



statistical indicators



**NSW Parliamentary
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**NSW Economic Update
Summer 2019
Statistical Indicators 01/2019
by Lenny Roth**

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NSW Economic Update Summer 2019

by

Lenny Roth

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SUMMARY

This paper presents statistical information on key economic indicators, providing an updated snapshot of the NSW economy and relevant points of comparison with other Australian States and Territories.

Data presented in this paper is primarily sourced from the Australian Bureau of Statistics (ABS). The paper presents ABS [trend estimates](#) where available; the ABS prefers trend data for the analysis of monthly or quarterly changes.

The key economic indicators are summarised in the table below.

| Indicator | Date | Quarter change (%) | | Year change (%) | | Current rate | |
|--|--------|--------------------|------|-----------------|------|--------------|------|
| | | NSW | Aus | NSW | Aus | NSW | Aus |
| State final demand | Sep 18 | 0.7 | na | 3.4 | na | na | na |
| Gross State Product | Jun 18 | na | na | 2.6 | 2.8 | na | na |
| Retail trade | Sep 18 | 0.4 | 0.8 | 3.2 | 3.3 | na | na |
| Dwelling approvals | Sep 18 | -7.0 | -6.0 | -16.5 | -9.4 | na | na |
| Employment | Dec 18 | 0.5 | 0.7 | 3.1 | 2.3 | na | na |
| Unemployment rate ¹ | Dec 18 | -0.2 | -0.1 | -0.4 | -0.4 | 4.4 | 5.1 |
| Labour force participation rate ¹ | Dec 18 | -0.1 | 0.0 | 0.7 | 0.1 | 64.9 | 65.6 |
| Wage Price Index | Sep 18 | 1.2 | 1.0 | 2.4 | 2.3 | na | na |
| Consumer Price Index ² | Dec 18 | 0.5 | 0.5 | 1.7 | 1.8 | na | na |
| Median house price ² | Dec 18 | -4.2 | -3.0 | -10.0 | -6.7 | na | na |

¹ Quarterly average rate

² This is for Sydney, not NSW

Commsec's January 2019 quarterly [State of the States Report](#) concluded that:

NSW & Victoria now share the honour of the best performing Australian economy while the ACT is not far back in third spot.¹

The report ranks the States and Territories by comparing the latest levels for eight key indicators with decade averages. The key indicators are:

- economic growth;
- retail spending;
- equipment investment;
- unemployment;
- construction work done;
- population growth;
- housing finance and

¹ Commsec, [State of the States Report](#), January 2019, p 1.

- dwelling commencements.

The report noted that “NSW is consistently strong across the indicators and is second-ranked on six of the eight indicators”.

The December 2018 [NSW Budget 2018-19 Half Yearly Review](#) provided this outlook for the NSW economy:

The foundations are in place for above-trend economic growth of 2¾ per cent in 2018-19, despite a slightly lower than expected outcome in 2017-18. This forecast is underpinned by higher business investment and public demand. Favourable conditions for trade-exposed businesses are further supporting growth, owing to greater economic integration with Asia, above-trend global and national economic growth, a lower Australian dollar and higher commodity prices.

While the economic outlook for 2018-19 is unchanged from the Budget, drought conditions are expected to detract a ¼ of a percentage point from economic growth in 2018-19, while weaker housing market conditions are expected to dampen consumption and (eventually) dwelling investment. Nonetheless, a stronger than expected labour market is providing an offset, while above-average population growth and an elevated construction pipeline should moderate the effects of a weaker housing market, at least in the near term.

Further ahead, economic growth in 2019-20 is expected to ease close to the trend of 2½ per cent. This is ¼ of a percentage point lower than forecast at Budget and mainly reflects the delayed impact of weaker housing market conditions.²

The Reserve Bank of Australia’s (RBA) latest [Statement on Monetary Policy](#) (February 2019) forecast national Gross Domestic Product (GDP) growth to fall from 3.4% for the year to June 2018 to 2.75% for the year to December 2018. The RBA forecasts that GDP growth will be 3.0% for the year to December 2019.³

Key factors that the RBA argues may influence national growth include:⁴

- Accommodative monetary policy and tighter labour market conditions are expected to provide ongoing support for growth in household income and consumption;
- While dwelling investment is projected to decline over coming years, business investment is expected to support growth;
- Public investment will be supported by the large pipeline of infrastructure projects and growth in public consumption is being supported by the rollout of the National Disability Insurance Scheme.

² NSW Treasury, [NSW Budget 2018-19 Half Yearly Review](#), December 2018, p 7.

³ Reserve Bank of Australia, [Statement on Monetary Policy](#), February 2019, p 64.

