



CommSec

# *State of the States*

State and Territory  
Economic Performance Report

**January 2022**

Edition 50

# Tasmania leads the nation

## How are Australia's states and territories performing?

Each quarter CommSec attempts to find out. Now in its 13th year, the report also includes a section comparing annual growth rates for the eight key indicators across the states and territories as well as Australia as a whole, enabling comparisons in terms of economic momentum.

It is important to note at the outset that all states and territories are performing well in challenging and ever-changing times.

Governments have the primary aim of protecting the health of Australians while providing substantial stimulus and support measures to protect economies.

In a relative sense, and for the eighth quarter in a row, Tasmania holds the mantle of the best performing economy. Tasmania leads on four of the eight indicators and is second ranked on another two.

There is little to separate the other economies. South Australia is second; Victoria is third; Western Australia is fourth; Queensland is fifth; NSW is sixth; the ACT is seventh; and the Northern Territory is eighth.

4. WA  
*Strength*  
Relative economic growth

*Weakness*  
Housing finance

Western Australia ranks first on relative economic growth and is second-ranked on relative population growth.

8. NT  
*Strength*  
Housing finance

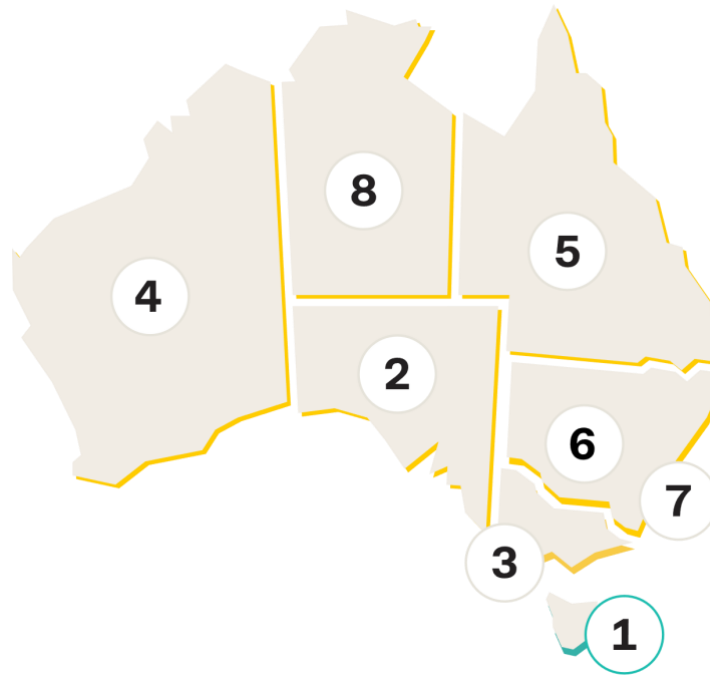
*Weakness*  
Dwelling starts

The Northern Territory is ranked sixth on three of the indicators.

5. QLD  
*Strength*  
Relative population growth

*Weakness*  
Equipment Investment

Queensland is ranked first on relative population growth and second on retail trade.



6. NSW  
*Strength*  
Housing finance

*Weakness*  
Equipment investment

NSW is ranked first on housing finance.

7. ACT  
*Strength*  
Relative economic growth

*Weakness*  
Relative unemployment

The ACT is ranked third on both relative economic growth and equipment investment.

2. SA  
*Strength*  
Relative unemployment

*Weakness*  
Relative economic growth

South Australia ranks second on equipment investment and relative unemployment.

1. TAS  
*Strength*  
Equipment investment

*Weakness*  
Housing finance

Tasmania is ranked first on four of the eight indicators.

3. VIC  
*Strength*  
Construction work

*Weakness*  
Relative population growth

Victoria ranks first on construction work and second on both dwelling starts and housing finance.



# Overall *performance*

Tasmania is ranked first on relative unemployment, retail spending, equipment investment and dwelling starts. Tasmania also ranks second on construction work done and relative economic growth.

Of the other economies there is little to separate South Australia, Victoria, Western Australia, Queensland, NSW, the ACT and the Northern Territory.

In a fast-evolving environment dominated by the Covid-19 virus, rankings of relative economic performance can change, even on a monthly basis.

In an absolute sense, Australia's state and territory economies are in solid shape, well supported by strong fiscal and monetary stimulus.

Unemployment rates are historically-low across much of the nation. Labour is in short supply across many industries, reflecting Covid self-isolation requirements and border restrictions.

As noted, Tasmania leads relative economic performance on four indicators.

Victoria leads on construction work done.

NSW is number 1 on housing finance.

Western Australia is strongest on relative economic growth.

Queensland leads on relative population growth.

*In terms of annual growth of the eight indicators, Western Australia top the annual changes on three measures; Victoria leads on two; while Tasmania, Queensland and the Northern Territory lead on one each.*

# *Tasmania remains Australia's best performing economy.*



# Economic growth



*Economic activity in Western Australia in the year to September was 37.3 per cent above its 'normal' or decade-average level of output.*

## Western Australia remains in front

Ideally Gross State Product (GSP) would be used to assess broad economic growth. But the data isn't available quarterly. We have previously used state final demand (household and equipment spending) plus exports less imports to act as a proxy for GSP. But the Bureau of Statistics doesn't provide long-term trade data for all states and territories in real terms. So nominal state final demand plus trade is assessed with rolling annual totals used to remove seasonality.

### Western Australia leads the way

Western Australia continues to lead on relative economic growth. Economic activity in Western Australia in the year to September 2021 was 37.3 per cent above its 'normal' or decade-average level of output. Tasmania remains in second spot, with output 25.6 per cent above the 'normal' level of output.

The ACT is in third position, (up 22.2 per cent) followed by Victoria (up 19.3 per cent). South Australia remains fifth (up 17.4 per cent), ahead of NSW (up 16.3 per cent).

