

# ABS State Details, March quarter 2025

Source: ABS *Australian National Accounts* released 4 June 2025, 11:30 am AEST.

**Note:** ABS *Australian National Accounts* only provides data for state final demand and its components. State level estimates of overseas trade in goods and services on a consistent basis to the national accounts are released as part of ABS *Balance of Payments and International Investment Position* (discussed below). For a complete picture of State economic growth, ABS *State Accounts* provides annual Gross State Product data.  
**Note:** All data in this brief are reported in seasonally adjusted terms.

- Queensland's state final demand (SFD, an indicator of domestic spending) rose 0.7% in March quarter 2025, to be 2.1% higher over the year (**Table 1**).
- By component, strong growth in *business investment* more than offset a decline in *public final demand*.
- Annual growth in Queensland's domestic economy was stronger than the Australian average (1.9% **Table 2**).

**Table 1: Queensland's state final demand, March quarter 2025**  
(seasonally adjusted, CVM)

	% Change		Contribution to SFD Growth	
	quarterly	annual	quarterly	annual
<b>Private Final Demand</b>	<b>1.3</b>	<b>0.9</b>	<b>0.9</b>	<b>0.7</b>
Household Consumption	0.6	0.8	0.3	0.4
Private Investment	3.5	1.3	0.6	0.3
Dwelling Investment	1.6	7.1	0.1	0.4
New Dwellings	1.9	8.0	0.1	0.2
Alterations and Additions	1.2	5.9	0.0	0.1
Ownership transfer costs	-2.6	1.9	0.0	0.0
Business Investment	5.3	-1.4	0.6	-0.2
Machinery and Equipment	6.5	-7.6	0.3	-0.3
Engineering Construction	8.3	8.8	0.2	0.2
Non-Residential Construction	6.1	-0.6	0.1	0.0
<b>Public Final Demand</b>	<b>-0.8</b>	<b>4.9</b>	<b>-0.2</b>	<b>1.4</b>
General Govt. Consumption	-0.7	4.1	-0.2	0.9
National	0.2	3.7	0.0	0.4
State and Local	-1.4	4.4	-0.2	0.6
General Govt. Investment	-0.8	11.0	0.0	0.4
National	5.9	20.9	0.0	0.1
State and Local	-2.3	8.9	-0.1	0.3
Public Corporation Investment	-2.1	0.5	0.0	0.0
National	-17.0	-14.7	0.0	0.0
State and Local	0.2	3.0	0.0	0.0
<b>State Final Demand (SFD)</b>	<b>0.7</b>	<b>2.1</b>	<b>0.7</b>	<b>2.1</b>

**Table 2: Interstate SFD/DFD growth comparison, March quarter 2025**  
(seasonally adjusted, % change, CVM)

	NSW	Vic.	Qld.	SA	WA	Tas.	Aust.	Aust GDP
Quarterly	-0.1	0.0	0.7	1.3	0.2	-0.9	0.2	0.2
Annual	1.0	1.6	2.1	3.1	3.6	1.0	1.9	1.3

Source: ABS *National Accounts*.

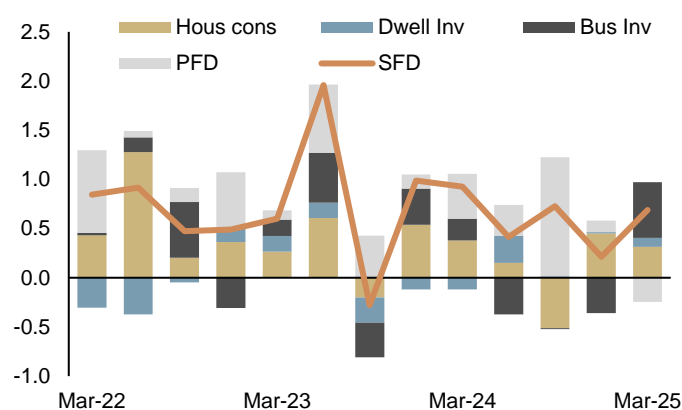
## Detail

Queensland's state final demand (SFD) rose 0.7% in March quarter 2025. However, annual growth moderated marginally to 2.1% from 2.2% in the December quarter.

Strong growth in business investment more than offset a decline in public final demand in the quarter (**Chart 1**).

Annual growth in Queensland's domestic economy was stronger than the Australian average of 1.9%.

**Chart 1: Contribution to quarterly SFD growth, Queensland**  
(seasonally adjusted, CVM, percentage point)



Source: ABS National Accounts.

## Household consumption

After rising 0.9% in the previous quarter, household consumption rose 0.6% in March quarter 2025. However, annual growth slowed to 0.8% as households navigated somewhat restrictive financial conditions.

