



States and territories snapshot

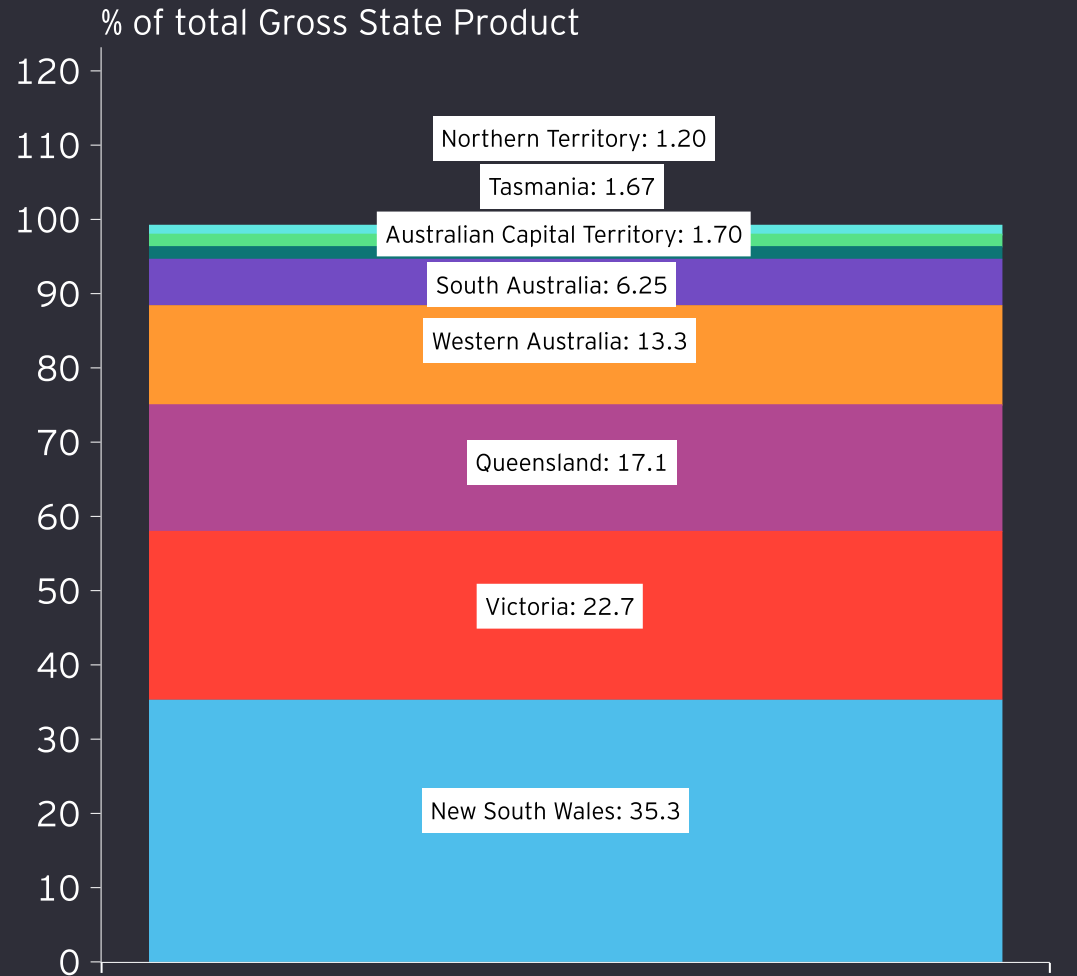
November 2023

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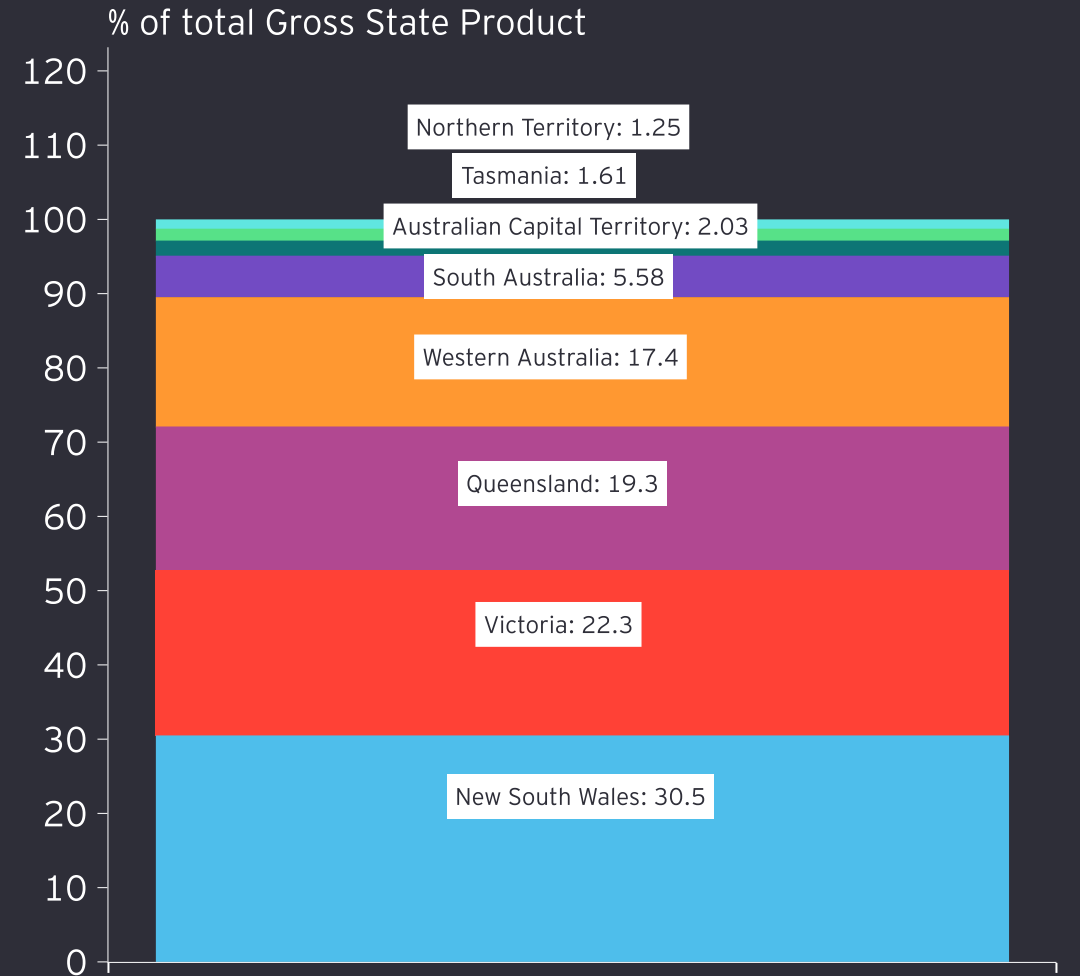
WA and Queensland have grown their share of the economy over the past 20 years

FY 2000: Gross State Product by jurisdiction



Source: ABS, Macrobond, EY

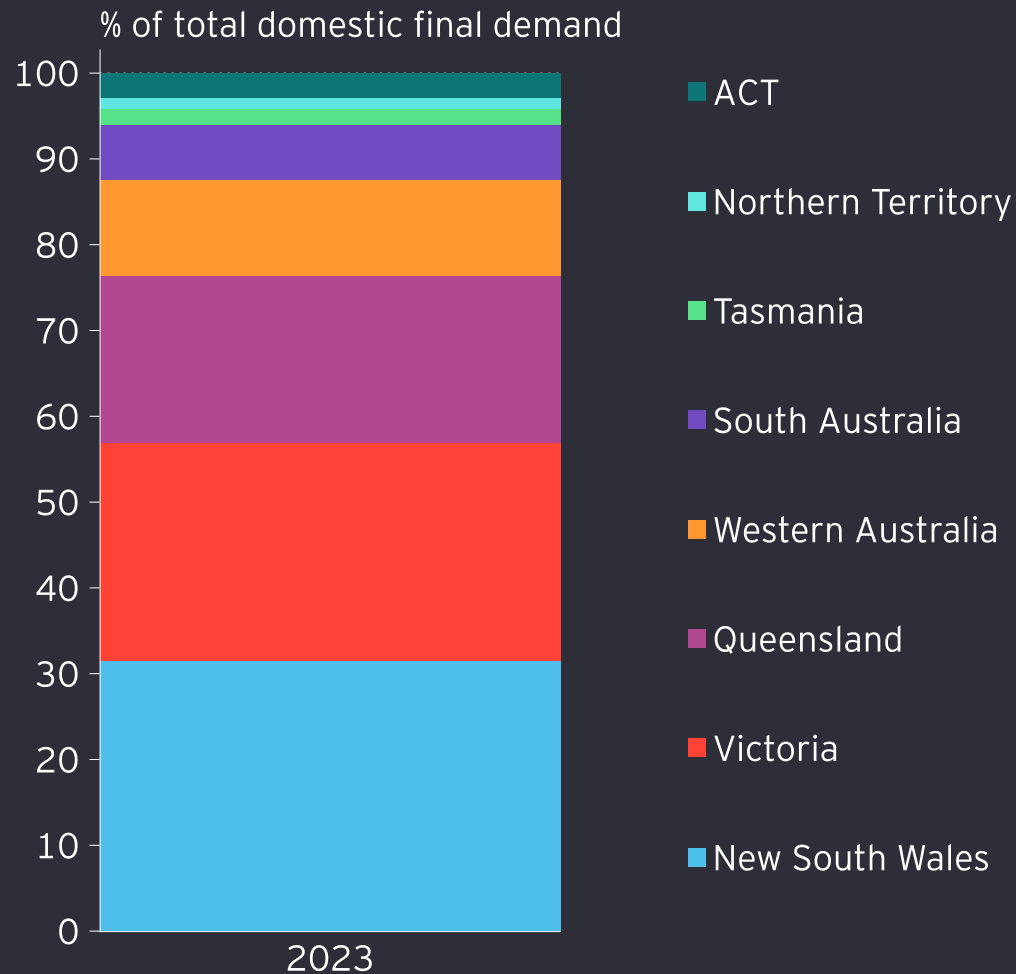
FY 2023: Gross State Product by jurisdiction



Source: ABS, Macrobond, EY

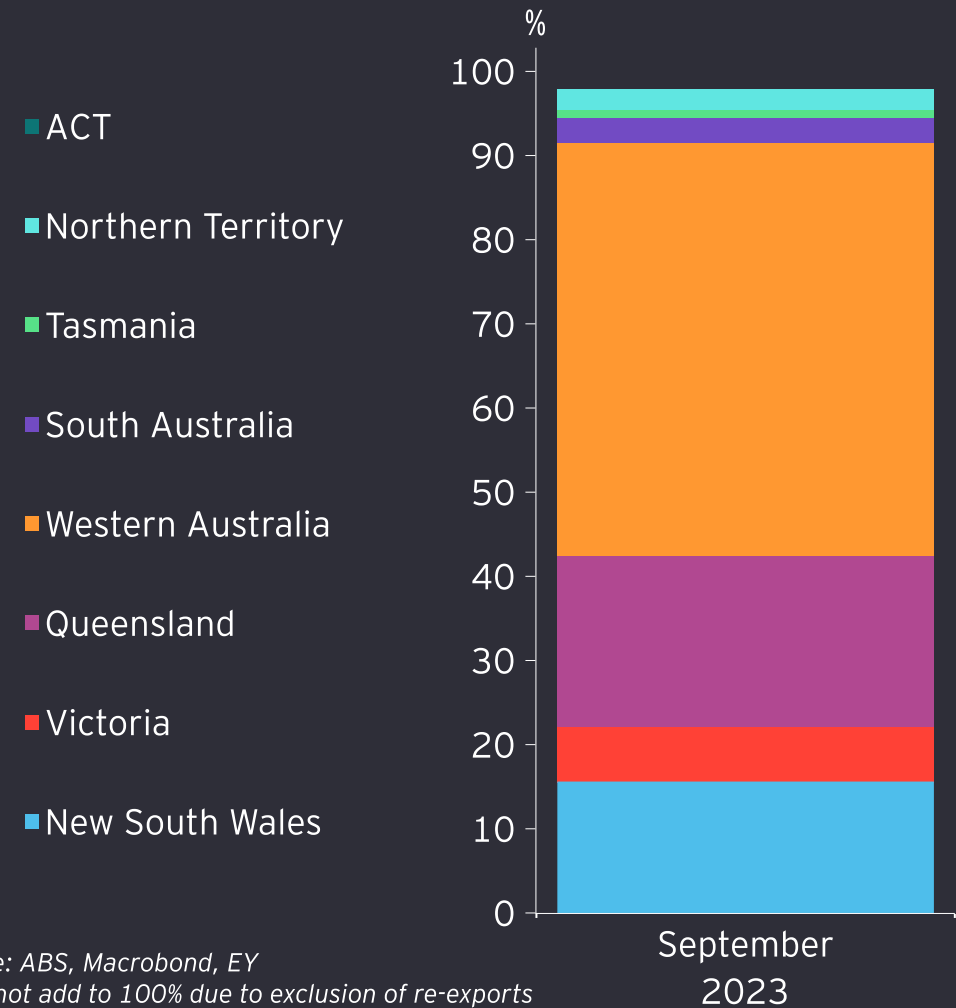
WA exports make up nearly 50 per cent of all Australian exports

Domestic Final Demand by jurisdiction



Source: ABS, Macrobond, EY

Proportion of Australian exports by state

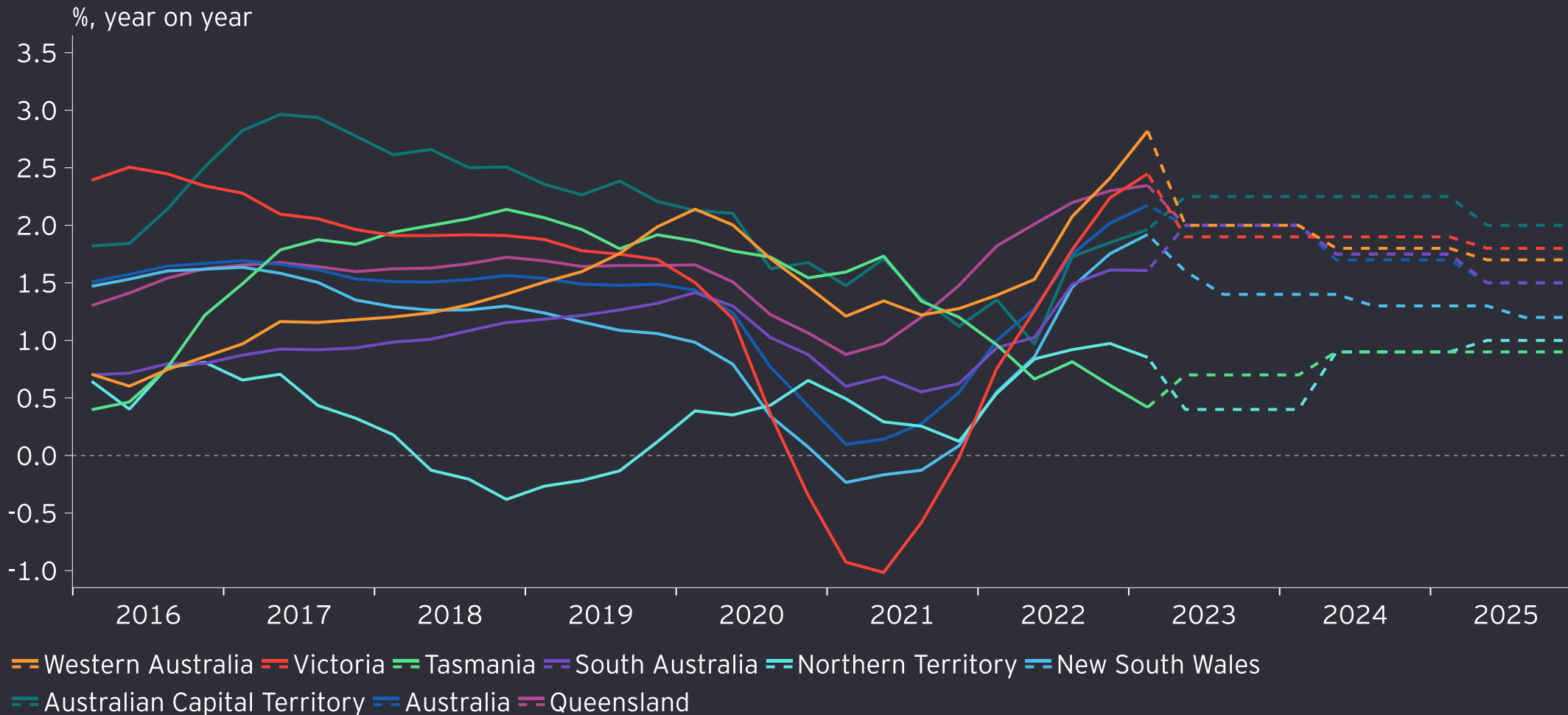


Source: ABS, Macrobond, EY

*may not add to 100% due to exclusion of re-exports

Victoria's population growth bounced back strongly after falling during the pandemic. WA is experiencing the strongest growth

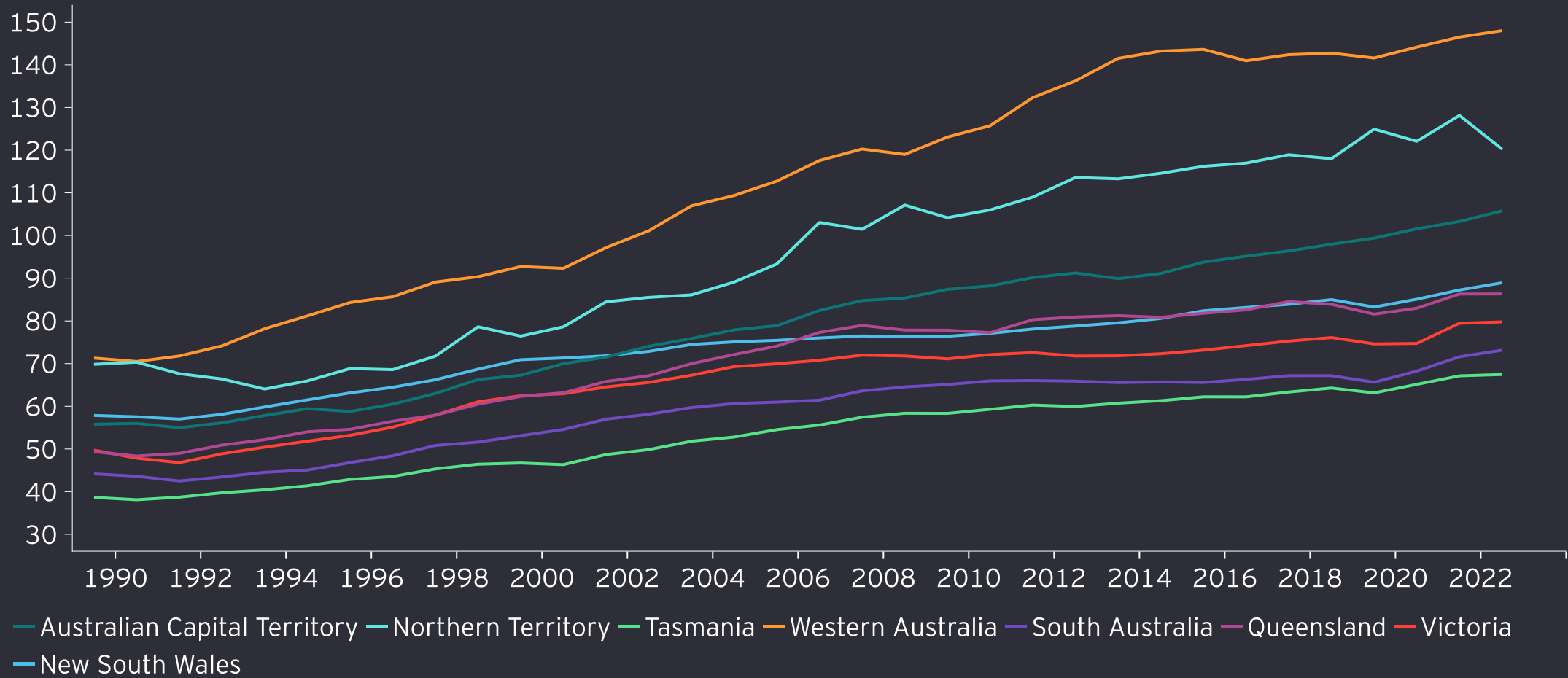
Estimated resident population, including state budget forecasts



Source: ABS, Macrobond, State Budgets, EY

WA is leading GSP per capita

Gross State Product per capita
thousand

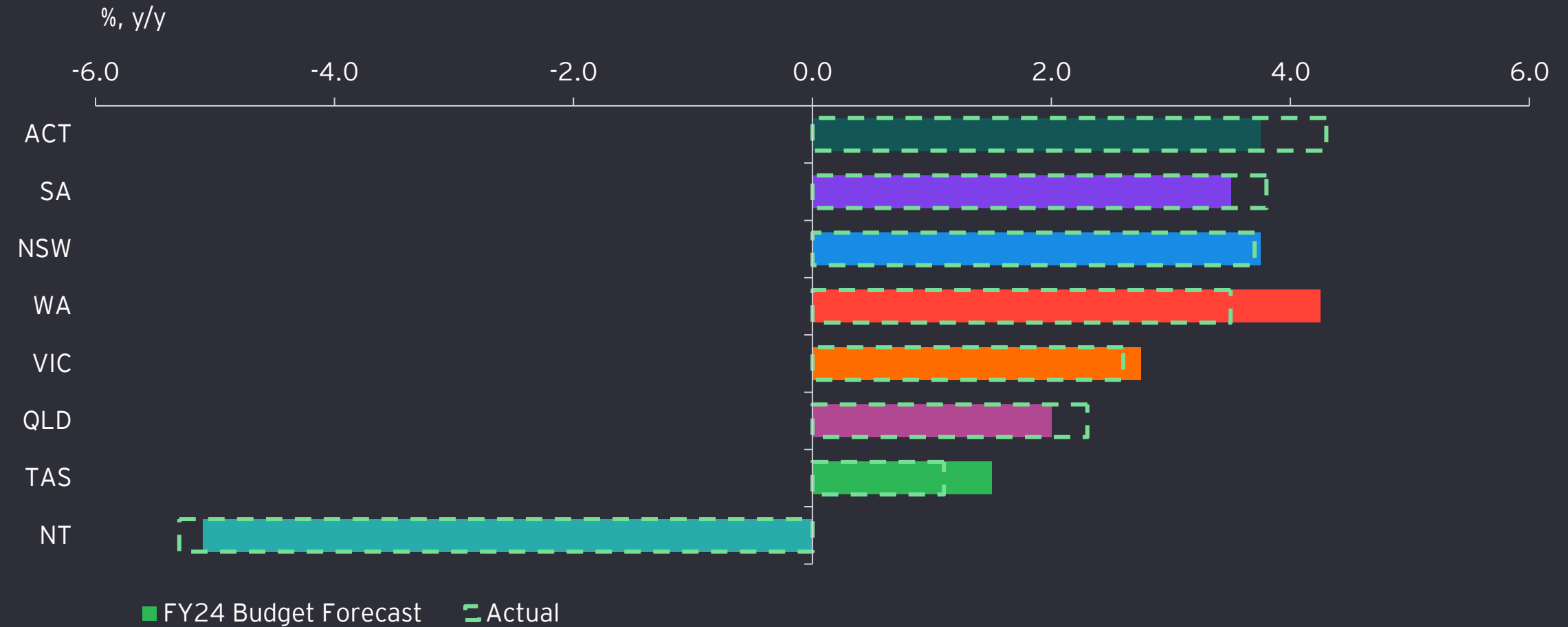


Source: ABS, Macrobond, EY



All states and territories experienced growth in FY23, except the NT

FY 23 Gross State Product by state/territory

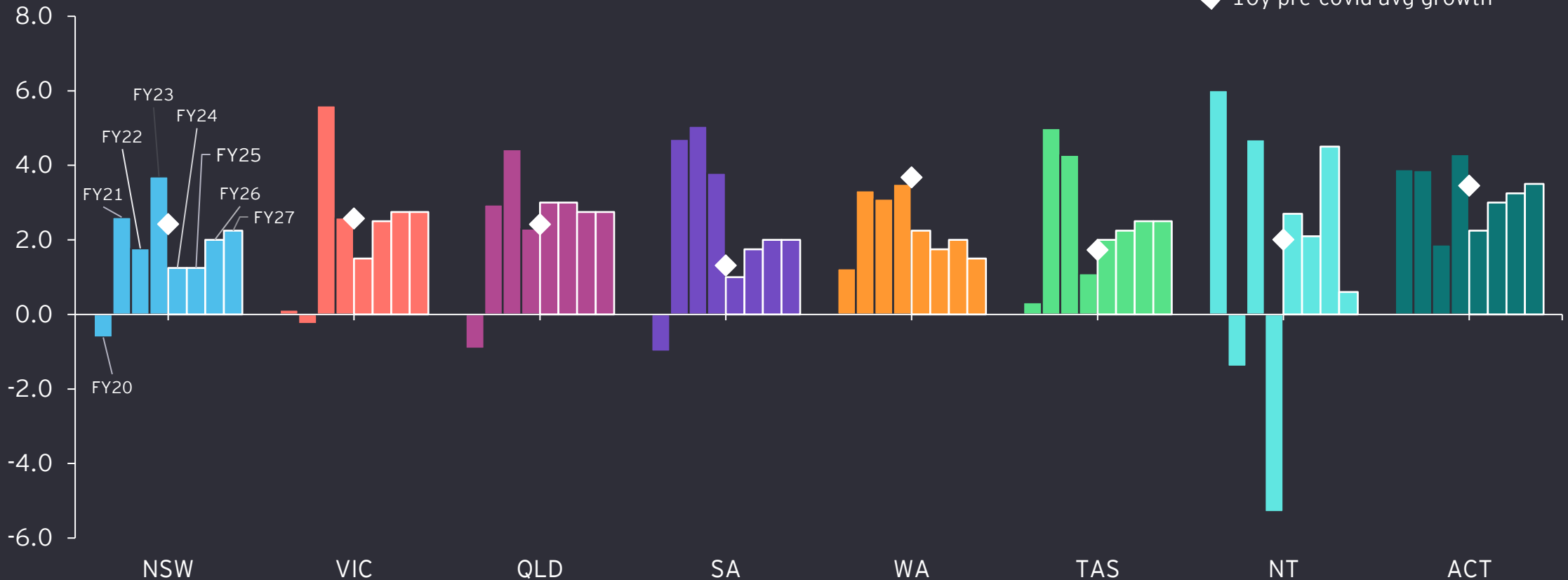


Source: ABS, State Budget Papers, EY

All states and territories' economies, except Queensland and the NT, are expected to slow down in FY24 compared to FY23

Gross State Product

% y/y, FY20 (actuals) - FY27 (forecasts)

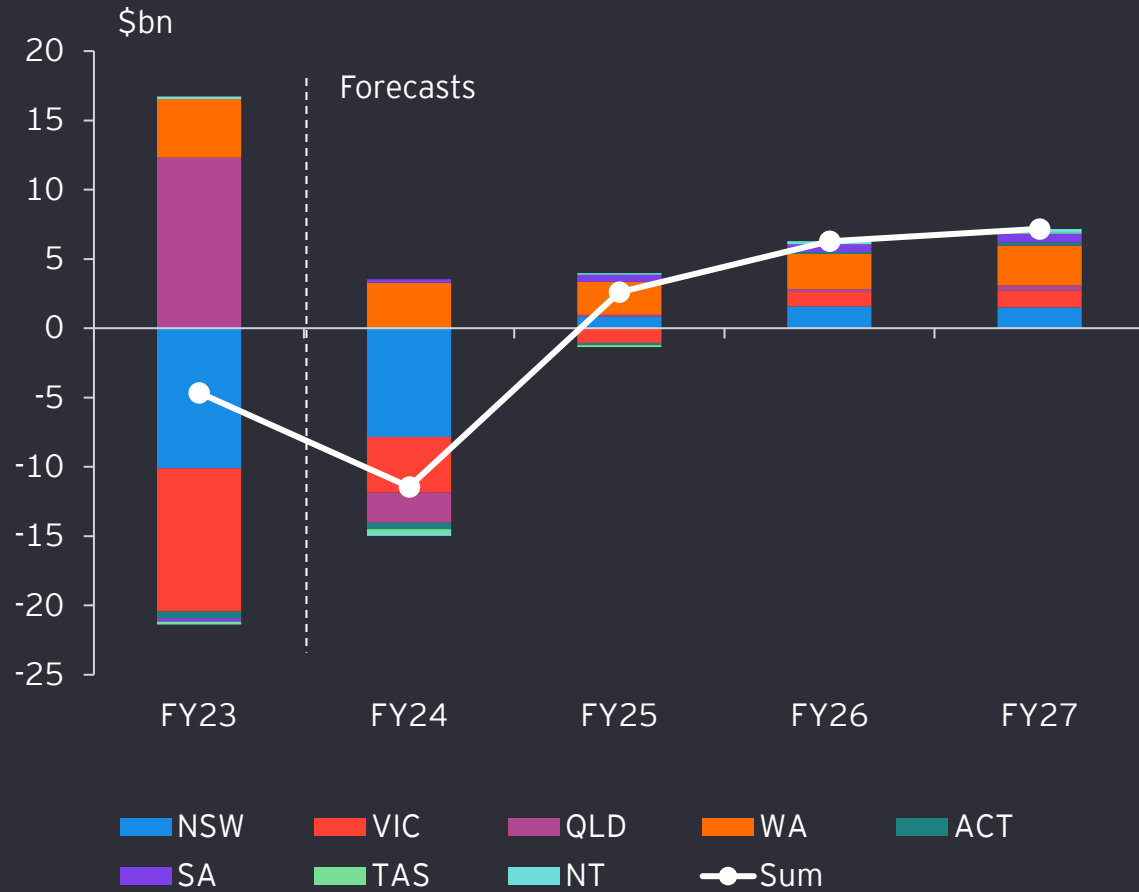


Source: ABS, State and territory FY24 budget papers, EY

* The long-run average growth rate is defined as the average annual growth rate in the 10-year period before the pandemic, ie between FY10 and FY19.

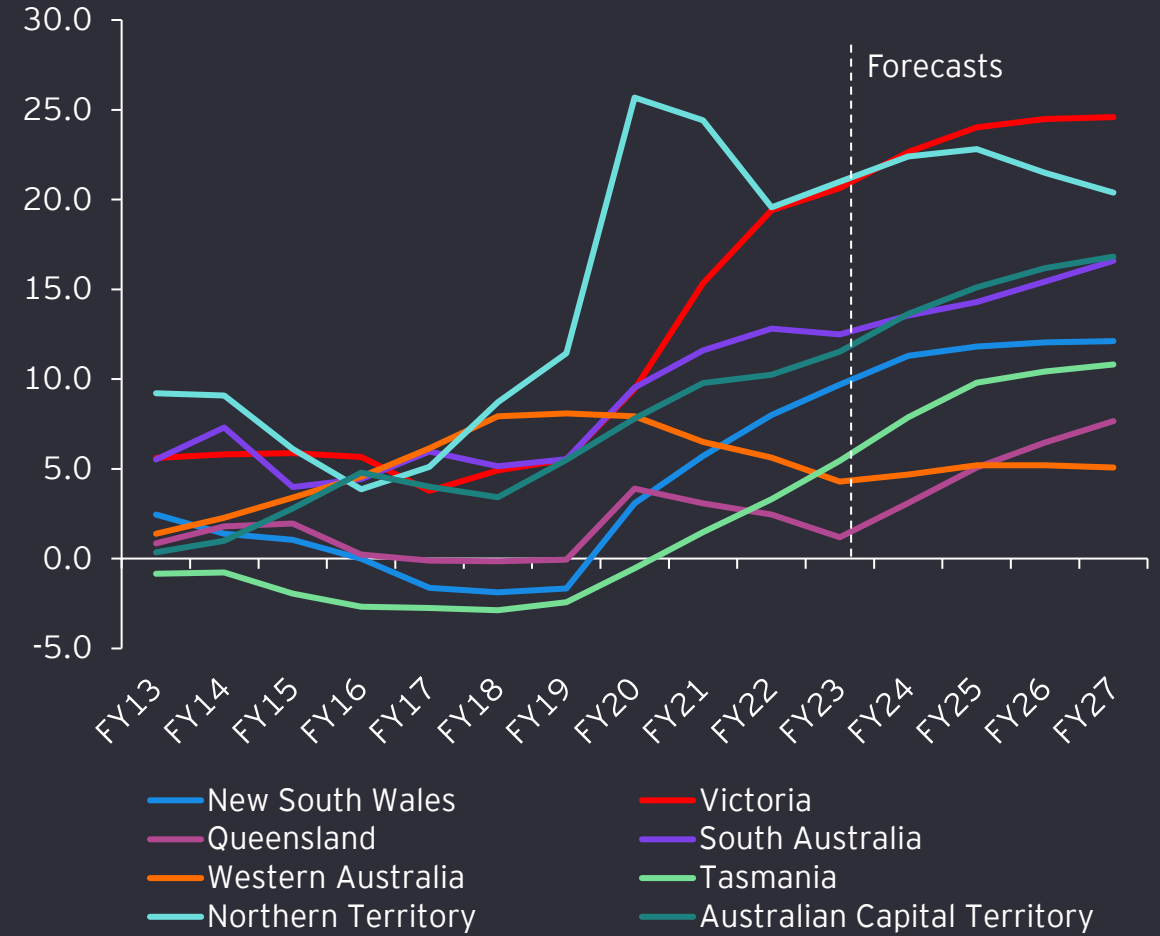
Net debt as a per cent of GSP is the lowest in Queensland at 1.2 per cent and the highest in Victoria at 20 per cent in FY23

Net operating balance by state, General Government



Source: State and territory FY24 budget papers, EY

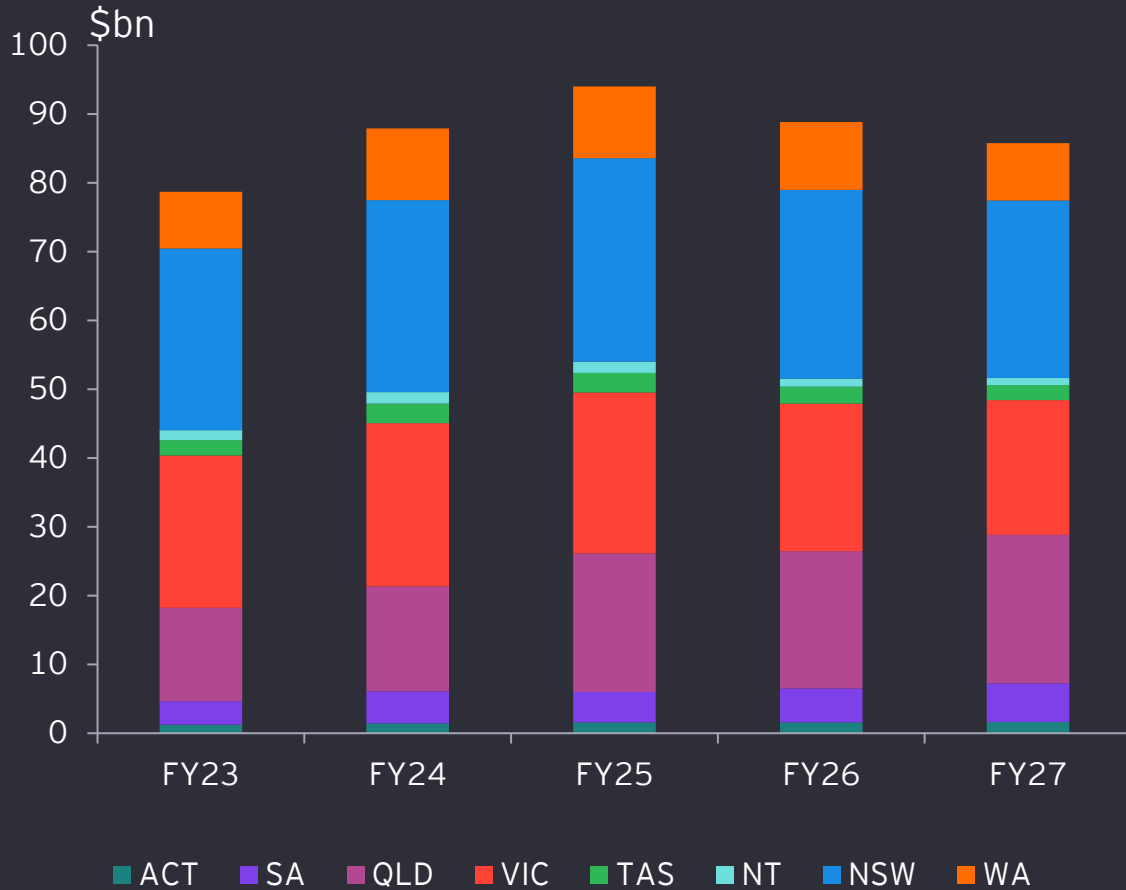
Net debt by state, General Government
% of nominal GSP



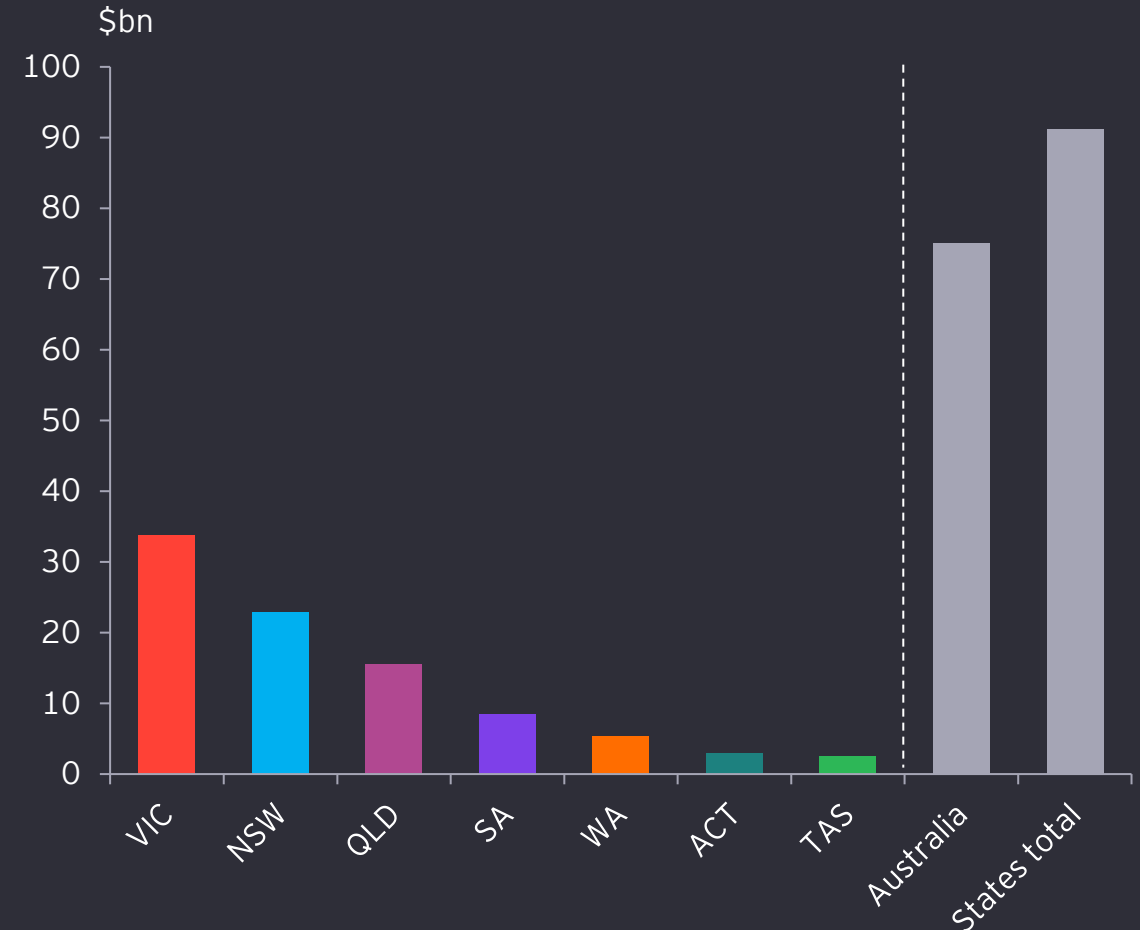
Source: State and territory FY24 budget papers, EY

The states have a total combined asset investment program of \$356 billion to FY27, with the states issuing more debt than the Federal Government in FY24

Infrastructure investment by state; Total public sector*



Borrowing requirement in FY24



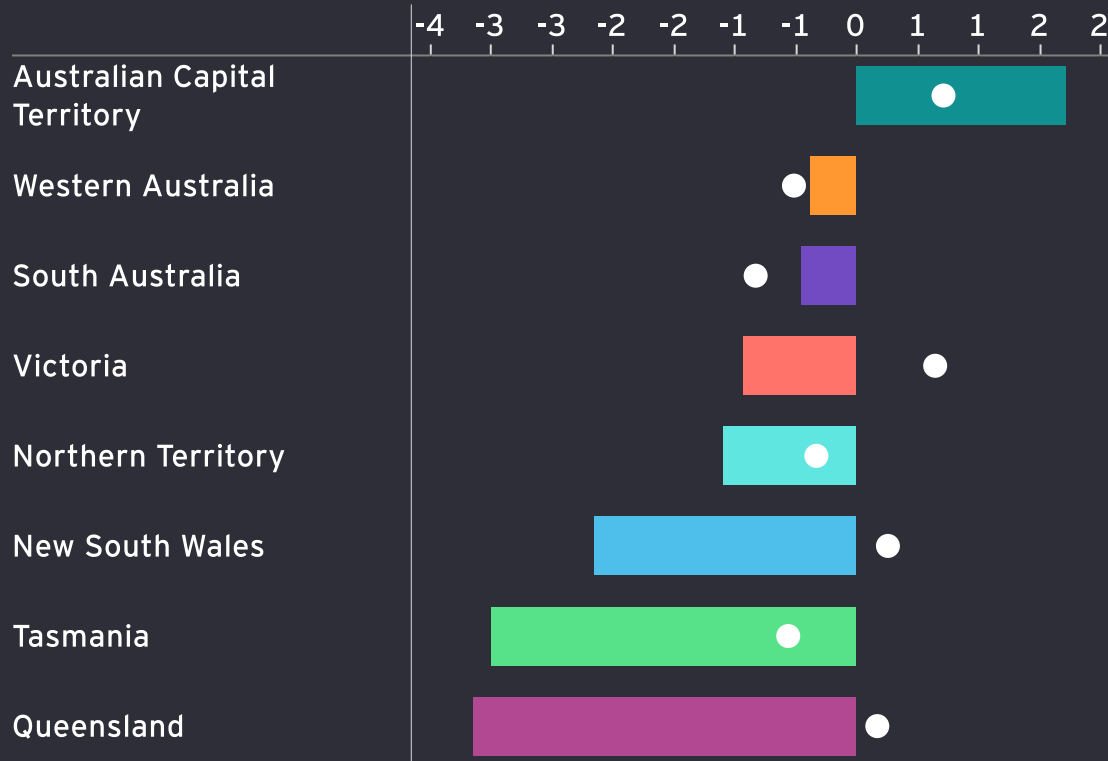
Source: FY24 Budget papers

* Total public sector data except for SA, QLD and NSW where Total public sector data was not available.

