

SUMMARY

In the December quarter 2018:

SEASONALLY ADJUSTED

- GDP rose by 0.2% in the December quarter following a rise of 0.3% in the September quarter and was 2.3% higher than a year earlier.
- South Australian State Final Demand (SFD) rose 0.8% and was 2.4% 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, increased by 0.9% in seasonally adjusted terms.

TREND

- Australian Gross Domestic Product (GDP) rose 0.3% in the quarter and was 2.3% higher than a year earlier in real trend terms.
- South Australian State Final Demand (SFD) rose 0.5% and was 2.5% 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 0.5% in trend terms.

FURTHER ANALYSIS

SEASONALLY ADJUSTED

Australia's non-farm GDP rose by 0.3% in the December quarter to be 2.5% higher than a year ago (see Chart 2).

Farm GDP fell by 4.0% in the December quarter to be 5.8% lower than a year ago.

Australian Domestic Final Demand (DFD) rose by 0.3% in the December quarter 2018 to be 2.5% higher than a year ago (see Chart 3).

Nationally, government consumption rose by 1.8% in the December quarter, new business investment rose by 0.7%, household consumption spending rose by 0.4% and public investment rose by 0.3%, but dwelling investment fell by 3.4%.

CHART 1: AUSTRALIAN GDP GROWTH (REAL, SEASONALLY ADJUSTED)

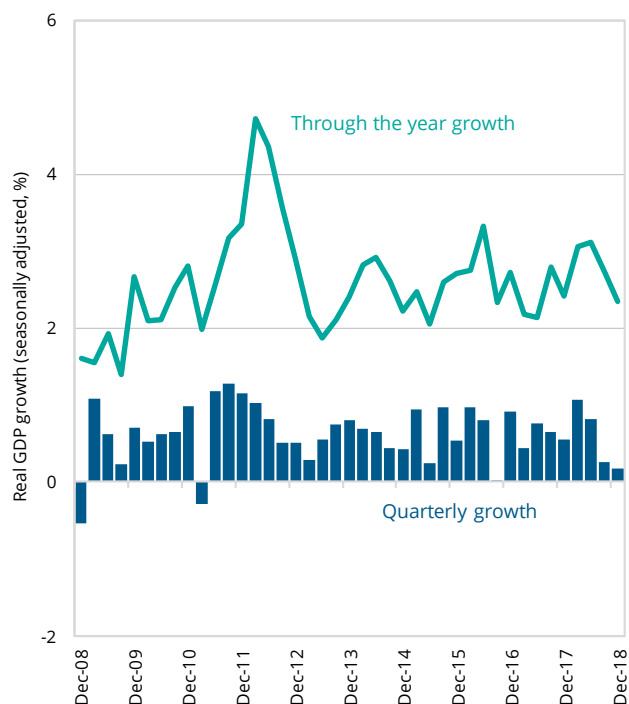


CHART 2: AUSTRALIAN NON-FARM GDP GROWTH (REAL, SEASONALLY ADJUSTED)

