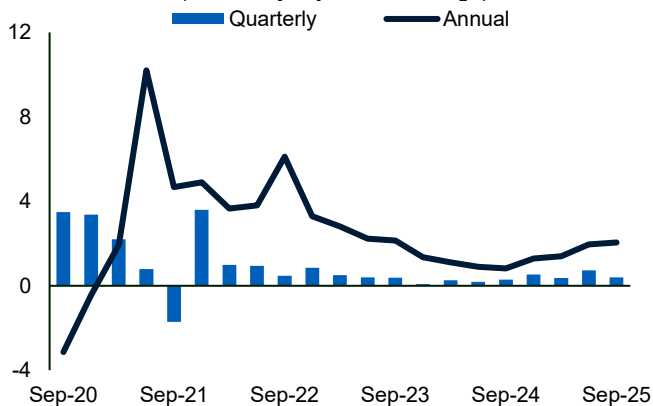


# ABS National Accounts: September quarter 2025

Source: ABS Australian National Accounts released 3 December 2025, 10:30 am AEST.

**GDP grew by 0.4% in September quarter 2025, well below market expectations of 0.7%, to be 2.1% higher over the year. Domestic activity drove growth in the quarter, while the trade sector marginally detracted from growth.**

**Chart 1: Real GDP growth**  
(seasonally adjusted, % change)



## Expenditure

**Gross domestic product (GDP)** rose 0.4% (seasonally adjusted) in September quarter 2025 to be 2.1% higher over the year (**Chart 1**). Strength in the domestic economy drove growth in the quarter, with household consumption and private investment rising 0.5% and 2.9%, respectively. GDP per capita was flat in the quarter and remains 1.1% below its revised peak in December quarter 2022.

**Household consumption** grew 0.5% in the quarter to be 2.5% higher over the year. *Essential* spending rose 1.0% in the quarter, with increased spending across insurance and other financial services, electricity gas and other fuels, rent and other dwelling services, health and food. Meanwhile, *discretionary* spending fell 0.2% in the quarter.

**Business investment** rose 3.2% in the quarter to be 3.7% higher over the year. Investment in *machinery & equipment* drove growth in the quarter, which the ABS attributed to 'major data centre investment across New South Wales and Victoria.' *Non-dwelling construction* grew marginally (up 0.1%), with a 2.0% increase in non-residential building construction largely offset by a 0.7% fall in *engineering construction*.

**Dwelling investment** rose 1.8% in the quarter to be 6.5% higher over the year. *New & used dwellings* (up 2.6%) drove growth in the quarter, consistent with recent increases in approvals, while *alterations & additions* rose modestly (0.5%).

**Public final demand** grew 1.2% in the quarter to be 1.4% higher over the year. Public investment rose 3.0% in the quarter following three consecutive falls, in part due to various renewable energy and water infrastructure projects, along with continued work on road and rail projects.

**Change in inventories** detracted 0.5%-point from growth in the quarter as mining inventories were drawn down to service increased export demand for coal, while mining production was subdued following strength in the previous quarter. Retail trade and public authorities also drew-down on inventories.

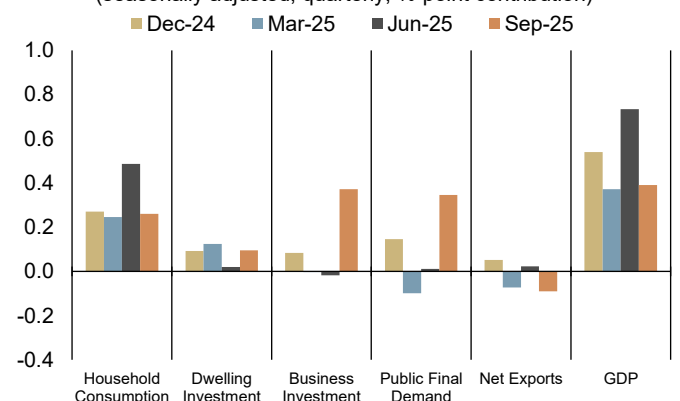
**Net exports** detracted 0.1 percentage point from GDP growth in the quarter, reflecting a 1.5% rise in *imports*, which was largely offset by a 1.0% rise in *exports*. *Goods exports* rose 1.3%, as coal exports rose following weather-related disruptions in the previous quarter. *Services exports* were flat, with reduced expenditure by overseas students partly offset by an increase in tourists.

The **terms of trade** rose 0.3%, driven by a 0.4% fall in *import prices* due to an appreciation in the exchange rate. *Export prices* fell marginally (down 0.1%), with a fall in LNG prices offset by a rise in iron ore prices.

