



States and territories snapshot

March 2023



EY

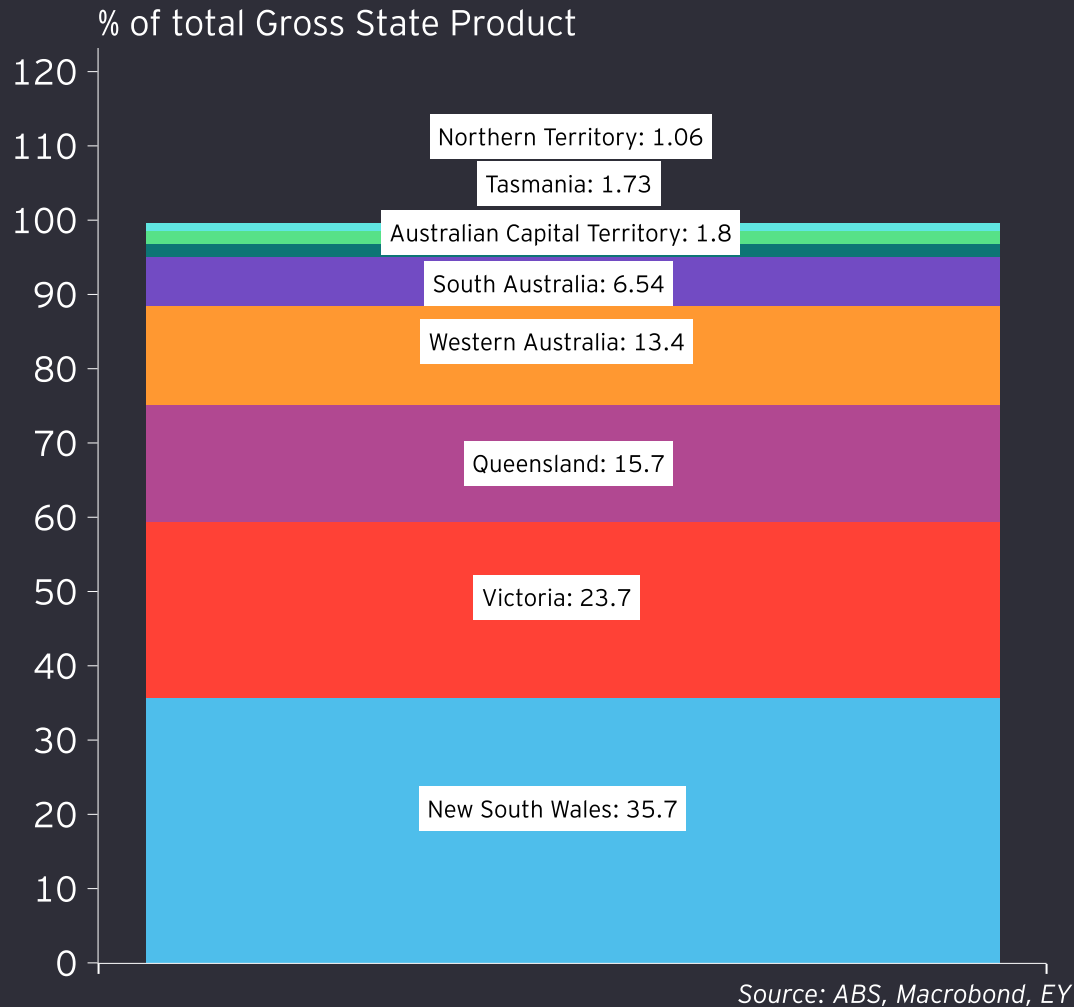
Building a better
working world

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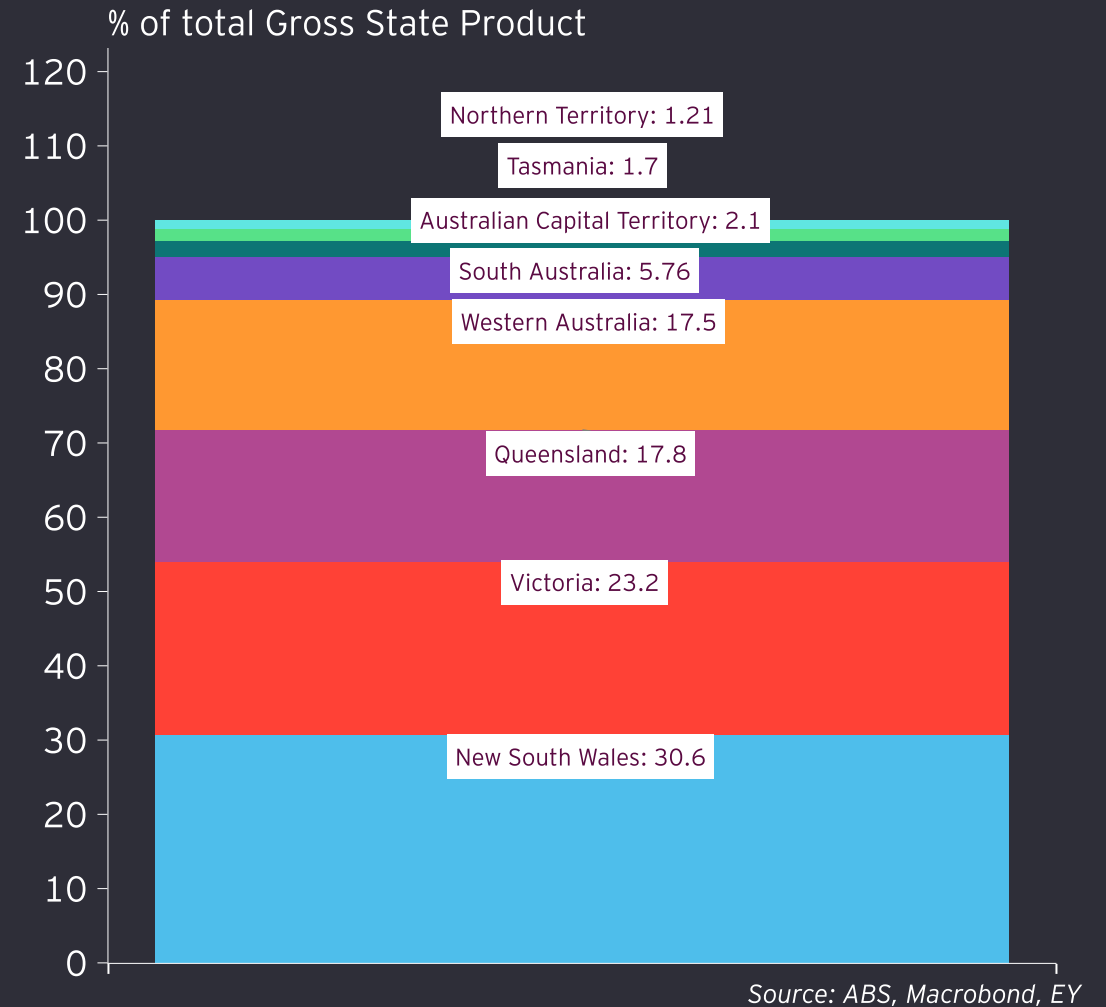
- 1 States and territories snapshot
- 2 New South Wales
- 3 Victoria
- 4 Queensland
- 5 Western Australia
- 6 South Australia
- 7 Australian Capital Territory
- 8 Tasmania
- 9 Northern Territory

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

FY 2000: Gross State Product by jurisdiction

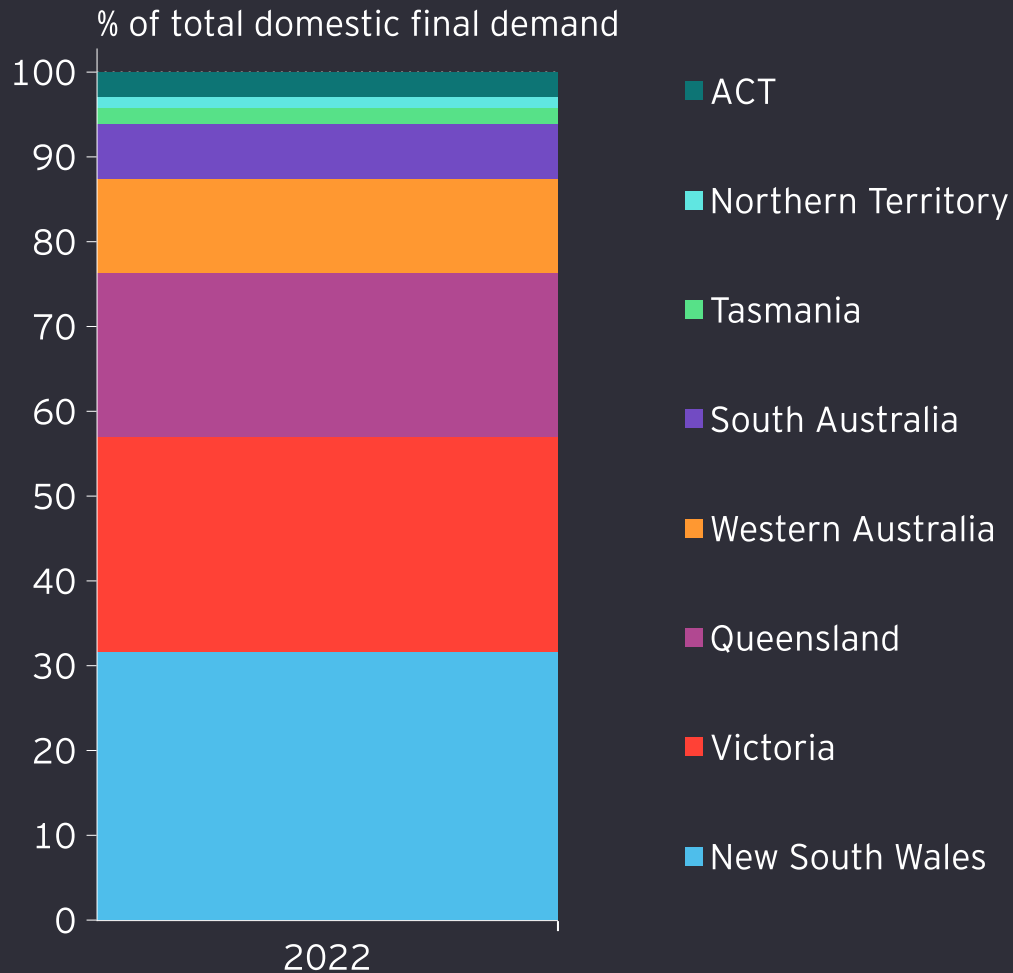


FY 2022: Gross State Product by jurisdiction



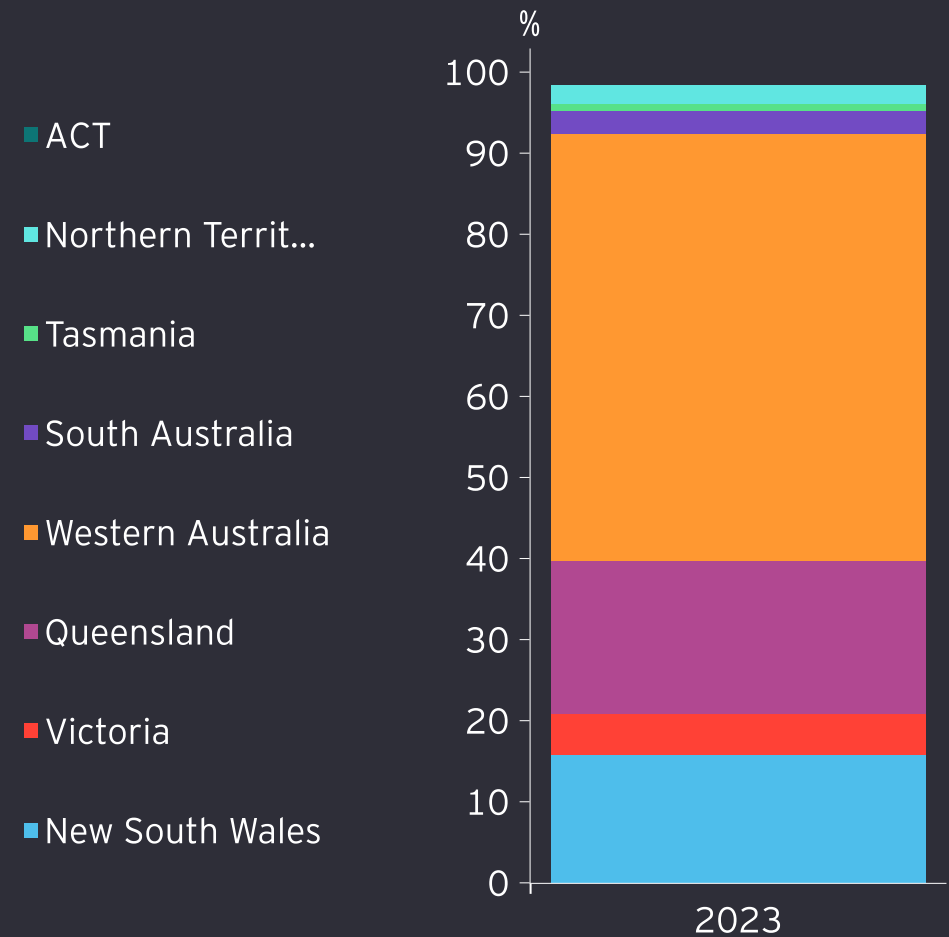
WA exports make up over 50% of all Australian exports

Domestic Final Demand by jurisdiction



Source: ABS, Macrobond, EY

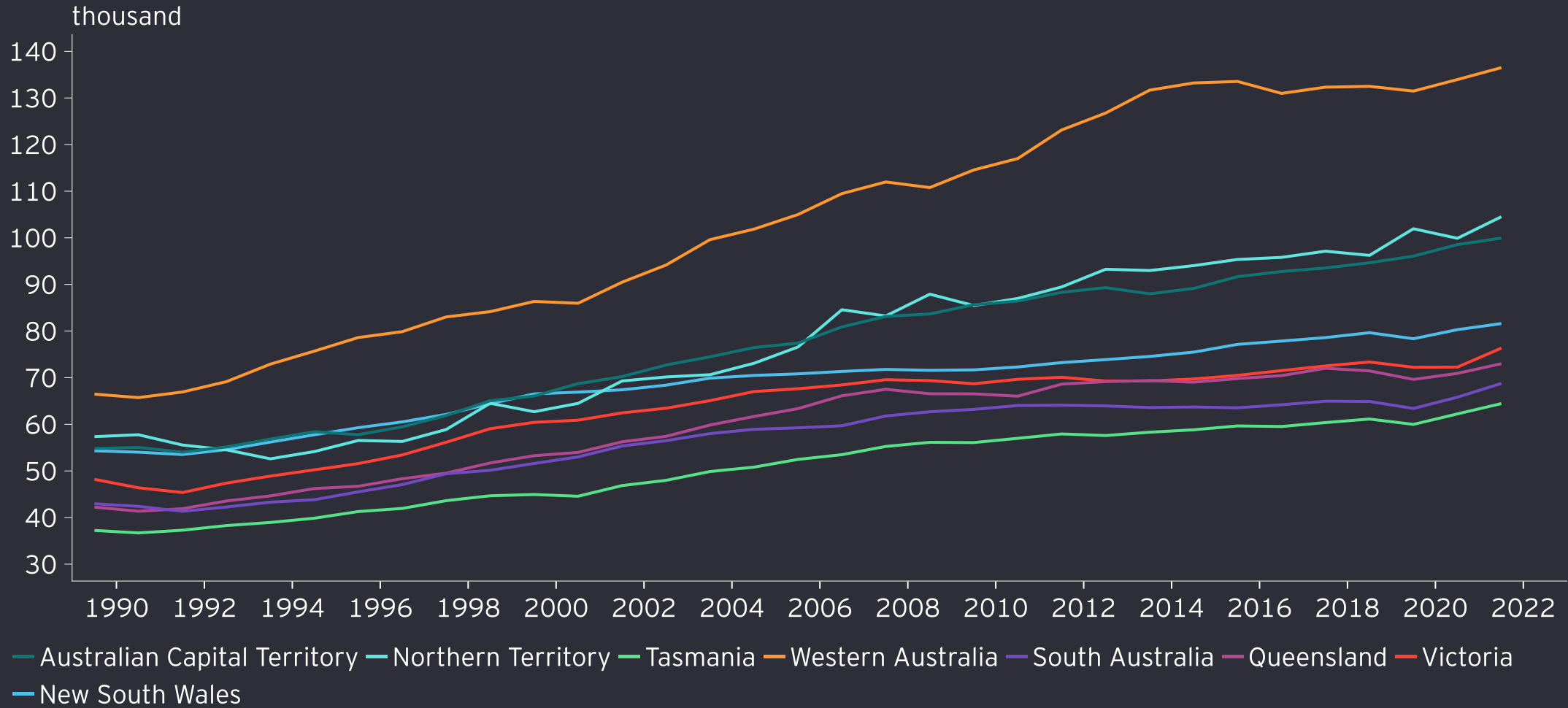
Proportion of Australian exports by state



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

WA and the Northern Territory have the highest GSP per capita

Gross State Product per capita

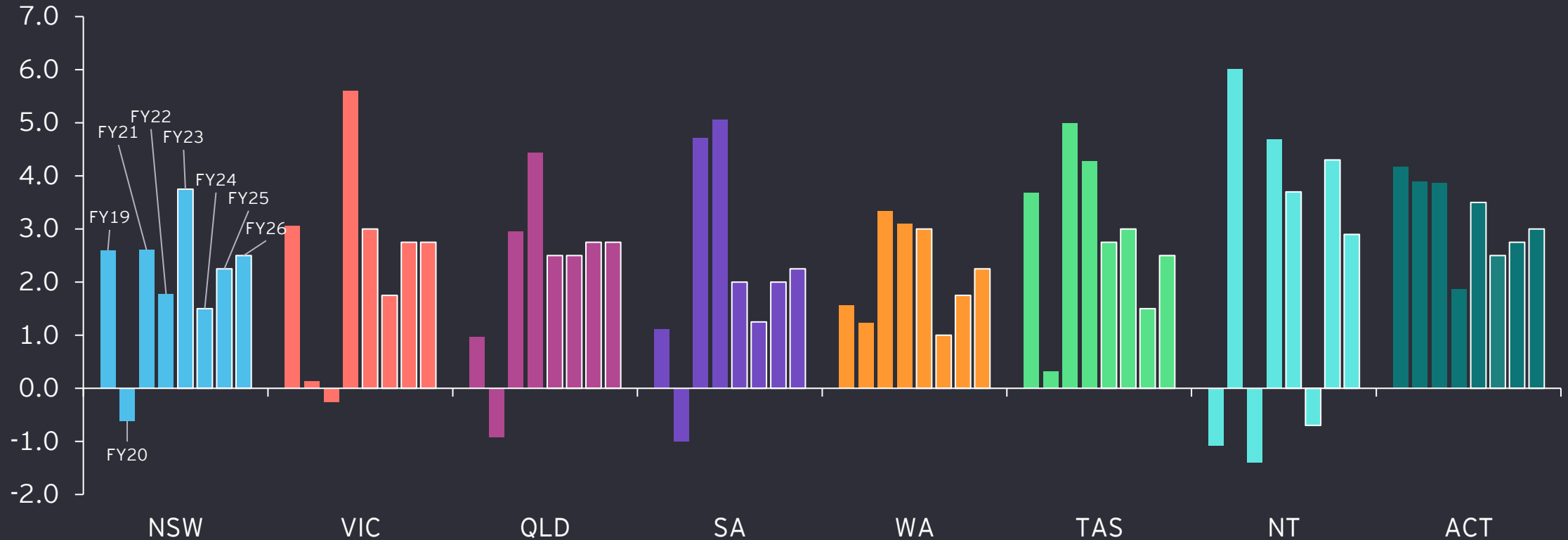


Source: ABS, Macrobond, EY

State governments expect some slowing in growth in FY23 and FY24, before a gradual recovery over the forward estimates

Gross State Product

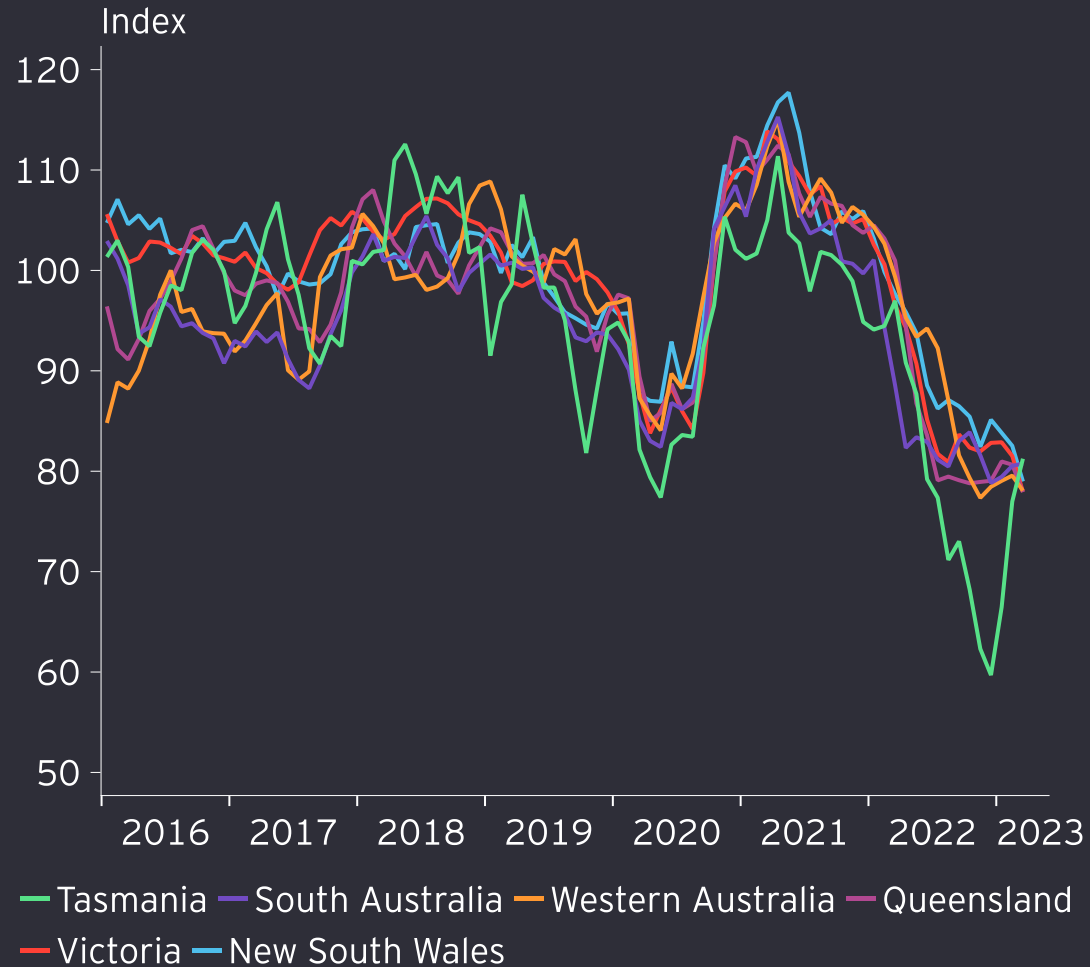
% y/y, FY19 (actuals) - FY26 (forecasts)



Source: ABS, State and territory mid-year budget papers, Victoria pre-election statement, EY

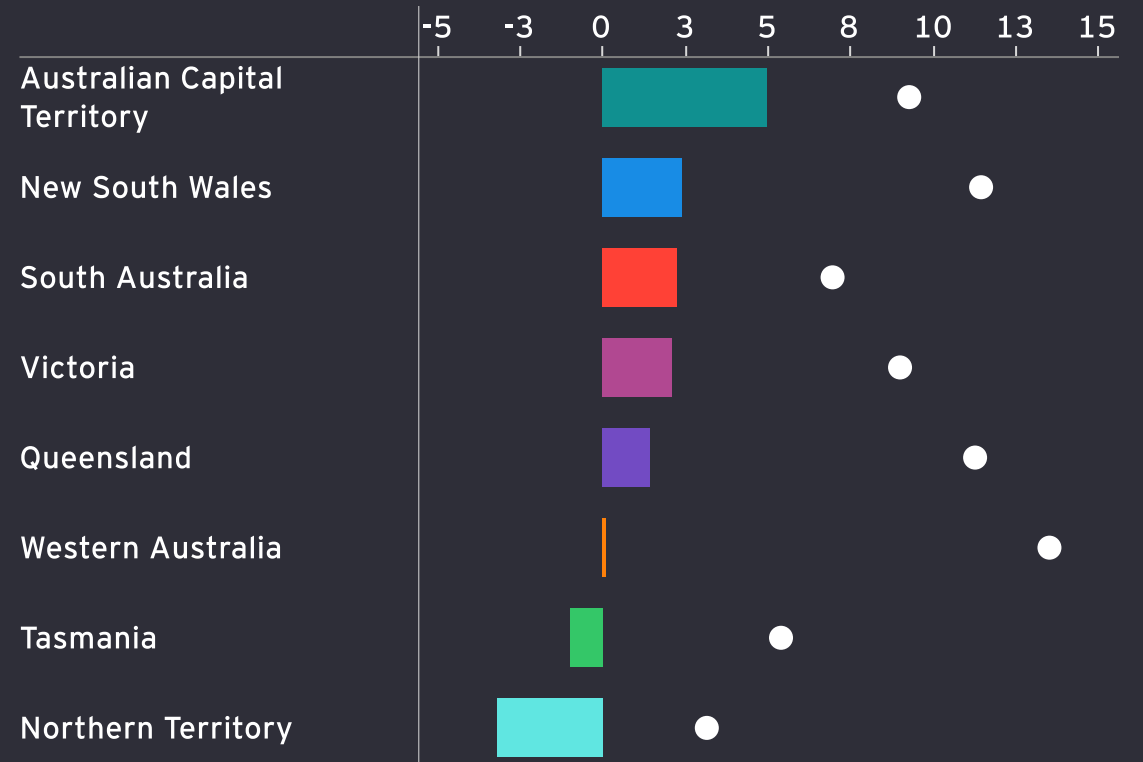
Consumer sentiment is at record lows, but consumption remains resilient

Melbourne Institute Consumer Sentiment Index



Source: Melbourne Institute, Macrobond, EY

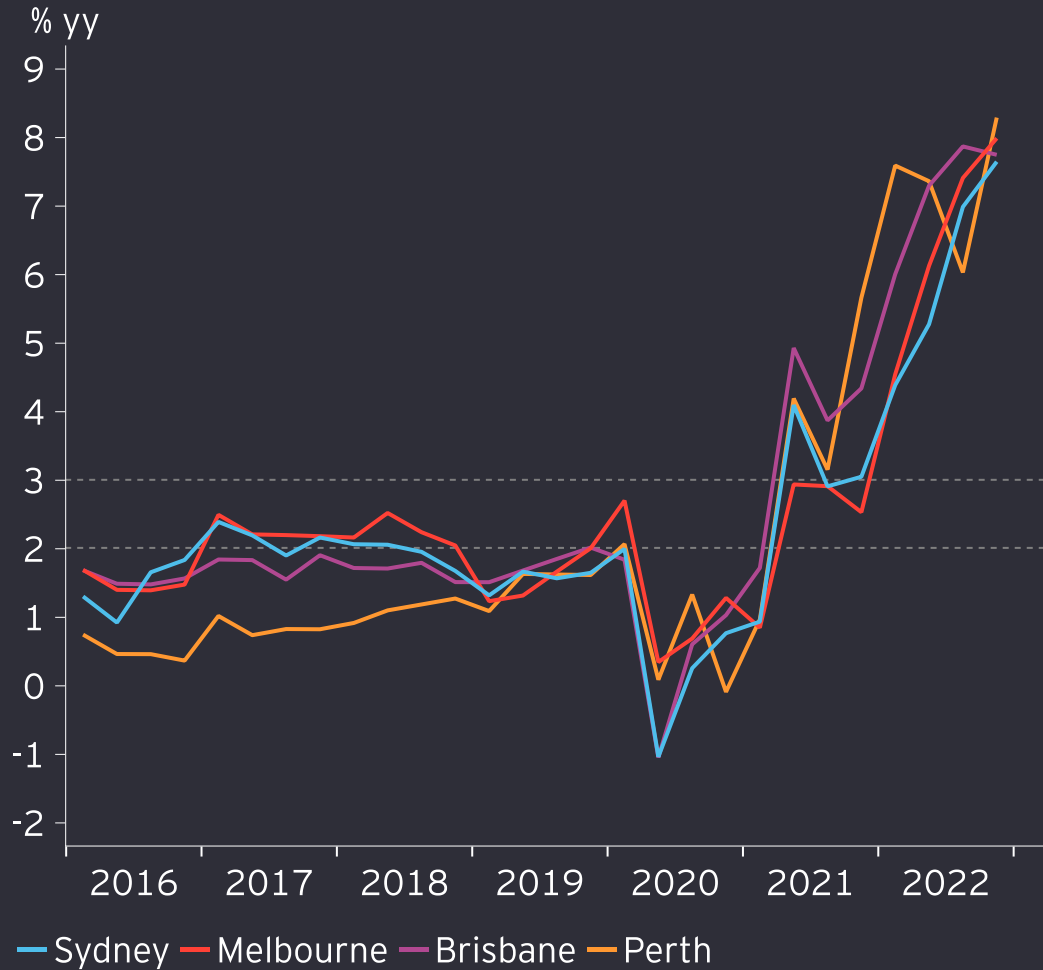
Retail Trade, Constant Prices
y/y, % (bar); % change since pandemic (dot)



Source: ABS, Macrobond, EY

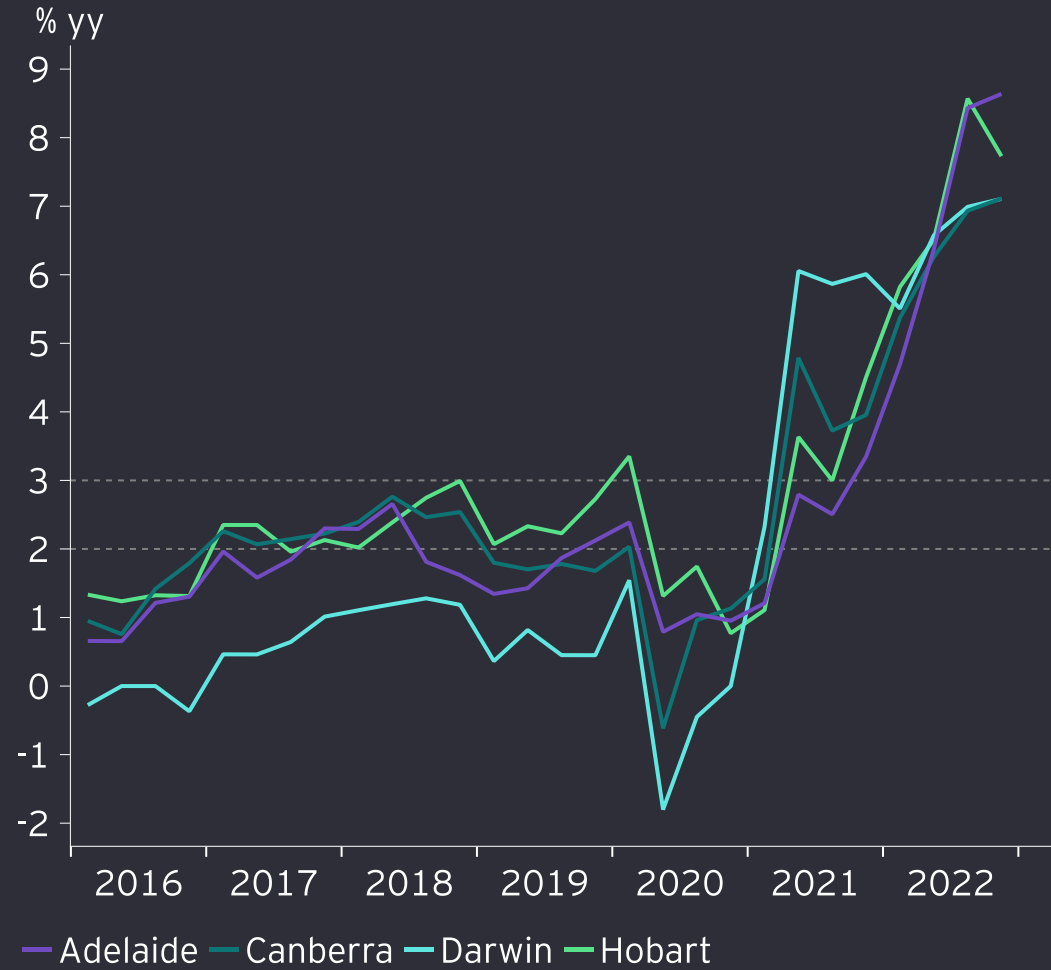
Inflation pressures are similar given the common sources of inflation

Consumer Price Index



Source: ABS, Macrobond, EY

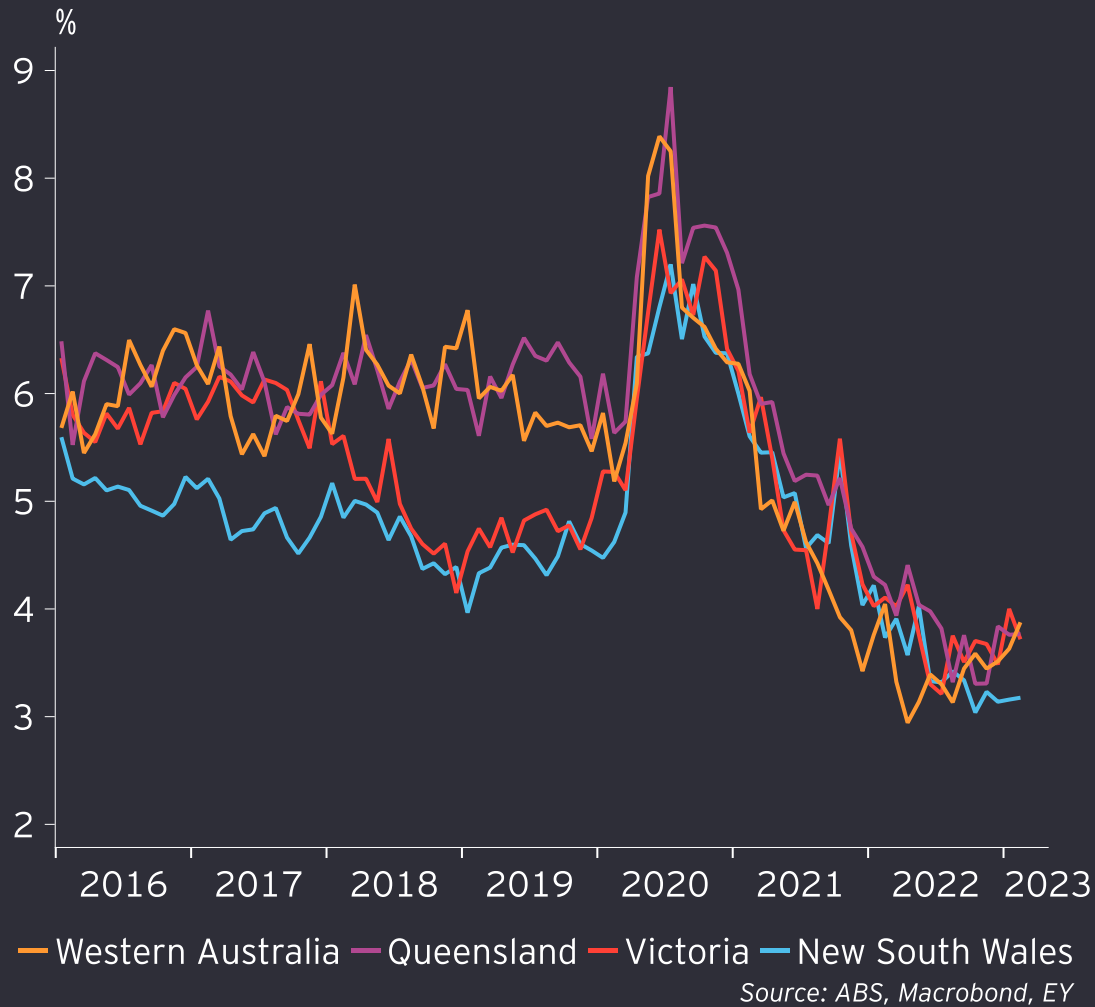
Consumer Price Index



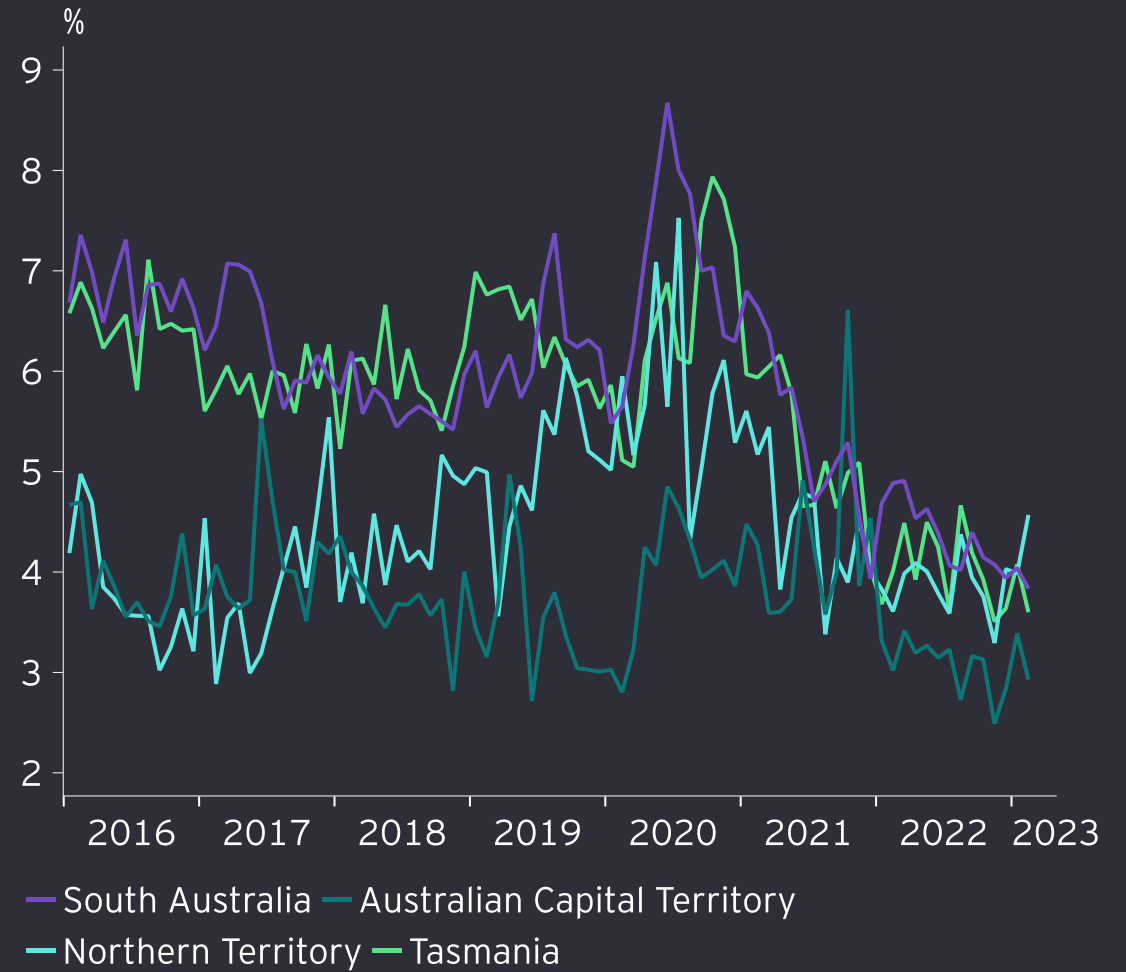
Source: ABS, Macrobond, EY

All states and territories have record low unemployment rates of around 4% or below

