Regions and Cities at a Glance 2020 *provides a comprehensive assessment of how regions and cities across the OECD are progressing in a number of aspects connected to economic development, health, well-being and net zero-carbon transition. In the light of the health crisis caused by the COVID-19 pandemic, the report analyses outcomes and drivers of social, economic and environmental resilience. Consult the full publication* here*.*

OECD REGIONS AND CITIES AT A GLANCE - COUNTRY NOTE

AUSTRALIA

A. Resilient regional societies

B. Regional economic disparities and trends in productivity

C. Well-being in regions

D. Industrial transition in regions

E. Transitioning to clean energy in regions

F. Metropolitan trends in growth and sustainability

The data in this note reflect different subnational geographic levels in OECD countries:

- **Regions** are classified on two territorial levels reflecting the administrative organisation of countries: large regions (TL2) and small regions (TL3). Small regions are classified according to their access to metropolitan areas (see https://doi.org/10.1787/b902cc00-en).

- **Functional urban areas** consists of cities – defined as densely populated local units with at least 50 000 inhabitants – and adjacent local units connected to the city (commuting zones) in terms of commuting flows (see https://doi.org/10.1787/d58cb34d-en). Metropolitan areas refer to functional urban areas above 250 000 inhabitants.

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A. **Resilient regional societies**

Occupations in the capital region offer the highest potential for remote working in Australia

A1. Share of jobs amenable to remote working, 2018
Large regions, TL2 (map)
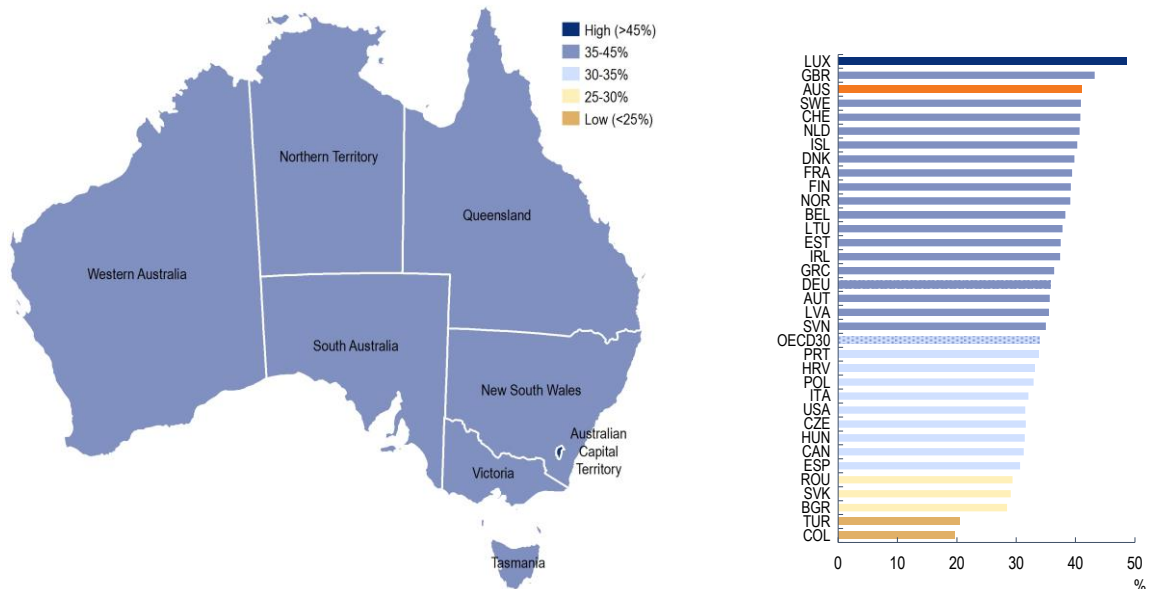
The share of jobs that can be performed remotely is relatively homogeneous across Australian regions. Close to 40% of jobs are amenable to remote working in all states except the Australian Capital Territory, where that share is 51% (Figure A1). Such differences depend on the task content of the occupations in the regions, which can be amenable to remote working to different extents.

Seizing the opportunities of digitalisation requires also efficient and widespread digital infrastructure. People in the Australian Capital Territory have the highest access to internet in the country, with 94% of the households connected to internet in 2017 (Figure A2). At that time, the share of households with internet access was 11 percentage points lower in South Australia, the region with lowest average access in the country.

