

State Final Demand – December Quarter 2016

ABS Cat. No. 5206.0

Publication Release Date: 1 March 2017 | Brief Release Date: 1 March 2017 | Next Brief Release Date: 7 June 2017

State Final Demand increased by 1.6 per cent in the December Quarter 2016

ACT (seasonally adjusted¹)

Real State Final Demand (SFD) increased by 1.6 per cent in the December quarter 2016.

Through the year (tty)² to the December quarter 2016, SFD increased by 7.3 per cent.

National (seasonally adjusted)

Real Domestic Final Demand (DFD)³ increased by 1.2 per cent in the December quarter 2016.

Through the year to the December quarter 2016, DFD increased by 2.1 per cent.

Real Gross Domestic Product (GDP) increased by 1.1 per cent in the December quarter 2016.

Through the year to the December quarter 2016, GDP increased by 2.4 per cent.

Key Measures, December Quarter 2016, Chain Volume Measures⁴, Seasonally Adjusted (a)

	Value (\$m)	Change (%)	
		Quarterly	tty
ACT			
State Final Demand	16,358	1.6	7.3
Australia			
Domestic Final Demand	422,502	1.2	2.1
Gross Domestic Product	422,505	1.1	2.4

Source: ABS Cat. No. 5206.0; (a) Reference year for chain volume measures is 2014–15.

Commentary

Economic activity in the ACT, as measured by State Final Demand, increased by 1.6 per cent in the December quarter 2016, following a 0.4 per cent fall in the September Quarter 2016 (revised up from a fall of 1.3 per cent).

The December quarter's result for the ACT was the third highest outcome of any State or Territory, behind the Northern Territory (up 3.7 per cent) and Victoria (up 1.7 per cent). All major components of ACT State Final Demand rose in the December quarter 2016.

A 7.8 per cent increase in public investment contributed 0.6 percentage points to the increase in State Final Demand in the December quarter 2016. Of the increase in public investment, National Government investment rose by 12.3 per cent and contributed 0.7 percentage points to the overall rise in State Final Demand. ACT Government investment fell by 10.6 per cent, detracting 0.2 percentage points to the overall rise in State Final Demand.

Private investment increased by 5.0 per cent and contributed 0.4 percentage points to the rise in the ACT's State Final Demand in the December quarter 2016, driven by dwelling investment.

General government consumption increased by 0.6 per cent and contributed 0.4 percentage points to the overall rise in State Final Demand, while private consumption rose by 1.1 per cent and contributed 0.3 percentage points to the overall increase in State Final Demand.

¹ Seasonally adjusted data takes into account calendar effects so that the effects of other influences on the series may be clearly recognised.

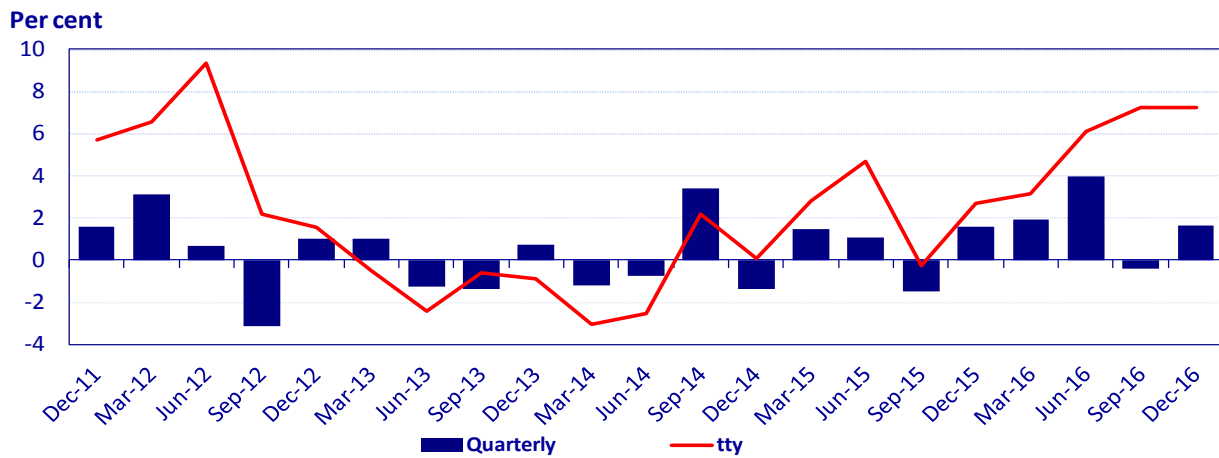
² Through the year (tty) is the percentage change from the same period in the previous year.

³ Domestic Final Demand (DFD) is an equivalent measure to SFD at the national level.

⁴ Chain volume measures reflect changes in value after the direct effects of price changes have been eliminated and hence measure only volume changes.

