

# State Final Demand – September Quarter 2017

## ABS Cat. No. 5206.0

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### State Final Demand fell by 1.0 per cent in the September Quarter 2017

#### ACT (seasonally adjusted<sup>1</sup>)

Real State Final Demand (SFD) decreased by 1.0 per cent in the September quarter 2017.

Through the year<sup>2</sup> to the September quarter 2017, SFD increased by 1.7 per cent.

#### National (seasonally adjusted)

Real Domestic Final Demand (DFD)<sup>3</sup> increased by 0.6 per cent in the September quarter 2017.

Through the year to the September quarter 2017, DFD increased by 3.2 per cent.

Real Gross Domestic Product (GDP) increased by 0.6 per cent in the September quarter 2017.

Through the year to the September quarter 2017, GDP increased by 2.8 per cent.

#### Key Measures, September Quarter 2017, Chain Volume Measures<sup>4</sup>(a), Seasonally Adjusted

	Value (\$m)	Change (%)	
		Quarterly	tty <sup>2</sup>
<b>ACT</b>			
State Final Demand	11,719	-1.0	1.7
<b>Australia</b>			
Domestic Final Demand	440,687	0.6	3.2
Gross Domestic Product	430,724	0.6	2.8

Source: ABS Cat. No. 5206.0; (a) Reference year for chain volume measures is 2015–16.

#### Commentary

Economic activity in the ACT, as measured by State Final Demand, decreased by 1.0 per cent in the September quarter 2017, following a 1.0 per cent increase in the June Quarter 2017 (revised up from a slight decrease of 0.2 per cent).

Economic activity in the September quarter 2017 increased in all jurisdictions except the ACT (down 1.0 per cent) and Tasmania (down 0.8 per cent). New South Wales recorded the strongest growth (up 1.0 per cent), followed by Western Australia and the Northern Territory (both up 0.9 per cent), Victoria (up 0.4 per cent), and Queensland and South Australia (both up 0.2 per cent).

The fall in the ACT's State Final Demand in the September quarter 2017 was driven by falls in general government and household consumption, partially offset by increases in public and private investment.

A 13.2 per cent increase in public investment contributed 0.9 percentage points to ACT State Final Demand in the September quarter 2017. Of the increase in investment, National Government investment rose by 20.9 per cent, contributing 0.9 percentage points. ACT Government investment fell by 14.9 per cent and detracted 0.4 percentage points. Private investment rose slightly by 0.2 per cent, with a very small contribution to the ACT's State Final Demand in the September quarter 2017.

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

<sup>2</sup> Through the year (tty) is the percentage change from the same period (month/quarter) in the previous year.

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

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

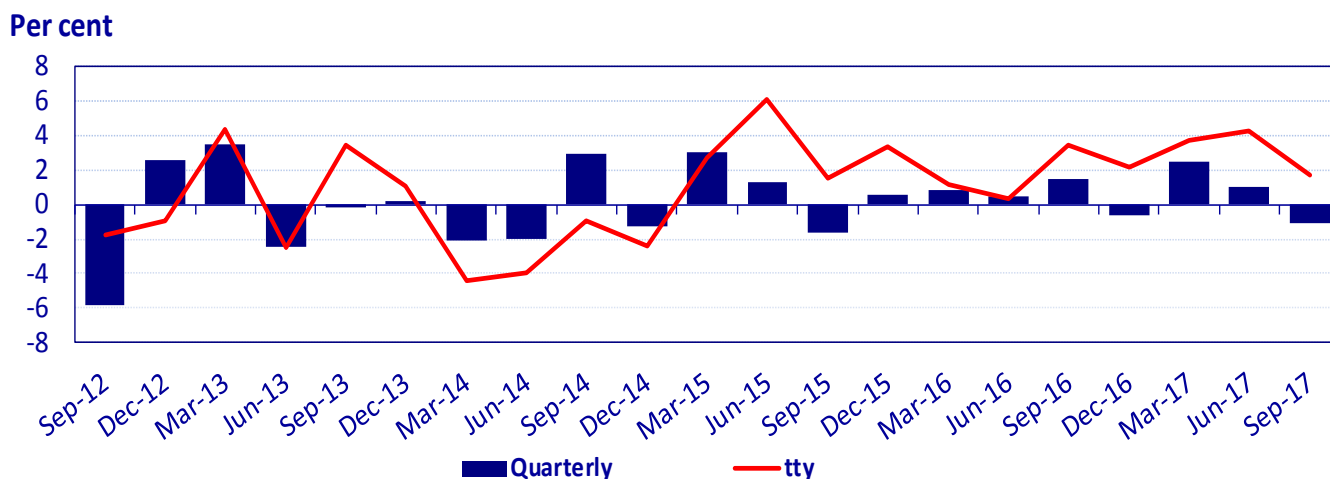
General government consumption decreased by 4.2 per cent and detracted 1.9 percentage points, while private consumption decreased by 0.4 per cent, detracting 0.1 percentage points to the ACT's State Final Demand in the September quarter 2017.

