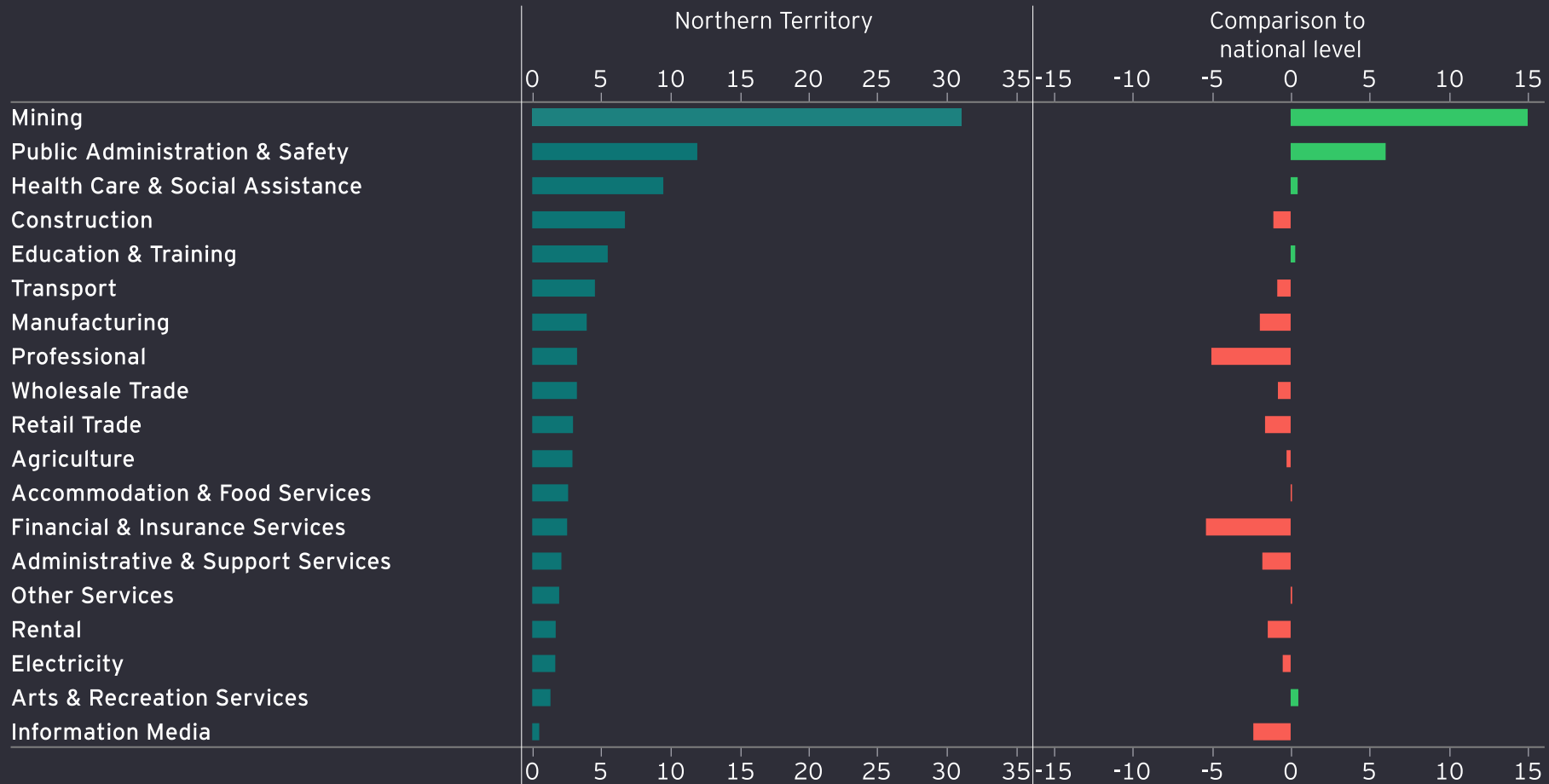


Source: ABS, Macrobond, EY

# Northern Territory

# Mining makes up more than 30 per cent of the NT economy

NT industry share (FY23) and comparison to national industry share (Q4 2023)

