

Main Features

Sep Qtr 2008 Gross State Product (CVM, trend):

| | | |
|-------------------|--------------------|-----------------|
| Queensland | ↑ 0.1% (quarterly) | ↑ 1.3% (annual) |
| Rest of Australia | ↑ 0.3% (quarterly) | ↑ 2.2% (annual) |
| Australia | ↑ 0.2% (quarterly) | ↑ 2.0% (annual) |

Revised 2007-08 Gross State/Domestic Product:

| | |
|-------------------|--------|
| Queensland | ↑ 5.0% |
| Rest of Australia | ↑ 3.3% |
| Australia GDP | ↑ 3.7% |

September quarter results

The latest Queensland State Accounts show that in real trend terms, Queensland's Gross State Product (GSP) grew by 0.1% in September quarter 2008, to be 1.3% higher over the year to the September quarter.

Domestic economic activity continued to support Queensland growth, with Gross State Expenditure (GSE) rising 0.9% and contributing 1.0 percentage point to economic growth.

Household consumption grew by 0.9% in September quarter 2008, to be 3.4% higher over the year to the September quarter.

Total investment growth (public and private) moderated to 1.4% in the September quarter, to be 9.3% higher over the year.

Dwelling investment in Queensland rose 2.5%, to be 5.9% higher over the year to September quarter 2008.

State and local public sector investment rose 0.7% in the September quarter, to be 7.9% higher over the year.

On the trade side, net exports detracted 0.9 percentage point from GSP growth in the September quarter.

2007-08 financial year results (revised)

In year-average terms, Queensland's GSP rose 5.0% in 2007-08 and was 1.7 percentage points higher than the 3.3% growth in the Rest of Australia. Queensland's economic growth has outperformed the Rest of Australia in each of the past 12 years.

The growth of the Queensland economy in 2007-08 was driven by strong domestic final demand with GSE rising by 7.0% and contributing 7.4 percentage points to economic growth.

Household consumption and private investment were the main drivers of domestic activity, each contributing 2.5 percentage points to Queensland's GSP growth. In 2007-08, household final consumption expenditure grew by 4.6% while private gross fixed capital formation grew by 9.2% in the same period.

Dwellings investment declined 1.6% in 2007-08, while machinery and equipment and other buildings and structures recorded strong growth of 21.0% and 10.6% respectively.

Public final demand grew by 9.4% in 2007-08, driven by strong growth in public investment and moderate growth in general government final consumption expenditure.

Net exports detracted 2.3 percentage points from growth in 2007-08, as higher growth in imports of goods and services (9.3%) more than offset the growth in exports of goods and services (4.0%).

Table 1: Components of Quarterly Economic Growth

| Chain Volume Measure | Queensland | Rest of Australia |
|--|---------------------------|-------------------|
| | quarterly % change, trend | |
| Final consumption expenditure | | |
| Households | 0.9 | -0.2 |
| General government | 0.7 | 0.6 |
| Gross fixed capital formation | 1.4 | 2.2 |
| Private | n.p. | n.p. |
| Dwellings | 2.5 | -0.1 |
| Other buildings and structures | n.p. | n.p. |
| Machinery and equipment | n.p. | n.p. |
| Public enterprises | n.p. | n.p. |
| General government | -2.4 | 4.3 |
| Gross state expenditure | 0.9 | 0.4 |
| Exports of goods and services | 0.0 | 1.3 |
| Imports of goods and services | 2.1 | 1.8 |
| Net exports (% point contribution to GSP growth) | -0.9 | -0.2 |
| Gross state product | 0.1 | 0.3 |
| Current Prices | | |
| Compensation of employees | 1.4 | 2.1 |
| Gross operating surplus and mixed income | 8.4 | 2.5 |
| Taxes less subsidies | 0.5 | -1.1 |
| Gross state product | 4.6 | 2.2 |

n.p. not available for publication, but included in totals where applicable, due to a trend break resulting from the privatisation of Telstra

Table 2: 2007-08 Economic Performance, Queensland

| Chain Volume Measure | 2006-07 | 2007-08 (r) |
|-------------------------------|---------------------------|-------------|
| | annual % change, original | |
| Household consumption | 3.6 | 4.6 |
| Private investment | 11.9 | 9.2 |
| Dwellings | 8.1 | -1.6 |
| Business Investment | 16.1 | 16.3 |
| Public Final Demand | 9.6 | 9.4 |
| Gross state expenditure | 7.0 | 7.0 |
| Exports of goods and services | 3.3 | 4.0 |
| Imports of goods and services | 9.4 | 9.3 |
| Gross State Product | 4.8 | 5.0 |

(r) revised

Full QSA details can be found at the OESR website