**Table 1: Components of GDP**  
(seasonally adjusted, September quarter 2025)

Chain Volume Measure	% change		ppt. contribution	
	quarterly	annual	quarterly	annual
<b>Household consumption</b>	0.5	2.5	0.3	1.3
<b>Private investment</b>	2.9	4.7	0.5	0.9
Dwelling investment	1.8	6.5	0.1	0.3
Business investment	3.2	3.7	0.4	0.4
Machinery and equipment	7.6	5.9	0.3	0.2
Non-dwelling construction	0.1	0.5	0.0	0.0
Non-residential building	2.0	2.1	0.0	0.0
Engineering construction	-0.7	-1.1	0.0	0.0
<b>Private Final Demand</b>	1.2	3.1	0.8	2.1
<b>Public Final Demand</b>	1.2	1.4	0.3	0.4
General government consumption	0.8	2.6	0.2	0.6
Public investment	3.0	-3.1	0.2	-0.2
<b>Changes in inventories</b>			-0.5	-0.4
<b>Gross national expenditure</b>	0.6	2.1	0.6	2.1
<b>Net exports</b>			-0.1	-0.1
Exports of goods & services	1.0	3.6	0.3	0.9
less Imports of goods & services	1.5	4.2	-0.3	-1.0
<b>Statistical discrepancy</b>			-0.1	0.0
<b>GDP</b>	0.4	2.1	0.4	2.1
<b>GDP per capita</b>	0.0	0.4		
<b>Current Prices</b>				
Compensation of employees	1.7	7.1		
Gross operating surplus	1.4	3.2		
GDP	1.7	5.4		
<b>Deflators and Prices</b>				
Terms of trade	0.3	-0.2		
Household consumption deflator	0.9	3.1		
GDP deflator	1.3	3.2		

**Chart 2: Contributions to real GDP growth**  
(seasonally adjusted, quarterly, %-point contribution)



## Income

Real **gross household disposable income** grew 0.9% in the quarter to be 3.8% higher over the year, reflecting a 7.0% increase in nominal gross disposable income over the year which outpaced a 3.1% increase in the household consumption deflator.

The *household saving ratio* rose to 6.4% in the quarter to be above the pre-COVID level of 6.2% (revised) in December quarter 2019, and well up from the recent low of 1.8% in June quarter 2023.

*Compensation of employees (COE)* rose 1.7% in the quarter to be 7.1% higher over the year, consistent with tight labour market conditions.

*Gross operating surplus (GOS)*, a measure of profits rose 1.4% to be 3.2% higher over the year. Private non-financial corporations GOS grew 1.0%, led by *mining* due to increased demand for coal and iron ore. *Utilities* and *transport* also saw increases in the quarter, while *professional & technical services*, *retail trade* and *manufacturing* all recorded declines. Financial corporations GOS rose 2.6% driven by higher loan and deposit balances, with a slight increase in margins.

## Production

By industry, *construction* (up 1.8%) was the largest contributor to national GDP growth in the quarter, followed by *finance & insurance services* (up 1.6%), *transport, postal & warehousing* (up 1.6%), and *manufacturing* (up 1.4%).

In contrast, *mining* was the primary detractor from GDP growth in the quarter (down 1.8%), followed by *professional, scientific and technical services* (down 1.9%), and *agriculture, forestry and fishing* (down 2.6%, **Chart 3**).

On *construction*, the ABS noted the rise in production was 'driven by residential construction with more work done in new and used homes, and commencements across apartment projects'. There was higher demand for trade services, while energy and transport projects also contributed. Meanwhile, the rise in *financial and insurance services* reflected 'notable strength with increased demand for mortgage brokering and fund management services in line with heightened property market and share market activity', along with strength in deposit and loan balances.

*Mining* production was subdued following strength in the previous quarter. Falls were seen across iron ore and oil and gas extraction due to planned maintenance and ongoing recovery from flooding impacts. In contrast, coal mining rose on increased thermal and coking coal production. The fall in *professional, scientific and technical services* reflected softer engineering consulting and legal services, as well as lower demand for IT consulting services.

*Ownership of dwellings* was Australia's largest industry in the September quarter (accounting for 9.8% of nominal gross value added), followed by mining (9.5%), *health care* (9.0%), *finance & insurance* (8.0%) and *construction* (7.7%).

**Chart 3: Contributions to real GDP growth, by industry**  
(seasonally adjusted, quarterly, %-point contribution)

