

GROSS DOMESTIC PRODUCT & STATE FINAL DEMAND, SEPTEMBER QUARTER 2017

Summary

In the September quarter 2017:

Trend

- Australian Gross Domestic Product (GDP) rose 0.6% and was 2.4% higher than a year earlier in real trend terms.
- South Australian State Final Demand (SFD) rose 0.8% and was 4.4% higher than a year earlier in real trend terms.
- Australian Real Gross Domestic Income, which indicates the purchasing power of total incomes generated by Australian production, increased by 0.2% in trend terms.

Seasonally Adjusted

- GDP rose by 0.6% in the September quarter following a rise of 0.9% in the June quarter and was 2.8% higher than a year earlier.
- South Australian State Final Demand (SFD) rose 0.2% and was 3.9% higher than a year earlier, in real seasonally adjusted terms.

Further Analysis

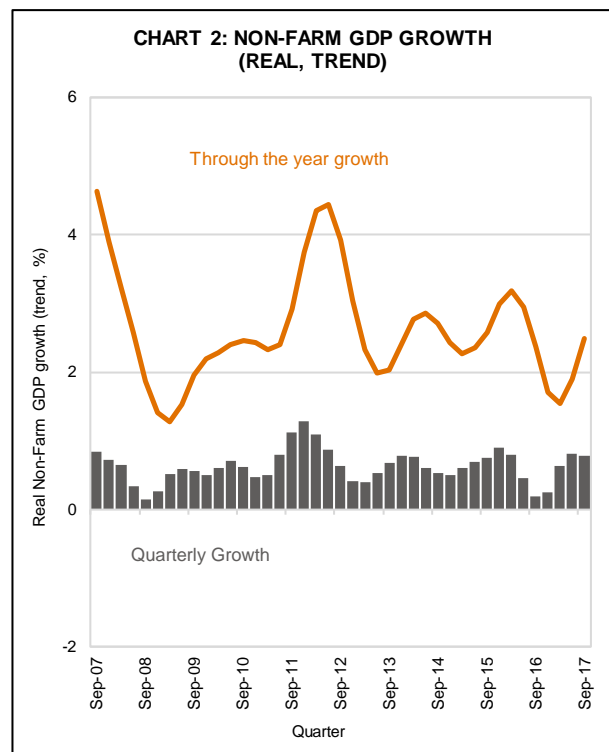
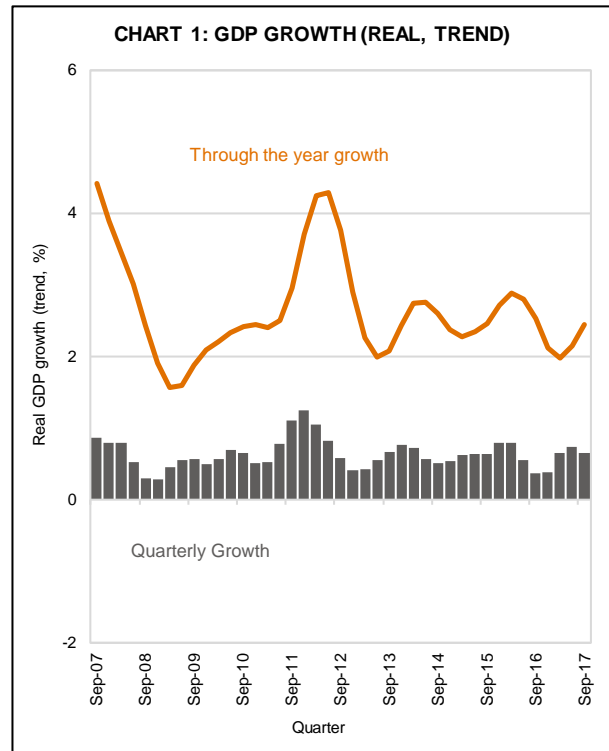
Trend data