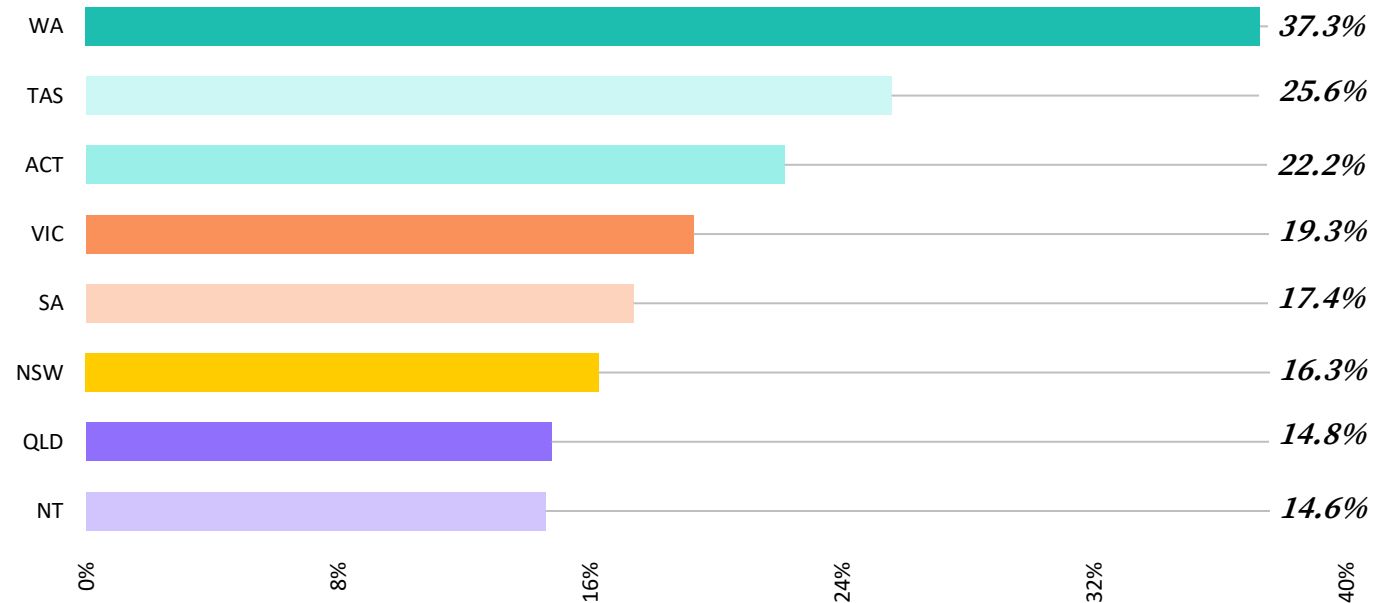
At the other end of the scale, economic activity in the Northern Territory in the September quarter was 14.6 per cent above its decade average, and behind Queensland (up 14.8 per cent).

Western Australia recorded the fastest nominal economic growth, up 21.8 per cent over the year, supported by strong mining output. Next is Tasmania (up 10.4 per cent) and South Australia (up 7.1 per cent), followed by NSW (up 5.1 per cent) and Queensland (up 4.4 per cent).

### Northern Territory records slowest growth

The weakest on annual nominal economic activity is the Northern Territory (up 3.7 per cent) behind the ACT (up 4.1 per cent) and Victoria (up 4.2 per cent).

If seasonally adjusted State Final Demand in real terms is used, comparing the latest result with decade averages reveals some subtle changes in the rankings. Western Australia loses the benefit of its strong mining exports. Tasmania leads on relative economic growth from the ACT, South Australia and Victoria.



Economic growth (state final demand plus trade) rolling annual nominal totals, percent change year to September on decade-average.  
Source: CommSec, ABS

# Retail spending



*Tasmania remains in top spot of the retail rankings, ahead of Queensland and Western Australia.*

## Tasmania remains strongest for retail spending

The measure used was real (inflation-adjusted) retail trade in seasonally adjusted terms with September quarter data the latest available.

Since the last (June) quarter, lockdowns in the south-east of the nation have caused rankings to change for retail trade. But Tasmania continues to lead from Queensland and Western Australia.

### Solid Tasmanian retail spending

Restrictions on foreign travel, a solid job market, low interest rates, elevated home purchases, and strong construction and renovation activity all continue to support retail spending.

Retail spending in Tasmania was 19.1 per cent above its decade-average levels in the September quarter, ahead of both Queensland and Western Australia.

Spending in Queensland is 14.3 per cent above 'normal' levels or the decade average. In third position is Western Australia, 13.9 per cent above decade-average levels. South Australia is now fourth, with spending 9.4 per cent up on 'normal'.

Victoria remains in fifth position ahead of Northern Territory.

Spending in Victoria is 7.7 per cent above decade-average levels with spending in Northern Territory up 4 per cent.

Spending in the ACT is unchanged compared with the decade average. However spending in NSW is down just 0.1 per cent on the decade average.

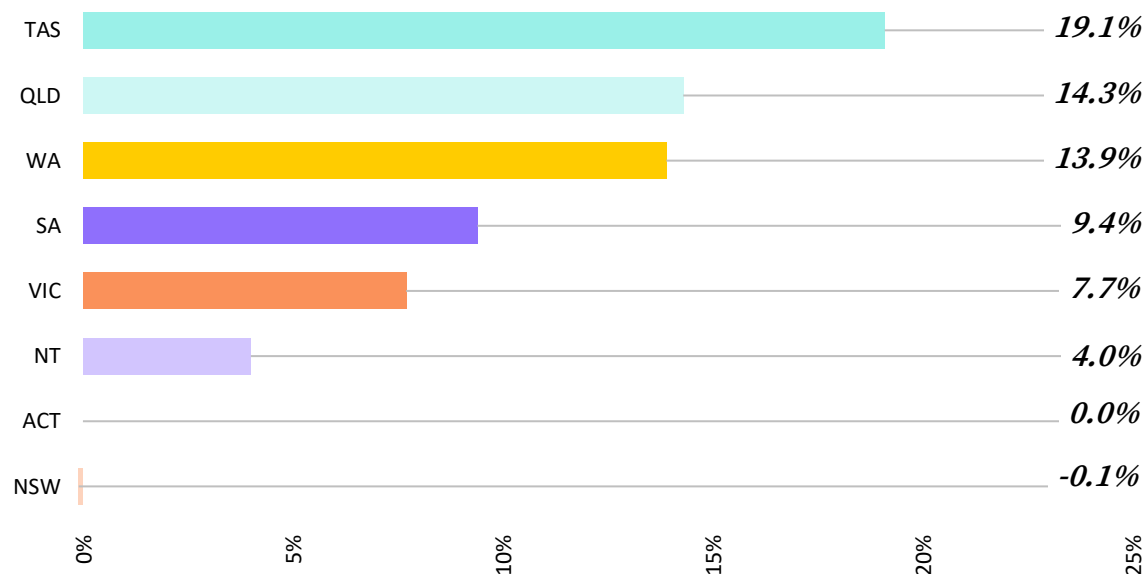
### Victoria has the fastest annual growth

In terms of annual growth of real retail trade, Victoria is now the strongest (up 8.7 per cent), ahead of Western Australia (up 1.8 per cent) and the Northern Territory (up 0.9 per cent).