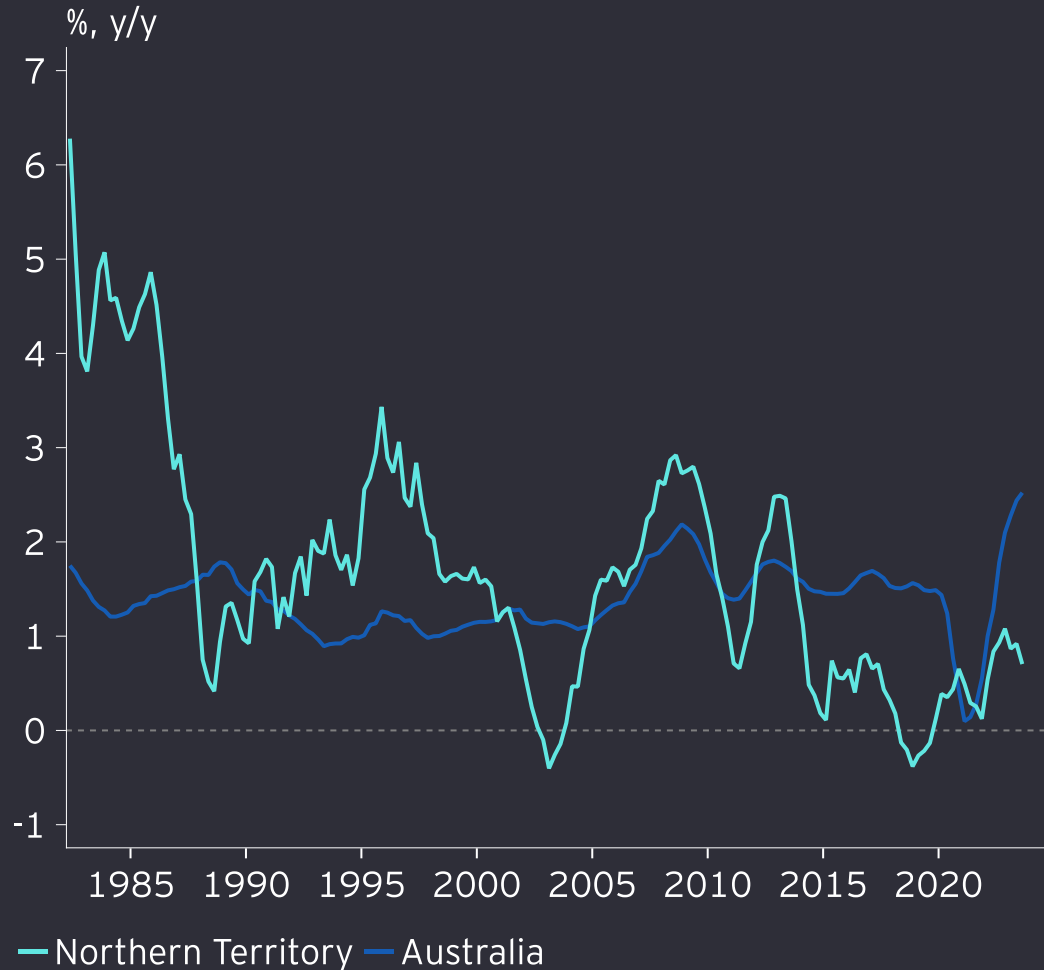


Source: ABS, Macrobond, EY

\*green indicates the industry share is higher than national, red indicates the industry share is lower than national.