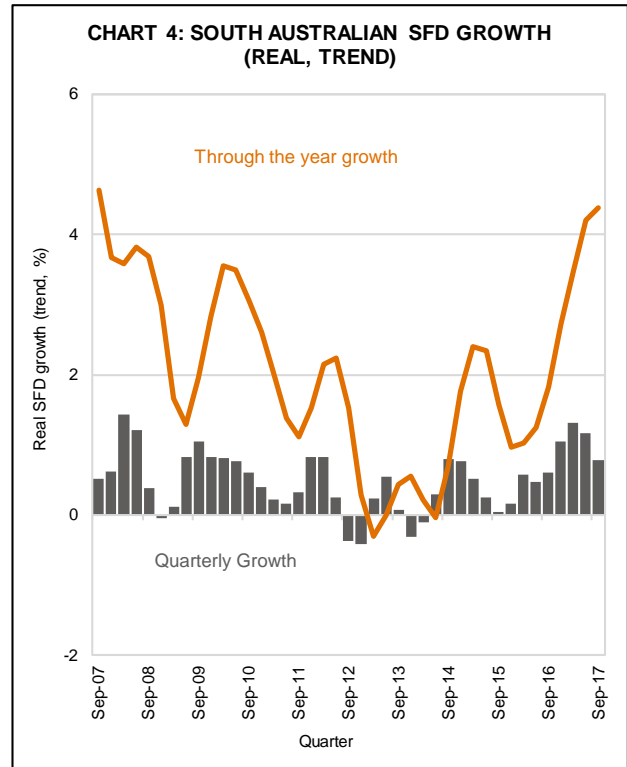
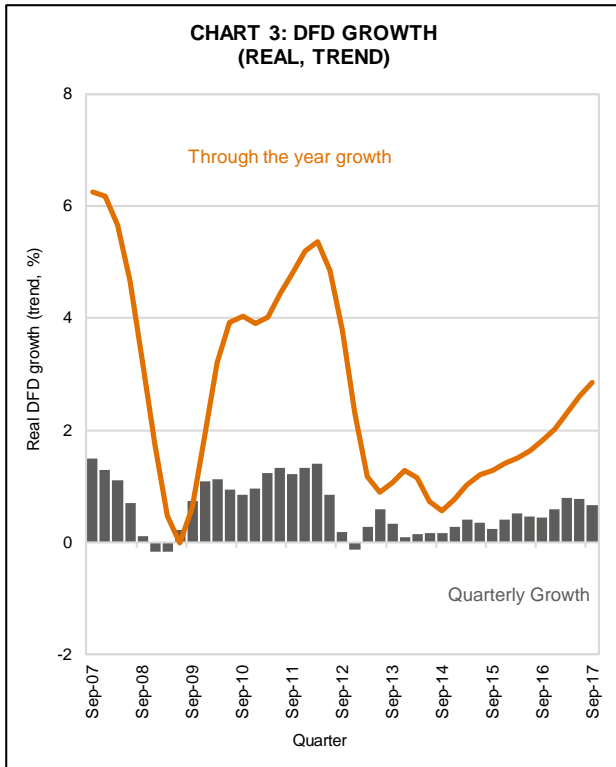
Australia's non-farm GDP rose by 0.8% in the September quarter to be 2.5% higher than a year ago (see Chart 2).

Farm GDP fell by 3.0% in the September quarter but was 1.8% higher a year ago.

Australian Domestic Final Demand (DFD) rose by 0.7% in the September quarter 2017 to be 2.8% higher than a year ago (see Chart 3).

Nationally, public investment rose by 1.5% in the September quarter, new business investment rose by 1.4%, government consumption rose by 0.8% and household consumption spending rose by 0.4%, but dwelling investment fell 1.4%.





South Australian State Final Demand (SFD) rose by 0.8% during the September quarter 2017—see Chart 4.

In South Australia, during the September quarter, spending growth was recorded in dwelling investment and public sector capital investment (both up 2.0%), public sector consumption (up 1.3%), new private business investment (up 1.0%) and household consumption (up 0.3%).

