

The Australian economy expanded by 0.6% in the June 2009 quarter. The largest contribution to growth in the quarter was from household consumption, with private investment also contributing to growth.

## GDP

**Change in the quarter** (s.a.)  
**Annual change** (s.a.)  
**Year on year change** (orig)

## AUS

**↑0.6%**  
**↑0.6%**  
**↑1.0%**

In the June 2009 quarter, Australia's seasonally adjusted Gross Domestic Product (GDP) increased by 0.6% from both the previous quarter and in annual terms. The main contributor to the annual growth was an increase in net exports partly offset by a fall in inventory stocks.

In 2008-09 GDP increased by 1.0%, when compared with 2007-08.

## Expenditure (s.a.)

Consumption expenditure increased by 0.8% in the quarter and by 1.9% compared with June 2008 quarter (see Chart 2). Consumption expenditure contributed 1.4 percentage points to GDP growth over the year. Private consumption expenditure contributed 0.9 of a percentage point and public consumption added 0.5 of a percentage point to GDP growth.

Total investment increased by 0.7% in the quarter, however decreased by 2.3% compared with June 2008 quarter (see Chart 3). In annual terms the decrease to total investment was due to a decrease of 3.1% in private investment, partly offset by a 2.5% increase in public investment.

Net exports fell in the quarter but increased over the year, contributing 3.3 percentage points to the annual GDP growth

## Income and Production (s.a.)

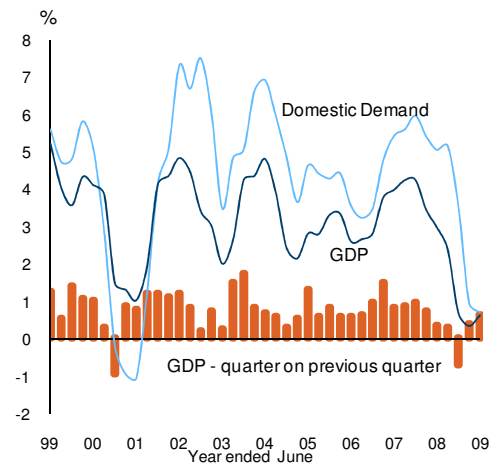
Gross operating surplus decreased by 3.8% in both the June 2009 quarter and over the year. Compensation of employees decreased by 0.3% in the quarter, but increased by 2.1% since the June 2008 quarter.

On the production side, the 'government administration and defence' industry was the largest contributor to growth in the year, adding 0.30 of a percentage point. 'Manufacturing' and 'property & business services' detracted 0.79 and 0.37 percentage points from growth respectively.

## Outlook

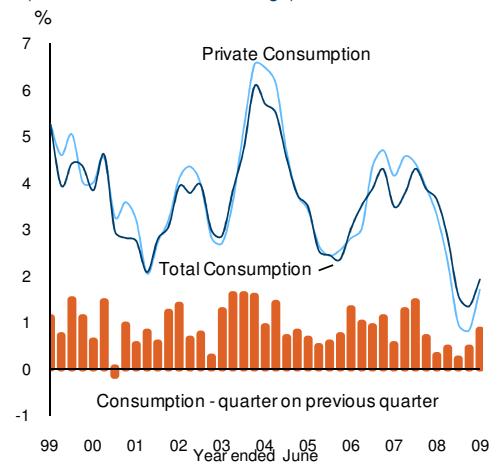
GDP growth is expected to moderate over the remainder of 2009 with business investment expected to decline in annual terms, which will more than offset the expected growth in public investment.