Source: TCorp, TCV, QTC, WATC, SAFA, Tascorp, ACT Treasury, AOFM, EY

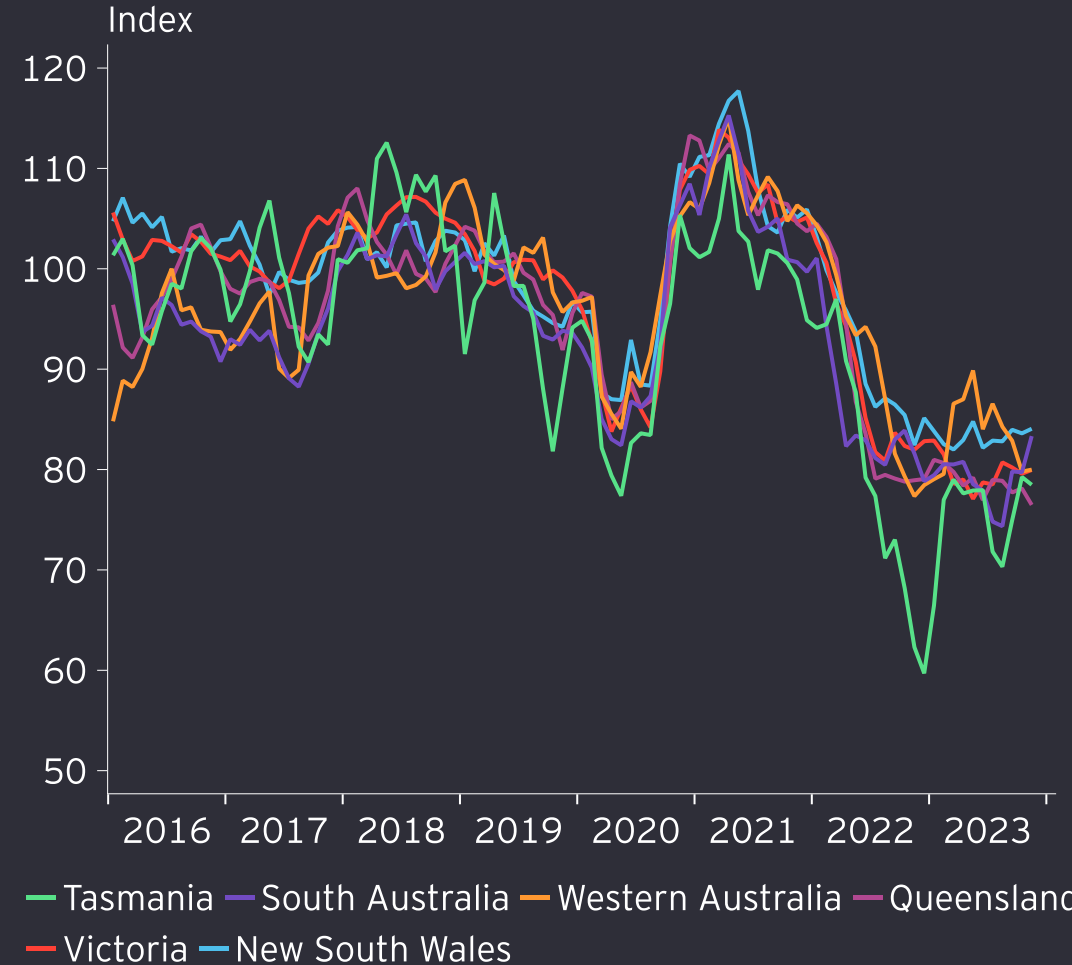
All states and territories, but the ACT, saw retail trade fall in the year to September, with consumer sentiment remaining below pre-COVID levels

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



Source: ABS, Macrobond, EY

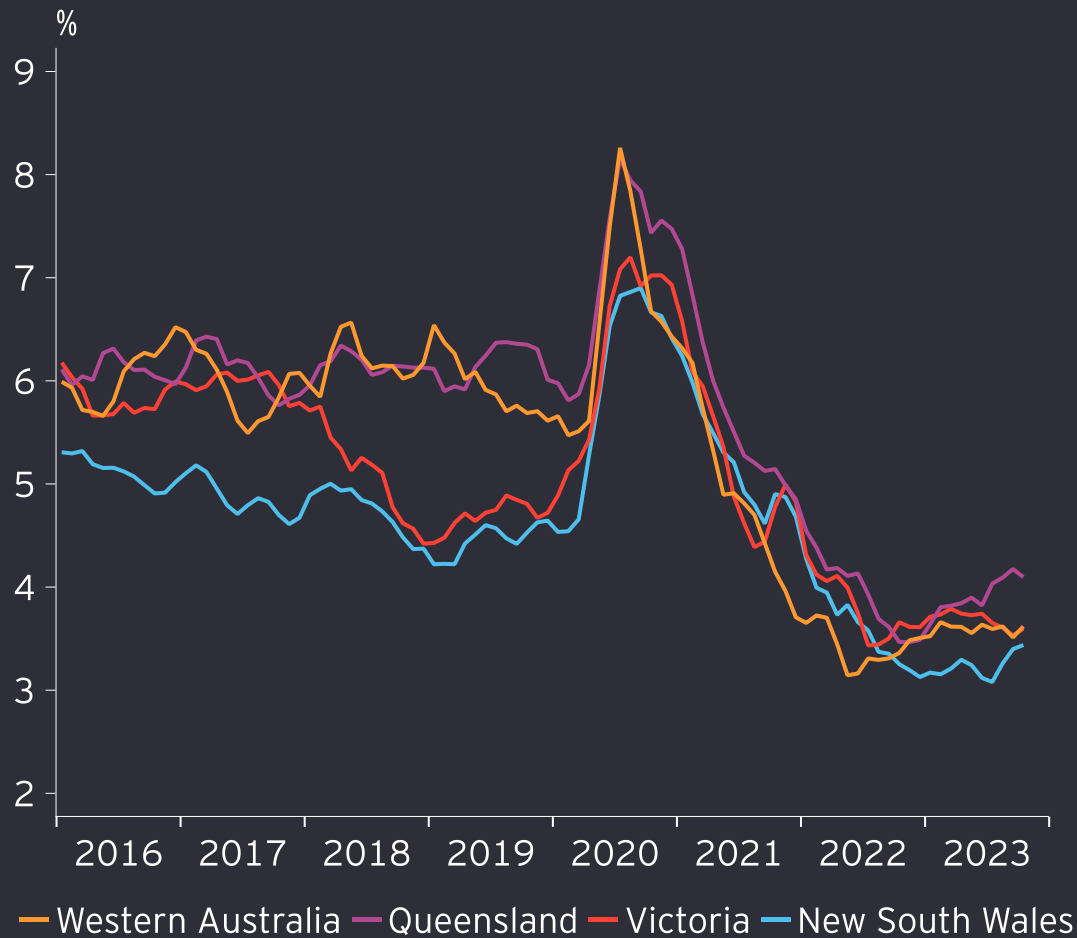
Melbourne Institute Consumer Sentiment Index



Source: Melbourne Institute, Macrobond, EY

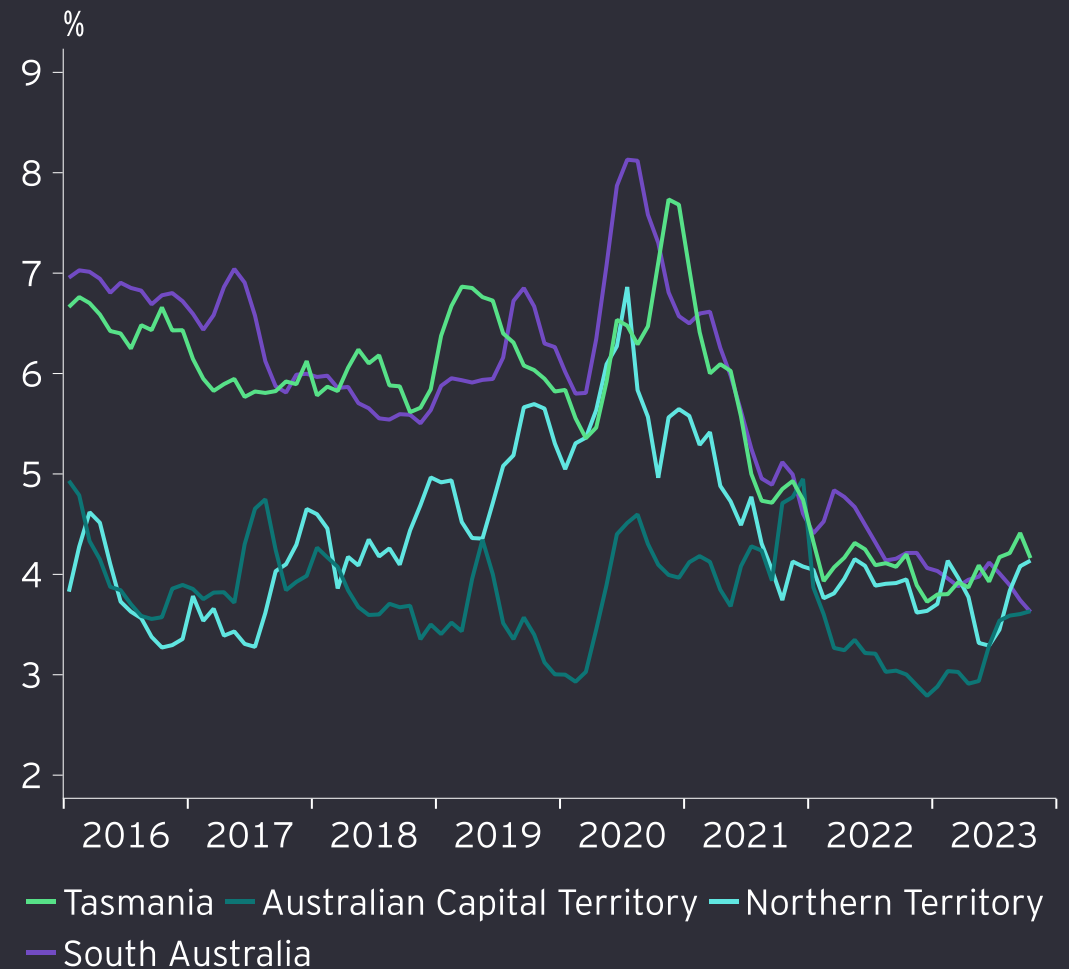
Queensland's unemployment rate is the highest at 4.3 per cent, but still low by historical standards; while NSW has the lowest at 3.4 per cent

Unemployment Rate, 3-month moving average



Source: ABS, Macrobond, EY

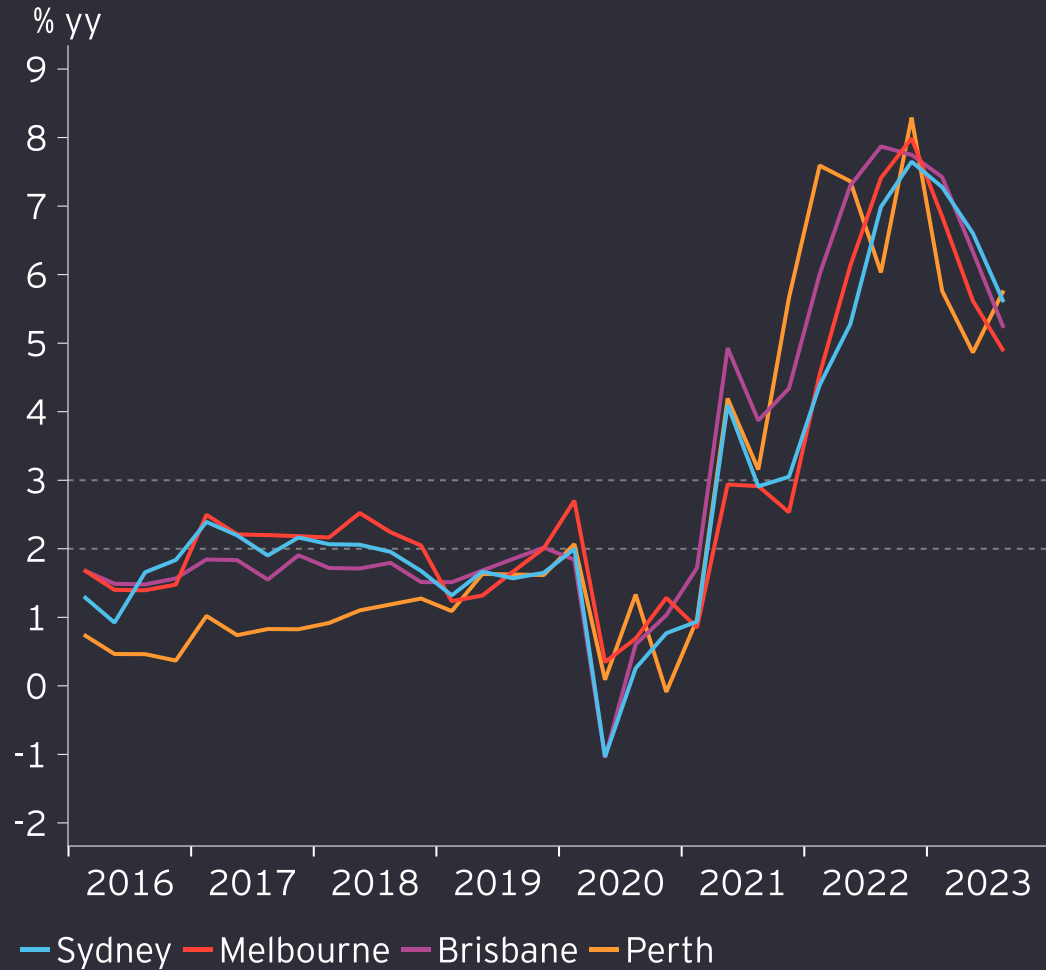
Unemployment Rate, 3-month moving average



Source: ABS, Macrobond, EY

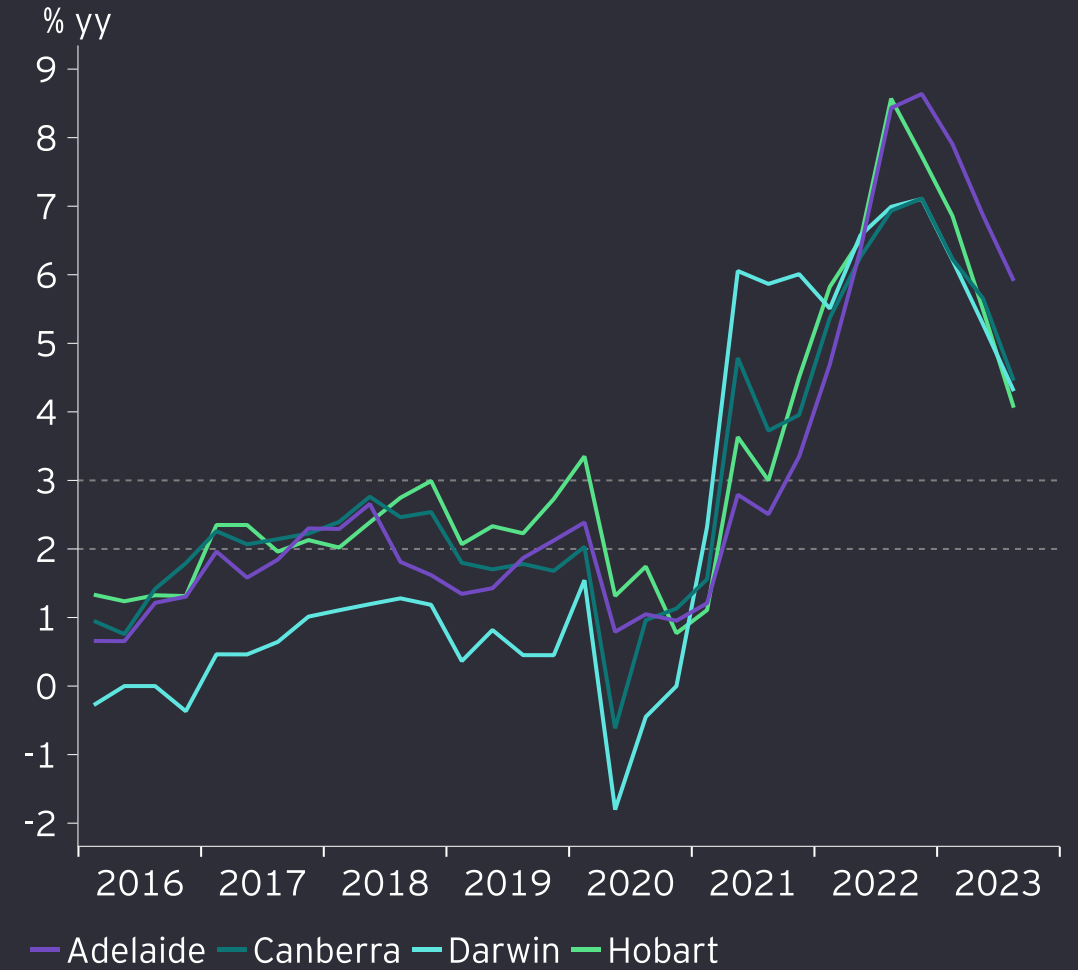
Inflation pressures are moderating simultaneously, although not yet fast enough for the Reserve Bank

Consumer Price Index



Source: ABS, Macrobond, EY

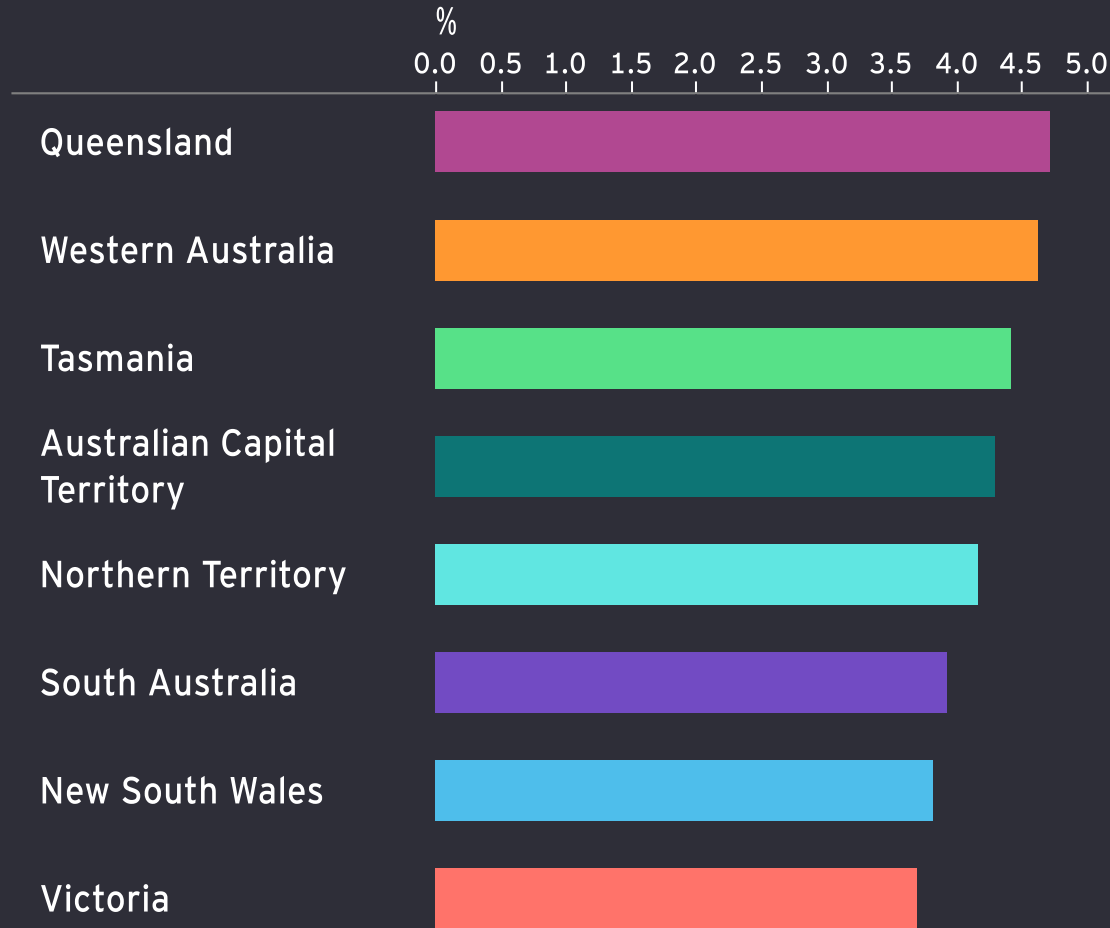
Consumer Price Index



Source: ABS, Macrobond, EY

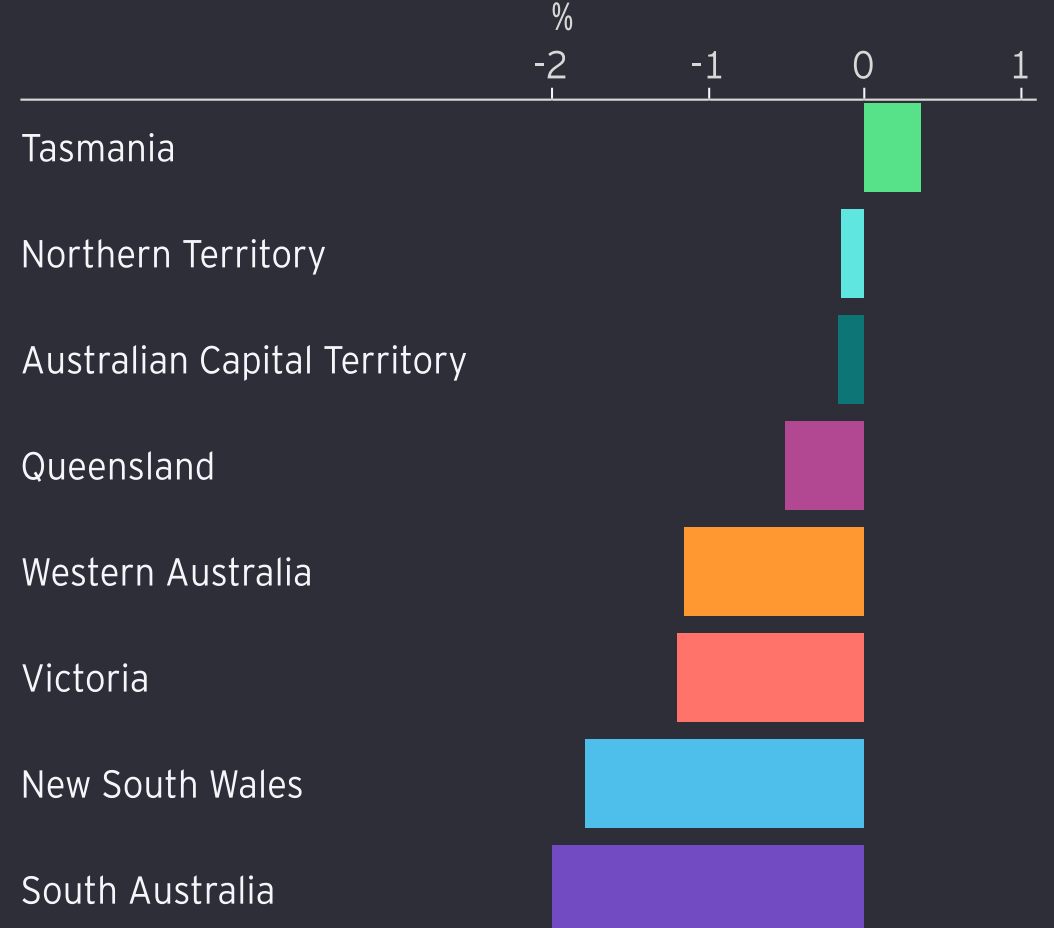
Real wages fell in all states and territories, apart from Tasmania, in the year to September as inflation continues to outpace wages growth

Wage Price Index, y/y, September 2023



Source: ABS, Macrobond, EY

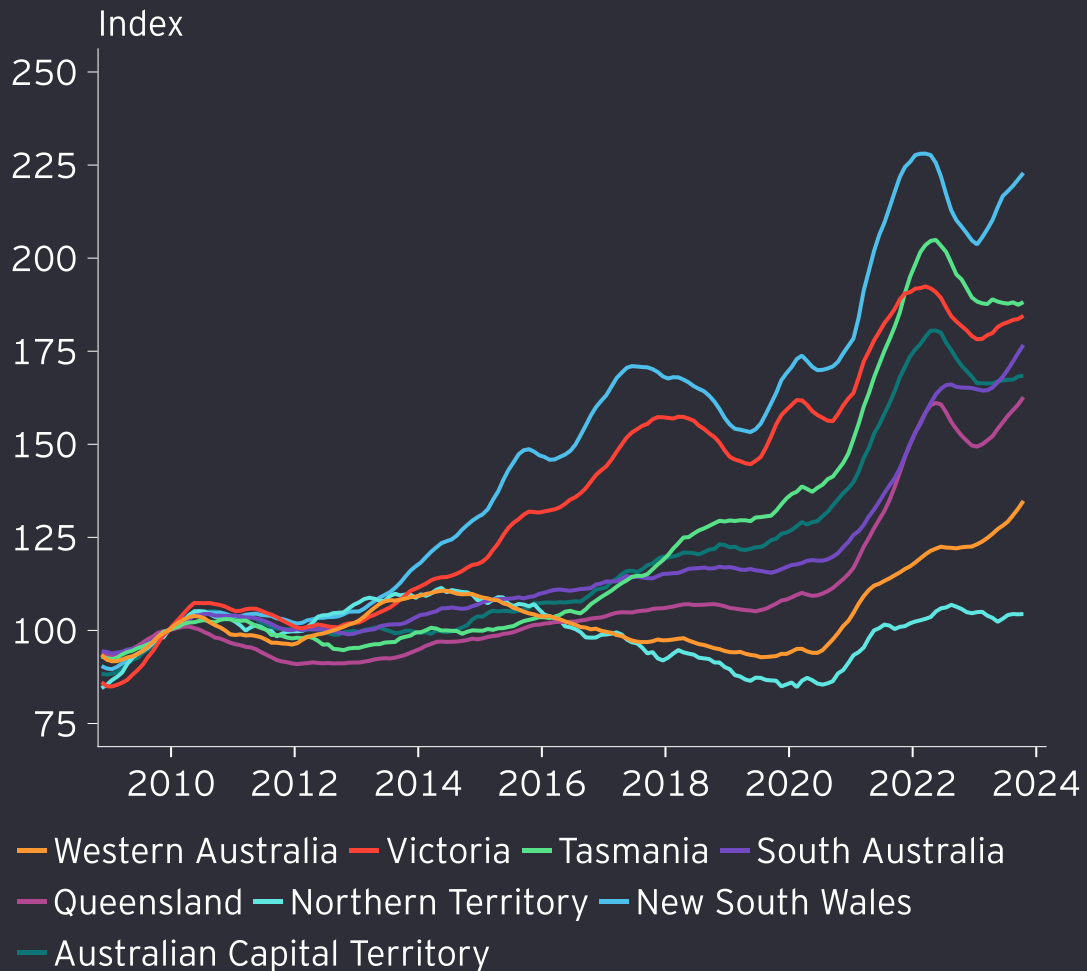
Real wages, y/y, September 2023



Source: ABS, Macrobond, EY

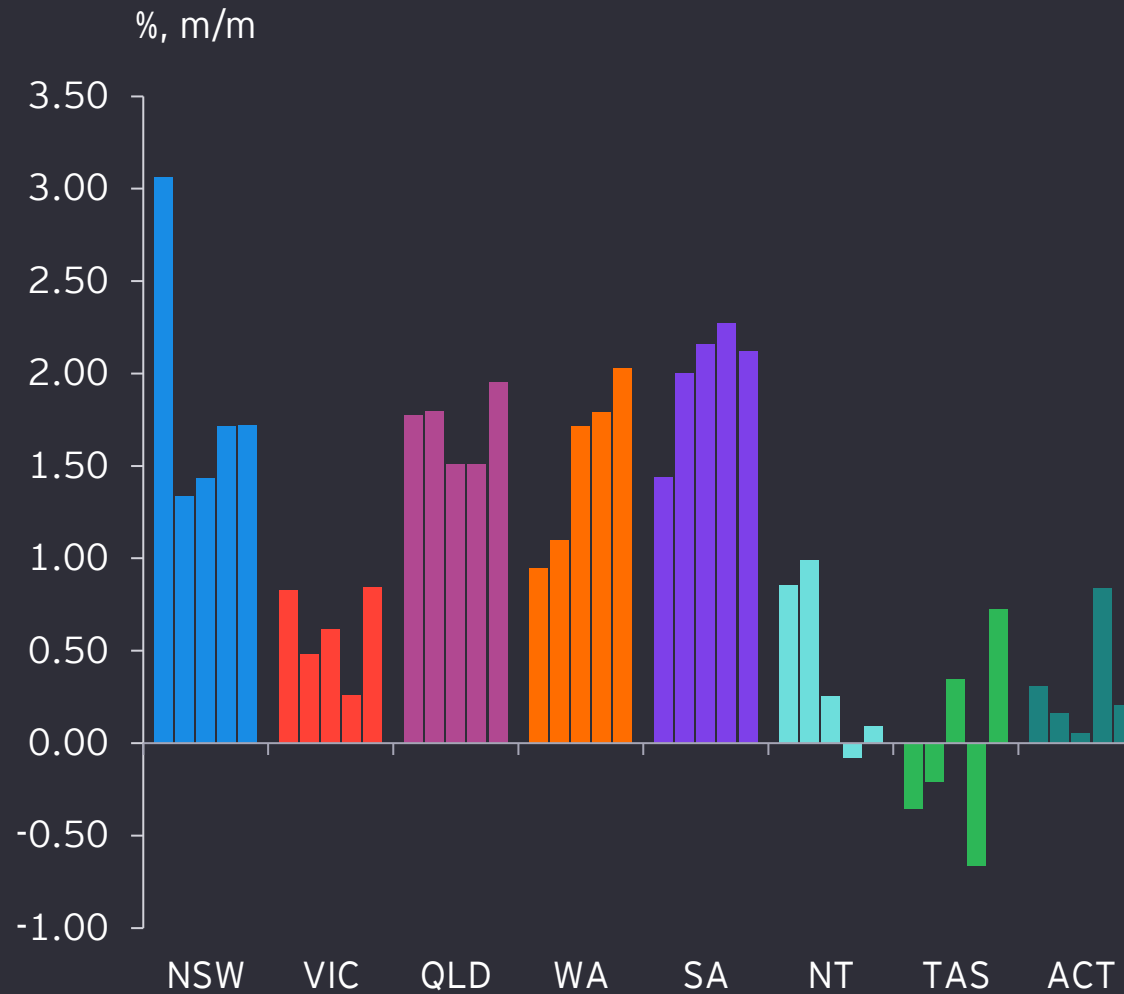
Since the pandemic, house price growth has been the strongest in SA and QLD (50 per cent), and the weakest in Victoria (14 per cent)

Dwelling prices by state



Source: CoreLogic, Macrobond, EY

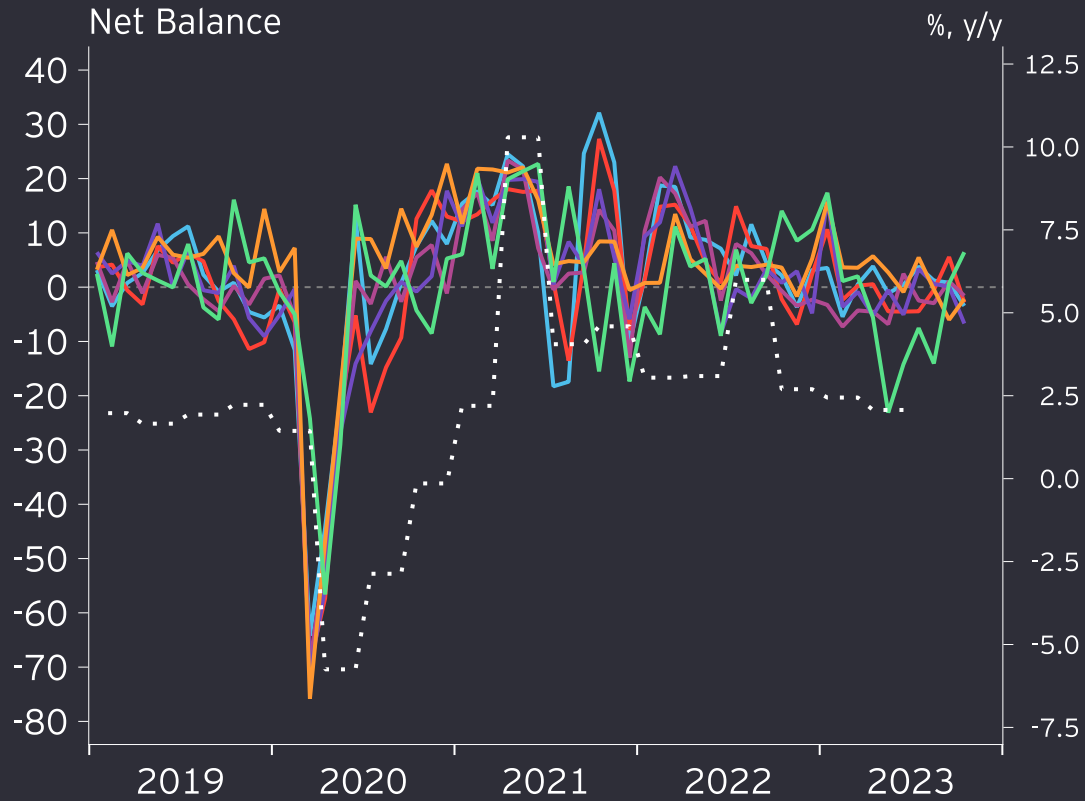
Dwelling prices by state; Jun-23 - Oct-23



Source: CoreLogic, EY

Business conditions are reported as positive in most states, but confidence is lower

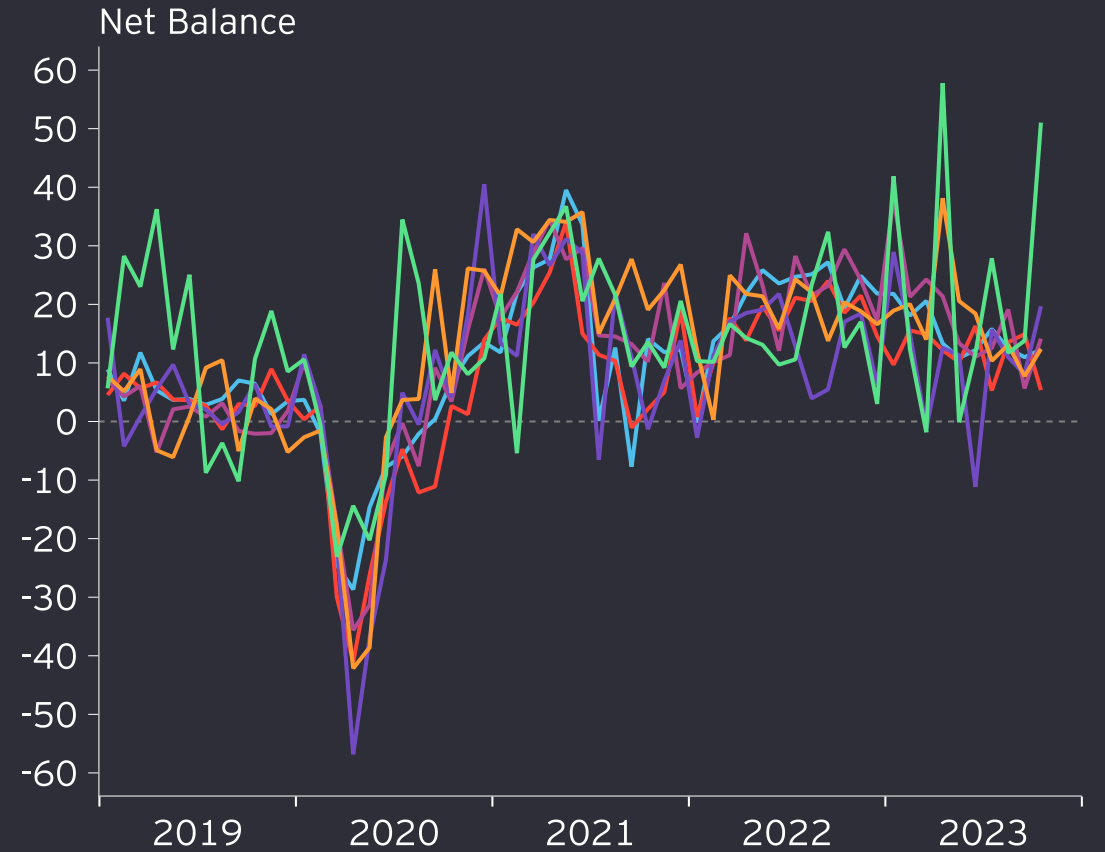
NAB Business Confidence



··· GDP , rhs
 — Tasmania, lhs
 — Western Australia, lhs
 — South Australia, lhs
 — Queensland, lhs
 — Victoria, lhs
 — New South Wales, lhs

