

## Summary

### Monthly % Change (Trend):

Queensland	↑	0.3
Rest of Australia	↑	0.3

- Growth in Queensland's nominal retail turnover continued to moderate for the sixth consecutive month in February 2004, with Queensland recording similar growth to the rest of Australia.

## Analysis

### Queensland

- Queensland recorded nominal retail trade growth of 0.3% in February 2004, moderating from growth of 0.5% in January. Monthly retail growth in Queensland has eased over the past six months from a recent peak of 1.7% in July 2003.
- In annual terms, retail turnover growth in Queensland was stable at 13.5% in February 2004, but remained nearly twice that in the rest of Australia (7.2%).
- Growth continued to ease in most industry groups in February. Food retailing, department stores, and hospitality and services all experienced growth (0.6%, 0.3% and 0.6% respectively). However, retail turnover in the remaining industries declined.
- Food retailing and hospitality and services were the largest contributors to growth in February, contributing 0.3% and 0.1% point respectively.
- In annual terms, Queensland continued to record the highest growth of all the states for the fourth consecutive month. However, monthly growth in Queensland in February 2004 was exceeded by Victoria and South Australia, while retail growth in Western Australia equalled that in Queensland.

### National

- Nationally, monthly retail turnover growth continued to ease for the sixth consecutive month in February 2004, to 0.3%, while annual growth eased marginally to 8.4%.

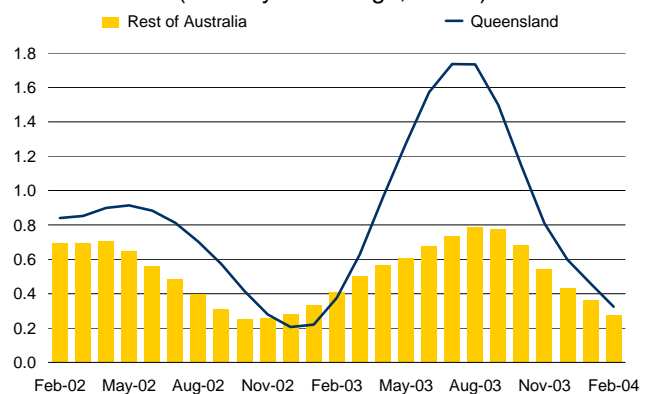
## Implications

- The continued moderation in retail trade growth in Queensland over recent months largely reflects the unsustainable growth rates recorded in late 2003, which saw the fastest retail turnover growth since the lead up to Expo in 1988.
- This easing also coincides with the recent moderation in employment growth and partially reflects the apparent peaking of the housing cycle, which contributed significantly to the surge in consumption in 2003. However, Queensland's sustained strong population growth should continue to support high levels of retail turnover.

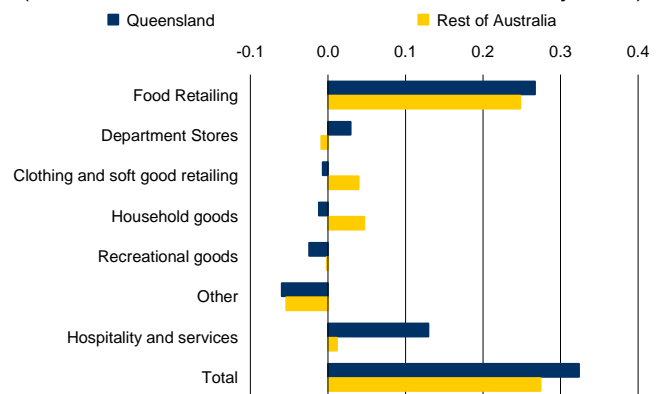
**Table 1. Retail Turnover, February 2004**

States/Australia	% Change	
	Monthly trend	Annual trend
<b>Queensland</b>	<b>0.3</b>	<b>13.5</b>
New South Wales	-0.1	6.0
Victoria	0.6	9.3
South Australia	0.5	5.4
Western Australia	0.3	7.0
Tasmania	0.1	12.2
<b>Rest of Australia</b>	<b>0.3</b>	<b>7.2</b>

**Chart 1. Nominal Retail Turnover  
(Monthly % Change, Trend)**



**Chart 2. Retail Turnover by Industry Group  
(% Point Contribution to Growth, Trend, February 2004)**



**Chart 3. Retail Turnover – Interstate Comparison  
(Annual % Change, Trend, February 2004)**

