

The *Australian National Accounts: National Income, Expenditure and Product (ABS 5206.0)* reports state final demand and its components together with international trade in goods. These measures only provide a partial measure of overall economic activity.

Main Features

- Queensland recorded remarkably strong state final demand (SFD) growth of 3.1% in December quarter 2003, compared with national growth of 1.7%.
- Trend data show that growth in SFD has accelerated steadily through 2003, from 0.9% in the March quarter to 3.1% in the December quarter (see Chart 1). In comparison, national growth in domestic final demand (DFD) has increased more modestly, with DFD growth rising from 1.0% in the March quarter to 1.7% in the December quarter (also see Chart 1).

Commentary (trend terms)

- Household consumption* grew by 2.6% in December quarter 2003 (nationally, up 1.6%) and was the major contributor to growth in SFD, contributing 1.5% points to the 3.1% growth in SFD over the quarter. Over the year to the December quarter, household consumption in Queensland rose 8.7% (nationally, up 5.4%).
- Private investment* grew by 5.9% in the December quarter, rising from 5.3% growth in the previous quarter. Growth in *dwelling investment* accelerated in December quarter, to 8.9%. After slowing in the early part of 2003, dwelling investment has rebounded strongly to record the highest quarterly growth since September quarter 2001. Dwelling investment contributed 0.7% point of the 3.1% growth in SFD in the December quarter, the second largest contribution after household consumption. Growth in *business investment* remained relatively steady at 3.7%, following 3.9% growth in the September quarter. Machinery and equipment investment grew by a further 2.8% during the quarter. Non-dwelling construction investment, which slowed in the first half of 2003, has recovered strongly, rising by 2.2% and 6.0% in the September and December quarters respectively.
- Public final demand* rose 0.7% during the December quarter, with public consumption growing by 0.6% and public investment rising 1.7%.
- Exports of goods overseas* remained flat in the December quarter, following two quarters of declines (nationally, up 0.7%). *Imports of goods overseas* rose 4.1% during the quarter (nationally, up 2.9%).

Explanatory Note:

The Queensland results from the ABS Australian National Accounts: National Income, Expenditure and Product should be used with caution, and only for broad comparative purposes with respect to other individual state performances, and not for the assessment of the recent performance of the Queensland economy or for assessment of Queensland's comparative performance with the rest of Australia. The Queensland State Accounts, prepared by the Office of the Queensland Government Statistician, should be used for the latter purposes as they provide a more comprehensive coverage of Queensland's economic performance.

Table 1
State and National Growth
Real Quarterly Growth (%) – Trend

	QLD	AUST
Chain Volume Measure		
Household consumption	2.6	1.6
Public consumption	0.6	0.7
Private investment	5.9	2.9
Public investment	1.7	0.4
Final Demand (State/National)		
	3.1	1.7
International exports of goods	0.0	0.7
International imports of goods	4.1	2.9

Note: Chain volume measures are not strictly additive. As such, there may be discrepancies associated with calculations based on the sum of components.

Chart 1
Real State/Domestic Final Demand
Quarterly Growth – Trend

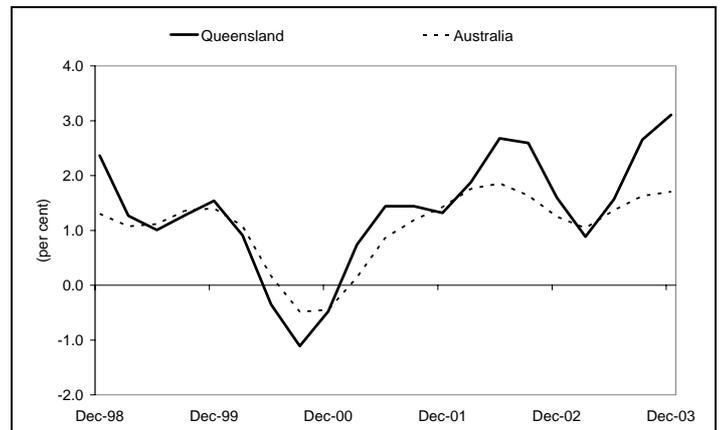


Table 2
Interstate Growth Comparison
Real State/Domestic Final Demand – Trend

	Quarterly % Change	Annual % Change
QLD	3.1	8.5
NSW	1.2	4.8
VIC	0.9	3.3
SA	0.6	5.3
WA	1.8	9.2
TAS	2.1	7.0
AUST	1.7	5.9