



Queensland  
Government

OFFICE OF ECONOMIC AND STATISTICAL RESEARCH

MACROECONOMICS TEAM

NATIONAL ACCOUNTS

STATE DETAILS: MARCH QTR 2006

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 provide only a partial measure of overall economic activity.

**Summary**

**Real Final Demand Growth (Trend):**

Queensland	+1.9% (quarterly)	+7.7% (annual)
Australia	+0.9% (quarterly)	+4.5% (annual)

- Prior to strengthening since mid 2005, growth in state final demand (SFD) had eased gradually between late 2003 and early 2005 (see Chart 1).
- In annual terms, Queensland's SFD growth strengthened further to 7.7%, exceeding national growth of 4.5% in the March quarter.

**Analysis**

*Household consumption* growth in the State continued to moderate, recording growth of 0.7% (3.5% annually) in March quarter 2006, after recording growth of 0.9% in September quarter and 0.8% in December quarter 2005. Most components of consumer spending increased, with the exception of spending on cigarettes and tobacco, purchase and operation of vehicles, and transport services.

*Private investment (total)* grew by 3.7% in the March quarter, following 4.7% growth in the December quarter. The March quarter outcome was 1.6% points above the long-run growth rate of private investment in the State.

*Dwelling investment* continued to decline in the March quarter, decreasing by 1.0%, driven primarily by a 2.7% fall in spending on new and used dwellings, more than offsetting the 0.7% growth in alterations and additions activity. Nationally, dwelling investment declined by 2.9% in the March quarter, the third consecutive quarterly decline.

*Business investment* rose 6.2% in the March quarter, to be 29.5% higher over the year. Machinery and equipment investment increased by 6.4%, while non-dwelling construction increased by 6.0%. Nationally, business investment rose 2.9% in the March quarter and 19.9% over the year.

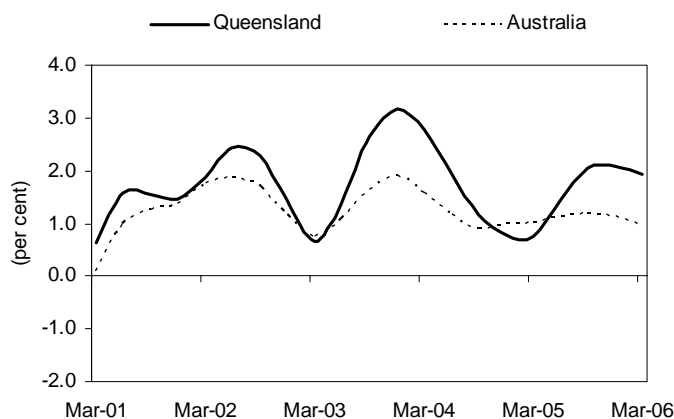
*Public final demand* grew by 1.5% in the March quarter, to be 8.1% higher over the year. Nationally, public final demand increased by 0.8% over the quarter.

**Table 1: Components of Final Demand (Trend), March Quarter 2006**

Chain Volume Measure*	Queensland		Rest of Australia	
	qoq%	yoy%	qoq%	yoy%
Private Final Demand	1.8	7.4	0.7	4.4
Household consumption	0.7	3.5	0.7	2.6
Dwelling investment	-1.0	1.0	-3.6	-6.2
New and used housing	-2.7	-3.9	-4.5	-7.6
Alterations and additions	0.7	7.2	-2.3	-4.5
Business investment	6.2	29.5	2.2	17.8
Machinery and equipment	6.4	29.3	3.3	20.6
Buildings and structures	6.0	29.8	0.2	13.2
Public Final Demand	1.5	8.1	0.6	1.2
Public consumption	1.1	4.3	0.3	1.5
Public investment	3.3	22.1	2.1	-0.4
<b>Final Demand</b>	<b>1.9</b>	<b>7.7</b>	<b>0.7</b>	<b>3.7</b>

\* Reference year for chain volume measure is 2003-04. 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	1.9	7.7
NSW	0.3	1.9
VIC	0.4	3.4
SA	0.4	3.0
WA	2.7	11.1
TAS	0.9	5.2
<b>AUST</b>	<b>0.9</b>	<b>4.5</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.