Unemployment Rate

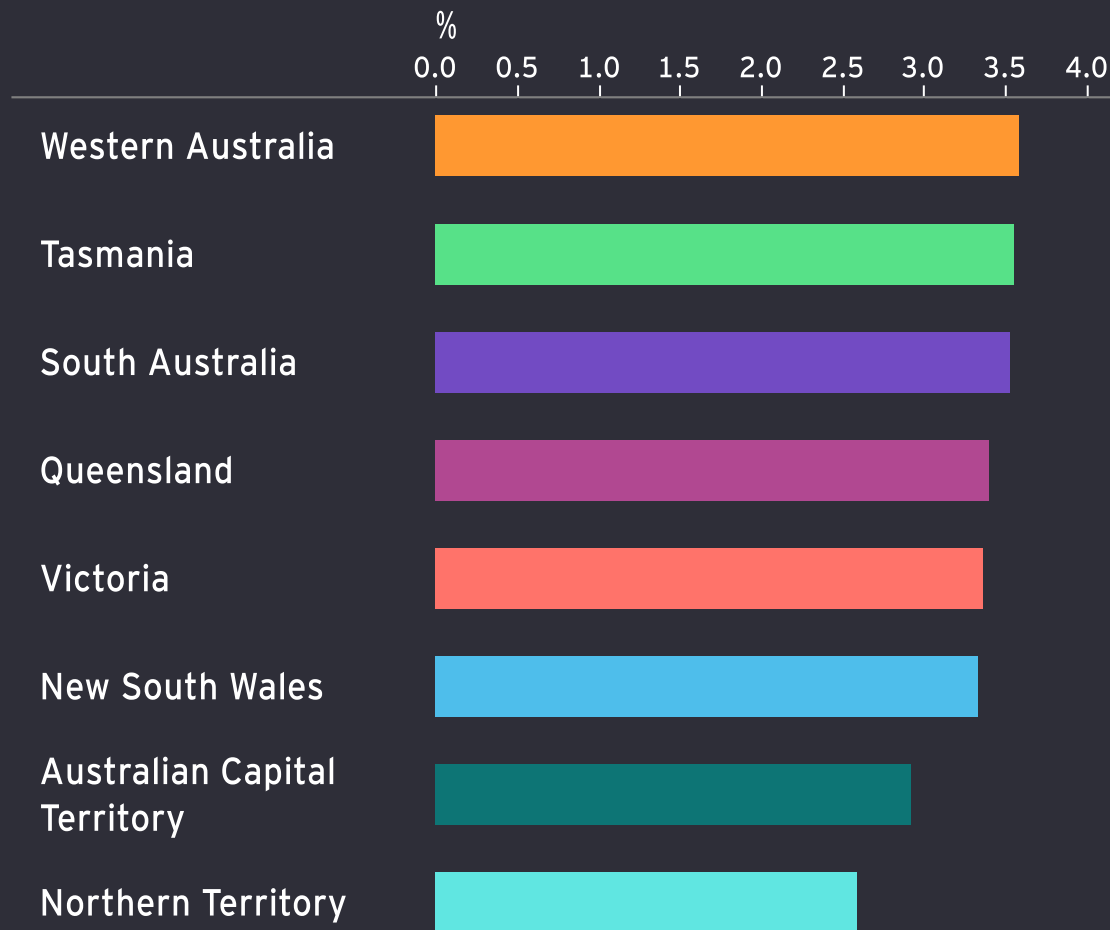


Unemployment Rate



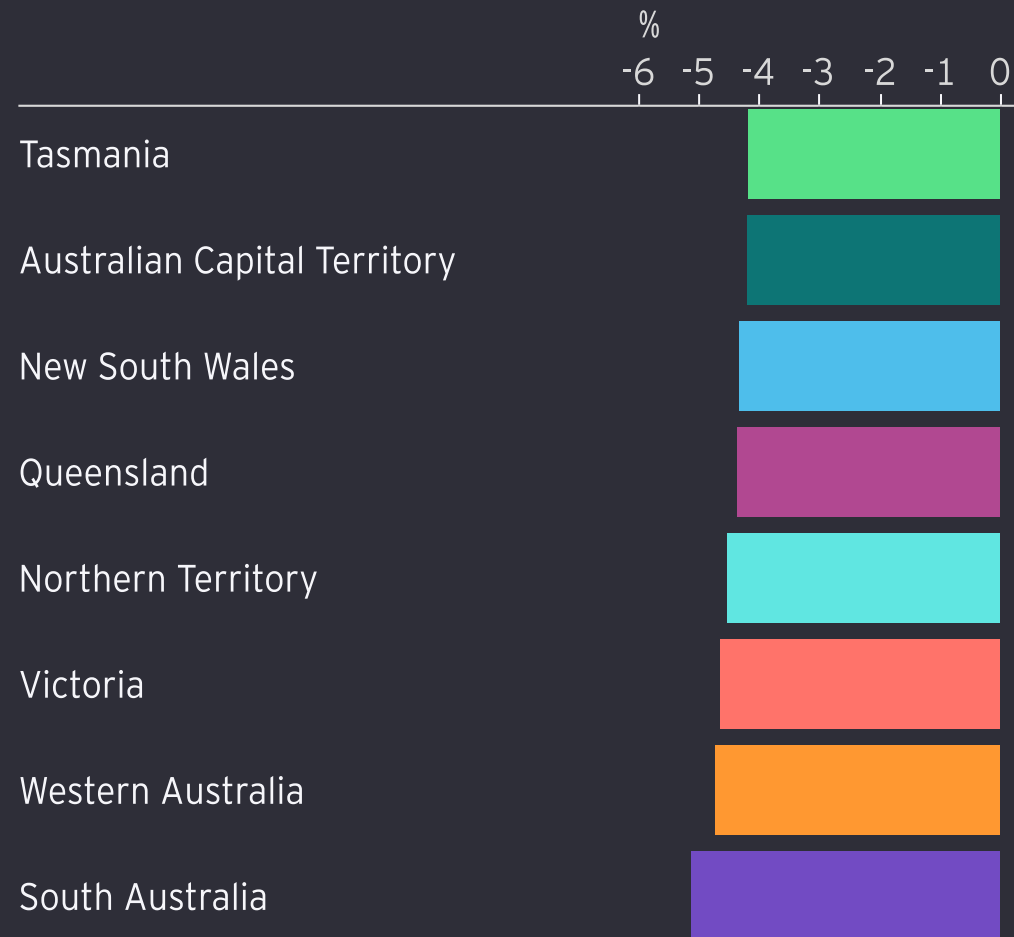
Real wages have fallen in all states and territories in the year to December

Wage Price Index, y/y, December 2022



Source: ABS, Macrobond, EY

Real wages, y/y, December 2022



Source: ABS, Macrobond, EY

The household expenditure to income ratio is highest in Tasmania

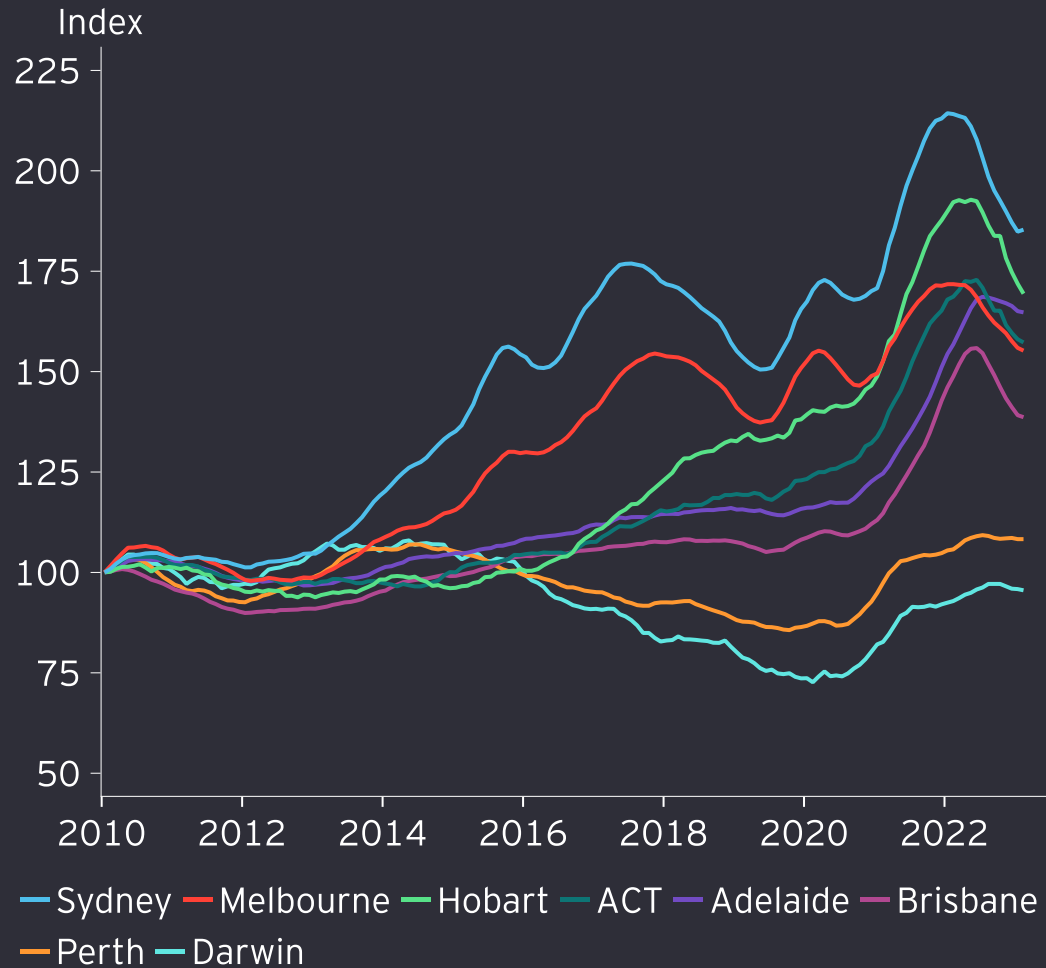
Average annual expenditure to annual median gross income ratio, 2015-16



Source: ABS, EY

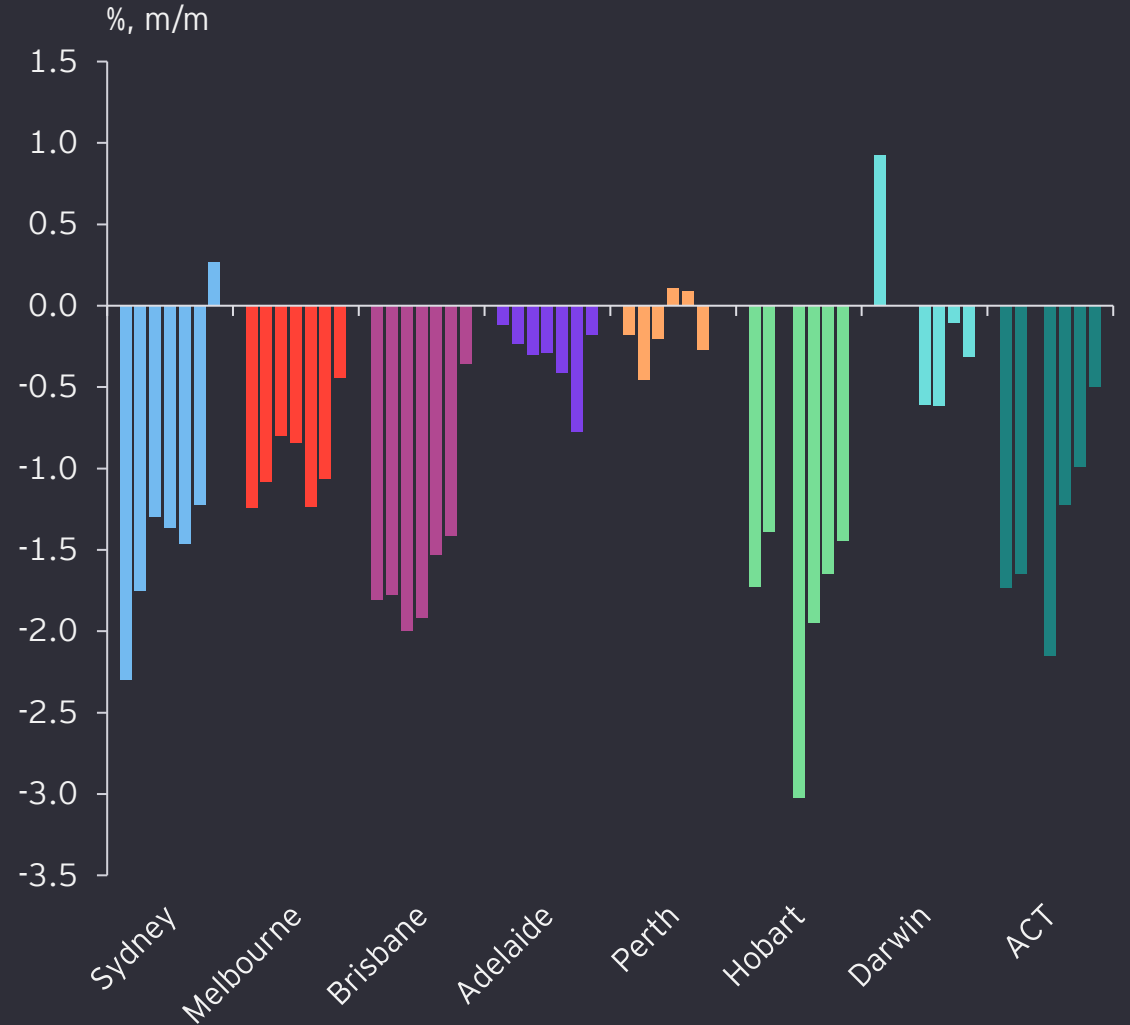
Dwelling prices have fallen in all capital cities

Hedonic Home Value Index



Source: CoreLogic, Macrobond, EY

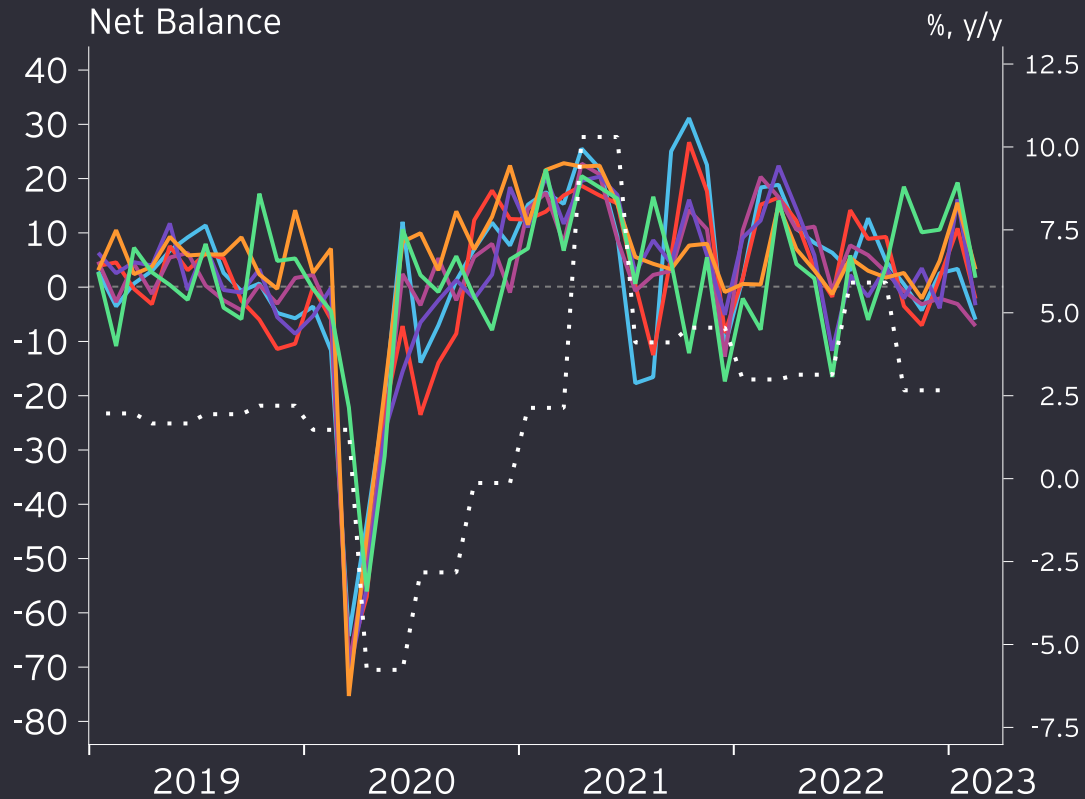
Hedonic Home Value Index, Aug-22 to Feb-23



Source: Core Logic, EY

Both business confidence and conditions remain in positive territory

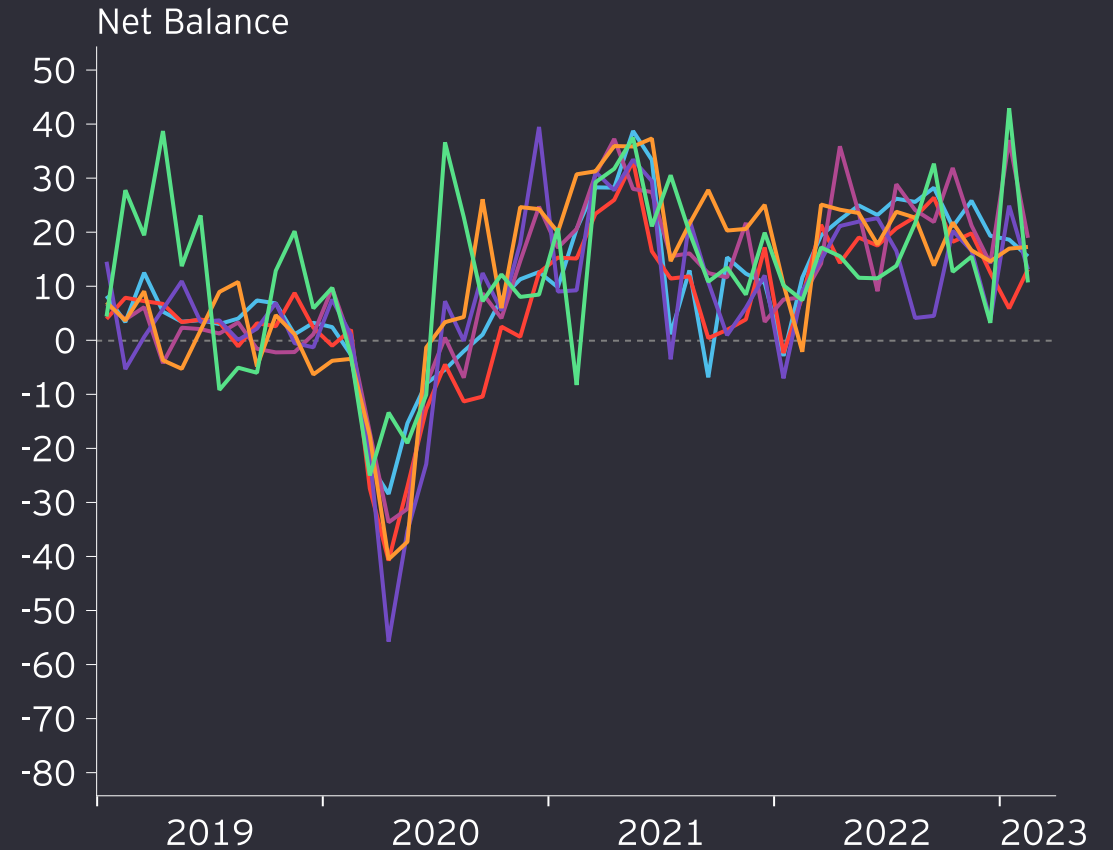
NAB Business Confidence



··· 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



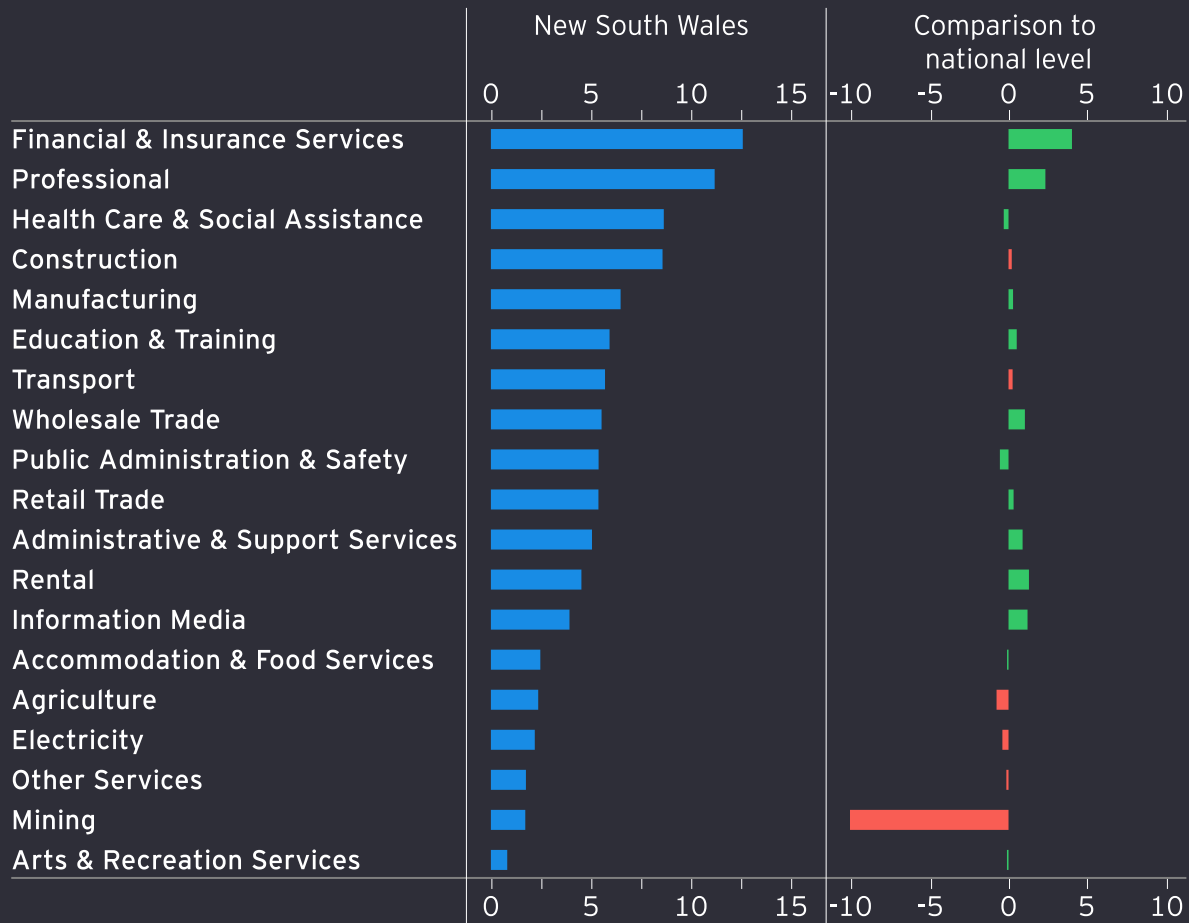
— Tasmania
 — Western Australia
 — South Australia
 — Queensland
 — Victoria
 — New South Wales

Source: NAB, Macrobond, EY

New South Wales

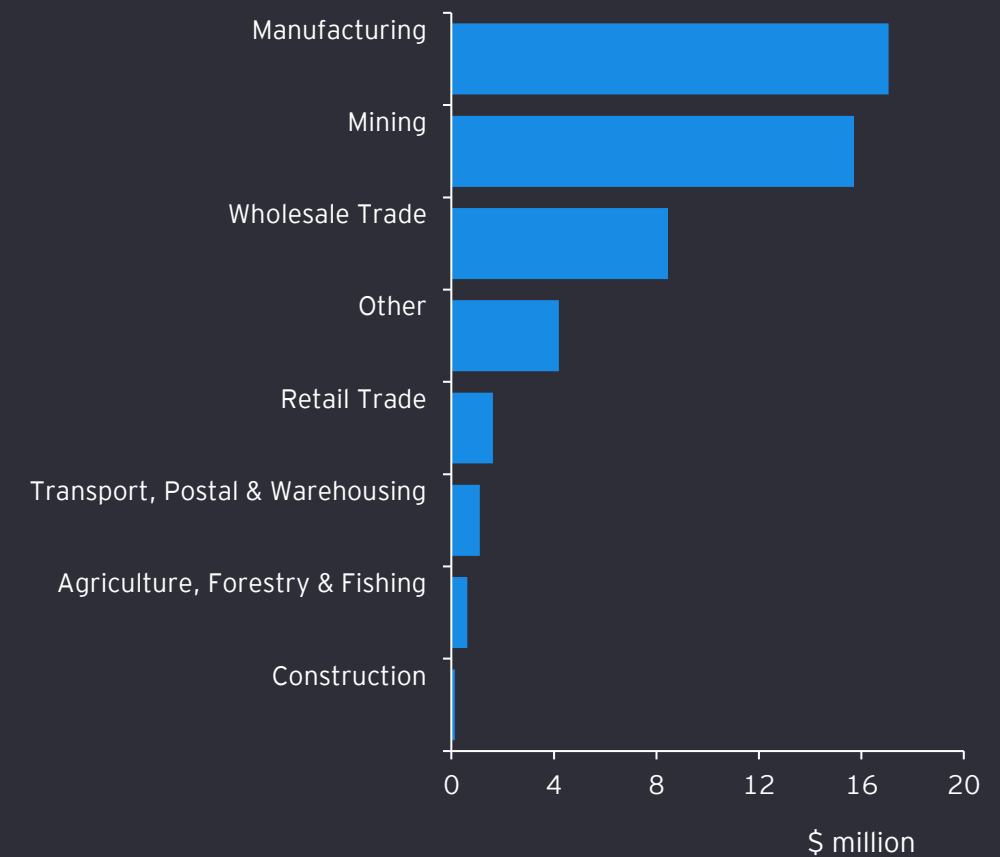
Financial & Insurance Services is the biggest industry in NSW

NSW industry share (FY22) and comparison to national industry share (Q3 2022)



Source: ABS, Macrobond, EY

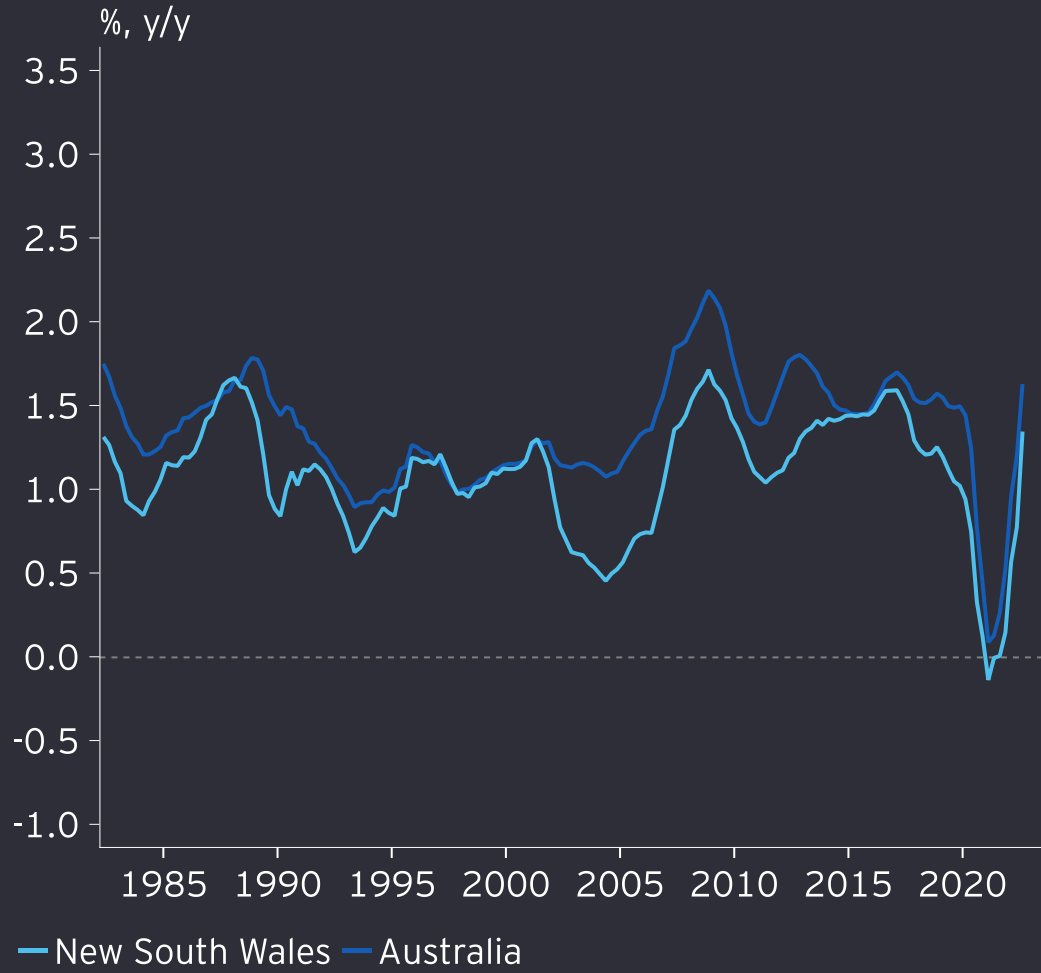
Value of merchandise exports by industry of exporter (NSW, FY20)



Source: ABS, EY

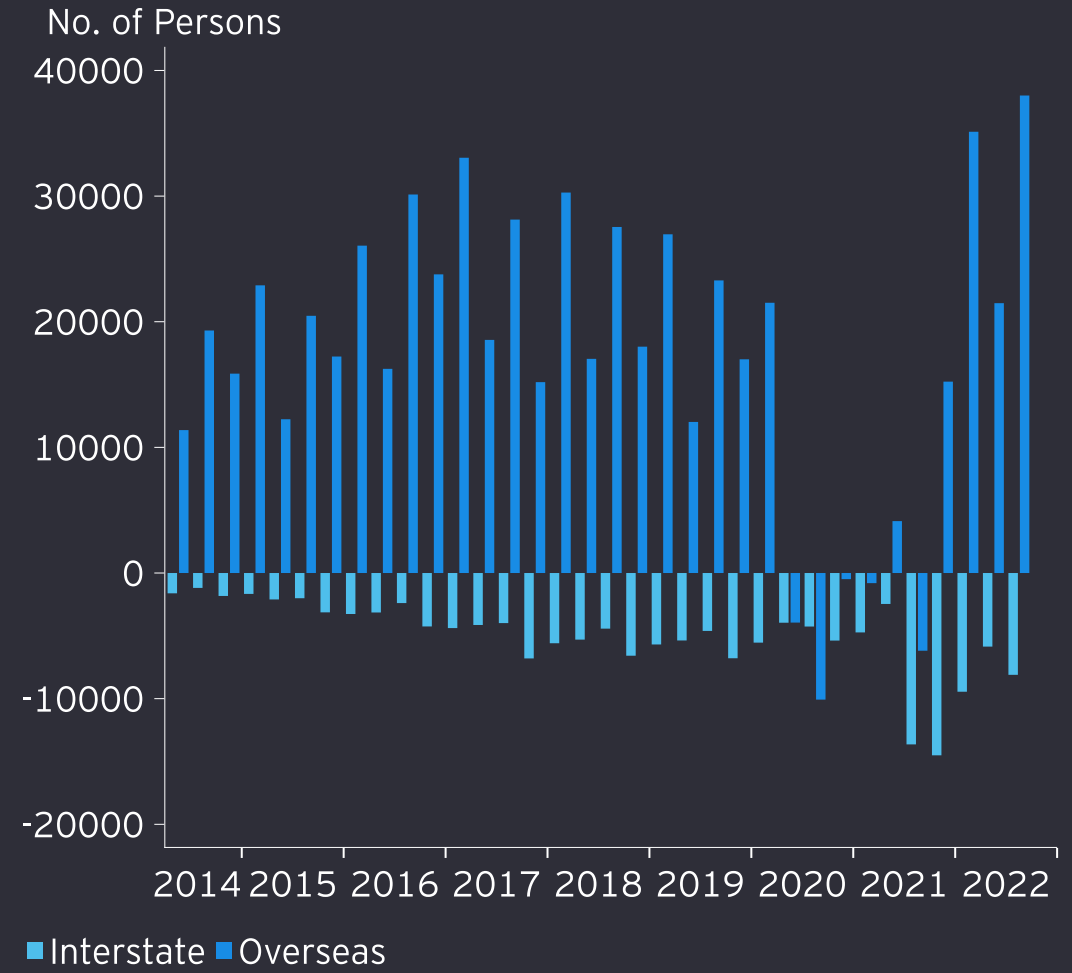
Population growth is picking up as international borders open

Estimated resident population



Source: ABS, Macrobond, EY

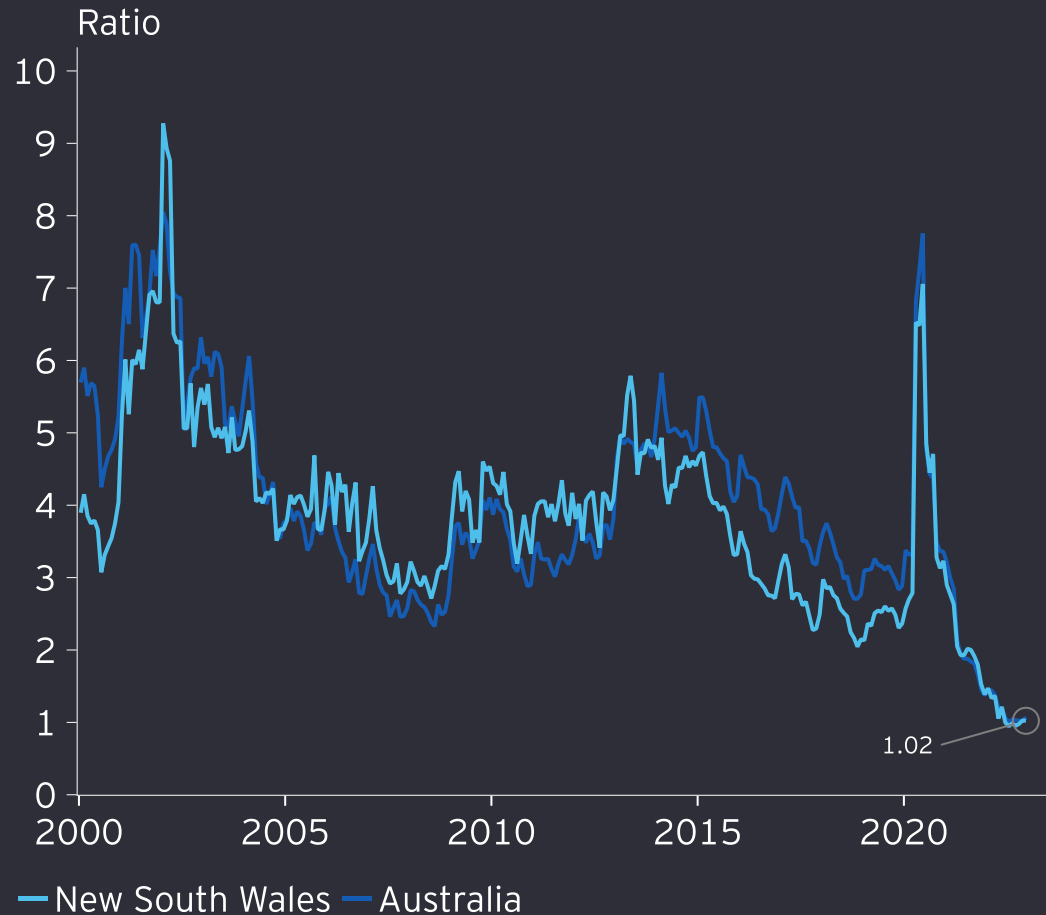
Net Migration, New South Wales



Source: ABS, Macrobond, EY

The labour market is tight, with as many job vacancies as unemployed people

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



Source: ABS, Macrobond, EY

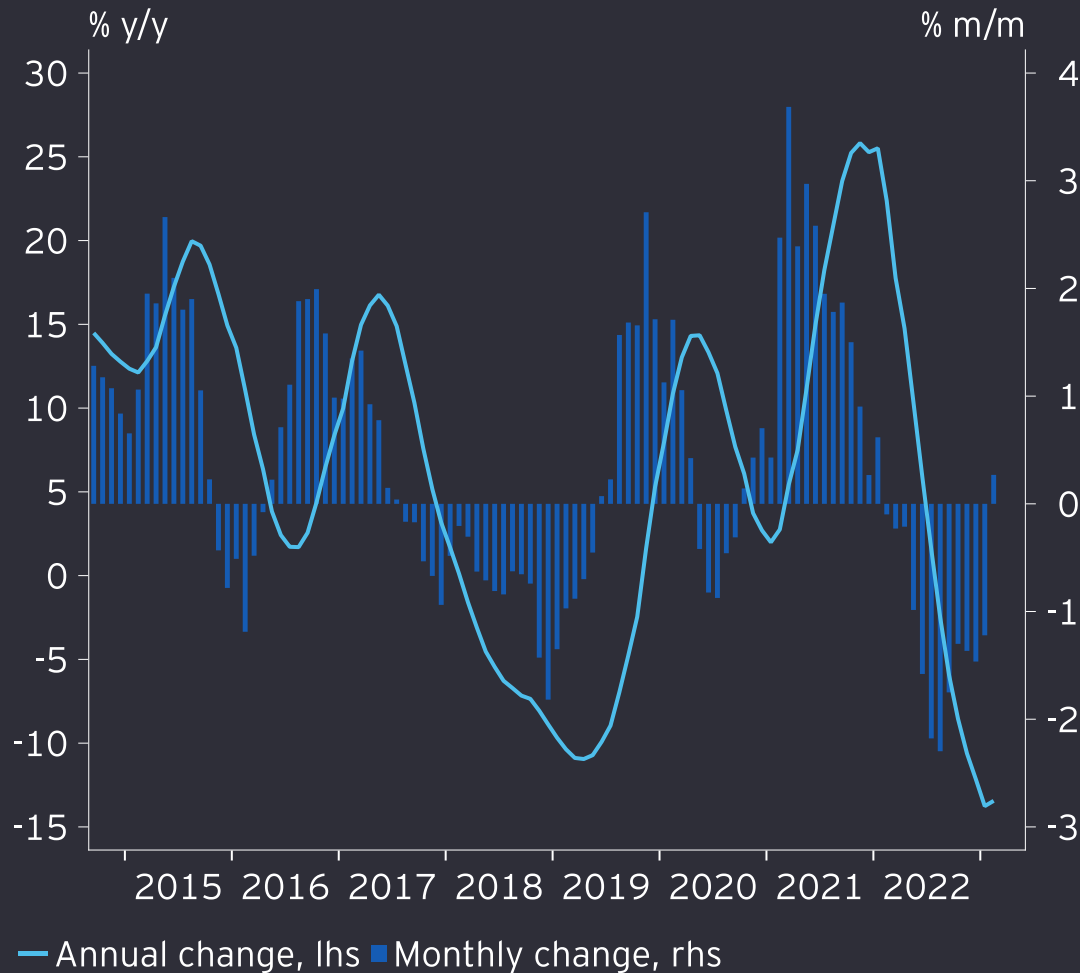
NSW Wage Price Index



Source: ABS, Macrobond, EY

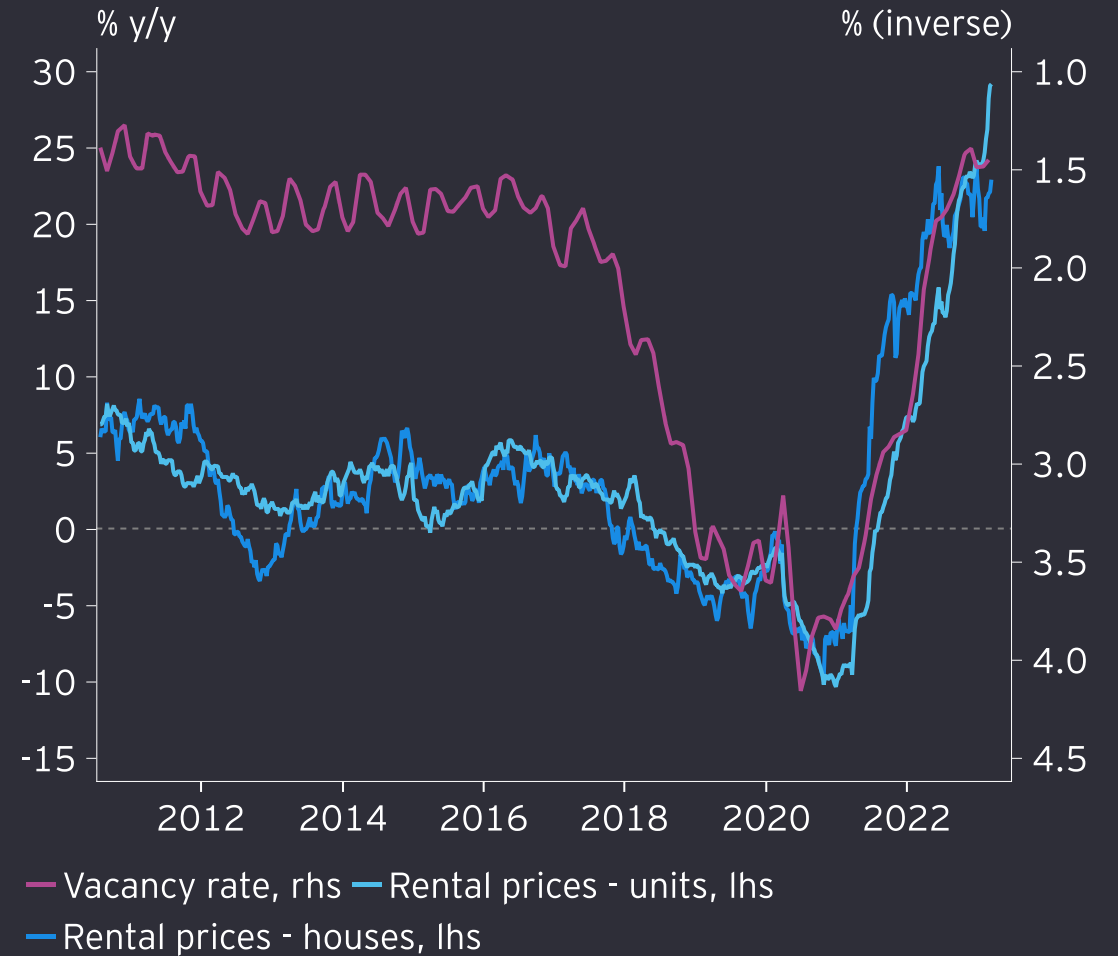
Housing prices continue to fall in NSW, while rental price growth is still strong

