

ECONOMIC NOTE

State/Domestic Final Demand, March 2009

Analysis

Western Australia's business investment and dwelling investment both contracted in the March quarter (down by 8.2% and 5.8% respectively), which were key influences on the State's domestic demand decreasing by 2.3% over the quarter.

The State's domestic demand rose by 2.9% through the year to the March quarter, with all components of demand contributing to annual growth, except dwelling investment, which recorded a decrease of 5.2%.

Although Australia's Gross Domestic Product expanded by 0.4% over the March quarter 2009, this followed an economic contraction of 0.5% in the December quarter 2008. Net exports contributed 2.2 percentage points to growth, compared to the 1.7 percentage points in the previous quarter. In less volatile trend terms, Australia's Gross Domestic Product contracted by 0.1% in the March quarter.

Key Facts

State Final Demand

Seasonally Adjusted

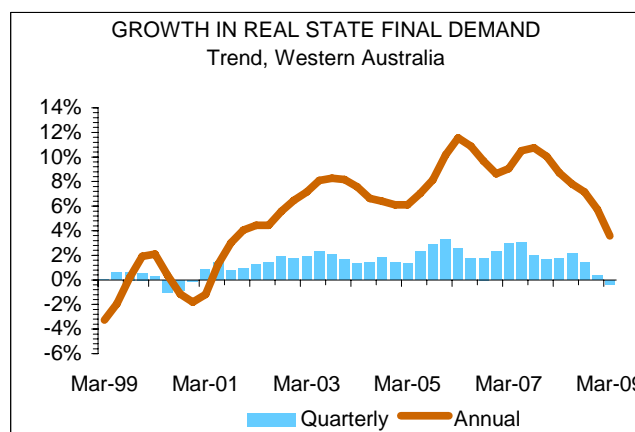
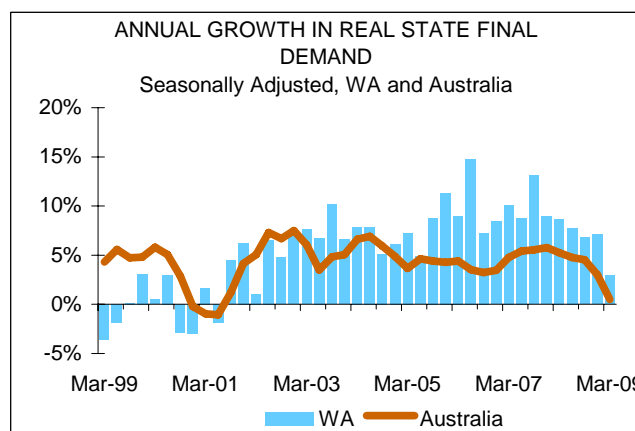
Western Australia's seasonally adjusted real state final demand decreased by 2.3% over the quarter and rose by 2.9% through the year to March 2009.

Nationally, real seasonally adjusted domestic demand fell by 1.0% over the quarter and increased by 0.5% in the four quarters to March.

Over the year to March, the largest increase in real state final demand was 4.6%, in South Australia. The largest decrease was 1.7%, in Queensland.

Trend

In trend terms, Western Australia's real state final demand decreased by 0.4% over the quarter and rose by 3.6% through the year to March 2009. Australia's trend domestic demand fell by 0.3% over the quarter and increased by 1.0% in the four quarters to March.



REAL STATE FINAL DEMAND CHANGES, BY STATE

March 2009

	Seasonally Adjusted		Trend	
	% Change Over:		% Change Over:	
	1 Year	Quarter	1 Year	Quarter
New South Wales	0.5%	-0.2%	0.8%	-0.1%
Victoria	0.0%	-2.1%	0.5%	-0.3%
Queensland	-1.7%	-3.1%	-0.6%	-1.4%
South Australia	4.6%	2.0%	4.2%	0.6%
Western Australia	2.9%	-2.3%	3.6%	-0.4%
Tasmania	2.8%	-2.5%	3.1%	-0.5%
Northern Territory	0.4%	-9.2%	4.3%	-2.2%
Australian Capital Territory	-0.8%	0.0%	-1.4%	-0.7%
Australia	0.5%	-1.0%	1.0%	-0.3%

Over the year to March, the largest increase in trend real state final demand was 4.3%, in the Northern Territory. The largest decrease was 1.4%, in the Australian Capital Territory.