At the other end of the scale, retail spending in the ACT was down 14.8 per cent on the year with NSW down 11.9 per cent.

If monthly retail trade was assessed instead to calculate the rankings (November data is available), Victoria would be in top spot, ahead of both the ACT and Tasmania.

Looking at the annual growth rate in monthly retail trade, Victoria (up 8.4 per cent) is ahead of Western Australia (up 7.7 per cent). The weakest result was recorded by the Northern Territory (down 3.1 per cent).



Real retail trade, percentage change September quarter 2021 on the decade-average.  
Source: CommSec, ABS

# Equipment investment



*In the September quarter, equipment investment in Tasmania was 94.6 per cent above decade highs.*

## Tasmania leads on equipment investment

The measure of equipment investment is spending on new plant and equipment in seasonally adjusted terms with September quarter data compared with decade averages (the 'normal' performance).

In the September quarter, six states and territories had equipment spending above decade-average levels, the same result as the June quarter.

### Tasmania now leads

Equipment investment in Tasmania was up by 94.6 per cent on the decade average, ahead of South Australia (up 27.4 per cent). The ACT (up 22.4 per cent) is now third, ahead of Western Australia (up 14.5 per cent).

Victoria remains in fifth position (up 4.4 per cent) ahead of the Northern Territory (up 2.1 per cent).

Spending in NSW was down 1.7 per cent, ahead of Queensland (down 2.3 per cent).

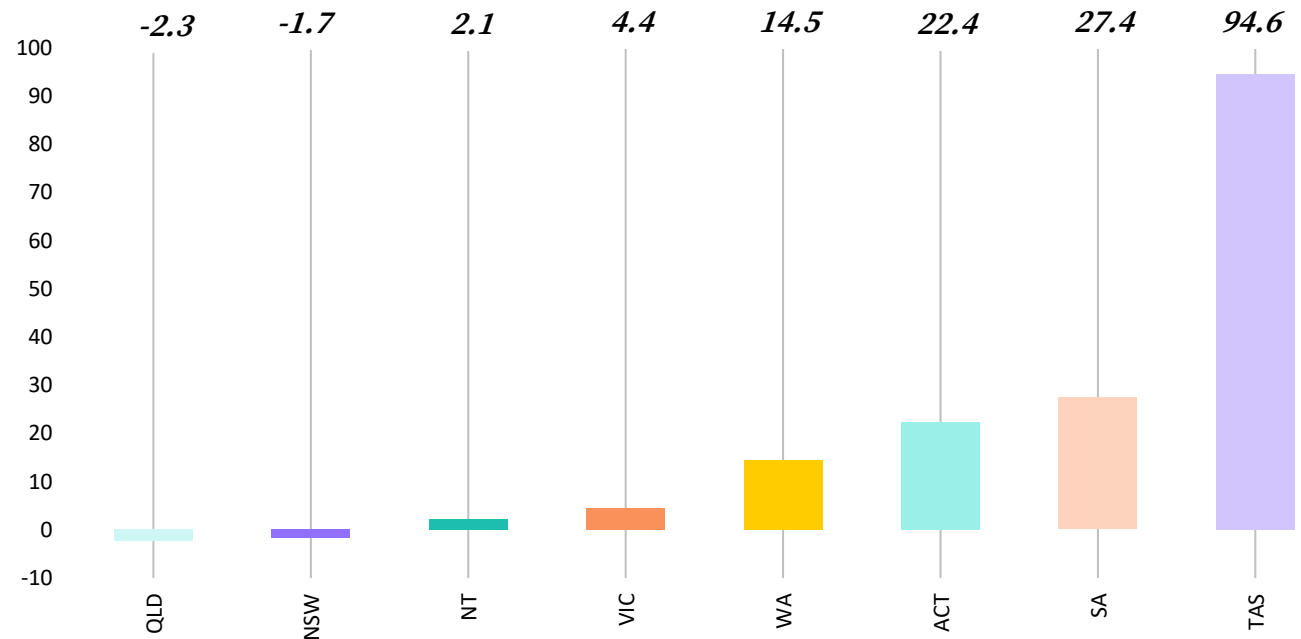
On a shorter-run analysis, equipment investment in the September quarter was up on a year ago in all of the state and territory economies, the same result as the June quarter.

Tasmania equipment investment was up 96.8 per cent on the previous year ahead of the Northern Territory (up 52 per cent); South Australia (up 42.3 per cent); Victoria (up 25.2 per cent); and the ACT (up 23.5 per cent).

### Queensland lags

At the other end of the scale, new equipment investment in Queensland was 7.1 per cent higher than a year ago, behind NSW (up 12.6 per cent) and Western Australia (up 12.8 per cent).

Equipment investment was at record highs in both Tasmania and South Australia in the September quarter. In the September quarter, equipment spending fell in five of the eight states and territories with Tasmania (up 37.3 per cent) the best performer while the ACT (down 28.2 per cent) was down the most.



Equipment spending, percent change September quarter on decade-average.  
Source: CommSec, ABS



# Unemployment



*Tasmania has the strongest job market. Unemployment in Tasmania stands at a record low of 3.9 per cent, below the decade average by 39.7 per cent.*

## Winners and losers on jobs

Which state or territory has the strongest job market in the nation? It is not an easy question to answer. But we have looked at unemployment rates across state and territory economies, comparing the rates with decade averages.

On this measure, Tasmania has the strongest job market. Unemployment in Tasmania stands at a record low of 3.9 per cent, 39.7 per cent below the decade average.

### South Australia is now in second spot

Next best is South Australia, its jobless rate also at a record low of 3.9 per cent and 38.5 per cent below the decade average.

Western Australia comes next (38.2 per cent below the decade average), ahead of Victoria (26.4 per cent below the 10-year average) and NSW (23.7 per cent below the decade average.)

At the other end of the scale, the ACT jobless rate of 4.5 per cent is 12 per cent above the 4.0 per cent decade average rate.

Ahead of the ACT was the Northern Territory, its jobless rate being 5.5 per cent below the decade average. The Queensland jobless rate is 23.5 per cent below the decade average.

