



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 provide only a partial measure of overall economic activity.

#### Features

- Growth in state final demand (SFD) moderated in Queensland in March quarter 2005. SFD rose 0.6%, easing from 1.2% in December quarter 2004. SFD growth equalled that recorded nationally, which also rose 0.6%, following 0.9% growth in December quarter 2004.
- Trend data show that growth in SFD has eased steadily since December quarter 2003 (see Chart 1). Despite this, Queensland has still achieved the highest growth in SFD of any state over the year to March quarter 2005.

#### Commentary (trend terms)

- Household consumption* growth remained relatively steady in March quarter 2005. Consumption rose 0.7% during the quarter, following 0.8% growth in the previous quarter, and has risen 4.4% over the year. Quarterly growth in Queensland matched consumption growth nationally (up 0.7% in the March quarter and 3.6% over the year).
- Private investment* growth moderated, to 0.1% in the March quarter, following 2.2% growth in December quarter 2004.

*Dwelling investment* remained strong, rising a further 1.7% in trend terms in the March quarter, to be 5.3% higher over the year. Nationally, dwelling investment declined 2.0% in the March quarter, following declines in the previous two quarters.

*Business investment* declined 0.9% in the March quarter but was still 15.4% higher over the year. The decline was driven by a 2.6% fall in machinery and equipment investment, while non-dwelling construction rose 2.8%. Nationally, business investment rose 1.6% in the March quarter and 13.5% over the year.

- Public final demand* in Queensland remained steady (up 0.1%), following 1.3% growth in the previous quarter. Nationally, public final demand rose 0.4%.
- Exports of goods overseas* declined by 0.5% in Queensland in March quarter 2005, following growth in each of the previous five quarters. Queensland *imports of goods overseas* fell marginally (down 0.1%) during the quarter, the first decline for almost four years.

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

	QLD	AUST
<b>Chain Volume Measure</b>		
Household consumption	0.7	0.7
Public consumption	-0.4	0.3
Private investment	0.1	0.5
Public investment	1.7	0.5
<b>Final Demand (State/National)</b>	0.6	0.6
International exports of goods	-0.5	0.3
International imports of goods	-0.1	1.8

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

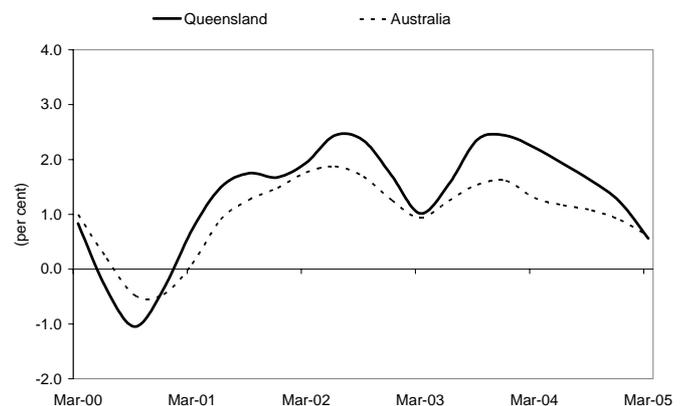


Table 2  
Interstate Growth Comparison  
Real State/Domestic Final Demand (trend)

	Quarterly % Change	Annual % Change
QLD	0.6	5.4
NSW	0.6	3.2
VIC	0.5	3.3
SA	0.2	2.8
WA	0.5	4.7
TAS	1.0	5.3
<b>AUST</b>	<b>0.6</b>	<b>3.8</b>

#### Explanatory Note:

The Queensland State Accounts produced by the Office of the Government Statistician provide a comprehensive quarterly estimate of Queensland gross state product by incorporating additional data on interstate trade in goods and services including tourism transactions. The Queensland results from the ABS Australian National Accounts: National Income, Expenditure and Product report only state final demand and international trade in goods.