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NSW Economy



NSW is the centre of the national economy and home to Australia's global city, Sydney. NSW is home to 6.9 million people, almost a third of Australia's population.

NSW: Australia's dominant economy
NSW has the largest economy in Australia, valued at \$360 billion in 2007-08 or about 32% of Australia's GDP. This is one third larger than that of the next State, and Sydney alone accounts for almost one quarter of Australia's GDP.

The NSW economy is larger than each of the national economies of Hong Kong SAR, Thailand, Malaysia, Singapore, the Philippines and New Zealand.

NSW has a diversified and knowledge intensive economy. In Australia it accounts for:

- 44% of the Australia's finance and insurance industry
- 38% of the property and business services industry
- 36% of the cultural and recreational services industry
- 35% of the communications industry
- 32% of the manufacturing industry.

NSW has the largest manufacturing industry in Australia, contributing \$35.1 billion in 2007-08 to the State's economy.

The NSW Government has triple-A credit ratings from both Moody's and Standard & Poor's, proof of the State's strong economic credentials.

NSW is home to more than 65% of all Asia Pacific regional headquarters located in Australia as more than 600 companies recognise the State as the centre of Australian business.

About 1,680 contact centres operate 111,000 seats in NSW, 44% of the total for contact centres in Australia. NSW has a highly skilled and multilingual workforce, suitable for the location of international customer service centres.

Employment in the financial services industry in Sydney is now nearly half the size of London's and 40% the size of New York City's.

In Australia NSW is home to:

- 81% of Asia Pacific finance and insurance regional offices
- 80% of domestic and foreign bank headquarters
- 73% of property and business services regional offices
- 60% of manufacturing regional headquarters
- 76% of all information and communications technologies (ICT) regional headquarters
- 46% of information and communications technology (ICT) businesses
- 80% of multinational pharmaceutical companies in Australia and 70% of pharmaceutical companies with regional headquarters
- about 28% of the national market capitalisation of ASX listed biotechnology companies. These 36 companies have a market value of \$9.5 billion.

Growing economy

In 2008, just over 44,000 new companies registered in NSW, compared with just under 44,000 in Victoria and over 30,000 in Queensland.

NSW also has many more companies overall than the other States. In 2007 there were around 680,000 businesses in NSW, about 175,000 more than in Victoria and 275,000 more than Queensland.

Investment Climate

Business investment in NSW reached \$45.6 billion in the 2007-08 financial year - the highest of all States - representing a rise of 17.1% in real terms compared with the previous year. At the same time NSW represented 25% of Australia's total business investment.

Capital spending on machinery and equipment by NSW businesses rose in real terms by 24.5% to \$24.3 billion, encouraged by high levels of capacity utilisation and strong profitability.

Engineering and commercial building construction reached \$15.8 billion in the 2007-08 financial year, an increase of 7.2% over 2006-07 in real terms.

Businesses in NSW also increased their spending on intangible fixed assets (including computer software, intellectual property royalties and mineral exploration) in 2007-08, with investment valued at \$5.0 billion, up by 15.3% in real terms from 2006-07.

The NSW Government is actively helping companies invest and grow their businesses in NSW. In 2007-08, the Department of State and Regional Development (DSRD) facilitated over \$1.2 billion in new private sector investment, and helped to create and retain around 9,400 jobs. This includes 5,300 jobs and over \$791 million worth of investment in regional NSW.

Export

In 2007-08 NSW recorded \$20.6 billion or 40% of Australia's total services exports.

In 2007-08, total goods and services exports from NSW amounted to more than \$50 billion, with the five largest exports being:

- travel services (\$10.3 billion) - goods and services purchased by travellers and foreign workers
- coal and coke (\$6.2 billion)
- business, professional and technical services (\$3.9 billion) - business services for foreign companies and individuals
- transportation services (\$3.7 billion) - freight and domestic travel for non-residents
- non-ferrous metals (\$2.8 billion) - largely copper and aluminium

NSW merchandise (goods) exports for 2007-08 were worth \$30 billion, up 7% on 2006-07.

In 2007-08, manufactured exports from NSW totalled \$11.7 billion and accounted for about 40% of the State's merchandise exports. Total elaborately transformed manufactures (including medicinal and pharmaceutical products, and professional, scientific and controlling instruments) amounted to \$8.2 billion in 2007-08.

Find out more

Find out more facts and figures about Sydney and NSW in the [NSW Competitiveness Report](#).

For more information

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