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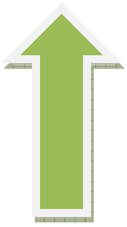
SUMMARY

This July 2010 edition of *Economics Indicators: NSW* updates statistical information on key economic indicators, thereby presenting an updated snapshot of the NSW economy and providing relevant points of comparison with other Australian States and Territories. Statistics are updated to the end of the most recent quarter available. Most indicators have thus been updated to include the March or June 2010 quarters.

For New South Wales, the direction in which the quarterly averages for each indicator have moved since the April 2010 edition is summarised below.



Interest rates

Consumer Price Index

Employment

Wages

Dwelling approvals

Vehicle sales

Bankrutpcies

Rent

Labour force participation rate

Exports

Imports

Unemployment

Job vacancies

Retail turnover

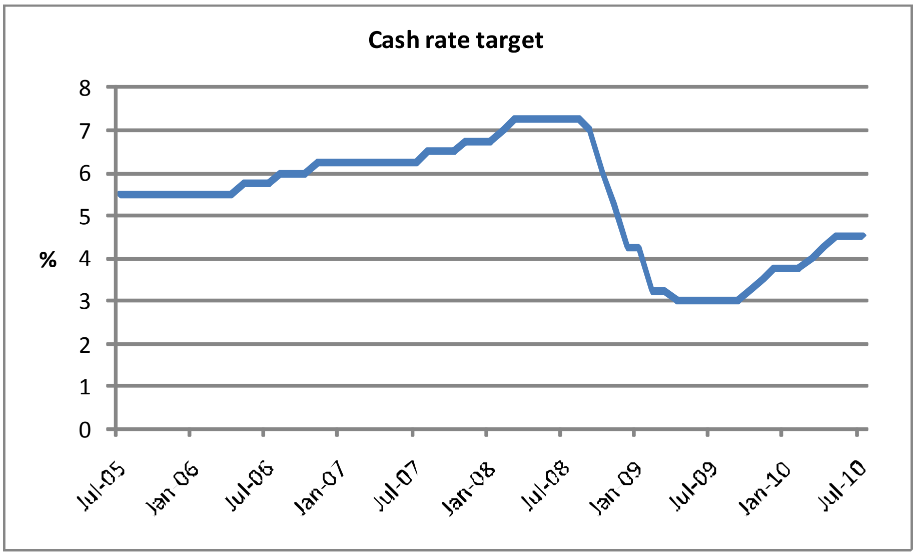
Loan size (first home buyers)

As more recent data is not as yet available, indicators on Gross State Product, agricultural production, and business investment have not been updated since the April 2010 edition.

The major source for much of the information in this paper is data collected by the Australian Bureau of Statistics. The figures used are the original numbers, unless otherwise indicated. Sources other than the Australian Bureau of Statistics have been used where relevant and are identified in the paper itself.

INTEREST RATES

The Reserve Bank of Australia decided to raise the cash rate to 4.5% at its meeting on 4 May 2010. This was the third increase in as many months. Some of the considerations in the Bank's decision cited by Glenn Stevens, Governor of the Reserve Bank, were: improved forecasts for world GDP growth; rising terms of trade for Australia; increased willingness of lenders to lend to some borrowers; and a decline in inflation.[1] Interest rates are now deemed to be close to average levels of the past decade. As a result, the cash rate was left unchanged at the 1 June 2010 and 6 July 2010 meetings of the Board of the Reserve Bank.[2]



Source: Reserve Bank of Australia, 'Cash rate target', www.rba.gov.au

1 Reserve Bank of Australia, Media Release, 4/5/10.

2 Reserve Bank of Australia, Media Release, 1/6/10; Reserve Bank of Australia, Media Release, 6/7/10

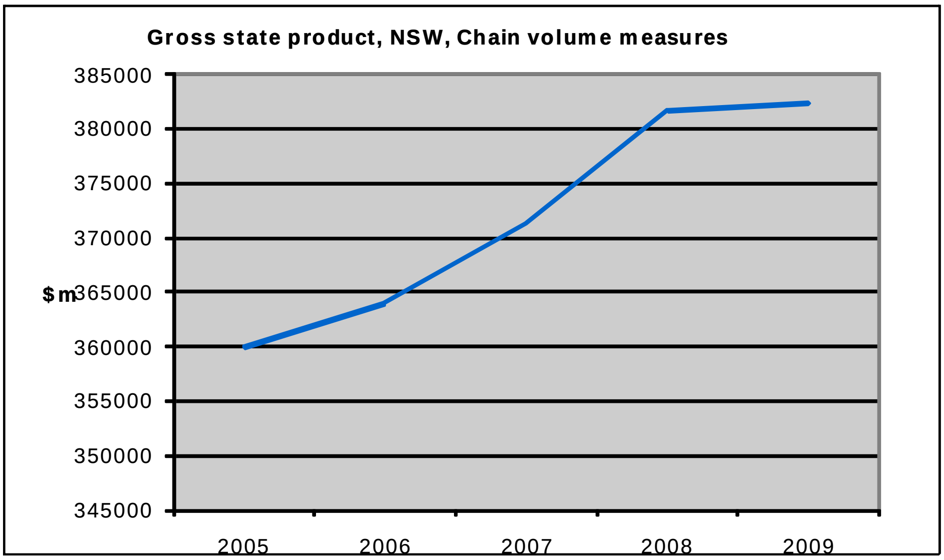
GROSS STATE PRODUCT

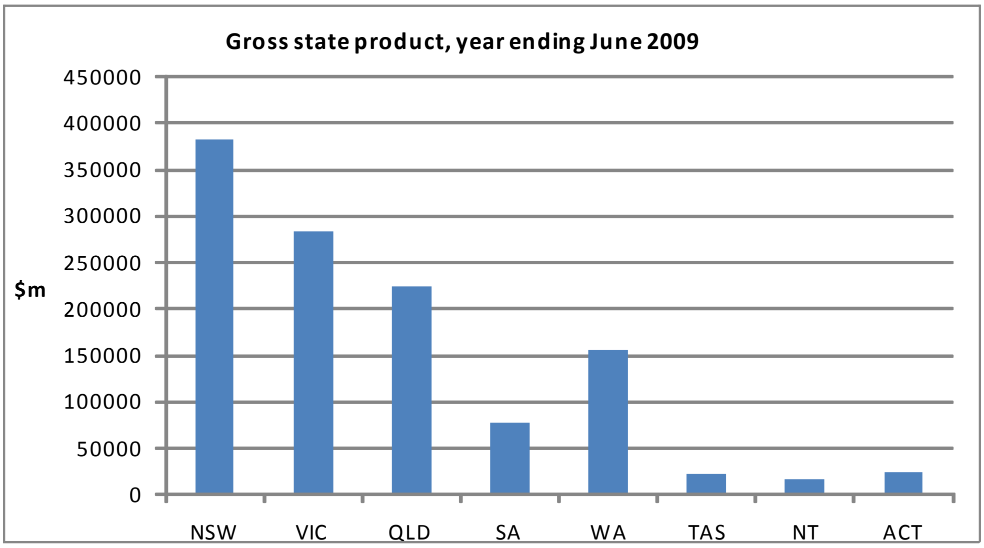
Gross State Product (GSP) continues to rise in NSW, albeit at a slower rate than the other States and Territories, totalling $382.3 billion in the year ending June 2009. Whilst total GSP is greatest in NSW compared to other States and Territories, and represents 32% of National Gross Domestic Product, GSP per capita is slightly lower in NSW than the national average. Nevertheless, it is the highest of the eastern seaboard States.

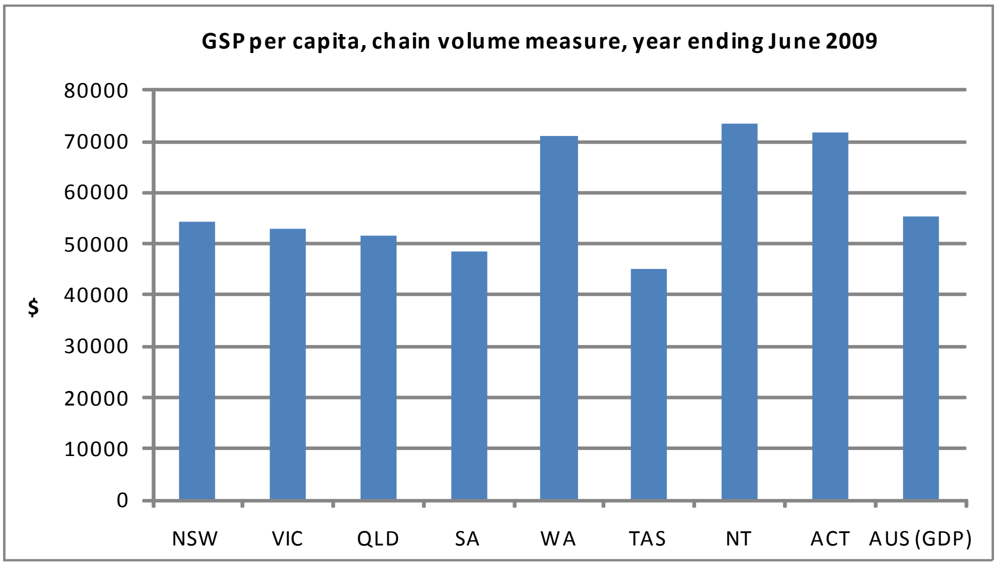
Gross State Product, chain volume measures, $m

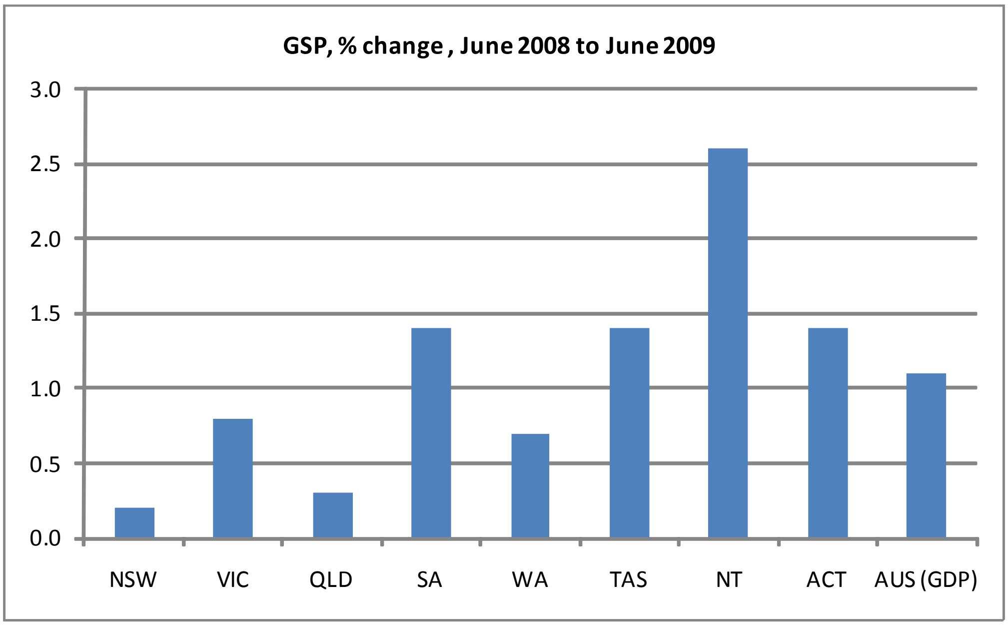
	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUS (GDP)
Jun-2005	359948	251909	193442	70127	131783	20239	13426	21574	1065166
Jun-2006	363874	259446	202233	72445	139824	20738	14331	22598	1097866
Jun-2007	371304	270675	213444	73625	147961	21387	15290	23712	1139256
Jun-2008	381720	281504	223450	76905	155449	22261	15879	24582	1181750
Jun-2009	382314	283784	224187	77991	156603	22564	16297	24916	1194496

Source: ABS, *Australian National Accounts, State Accounts*, 5220.0




Gross state product, year ending June 2009
$m
450000
400000
350000
300000
250000
200000
150000
100000
50000
0
NSW
VIC
QLD
SA
WA
TAS
NT
ACT


GSP per capita, chain volume measure, year ending June 2009
$
80000
70000
60000
50000
40000
30000
20000
10000
0
NSW
VIC
QLD
SA
WA
TAS
NT
ACT
AUS (GDP)


GSP, % change, June 2008 to June 2009
3.0
2.5
2.0
1.5
1.0
0.5
0.0
NSW
VIC
QLD
SA
WA
TAS
NT
ACT
AUS (GDP)

INTERNATIONAL TRADE

Exports

The average monthly free on board (FOB) value of merchandise exports from NSW for the March 2010 quarter fell from $2.5 billion to $2.4 billion. Nonetheless, it remained the third largest value for any State or Territory (16% of all Australian exports). Western Australia and Queensland continue to export the greatest value. Western Australia was the only State or Territory to experience an increase in the amount exported in the March 2010 quarter.

The top five destinations for merchandise exports from NSW in May 2010 were:

1. Japan ($836M)
2. Korea ($261M)
3. Taiwan ($242M)
4. China ($236M)
5. United States of America ($213M)

62% of all exports from NSW in May 2010 went to these five destinations.

Whilst Japan is still the main destination for exports since January 2010, Korea and Taiwan have moved ahead of China, the US has moved from fourth to fifth position, and New Zealand has moved out of the top five.

Imports

The average monthly customs value of merchandise imports for NSW in the March 2010 quarter fell from $6.5 billion to $6 billion (37% of all Australian imports). Nonetheless, NSW remains ahead of Victoria as recipient of the greatest value of imports into the Australian States and Territories. The top five import sources for NSW in May 2010 were:

1. China ($1629M)
2. United States of America ($819M)
3. Japan ($443M)
4. Germany ($359M)
5. Malaysia ($278M)

54% of all imports into NSW in May 2010 were from the above five sources.

Italy moved out of the top five sources where it was in January 2010 to 12th position by May 2010 and has been replaced by Malaysia in fifth place.