Source: NAB, ABS, Macrobond, EY

NAB Business Conditions



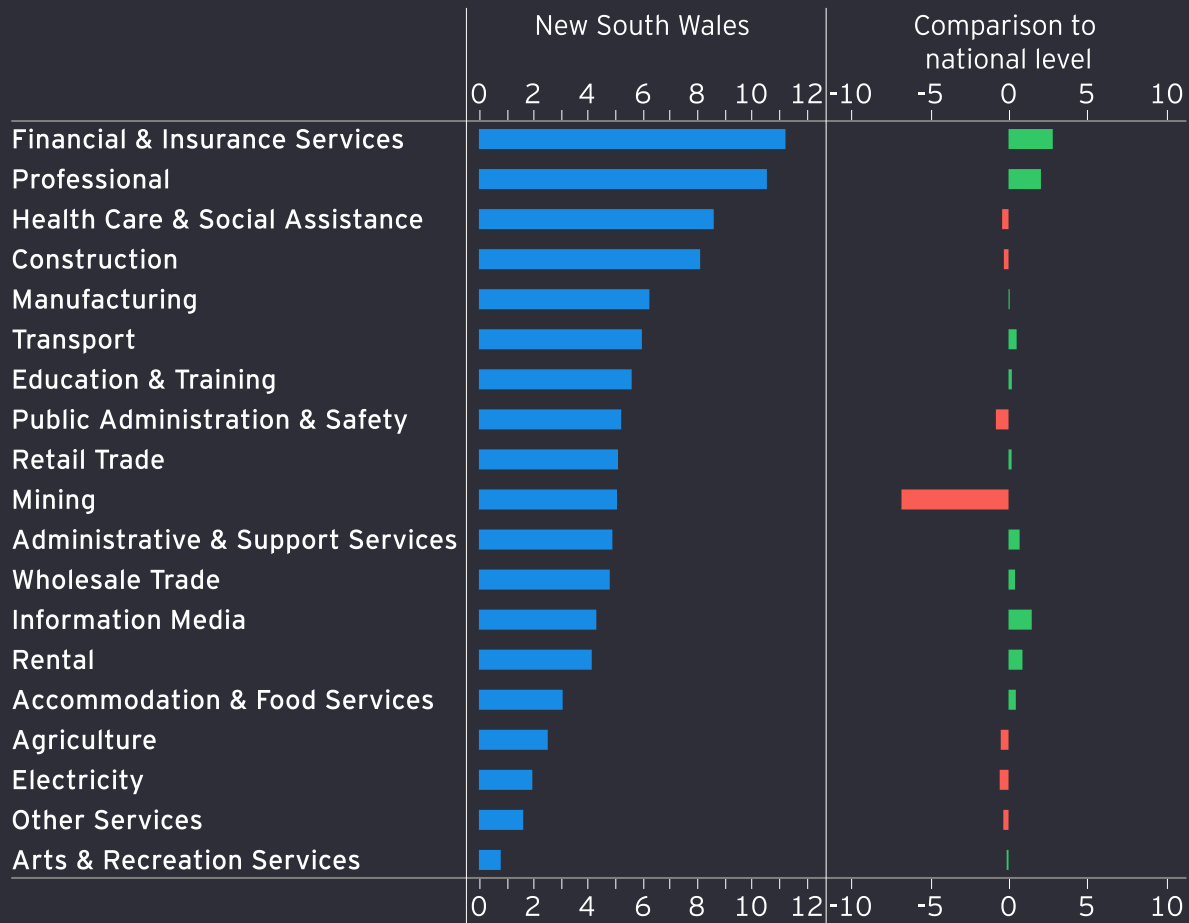
— Tasmania
 — Western Australia
 — South Australia
 — Queensland
 — Victoria
 — New South Wales

Source: NAB, Macrobond, EY

New South Wales

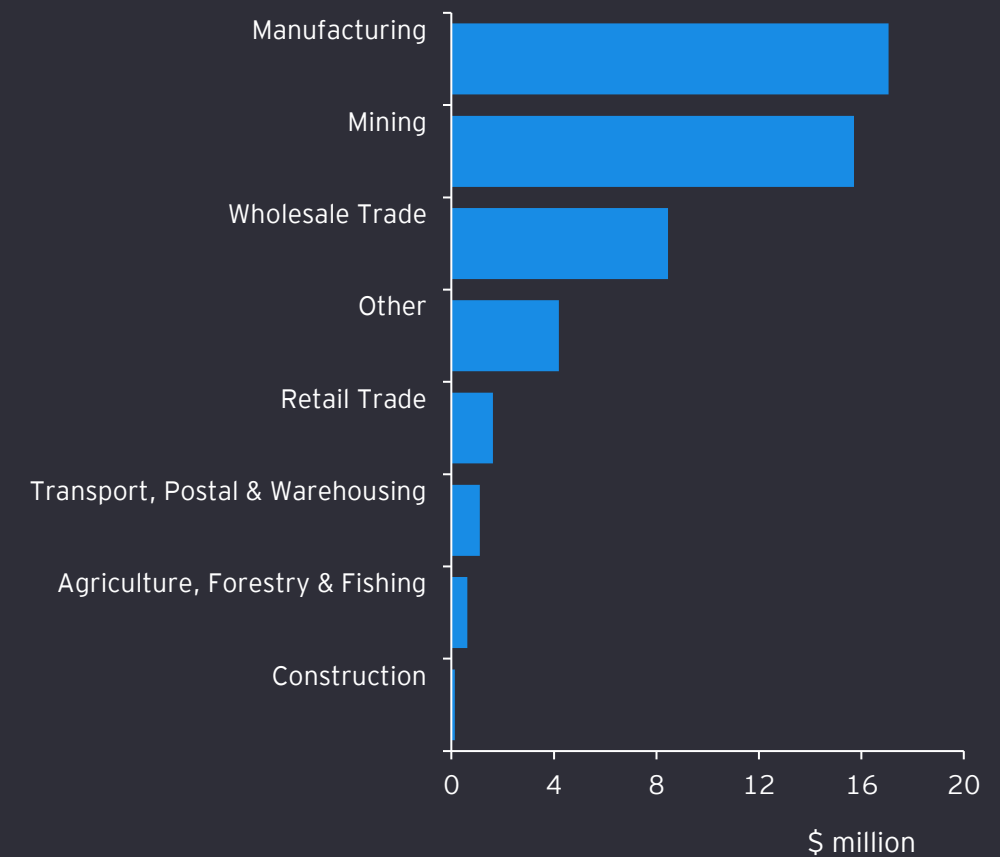
Financial & Insurance Services is the biggest industry in NSW

NSW industry share (FY23) and comparison to national industry share (Q2 2023)



Source: ABS, Macrobond, EY

Value of merchandise exports by industry of exporter (NSW, FY20)

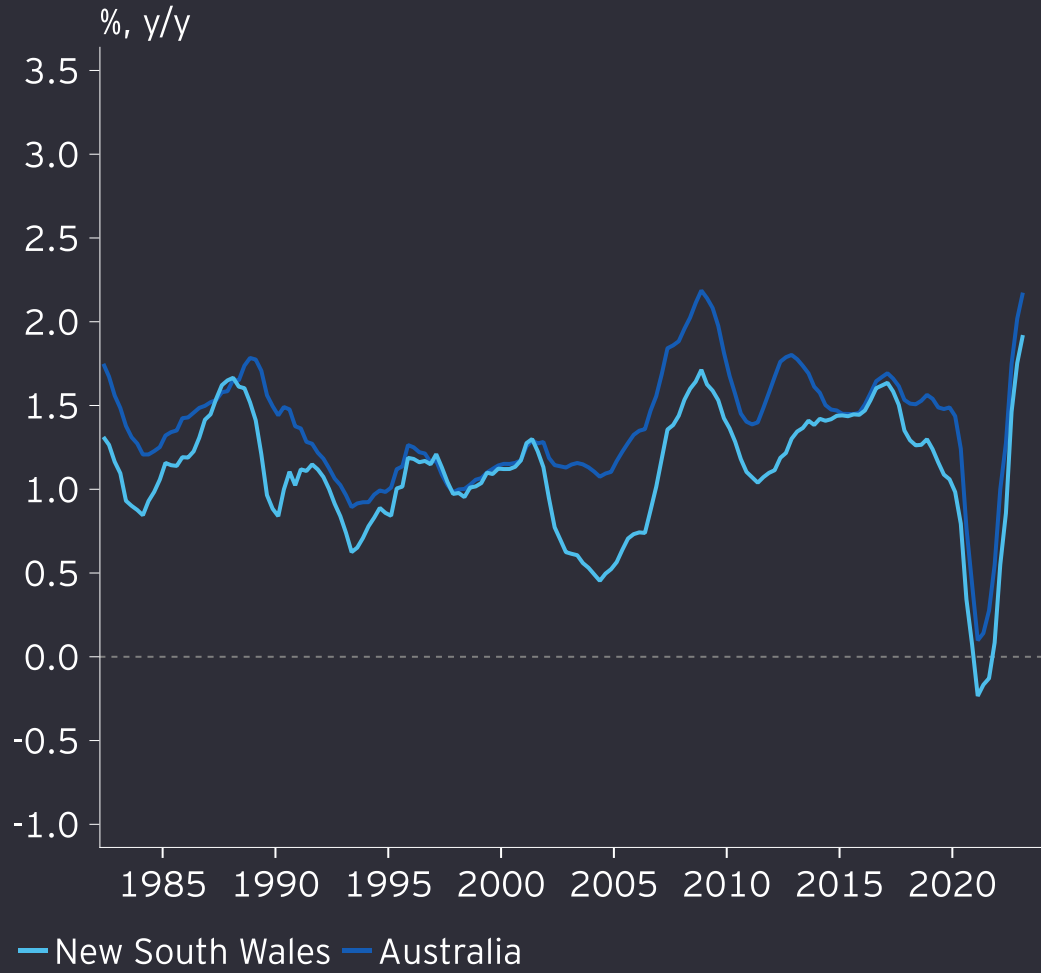


Source: ABS, EY



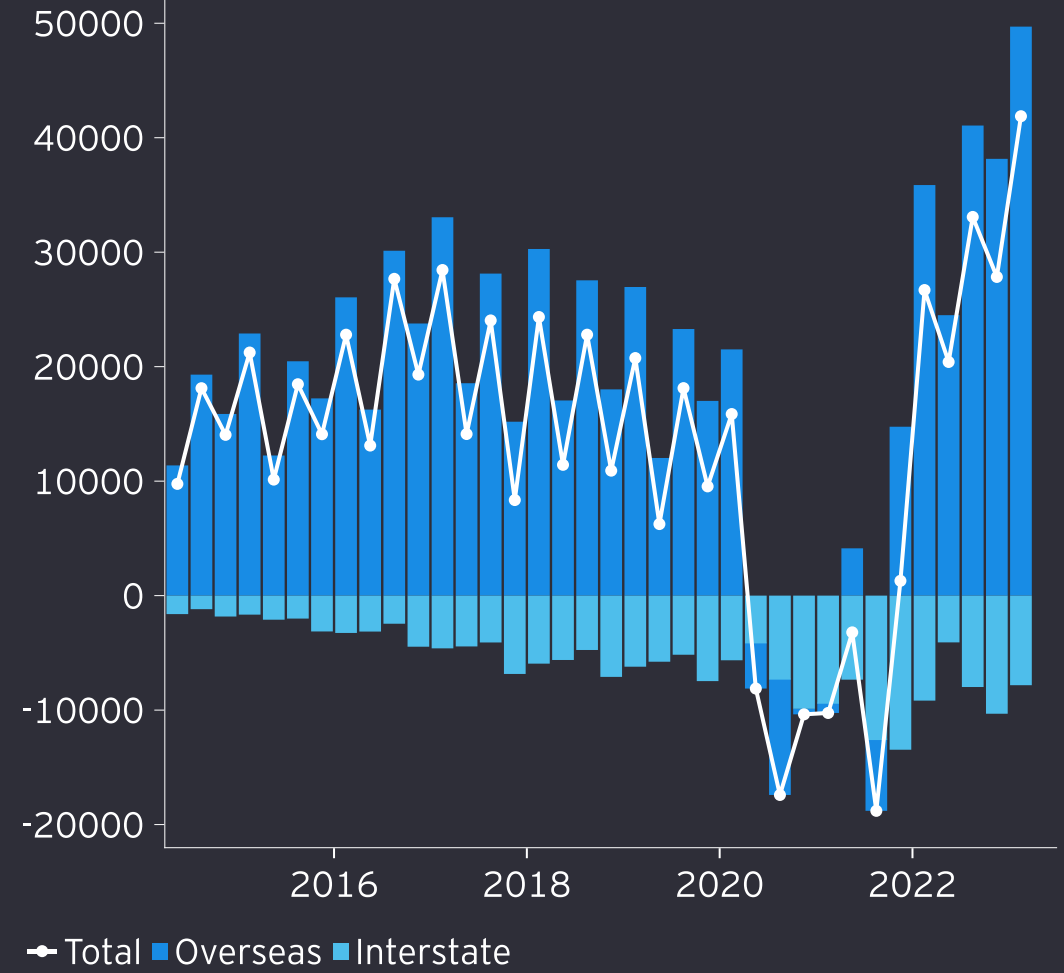
Population growth is strong as overseas migrants return, but net interstate migration is negative

Estimated resident population



Source: ABS, Macrobond, EY

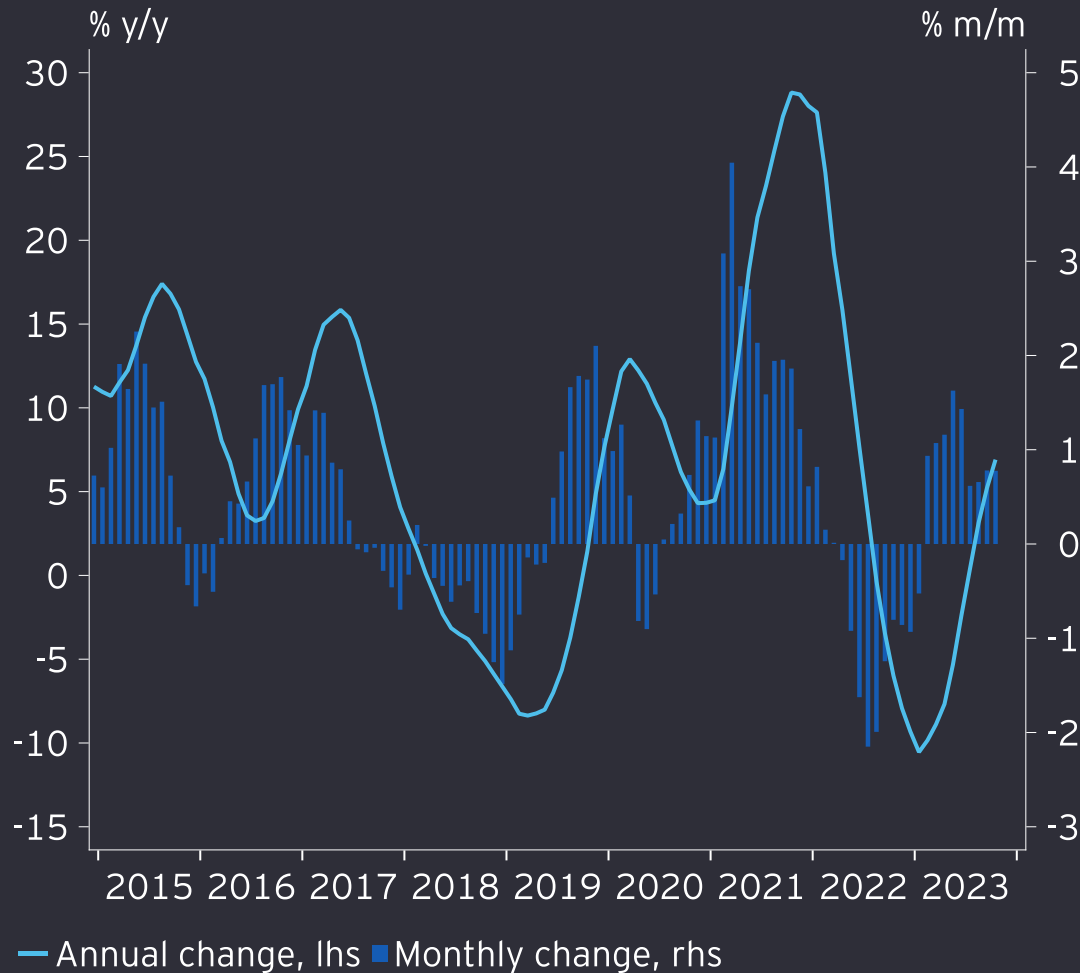
Net Migration, New South Wales



Source: ABS, Macrobond, EY

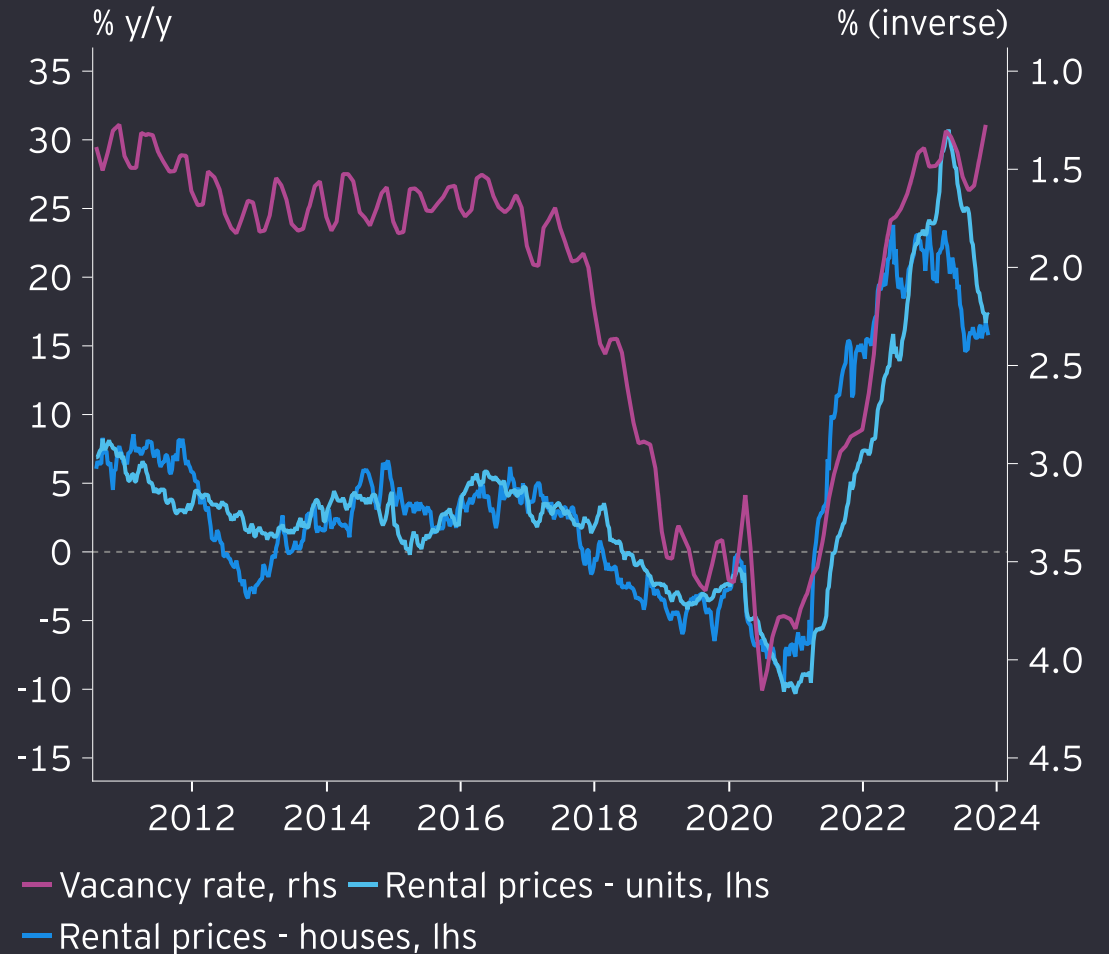
NSW, together with WA, is leading the recovery in the real estate market, with dwelling prices up by 9.4 per cent since January

NSW dwelling prices



Source: CoreLogic, Macrobond, EY

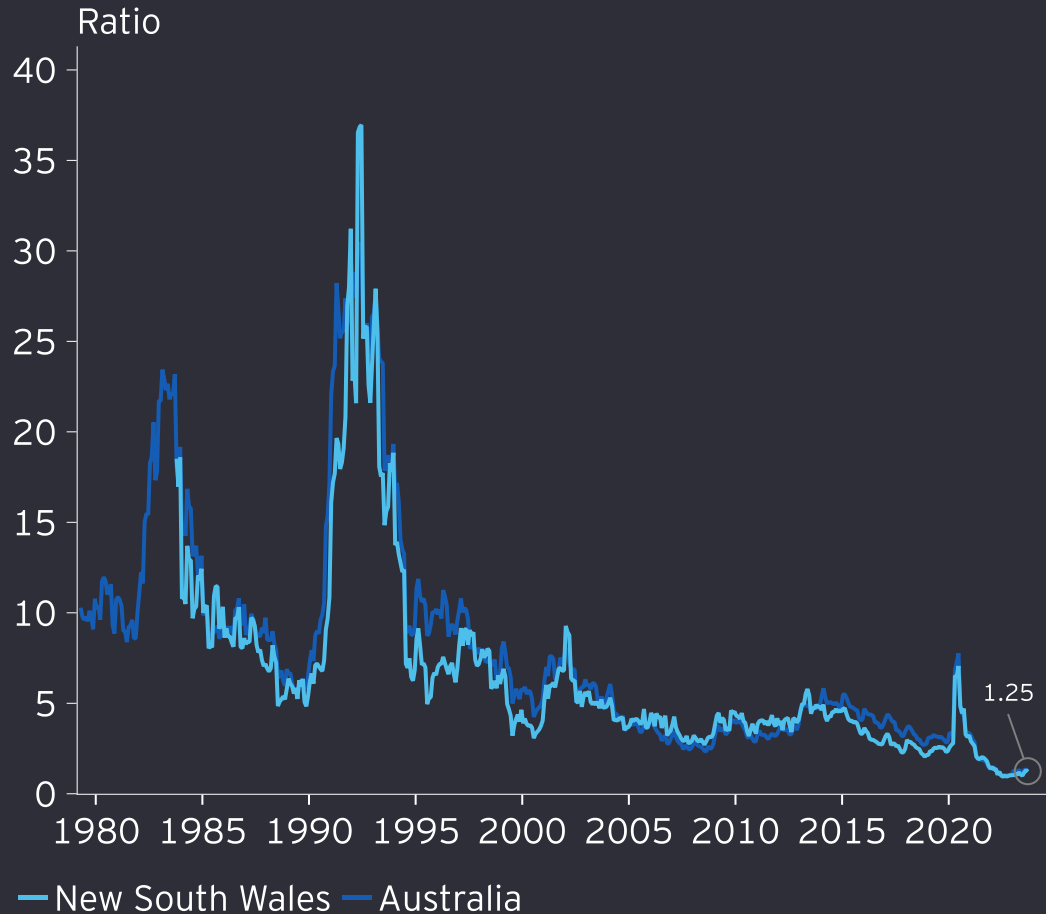
Sydney asking rents and vacancy rate



Source: SQM, Macrobond

NSW is the state with the lowest unemployment rate. While wages have picked up, NSW records the second lowest annual wages growth rate

Number of unemployed people for each job vacancy, New South Wales



Source: ABS, Macrobond, EY

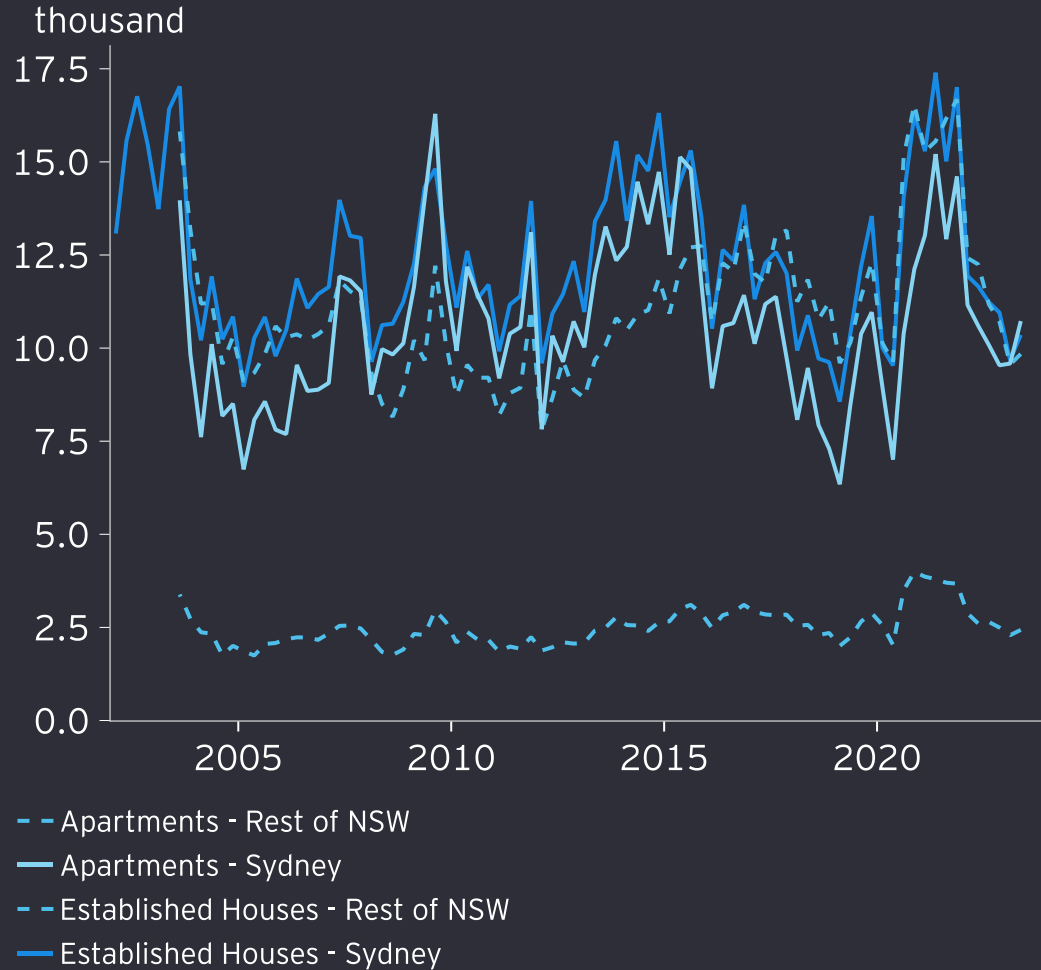
NSW Wage Price Index



Source: ABS, Macrobond, EY

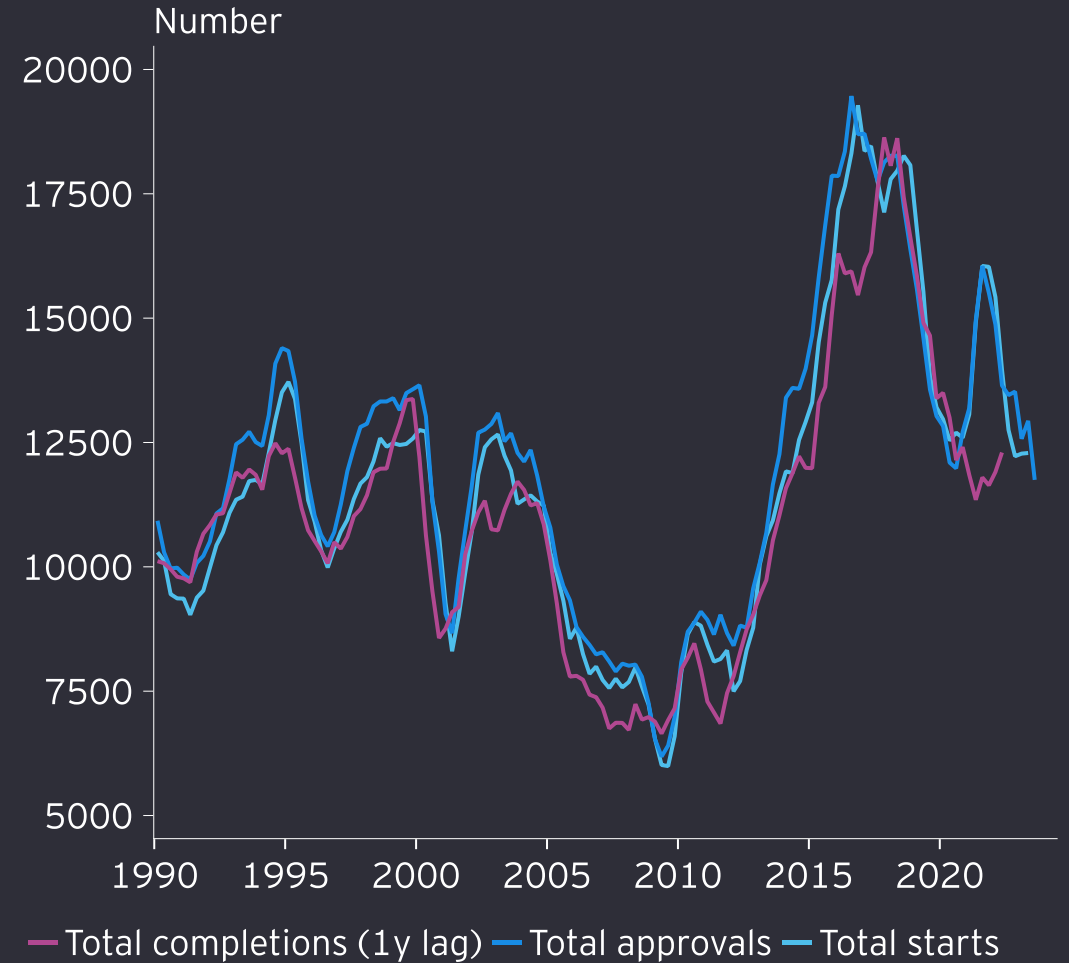
Dwelling completions continue to lag approval starts as skill shortages, especially in the latter stages of construction, continue to persist

House and attached dwelling transfers, NSW



Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - NSW

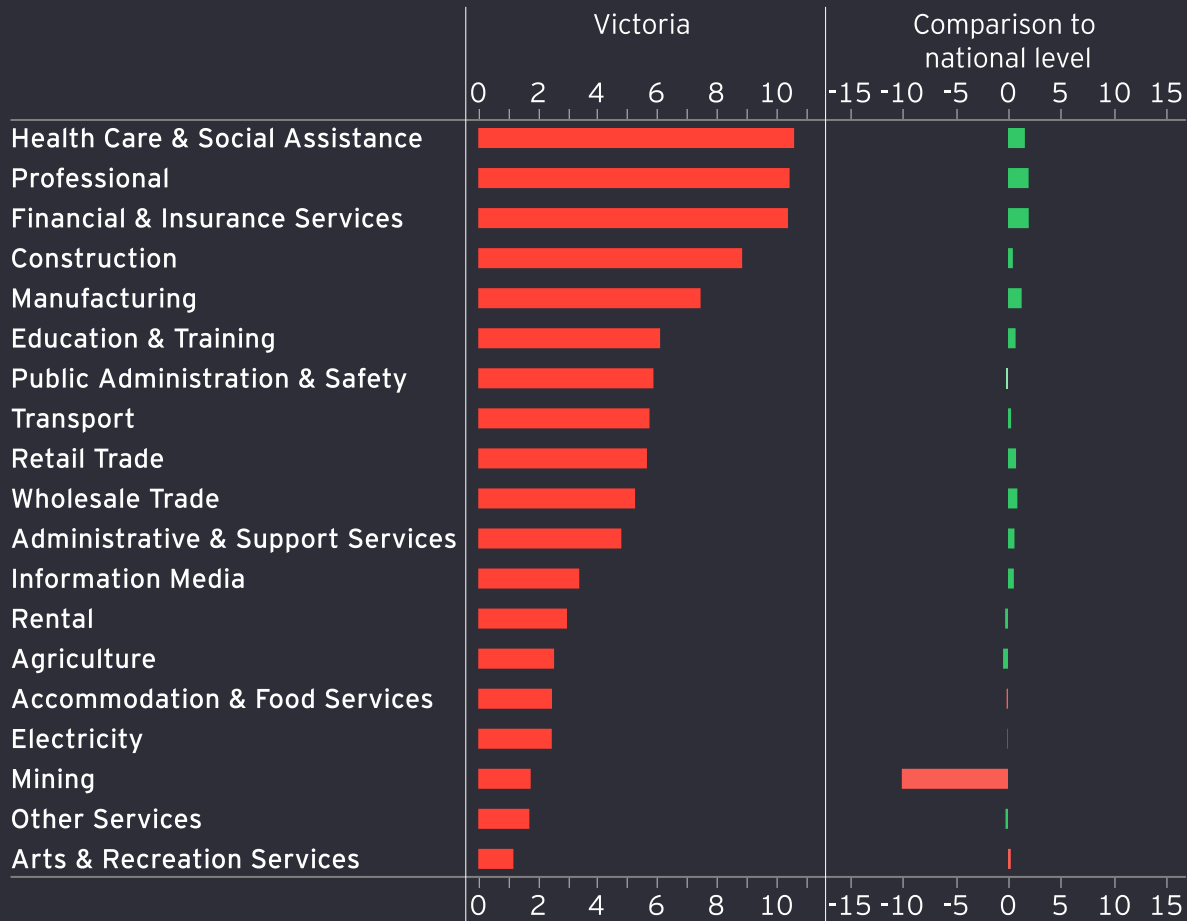


Source: ABS, Macrobond, EY

Victoria

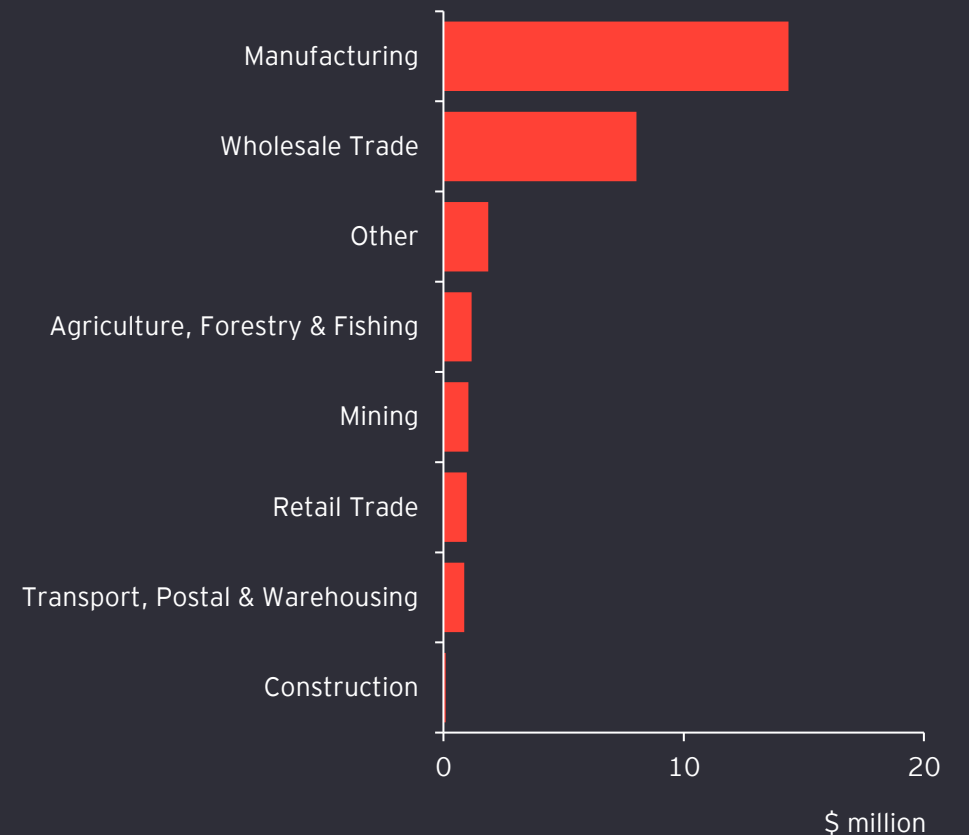
Victoria's industry structure is broadly based

VIC industry share (FY23) and comparison to national industry share (Q2 2023)



Source: ABS, Macrobond, EY

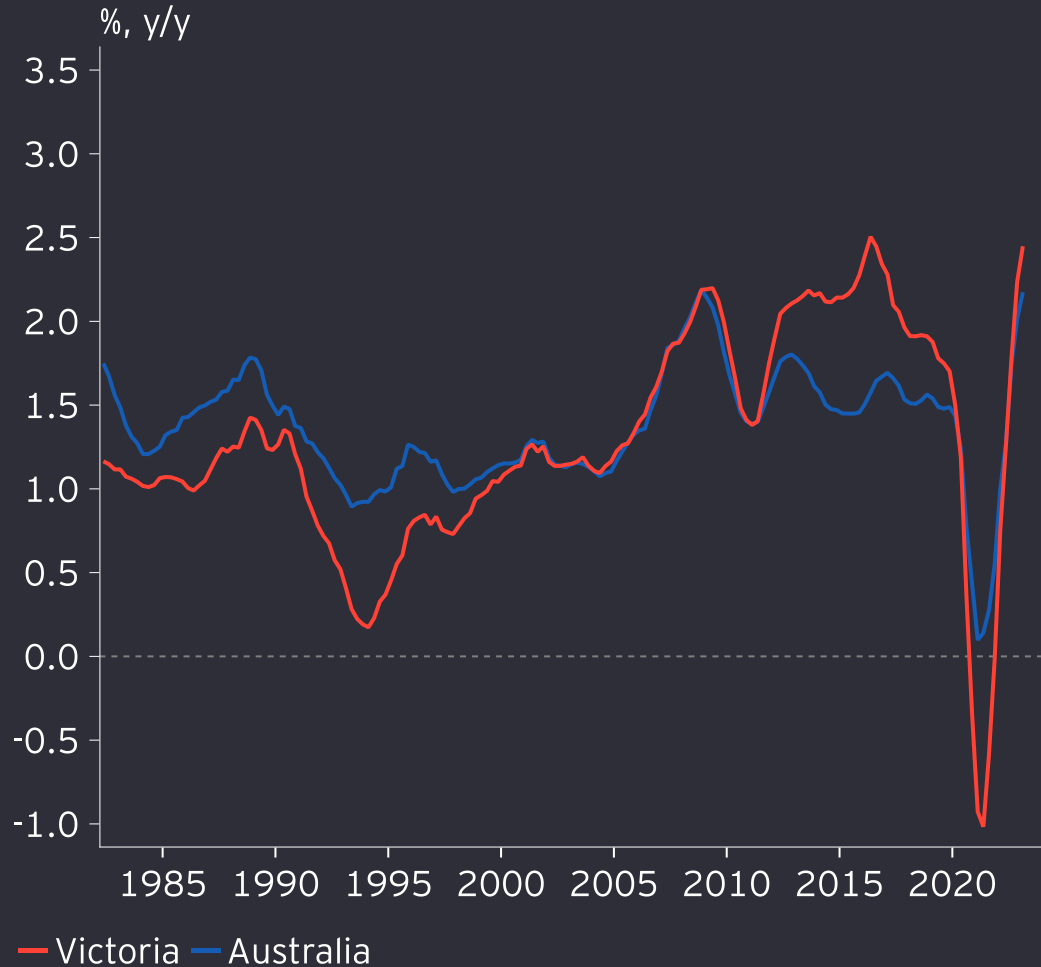
Value of merchandise exports by industry of exporter (Victoria, FY20)