Through the year to the September quarter 2017, ACT State Final Demand grew by 1.7 per cent, the second lowest growth rate of any jurisdiction. All components of ACT State Final Demand except national government consumption contributed positively to the through the year growth to the September quarter 2017.

### Revisions to Key National Accounts Aggregates

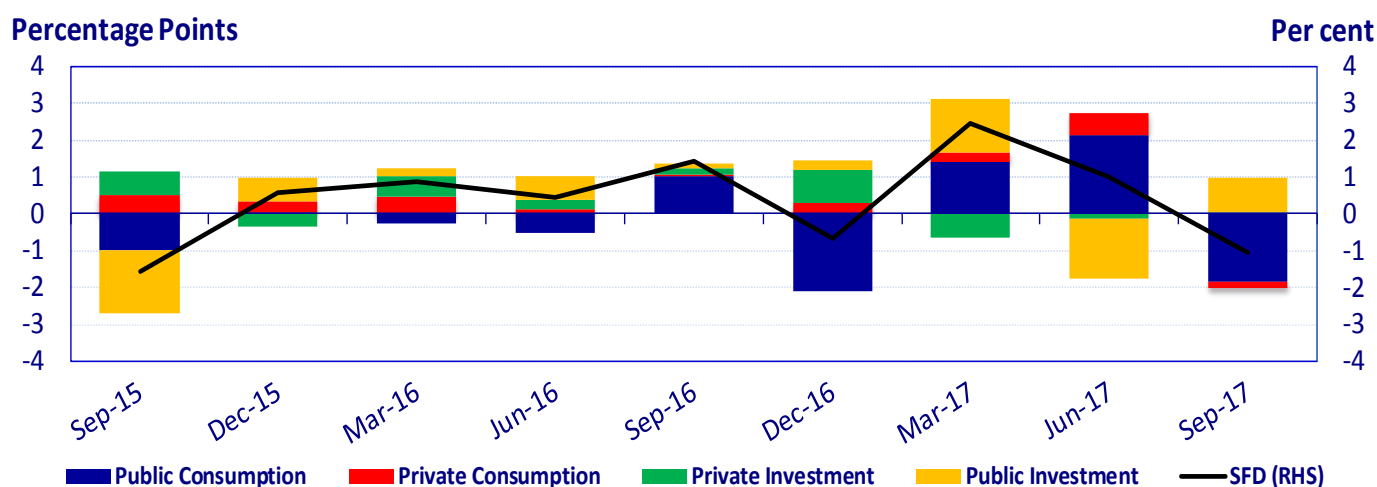
The estimates in this release incorporate revisions to the entire time series following a wide range of improvements undertaken by the ABS, which include updated data sources as well as changes in methods and classifications. In particular, the allocation of social benefits to households in goods and services has been improved, which has substantially lowered the previously reported level of general government final consumption expenditure in the ACT.<sup>5</sup>

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



Source: ABS Cat. No. 5206.0; (a) Reference year for chain volume measures is 2015–16.