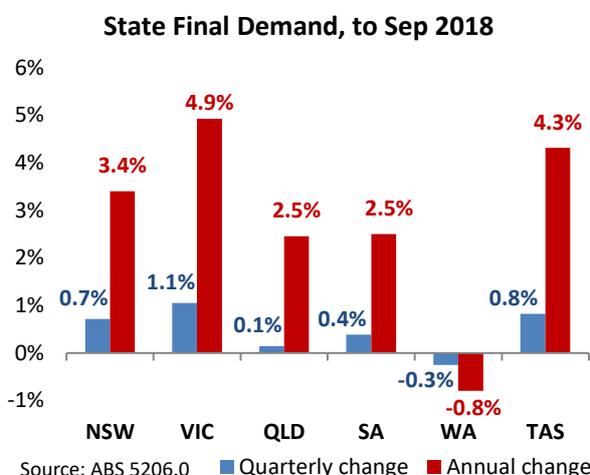
⁴ Ibid, p 65-68.

STATE DEMAND AND GROSS STATE PRODUCT

Australia's Gross Domestic Product (GDP) [increased](#) by 0.6% over the September 2018 quarter, and 3.0% in the 12 months to September 2018.

In NSW, State final demand increased by 0.7% over the September 2018 quarter (see right).

Annual NSW growth to September 2018 was 3.4%: the third highest of the States. Victoria had the highest annual growth (4.9%), followed by Tasmania (4.3%).

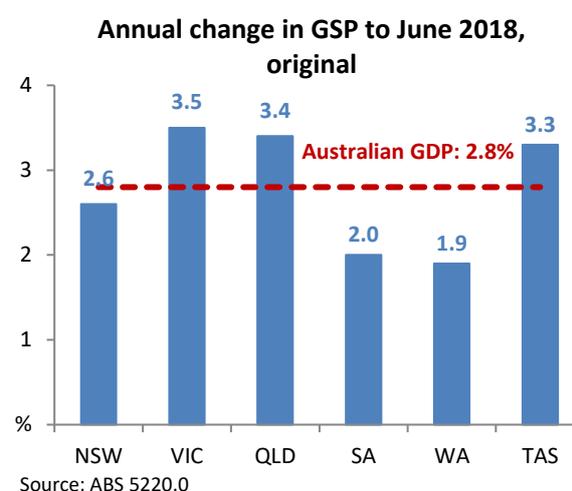


| State final demand (\$m), chain volume measures | | | | | | | | |
|---|---------|---------|--------|--------|--------|-------|-------|--------|
| | NSW | VIC | QLD | SA | WA | TAS | NT | ACT |
| Sep-2017 | 144,778 | 112,308 | 86,483 | 28,573 | 50,958 | 8,201 | 7,480 | 12,120 |
| Dec-2017 | 146,018 | 113,857 | 87,145 | 28,805 | 50,797 | 8,303 | 7,207 | 12,231 |
| Mar-2018 | 147,176 | 115,325 | 87,508 | 28,988 | 50,596 | 8,397 | 6,906 | 12,348 |
| Jun-2018 | 148,227 | 116,540 | 87,636 | 29,100 | 50,469 | 8,466 | 6,631 | 12,472 |

Source: ABS, Australian National Accounts, Cat. No. 5206.0, Sep 2018

State final demand figures do not include net exports and therefore do not account for the positive impact of higher resource exports on economic growth. The impact of exports can be seen in the Gross State Product (GSP) data released by the ABS.

NSW GSP grew by 2.6% over the 2017-18 financial year. The NSW result was below the Australian average of 2.8%. NSW ranked fourth out of the States, with Victoria on top (3.5%) (see right).



| Gross State Product (\$m), chain volume measures, original | | | | | | | | |
|--|---------|---------|---------|---------|---------|--------|--------|--------|
| | NSW | VIC | QLD | SA | WA | TAS | NT | ACT |
| Jun-2014 | 525,199 | 369,281 | 310,904 | 100,291 | 246,424 | 28,091 | 23,939 | 34,432 |
| Jun-2015 | 539,689 | 380,716 | 314,121 | 101,314 | 252,666 | 28,382 | 24,581 | 35,204 |
| Jun-2016 | 561,098 | 393,854 | 322,002 | 101,528 | 255,535 | 28,862 | 25,083 | 36,598 |
| Jun-2017 | 578,518 | 409,566 | 328,449 | 103,935 | 251,057 | 29,298 | 25,767 | 37,923 |
| Jun-2018 | 593,275 | 423,961 | 339,504 | 106,004 | 255,883 | 30,266 | 26,200 | 39,442 |

Source: ABS, Australian National Accounts, Cat. No. 5220.0, Jun 2018

RETAIL TRADE

In the September 2018 quarter, NSW retail trade grew by 0.4% to approximately \$8.7 billion. This was equal to the September 2017 quarter result (0.4%), and well below the 10 year average (see right).

The NSW quarterly result was lower than the national result (0.8%) and was the fifth highest of the States. The top three were Tasmania (1.6%), Victoria (1.3%) and Queensland (1.1%).

Turning to annual growth, NSW saw a 3.2% increase in retail trade over the 12 months to September 2018 (see right).