Average monthly merchandise exports per quarter, FOB Value, $m

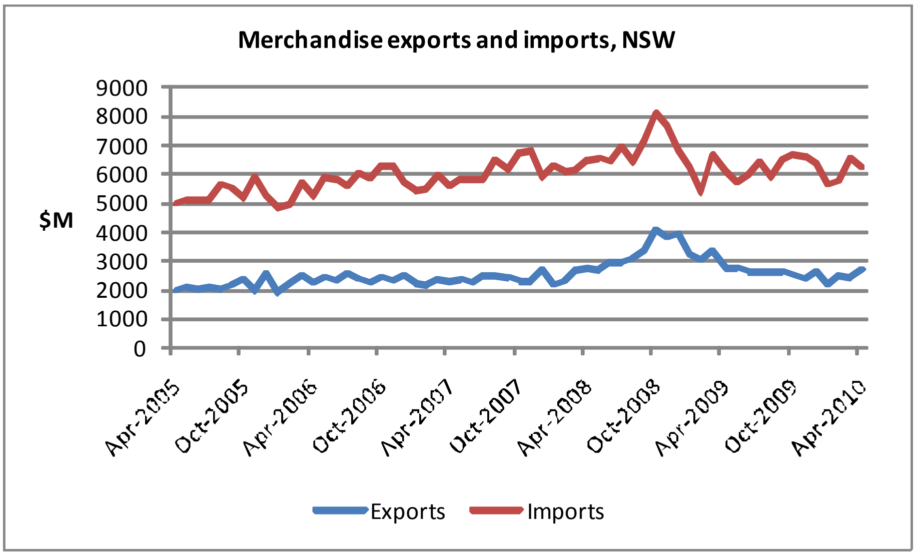
	NSW	VIC	QLD	SA	WA	TAS	NT	ACT
Jun-06	2315	1660	3140	853	4453	271	278	0
Sep-06	2392	1727	3103	723	4921	306	383	0
Dec-06	2389	1766	3052	750	5216	292	345	2
Mar-07	2268	1506	2753	717	4831	334	285	0
Jun-07	2305	1685	2904	816	5202	306	325	0
Sep-07	2462	1718	2820	879	5128	299	313	1
Dec-07	2422	1754	2742	825	5375	311	369	0
Mar-08	2372	1598	2413	780	5794	264	363	0
Jun-08	2774	1775	3797	961	6650	338	470	0
Sep-08	3123	1805	5229	916	7600	296	558	2
Dec-08	3930	1984	6003	832	7756	315	611	1
Mar-09	3175	1527	3945	721	7699	269	523	1
Jun-09	2697	1475	3674	706	5905	290	406	0
Sep-09	2635	1462	3494	677	5841	227	375	0
Dec-09	2491	1566	3304	668	6175	237	437	1
Mar-10	2361	1478	3007	587	6437	232	406	0

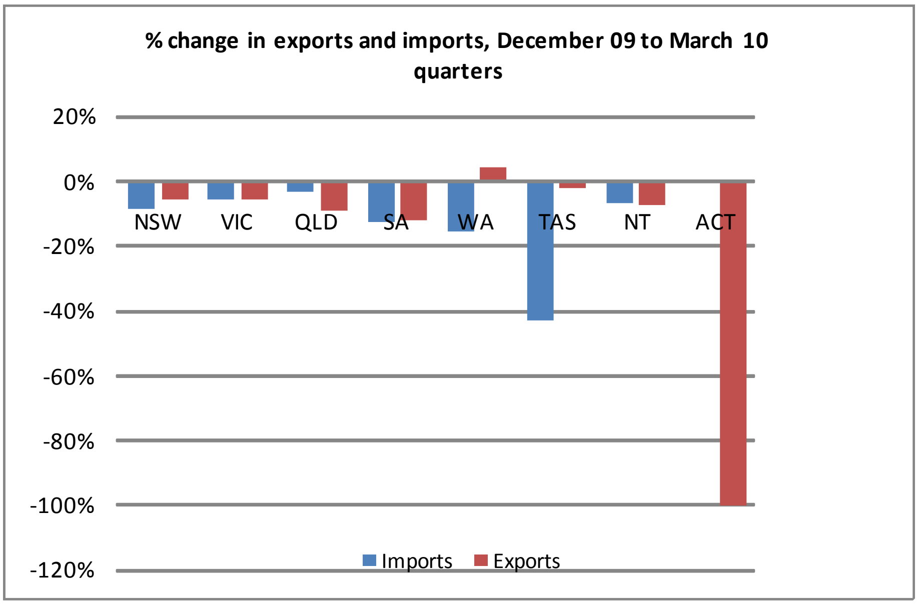
Source: ABS, International trade in goods and services, 5368.0

Average monthly merchandise imports per quarter, customs value, $m

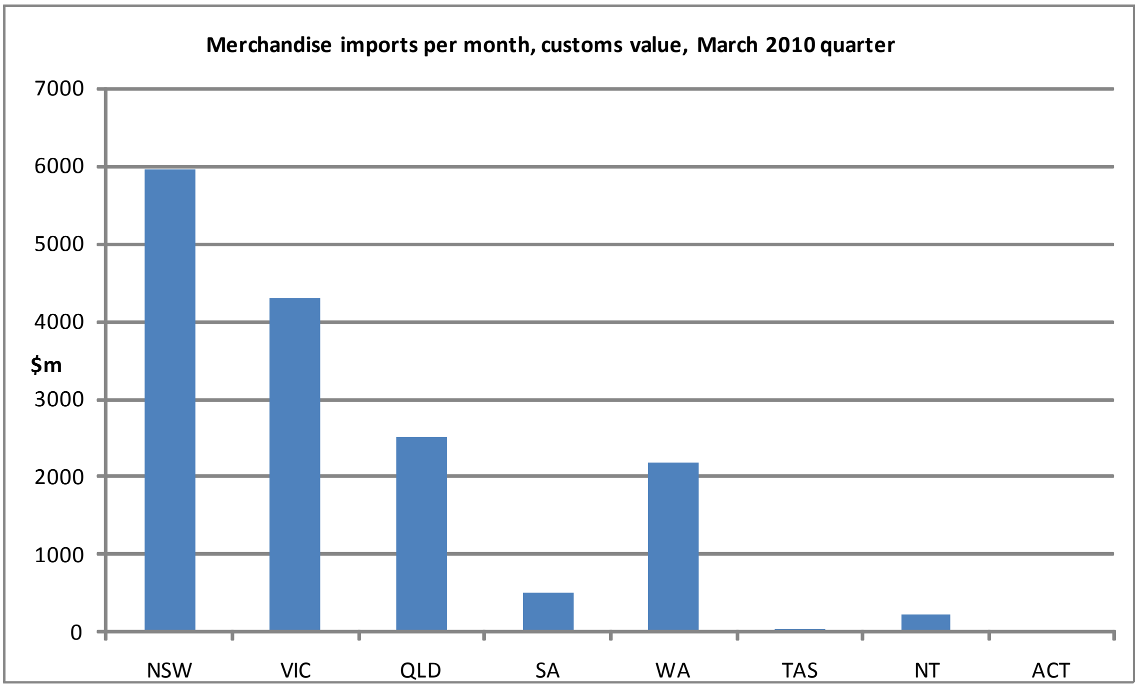
	NSW	VIC	QLD	SA	WA	TAS	NT	ACT
Jun-06	5631	4037	2165	532	2140	45	288	0
Sep-06	5805	4335	2255	520	1610	57	236	0
Dec-06	6084	4351	2325	554	1863	59	220	104
Mar-07	5625	4084	2137	591	1917	42	272	1
Jun-07	5750	4338	2349	530	1985	47	221	1
Sep-07	6150	4424	2445	552	2073	56	194	1
Dec-07	6484	4752	2675	619	2076	58	175	0
Mar-08	6175	4612	2701	607	2353	50	232	2
Jun-08	6493	4898	2966	669	2615	67	259	2
Sep-08	6830	5322	3353	655	2861	101	380	0
Dec-08	7517	5382	3316	651	3110	97	362	1
Mar-09	6083	4215	2293	527	2919	54	434	1
Jun-09	5901	3900	2362	456	2151	66	272	0
Sep-09	6268	4359	2551	516	2202	61	269	1
Dec-09	6528	4558	2591	587	2571	81	257	0
Mar-10	5971	4302	2510	515	2175	47	241	0

Source: ABS, International trade in goods and services, 5368.0


Merchandise exports and imports, NSW
$M
9000
8000
7000
6000
5000
4000
3000
2000
1000
0
Apr-2005
Oct-2005
Apr-2006
Oct-2006
Apr-2007
Oct-2007
Apr-2008
Oct-2008
Apr-2009
Oct-2009
Apr-2010
Exports
Imports


% change in exports and imports, December 09 to March 10 quarters
20%
0%
-20%
-40%
-60%
-80%
-100%
-120%
NSW
VIC
QLD
SA
WA
TAS
NT
ACT
Imports
Exports


Merchandise exports per month, March 2010 quarter
$m
7000
6000
5000
4000
3000
2000
1000
0
NSW
VIC
QLD
SA
WA
TAS
NT
ACT


Merchandise imports per month, customs value, March 2010 quarter
$m
7000
6000
5000
4000
3000
2000
1000
0
NSW
VIC
QLD
SA
WA
TAS
NT
ACT

CONSUMER PRICE INDEX

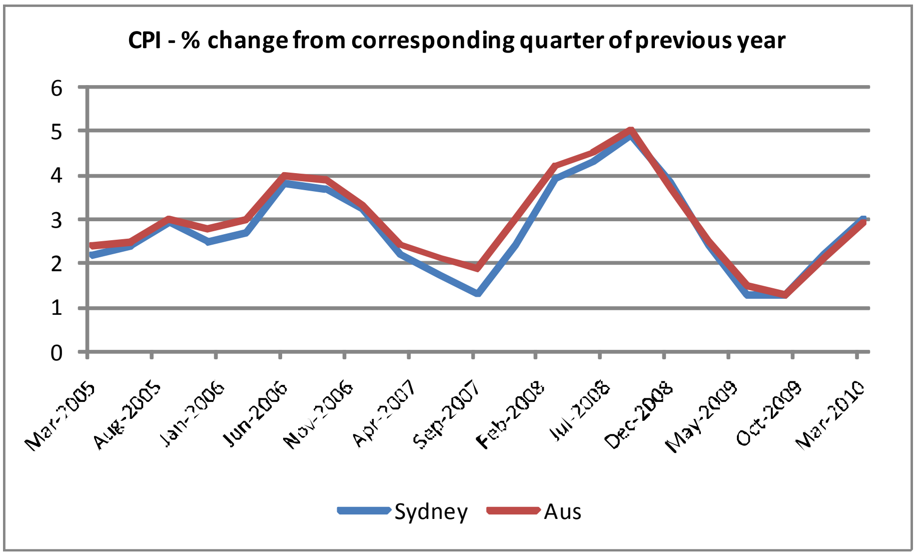
The change in the consumer price index for all groups in Sydney from March 2009 to March 2010 increased to 3%. This is slightly higher than the national average of 2.9%, but is lower than the change in Darwin (3.5%), Perth (3.4%), and Hobart (3.2%).

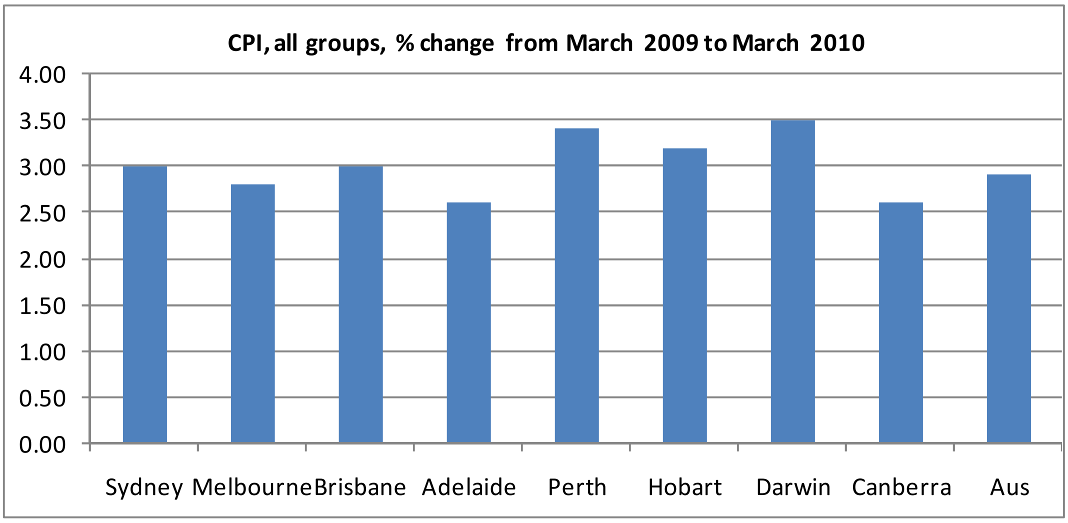
Within Sydney, the greatest increases from March 2009 to March 2010 occurred in the areas of housing (up by 6.6%), health (4.9%), and alcohol and tobacco (3.9%).

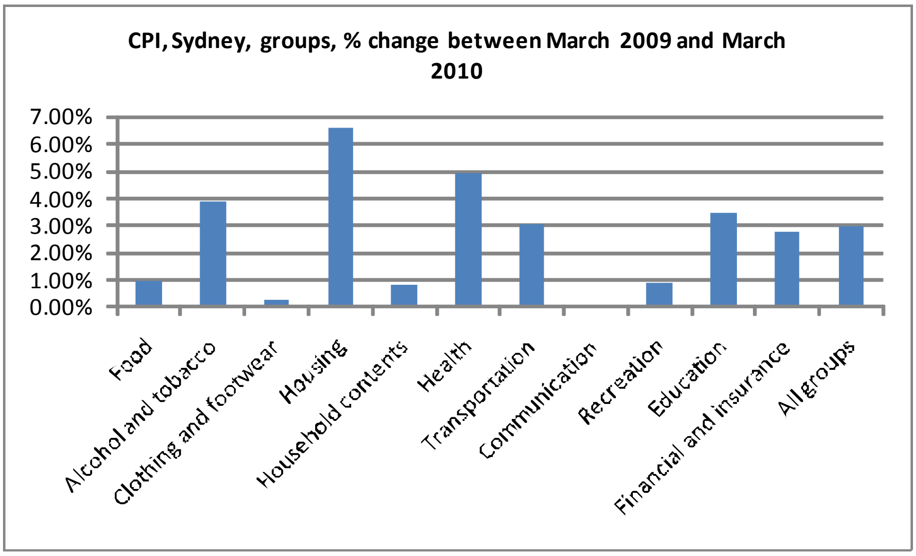
CPI – All groups – Capital cities

	SYD	**MELB**	**BRIS**	**ADEL**	**PERTH**	**HOB**	**DAR**	**CANB**	**AUS**
Mar-06	152.2	150.5	153.5	155.6	150.5	152.2	146.7	152.2	151.9
Jun-06	154.7	152.6	156.2	157.6	153.2	154.0	149.2	154.9	154.3
Sep-06	156.1	153.7	157.5	159.3	154.9	155.1	151.8	156.0	155.7
Dec-06	155.8	153.5	157.3	158.8	155.5	154.7	152.6	155.6	155.5
Mar-07	155.6	153.8	158.0	158.4	155.8	155.4	152.6	155.9	155.6
Jun-07	157.4	155.6	160.2	160.3	158.0	157.4	154.7	158.0	157.5
Sep-07	158.1	156.9	161.7	161.5	158.9	157.9	156.6	159.2	158.6
Dec-07	159.5	158.5	163.4	163.1	160.2	159.2	157.1	160.8	160.1
Mar-08	161.7	160.6	165.6	165.5	162.5	161.3	158.5	163.0	162.2
Jun-08	164.1	162.5	168.4	167.6	165.1	162.9	160.8	165.0	164.6
Sep-08	165.9	164.4	170.8	169.8	166.7	164.7	163.6	167.5	166.5
Dec-08	165.5	163.5	170.4	169.3	166.2	164.4	162.9	166.8	166.0
Mar-09	165.6	163.9	170.8	169.3	166.0	164.8	163.0	167.4	166.2
Jun-09	166.3	164.4	171.8	170.3	167.4	165.7	164.8	168.4	167.0
Sep-09	168.1	165.4	174.1	172.1	168.7	167.7	168.0	169.9	168.6
Dec-09	169.1	166.4	174.7	172.7	169.7	168.7	167.8	170.6	169.5
Mar-2010	170.5	168.5	176.0	173.7	171.6	170.0	168.7	171.7	171.0

