

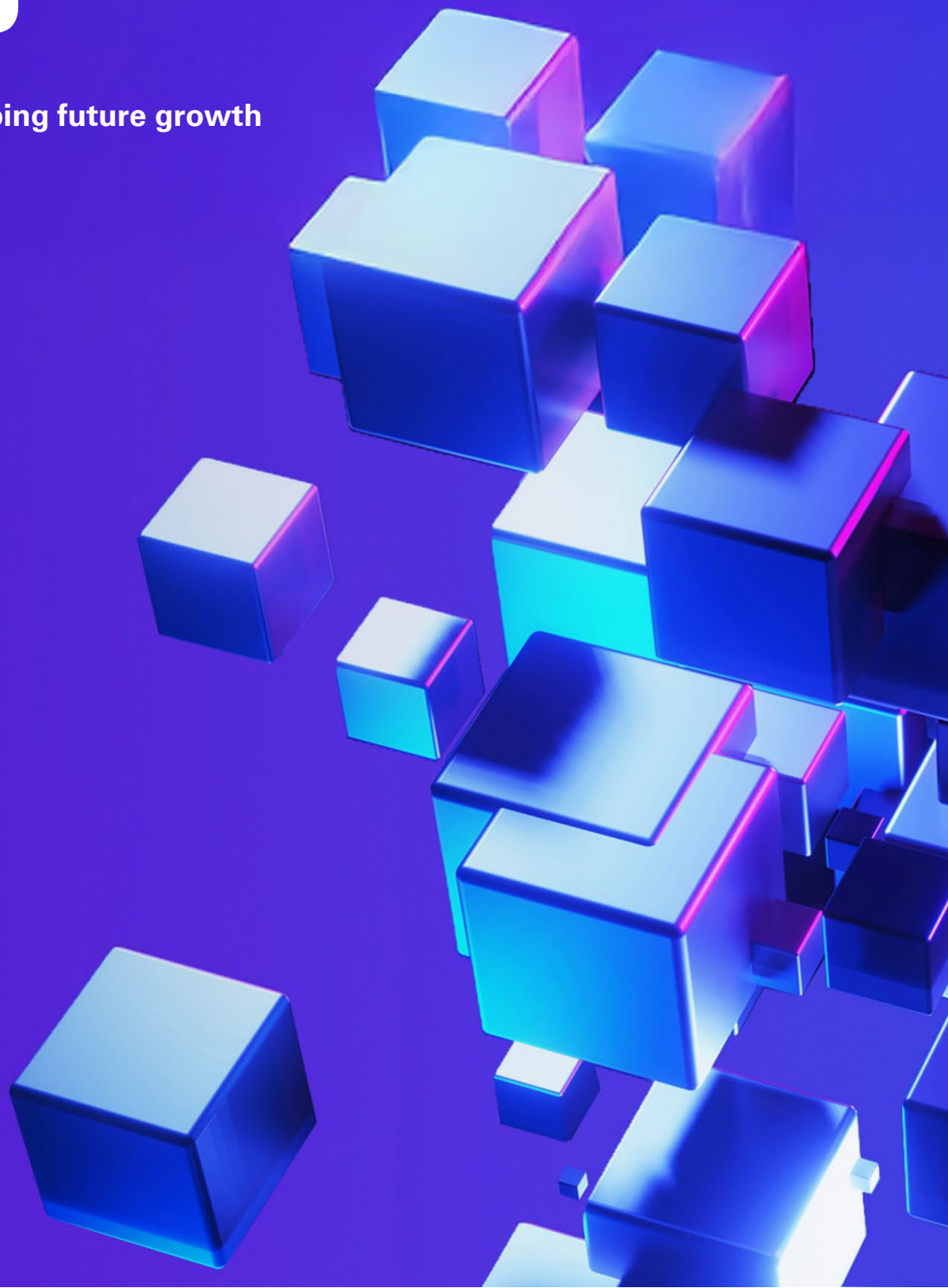


Enterprising Cities

How they are shaping future growth

May 2025

[KPMG.com.au](https://www.kpmg.com.au)



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Introduction



Naomi Mitchell

National Managing Partner
Enterprise

Thriving Enterprising Cities are attracting people, businesses, and investors, aiming to help organisations grow by utilising a talented workforce.

KPMG's second edition of the 'Enterprising Cities' report offers a captivating analysis of 12 of Australia's most rapidly evolving cities.

These cities play a vital role in Australia's mid-market, often dubbed the 'engine room of the nation's economy', as they employ nearly a quarter of all Australians and generate 40% of total national business revenue. The report highlights that these 12 cities collectively account for about a third – over 35% – of Australia's economy. In recent years, the Enterprising Cities economies have been resilient as local businesses and households have faced cost-of-living pressures and a slowing economy.

These cities are increasingly seen as desirable destinations, attracting people and businesses from larger metropolitan areas and drawing interest from international companies looking to establish a presence and invest in these thriving regional centres. Business leaders in these rapidly growing areas are focused on the potential to 'move up the value chain' and transform 'good' businesses into 'great' ones by leveraging the recent influx of younger workers.

The report also identifies some challenges for Enterprising Cities, such as navigating regulatory environments, managing inflation and cyber risks, finding investment opportunities, capitalising on regional characteristics, and collaborating with local government and authorities to boost regional prosperity. A significant issue is talent attraction. According to KPMG research, the nation will need an estimated 6.5 million digital workers by 2026, which raises concerns among mid-market companies about their capacity to train or hire enough staff with the necessary skills for a digitised future.

Mid-market businesses in our Enterprising Cities span a wide array of industry sectors, including technology, manufacturing, banking and financial services, retail, and health and human services. These enterprises vary in size, ranging from successful startups to sole traders, private companies, and family businesses.

Technology has reshaped the landscape and fuelled notable growth in these centres, with digitally enabled Enterprising Cities being locally connected and poised to expand into national and global markets. Moreover, Australia's advancing energy transition and net zero goals are creating new opportunities for businesses in regional areas.

Even in the face of global uncertainty, KPMG believes that the strong business foundation, vibrant communities, and diverse industries in our regional cities will help shape a positive economic future for the nation. I hope you find the Enterprising Cities 'snapshots' and the report's insights and analysis both interesting and informative.

Introduction



Terry Rawnsley

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Almost 10 million people live in the Enterprising Cities and represent an integral part of Australia's economic tapestry.

2024 has been a challenging year for the Enterprising Cities; the Australian economy slowed during 2024, and the labour market softened. This trend, while not uniform, can be seen across all Enterprising Cities. Despite economic headwinds, the economies of the Enterprising Cities remain resilient.

This resilience is founded in the strength of local communities. The importance of 'place' in driving economic growth cannot be overstated, as it includes physical (buildings, equipment, infrastructure), natural (resources and local amenities), and human capital (people and their skills). These components come together to create an environment conducive to economic activity and prosperity.

Natural capital defines the inherent economic strengths of a location, creating opportunities for primary production and nature-based tourism. Additionally, physical capital, such as transport, energy, and communication networks, fosters opportunities for trade and paves the way for investment.

Human capital is a crucial driver of economic growth, comprising the skills, knowledge, and experience possessed by individuals, which, in turn, fuel innovation and productivity. Broadly speaking, these fundamental long-term drivers have significantly shaped the economic landscape across Australia.

The COVID-19 pandemic brought about a notable shift in Australia's population growth, steering it away from major capital cities towards smaller cities where lifestyle, local amenities, and more affordable housing have been made more attractive by the viability of remote work.

This migration from urban to regional locations has revitalised regional economies, impacting local and residential housing and job markets. As a result, there is a growing need for increased housing supply, improved training and education, and enhanced infrastructure and services to support the growing populations.

This inflow of new residents, combined with a significant increase in the cost of new housing, has presented the Enterprising Cities with a new housing challenge that requires rethinking how the entire housing sector functions. The Enterprising Cities need more workers, and the lack of housing presents a clear economic handbrake to growth as well as a range of social issues.

Looking ahead, Enterprising Cities have the potential to further diversify their economies and generate jobs for their local communities, thereby laying sustainable foundations for long-term business growth.

Each of these cities possesses a unique tapestry of strengths and challenges specific to its character and context. The key challenge is to unlock this potential and cultivate the best possible version of each Enterprising City.

Enterprising Cities: overview

Enterprising Cities: 2024 snapshot

The Enterprising Cities house a population of almost 10 million people, representing 36% of Australia's population.

5.1 million workers live in the Enterprising Cities, representing 36% of Australian workers.

The unemployment rate was 3.8% across the Enterprising Cities.

The participation rate was 67.8% across the Enterprising Cities.

Population

9.8 million

Population grew by 1.7% during 2024 compared with 1.9% for the rest of Australia.



Workers

5.1 million

1.7%
Growth

The number of workers increased by 2.5% during 2024 compared to 3.0% for the rest of Australia.



Unemployment rate

3.8%

2.5%
Growth

The unemployment rate has declined from 4.6% in 2021.

4.6%
in 2021



Participation rate

67.8%

66.3%
in 2021

The participation rate has increased from 66.3% in 2021.

* The geographical boundaries for each Enterprising City is defined on page 11



The potential of Enterprising Cities

Traditionally, the major cities – Sydney, Melbourne, and Brisbane – have been viewed as the primary drivers of Australia’s economic growth. It is important to recognise that over the past five years, the Enterprising Cities at the heart of this report have experienced robust growth. The allure of Enterprising Cities for businesses is firmly anchored in their multifaceted environments, enriched by the entrepreneurial spirit and attitudes of their people. The cities are blessed with varied forms of capital – each pivotal to generating economic value and social capital. Enterprising Cities merge physical, natural, and human capital in dynamic synergy, fostering ecosystems where businesses can thrive and economic prospects flourish.

The growth of local businesses and the attraction of new business into Australia are vital to enhancing national productivity. The upsurge seen in the Enterprising Cities fuels local businesses, fosters a diverse array of entrepreneurial activities, and solidifies their role in the nation’s wider economic landscape. Much like individuals, cities are most successful when they leverage their inherent advantages – be they cultural heritage, geographic location, economic base, local amenity or innovative spirit. By focusing on and investing in these strengths, a city can not only differentiate itself in a competitive global landscape but also foster resilience and sustainable growth.

The COVID-19 pandemic catalysed a discernible shift in the pattern of Australia’s employment and population growth. Effectively, it redirected growth from major capital cities to smaller ones, cities known for the allure of lifestyle options, access to local facilities, and more affordable housing. This trend has been made possible by a greater acceptance of remote working arrangements. The movement of people from major cities to smaller ones has also boosted local economies, as an influx of skilled workers and a growing population have increased the demand for goods and services in these communities.

Table 1 provides a comparison of key metrics for Enterprising Cities and the rest of Australia. Between 2021 and 2023, the Enterprising Cities’ population growth rate was consistently higher than that of the rest of Australia. However, with the return of international migration, which is often concentrated in the major capital cities, 2024 saw the Enterprising Cities’ population grow by 1.7%, slightly less than the rest of the country at 1.9%. After three years of rapid growth, the Enterprising Cities’ employment growth also slowed in 2024 to 2.5%, compared with 3.0% in the rest of Australia. Even with slowing employment growth, the participation rate and the unemployment rate remain close to historically strong levels.

Table 1 – Snapshot Summary Metrics

	2021	2022	2023	2024
Population Growth				
Enterprising Cities	1.1%	2.3%	2.4%	1.7%
Rest of Australia	0.2%	2.0%	2.4%	1.9%
Employment Growth				
Enterprising Cities	2.1%	4.8%	4.3%	2.5%
Rest of Australia	0.6%	3.6%	3.8%	3.0%
Unemployment Rate				
Enterprising Cities	4.6%	3.4%	3.8%	3.8%
Rest of Australia	4.6%	3.4%	3.9%	4.0%
Participation Rate				
Enterprising Cities	66.3%	67.5%	67.7%	67.8%
Rest of Australia	65.0%	66.1%	66.4%	66.8%

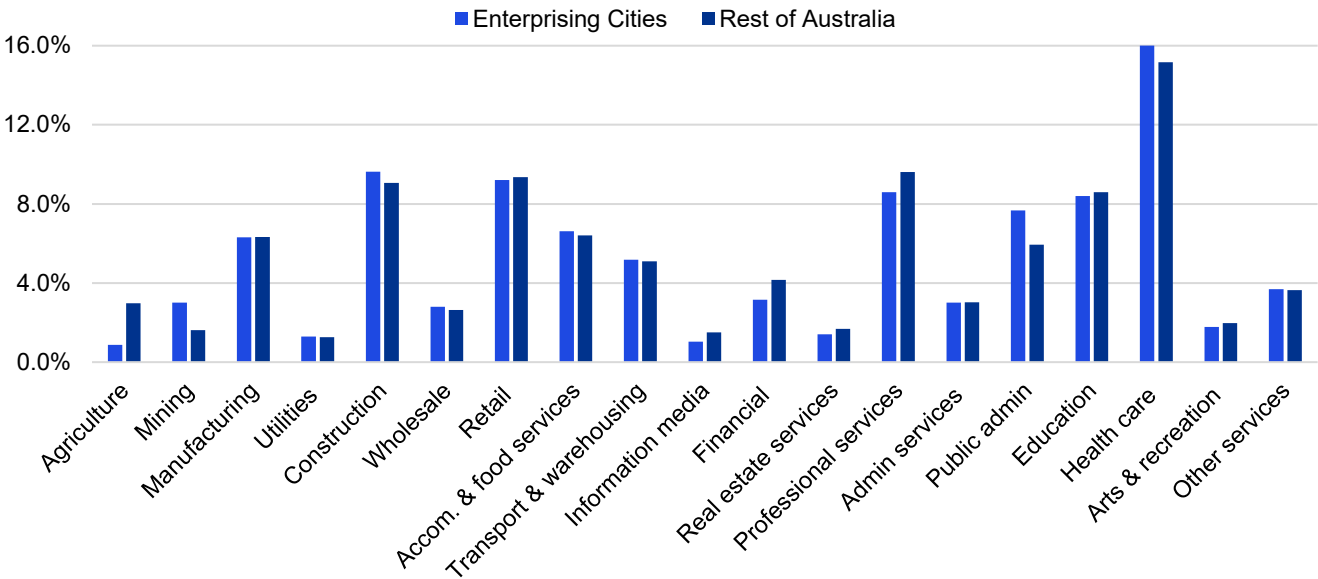
Source: Australian Bureau of Statistics and KPMG Australia

Job vacancies across the Enterprising Cities also remain high by historical levels, highlighting that employers are still struggling to fill open positions and pointing to ongoing strength in the labour market. However, building approvals are below where we want them to be, highlighting ongoing challenges with housing supply.

Enterprising Cities: growth

The Enterprising Cities are home to 5.1 million workers, constituting almost 40% of Australia’s workforce. Figure 1 presents the share of workers in each industry within the Enterprising Cities and the rest of Australia. Health care is the largest industry in both areas, followed by Construction, Retail Trade, and Professional Services.

Figure 1 – Industry Employment Share 2024



Source: Australian Bureau of Statistics

The rest of Australia has a larger industry share in Agriculture, Financial Services, and Professional Services, whereas the Enterprising Cities have a larger share in Mining and Public Administration.

Figure 2 presents the annual employment growth for each industry in 2024. Across a range of industries, the Enterprising Cities have experienced higher employment growth than the rest of Australia.

A range of common employment growth themes over the past year can be seen across the Enterprising Cities.

- **Health care** – The health care industry is expanding due to an ageing population, rising demand for health services, increasing health consciousness, and a focus on preventive care. This has resulted in 8.2% growth during 2024, compared with 3.6% in the rest of Australia.
- **Construction** – In addition to the construction of new infrastructure, the residential construction sector has continued to grow to accommodate a growing population. During 2024, employment growth was around 2.5% in both the Enterprising Cities and the rest of Australia (2.7% compared to 2.4%, respectively).
- **Professional Services** – This industry grew by 3.7% compared to 1.3% in the rest of Australia, as white-collar jobs become increasingly common in the Enterprising Cities and working from anywhere is cemented as part of the working norm.
- **Manufacturing** – Supply chain uncertainties have led to increasing investments to strengthen local supply chains in the Enterprising Cities, resulting in a 6.5% increase in Manufacturing employment compared to 1.2% in the rest of Australia.
- **Public Administration** – This industry grew around 5% in both the Enterprising Cities and the rest of Australia (4.7% compared to 5.4%, respectively). This highlights the growing role of the public sector during 2024 in the labour market.
- **Retail Trade** – Amidst a more challenging trading environment, the Retail industry contracted in the Enterprising Cities by 3.5% compared with an increase of 1.4% in the rest of Australia. This highlights the impact of the cost-of-living pressures on households.

Enterprising Cities: trends

Figure 2 – Industry Employment Percent Change 2024



Source: Australian Bureau of Statistics

Thematic trends

In addition to the available data, there were some common challenges and opportunities facing the Enterprising Cities.

- **Cost of living/Cost of doing business** – Enterprising Cities have not been immune to the cost-of-living pressures impacting the whole country. These pressures have affected family budgets, local businesses, and the local economy.
- **Affordable housing** – Enterprising Cities have experienced strong population growth, creating a pressing demand for an increased housing supply. In the face of increased construction costs, identifying innovative ways to develop housing supply and support local infrastructure is vital to continue attracting and retaining residents. For more insights into the provision of affordable housing as a key enabler for growth, please refer to page 50.
- **Talent attraction** – Acquiring and retaining talented workers is vital for businesses in Enterprising Cities. To attract talent, businesses must offer competitive wages, career development opportunities, and robust local services, including housing, to make the community appealing.
- **Advanced manufacturing** – Enterprising Cities are emerging as centres of excellence for advanced manufacturing, focusing on renewable energy, advanced material production (such as carbon fibre), aerospace, health care, agrifood, and defence-related industries, thereby broadening their scope beyond traditional manufacturing.
- **Global trade wars** – Increased global tariffs have created a level of uncertainty for our exports of raw materials and manufactured products, producing significant uncertainty for key industries in many of the Enterprising Cities.
- **Professional services** – Employment in professional services offers Enterprising Cities a chance to grow and diversify their local economies. This industry, which often provides higher wages and knowledge-based services like IT, accounting, and engineering, can help local businesses boost innovation and productivity. Nurturing local businesses and attracting investment is essential to this growth.
- **Digital revolution** – The integration of cutting-edge technologies, such as artificial intelligence and big data, can equip local businesses with a platform for innovation and provide access to global and domestic export markets. A rapid uptake is required to take advantage of these opportunities. For additional information on how cyber readiness serves as a key enabler for growth, please see page 54.

Future growth drivers

Enterprising Cities have the potential to further enhance their attractiveness to residents and businesses. The [KPMG Cities of Value](#) framework provides a strategic tool for sustainable urban development, helping Enterprising Cities to thrive economically, socially, and environmentally. The Cities of Value framework dimensions are described below.

1 – City attractiveness

City attractiveness focuses on the city's ability to attract and retain important resources:

- Talent attraction and retention: the ability to draw workers and retain them through affordable housing, quality of life and career opportunities.
- Business and investment attraction: the city's appeal to businesses and investors, often influenced by economic policies and financial incentives.
- Cultural vibrancy: attractions, cultural events, hospitality, and inclusiveness that add to the city's appeal.

2 – Quality of life

The living conditions and overall wellbeing of residents can increase the quality of life for residents:

- Health services: availability and quality of health care services, public health initiatives.
- Education: quality and accessibility of educational institutions, from primary through to tertiary education.
- Civic pride: can lead to more people investing in their city, whether through buying local, volunteering for community initiatives, or starting businesses.
- Cultural and recreational amenities: access to arts, entertainment, parks, and recreational facilities.

3 – Economic prosperity

The economic health of the city and its potential for future growth is the result of a number of factors:

- Business environment: the ease of doing business, regulatory frameworks, and the presence of key industries.
- Entrepreneurship: assessing the city's ability to foster innovation, support startups, and attract venture capital.
- Infrastructure: the quality and availability of transportation, utilities, and digital connectivity.
- Employment: local labour market conditions, job opportunities, and workforce skills.
- Cyber security and digital transformation: are pivotal for protecting economic activity, fostering innovation, improving efficiency, expanding market reach, ensuring business resilience.

4 – Sustainability and resilience

How well the city can maintain and improve its environmental conditions will help it cope with future natural perils and changing climate conditions:

- Climate resilience: infrastructure and community preparedness for climate-related events such as floods, storms, and heatwaves.
- Resource efficiency: use and management of natural resources, including energy and water conservation efforts.

Key enablers for Enterprising Cities

Each Enterprising City possesses different strengths and challenges across these dimensions. The challenge is understanding the ways to strengthen each dimension to unlock the potential and cultivate the best possible version of each Enterprising City. Strengthening each of these dimensions will require coordinated efforts among local government, housing providers, health and education institutions, infrastructure providers, the business community, and state and federal government agencies.

The 'Key enablers for Enterprising Cities' section of this report provides further insights into how KPMG approaches enhancing outcomes for business and communities.

City boundaries and data sources

The geographical footprint of the Enterprising Cities has been defined using the Australian Bureau of Statistics [Statistical Area 4](#) (SA4) boundaries, which are defined in the [Australian Statistical Geography Standard \(ASGS\)](#). SA4 boundaries represent labour markets (where people live and work and the area where people travel to access services or interact socially). The SA4 used to define each Enterprising City is defined below. It is important to note that SA4 boundaries tend not to align with Local Government Area (LGA) boundaries but can have the same name as an LGA (e.g. Townsville).

City	ABS Geographical Boundary
Hunter	Comprises the SA4s of Hunter Valley excl. Newcastle and Newcastle & Lake Macquarie
Adelaide	Greater Adelaide
Darwin	Greater Darwin
Geelong	Geelong
Gold Coast	Gold Coast
Hobart	Greater Hobart
Perth	Greater Perth
Townsville	Townsville
Wollongong	Illawarra
Western Sydney	Comprises the SA4s of Sydney – South West, Sydney – Outer South West, Sydney – Outer West and Blue Mountains, Sydney – Baulkham Hills and Hawkesbury, Sydney – Blacktown, and Sydney – Parramatta
Canberra	Australian Capital Territory
Cairns	Cairns

Snapshot of data sources

The following section presents a snapshot on a select number of metrics in each Enterprising City. Much of this data is based on sample survey data, which contains a ‘sample error’. To mitigate any volatility, the data has been presented as a moving average or as annual data.

These metrics are based on data available in March 2025, unless otherwise specified:

- Unemployment rate and participation rate – based on the seasonally adjusted three-month moving average of the monthly ABS Labour Force Detailed data.
- Employment growth, industry structure and top five growing industries – based on annual average of quarterly ABS Labour Force Detailed data, classified by the industry division of main job.
- Internet job vacancies – based on the annual average of monthly data from the Jobs and Skills Australia Internet Vacancy Index, classified by occupational groups.^a The index aggregates data from job advertisements lodged on SEEK, CareerOne and Workforce Australia.
- Population growth – based on the Estimated Resident Population (ERP) from the annual ABS Regional Population release.
- Working age (20–64) population growth and population by age group – based on the ERP from the annual ABS Regional Population by Age and Sex release.^b
- Building approvals – based on the annual average of monthly ABS Building Approvals data.

^a Internet vacancies for Western Sydney is estimated as a proportion of all advertisements in Greater Sydney, based on the share of persons who work in Western Sydney for each occupational group in the 2021 Census.

^b Population by age group data for 2024 is an estimate which has been imputed by assigning a proportion of the overall change in population, based on each respective age group’s historical share of population growth in 2023.

Enterprising Cities: snapshots

Snapshot: Adelaide

Over the past decade, Adelaide has undergone an economic transformation, moving from a traditional manufacturing base towards a more knowledge-intensive economy, with professional services and advanced manufacturing playing a greater role.



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Population

1,472,000

Employed people

763,500

Unemployment rate

3.9%

Participation rate

64.6%

Five-year job outlook

85,000 new jobs

Adelaide's labour market has shown remarkable adaptability over the past five years. Following the end of the pandemic travel restrictions in 2021, Adelaide's labour market reached historically strong levels in early 2023, with the unemployment rate reaching 3.4% and the participation rate above 65%. This was due to lower interest rates, fiscal stimulus from various pandemic programs, and a surge of new residents into the city.