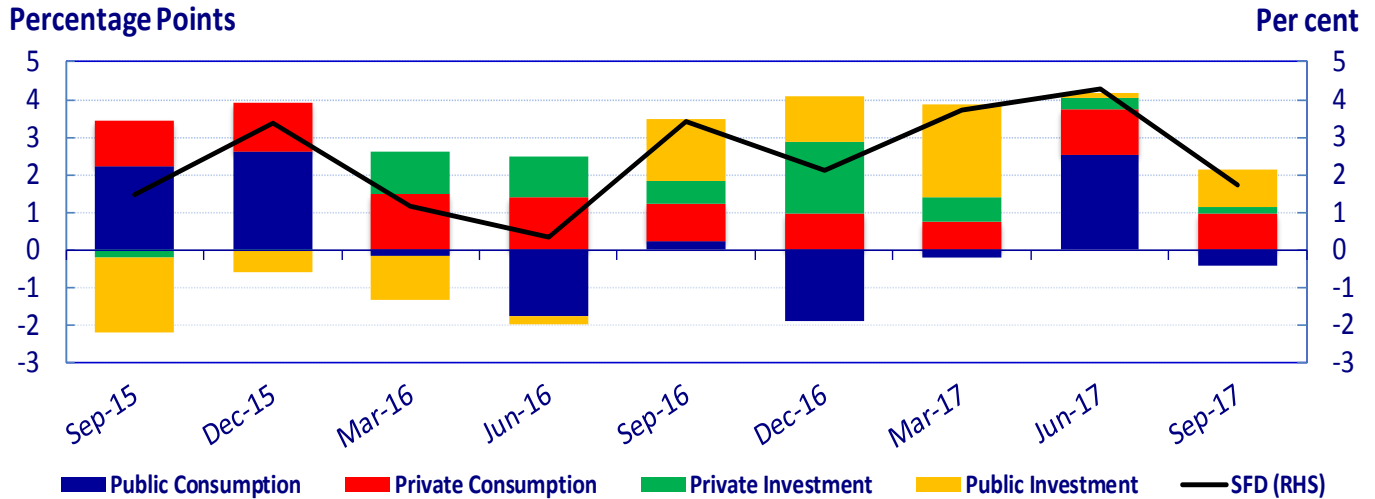
**Contribution to Quarterly Growth in ACT SFD, Chain Volume Measures (a), Seasonally Adjusted**



Source: ABS Cat. No. 5206.0; (a) Reference year for chain volume measures is 2015–16.

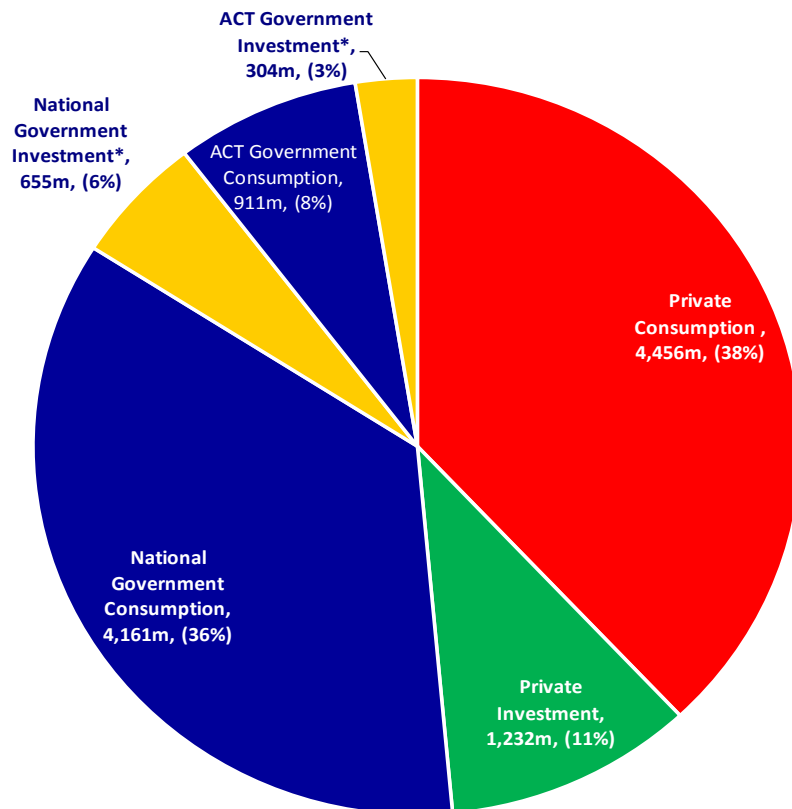
<sup>5</sup> Detailed changes underpinning the historical revisions to the national accounts are available in ABS Cat. No. 5204.0.55.012.

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



Source: ABS Cat. No. 5206.0; (a) Reference year for chain volume measures is 2015–16.