A2- Internet access
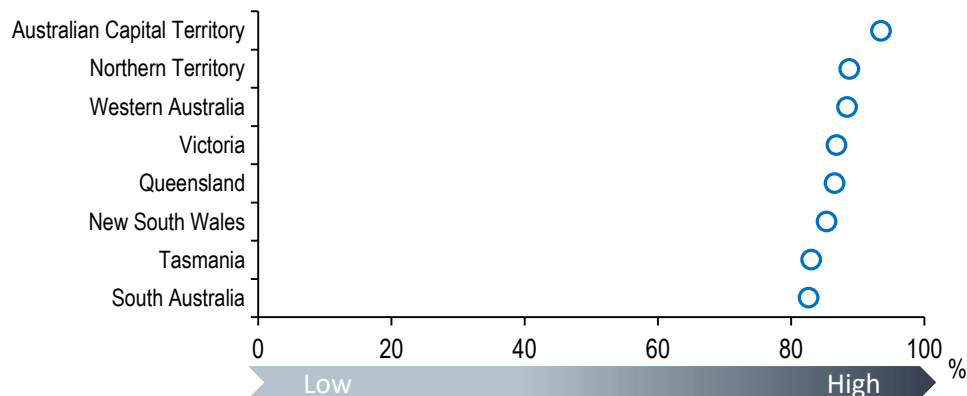○ % households with internet access 2016-17

Ageing challenges regions far from metropolitan areas more strongly

The elderly dependency rate, defined as the ratio between the elderly population and the working age (15-64 years) population, has increased in all types of regions in Australia since 2000. Regions far from metropolitan areas show the highest elderly dependency rate (32%) among the different types of regions (Figure A3). In six out of 50 small regions in Australia, there are two elderly for every five persons in their working-age in 2019 (Figure A4).

A3. Elderly dependency rate
By type of small regions in Australia

A4. Elderly dependency rate, 2019
Small TL3 regions
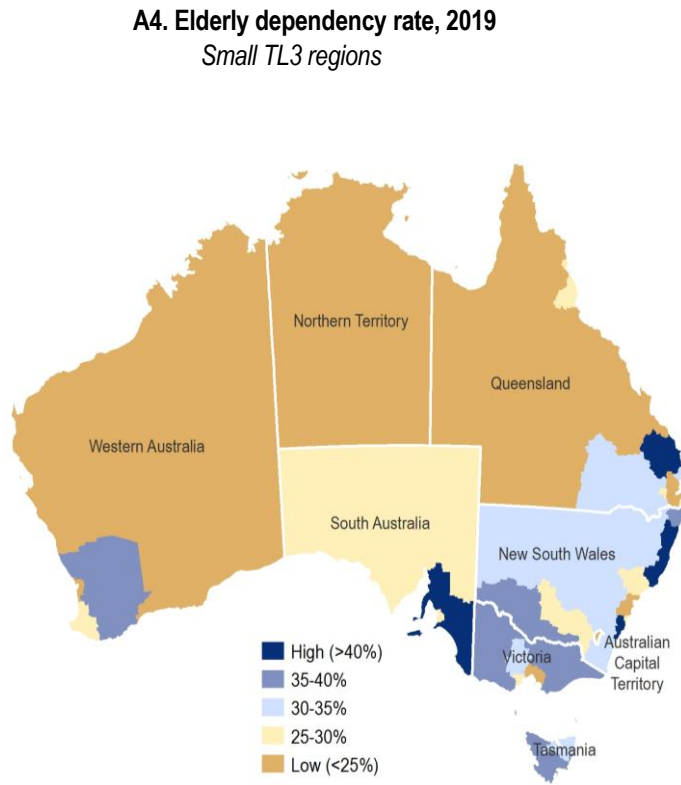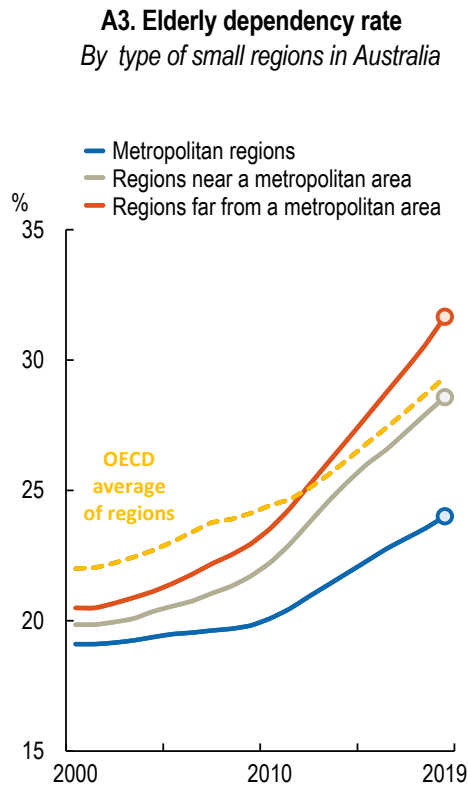
Australian regions have less hospital beds per capita than OECD average

