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BANKWEST CURTIN ECONOMICS CENTRE

WA ECONOMIC UPDATE

Global trends, local impacts

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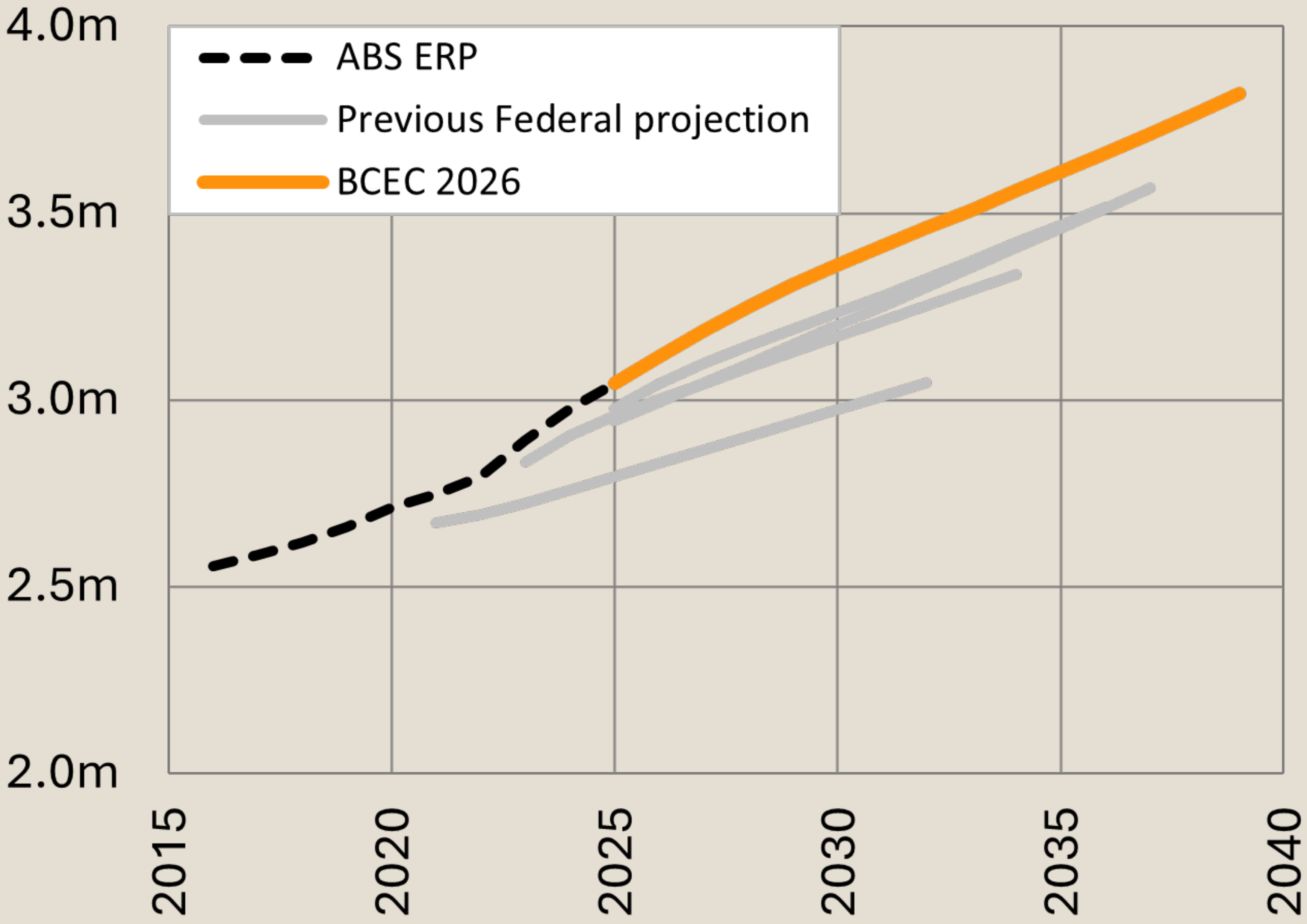
Federal population forecasts **consistently** underestimate WA population growth

- The estimated resident population of Western Australia reached **3,043,731** in June 2025 according to ABS data.
- WA's population growth over the past three years has been strong (up to **3.5 per cent**) but it's returning to the last decade average of **1.9 per cent**.
- Federal forecasts have ignored these economic drivers and **consistently underestimated** population growth in WA.
- BCEC projects the WA population to reach **3.5 million** by 2033 and **4 million** by 2043

ABS estimated residential population (ERP to 2025) Centre for Population projections (2021 to 2025) and BCEC projections (2026)

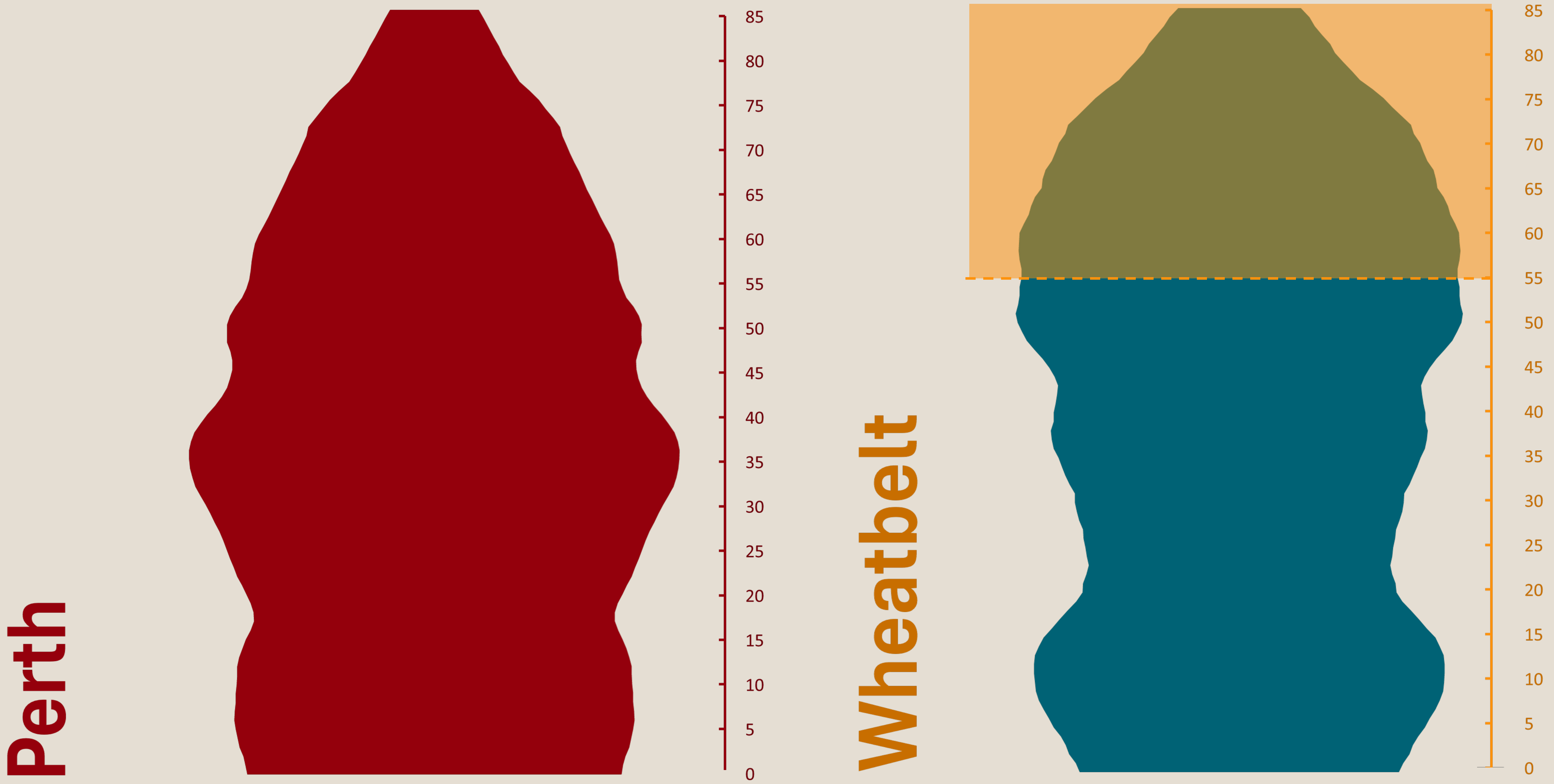


What is the profile of the Wheatbelt population?