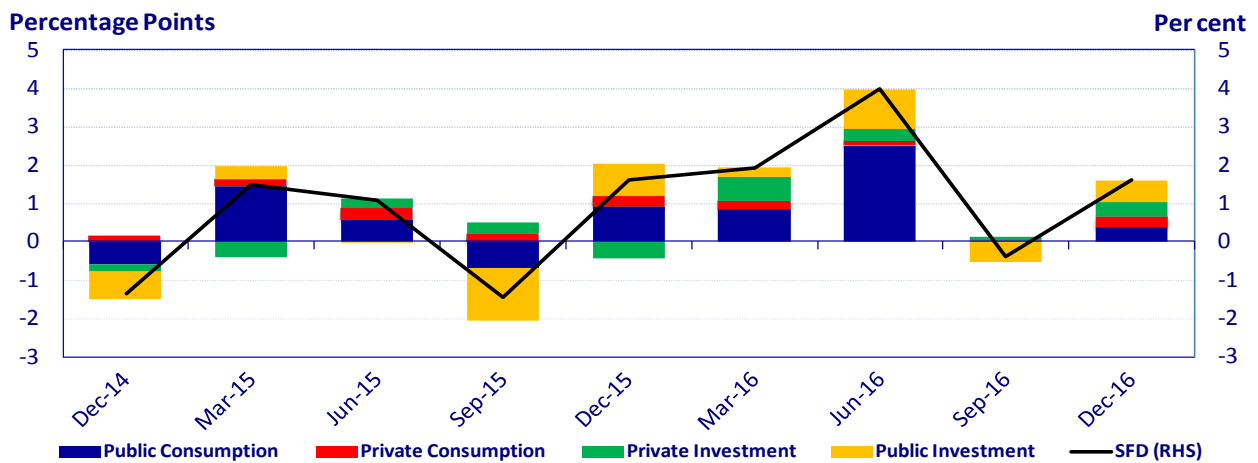
Through the year to the December quarter 2016, ACT State Final Demand grew by 7.3 per cent, the second highest of any jurisdiction. This result was largely driven by National Government Consumption which contributed around half of this growth. Western Australia (down 7.8 per cent) was the only jurisdiction to record a fall in through the year growth to the December quarter 2016.

Growth in ACT SFD, Chain Volume Measures, Seasonally Adjusted (a)



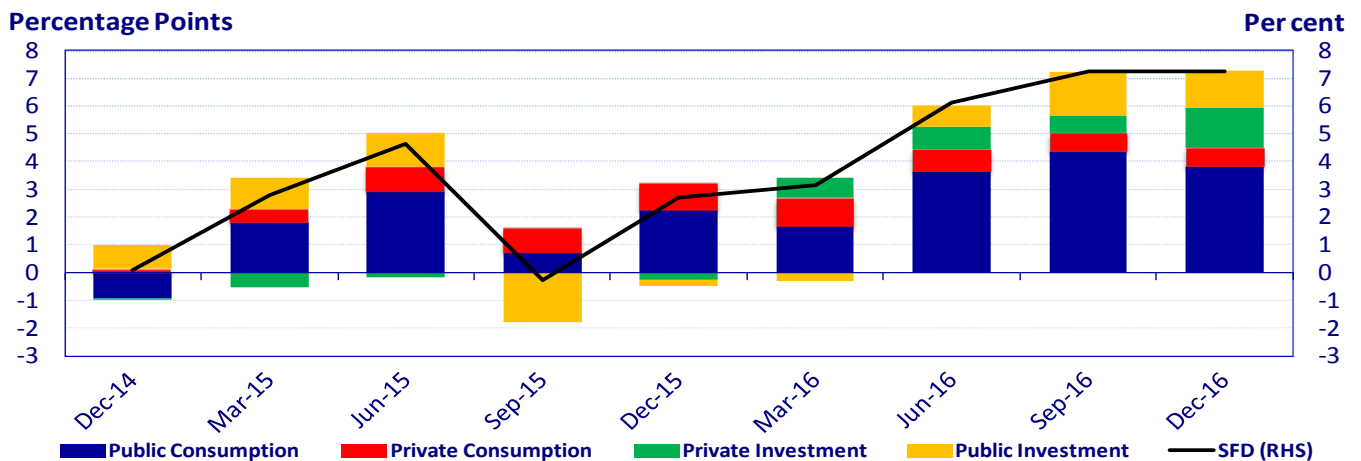
Source: ABS Cat. No. 5206.0; (a) Reference year for chain volume measures is 2014–15.

Contribution to Quarterly Growth in ACT SFD, Chain Volume Measures, Seasonally Adjusted (a)



Source: ABS Cat. No. 5206.0; (a) Reference year for chain volume measures is 2014–15.