Greater Sydney dwelling prices



Source: CoreLogic, Macrobond, EY

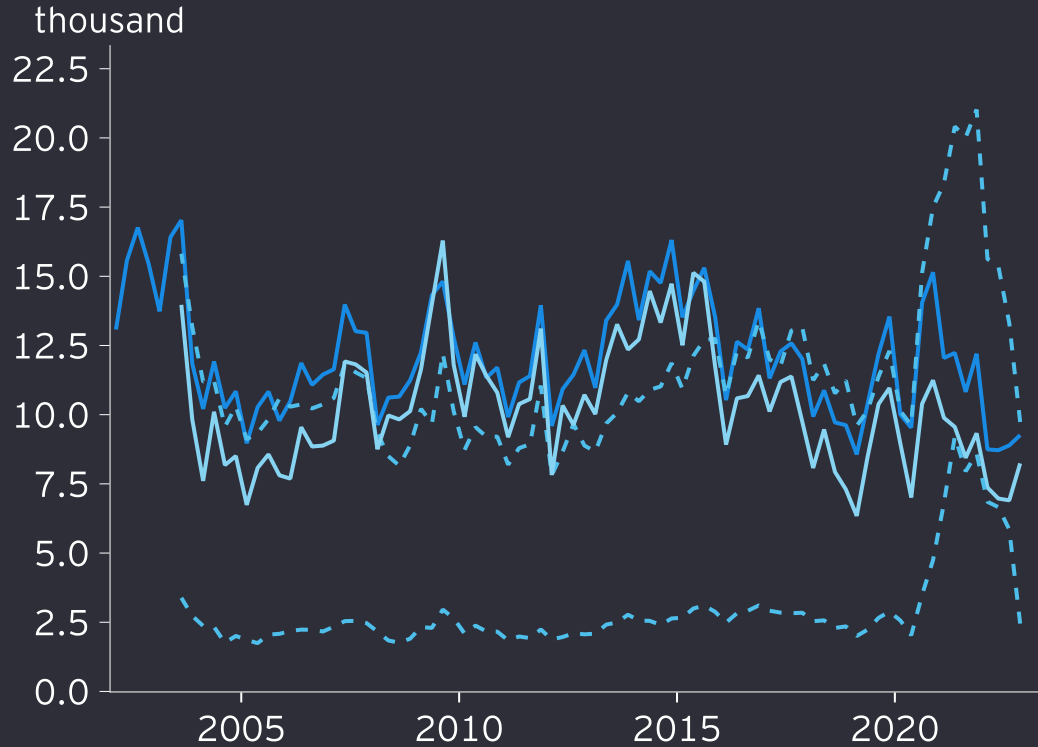
Sydney asking rents and vacancy rate



Source: SQM, Macrobond

Dwelling transfers are falling and completions lagging as disruptions persist

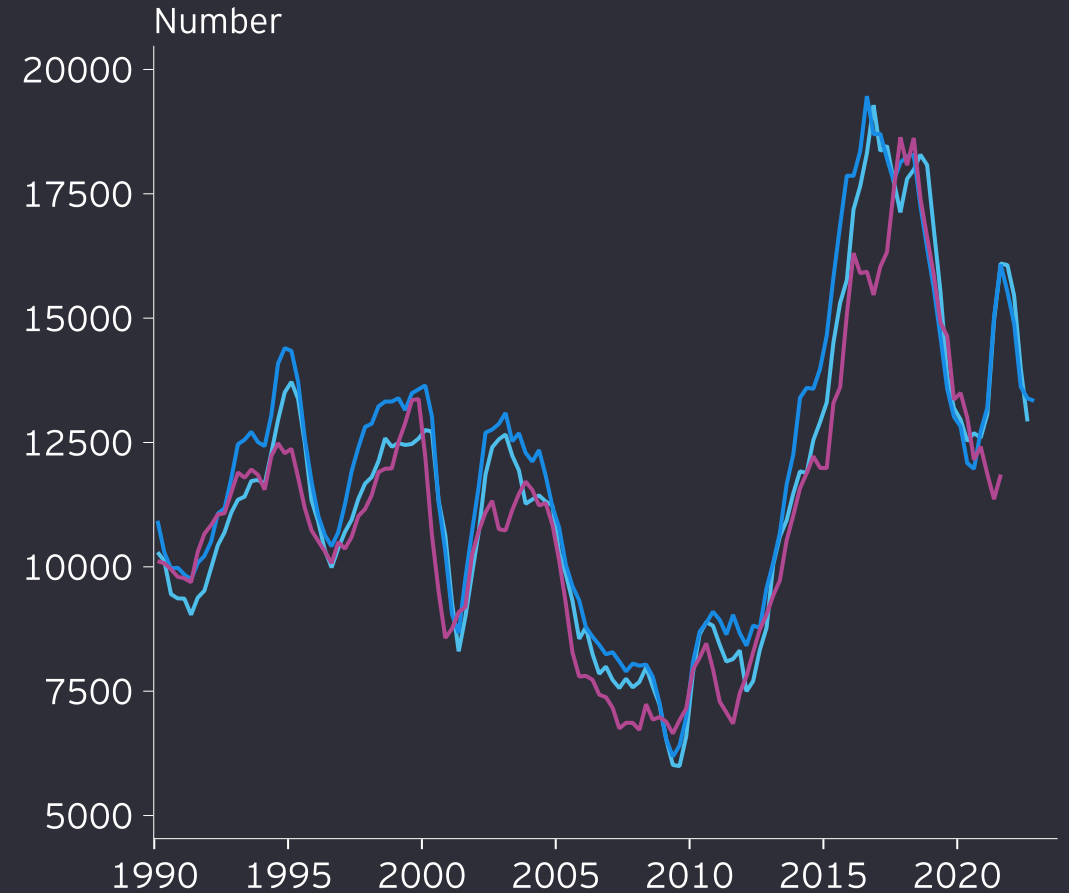
House and attached dwelling transfers, NSW



- Apartments - Rest of NSW
- Apartments - Sydney
- Established Houses - Rest of NSW
- Established Houses - Sydney

Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - NSW



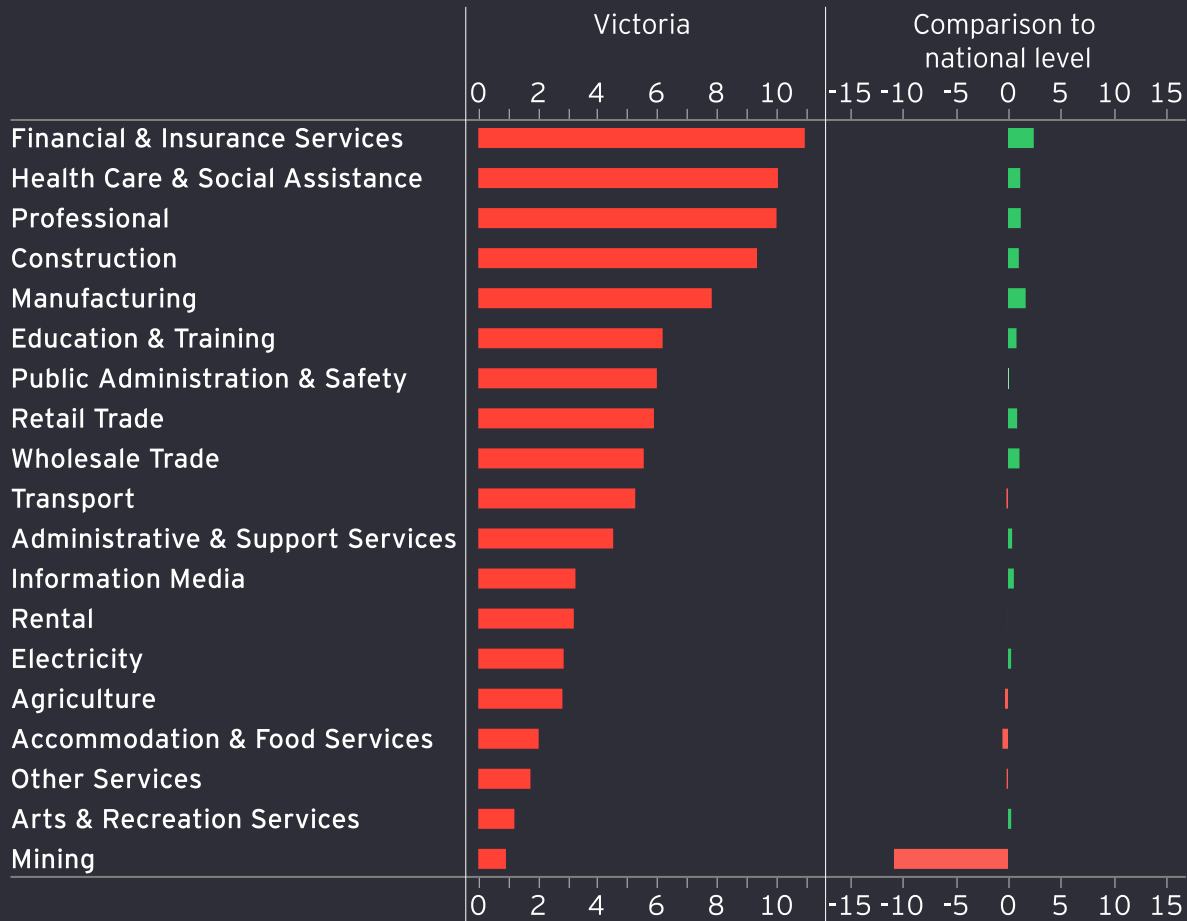
- Total completions (1y lag)
- Total approvals
- Total starts

Source: ABS, Macrobond, EY

Victoria

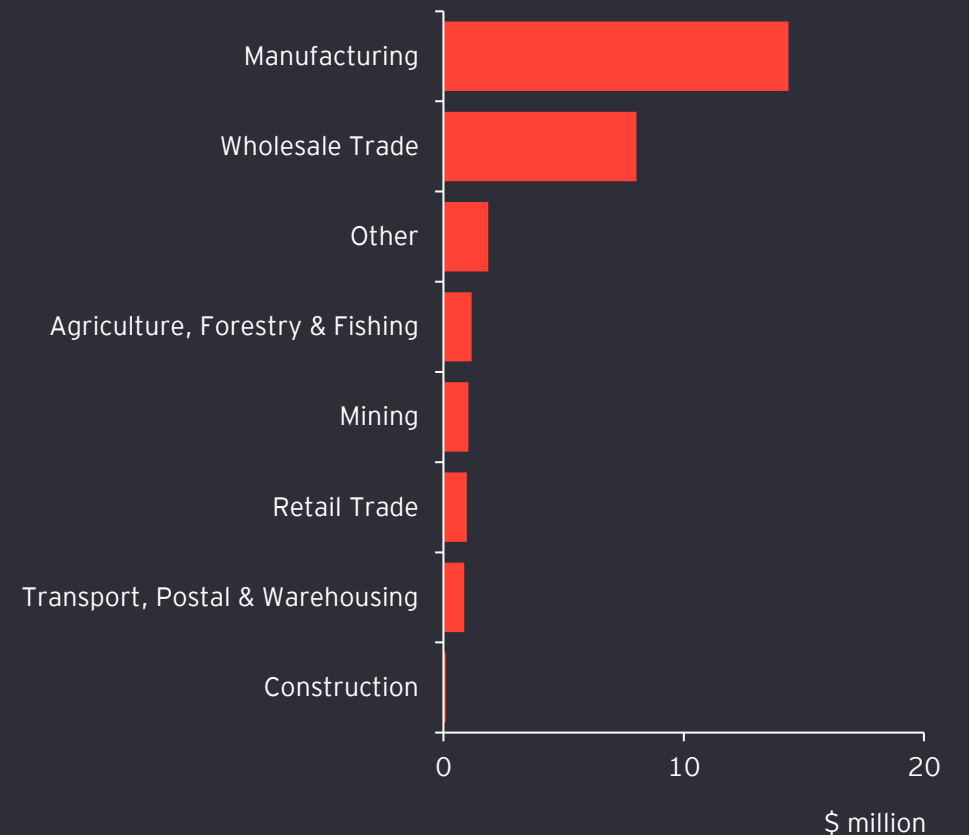
The industry structure in Victoria is broadly based

VIC industry share (FY22) and comparison to national industry share (Q3 2022)



Source: ABS, Macrobond, EY

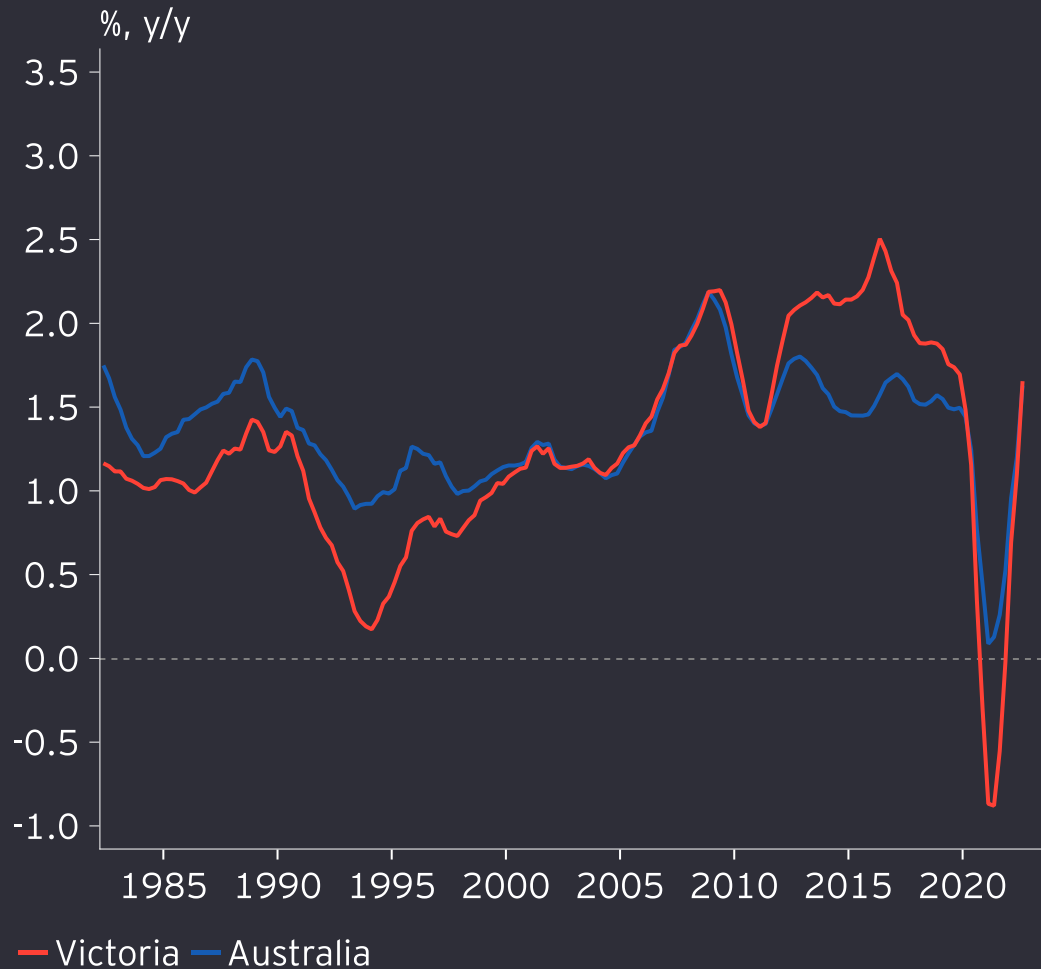
Value of merchandise exports by industry of exporter (Victoria, FY20)



Source: ABS, EY

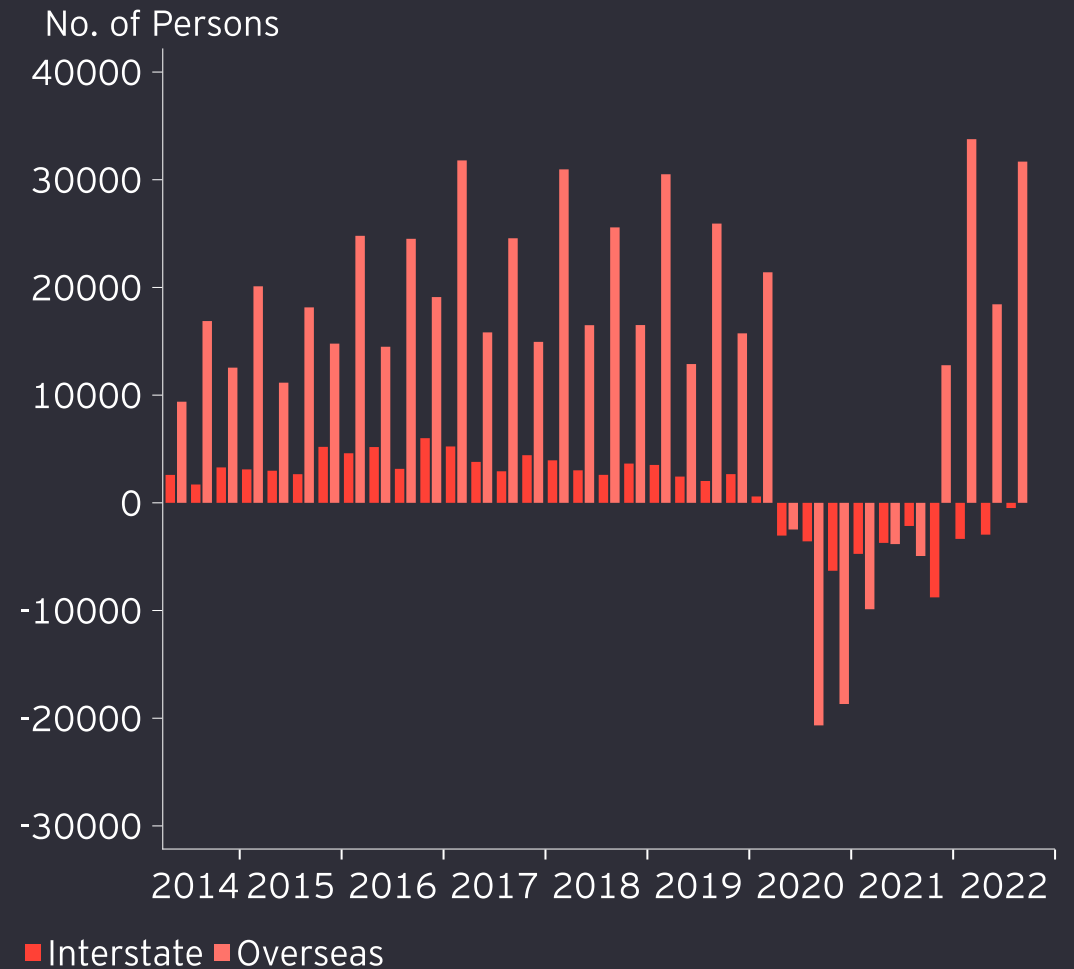
Victoria's population declined over the past two years but is now recovering

Estimated resident population



Source: ABS, Macrobond, EY

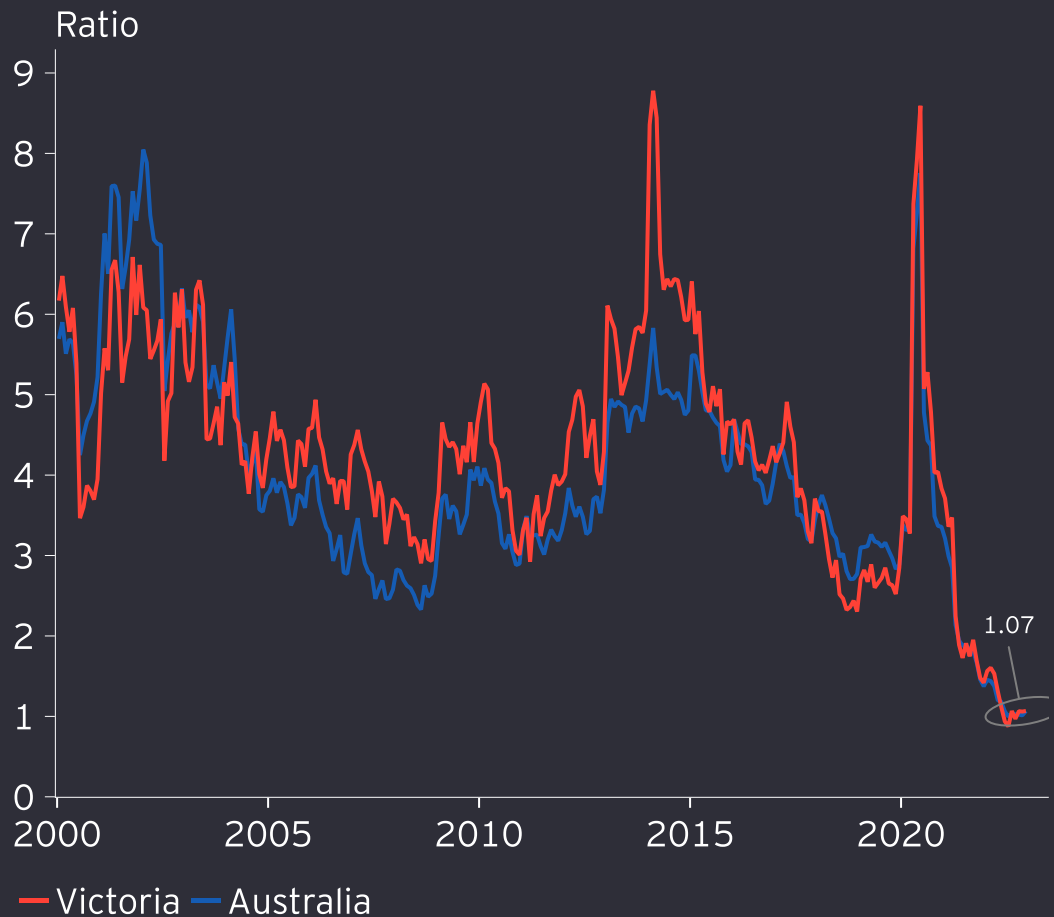
Net Migration, Victoria



Source: ABS, Macrobond, EY

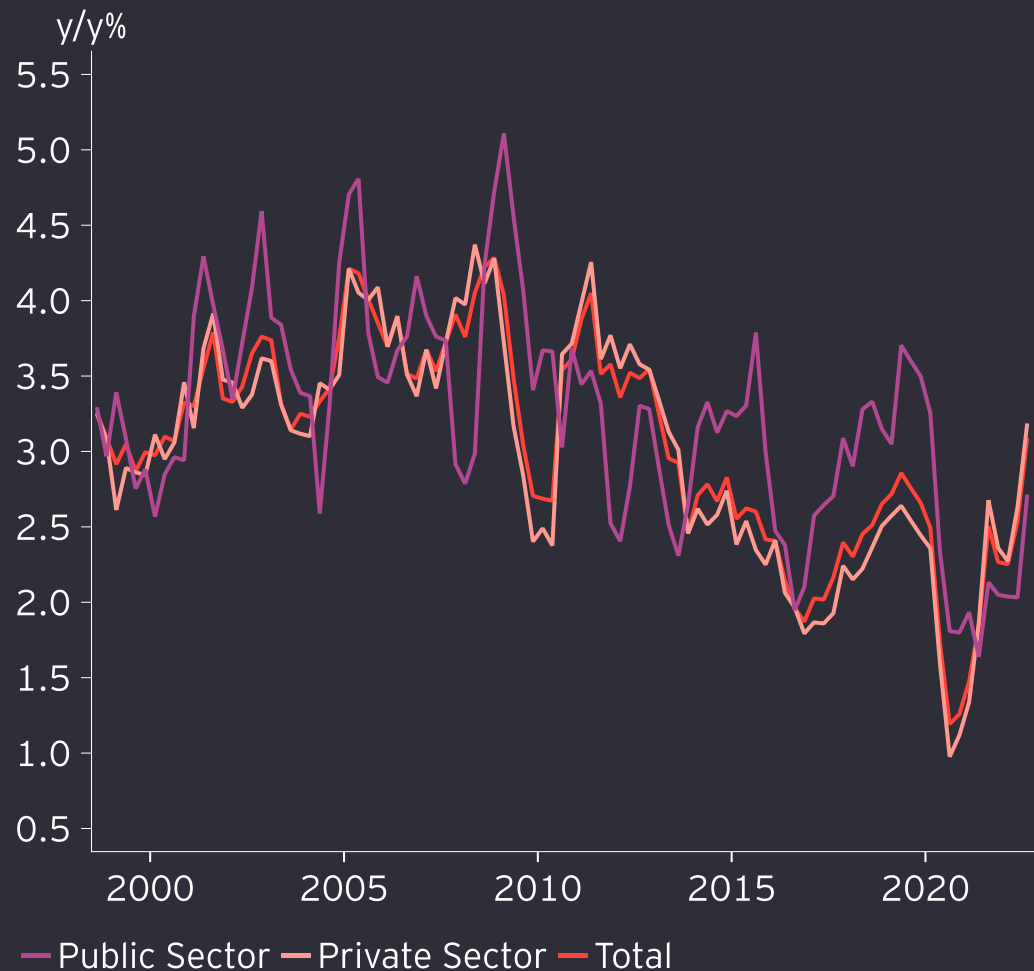
The labour market is tight, with as many job vacancies as unemployed people

Number of unemployed people for each job vacancy, Victoria



Source: ABS, Macrobond, EY

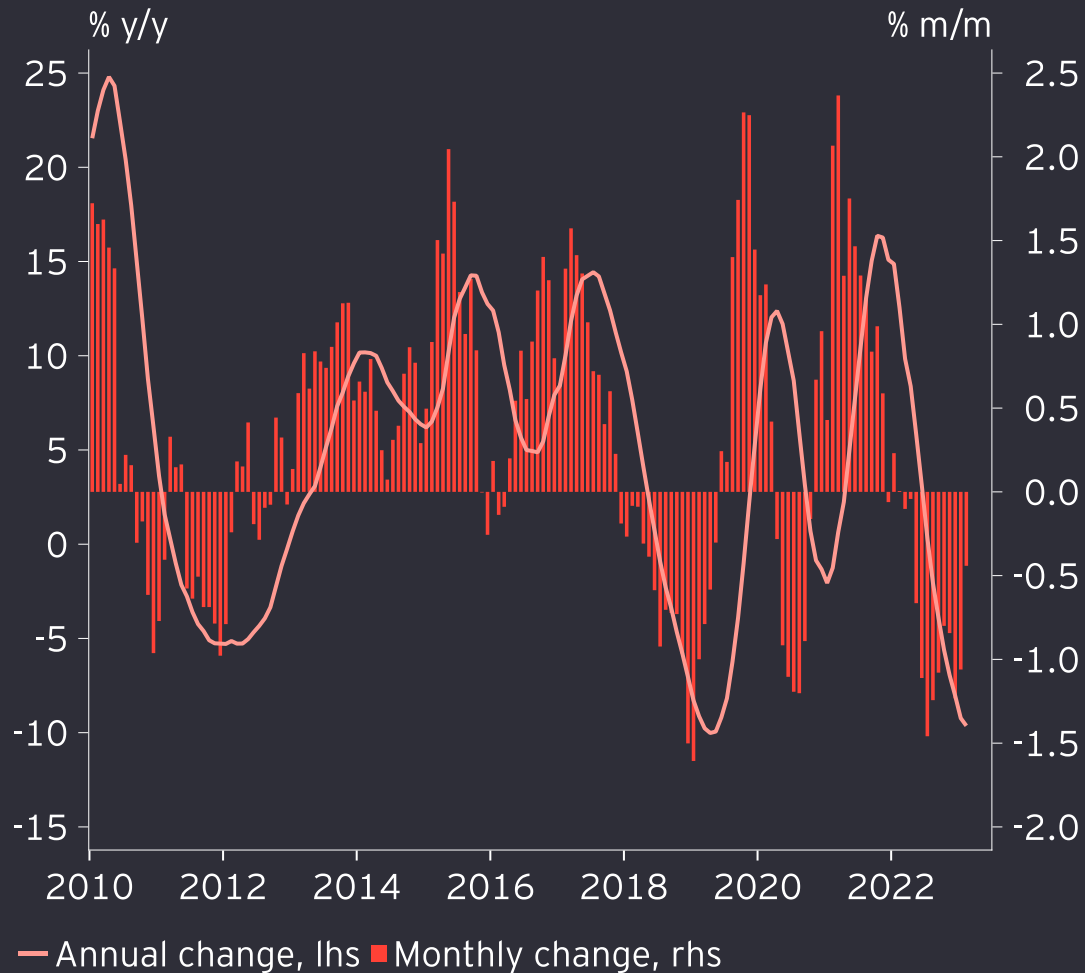
VIC Wage Price Index



Source: ABS, Macrobond, EY

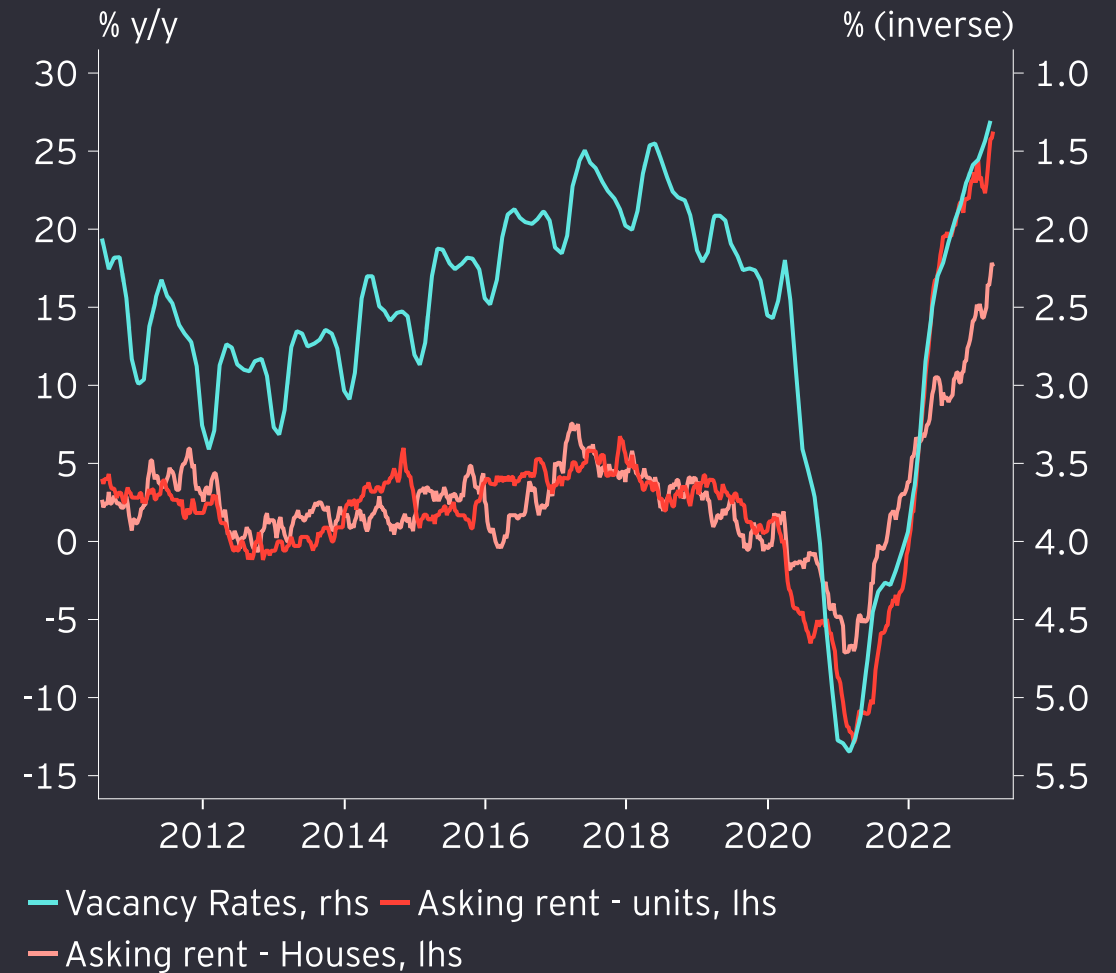
Housing prices have fallen in Melbourne, while rental price growth is still strong

Greater Melbourne dwelling prices



Source: Corelogic, Macrobond, EY

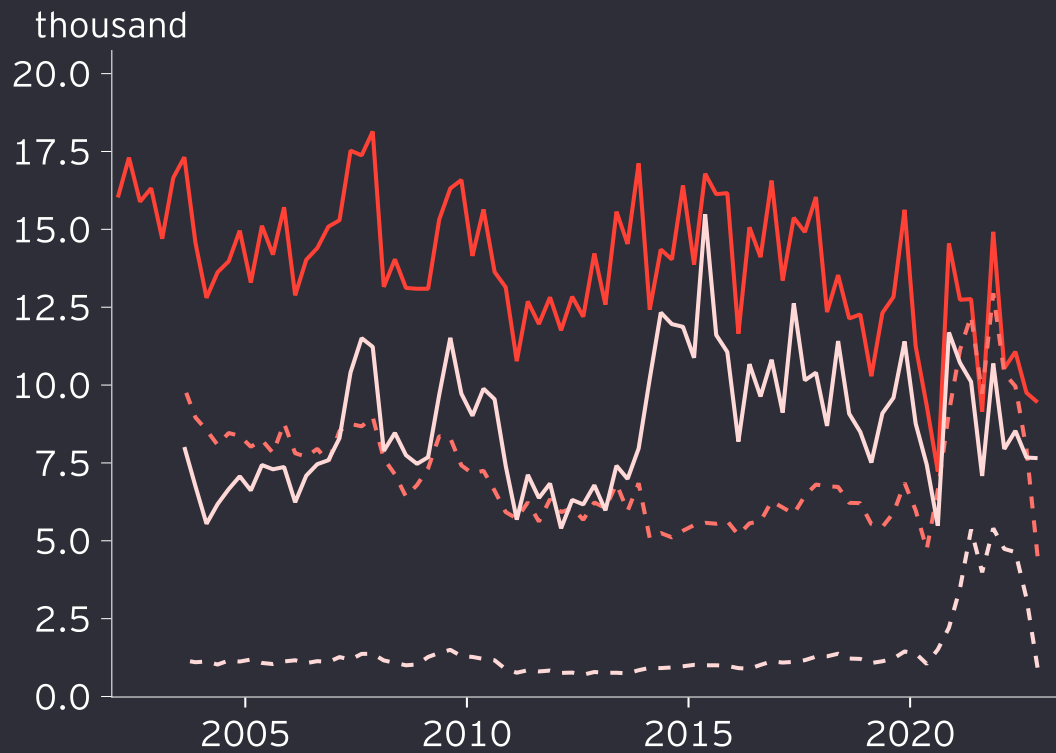
Melbourne asking rents and vacancy rate



Source: SQM, Macrobond, EY

Dwelling transfers are falling and completions lagging as disruptions persist

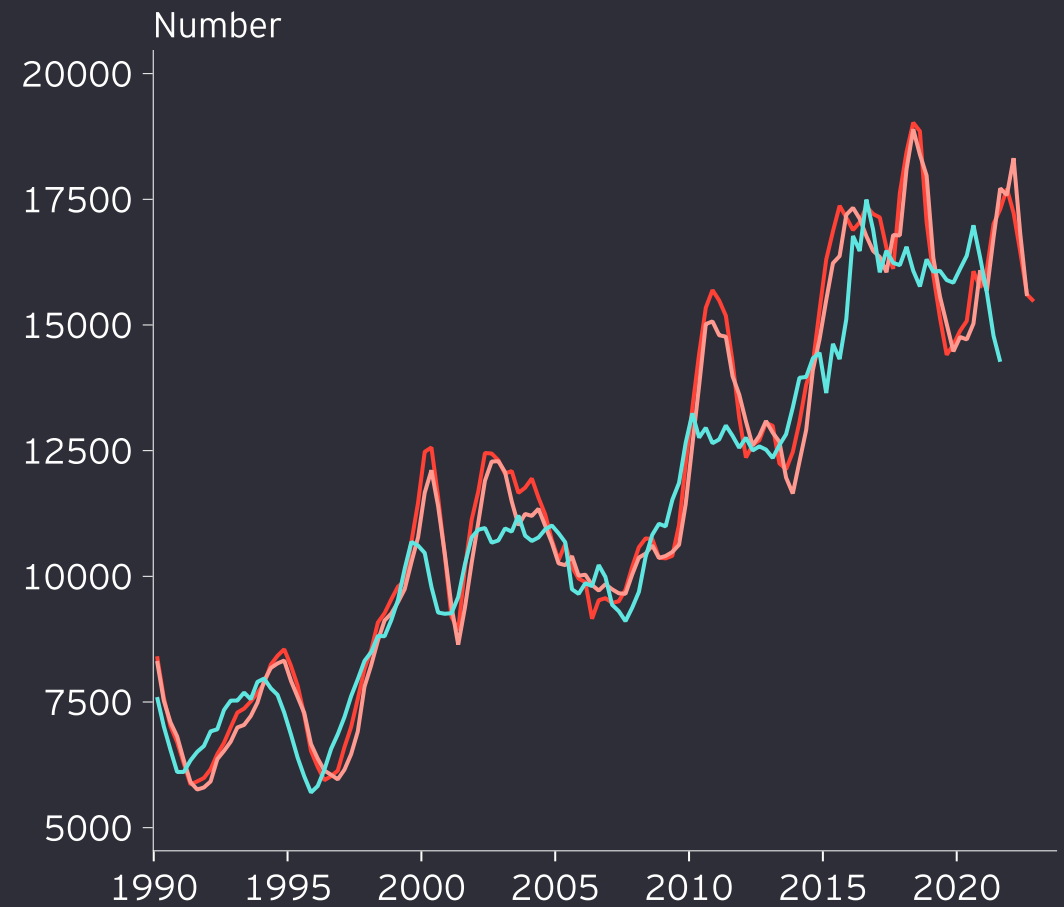
House and attached dwelling transfers, VIC



- Apartments - Rest of Vic
- Apartments - Melbourne
- - Established Houses - Rest of Vic
- Established Houses - Melbourne

Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - VIC



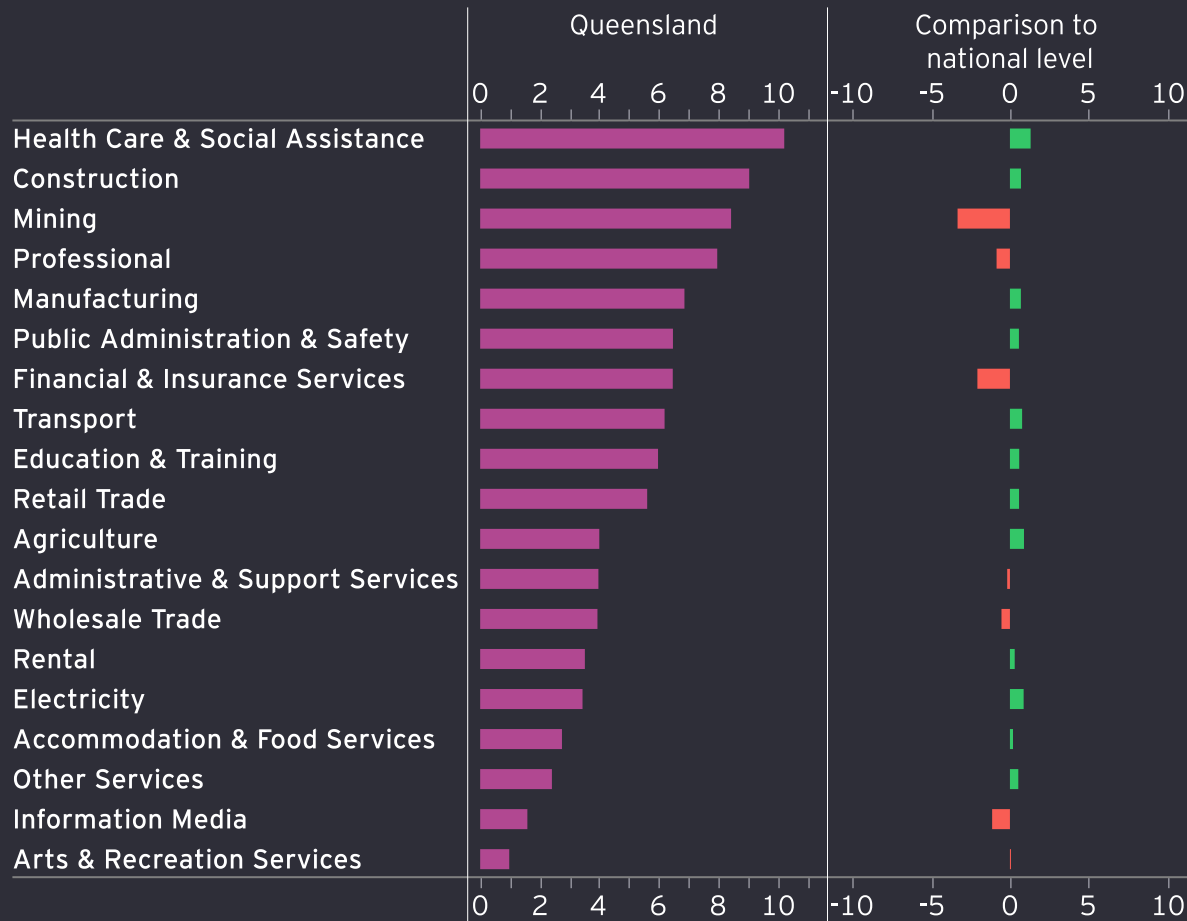
- Completed (1y lag)
- Starts
- Approved