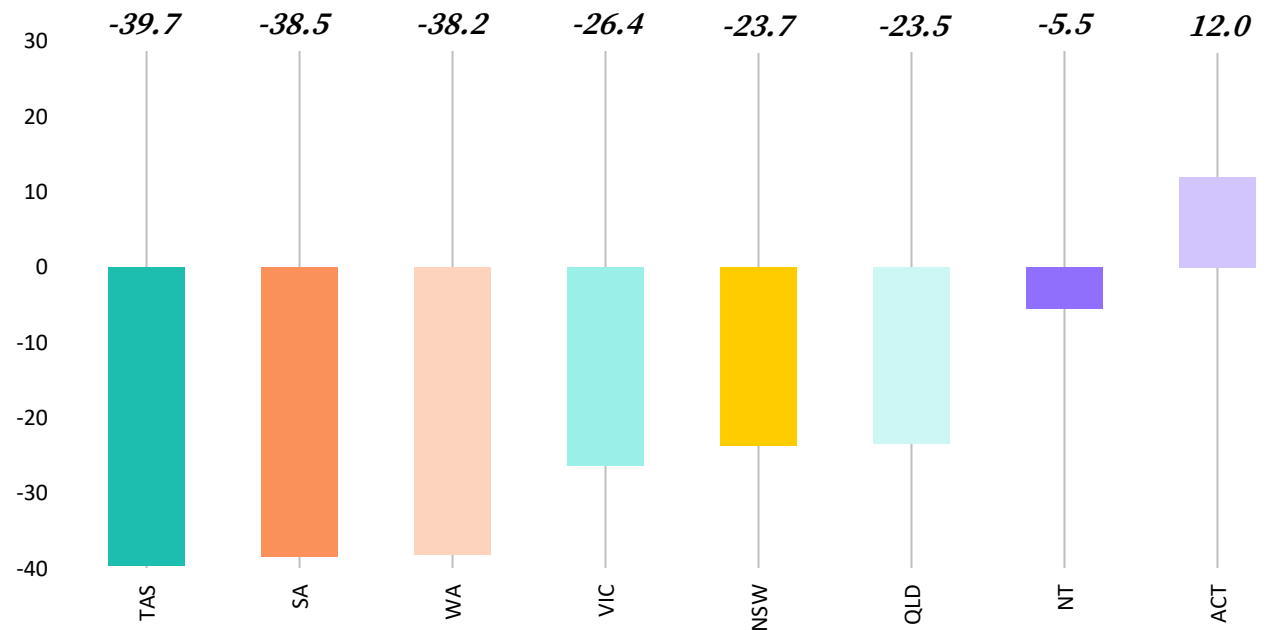
In December, employment in all of the states and territories was above decade-average levels except for the Northern Territory (down 0.7 per cent). Victoria was strongest on this measure with employment 10.7 per cent higher than the decade average.

### WA is still the best for employment growth

Looking over the year to December, employment in seven of the states and territories recorded annual gains.

Doing best was Western Australia (jobs up by 4.9 per cent), followed by South Australia (up 3.6 per cent); Queensland (up 3.5 per cent); Victoria (up 3.4 per cent); Tasmania (up 2.8 per cent); NSW (up 1.9 per cent); and the Northern Territory (up by 1.3 per cent).

By contrast, employment in the ACT was 4.5 per cent lower over the year.



Unemployment, percent change in December 2021 on the decade-average.  
Source: CommSec, ABS

# Construction work



*Victoria has leap-frogged Tasmania into top spot on construction work done.*

## Victoria is now the strongest for construction work

The measure used for analysis was the total real value of residential, commercial and engineering work completed in seasonally adjusted terms in the September quarter.

In four of the eight states and territories, construction work in the September quarter was higher than the decade average, unchanged on the previous quarter.

### Victoria now on top

Victoria has leap-frogged Tasmania into top spot on construction work done. In Victoria, construction work done is 21.9 per cent above its decade average, ahead of Tasmania (up 21.6 per cent).

South Australia comes next with work done 21.3 per cent above the decade average, ahead of NSW (up 1.1 per cent) and the ACT (down 14.6 per cent).

At the other end of the scale, Northern Territory construction work done in the September quarter was 56.7 per cent below the decade-average.

Next best was Western Australia with construction work down 40.9 per cent on the decade average, behind Queensland (down 18.5 per cent).

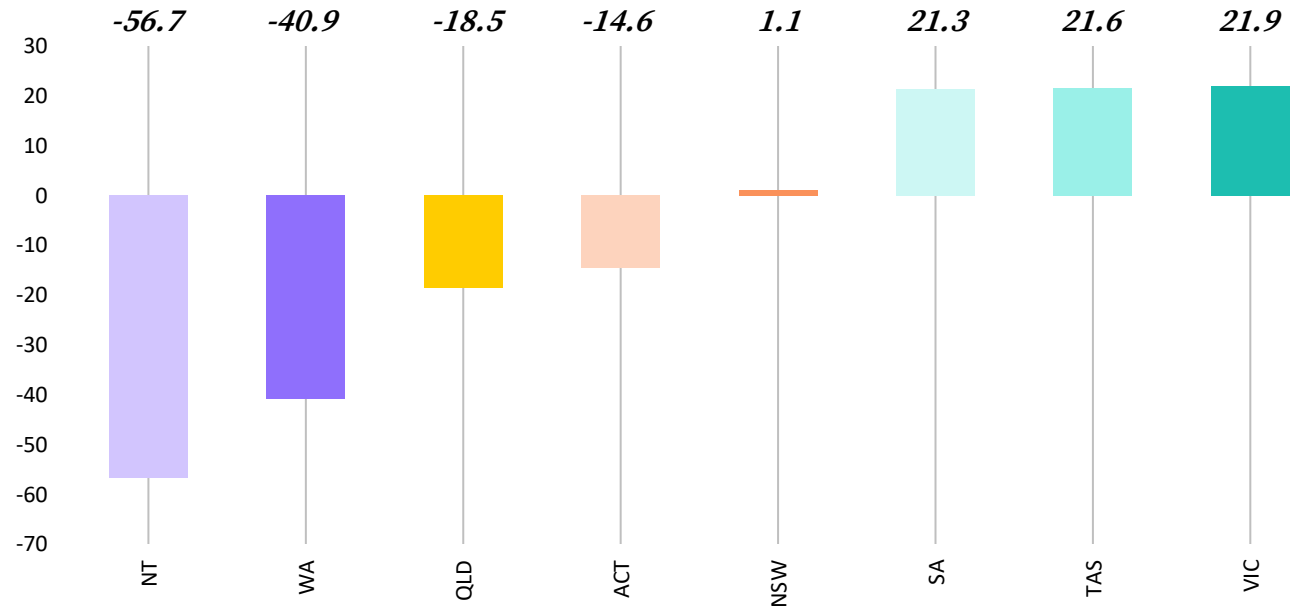
Four of the eight states and territories posted stronger construction work in the September quarter.

