



Queensland
Government

QUEENSLAND TREASURY

MACROECONOMICS TEAM

NATIONAL ACCOUNTS

STATE DETAILS: SEPTEMBER QTR 2005

ABS 5206.0

Released 10.30am, 7 December 2005

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 Queensland's state final demand (SFD) strengthened further in September quarter 2005. SFD rose by 1.4%, following 1.2% growth in the June quarter and 0.7% growth in the March quarter. Nationally, domestic final demand rose 0.8%, following 1.0% growth in each of the previous three quarters.
- Prior to strengthening through mid 2005, growth in SFD had eased gradually since late 2003 (see Chart 1). In annual terms, Queensland's SFD growth strengthened to 4.2%, exceeding national growth of 3.8% in the September quarter.

Commentary (trend terms)

- *Household consumption* growth in the State remained steady at 1.0% (3.5% annually) in September quarter 2005, the same as the June quarter. Most components of consumer spending increased, with the exception of spending on the operation of motor vehicles, transport services, and electricity and gas.
- *Private investment* grew by 2.3% in the September quarter, following 1.7% growth in the June quarter.

Dwelling investment continued to rise in the September quarter, increasing by 1.5%, driven primarily by a 2.1% rise in spending on additions and alterations. Nationally, dwelling investment rose 1.0% in the September quarter, the second consecutive quarterly increase.

Business investment rose 3.4% in the September quarter, to be 7.7% higher over the year. Machinery and equipment investment increased by 3.9%, while non-dwelling construction increased by 2.5%. Nationally, business investment rose 3.1% in the September quarter and 16.0% over the year.

- *Public final demand* grew by 1.4% in the September quarter, slightly lower than the 1.5% growth rate recorded in the June quarter. Nationally, public final demand fell by 0.1% over the quarter.
- *Exports of goods overseas* rose by 1.6% in September quarter 2005, lower than June quarter growth (2.4%), while *imports of goods overseas* rose by 0.5%. As a result, net overseas trade in goods contributed positively to economic activity in the September quarter.

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

	QLD	AUST
Chain Volume Measure		
Household consumption	1.0	0.6
Public consumption	0.8	0.2
Private investment	2.3	2.2
Public investment	3.5	-1.6
Final Demand (State/National)		
International exports of goods	1.6	0.7
International imports of goods	0.5	1.7

Note: Chain volume measures are not strictly additive. As such, there may be discrepancies associated with calculations based on the sum of components. The chain volume reference year was updated to 2003-04 in June quarter 2005.

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

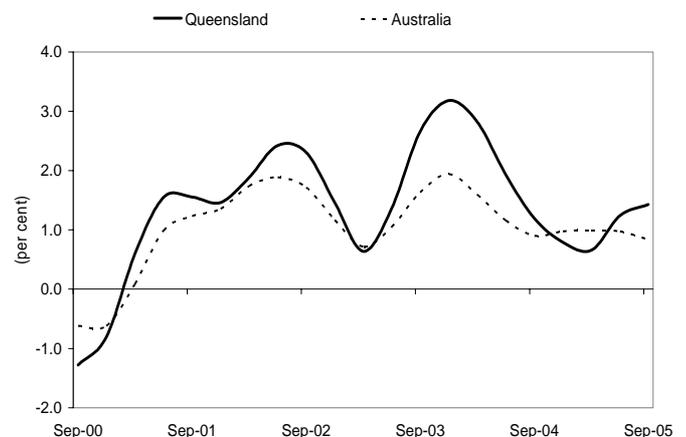


Table 2
Interstate Growth Comparison
Real State/Domestic Final Demand (trend)

	Quarterly % Change	Annual % Change
QLD	1.4	4.2
NSW	0.3	2.7
VIC	0.9	3.7
SA	0.8	3.4
WA	1.4	6.1
TAS	1.1	5.9
AUST	0.8	3.8

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.