Source: ABS, Macrobond, EY

Queensland

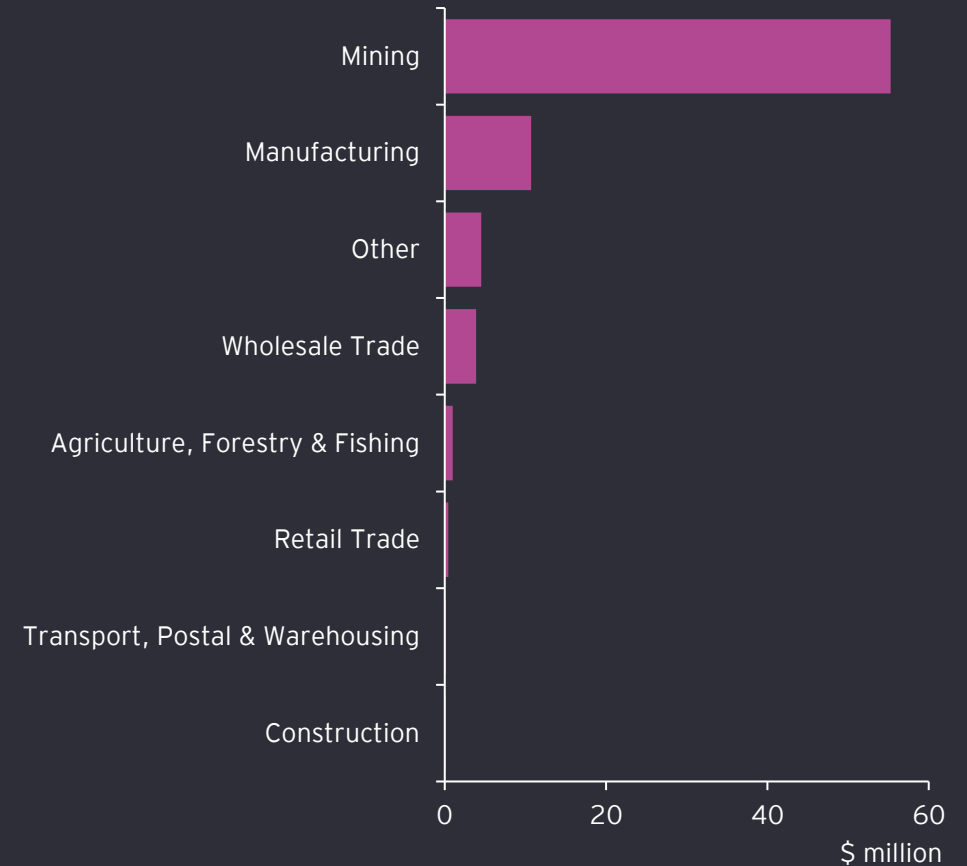
Healthcare and social assistance makes up more than 10% of the Qld economy

QLD industry share (FY22) and comparison to national industry share (Q3 2022)



Source: ABS, Macrobond, EY

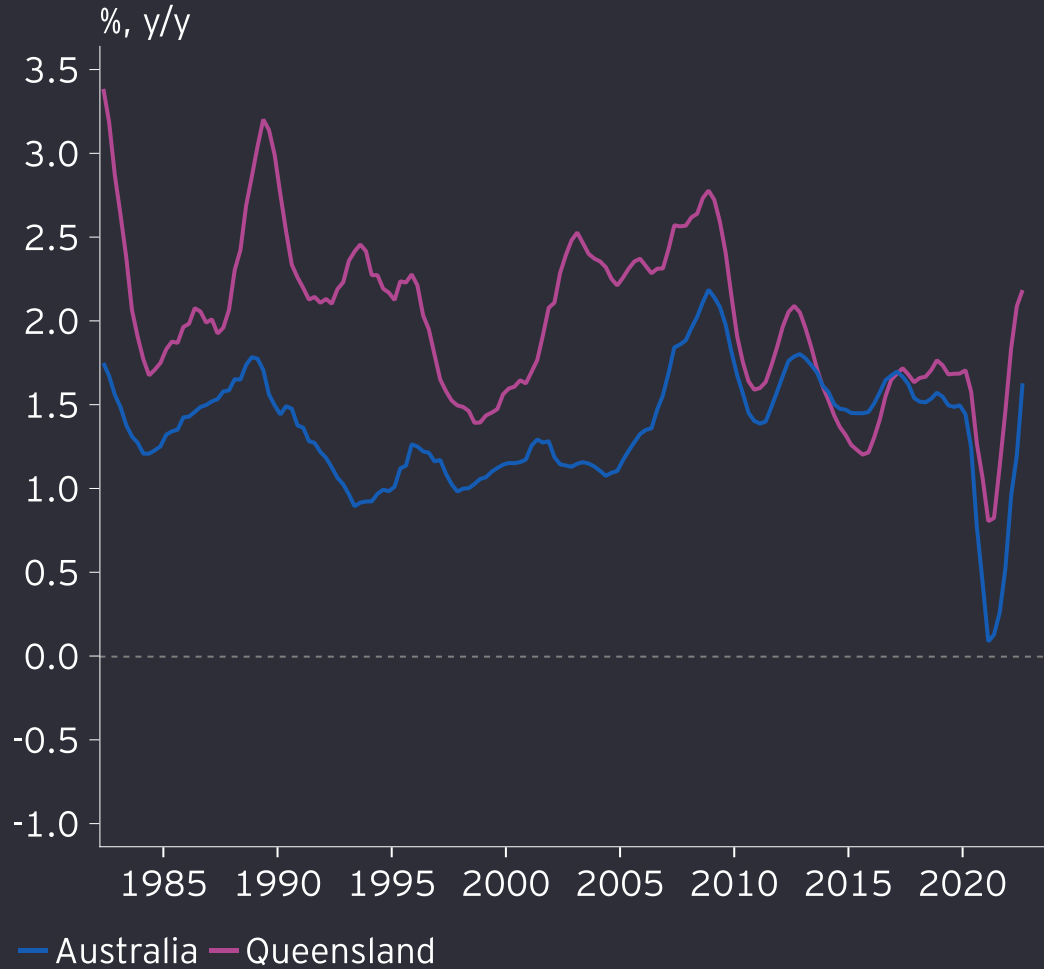
Value of merchandise exports by industry of exporter (Queensland, FY20)



Source: ABS, EY

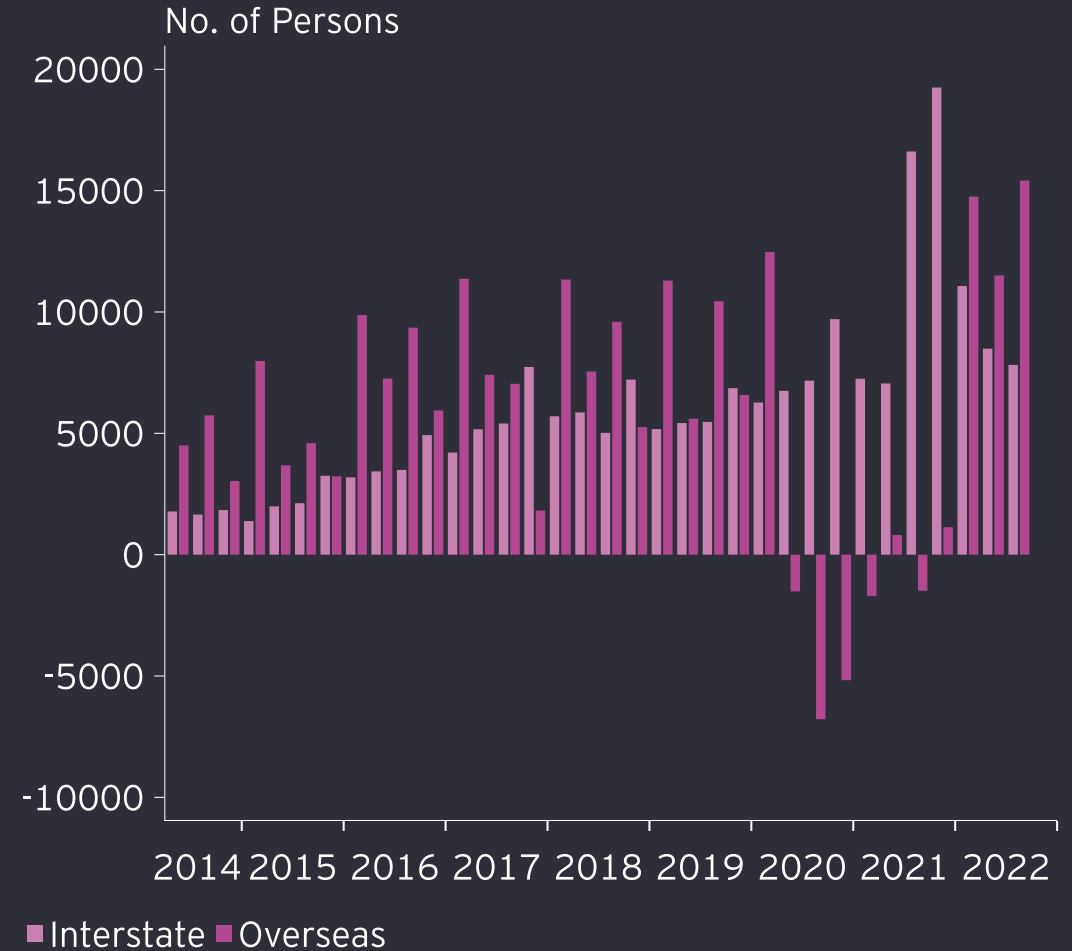
Qld has the highest population growth, driven by interstate migration

Estimated resident population



Source: ABS, Macrobond, EY

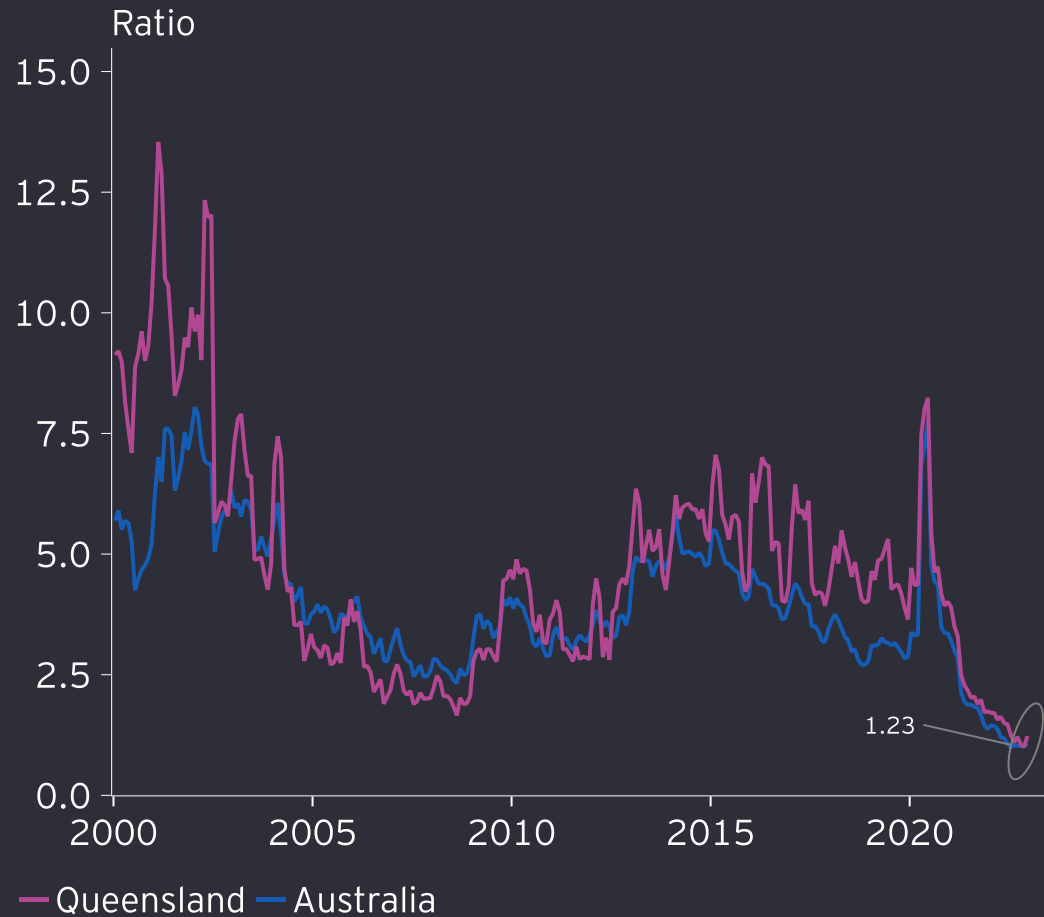
Net Migration, Queensland



Source: ABS, Macrobond, EY

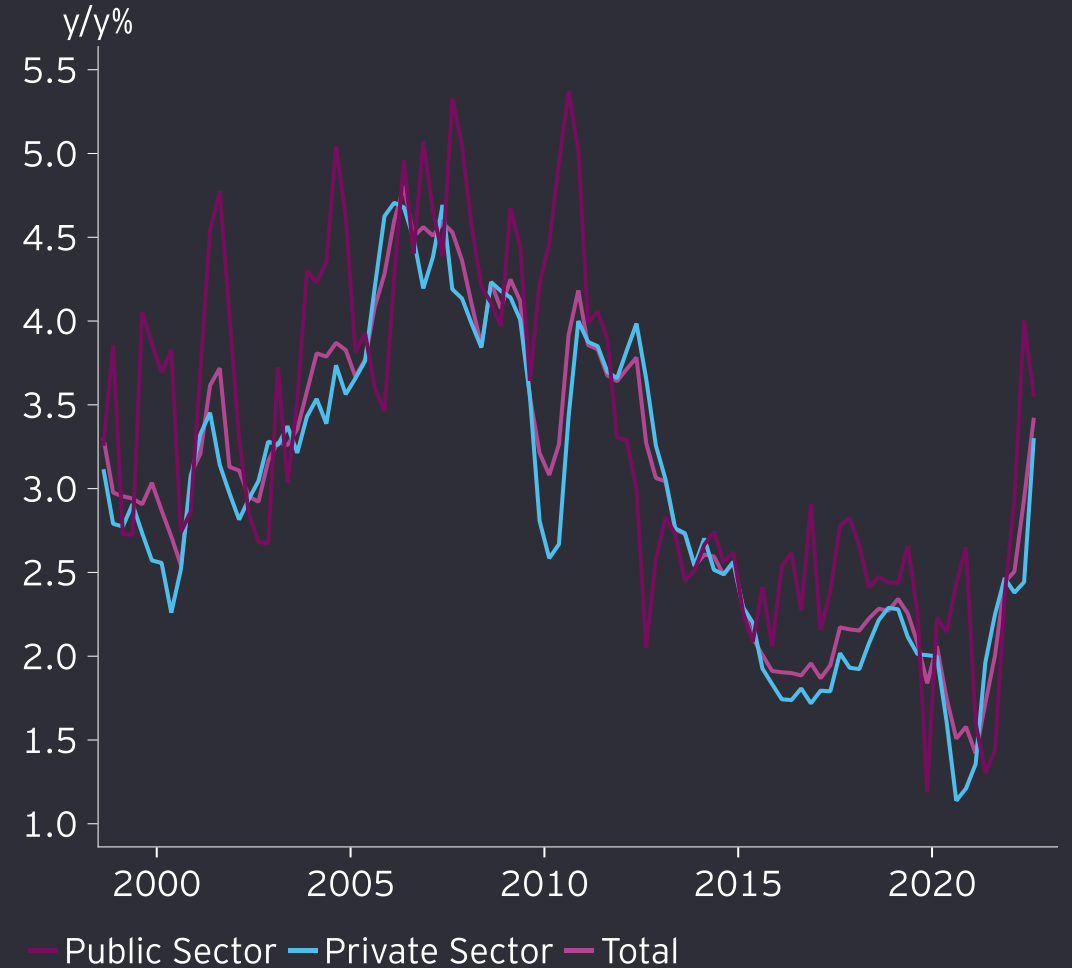
Qld the only state where public sector wages are outpacing private sector wages

Number of unemployed people for each job vacancy, Queensland



Source: ABS, Macrobond, EY

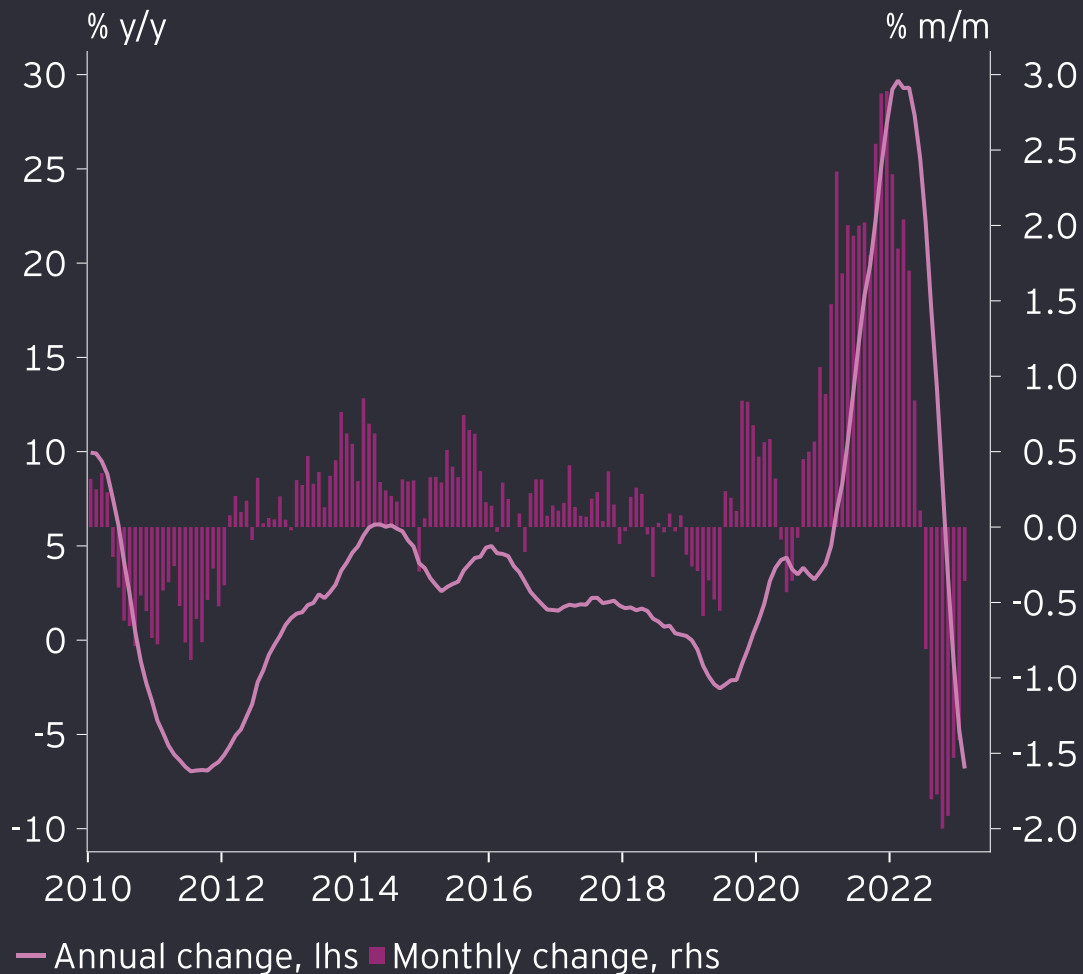
QLD Wage Price Index



Source: ABS, Macrobond, EY

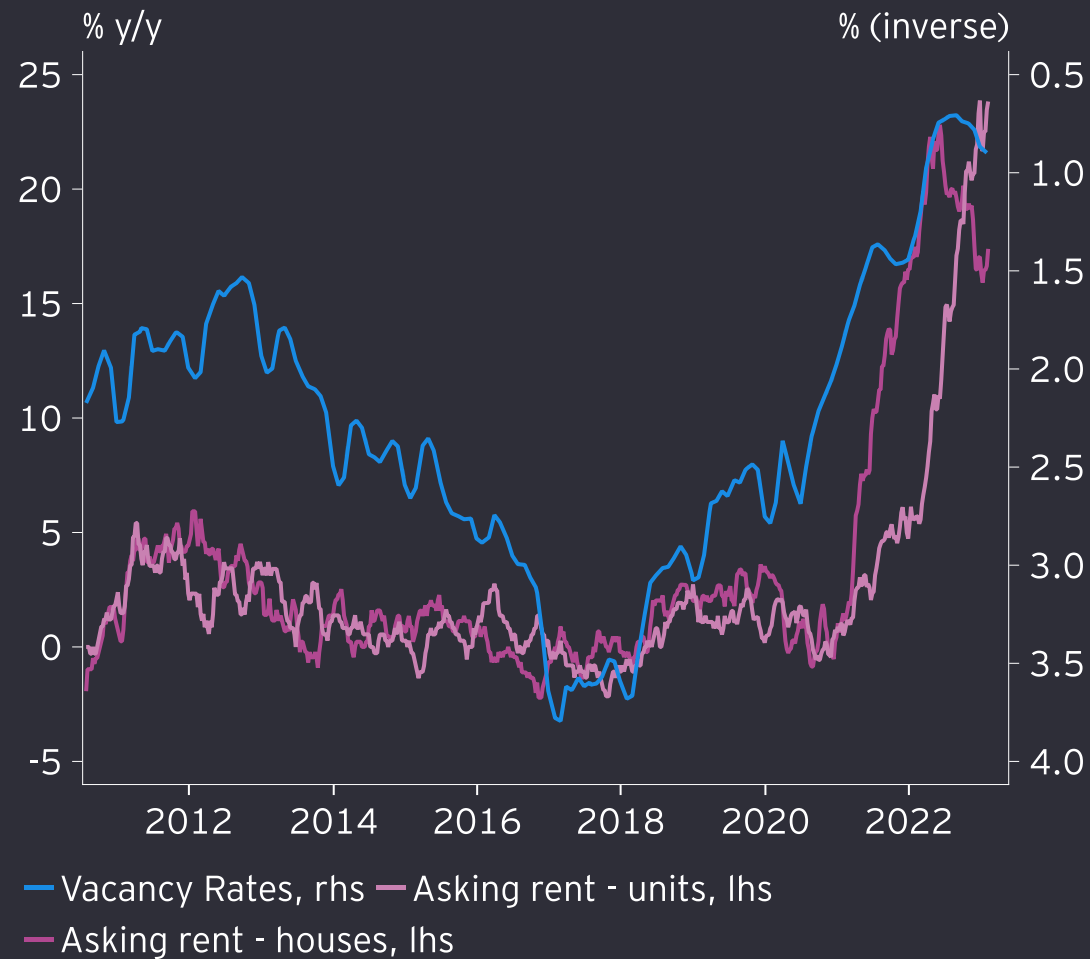
Dwelling prices have continued to fall, while rental prices remain high

Brisbane dwelling prices



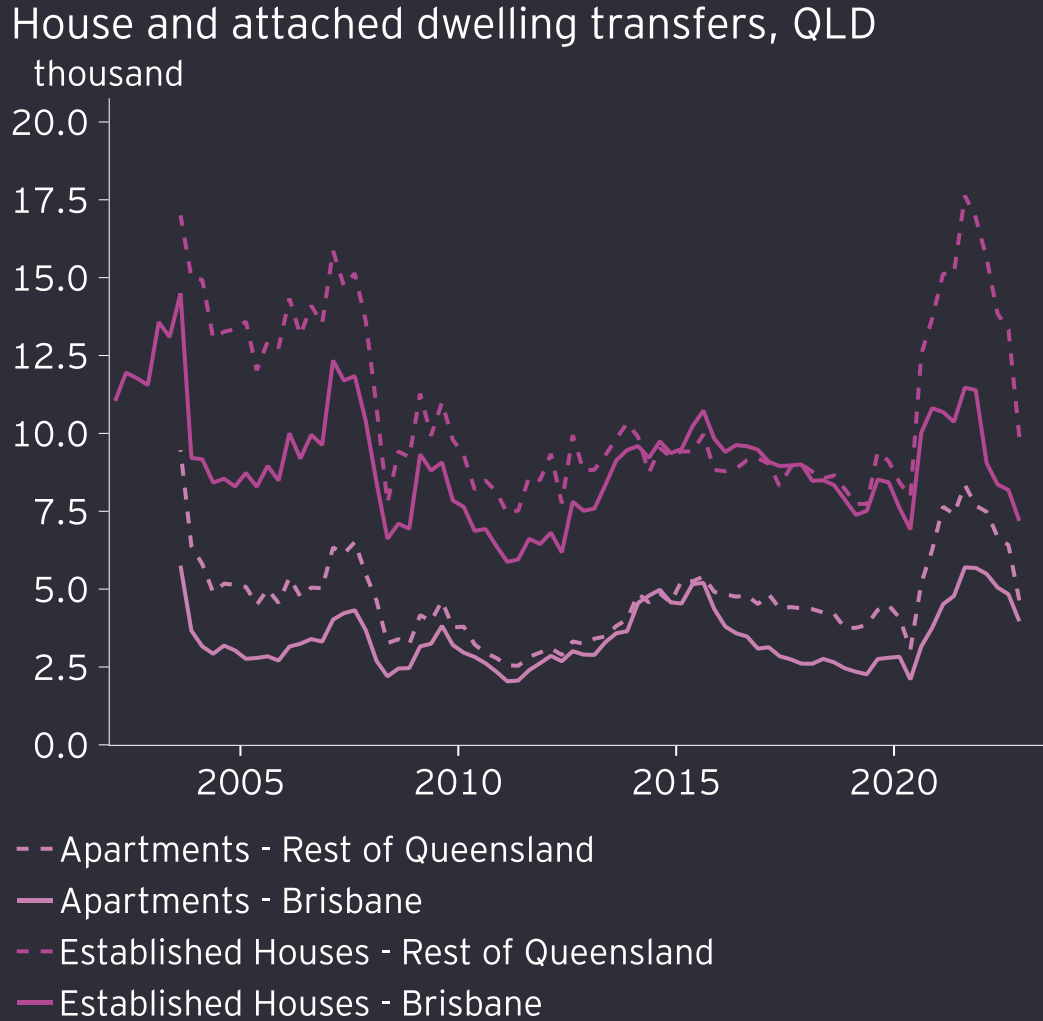
Source: CoreLogic, Macrobond, EY

Brisbane asking rents and vacancy rate

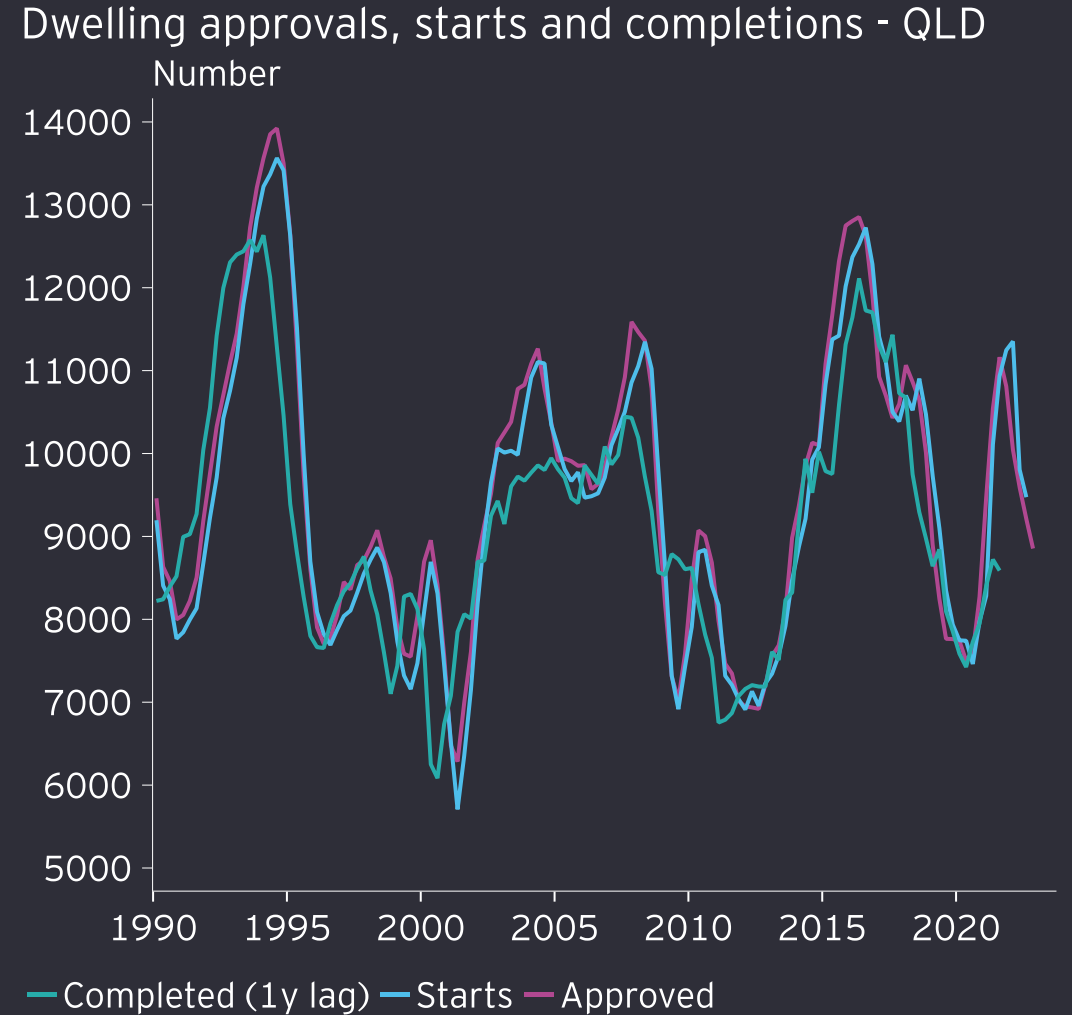


Source: SQM, Macrobond

Dwelling transfers have dropped



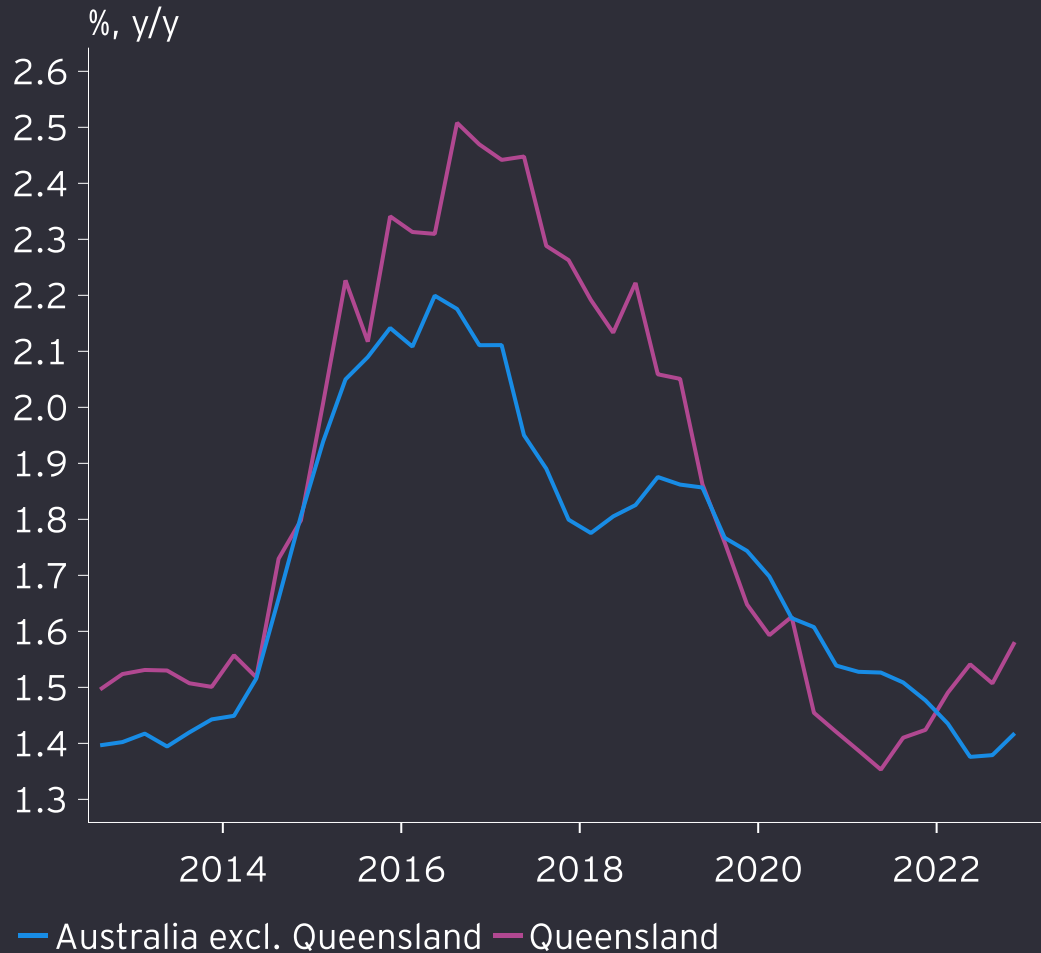
Source: ABS, Macrobond, EY



Source: ABS, Macrobond, EY

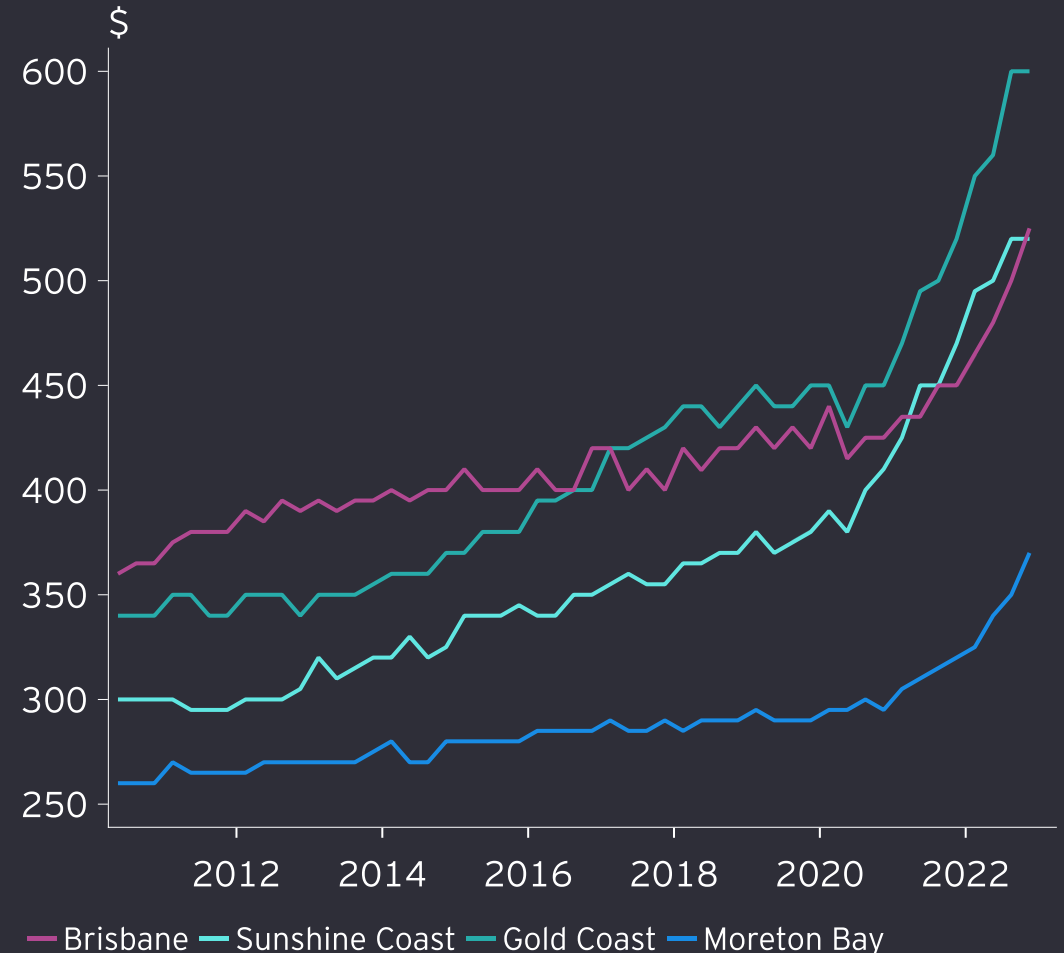
Rental prices on the Sunshine Coast are higher than Brisbane city

Housing stock



Source: ABS, Macrobond, EY

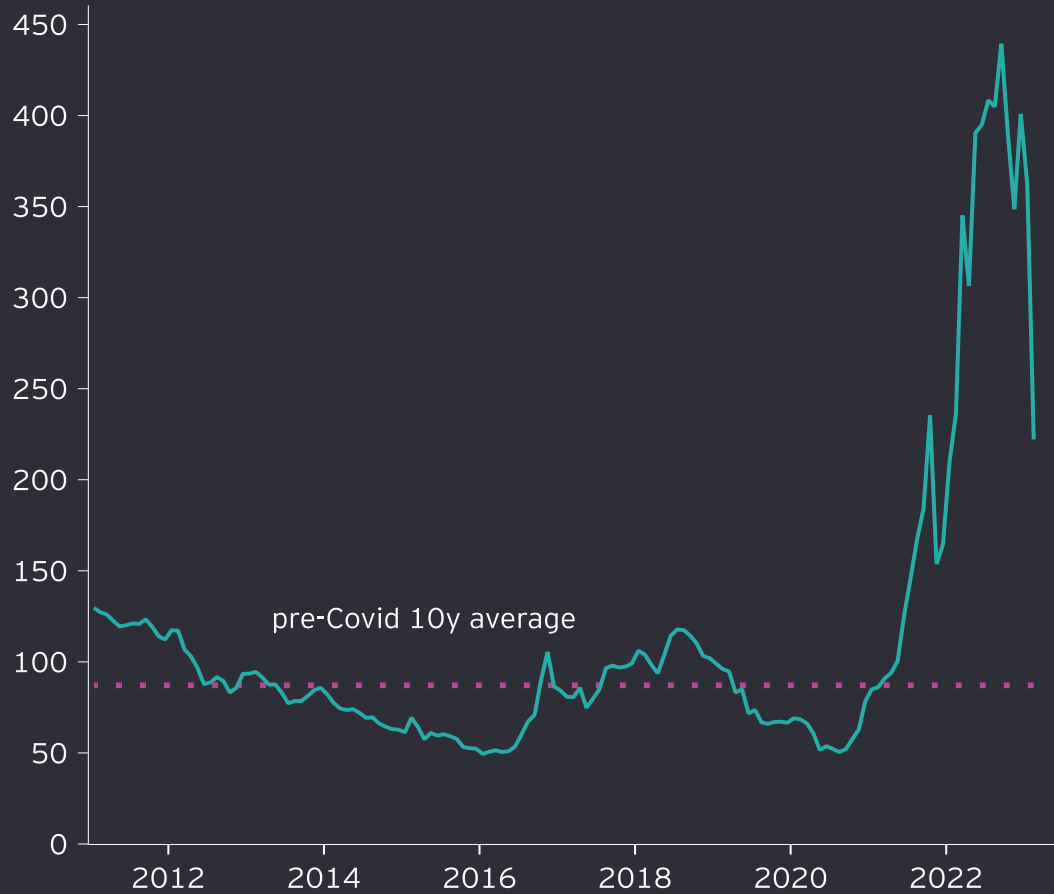
Median weekly rent for 2 bedrooms by region