### Northern Territory fastest over the year

In terms of annual growth rates, six economies had construction work higher than a year ago. The Northern Territory was the strongest performer with construction 22.7 per cent higher than a year earlier.

Tasmanian construction activity was up by 16.7 per cent on a year ago, ahead of South Australia (up 16.4 per cent) and Queensland (up 6.8 per cent).

At the other end of the scale, construction work was lower than a year ago in the ACT (down 15.3 per cent), behind NSW (down 5.6 per cent), Western Australia (up 0.2 per cent) and Victoria (up 5.0 per cent).



Construction work done, percent change, September quarter on decade-average.  
Source: CommSec, ABS



# Population growth



*Queensland is now the strongest on the relative population measure.*

## Queensland now leads relative population growth

We assess relative population performance—the current annual growth rate and compare it with each economy’s decade-average (‘normal’) growth pace. This is most relevant to the economic performance of each state or territory.

Population growth is clearly an important driver of the broader economy, especially retail spending and housing demand. The key point being that no economy has population growth above long-term averages due especially to foreign border closures.

### Queensland is No.1

Queensland is now the strongest on relative population growth, with its 0.89 per cent annual population growth rate 43.7 per cent below the decade-average for the year to June.

Western Australia is now second on the relative annual population growth measure, up from 4<sup>th</sup> spot in the previous report. In WA, its 0.65 per cent annual population growth rate is down 53.1 per cent on the decade average.

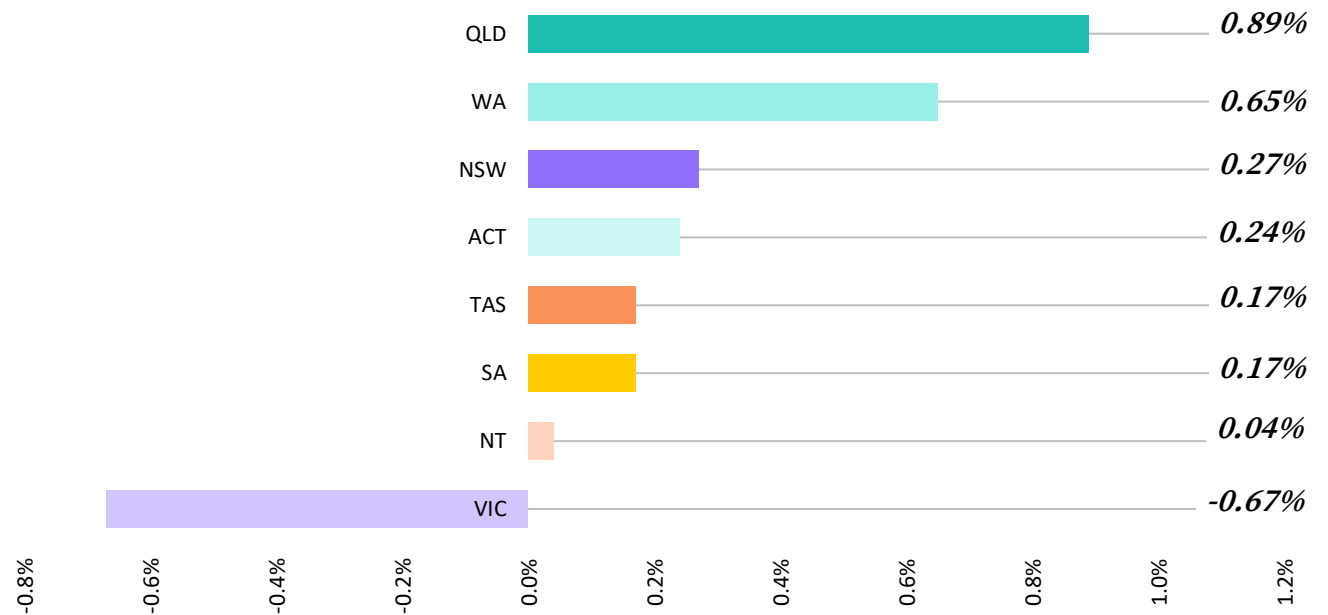
Next strongest was Tasmania (down 70.1 per cent), followed by NSW (down 78.9 per cent); South Australia (down 79.2 per cent); the ACT (down 85.4 per cent); the Northern Territory (down 93.8 per cent); and Victoria (down 134.8 per cent).

The state with the fastest absolute annual population growth is still Queensland (up 0.89 per cent). Next strongest is still Western Australia (up 0.65 per cent), followed by NSW (up 0.27 per cent); the ACT (up 0.24 per cent); Tasmania and South Australia (both up 0.17 per cent); the Northern Territory (up 0.04 per cent); and Victoria (down 0.67 per cent).

The 0.67 per cent annual population decline in Victoria is the biggest fall in 39 years of quarterly records.

The 0.17 per cent annual population growth in South Australia is the equal slowest pace in 26 years.

The 0.17 per cent annual population growth in Tasmania is the slowest in 28 years of quarterly records.



Population, annual percent change, June 2021 quarter (latest).  
Source: CommSec, ABS

# Housing *finance*



*In all of the eight states and territories, housing finance commitments are above decade averages, the same result as the previous quarterly report.*

## NSW remains in top spot on home loans

The measure used is the value of owner-occupier housing finance commitments (home loans) and this is compared with the decade average for each respective state and territory.

In the past, the trend number of loans was used, but the Bureau of Statistics has made major changes to the home loan data. November 2021 data is the latest available.

Housing finance is not just a leading indicator for real estate activity and housing construction, but it is also a useful indicator of activity in the financial sector. It would be useful to compare figures on commercial, personal and lease finance, but long-term data is not available.

### Housing finance above decade average

In all of the eight states and territories, housing finance commitments are well above decade averages, the same result as the previous quarterly report. And home loans were above year-ago levels in all economies except Tasmania and Western Australia.