The **Wheatbelt's population** of **73,000** would grow to 80,000 by 2036 at 1% growth annually, and to **88,000** if it were to reach WA's decade average of 1.9% pa

Nearly **a third of the Wheatbelt** population is aged 55 and over (with 1 in 5 aged 65+)

The share of 18- to 34-year-old people in the Wheatbelt is **significantly lower than for Western Australia**, particularly when compared to Perth.

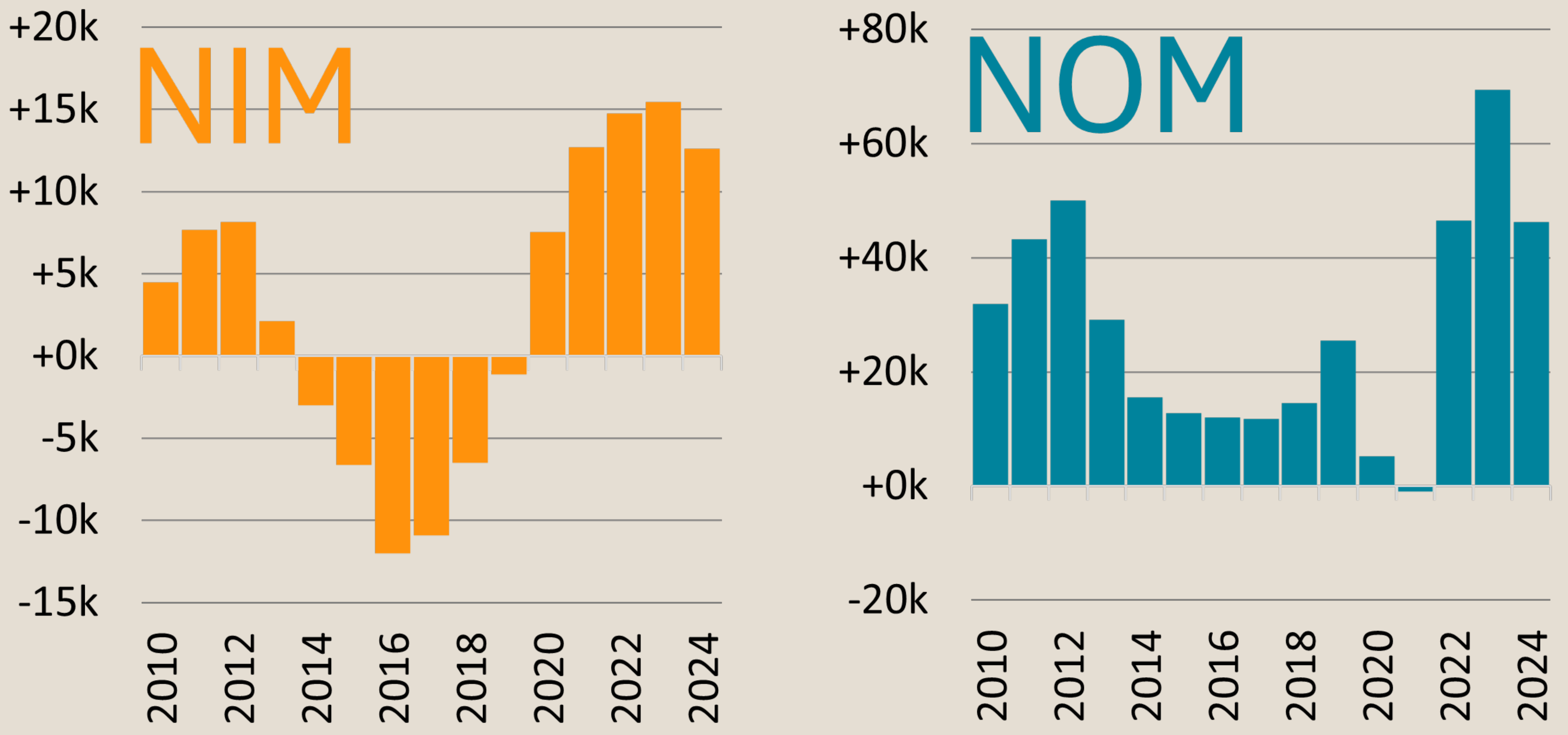


The NIM and the NOM of it…

Migration underpins WA's economic performance, workforce growth and population sustainability:

- Net interstate migration (NIM) is the state's most important labour market adjustment mechanism during periods of growth and high demand.
- Net overseas migration (NOM) responds strongly to labour demand, investment cycles and economic opportunity.

Net interstate and overseas migration to Western Australia: 2010 to 2025

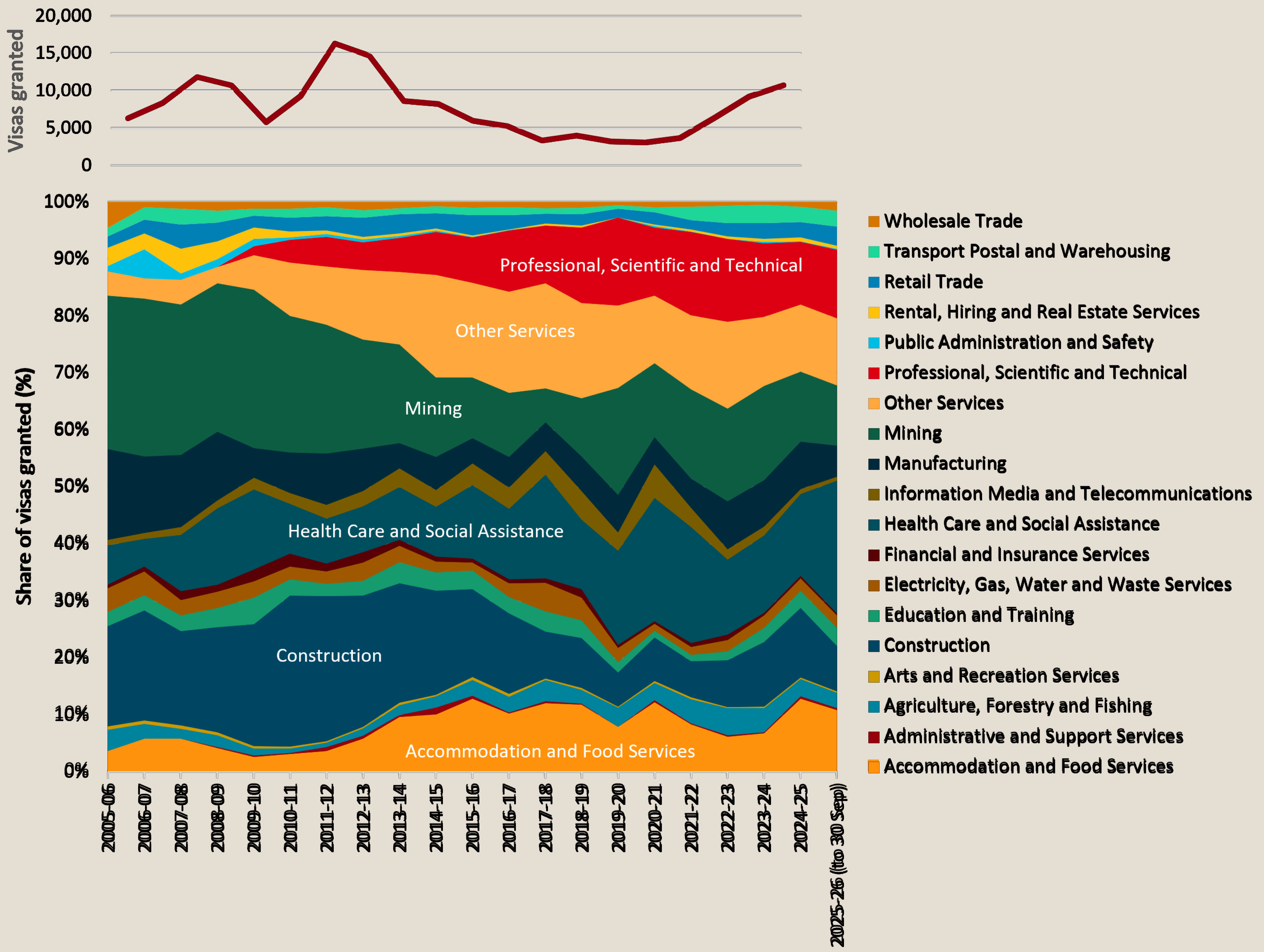


Demand for migrant skills is changing

Department of Home Affairs temporary skilled visa data show fascinating patterns of industry demand:

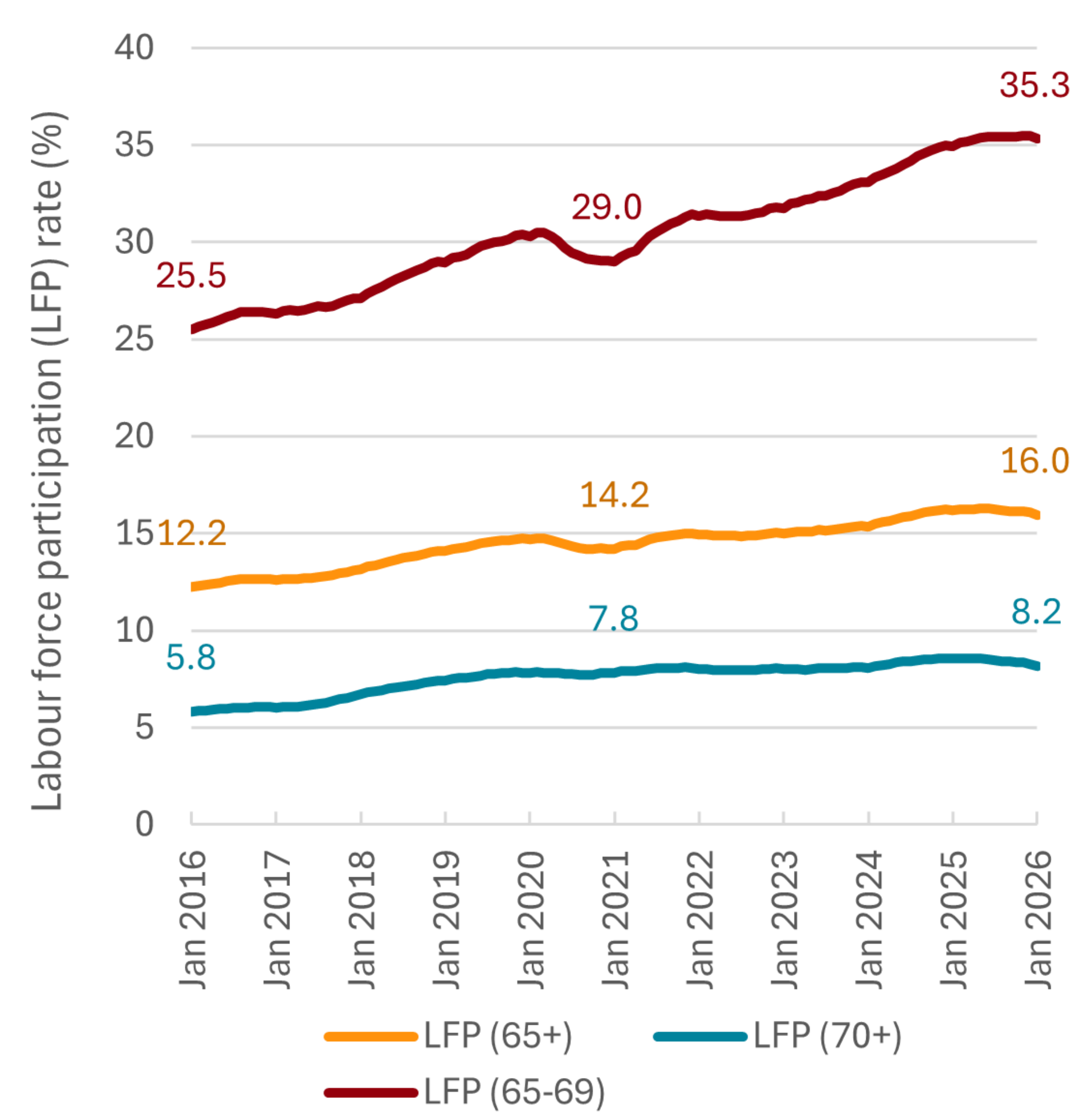
- **Hospitality services** showing bump from strength of tourism
- Shrinking pipeline of **construction workers** a cause for concern
- Continued demand for workers to expand the state's **care sector**
- Although not quite the same as WA's boom time, **mining and resources** continue to attract overseas workers
- But the new big-ticket sectors for industry sponsorship is in **STEM-related technology fields**

Share of WA temporary overseas skilled workers visas: by industry sponsor, 2005-2025

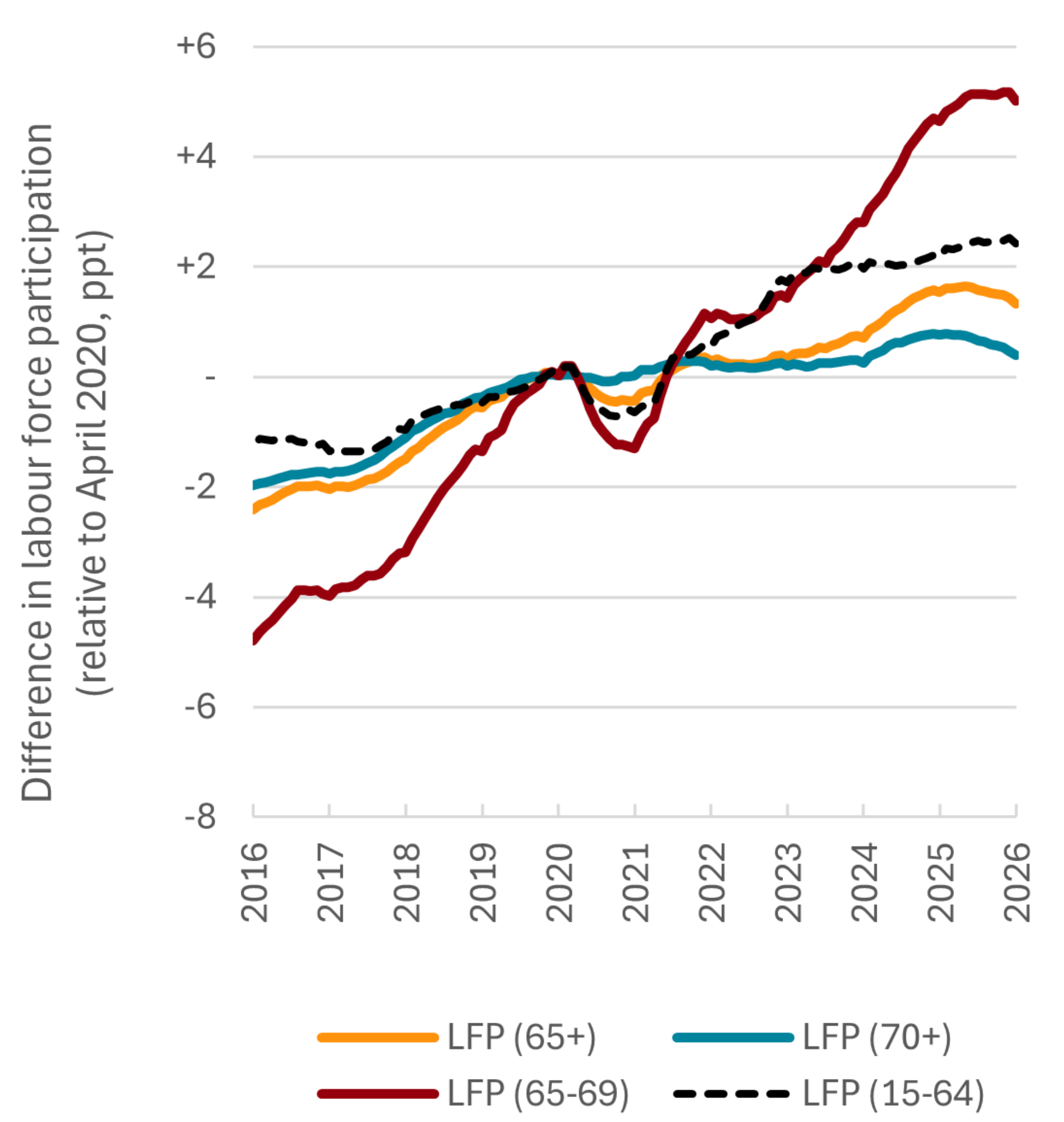


Labour market participation is changing – and ageing…

Labour force participation rates (LFPR) by age cohort: Australia, 2016 to 2026 (%)



