



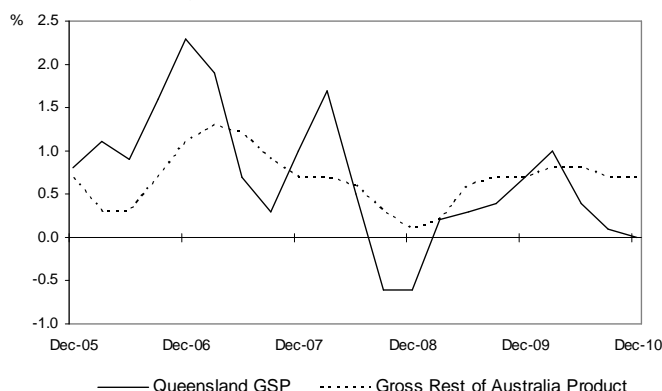
Main Features

December quarter 2010 Gross State Product (CVM, trend):

Queensland	0.0% (quarterly) ↑ 1.5% (annual)
Rest of Australia	↑ 0.7% (quarterly) ↑ 3.0% (annual)
Australia	↑ 0.5% (quarterly) ↑ 2.7% (annual)

Chart 1: Gross State Product

(quarterly % change, CVM, trend)



- The latest *Queensland State Accounts* show that in real trend terms, Queensland Gross State Product (GSP) remained unchanged in December quarter 2010, following an increase of 0.1% in September quarter 2010. The contribution from gross state expenditure (a measure of domestic demand) was offset by a deduction from net exports.
- In annual terms, Queensland GSP grew 1.5% over the year to the December quarter, following a 2.3% rise over the year to the September quarter. In comparison, gross Rest of Australia product rose 3.0% over the year to December quarter 2010.

Domestic Demand

Domestic economic activity for Queensland continued to grow, with Gross State Expenditure (GSE) rising 0.4% in the December quarter, strengthening from growth of 0.2% in September quarter 2010.

Household consumption remained unchanged in the December quarter although it was 1.0% higher over the year.

Queensland *dwelling investment* remained weak and decreased 2.3% in the December quarter to be 3.1% lower over the year to December quarter 2010. In contrast, dwelling investment growth in Rest of Australia was 1.4% in the December quarter.

Queensland *business investment* (comprised of non-dwelling construction and machinery and equipment investment) increased 3.7% in the December quarter, the third consecutive quarter of recovery. In annual terms, there was a turnaround in business investment, up 7.5% following six consecutive declines.

Public final demand (comprised of general government consumption and investment, and public corporations investment) increased 0.3% in the December quarter to be 1.6% higher over the year. Growth in the quarter was driven by general government consumption (up 1.3%) while annual growth was driven by increases in both general government consumption (up 4.2%) and general government investment (up 2.4%).

Trade Results

On the trade side, *net exports* detracted 0.7% point from Queensland GSP growth in the December quarter, with lower exports more than offsetting declining imports.

Exports fell 1.8% in the December quarter, with lower overseas exports (down 3.0%) more than offsetting an increase in interstate exports (1.8%).

Imports fell 0.1% in the December quarter, driven by lower interstate imports (0.3%) more than offsetting a 0.1% increase in overseas imports.

Table 1: Components of Quarterly Economic Growth

December quarter 2010	Queensland	Rest of Australia
Chain Volume Measures	quarterly % change, trend	
Household consumption	0.0	0.9
Private investment	1.3	0.2
Dwelling investment	-2.3	1.4
Business investment	3.7	0.5
Public final demand	0.3	0.1
General government consumption	1.3	0.7
Public corporations investment	-1.7	0.1
General government investment	-1.9	-2.3
<i>Gross state expenditure</i>	0.4	0.6
Exports of goods and services	-1.8	2.0
less Imports of goods and services	-0.1	2.2
Gross state product ^(a)	0.0	0.7
<i>Net exports (% point contribution to GSP growth)</i>	-0.7	-0.1
Current Prices		
Compensation of employees	1.3	1.5
Gross operating surplus and mixed income	1.2	0.8
Taxes less subsidies	1.6	1.6
Gross state product ^(a)	1.3	1.7

(a) Includes statistical discrepancy.

Full QSA details can be found at the OESR website