All regions in Australia have less hospital beds per capita than the OECD average. The availability of hospital beds per 1 000 inhabitants has remained stable since 2008 in all Australian regions, except in South Australia, Tasmania and Northern Territory, where it has decreased (Figure A5). Regional disparities in hospital beds are below the OECD average, with Northern Territory having the lowest availability of hospital beds in 2016, almost half of those available per 1000 inhabitants in Queensland.
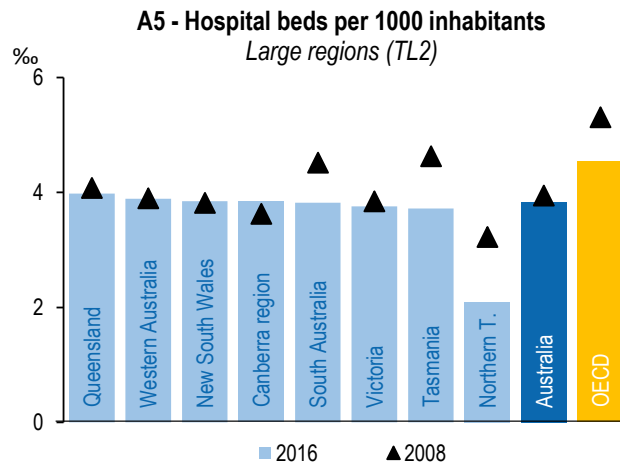
A5 - Hospital beds per 1000 inhabitants
*Large regions (TL2)*

Regional economic gaps have increased since 2000, partially due to high growth in the most productive regions

The gap in GDP per capita between the richest and poorest region increased in Australia over the last eighteen years. Behind this trend is the growth of GDP per capita by more than 50% in the Northern Territory over the period 2000-18, compared to 34% in Tasmania, the region with lowest GDP per capita in the country, in the same period (Figure B1).

B1. Regional disparity in GDP per capita
Top 20% richest over bottom 20% poorest regions
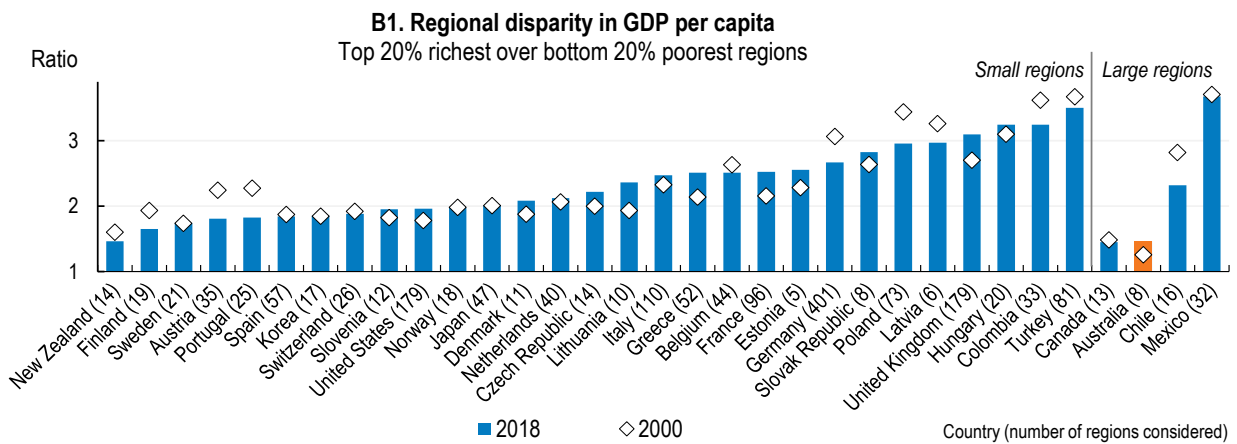
Note: A ratio with a value equal to 2 means that the GDP per capita of the richest regions accounting for 20% of the national population is twice as high as the GDP of the poorest regions accounting for 20% of the national population.

With a productivity growth of 1% per year between 2000 and 2018, Tasmania, the least productive region, has further increased its gap from Western Australia (+2.5% per year), the frontier region in terms of productivity (Figure B2).