Source: ABS, *Consumer Price Index*, 6401.0


CPI - % change from corresponding quarter of previous year
6
5
4
3
2
1
0
Mar-2005
Aug-2005
Jan-2006
Jun-2006
Nov-2006
Apr-2007
Sep-2007
Feb-2008
Jul-2008
Dec-2008
May-2009
Oct-2009
Mar-2010
Sydney
Aus


CPI, all groups, % change from March 2009 to March 2010
4.00
3.50
3.00
2.50
2.00
1.50
1.00
0.50
0.00
Sydney
Melbourne
Brisbane
Adelaide
Perth
Hobart
Darwin
Canberra
Aus


CPI, Sydney, groups, % change between March 2009 and March 2010
7.00%
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
Food
Alcohol and tobacco
Clothing and footwear
Housing
Household contents
Health
Transportation
Communication
Recreation
Education
Financial and insurance
All groups

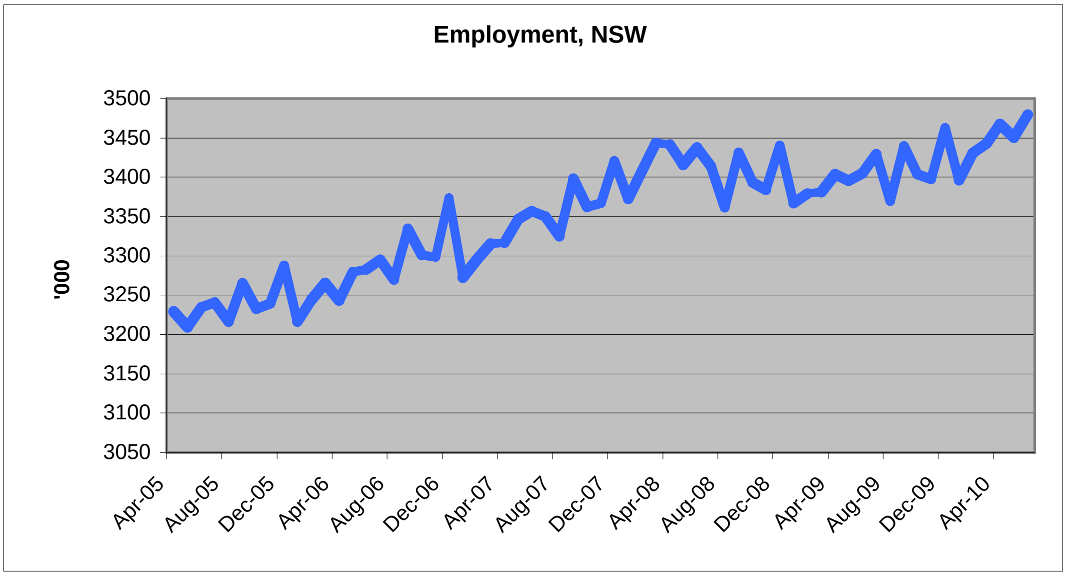
EMPLOYMENT

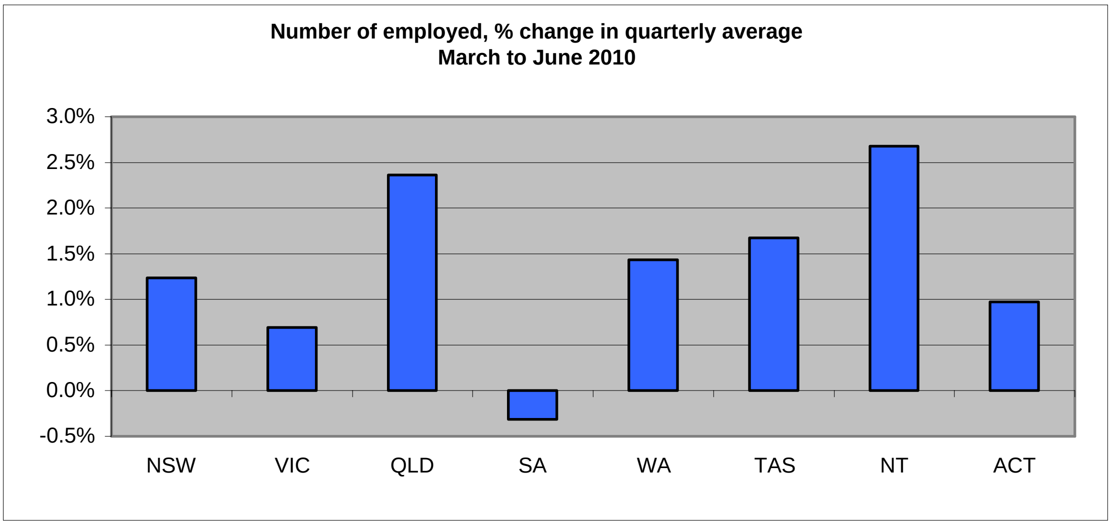
The average number of people employed in NSW rose yet again in the June 2010 quarter, where it increased by 1.2% from the previous quarter to 3,465,500 (includes part time and full time employment). Almost one third of all people employed in Australia are in NSW. This increase was slightly above the Australian average of 1%. The biggest quarterly increases occurred in the Northern Territory and Queensland where the number of people employed rose by 2.7% and 2.4% respectively. South Australia was the only State or Territory to experience a decrease in the number of people employed.

Total number of persons employed, quarterly average, '000

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT
Mar-06	3242	2499	2018	748	1064	224	98	184
Jun-06	3268	2536	2054	756	1078	226	104	189
Sep-06	3300	2559	2101	764	1080	224	105	195
Dec-06	3324	2570	2123	772	1088	225	106	195
Mar-07	3294	2582	2129	760	1095	225	105	191
Jun-07	3340	2615	2158	764	1108	228	107	194
Sep-07	3358	2627	2170	771	1123	228	111	195
Dec-07	3383	2654	2187	785	1132	231	113	193
Mar-08	3408	2658	2166	784	1139	231	110	193
Jun-08	3432	2667	2196	785	1140	238	114	197
Sep-08	3402	2662	2229	792	1169	240	114	197
Dec-08	3406	2668	2239	797	1185	240	115	198
Mar-09	3376	2649	2221	787	1161	239	115	194
Jun-09	3401	2650	2220	794	1163	235	121	194
Sep-09	3413	2669	2228	790	1153	233	118	195
Dec-09	3421	2732	2240	800	1173	232	123	196
Mar-10	3423	2744	2234	803	1176	234	117	198
Jun-10	3466	2763	2287	800	1193	238	120	200

Source: ABS, *Labour Force, Australia*, 6291.0.55.001, June 2010


Employment, NSW
'000
3500
3450
3400
3350
3300
3250
3200
3150
3100
3050
Apr-05
Aug-05
Dec-05
Apr-06
Aug-06
Dec-06
Apr-07
Aug-07
Dec-07
Apr-08
Aug-08
Dec-08
Apr-09
Aug-09
Dec-09
Apr-10


Number of employed, % change in quarterly average
March to June 2010
3.0%
2.5%
2.0%
1.5%
1.0%
0.5%
0.0%
-0.5%
NSW
VIC
QLD
SA
WA
TAS
NT
ACT

UNEMPLOYMENT

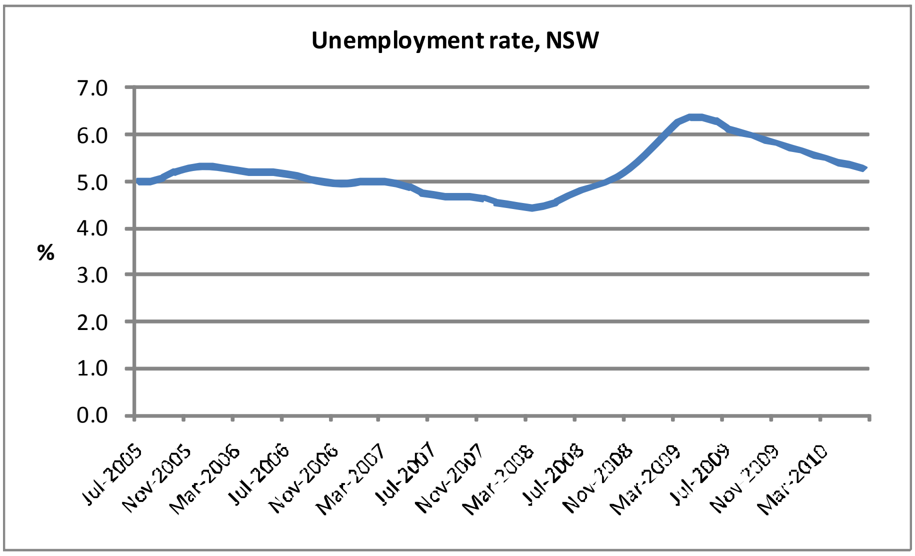
Unemployment in NSW continues to fall, reaching an average of 5.3% in the June 2010 quarter. It is only slightly above the Australian unemployment rate of 5.2% but is lower than unemployment in Tasmania, Victoria, Queensland and South Australia. Victoria, South Australia and Tasmania all experienced increases in the unemployment rate between the March and June 2010 quarters.

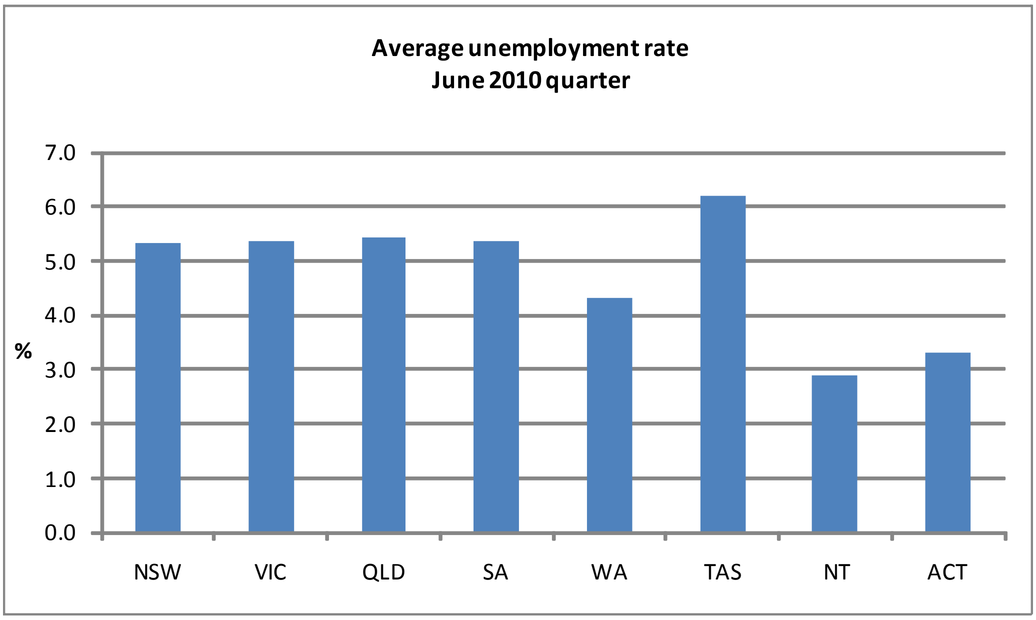
The total number of people unemployed in NSW was just over 195,000, the lowest it has been since the start of 2009.

Unemployment rate per quarter - trend estimates

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUS
Mar-06	5.3	5.2	4.9	4.9	4.0	6.6	5.9	3.3	5.0
Jun-06	5.2	5.1	4.6	4.9	3.5	6.6	5.2	3.1	4.8
Sep-06	5.1	4.9	4.4	4.8	3.3	6.3	4.3	2.9	4.7
Dec-06	5.0	4.9	4.2	5.1	3.4	5.9	3.0	3.0	4.6
Mar-07	5.0	4.9	3.9	5.2	3.0	5.4	3.4	3.0	4.5
Jun-07	4.9	4.6	3.6	4.9	3.1	5.0	4.5	3.0	4.3
Sep-07	4.7	4.5	3.7	4.9	3.4	5.2	4.7	2.7	4.3
Dec-07	4.6	4.6	3.7	4.9	3.4	5.2	5.0	2.5	4.3
Mar-08	4.5	4.5	3.6	4.7	3.2	4.8	4.5	2.6	4.1
Jun-08	4.6	4.4	3.7	4.7	3.2	4.3	3.5	2.7	4.2
Sep-08	4.9	4.4	3.7	5.0	2.9	4.1	3.1	2.7	4.2
Dec-08	5.3	4.6	3.9	5.5	3.0	4.3	3.7	2.6	4.5
Mar-09	6.0	5.4	4.6	5.7	4.1	4.8	4.0	2.7	5.2
Jun-09	6.3	5.9	5.3	5.6	5.1	5.0	4.1	3.4	5.7
Sep-09	6.0	5.9	5.8	5.6	5.5	5.0	4.0	3.6	5.8
Dec-09	5.8	5.5	5.9	5.2	5.2	5.4	3.5	3.7	5.6
Mar-10	5.6	5.3	5.6	5.1	4.9	5.8	3.2	3.5	5.3
Jun-10	5.3	5.4	5.4	5.4	4.3	6.2	2.9	3.3	5.2

Source: ABS, *Labour Force, Australia*, 6202.0


Unemployment rate, NSW
%
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
Jul-2005
Nov-2005
Mar-2006
Jul-2006
Nov-2006
Mar-2007
Jul-2007
Nov-2007
Mar-2008
Jul-2008
Nov-2008
Mar-2009
Jul-2009
Nov-2009
Mar-2010


Average unemployment rate
June 2010 quarter
%
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
NSW
VIC
QLD
SA
WA
TAS
NT
ACT

