



Queensland
Government

OFFICE OF ECONOMIC AND STATISTICAL RESEARCH

MACROECONOMICS TEAM

NATIONAL ACCOUNTS

STATE DETAILS: JUNE QTR 2006

ABS 5206.0

Released 11.30am, 6 September 2006

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	+1.6% (quarterly)	+7.7% (annual)
Australia	+0.8% (quarterly)	+3.9% (annual)

- Prior to strengthening since mid-2005, growth in SFD has eased gradually between late-2003 and early-2006 (see Chart 1).
- In annual terms, Queensland's SFD growth slowed further to 1.6%, exceeding national growth of 0.8% in the June quarter.
- Over the 2005-06 financial year SFD increased 6.6%, following an increase of 6.3% in 2004-05.

Analysis

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

Private investment (total) grew by 2.0% in the June quarter, following 2.9% growth in the March quarter. The June quarter outcome was 0.1% point above the long-run growth rate of private investment in the state.

Dwelling investment continued to decline in the June quarter, decreasing by 0.6%, driven primarily by a 0.9% fall in spending on new and used dwellings. Alteration and addition activities also fell by 0.1%. Nationally, dwelling investment declined by 0.5% in the June quarter, the fourth consecutive quarterly decline.

Business investment rose 2.9% in the June quarter, to be 26.5% higher over the year. Machinery and equipment investment increased by 4.2%, while non-dwelling construction increased by 0.8%. Nationally, business investment rose 1.2% in the June quarter and 13.0% over the year.

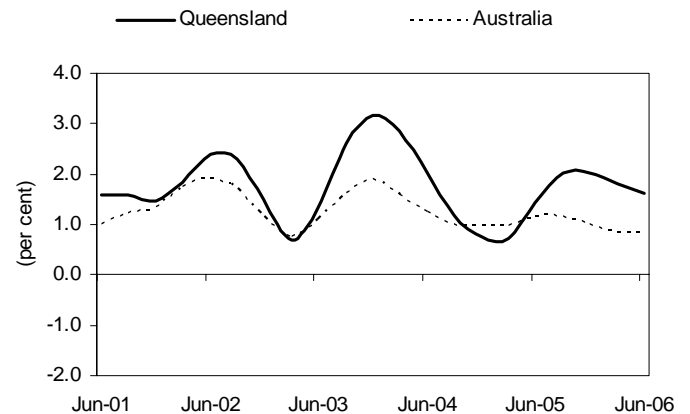
Public final demand grew by 2.0% in the June quarter, to be 10.4% higher over the year. Nationally, public final demand increased by 0.3% over the quarter.

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

Chain Volume Measure*	Queensland		Rest of Australia	
	qoq%	yoy%	qoq%	yoy%
Private Final Demand	1.2	6.7	0.7	3.2
Household consumption	0.7	3.5	0.7	2.5
Dwelling investment	-0.6	-2.1	-0.5	-5.4
New and used housing	-0.9	-3.5	0.2	-4.8
Alterations and additions	-0.1	0.1	-1.3	-6.0
Business investment	2.9	26.5	0.7	10.0
Machinery and equipment	4.2	29.9	0.1	9.9
Buildings and structures	0.8	21.5	1.6	10.1
Public Final Demand	2.0	10.4	0.3	2.4
Public consumption	1.5	6.3	0.2	1.7
Public investment	4.1	25.2	0.6	5.5
Final Demand	1.6	7.7	0.7	3.1
International exports	-0.2	-0.2	1.1	1.6
International imports	2.3	8.4	2.4	9.0

* Reference year for chain volume measure is 2004-05. 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	1.6	7.7
NSW	0.2	1.5
VIC	0.1	1.4
SA	0.1	1.4
WA	2.9	11.7
TAS	-0.1	3.2
AUST	0.8	3.9

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.