

Media Release

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VICTORIA'S STRONG ECONOMIC PERFORMANCE LEADS NATION

Victoria's economic recovery is powering ahead with strong household spending demonstrating consumer confidence and driving growth in economic activity higher than in any other state.

National Accounts data from the Australian Bureau of Statistics (ABS) shows Victoria's State Final Demand soared by 2.4 per cent in the March quarter – the best performance of all the states, twice the level of New South Wales and 50 per cent higher than the national average of 1.6 per cent.

The March quarter result followed a 3.5 per cent increase in the December quarter and puts Victoria's annual rate of growth at 6 per cent, dwarfing New South Wales' 3.8 per cent.

The ABS figures confirm Victoria has recorded the strongest growth of all the states in State Final Demand since November 2014, when the Andrews Labor Government took office.

Household consumption was the backbone of the strong March quarter results as Victorians embraced the return to activities they love such as playing and watching sport, catching a movie with friends and going out to dinner.

Spending in hotels, cafes and bars was up by more than 10 per cent in the quarter, while big increases were also seen in transport services and vehicle sales.

The Labor Government provided more than \$13 billion in support for small and medium-sized businesses and workers during the pandemic, laying the foundations for the strong economic and jobs growth now being seen.

More than 11,000 jobs were added in Victoria in April, taking the total jobs created since 2014 to more than 575,000 – proportionally more than any other state. That number includes more than 430,000 full-time jobs and a significant jump in female employment, with over 900,000 women in full-time work.

State Final Demand is a measure of economic activity that looks at the total amount of goods and services used in the economy.

Victoria's economy is set to continue to expand and support more jobs, with forecasts in the *Victorian Budget 2022/23* predicting a 5.5 per cent rise in Gross State Product in 2021-22 followed by growth of 3.25 per cent in 2022-23 and 2.75 per cent in each of the final two years of the forward estimates.

Quotes attributable to Treasurer Tim Pallas

"These results show that households are spending, businesses are investing and taking on new workers, and our remarkable recovery is continuing apace."

"Every Victorian should feel proud that we are leading the nation. This momentum means more opportunities for businesses across the state and more jobs for Victorians."