The NSW annual retail trade growth rate was lower than the national rate (3.3%). In comparison to all States, NSW ranked third, behind Victoria (5.8%) and Tasmania (5.1%).



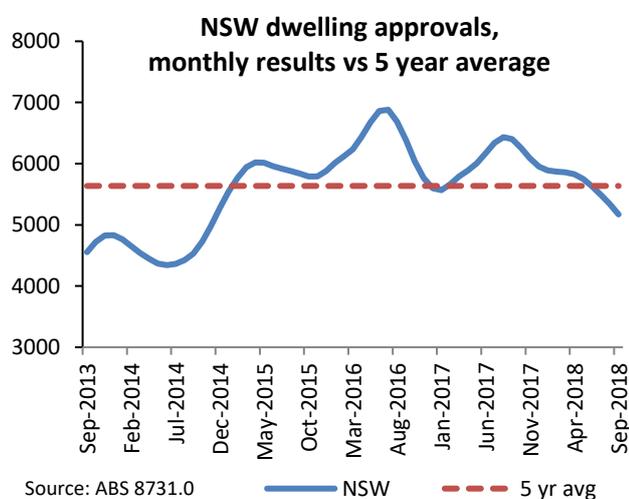
| Turnover of retail trade (\$m), quarterly average | | | | | | | | | |
|---|-------|-------|-------|-------|-------|-----|-----|-----|--------|
| | NSW | VIC | QLD | SA | WA | TAS | NT | ACT | AUS |
| Dec-17 | 8,442 | 6,691 | 5,189 | 1,730 | 2,824 | 521 | 260 | 477 | 26,134 |
| Mar-18 | 8,530 | 6,812 | 5,222 | 1,743 | 2,826 | 526 | 263 | 483 | 26,404 |
| Jun-18 | 8,639 | 6,912 | 5,241 | 1,749 | 2,824 | 536 | 267 | 493 | 26,661 |
| Sep-18 | 8,676 | 7,002 | 5,301 | 1,761 | 2,825 | 545 | 262 | 498 | 26,870 |

Source: ABS, Retail Trade, Australia, Cat. No. 8501.0, Nov 2018

DWELLING APPROVALS

In September 2018, dwelling approvals were 8.2% lower than the five-year NSW average of 5,636 approvals per month (see right).

In the September 2018 quarter, the average monthly number of dwellings approved in NSW fell by 7%. The September 2018 quarter results are 19.9% lower than the peak recorded during the June 2016 quarter (an average of 6,660 approvals per month) and 16.5% lower than the September 2017 results.



National dwelling approvals were, on average, down 6.0% for the September 2018 quarter, and down 9.4% on the September 2017 quarter. This result reflects falls in approvals in most jurisdictions. NSW had the second largest annual fall in dwelling approvals of all the States.

| Number of dwellings approved, quarterly average | | | | | | | |
|---|-------|-------|-------|-------|-------|-----|--------|
| | NSW | VIC | QLD | SA | WA | TAS | AUS |
| Dec-17 | 6,098 | 6,801 | 3,610 | 1,022 | 1,625 | 254 | 19,747 |
| Mar-18 | 5,873 | 6,512 | 3,718 | 999 | 1,439 | 236 | 19,280 |
| Jun-18 | 5,736 | 5,696 | 3,557 | 1,120 | 1,423 | 242 | 18,558 |
| Sep-18 | 5,335 | 5,392 | 3,263 | 1,008 | 1,375 | 266 | 17,399 |
| Source: ABS, Building Approvals, Australia, Cat. No. 8731.0, Nov 2018 | | | | | | | |

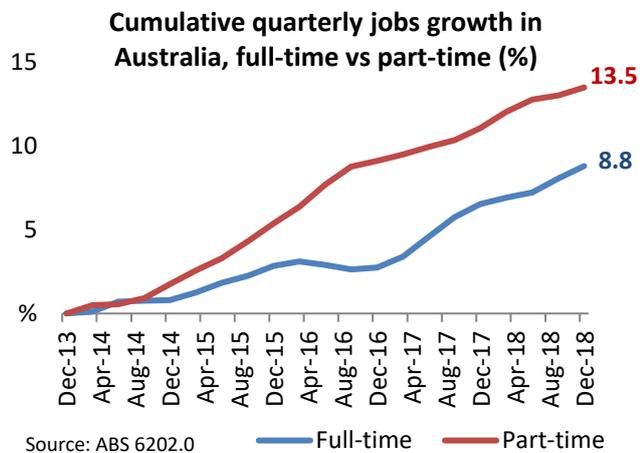
EMPLOYMENT

The national total employment (full time and part-time employment) figure grew by 0.7% over the December 2018 quarter (annual growth of 2.3%), with approximately 82,000 new jobs created since September 2018. In NSW, total employment increased by 0.5% over the December quarter, from 4.03 million to 4.05 million employed. Over the 12 months to December 2018, NSW employment increased by 3.1%.