# Population growth is well below the national average as the NT continues to lose more residents than it gains in arrivals

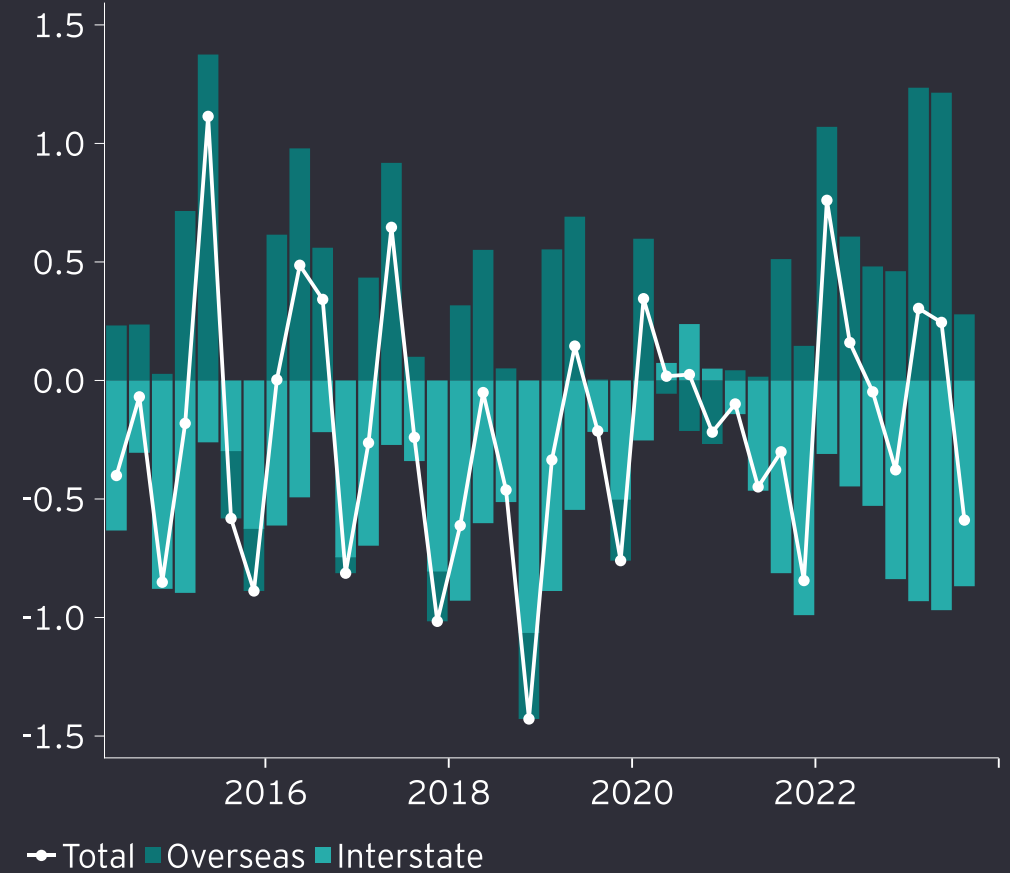
## Estimated resident population



Source: ABS, Macrobond, EY

## Net Migration, Northern Territory

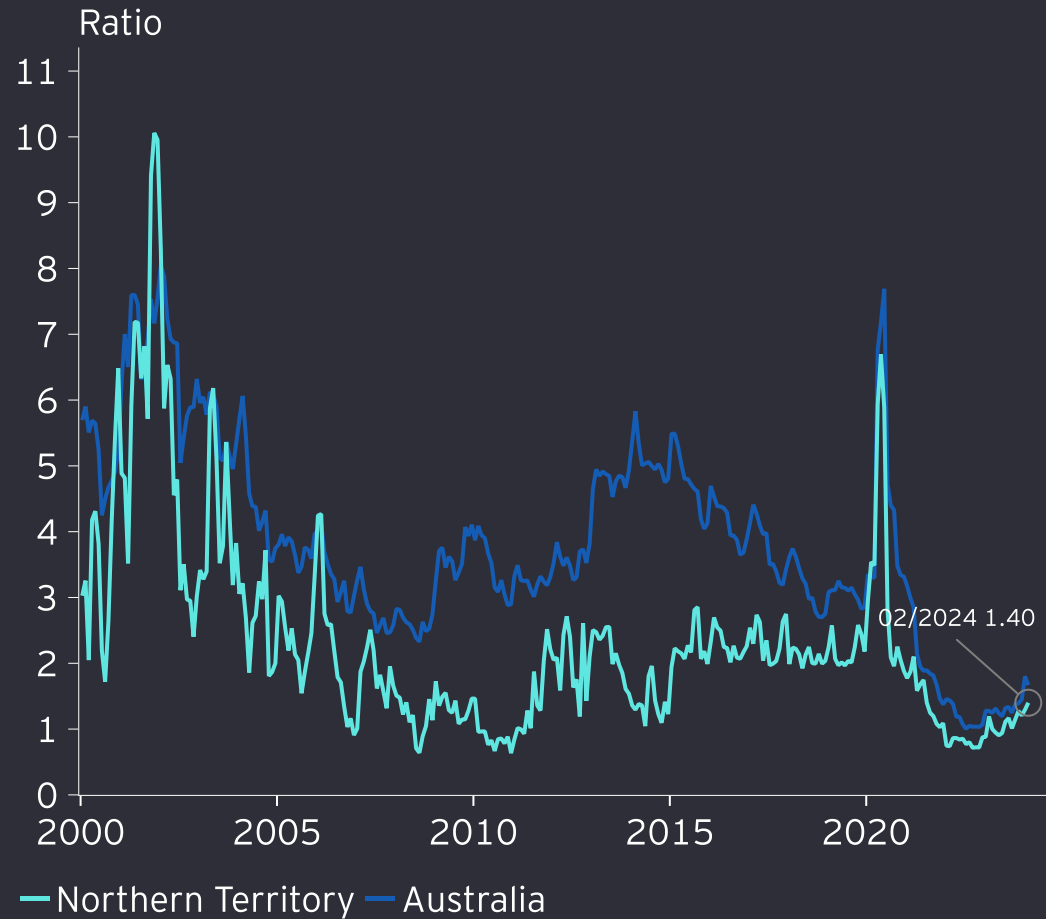