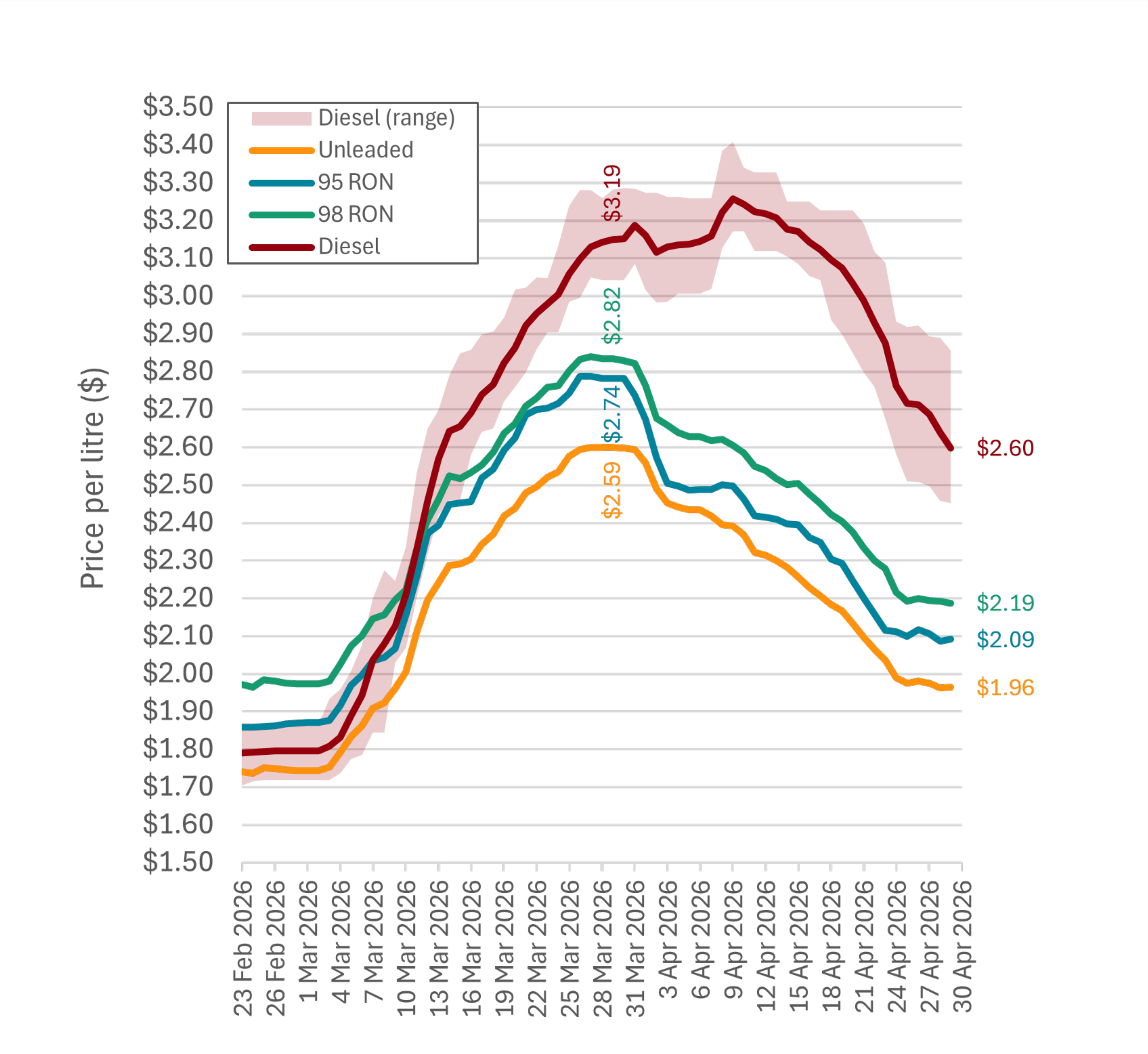
Difference in LFPR relative to April 2020 by age cohort: Australia, 2016 to 2026 (ppt)