Source: SQM, ABS, Macrobond, EY

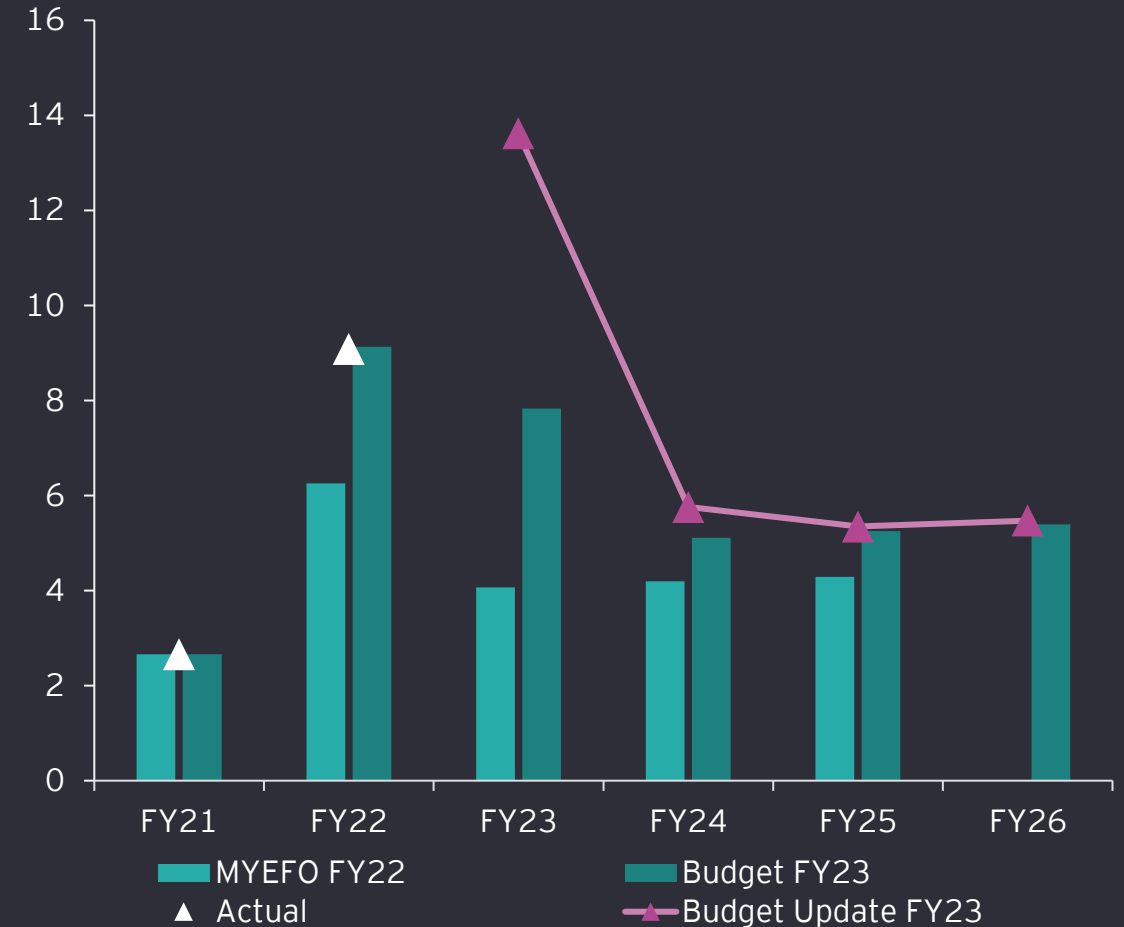
Queensland has benefitted from global price rises for its commodities

Steam Coal Spot Price, FOB Newcastle
USD/tonne



Source: World Bank, Hamburg Institute of International Economics, Macrobond

Queensland royalties and land rents
\$ billion

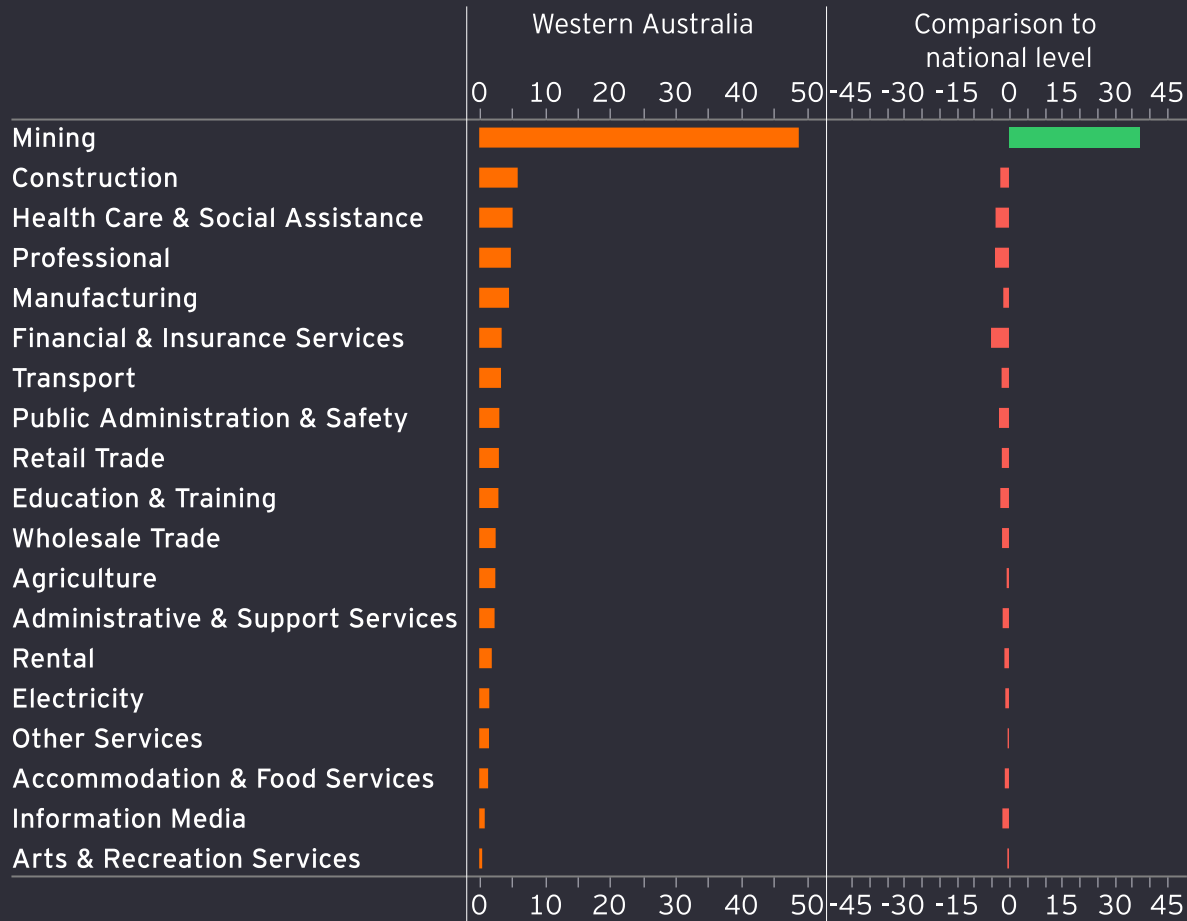


Source: State Budget Papers, EY

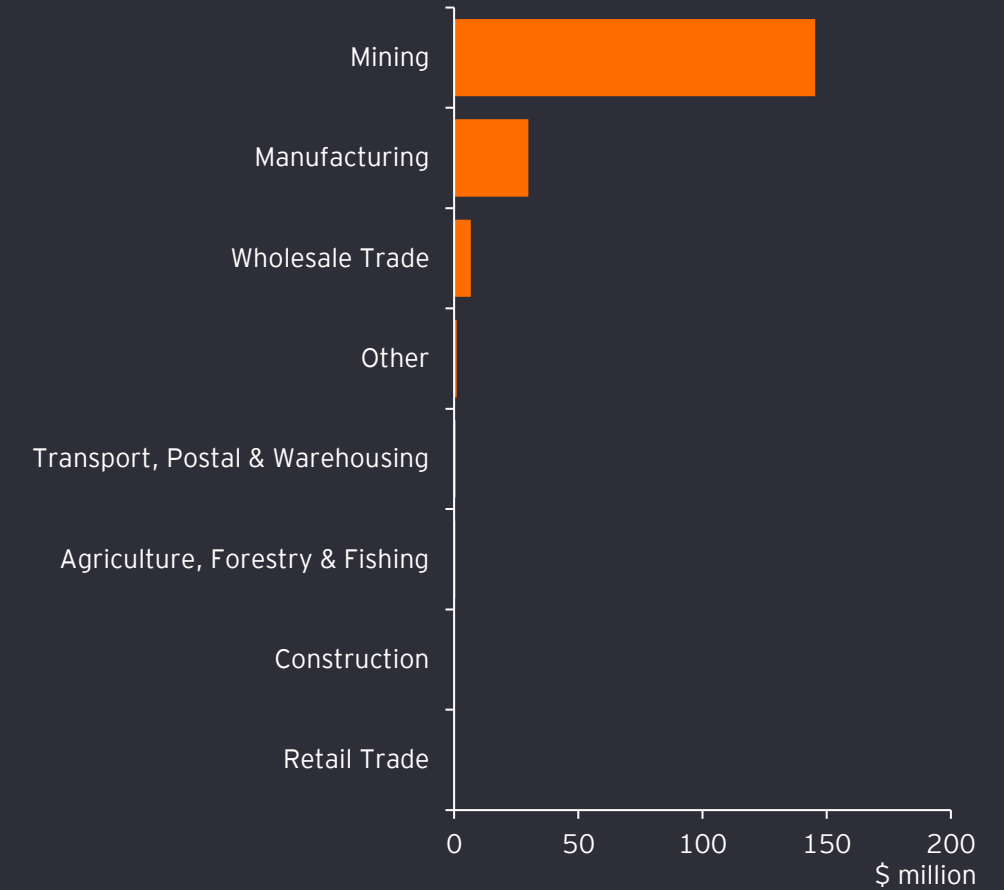
Western Australia

Mining makes up more than 45% of the WA economy

WA industry share (FY22) and comparison to national industry share (Q3 2022)



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

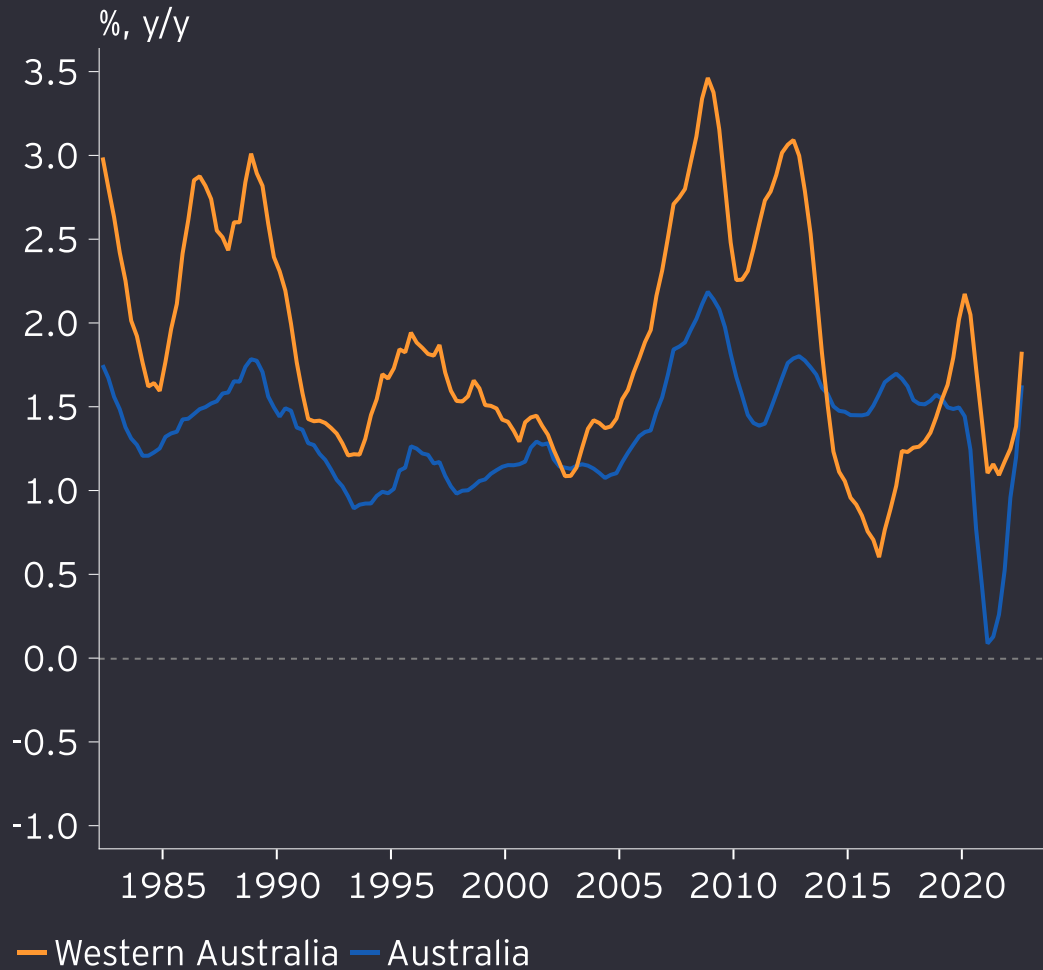


Source: ABS, Macrobond, EY

Source: ABS, EY

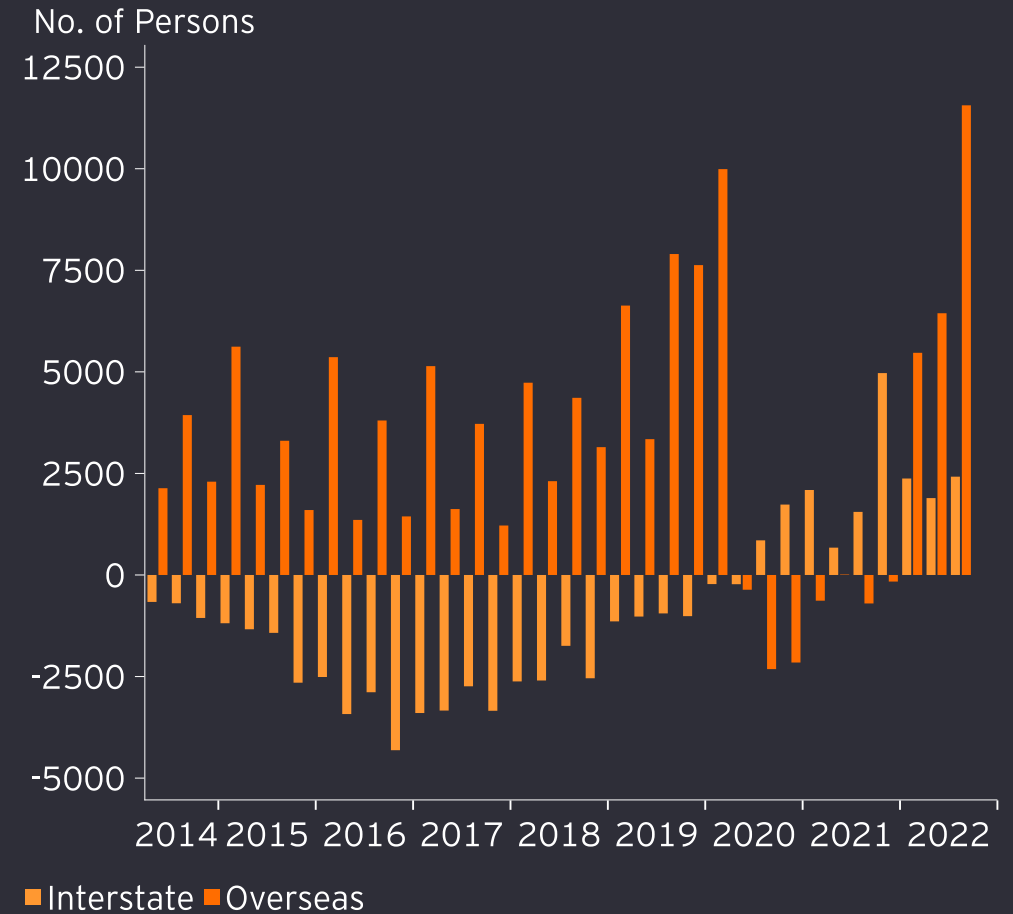
WA's population growth is strongly correlated to activity in the resources sector

Estimated resident population



Source: ABS, Macrobond, EY

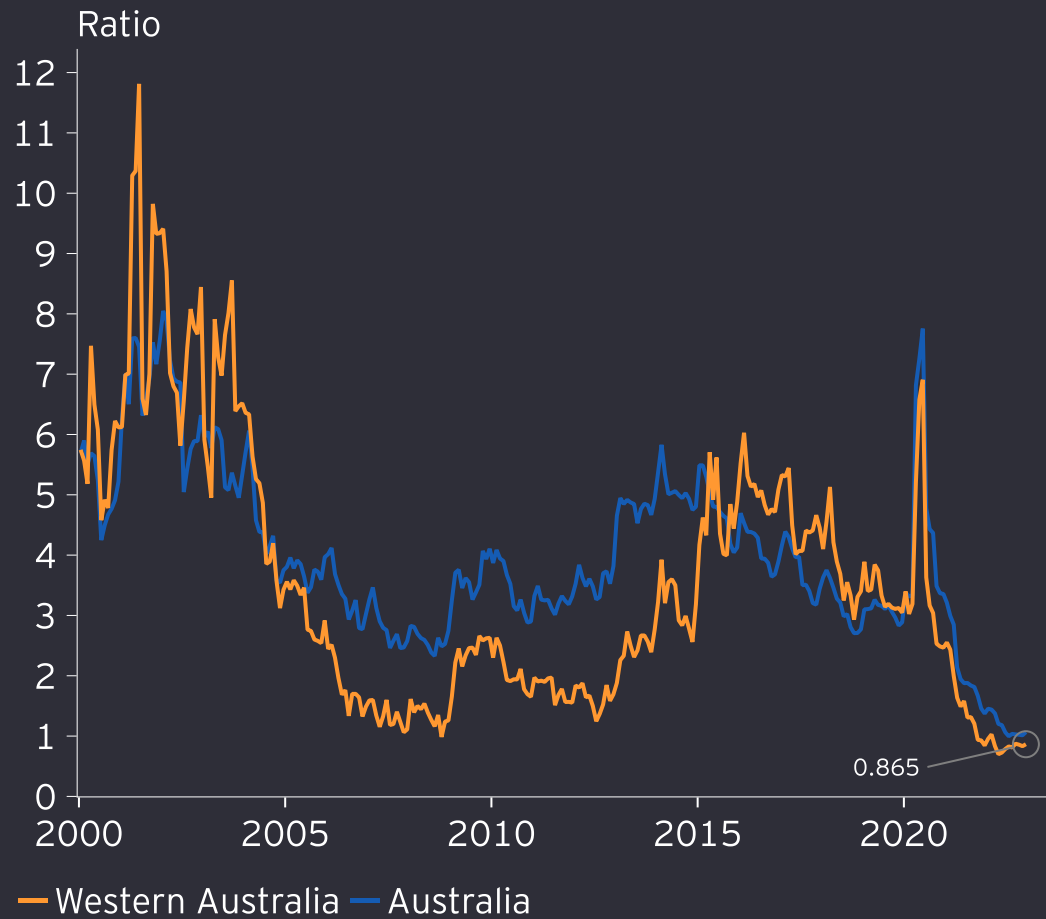
Net Migration, Western Australia



Source: ABS, Macrobond, EY

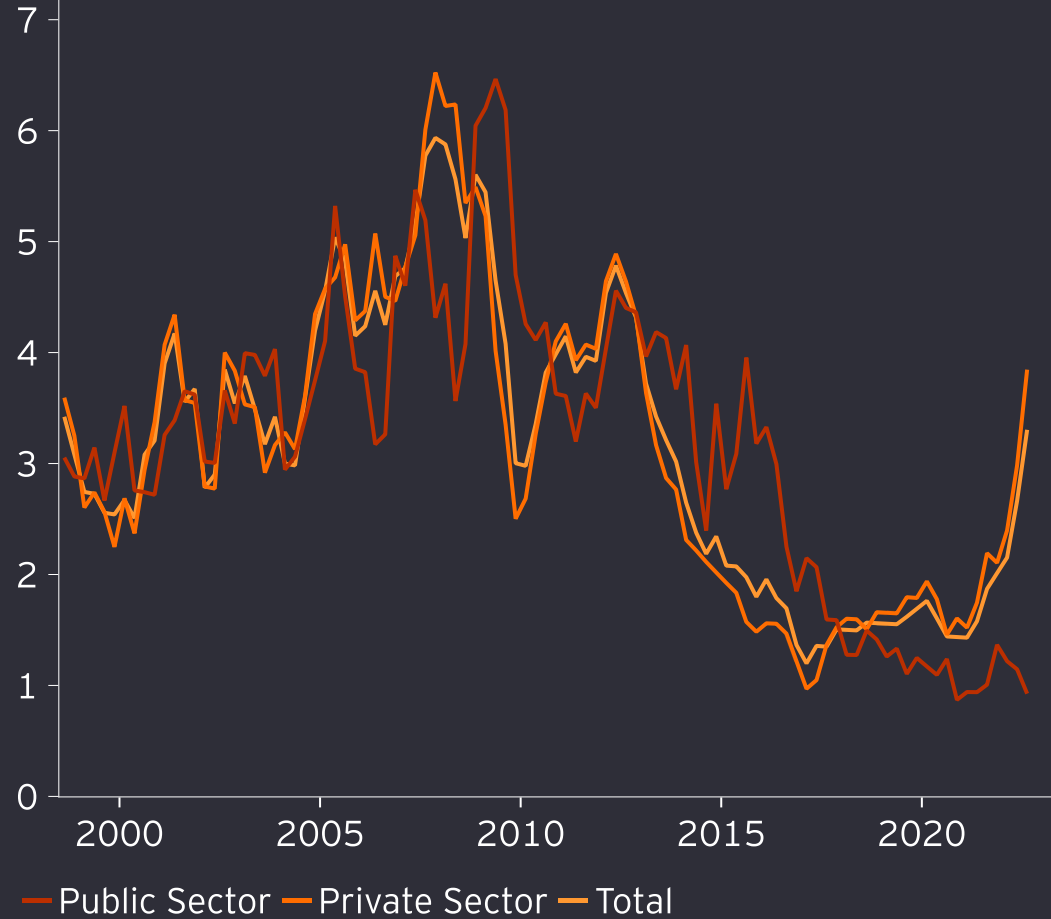
WA has one of the tightest labour markets and wages are picking up in the private sector

Number of unemployed people for each job vacancy, Western Australia



Source: ABS, Macrobond, EY

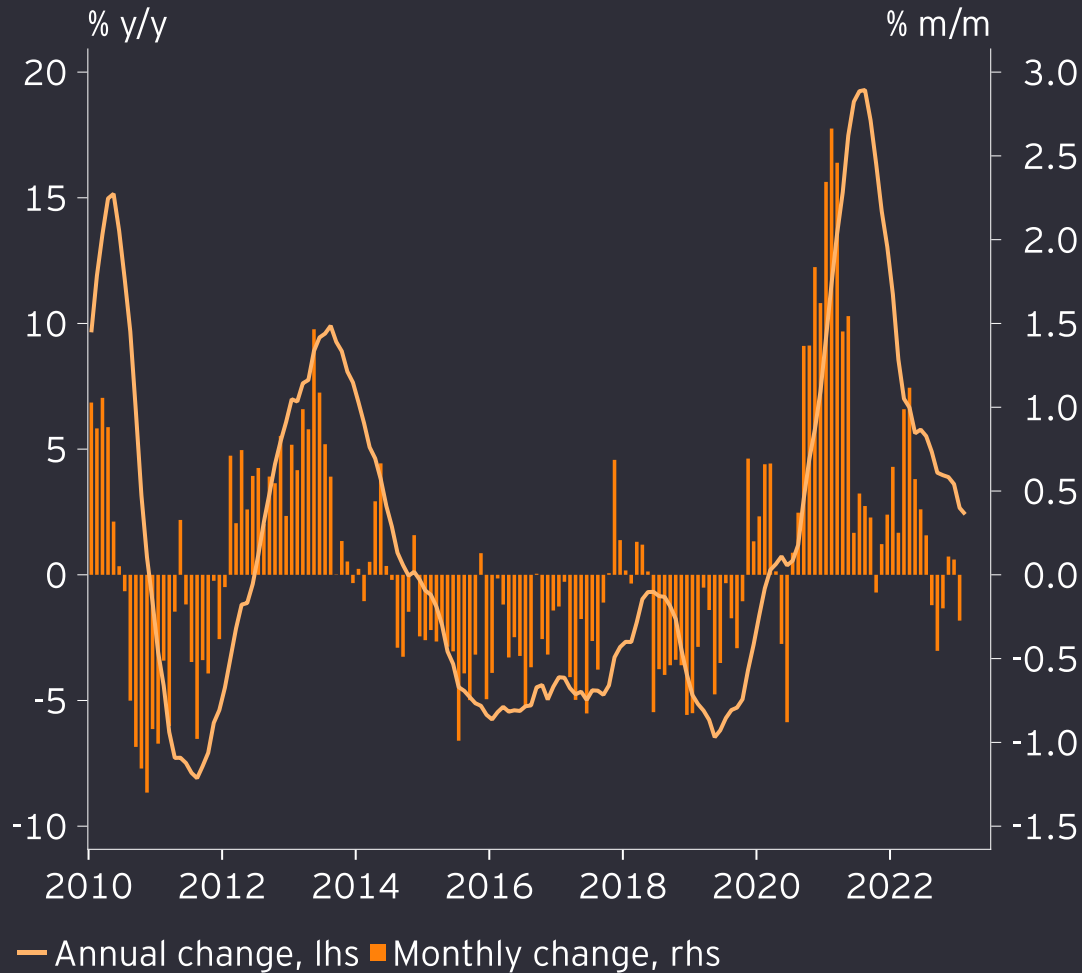
WA Wage Price Index



Source: ABS, Macrobond, EY

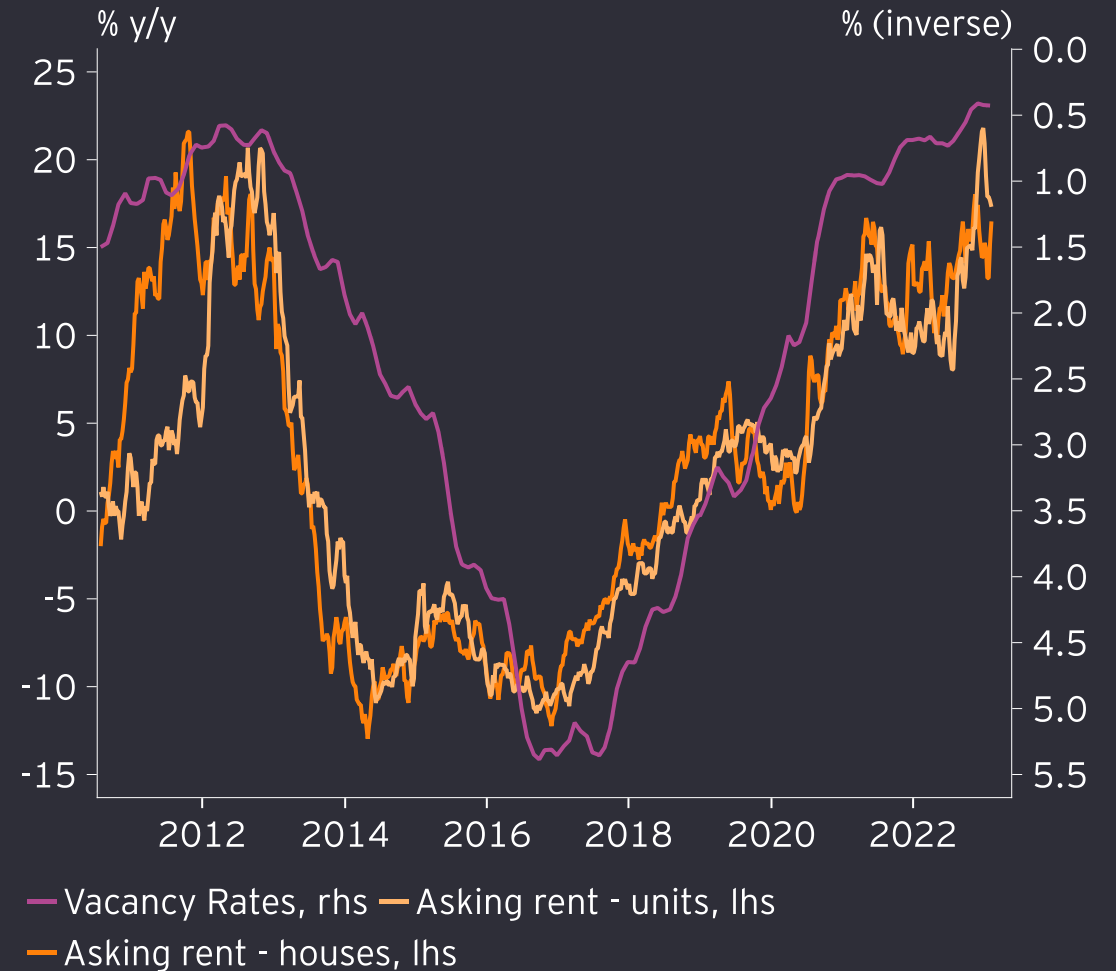
House price falls remain subdued, while the rental vacancy rate is the lowest in the country

Perth dwelling prices



Source: CoreLogic, Macrobond, EY

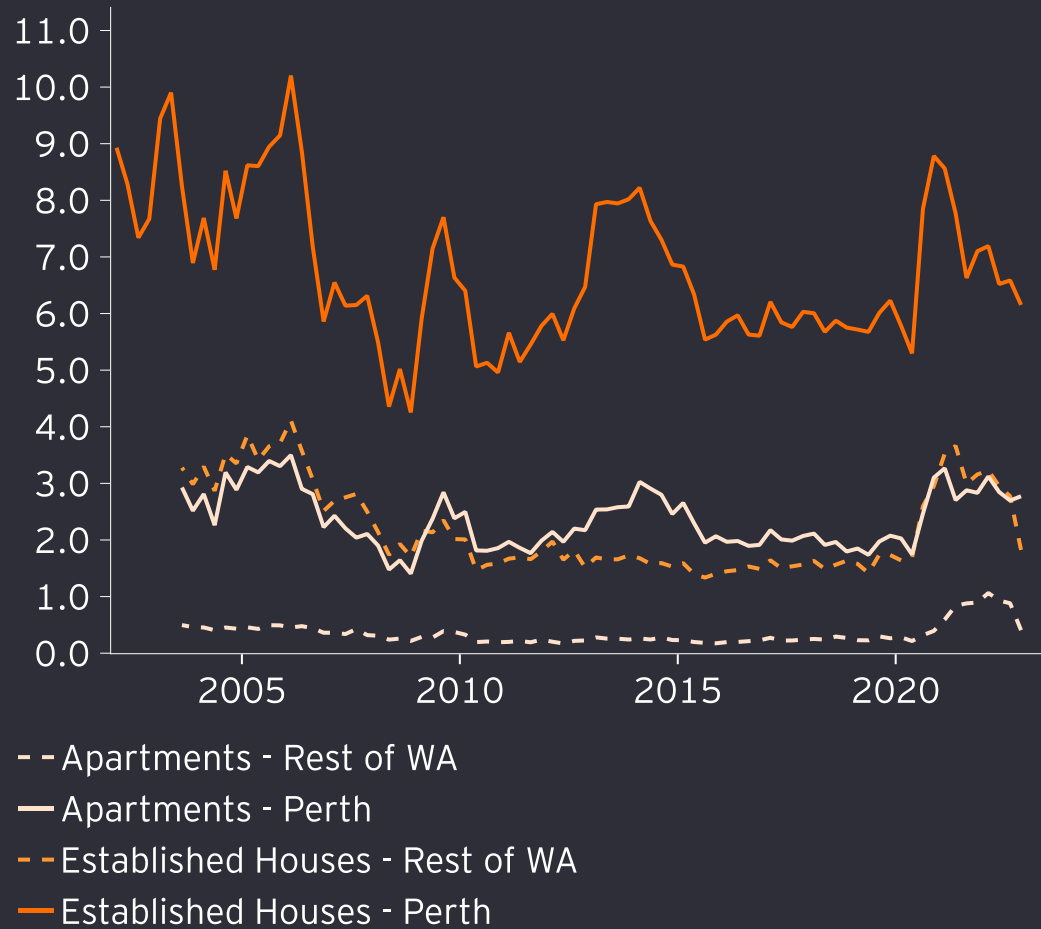
Perth asking rents and vacancy rate



Source: SQM, Macrobond, EY

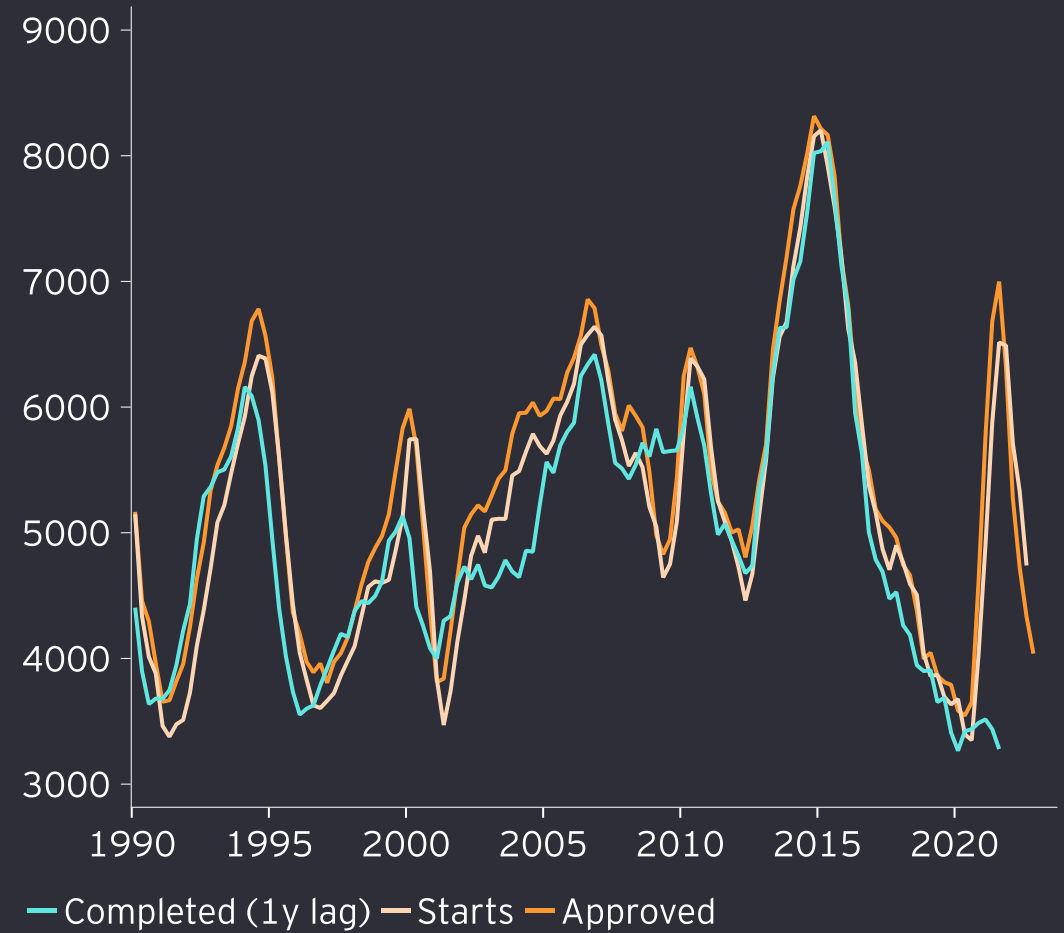
Residential construction completions continue to be hampered by skill and material shortages

House and attached dwelling transfers, WA
thousand



Source: ABS, Macrobond, EY

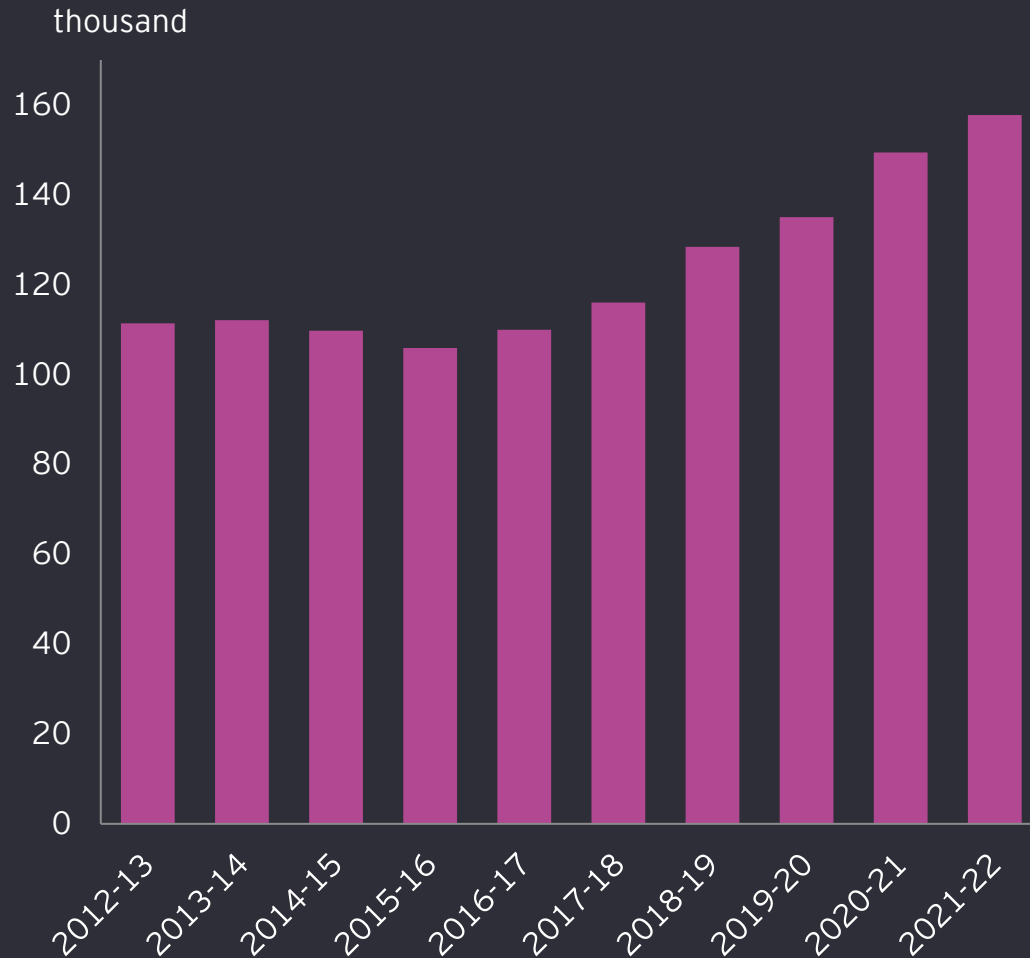
Dwelling approvals, starts and completions - WA
Number



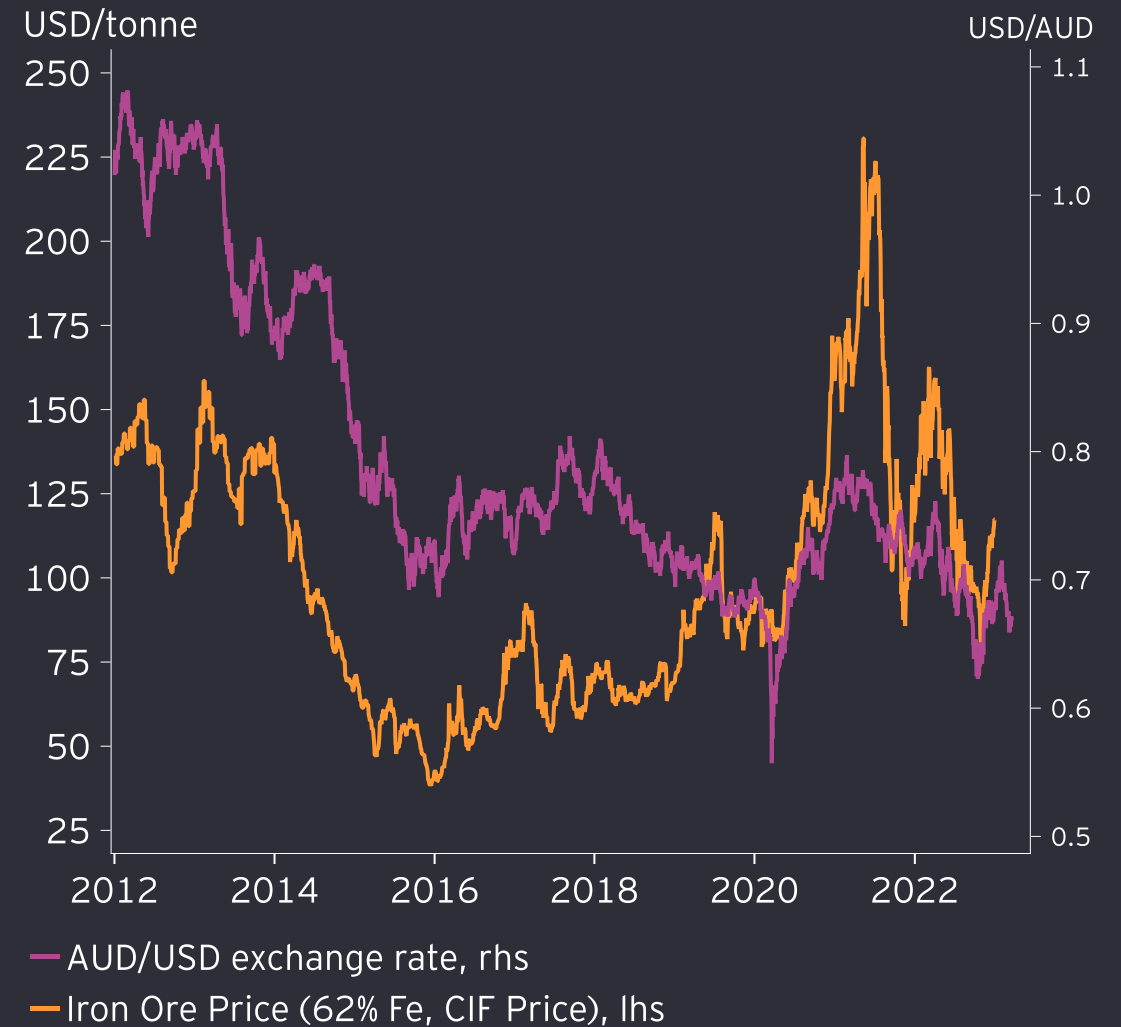
Source: ABS, Macrobond, EY

Employment in the WA mining sector is at a record high reflecting strong levels of mining, construction and exploration activity in the state