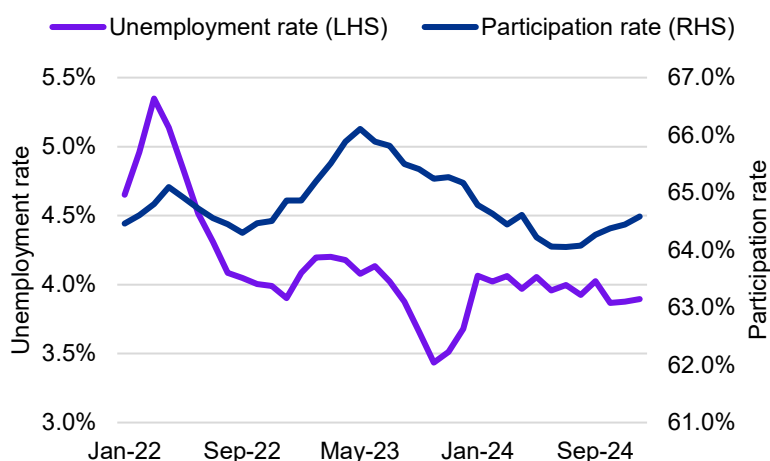
During 2024, Adelaide's unemployment rate remained around 4.0% despite a series of interest rate hikes and weaker consumer spending, which caused rising unemployment rates in other Enterprising Cities across Australia. Employment growth in Adelaide was significant in 2023, with a 4.0% increase, though it slowed to 1.2% in 2024. The labour force participation rate did decline as some people stopped actively looking for work amid a weakening job market.

Adelaide's population growth was 1.1% in 2024, while the prime working-age population (20–64 years) grew by 1.2%.

In 2022 and 2023, high interest rates and construction costs have impacted the residential construction sector despite strong demand. Dwelling approvals did bounce back in 2024, with over 10,000 approvals, slightly below the five-year average of around 10,300. Residential vacancy rates remain close to 0.5% compared to almost 1.5% pre-pandemic,¹ highlighting the tightness of the housing market.

Over the next five years, 85,000 new jobs are projected to be located in Adelaide.

Figure 3 – Labour Market Indicators



Source: KPMG analysis of Australian Bureau of Statistics (ABS) Labour Force Survey

Table 2 – Summary Metrics

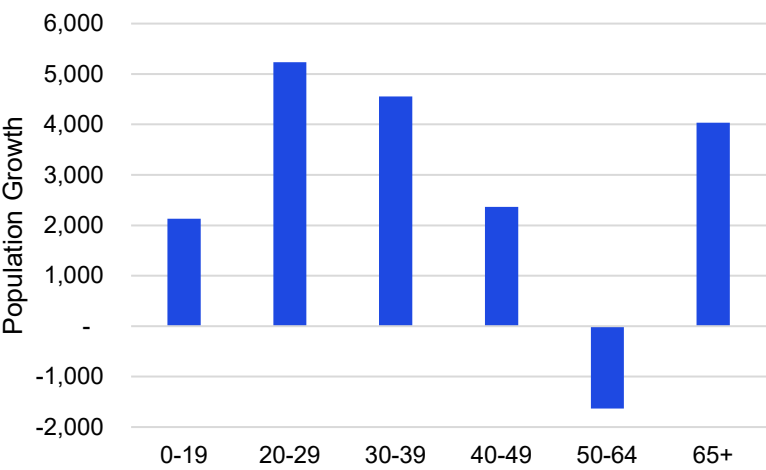
	2020	2021	2022	2023	2024
Employment Growth	0.1%	2.1%	5.0%	4.0%	1.2%
Population Growth	1.0%	0.7%	1.8%	1.7%	1.1%
Population Aged 20–64 Growth	0.9%	0.5%	1.5%	1.6%	1.2%
Dwelling Approvals	9,679	11,998	10,316	9,469	10,070

Source: ABS Labour Force Survey, Building Approvals and KPMG analysis of ABS population data

¹ Reference: [SQM Research Residential Vacancy Rate](#)

Snapshot: Adelaide (cont.)

Figure 4 – Population Growth by Age Group, 2024



Source: KPMG Australia analysis of ABS population data

In 2024, the 20–29 and 30–39 age groups saw increases, with 5,200 and 4,600 new residents, respectively. The 65+ age group also grew considerably, adding 4,000 individuals. The 0–19 age group saw an increase of 2,100 people.

The growth in the 20–29 and 0–19 age groups reflect a shift in families moving to Adelaide, likely related to job opportunities and more affordable housing compared to other major capital cities.

The 50–64 age group experienced a decline, decreasing by roughly 1,600 people. This decline reflects the wave of Baby Boomers ageing into the 65+ category while at the same time the smaller Gen X cohort ageing into the 50–64 age group.

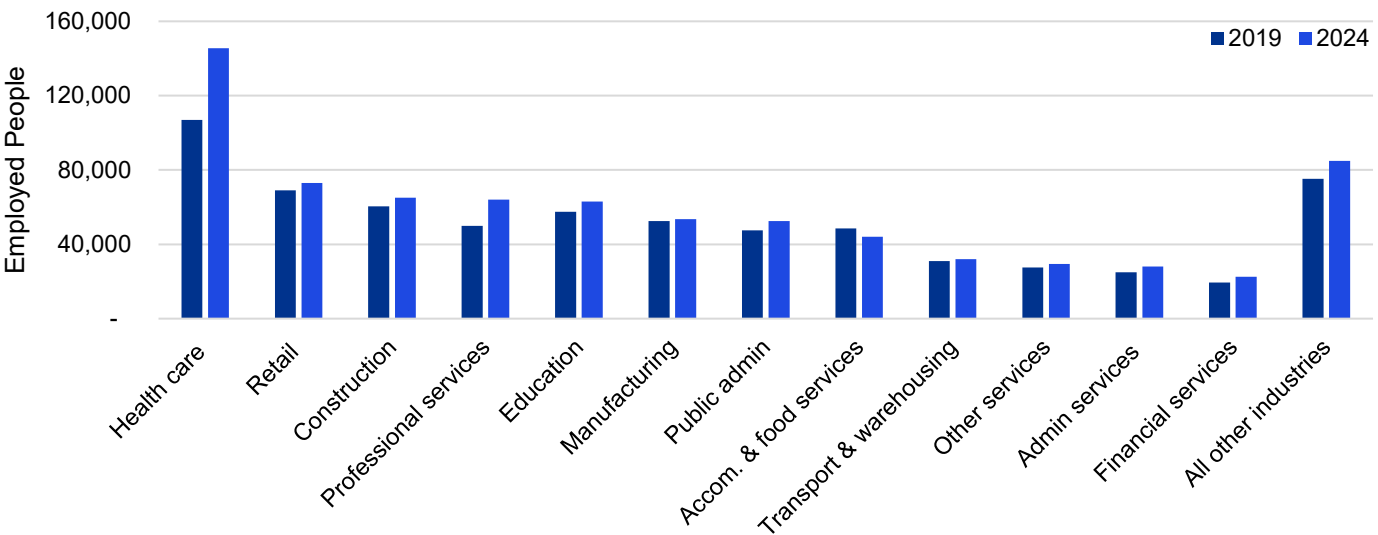
Industry analysis

Adelaide’s Manufacturing industry has historically been a cornerstone of its economy. However, it is now undergoing a significant transformation. Manufacturing employed 53,500 workers in 2024, reflecting a modest increase from 52,500 workers in 2019. Manufacturers are pivoting towards high-tech sectors, with a focus on renewable energy and defence projects.

Health care remains the largest industry in Adelaide, employing 145,500 workers in 2024, up from 107,000 workers in 2019, reflecting additional spending on the NDIS and aged care amidst a growing and ageing population.

Retail trade, employing 73,000 workers in 2024, and Construction, employing 65,000 workers, have also seen significant growth from 69,000 and 60,500 workers, respectively, in 2019. These industries are propelled by a growing population that demands retail services and housing. Additionally, private sector and government investment in infrastructure continues to support the Construction industry.

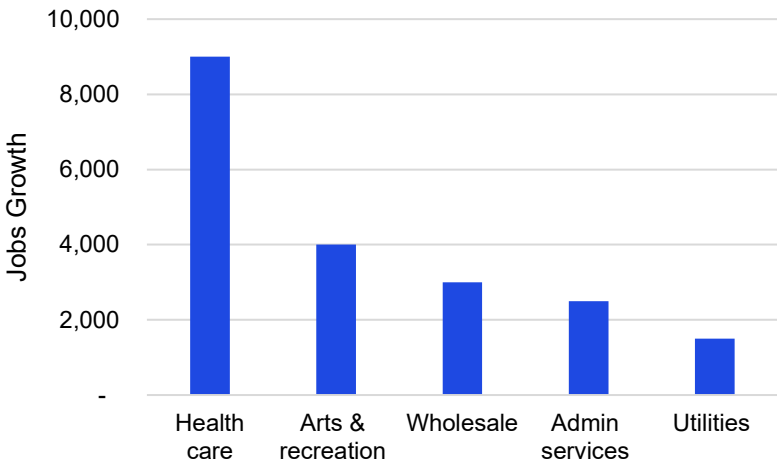
Figure 5 – Industry Employment Structure



Source: KPMG Australia analysis of ABS Labour Force Survey

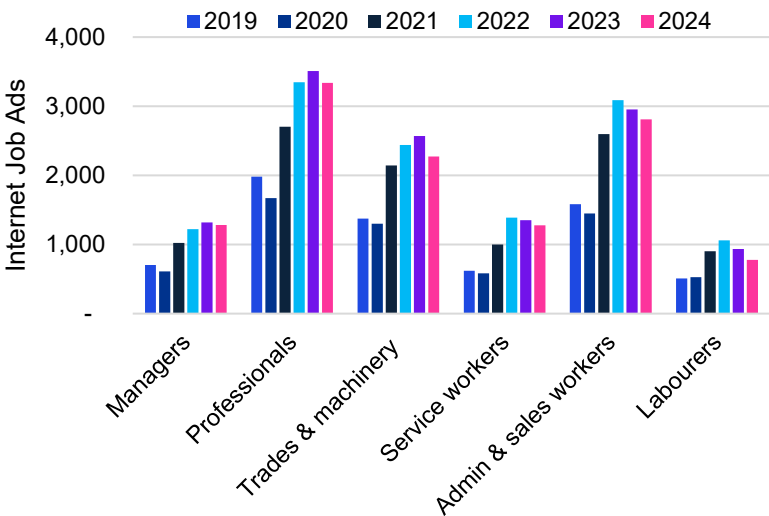
Snapshot: Adelaide (cont.)

Figure 6 – Top 5 Growing Industries (2024)



Source: KPMG Australia analysis of ABS Labour Force Survey

Figure 7 – Internet Job Vacancies



Source: KPMG Australia analysis of Jobs & Skills Australia

Professional services now employ 64,000 people in 2024, up from 50,000 in 2019, indicative of a broader trend towards diversification in the local economy. The growth in professional services is likely linked to remote working, allowing workers previously located in Sydney and Melbourne to shift to Adelaide while continuing to develop their careers.

During 2024, Health care continued to lead in terms of employment, with 9,000 new jobs (see Figure 6), consolidating its position as the largest and fastest-growing industry in the city.

The smaller industries of Arts & Recreation (4,000 jobs) and Wholesale trade (3,000 jobs) and Admin services (2,500 jobs) and Utilities (1,500 jobs) highlighted a diversification of the economy, although some caution should be used when interpreting small changes based on a sample survey.

Internet job vacancies

Professional occupations continue to have a significant number of internet job ads in Adelaide, reflecting the ongoing growth in professional services.

Trades & machinery operators have also continued to grow, highlighting the strength of the industrial sector in Adelaide.

In 2024, job ads for all other occupations were broadly in line with their 2023 levels, highlighting the positive outlook for the jobs market in 2025.

Future outlook

Over the next five years, 85,000 new jobs are projected in Adelaide, with a 2.1% annual growth rate compared to 2.5% growth over the past five years. The city's manufacturing industry, traditionally a cornerstone, is shifting towards high-tech sectors, focusing on renewable energy, advanced IT, and defence projects. Adelaide is becoming a global leader in wind and solar electricity production and critical mineral exports, boasting the world's largest zircon mine and significant graphite and cobalt resources, along with substantial heavy rare earth elements.

South Australia is positioning itself as a hub for advanced manufacturing and defence, supported by substantial government investment in infrastructure and housing. This is necessary to seize opportunities and attract key talent. The state is also leading the energy transition, drawing investment in renewable energy projects like the Upper Spencer Gulf hydrogen project. This will create ongoing jobs and substantial employment through both direct infrastructure and supporting facilities, enhancing export capacity.

Snapshot: Cairns Region

Cairns and the surrounding region offer a vibrant tourism industry, drawing visitors to the Great Barrier Reef and Daintree Rainforest. Additionally, the city provides essential services, higher education, retail, and health services to Far North Queensland.



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Population

274,000

Employed people

147,500

Unemployment rate

4.2%

Participation rate

69.2%

Five-year job outlook

16,000 new jobs

Following the end of the pandemic travel restrictions in 2021, Cairns and the surrounding region (which includes Port Douglas, Innisfail, and the Atherton Tablelands) benefited from a normalisation of tourism patterns. The number of passengers at Cairns Airport increased by 5.4% to 4.70 million in 2024 from 4.46 million in 2023, to now be only 1.7% below pre-pandemic levels in 2019.²

The unemployment rate decreased from 4.8% at the start of 2022 to 3.6% by the end of that year. However, the unemployment rate rose to almost 5% by the start of 2024 amidst higher interest rates and a more challenging economic climate. During 2024, the unemployment rate remained around 4.2%.

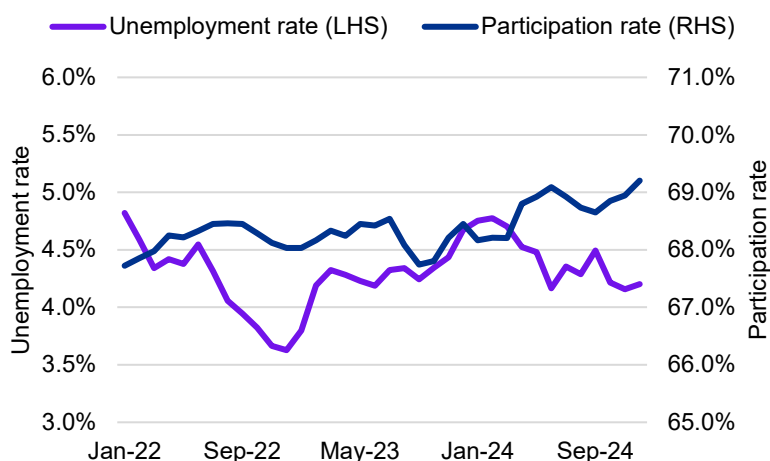
In 2024, Cairns experienced a modest rise in employment growth, increasing by 1.5%, which is slightly lower than the 1.7% observed in 2023. The participation rate has steadily increased as more younger working-aged people move to Cairns.

Population growth in 2024 remained solid at 1.9%, slightly slower than the 2.2% growth in 2023. This steady growth reflects an influx of new residents contributing to the region's growth. The growth rate of the population aged 20–64, was 1.2% in 2024, slightly less than the previous year's growth of 1.5%.

The number of dwelling approvals in Cairns saw a slight decrease, with 1,082 approvals in 2024, compared to 1,128 in 2023. This decline indicates ongoing challenges within the housing sector, despite the growing demand driven by population increases.

Over the next five years, 16,000 new jobs are projected to be located in the Cairns region.

Figure 8 – Labour Market Indicators



Source: KPMG analysis of Australian Bureau of Statistics (ABS) Labour Force Survey

Table 3 – Summary Metrics

	2020	2021	2022	2023	2024
Employment Growth	5.2%	-1.9%	7.2%	1.7%	1.5%
Population Growth	0.4%	0.8%	1.8%	2.2%	1.9%
Population Aged 20–64 Growth	0.2%	0.4%	1.1%	1.5%	1.2%
Dwelling Approvals	1,095	1,464	1,372	1,128	1,082

Source: ABS Labour Force Survey, Building Approvals and KPMG analysis of ABS population data

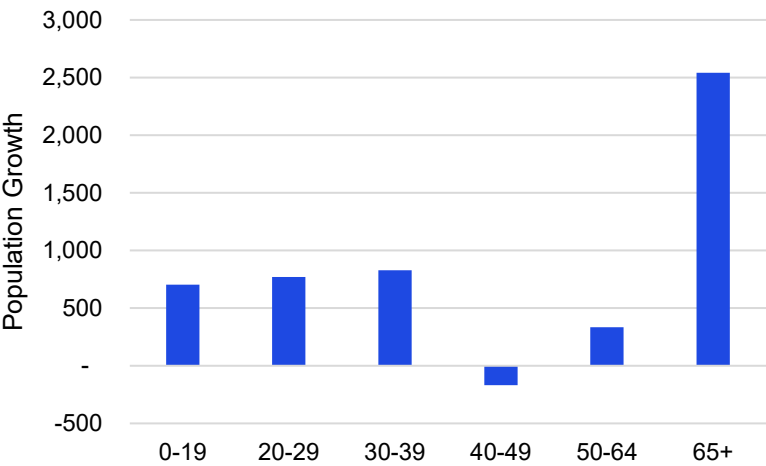
² Reference: [Cairns Airport Monthly Passenger Statistics](#)

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Snapshot: Cairns Region (cont.)

Figure 9 – Population Growth by Age Group 2024



Source: KPMG Australia analysis of ABS population data

In 2024, the 65+ age group saw significant growth, with an increase of 2,500 new residents. This highlights a growing number of retirees choosing Cairns and the surrounding region for their later years.

Solid growth in the 0–19, 20–29, and 30–39 age groups also highlights a rise in young families moving to the region. These new residents would be likely attracted by the region’s lifestyle and relative housing affordability, as well as growing job opportunities.

An uplift in working holidaymakers has also likely supported population growth in the Cairns region among people aged 18 to 30.

Interestingly, the 40-49 age group saw a small decline of fewer than 200 people.

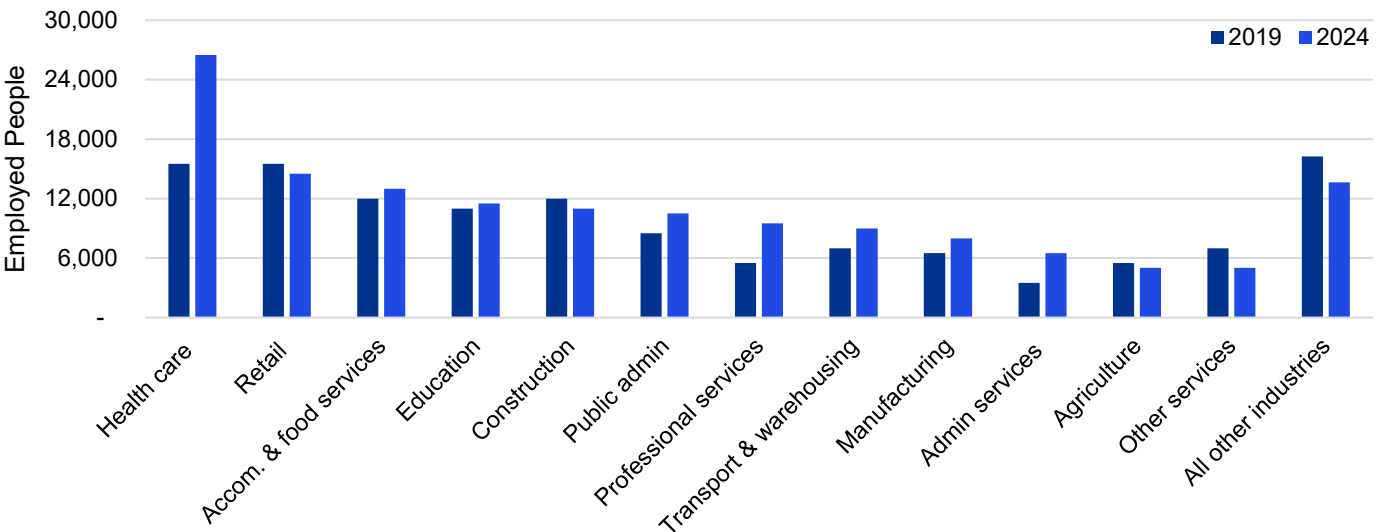
Industry analysis

Health care experienced substantial growth, with employment numbers rising from 15,500 in 2019 to 26,500 in 2024. This growth underscores the increasing demand for health and caring services from a growing and ageing population. The Accommodation & food services industry also grew, increasing from 12,000 workers in 2019 to 13,000 in 2024. This reflects the region’s growth in tourism activities following the impact of the pandemic.

Contrastingly, Retail and Construction saw slight declines, highlighting the challenges around consumer spending and high construction costs impacting the commercial feasibility of new homes.

Professional services nearly doubled, growing from 5,500 to 9,500 workers, indicating a diversification of the Cairns economy and a rise in specialised occupations, no doubt linked with the ability to work from anywhere. There was also growth in Public administration (from 8,500 to 10,500), Transport & warehousing (from 7,000 to 9,000), and Manufacturing (from 6,500 to 8,000). All highlighting an economic diversification over the past five years.

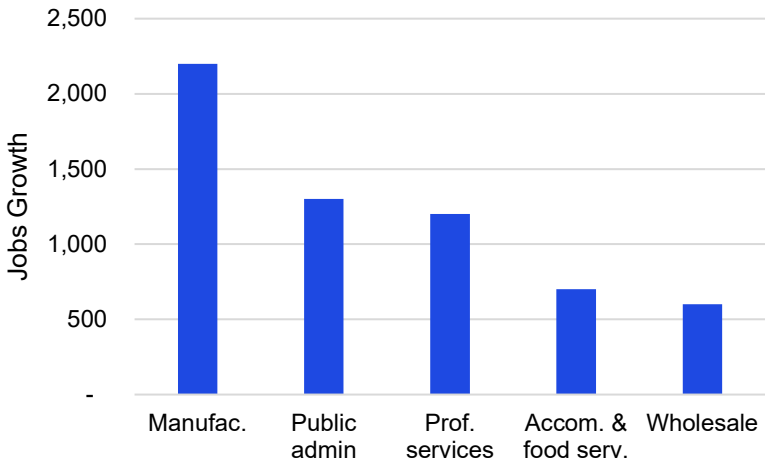
Figure 10 – Industry Employment Structure



Source: KPMG Australia analysis of ABS Labour Force Survey

Snapshot: Cairns Region (cont.)

Figure 11 – Top Growing Industries (2024)



Source: KPMG Australia analysis of ABS Labour Force Survey

Manufacturing, Public administration, and Professional services were among the top industries that showed a clear increase in the number of people employed in the Cairns region during 2024.

Some caution should be used when interpreting small changes in industry employment based on a sample survey.

Internet job vacancies

Over the past five years, Cairns has experienced significant growth in job vacancies across various occupations, reflecting the evolving landscape of the local economy.

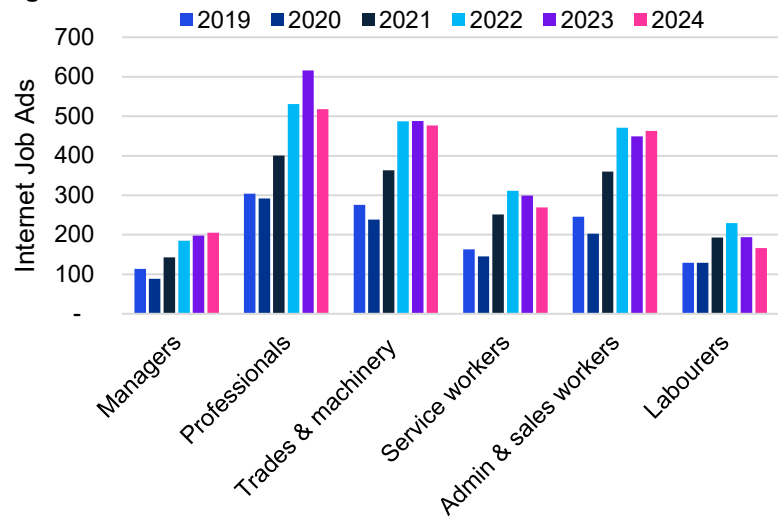
The number of job ads for Professionals has jumped from 292 in 2020 to 518 in 2024, underscoring the increasing need for skilled professionals in various specialised fields.