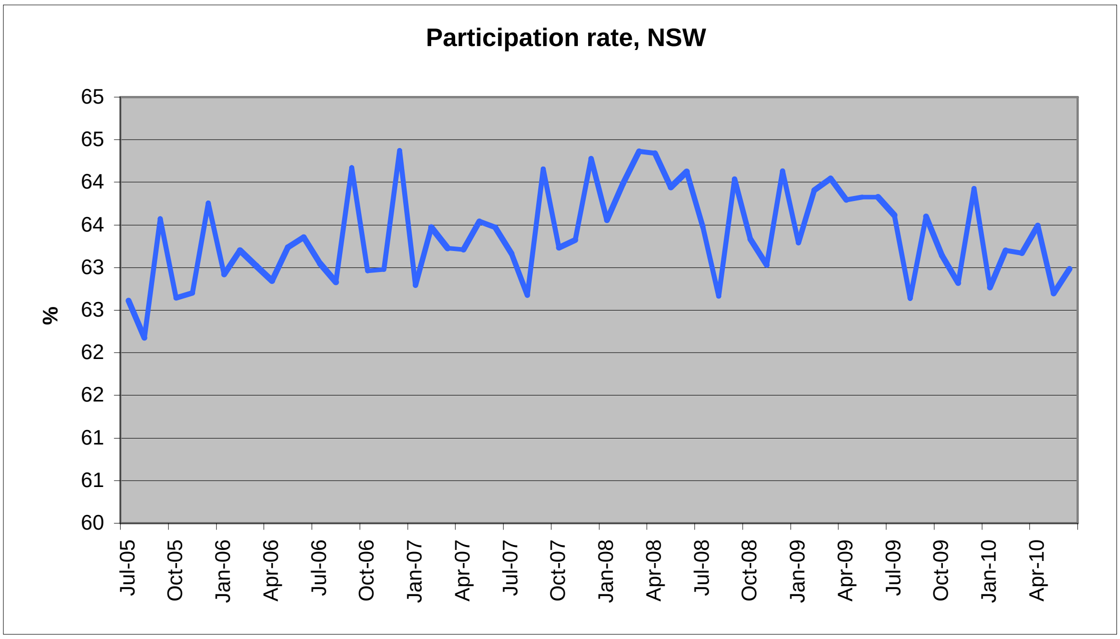
LABOUR FORCE PARTICIPATION

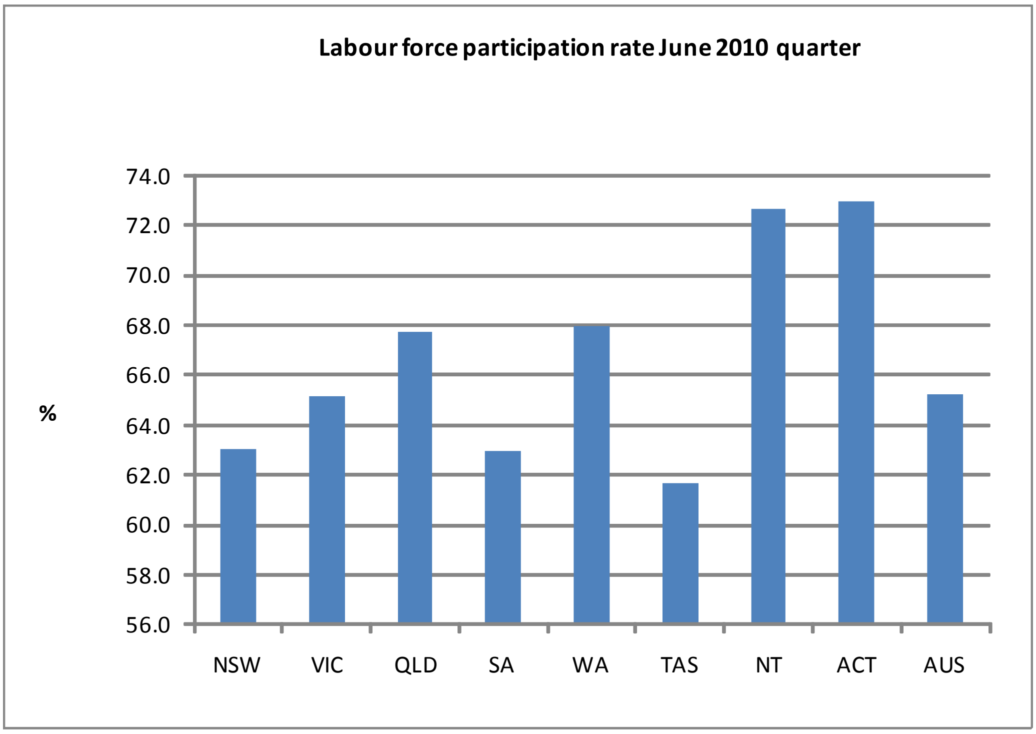
Compared to March 2010, the labour force participation rate in NSW for the June 2010 quarter increased slightly to 63.1%. The Australian Capital Territory and Northern Territory continue to have the highest labour force participation rates at 73%. Victoria, South Australia, Western Australia and the Australian Capital Territory experienced a small drop in the labour force participation rate between the March and June 2010 quarters.

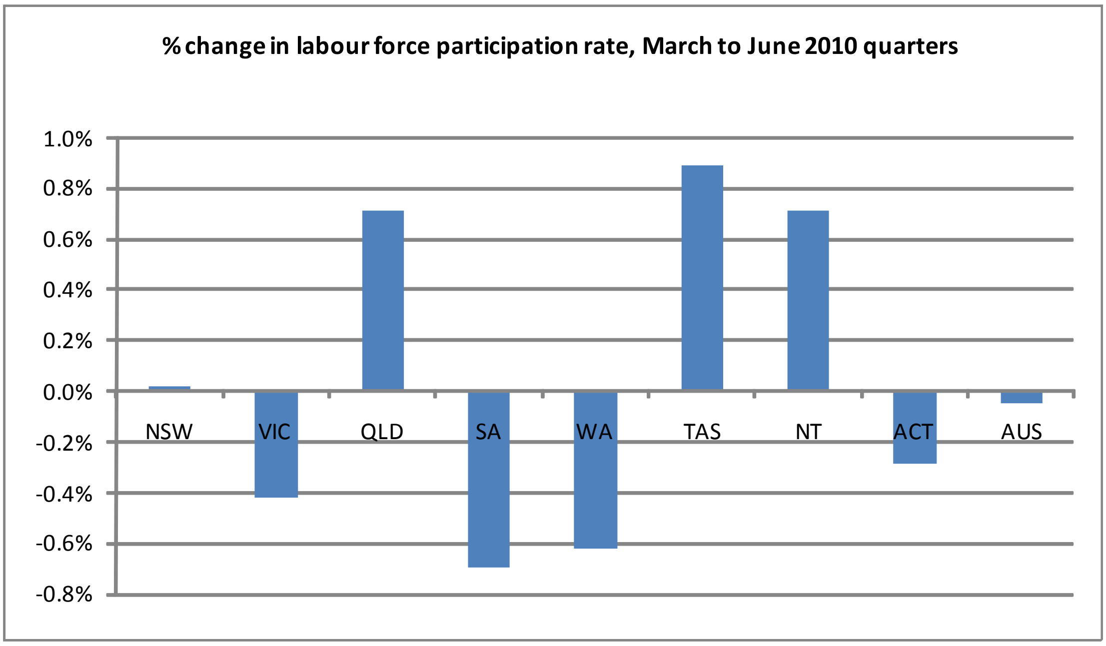
Average labour force participation rate per quarter

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUS
Sep-06	63.3	64.5	67.2	62.6	67.6	60.6	70.4	74.7	64.9
Dec-06	63.4	64.6	67.1	63.2	67.6	60.6	70.0	74.5	65.0
Mar-07	63.2	65.0	67.5	62.5	67.7	60.3	69.4	73.3	65.0
Jun-07	63.4	65.2	67.2	62.1	68.0	60.1	71.5	73.6	65.1
Sep-07	63.3	64.9	67.2	62.4	68.5	60.5	73.0	73.3	65.1
Dec-07	63.6	65.4	67.4	63.5	68.6	61.4	74.0	72.5	65.5
Mar-08	64.0	65.3	66.8	63.2	68.7	60.8	72.1	72.5	65.4
Jun-08	64.1	65.1	67.2	63.1	68.3	61.7	73.2	73.3	65.5
Sep-08	63.4	64.6	67.5	63.4	69.2	62.3	71.9	73.4	65.3
Dec-08	63.5	64.4	67.5	63.9	69.4	62.4	73.0	73.1	65.4
Mar-09	63.7	64.7	67.8	63.6	69.0	62.1	73.4	72.0	65.5
Jun-09	63.8	64.5	67.5	63.4	69.0	60.9	76.2	72.1	65.4
Sep-09	63.3	64.5	67.4	63.0	68.2	60.4	73.5	72.0	65.1
Dec-09	63.3	65.2	67.3	63.3	68.2	60.4	75.1	72.4	65.3
Mar-10	63.0	65.4	67.2	63.4	68.4	61.1	72.2	73.1	65.3
Jun-10	63.1	65.2	67.7	63.0	67.9	61.7	72.7	72.9	65.2

Source: ABS, *Labour Force, Australia*, 6291.0.55.001, June 2010




Labour force participation rate June 2010 quarter
%
74.0
72.0
70.0
68.0
66.0
64.0
62.0
60.0
58.0
56.0
NSW
VIC
QLD
SA
WA
TAS
NT
ACT
AUS


% change in labour force participation rate, March to June 2010 quarters
1.0%
0.8%
0.6%
0.4%
0.2%
0.0%
-0.2%
-0.4%
-0.6%
-0.8%
NSW
VIC
QLD
SA
WA
TAS
NT
ACT
AUS

JOB VACANCIES

The average number of newspaper job advertisements per week in NSW for the June 2010 quarter was 2604, an 11% decrease on the average for the previous quarter. Victoria was the only State or Territory to experience an increase in the number of newspaper job advertisements. The greatest decreases were in South Australia, Tasmania and the Northern Territory.

There are numerous jobs advertised on the Internet each week. However, as the data is considered on a national basis, as opposed to individual States and Territories, it has not been included here.

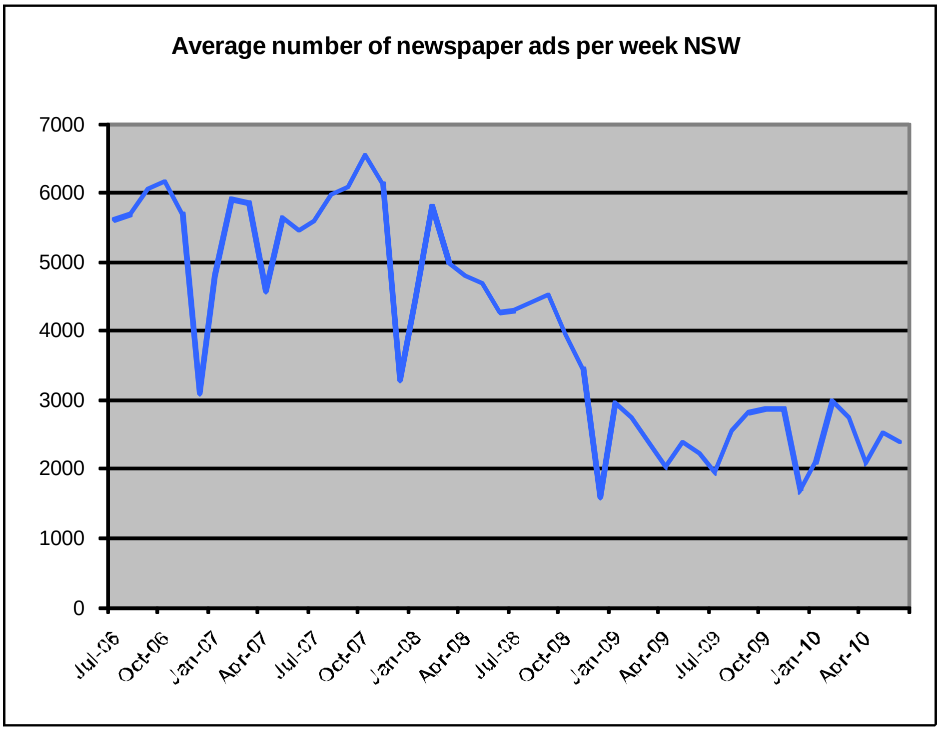
The number of job vacancies in NSW for the quarter ending May 2010 fell by 6% to 47,500.[3] The only increases in the number of job vacancies between the quarters were in Victoria and South Australia, at 11% and 8% respectively. 29% of all Australian job vacancies were in NSW.

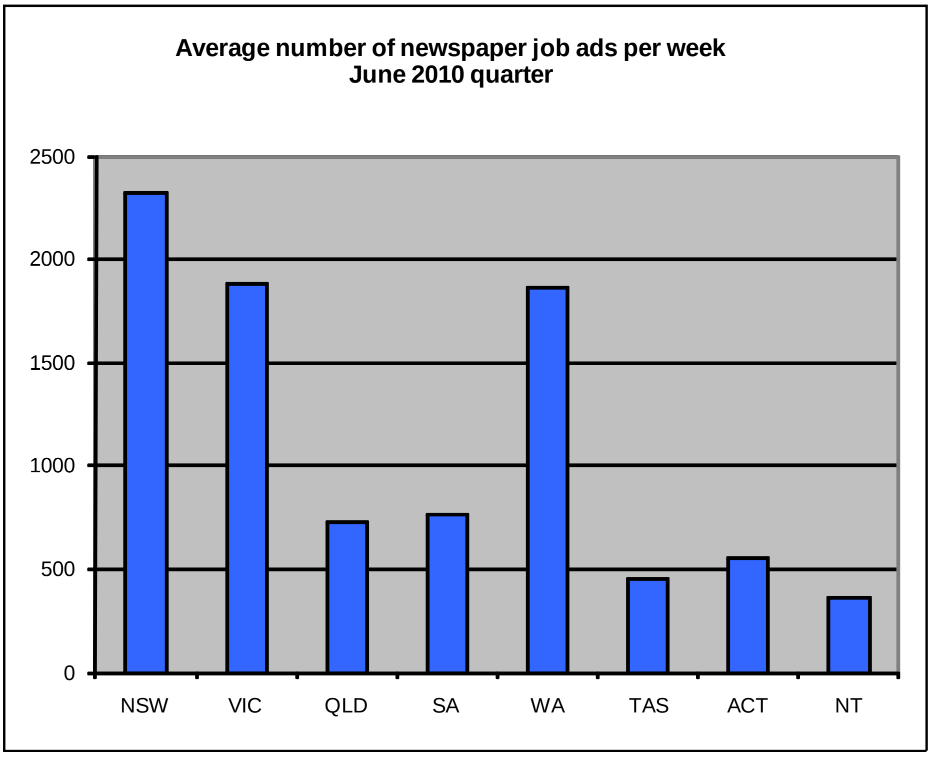
Quarterly average for the number of newspaper job advertisements per week

	NSW	VIC	QLD	SA	WA	TAS	ACT	NT
Dec-07	5314	3737	2902	1671	3786	509	771	368
Mar-08	5065	3943	2713	1810	3861	524	883	375
Jun-08	4577	3724	2343	1626	3333	482	705	429
Sep-08	4393	3316	2196	1577	3236	576	711	390
Dec-08	2992	2255	1375	1163	2153	452	503	302
Mar-09	2688	1923	1092	1055	1636	420	591	260
Jun-09	2207	1608	807	850	1199	381	467	284
Sep-09	2444	1941	987	994	1456	496	528	300
Dec-09	2474	1800	827	982	1443	515	489	314
Mar-10	2604	1871	774	1114	1928	547	579	422
Jun-10	2324	1880	732	764	1865	450	550	364

Source: ANZ, 'Job Advertisement Series', www.anz.com

[3] Australian Bureau of Statistics, *Job Vacancies, Australia, May 2010*, 6354.0.