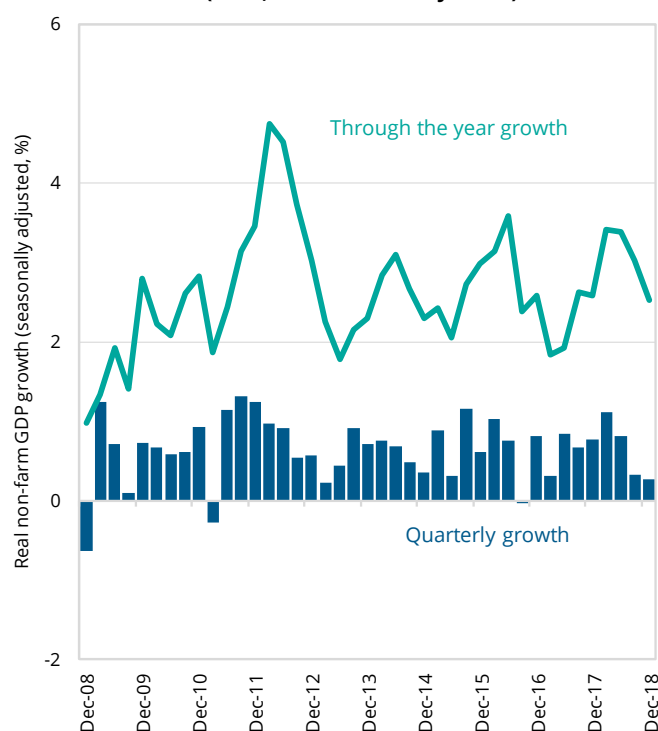


CHART 3: AUSTRALIAN DFD GROWTH (REAL, SEASONALLY ADJUSTED)

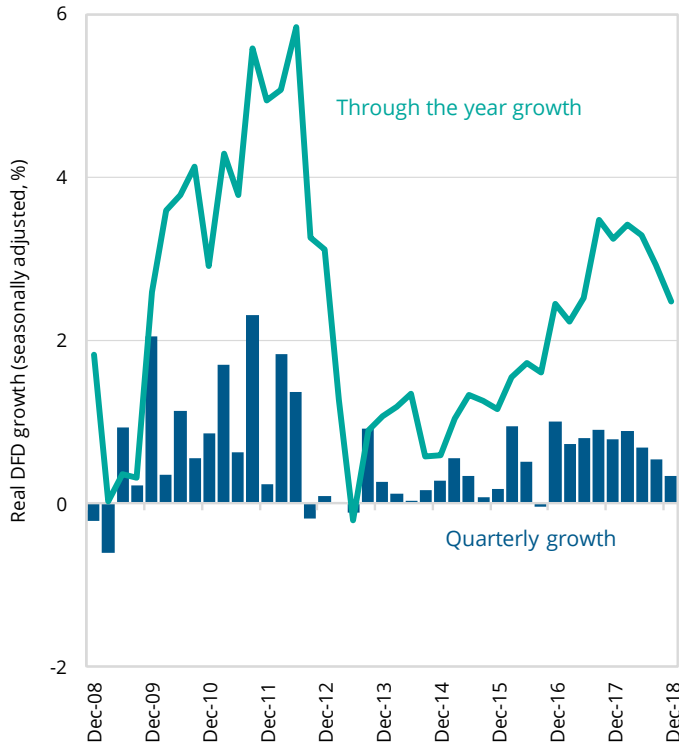
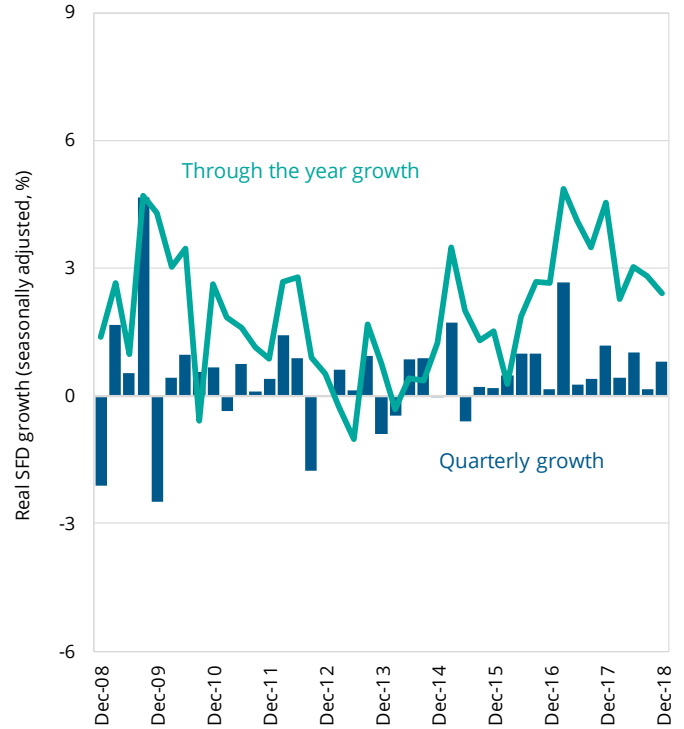


CHART 4: SOUTH AUSTRALIAN SFD GROWTH (REAL, SEASONALLY ADJUSTED)



South Australian State Final Demand (SFD) rose by 0.8% during the December quarter 2018, following an upwardly revised 0.2% increase in the September quarter—see Chart 4.

