

ABS State Details, September quarter 2025

Source: ABS Australian National Accounts released 3 December 2025, 10:30 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 1.5% in September quarter 2025, to be 3.1% higher over the year.
- Strong growth in *private investment* was the main driver of the strong quarterly result.
- Annual growth in Queensland's domestic economy (3.1%) was stronger than the Australian average (2.6%).

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

	% Change		Contribution to SFD Growth	
	quarterly	annual	quarterly	annual
Private Final Demand	1.5	4.2	1.1	2.9
Household Consumption	0.3	3.7	0.2	1.9
Private Investment	5.0	5.5	0.9	1.0
Dwelling Investment	4.6	10.0	0.3	0.5
New Dwellings	5.8	11.4	0.2	0.4
Alterations and Additions	2.8	8.1	0.1	0.2
Ownership transfer costs	4.9	0.8	0.1	0.0
Business Investment	5.3	4.0	0.6	0.4
Machinery and Equipment	11.9	5.6	0.5	0.2
Engineering Construction	-0.3	-1.2	0.0	0.0
Non-Residential Construction	3.4	4.4	0.1	0.1
Public Final Demand	1.4	0.6	0.4	0.2
General Govt. Consumption	0.6	0.7	0.1	0.2
National	0.0	4.1	0.0	0.4
State and Local	1.1	-1.9	0.1	-0.3
General Govt. Investment	1.9	-2.7	0.1	-0.1
National	6.7	-16.7	0.0	-0.1
State and Local	1.0	0.8	0.0	0.0
Public Corporation Investment	10.7	7.6	0.2	0.1
National	4.1	21.1	0.0	0.0
State and Local	11.8	5.8	0.2	0.1
State Final Demand (SFD)	1.5	3.1	1.5	3.1

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

	NSW	Vic.	Qld.	SA	WA	Tas.	Aust.	Aust GDP
Quarterly	1.4	1.3	1.5	1.0	1.0	-2.9	1.2	0.4
Annual	2.6	2.2	3.1	3.6	3.1	-2.4	2.6	2.1

Source: ABS National Accounts.

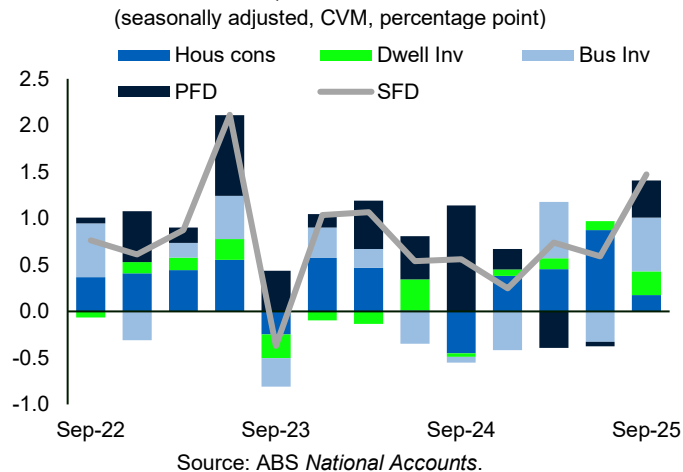
Detail

Queensland's state final demand (SFD) rose 1.5% in September quarter 2025, seeing annual growth accelerate to 3.1% from 2.2% in the June quarter.

Solid growth in business investment was the main driver of the headline quarterly growth result, while dwelling investment also rose sharply (**Chart 1**).

Annual growth in Queensland's domestic economy was stronger than the Australian average of 2.6%.

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



Household consumption

Household consumption rose 0.3% in September quarter 2025, following a strong increase of 1.7% in the June quarter.

The main driver of the quarterly increase was a 2.1% rise in *Insurance and other financial services*. *Electricity, gas and other fuels* also rose sharply (up 6.4%) as federal and state government electricity rebates continued to be used up. Other components to contribute to the quarterly rise were *Hotels, cafes & restaurants* (up 1.1%) and *Rent and other dwellings services* (up 0.4%, **Chart 2**).