Similarly, the demand for Trades & machinery operators has consistently grown, with job ads rising from 239 in 2020 to 477 in 2024, reflecting the growth in manufacturing related jobs, and the need for skilled labour in residential construction and infrastructure projects.

Internet job ads for Administrative & sales workers increased from 203 in 2020 to 499 in 2023, before a slight drop to 463 in 2024.

Service workers also saw a notable increase, with job ads rising from 145 in 2020 to 270 in 2024, indicating robust demand in the hospitality and tourism sectors.

Figure 12 – Internet Job Vacancies



Source: KPMG Australia analysis of Jobs & Skills Australia

Future outlook

Cairns’s economic strengths lie in its diverse industries and strategic location. Tourism is a major driver, attracting visitors to the Great Barrier Reef and tropical rainforests. The region’s geographic location in Far North Queensland, with an international airport and seaport, gives it competitive access to significant global markets.

The Health care industry has seen substantial growth due to an expanding population. The city also benefits from a robust agricultural sector, quality educational institutions, and ongoing construction projects that support infrastructure development.

Over the next five years, 16,000 new jobs are projected to be located in the Cairns region. This 2.1% annual growth rate is below the past five-year annual growth rate of 2.7%, as there won’t be a repeat of the post pandemic jobs boom in Cairns.

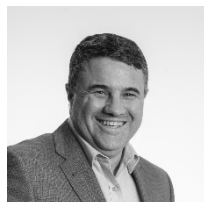
Snapshot: Canberra

While Canberra's economy focuses on public service and defence, it is diversifying towards tourism, education, research, and services for the Capital Region. Canberra is increasingly diverse and enjoys high social capital with high volunteer rates.



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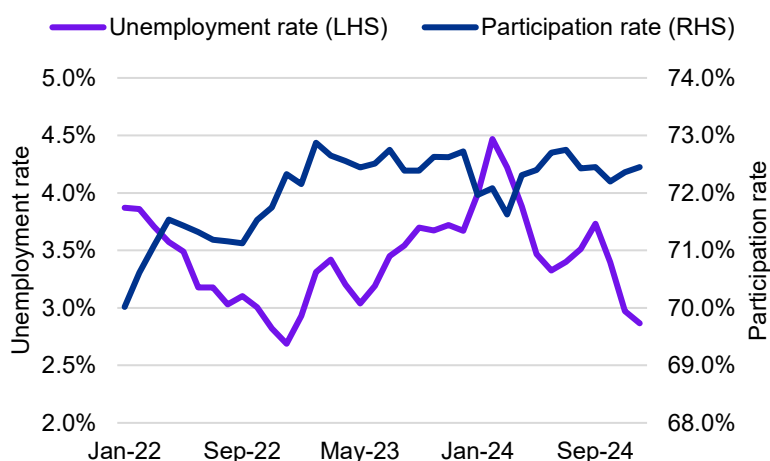


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Population 476,000	Participation rate 72.4%
Employed people 275,000	Five-year job outlook 30,000 new jobs
Unemployment rate 2.9%	

Figure 13 – Labour Market Indicators



Source: KPMG analysis of Australian Bureau of Statistics (ABS) Labour Force Survey

Table 4 – Summary Metrics

	2020	2021	2022	2023	2024
Employment Growth	3.6%	2.0%	1.2%	5.2%	1.6%
Population Growth	1.9%	1.3%	1.5%	1.8%	1.3%
Population Aged 20–64 Growth	1.8%	1.2%	1.5%	2.2%	1.8%
Dwelling Approvals	4,977	5,601	5,563	4,496	2,183

Source: ABS Labour Force Survey, Building Approvals and KPMG analysis of ABS population data

³ Reference: [Report on Government Services – 19 Homelessness Services](#)

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At the start of 2022, the unemployment rate in Canberra was 3.9%, which quickly fell to 2.7% by the end of that year due to the reopening of the economy and low interest rates.

Increasing interest rates and cost-of-living pressures during 2023 caused the unemployment rate to rise to around 3.7% by the end of that year. In the second half of 2024, the unemployment rate steadily declined as employment in the Public administration industry increased.

The participation rate in Canberra is much higher compared to other Enterprising Cities and has remained relatively steady over the past two years, between 72% and 73%.

In 2024, Canberra had an employment growth rate of 1.6%, a noticeable decline compared to the 5.2% spike seen in 2023, as various industries experienced strong employment growth. Population growth was 1.3%, which is slightly lower than the 1.8% in 2023. Growth in the population aged 20–64 was 1.8%, sustaining strong labour force growth.

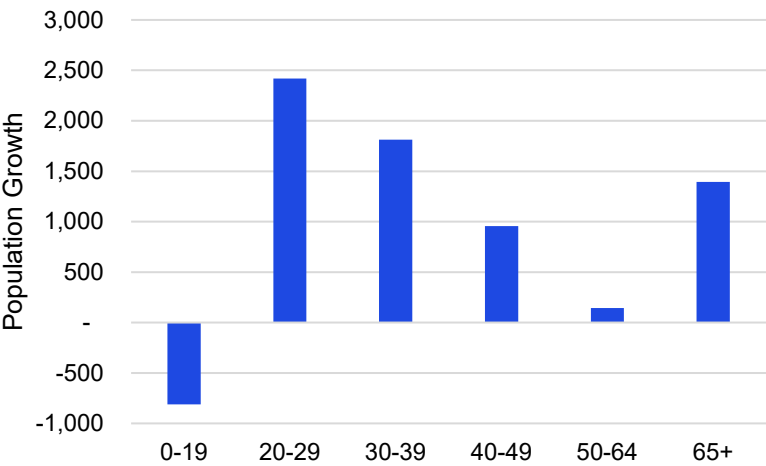
Dwelling approvals were significantly lower at 2,183, reflecting a substantial drop from the 4,496 approvals in 2023. This decrease is due to higher construction costs and high interest rates making commercial feasibility challenging in the Canberra housing market.

The lack of housing availability and affordability is impacting homelessness in the ACT, with the demand for services remaining high since 2019.³

Over the next five years, 30,000 new jobs are projected to be located in Canberra.

Snapshot: Canberra (cont.)

Figure 14 – Population Growth by Age Group 2024



Source: KPMG Australia analysis of ABS population data

In 2024, the 20–29 age group saw the highest increase, increasing by 2,400 people, followed by the 30–39 age group, which grew by 1,800 people. This highlights the city’s substantial economic opportunities, which act as a drawcard for young workers and their families.

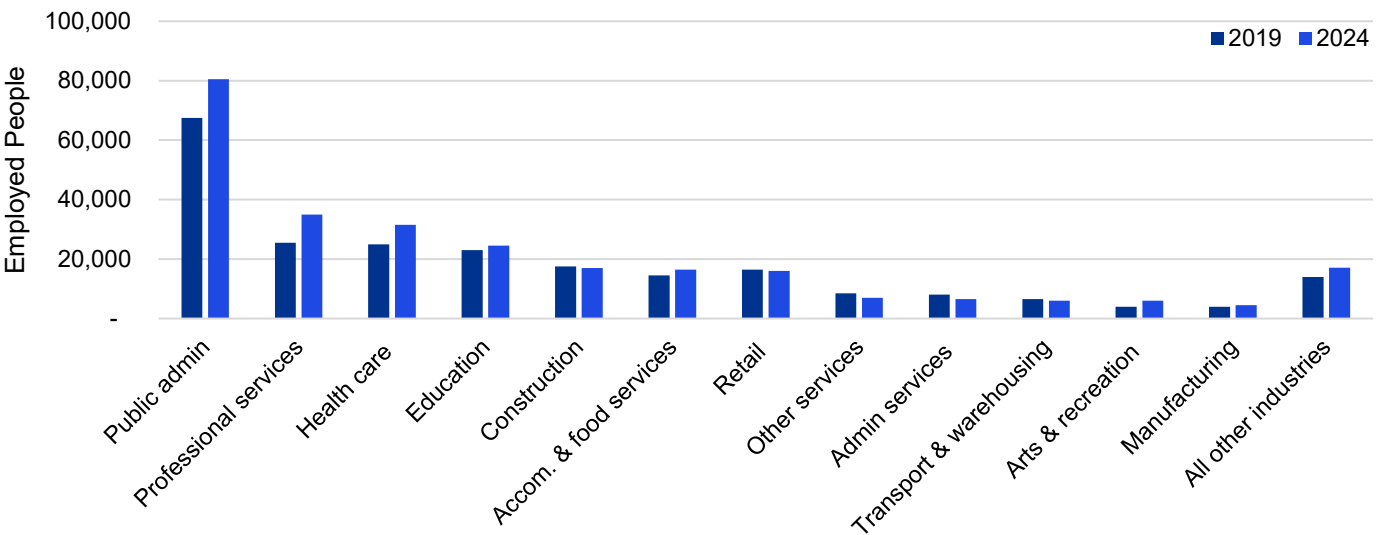
The population aged 65+ also saw a significant rise, increasing by 1,400 people. The 50–64 age group experienced little growth reflecting the nationwide trend of the end of baby boom in the late 1960s working its way through the population pyramid. The decline in the 0–19 age group was driven by the ‘baby recession’ seen over the past two years, with the number of births down due to cost-of-living pressures.

This population growth is also likely to further increase the cultural and linguistic diversity of Canberra. ABS Census data show that the share of the population born outside of Australia increased from 16% in 2006 to 24% in 2021. This diversity can be a significant asset for economic growth by fostering innovation, attracting talent, expanding potential export markets, and adding to social capital, as evidenced by high rates of volunteering.⁴

Industry analysis

Over the past five years, employment in Canberra’s Public administration industry has grown significantly, rising from 67,500 in 2019 to 80,500 in 2024, reflecting its status as a major employer in the region. 30% of employed people in Canberra worked in Public administration in 2024 compared with 28.8% in 2019. Professional services employment increased from 25,500 to 35,000, highlighting growth in specialised white-collar skills. Health care has also seen robust growth, with employment rising from 25,000 to 31,500 as demand for specialised skills and health services continues to expand. The Education industry experienced modest growth, rising from 23,000 to 24,500. Additionally, the Accommodation & food services industry saw an increase in employment from 14,500 in 2019 to 16,500 in 2024, demonstrating the growing hospitality on offer in the nation’s capital.

Figure 15 – Industry Employment Structure

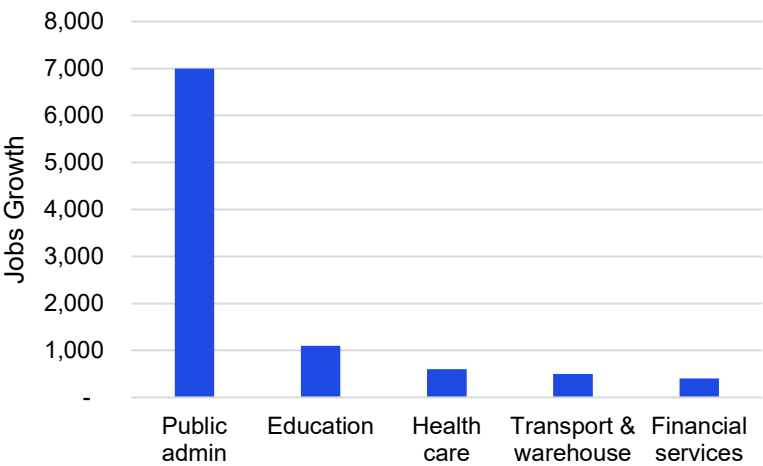


Source: KPMG Australia analysis of ABS Labour Force Survey

⁴ Reference: [Volunteering Australia](#)

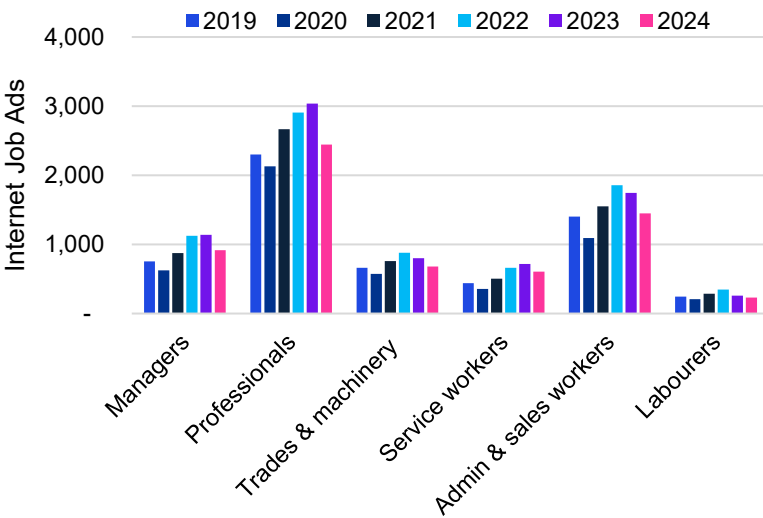
Snapshot: Canberra (cont.)

Figure 16 – Top 5 Growing Industries (2024)



Source: KPMG Australia analysis of ABS Labour Force Survey

Figure 17 – Internet Job Vacancies



Source: KPMG Australia analysis of Jobs & Skills Australia

Meanwhile the Construction industry saw a slight decline from 17,500 to 17,000, indicating the challenging commercial feasibilities for new housing projects in Canberra.

As cost-of-living pressures impacted household spending, employment in Retail has fallen despite a growing population over the past five years.

During 2024, 7,000 additional workers were employed in Public administration, highlighting efforts to expand the size and capabilities of the public service and defence capabilities of the Commonwealth Government.

Internet job vacancies

Over the past five years, the number of vacancies for professionals in Canberra has steadily climbed from 2,128 in 2020 to 2,443 in 2024, highlighting the increasing demand for skilled expertise across various sectors.

Similarly, the roles for managers have grown significantly, with vacancies rising from around 600 in 2020 to over 900 in 2024.

Administrative & sales positions declined in 2024 from 1,747 in 2023 to 1,451, once again highlighting the challenging retail conditions in Canberra in 2024.

Service workers vacancies have grown from 355 in 2020 to 607 in 2024, reflecting demand in sectors such as hospitality and aged care.

Future outlook

Over the next five years, 30,000 new jobs are projected to be located in Canberra, which is lower than the 33,600 new jobs added over the previous five years.

Canberra has a compelling opportunity to harness its strength in talent attraction, highlighted by the growth of its working-age population and its strong appeal to early career professionals. The redevelopment of the Canberra Theatre Centre and adjoining precinct, as well as the construction of the North Side Hospital, are key examples of important new developments that will benefit the region and its people.

Canberra continues to be home to a vibrant and innovative defence and national security community, making it an obvious priority for continued strategic investment and focus.

Future projects should consider the creation of a Convention Centre tailored to the needs of the nation's capital, which could yield significant benefits across various sectors, including the business community, hospitality, and tourism.

Snapshot: Darwin

Darwin serves as a pivotal hub for Northern Australia and acts as an export gateway to global markets. Darwin is concentrating economic growth within key primary industry sectors, including energy, defence, agribusiness and tourism, whilst actively diversifying into emerging sectors such as digital, data centres, and advanced manufacturing.



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Population

152,000

Employed people

87,000

Unemployment rate

3.2%

Participation rate

74.9%

Five-year job outlook

6,000 new jobs

Between 2022 and 2024, Darwin enjoyed a strong labour market, with the unemployment rate ranging from 4.0% to 2.8%. Since late 2023, the unemployment rate has generally trended downwards, ending 2024 at 3.2%.

However, during the same period, the participation rate declined. Despite this, compared to other Enterprising Cities, Darwin's labour force participation remained high at 74.9% in December 2024, demonstrating strong workforce demand from industry.

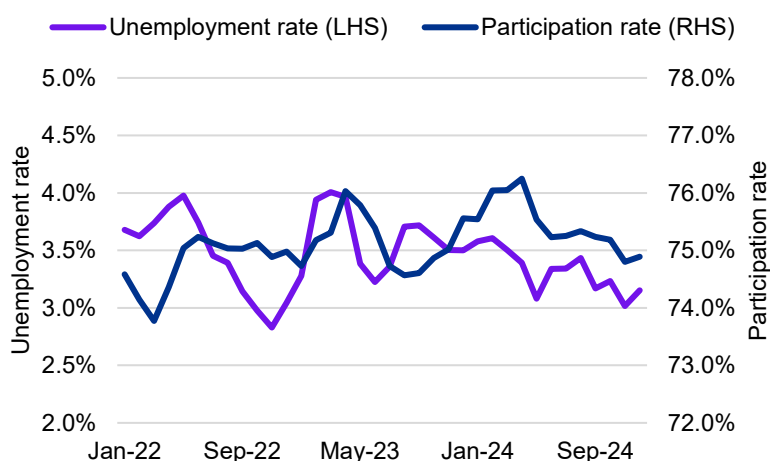
In 2024, employment growth slowed to 1.2%, down from a strong 4.0% in 2023. Population growth also saw a decline, dropping to 0.7% from 1.0% in 2023. The growth of the working age population was 0.5% in 2024, slightly less than 0.6% in the prior year.

Meanwhile, dwelling approvals continued their downward trend, with 288 approvals in 2024 compared to 332 in 2023, and well below the five-year average of 355 dwellings. Finance approvals for new housing construction in the December quarter were up 76% on the prior quarter to 81 which was supported by NT Government incentives, with expectation of a similarly strong start to 2025.⁵

The housing market faces challenges with rising construction costs, worker shortages, and challenging commercial feasibility. This shortage of housing supply is impacting the housing market. At the end of 2024, weekly rents in Darwin were over \$600, compared to around \$400 prior to the pandemic.⁶

Over the next five years, 6,000 new jobs are projected in Darwin, contingent on adequate housing supply. See page 50 for more on the provision of affordable housing.

Figure 18 – Labour Market Indicators



Source: KPMG analysis of Australian Bureau of Statistics (ABS) Labour Force Survey

Table 5 – Summary Metrics

	2020	2021	2022	2023	2024
Employment Growth	0.0%	2.1%	5.0%	4.0%	1.2%
Population Growth	0.6%	0.1%	1.2%	1.0%	0.7%
Population Aged 20–64 Growth	0.2%	-0.7%	0.6%	0.6%	0.5%
Dwelling Approvals	487	276	392	332	288

Source: ABS Labour Force Survey, Building Approvals and KPMG analysis of ABS population data

⁵ Reference: [Housing finance for owner occupation](#)

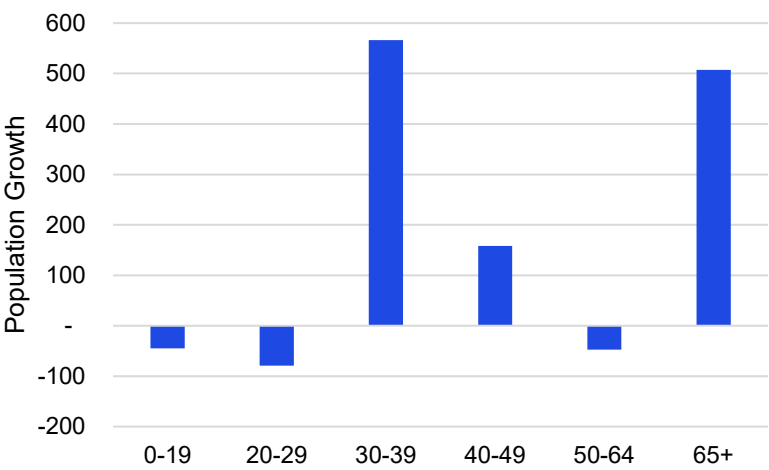
⁶ Reference: [SQM Research Darwin Weekly Rents](#)

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Snapshot: Darwin (cont.)

Figure 19 – Population Growth by Age Group 2024



Source: KPMG Australia analysis of ABS population data

Darwin had a unique age group growth profile during 2024 when compared with the other Enterprising Cities.

30–39 (570 more people), 40–49 (160) and 65+ (510) were the age groups showing growth.

This is highlighting that the attraction of working age people to Darwin for employment opportunities and the age of the population with more people retiring in Darwin. However, this is also indicative of a broader transience within the NT population base, inhibiting overall population growth.

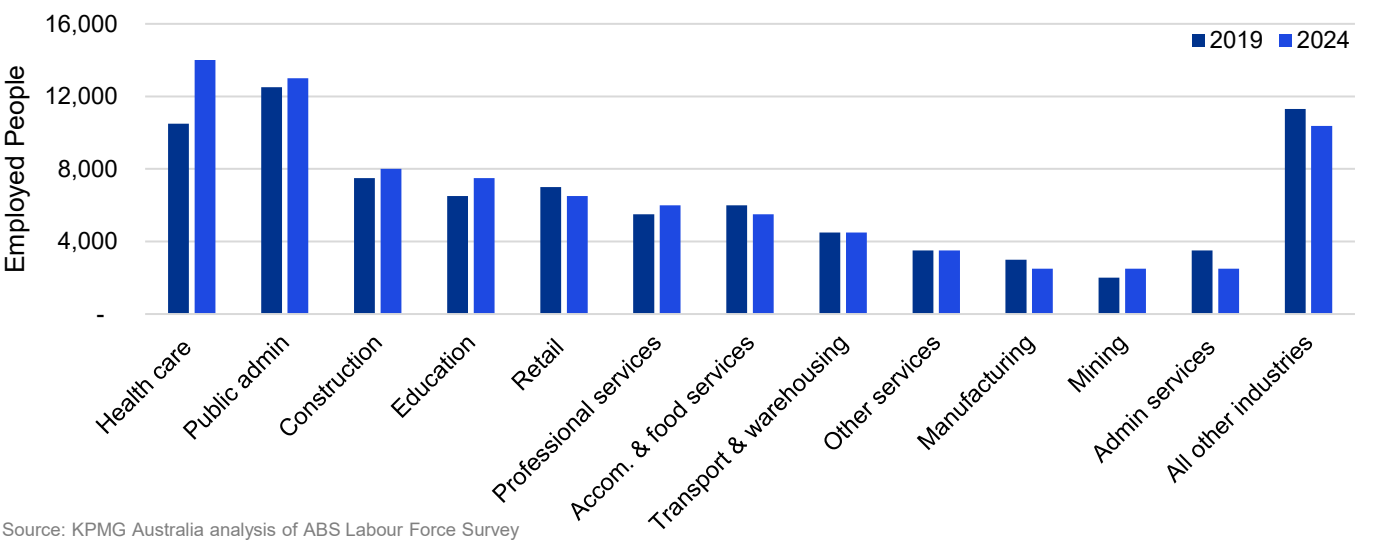
Industry analysis

Employment is primarily clustered into three government and tertiary industry sectors: Health care, Public administration, and Education. In 2024, Health care employed 14,000 people, highlighting the growing demand for aged-care and medical services and the expansion of health-related facilities. Health care was the only industry which had significant employment gains over the past five years. Public administration remains a critical industry in Darwin with 13,000 employees. Education is another prominent industry, employing 7,500 people. The significance of the non-profit tertiary sectors within the Darwin economy highlights the need for sustainable economic growth and industry development, especially within the context of growing Territory debt.

Construction also employs a significant number of people, with 8,000 workers, reflecting ongoing infrastructure developments and building projects contributing to Darwin’s urban expansion and critical infrastructure needed to secure long-term socio-economic growth.

Retail employs 6,500 people providing crucial goods and services to the local population and visitors. Professional services also have a strong presence with 6,000 workers, encompassing roles such as legal, accounting, and consultancy services that support various business operations.