B2. Gap in regional productivity
GDP per worker, large (TL2) regions
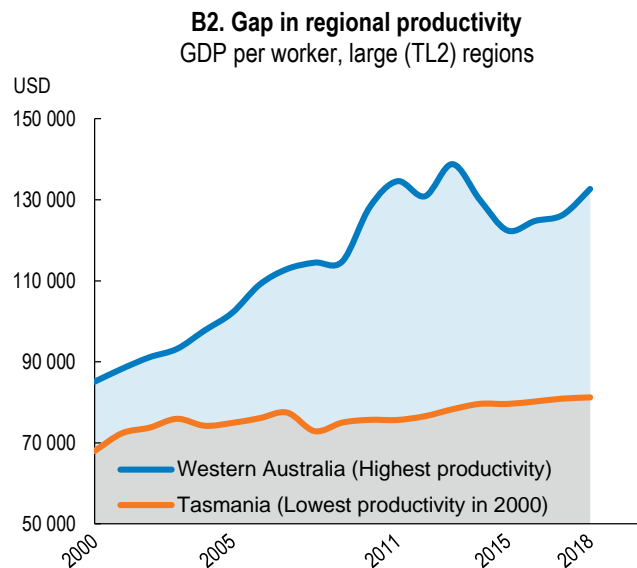
C. Well-being in regions

Well-being in Australian regions is higher than the OECD average in many dimensions, but stark regional disparities exist in sense of community, safety and jobs

C1 Well-being regional disparity, large regions (TL2)

○ Top region ● Bottom region 🟡 Canberra region ∘ States and territories
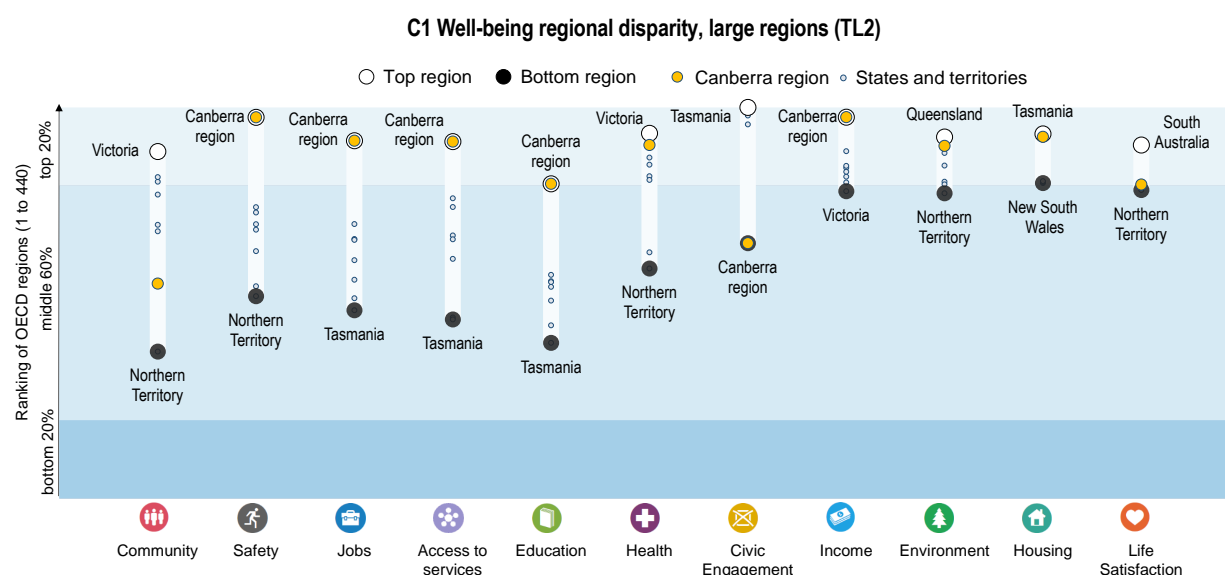
Note: Relative ranking of the regions with the best and worst outcomes in the 11 well-being dimensions, with respect to all 440 OECD regions. The eleven dimensions are ordered by decreasing regional disparities in the country. Each well-being dimension is measured by the indicators in the table below.

All eight Australian states are among the top 30% of OECD regions in terms of household income, environment (exposure to air pollution), housing (rooms per person), and life satisfaction. However, sense of community and safety are highly unequal across Australian states. While Canberra (Capital Territory) is in the top 5% of OECD regions in safety, Northern Territory is in the bottom half. In addition, Canberra ranks the highest among Australian states in five well-being dimensions (Figure C1).

The top performing Australian regions rank above the average of the top 20% of OECD regions in 7 out of 13 well-being indicators, particularly in terms of household income and rooms per person (Figure C2).

