

23 Perth | Australia



Perth is the third ranking city in Australia and places 23rd in our index. The Western Australian city's performance is broad based across the categories we include in our index, and is situated in the top 100 in all but Quality of Life. The city is home to and serves as the operational and export basis to a large part of Australia's important mining sector. This is both a strength and a weakness for Perth; the mining generates substantial economic value for the city, contributing to a high GDP per person as well as a high rate of economic growth for a developed economy city. However, Perth's reliance on the mining sector also comes with drawbacks as it makes the city vulnerable to commodity price and demand fluctuations.

Perth's mining sector also enables the city to attract many foreign-born inhabitants seeking opportunities in its high paying labour market. Indeed, Perth has the strongest population growth score and the second largest share of foreign-born residents in Australia. The city also boasts a high level of educational attainment, supported by the presence of multiple universities, among which one is a part of the "Group of Eight", a group of elite Australian universities. All these elements drive Perth's strong performance in the Human Capital category, in which it is ranked 22nd worldwide.

High incomes associated with the mining and extraction sector also

imply that Perth's inhabitants enjoy a good quality of life on average. However, all of Perth's inhabitants do not benefit from the sector's windfall, creating high income inequality by Australian standards. Also, given the city's remoteness and the general underinvestment in internet connectivity infrastructure in Australia as a whole, Perth suffers from relatively poor levels of internet speed. Its geographic isolation also implies that Perth does not provide the same access to cultural life as some of its Australian east coast peers.

However, being remote does come with perks. Indeed, Perth scores highly when it comes to environmental quality, as the city has high levels of air quality and low emissions intensity. This might seem surprising for a city with a mining sector as large as Perth's, but this can be explained by the mining activities being extraction-focused and involving few air polluting transformation activities. Furthermore, these activities tend to be located away from the city's living quarters.

Perth's fortunes have been closely linked to the mining sector, which should continue to support the economy. Meanwhile, the city's growing services industry will likely also ensure that growth in the city will be more diverse in the future. A key challenge for Perth, then, will be to continue to attract talent to sustain its current growth path.



RANKINGS

ECONOMICS	57 th
HUMAN CAPITAL	22 nd
QUALITY OF LIFE	135 th
ENVIRONMENT	34 th
GOVERNANCE	18 th




KEY FIGURES IN 2023

GDP:	US\$223 billion
GDP per person:	US\$96,600
Population:	2.3 million

STRENGTHS

-  High GDP growth
-  Good air quality
-  High GDP per person

WEAKNESSES

-  Less economic diversity
-  Larger temperature anomalies
-  Slower internet speed