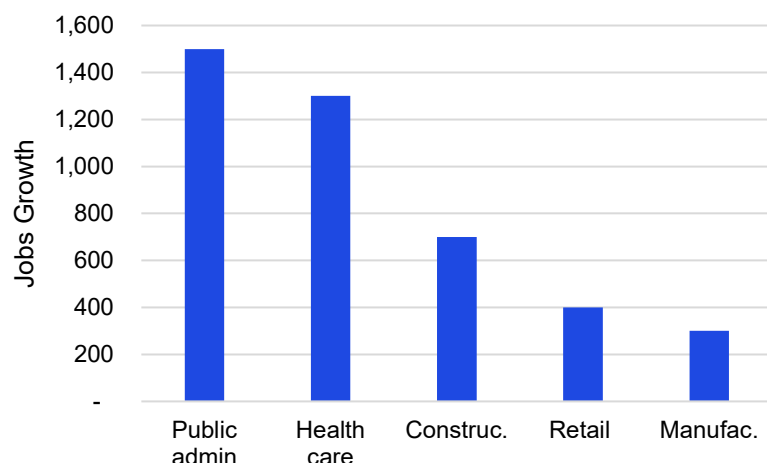
Figure 20 – Industry Employment Structure



Source: KPMG Australia analysis of ABS Labour Force Survey

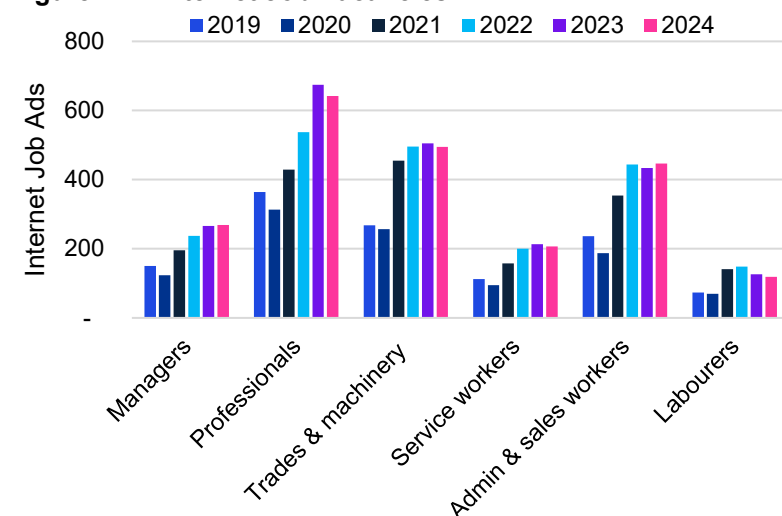
Snapshot: Darwin (cont.)

Figure 21 – Top 5 Growing Industries (2024)



Source: KPMG Australia analysis of ABS Labour Force Survey

Figure 22 – Internet Job Vacancies



Source: KPMG Australia analysis of Jobs & Skills Australia

In 2024, the two industries which added the most jobs were Public administration (1,500 jobs) and Health care (1,300 jobs). This continued the trend of growth for these two industries over the past five years.

Internet job vacancies

Between 2020 and 2024, the occupational composition of Darwin's job advertisements saw significant growth. Job ads for Managers increased from 124 in 2020 to 269 in 2024, reflecting steady growth in leadership roles in local businesses.

Advertisements for Professionals also saw a notable rise, going from 313 in 2020 to 642 in 2024, indicating an expansion in white-collar workers and increasing opportunities for skilled professional roles.

The number of job ads for Trades & machinery operators experienced substantial growth, rising from 257 in 2020 to 495 in 2024, highlighting the need for skilled workers in primary industry sectors.

In 2024, job ads for Service workers and Admin & sales workers were both around double their 2020 levels but weakened during 2024, due to lower retail spending.

Future outlook

Over the next five years, 6,000 new jobs are projected for Darwin. This annual growth rate of 1.3% is higher than the past five years (0.7% annual average growth) supported by strong job ads.

Growth will come from various industries as Darwin is promoted as an attractive place to live, invest, travel, and study. Its strategic importance will ensure continued Defence investment. The Australian and US Defence Departments are expected to invest over A\$6 billion in the Territory in the coming years.⁷ Additionally, realising immediate opportunities in the development of energy projects, such as the development of the Beetaloo Basin and the Australia–Asia Power Link, will shape Darwin's future economy.

The Middle Arm Sustainable Development Precinct will drive industry diversification, exports, job creation, and economic growth in the Territory. Darwin, as a major port city on Australia's northern shore, is also positioned ideally to connect Australia with Asian markets.

Enhancing the liveability of Darwin is also likely to positively impact population growth, reducing transience, and increasing population retention within the Darwin region. This will be complemented by further measures to increase interstate and overseas inward migration, such as the Designated Area Migration Agreement. Adequate housing supply, workforce, and skills shortages pose a barrier to further growth in Darwin and should be considered a priority to unlock the region's significant potential.

⁷ Reference: [Billion Dollar Partnership: The Defence Report](#)

Snapshot: Geelong

Geelong's economy has continued to diversify moving from a history of manufacturing to industries such as health, construction, professional services and advanced manufacturing. Geelong also continues to be a lifestyle destination of choice in Victoria.



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Population

353,000

Employed people

184,500

Unemployment rate

3.3%

Participation rate

66.2%

Five-year job outlook

34,000 new jobs

Geelong benefited significantly during the pandemic, with a surge of new residents sparking economic activity and the ability to work from anywhere boosting the white-collar workforce. Geelong's already low unemployment rate of 3.0% at the start of 2022 fell even further as pandemic restrictions lifted and low-interest rates spurred economic activity. By late 2022, the unemployment rate was 2.7%.

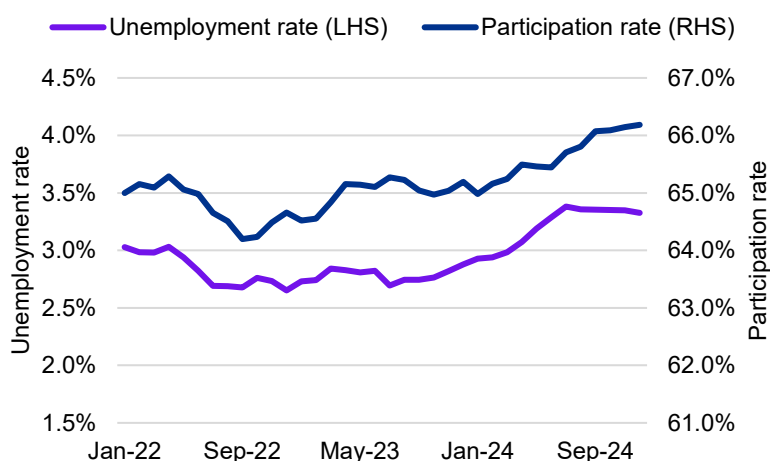
As interest rates steadily rose during 2022 and 2023, the unemployment rate in Geelong steadily increased to 3.4% by mid-2024. The second half of 2024 saw the unemployment rate stabilise even though the labour participation rate was increasing. The labour participation rate reached a record high of 66.2% at the end of 2024.

In 2024, Geelong had an employment growth rate of 3.7%, a noticeable increase compared to the 0.7% seen in 2023, as a range of industries experienced strong employment growth. Population growth was 2.2%, which is in line with the growth over the past five years. Growth in the population aged 20–64 was 1.6%, sustaining strong labour force growth.

Dwelling approvals were 3,216 for 2024, well below the five-year average of 4,252. This is due to higher construction costs and high interest rates making commercial feasibility challenging in the Geelong housing market.

Over the next five years, 34,000 new jobs are projected to be created in Geelong, which is in line with the employment growth over the previous five years.

Figure 23 – Labour Market Indicators



Source: KPMG analysis of Australian Bureau of Statistics (ABS) Labour Force Survey

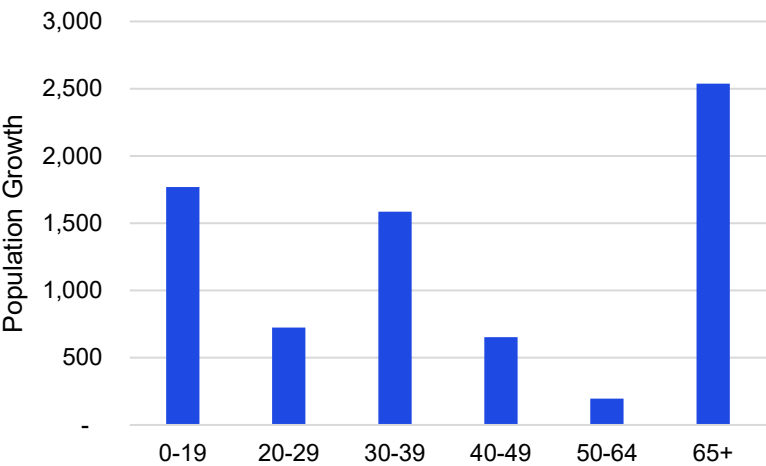
Table 6 – Summary Metrics

	2020	2021	2022	2023	2024
Employment Growth	8.1%	7.2%	1.6%	0.7%	3.7%
Population Growth	2.0%	2.1%	2.5%	2.2%	2.2%
Population Aged 20–64 Growth	1.9%	1.6%	1.8%	1.8%	1.6%
Dwelling Approvals	4,654	5,458	4,405	3,527	3,216

Source: ABS Labour Force Survey, Building Approvals and KPMG analysis of ABS population data

Snapshot: Geelong (cont.)

Figure 24 – Population Growth by Age Group 2024



Source: KPMG Australia analysis of ABS population data

Geelong saw an increase in the 0–19 (1,800 people) and 30–39 (1,600 people) age groups underscoring a migration of families to the region, likely enticed by burgeoning job prospects, lifestyle benefits and more affordable housing options compared to Melbourne.

However, the 20–29 age group did experience lower growth, reflecting that young Geelong people are often drawn to Melbourne.

The 40–49 and 50–64 age groups both experienced more modest growth, reflecting the shifting age population profile in Geelong.

The 65+ age group saw the most significant increase, adding 2,500 people, highlighting the attractiveness of the region for retirees.

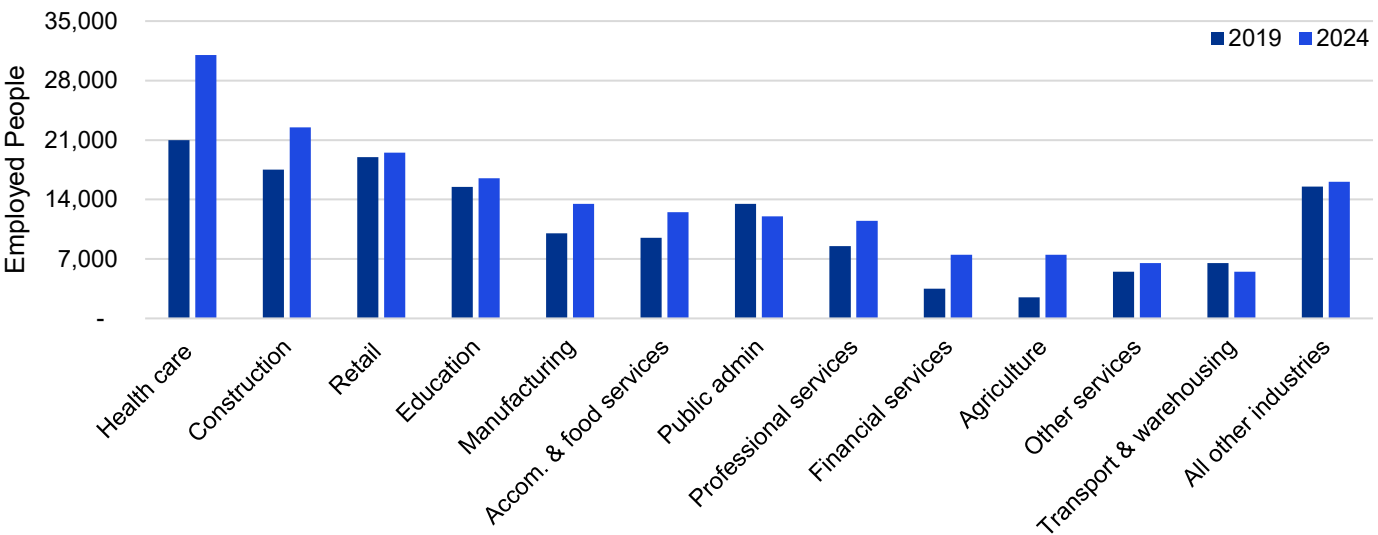
Industry analysis

Between 2019 and 2024, Geelong experienced significant shifts in industry employment. Health care saw the most substantial increase, with employment rising from 21,000 to 31,000, reflecting the growing demand for aged care and health services. The Construction industry also experienced notable growth, expanding from 17,500 to 22,500 jobs, driven by housing and infrastructure projects. The population-linked industry of Retail saw a modest rise, and Accommodation & food services grew from 9,500 to 12,500, highlighting a boost in tourism and hospitality across the region.

Professional services saw a significant rise, with employment increasing from 8,500 to 11,500, which is no doubt linked to the ability to work from anywhere. Financial services also experienced strong growth.

Manufacturing employment increased from 10,000 to 13,500, as supply chain uncertainties led to increasing local manufacturing. This growth includes a rise in advanced manufacturing, including an increase in defence industries within the region.

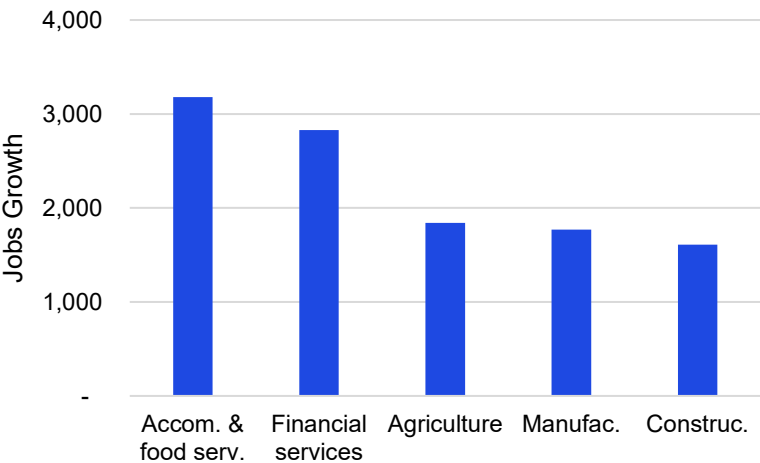
Figure 25 – Industry Employment Structure



Source: KPMG Australia analysis of ABS Labour Force Survey

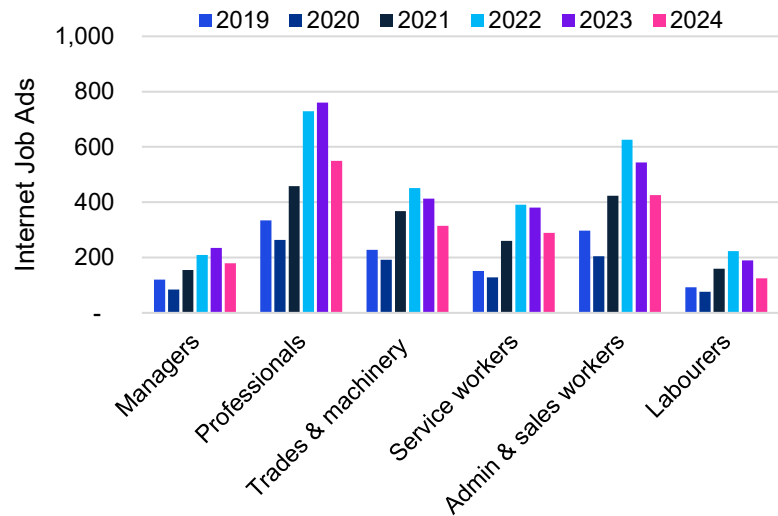
Snapshot: Geelong (cont.)

Figure 26 – Top 5 Growing Industries (2024)



Source: KPMG Australia analysis of ABS Labour Force Survey

Figure 27 – Internet Job Vacancies



Source: KPMG Australia analysis of Jobs & Skills Australia

The Accommodation & food services industry led the way with an increase of over 3,000 jobs, driven by a revival in tourism and hospitality activities. Financial services added 2,800 jobs, reflecting the growing white-collar cluster in Geelong.

Agriculture also saw significant growth with an addition of 1,800 jobs reflecting a good year for primary producers in the region.

Manufacturing added almost 1,800 new jobs, showcasing a resurgence in industrial activities and advanced manufacturing in Geelong. Construction continued its upward trend with an increase of 1,600 jobs.

Internet job vacancies

Between 2020 and 2024, the occupational composition of Geelong’s job advertisements saw significant changes. Job ads for Managers increased from 84 in 2020 to 179 in 2024, reflecting steady growth in leadership roles in local businesses.

Advertisements for Professionals more than doubled between 2020 and 2024, rising from 264 to 549, indicating an expansion in white-collar workers and increasing opportunities for remote work.

Trades & machinery operator advertisements in 2024 remained high compared to the 2020 level, highlighting the strength of the manufacturing sector. In 2024, advertisements for Service workers and Admin & sales workers were both around double their 2020 levels but weakened during the year, highlighting the impact of lower retail spending.

Future outlook

Recent economic trends highlight a favourable environment for business growth, supported by rising workforce participation, a robust labour market, and ongoing population growth. Geelong’s economy is continuing to shift towards more advanced manufacturing, white-collar jobs, and service industries such as health care and education. The job opportunities and sought-after lifestyle destination will continue to attract people to the region.

These elements create a solid foundation for further investment and development in the region. Over the next five years, 34,000 new jobs are projected to be created in Geelong, which is in line with the employment growth over the previous five years.

However, the challenging housing market, which faces high construction costs and challenging commercial feasibilities, means that the lack of affordable housing is a clear threat to Geelong’s future growth and liveability.

Snapshot: Gold Coast

The Gold Coast's economy remains focused on tourism but is increasingly diversifying into health, education, and professional services. The appealing lifestyle and affordable housing attract new residents, driving employment in construction, retail, health, and education industries.



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Population

709,000

Employed people

399,000

Unemployment rate

2.9%

Participation rate

69.4%

Five-year job outlook

33,000 new jobs

The end of the pandemic travel restrictions at the end of 2021 provided a significant boost to the Gold Coast, with its vibrant tourism sector and lifestyle attracting people to the coast. The unemployment rate decreased from over 3.5% to 2.5% during 2022.

As interest rate increases started to impact the broader economy in 2023, employment fell by 1.0% while the unemployment rate trended up, reaching over 3.0% at the end of the year.

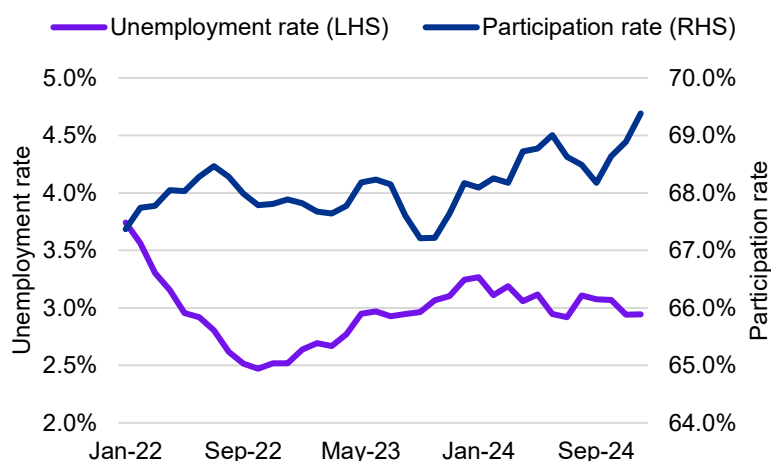
During 2024, the Gold Coast demonstrated remarkable resilience, when compared to other Enterprising Cities. Employment growth rose by 3.4%. The unemployment rate declined, and the labour force participation rate increased to a record high (69.4%).

Population growth on the Gold Coast was 2.2% for 2024, following a peak of 3.1% in 2023. This consistent increase in population highlighted the area's ongoing appeal as a destination for new residents. The growth of the population aged 20–64 was 2.9% for 2024, decreasing slightly from 3.3% in 2023. This growth is supporting the labour supply needed to underpin economic growth and fill the new job opportunities.

Housing supply is an issue with the 2024 rental vacancy rate of 1.0–1.5%, which is well below the pre-Covid average of 2.5–3.0%. Dwelling approvals did improve in 2024 to 5,520, a strong increase from 2023 and above the five-year average of 5,186. The growth in housing approvals suggests confidence in the local property market and recognition of the need to accommodate the rising number of residents.

Over the next five years, it is projected that 33,000 new jobs will be located on the Gold Coast.

Figure 28 – Labour Market Indicators



Source: KPMG analysis of Australian Bureau of Statistics (ABS) Labour Force Survey

Table 7 – Summary Metrics

	2020	2021	2022	2023	2024
Employment Growth	-4.7%	7.6%	5.4%	-1.0%	3.4%
Population Growth	1.4%	1.6%	2.7%	3.1%	2.2%
Population Aged 20–64 Growth	1.3%	1.5%	2.5%	3.3%	2.9%
Dwelling Approvals	3,981	5,840	5,714	4,873	5,520

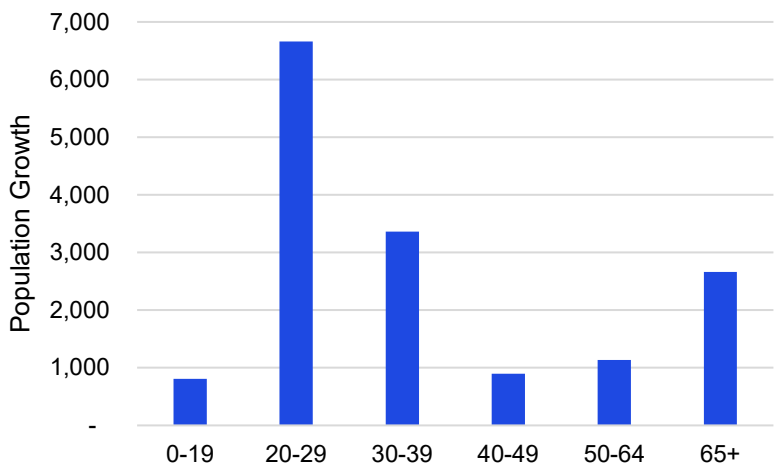
Source: ABS Labour Force Survey, Building Approvals and KPMG analysis of ABS population data

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Snapshot: Gold Coast (cont.)

Figure 29 – Population Growth by Age Group 2024



Source: KPMG Australia analysis of ABS population data

The Gold Coast has seen a surge in the 20–29 age group (6,700 people), alongside strong growth in the 30–39 age group (3,400 people). The region has become an increasingly popular destination for working holidaymakers, families and young professionals to settle, with the area accommodating a broader surge in interstate migration to Queensland.

This has been driven by the attractive lifestyle and relatively more affordable housing options in the area, alongside its close proximity to Brisbane.

These factors have also made the Gold Coast an increasingly popular destination for retirees, with strong growth also seen in the 65+ age group (2,700 people).

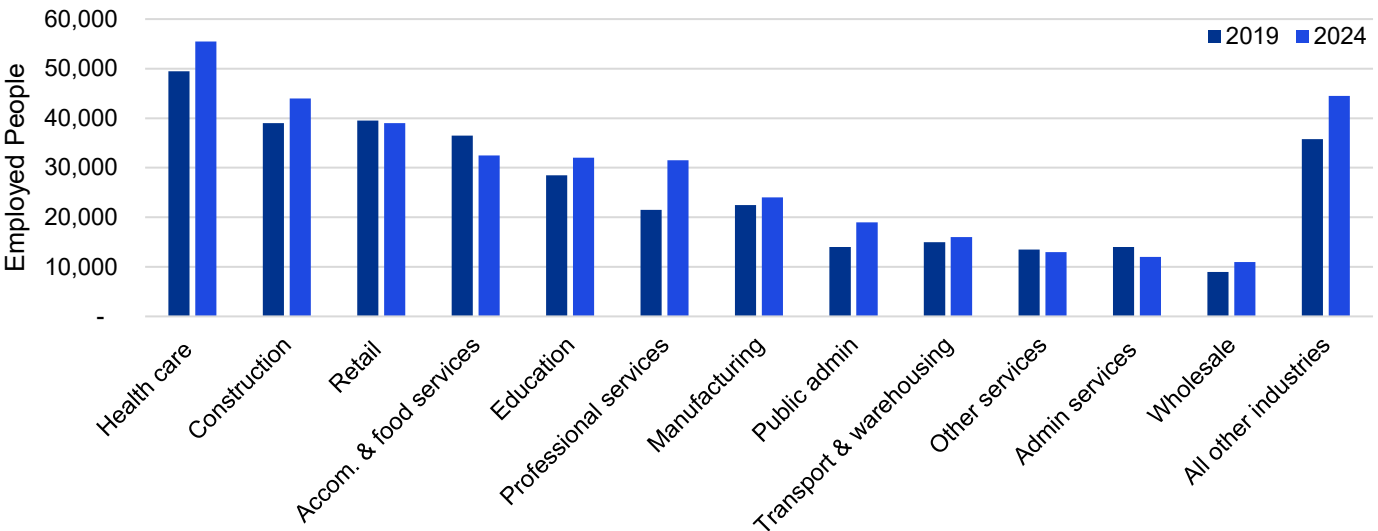
Industry analysis

The shifts in industry employment structure reflect the broader demographic trends which the Gold Coast has experienced. Between 2019 and 2024, the Health care industry recorded the largest increase from 49,500 to 55,000. This reflects the growing demand for health and aged care services in line with the strong levels of population growth. The Construction industry also expanded significantly, from 39,000 to 44,000 workers, as housing and infrastructure (such as the light rail and airport upgrades) were built over the past five years.