Among the states, SFD rose in the September quarter in Victoria (up 1.0%), South Australia (up 0.8%), New South Wales and Queensland (both up 0.5%) and Western Australia (up 0.4%), but was unchanged in Tasmania.

Table 1: State Final Demand – Real, trend

	Sep qtr 17 vs Jun qtr 17 (% change)	Sep qtr 17 vs Sep qtr 16 (% change)
NSW	0.5	2.2
VIC	1.0	4.7
QLD	0.5	2.6
SA	0.8	4.4
WA	0.4	-0.2
TAS	0.0	2.2
AUS (DFD)	0.7	2.8



Table 2: Expenditure Components of SFD/DFD and GDP – Real, Trend

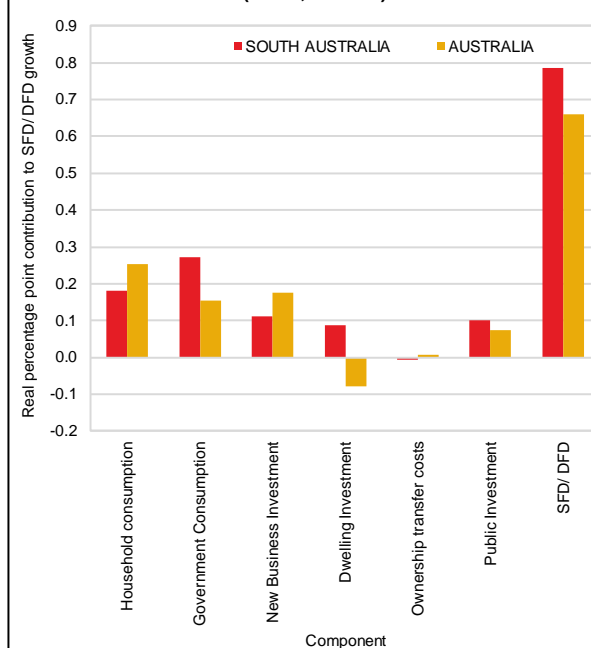
	Sep qtr 17 vs Jun qtr 17		Sep qtr 17 vs Sep qtr 16	
	(% change)		(% change)	
	SA	AUS	SA	AUS
Household Consumption	0.3	0.4	1.8	2.2
Government Consumption	1.3	0.8	4.5	3.3
New Business Investment	1.0	1.4	14.9	5.8
Dwelling Investment	2.0	-1.4	3.6	-3.9
Ownership Transfer Costs	-0.5	0.4	-0.2	7.8
Public Investment	2.0	1.5	15.1	10.9
SFD/ DFD	0.8	0.7	4.4	2.8
Exports*	np	1.5	np	5.2
Imports*	np	1.3	np	7.3
GDP	np	0.6	np	2.4

*National data is for goods and services. State data is no longer published in this release.

6 December 2017

Next release of ABS Cat No 5206.0 is 7 March 2018

CHART 5: QUARTERLY PERCENTAGE POINT CONTRIBUTIONS TO SFD/ DFD GROWTH (REAL, TREND)



Explanatory Notes

Gross Domestic Product (GDP) is the total market value of goods and services produced in Australia within a given period. The state by state breakdown of this figure is Gross State Product (GSP), however estimates of GSP growth are only published annually.

The main quarterly measure of state economic activity is State Final Demand (SFD), which is an estimate of the level of spending in the local economy by private and public sectors. Spending is reported on the consumption of goods and services, and capital investment.

Spending (SFD) is not the same as production (GDP). SFD for example, includes spending by households and businesses on imports, which are not produced (and do not create jobs) in South Australia. SFD does not include South Australia's exports, which do get produced and create jobs in the State.

Real Gross Domestic Income measures the purchasing power of the production (GDP) occurring in Australia. It takes into account the impacts of changes in Australia's terms of trade. GDP only measures the volume of goods and services produced, mined and farmed in Australia. If prices are rising for our exports this will lift our incomes. Real GDP does not measure this, but real GDI does.