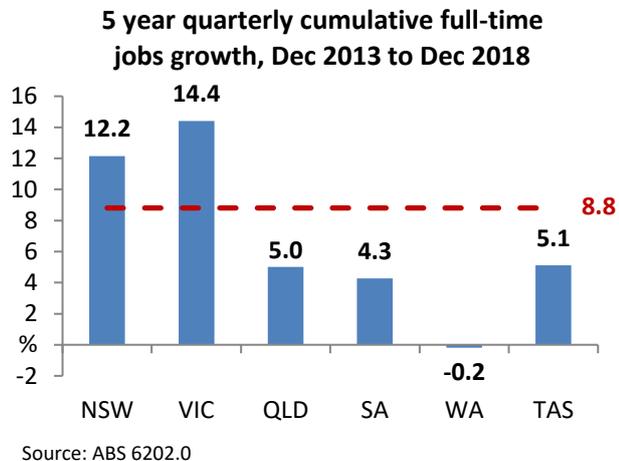
| Number of persons employed ('000), quarterly average | | | | | | | | | |
|--|-------|-------|-------|-----|-------|-----|-----|-----|--------|
| | NSW | VIC | QLD | SA | WA | TAS | NT | ACT | AUS |
| Mar-18 | 3,961 | 3,248 | 2,472 | 839 | 1,335 | 249 | 138 | 230 | 12,469 |
| Jun-18 | 3,995 | 3,271 | 2,477 | 843 | 1,338 | 250 | 138 | 228 | 12,524 |
| Sep-18 | 4,026 | 3,304 | 2,485 | 843 | 1,343 | 250 | 136 | 228 | 12,606 |
| Dec-18 | 4,048 | 3,342 | 2,497 | 843 | 1,345 | 248 | 134 | 227 | 12,688 |

Source: ABS, Labour Force, Australia, Cat. No. 6202.0, Dec 2018

In Australia, full-time employment grew by 0.7% over the December 2018 quarter, while part-time employment saw a 0.5% increase. This contrasts with a longer term trend in which part-time work has grown faster than full-time work. In the five years to December 2018 part-time employment grew by 13.5%, compared to 8.8% for full-time employment (see right).



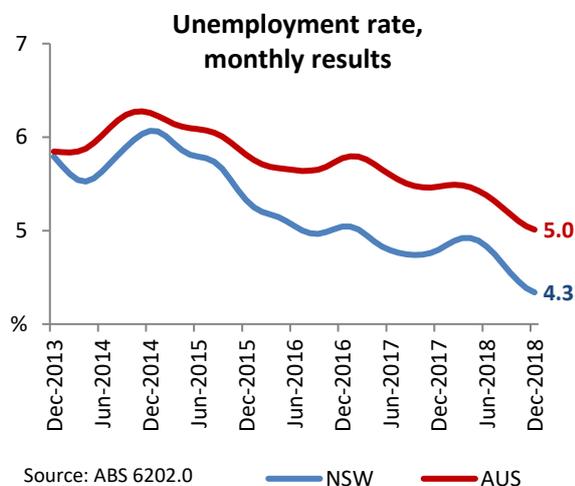
In NSW, full-time employment rose by 12.2% over the five years to December 2018: well above the national average of 8.8% and second only to Victoria's 14.4% increase (see right).



UNEMPLOYMENT

In December 2018, the NSW unemployment rate was 4.3%, which was 0.7% below the national unemployment rate.

In the December quarter, the NSW unemployment rate reduced from 4.6% to 4.4%. The State's quarterly unemployment rate remains 1.6% lower than the 6.0% peak in the March 2015 quarter, and 0.7% below the national quarterly unemployment rate of 5.1%.



As at December 2018, NSW has the lowest quarterly unemployment rate in Australia. Western Australia (6.3%) and Queensland (6.2%) have the highest unemployment rates.

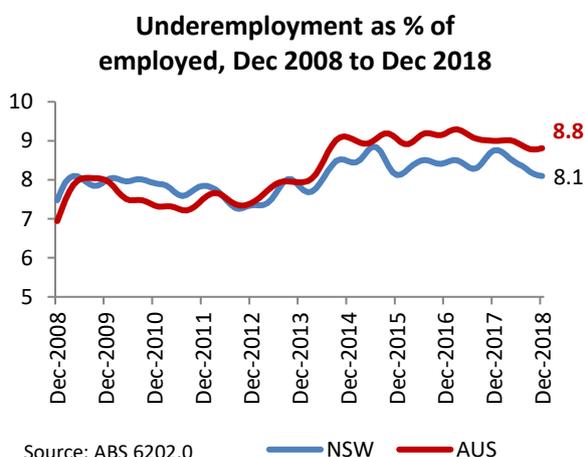
| Unemployment rate (%), quarterly average | | | | | | | | | |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | NSW | VIC | QLD | SA | WA | TAS | NT | ACT | AUS |
| Mar-18 | 4.9 | 5.5 | 6.1 | 5.9 | 6.1 | 6.0 | 4.2 | 3.9 | 5.5 |
| Jun-18 | 4.9 | 5.1 | 6.2 | 5.7 | 6.2 | 6.0 | 4.1 | 3.7 | 5.4 |
| Sep-18 | 4.6 | 4.8 | 6.2 | 5.6 | 6.2 | 5.9 | 4.3 | 3.6 | 5.2 |
| Dec-18 | 4.4 | 4.5 | 6.2 | 5.7 | 6.3 | 5.8 | 4.9 | 3.6 | 5.1 |