Many of these new residents are professionals, with the Professional services industry growing from 21,500 to 31,500. This was the largest rise out of all industries, as increased flexibility in work arrangements following the pandemic has provided more opportunities for office workers to settle outside major capital cities.

Tourism continues to be a significant component of the Gold Coast economy, with record numbers of travellers passing through Gold Coast Airport (6.3 million in 2023–24).⁸ Retail and Accommodation & food services are among the largest employing industries, despite experiencing a modest decline between 2019 and 2024.

Figure 30 – Industry Employment Structure

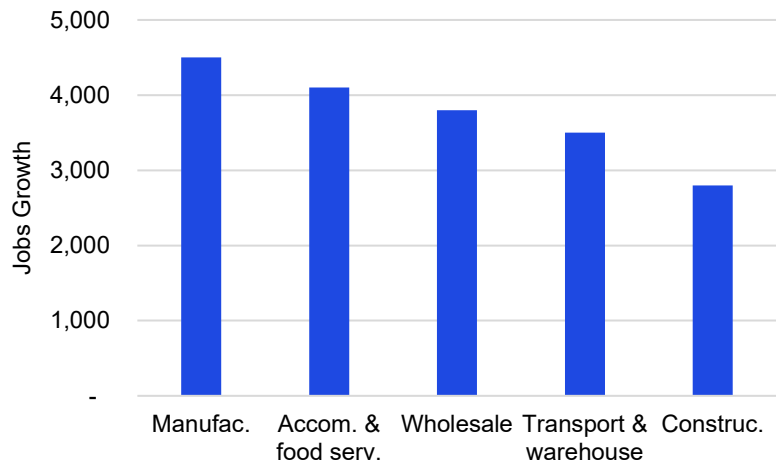


Source: KPMG Australia analysis of ABS Labour Force Survey

⁸ Reference: [Gold Coast Airport Monthly Passenger Statistics](#)

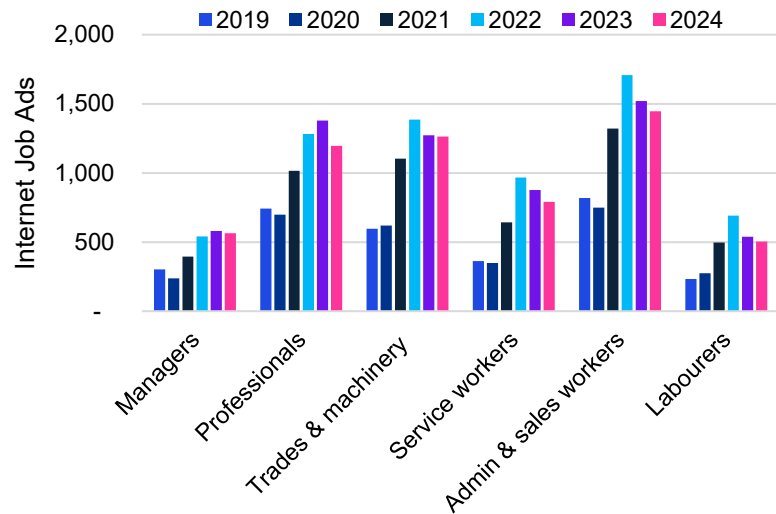
Snapshot: Gold Coast (cont.)

Figure 31 – Top 5 Growing Industries (2024)



Source: KPMG Australia analysis of ABS Labour Force Survey

Figure 32 – Internet Job Vacancies



Source: KPMG Australia analysis of Jobs & Skills Australia

Gold Coast also has a range of emerging niche sectors such as Film & Television Production with over 1,300 people employed directly in the sector.⁹

In 2024, Manufacturing added 4,500 jobs and Accommodation & food services saw an increase of 4,100 jobs. Both these industries have bounced back following job losses in 2023. Wholesale grew by 3,800 jobs, and Transport & warehousing (which includes air travel) saw a rise of 3,500 jobs.

Additionally, Construction increased by 2,800 jobs underscoring the ongoing development and infrastructure projects fuelling the Gold Coast economy.

Internet job vacancies

In 2024, Manager positions rose to 563, more than doubling the 2020 figure of 238, indicating a strong demand for leadership roles. Professionals increased to 1,196 in 2024 and are almost double the 2020 levels, highlighting the growing white-collar workforce on the Gold Coast.

Trades & machinery positions remained steady between 2023 and 2024, although there are still significantly higher than in 2020.

Administrative & sales worker, also experienced slight reductions between 2023 and 2024 – from 1,520 to 1,445 – but remained substantially higher compared to 2020 figures.

Future outlook

Over the next five years, it is projected that 33,000 new jobs will be created on the Gold Coast, which is slightly lower than the growth in the previous five years (36,000 additional jobs) as the impact of the pandemic has faded. The economy will continue to capitalise on its tourism strength but will also see increasing diversification towards the Health care, Education, and Professional services industry.

The Gold Coast lifestyle and growing economy will continue to attract new residents from Brisbane, the rest of Australia, and internationally. The provision of affordable housing is a challenge for the Gold Coast to ensure it maintains its advantage over the major capital cities.

Major infrastructure projects like the new \$1.3 billion Coomera Hospital, the completion of Stage 3 of the light rail, and a range of local infrastructure projects will continue to underpin economic activity and create the capacity to accommodate a larger population. Longer term, Stage 4 of the light rail from Burleigh to the airport, and investments related to the 2032 Olympic Games will further enhance the region’s attractiveness.

⁹ Reference: [A Re-Evaluation of Screen Production on the Gold Coast After COVID-19](#)

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Snapshot: Hobart

Greater Hobart remains an iconic destination for tourists. Meanwhile, locals are also beneficiaries of its affordability and liveability as a capital city, powered by renewable energy.



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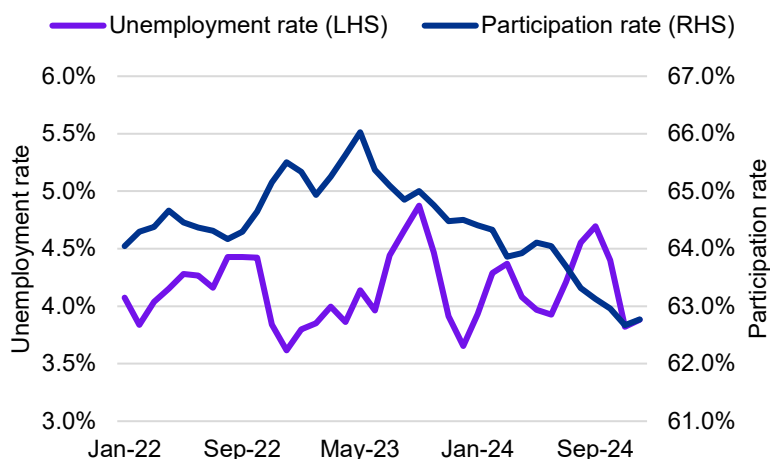


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Population 255,000	Participation rate 62.8%
Employed people 129,000	Five-year job outlook 10,000 new jobs
Unemployment rate 3.9%	

Figure 33 – Labour Market Indicators



Source: KPMG analysis of Australian Bureau of Statistics (ABS) Labour Force Survey

Table 8 – Summary Metrics

	2020	2021	2022	2023	2024
Employment Growth	2.9%	3.8%	2.2%	1.6%	1.5%
Population Growth	1.5%	1.1%	0.9%	0.3%	0.4%
Population Aged 20–64 Growth	1.6%	1.5%	1.0%	-0.1%	-0.1%
Dwelling Approvals	1,612	1,050	1,487	1,086	961

Source: ABS Labour Force Survey, Building Approvals and KPMG analysis of ABS population data

Hobart experienced a significant boom in recent years, characterised by strong population and employment growth, along with record low levels of unemployment. During this time, the city benefited from a surge in interstate migration, with new residents valuing its relative affordability and liveability, as well as the lifestyle afforded by the city's proximity to natural attractions.

These favourable economic tailwinds have normalised in more recent times, with a slowdown in population growth to 0.4%, alongside a slight 0.1% decrease in the working age population.

Nevertheless, Hobart's labour market has displayed impressive resilience, with unemployment still at 3.9%, close to record lows, and employment growing by 1.5%. The participation rate has declined to 62.8%, reflecting recent demographic trends, as the city continues to be a highly desirable destination for retirees.

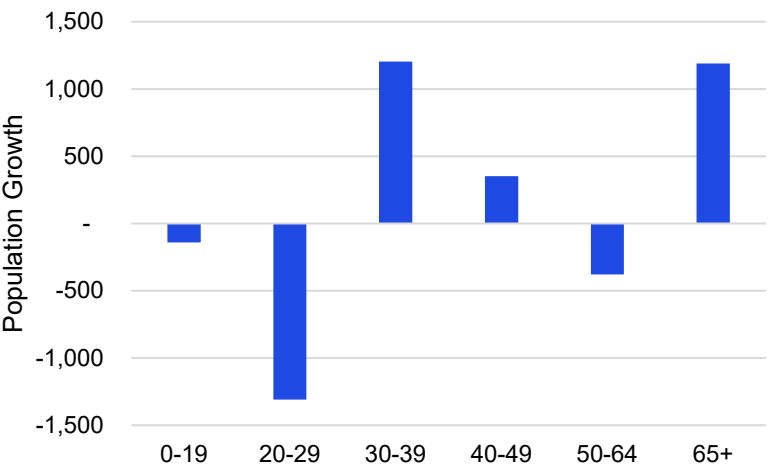
There has been a decline in dwelling approvals from 1,086 in 2023 to 961 in 2024, the lowest level in five years. High construction costs and high interest rates have created feasibility challenges for new housing.

Innovative affordable housing strategies and investment in infrastructure and services will be critical to securing a prosperous future for Hobart. For more insights into the provision of affordable housing as a key enabler for growth, please refer to page 50.

Over the next five years, it is projected that 10,000 new jobs will be located in Hobart.

Snapshot: Hobart (cont.)

Figure 34 – Population Growth by Age Group 2024



Source: KPMG Australia analysis of ABS population data

Population growth in Hobart shows varied trends. There was a decline in younger demographics, particularly the 20–29 age range which decreased by 1,300 people. This group may be seeking a broader set of work and study options which are more available in larger cities.

However, the strong 1,200 person increase seen in the 30–39 age group illustrates that Hobart remains a popular destination for professionals and families to settle. The area is a desirable place to establish roots, not only due to its day-to-day liveability, but also the lifestyle afforded by the many natural attractions nearby.

These same factors have also encouraged population growth amongst retirees, as seen in the 65+ age range.

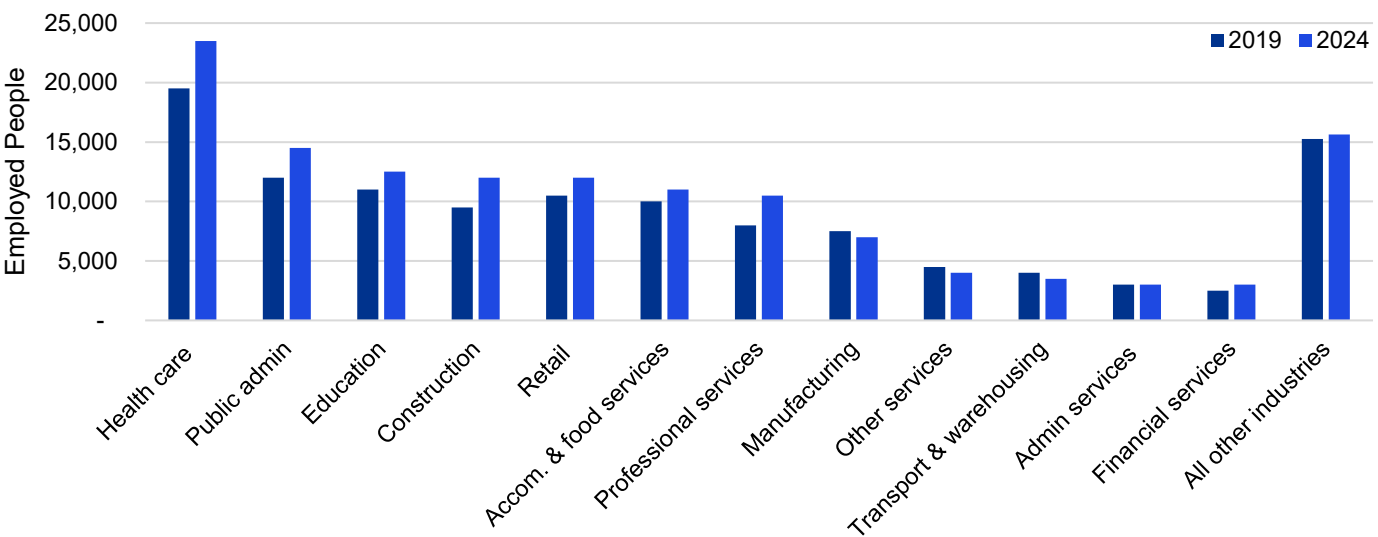
Industry analysis

Hobart has seen a substantial increase in the size of the public sector, which has been expanded to accommodate the surge in population over recent years. Health care remains the largest employer of workers, rising from 19,500 in 2019 to 23,500 by 2024, with this large increase reflecting growing demand for health and aged care services. The demand for public services also extend to Public administration, which expanded from 12,000 to 14,500 workers, as well as Education increasing from 11,000 to 12,500 workers.

This expansion of population has also supported the Construction industry, which grew from 9,500 to 12,000 workers, as housing and infrastructure has been developed to meet the community’s growing needs.

A notable rise was also seen in Professional services, rising from 8,000 to 10,500, a reflection of increasing diversification in the local economy. Nevertheless, tourism-linked sectors continued to be crucial to the prosperity of the region, with Retail and Accommodation & food services both recording growth between 2019 and 2024.

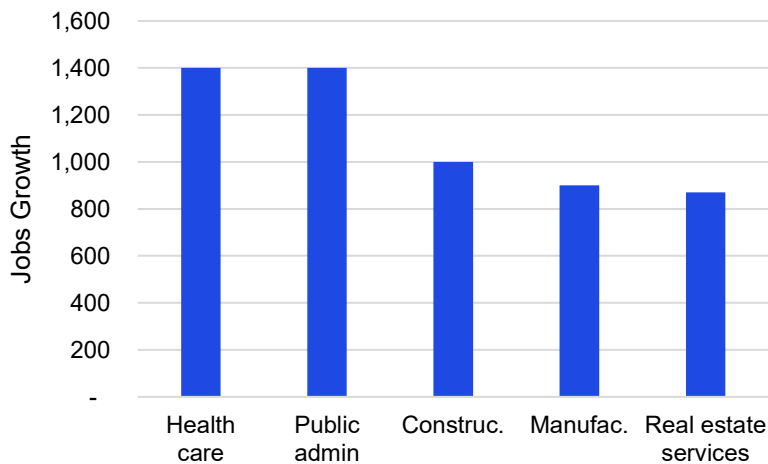
Figure 35 – Industry Employment Structure



Source: KPMG Australia analysis of ABS Labour Force Survey

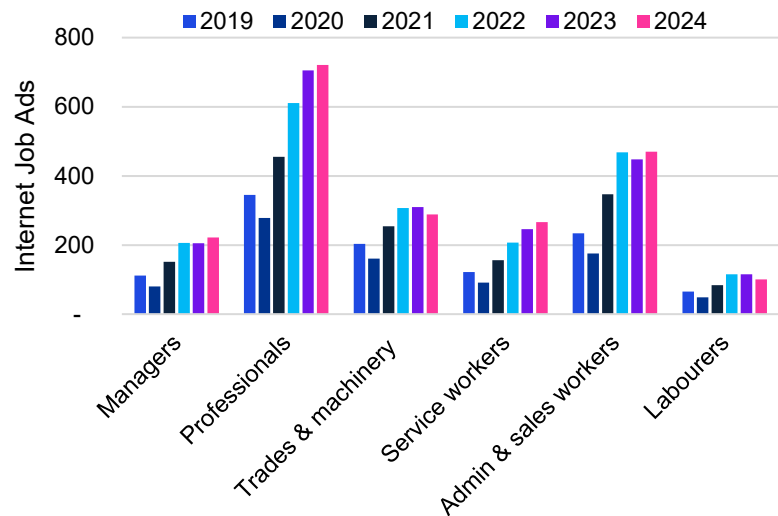
Snapshot: Hobart (cont.)

Figure 36 – Top 5 Growing Industries (2024)



Source: KPMG Australia analysis of ABS Labour Force Survey

Figure 37 – Internet Job Vacancies



Source: KPMG Australia analysis of Jobs & Skills Australia

During 2024, many of the fastest growing industries were still linked to population growth, which included the public sector services of Health care and Public administration both increasing by 1,400 people. Construction also saw a rise of 1,000 people. Manufacturing has also bounced back, seeing a rise of 900 workers. Tasmanian manufacturers benefit from abundant renewable energy, providing Hobart with a unique competitive advantage.

Some caution should be used when interpreting small changes in industry employment based on a sample survey.

Internet job vacancies

Hobart has seen increased demand for workers across a broad range of sectors. The strongest rise has been for Professionals, increasing from 706 in 2023 to 721 in 2024, more than double the 2020 levels. Growth in demand for Managers was flat in 2024, with around 200 vacancies.

Service workers have seen a steady increase in demand, rising to 266 in 2024 compared to 246 in 2023.

After recording substantial growth in prior years, demand for Administrative & sales workers increased to 470 in 2024, and this is a significant jump from 2020 levels.

Demand for Trades & machinery workers, as well as Labourers was flat in 2024, with vacancies of 288 and 101, respectively. Over the past few years, growth in these sectors has been more modest.

Future outlook

Hobart did boom as a result of changes from the pandemic, with employment growth between 2020 and 2024 averaging 2.4% annually. That boom has ended but business conditions should remain positive moving forward and continue to be supported by a pipeline of commercial construction projects and major public infrastructure projects across transportation, health, housing, and recreation.

These activities should support 10,000 new jobs (1.5% average annual growth) in Hobart over the next five years. Housing supply remains a key issue for Hobart. Ensuring an adequate supply of affordable housing will help attract and retain workers in the city and help local businesses grow their operations. For more insights into the provision of affordable housing as a key enabler for growth, please refer to page 50.

Snapshot: Newcastle & Hunter Region

The region is the home to innovative manufacturing and the globally important Port of Newcastle. Tourism flourishes, leveraging beaches and a well-established wine and food scene. The region, generating more than 63% of NSW's energy needs, is transitioning to renewable sources.



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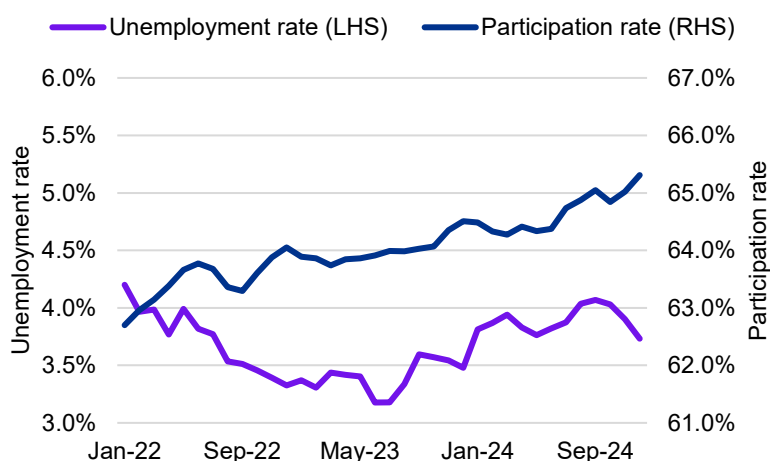


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Population 725,000	Participation rate 65.3%
Employed people 371,500	Five-year job outlook 43,000 new jobs
Unemployment rate 3.7%	

Figure 38 – Labour Market Indicators



Source: KPMG analysis of Australian Bureau of Statistics (ABS) Labour Force Survey

Table 9 – Summary Metrics

	2020	2021	2022	2023	2024
Employment Growth	-1.1%	-0.4%	2.8%	7.5%	-1.8%
Population Growth	1.2%	1.2%	3.0%	1.6%	0.8%
Population Aged 20–64 Growth	0.0%	0.7%	0.8%	3.6%	1.5%
Dwelling Approvals	4,738	5,774	5,021	5,054	4,537

Source: ABS Labour Force Survey, Building Approvals and KPMG analysis of ABS population data

The labour market in the Newcastle & Hunter showed remarkable strength in 2023 with an employment growth of 7.5% due to key infrastructure projects, including the expansion of Williamtown Airport, improvements to Maitland Hospital, and the John Hunter Health & Innovation Precinct.

However, the employment growth rate decreased to -1.8% in 2024 as cost-of-living pressures impacted the local economy.

From the second half of 2024, there appeared to be improvements in the labour market. Unemployment fell from 4.1% in September 2024 to 3.7% by the end of the year, while the participation rate continued to increase, reaching a record high of 65.3% in December 2024. This participation rate is still lower than the 66% for the whole of New South Wales.

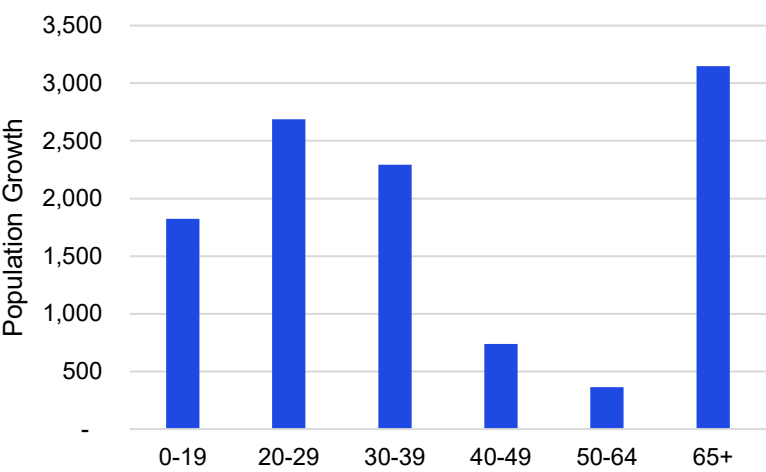
There are differing outcomes across region, with an unemployment rate of 3.9% in the Hunter Valley excl. Newcastle SA4 and 3.6% in Newcastle and Lake Macquarie SA4 (SA4s do not align with LGA boundaries).

Population growth also saw a decline, dropping to 0.8% from 1.6% in 2023, suggesting a slower rate of increase in the overall population. Similarly, the growth of the population aged 20–64 decreased to 1.5% in 2024 from 3.6% in the prior year, highlighting a major change in the growth rate of the working-age demographic.

High interest rates, approval challenges, and escalating construction costs have led to a decrease in dwelling approvals, with 4,537 approvals in 2024 compared to 5,054 the previous year.

Snapshot: Newcastle & Hunter Region (cont.)

Figure 39 – Population Growth by Age Group 2024



Source: KPMG Australia analysis of ABS population data

Over the next five years, 43,000 new jobs are projected to be created in the Newcastle & Hunter region.

The region experienced broad-based growth across all age groups in 2024.

The 0–19 age group saw an increase of 1,800 people, highlighting that the region is an attractive place for families.