Queensland's household consumption deflator (a broad measure of inflation faced by households) rose marginally to 3.3% over the year to September quarter 2025 (from 3.2% the prior quarter). This is down from a peak of 7.4% in December quarter 2022.

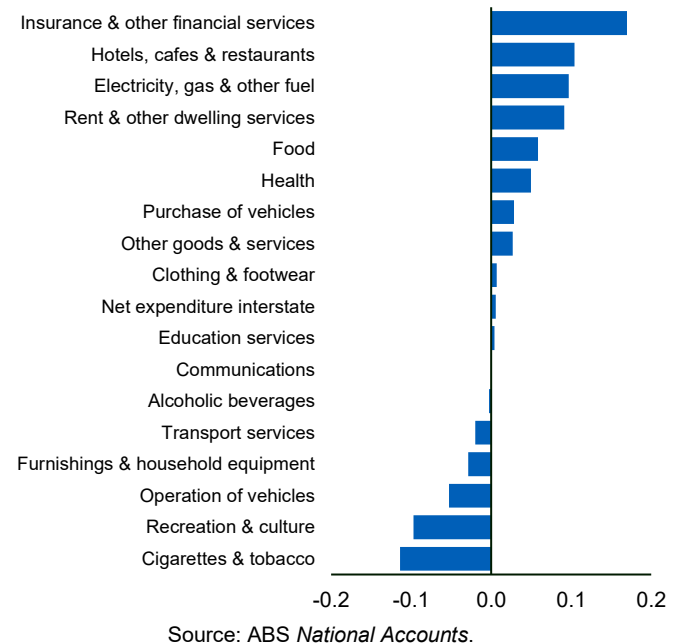
Meanwhile, annual growth in *compensation of employees* continued to slow, falling to 5.8% from 7.1% the prior quarter and the recent peak of 12.1% in December quarter 2022.

Looking ahead, moderating underlying inflation, ongoing impacts of last year's income tax cuts, and lower lending rates are expected to support real per capita incomes and strengthen consumption growth during 2025-26.

The *National Accounts* includes estimates for household expenditure on cigarettes and tobacco. However, these estimates are only captured via legal channels and therefore, do not include consumption of illicit tobacco products (including vapes). With the recent increase in sales of illicit tobacco products in the economy, this means the current estimates for consumption of cigarettes and tobacco have declined and detracted from growth.

The ABS is in the early stages of developing methods to measure the consumption of illicit nicotine related products to supplement existing measurement.

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



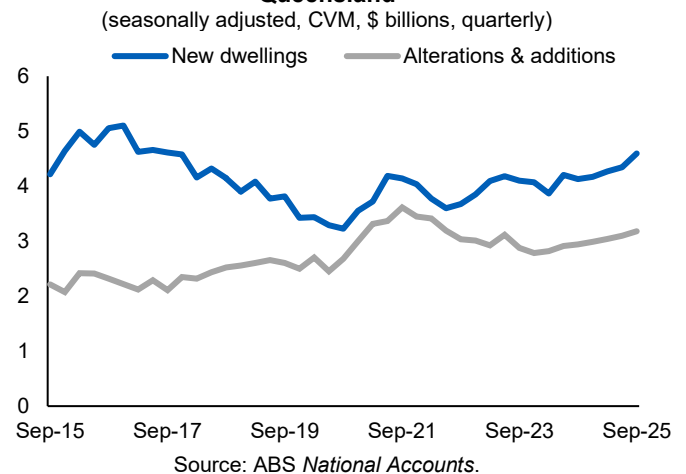
Dwelling investment

Dwelling investment rose 4.6% in the quarter, the fourth consecutive quarter of growth, to be 10.0% higher over the year, reaching the highest level since the pre-GFC investment boom in September quarter 2008.