Contribution to Through the Year Growth in ACT SFD, Chain Volume Measures, Seasonally Adjusted (a)



Source: ABS Cat. No. 5206.0; (a) Reference year for chain volume measures is 2014–15.

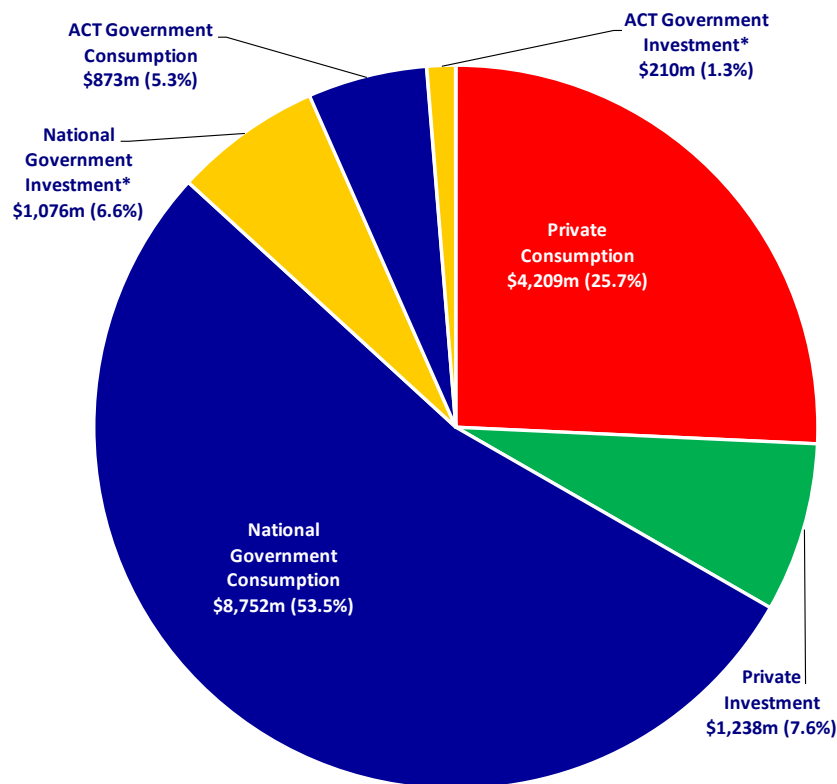
Components of ACT SFD, December Quarter 2016, Chain Volume Measures, Seasonally Adjusted (a)

	Value (\$m)	% Share of Quarterly SFD	Change (%)	
			Quarterly	tty
ACT Government Final Demand	1,083	6.6	-1.8	-2.4
ACT Government Consumption	873	5.3	0.6	2.2
ACT Government Investment*	210	1.3	-10.6	-18.0
National Government Final Demand	9,828	60.1	1.8	9.0
National Government Consumption	8,752	53.5	0.7	6.8
National Government Investment*	1,076	6.6	12.3	30.3
Private Final Demand	5,447	33.3	2.0	6.3
Private Consumption	4,209	25.7	1.1	2.6
Private Investment	1,238	7.6	5.0	21.4
State Final Demand	16,358	100.0	1.6	7.3

Source: ABS Cat. No. 5206.0; (a) Reference year for chain volume measures is 2014–15.

* This includes investment by public corporations

Components of ACT SFD, December Quarter 2016, Chain Volume Measures, Seasonally Adjusted (a)



Source: ABS Cat. No. 5206.0

(a) Reference year for chain volume measures is 2014–15.

* This includes investment by public corporations.

Detailed Components of ACT SFD, December Quarter 2016, Chain Volume Measures, Seasonally Adjusted (a)