C2. How do the top and bottom regions fare on the well-being indicators?

|	Country Average	OECD Top 20% regions	Australian regions	
			Top 20%	Bottom 20%
Community				
Perceived social network support (%), 2014-18	93.8	94.1	95.1	92.1
Safety				
Homicide Rate (per 100 000 people), 2016-18	0.9	0.7	0.7	1.0
Jobs				
Employment rate 15 to 64 years old (%), 2019	74.3	76.0	75.2	73.0
Unemployment rate 15 to 64 years old (%), 2019	5.3	3.3	4.5	6.4
Access to services				
Households with broadband access (%), 2019	85.9	91.3	88.1	83.8
Education				
Population with at least upper secondary education, 25-64 year-olds (%), 2019	80.8	90.3	82.9	77.9
Health				
Life Expectancy at birth (years), 2018	82.8	82.6	83.5	82.3
Age adjusted mortality rate (per 1 000 people), 2018	6.5	6.6	6.1	6.8
Civic engagement				
Voters in last national election (%), 2019 or latest year	91.9	84.2	93.1	89.7
Income				
Disposable income per capita (in USD PPP), 2018	29 858	26 617	34 651	26 271
Environment				
Level of air pollution in PM 2.5 (µg/m³), 2019	5.1	7.0	5.7	7.4
Housing				
Rooms per person, 2018	2.3	2.3	2.6	2.3
Life Satisfaction				
Life satisfaction (scale from 0 to 10), 2014-18	7.3	7.3	7.3	7.2

Note: OECD regions refer to the first administrative tier of subnational government (large regions, Territorial Level 2); Australia is composed of eight large regions. Source: https://www.oecdregionalwellbeing.org.

Both employment and gross value added in manufacturing has declined in all Australian regions since 2000

D1. Share of manufacturing employment, regional gap
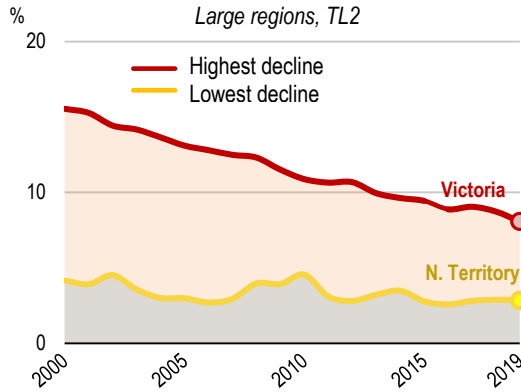
Large regions, TL2

Between 2000 and 2019, all large regions in Australia experienced a decline in the share of manufacturing employment. With a reduction of 7.5 pp in the share of employment in manufacturing, Victoria, the most populous region, recorded the fastest decrease (Figure D1).

The three large regions of Victoria, Queensland, and Western Australia accounted for a larger share of total employment in 2018 compared to that in 2000. The decline in manufacturing employment experienced by all regions during the same period has coincided with a reduction in manufacturing gross value-added (Figure D2).