Source: ABS, EY

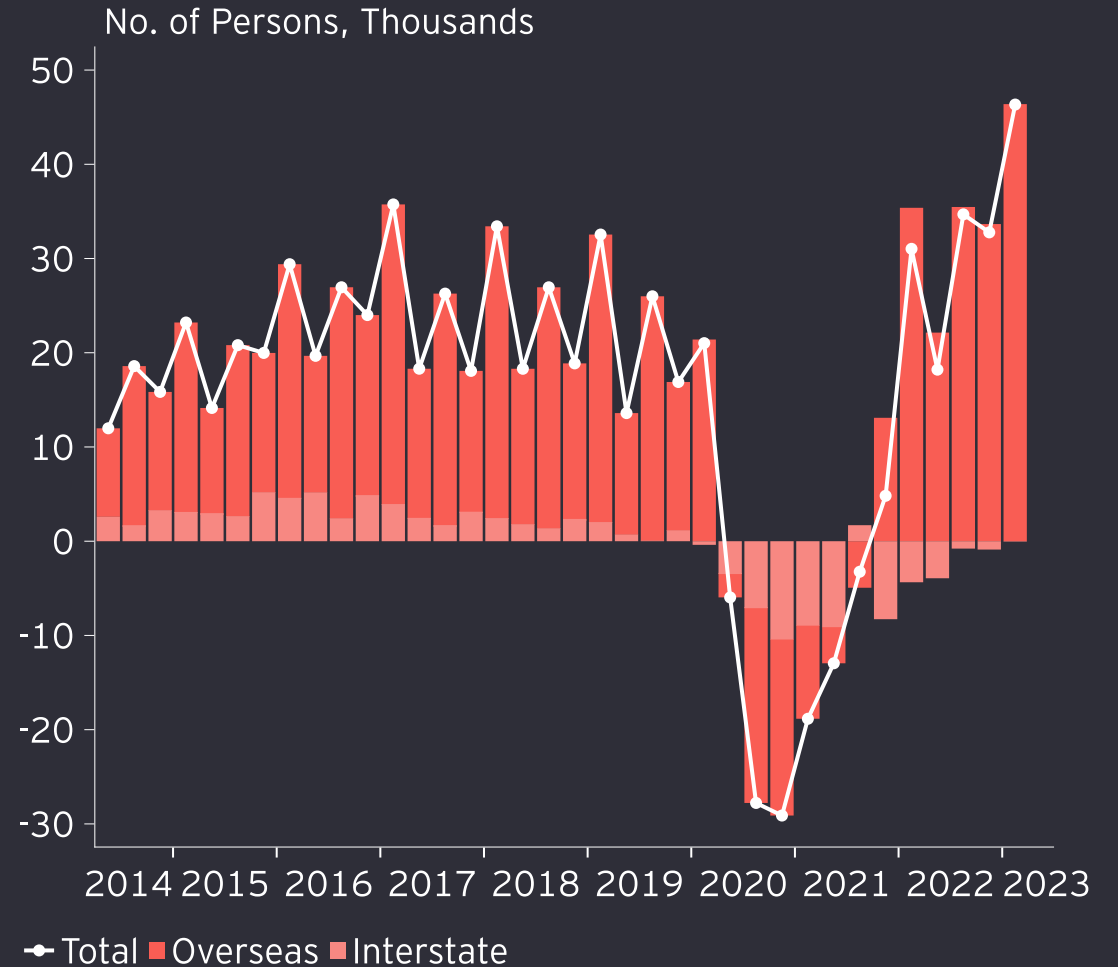
Victoria's population is now recovering as international migrants return enthusiastically and migration to other states has slowed

Estimated resident population



Source: ABS, Macrobond, EY

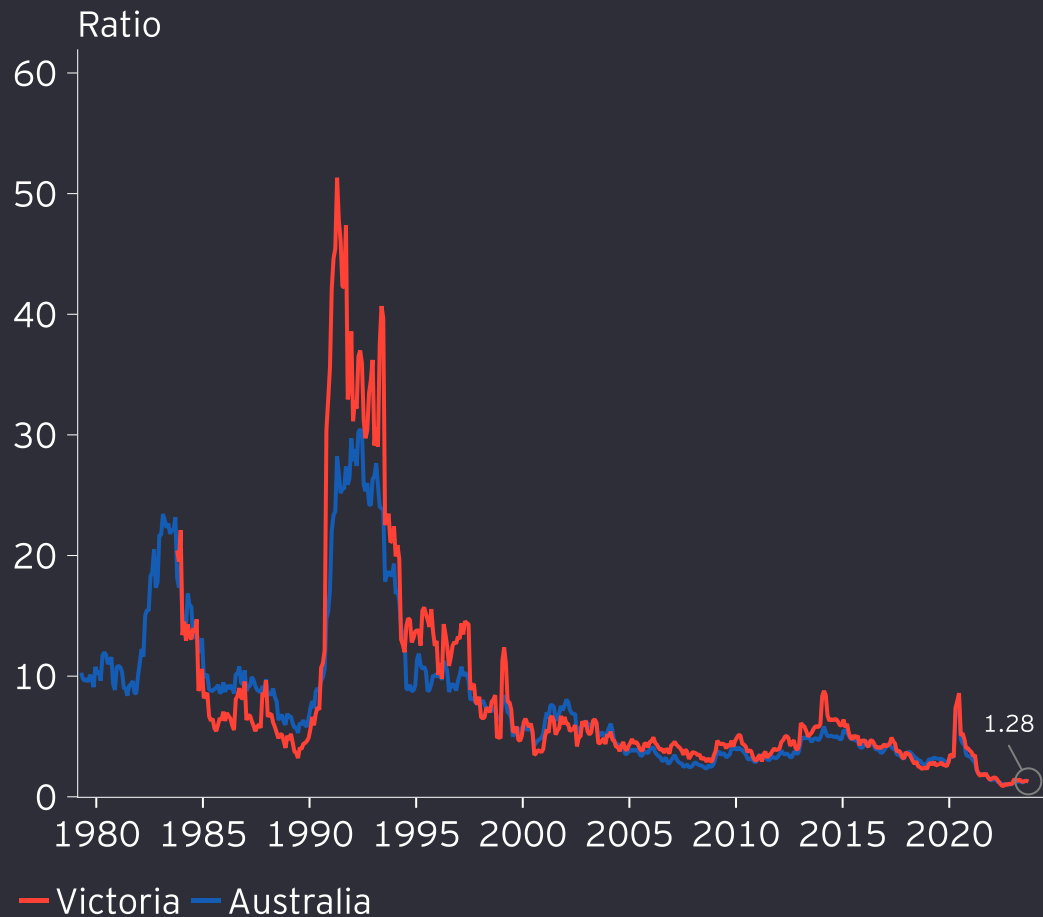
Net Migration, Victoria



Source: ABS, Macrobond, EY

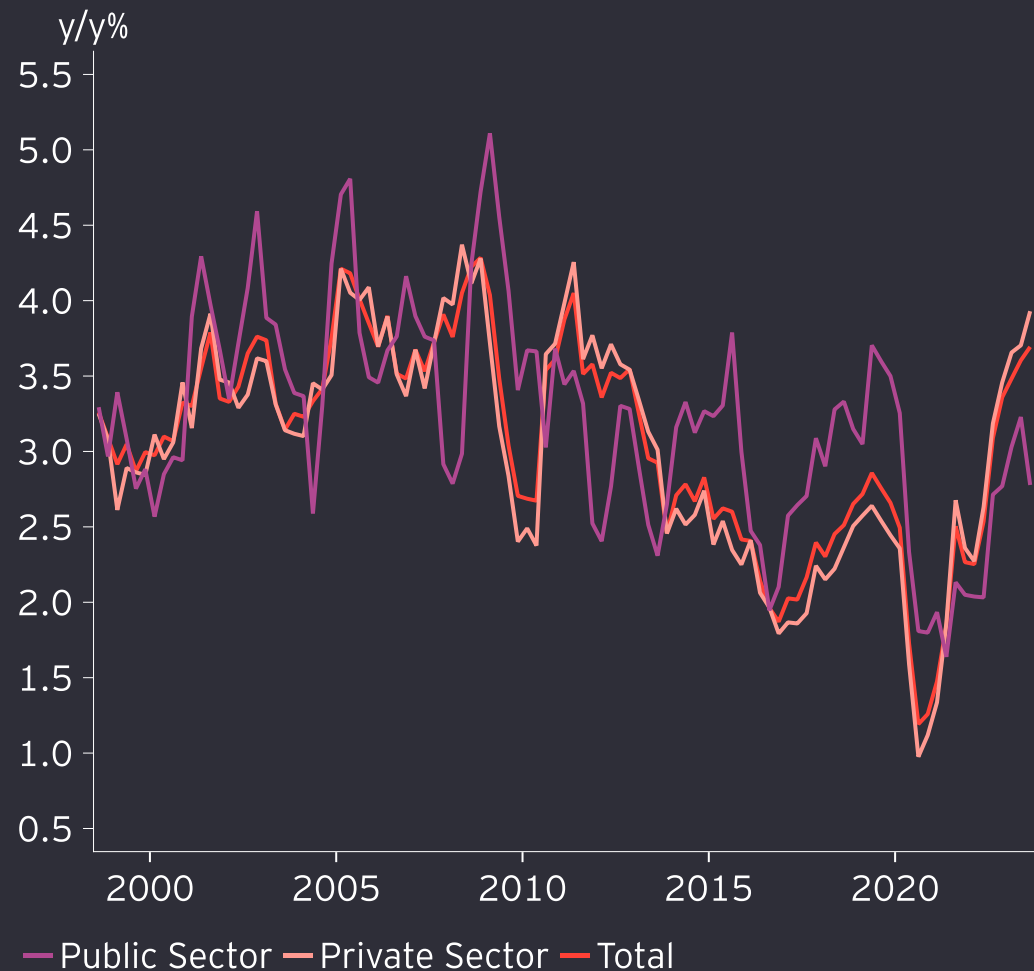
Victoria is experiencing the lowest annual wage growth of all states and territories despite a tight labour market

Number of unemployed people for each job vacancy, Victoria



Source: ABS, Macrobond, EY

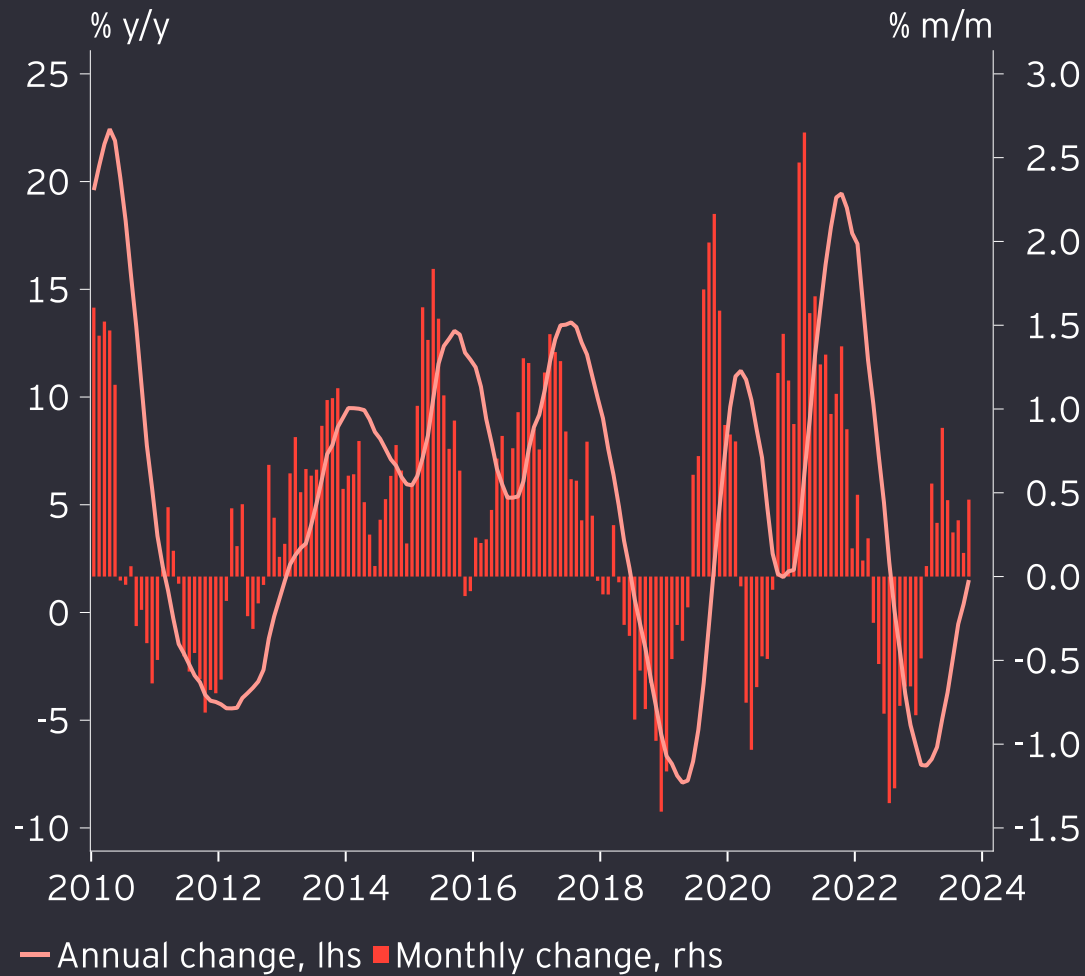
VIC Wage Price Index



Source: ABS, Macrobond, EY

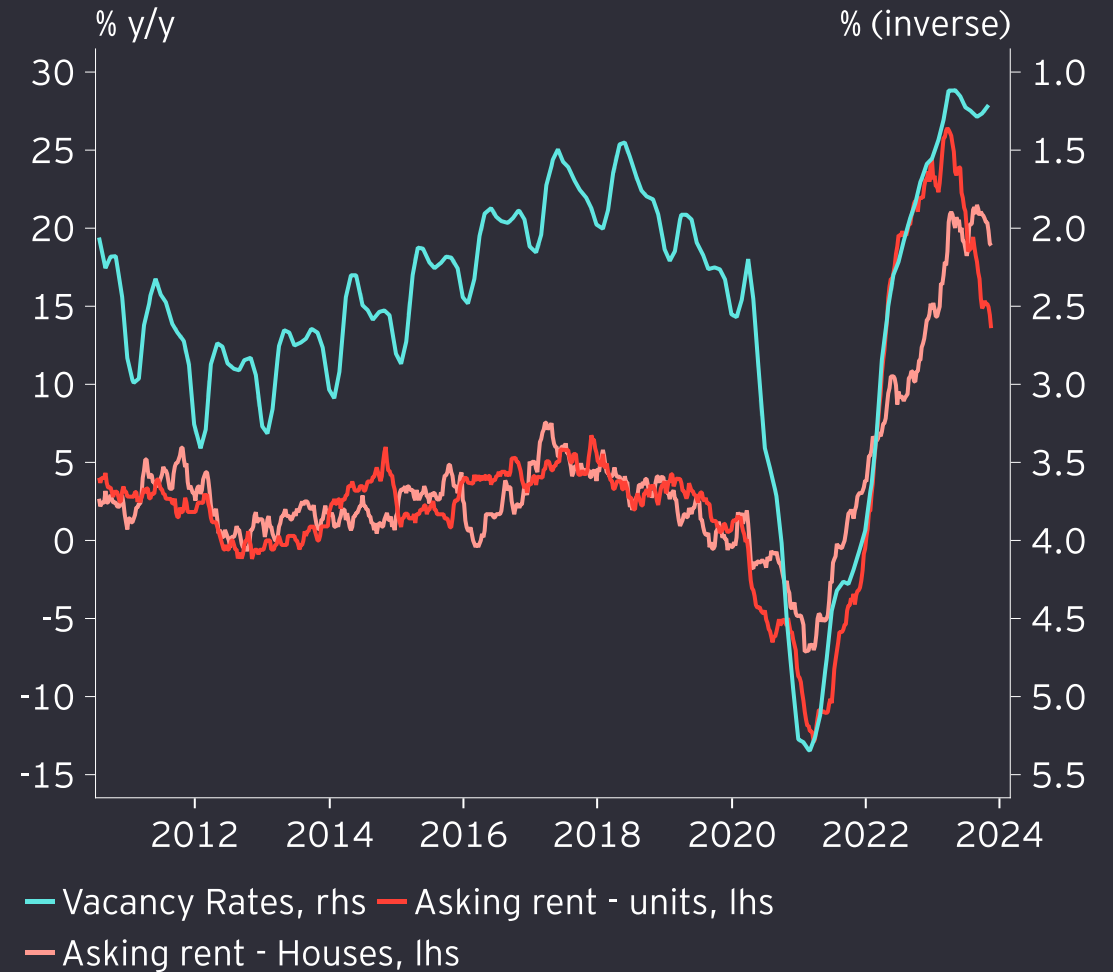
Dwelling prices increased 3.5 per cent since the start of the year, while rent increases seem to have peaked

Victoria dwelling prices



Source: Corelogic, Macrobond, EY

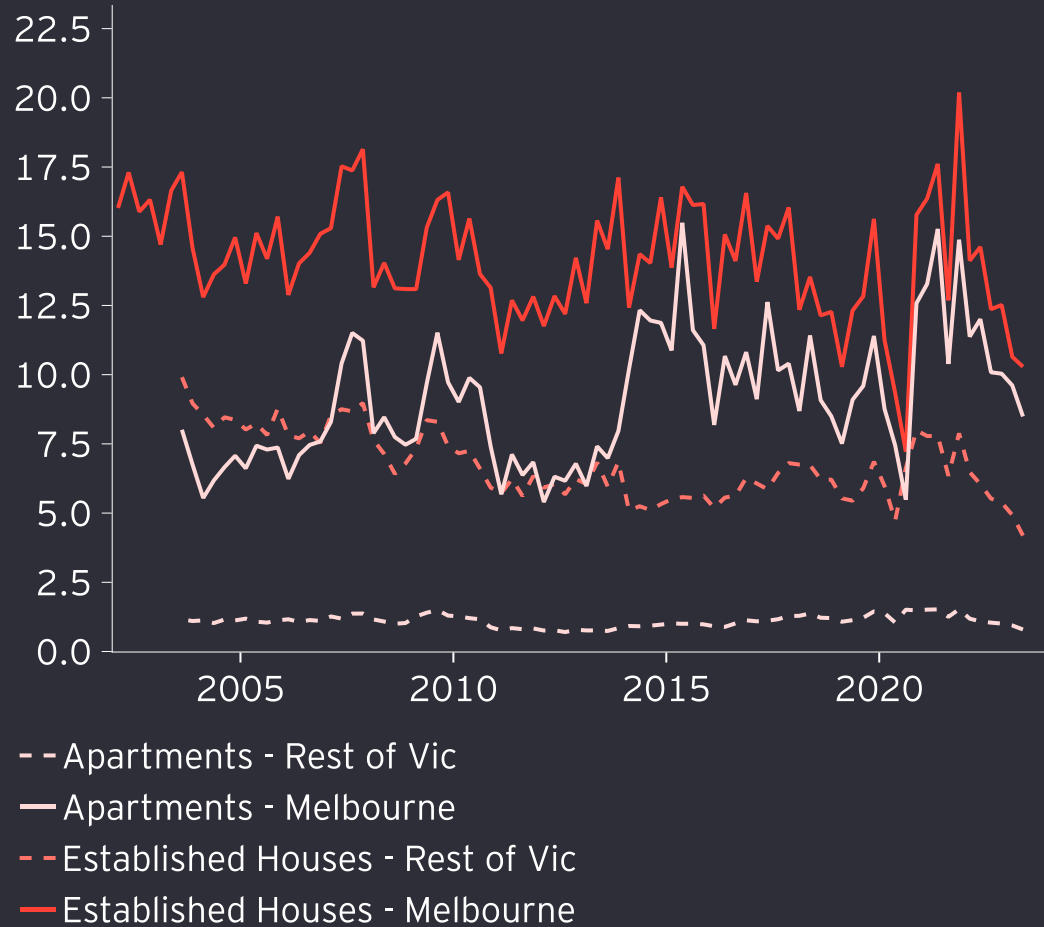
Melbourne asking rents and vacancy rate



Source: SQM, Macrobond, EY

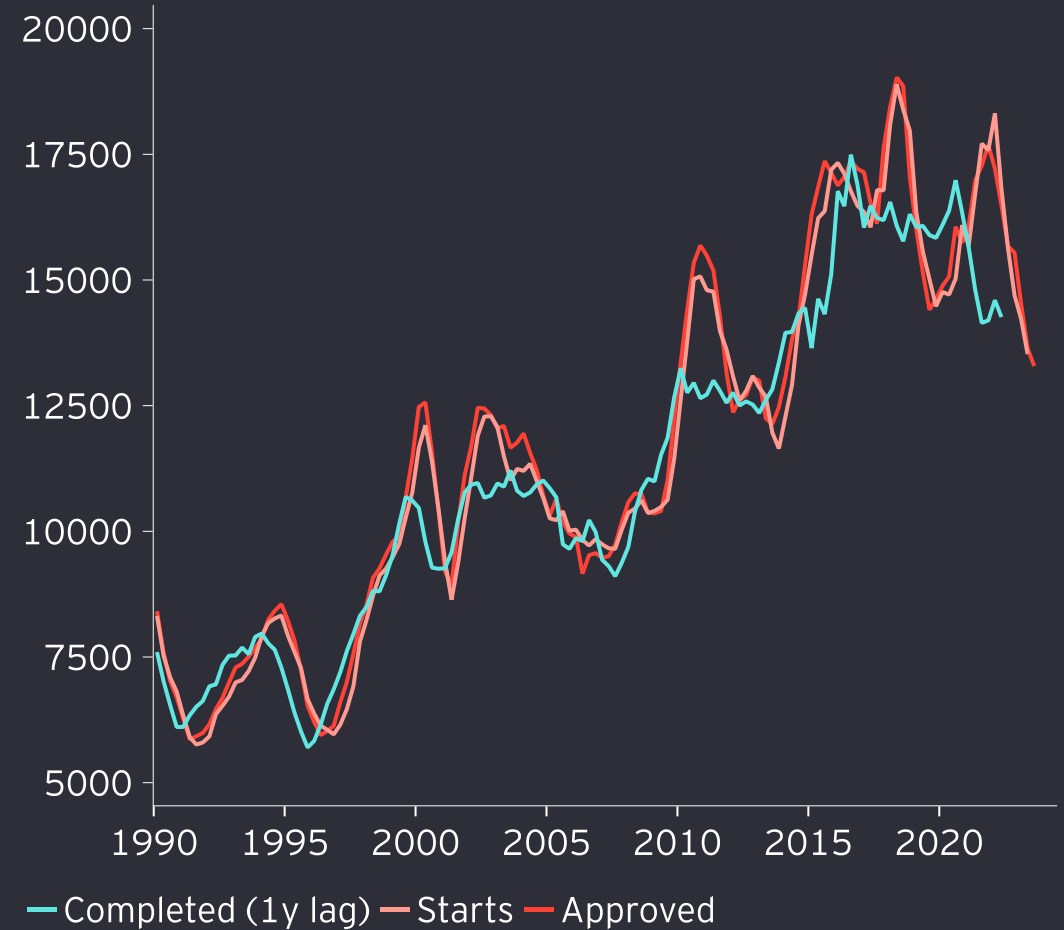
Dwelling starts and approvals continue to fall in Victoria as higher debt servicing costs and longer build lead times dampen demand

House and attached dwelling transfers, VIC
thousand



Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - VIC
Number

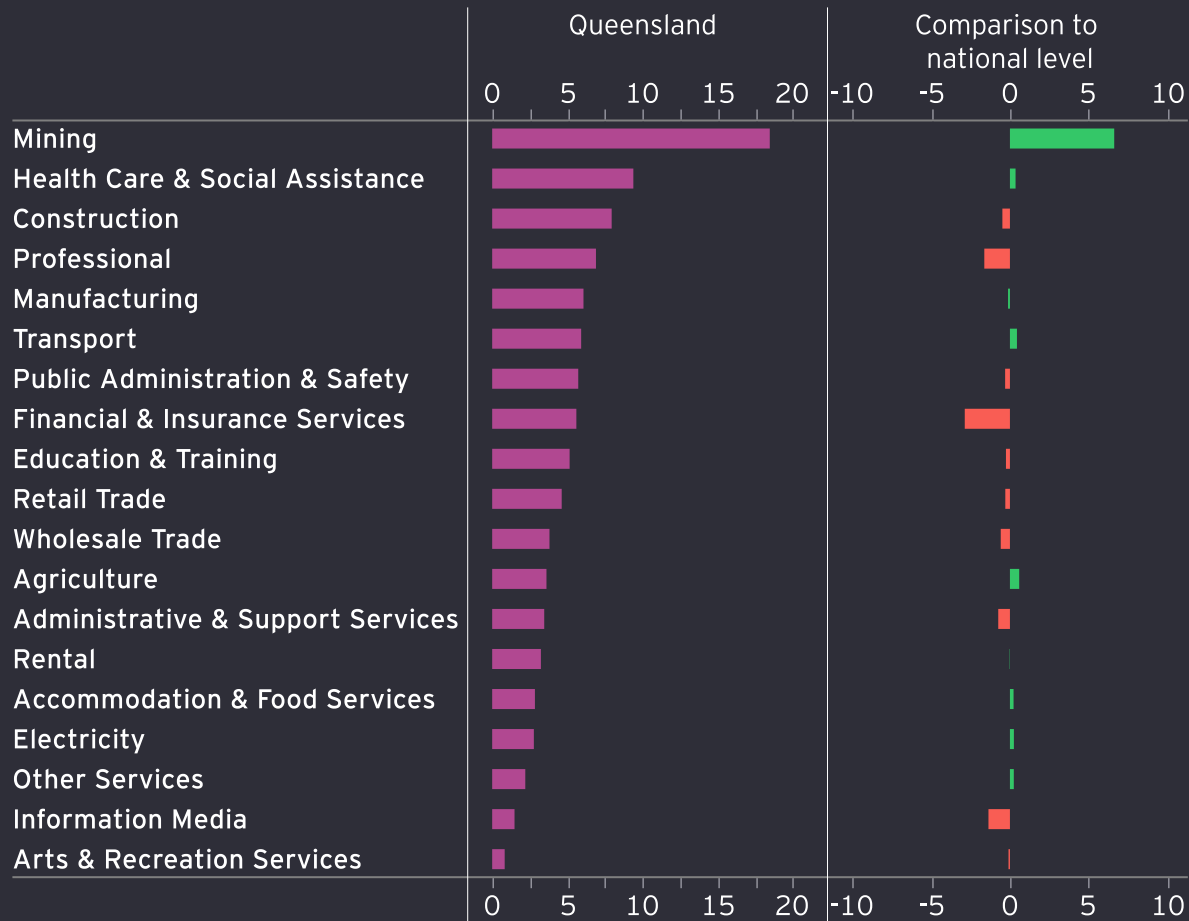


Source: ABS, Macrobond, EY

Queensland

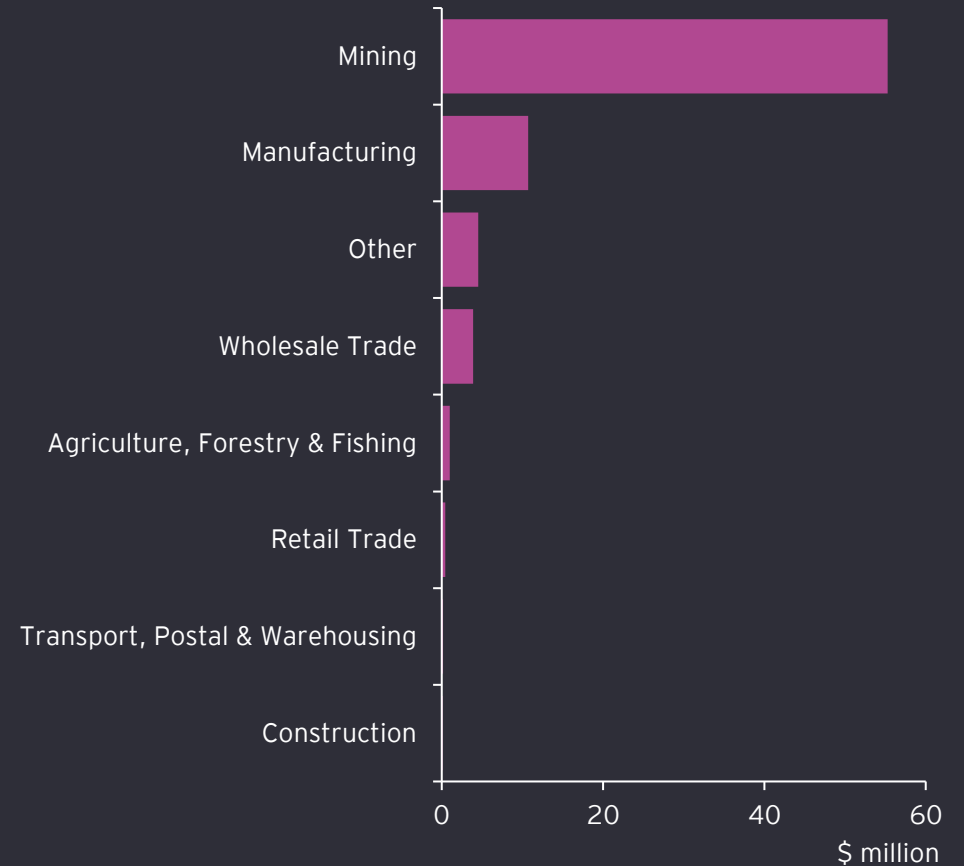
Mining is now the biggest single industry, making up more than 18 per cent of the Queensland economy

QLD industry share (FY23) and comparison to national industry share (Q2 2023)



Source: ABS, Macrobond, EY

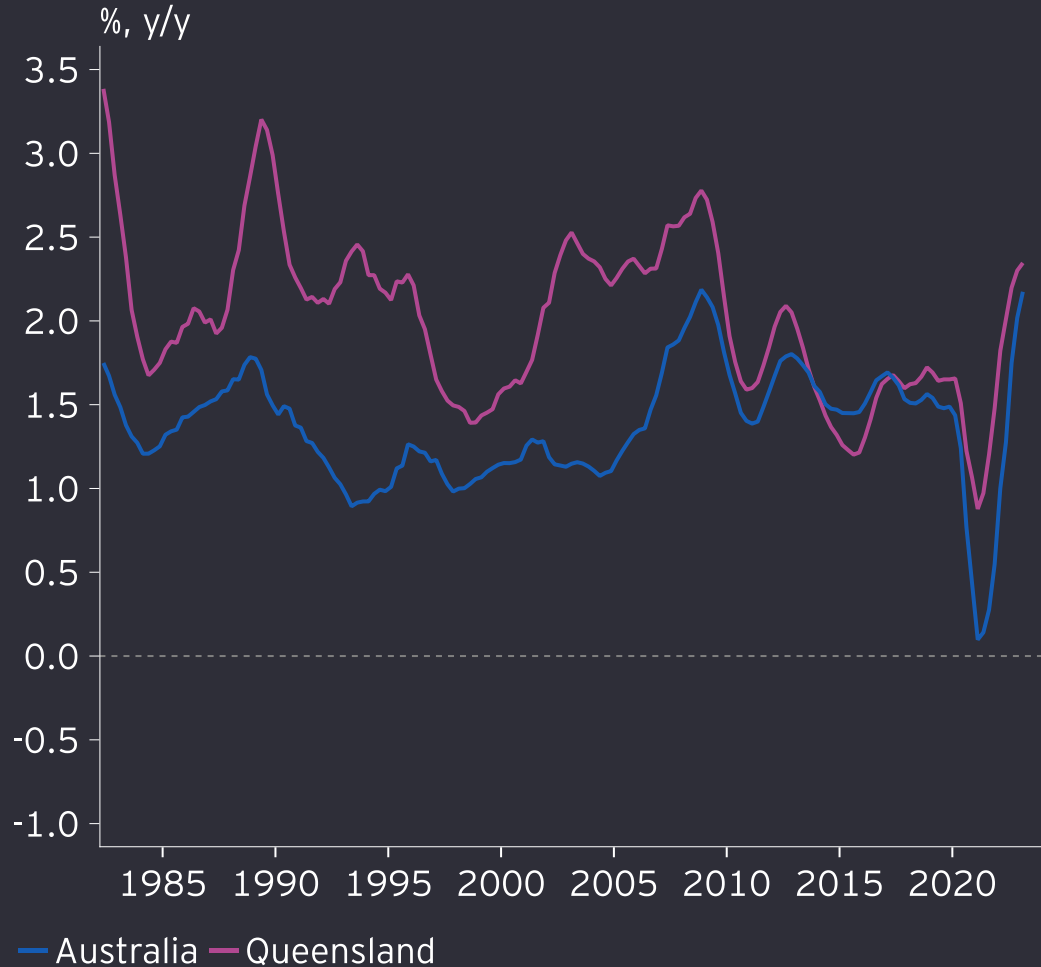
Value of merchandise exports by industry of exporter (Queensland, FY20)



Source: ABS, EY

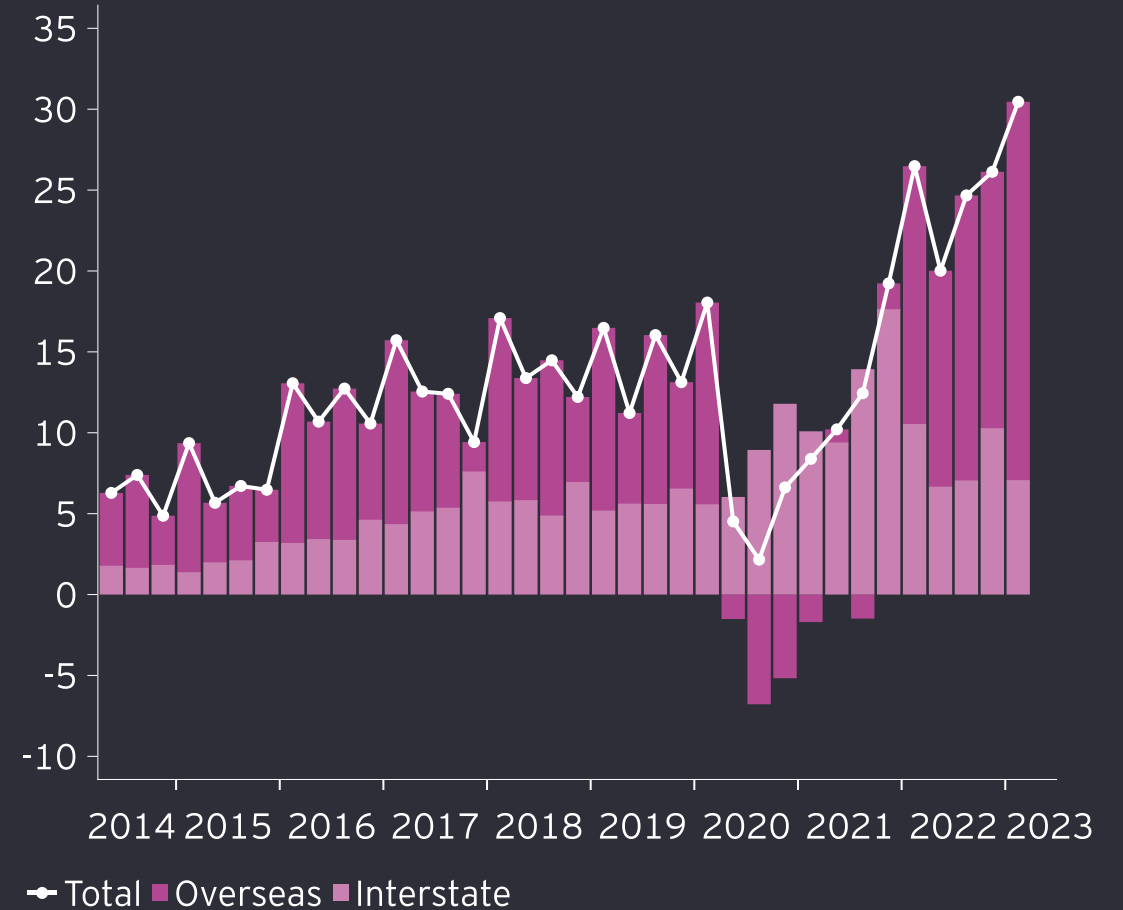
Queensland is experiencing the third highest population growth, behind WA and Victoria, driven by both overseas and interstate migration

Estimated resident population



Source: ABS, Macrobond, EY

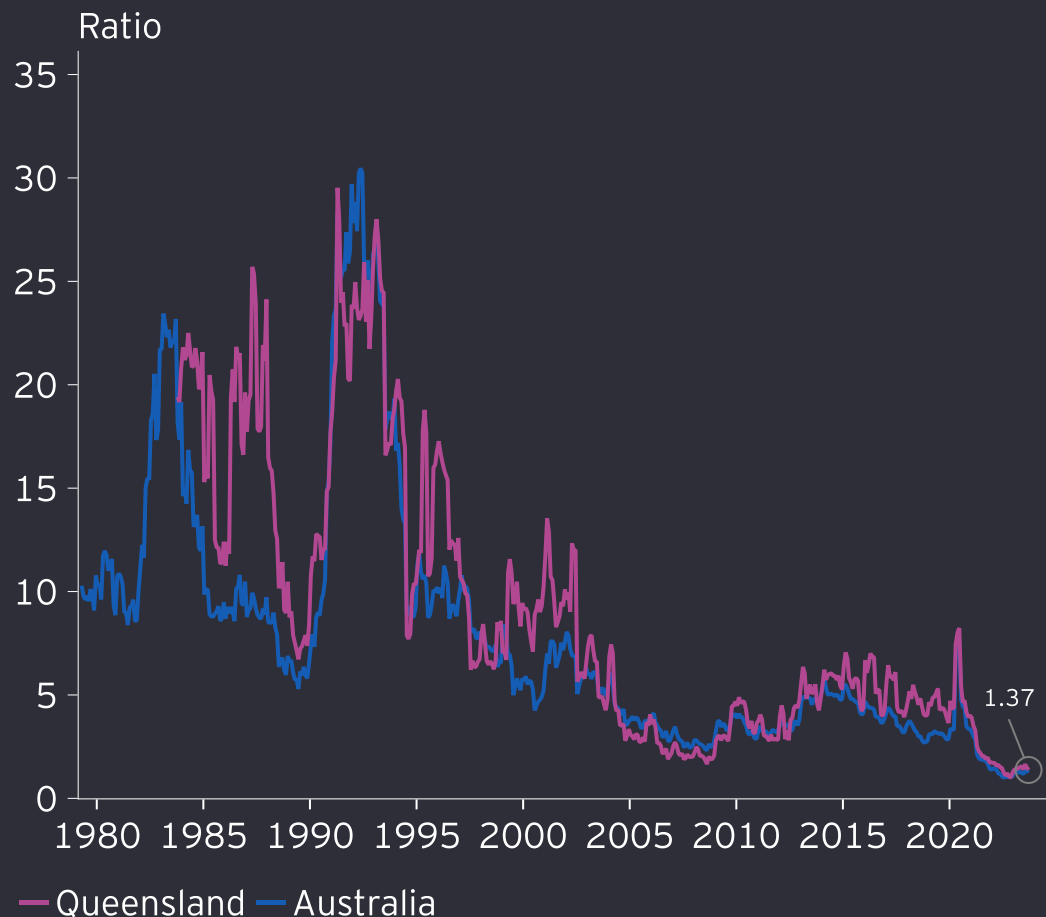
Net Migration, Queensland



Source: ABS, Macrobond, EY

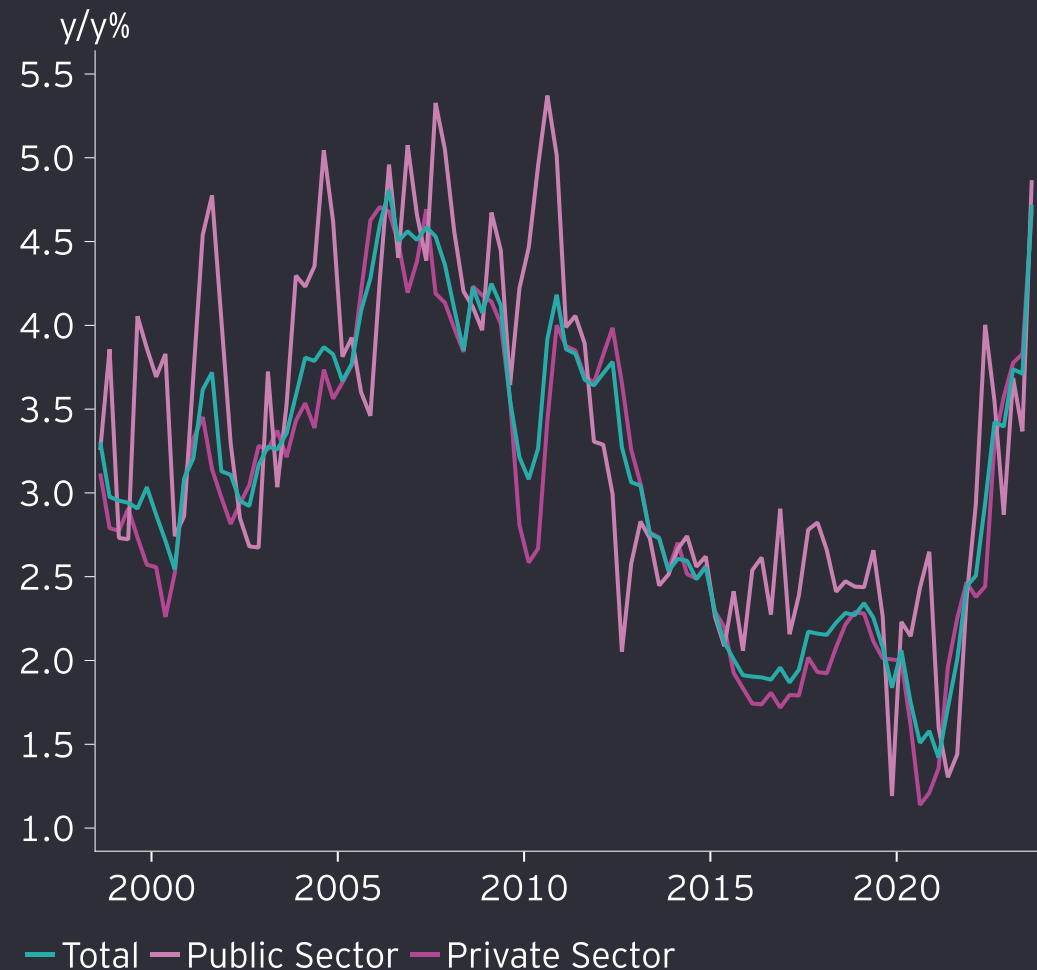
Queensland's unemployment rate is the highest of all states, yet its annual wage growth is also the strongest