**Chart 1: Gross Domestic Product**  
(seasonally adjusted, chain volume measure)



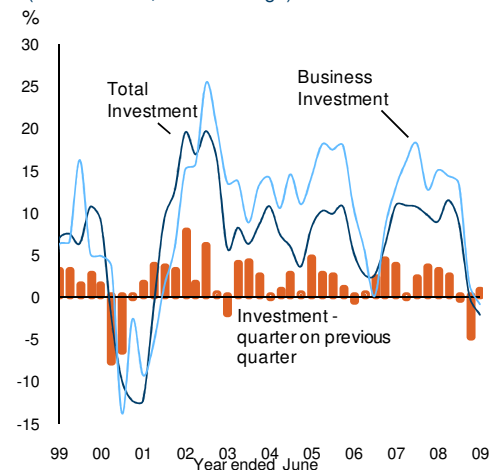
Source: ABS Cat. No. 5206.0

**Chart 2: Consumption**  
(chain volume, annual change)



Source: ABS Cat. No. 5206.0

**Chart 3: Investment**  
(chain volume, annual change)



Source: ABS Cat. No. 5206.0

## Gross Domestic Product (\$M, chain volume)

	June Quarter		% change		
	quarter	year to date	quarterly <sup>1</sup>	annual <sup>2</sup>	year on year <sup>3</sup>
<b>Australia</b>					
original	272 542	1 095 370	3.8%	0.5%	1.0%
consumption	203 692	816 077	2.5%	1.8%	1.9%
- households	152 855	617 113	2.2%	1.6%	1.4%
- general govt	50 837	198 964	3.3%	2.6%	3.3%
investment	84 302	326 215	17.2%	-2.0%	4.2%
- private	68 764	272 592	14.0%	-3.0%	3.1%
- public	15 538	53 622	33.9%	3.0%	10.2%
ch in inventories	- 5 631	- 8 898	82.3%	160.6%	-274.0%
net exports	- 1 261	- 24 953	-3.4%	-88.0%	-29.7%
- exports	57 339	228 526	4.2%	-0.1%	1.8%
- imports	58 600	253 479	4.0%	-13.7%	-2.5%
Statistical discrepancy	- 8 560	- 13 072	n.a	n.a	n.a
seasonally adj	275 135	1 095 264	0.6%	0.6%	
consumption	205 834	816 087	0.8%	1.9%	
- households	155 673	617 068	0.8%	1.7%	
- general govt	50 161	199 019	0.8%	2.6%	
investment	79 891	326 268	0.7%	-2.3%	
- private	66 728	272 593	0.6%	-3.1%	
- public	13 163	53 675	0.8%	2.5%	
ch in inventories	- 2 634	- 8 876	-15.1%	-644.2%	
net exports	- 2 570	- 24 983	36.2%	-77.8%	
- exports	57 916	228 529	1.0%	-0.2%	
- imports	60 486	253 512	2.1%	-13.1%	
Statistical discrepancy	- 5 386	- 13 231	n.a	n.a	

## Gross Domestic Product Percentage Point Contribution (\$M, chain volume)

	June Quarter		change		
	quarter	year to date	quarterly <sup>1</sup>	annual <sup>2</sup>	year on year <sup>3</sup>
<b>Australia</b>					
<b>GDP Level and Growth (original)</b>	<b>272 542</b>	<b>1 095 370</b>	<b>3.8%</b>	<b>0.5%</b>	<b>1.0%</b>
consumption	203 692	816 077	1.9 ppt	1.3 ppt	1.4 ppt
- households	152 855	617 113	1.3 ppt	0.9 ppt	0.8 ppt
- general govt	50 837	198 964	0.6 ppt	0.5 ppt	0.6 ppt
investment	84 302	326 215	4.7 ppt	-0.6 ppt	1.2 ppt
- private	68 764	272 592	3.2 ppt	-0.8 ppt	0.8 ppt
- public	15 538	53 622	1.5 ppt	0.2 ppt	0.5 ppt
ch in inventories	- 5 631	- 8 898	-1.0 ppt	-1.3 ppt	-1.3 ppt
net exports	- 1 261	- 24 953	0.0 ppt	3.4 ppt	1.0 ppt
- exports	57 339	228 526	0.9 ppt	0.0 ppt	0.4 ppt
- imports	58 600	253 479	-0.9 ppt	3.4 ppt	0.6 ppt
Statistical discrepancy	- 8 560	- 13 072	-1.9 ppt	-2.3 ppt	-1.3 ppt
<b>GDP Level and Growth (seasonally adj)</b>	<b>275 135</b>	<b>1 095 264</b>	<b>0.6%</b>	<b>0.6%</b>	
consumption	205 834	816 087	0.6 ppt	1.4 ppt	
- households	155 673	617 068	0.5 ppt	0.9 ppt	
- general govt	50 161	199 019	0.1 ppt	0.5 ppt	
investment	79 891	326 268	0.2 ppt	-0.7 ppt	
- private	66 728	272 593	0.2 ppt	-0.8 ppt	
- public	13 163	53 675	0.0 ppt	0.1 ppt	
ch in inventories	- 2 634	- 8 876	0.2 ppt	-1.1 ppt	
net exports	- 2 570	- 24 983	-0.2 ppt	3.3 ppt	
- exports	57 916	228 529	0.2 ppt	0.0 ppt	
- imports	60 486	253 512	-0.5 ppt	3.3 ppt	
Statistical discrepancy	- 5 386	- 13 231	-0.1 ppt	-2.3 ppt	

<sup>1</sup> compares the latest quarter with the previous quarter

<sup>2</sup> compares the latest quarter with the same quarter last year

<sup>3</sup> compares the 12 months up to and including the latest quarter with the previous 12 month period

Caution is advised when using quarterly data for the Territory, which is often derived from small samples and highly volatile.

Source: ABS Cat. No. 5206.0

Although all due care has been exercised in the preparation of this material, no responsibility is accepted for any errors or omission.