D2. Manufacturing trends, 2000-18
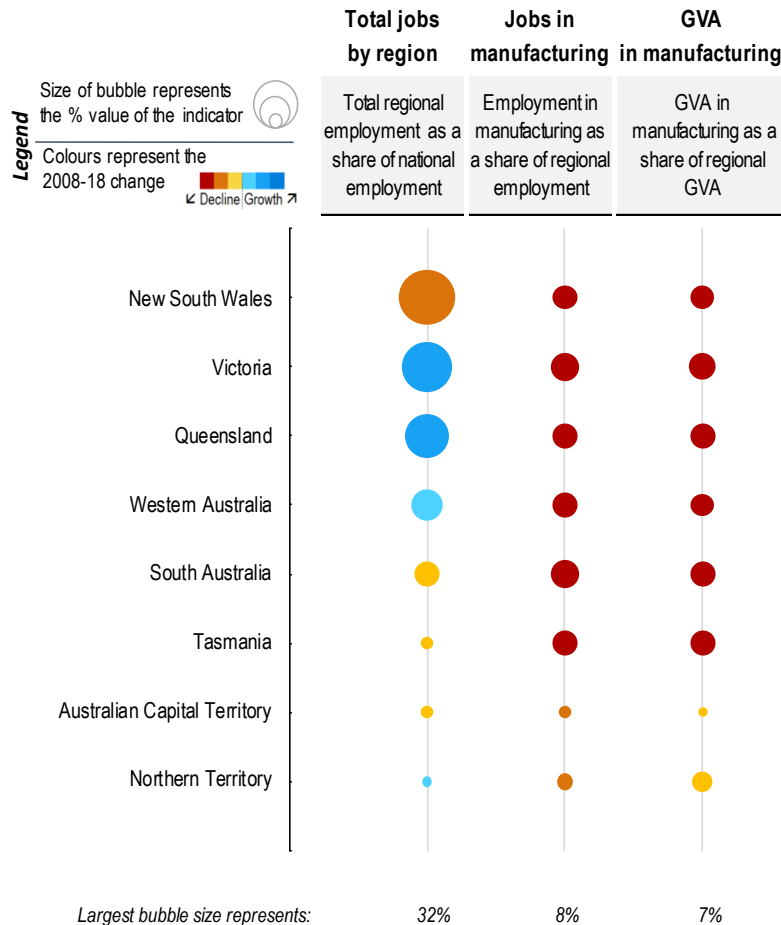

Figure [D.2]: Regions are ordered by regional employment as a share of national employment. Colour of the bubbles represents the evolution of the share over the period 2000-18 in percentage points: red: below -2 pp; orange: between -2 pp and -1 pp; yellow: between -1 pp and 0; light blue: between 0 and +1 pp; medium blue: between +1 pp and +2 pp; dark blue: above +2 pp over the period.

E. Transitioning to clean energy in regions

New South Wales, Queensland and Victoria, which contribute to 78% of Australian electricity, still produce most electricity using coal and with limited use of renewables

The largest producers of electricity in Australia still heavily rely on coal for electricity generation. New South Wales, Queensland and Victoria – which generate 78% of Australian electricity – produce 70% or more of their electricity using coal. On the other hand, South Australia and Tasmania generate 40% and 80% of their electricity using renewable sources, respectively (Figure E1).

E1. Transition to renewable energy, 2017

	Total electricity generation (in GWh per year)	Regional share of renewables in electricity generation (%)	Regional share of coal in electricity generation (%)	Greenhouse gas emissions from electricity generated (in Ktons of CO2 eq.)	
New South Wales	90 416	19%	70%	57 208	New.
Queensland	63 028	6%	75%	45 606	Que.
Victoria	46 815	11%	76%	32 248	Vic.
Western Australia	31 906	5%	40%	19 365	Wes.
South Australia	17 750	40%	16%	6 555	Sou.
Tasmania	6 298	80%	0%	747	Tas.
Northern Territory	1 748	1%	0%	849	Nor.
Australian Capital Territory	57	100%	0%	1	Aus.

CO_2 emissions per electricity generated varies widely across Australian regions. While Queensland emits more than 720 tons of CO_2 per gigawatt hour of electricity produced, Tasmania releases less than 120 tons of CO_2 per gigawatt hour. Relative to total national levels, Queensland produces 24% of Australian electricity, but accounts for 28% of CO_2 emissions from electricity generation in the country. In contrast, South Australia produces 7% of the electricity in the country, but emits 4% of the country's CO_2 related to this activity (E2).

E2. Contribution to total CO$_2$ emissions from electricity production, 2017

Legend:
- Share of electricity production
- Share of CO$_2$ emissions

High carbon efficiency Contribution to total electricity production higher than contribution to CO_2 emissions

Low carbon efficiency Contribution to total electricity production lower than contribution to CO_2 emissions

Categories (x-axis): South Australia, Tasmania, Western Australia, Northern Territory, Australian Capital Territory, New South Wales, Victoria, Queensland
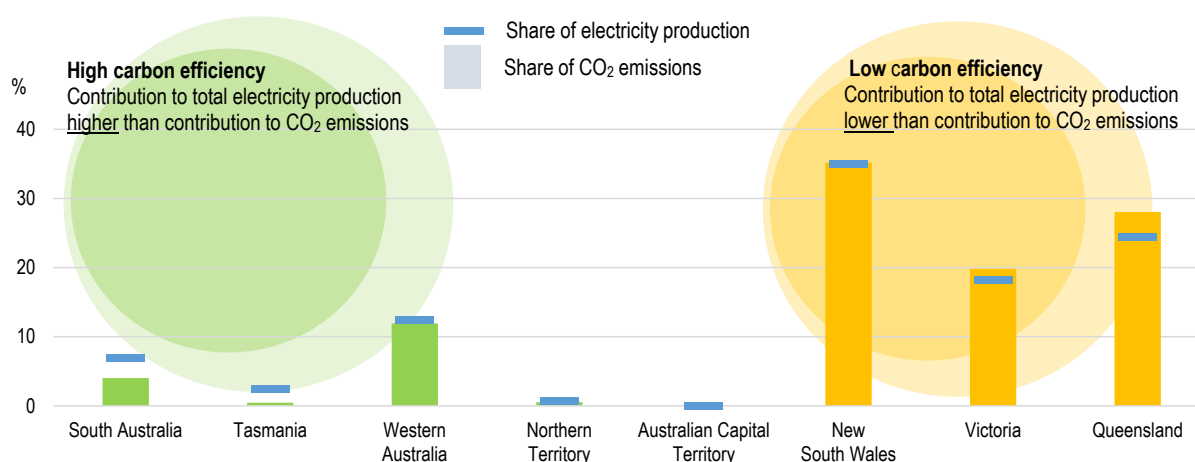
Figure notes: Regions are arranged in Figure E1 by total generation, and in Figure E2 according to gap between share of electricity generation and share of CO_2 emissions (most positive to most negative). These estimates refer to electricity production from the power plants connected to the national power grid, as registered in the Power Plants Database. As a result, small electricity generation facilities disconnected from the national power grid might not be captured. Renewable energy sources include hydropower, geothermal power, biomass, wind, solar, wave and tidal and waste. See here for more details.