Source: ABS, Labour Force, Australia, Cat No. 6202.0, Dec 2018

Underemployment

The [underemployment ratio](#) represents the proportion of available employees aged over 15 who want more hours of work than they currently have.

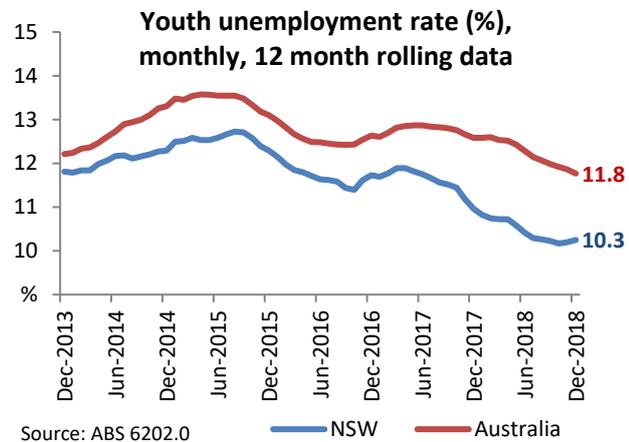
Between 2008 and 2018, the NSW underemployment ratio increased from 7.5% to 8.1%. As the adjacent figure shows, the national underemployment ratio also increased over the same period, from 6.9% to 8.8%.



Youth unemployment

The youth unemployment rate is highly cyclical because of the impact of casual and part-time employment in this age group (15-24).

Accordingly, both monthly and quarterly youth unemployment figures are presented as 12 month rolling averages. This follows the ABS' recommended methodology and is the same approach used for the NSW Parliamentary Research Service's [Regional labour force trends and NSW electorates](#) publication.



As of December 2018, NSW had a 12 month rolling average youth unemployment rate of 10.3% (see chart above). This was 1.5% below the national average (11.8%). It is also below both the rate 12 months earlier (11.0%) and the five year peak for NSW (12.7%).

Turning to the 12 month rolling quarterly average, the NSW result for the December 2018 quarter (10.2%) was below the national average (11.8%) and the second lowest of all States and Territories (see table below). The ACT had the lowest youth unemployment rate (9.1%). Tasmania has the nation's highest youth unemployment rate (15.2%).

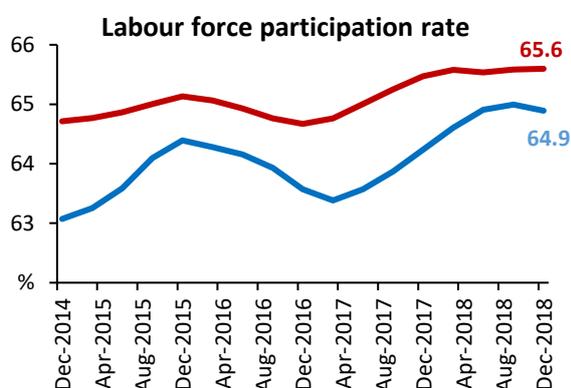
| Youth unemployment rate (%), 12 month rolling quarterly average | | | | | | | | | |
|---|------|------|------|------|------|------|------|------|------|
| | NSW | VIC | QLD | SA | WA | TAS | NT | ACT | AUS |
| Mar-18 | 10.8 | 13.1 | 13.3 | 15.7 | 13.6 | 14.0 | 8.8 | 10.8 | 12.6 |
| Jun-18 | 10.6 | 12.8 | 13.2 | 14.4 | 14.2 | 14.4 | 9.8 | 10.3 | 12.4 |
| Sep-18 | 10.3 | 12.2 | 12.9 | 13.3 | 14.6 | 14.9 | 10.5 | 9.7 | 12.1 |
| Dec-18 | 10.2 | 11.7 | 12.9 | 12.7 | 14.5 | 15.2 | 10.9 | 9.1 | 11.8 |

Source: ABS, Labour Force, Australia, Cat No. 6202.0, Dec 2018

LABOUR FORCE PARTICIPATION

Over the December 2018 quarter, the NSW labour force participation rate fell by 0.1% to 64.9%. This was 0.7% below the Australian average of 65.6% (see right).

NSW had the third lowest participation rate of all States and Territories. The Northern Territory had the highest participation rate (74.3%).