No. of Persons, Thousands



Source: ABS, Macrobond, EY

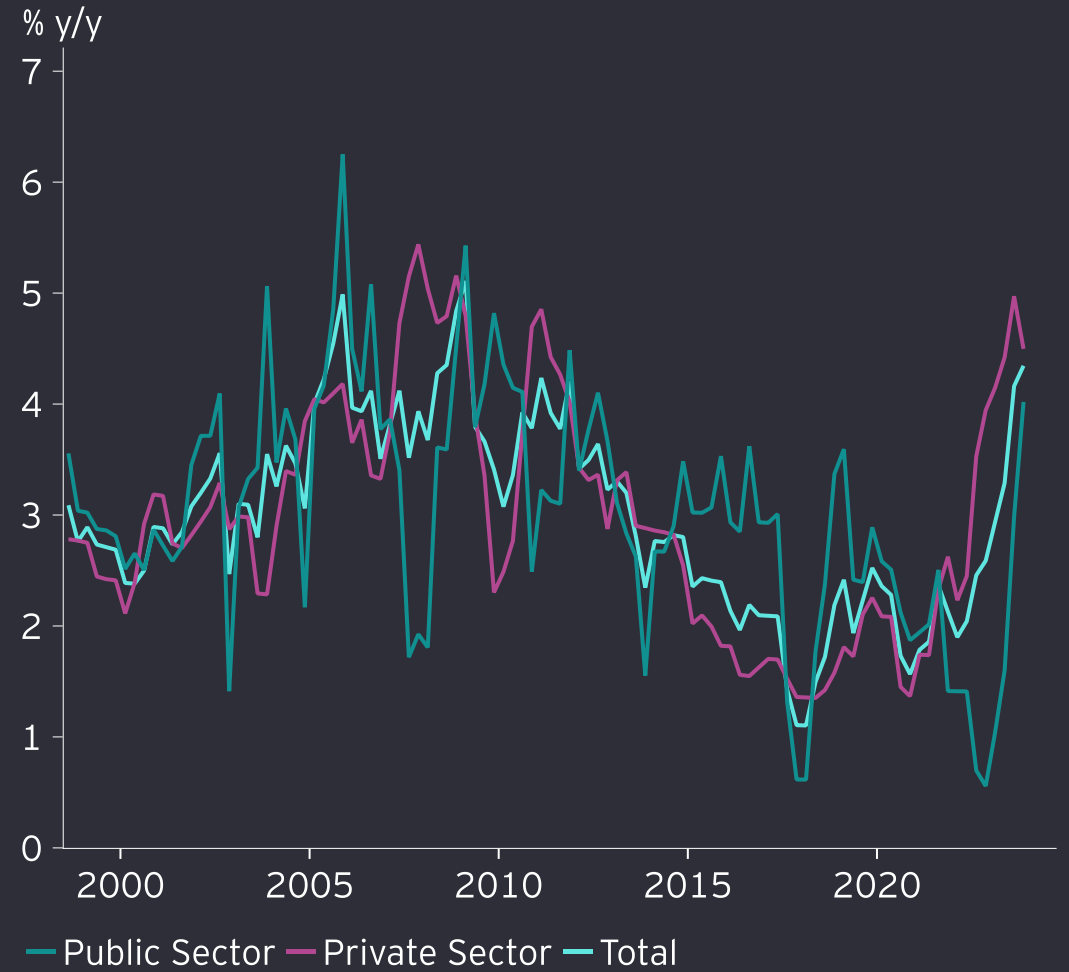
# The NT has one of the tightest labour markets in the country, with the third strongest wages growth of the states and territories