Western Australia

Western Australia's real, seasonally adjusted private consumption increased by 0.8% over the quarter and rose by 3.5% through the year to March 2009. In trend terms, Western Australia's real private consumption increased by 1.2% over the quarter and rose by 4.3% through the year to March 2009.

Western Australia's real, seasonally adjusted dwelling investment decreased by 5.8% over the quarter and fell by 5.2% through the year to March 2009. In trend terms, Western Australia's real dwelling investment decreased by 4.0% over the quarter and fell by 7.9% through the year to March 2009.

Business investment decreased by 8.2% over the quarter and rose by 4.6% through the year to March 2009. The State's real, seasonally adjusted government investment increased by 6.2% over the quarter and rose by 9.4% through the year.

Western Australia's real, seasonally adjusted exports of goods increased by 12.6% over the quarter and rose by 6.9% through the year to March 2009. In trend terms, Western Australia's real exports of goods increased by 3.8% over the quarter and rose by 5.7% through the year to March 2009.

Western Australia's real, seasonally adjusted imports of goods decreased by 9.3% over the quarter and rose by 5.4% through the year to March 2009. In trend terms, Western Australia's exports increased by 3.8% over the quarter and rose by 5.7% through the year to March 2009.

Australia

Nationally, real seasonally adjusted private consumption rose by 0.6% over the quarter and increased by 0.8% in the four quarters to March. Australia's trend private consumption rose by 0.4% over the quarter and increased by 0.9% in the four quarters to March.

Dwelling investment fell by 5.6% over the quarter and decreased by 5.7% in the four quarters to March. Australia's trend dwelling investment fell by 3.1% over the quarter and decreased by 4.1% in the four quarters to March.

Seasonally adjusted business investment fell by 6.1% over the quarter and increased by 1.1% in the four quarters to March. Nationally, real seasonally adjusted government investment fell by 2.5% over the quarter and decreased by 0.2% in the four quarters to March.

Nationally, real seasonally adjusted goods and services exports rose by 2.7% over the quarter and increased by 3.5% in the four quarters to March 2009.

Australia's trend exports of goods and services rose by 0.4% over the quarter and increased by 2.1% in the four quarters to March 2009.

Australia's, real seasonally adjusted goods and services imports fell by 7.0% over the quarter and decreased by 10.3% in the four quarters to March 2009. Australia's trend imports of goods and services fell by 6.1% over the quarter and decreased by 8.9% in the four quarters to March 2009.

EXPENDITURE COMPONENTS OF DOMESTIC DEMAND

March 2009

	Western Australia				Australia			
	Seasonally Adjusted		Trend		Seasonally Adjusted		Trend	
	Year	Quarter	Year	Quarter	Year	Quarter	Year	Quarter
Private Consumption	3.5%	0.8%	4.3%	1.2%	0.8%	0.6%	0.9%	0.4%
Business Investment	4.6%	-8.2%	6.7%	-2.4%	1.1%	-6.1%	3.8%	-1.8%
Dwelling Investment	-5.2%	-5.8%	-7.9%	-4.0%	-5.7%	-5.6%	-4.1%	-3.1%
Government Consumption	2.7%	0.4%	2.4%	0.3%	2.5%	0.3%	2.1%	0.3%
Final Demand	2.9%	-2.3%	3.6%	-0.4%	0.5%	-1.0%	1.0%	-0.3%
Exports	6.9%	12.6%	5.7%	3.8%	3.5%	2.7%	2.1%	0.4%
Imports	5.4%	-9.3%	8.5%	-2.1%	-10.3%	-7.0%	-8.9%	-6.1%
Gross Domestic Product	n/a	n/a	n/a	n/a	0.4%	0.4%	0.3%	-0.1%