Employment in the WA mining sector



Source: WA Department of Mines, Industry Regulation and Safety, EY

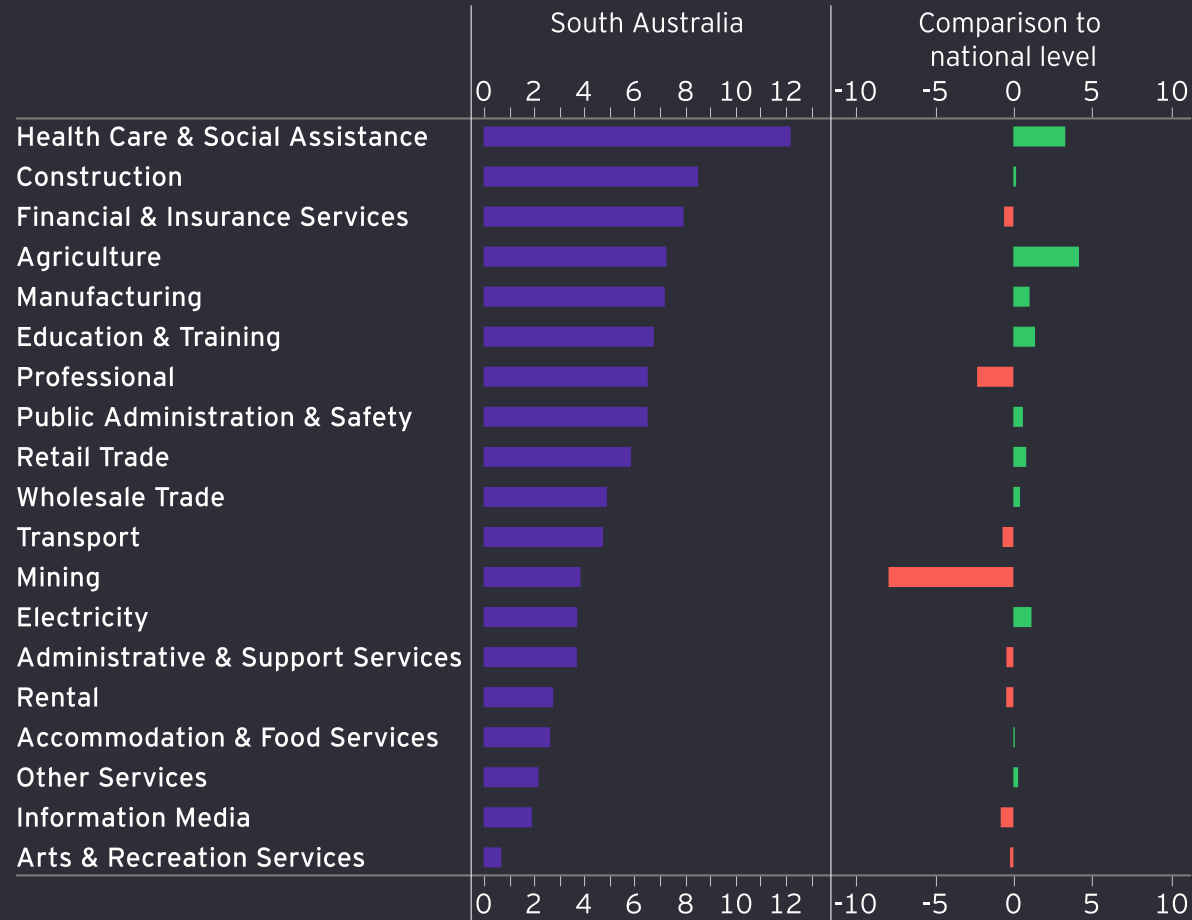


Source: Macrobond, EY

South Australia

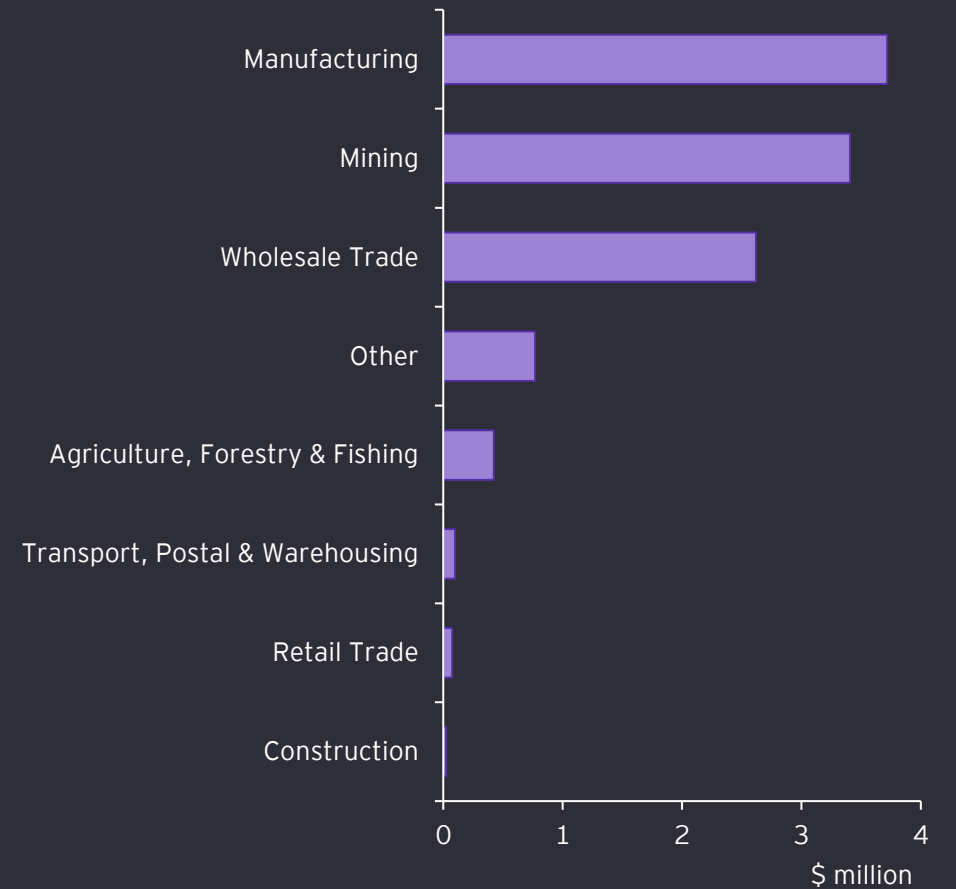
South Australia has a large health care and social assistance industry

SA industry share (FY21) and comparison to national industry share (Q3 2022)



Source: ABS, Macrobond, EY

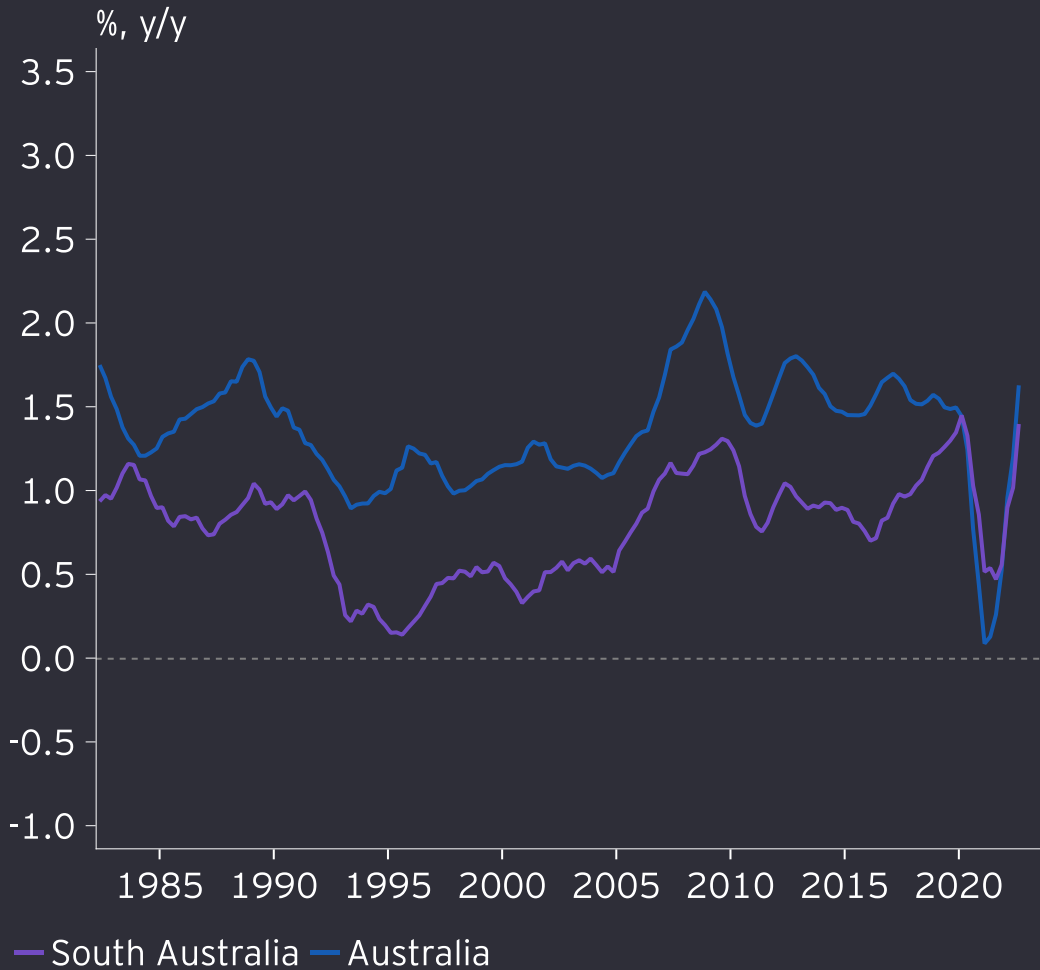
Value of merchandise exports by industry of exporter (SA, FY20)



Source: ABS, EY

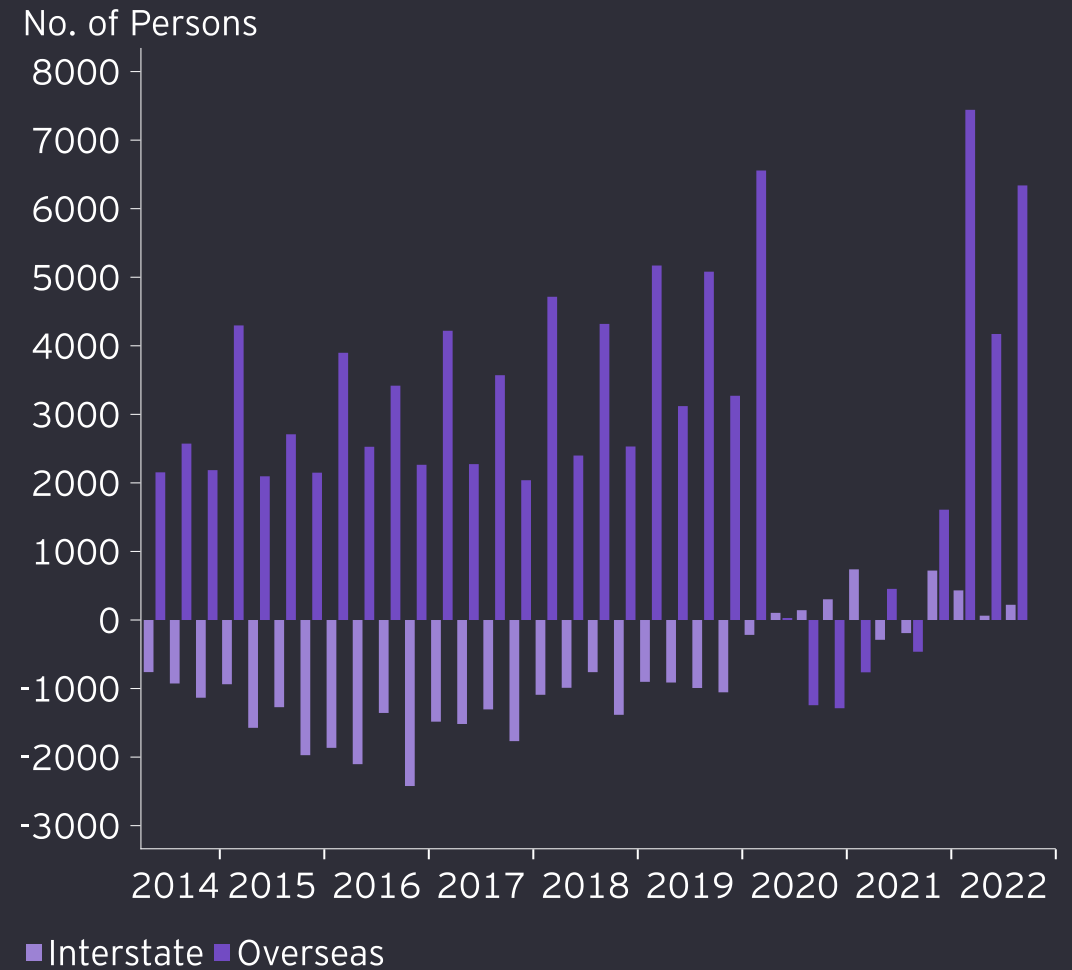
As international borders opened, overseas migration bounced back

Estimated resident population



Source: ABS, Macrobond, EY

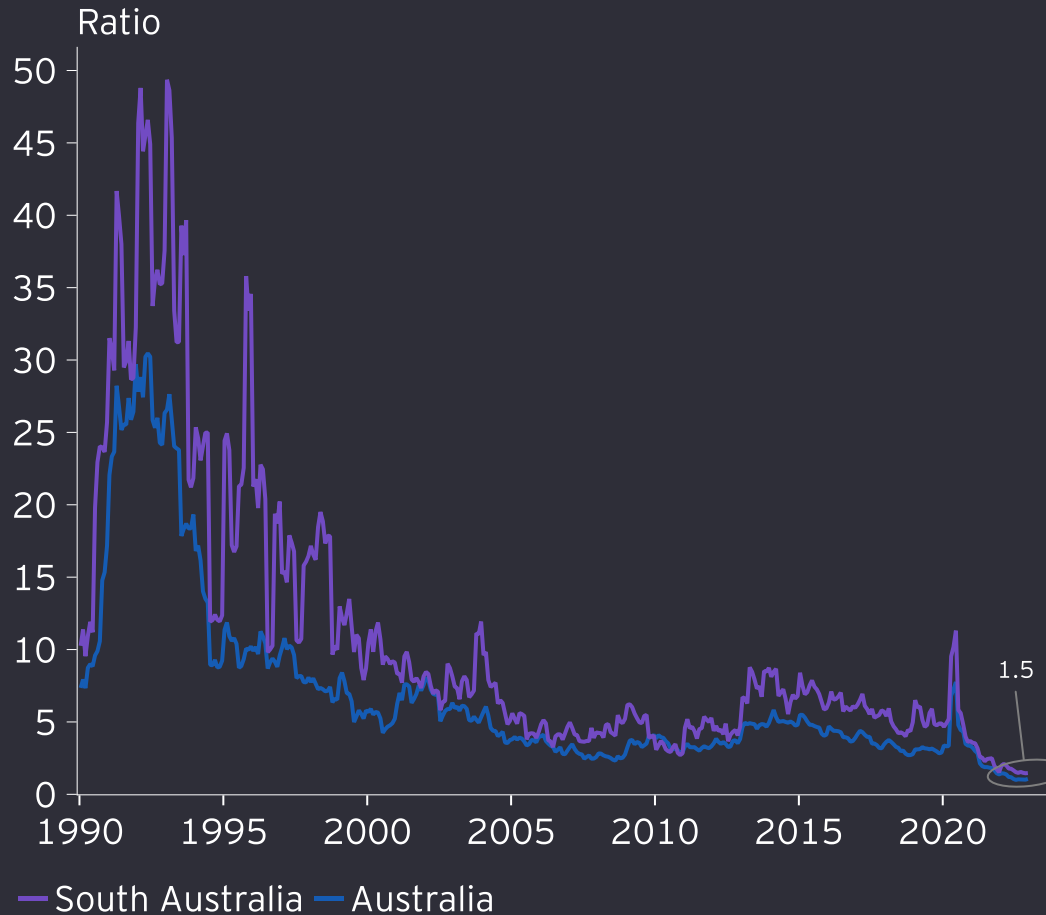
Net Migration, South Australia



Source: ABS, Macrobond, EY

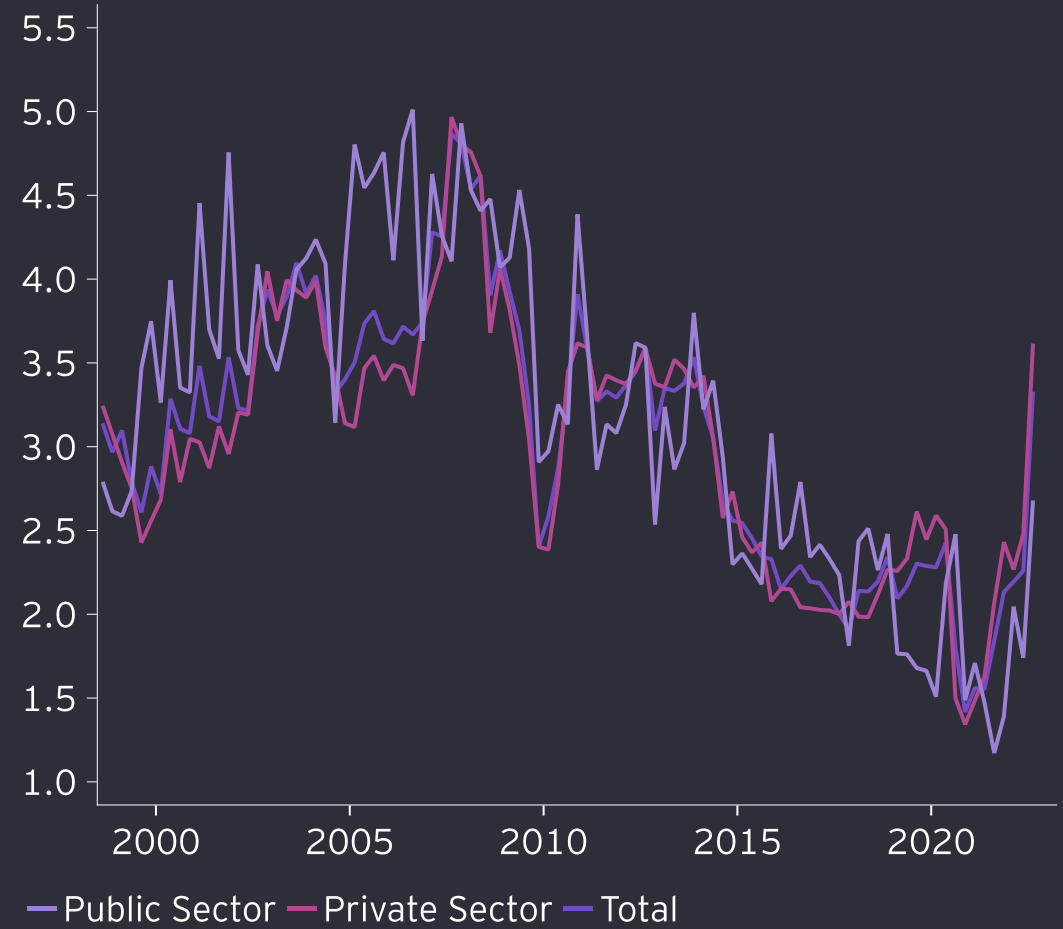
The labour market is tight, with wages rising across public and private sectors

Number of unemployed people for each job vacancy, South Australia



Source: ABS, Macrobond, EY

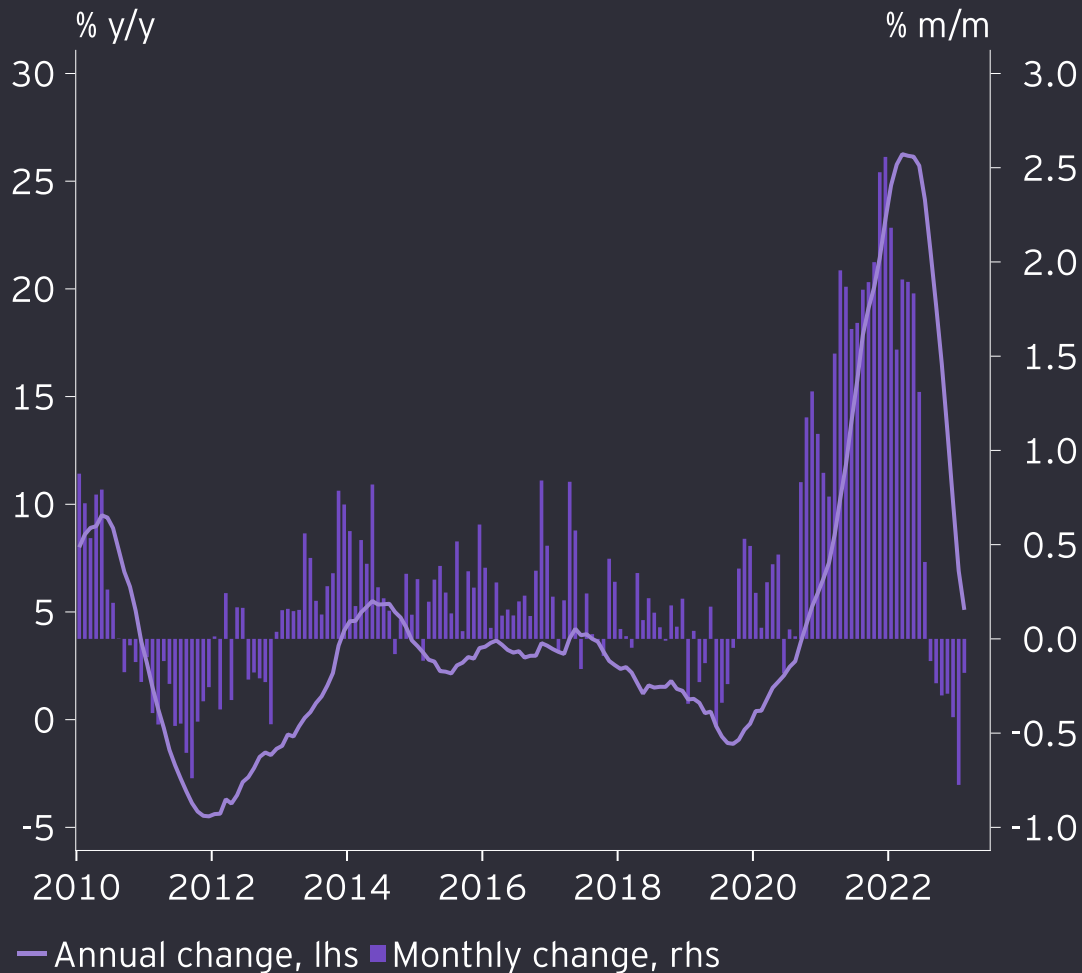
SA Wage Price Index



Source: ABS, Macrobond, EY

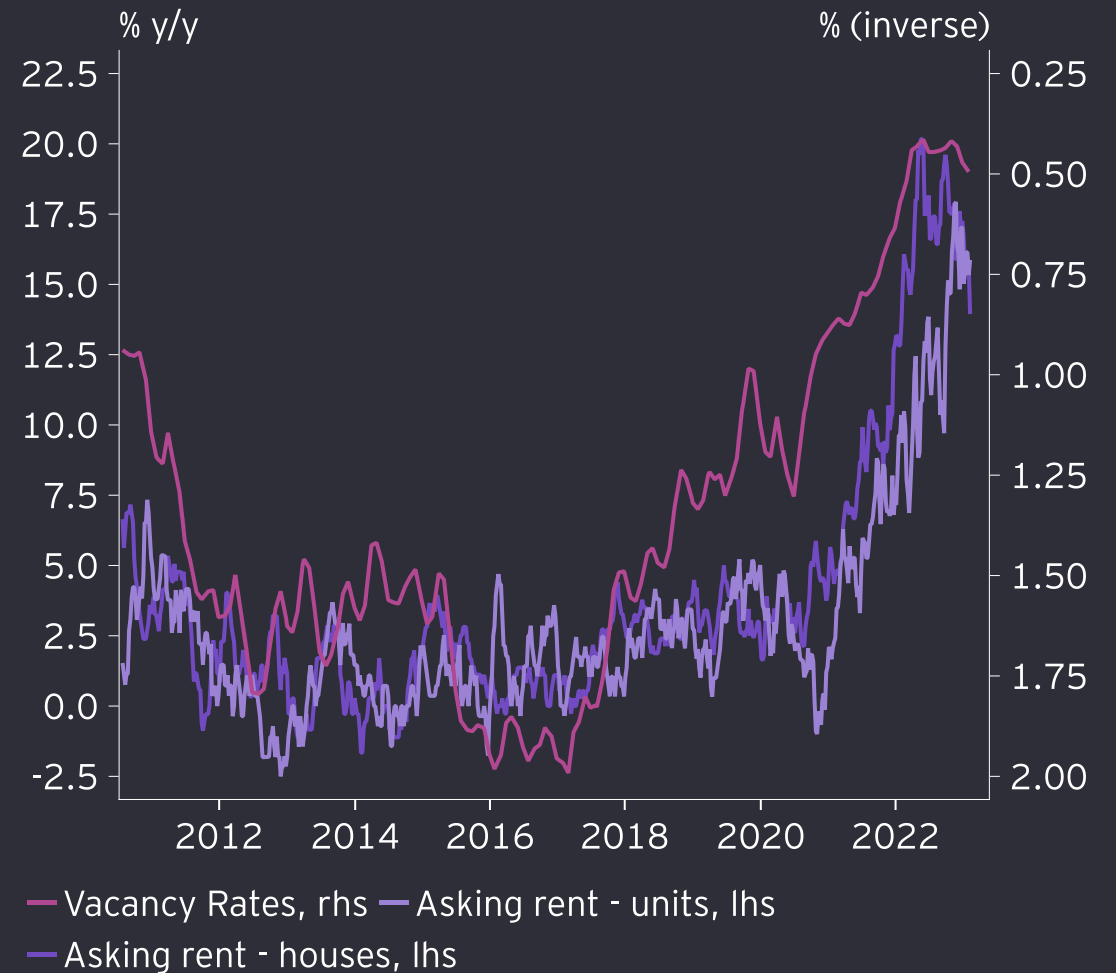
Rental prices in Adelaide have seen double digit growth through the year

Adelaide dwelling prices



Source: CoreLogic, Macrobond, EY

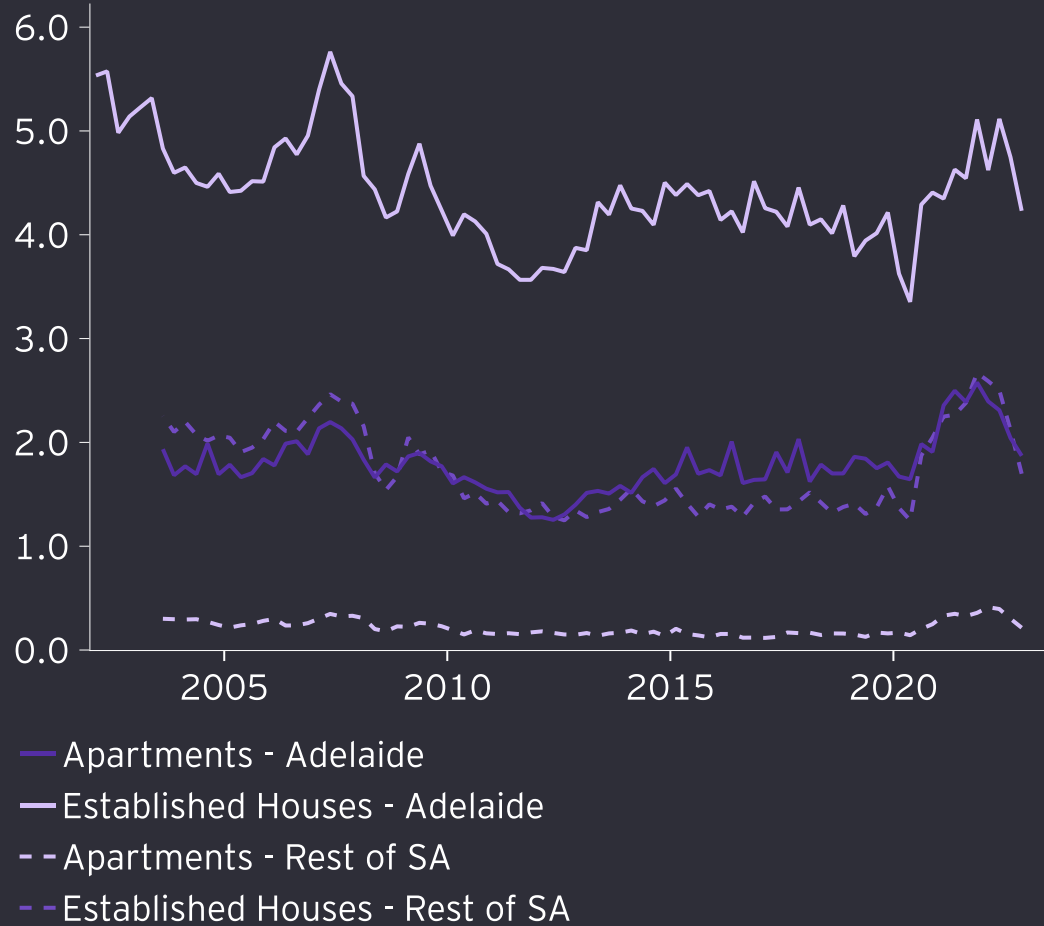
Adelaide asking rents and vacancy rate



Source: SQM, Macrobond, EY

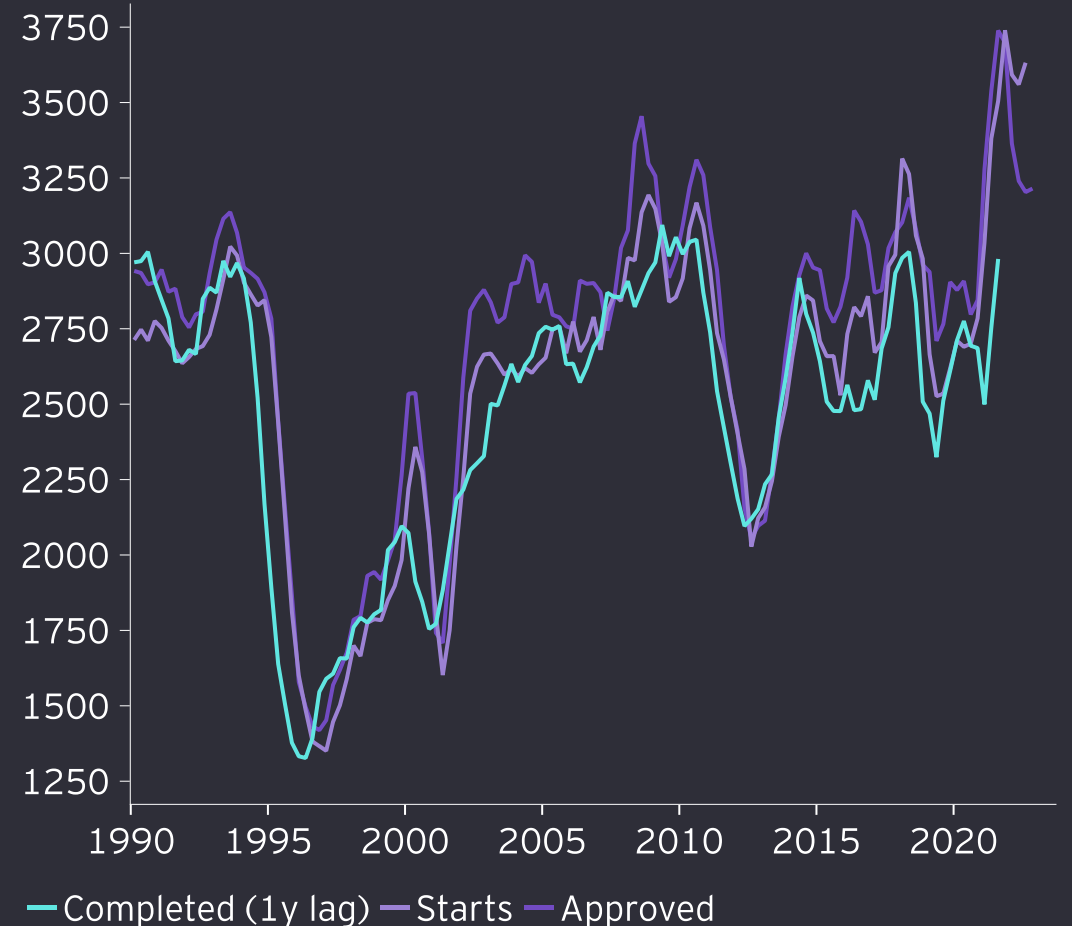
The number of house transfers has reached the 2007 peak, but fallen since

House and attached dwelling transfers, SA
thousand



Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - SA
Number

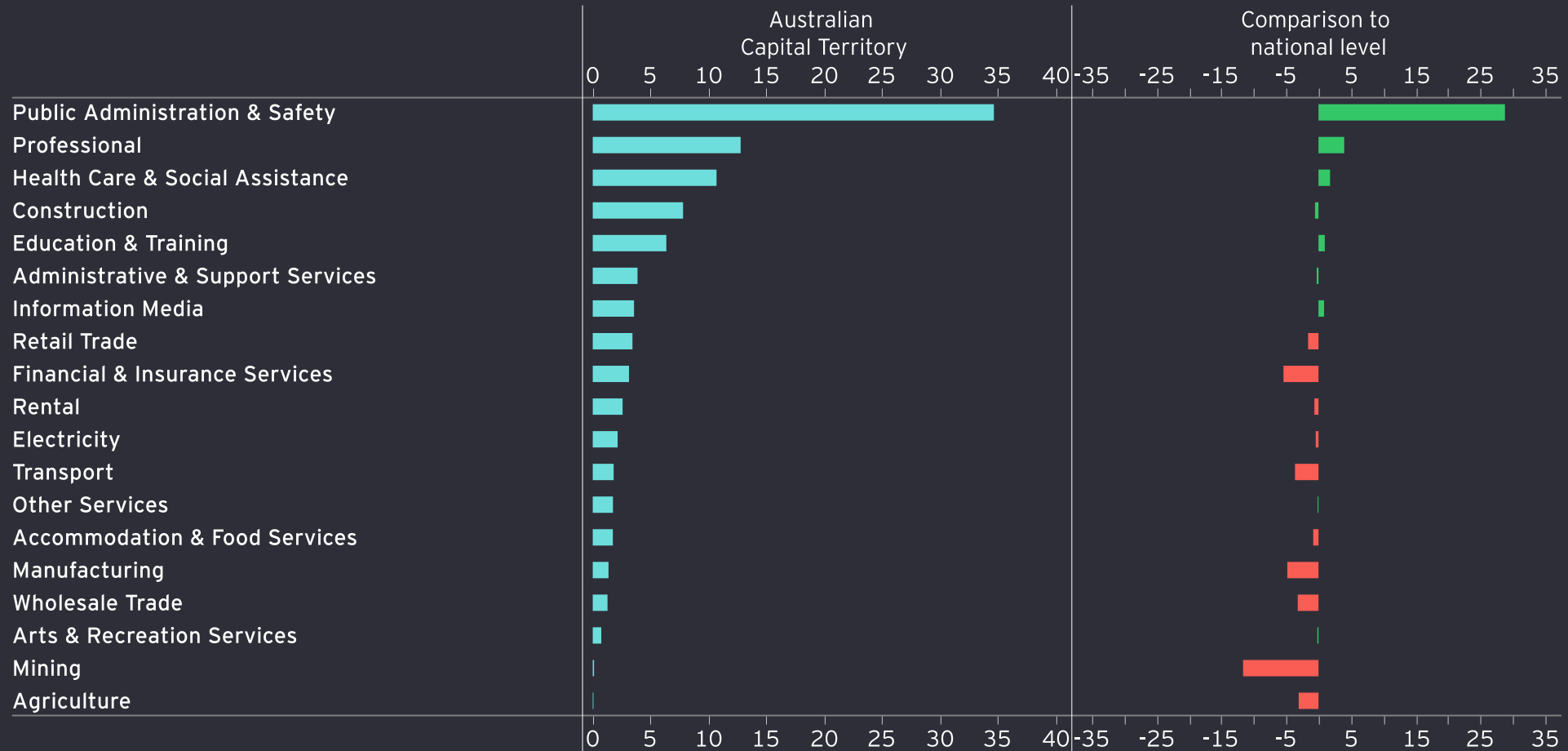


Source: ABS, Macrobond, EY

Australian Capital Territory

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

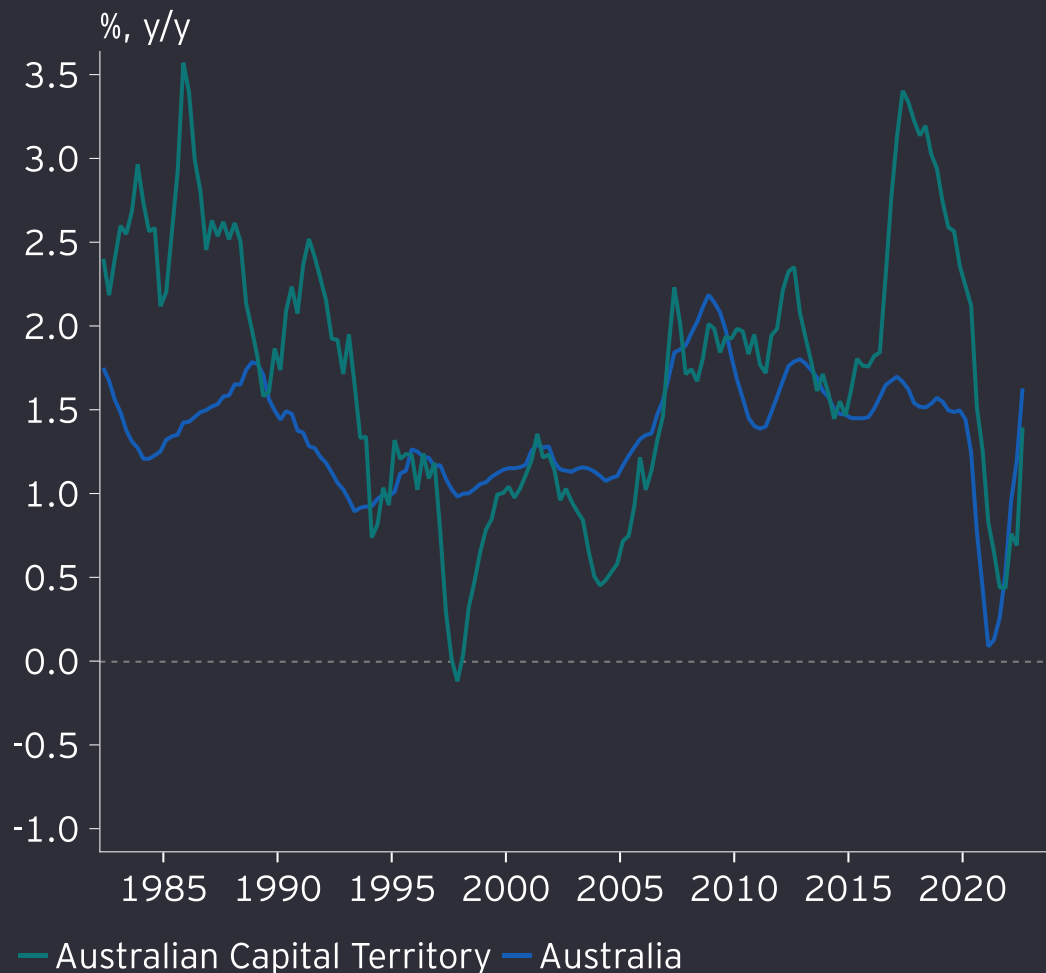
ACT industry share (FY22) and comparison to national industry share (Q3 2022)