## Number of unemployed people for each job vacancy, Northern Territory



Source: ABS, Macrobond, EY

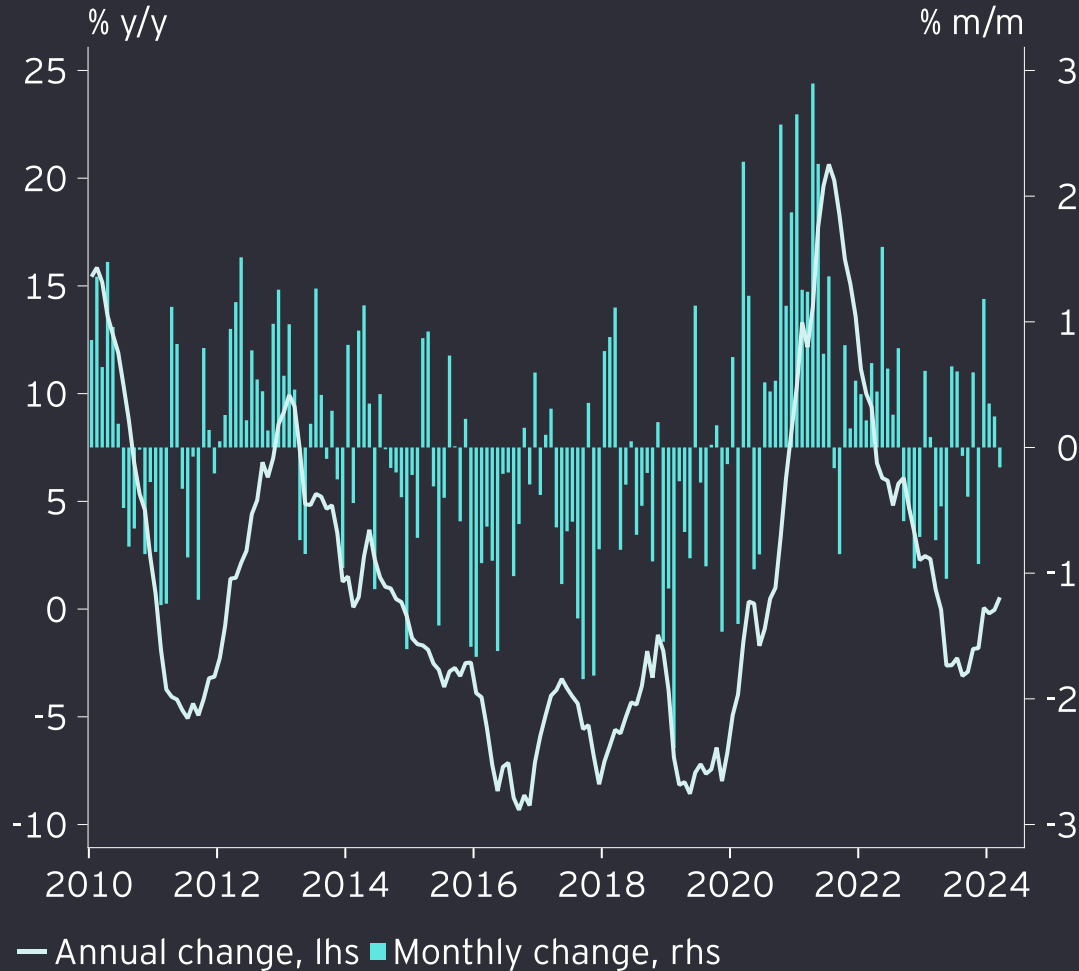
## Wage Price Index, NT



Source: ABS, Macrobond, EY