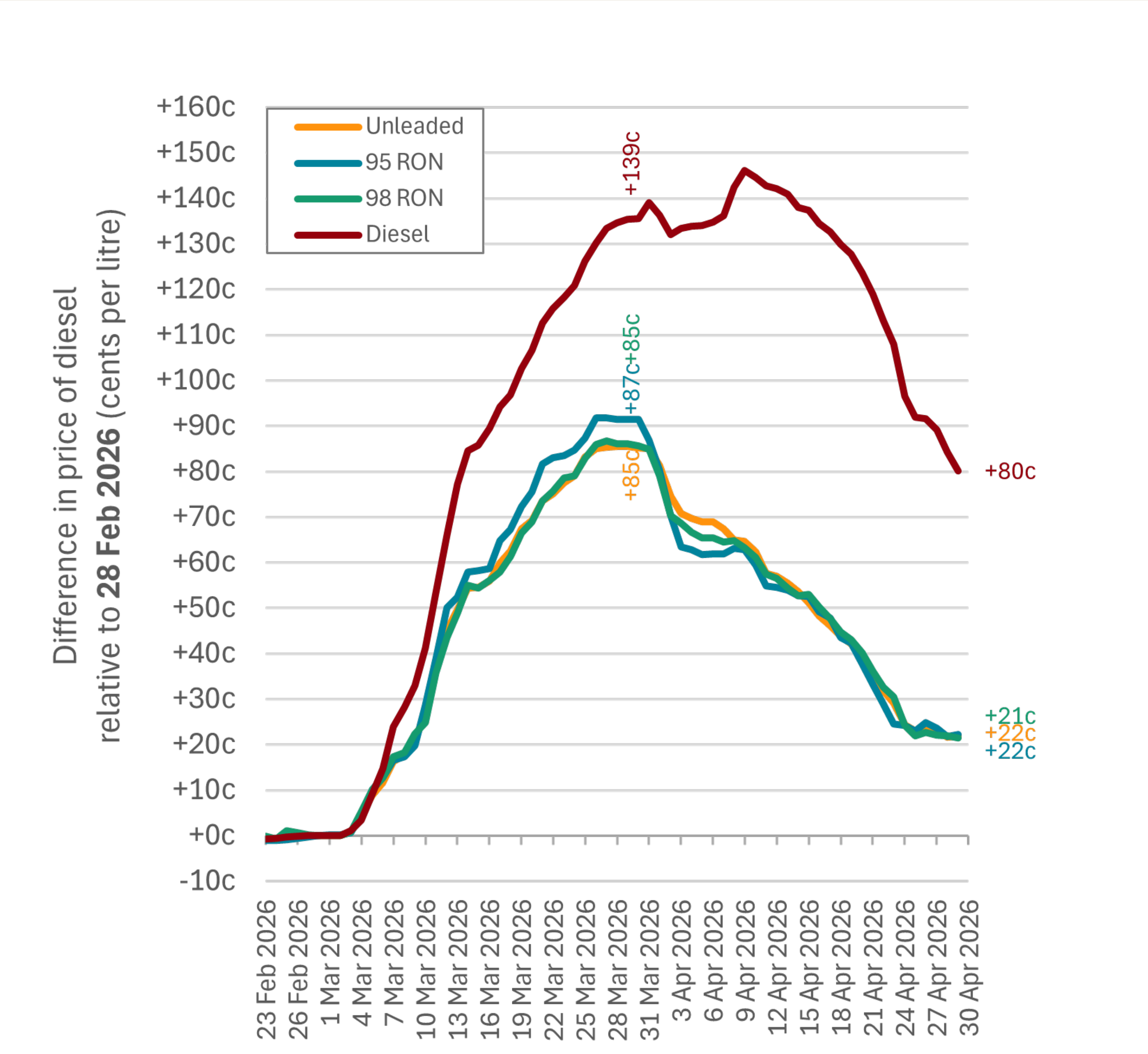
Prices and costs-of-living

Fuel prices have eased, but pain still there … especially diesel

Average prices per litre of fuel : Wheatbelt, 23 Feb 2026 to 29 April 2026



Cumulative change in Wheatbelt fuel prices since 28 February 2026

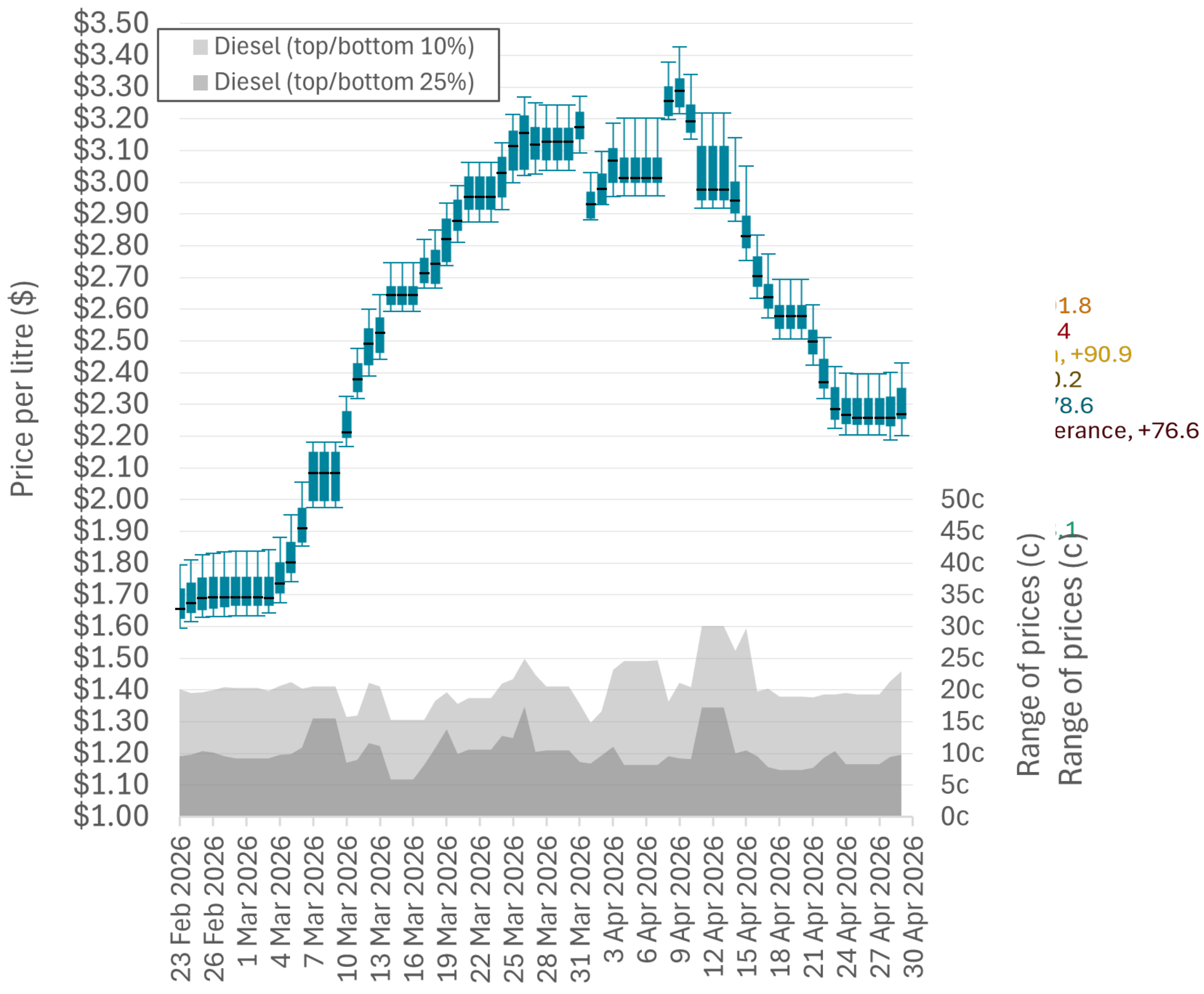


Regional-urban fuel price differentials are widening again

Average prices per litre of diesel: by WA region, 26 Feb to 22 March 2026

Some questions to ask regarding differential prices growth for diesel in agricultural regions since 28 February:

- FuelWatch data show particularly extreme increases in diesel prices in the Gascoyne (up **102 cents**), Great Southern & Mid West (up **91 cents**) and Wheatbelt (up **80 cents**).
- The spread of diesel prices **narrowed to April but has widened a lot** since then…
- But interestingly, **not for wholesale prices**



WA's rents are levelling off, but Wheatbelt rents have risen strongly

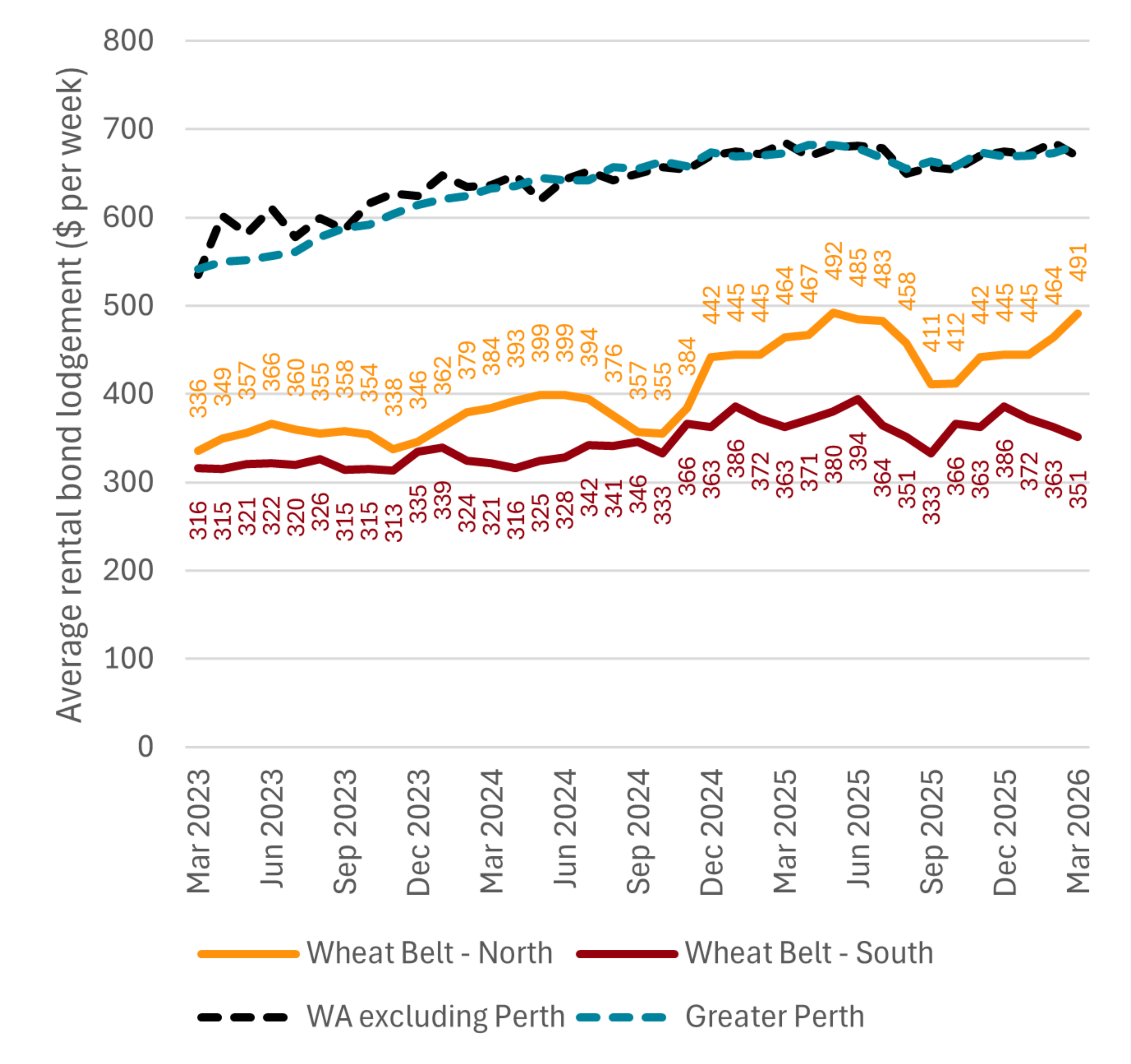
Average rents from bond lodgements for Perth, Wheatbelt and WA regions: 2023 to 2025

Average asking rents for dwellings in Wheatbelt North have risen by **$155 (+46%)** to **$491** between March 2023 & March 2026.