The younger working cohorts (20–29 and 30–39 age groups) increased by 2,700 and 2,300 people, respectively, underscoring the strength of the local job market in attracting prime-age working individuals to the region.

The most significant increase was among those aged 65 and over, with around 3,100 new residents, emphasising the region’s appeal to retirees.

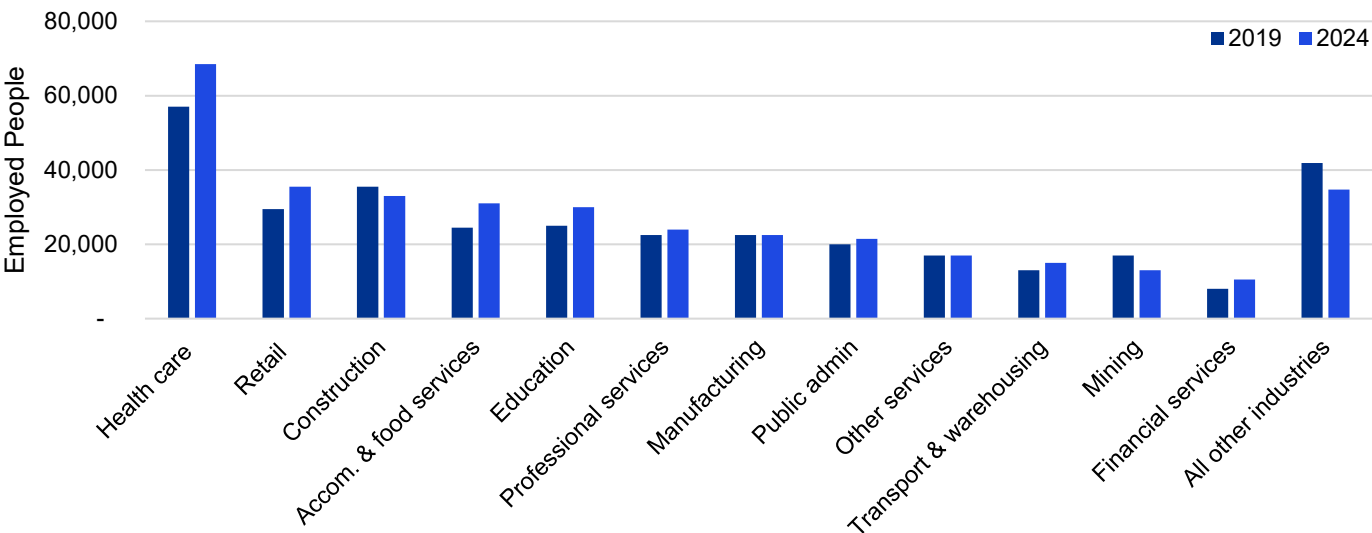
Industry analysis

Between 2019 and 2024, the Newcastle & Hunter region experienced significant shifts in industry employment. Accommodation & food services grew by 27%, from 24,500 to 31,000 jobs, making it the fastest-growing industry. This growth was likely due to the expanding tourism sector and increasing population. Retail trade also showed strong growth, with a 20% increase from 29,500 to 35,500 jobs.

Similarly, around 20% growth was observed in Education and Health care. Financial services employment increased from 8,000 to 10,500 jobs, reflecting the growing white-collar cluster in the Newcastle & Hunter region.

A substantial portion of the labour force is engaged in the industrial sector, including Manufacturing, Construction, Transport & warehousing, and Mining. However, over the past five years, these industries have seen little growth. In 2024, Health care led the way with a significant increase of over 7,300 jobs (see Figure 41).

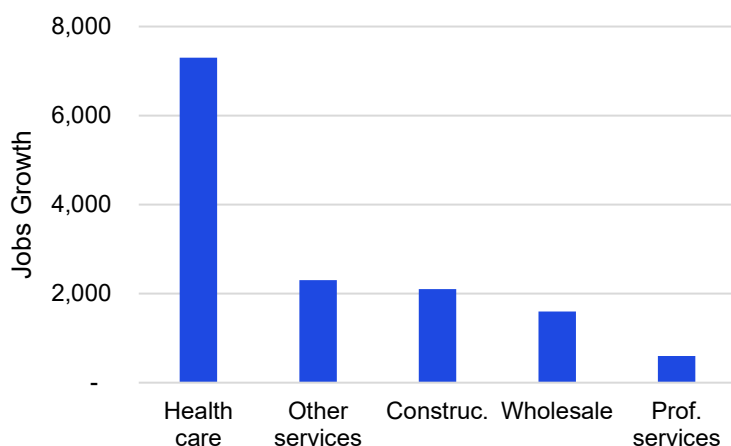
Figure 40 – Industry Employment Structure



Source: KPMG Australia analysis of ABS Labour Force Survey

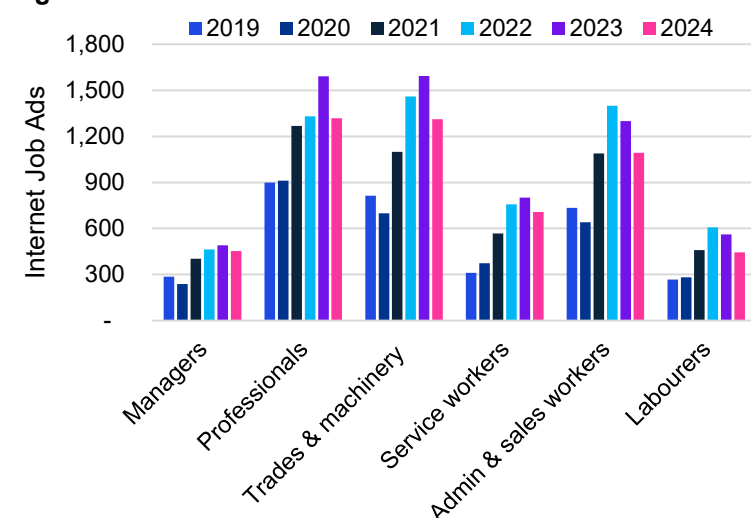
Snapshot: Newcastle & Hunter Region (cont.)

Figure 41 – Top 5 Growing Industries (2024)



Source: KPMG Australia analysis of ABS Labour Force Survey

Figure 42 – Internet Job Vacancies



Source: KPMG Australia analysis of Jobs & Skills Australia

Significant investment in infrastructure projects, such as the \$835 million Maitland Hospital and John Hunter Health and Innovation Precinct, have contributed to strong employment growth in Health care.

Other services, Construction, and Wholesale trade saw increases of 2,300, 2,100, and 1,600 jobs, respectively. Some caution should be used when interpreting small changes in employment based on a sample survey.

During 2024, growth in employment for each of the SA4s in the region was:

- Hunter Valley excl. Newcastle: 200 workers
- Newcastle & Lake Macquarie: decrease of 6,800 workers.

Internet job vacancies

Since 2024, the composition of Hunter's job advertisements saw significant changes. Job ads for Managers increased from 239 in 2020 to 453 in 2024, reflecting steady growth in leadership roles in local businesses.

Advertisements for Professionals rose from 911 in 2020 to 1,317 in 2024, indicating an expansion in white-collar workers and increasing opportunities for remote work.

Trades & machinery operator advertisements in 2024 remained almost double the 2020 level, underscoring the resilience and importance of manufacturing in the region.

From 2020 to 2024, advertisements for Service workers and Administrative workers, & sales workers increased strongly.

Future outlook

According to the Hunter Regional Plan 2036, Hunter is a leading regional economy in Australia.¹⁰ The Newcastle and Hunter region is currently home to more than 725,000 people. Over the next five years, 43,000 new jobs are projected to be created in the region. There is a strong pipeline of manufacturing and renewables projects that will continue to bolster growth over the coming years. For example, the EnergyCo projects focusing on battery power, transmission, and a Renewable Energy Zone are set to invigorate the local manufacturing industry and expand the range of highly skilled jobs.

The Future Made in Australia Act also presents significant growth opportunities for the Hunter. Combined with the Port of Newcastle container terminal decision, Newcastle could become an even more significant player in the nation's international trade. Accelerating defence spending in the Federal Budget by \$1 billion and providing \$183.8 million in grants highlights the potential of the Williamstown missile manufacturing facility.

The Newcastle and the Hunter will also continue to grow beyond its historical industrial base. An increasingly diverse business ecosystem and its ability to attract skilled labour are making the region stand out as an attractive investment destination in Australia.

¹⁰ Reference: [Hunter Regional Plan 2036 – NSW Government](#)

Snapshot: Perth

Greater Perth's economy is diverse, powered by its mineral and energy sectors and expanding into tourism, education, and finance. As a hub for mining operations, the city is also investing in technology and innovation to meet the global demand for critical minerals and renewable energy.



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Population 2,396,000	Participation rate 69.6%
Employed people 1,335,500	Five-year job outlook 192,000 new jobs
Unemployment rate 3.4%	

Perth continues to grow and diversify its economy, attracting skilled labour from across Australia and the rest of the world. In 2024, Perth experienced an employment growth rate of 4.8%, a rebound from the 3.8% seen in 2023 but lower than the peak of 6.2% in 2022.

Despite some fluctuations over the past three years, the unemployment rate remained very low during this period. The second half of 2024 saw the unemployment rate fall to 3.4% in December 2024.

Over the same period, the participation rate increased to 69.6%, close to a record high.

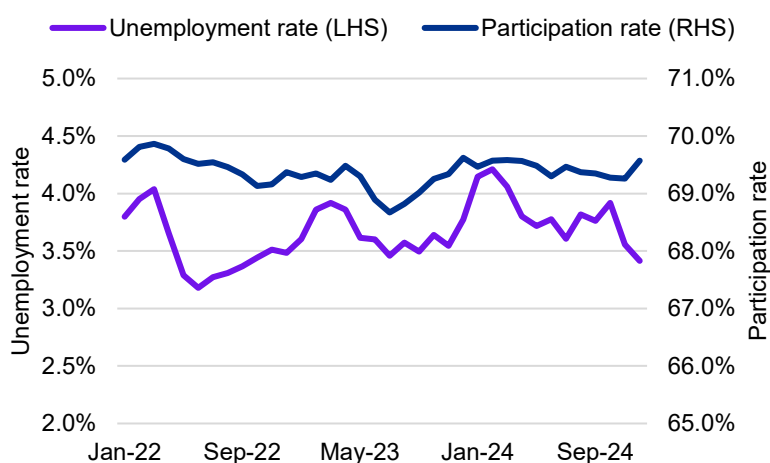
Population growth in 2024 was 2.4%, following a high of 3.4% in 2023. The growth rate for the population aged 20–64 was 3.1%, maintaining a strong labour force expansion from the previous year.

Dwelling approvals in 2024 rose to 16,583, a notable increase from the 10,481 approvals in 2023, and above the five-year average of 15,360.

This indicates a recovery in housing development despite challenging commercial feasibilities in Perth, but more needs to be done to boost housing supply. For more insights into the provision of affordable housing as a key enabler for growth, please refer to page 50.

Over the next five years, 192,000 new jobs are projected to be created in Perth. This represents an annual growth rate of 2.8%, which is in line with the average growth over the past five years.

Figure 43 – Labour Market Indicators



Source: KPMG analysis of Australian Bureau of Statistics (ABS) Labour Force Survey

Table 10 – Summary Metrics

	2020	2021	2022	2023	2024
Employment Growth	1.2%	2.5%	6.2%	3.8%	4.8%
Population Growth	1.6%	1.4%	2.7%	3.4%	2.4%
Population Aged 20–64 Growth	1.4%	0.8%	2.2%	3.5%	3.1%
Dwelling Approvals	15,937	21,225	12,575	10,481	16,583

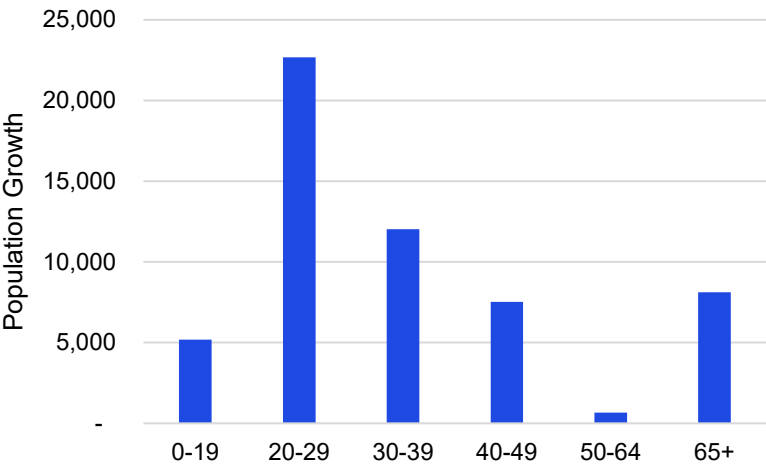
Source: ABS Labour Force Survey, Building Approvals and KPMG analysis of ABS population data

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Snapshot: Perth (cont.)

Figure 44 – Population Growth by Age Group 2024



Source: KPMG Australia analysis of ABS population data

In 2024, the 20–29 age group saw the most significant increase, expanding by 22,700 people, followed by the 30–39 age group, which grew by 12,000 people. This underscores the Perth economic opportunities, attracting young workers.

The population aged 65+ increased by 8,100 people due to an ageing population. The 50–64 age group experienced minimal growth, reflecting the Baby Boomers ageing into the 65+ category while at the same time the smaller Gen X cohort ageing into the 50–64 age group.

Weak growth in the 0–19 age group was driven by the ‘baby recession’ over the past two years, with lower births due to cost-of-living pressures.

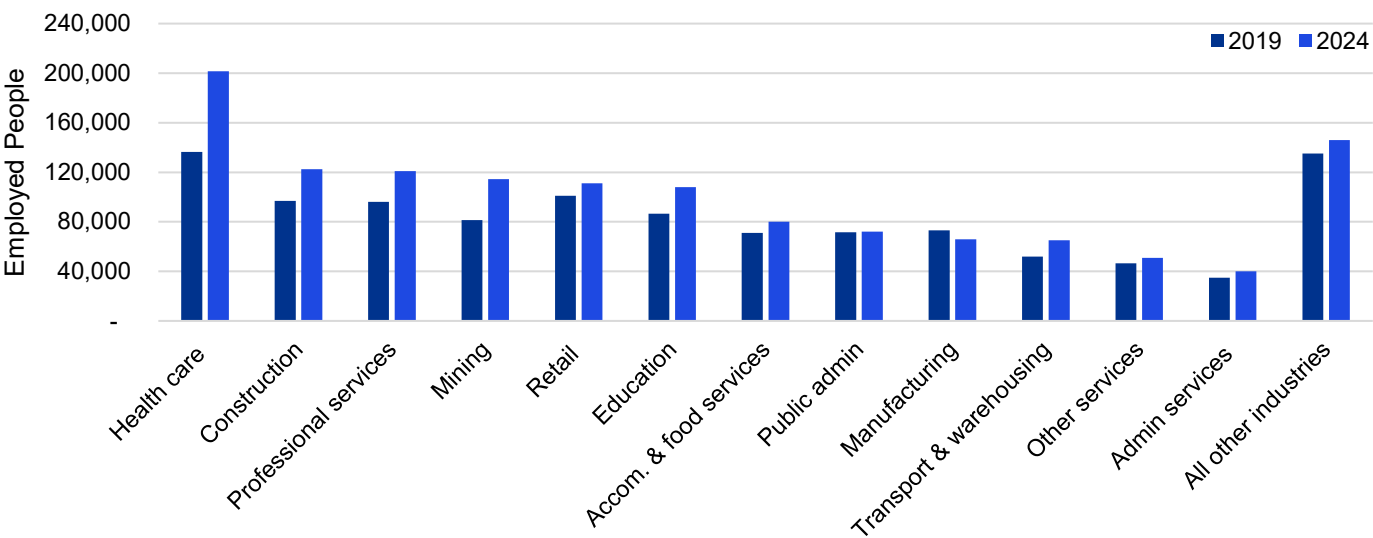
Industry analysis

The Health care industry saw a substantial increase in employment, rising from 136,500 in 2019 to 201,500 in 2024, highlighting the growing demand for health care services, aged care, and the NDIS. In 2024, employment in a number of industries in Perth showed significant changes compared to 2019. Mining saw a notable increase, with employment rising from 81,500 to 114,500.

Construction also experienced strong growth, with employment numbers increasing from 97,000 to 122,500. Professional services employment rose from 96,000 in 2019 to 121,000 in 2024, reflecting increased white-collar jobs, benefiting from providing services to a growing economy and the ability to work from anywhere.

Education also expanded, with the number of employed people growing from 86,500 to 108,000. Accommodation & food services employment increased from 71,000 to 80,000, showing a positive trend for the tourism and hospitality sectors.

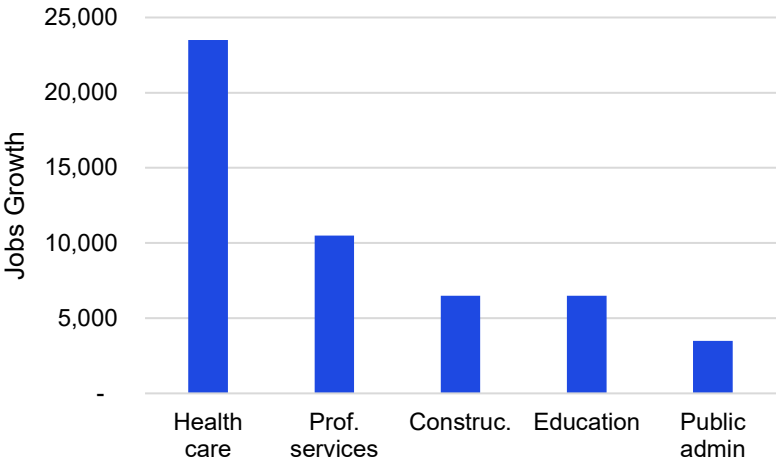
Figure 45 – Industry Employment Structure



Source: KPMG Australia analysis of ABS Labour Force Survey

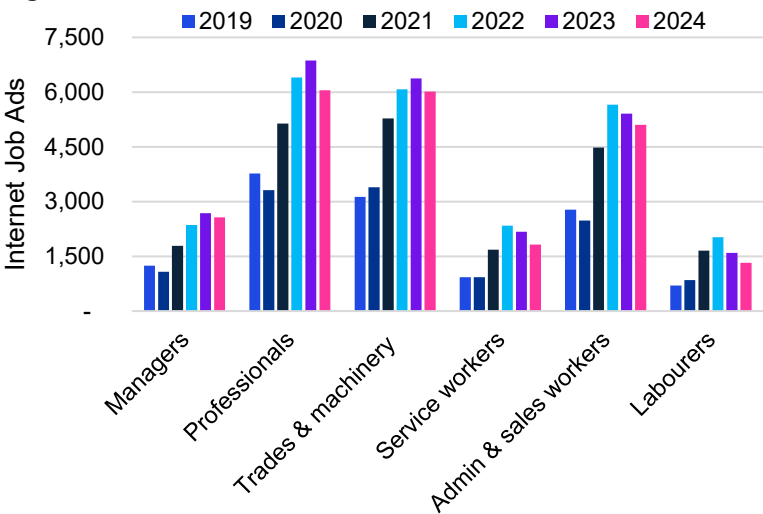
Snapshot: Perth (cont.)

Figure 46 – Top 5 Growing Industries (2024)



Source: KPMG Australia analysis of ABS Labour Force Survey

Figure 47 – Internet Job Vacancies



Source: KPMG Australia analysis of Jobs & Skills Australia

In 2024, Perth experienced notable employment growth across several key industries. Health care saw the largest increase, with an additional 23,500 jobs. Professional services followed with 10,500 new positions.

Construction and Education both grew by 6,500 jobs each, while Public administration added 3,500 jobs. This growth highlights Perth’s diverse economic opportunities outside of the Mining industry.

Internet job vacancies

In 2024, job ads for Managers decreased to 2,575 from 2,685 in 2023, but still much higher than 2020. Professional roles fell from 6,867 in 2024 from 6,049 in 2023. Both are still close to historical highs, reflecting the high demand for white-collar workers in Perth.

Job ads for Trades & machinery operators decreased to 6,018 in 2024 from 6,376 in 2023. This category has shown remarkable growth compared to 3,395 in 2020, signifying a robust long-term trend in demand for these types of workers.

Service worker job ads, however, experienced a decline, falling to 1,821 in 2024 from 2,170 in 2023, likely reflecting weaker consumer spending. Despite this decrease, Service worker ads have more than doubled since 2020, when there were just 933 postings.

Administrative & sales worker job ads, decreasing to 5,105 in 2024 from 5,412 in 2023, but there still has been significant growth since 2020.

Future outlook

Perth provides a beautiful coastal environment perfect for families and many diverse job opportunities. Perth’s globally important regional economy is leading to increased demand for housing, education, and professional training. Improved infrastructure and services are being developed to support the expanding population, setting the scene for a strong future for this enterprising city.

Looking ahead, Perth is well-positioned for significant business growth. The city supports a dynamic state with globally significant mining, energy, and agricultural industries. The increasing demand for critical minerals, renewable energy, and the global energy transition will drive the development of major, complex projects.

Perth has a public and private sector major projects pipeline, reflecting continued investment confidence. The city’s strategic importance in the Indian Ocean, proximity to Asia, AUKUS spending, and defence industries relocating to Perth will make it a major source of innovation, opportunity, and growth in the years ahead.

Snapshot: Townsville Region

The Townsville Region has a diverse economy. These industries include the provision of health and education services, tourism, exports via the port, mineral resources, construction, manufacturing, and defence for the broader North Queensland region.



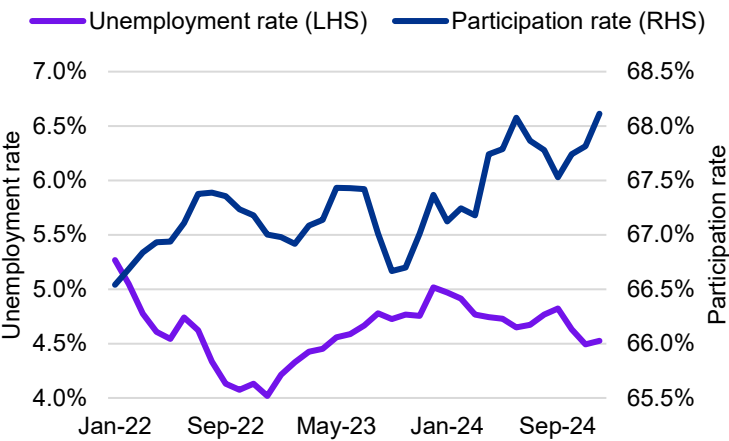
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Population 251,000	Participation rate 68.1%
Employed people 128,500	Five-year job outlook 18,000 new jobs
Unemployment rate 4.5%	

Figure 48 – Labour Market Indicators



Source: KPMG analysis of Australian Bureau of Statistics (ABS) Labour Force Survey

Table 11 – Summary Metrics

	2020	2021	2022	2023	2024
Employment Growth	4.2%	4.8%	8.1%	6.6%	-6.2%
Population Growth	0.2%	0.7%	1.5%	1.9%	1.8%
Population Aged 20–64 Growth	0.1%	0.4%	1.1%	1.6%	1.5%
Dwelling Approvals	799	1,137	859	741	780

Source: ABS Labour Force Survey, Building Approvals and KPMG analysis of ABS population data

Unlike other Enterprising Cities, Townsville (known as the Second Capital of Queensland) and the surrounding regions, including Ayr, Ingham, and Charters Towers, did not experience significant pandemic-related labour market challenges in 2020. The unemployment rate in Townsville has been steadily declining, dropping from around 6.0% in late 2021 to 4.2% in late 2022.

However, the labour market experienced some weakening during the latter part of 2023, with the unemployment rate edging upward. This reflects the national trend where increased interest rates curtailed domestic demand and slowed economic activity. After rising above 5% in late 2023, the latter part of 2024 saw the unemployment rate fall to 4.5% in December 2024.

The participation rate in Townsville is high compared to other Enterprising Cities, increasing from 66.8% in 2021 to 68.1% in 2024. This strong labour market has also coincided with renewed growth in the 20–64 working-age demographic (1.5% in 2024).