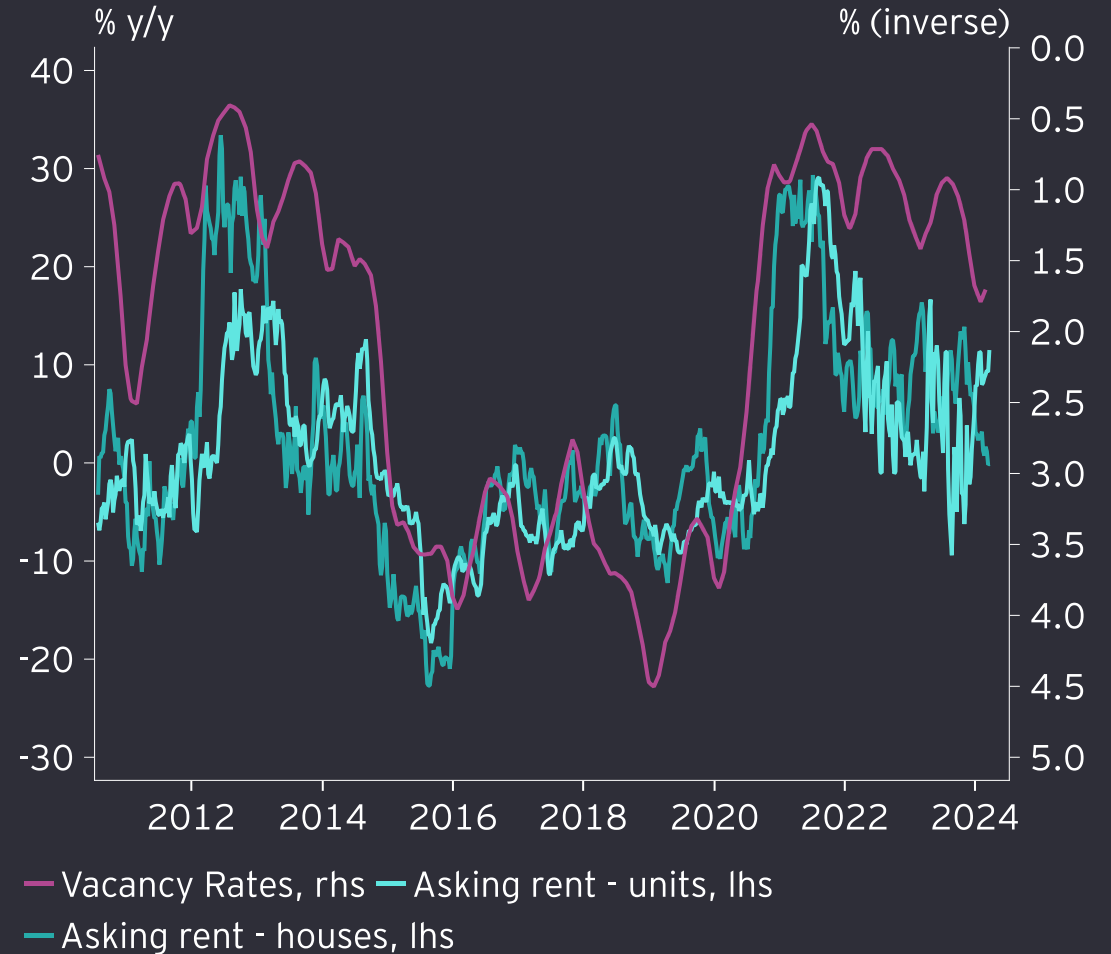
# Annual growth in dwelling prices has only just moved into positive territory, up 0.5 per cent since March 2023