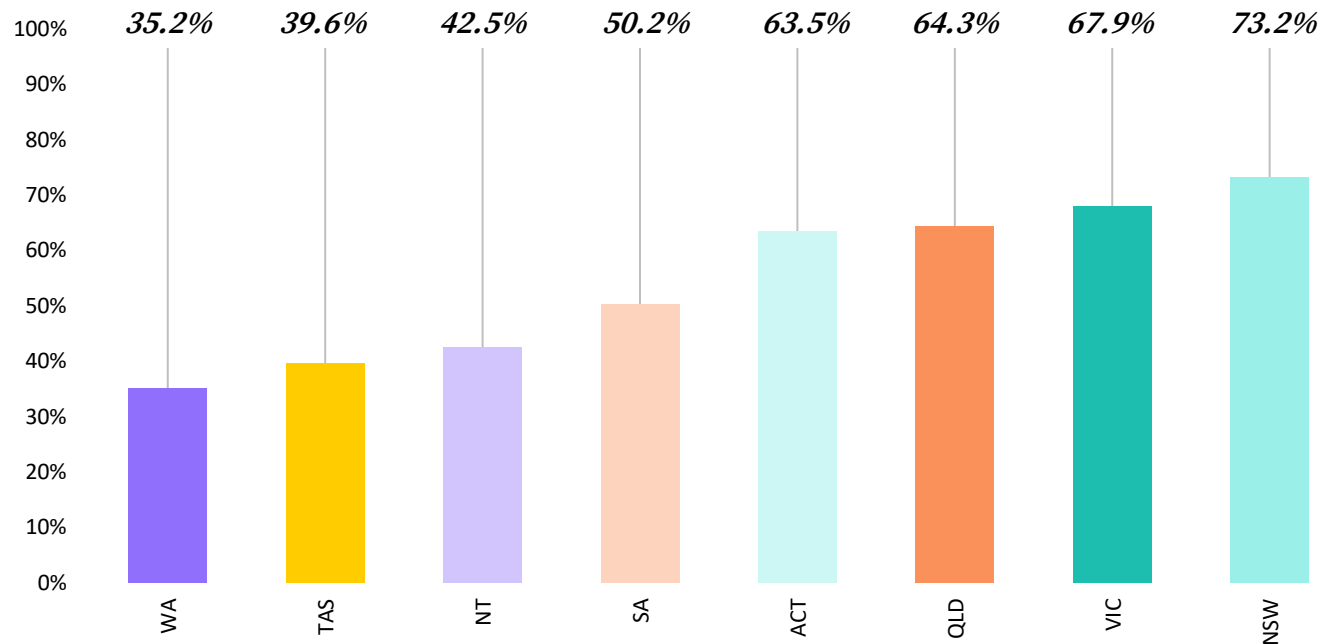
NSW remains in top spot with the value of home loans up by 73.2 per cent on the long-term average. Next strongest is Victoria (up 67.9 per cent) followed by Queensland (up 64.3 per cent) and the ACT (up 63.5 per cent).

### Western Australia is the weakest

Western Australia remains the weakest for housing finance with commitments 35.2 per cent higher than its decade average. Commitments in Tasmania were up 39.6 per cent on the decade-average, behind the Northern Territory (up 42.5 per cent) and South Australia (up 50.2 per cent).

On an annual comparison, commitments in Victoria were up the most (up 34 per cent) followed by NSW (up 18 per cent); the ACT (up 14.2 per cent); the Northern Territory (up 12.8 per cent); South Australia (up 9.7 per cent); and Queensland (up 9.6 per cent).

Tasmania is now recording a 2.6 per cent annual fall in home loans behind Western Australia (down 2.2 per cent).



Housing finance commitments, percent change November 2021 on the decade-average.  
Source: CommSec, ABS

# Dwelling starts



*Tasmania remains in top spot for dwelling starts in the September quarter.*

## Tasmania leads the way on dwelling starts

The measure used was the seasonally adjusted number of dwelling commencements (starts) with the comparison made to the decade average level of starts. Starts are driven in part by population growth and housing finance, and can affect retail trade, unemployment and overall economic growth. However, any over-building or under-building in previous years can affect the current level of starts.

### Victoria lifts from fifth to second

Tasmania remains in top spot for dwelling starts. In the September quarter, starts in Tasmania were 61.3 per cent above the decade average. And Victoria has lifted from fifth to second with starts now 22.5 per cent above decade averages.

South Australia is now in third spot with starts up 16.1 per cent on the decade average. Next is Queensland (up 9.2 per cent).

At the other end of the scale, dwelling starts in the Northern Territory were 66.5 per cent below the decade average. Next

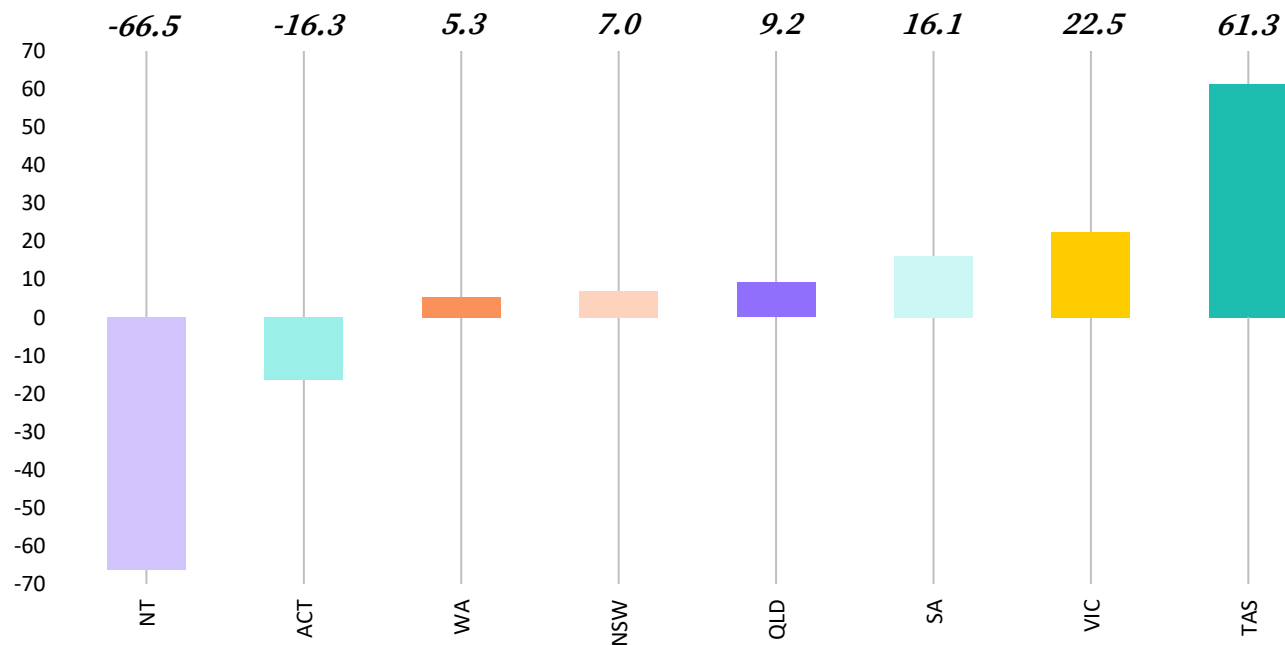
weakest was the ACT (down 16.3 per cent); Western Australia (up 5.3 per cent); and NSW (up 7.0 per cent).