Wheatbelt South asking rents rose by an average of **$35 (+11%)** to **$351** over the same period.

This compares to asking rents of **$683** in Greater Perth and **$669 averaged** across WA regions.

A lot of this is to do with a **lack of rental stock….**



Rental stock has more or less flatlined in the Wheatbelt

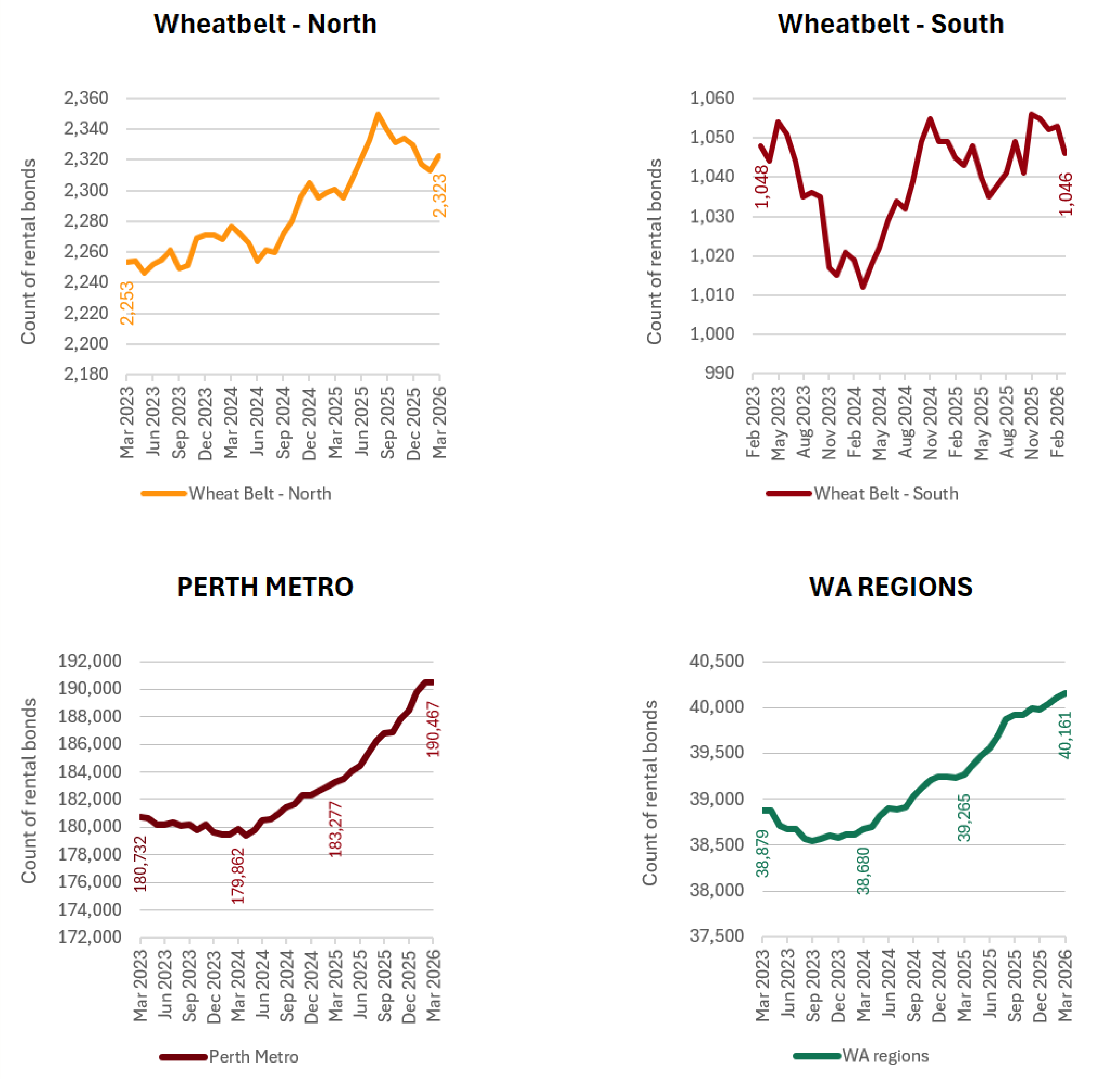
There have been a **mere 70 net additions** to the rental stock in Wheatbelt North since March 2023 – now at **2,323.**

And for Wheatbelt South, the rental stock has **dropped by 2 units** over the same period, to **1,046 dwellings**.

Together this makes up only **3,369 rentals** in total over the entire Wheatbelt region of 73,000 people.

This stock **has to grow**, even under modest projections for population growth.

Change in rental stock for Wheatbelt, Perth and WA regions: March 2023 to March 2026



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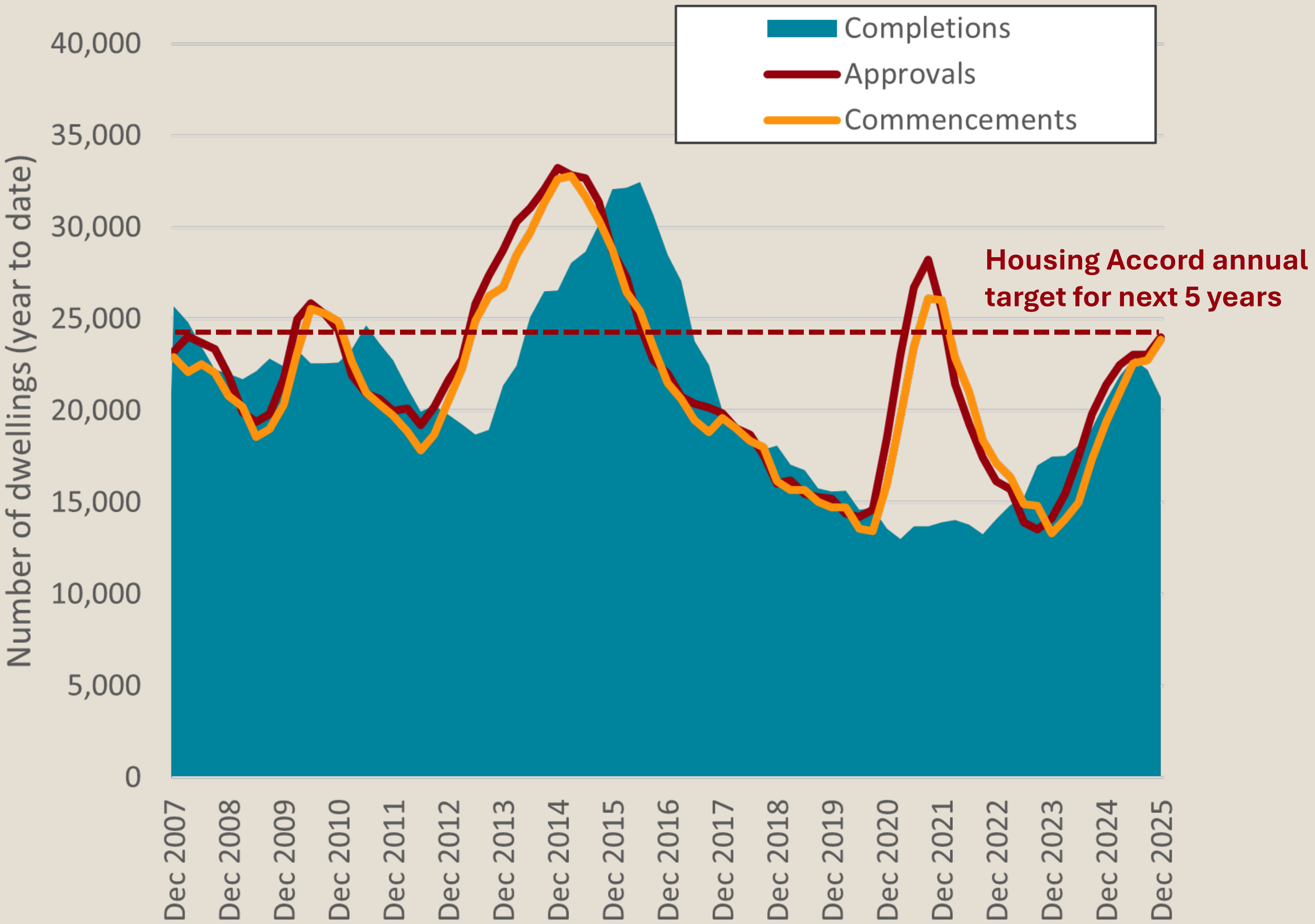
Housing supply and demand

Completions are picking up …

Building approvals, commencements and completions: WA, 2007 to 2025

Dwelling completions for WA **broke through the 20,000 barrier** in December 2024 - the first time since December 2017

BUT we've seen some tailing off in the number of completions over the last quarter of 2024.