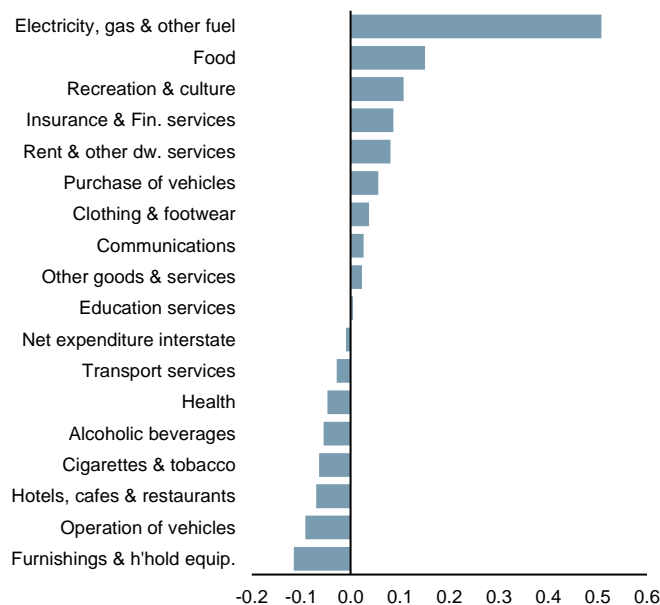
The main driver of the quarterly increase was a 69% rise in *electricity, gas and other fuels* as federal and state government electricity rebates continued to be used up. Excluding this component, household spending rose 0.1% in the quarter. *Food* (up 1.4%) also contributed to the headline measure, which more than offset falls in *furnishings and household equipment* (down 2.2%), *operation of vehicles* (down 1.9%) and *hotels, cafes and restaurants* (down 0.8%, **Chart 2**).

Queensland's household consumption deflator (a broad measure of inflation faced by households) slowed to 3.4% over the year to March quarter 2025 (from 3.9% the quarter before). This was down from a peak of 7.5% in December quarter 2022 but remains above Brisbane's headline consumer price index growth of 2.7%.

Meanwhile, ongoing strong labour demand and solid wage rates saw *compensation of employees* rise 1.1% in the quarter to be 8.1% higher over the year.

Looking ahead, moderating inflation, ongoing impacts of national income tax cuts and further reductions in lending rates are expected to support a strengthening in real household incomes and consequently consumption over the subsequent quarters.

**Chart 2: Household consumption components, Queensland**  
(seasonally adjusted, CVM, quarterly %-pt contribution to growth)



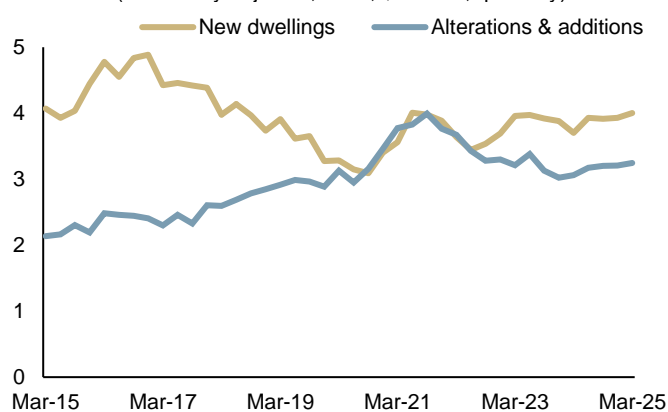
Source: ABS National Accounts.

## Dwelling investment

Dwelling investment rose 1.6% in the quarter, the fourth consecutive quarter of growth, to be 7.1% higher over the year. Investment continues to be supported by an elevated amount of work in the pipeline and demand for housing. However, construction activity remains impacted by labour shortages, poor weather, and construction company insolvencies (**Chart 3**).

The quarterly rise was driven by increases in both *new dwellings* (up 1.9%) and, to a lesser extent, *alterations & additions* (up 1.2%).

**Chart 3: Dwelling investment by component, Queensland**  
(seasonally adjusted, CVM, \$ billions, quarterly)



Source: ABS National Accounts.

## Business investment

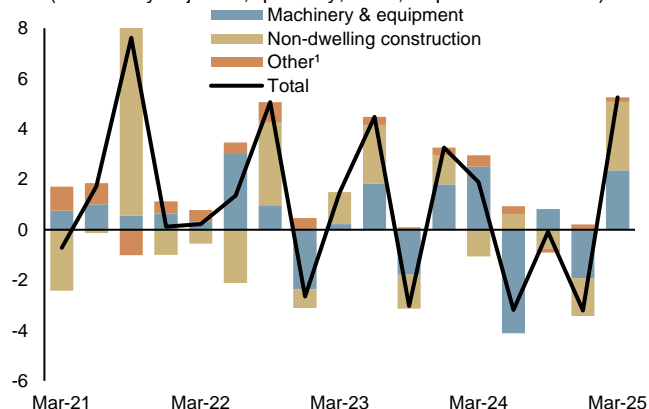
Business investment rose strongly in the quarter (up 5.3%), however is down 1.4% over the year, having fallen in each of the prior three quarters.