In terms of quarterly changes, all of the states and territories posted declines, in some cases from multi-decade highs. The declines were led by the Northern Territory (down 63.6 per cent) and the ACT (down 34.3 per cent).

### Starts up on the year, except in the NT

In terms of annual changes, all states and territories posted gains over the year to September except the Northern Territory. The biggest gains were reported by Western Australia (up 76.3 per cent), Queensland (up 44.2 per cent), the ACT (up 40.5 per cent), Tasmania (up 28.2 per cent) and Victoria (up 24.1 per cent).

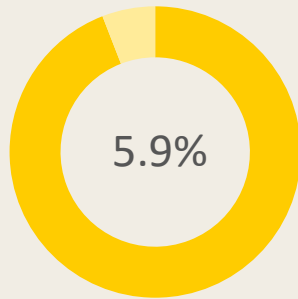
Next strongest was NSW (up 22.1 per cent) followed by South Australia (up 12.6 per cent). Starts in the Northern Territory in the September quarter were 26 per cent lower than a year ago.



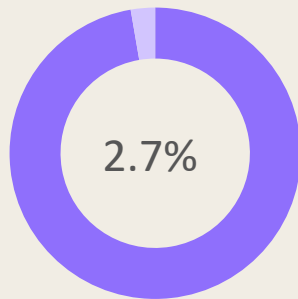
Dwelling starts, percent change, September quarter on decade-average  
Source: CommSec, ABS

# Other indicators

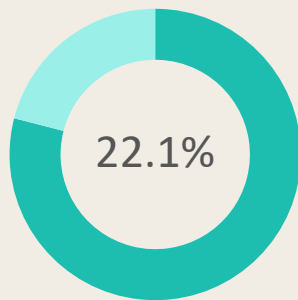
Highest inflation rate in Darwin



Fastest wage growth in Hobart



National home prices rose by



## Tasmania posts biggest lift in home prices

Annual percentage changes of consumer prices were generally lower across capital cities in the September quarter, although the national underlying rate (trimmed mean) was higher.

Darwin had the highest annual inflation rate in the September quarter at 5.9 per cent, ahead of Brisbane (3.9 per cent) and Canberra (3.7 per cent).

The elevated headline annual inflation rates and modest wages means that all states and territories had negative real wage growth in the September quarter (the gap between wage growth and inflation).

But given the distortions to headline consumer prices, a better way to measure real wages in the current period is to compare 'trimmed mean' (underlying inflation) to wage growth.

At a national level, wage growth of 2.2 per cent was just ahead of the 2.1 per cent lift in the trimmed mean measure.

Wage growth in the year to the September quarter was strongest in Tasmania (2.7 per cent), ahead of Victoria (2.5 per cent) and the Northern Territory (2.4 per cent).

The lowest annual wage growth was in South Australia (1.8 per cent), followed by Western Australia (1.9 per cent), Queensland (2.0 per cent) and NSW and the ACT (both 2.1 per cent).

### Soaring home prices

Turning to home prices, in December 2021 all of the states and territories recorded annual growth in home prices.

National home prices rose by 22.1 per cent over the year to December, down from the 32-year high of 22.2 per cent set in November.

The strongest annual growth in home prices was in Tasmania (up 28.7 per cent) from Queensland (up 26.4 per cent); NSW (up 26.2 per cent); the ACT (up 24.9 per cent); South Australia (up 22.4 per cent); Northern Territory (up 18.6 per cent); and Victoria (up 16.3 per cent).

The slowest annual growth in home prices was Western Australia (up 13.3 per cent).

	CPI Sept Qtr	Wages Sept Qtr	Home Prices Dec
NSW	2.9	2.1	26.2
VIC	2.9	2.5	16.3
QLD	3.9	2.0	26.4
SA	2.5	1.8	22.4
WA	3.0	1.9	13.3
TAS	3.6	2.7	28.7
NT	5.9	2.4	13.6
ACT	3.7	2.1	24.9



**TAS**

The fastest annual growth in home prices was in Tasmania, up 28.7%.

\*Annual % change.

Source: ABS, CoreLogic, CommSec. CPI—Consumer Price Index. Wages Price Index.



# Annual growth rates

*Of the eight indicators assessed, Western Australia tops the annual changes on three measures.*

## Western Australia excels on three of the eight indicators

The State of the States report assesses economic performance by looking at the most recent result—such as retail trade or construction—and compares that with the ‘normal’ experience. And by ‘normal experience’, we define this as the decade average.

A resident of the state or territory can therefore assess whether they are experiencing relatively better economic times. Comparing states or territories on the same criteria determines which state or territory is performing the best on a certain indicator.









In addition to relative economic performance, some are also interested in economic momentum. That is, annual changes of the key indicators. A state/territory may have been under-performing, but if annual growth is rising, then this suggests that performance has scope to improve.

### Western Australia is the growth leader

Of the eight indicators assessed, Western Australia tops the annual changes on three measures; Victoria leads on two; while Tasmania, Queensland and the Northern Territory lead on one each.

When looking across growth rates for the states and territories Victoria, Western Australia and Queensland have annual growth rates equal or exceeding the national average on five of the eight indicators.

Tasmania and South Australia lead the national average on four measures. The Northern Territory and the ACT lead the national average on three indicators. NSW leads the national average on two indicators.

	 Economic growth	 Retail spending	 Equipment investment	 Employment growth	 Construction work	 Population growth	 Housing finance	 Dwelling starts
NSW	5.1	-11.9	12.6	1.9	-5.6	0.27	18.0	22.1
VIC	4.2	<b>8.7</b>	25.2	3.4	5.0	-0.67	<b>34.0</b>	24.1
QLD	4.4	-0.4	7.1	3.5	6.8	<b>0.89</b>	9.6	44.2
SA	7.1	-2.0	42.3	3.6	16.4	0.17	9.7	12.6
WA	<b>21.8</b>	1.8	12.8	<b>4.9</b>	0.2	0.65	-2.2	<b>76.3</b>
TAS	10.4	0.1	<b>96.8</b>	2.8	16.7	0.17	-2.6	28.2
NT	3.7	0.9	52.0	1.3	<b>22.7</b>	0.04	12.8	-26.0
ACT	4.1	-14.8	23.5	-4.5	-15.3	0.24	14.2	40.5
<b>Aust</b>	<b>8.1</b>	<b>-2.2</b>	<b>17.4</b>	<b>2.9</b>	<b>2.2</b>	<b>0.18</b>	<b>17.2</b>	<b>30.8</b>

# Looking ahead

*In differing ways, each state or territory will attempt to 'live with Covid' over 2022. This could lead to major changes in the performance rankings.*

## New auto sales mixed across economies

Timely data on new vehicle sales is available on a monthly basis. The latest data covers December 2021. We don't include vehicle sales in assessing overall economic performance as we assess other data on consumer spending. But the data is worth noting.