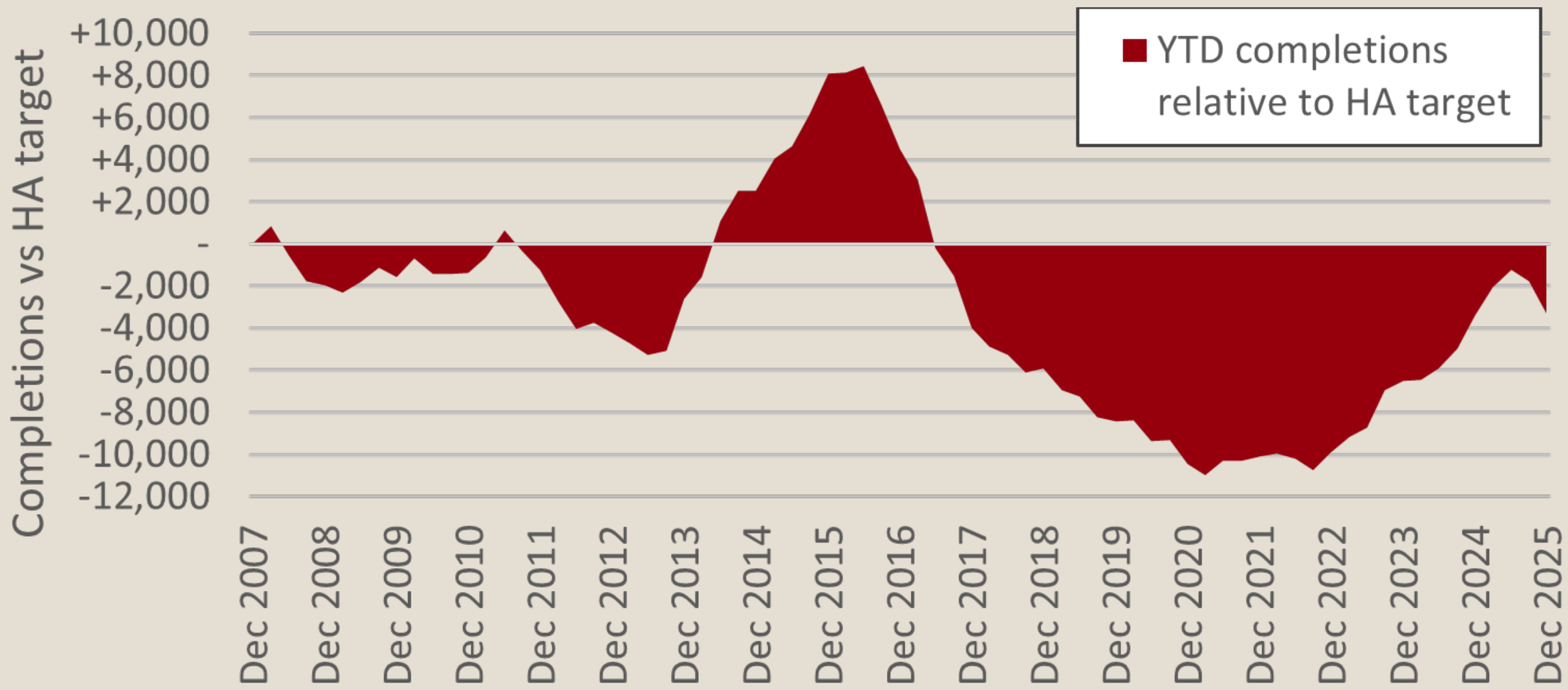


But completions are still short of implied HA target

Building completions relative to Housing Accord target: WA, 2007 to 2025

WA **remains 3,300 dwellings short** of the implied target of 24,000 new properties per year under the National Housing Accord.

And note that the state's implied completions target should strictly be increasing as a result of our **relatively strong population growth**.



But WA is faring well against most other states

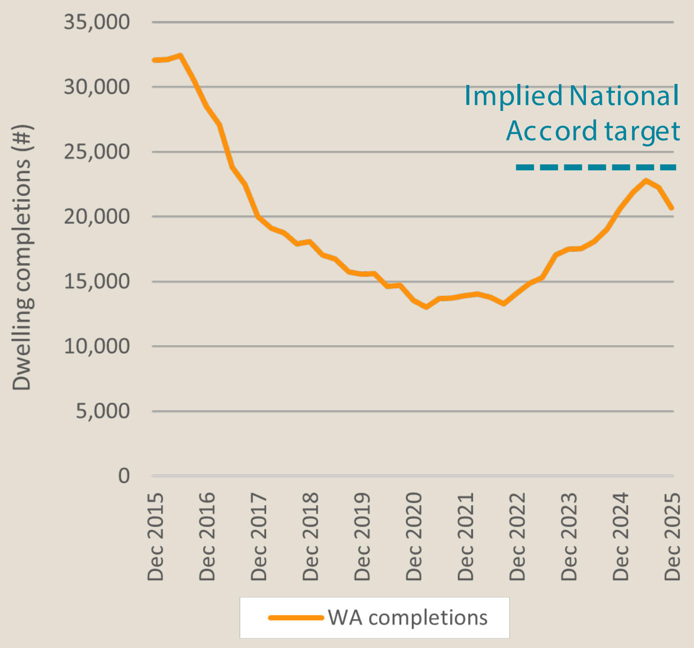
Building completions: states and territories, 2019 to 2025

Dwelling completions for WA have **accelerated far more quickly** than for other states and territories.

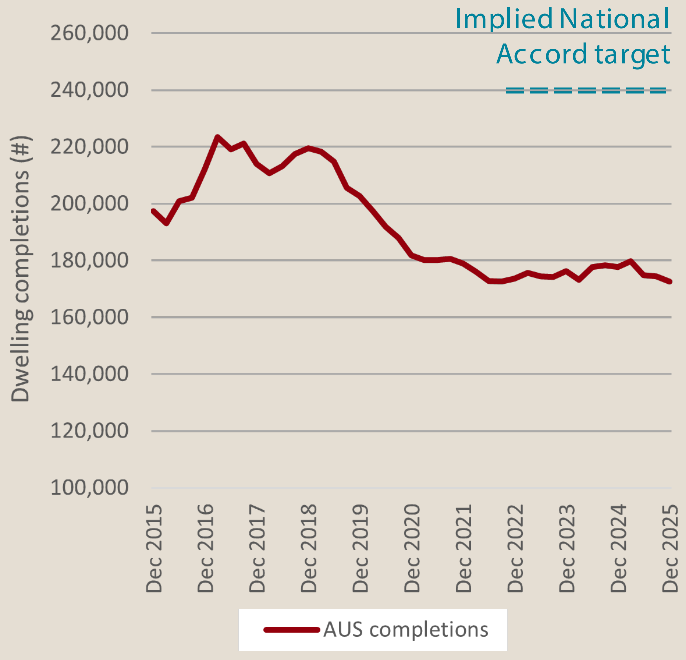
Victoria is the closest to the implied National Accord target in terms of dwelling completion.