Source: ABS, Macrobond, EY

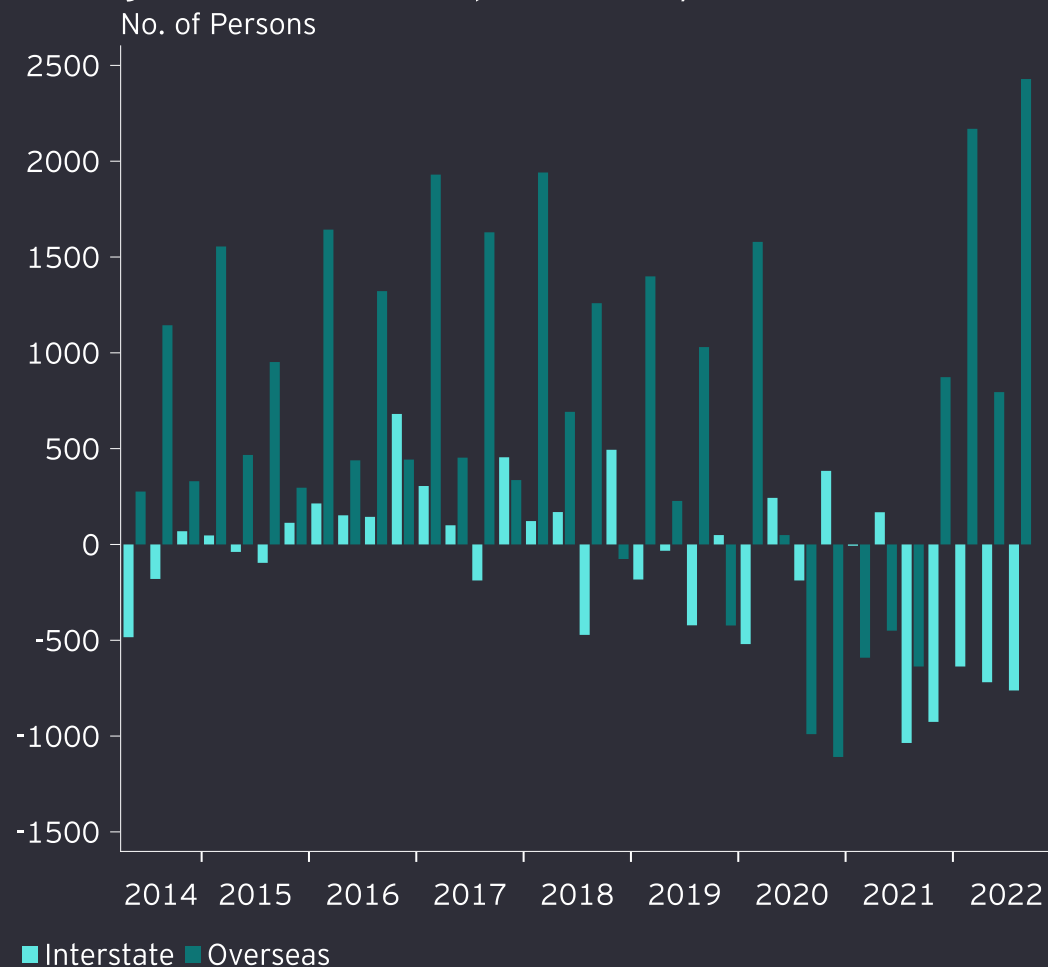
Population growth is starting to pick up due to overseas migration

Estimated resident population



Source: ABS, Macrobond, EY

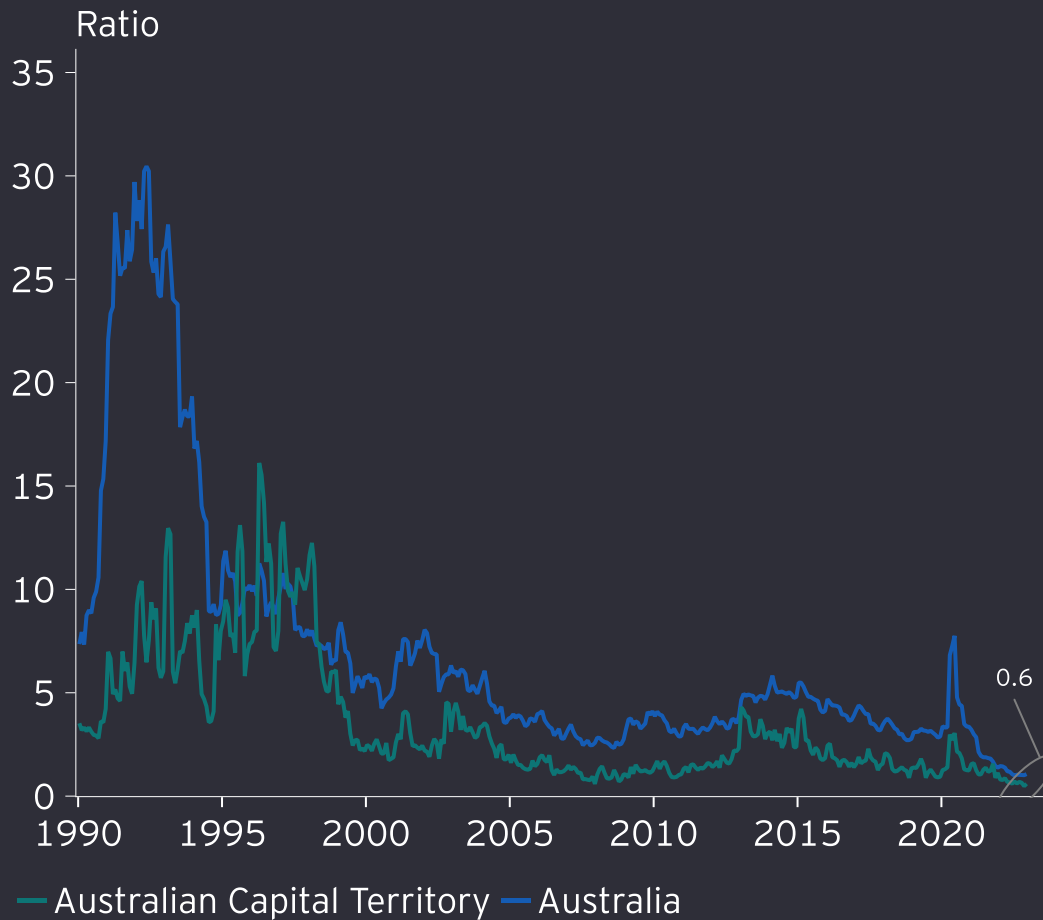
Net Migration, Australian Capital Territory



Source: ABS, Macrobond, EY

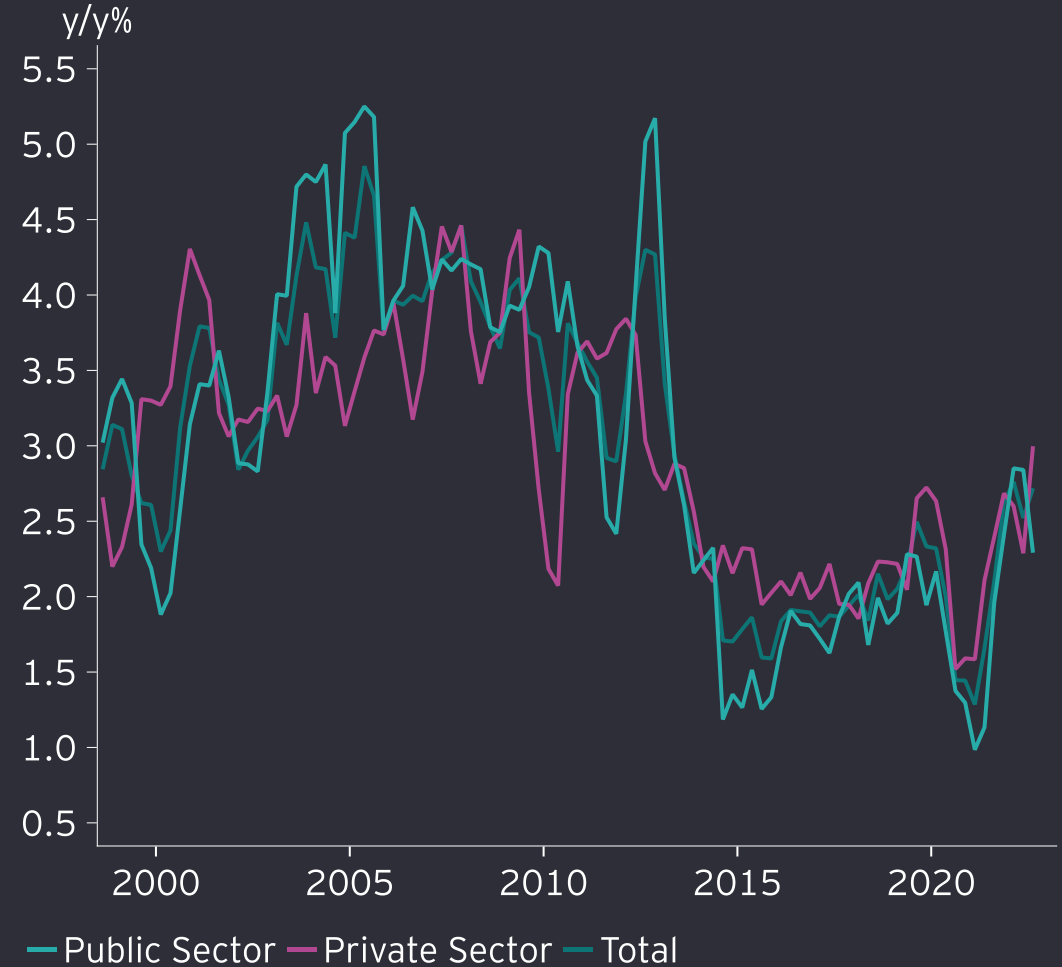
ACT continues to have the tightest labour market of all states

Number of unemployed people for each job vacancy, ACT



Source: ABS, Macrobond, EY

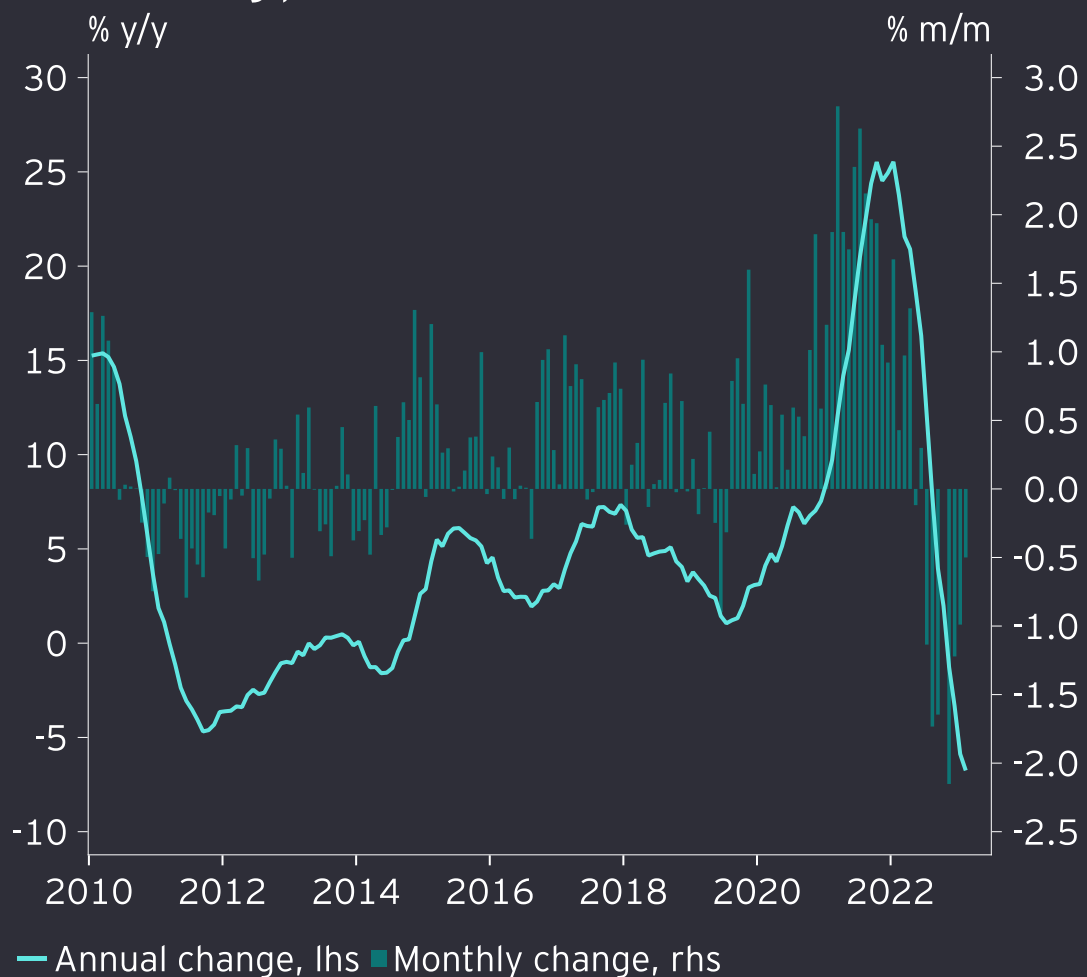
ACT Wage Price Index



Source: ABS, Macrobond, EY

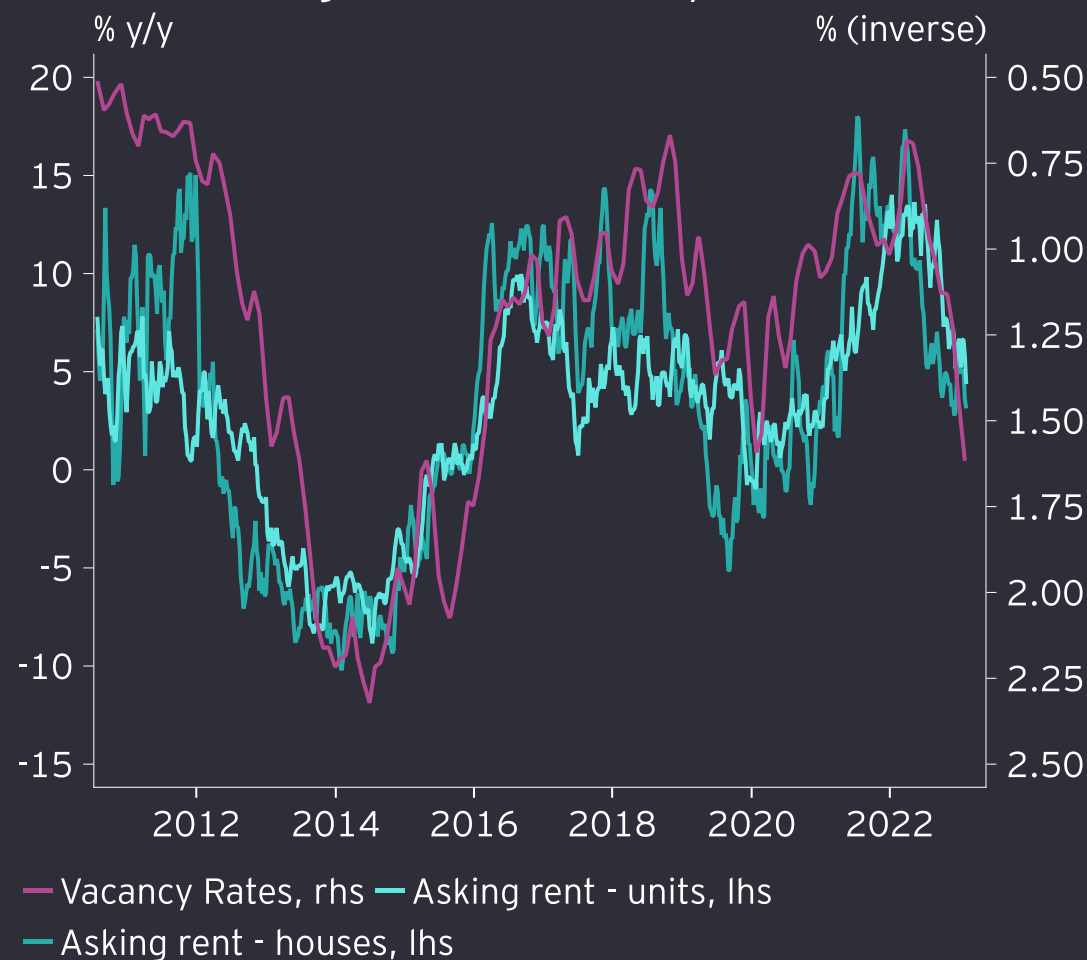
Dwelling prices and rental prices are continuing to ease

ACT dwelling prices



Source: CoreLogic, Macrobond, EY

Canberra asking rents and vacancy rate

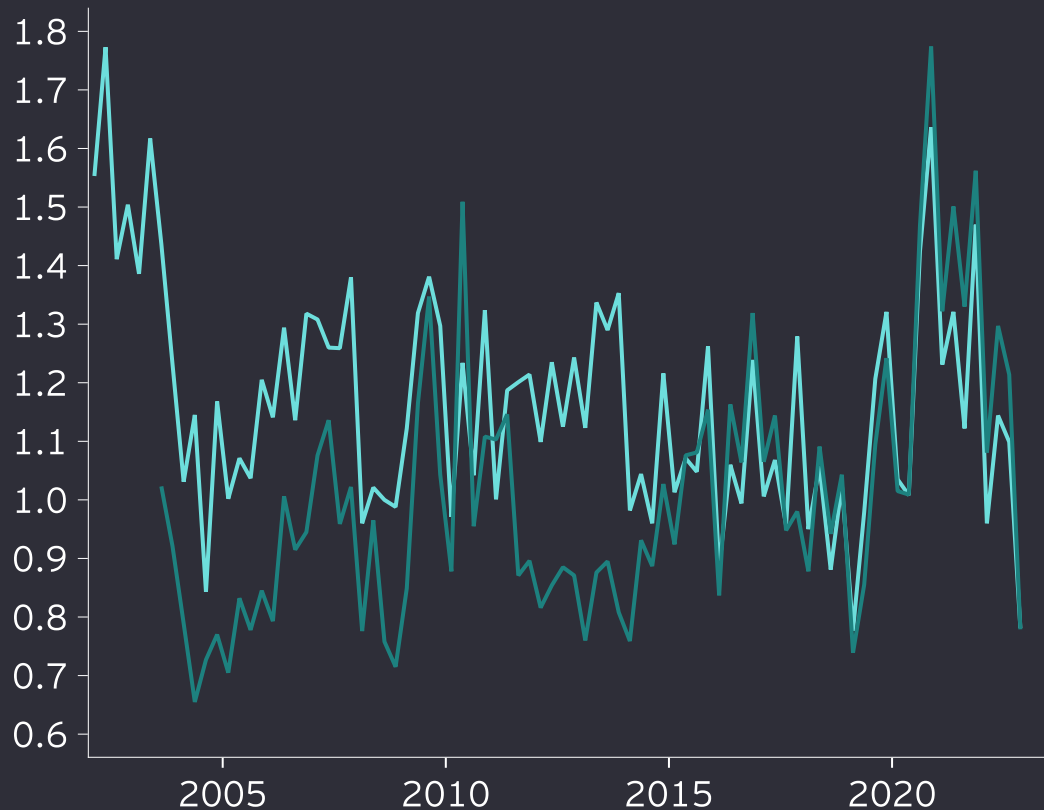


Source: SQM, Macrobond

Dwelling transfers are falling and completions have started to pick up

House and attached dwelling transfers, ACT

thousand

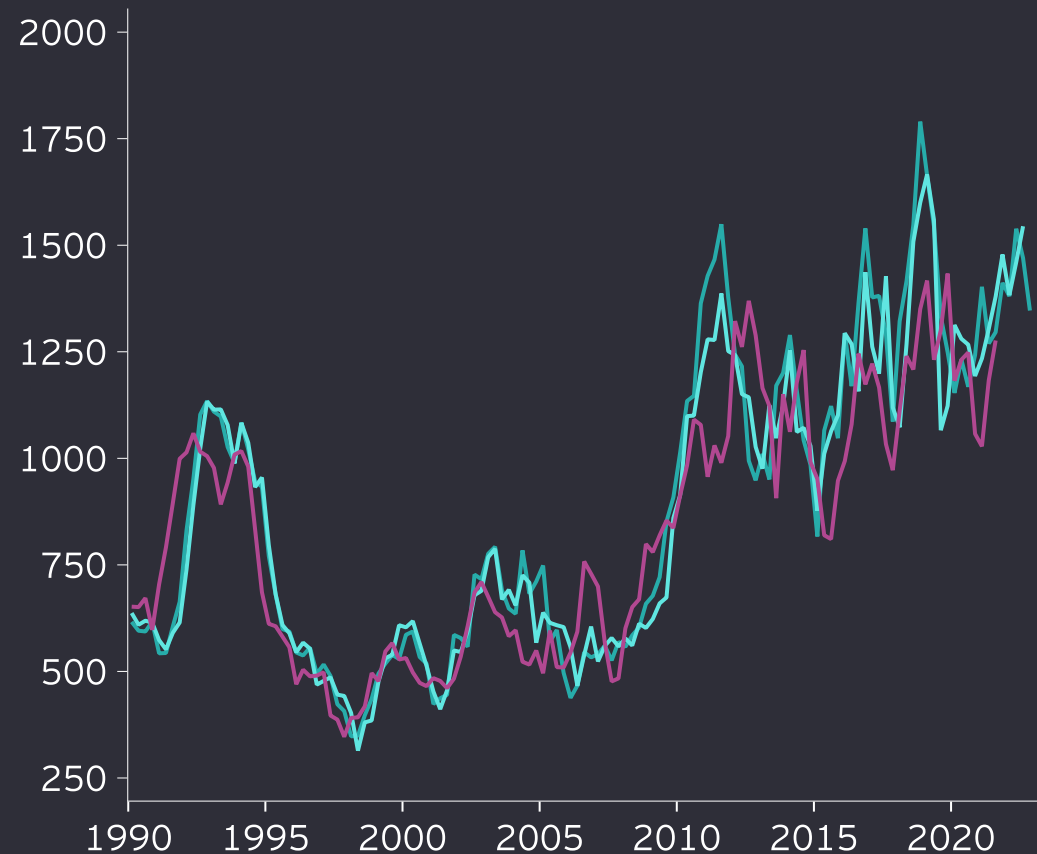


- Apartments - Canberra
- Established Houses - Canberra

Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - ACT

Number



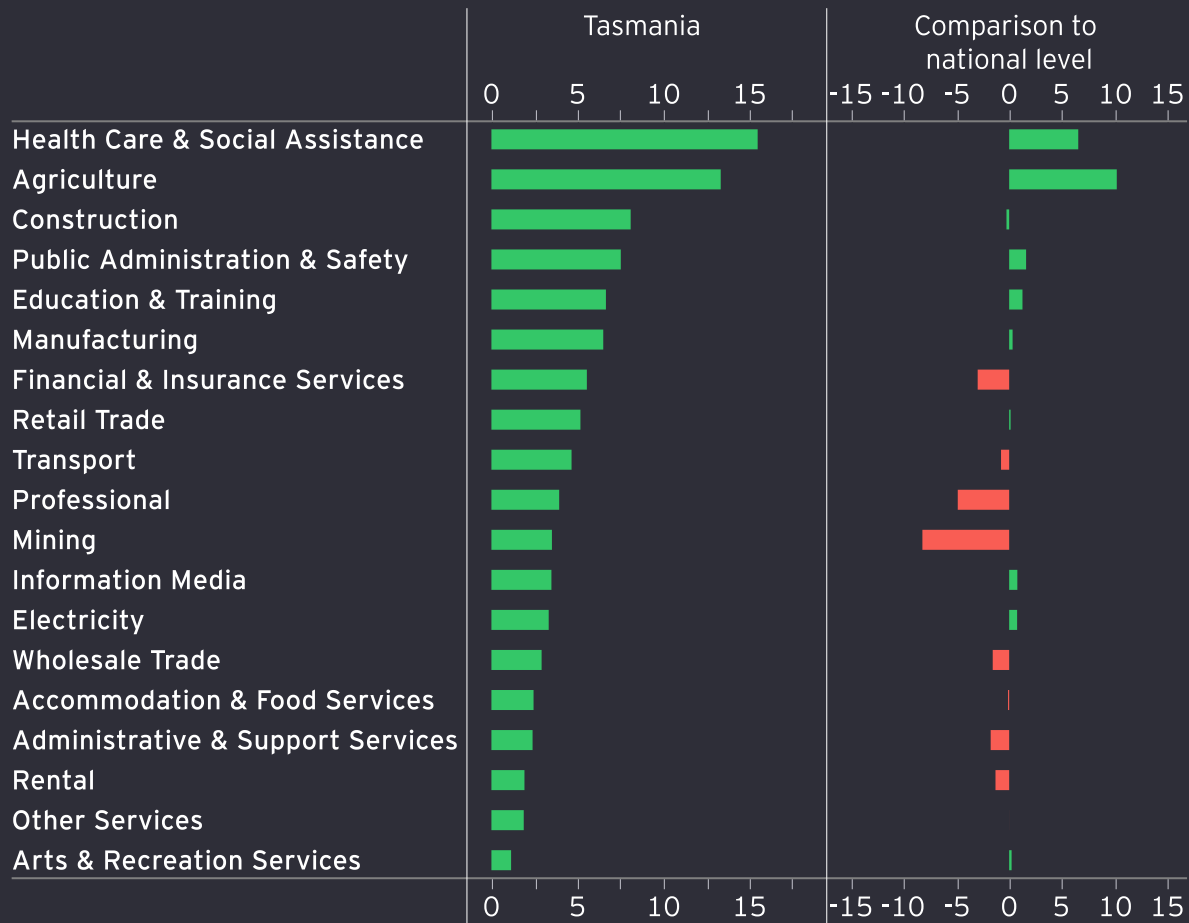
- Completed (1y lag)
- Starts
- Approved

Source: ABS, Macrobond, EY

Tasmania

Tasmania has a strong focus on health care and agriculture

TAS industry share (FY22) and comparison to national industry share (Q3 2022)



Source: ABS, Macrobond, EY

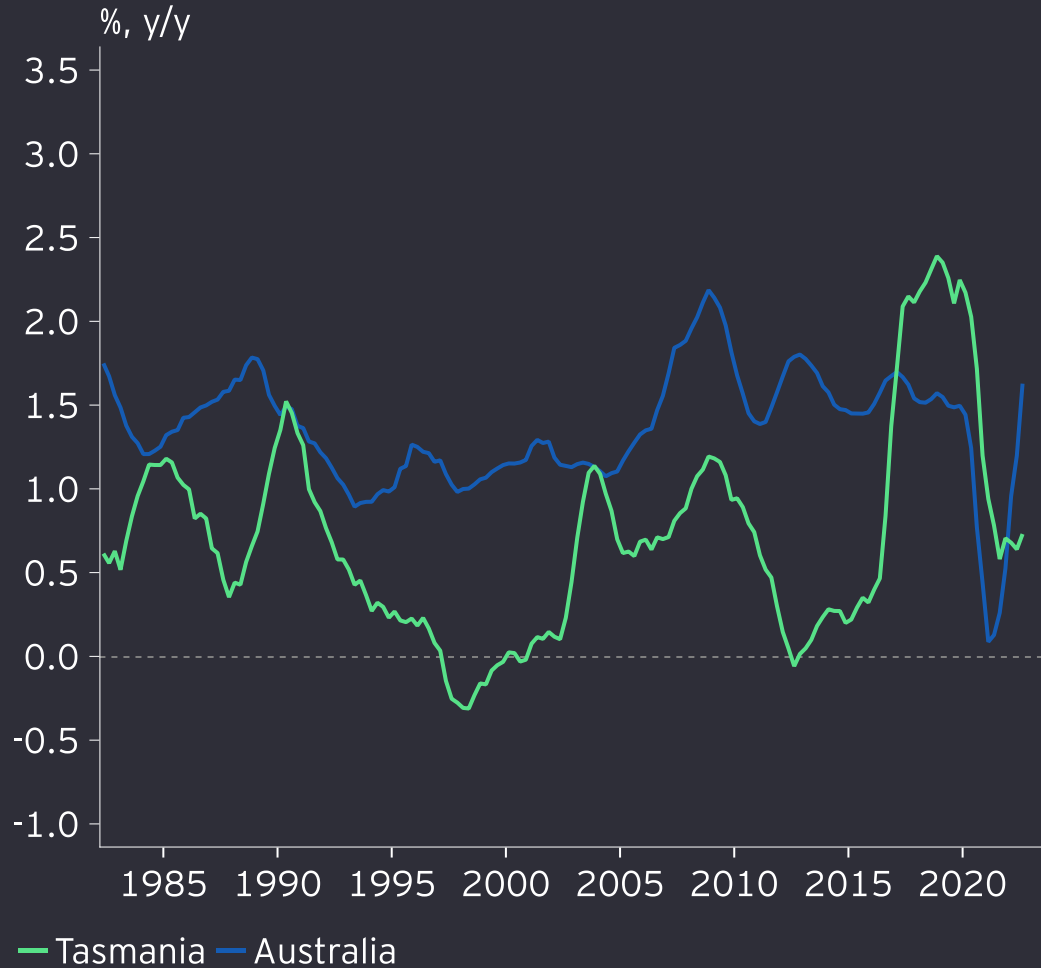
Value of merchandise exports by industry of exporter (Tasmania, FY20)



Source: ABS, EY

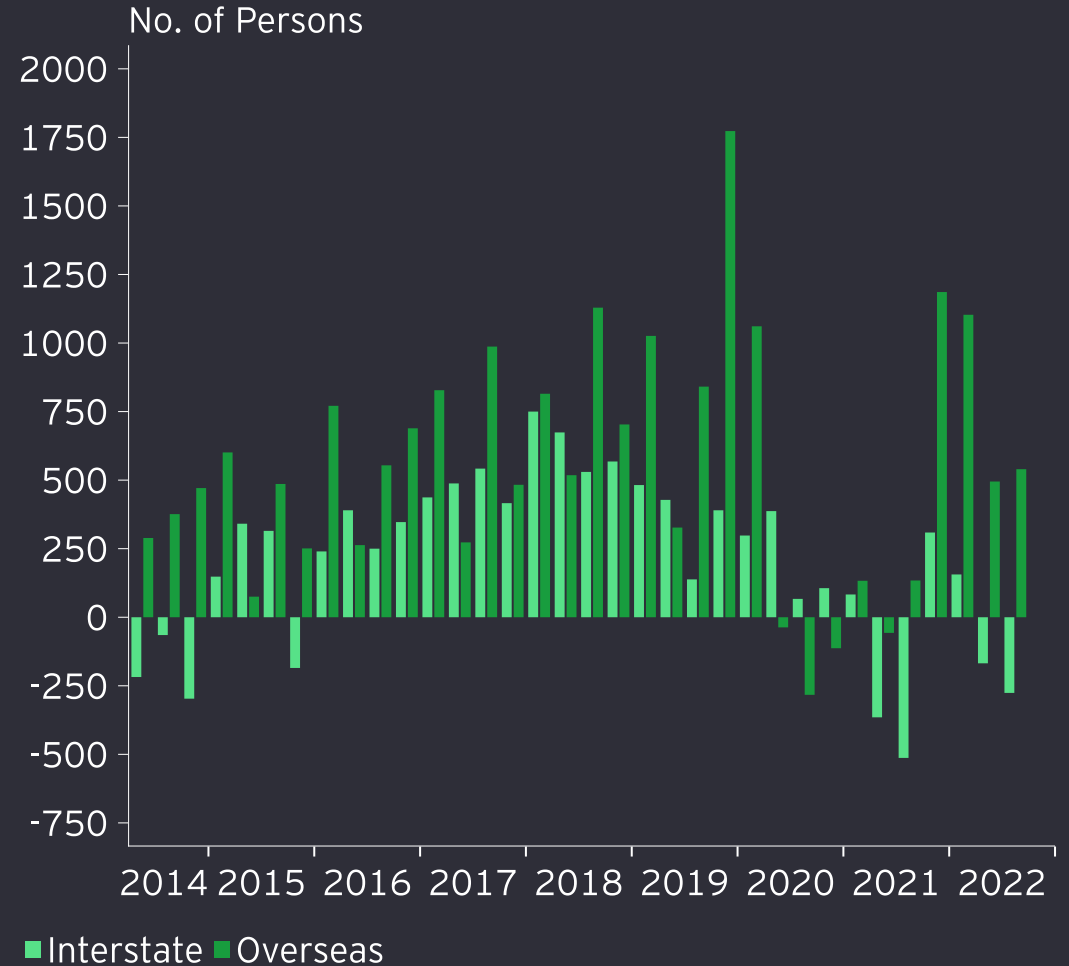
Overseas migration has picked up as international borders open

Estimated resident population



Source: ABS, Macrobond, EY

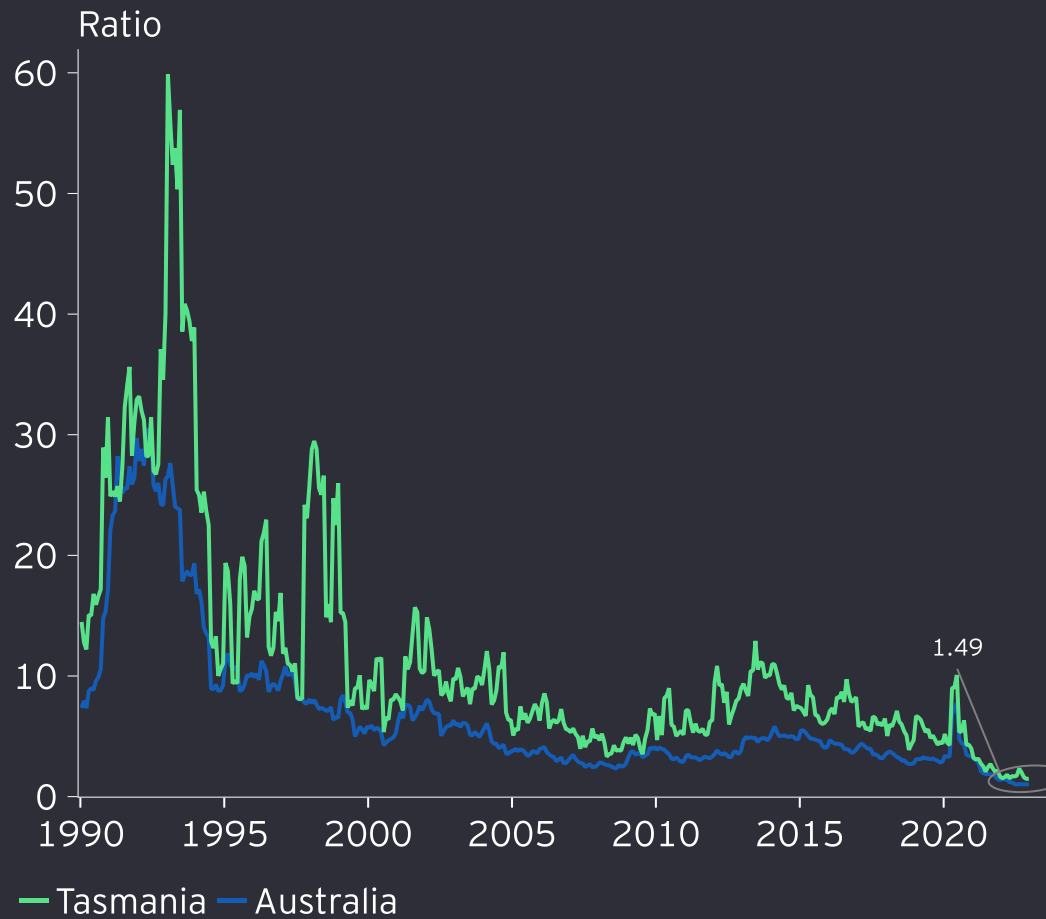
Net Migration, Tasmania



Source: ABS, Macrobond, EY

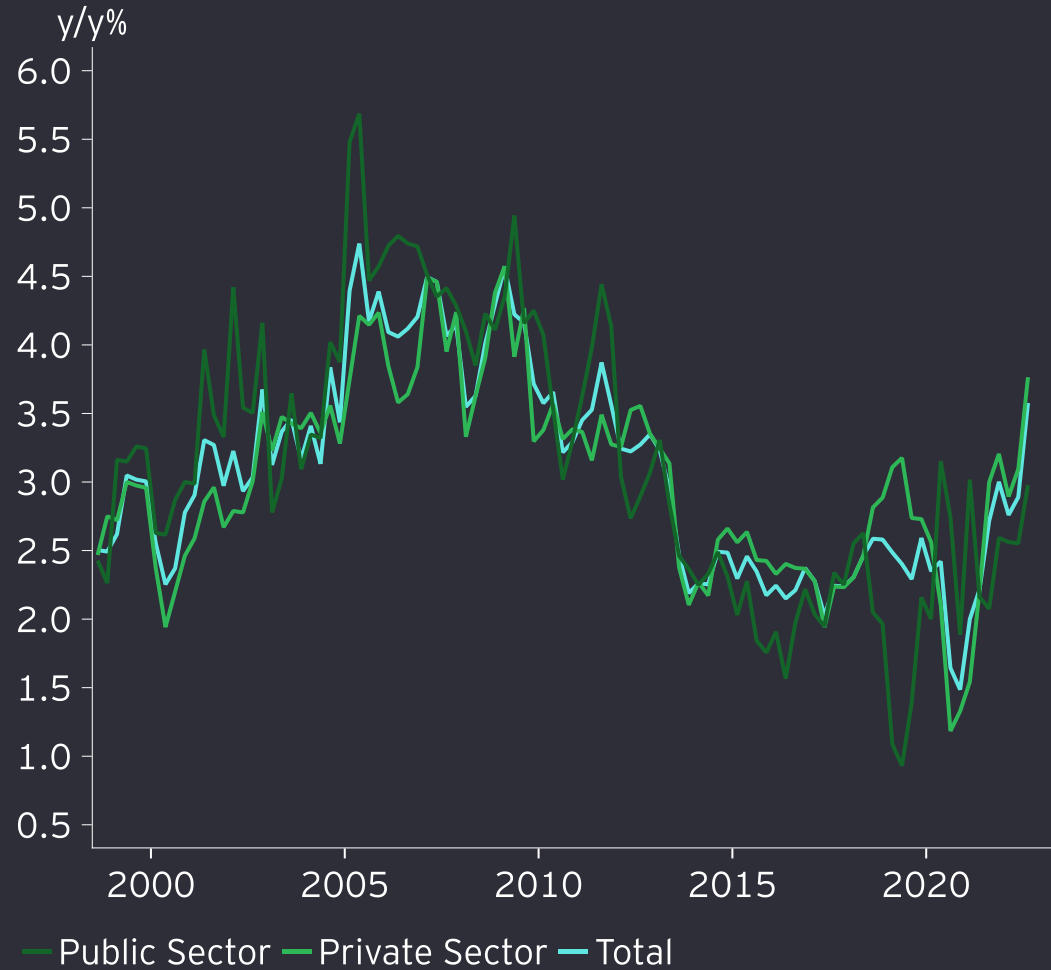
Wages are growing faster than any other state or territory in Tasmania