In six of the states and territories, annual new vehicle sales are below 'normal'. Queensland vehicle sales are up 1.6 per cent on the decade average. Looking at yearly growth of the rolling annual sum of new vehicle sales, all economies are up and doing best is the Northern Territory, up 27.2 per cent.

### All regions continue to perform well

In challenging times, all state and territory economies are performing well, supported by highly stimulative fiscal and monetary policies. Despite the constant changes presented by Covid-19, construction activity is solid, property markets are generally strong while job markets remain tight.

In relative performance though, Tasmania continues to dominate, maintaining its top position well ahead of other economies.

The success in suppressing the Covid-19 virus meant that Tasmania wasn't forced to lock down its economy to the same extent as other economies, protected behind closed borders.

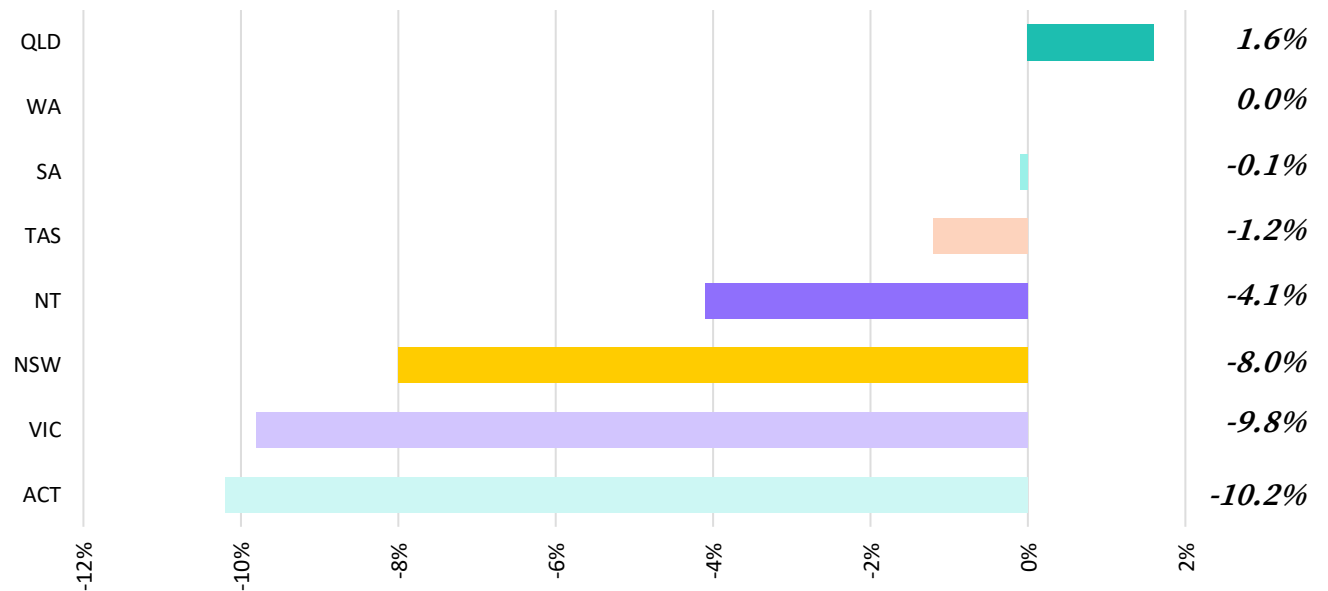
### Where to from here?

Tasmania has held top position in the performance rankings—solely or jointly—for eight quarterly surveys. While it is likely to remain on top in the short-term, much can change over 2022.

In differing ways, each state or territory will attempt to 'live with Covid' over 2022. This could lead to major changes in the performance rankings.

While Tasmania leads the rankings, at present there is little to separate the other economies. Lockdowns have weighed on the economic performances of NSW and the ACT in the last survey. While both of these economies could scale the rankings again, new challenges are presented by Covid self-isolation—not just for NSW and the ACT, but for all economies.

The opening of local and foreign borders is likely to support the Queensland economy.



Motor vehicle registrations, percent change in year to December 2021 on the decade-average.  
Source: CommSec, ABS, Federal Chamber of Automotive Industries



# CommSec

## *State of the States*

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### Methodology

Each of the states and territory economies were assessed on eight key indicators: economic growth; retail spending; equipment investment; unemployment, construction work done; population growth; housing finance and dwelling commencements.

The aim is to find how each economy is performing compared with 'normal'. Similar to what the Reserve Bank does with interest rates, we used decade averages to judge the normal state of affairs. For each economy, the latest level of the indicator—such as retail spending or economic growth—was compared with the decade average.

While we also looked at the current pace of growth to assess economic momentum, it may yield perverse results to judge performance. For instance, retail spending may be up sharply on a year ago but from depressed levels. Overall spending may still be well below normal.

And clearly some states, such as Queensland and Western Australia, traditionally have had faster economic growth rates due to historically faster population growth. So the best way to assess economic performance is to look at each indicator in relation to what would be considered 'normal' for that state or territory.

For instance, the seasonally adjusted jobless rate in both Tasmania and South Australia stood at 3.9 per cent in December. However, Tasmania's unemployment rate was 39.7 per cent below its decade average, while the South Australian jobless rate was 38.5 per cent below its decade average. So Tasmania ranks above South Australia on this indicator.

Except for economic growth, seasonally adjusted or trend measures of the economic indicators were used to assess performance on all measures. While preference was for trend measures, in many cases these have been suspended in the wake of the Covid-19 crisis. Rolling annual nominal data was used to assess economic growth.

# State of the States



## State and Territory Economic Performance Report

### Contacts

Craig James  
*Chief Economist*  
craig.james@cba.com.au  
🐦 @CommSec

Ryan Felsman  
*Senior Economist*  
ryan.felsman@cba.com.au  
🐦 @CommSec

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