Number of unemployed people for each job vacancy, Queensland



Source: ABS, Macrobond, EY

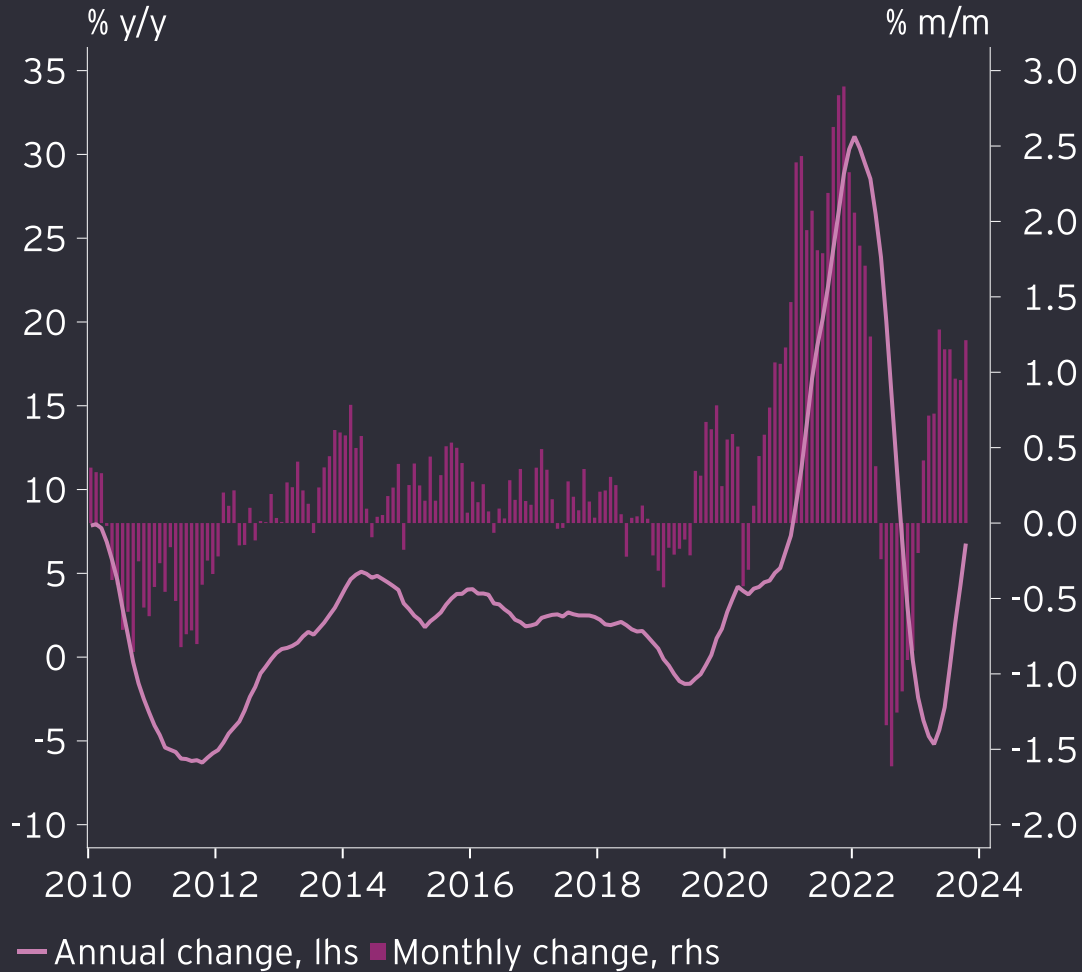
QLD Wage Price Index



Source: ABS, Macrobond, EY

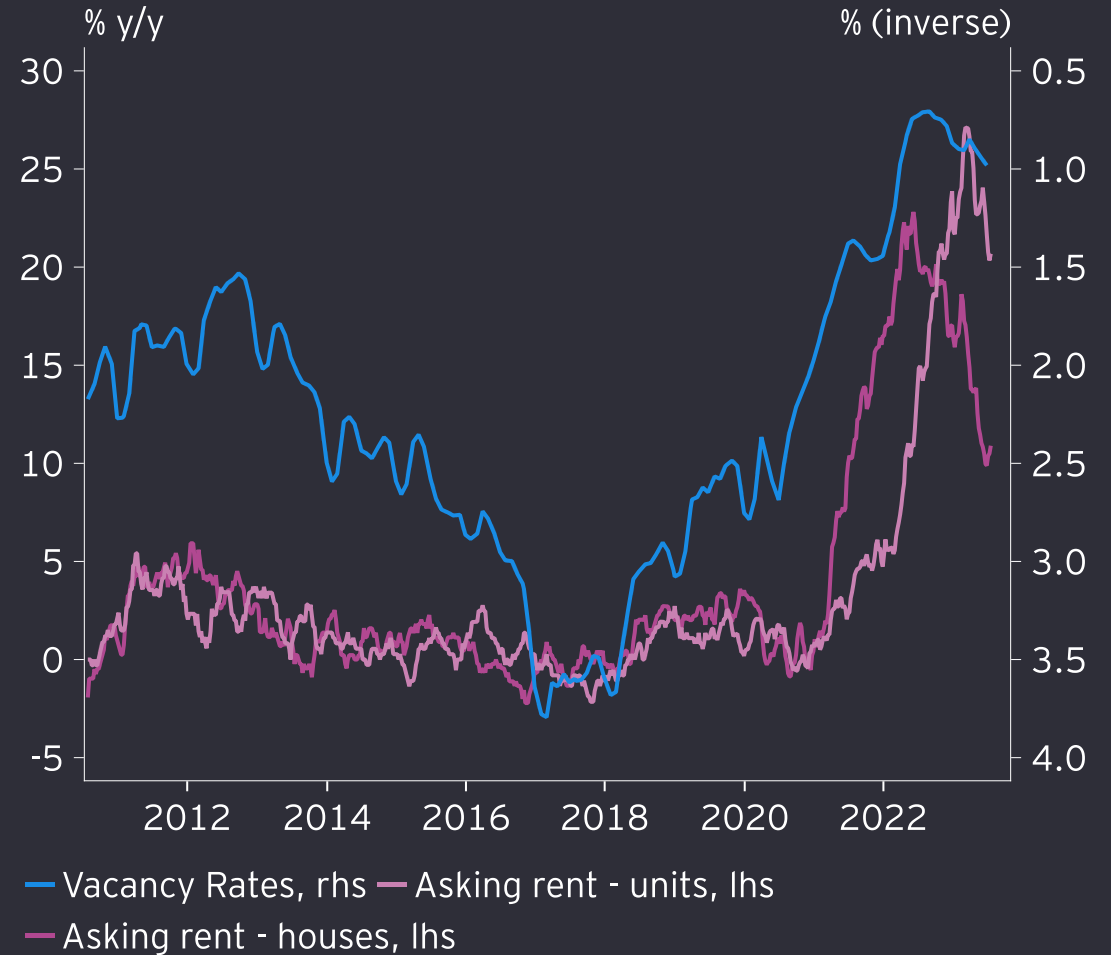
Queensland's dwelling prices have increased almost 9 per cent since the start of the year; Brisbane is the second most expensive capital city to rent a unit

Queensland dwelling prices



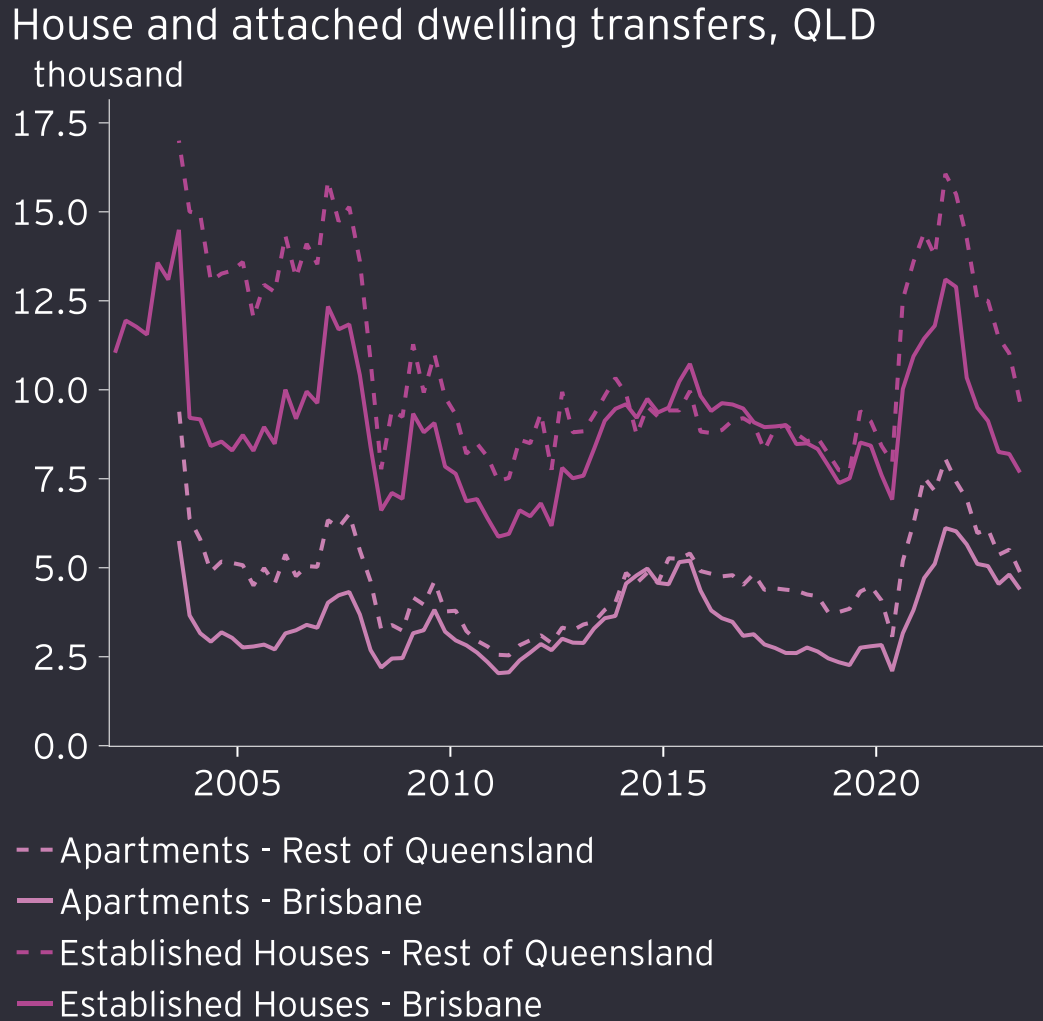
Source: CoreLogic, Macrobond, EY

Brisbane asking rents and vacancy rate

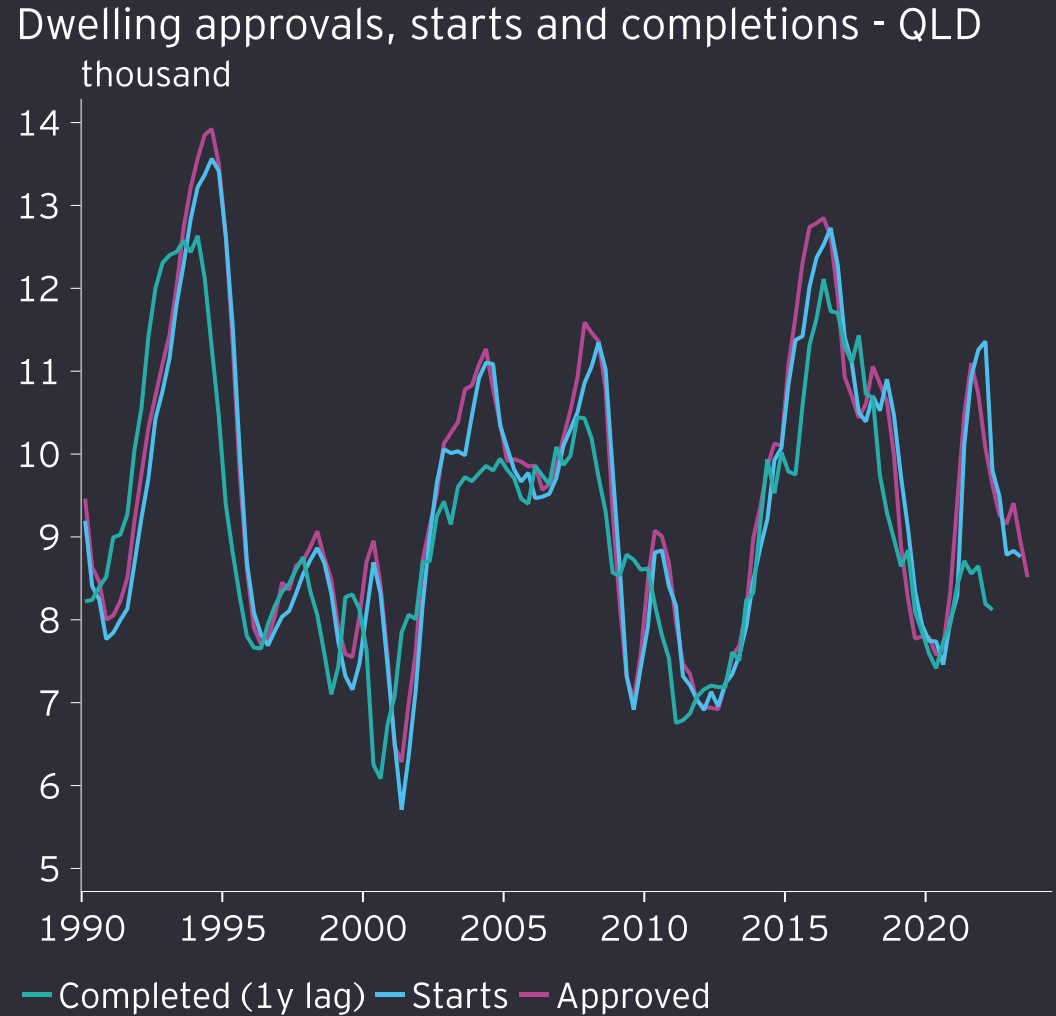


Source: SQM, Macrobond

Dwelling completions lag as construction skill shortages continue to persist



Source: ABS, Macrobond, EY

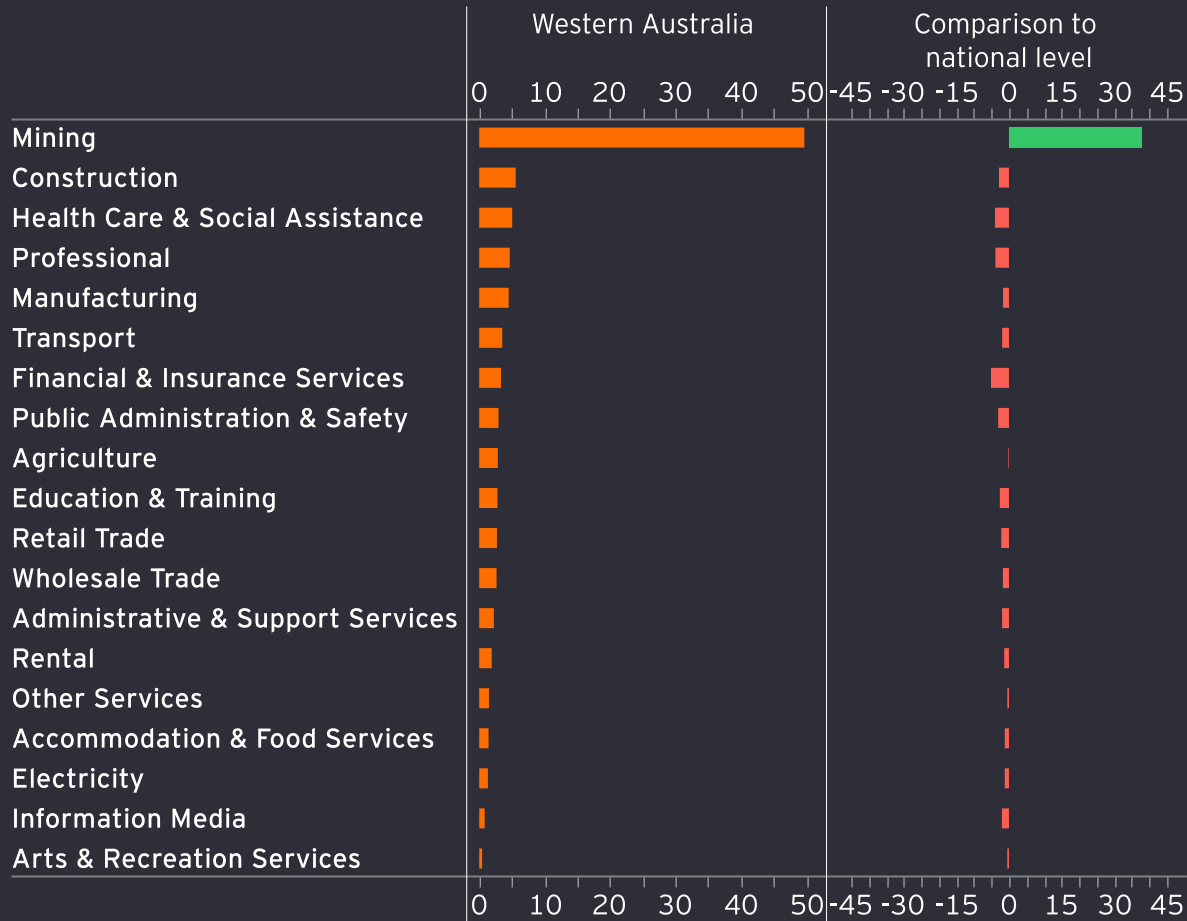


Source: ABS, Macrobond, EY

Western Australia

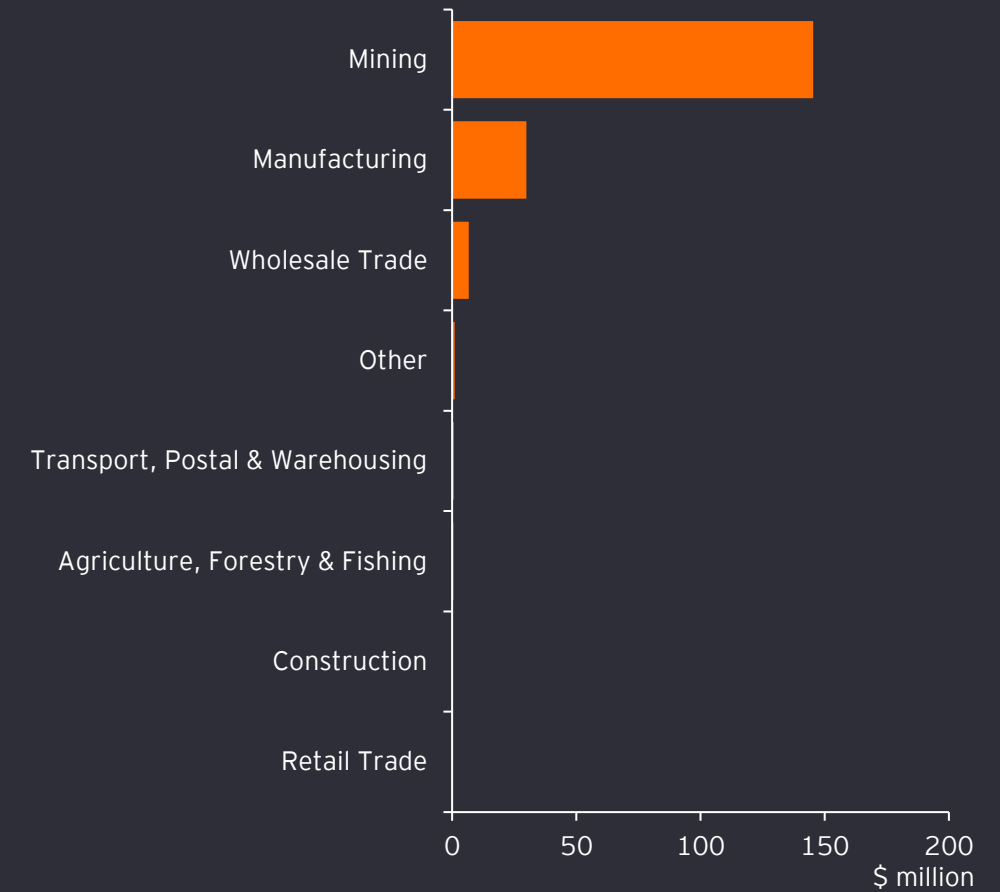
Mining makes up almost 50 per cent of the WA economy

WA industry share (FY23) and comparison to national industry share (Q2 2023)



Source: ABS, Macrobond, EY

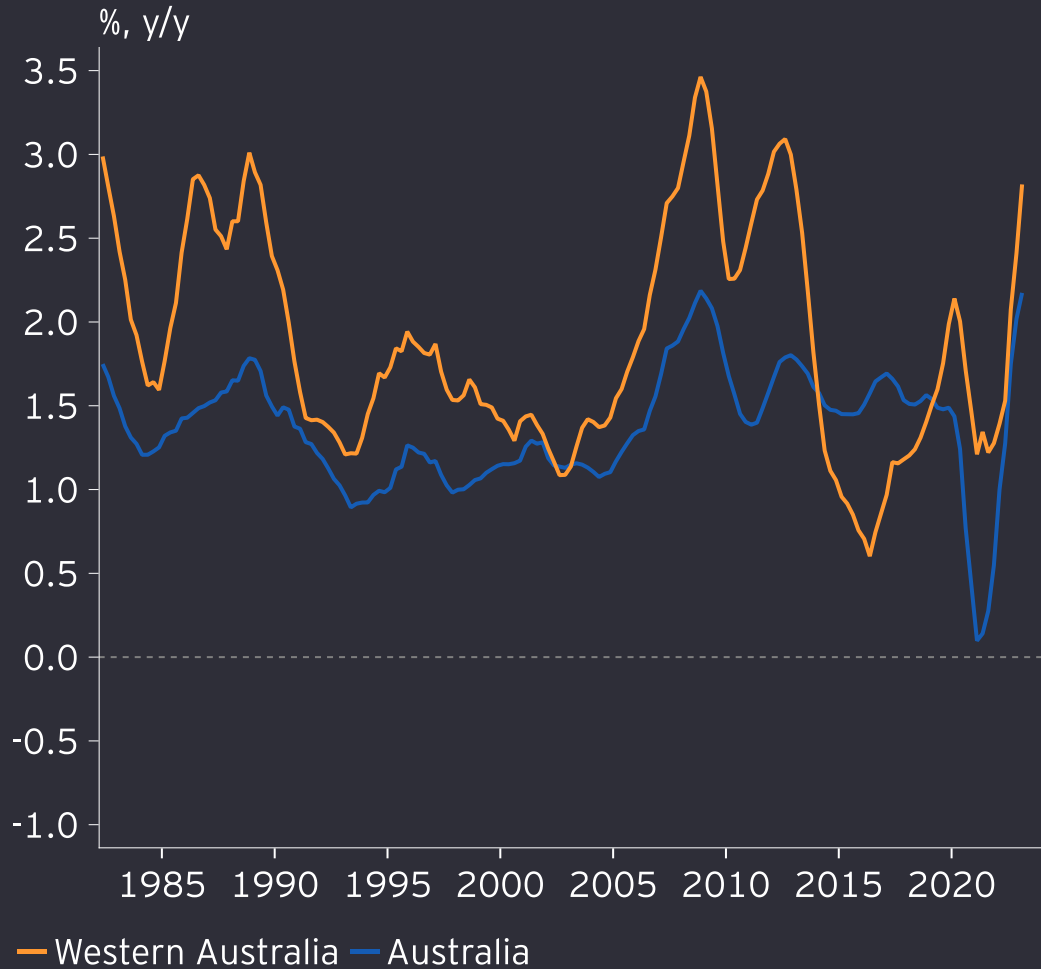
Value of merchandise exports by industry of exporter (WA, FY20)



Source: ABS, EY

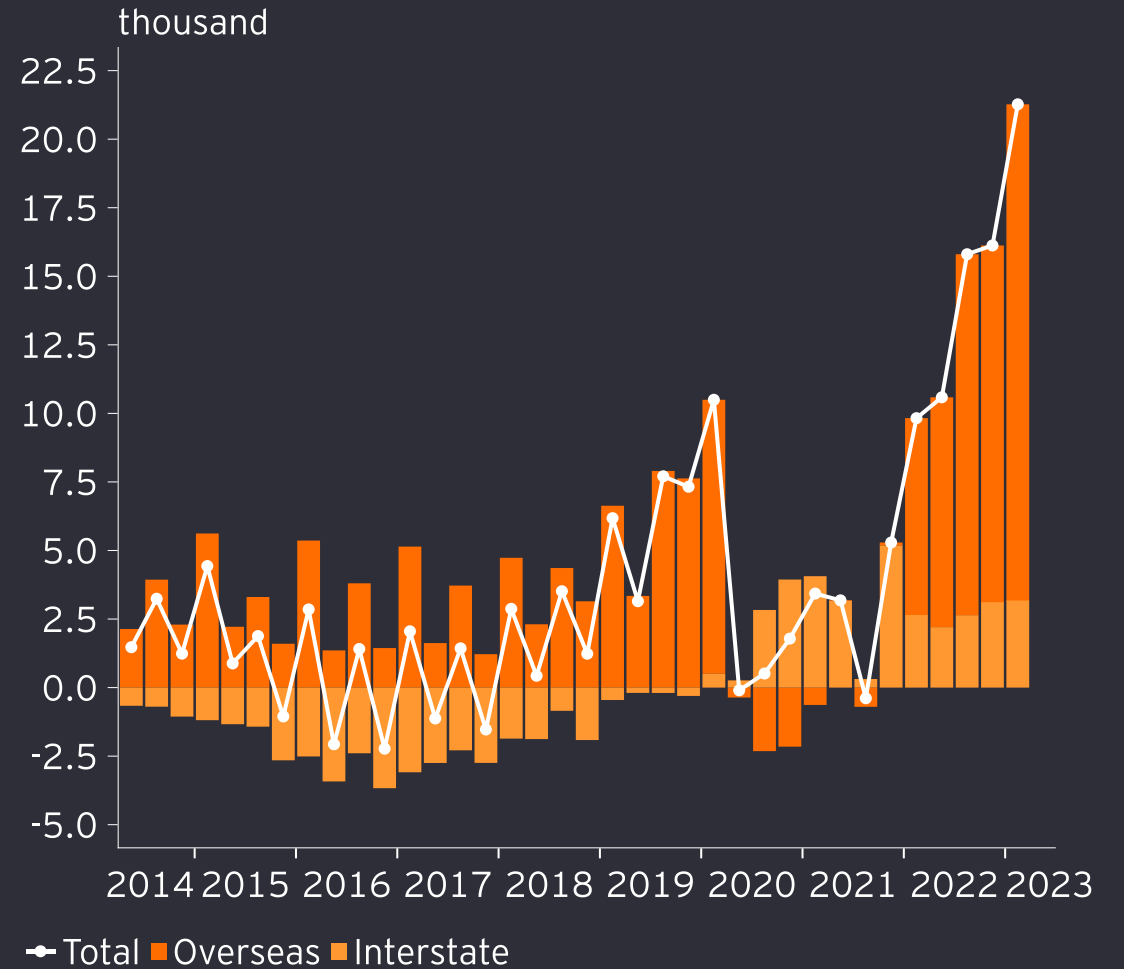
WA's population increased 2.8 per cent in the year to March, compared to 2.2 per cent on a national level, due to overseas migration in particular

Estimated resident population



Source: ABS, Macrobond, EY

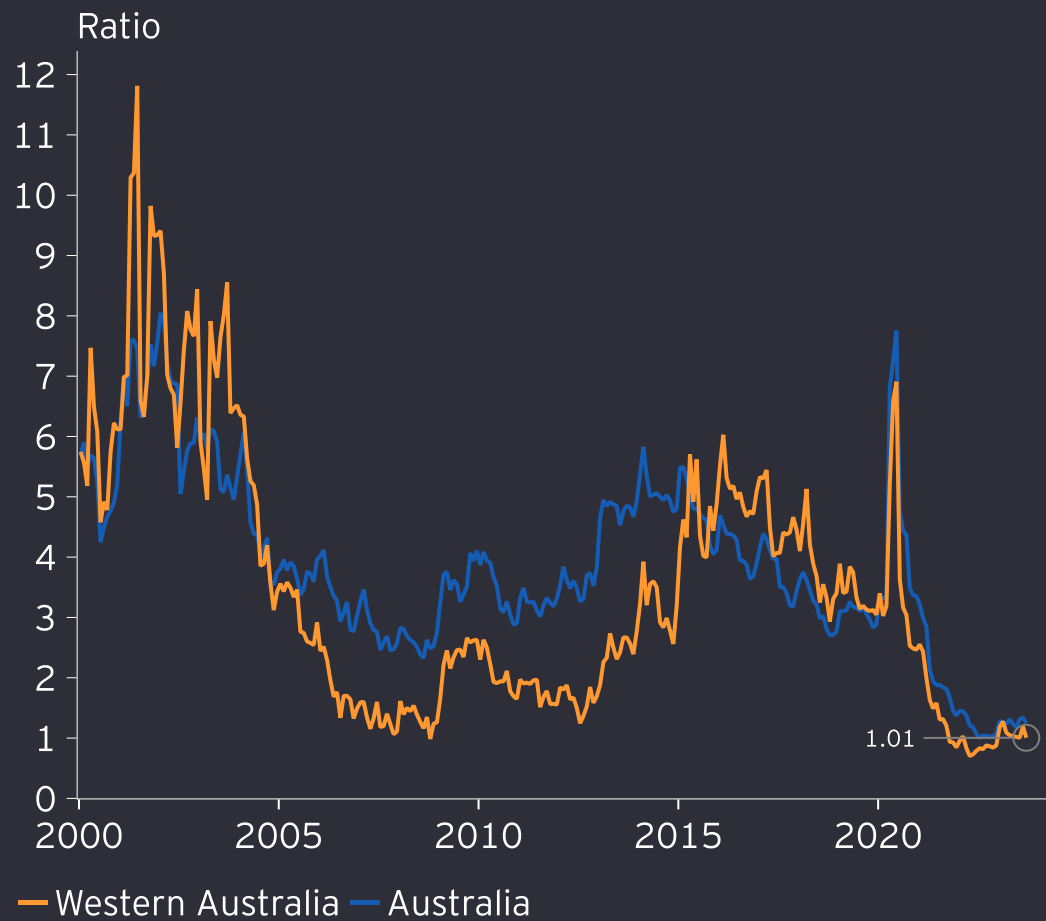
Net Migration, Western Australia



Source: ABS, Macrobond, EY

WA has the second strongest wages growth of the states due to both the private and public sector, with one of the tightest labour markets in the country

Number of unemployed people for each job vacancy, Western Australia



Source: ABS, Macrobond, EY

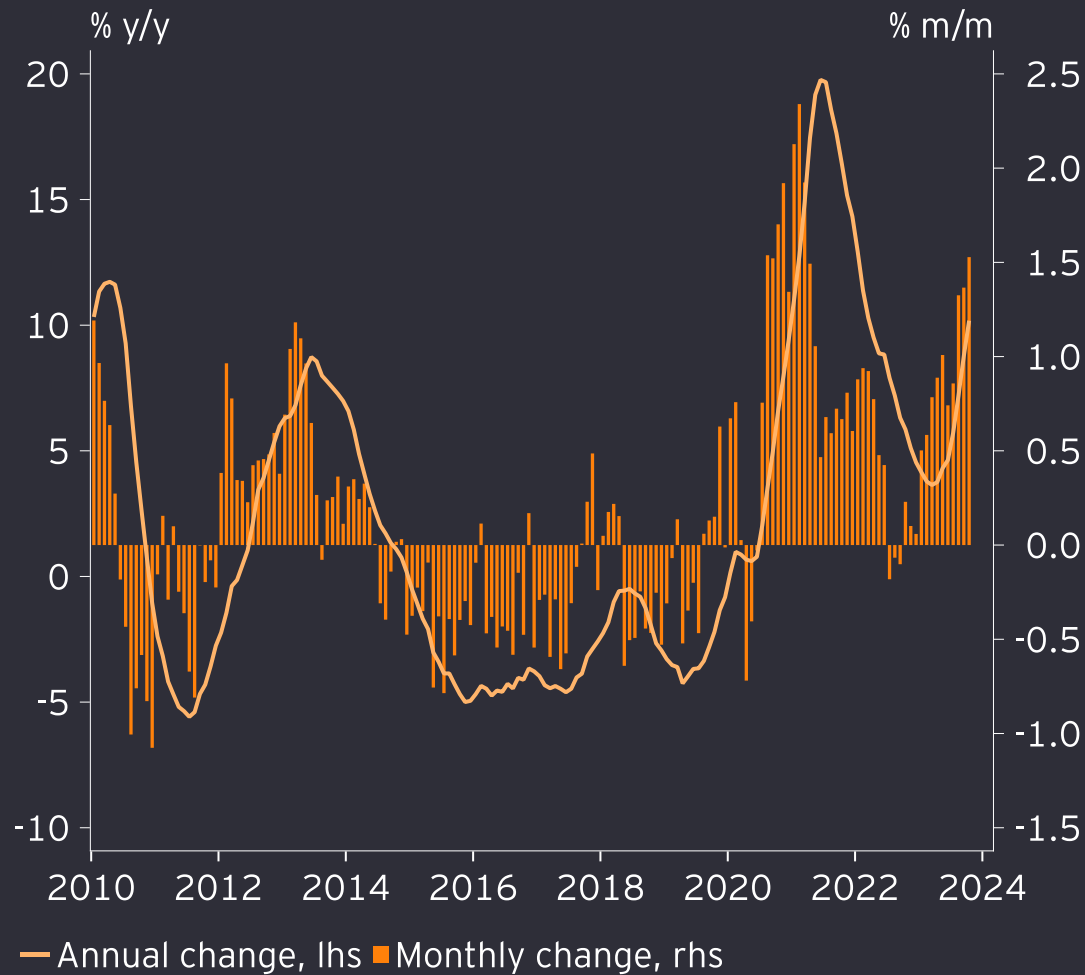
WA Wage Price Index



Source: ABS, Macrobond, EY

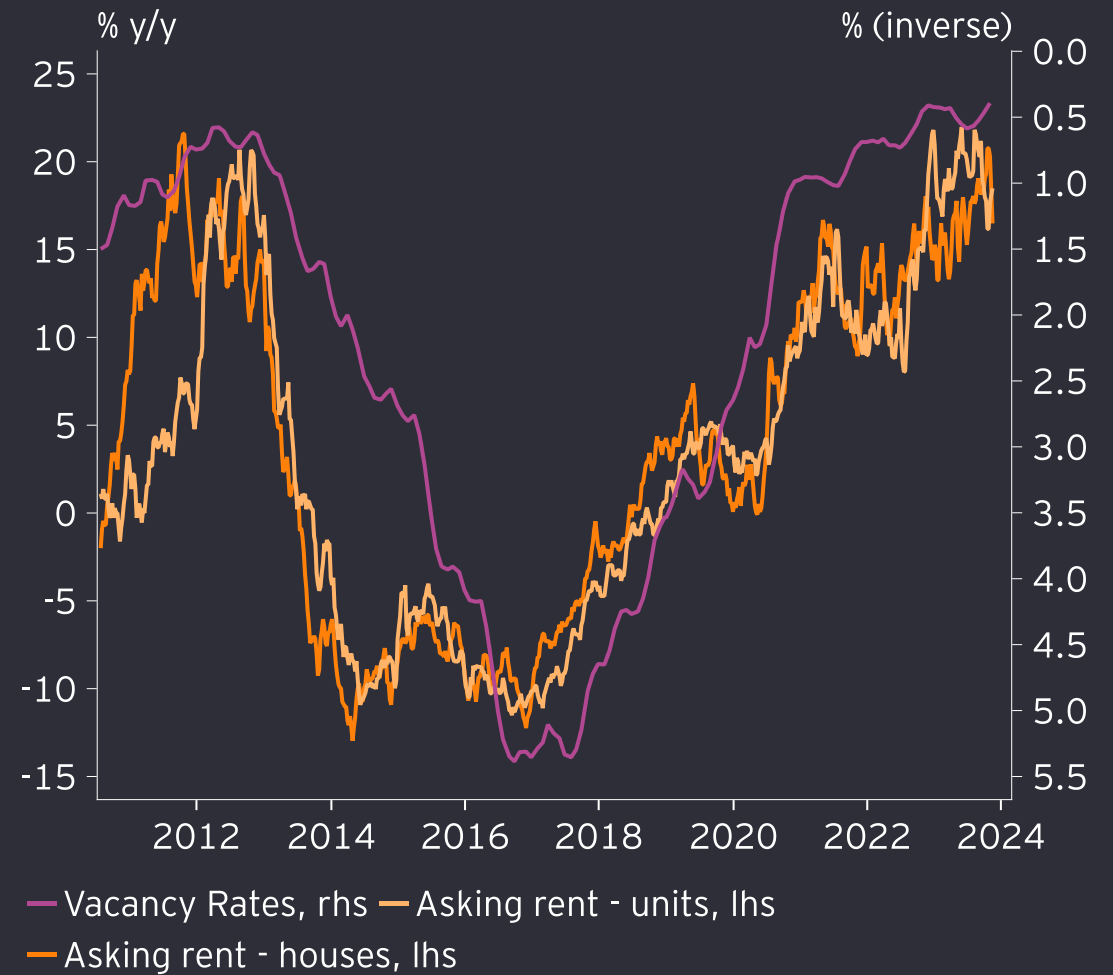
WA, together with NSW, is leading the recovery in the real estate market, with dwelling prices up by 9.5 per cent since January