Average number of newspaper ads per week NSW
7000
6000
5000
4000
3000
2000
1000
0
Jul-06
Oct-06
Jan-07
Apr-07
Jul-07
Oct-07
Jan-08
Apr-08
Jul-08
Oct-08
Jan-09
Apr-09
Jul-09
Oct-09
Jan-10
Apr-10


Average number of newspaper job ads per week
June 2010 quarter
2500
2000
1500
1000
500
0
NSW
VIC
QLD
SA
WA
TAS
ACT
NT

WAGES

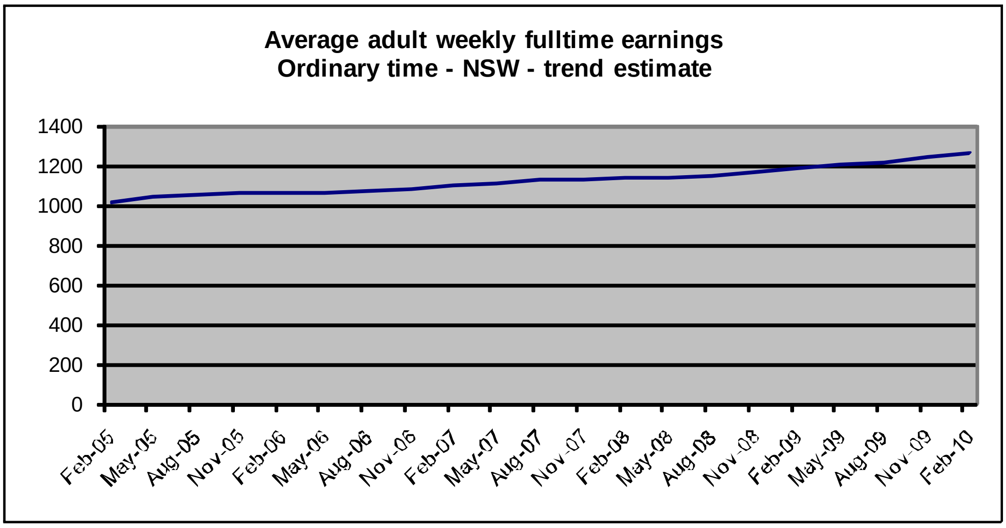
The average adult weekly fulltime earnings (ordinary time) in NSW continues to rise. Average weekly earnings increased by 1.58% since November 2009 to reach $1264 in the quarter ending February 2010. This was greater than the growth in Victoria, South Australia, Tasmania and the Northern Territory.

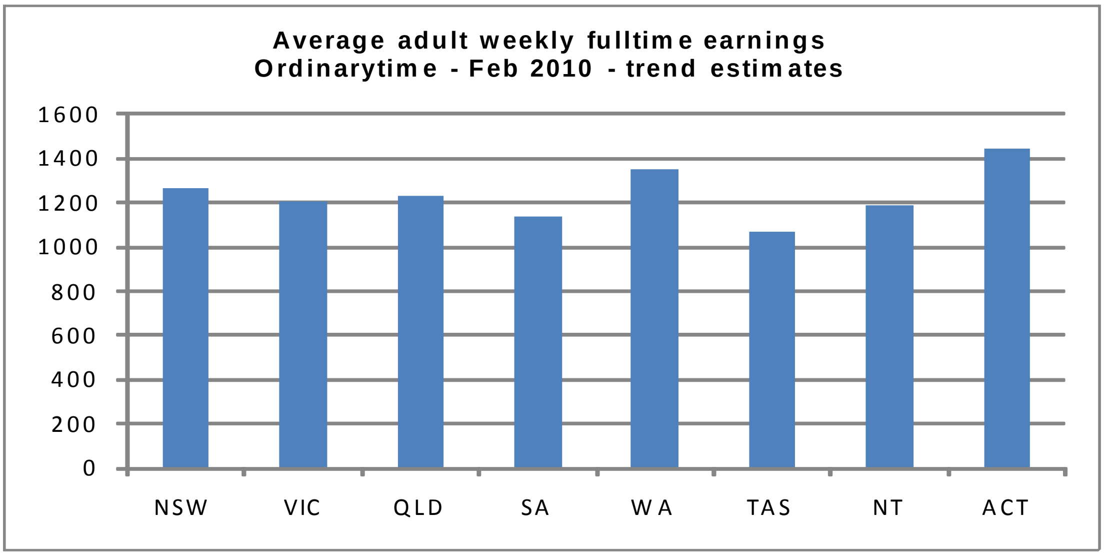
The ACT and Western Australia continue to have the highest average weekly earnings at $1443 and $1353 respectively. Wages also grew the fastest in the ACT with 2.6% growth between November 2009 and February 2010. The slowest growth occurred in South Australia where average earnings increased by 0.5% between quarters.

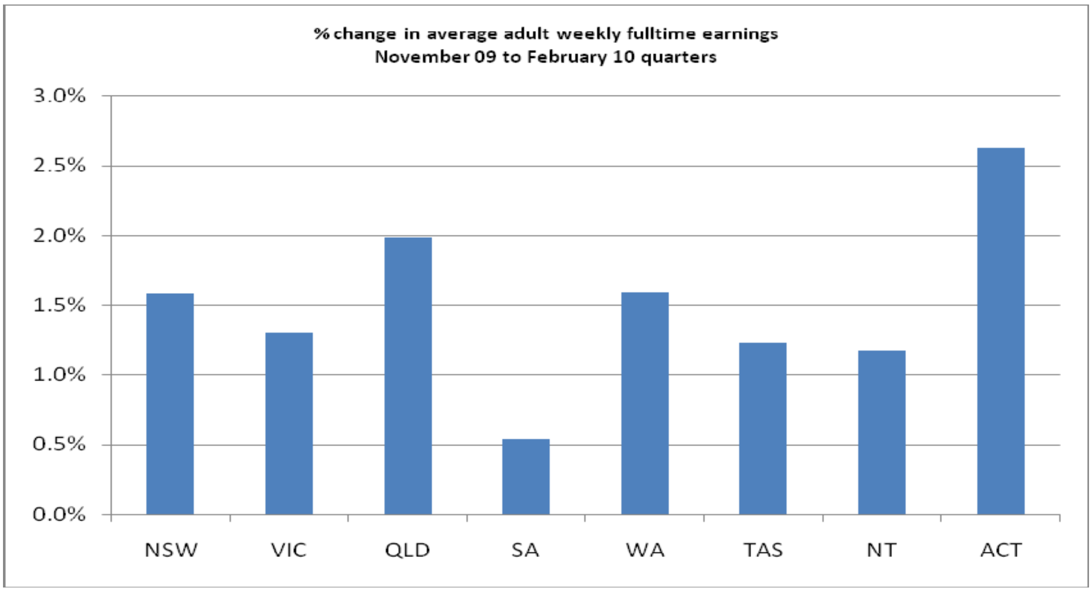
Average adult weekly fulltime earnings (ordinary time) (trend estimates)

	NSW	**VIC**	**QLD**	**SA**	**WA**	**TAS**	**NT**	**ACT**
Feb-06	1070	1012	963	963	1031	867	1009	1176
May-06	1072	1017	971	974	1050	873	1009	1197
Aug-06	1078	1020	980	978	1066	881	1015	1219
Nov-06	1089	1025	993	982	1080	897	1023	1235
Feb-07	1104	1039	1010	991	1095	920	1033	1242
May-07	1120	1058	1027	1004	1113	938	1048	1250
Aug-07	1133	1071	1041	1017	1136	947	1063	1259
Nov-07	1138	1079	1053	1027	1161	950	1079	1267
Feb-08	1140	1088	1069	1036	1185	951	1094	1279
May-08	1145	1103	1091	1051	1206	956	1108	1298
Aug-08	1157	1120	1115	1071	1225	966	1122	1319
Nov-08	1173	1136	1134	1093	1244	979	1135	1338
Feb-09	1190	1149	1147	1109	1265	996	1143	1345
May-09	1206	1162	1163	1117	1287	1015	1151	1352
Aug-09	1224	1175	1185	1122	1310	1036	1162	1373
Nov-09	1244	1190	1209	1127	1332	1053	1176	1406
Feb-10	1264	1205	1233	1133	1353	1066	1189	1443

Source: ABS, *Average weekly earnings, Australia*, February 2010, 6302.0


Average adult weekly fulltime earnings
Ordinary time - NSW - trend estimate
1400
1200
1000
800
600
400
200
0
Feb-05
May-05
Aug-05
Nov-05
Feb-06
May-06
Aug-06
Nov-06
Feb-07
May-07
Aug-07
Nov-07
Feb-08
May-08
Aug-08
Nov-08
Feb-09
May-09
Aug-09
Nov-09
Feb-10


Average adult weekly fulltime earnings
Ordinarytime - Feb 2010 - trend estimates
1600
1400
1200
1000
800
600
400
200
0
NSW
VIC
QLD
SA
WA
TAS
NT
ACT


% change in average adult weekly fulltime earnings
November 09 to February 10 quarters
3.0%
2.5%
2.0%
1.5%
1.0%
0.5%
0.0%
NSW
VIC
QLD
SA
WA
TAS
NT
ACT

AGRICULTURAL PRODUCTION AND INCOME

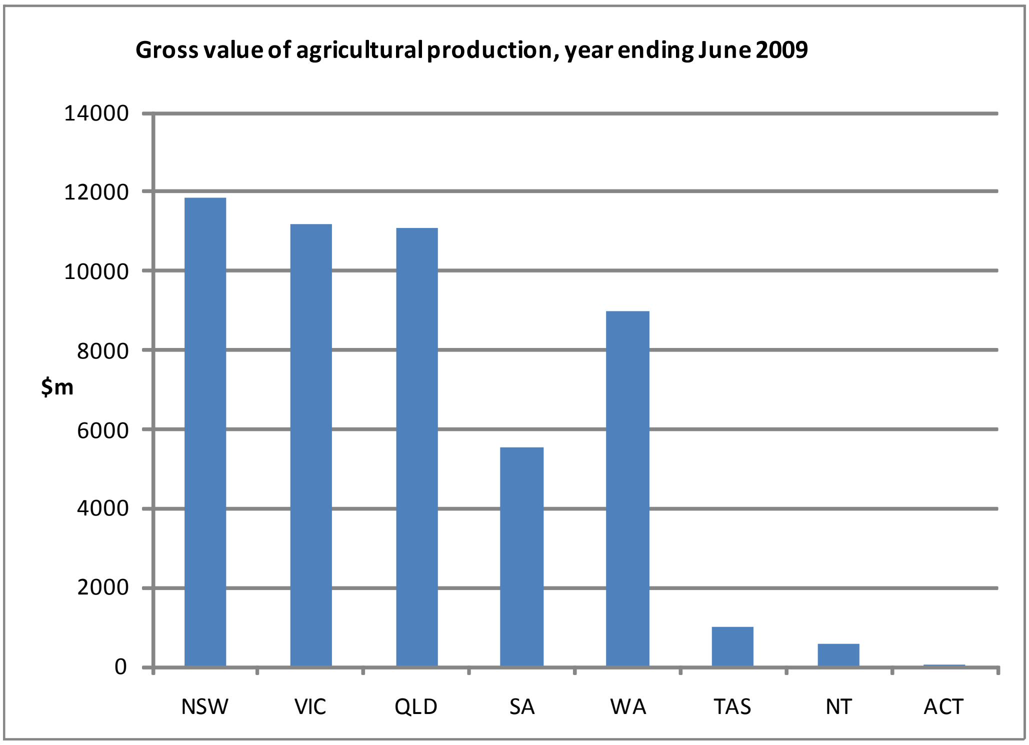
NSW recorded the greatest gross value in agricultural production for the year ending June 2009 at $11.8 billion.

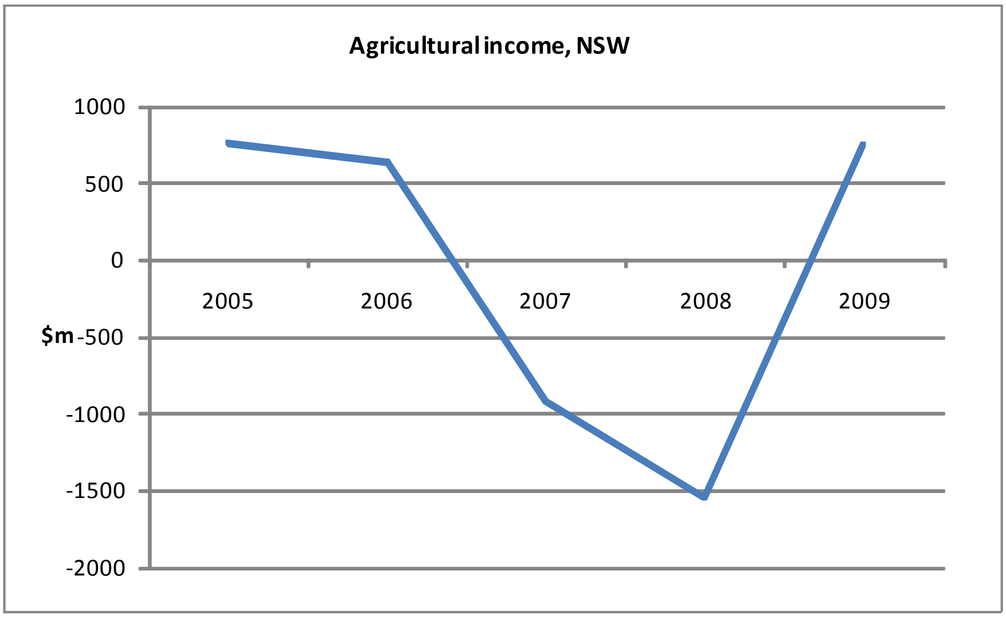
Agricultural income in NSW has been negative since late 2006 but has since recovered to $750 million in the year ending June 2009.

