



GROSS DOMESTIC PRODUCT & STATE FINAL DEMAND, DECEMBER QUARTER 2015

Summary

In the December quarter 2015:

- Australian Gross Domestic Product (GDP) rose 0.6% and was 3.0% higher than a year earlier in real, seasonally adjusted terms.
- South Australian State Final Demand (SFD) rose 0.4% and was 1.8% higher than a year earlier, in real seasonally adjusted terms.
- Australian Real Gross Domestic Income, which indicates the purchasing power of total incomes generated by Australian production, was flat in the quarter in seasonally adjusted terms.

Further Analysis

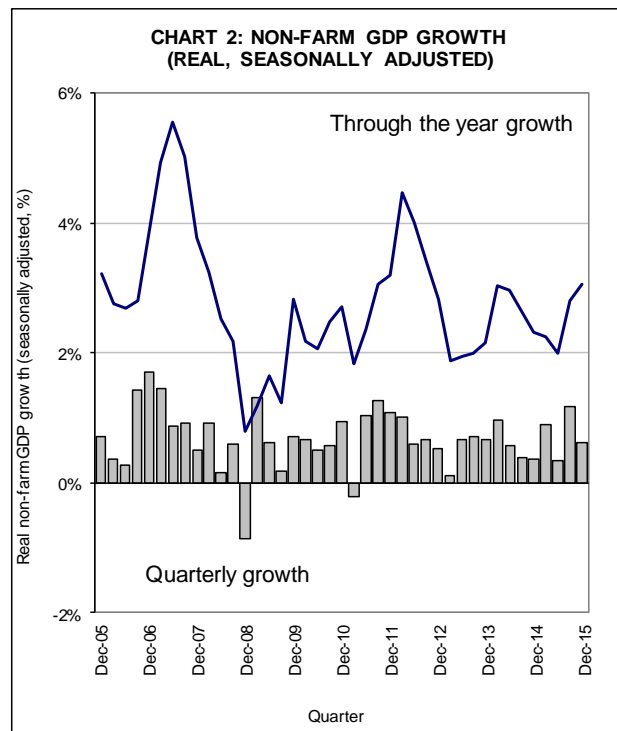
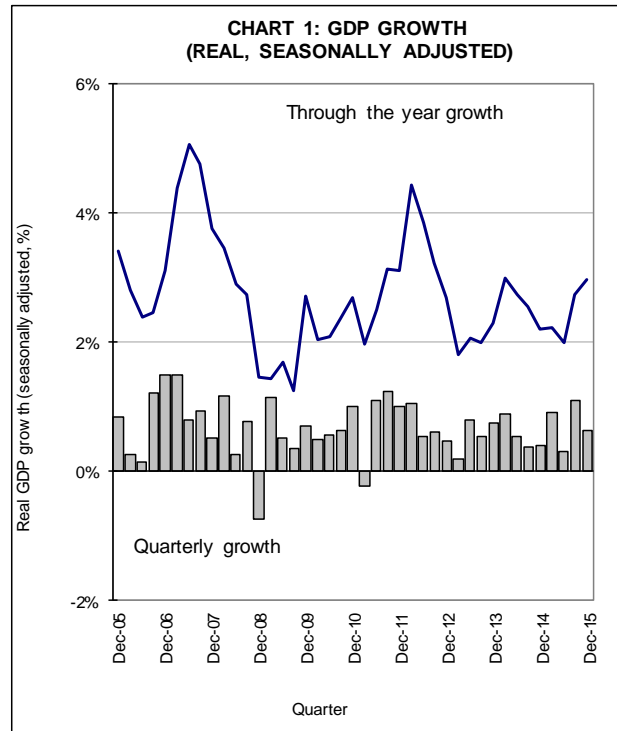
Seasonally adjusted data

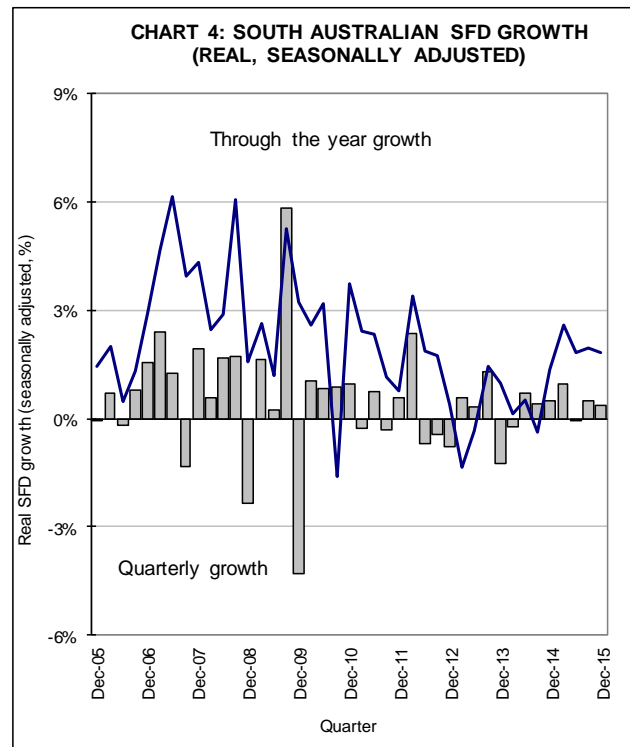
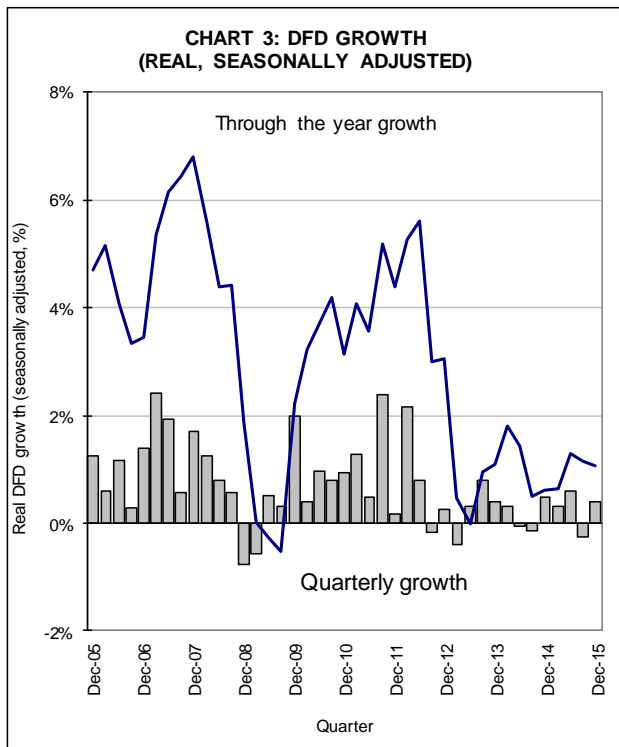
Australia's non-farm GDP rose by 0.6% in the December quarter to be 3.1% higher than a year ago (see Chart 2).