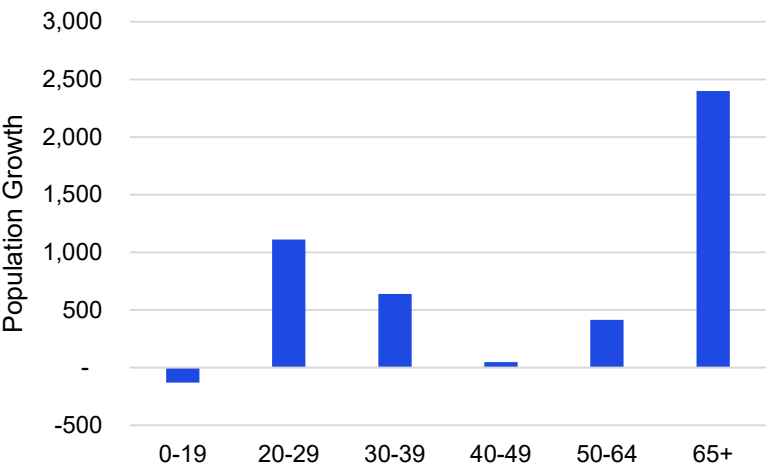
The overall employment growth rate across Townsville and the surrounding communities increased from 2020 to 2023 but declined by 6.2% in 2024, highlighting that the impacts of higher interest rates have affected the Townsville region.

High property prices and escalating construction costs have led to a decrease in dwelling approvals from 1,137 in 2021 to 780 in 2024. For more insights into the provision of affordable housing as a key enabler for growth, please refer to page 50.

Over the next five years, it is projected that 18,000 new jobs will be created in Townsville, which is slightly below the growth of the past five years of 19,000 new jobs.

Snapshot: Townsville Region (cont.)

Figure 49 – Population Growth by Age Group 2024



Source: KPMG Australia analysis of ABS population data

The 65+ age group experienced the highest growth in 2024, adding 2,400 people. This highlights the region’s attractiveness to retirees.

There was strong growth in the 20–29 age group, with over 1,100 new residents and 600 new residents in the 30–39 age group. This trend aligns with a strong labour market attracting young workers to the city.

Conversely, the number of new residents in the 0–19 age group declined this year, reflecting in part a decline in the number of births in Townsville since 2021. A ‘baby recession’ has been seen across many regions as cost-of-living pressures impact many households.

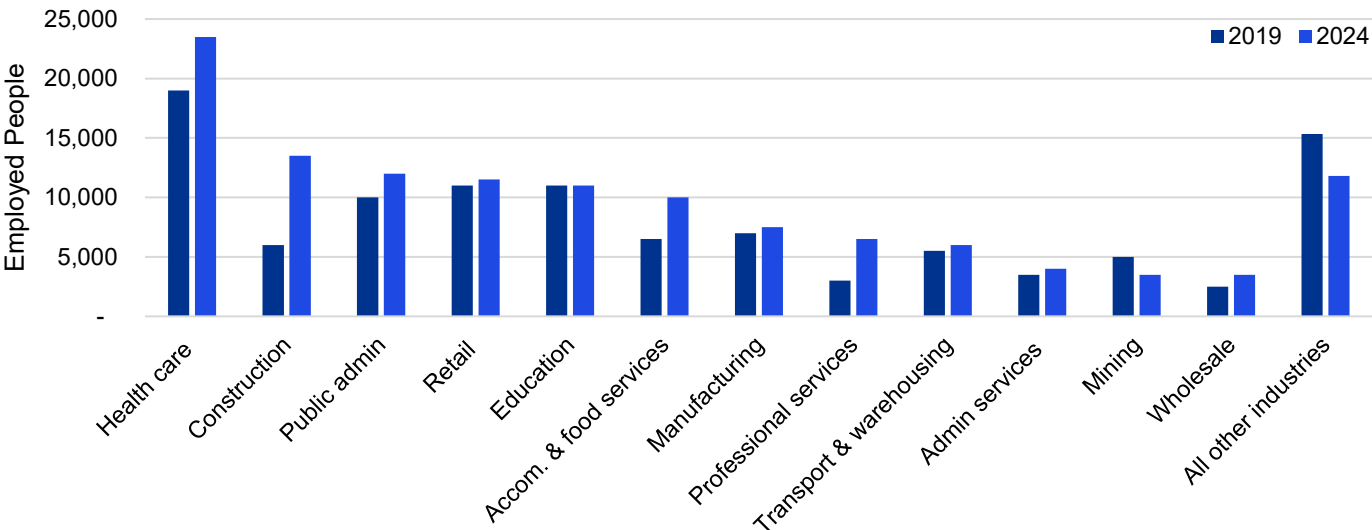
Industry analysis

Townsville and the surrounding region boast a diverse economic profile, with its labour force employed across various industries. Service-based industries like Health care (23,500 workers), Retail (11,500 people), and Education (11,000 workers) are notable employers, as Townsville also offers these services to the broader North Queensland region.

The number of people employed in Construction increased by 125% from 6,000 in 2019 to 13,500 in 2024, making Construction the second-largest employer in 2024. From 2025, Townsville is set to become Australia’s designated ‘Army Capital,’ home to the Australian Defence Force’s only lethal combat brigade and associated infrastructure.¹¹

There has also been a notable increase in employment within knowledge-intensive fields such as Professional services, which increased by 117% over the past six years, rising from 3,000 to 6,500 people. This could be reflecting the ability to work from anywhere enabling more Professional services to be located in Townsville.

Figure 50 – Industry Employment Structure



Source: KPMG Australia analysis of ABS Labour Force Survey

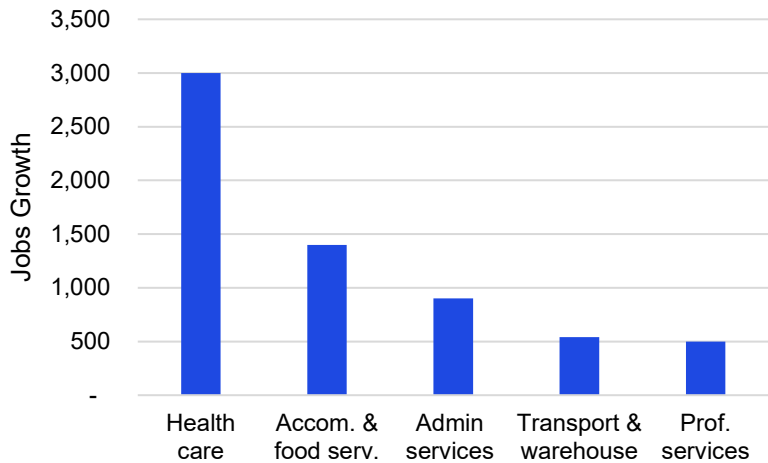
¹¹ Reference: [Townsville Enterprise](#)

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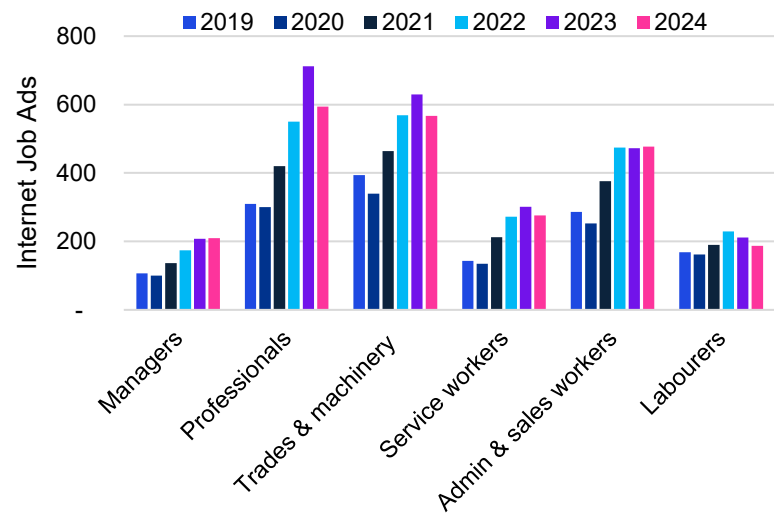
Snapshot: Townsville Region (cont.)

Figure 51 – Top 5 Growing Industries (2024)



Source: KPMG Australia analysis of ABS Labour Force Survey

Figure 52 – Internet Job Vacancies



Source: KPMG Australia analysis of Jobs & Skills Australia

Health care services created over 3,000 jobs during 2024, reflecting a growing and ageing population.

The local economy also leverages its tourism potential, reflected in the substantial growth in the Accommodation & food services, which saw an increase of 1,400 jobs in 2024.

This strength is reflected by the nearly 1.66 million passengers travelling through Townsville Airport in 2024, which is now 3.3% higher than pre-pandemic levels in 2019.¹²

Administrative services, Transport & warehousing, and Professional services rounded out the top five growing industries, although caution should be used when interpreting small changes in employment based on a sample survey.

Internet job vacancies

Internet job ads for Managers increased from 100 in 2020 to 209 in 2024, reflecting growth in leadership roles within local businesses.

Internet job ads for Professionals also saw a strong increase, increasing from 300 in 2020 to 594 in 2024, indicating an expansion in opportunities for skilled professional roles.

The number of internet job ads for Trades & machinery operators grew substantially, rising from 340 in 2020 to 567 in 2024, highlighting the demand for skilled workers in the minerals, industrial and infrastructure sectors.

In 2024, job ads for Service workers and Administrative & sales workers were broadly in line with 2023, highlighting weakened consumer spending, but both were around double their 2020 levels.

Future outlook

Townsville boomed as a result of changes brought on by the COVID-19 pandemic, with employment growth very high by historical standards. While 2024 saw the end of that boom period, looking forward, the regional economy will grow, leading to increased demand for housing, education, and professional services.

Improved infrastructure and services to support the expanding population set the scene for a strong future for this Enterprising City. Over the next five years, 18,000 new jobs are projected to be created in Townsville. This is an annual growth rate of employment in Townsville of 2.7%, which is lower than the previous five years' rate of 3.5% (19,000 additional jobs between 2019 and 2024).

¹² Reference: [Townsville Airport Monthly Passenger Statistics](#)

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Snapshot: Western Sydney

Western Sydney's diverse economy, driven by health care, construction, professional services, and education, accommodates a growing population. Transport and warehousing capitalise on the region's proximity to Australia's new international airport, opening in 2026, enhancing connectivity.



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Population 2,431,000	Participation rate 68.0%
Employed people 1,285,000	Five-year job outlook 173,000 new jobs
Unemployment rate 4.5%	

Western Sydney is a rapidly growing and vibrant mosaic of cultural diversity, with residents from various countries creating links to global markets. With a focus on entrepreneurial activities serving both local and export markets, Western Sydney's labour market has demonstrated remarkable resilience over the past three years.

The labour market strengthened during 2022 as the economy reopened and migration patterns adjusted post-pandemic. Although the unemployment rate increased in 2023 and early 2024, a trend observed in other Enterprising Cities across Australia, the labour market improved in late 2024. By the end of 2024, the unemployment rate steadied at 4.5%.

There are differing outcomes across Western Sydney with the unemployment rate ranging from 5.4% in the South West SA4 to 2.9% in the Baulkham Hills & Hawkesbury SA4.

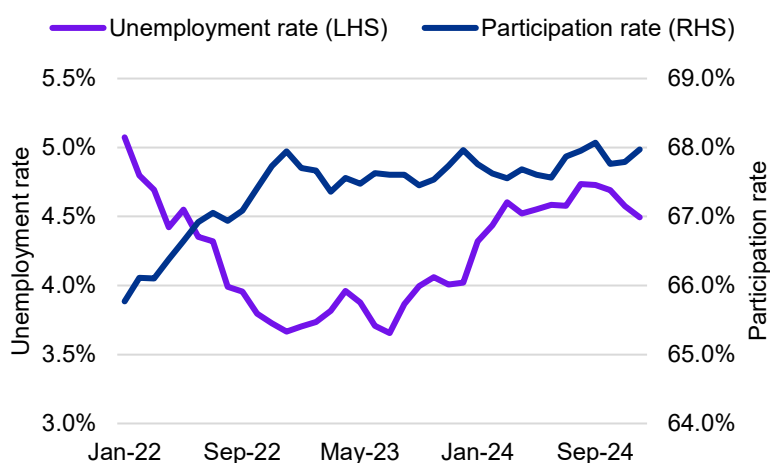
Overall, the participation rate in Western Sydney is high at 68%, compared to around 66% for the whole of New South Wales.

Western Sydney's population is growing rapidly, with the number of residents rising gradually by around 2% since 2022. This population surge is fuelling a demand for employment growth of 3.8% in 2024 across Greater Western Sydney.

High property prices, interest rates, and high construction costs have led to a noticeable drop in dwelling approvals in 2023 and 2024, with 15,426 approvals compared to the five-year average of around 21,000 approvals.

In the next five years, Western Sydney is projected to create 173,000 new jobs.

Figure 53 – Labour Market Indicators



Source: KPMG analysis of Australian Bureau of Statistics (ABS) Labour Force Survey

Table 12 – Summary Metrics

	2020	2021	2022	2023	2024
Employment Growth	0.0%	-0.5%	5.1%	7.1%	3.8%
Population Growth	1.1%	1.0%	2.2%	2.4%	1.6%
Population Aged 20–64 Growth	2.0%	0.7%	0.5%	2.2%	2.8%
Dwelling Approvals	21,448	27,046	23,485	16,764	15,426

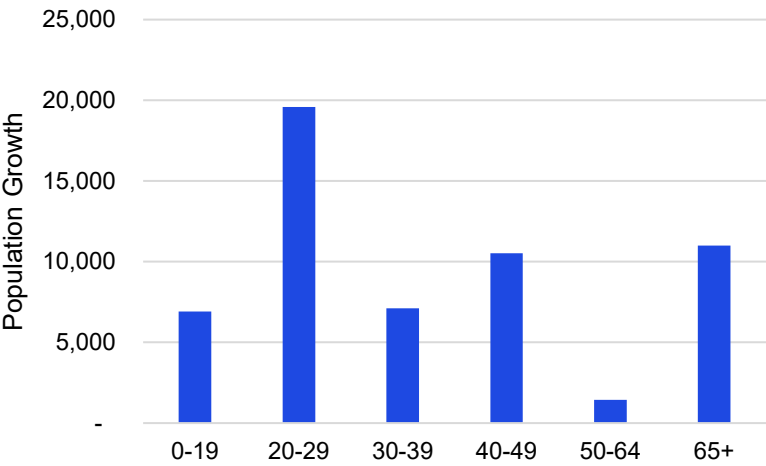
Source: ABS Labour Force Survey, Building Approvals and KPMG analysis of ABS population data

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Snapshot: Western Sydney (cont.)

Figure 54 – Population Growth by Age Group 2024



Source: KPMG Australia analysis of ABS population data

Western Sydney is home to greenfield and high-rise apartments housing developments, which attract a younger demographic. Western Sydney saw increases in the 20–29 (19,600 people), 30–39 (7,100 people), and 40–49 (10,500 people) age groups, underscoring a migration of families to Western Sydney.

These families are likely enticed by job prospects, lifestyle benefits, and more affordable housing options.

The 0–19 and 65+ age groups both experienced remarkable growth of around 6,900 and 11,000 people respectively, reflecting the shifting population profile and the attractiveness of the region for retirees and young people.

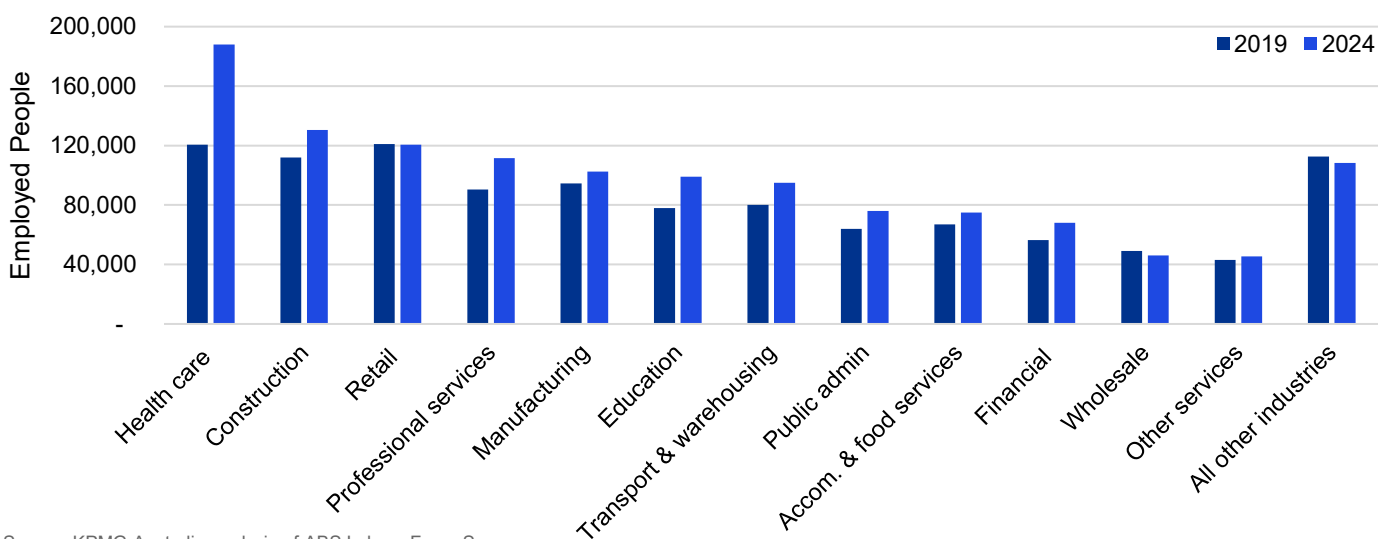
Industry analysis

The Westmead Health & Innovation Precinct is the largest cluster of hospital and health services in Australia, encompassing four hospitals, three research institutes, and two universities. This cluster serves as an anchor for the Health care industry, which has experienced significant growth. Health care has been the top-growing industry in Western Sydney, expanding from 120,500 workers in 2019 to 188,000 in 2024. Education is also paramount to this cluster, led by Western Sydney University, which focuses on the development of local talent in finance, professional services, and advanced manufacturing.

There has been a significant increase in employment within white-collar industries (e.g. Financial and Professional services) and population-oriented industries (Health care and Education). The industrial sector (e.g. Manufacturing, Transport & warehousing) remain substantial, each employing around 100,000 people in 2024.

Over 130,000 workers were in employment in Construction during 2024, working across residential housing and infrastructure projects, such as the construction of the Western Sydney Nancy Bird Walton Airport, and Sydney Metro West.

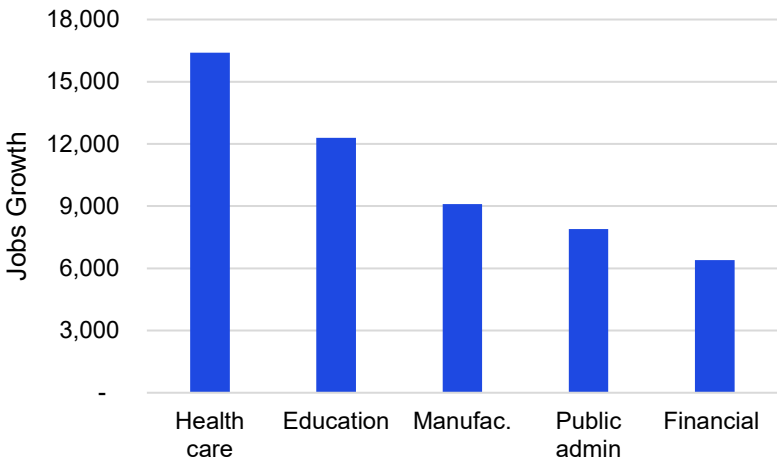
Figure 55 – Industry Employment Structure



Source: KPMG Australia analysis of ABS Labour Force Survey

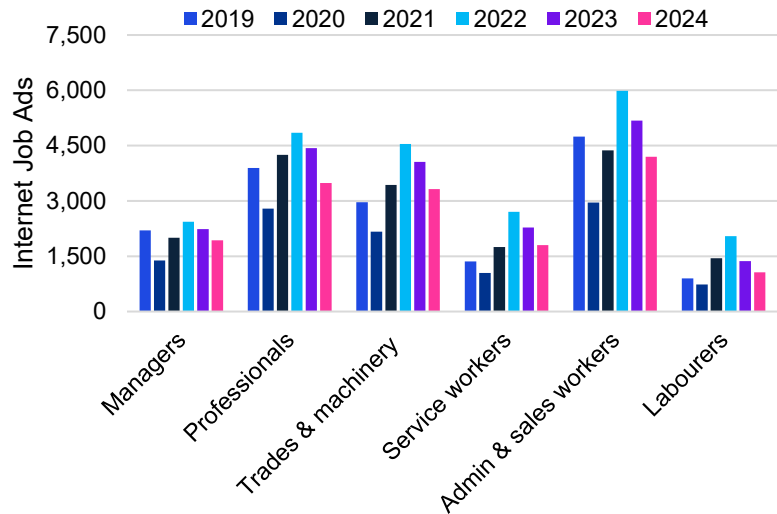
Snapshot: Western Sydney (cont.)

Figure 56 – Top 5 Growing Industries (2024)



Source: KPMG Australia analysis of ABS Labour Force Survey

Figure 57 – Internet Job Vacancies



Source: KPMG Australia analysis of Jobs & Skills Australia

In 2024, Health care and Education continued to lead in employment, solidifying their positions as the largest and fastest-growing industries in the region. The growth in Manufacturing, with 9,100 additional workers, reinforces Western Sydney’s reputation as an industrial hub.

Public administration and Financial added 7,900 and 6,400 jobs, respectively.

During 2024, growth in employment in each of the SA4s (SA4s do not align with LGA boundaries) in Western Sydney were:

- South West: 10,300 workers
- Parramatta: 9,900 workers
- Baulkham Hills & Hawkesbury: 9,700 workers
- Blacktown: 7,400 workers
- Outer West & Blue Mountains: 5,500 workers
- Outer South West: 3,100 workers.

Internet job vacancies

As of 2024, internet job ads in all occupations were aligned roughly with 2021 levels, following a steady drop in internet job ads from the 2023 peak, owing to a growing workforce that has filled many of the available jobs.

Admin & Sales workers had the largest number of job ads in Western Sydney, with over 4,195 ads in 2024. Professional and Trades & Machinery Operators had similar numbers of job ads, around 3,400 each, highlighting demand in white-collar jobs and the industrial sector in Western Sydney.

Meanwhile, internet job ads in Western Sydney for Managers, Service workers, and Labourers were lower in 2024 compared to 2023.

Future outlook

Over the next five years, it is projected that 173,000 new jobs will be created in Western Sydney and that the region will see an annual growth rate of 2.6%. This is slightly lower than the 177,000 jobs (3.1% annual growth rate) of the past five years.

Population-related industries will continue to grow, and the impressive portfolio of major projects, including the Nancy Bird Walton Airport Terminal and Business Precinct, Bradfield City Centre, Parramatta Light Rail, the M12 and Sydney Metro West, and the Interstate Terminal at the Moorebank Intermodal Precinct, will support a range of construction and ongoing operational jobs over the next five years.

White-collar industries are expected to continue to expand in Western Sydney as businesses tap into the highly skilled and growing workforce and an increasing number of businesses establishing in the area. The inadequate housing supply in Western Sydney presents a barrier to further growth, and actions to boost affordable housing supply should be prioritised to unlock the region’s potential. For more insights into the provision of affordable housing, please refer to page 50.

Snapshot: Wollongong

Wollongong's economy has evolved from a heavy industry city to one with a diverse blend of industries. Key drivers now include manufacturing (including large investments by BlueScope Steel), higher education, health care, tourism, and a strategic port.