**Components of ACT SFD, September Quarter 2017, Chain Volume Measures (a), Seasonally Adjusted**



Source: ABS Cat. No. 5206.0

(a) Reference year for chain volume measures is 2015–16.

\* This includes investment by public corporations; Estimates may not add up due to rounding.

Components of ACT SFD, September Quarter 2017, Chain Volume Measures (a), Seasonally Adjusted

	Value (\$m)	% Share of Quarterly SFD	Change (%)		Contribution to Growth	
			Quarterly	tty	Quarterly	tty
<b>ACT Government Final Demand</b>	<b>1,215</b>	<b>10.4</b>	<b>3.1</b>	<b>2.4</b>	<b>0.3 ppts</b>	<b>0.2 ppts</b>
ACT Government Consumption	911	7.8	3.3	1.8	0.2 ppts	0.1 ppts
ACT Government Investment	251	2.1	-14.9	0.0	-0.4 ppts	0.0 ppts
Public Corporation	53	0.5	5200.0	29.3	0.4 ppts	0.1 ppts
<b>National Government Final Demand</b>	<b>4,816</b>	<b>41.1</b>	<b>-2.9</b>	<b>0.8</b>	<b>-1.2 ppts</b>	<b>0.3 ppts</b>
National Government Consumption	4,161	35.5	-5.6	-1.5	-2.1 ppts	-0.5 ppts
National Government Investment	620	5.3	20.9	17.9	0.9 ppts	0.8 ppts
Public Corporations	35	0.3	-7.9	25.0	-0.0 ppts	0.1 ppts
<b>Private Final Demand</b>	<b>5,688</b>	<b>48.5</b>	<b>-0.2</b>	<b>2.4</b>	<b>-0.1 ppts</b>	<b>1.1 ppts</b>
Private Consumption	4,456	38.0	-0.4	2.6	-0.1 ppts	1.0 ppts
Private Investment	1,232	10.5	0.2	1.7	0.0 ppts	0.2 ppts
<b>State Final Demand</b>	<b>11,719</b>	<b>100.0</b>	<b>-1.0</b>	<b>1.7</b>	<b>-1.0 ppts</b>	<b>1.7 ppts</b>

Source: ABS Cat. No. 5206.0; (a) Reference year for chain volume measures is 2015–16.  
Estimates may not add up due to rounding.