	December Qtr 2016 Value (\$m)	% Share of Quarterly SFD	Change (%)		Contribution to Growth	
			Quarterly	tty	Quarterly	tty
Private consumption	4,209	25.7	1.1	2.6	0.3 ppts	0.7 ppts
Food	492	3.0	1.4	1.7	0.0 ppts	0.1 ppts
Cigarettes and tobacco	48	0.3	0.0	-4.0	0.0 ppts	0.0 ppts
Alcoholic beverages	65	0.4	1.6	1.6	0.0 ppts	0.0 ppts
Clothing and footwear	137	0.8	1.5	5.4	0.0 ppts	0.0 ppts
Rent and other dwelling services	969	5.9	0.4	2.1	0.0 ppts	0.1 ppts
Electricity, gas and other fuel	53	0.3	3.9	1.9	0.0 ppts	0.0 ppts
Furnishings and household equipment	176	1.1	2.9	8.0	0.0 ppts	0.1 ppts
Health	234	1.4	1.7	7.8	0.0 ppts	0.1 ppts
Purchase of vehicles	101	0.6	2.0	5.2	0.0 ppts	0.0 ppts
Operation of vehicles	205	1.3	1.0	-1.4	0.0 ppts	0.0 ppts
Transport services	158	1.0	1.9	2.6	0.0 ppts	0.0 ppts
Communications	93	0.6	2.2	8.1	0.0 ppts	0.0 ppts
Recreation and culture	376	2.3	2.2	0.8	0.0 ppts	0.0 ppts
Education services	207	1.3	1.0	3.0	0.0 ppts	0.0 ppts
Hotels, cafes and restaurants	268	1.6	-1.8	-3.6	0.0 ppts	-0.1 ppts
Insurance and other financial services	360	2.2	1.1	4.7	0.0 ppts	0.1 ppts
Other goods and services	368	2.2	1.7	5.7	0.0 ppts	0.1 ppts
Net expenditure interstate	-100	-0.6	2.0	7.5	0.0 ppts	0.0 ppts
Private Investment	1,238	7.6	5.0	21.4	0.4 ppts	1.4 ppts
Dwellings - Total	471	2.9	10.3	38.5	0.3 ppts	0.9 ppts
<i>Dwellings - New and Used</i>	382	2.3	10.7	58.5	0.2 ppts	0.9 ppts
<i>Dwellings - Alterations and additions</i>	88	0.5	7.3	-11.1	0.0 ppts	-0.1 ppts
Ownership transfer costs	113	0.7	0.0	7.6	0.0 ppts	0.1 ppts
Business investment	655	4.0	2.3	13.9	0.1 ppts	0.5 ppts
Non-dwelling construction - Total	317	1.9	2.6	17.0	0.0 ppts	0.3 ppts
<i>Non-dwelling construction - New building</i>	217	1.3	6.9	19.9	0.1 ppts	0.2 ppts
<i>Non-dwelling construction - New engineering construction</i>	101	0.6	-5.6	18.8	0.0 ppts	0.1 ppts
<i>Non-dwelling construction - Net purchase of second hand assets</i>	-2	-0.0	100.0	-140.0	0.0 ppts	0.0 ppts
Machinery and equipment - Total	152	0.9	2.7	14.3	0.0 ppts	0.1 ppts
<i>Machinery and equipment - New</i>	173	1.1	13.1	16.1	0.1 ppts	0.2 ppts
<i>Machinery and equipment - Net purchase of second hand assets</i>	-22	-0.1	450.0	37.5	-0.1 ppts	0.0 ppts
Cultivated biological resources	0	0.0	-	-	0.0 ppts	0.0 ppts
Intellectual property products	187	1.1	2.7	8.7	0.0 ppts	0.1 ppts
Private Final Demand	5,447	33.3	2.0	6.3	0.7 ppts	2.1 ppts
Public consumption	9,625	58.8	0.6	6.4	0.4 ppts	3.8 ppts
National Government consumption	8,752	53.5	0.7	6.8	0.4 ppts	3.7 ppts
ACT Government consumption	873	5.3	0.6	2.2	0.0 ppts	0.1 ppts
Public investment	1,286	7.9	7.8	18.9	0.6 ppts	1.3 ppts
Public corporations	61	0.4	-12.9	-20.8	-0.1 ppts	-0.1 ppts
<i>National Government Public corporations</i>	33	0.2	43.5	13.8	0.1 ppts	0.0 ppts
<i>ACT Government Public corporations</i>	28	0.2	-40.4	-41.7	-0.1 ppts	-0.1 ppts
General government investment	1,225	7.5	9.1	21.9	0.6 ppts	1.4 ppts
<i>National Government investment</i>	1,043	6.4	11.6	30.9	0.7 ppts	1.6 ppts
<i>ACT Government investment</i>	182	1.1	-3.2	-12.5	0.0 ppts	-0.2 ppts
Public Final Demand	10,911	66.7	1.4	7.7	1.0 ppts	5.1 ppts
State Final Demand	16,358	100.0	1.6	7.3	1.6 ppts	7.3 ppts

Source: ABS Cat. No. 5206.0; (a) Reference year for chain volume measures is 2014–15.

Note: The number may not add due to rounding.

Definition

"The key output of the state accounts is annual Gross State Product (GSP) which is directly comparable in concept to the national measure of Gross Domestic Product. The ABS does not produce quarterly GSP, but quarterly State Final Demand (SFD) is calculated. SFD is directly comparable to domestic final demand at the national level. It is a partial measure of GSP measured by the expenditure approach, in that this measure excludes both international and interstate trade, as well as changes in inventories. As such, the two measures should not be directly compared." Source: ABS Cat No. 5216.0, Paragraph 21.3

Economic Indicators for the Australian Capital Territory can be found at: <http://apps.treasury.act.gov.au/snapshot>

Contact Officer: Rapinah Worcester (6207 9019) | Manager: Michael Anderson (6207 0243) | Macroeconomic Branch