Perth dwelling prices



Source: CoreLogic, Macrobond, EY

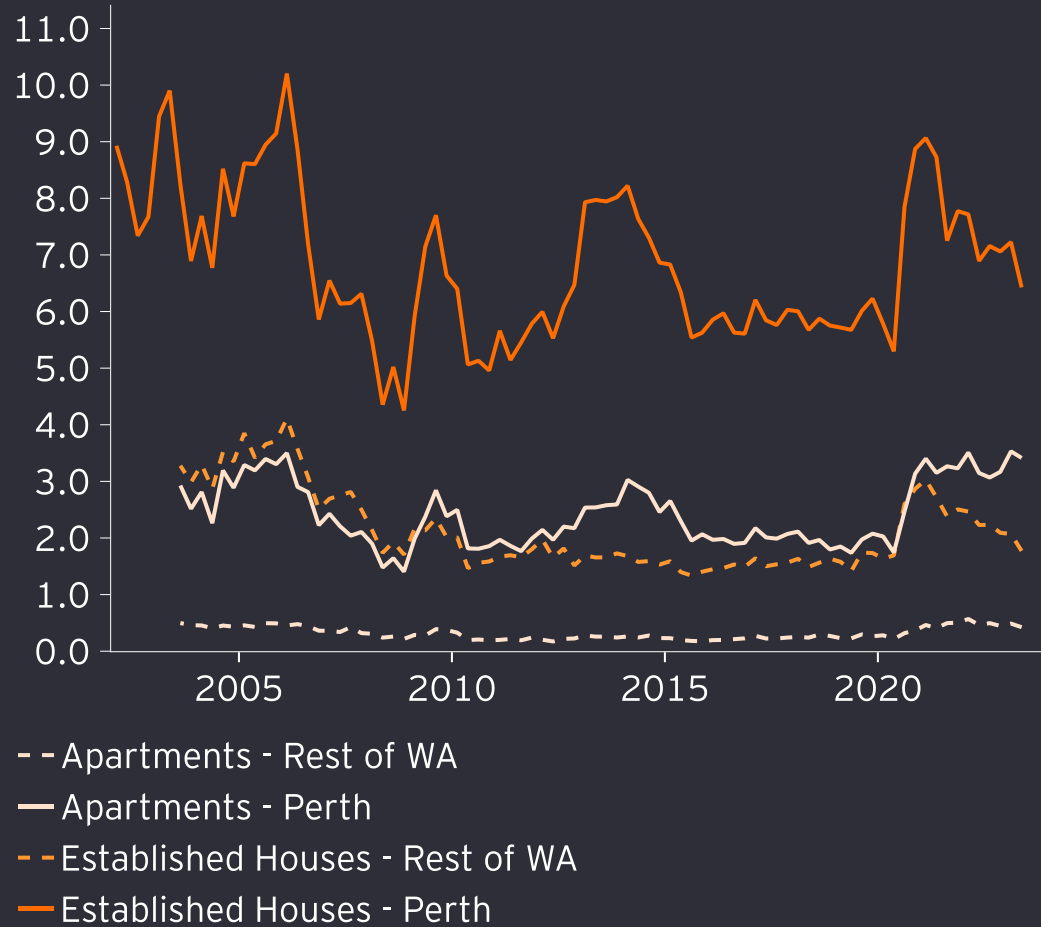
Perth asking rents and vacancy rate



Source: SQM, Macrobond, EY

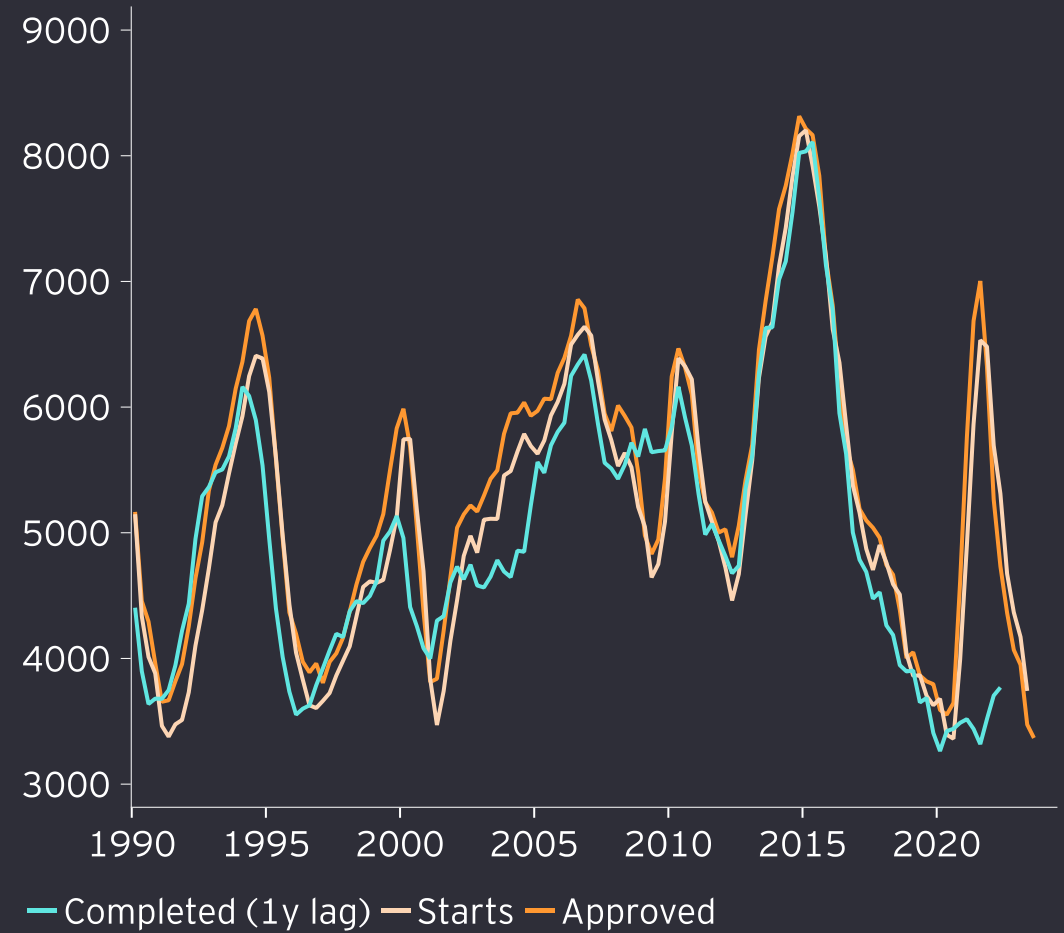
Residential construction completions continue to be hampered by skills and material shortages and soft demand, due to higher interest rates

House and attached dwelling transfers, WA
thousand



Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - WA
Number



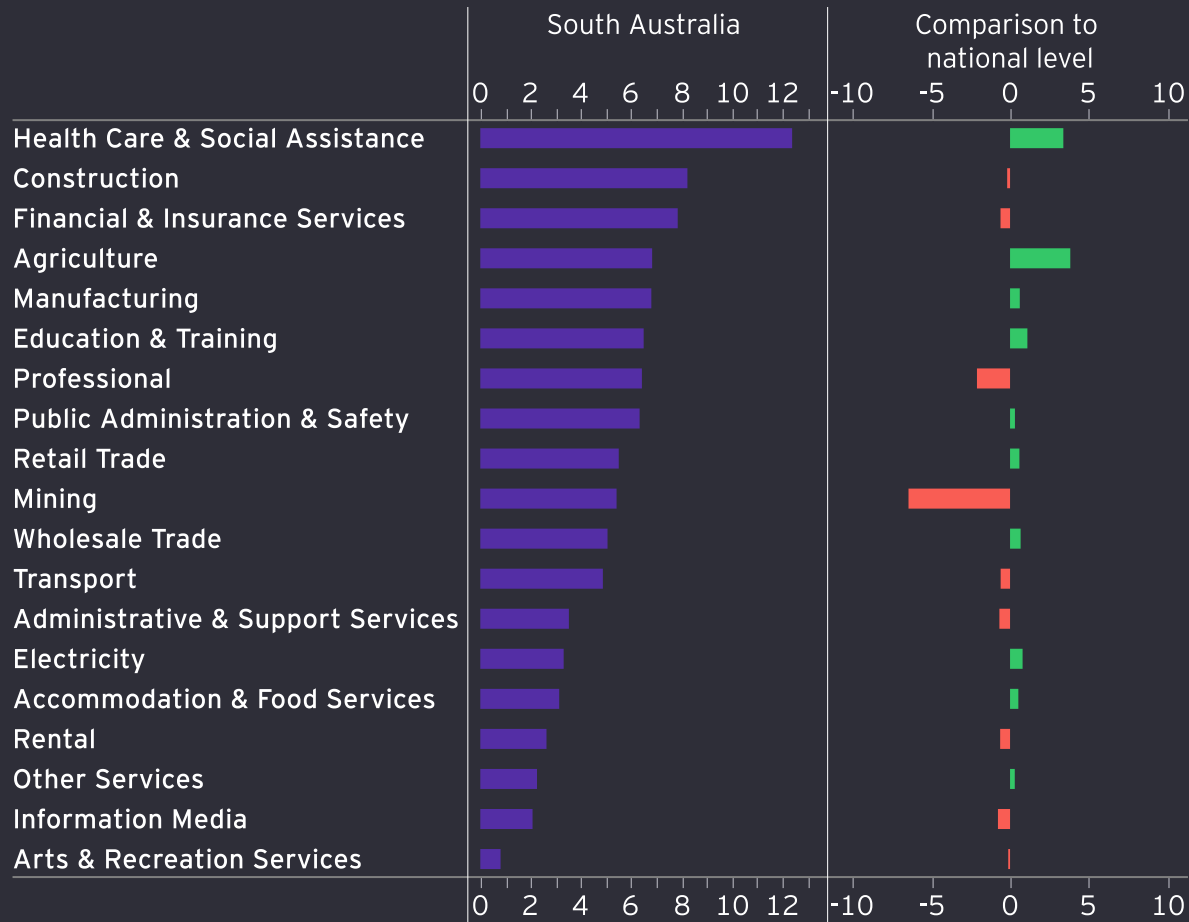
Source: ABS, Macrobond, EY

South Australia

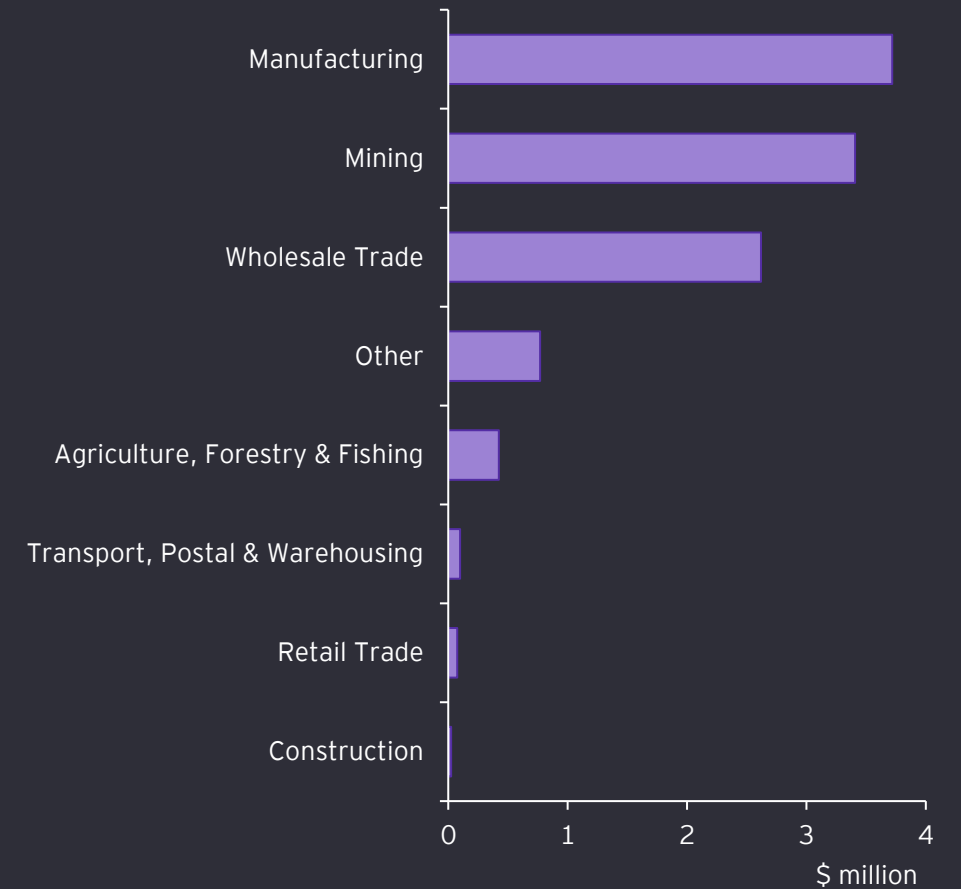
South Australia has a relatively large health care and social assistance industry

SA industry share (FY23) and comparison to national industry share (Q2 2023)

Value of merchandise exports by industry of exporter (SA, FY20)



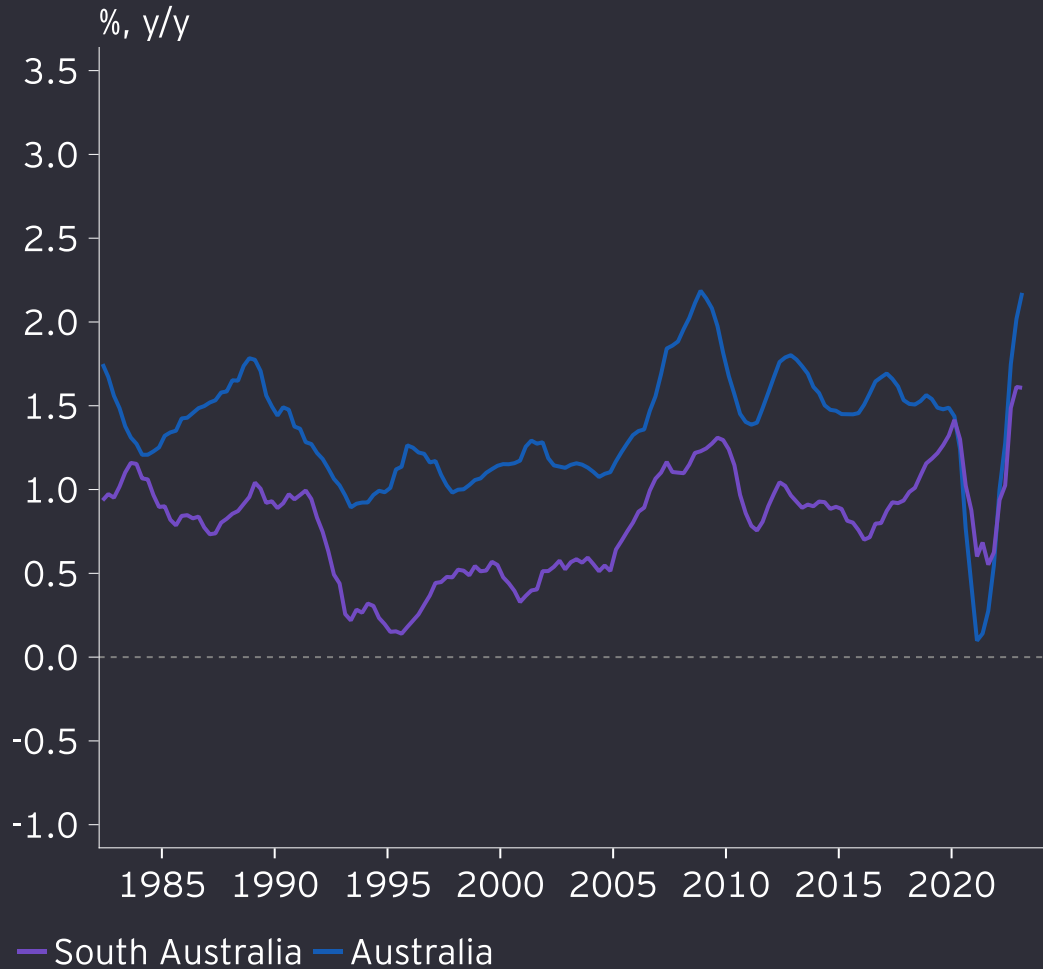
Source: ABS, Macrobond, EY



Source: ABS, EY

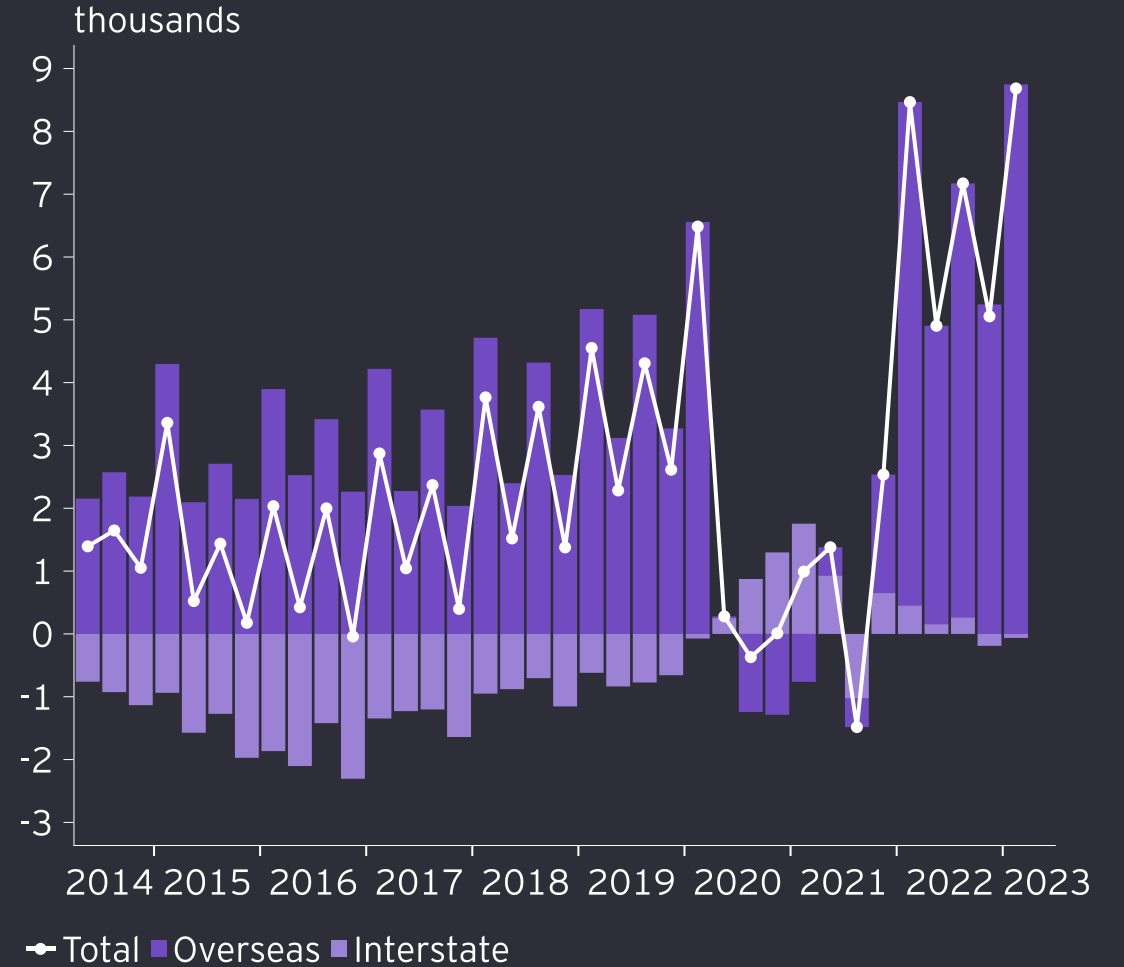
Overseas migration has bounced back, but population growth remains below the national average

Estimated resident population



Source: ABS, Macrobond, EY

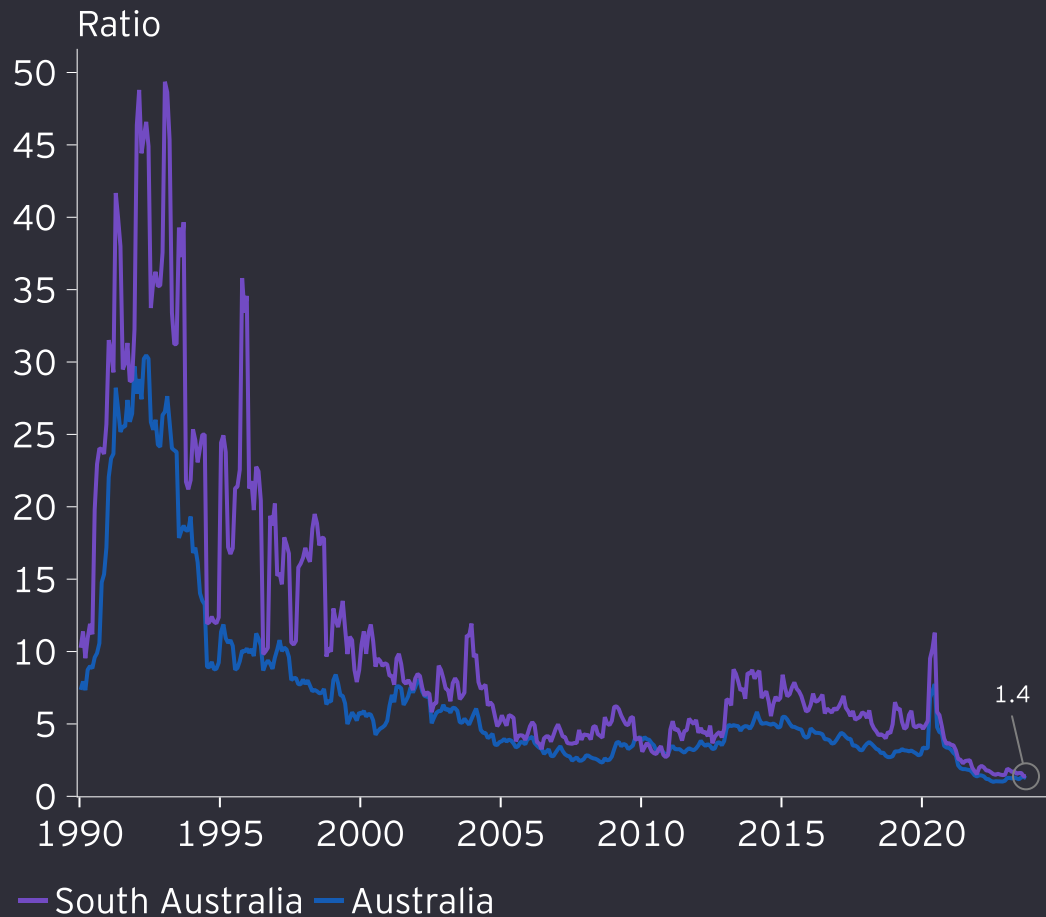
Net Migration, South Australia



Source: ABS, Macrobond, EY

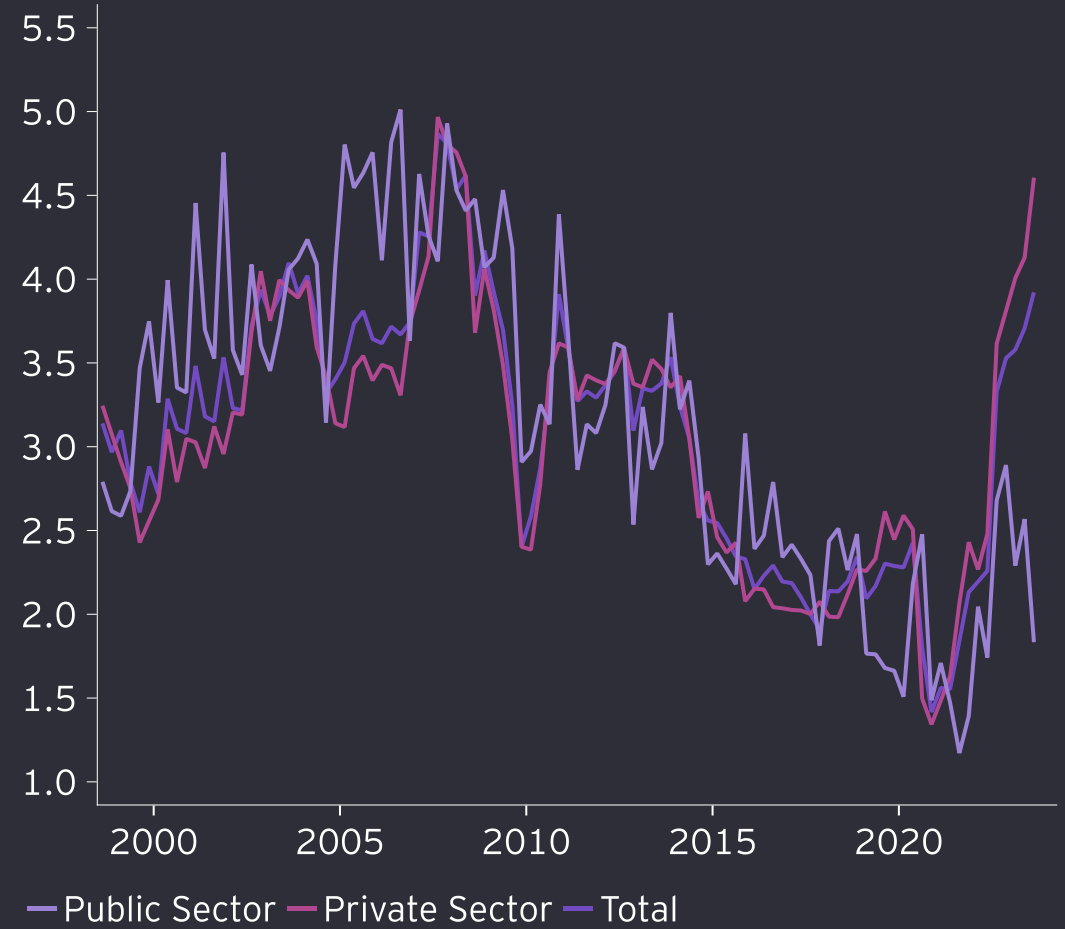
Private sector wages growth has surged above the public sector wage growth

Number of unemployed people for each job vacancy, South Australia



Source: ABS, Macrobond, EY

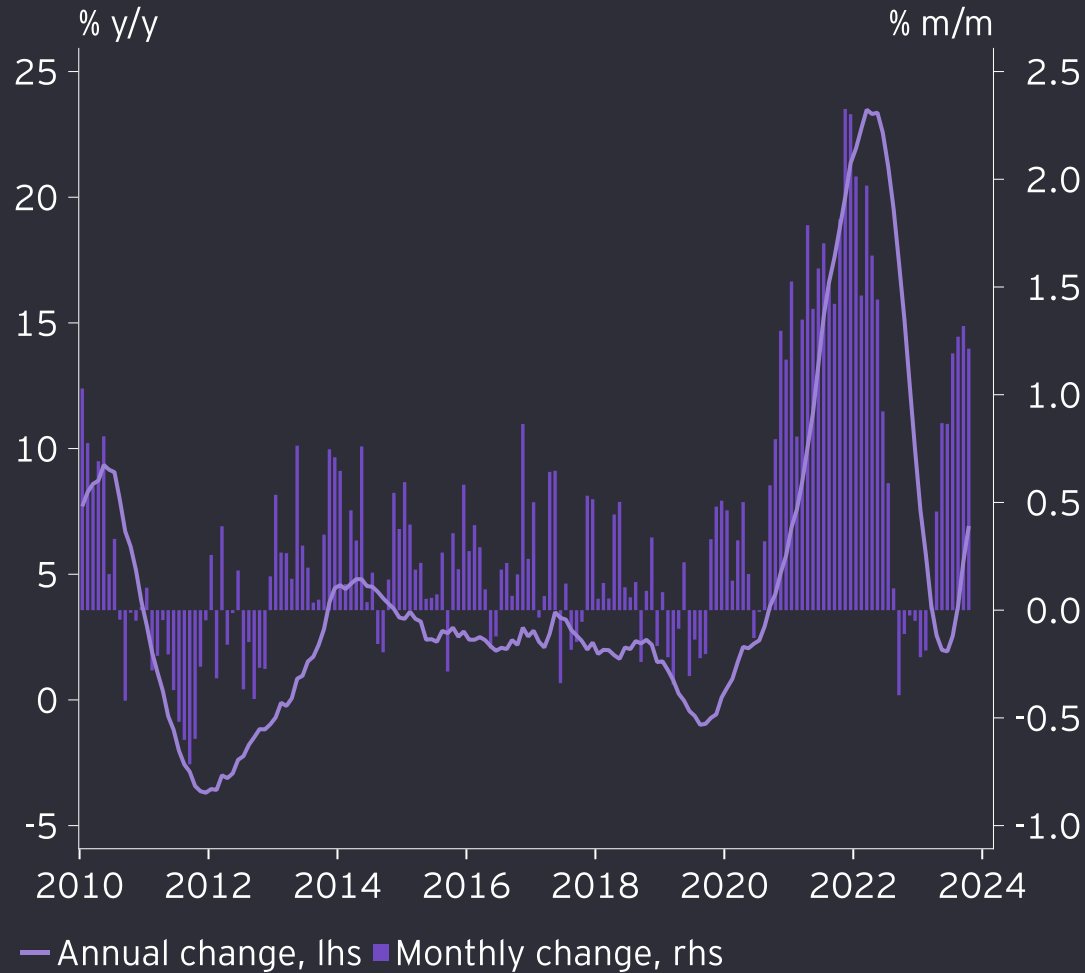
SA Wage Price Index



Source: ABS, Macrobond, EY

Dwelling prices have increased 7 per cent since the start of the year, up 50 per cent since the start of the pandemic

South Australia dwelling prices



Source: CoreLogic, Macrobond, EY

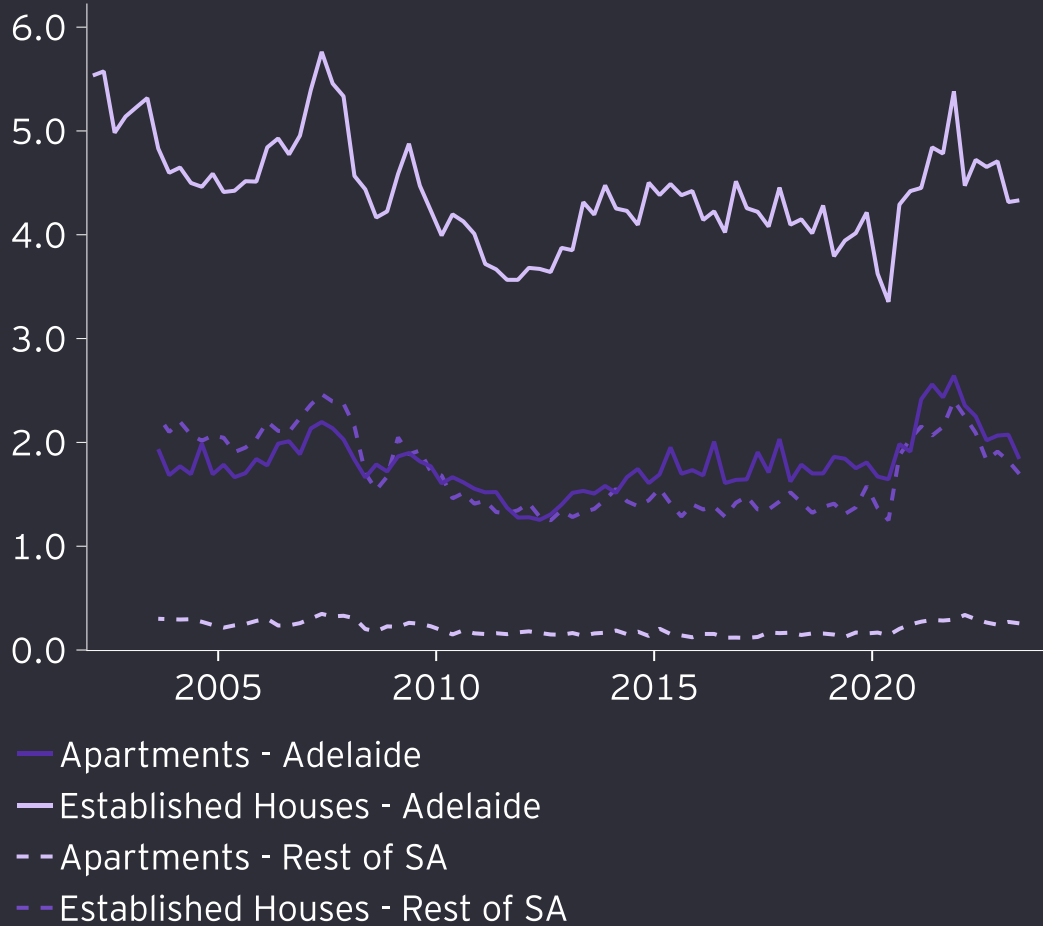
Adelaide asking rents and vacancy rate



Source: SQM, Macrobond, EY

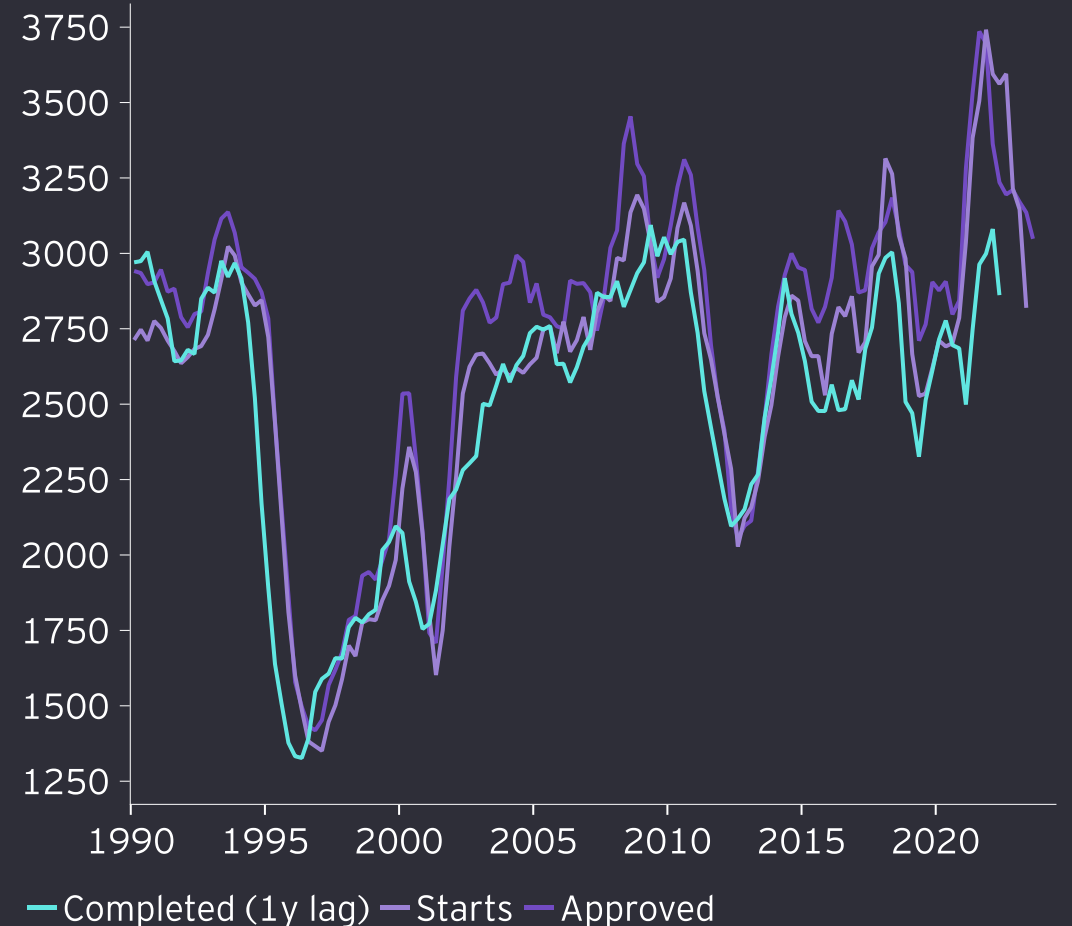
Dwelling completions have dropped as material and skill shortages continue to pose a challenge