Source: ABS 6202.0

— NSW — AUS

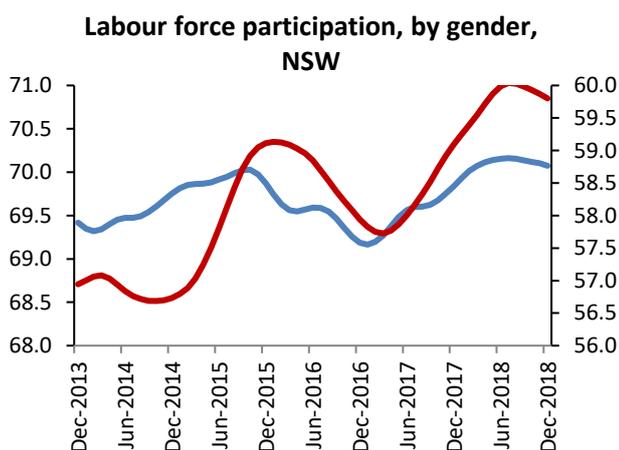
| Labour force participation rate (%), quarterly average | | | | | | | | | |
|--|------|------|------|------|------|------|------|------|------|
| | NSW | VIC | QLD | SA | WA | TAS | NT | ACT | AUS |
| Mar-18 | 64.6 | 65.7 | 66.0 | 62.7 | 68.4 | 61.3 | 76.2 | 71.9 | 65.6 |
| Jun-18 | 64.9 | 65.5 | 65.9 | 62.8 | 68.5 | 61.3 | 76.1 | 70.8 | 65.5 |
| Sep-18 | 65.0 | 65.6 | 65.8 | 62.6 | 68.5 | 61.0 | 74.9 | 70.2 | 65.6 |
| Dec-18 | 64.9 | 65.8 | 65.9 | 62.6 | 68.6 | 60.4 | 74.3 | 69.6 | 65.6 |

Source: ABS, Labour Force, Australia, Cat No. 6202.0, Dec 2018

In NSW, the male participation rate has gradually climbed from a low of 69.1% in January 2017, to 70.1% as at December 2018 (see right).

The female participation rate reduced to 57.7% between February and April 2017, but recently reached a five-year high of 60.0% (September 2018).

Although the NSW male and female participation rates are on the rise, both figures are slightly lower than the Australian average (70.9% and 60.5% respectively).



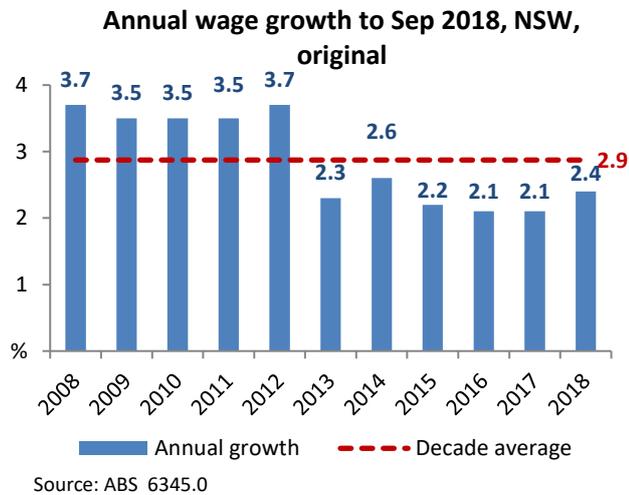
Source: ABS 6202.0

— Male (LHS) — Female (RHS)

WAGES

The NSW Wage Price Index (WPI) increased by 1.2% over the September 2018 quarter to 129.8: the second lowest Index position of all States and Territories.

Over the 12 months to September 2018, the NSW WPI grew by 2.4%. This is marginally above the lowest recorded growth rate of 2.1% (in September 2016 and 2017), and is 0.5% below the decade average (2.9%) (see right).



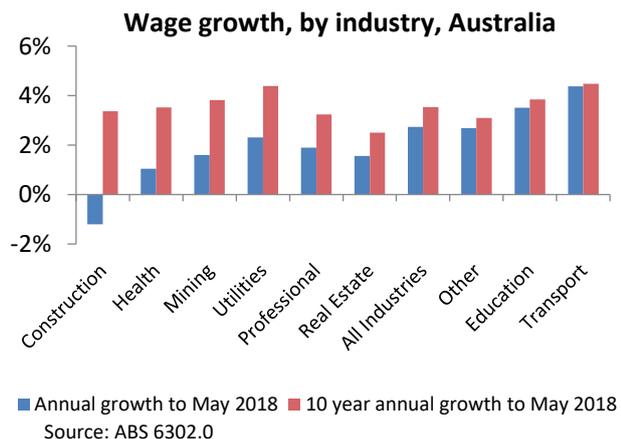
According to the [ABS](#), the national WPI rose by 2.3% over the year to September 2018. This result is 0.4% higher than the record low annual wages growth of 1.9% recorded in March and June 2017.