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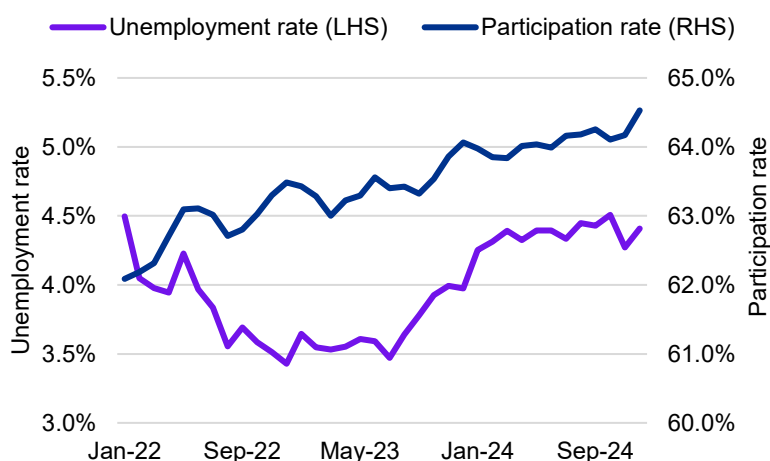


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Population 330,000	Participation rate 64.5%
Employed people 166,500	Five-year job outlook 18,000 new jobs
Unemployment rate 4.4%	

Figure 58 – Labour Market Indicators



Source: KPMG analysis of Australian Bureau of Statistics (ABS) Labour Force Survey

Table 13 – Summary Metrics

	2020	2021	2022	2023	2024
Employment Growth	-1.1%	7.2%	3.7%	2.3%	-0.9%
Population Growth	0.3%	0.5%	2.6%	1.4%	0.7%
Population Aged 20–64 Growth	0.1%	0.1%	2.3%	1.3%	0.7%
Dwelling Approvals	2,269	2,546	2,125	1,613	2,033

Source: ABS Labour Force Survey, Building Approvals and KPMG analysis of ABS population data

Wollongong benefited from a surge of activity during 2022 as a strong labour market, new residents, and the ability to work from anywhere boosted the white-collar workforce sparking increased economic activity.

Wollongong's unemployment rate was 4.5% at the start of 2022 and quickly fell as pandemic restrictions lifted and low-interest rates spurred economic activity. By late 2022, the unemployment rate was 3.4%.

As interest rates rose during 2022 and 2023, the unemployment rate steadily increased to around 4.4% by earlier 2024. The second half of 2024 saw the unemployment rate stabilise even though the labour participation rate was increasing, reaching a record high of 64.5% at the end of 2024.

Employment growth fluctuated over recent years, peaking at 7.2% in 2021 before slowing to 2.3% in 2023, and then declining by 0.9% in 2024.

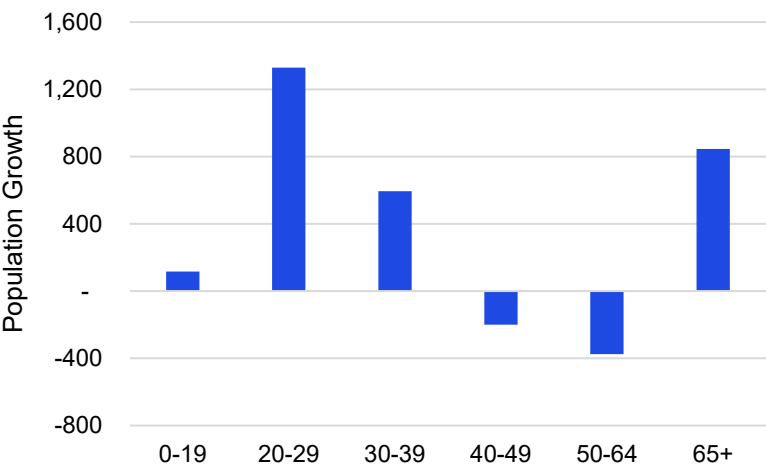
Population growth also showed variability, with 2.6% in 2022, before settling at 0.7% in 2024. The growth of the population aged 20–64 followed a similar trend. This would no doubt be related to a decline in the availability of affordable housing over the same period.

Wollongong was one of the few Enterprising Cities where dwelling approvals increased in 2024 from 1,613 in 2023 to 2,033 in 2024. However, this was still below the five-year average of 2,117 dwelling approvals.

Over the next five years, it is projected that 18,000 new jobs will be located in Wollongong.

Snapshot: Wollongong (cont.)

Figure 59 – Population Growth by Age Group 2024



Source: KPMG Australia analysis of ABS population data

Younger working cohorts, specifically the 20–29 and 30–39 age brackets, grew by 1,300 and 600 people, respectively. This trend aligns with the city’s robust labour market and more affordable housing compared to Sydney, attracting younger workers to the area.

In contrast, the older working cohorts experienced a decline, with 200 fewer people in the 40–49 age group and 400 fewer people in the 50–64 age group compared to the previous year, 2023.

Meanwhile the 65+ age group is experiencing significant growth, highlighting Wollongong as an appealing destination for older workers and retirees.

The 0–19 age group only saw a modest increase of 100 people as the number of births has fallen.

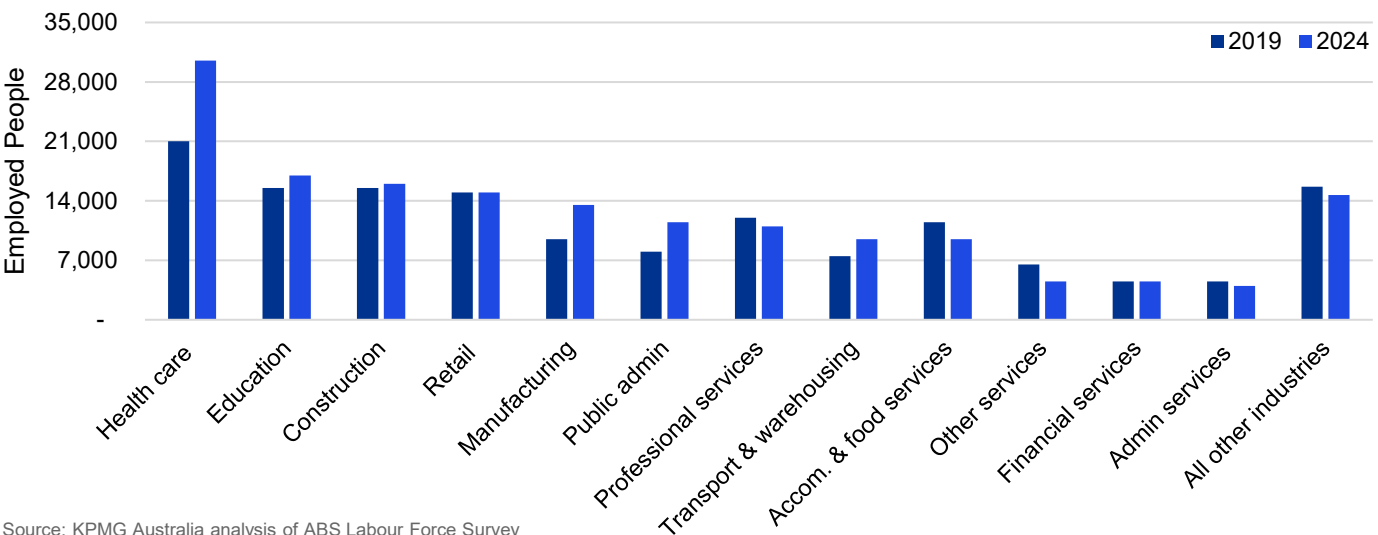
Industry analysis

Health care remains the largest industry in Wollongong, with growth in employment from 21,000 jobs in 2019 to 30,500 in 2024. This significant rise highlights the industry’s pivotal role in the region’s economy, bolstered by increased demand for health services, aged care and continuing investment in health care infrastructure.

Manufacturing also grew notably from 9,500 to 13,500 jobs on the back of investments in local production capacity. The Education industry, another significant employer, saw a modest increase from 15,500 jobs in 2019 to 17,000 in 2024. In particular, the higher education sector had a challenging period during the pandemic and has been impacted by international student caps. Public administration employment increased from 8,000 to 11,500, and Transport & warehousing rose from 7,500 to 9,500 jobs. Accommodation & food services saw a decrease in employment likely related to cost-of-living pressures over the past two years.

Wollongong also has a range of niche sectors, including the 1,800 people involved in the ‘Siligong Valley’ which is aimed to further develop a network of tech professionals and entrepreneurs to grow the city’s tech hub.¹³

Figure 60 – Industry Employment Structure

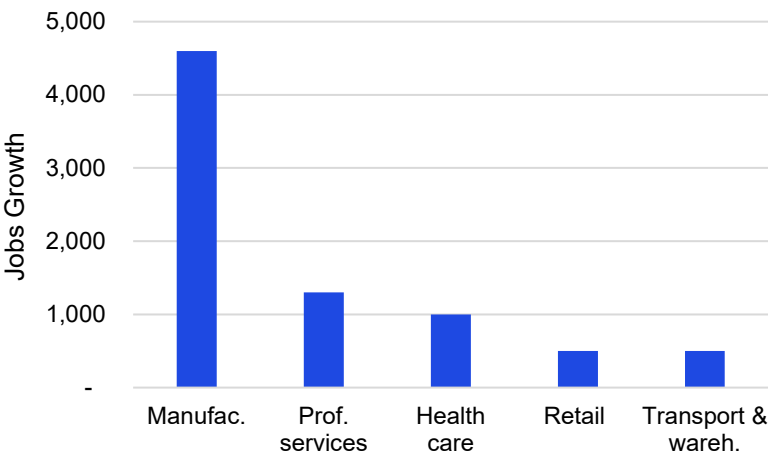


Source: KPMG Australia analysis of ABS Labour Force Survey

¹³ Reference: [Siligong Valley](#)

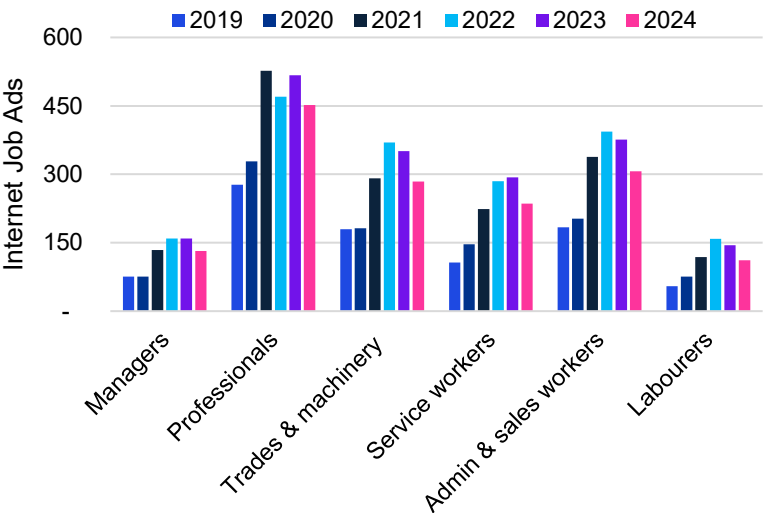
Snapshot: Wollongong (cont.)

Figure 61 – Top 5 Growing Industries (2024)



Source: KPMG Australia analysis of ABS Labour Force Survey

Figure 62 – Internet Job Vacancies



Source: KPMG Australia analysis of Jobs & Skills Australia

Wollongong is a growing manufacturing hub. The Manufacturing industry is evolving, with new technologies and market demands, adding over 4,600 new employees in 2024.

The employment growth in Professional services (1,300 jobs) and Health care (1,000 jobs) indicate a diversifying economy. While Retail and Transport & warehousing grew slightly, caution should be used when interpreting small changes in industry employment based on a sample survey.

Internet job vacancies

Online job ads for all positions in Wollongong have grown strongly over the past six years. Manager positions increased from 76 in 2019 to 132 in 2024, indicating a strong demand for leadership roles.

Similarly, Professional positions increased from 277 in 2019 to 452 in 2024, highlighting the expanding white-collar workforce.

Trade & machinery worker ads increased, while Service worker ads experienced the highest growth rate, growing from 107 to 235. Admin & sales worker and Labourers increased strongly between 2019 and 2024.

Future outlook

Over the next five years, it is projected that there will be 18,000 new jobs (2.2% annual growth), which is in line with the previous five years' growth (2.2%). Manufacturing will continue to be an integral industry for the city.

The increased global tariffs have created a level of uncertainty for local manufacturers. They are adapting to this changing market by embracing new technologies and will require more skilled workers. These workers will be supported by a \$47 million investment from the State and Commonwealth to establish the Illawarra Heavy Industry Manufacturing Centre of Excellence at TAFE Wollongong.¹⁴

The city's university attracts both domestic and international students, although international student caps are a headwind for future growth. The port continues to be an essential gateway for both domestic and international trade. BlueScope Steel is making a significant investment in its blast furnace and is looking to transform the surplus land adjacent to its plant into a next-generation, multi-industrial precinct.

Health services and aged care providers are expanding to meet the needs of the growing population. The addition of 10,000 square metres of office space in the Wollongong CBD over the next two years¹⁵ will support increased white-collar employment, helping to drive the local economy forward. The supply of affordable housing is the key challenge for Wollongong. The increase in dwelling approvals in 2024 provides some hope that the housing construction market has turned, and supply will only increase over the next five years.

¹⁴ Reference: [Heavy Industry Manufacturing Centre of Excellence](#)

¹⁵ Reference: [Wollongong Office Market Vacancy](#)

Key enablers for Enterprising Cities

Affordable housing

Australia is experiencing a housing crisis that is having a significant impact on the productivity and future prosperity of Enterprising Cities. The lack of availability and affordability of housing is detrimentally impacting the economic and social wellbeing of businesses, households and communities.



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For decades in Australia, the housing system has been part of the free market economy, and as such, the financialisation of housing as a consumer product and investment commodity has occurred. Very little consideration has been given to housing as a human right and the fundamental role that access to affordable and appropriate housing plays in a vibrant, prosperous and equitable society.

As the housing crisis deepens and widens, rates of home ownership have declined, the availability of private rental properties are at record lows, the percentage of household income consumed by housing costs has dramatically increased, and the number of households experiencing homelessness has risen. This presents the Enterprising Cities with a housing challenge. These regions need more workers, and the lack of housing presents a clear economic brake on growth, as well as contributing to greater social inequity.

Policy certainty, the housing ecosystem, and the essential role of community housing

Australia has not had a bipartisan commitment to a national housing strategy and policy since the post-war era. Housing policy has been determined by electoral cycles. Policy consistency and certainty are now critical. A national housing strategy and policy, establishing social and affordable housing as critical infrastructure, with Commonwealth leadership and state and local government agreement, would enable all players across the housing ecosystem to work together towards agreed and deliverable outcomes. Partnerships between all levels of government, community housing providers, developers, builders, manufacturers, financiers, and institutional capital are critical.

Community housing providers (CHPs) are purpose-driven organisations attuned to the needs of the communities within which they operate. Highly capable of designing and

delivering housing and services tailored to the needs of Enterprising Cities, CHPs are an essential part of the housing ecosystem and are uniquely positioned to partner with all levels of government and the private sector, leveraging the best of both.

Policy certainty and the recognition of housing as essential infrastructure will encourage the deployment of institutional capital, partnering with government and CHPs, who in turn will be able to establish a replicable and scalable pipeline of new housing supply. That certainty will enable CHPs to confidently invest in their own growth, capability and capacity. This will then ensure their partners across the housing ecosystem invest in new partnership models and long-term relationships, all of which will contribute to the acceleration of much needed new homes in the Enterprising Cities.

KPMG's unique expertise and deep practitioner knowledge of affordable housing can help address the complex challenges players across the housing ecosystem face:

- Working with CHPs to prepare for and accommodate growth by building capability and capacity in systems, process, people and culture.
- Working with developers, builders, financiers and all levels of government to structure partnerships with CHPs.
- Taxation solutions, capital structuring, in addition to asset and portfolio management.
- Bid advisory and project feasibility.
- Governance risk and controls.

KPMG's ambition is to positively impact the Enterprising Cities by enabling our clients to deliver the homes needed to meet current and future workforce demands.

Local government

Local councils are the tier of government closest to community, with the opportunity to drive value in local economies by creating and enabling the conditions for local business to thrive.



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Councils, in collaboration with governments and private sector organisations, offer grants, incentives, programs, and services to promote a city's reputation, attract investment, and supply local talent.

Local governments also create and sustain safe, liveable, and accessible communities to retain and attract residents.

Delivering these services poses challenges. Many factors drive a thriving community and economy; not all are controlled by councils. Advocacy and partnerships with state and federal governments are crucial, especially for transport, education, and health infrastructure investments.

Sustaining community support, especially during economic transitions, is challenging. Future-oriented investments may not always meet short-term community needs. Some LGAs have space for development, while urban areas face constraints.

The challenge is to create an environment that encourages continuous physical and economic development.

KPMG's Local Government team help councils all over the country to solve complex problems and deliver impact to the communities they serve. If you want to understand how best to pull on the levers that will drive and enable local businesses to thrive, get in touch.

Family business

Family businesses play a significant role in the economy of Enterprising Cities. These businesses are known for their long-term horizons, local reinvestment and strong community involvement.



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Many of Australia's successful family businesses are located in the 12 Enterprising Cities. Building an ecosystem that allows current and future business families to succeed is key to the continued growth of a city.

Family businesses make significant contributions to Enterprising Cities, including:

- creating jobs often with a strong desire to ensure jobs remain local
- investing locally and remaining deeply committed to their communities
- ensuring diversity in the local business ecosystem, bringing unique skills and expertise that mitigates the risk of wider economic downturns
- operating in a variety of industries
- thinking long term with a focus on sustainable growth.

Family businesses face many of the traditional business issues alongside their non-family counterparts, and also have unique challenges that come from being a family in business together.

Top of mind for many are the core issues of:

- ownership succession and estate planning
- digital and business transformation
- family governance.

Understanding the dynamics of family businesses is vital for a city's success and economic impact.

We can help address challenges in succession and estate planning, digital transformation and family governance.

Industry 4.0 and industry innovation

The first industrial revolution occurred more than a century ago and profoundly transformed manufacturing and society. Today, advanced technologies like artificial intelligence, big data and the Internet of Things have revolutionised manufacturing, providing local companies with a global innovation platform. Industry 4.0 empowers manufacturers to optimise operations, enhance client value, reduce costs and multiply profits.



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Industry 4.0 enables Australian manufacturers to make data-driven decisions, reduce waste, tackle energy costs, use alternative supply chains, and handle volatile commodity prices.

The Australian Government supports this with the \$15 billion National Reconstruction Fund to enhance regional manufacturing hubs and meet domestic demand.

Knowing which R&D tax grants and tax depreciation measures are available is key to funding necessary investments in assets and technology for improved production.

Embracing Industry 4.0 is essential for manufacturers to thrive in the advanced manufacturing landscape.

A few key questions to ask yourself are:

1. What's our manufacturing maturity level in Australia and compared to global competitors?
2. Where are the main challenges for scalable and sustainable operations?
3. What key initiatives and programs should we prioritise to overcome these challenges?
4. What roadmap should we follow to maximise investments and create new value chains?
5. What business case demonstrates ROI for the board or investors to secure proper funding?
6. How will we manage and deliver the roadmap to ensure outcomes and benefits?
7. What government support and benefits can we obtain?

At their core, most government programs are designed to support economic growth. However, they can present as a bewildering array of programs, each with different requirements, opening and closing dates, funding levels and of course, competitiveness.

As a result, it can be difficult to identify and access the right programs for a given business; and it should be noted that both industry and location can play critical roles as many government programs are aligned to strategic industries and geographies.

It's important to align government support with your business plan (not the other way around) and focus on how these programs can accelerate innovation and growth. It's also advisable to avoid the lure of chasing 'free money' without clear alignment with your long-term goals. When formulating your innovation strategy and external support, consider these questions:

1. What sort of support would help you most?
2. If you pursue government support, do your projects align with current government priorities?
3. If you pursue collaboration, what sort: joint ventures, university partnerships, CRCs?
4. Do you have the expertise and time to navigate questions 2 and 3 and if not, who can you call on to help?

The answers to these questions should help round out your innovation strategy and position you to collaborate and/or access government support.



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Environmental, social and governance

Environmental, social and governance (ESG) is becoming an increasingly important consideration for businesses around the world. ESG encompasses a wide range of issues including climate change, human rights, employee welfare and corporate governance.



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With the introduction of Australia's first mandatory sustainability reporting standard (AASB S2) Australian reporting entities must now prepare for their upcoming reporting obligations.

With the first reports due from year ended 31 December 2025, the time to prepare is now. The standard is climate risk and opportunity centric and focuses on four main pillars of disclosure around Strategy, Risk, Governance and Metrics & Targets. Functionally it requires you to perform a carbon inventory for Scope 1 and Scope 2 emissions (in year 1) along with climate risk modelling and scenarios before considering your risk, strategy and governance response and arrangements.

Consider these questions to assess your readiness for mandatory reporting:

- Do you know which reporting group you fall into and when your first report is due?
- Have you performed a double materiality assessment to land on material topics to disclose?
- Have you performed an AASB S2 gap analysis and prepared a reporting readiness roadmap to execute on any gaps?

Prioritising ESG considerations will benefit your business and enhance its appeal to customers, employees and investors.

Our KPMG Enterprise ESG, Sustainability & Impact team is working alongside clients to help them prepare practical ESG readiness and meaningful reporting.

First Nations partnerships

Financial performance is not the sole measure of a business's success; social and environmental impacts are also critical. Social licence to operate has become increasingly important as businesses face social and environmental sustainability challenges.



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The benefits of gaining and maintaining a Social Licence to Operate (SLO) can be substantial, leading to stronger community relationships, enhanced reputation, fewer operational disruptions, and a competitive edge.

Conversely, failing to secure an SLO can result in project delays, increased scrutiny, or cessation of operations.

To gain an SLO, project proponents should engage meaningfully with First Nations peoples and businesses, partner through benefit sharing, and build long-term relationships for participation and economic development. Employment and procurement partnerships can support First Nations communities and the goals of the national agreement on Closing the Gap.

Diverse supply chains with First Nations businesses can also become more innovative, flexible and sustainable.

KPMG Indigenous Services leads engagements with a culturally authorised team, understanding the importance of cultural context and specialising in Indigenous economic and business development, engagement, participation, and reconciliation.

Leveraging deep networks and capabilities, KPMG connects private, corporate, and government sectors with Traditional Owner groups and First Nations communities for ongoing engagement and genuine collaboration.

Community trust through cyber readiness

Across Australia's growing cities, government and businesses play a central role in shaping the pace and quality of economic and community development. From delivering services to maintaining infrastructure, there is an increasing reliance on digital systems. This shift has brought clear benefits, but it has also introduced new risks.



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Cyber security is one of the most pressing challenges facing local government. Many councils manage core systems never designed to operate in an interconnected, online environment. Others are dealing with inherited infrastructure, legacy vendors, and longstanding underinvestment in digital capability.

In several Enterprising Cities, ransomware attacks, email compromises, and data breaches have disrupted council operations and shaken public confidence. Even where incidents are minor, recovery often stretches scarce resources and delays important projects.

Understanding the exposure

Most organisations are not short on effort or intent. What they lack is consistent access to funding, skilled personnel, and coordinated support. As a result, exposure to cyber risk remains high, particularly in regional centres and outer urban areas experiencing rapid growth.

Contributing factors include:

- shared IT environments or outsourced service models, which often lack clear accountability for security
- procurement of digital tools and platforms frequently done without cyber security requirements embedded upfront
- staff across business units may be responsible for critical data or systems without formal training or clear incident procedures.

Most organisations know these issues exist but addressing them is rarely straightforward. Competing priorities, operational backlogs, and community expectations leave little room for dedicated cyber security programs.

Five practical actions to reduce cyber risk

- 1. Map your digital environment**
Identify your critical systems, data assets, and third-party providers. Know where risk sits and who's responsible.
- 2. Focus on the fundamentals**
Ensure multifactor authentication, system patching, regular backups, and endpoint protection are consistently applied.
- 3. Make cyber security part of procurement**
Include clear security and response requirements in every digital contract and third-party engagement.
- 4. Nominate a cyber risk lead**
Assign internal accountability, even if shared across teams.
- 5. Engage with others**
Join sector forums and working groups to share intelligence and strengthen collective resilience.

These steps don't require new technology. They require visibility, commitment, and a deliberate plan.

A foundation for growth

The economic and social role of councils is expanding. As they oversee development initiatives, manage large data volumes, and deliver digital services, cyber security must be treated as essential infrastructure.

Secure, well-managed systems are the foundation of public trust. Without that trust, local growth is at risk.



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