In South Australia, during the December quarter, spending growth was recorded in public sector capital investment (up 14%), dwelling investment (up 2.7%), public sector consumption (up 0.6%) and household consumption (up 0.3%). A decline in spending was recorded in new private business investment (down 1.5%).

Among the states, SFD rose in the December quarter in Queensland (up 0.9%), followed by South Australia (up 0.8%), Victoria and Tasmania (both up 0.6%), but fell in New South Wales (down 0.1%) and Western Australia (down 0.3%).

Table 1: State Final Demand – Real, seasonally adjusted

	Dec qtr 18 vs Sep qtr 18 (% change)	Dec qtr 18 vs Dec qtr 17 (% change)
NSW	-0.1	2.6
VIC	0.6	5.2
QLD	0.9	2.1
SA	0.8	2.4
WA	-0.3	-1.6
TAS	0.6	5.1
AUS (DFD)	0.3	2.5

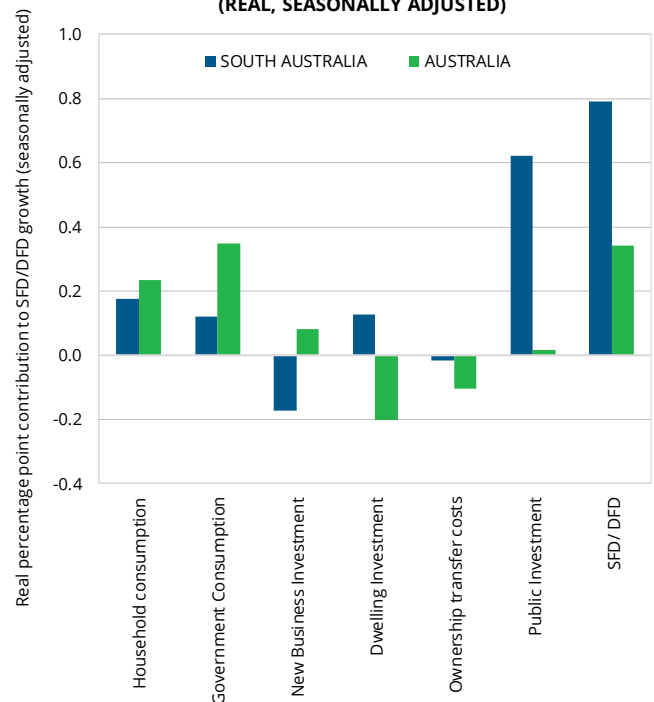
Table 2: Expenditure Components of SFD/DFD and GDP – Real, Seasonally adjusted

	Dec qtr 18 vs Sep qtr 18 (% change)		Dec qtr 18 vs Dec qtr 17 (% change)	
	SA	AUS	SA	AUS
Household Consumption	0.3	0.4	1.3	2.0
Government Consumption	0.6	1.8	2.6	5.6
New Business Investment	-1.5	0.7	4.0	-0.2
Dwelling Investment	2.7	-3.4	7.3	2.5
Ownership Transfer Costs	-1.3	-6.6	-3.2	-11.5
Public Investment	13.7	0.3	8.3	4.7
SFD/ DFD	0.8	0.3	2.4	2.5
Exports*	np	-0.7	np	4.7
Imports*	np	0.1	np	1.5
GDP	np	0.2	np	2.3

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

Next release of ABS Cat No 5206.0 is 5 June 2019

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



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