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.

The quarterly rise was driven by increases in both *new dwellings* (up 5.8%) and *alterations & additions* (up 2.8%, **Chart 3**).

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



Business investment

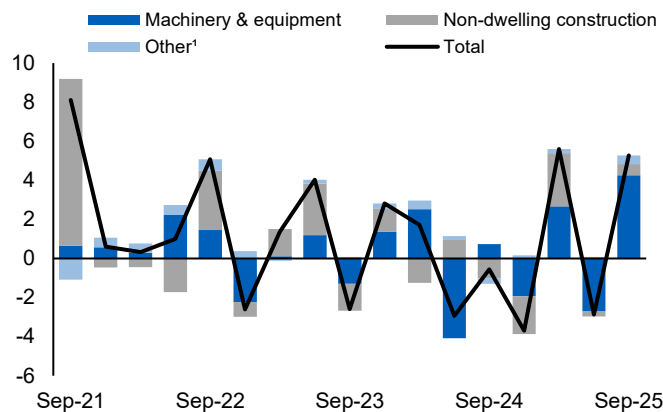
Business investment has been volatile in recent years. The component rose strongly in the September quarter (up 5.3%), following a decline of 2.9% in the June quarter. Annual growth was 4.0%.

The strong result in the September quarter was driven by a 11.9% increase in *Machinery and equipment*, which more than reversed the 7.2% decline in the preceding quarter. *Non-residential building* investment (up 3.4%) also rose. Meanwhile, *Engineering construction* fell 0.3% in the quarter (**Chart 4**) to be 1.2% lower over the year.

The ABS noted, at the national level, ‘*The rise in machinery and equipment investment reflects the ongoing expansions of data centres. This is likely due to firms looking to support growth in artificial intelligence and cloud computing capabilities.*’

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) rose 1.4% in the quarter but was just 0.6% higher annually.

The quarterly result was driven by both a 11.8% increase in *state and local public corporation investment* and a 1.1% rise in *state and local general government consumption*.

General government consumption rose 0.6% in the quarter, driven by a 1.1% rise in *state and local* consumption.

Overseas trade

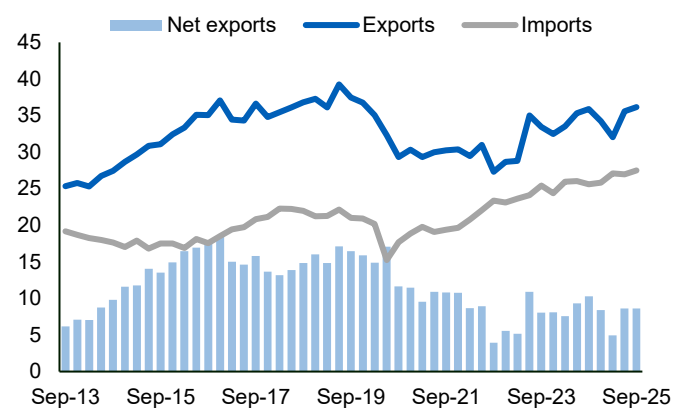
ABS *Balance of Payments* data (released 2 December) show Queensland's overseas **exports of goods and services** rose 1.5% in September quarter 2025, to be 0.7% higher annually. The quarterly result was driven by a 2.0% rise in *goods exports* which more than offset a 1.5% decline in service exports.

Overseas **imports of goods and services** rose 2.0% in September quarter 2025, with increases in both *goods imports* (up 1.1%) and *services imports* (up 5.0%). In annual terms, overseas imports were 7.4% 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 quarterly increase in exports and imports suggests the overseas trade sector likely had a neutral impact on Queensland's gross state product growth in the September quarter.

Chart 5: Overseas trade in goods and services, Queensland

(seasonally adjusted, quarterly, CVM, \$ billion)



Source: ABS *Balance of Payments*.