F. Metropolitan trends in growth and sustainability

Compared to the OECD average, Australia has a higher concentration of people in metropolitan areas above half a million inhabitants

In Australia, 78% of the population lives in cities of more than 50 000 inhabitants and their respective commuting areas (functional urban areas, FUAs), which is slightly higher than the OECD average. The share of population in FUAs with more than half a million people is 67%, 7-percentage points higher than the OECD average (Figure F1).

F1. Distribution of population in cities by city size
Functional urban areas, 2018

Australia, percentage of population in cities

Population by city size, a global view
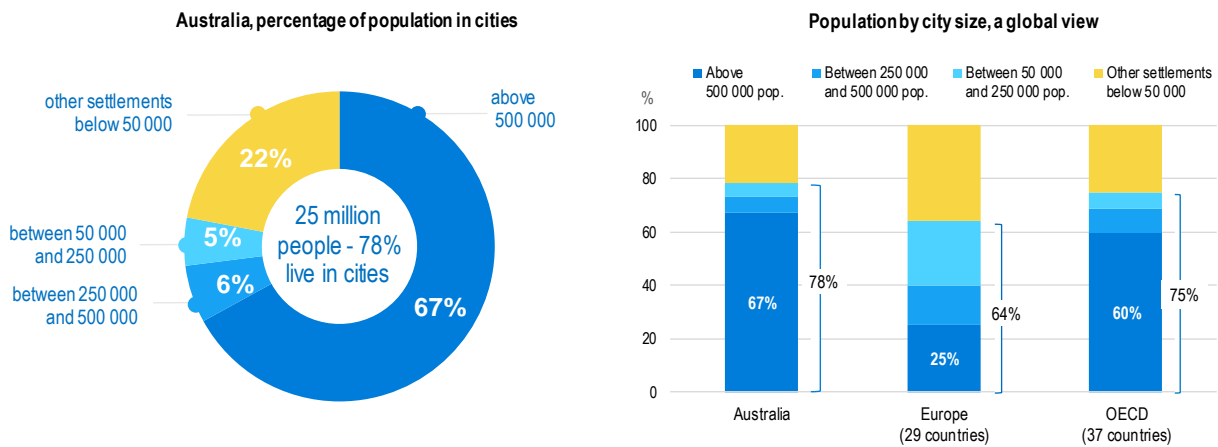
Built-up area per capita in Australian metropolitan areas is significantly higher than the OECD average of metropolitan areas, although it has shown a declining trend since 2000.

Since 2000, built-up area per capita has declined in all Australian functional urban areas except in Gold Coast, where the population and built-up area have grown at similar pace (Figure F2).

F2. Built-up area per capita
Functional urban areas with more than 500 000 inhabitants
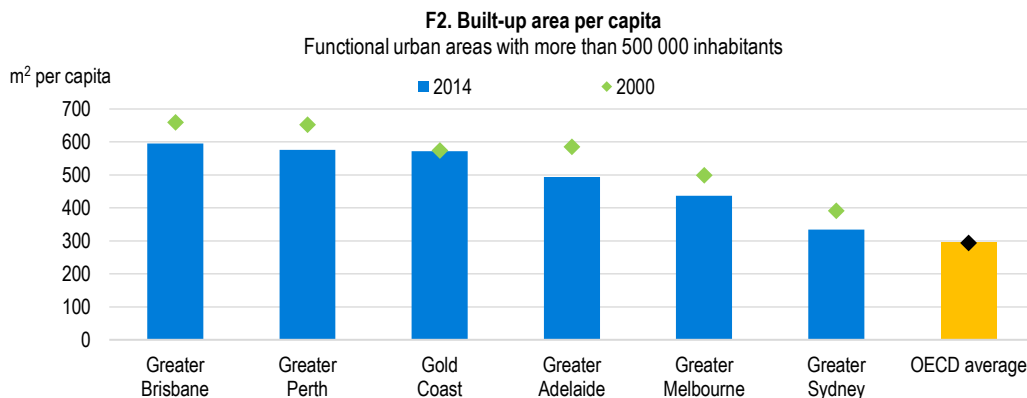
Source: OECD Metropolitan Database. Number of metropolitan areas with a population of over 500 000: six in Australia compared to 349 in the OECD.