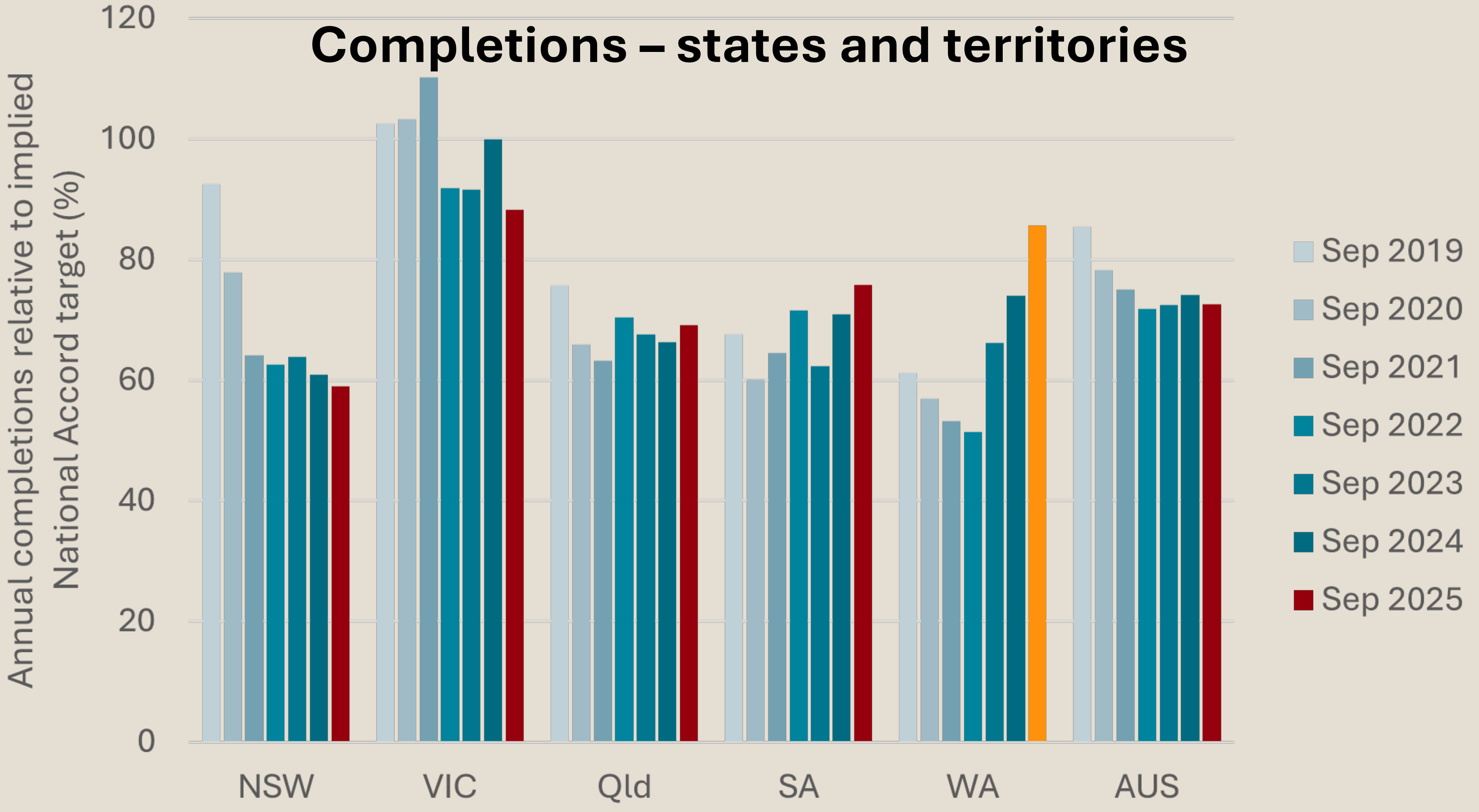
NSW in all sorts of trouble

Completions - WA



Completions – Australia

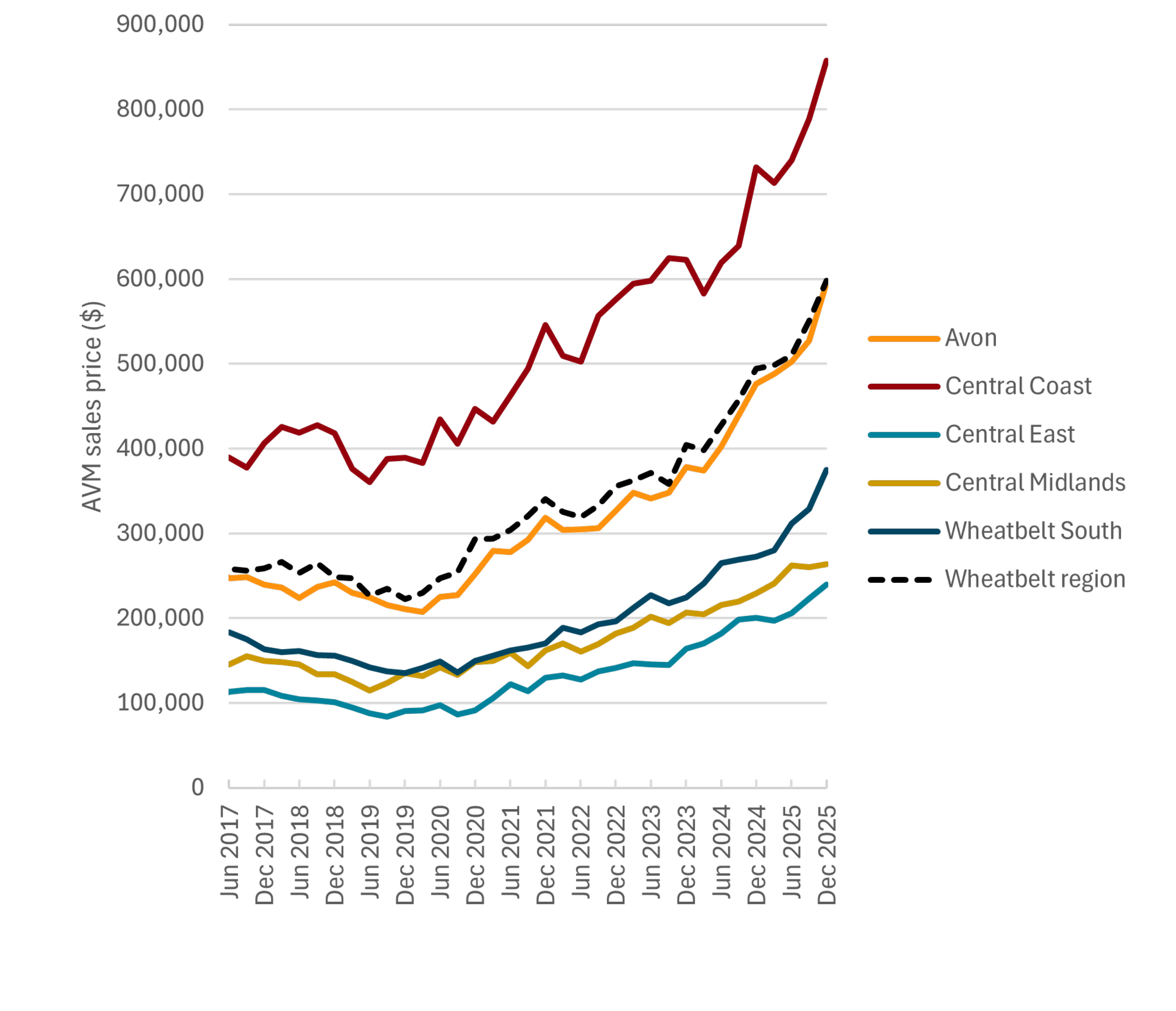




House price growth in the Wheatbelt has been substantial

Median AVM dwelling sales price: Wheatbelt sub-area: 2017 to 2025

- AVM prices (more or less a 3-bed house) have risen across the board in Wheatbelt, by 68 per cent over three years and **by 21 per cent in the past year alone (to $598K as at December 2025**)
  - Avon $596K (+25%);
  - Central Coast $858K (+17%);
  - Central East $240K (+20%)
  - Central Midlands $264K (+15%)
  - Wheatbelt South $375K (+37%)



Western Australia Economic Outlook

WA's economic performance

WA's economic engine remains powerful.

Strong exports, resilient domestic demand and population growth continue to place the state among the fastest-growing economies.

Migration and population growth are driving WA's economic momentum, **but only if housing, infrastructure and services keep pace**.

People are our growth strategy

Skills and capability will define competitiveness.

The next productivity frontier is technology. AI, automation and data-driven industries will reshape jobs, business models and the way value is created across the economy

But prosperity must remain inclusive. Strong economies only endure when rising productivity is matched by opportunity, equity & social wellbeing.

Seizing future opportunities – what's needed?

There's plenty of opportunity with net zero, advanced manufacturing & defence coming to the fore.

Access to global talent, training and workforce participation will determine whether WA can sustain growth through the next decade.

Getting the policy settings right in housing, infrastructure, skills and innovation will ensure that WA is well placed to lead Australia's next phase of economic growth.