Number of unemployed people for each job vacancy, Tasmania



Source: ABS, Macrobond, EY

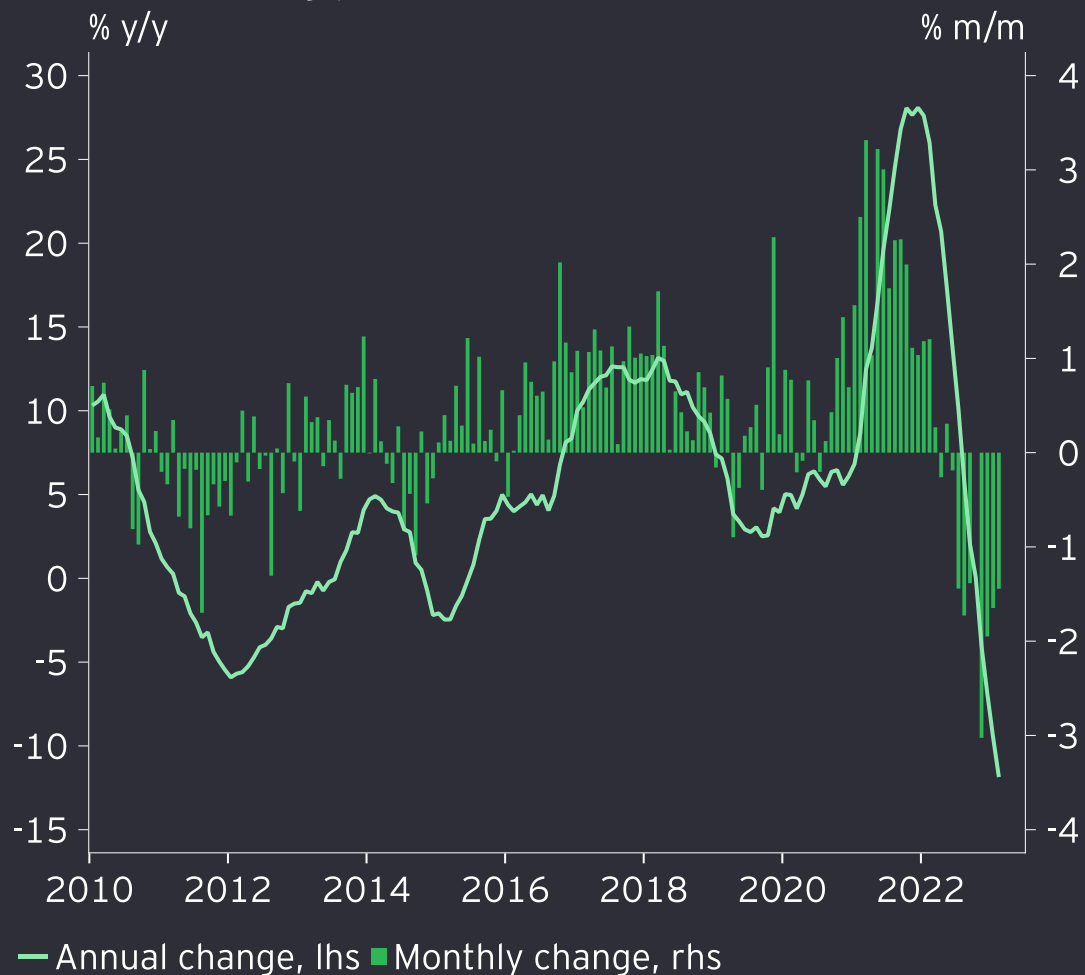
TAS Wage Price Index



Source: ABS, Macrobond, EY

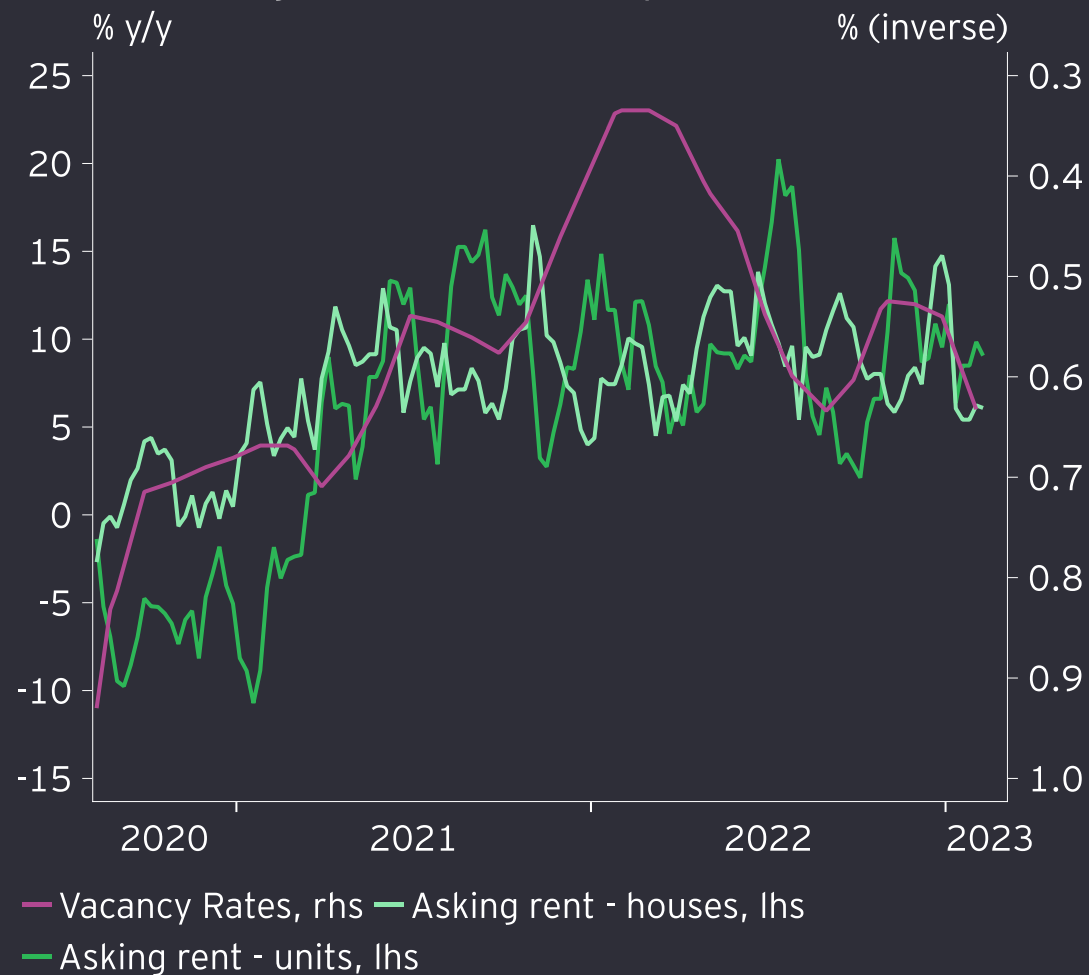
Dwelling prices have slumped in Hobart, while rents remain elevated

Hobart dwelling prices



Source: CoreLogic, Macrobond, EY

Hobart asking rents and vacancy rate

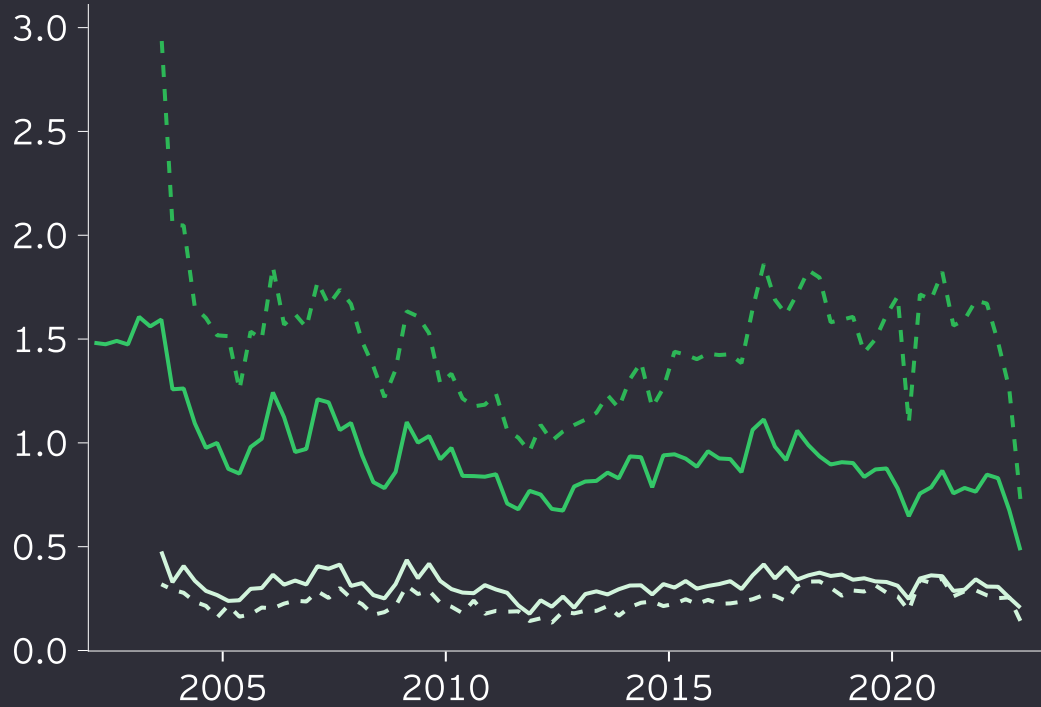


Source: SQM, Macrobond, EY

Dwelling transfers are falling and completions lagging as disruptions persist

House and attached dwelling transfers, TAS

thousand

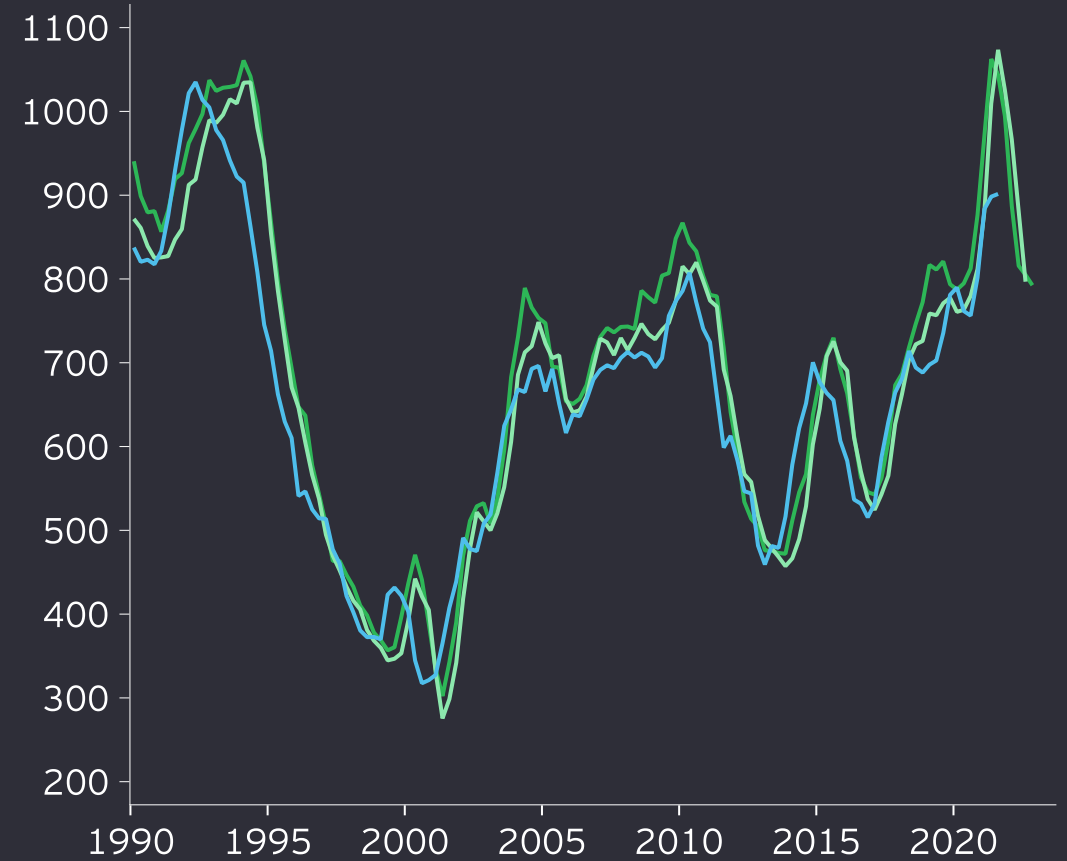


- Apartments - Rest of Tasmania
- Apartments - Hobart
- Established Houses - Rest of Tasmania
- Established Houses - Hobart

Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - TAS

Number



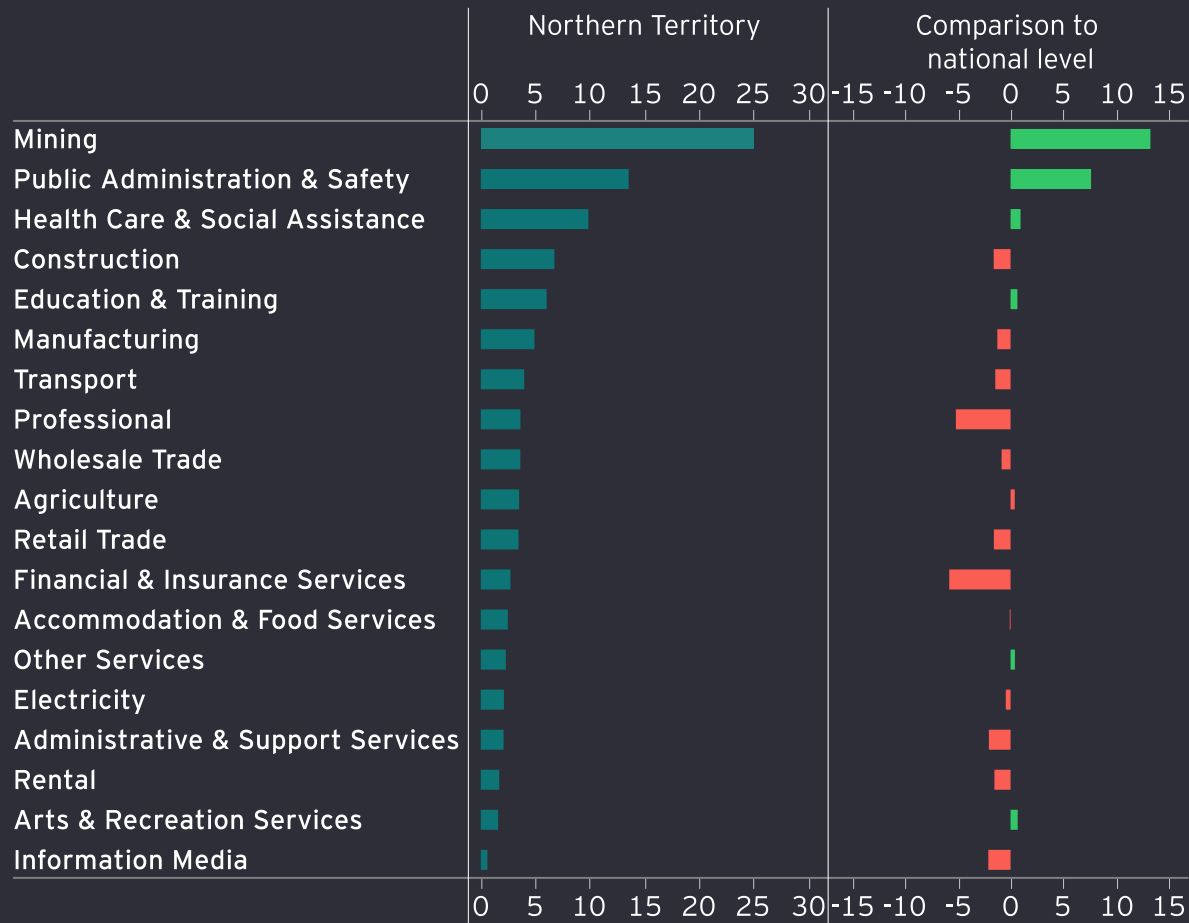
- Completed (1y lag)
- Starts
- Approved

Source: ABS, Macrobond, EY

Northern Territory

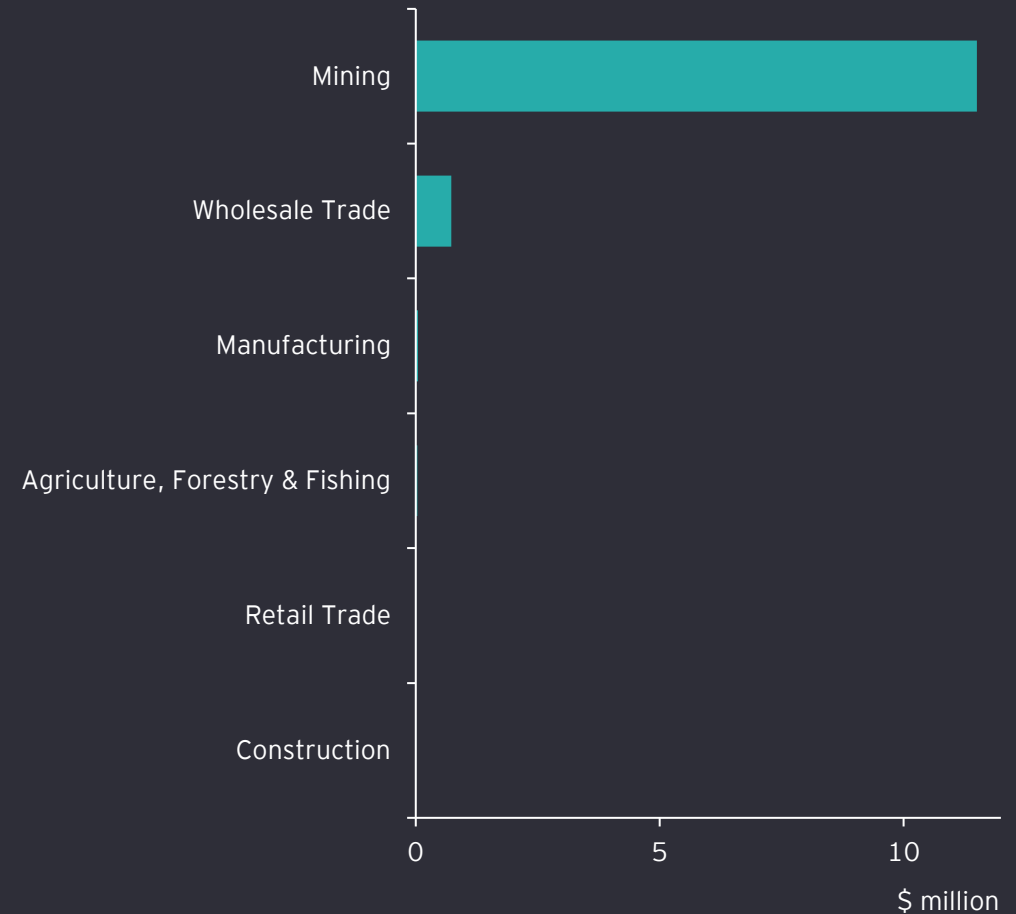
Mining makes up a quarter of the Northern Territory economy

NT industry share (FY22) and comparison to national industry share (Q3 2022)



Source: ABS, Macrobond, EY

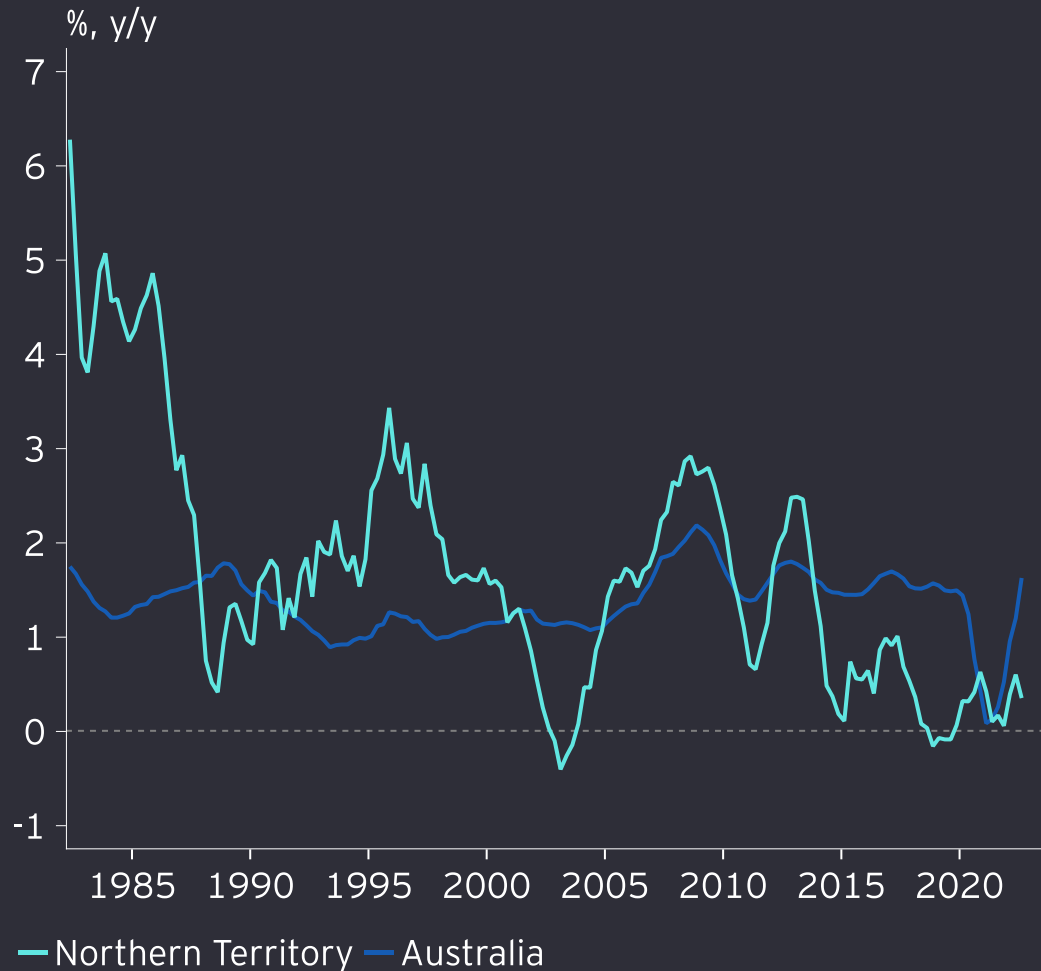
Value of merchandise exports by industry of exporter (NT, FY20)



Source: ABS, EY

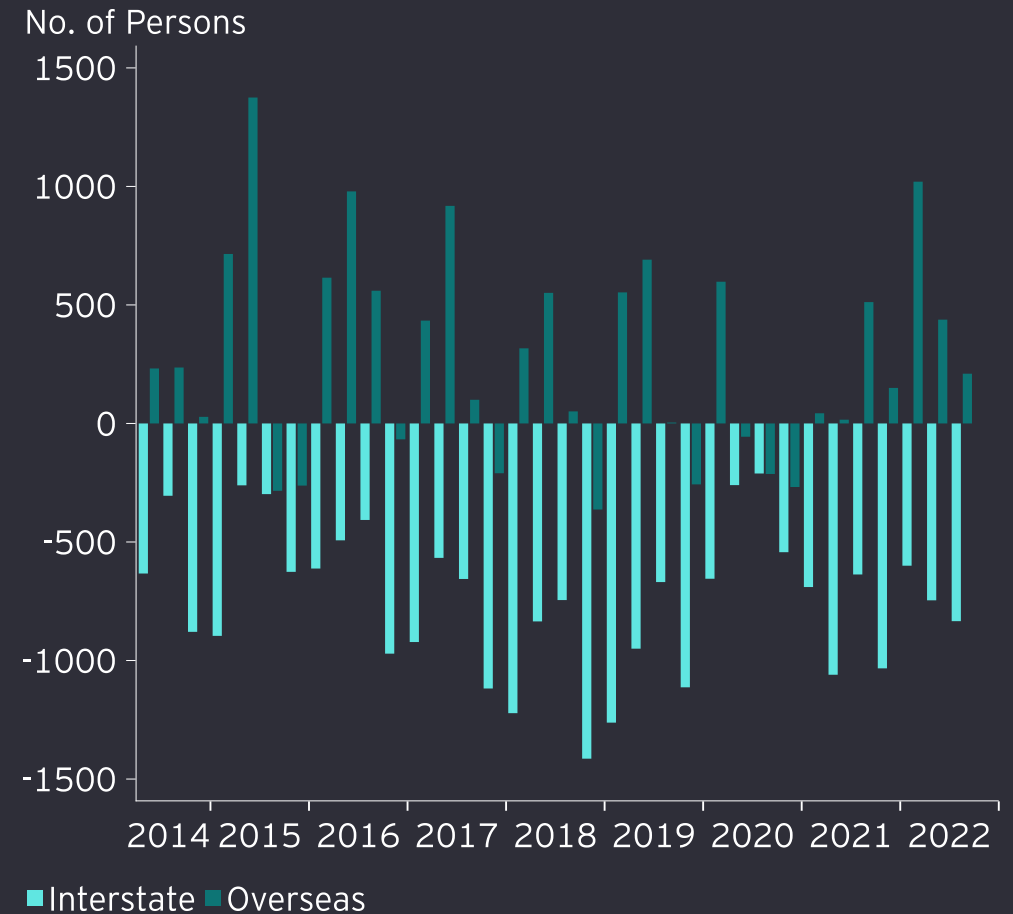
Population growth has picked up slightly due to overseas migrations, but residents continue to move interstate

Estimated resident population



Source: ABS, Macrobond, EY

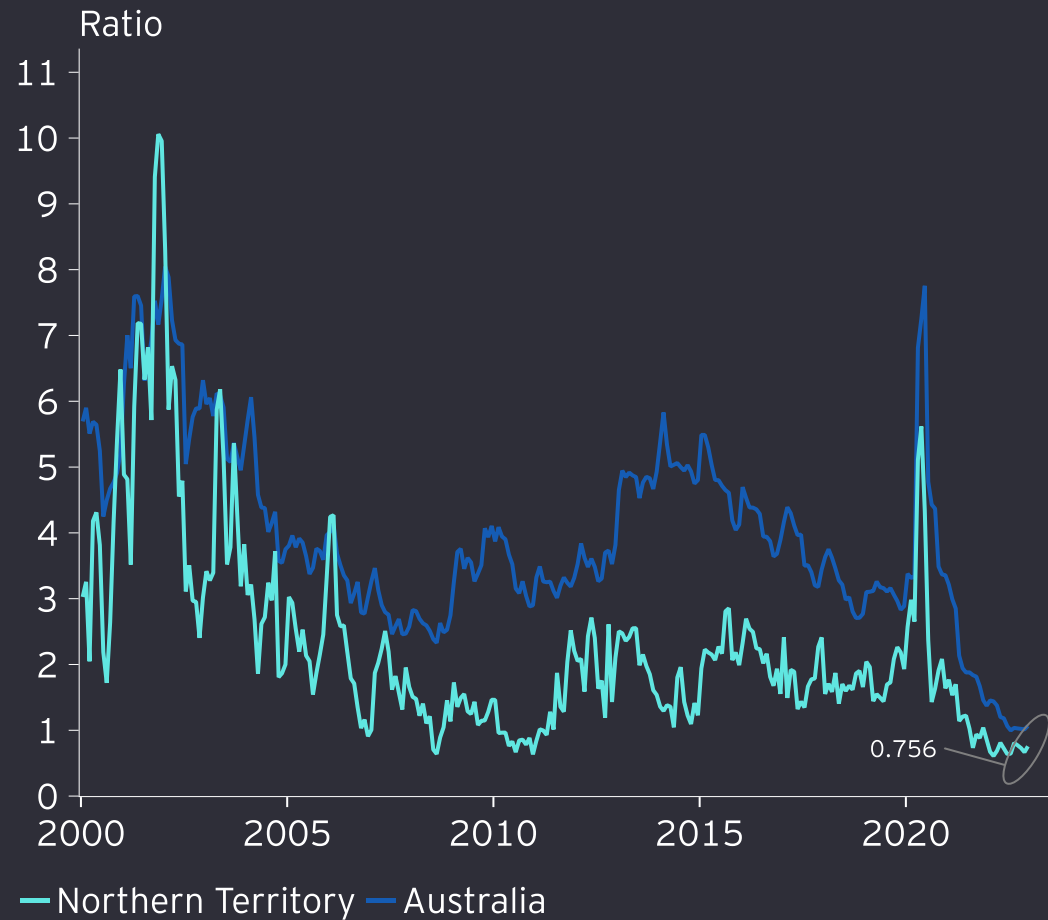
Net Migration, Northern Territory



Source: ABS, Macrobond, EY

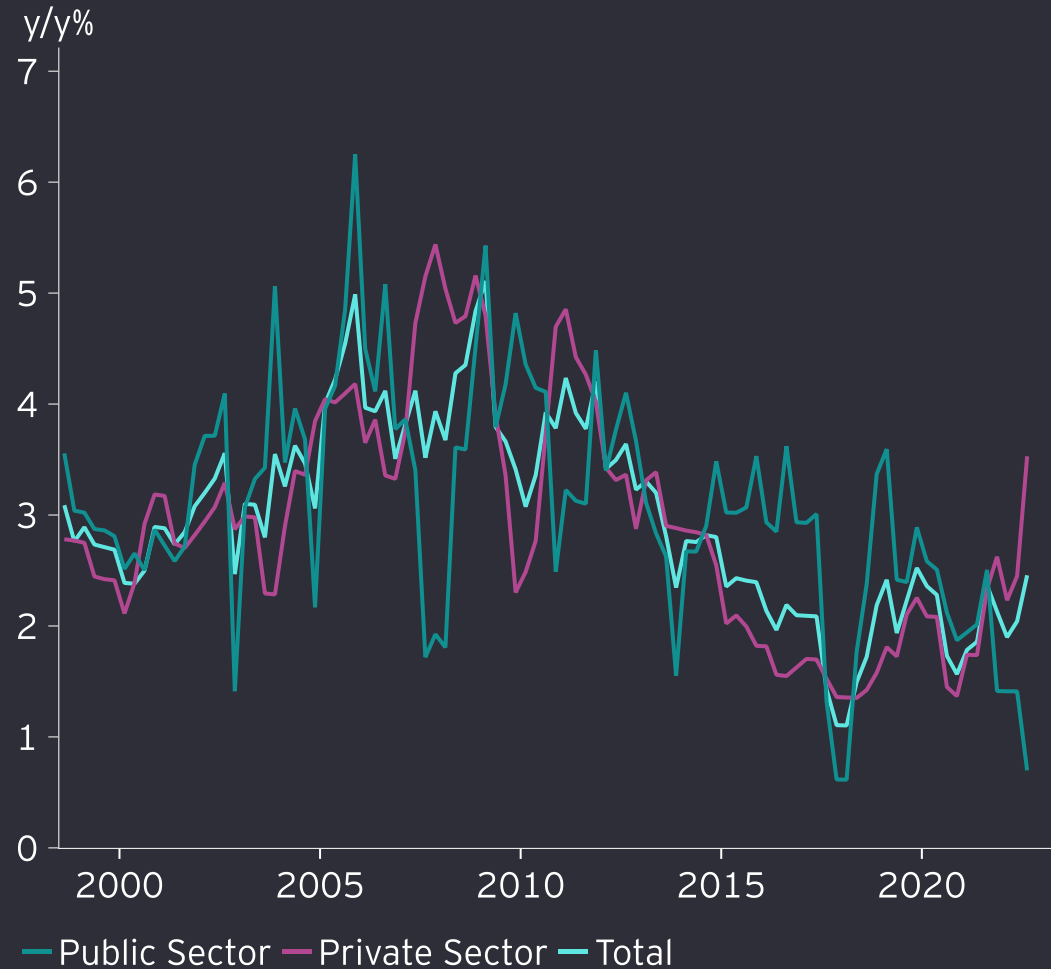
The Northern Territory has one of the tightest labour markets in Australia

Number of unemployed people for each job vacancy, Northern Territory



Source: ABS, Macrobond, EY

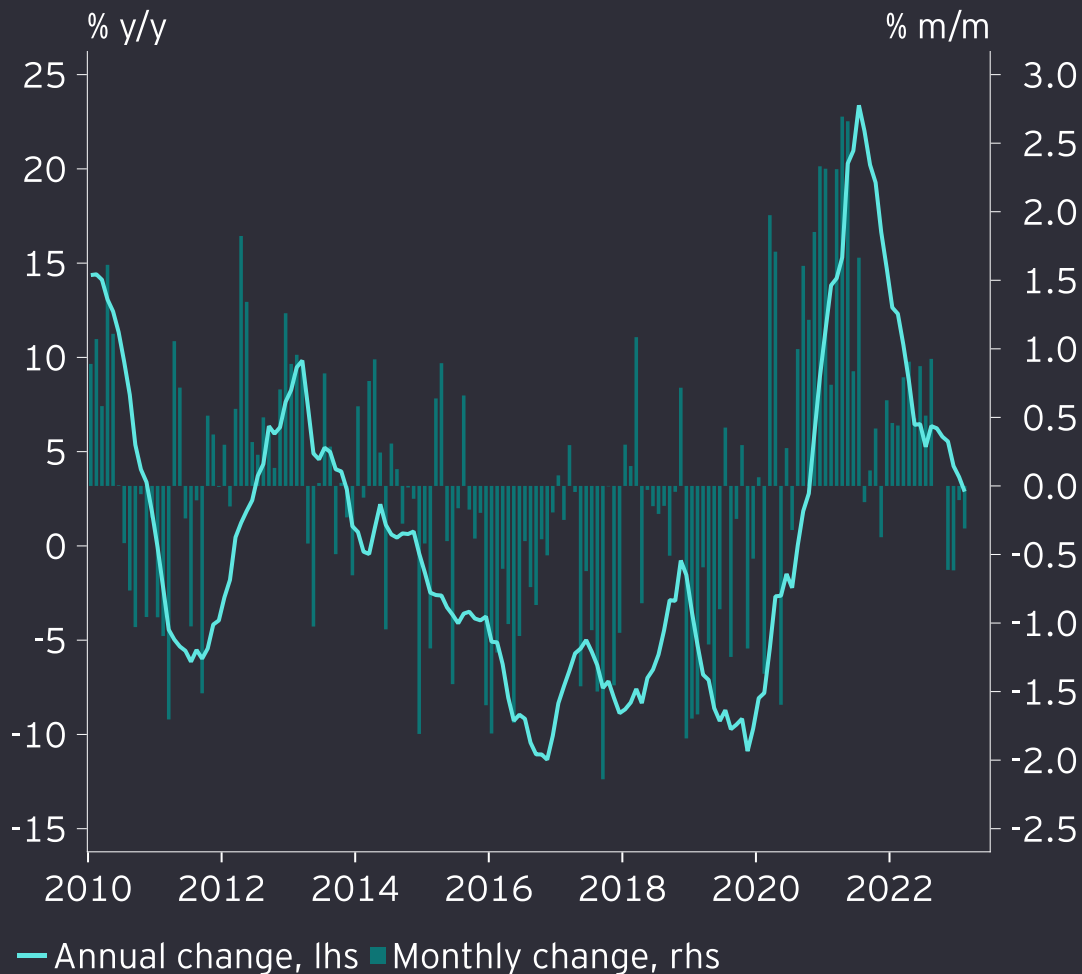
NT Wage Price Index



Source: ABS, Macrobond, EY

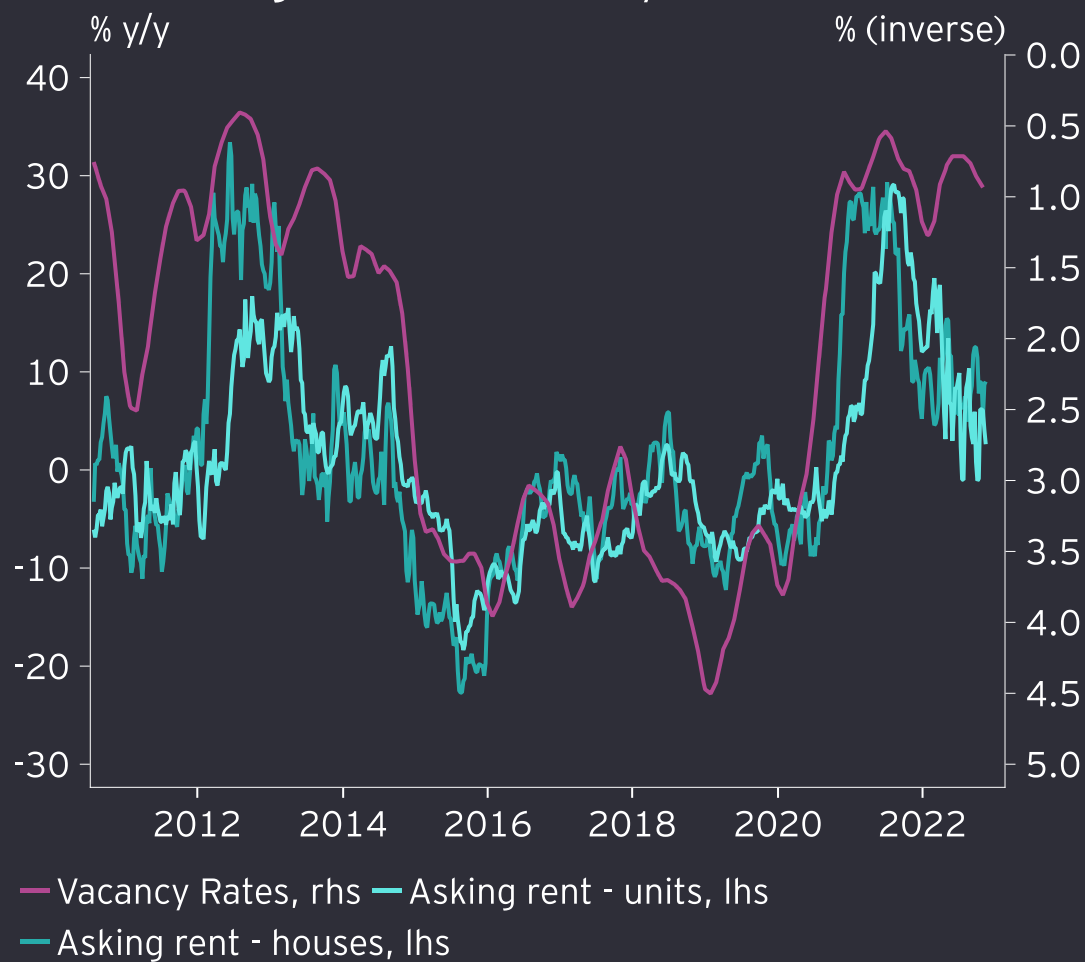
Dwelling prices and rental prices have started to fall in Darwin

Darwin dwelling prices



Source: CoreLogic, Macrobond, EY

Darwin asking rents and vacancy rate

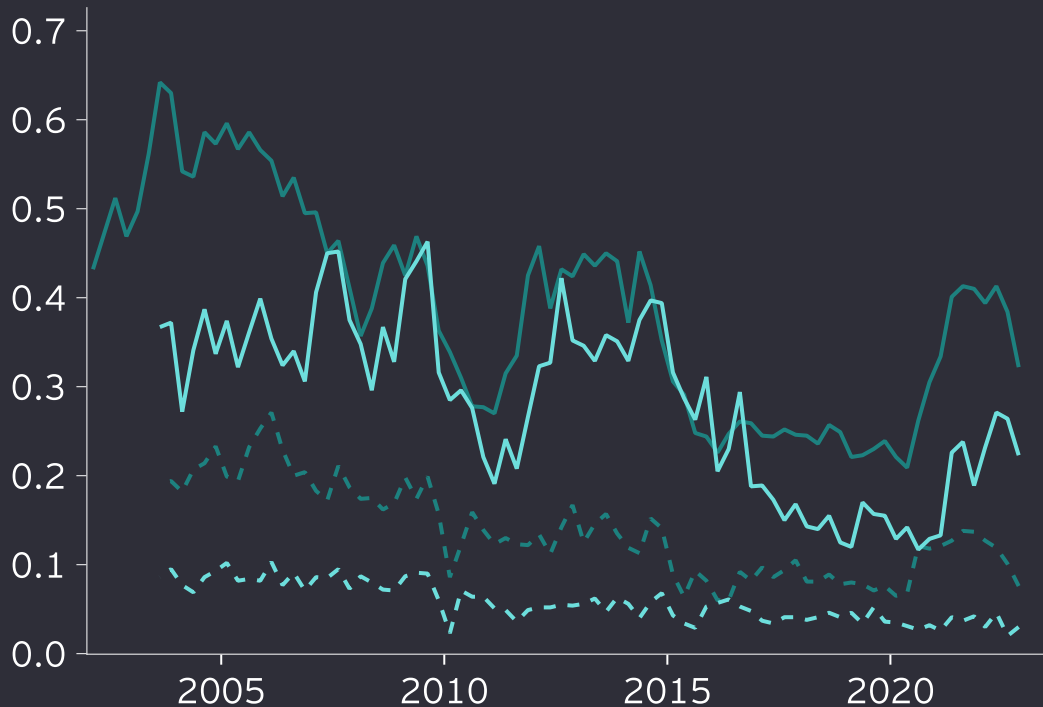


Source: SQM, Macrobond

Dwelling transfers have started to fall, while residential construction remains weak

House and attached dwelling transfers, NT

thousand

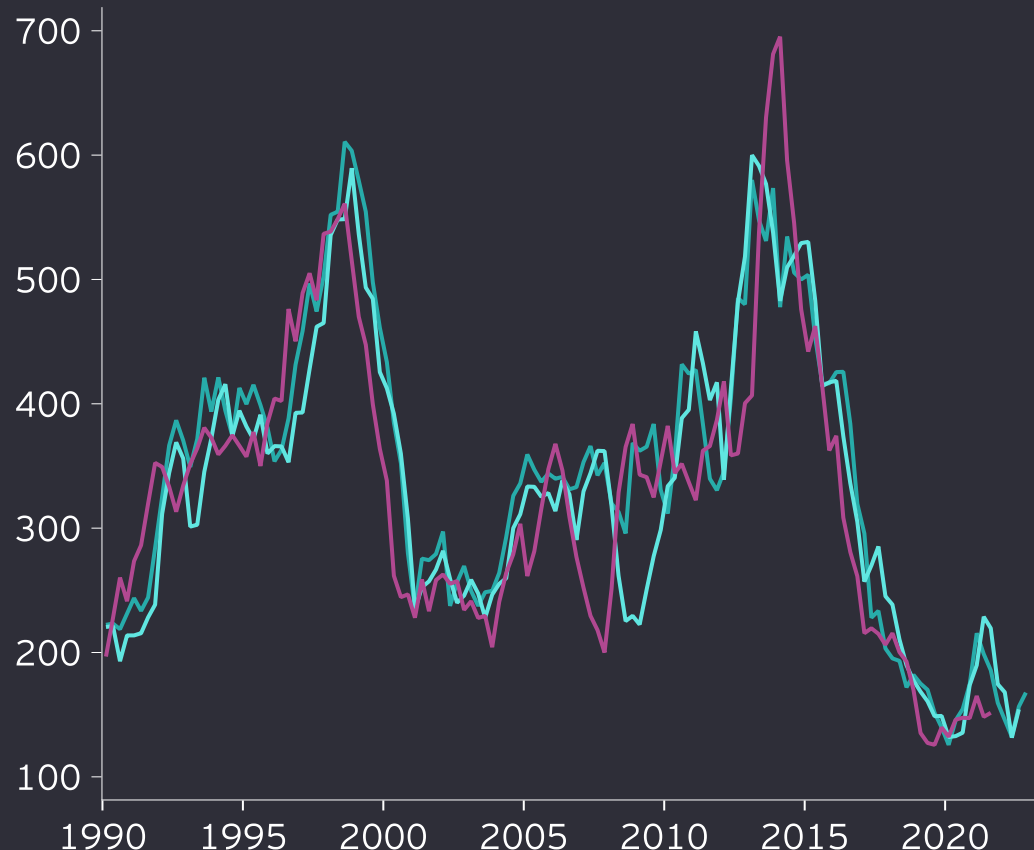


- - Apartments - Rest of NT
- Apartments - Darwin
- - Established Houses - Rest of NT
- Established Houses - Darwin

Source: ABS, Macrobond, EY

Dwelling approvals, starts and completions - NT

Number



- Completed (1y lag)
- Starts
- Approved

Source: ABS, Macrobond, EY

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