The metropolitan area of Perth has experienced the highest economic growth among Australian metropolitan areas since 2000.

With an estimated growth of GDP per capita by more than 2.5% per year between 2000 and 2018, Greater Perth metropolitan area experienced the highest economic growth and ranked in 2018 among the top 5% of OECD metropolitan areas in terms of GDP per capita levels.

F3. Trends in GDP per capita in metropolitan areas
Functional urban areas above 500 000 people

GDP per capita, 2018
- High (>60 KUSD)
- 50-60 KUSD
- 40-50 KUSD
- 30-40 KUSD
- Low (<30 KUSD)

Annual growth GDP per capita 2001-18
- High (>1.5%)
- 1% to 1.5%
- 0.5% to 1%
- 0% to 0.5%
- Low (<0%)

Greater Brisbane

Greater Perth

Greater Adelaide
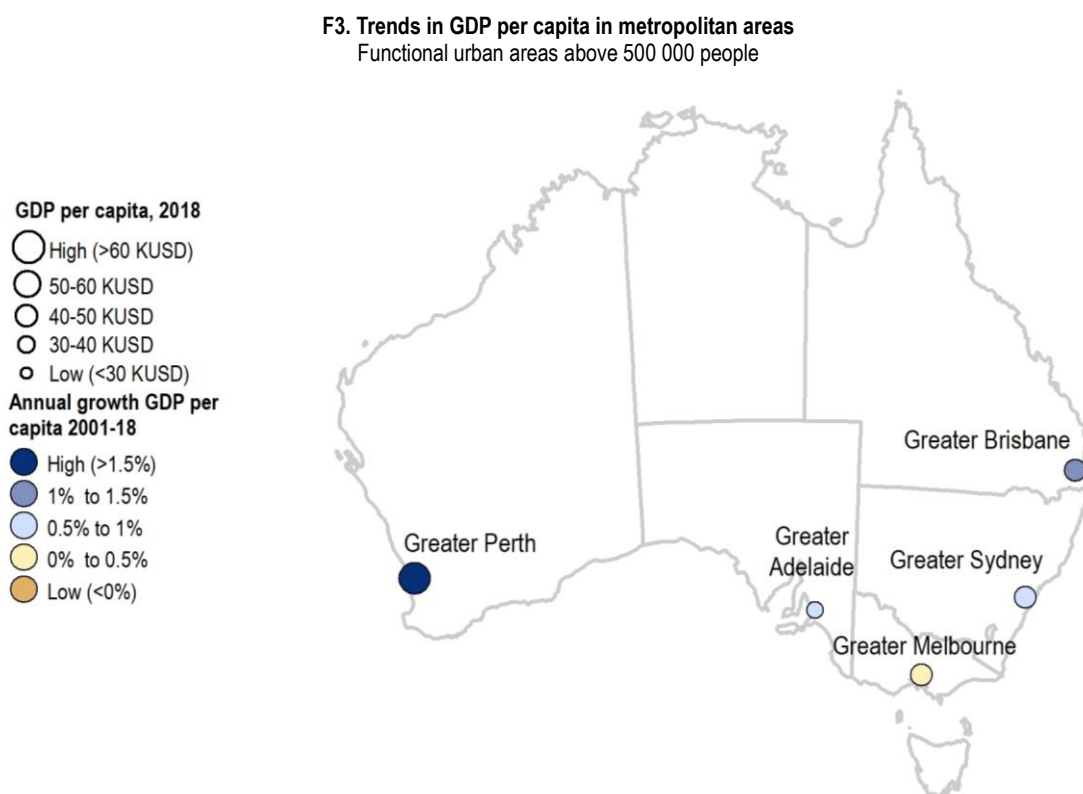
Greater Sydney

Greater Melbourne

Figure [F3]: GDP per capita for Gold Coast is not represented due to low quality of the estimates.