Farm GDP rose by 1.6% in the December quarter but was 1.6% lower than a year ago.

Australian Domestic Final Demand (DFD) rose by 0.4% in the December quarter 2015 and was 1.1% higher than a year ago.

Nationally, household consumption spending rose by 0.8% in the December quarter, public sector consumption spending rose by 0.7%, dwelling expenditure rose by 2.2% and public sector capital spending rose by 6.0%. New business investment fell by 2.7%.





South Australian State Final Demand (SFD) rose by 0.4% during the December quarter 2015—the fourth highest rise of the States—see Chart 4.

In South Australia, during the December quarter, spending growth was recorded in household consumption spending (up 1.0%), public sector consumption spending (up 0.2%) and public sector capital investment (up 13%). Declines in spending were recorded in dwelling investment (down 6.6%) and new private business investment (down 2.3%).

Among the states, SFD rose in the December quarter in Victoria (up 1.2%), NSW (up 1.1%), Tasmania (up 0.7%), South Australia (up 0.4%) and Queensland (up 0.1%) but fell in Western Australia (down 2.3%).

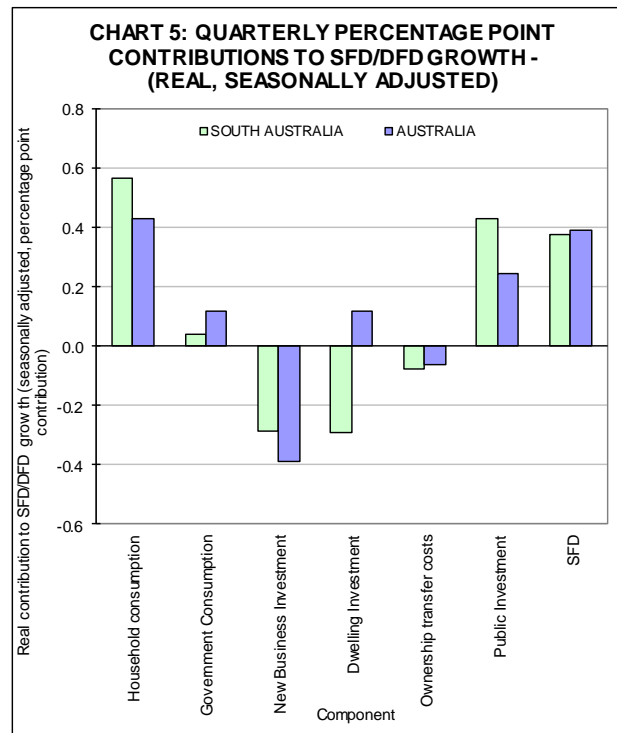
TABLE 1: State Final Demand – Real, Seasonally Adjusted

	Dec qtr 15 v Sep qtr 15 (% change)	Dec qtr 15 v Dec qtr 14 (% change)
NSW	1.1	3.4
VIC	1.2	4.6
QLD	0.1	-1.7
SA	0.4	1.8
WA	-2.3	-4.7
TAS	0.7	3.0
AUS (DFD)	0.4	1.1

TABLE 2: Expenditure Components of SFD/DFD and GDP – Real, Seasonally Adjusted

	Dec qtr 15 v Sep qtr 15 (% change)		Dec qtr 15 v Dec qtr 14 (% change)	
	SA	AUS	SA	AUS
Household Consumption	1.0	0.8	3.4	2.9
Government Consumption	0.2	0.7	3.8	3.6
New Business Investment	-2.3	-2.7	-7.1	-12.0
Dwelling Investment	-6.6	2.2	-2.9	9.8
Ownership Transfer Costs	-5.3	-3.9	0.9	2.8
Public Investment	13.3	6.0	5.4	-0.3
SFD/DFD	0.4	0.4	1.8	1.1
Exports*	N/A	0.6	N/A	5.7
Imports*	N/A	0.6	N/A	1.2
GDP	N/A	0.6	N/A	3.0

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



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.