## Detailed Components of ACT SFD, September Quarter 2017, Chain Volume Measures (a), Seasonally Adjusted

	September Qtr 2017 Value (\$m)	% Share of Quarterly SFD	Change (%)		Contribution to Growth	
			Quarterly	tty	Quarterly	tty
<b>Private consumption</b>	<b>4,456</b>	<b>38.0</b>	<b>-0.4</b>	<b>2.6</b>	<b>-0.1 ppts</b>	<b>1.0 ppts</b>
Food	464	4.0	-1.9	0.0	-0.1 ppts	0.0 ppts
Cigarettes and tobacco	33	0.3	0.0	0.0	0.0 ppts	0.0 ppts
Alcoholic beverages	72	0.6	-5.3	-1.4	-0.0 ppts	0.0 ppts
Clothing and footwear	154	1.3	-0.6	2.7	-0.0 ppts	0.0 ppts
Rent and other dwelling services	951	8.1	0.7	2.6	0.1 ppts	0.2 ppts
Electricity, gas and other fuel	48	0.4	4.3	14.3	0.0 ppts	0.1 ppts
Furnishings and household equipment	202	1.7	-2.9	2.5	-0.1 ppts	0.0 ppts
Health	245	2.1	0.0	7.9	0.0 ppts	0.2 ppts
Purchase of vehicles	113	1.0	-2.6	3.7	-0.0 ppts	0.0 ppts
Operation of vehicles	268	2.3	0.8	3.1	0.0 ppts	0.1 ppts
Transport services	134	1.1	0.8	4.7	0.0 ppts	0.1 ppts
Communications	102	0.9	0.0	4.1	0.0 ppts	0.0 ppts
Recreation and culture	395	3.4	-2.2	2.1	-0.1 ppts	0.1 ppts
Education services	223	1.9	0.0	4.2	0.0 ppts	0.1 ppts
Hotels, cafes and restaurants	385	3.3	-0.8	-2.0	-0.0 ppts	-0.1 ppts
Insurance and other financial services	379	3.2	1.1	5.0	0.0 ppts	0.2 ppts
Other goods and services	359	3.1	0.0	3.8	0.0 ppts	0.1 ppts
Net expenditure interstate	-72	-0.6	1.4	7.5	-0.0 ppts	0.0 ppts
<b>Private Investment</b>	<b>1,232</b>	<b>10.5</b>	<b>0.2</b>	<b>1.7</b>	<b>0.0 ppts</b>	<b>0.2 ppts</b>
Dwellings - Total	498	4.2	4.4	7.3	0.2 ppts	0.3 ppts
<i>Dwellings - New and Used</i>	373	3.2	6.3	7.2	0.2 ppts	0.2 ppts
<i>Dwellings - Alterations and additions</i>	125	1.1	0.0	7.8	0.0 ppts	0.1 ppts
Ownership transfer costs	139	1.2	-2.1	2.2	0.0 ppts	0.0 ppts
Business investment*	595	5.1	-2.5	-2.8	-0.1 ppts	-0.1 ppts
Non-dwelling construction - Total	297	2.5	3.8	-1.0	0.1 ppts	0.0 ppts
<i>Non-dwelling construction - New building</i>	196	1.7	3.2	1.6	0.1 ppts	0.0 ppts
<i>Non-dwelling construction - New engineering construction</i>	98	0.8	-1.0	-9.3	0.0 ppts	-0.1 ppts
<i>Non-dwelling construction - Net purchase of second hand assets</i>	3	0.0	-175.0	-250.0	0.1 ppts	0.0 ppts
Machinery and equipment - Total	112	1.0	-20.6	-18.8	-0.2 ppts	-0.2 ppts
<i>Machinery and equipment - New</i>	131	1.1	-18.1	-16.6	-0.2 ppts	-0.2 ppts
<i>Machinery and equipment - Net purchase of second hand assets</i>	-19	-0.2	0.0	0.0	0.0 ppts	0.0 ppts
Cultivated biological resources	0	0.0	-	-	0.0 ppts	0.0 ppts
Intellectual property products	186	1.6	1.1	6.3	0.0 ppts	0.1 ppts
<b>Private Final Demand</b>	<b>5,688</b>	<b>48.5</b>	<b>-0.2</b>	<b>2.4</b>	<b>-0.1 ppts</b>	<b>1.1 ppts</b>
<b>Public consumption</b>	<b>5,073</b>	<b>43.3</b>	<b>-4.2</b>	<b>-0.9</b>	<b>-1.9 ppts</b>	<b>-0.4 ppts</b>
National Government consumption	4,161	35.5	-5.6	-1.5	-2.1 ppts	-0.5 ppts
ACT Government consumption	911	7.8	3.3	1.8	0.2 ppts	0.1 ppts
<b>Public investment</b>	<b>959</b>	<b>8.2</b>	<b>13.2</b>	<b>13.2</b>	<b>0.9 ppts</b>	<b>1.0 ppts</b>
Public corporations	88	0.8	125.6	27.5	0.4 ppts	0.2 ppts
<i>National Government Public corporations</i>	35	0.3	-7.9	25.0	0.0 ppts	0.1 ppts
<i>ACT Government Public corporations</i>	53	0.5	5,200.0	29.3	0.4 ppts	0.1 ppts
General government investment	871	7.4	7.8	12.0	0.5 ppts	0.8 ppts
<i>National Government investment</i>	620	5.3	20.9	17.9	0.9 ppts	0.8 ppts
<i>ACT Government investment</i>	251	2.1	-14.9	0.0	-0.4 ppts	0.0 ppts
<b>Public Final Demand</b>	<b>6,032</b>	<b>51.5</b>	<b>-1.8</b>	<b>1.1</b>	<b>-0.9 ppts</b>	<b>0.6 ppts</b>
<b>State Final Demand</b>	<b>11,719</b>	<b>100.0</b>	<b>-1.0</b>	<b>1.7</b>	<b>-1.0 ppts</b>	<b>1.7 ppts</b>

Source: ABS Cat. No. 5206.0; (a) Reference year for chain volume measures is 2015–16.

Notes: Estimates may not add up due to rounding; \*Business investment is component of private investment, which is the sum of non-dwelling construction, machinery and equipment, cultivated biological resources, and intellectual property products.

### 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