House and attached dwelling transfers, SA
thousand



Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - SA
Number

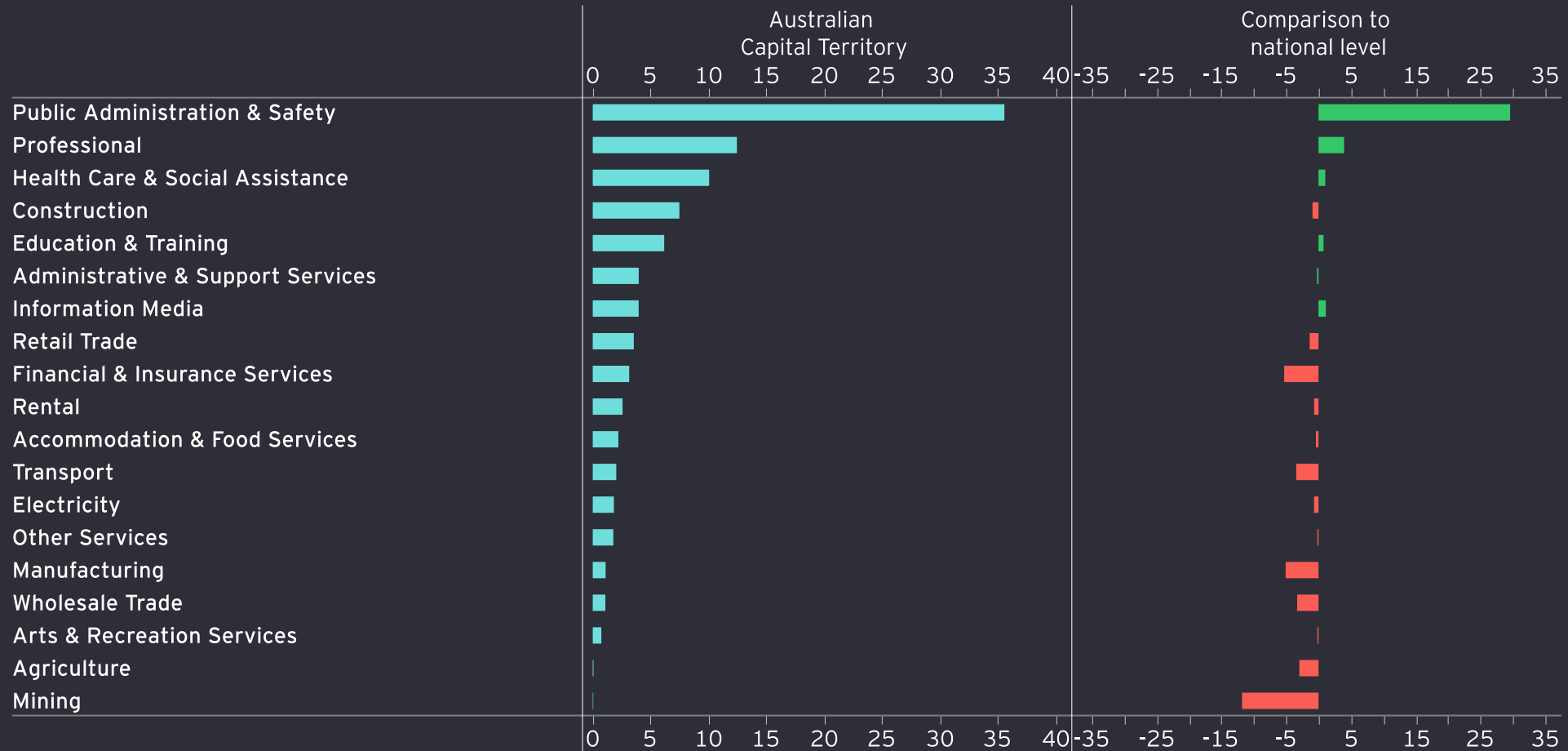


Source: ABS, Macrobond, EY

Australian Capital Territory

Public Administration and Safety makes up more than a third of ACT's economy

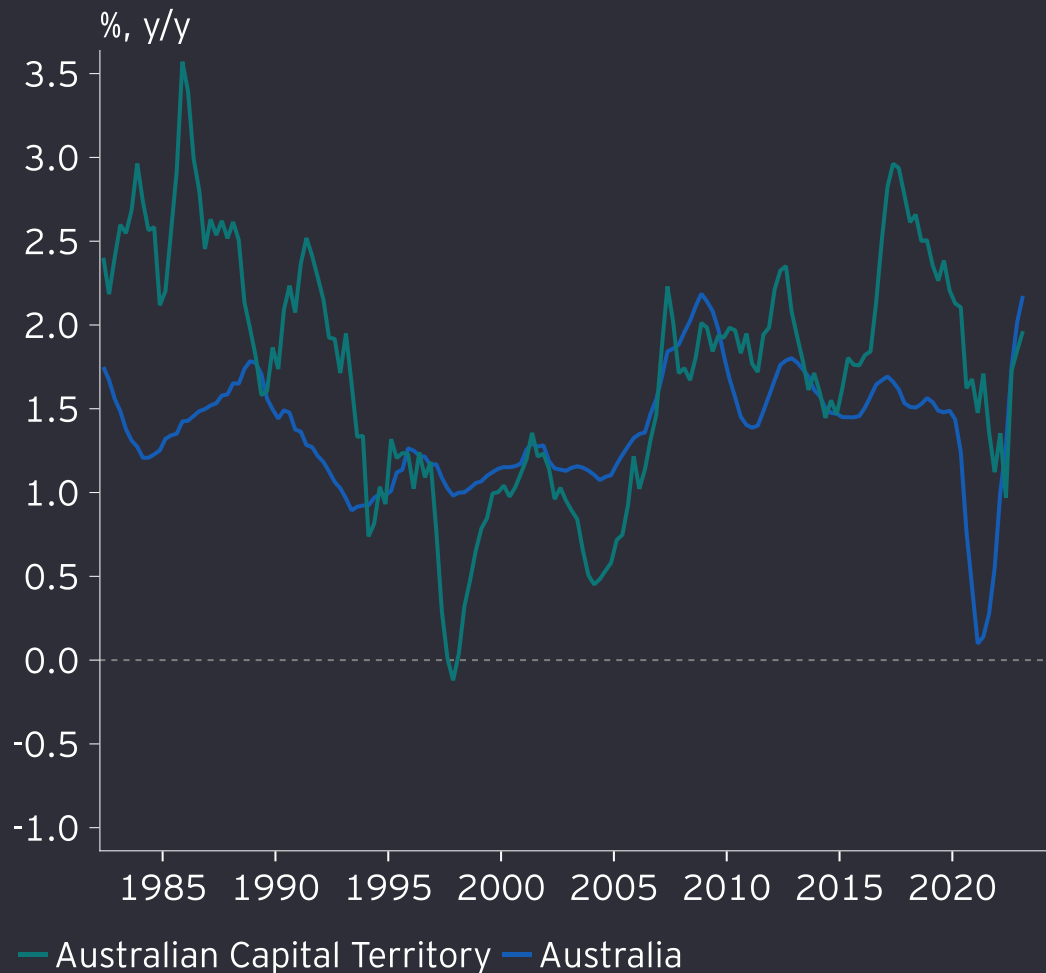
ACT industry share (FY23) and comparison to national industry share (Q2 2023)



Source: ABS, Macrobond, EY

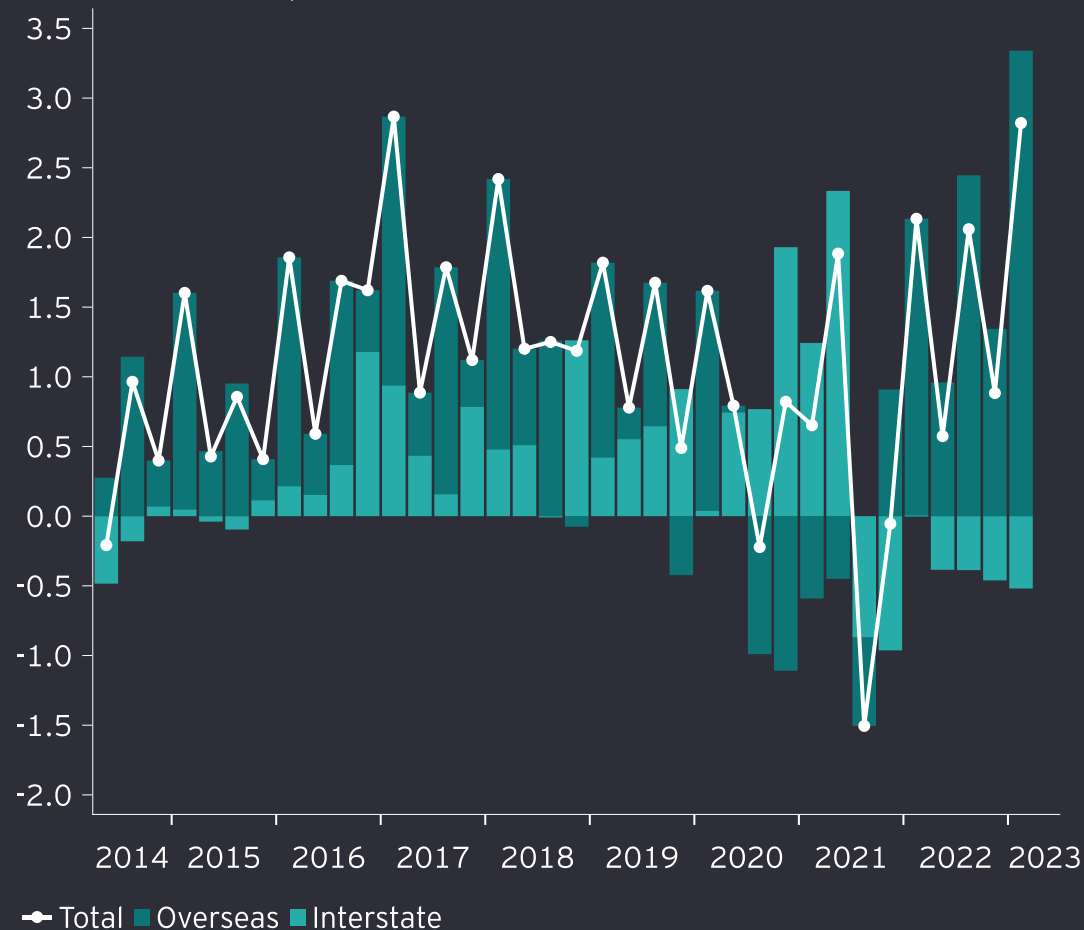
Population growth has picked up due to overseas migration

Estimated resident population



Source: ABS, Macrobond, EY

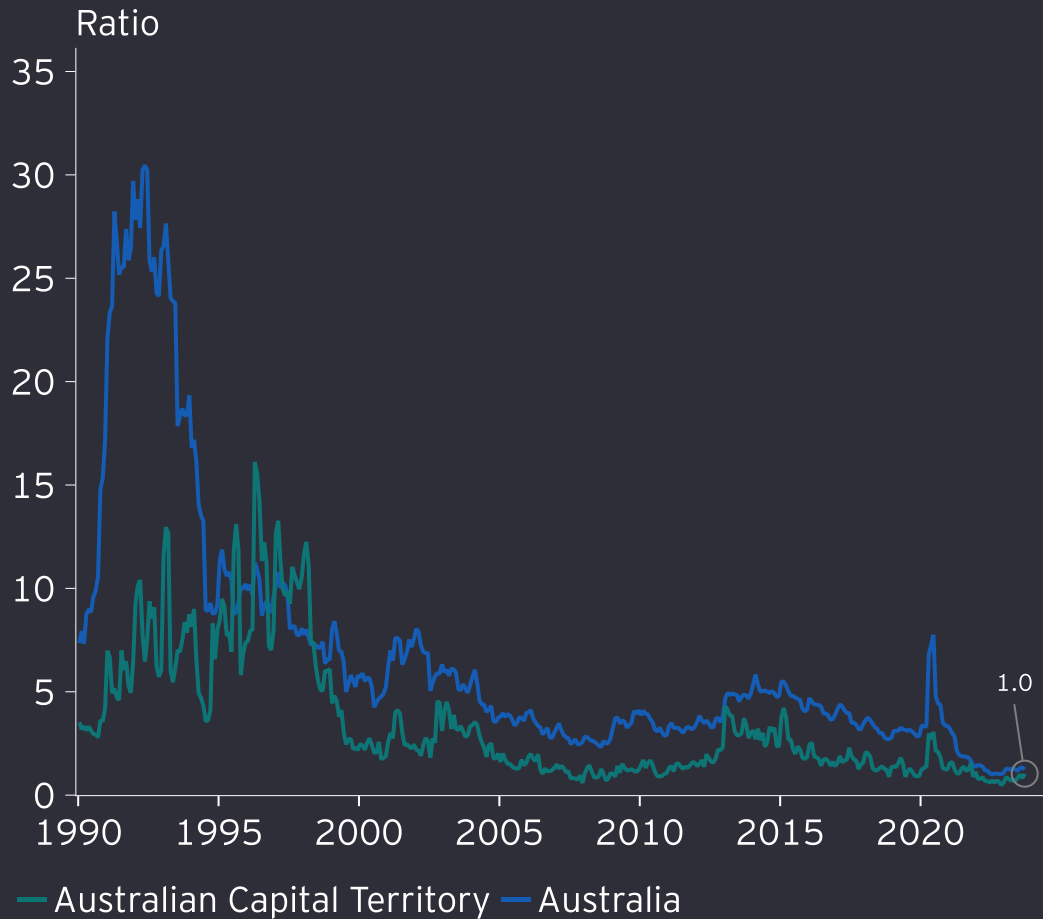
Net Migration, Australian Capital Territory



Source: ABS, Macrobond, EY

ACT continues to record one of the tightest labour markets of all states and territories and private sector wage growth is strong

Number of unemployed people for each job vacancy, ACT



Source: ABS, Macrobond, EY

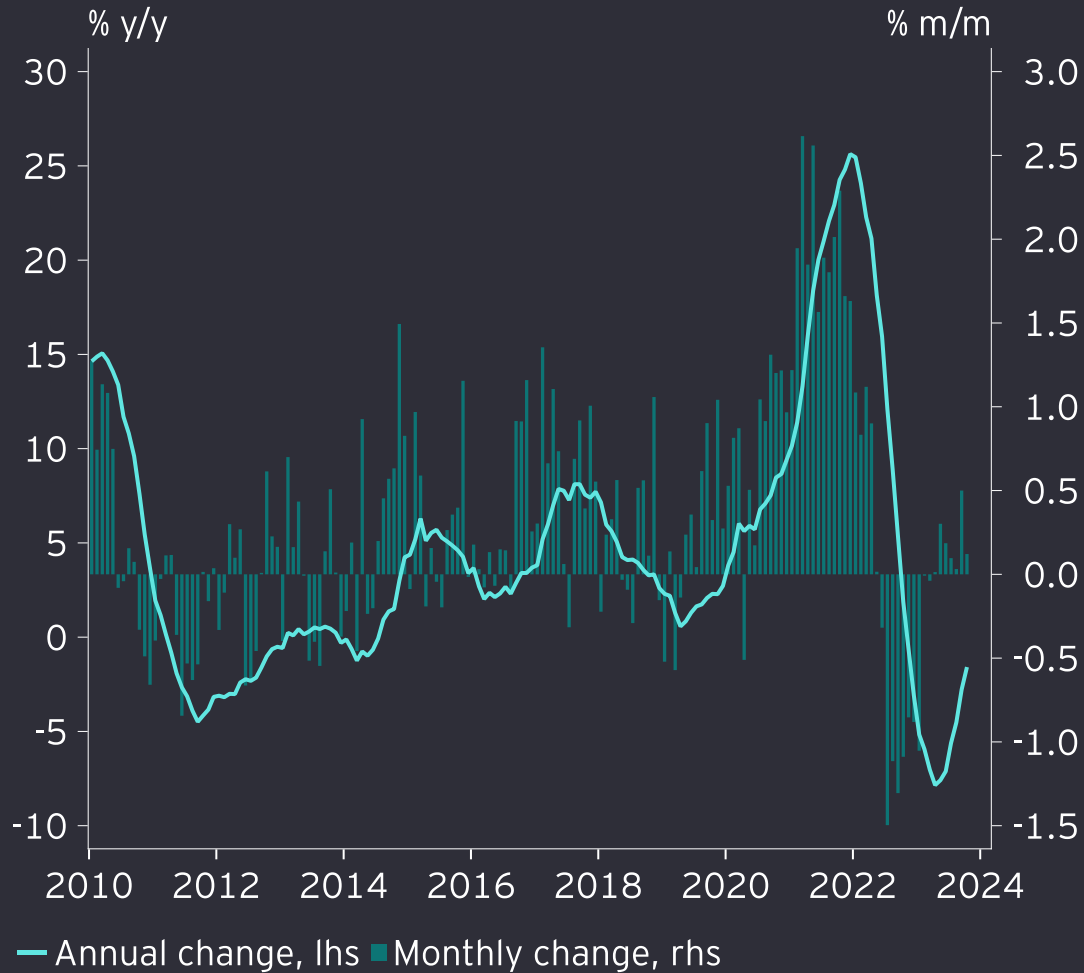
ACT Wage Price Index



Source: ABS, Macrobond, EY

The ACT's real estate market recovery began in April but prices have only increased by 1.2 per cent since

ACT dwelling prices



Source: CoreLogic, Macrobond, EY

Canberra asking rents and vacancy rate

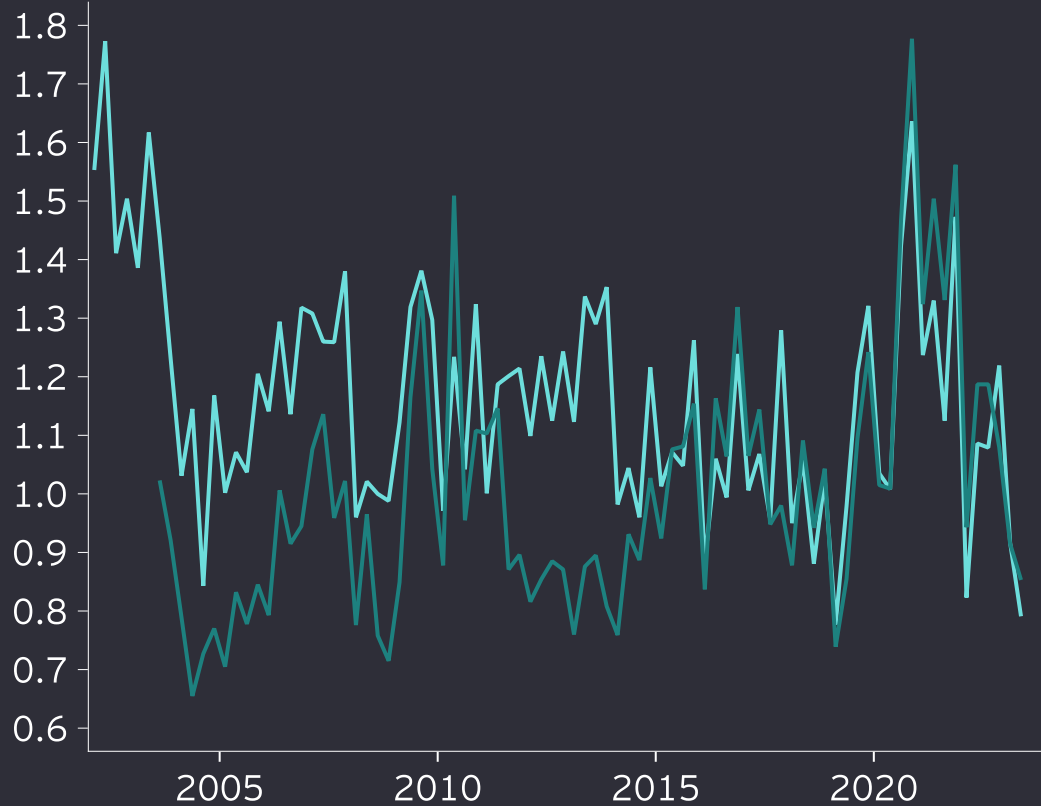


Source: SQM, Macrobond

Dwelling completions have picked up in the ACT, but starts and approvals have dropped after peaking last year

House and attached dwelling transfers, ACT

thousand

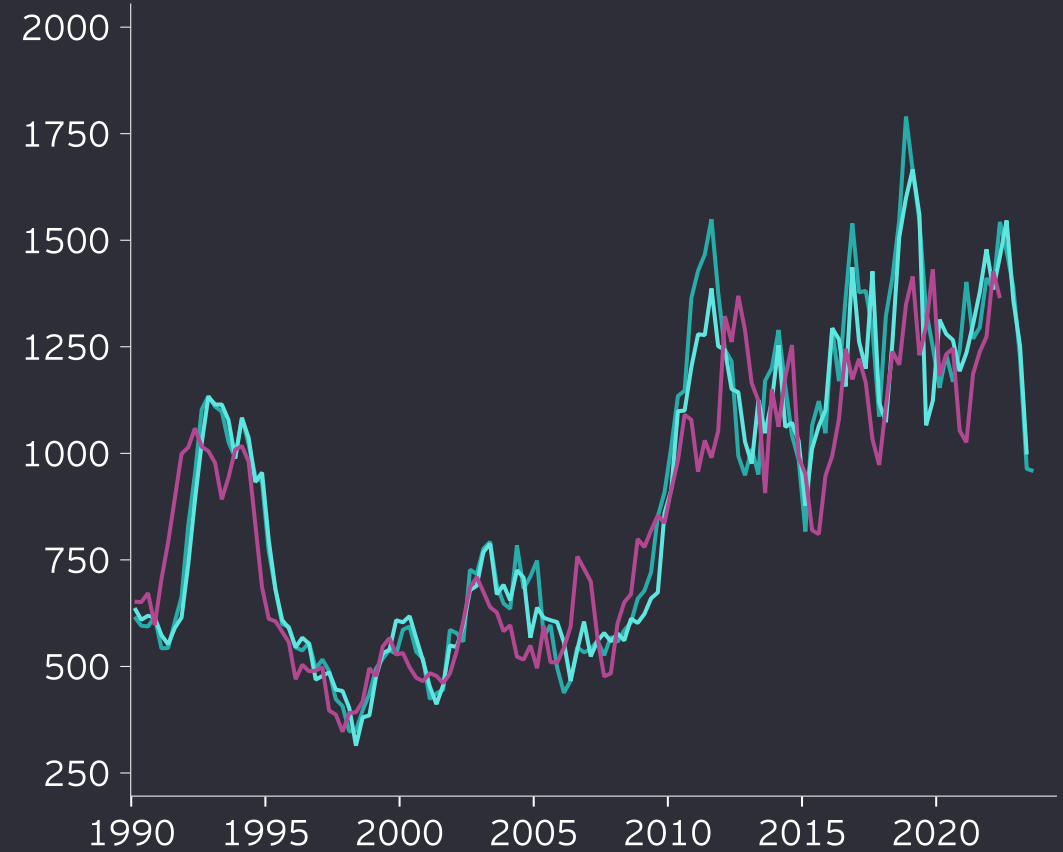


- Apartments - Canberra
- Established Houses - Canberra

Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - ACT

Number



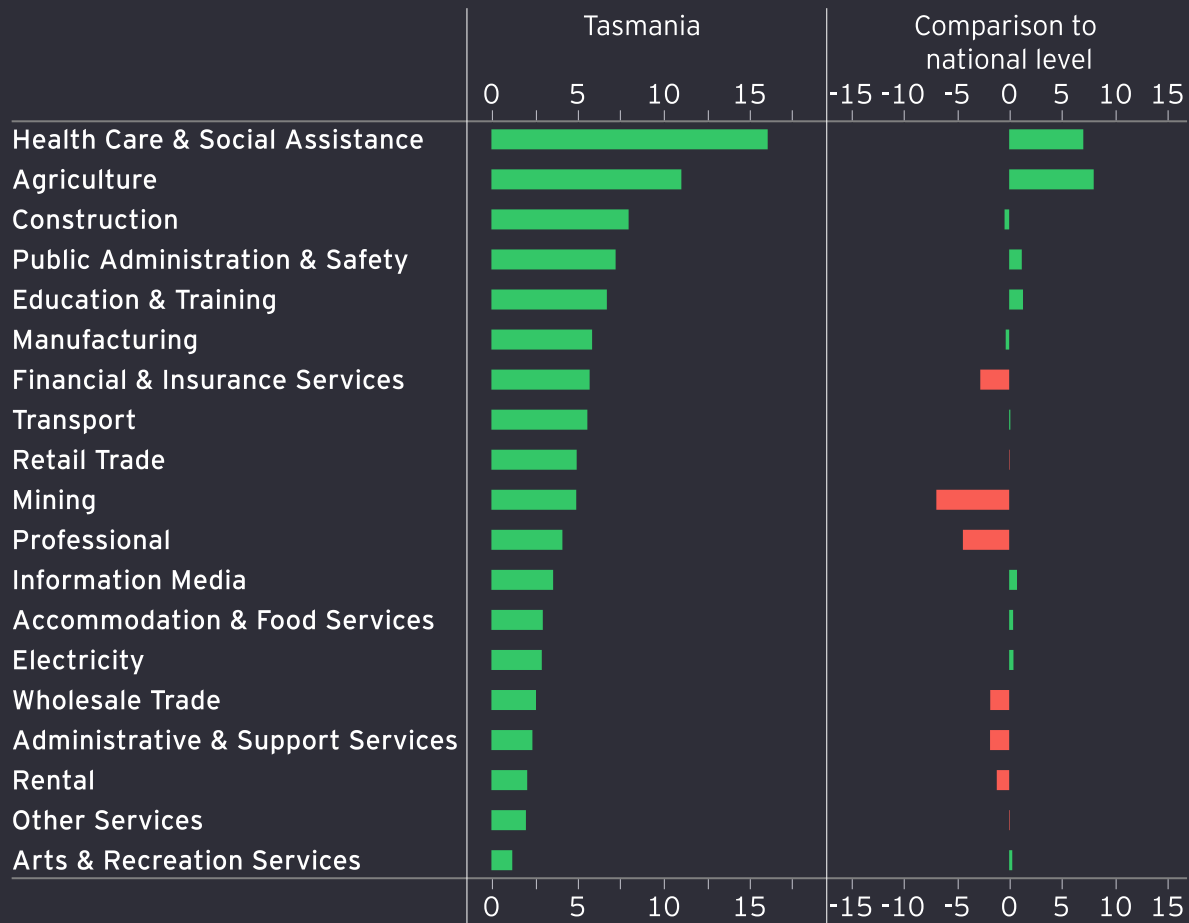
- Completed (1y lag)
- Starts
- Approved

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 (Q2 2023)



Source: ABS, Macrobond, EY

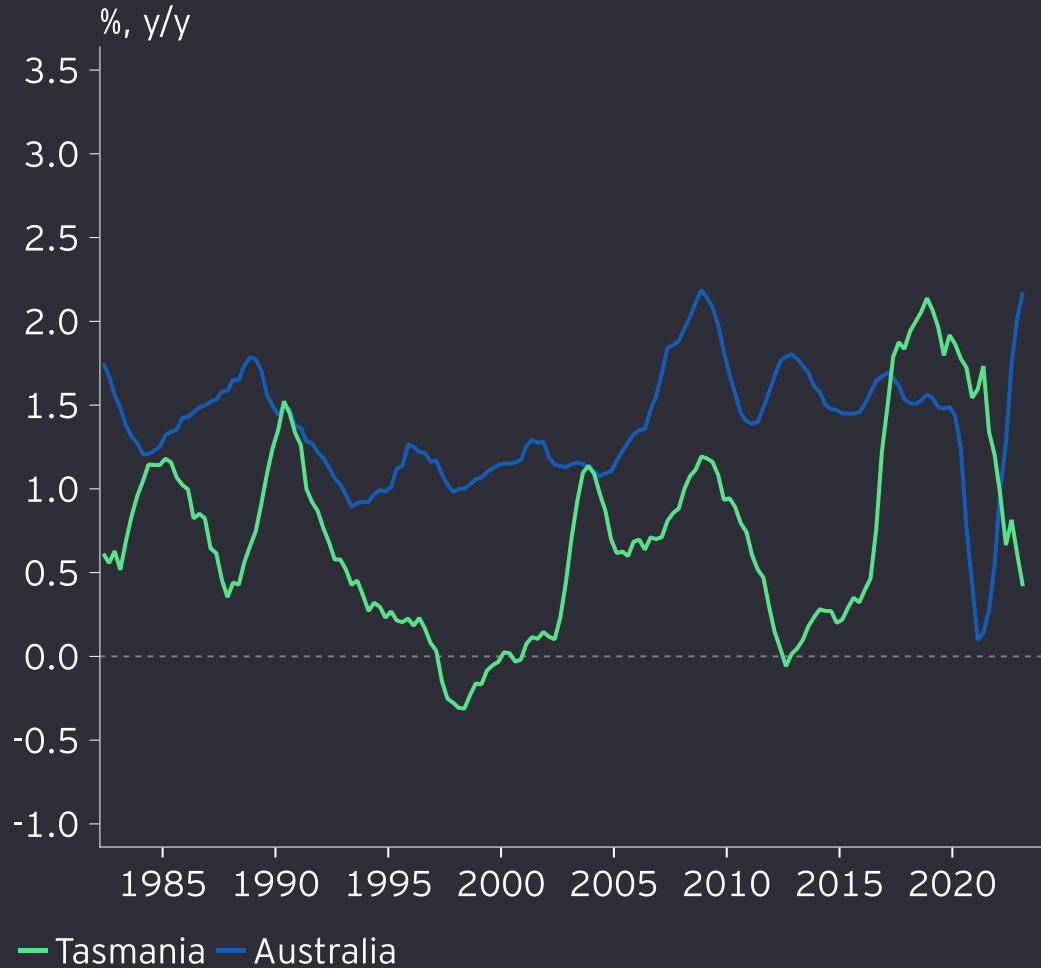
Value of merchandise exports by industry of exporter (Tasmania, FY20)



Source: ABS, EY

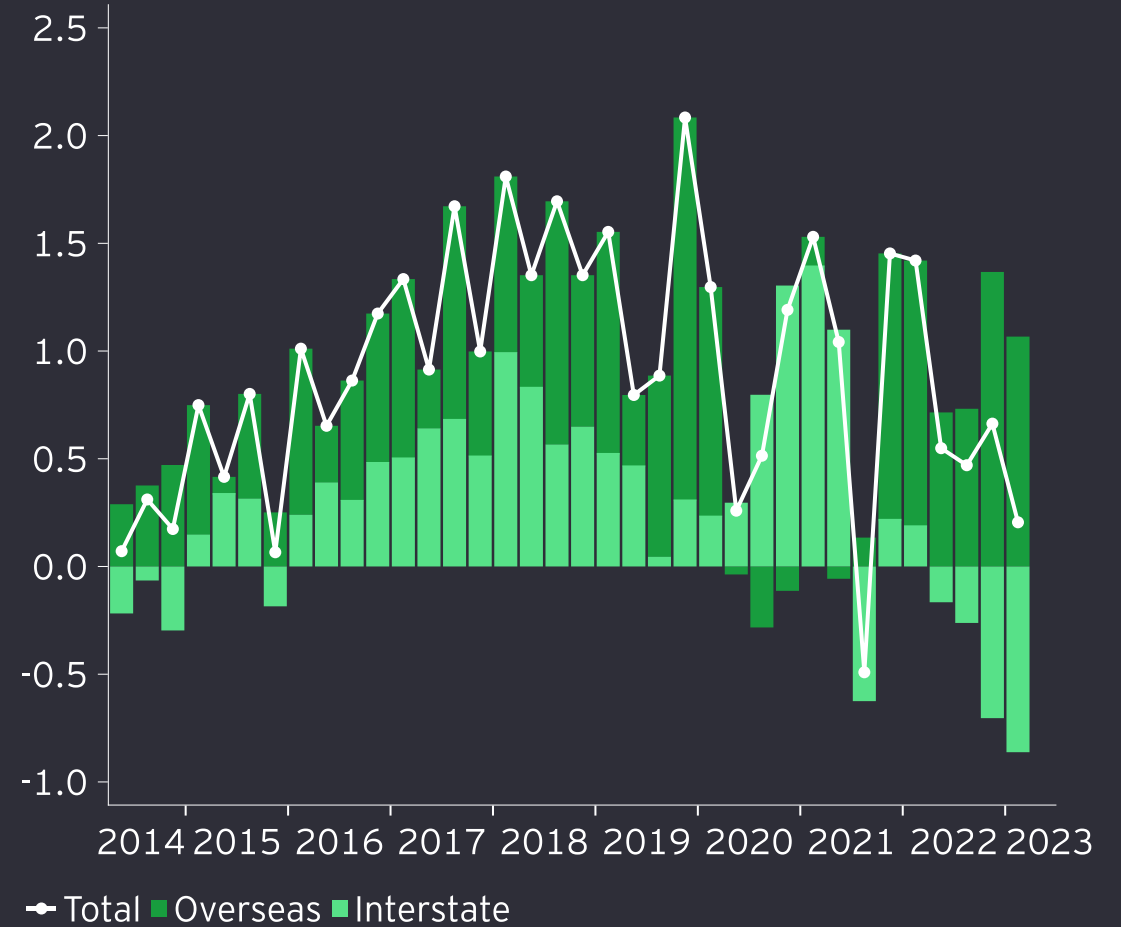
Tasmania's population growth rate is well below the national average as the state suffers interstate departures

Estimated resident population



Source: ABS, Macrobond, EY

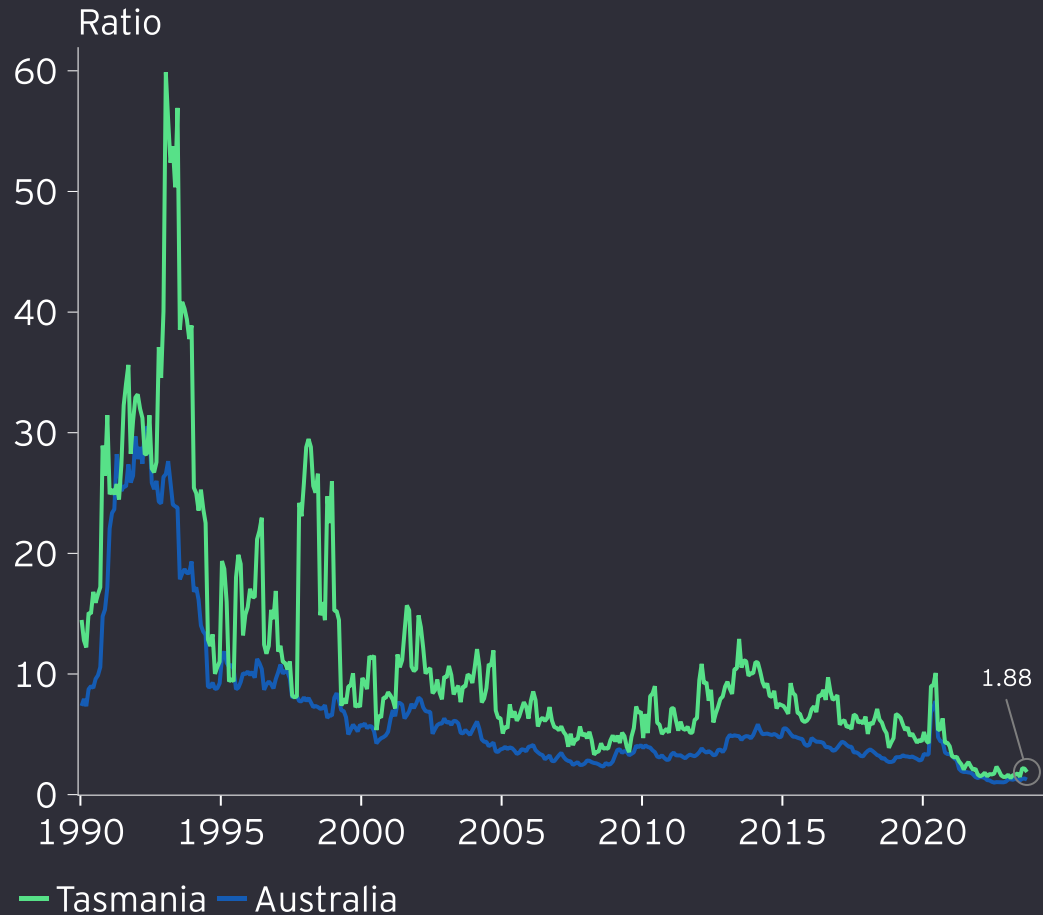
Net Migration, Tasmania
thousands



Source: ABS, Macrobond, EY

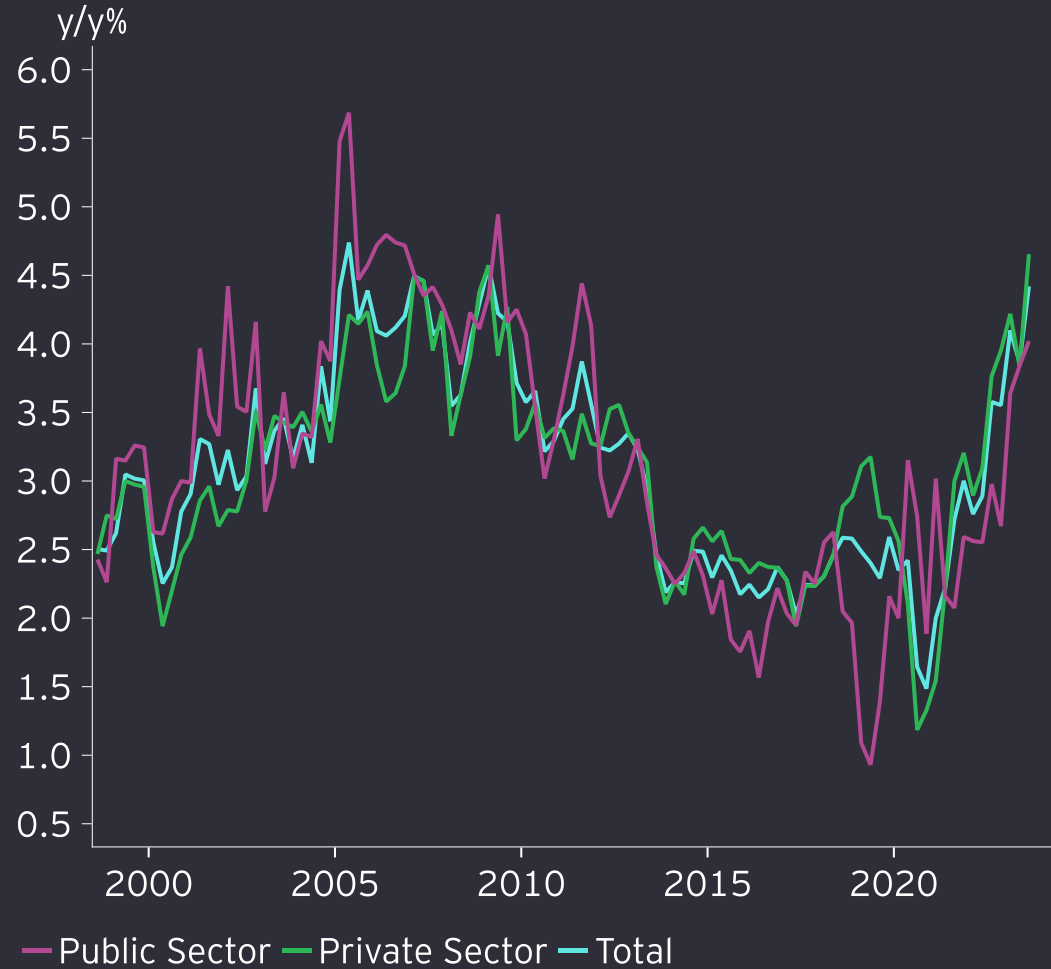
Wages growth is relatively strong in Tasmania, with both public and private sector wages picking up

Number of unemployed people for each job vacancy, Tasmania



Source: ABS, Macrobond, EY

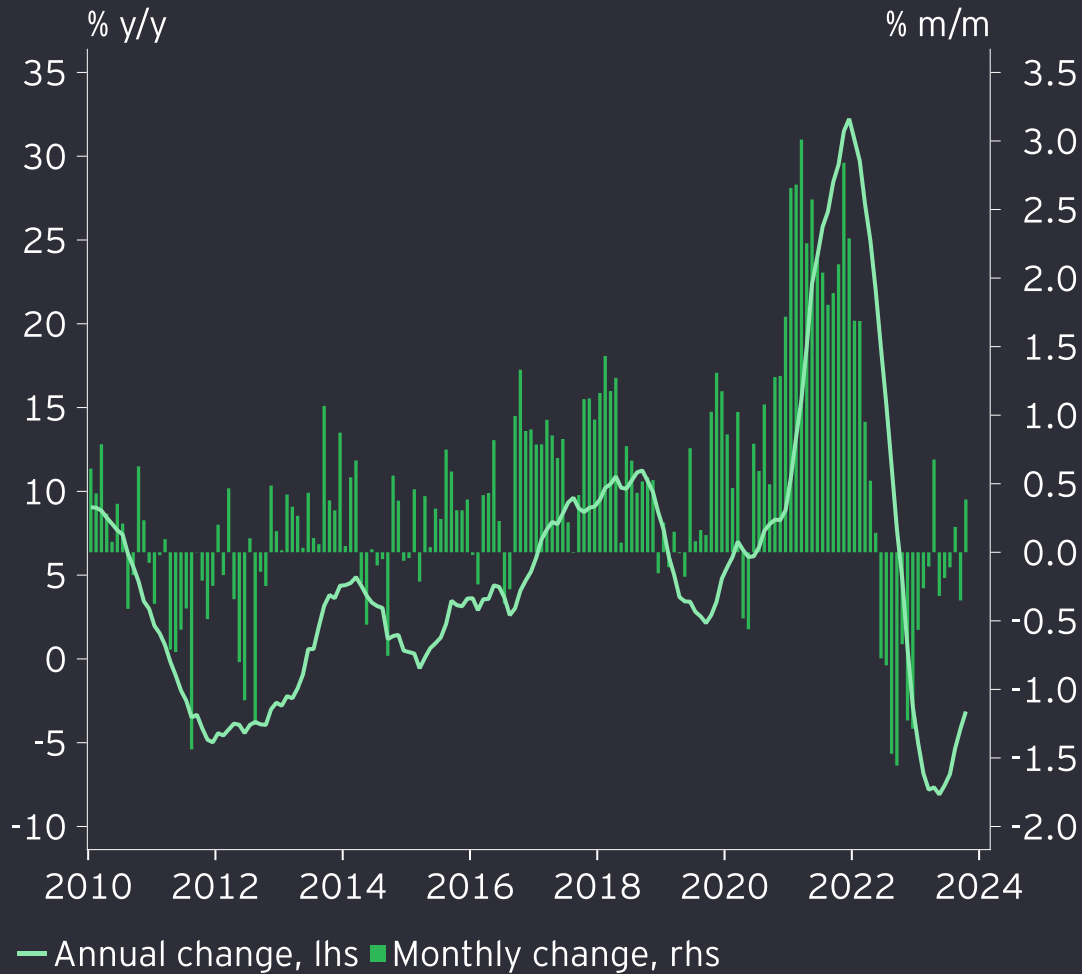
TAS Wage Price Index



Source: ABS, Macrobond, EY

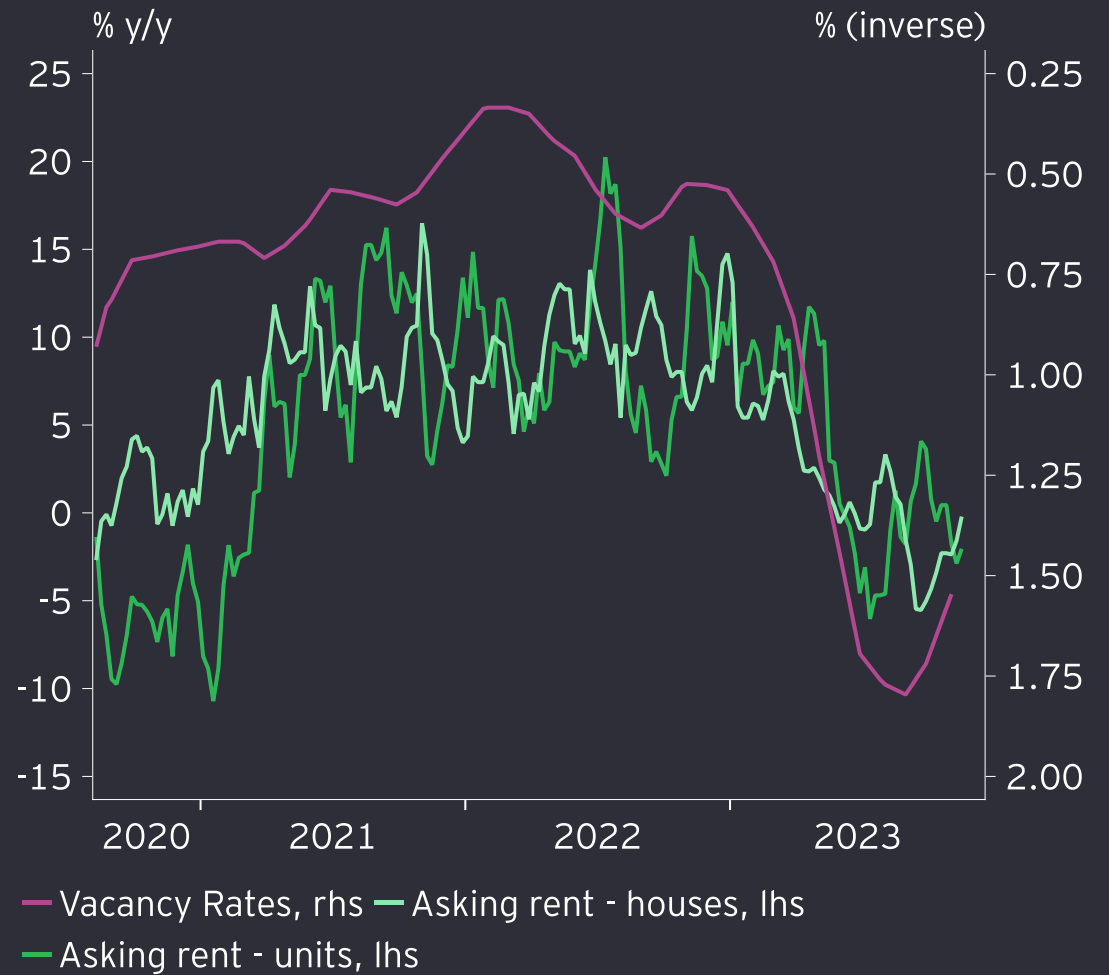
Tasmania is the only state where house prices have not yet picked up this year