Gross value of agricultural production, $m

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT
Jun-2005	12001	10582	10779	4557	7553	1010	489	26
Jun-2006	12481	11349	11036	5175	8377	1122	486	23
Jun-2007	10484	10809	11912	4367	6793	1056	474	21
Jun-2008	10480	13495	10516	5584	8640	1146	540	22
Jun-2009	11834	11204	11066	5556	8989	1012	559	21

Source: ABS, *Australian National Accounts, State Accounts*, 5220.0


Gross value of agricultural production, year ending June 2009
$m
14000
12000
10000
8000
6000
4000
2000
0
NSW
VIC
QLD
SA
WA
TAS
NT
ACT


Agricultural income, NSW
$m
1000
500
0
-500
-1000
-1500
-2000
2005
2006
2007
2008
2009

BUSINESS INVESTMENT

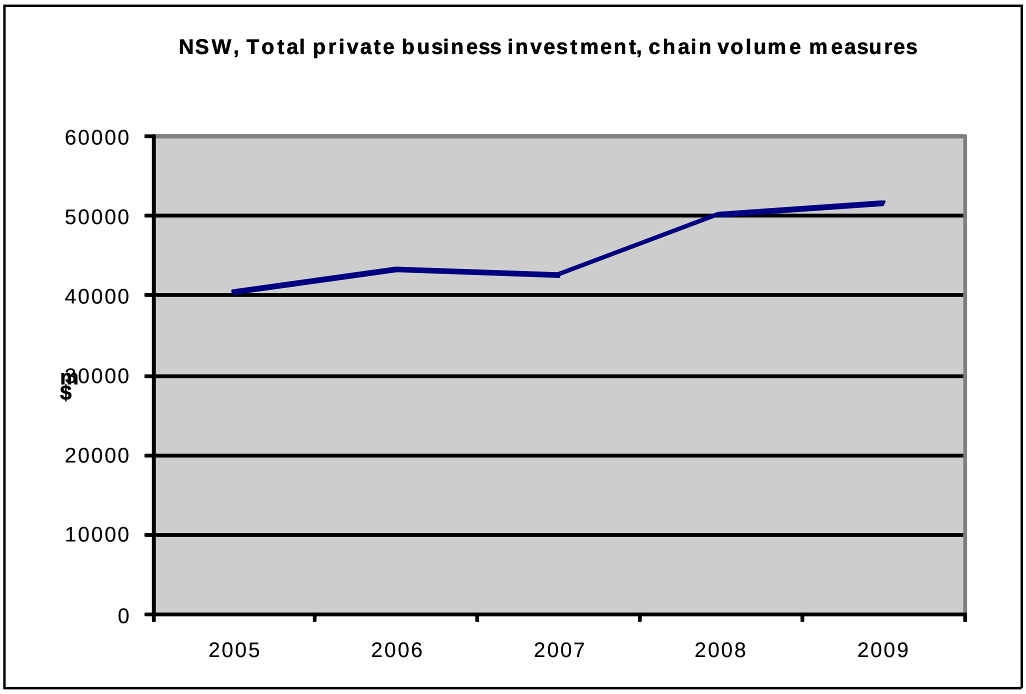
Total private business investment in the year ending June 2009 was $51.7 billion (gross fixed capital formation, chain volume measures). This is an increase of almost 3% on the previous year, which was the smallest increase of any of the Australian States and Territories. The Northern Territory experienced the greatest increase at 28%.

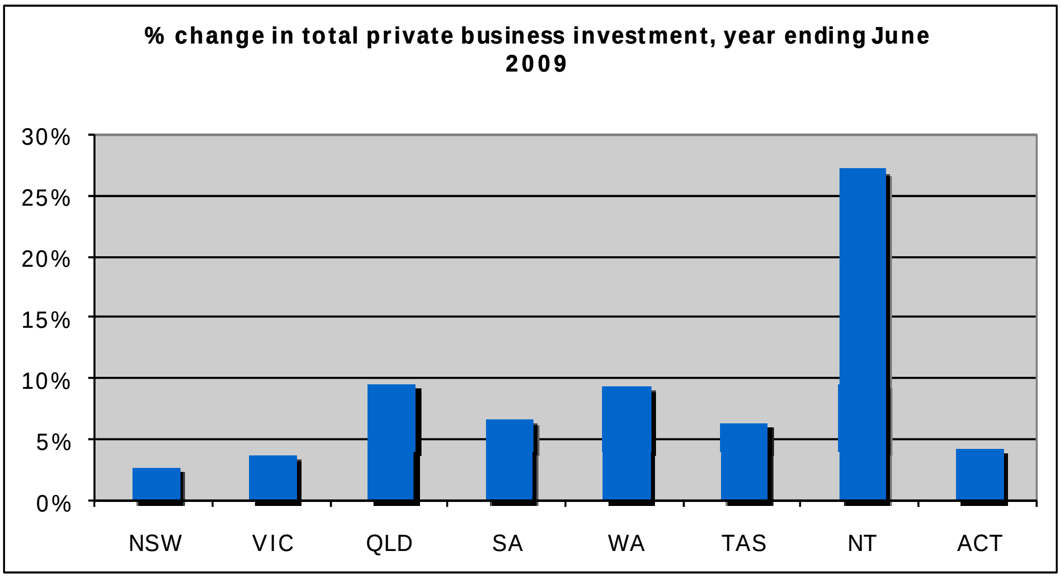
Total private business investment

Gross fixed capital formation, chain volume measures, $m

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT
Jun-2005	40492	35059	25433	9566	19510	2181	2756	2014
Jun-2006	43307	39483	30709	9675	27229	2420	3290	2440
Jun-2007	42578	40317	35465	10125	33371	2290	3299	2879
Jun-2008	50207	45039	41264	10103	40626	2846	3535	2746
Jun-2009	51690	46815	45282	10798	44482	3034	4507	2871

Source: ABS, *Australian National Accounts, State Accounts*, 5220.0


NSW, Total private business investment, chain volume measures
60000
50000
40000
30000
20000
10000
0
$m
2005
2006
2007
2008
2009


% change in total private business investment, year ending June 2009
30%
25%
20%
15%
10%
5%
0%
NSW
VIC
QLD
SA
WA
TAS
NT
ACT

TURNOVER OF RETAIL TRADE

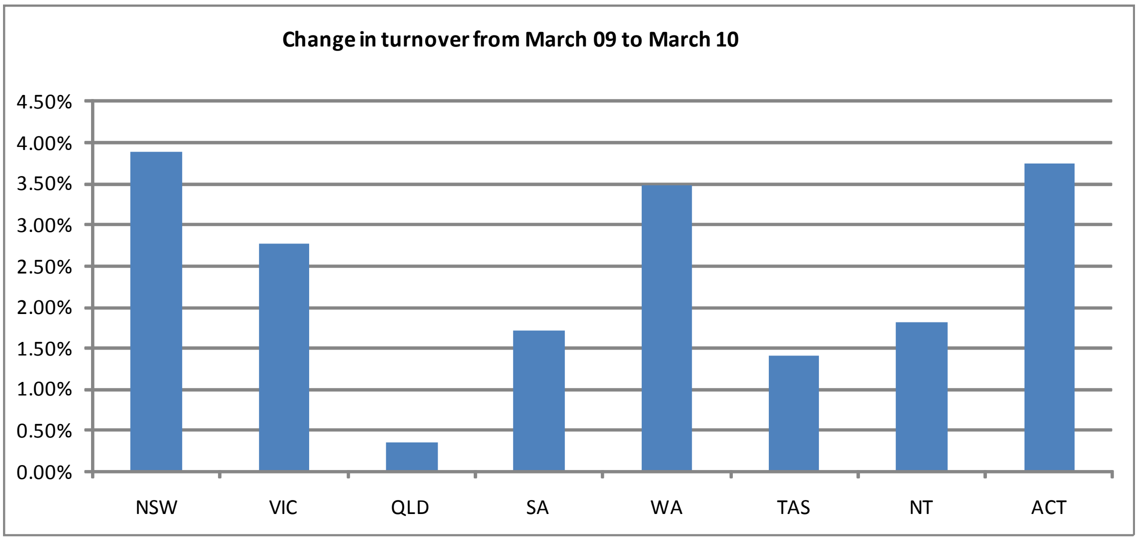
The average monthly turnover of retail trade in NSW fell by 0.5% in the March 2010 quarter to $6199 million (seasonally adjusted). Turnover also fell in Queensland and Tasmania. However, the average monthly turnover in NSW increased by 3.89% when compared to the March 2009 quarter. This was the largest increase of the States and Territories. NSW held its 31% share of retail turnover in Australia for the March 2010 quarter.

Monthly turnover of retail trade per quarter, seasonally adjusted, $m

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUS
Mar-06	5115	4051	3280	1123	1760	370	151	312	16161
Jun-06	5212	4196	3327	1152	1807	366	160	316	16535
Sep-06	5261	4234	3391	1171	1846	372	164	322	16761
Dec-06	5321	4287	3418	1193	1910	372	167	332	16999
Mar-07	5455	4363	3543	1228	1985	379	172	336	17461
Jun-07	5490	4351	3636	1231	2006	391	176	342	17624
Sep-07	5698	4457	3753	1253	2028	394	180	344	18108
Dec-07	5735	4543	3820	1295	2054	396	188	346	18376
Mar-08	5713	4587	3840	1335	2036	398	189	350	18449
Jun-08	5687	4551	3829	1356	2074	407	195	349	18449
Sep-08	5642	4626	3923	1393	2107	415	203	346	18653
Dec-08	5740	4751	3977	1403	2095	426	211	356	18959
Mar-09	5967	4876	4064	1419	2130	434	220	365	19475
Jun-09	6088	4953	4161	1440	2150	443	218	371	19823
Sep-09	6078	4942	4090	1417	2138	439	218	370	19691
Dec-09	6227	4963	4086	1426	2166	444	221	374	19907
Mar-10	6199	5011	4078	1443	2205	440	224	378	19978

Source: ABS, *Retail Trade, Australia, May 2010*, 8501.


Turnover of retail trade, NSW, seasonally adjusted
$M
7000.0
6000.0
5000.0
4000.0
3000.0
2000.0
1000.0
0.0
Jul-2005
Dec-2005
May-2006
Oct-2006
Mar-2007
Aug-2007
Jan-2008
Jun-2008
Nov-2008
Apr-2009
Sep-2009
Feb-2010


Change in turnover from March 09 to March 10
4.50%
4.00%
3.50%
3.00%
2.50%
2.00%
1.50%
1.00%
0.50%
0.00%
NSW
VIC
QLD
SA
WA
TAS
NT
ACT

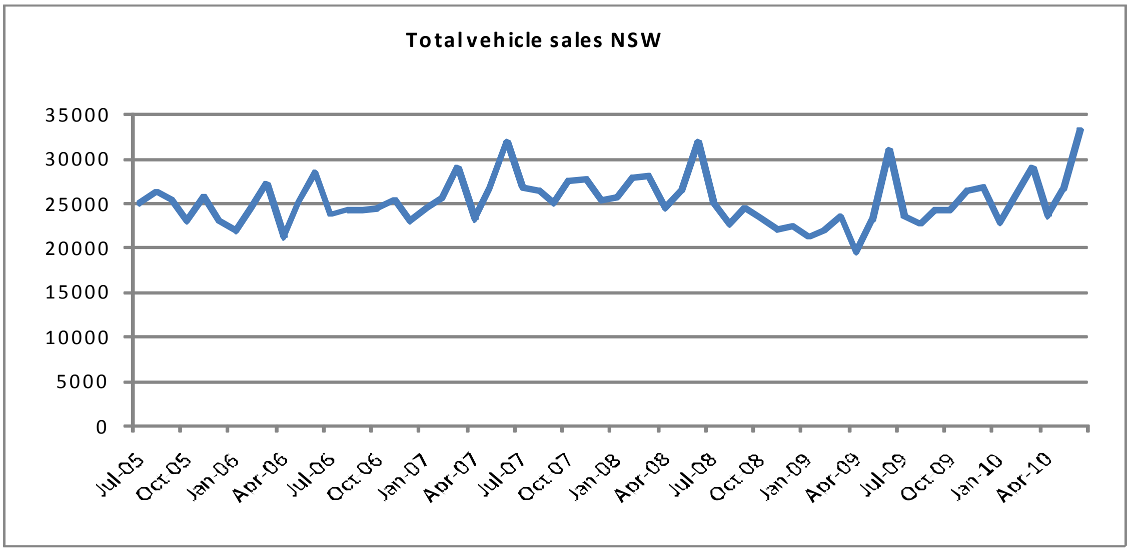
VEHICLE SALES

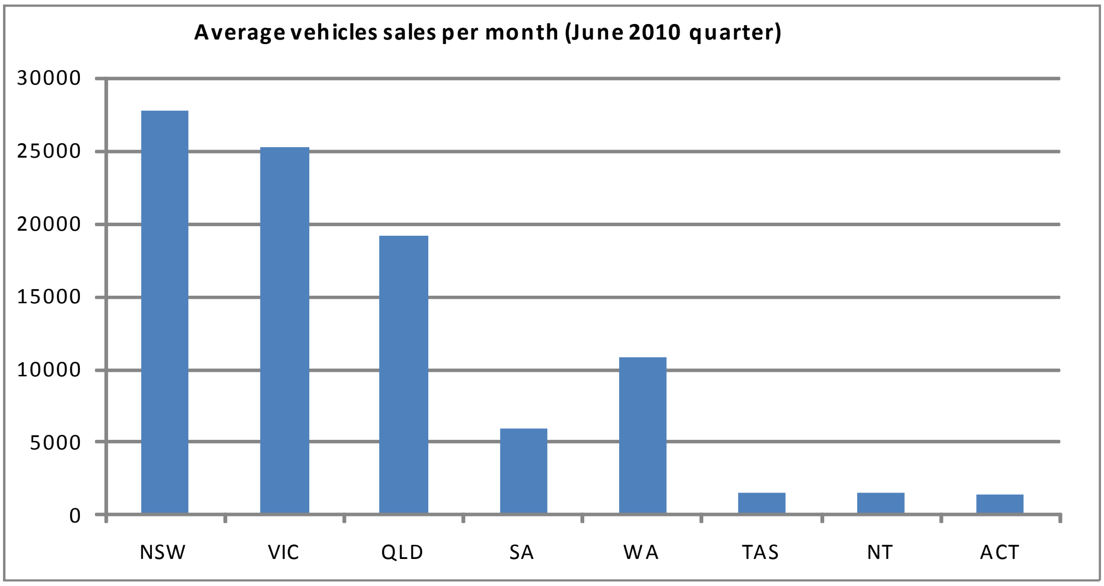
The average number of vehicles sold per month in NSW in the June 2010 quarter increased by 7.44% to 27,796 (30% of all vehicles sold in Australia). All the States and Territories experienced growth in the average number of vehicles sold, but the greatest increases occurred in the Northern Territory and Western Australia at 89% and 20% respectively.

