

# Sydney's economic growth rate weakest in 3 years

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A report by SGS Economics and Planning has positioned Sydney behind Melbourne, Brisbane and Adelaide for economic growth over the last financial year says the Urban Taskforce.

"While Sydney still leads in overall Gross Domestic Product (GDP) contribution at \$84,700 per person, compared to Melbourne's GDP contribution of \$70,500 per person, it is of concern that Melbourne's GDP per person rate is growing much faster at 4.3 percent compared to Sydney's 3.1 percent over the last financial year. Brisbane's GDP per person rate grew 3.4 percent while Adelaide and Tasmania grew at 3.2 percent, both ahead of Sydney's growth rate."

"Sydney's economic growth rate is the weakest for the last three years."

"The SGS analysis also indicates that Sydney's falling house prices are having an impact on employment within the industry sectors that relate to housing sales. With housing approvals declining rapidly in NSW there is concern that a slowing housing industry will begin reducing the 300,000 jobs in the new housing sector."

"The Urban Taskforce is concerned that the anti-development rhetoric that is growing as the state election next march gets nearer that the economy in Sydney will slow even more than over the last financial year."

"Melbourne's strong economic performance has come on the back of a state government in Victoria that is committed to growth while the opposition, which lost the recent election, raised concerns about over development and excessive immigration. Clearly the pro-growth position was more strongly supported by the electorate."

"All political parties in the lead up to the state election next March need to be careful to not talk the NSW economy down through anti-development and anti-growth policies."

*The **Urban Taskforce** is a property development industry group, representing Australia's most prominent property developers and equity financiers.*

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