

State of the Regions

2025 Edition

Benchmarking Australia's Regions

Extract

LEADING ECONOMIC INDICATORS



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While the National Institute endeavours to provide reliable forecasts and believes the material is accurate it will not be liable for any claim by any party acting on such information.



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Transition

T.2 Leading Indicators

At NIEIR, we empower government, business, and community leaders with Australia’s deepest regional economic intelligence, helping you understand your economy, plan for the future, and measure your impact. Gain the clarity you need to make informed decisions, with comprehensive intelligence about your region’s economic performance. Our Leading Indicator reports provide the evidence base for tracking change and identifying opportunities or risks before they emerge.

T.2.1 Leading Indicator Reports and Sectors

Initially Leading Indicator reports for each LGA will provide forecasts for the following industry sectors:

1. Agriculture;
2. Mining;
3. Construction;
4. International Trade;
5. Interregional Trade (Local);
6. Tourism;
7. Air Transport; and
8. Local Industry.

The Leading Indicator reports will also provide LGA forecasts for the following areas:

9. Population and Immigration; and
10. Labour Market and Productivity.

The international sector is the export of goods and services from the LGA excluding international exports from agriculture, mining, tourism, and air transport as the sum of these exports represents a significant percentage of Australia’s exports, therefore for many LGAs, the scale of the international exports sector will be small, reflecting Australia’s lack of comparative advantage in non-natural resource exports.

The local sector consists of industries, along with that part of industries, which mainly sell goods and services to local consumers, whether they be households, government, or that part of industries or industries as a whole, that constitute the external sector.

T.2.2 Leading Indicator Reports at the LGA Level

By definition leading indicators are indicators which can be used to determine the value of activity variables up to 4 to 5 quarters ahead from the last available value of the indicator.

Leading Indicator reports will be available at the LGA level from January 2026. The purpose and function of each report will be to:

- (i) provide preliminary estimates of gross product as the quarterly national accounts and labour market statistics become available from the Australian Bureau of Statistics. These statistics become available by the first week of March, June, September and December for the previous

quarter. That is the December data is for the previous September quarter. Accordingly, the Leading Indicator reports will be issued four times a year in the last week of March, June, September and December; and

- (ii) extend at least 4 quarters from the quarter of the last preliminary update, forecasts, for gross regional product by industry, population, employment, unemployment and productivity.

The forecasts for the Leading Indicator reports are prepared with a methodology that minimises the input of human judgement and biases into the projection preparation. That is, the methodology adopted makes the forecast preparation 'mechanical', relying on the information at the time of the forecast preparation to do most of the work in generating the forecasts.

Regional Indicators and Data – More Indicators and at LGA Level

*The full online SOR report contains a two-page indicator set for each SOR region, selected metropolitan cities, Australia and Northern Australia. A wider set of indicator data is also available at LGA level from NIEIR (www.nieir.com.au). Enquiries for LGA level data should be directed to Ryan James at NIEIR.
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