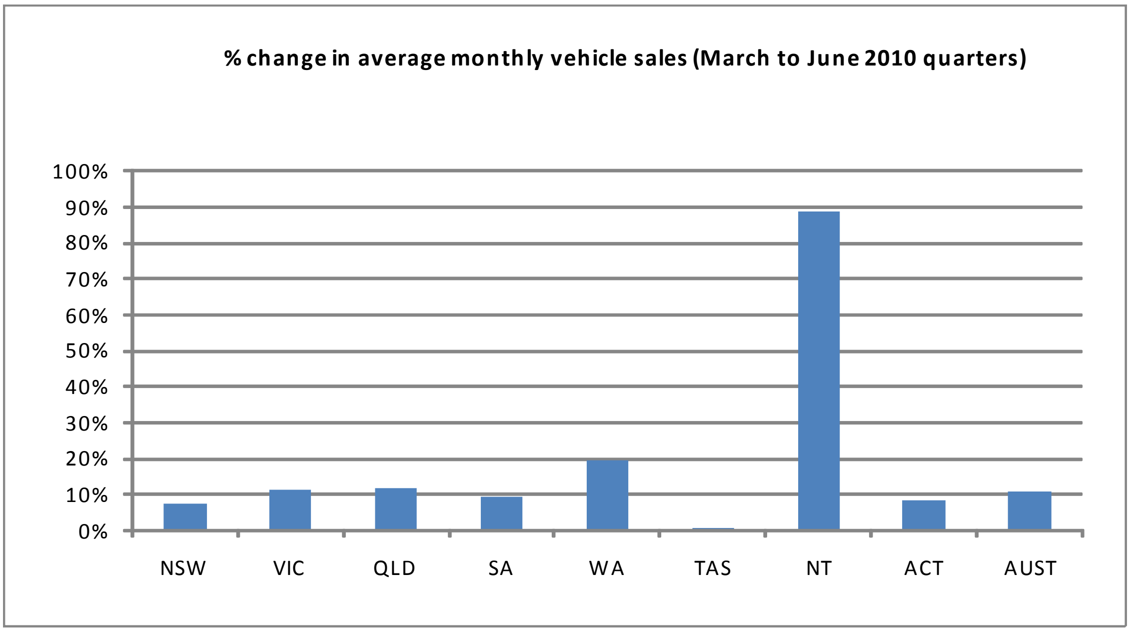
Average monthly sales of new vehicles per quarter

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUS
Sep-06	24059	20271	17698	4935	9391	1486	710	1189	79739
Dec-06	24241	20438	17084	4866	9678	1839	728	1223	80097
Mar-07	26391	21306	18921	5115	9695	1427	800	1368	85023
Jun-07	27286	22158	20777	5335	10289	1517	988	1418	89769
Sep-07	26115	22134	18923	4912	10206	1575	751	1378	85995
Dec-07	26894	23058	19560	5321	10235	1981	768	1391	89207
Mar-08	27264	22667	18706	5399	10028	1481	902	1370	87818
Jun-08	27617	24439	20705	5888	10369	1620	1067	1376	93081
Sep-08	24133	21442	16780	5115	9637	1584	837	1219	80746
Dec-08	22637	20295	15433	5011	8850	1571	748	1199	75744
Mar-09	22201	18423	14750	4490	7947	1283	671	1225	70990
Jun-09	24548	20966	17731	5186	8677	1455	871	1317	80751
Sep-09	23514	19863	16106	4823	8012	1347	727	1190	75584
Dec-09	25886	22935	17848	5806	8811	1794	748	1292	85118
Mar-10	25870	22683	17159	5448	9068	1557	832	1324	83942
Jun-10	27796	25282	19217	5950	10861	1571	1571	1436	93114

Source: ABS, *Sales of new motor vehicles, Australia*, 9314.0, June 2010


Total vehicle sales NSW
35000
30000
25000
20000
15000
10000
5000
0
Jul-05
Oct-05
Jan-06
Apr-06
Jul-06
Oct-06
Jan-07
Apr-07
Jul-07
Oct-07
Jan-08
Apr-08
Jul-08
Oct-08
Jan-09
Apr-09
Jul-09
Oct-09
Jan-10
Apr-10


Average vehicles sales per month (June 2010 quarter)
30000
25000
20000
15000
10000
5000
0
NSW
VIC
QLD
SA
WA
TAS
NT
ACT


% change in average monthly vehicle sales (March to June 2010 quarters)
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
NSW
VIC
QLD
SA
WA
TAS
NT
ACT
AUST

DWELLING APPROVALS

The average number of dwellings approved per month in NSW in the March 2010 quarter increased by 1% to 2874, second only to Victoria where an average of 4673 dwellings were approved per month in that same quarter. South Australia was the only other State or Territory to experience positive growth in the number of approvals in the March 2010 quarter.

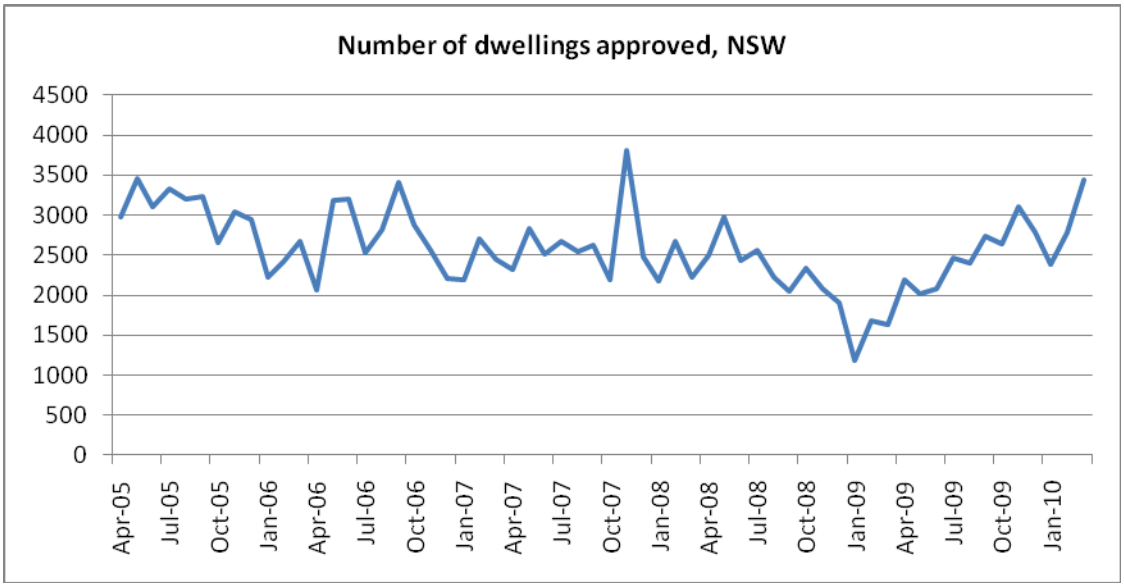
Dwelling approvals in NSW are starting to approach the high of 2921 achieved in the September 2006 quarter and move well away from the low of 1497 in March 2009 (the number of dwellings approved in the March 2010 was 92% higher than the March 2009 quarter).

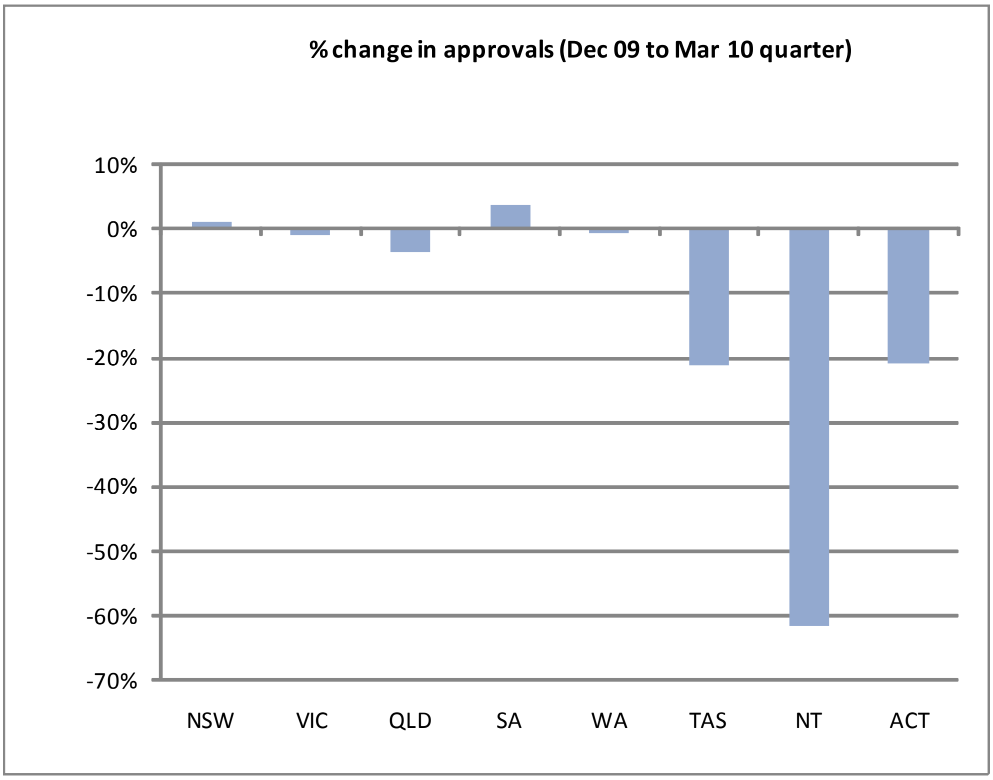
21% of all dwellings approved in Australia in the March 2010 quarter were in NSW. 45% of buildings approved in NSW were houses compared to 53% in the December 2009 quarter.

Average monthly number of dwellings approved per quarter

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT
Mar-06	2437	3003	2944	910	2064	211	105	149
Jun-06	2816	3224	3146	1050	2342	231	93	190
Sep-06	2921	3468	3561	939	2431	244	139	232
Dec-06	2546	3047	3332	901	2135	256	106	140
Mar-07	2444	2881	3364	885	1719	231	132	159
Jun-07	2556	3251	3581	882	2077	249	111	218
Sep-07	2613	3767	4000	1086	1969	239	108	186
Dec-07	2828	3673	4318	1149	1948	258	120	197
Mar-08	2358	3258	3105	946	1981	234	88	144
Jun-08	2635	3605	3594	1279	1983	249	75	253
Sep-08	2277	3777	3201	1231	1901	302	55	211
Dec-08	2104	3168	2353	927	1484	250	88	271
Mar-09	1497	3341	1755	873	1342	226	80	169
Jun-09	2101	3635	2343	973	1735	278	106	312
Sep-09	2533	4670	2682	1053	2000	294	109	385
Dec-09	2843	4714	2761	1004	2098	307	142	347
Mar-10	2874	4673	2657	1040	2085	241	55	275

Source: ABS, *Building Approvals, Australia, May 2010*, 8731.0


Number of dwellings approved, NSW
4500
4000
3500
3000
2500
2000
1500
1000
500
0
Apr-05
Jul-05
Oct-05
Jan-06
Apr-06
Jul-06
Oct-06
Jan-07
Apr-07
Jul-07
Oct-07
Jan-08
Apr-08
Jul-08
Oct-08
Jan-09
Apr-09
Jul-09
Oct-09
Jan-10


% change in approvals (Dec 09 to Mar 10 quarter)
10%
0%
-10%
-20%
-30%
-40%
-50%
-60%
-70%
NSW
VIC
QLD
SA
WA
TAS
NT
ACT

HOUSING FINANCE

First home buyers account for between 25 and 30% of all house sales, with approximately 90% requiring a mortgage to purchase a property.[4] The average loan size for first home buyers in NSW fell by 1% to $302,000 in the March 2010 quarter. NSW continues to have the highest average loan size for first home buyers of any of the States and Territories, and is the only one to have an average loan size of greater than $300,000.

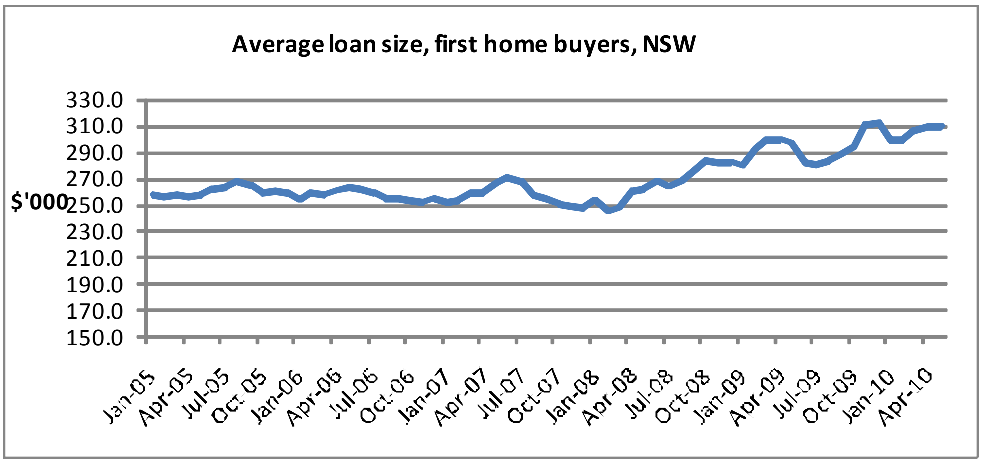
The average loan size for first home buyers increased between the quarters in Victoria, Queensland, South Australia, and the Australian Capital Territory.

First home buyers – average loan size - $'000

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT
Mar-06	257	213	218	176	196	170	182	232
Jun-06	262	213	215	174	206	161	181	225
Sep-06	256	215	223	178	217	161	192	227
Dec-06	253	219	222	182	216	167	201	235
Mar-07	255	217	232	187	215	159	209	238
Jun-07	265	225	240	193	225	171	208	230
Sep-07	260	230	246	199	248	174	232	269
Dec-07	250	222	241	195	236	163	213	243
Mar-08	249	217	236	193	233	171	216	244
Jun-08	264	227	245	202	244	166	224	245
Sep-08	269	240	264	218	253	181	241	269
Dec-08	283	251	279	229	274	192	281	293
Mar-09	291	256	289	250	292	198	296	303
Jun-09	293	260	283	245	295	195	300	298
Sep-09	284	261	268	232	294	200	297	296
Dec-09	306	270	279	233	298	202	320	287
Mar-10	302	277	284	241	295	197	274	288

Source: ABS, *Housing Finance, Australia*, 5609.0

4 Bloxham P, McGregor D and Rankin E, 'Housing turnover and first home buyers', *Reserve Bank of Australia - Bulletin*, June Quarter 2010, p 4.