ABS figures for average adult weekly full-time earnings (ordinary time) in NSW show a 1.6% increase in wages over the six months to May 2018. This period saw average wages increasing from \$1,582 to \$1,608. This was the equal highest increase of all jurisdictions, with Victoria. However, NSW continues to rank fourth of all States and Territories in terms of highest average weekly earnings (see below).

| | Average adult weekly fulltime earnings (\$), ordinary time, original | | | | | | | |
|----------|--|---------|---------|---------|---------|---------|---------|---------|
| | NSW | VIC | QLD | SA | WA | TAS | NT | ACT |
| Nov-2016 | 1537.30 | 1493.40 | 1479.80 | 1442.60 | 1703.10 | 1344.90 | 1624.70 | 1746.60 |
| May-2017 | 1549.50 | 1511.20 | 1499.60 | 1447.40 | 1717.30 | 1351.90 | 1625.70 | 1775.40 |
| Nov-2017 | 1582.30 | 1523.30 | 1524.00 | 1443.20 | 1737.70 | 1359.30 | 1645.20 | 1799.10 |
| May-2018 | 1607.70 | 1547.70 | 1545.10 | 1447.80 | 1743.20 | 1377.30 | 1669.30 | 1813.40 |

Source: ABS, Average weekly earnings, Australia, Cat No. 6302.0, May 2018

Weak national wages growth has been present in the majority of Australian industry sectors (see below). Across many sectors annual wage growth to May 2018 was well below their respective 10 year averages. For example, annual wage growth for the construction sector fell by 1.2% over the 12 months to May 2018 compared to a decade average annual growth rate of 3.4% (a 4.6% difference).



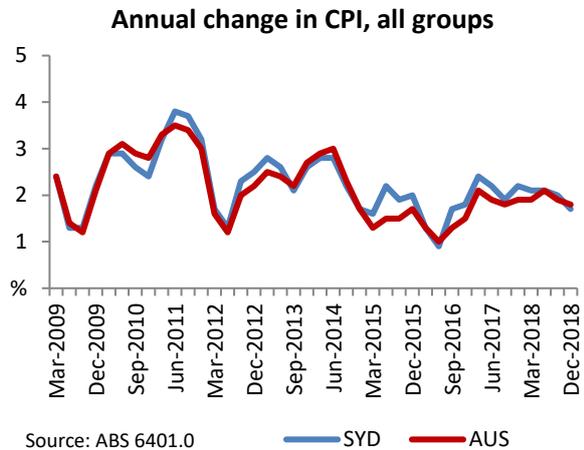
Other sectors also saw annual wage growth lower than their decade average, including health (-2.5% below average), mining (-2.2%), and utilities (-2.1%). Nevertheless some areas have seen higher than average wage growth, such as administrative and support services (2.4% above average) and manufacturing (2.2%).

CONSUMER PRICE INDEX

The Australian Consumer Price Index (CPI) rose by 0.5% over the December 2018 quarter.

Sydney's CPI also increased by 0.5% during the quarter. This was the equal sixth highest increase of all capital cities in Australia.

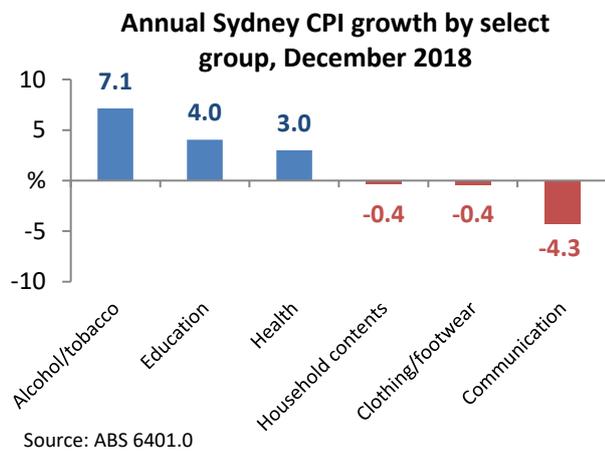
Over the 12 months to December 2018, the Sydney CPI increased by 1.7%: marginally lower than the Australian result (1.8%). Sydney's annual CPI was the fourth highest of the capital cities, with the largest annual increases recorded by Hobart (3.0%), Canberra (2.5%), and Melbourne (2.0%). The lowest CPI increase over the 12 month period was recorded in Darwin (1.2%).



Over the last 12 months, the largest CPI group price increases in Sydney were alcohol and tobacco (7.1%); education (4.0%); and health (3.0%).

The lowest annual results were recorded for communications (-4.3%); household contents (-0.4%) and clothing and footwear (-0.4%)

Nationally (and in seasonally adjusted terms), the [main contributors](#) to CPI were alcohol and tobacco (6.8%); health (3.3%); and transport (2.8%).