## Greater Darwin dwelling prices



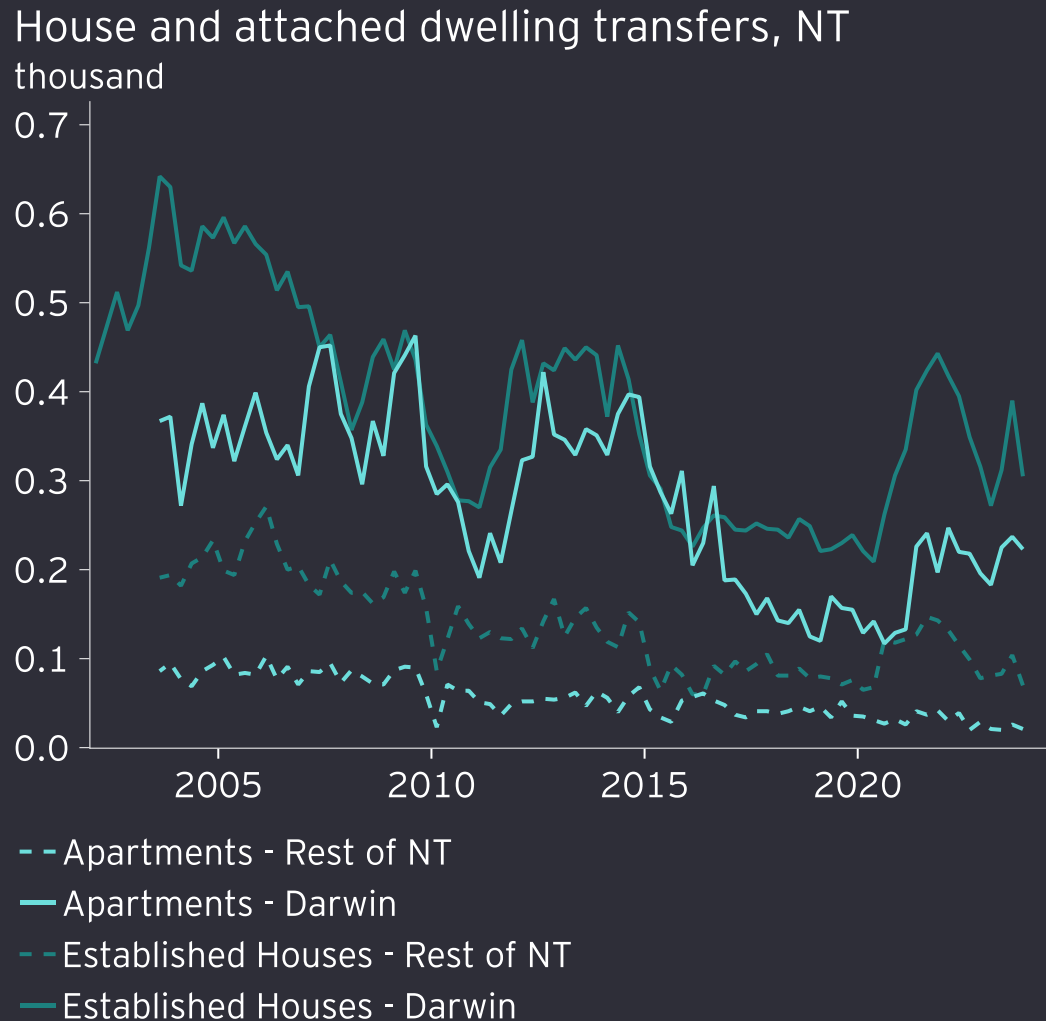
Source: CoreLogic, Macrobond, EY

## Darwin asking rents and vacancy rate

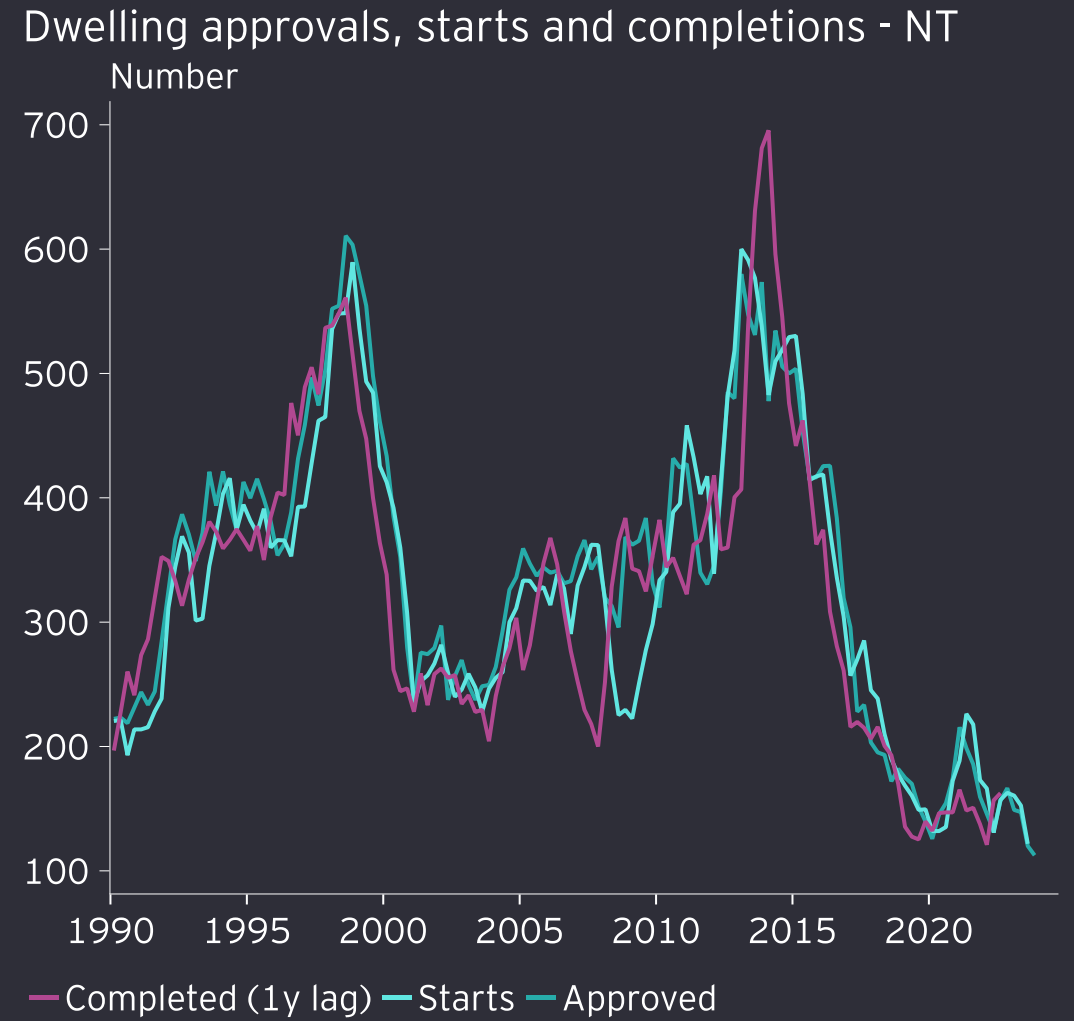


Source: SQM, Macrobond

# Residential construction is at historically low levels and with approvals at extreme lows, activity is unlikely to pick up



Source: ABS, Macrobond, EY



Source: ABS, Macrobond, EY

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