Average loan size, first home buyers, NSW
$'000
330.0
310.0
290.0
270.0
250.0
230.0
210.0
190.0
170.0
150.0
Jan-05
Apr-05
Jul-05
Oct-05
Jan-06
Apr-06
Jul-06
Oct-06
Jan-07
Apr-07
Jul-07
Oct-07
Jan-08
Apr-08
Jul-08
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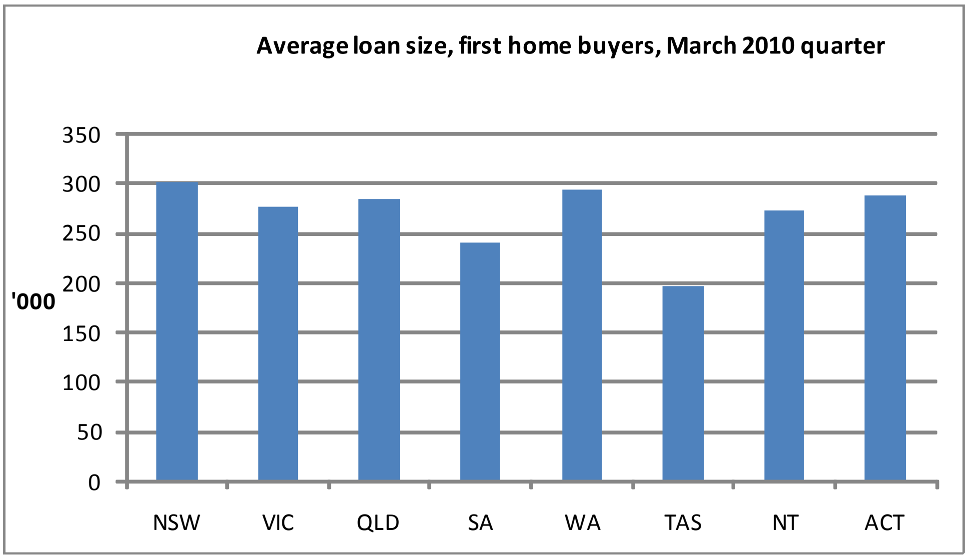
Apr-09
Jul-09
Oct-09
Jan-10
Apr-10


Average loan size, first home buyers, March 2010 quarter
'000
350
300
250
200
150
100
50
0
NSW
VIC
QLD
SA
WA
TAS
NT
ACT

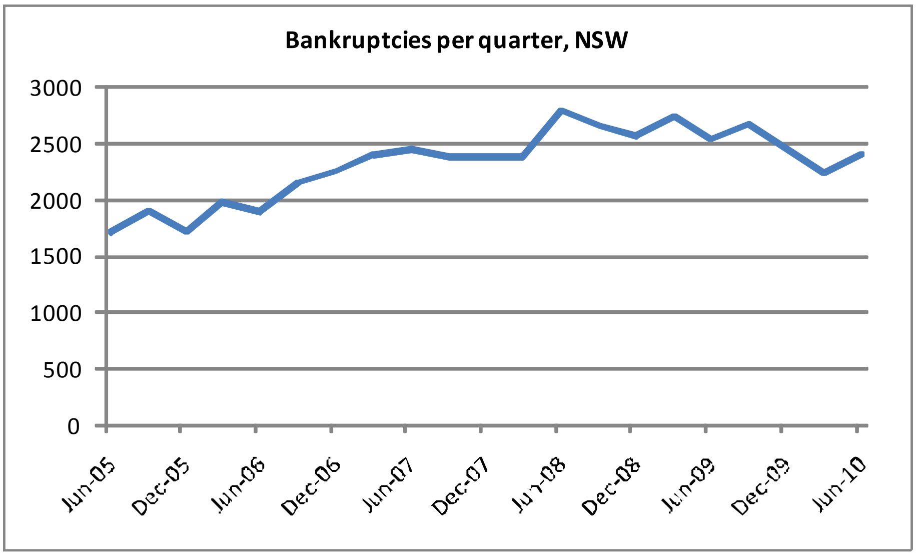
BANKRUPTCIES

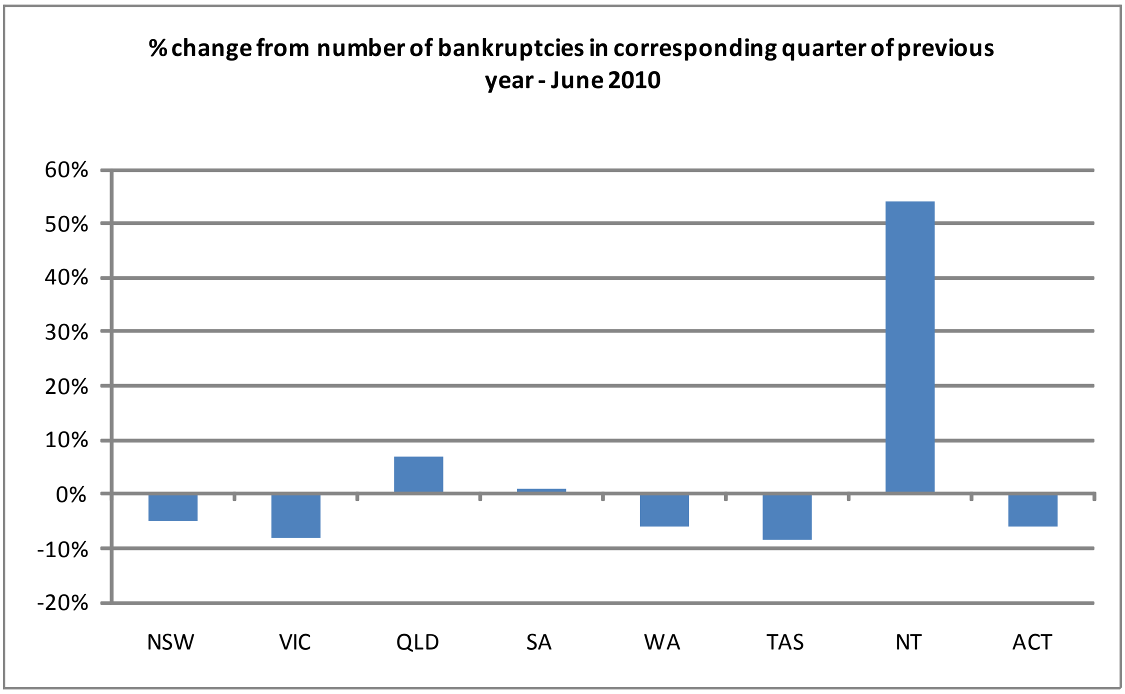
The number of bankruptcies in NSW in the June 2010 quarter increased to 2408, 35% of all bankruptcies in Australia. With the exception of South Australia, Western Australia, and the Australian Capital Territory, where there was a decrease in numbers, bankruptcies increased or remained stable in all the States and Territories.

Bankruptcies per quarter (Parts IV and XI of the Bankruptcy Act 1966 (Cth))

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT
Mar-06	1978	1397	1470	559	384	164	24	69
Jun-06	1905	1284	1389	521	350	149	32	75
Sep-06	2153	1387	1394	521	383	139	27	72
Dec-06	2244	1383	1352	496	312	147	24	58
Mar-07	2403	1487	1525	569	355	173	25	47
Jun-07	2449	1459	1475	565	340	190	43	48
Sep-07	2384	1486	1357	511	320	202	27	43
Dec-07	2391	1374	1413	491	337	173	31	61
Mar-08	2382	1321	1415	537	396	161	31	63
Jun-08	2781	1548	1508	550	375	214	38	44
Sep-08	2646	1434	1433	521	387	194	23	55
Dec-08	2577	1461	1460	457	400	210	31	53
Mar-09	2742	1527	1662	483	435	217	25	73
Jun-09	2532	1562	1688	483	438	221	24	66
Sep-09	2671	1580	1708	513	532	227	36	62
Dec-09	2451	1314	1800	452	476	175	41	61
Mar-10	2232	1391	1702	489	467	186	37	64
Jun-10	2408	1433	1802	487	411	202	37	62

Source: Insolvency and Trustee Service Australia, ‘Quarterly Statistics’, www.itsa.gov.au


Bankruptcies per quarter, NSW
3000
2500
2000
1500
1000
500
0
Jun-05
Dec-05
Jun-06
Dec-06
Jun-07
Dec-07
Jun-08
Dec-08
Jun-09
Dec-09
Jun-10


% change from number of bankruptcies in corresponding quarter of previous year - June 2010
60%
50%
40%
30%
20%
10%
0%
-10%
-20%
NSW
VIC
QLD
SA
WA
TAS
NT
ACT

RENT

Rental prices continue to increase throughout NSW. The largest growth in rental prices in NSW between the December 2009 and March 2010 quarters occurred for three bedroom and one bedroom places in Sydney which increased by 5% and 4.1% respectively. On the other hand, the median rental price for two bedroom places in Sydney remained steady.

Sydney

The average weekly rent for new bonds in Sydney in the March 2010 quarter was: $380 for a one bedroom place; $400 for two bedrooms; $420 for three bedrooms; and $530 for four or more bedrooms.

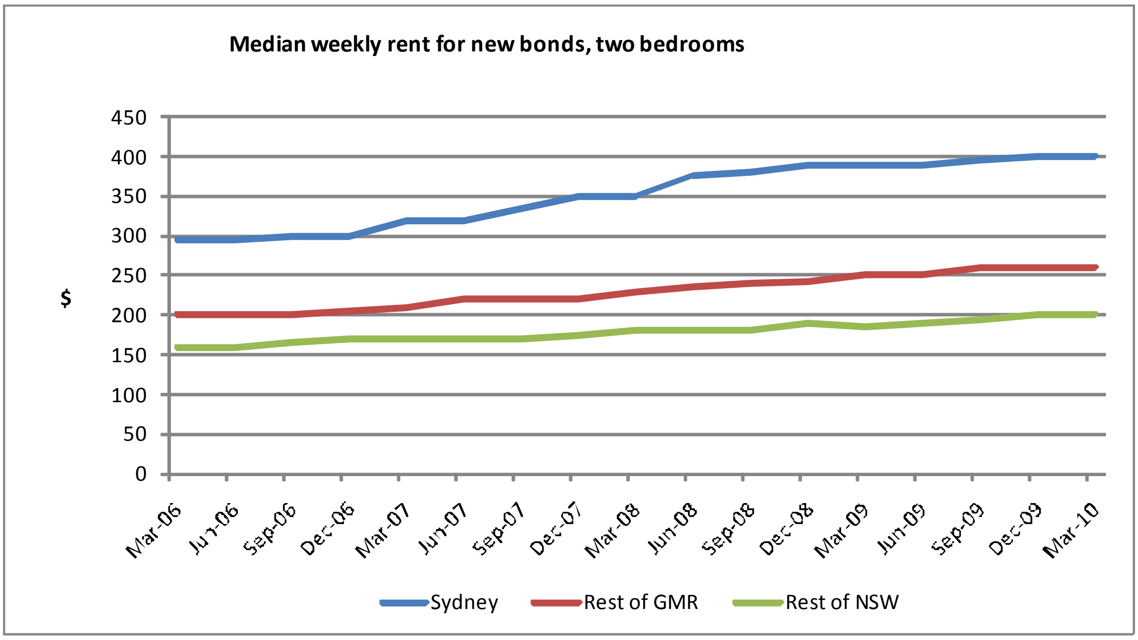
The highest median rent for a two bedroom place in Sydney was in the Sydney and Woollahra local government areas at $580 a week. Woollahra local government area also had the highest median rent for a three bedroom place at $895.

Rest of the Greater Metropolitan Region

The average rental prices in the Greater Metropolitan Region (GMR) excluding Sydney (includes Cessnock, Kiama, Lake Macquarie, Maitland, Newcastle, Port Stephens, Shellharbour and Wollongong) were $175 for a one bedroom place, $270 for two bedrooms, $330 for three bedrooms, and $395 for four or more bedrooms.

Regional NSW

The average rent for a two bedroom place outside the Greater Metropolitan Region remained steady at $200. The median rent for three bedrooms increased to $265. The highest median weekly rent for a two bedroom place in regional NSW was $290 in Queanbeyan and Tweed Heads and Tweed Coast compared to a low of $130 in the Upper Darling. The highest median weekly rent for a three bedroom place was in Queanbeyan at $400 and the lowest was in the Murray-Darling at $165.



Source: Housing NSW, *NSW Rent and Sales Report*, No 91, 2010.

GLOSSARY

The following definitions are those used by the Australian Bureau of Statistics, unless otherwise stated.

Agricultural income: The income accruing from agricultural production during the year. It is equal to gross agricultural product at factor cost less consumption of fixed capital, compensation of employees, and net rent and interest payments.

Average weekly earnings: Average gross (before tax) earnings of employees. Estimates of average weekly earnings are derived by dividing estimates of weekly total earnings by estimates of number of employees.

Cash target rate: Monetary policy decisions are expressed in terms of a target for the cash rate, which is the overnight money market interest rate. (Source: Reserve Bank of Australia, www.rba.gov.au)

Chain volume measures: Estimates that exclude the direct effects of changes in prices. Unlike current measure estimates, they take account of changes to price relativities that occur from one year to the next. Annually re-weighted chain volume indexes are referenced to the current price values in a chosen reference year.

Consumer price index: The Consumer Price Index (CPI) measures quarterly changes in the price of a 'basket' of goods and services which account for a high proportion of expenditure by the CPI population group (i.e. metropolitan households). This 'basket' covers a wide range of goods and services, arranged in the following eleven groups: food; alcohol and tobacco; clothing and footwear; housing; household contents and services; health; transportation; communication; recreation; education; and financial and insurance services.

Employed: All persons aged 15 years and over who, during the reference week: worked for one hour or more for pay, profit, commission or payment in kind in a job or business, or on a farm (comprising employees, employers and own account workers); or worked for one hour or more without pay in a family business or on a farm (i.e. contributing family workers); or were employees who had a job but were not at work and were: away from work for less than four weeks up to the end of the reference week; or away from work for more than four weeks up to the end of the reference week and received pay for some or all of the four week period to the end of the reference week; or away from work as a standard work or shift arrangement; or on strike or locked out; or on workers' compensation and expected to return to their job; or were employers or own account workers, who had a job, business or farm, but were not at work.

Free on board (FOB): The value of goods measured on a free on board (f.o.b.) basis includes all production and other costs incurred up until the goods are placed on board the international carrier for export. Free on board values exclude international insurance and transport costs. They include the value of the outside packaging in which the product is wrapped, but do not include the value of the international freight containers used for transporting the goods.

Gross domestic product: Is the total market value of goods and services produced in Australia within a given period after deducting the cost of goods and services used up in the process of production but before deducting allowances for the consumption of fixed capital. It is equivalent to gross national expenditure plus exports of goods and services less imports of goods and services.

Gross State product (GSP): GSP is defined equivalently to gross domestic product (GDP) but refers to production within a State or Territory rather than to the nation as a whole.

Labour force: For any group, persons who were employed or unemployed, as defined.

Participation rate: For any group, the labour force expressed as a percentage of the civilian population aged 15 years and over in the same group.

Private business investment**:** Investment in non-dwelling construction, plus machinery and equipment, plus cultivated biological resources, plus intellectual property products.

Seasonally adjusted estimates: Seasonally adjusted estimates are derived by estimating and removing from the original series systematic calendar related effects, such as seasonal (e.g. Christmas), trading day and moving holiday (e.g. Easter) influences. Seasonal adjustment does not aim to remove the irregular or non-seasonal influences which may be present in any particular month. These irregular influences may reflect both random economic events and difficulties of statistical recording.

Trend series: A smoothed seasonally adjusted series of estimates.

Unemployed: Persons aged 15 years and over who were not employed during the reference week, and: had actively looked for full time or part time work at any time in the four weeks up to the end of the reference week and were available for work in the reference week; or were waiting to start a new job within four weeks from the end of the reference week and could have started in the reference week if the job had been available then.

Unemployment rate**:** For any group, the number of unemployed persons expressed as a percentage of the labour force in the same group.

Weekly ordinary time earnings: Weekly ordinary time earnings refers to one week's earnings of employees for the reference period, attributable to award, standard or agreed hours of work. It is calculated before taxation and any other deductions (e.g. superannuation, board and lodging) have been made.