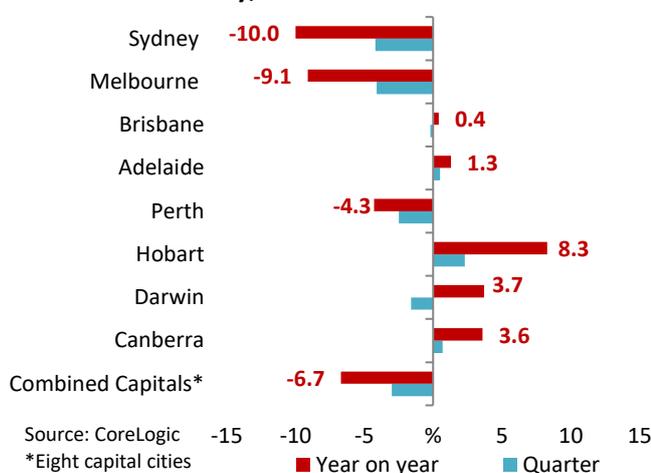
HOUSE PRICES

[CoreLogic](#) reported that Sydney's median house price was \$918,130 in December 2018: a 4.2% drop in value over the quarter, and a 10.0% fall over the previous 12 months. Despite this fall, Sydney's house prices remain the nation's most expensive by over \$160,000 (Melbourne is second, with a median house price of \$751,246).

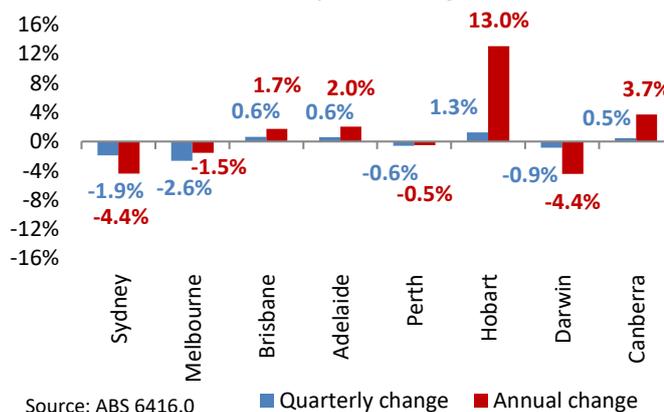
As at December 2018, Melbourne recorded the second largest quarterly drop (-4.1%), while Hobart saw the largest quarterly increase (2.3%). Sydney's 10.0% annual fall was the highest of all cities, followed by Melbourne (-9.1%), while Hobart recorded a 8.3% increase over the 12 months.

The ABS's Residential Property Price Index for Sydney recorded a 1.9% fall over the September 2018 quarter (see right). In the 12 months to September 2018, the Sydney Index fell by 4.4%, a result matched by Darwin. Over the year to June 2018, Sydney's established houses index fell by 4.9% (the lowest growth rate), while the city's attached dwellings index decreased by 3.3% (the second lowest growth rate).

Median house price growth, by capital city, to December 2018



Change in Residential Property Price Index, Sep 2018, original



| House price indexes: eight capital cities, original | | | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|------|-------|------------------|
| | SYD | MEL | BRIS | ADE | PER | HOB | DAR | CAN | Weighted Average |
| Dec-2017 | 174.0 | 154.3 | 124.0 | 119.4 | 104.8 | 134.0 | 96.0 | 123.4 | 147.6 |
| Mar-2018 | 171.9 | 153.4 | 123.3 | 120.0 | 103.9 | 139.8 | 94.9 | 124.5 | 146.6 |
| Jun-2018 | 169.8 | 152.1 | 124.2 | 120.4 | 103.8 | 144.0 | 94.0 | 125.2 | 145.6 |
| Sep-2018 | 166.6 | 148.1 | 125.0 | 121.1 | 103.2 | 145.8 | 93.2 | 125.8 | 143.4 |

Source: ABS, Residential Property Price Indexes: Eight Capital Cities, Cat. No. 6416.0, Sep 2018

GLOSSARY

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

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.

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.

Gross Domestic Product (GDP): 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.

Original estimates: Original collected data containing seasonal patterns, residual noise and irregular influences.

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.

Rolling average: An average figure calculated by adding recent figures and then dividing that by the number of time periods in the calculation average. For example, a 12 month rolling average for January 2018 would be an average of the original data for the 12 months from January 2017 to January 2018 inclusive.

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.

Spare capacity: The balance of demand for goods and services relative to the economy's potential to produce them. In the labour market, a key indicator of spare capacity is the unemployment rate, but a range of other factors also play a significant role.

State Final Demand: A proxy for economic growth that measures the total value of goods and services that are sold in a State to buyers who wish to either consume them or retain them in the form of capital assets. It excludes sales made to buyers who use them as inputs to a production activity, export sales and sales that lead to accumulation of inventories.

Trade weighted index: The weighted average value of the Australian dollar in relation to the currencies of Australia's trading partners.

Trend estimates: A smoothed seasonally adjusted series of estimates.

Underemployment rate: The number of underemployed workers expressed as a percentage of total employed persons.

Underemployed workers: Employed persons aged 15 years and over who want, and are available for, more hours of work than they currently have.

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: 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.