The strong increase was broadly based over the key components of business investment. *Machinery and equipment* (up 6.5%)

## Economic Strategy

made the strongest contribution to quarterly growth, although *engineering construction* (up 8.3%) and *non-residential building investment* (up 6.1%) also rose strongly (**Chart 4**).

**Chart 4: Business investment by component, Queensland**  
(seasonally adjusted, quarterly, CVM, %-point contribution)



1. Includes cultivated biological resources and intellectual property products.  
Source: ABS *National Accounts*.

## Public final demand

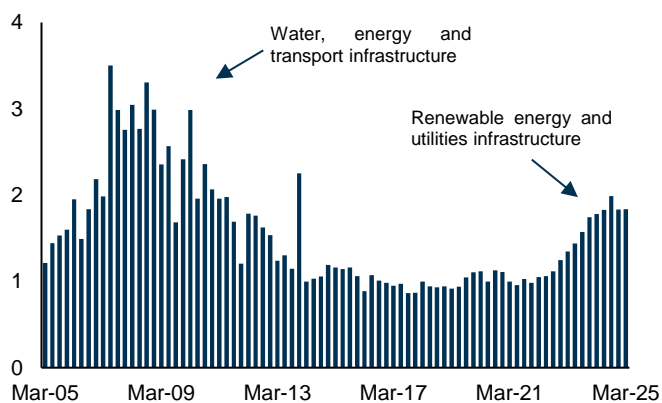
Public final demand (PFD, government spending) fell in the quarter (down 0.8%), the first decline since December quarter 2021. However, public sector spending (up 4.9% over the year) remains a key driver of annual growth in domestic activity, contributing 1.4%-points to annual growth in state final demand.

All major sub-components fell sharply in the quarter.

*General government consumption* fell 0.7% in the quarter, driven by a 1.4% decline in *state & local consumption*. *General government investment* fell 0.8%, also driven by a 2.3% fall in *state & local investment*.

*Public corporation investment* fell 2.1% in March quarter 2025, driven by a 17.0% fall in *national investment*. However, spending by *state & local public corporations* rose 0.2% and remains elevated following strong gains in recent years as work on renewable energy and utilities projects was progressed (**Chart 5**).

**Chart 5: Investment by state & local public corporations, Queensland**  
(seasonally adjusted, quarterly, CVM, \$ billion)



Source: ABS *National Accounts*.

## Overseas trade

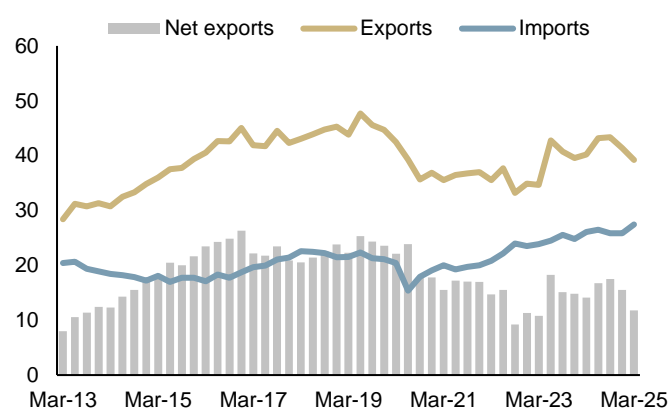
ABS *Balance of Payments* data (released 3 June) show Queensland's overseas **exports of goods and services** fell 5.1% in March quarter 2025 to be 2.4% lower over the year (**Chart 6**).

The quarterly fall was driven by a 5.7% decrease in *goods exports*, which were affected by the North Queensland floods in February, particularly coal exports. *Services exports* fell 0.2% but have been relatively flat over the past two years. The ABS noted that 'Exports of travel services also detracted from growth with a smaller than average rise in the number of international students in Australia during the quarter and reduced average spending of students.'

Overseas **imports of goods and services** rose 6.1% in March quarter 2025, with strong increases in both *goods imports* (up 7.0%) and *services imports* (up 3.4%). In annual terms, overseas imports were 5.2% higher. These data should be treated with caution as the ABS have had issues with changing seasonal patterns of overseas imports since the COVID-19 pandemic.

The fall in exports and increase in imports means the overseas trade sector detracted from Queensland's gross state product growth in the March quarter.

**Chart 6: Overseas trade in goods and services, Queensland**  
(seasonally adjusted, quarterly, CVM, \$ billion)



Source: ABS *Balance of Payments*.