



Queensland
Government

QUEENSLAND TREASURY

INFORMATION BRIEF

NATIONAL ACCOUNTS

STATE DETAILS: MARCH QUARTER 2004

ABS 5206.0

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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.

Features

- Queensland continued to record strong state final demand (SFD) growth of 2.0% in March quarter 2004, compared with national growth of 1.3%.
- Trend data show that growth in SFD moderated slightly in the March quarter from the very high growth of 2.5% and 2.4% recorded in the September and December quarters 2003 respectively (see Chart 1). National growth in domestic final demand (DFD) also moderated, with DFD rising 1.3% in the March quarter after 1.5% growth in the previous two quarters (also see Chart 1).

Commentary (trend terms)

- *Household consumption* rose by 2.3% in March quarter 2004 and by 9.7% over the year to the March quarter. Growth in Queensland was significantly stronger than consumption growth nationally, which increased 1.6% in the March quarter and 6.2% over the year.
- *Private investment* grew by 2.2% in the March quarter, easing from 3.8% growth in the previous quarter.

After growing in excess of 5% in each of the previous two quarters, *dwelling investment* rose a further 4.0% in the March quarter, to be 18.0% higher over the year. After slowing briefly in early 2003, dwelling investment has grown rapidly over the past year. Nationally, dwelling investment recorded a more modest 2.3% growth in the March quarter.

Business investment grew by 1.4% in the March quarter, following 2.4% growth in the December quarter. The easing in growth was driven by a decline in machinery and equipment investment (down 1.6%) while growth in non-dwelling construction investment accelerated, rising 8.5% in the March quarter, after 7.2% growth in the previous quarter.

- *Public final demand* growth was steady during the quarter, rising 0.6%, with a 4.6% rise in public investment offsetting a small decline in public consumption (down 0.4%).
- *Exports of goods overseas* rose modestly in the March quarter (up 0.2%), after declining in the previous three quarters. *Imports of goods overseas* rose 2.2% during the quarter, easing from 4.1% growth in the December quarter.

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	2.3	1.6
Public consumption	-0.4	0.4
Private investment	2.2	1.2
Public investment	4.6	0.6
Final Demand (State/National)		
International exports of goods	0.2	1.6
International imports of goods	2.2	2.8

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

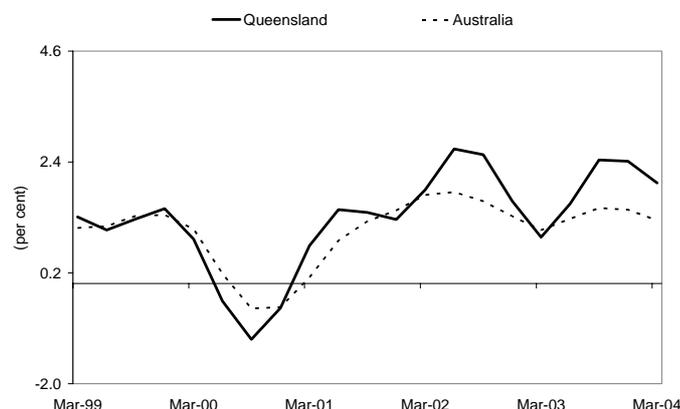


Table 2
Interstate Growth Comparison
Real State/Domestic Final Demand – Trend

	Quarterly % Change	Annual % Change
QLD	2.0	8.8
NSW	0.9	4.0
VIC	1.5	4.8
SA	0.5	4.0
WA	1.0	7.9
TAS	1.7	8.7
AUST	1.3	5.6