Tasmania dwelling prices



Source: CoreLogic, Macrobond, EY

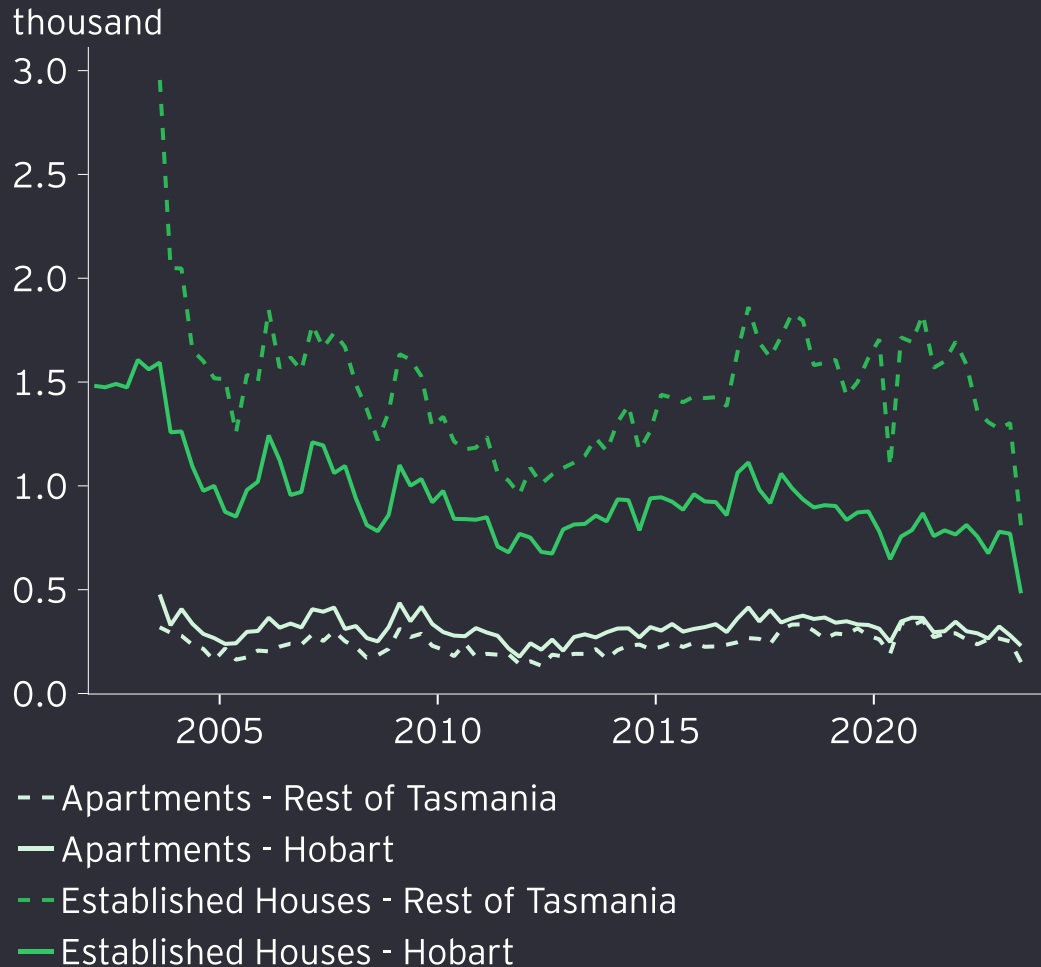
Hobart asking rents and vacancy rate



Source: SQM, Macrobond, EY

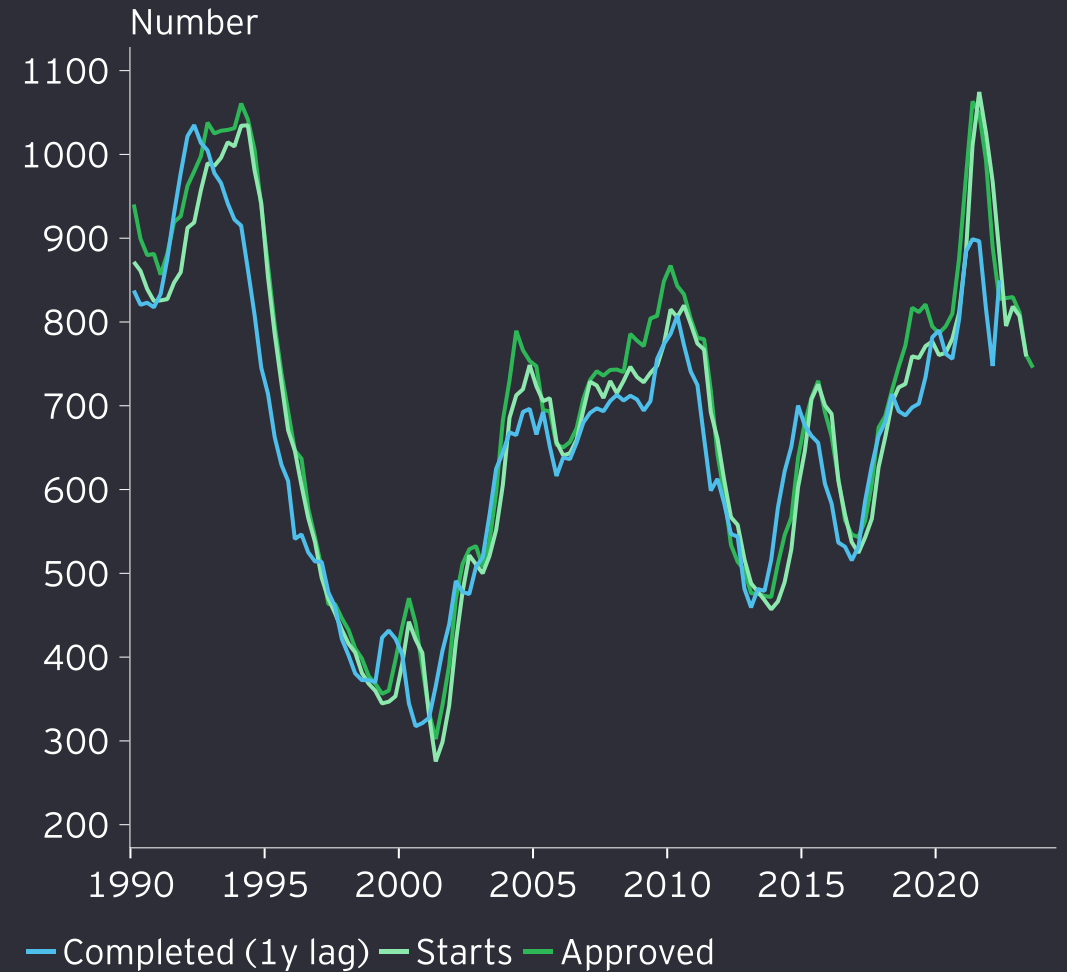
Dwelling transfers are falling and completions lagging, as disruptions persist and demand for new homes is impacted by higher borrowing costs

House and attached dwelling transfers, TAS



Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - TAS

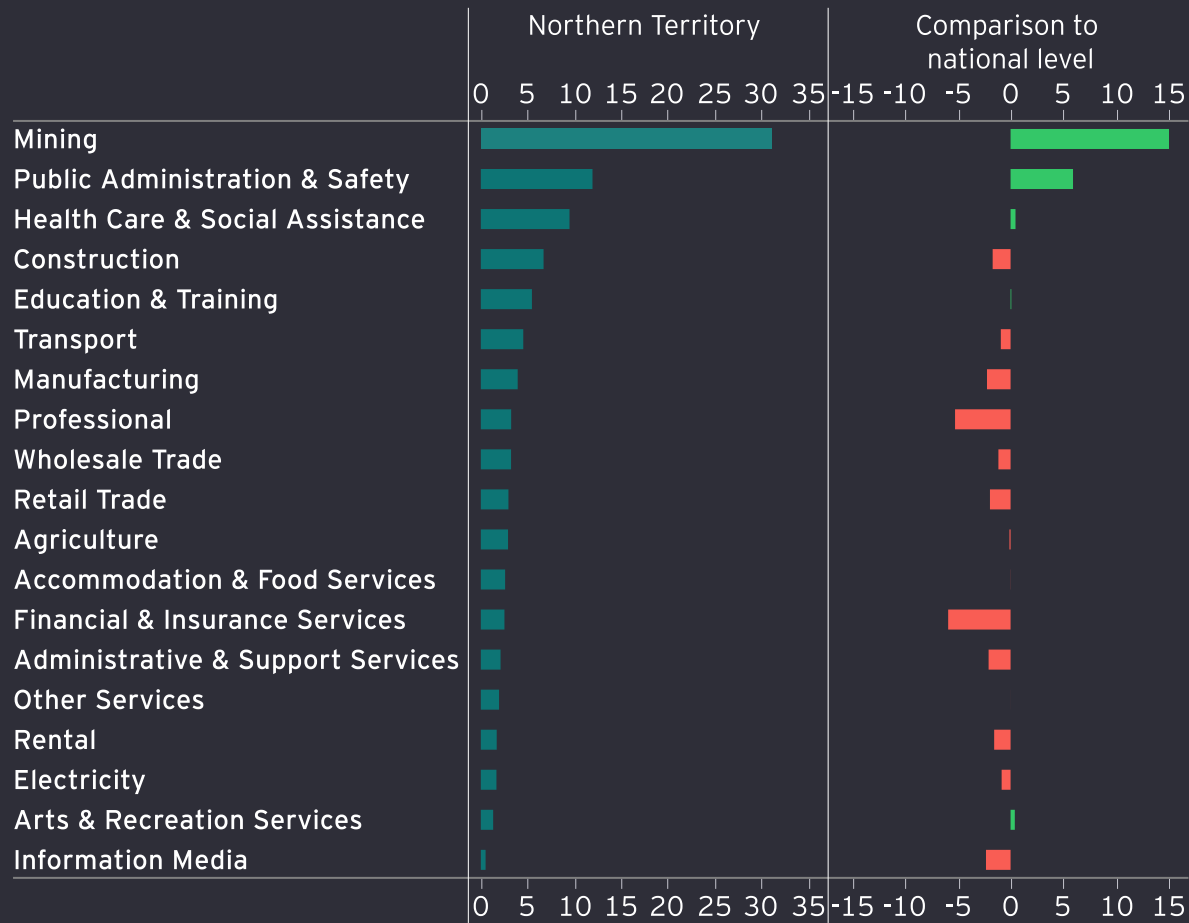


Source: ABS, Macrobond, EY

Northern Territory

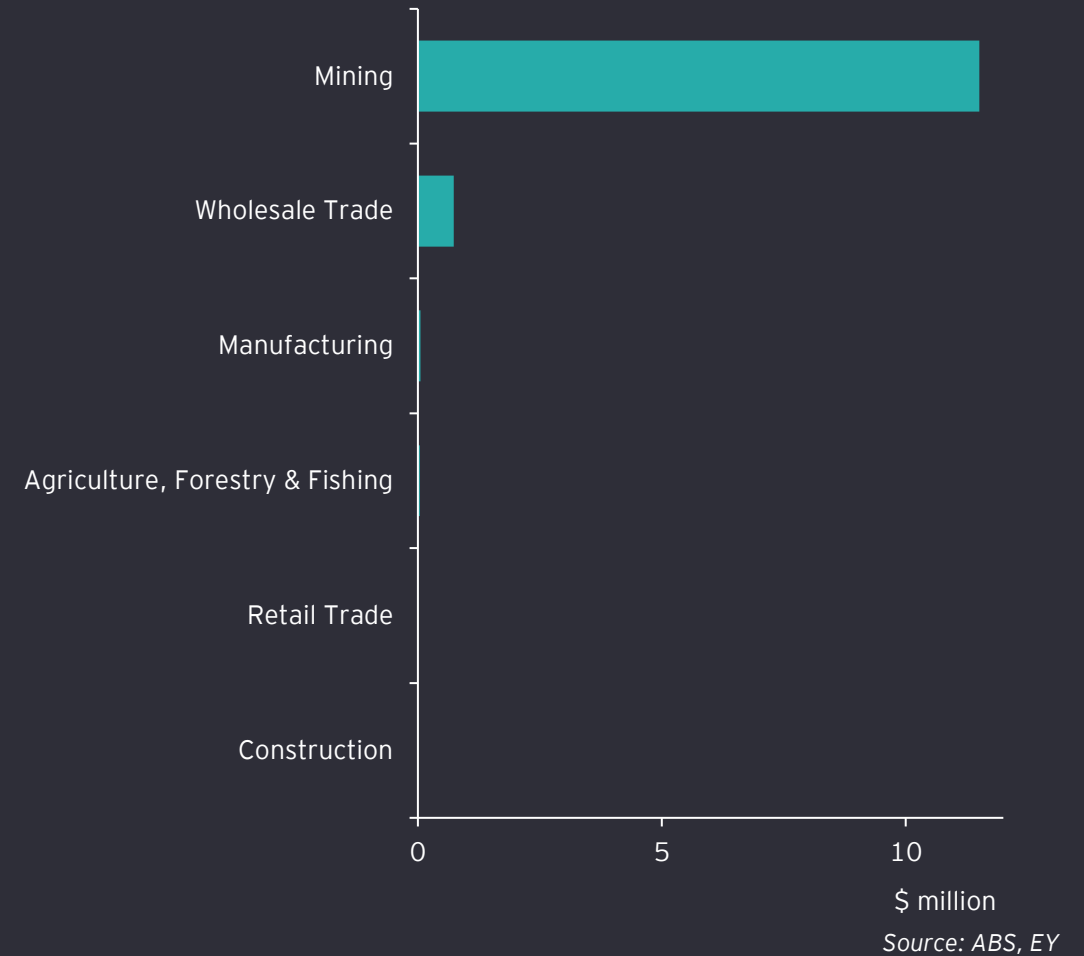
Mining makes up more than 30 per cent of the NT economy

NT industry share (FY23) and comparison to national industry share (Q2 2023)



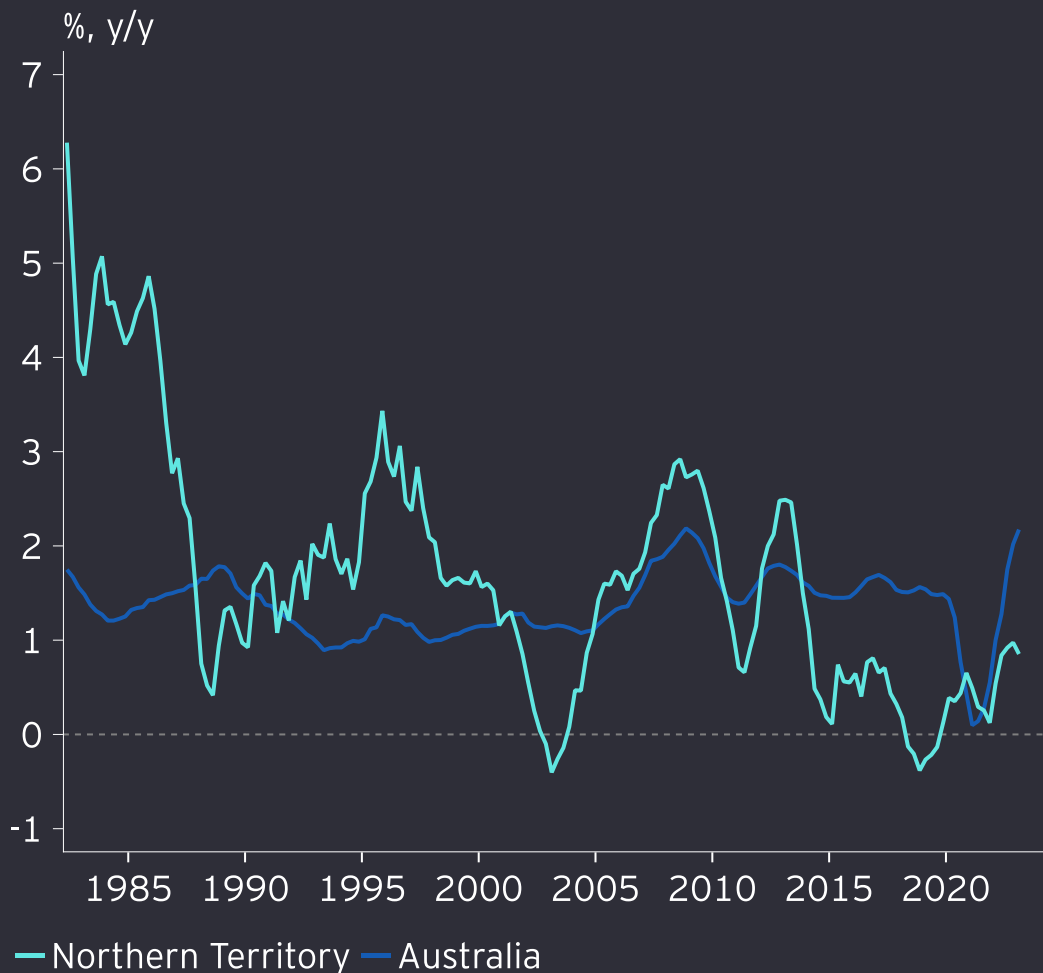
Source: ABS, Macrobond, EY

Value of merchandise exports by industry of exporter (NT, FY20)



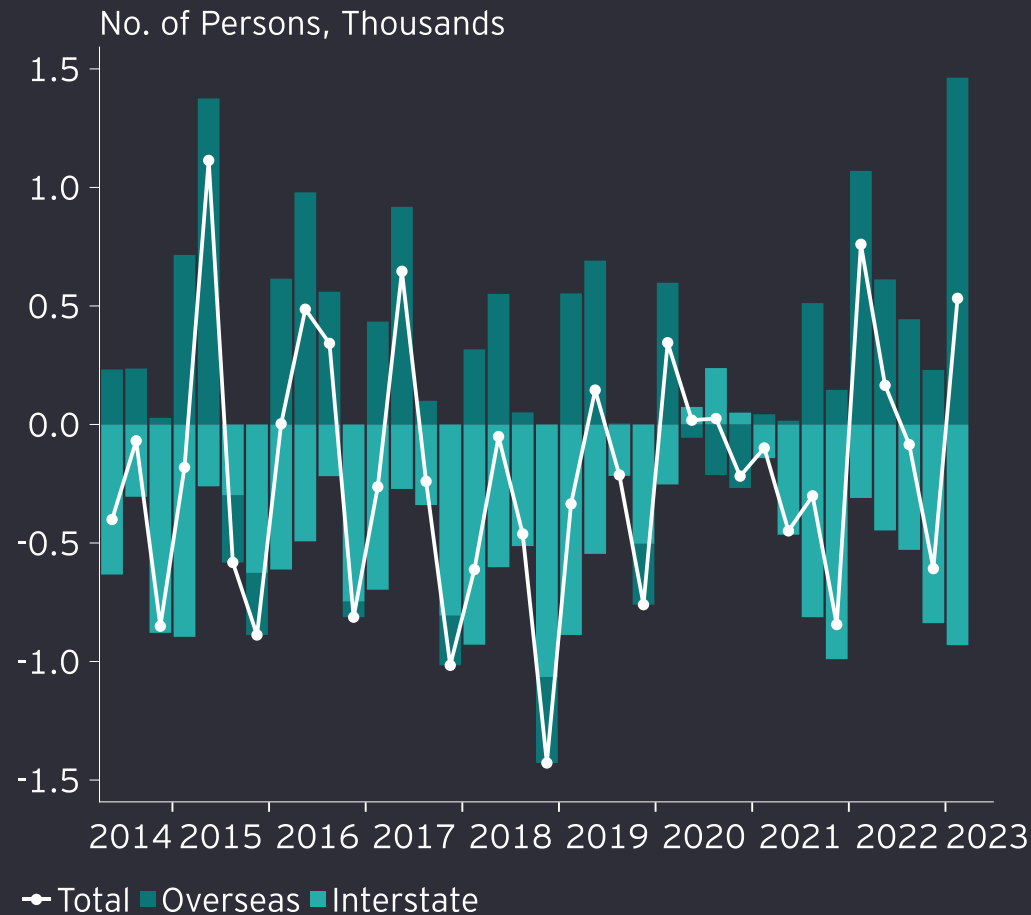
Population growth is well below the national average as residents continue to move interstate in net terms

Estimated resident population



Source: ABS, Macrobond, EY

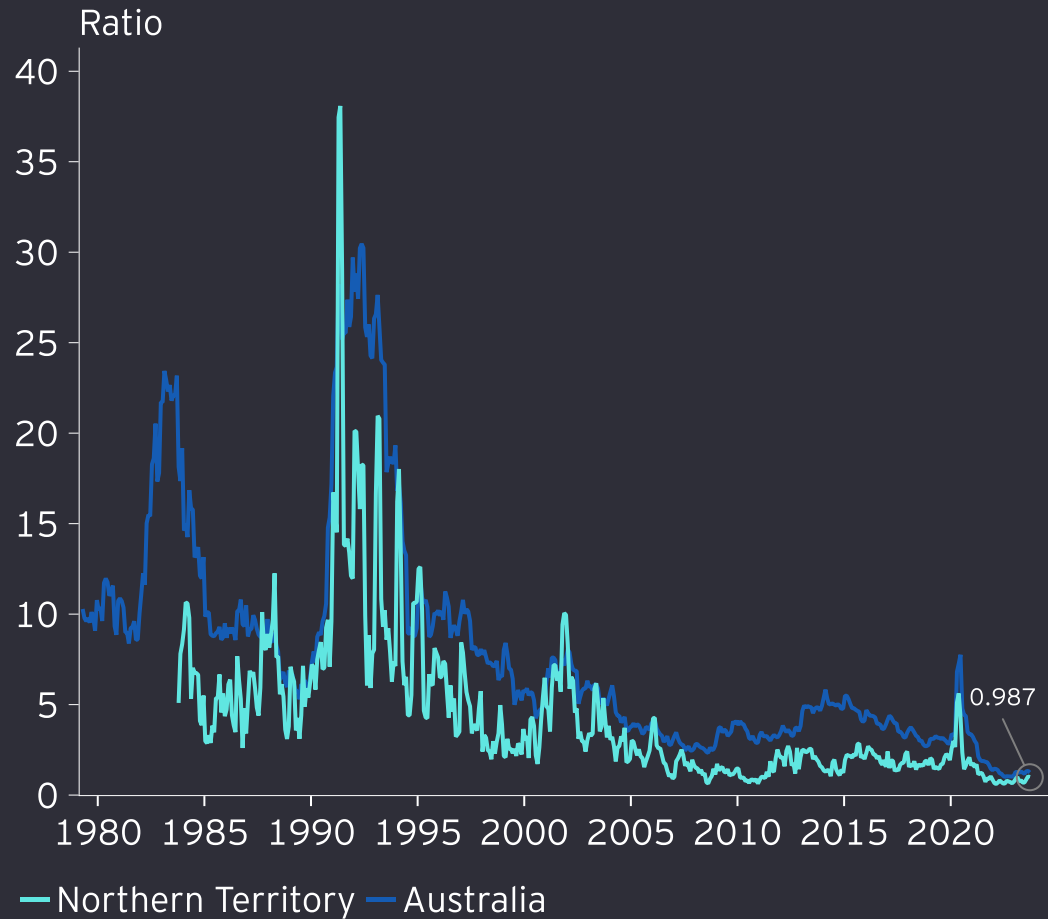
Net Migration, Northern Territory



Source: ABS, Macrobond, EY

Wages continue to grow amidst a very tight labour market, with private sector wages leading the increase

Number of unemployed people for each job vacancy, Northern Territory



Source: ABS, Macrobond, EY

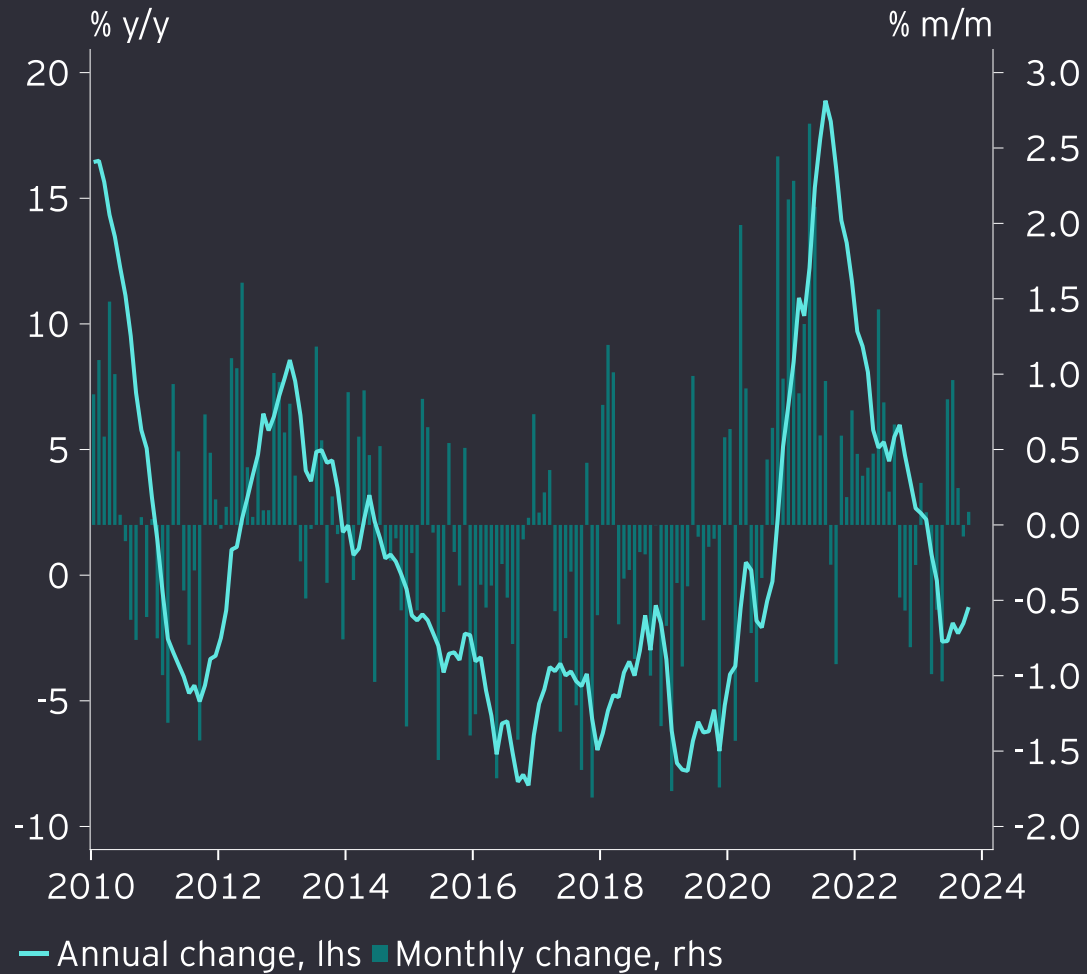
NT Wage Price Index



Source: ABS, Macrobond, EY

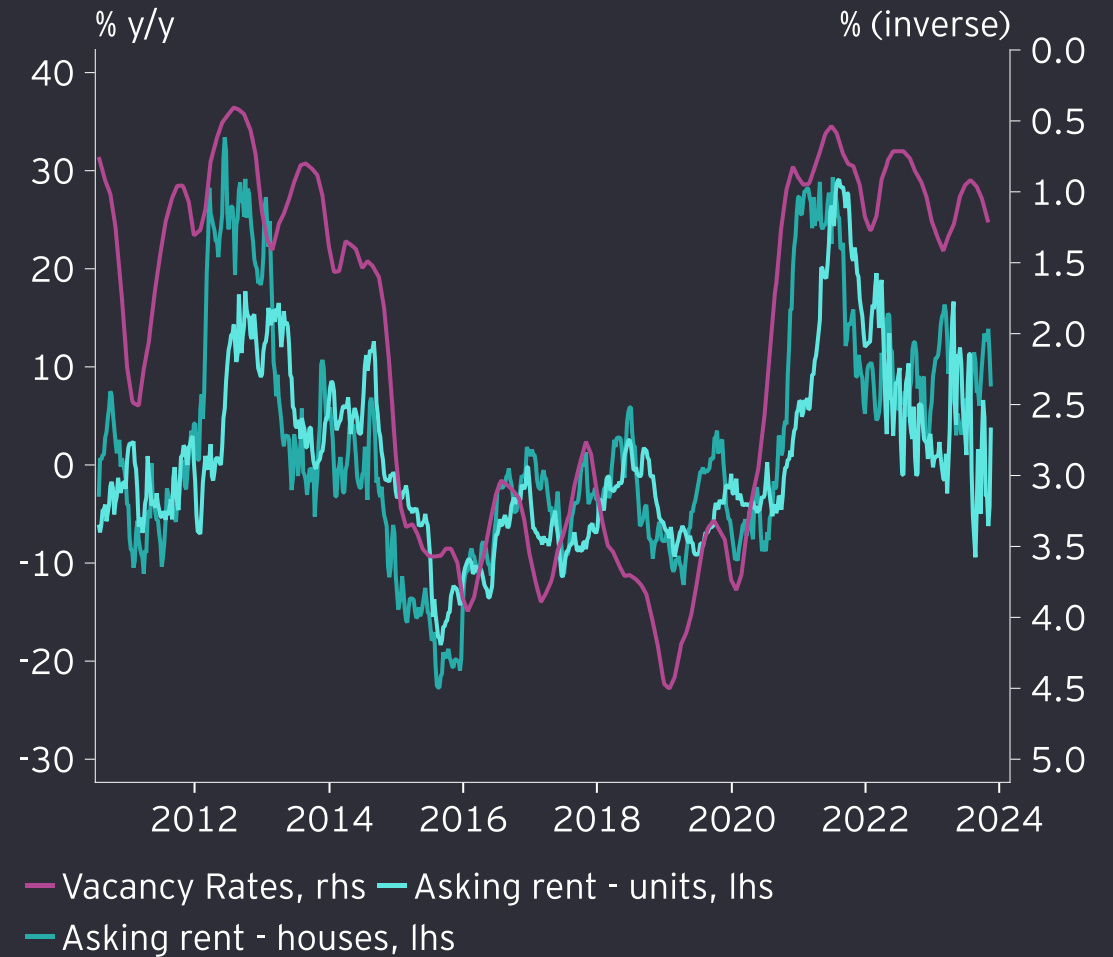
Dwelling prices started to pick up in June, having increased 2 per cent since

Northern Territory dwelling prices



Source: CoreLogic, Macrobond, EY

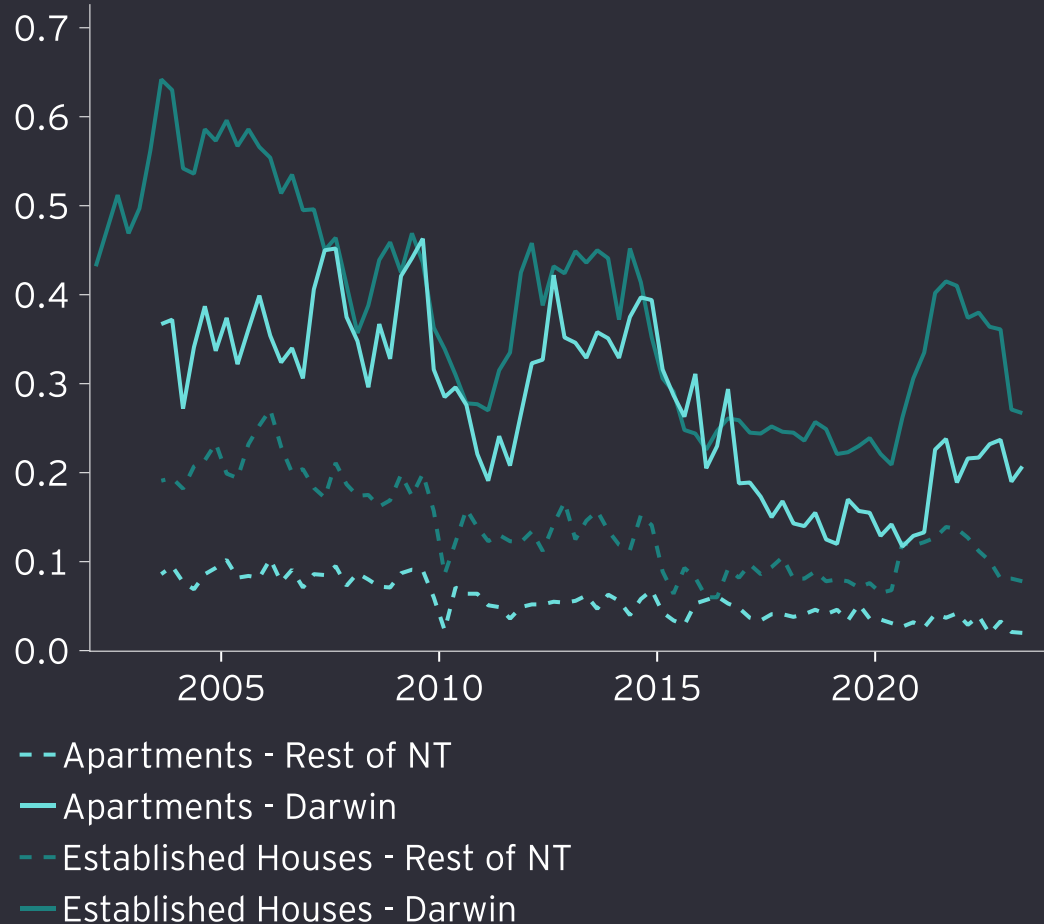
Darwin asking rents and vacancy rate



Source: SQM, Macrobond

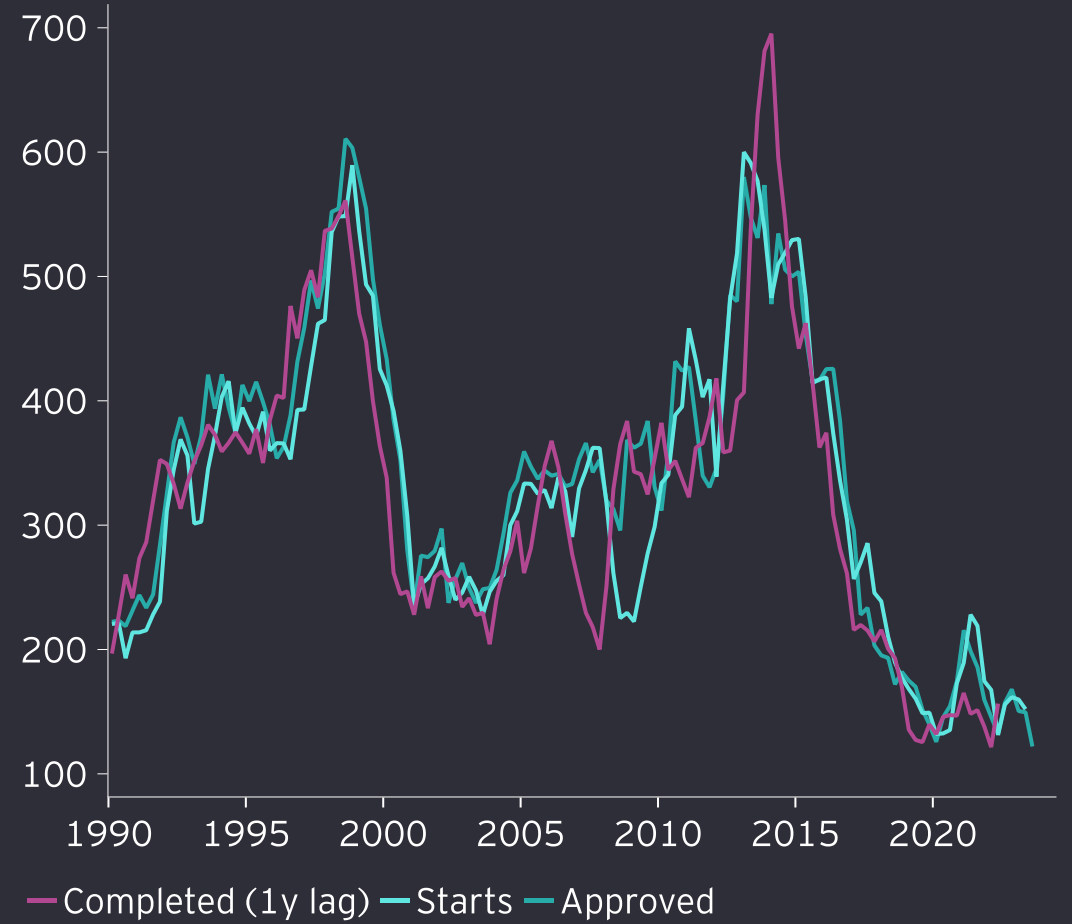
Residential construction is at historically low levels after surging around a decade ago, when mining activity was very strong

House and attached dwelling transfers, NT
thousand



Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - NT
Number



Source: ABS, Macrobond, EY

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