

Household Spending February 2026

Overview

Household spending rose by a seasonally adjusted 0.3% in February, the same as the previous month and slightly more than the 0.2% pencilled in by market consensus.

Annual growth in household spending accelerated to 4.6%, from the downwardly revised 4.5% in January.

The increase in February was quite broad-based, with gains registered in both goods and services. It was concentrated in discretionary spending, while essential spending was flat.

Seasonally Adjusted, %	MoM	YoY
Goods	0.1	3.1
Services	0.5	6.2
Discretionary	0.5	4.6
Non-discretionary	0.0	4.6
Total	0.3	4.6

Industry Groups

Increases were recorded for most groups except for alcoholic beverages and tobacco, transport, as well as the 'miscellaneous goods and services' category.

The strongest gains were recorded in food as well as recreation and culture.

Clothing and Footwear	MoM	YoY
Food	1.0	5.8
Alcoholic Beverages and Tobacco	-0.5	-12.2
Clothing and Footwear	0.1	5.0
Furnishings and Household Equipment	-0.3	3.8
Health	0.2	5.6
Transport	-0.4	2.9
Recreation and Culture	1.1	6.8
Hotels, Cafes and Restaurants	0.4	5.4
Miscellaneous Goods and Services	-0.3	7.8
Total	0.3	4.6

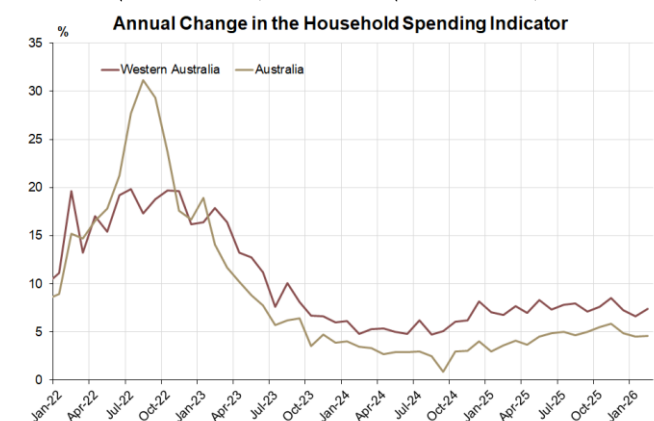
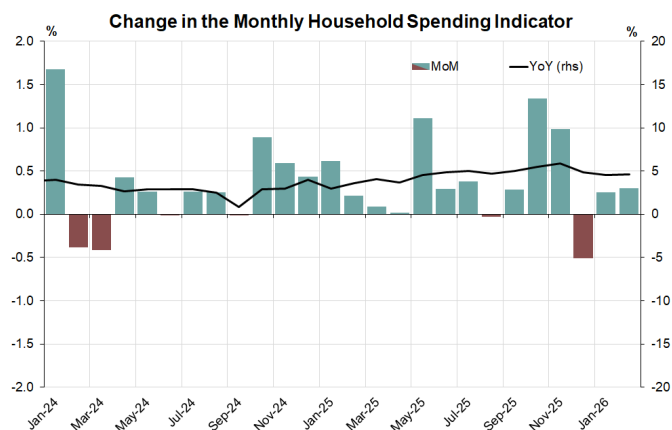
States

Household spending rose in all mainland states except for New South Wales.

Western Australia saw the largest monthly increase of 0.9% and continued to register the strongest annual gain (7.4%).

The rise in Western Australian household spending in February was broad-based, with 'miscellaneous goods and services' being the only category to see a slight decline (-0.2%). Similarly to nationwide, the strongest increases were recorded in food (+2.2%) as well as recreation and culture (+1.3%). Overall, discretionary spending rose by 1.1%, while essential spending picked up by 0.6%.

Seasonally Adjusted, %	MoM	YoY
Western Australia	0.9	7.4
New South Wales	-0.2	3.3
Victoria	0.4	3.8
Queensland	0.5	5.8
South Australia	0.6	5.1
Tasmania	-0.3	4.7



Comment

The February household spending indicator is old news now. However, it shows that Australian consumers entered the fuel price shock and the period of fresh monetary policy tightening with cautious optimism. This followed a spending spree in the second half of 2025, driven by increased promotional activity and higher disposable income.

More timely data on the impact of the fuel price shock on broader household spending are not available at the time of writing. However, the Google Trends application does not indicate a change in interest in grocery shopping in March, at least in the two major supermarket chains. Interest in the major grocery supermarket chains just ahead of Easter was also similar to that in previous years.

The February household spending report was another piece of information confirming that fuel prices were on the decline just ahead of the conflict in the Middle East.

Today also saw the release of some more timely data, particularly on tentative consumer price growth in March, from the Melbourne Institute. It suggested a significant rise in inflation after the escalation of the conflict in the Middle East, to above 4% in annual terms. There was also a broad-based retreat in job ads in March, though it is too early to say if this was triggered by higher uncertainty resulting from the conflict.

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