

DECEMBER QUARTER 2009 NATIONAL ACCOUNTS



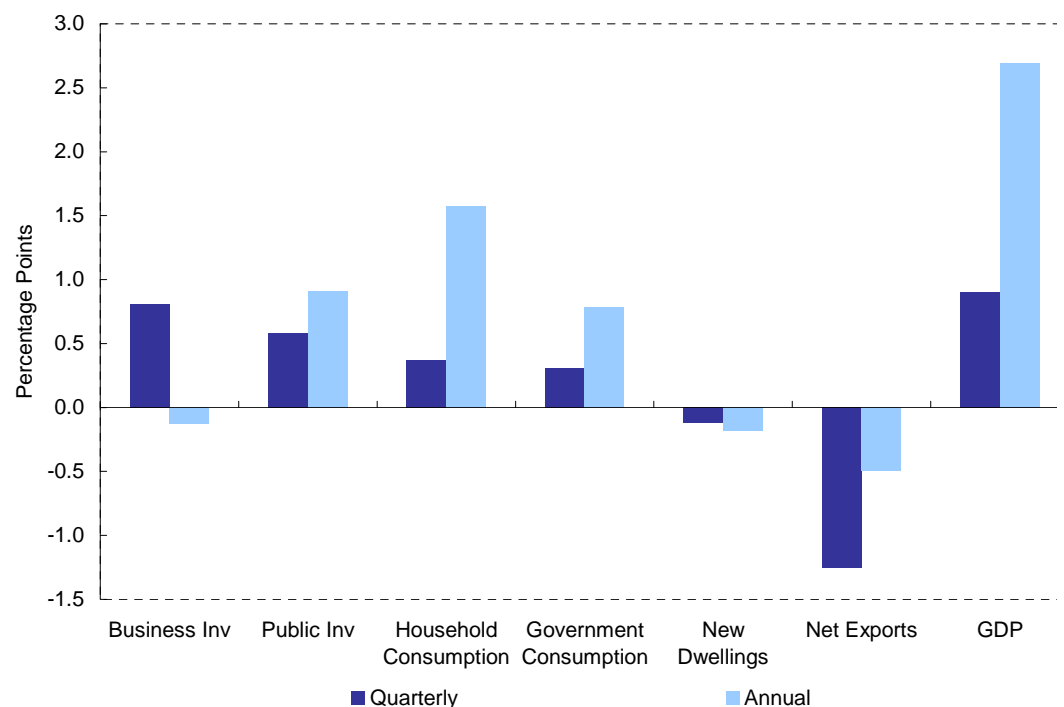
Ai Group Assistance:

BIZassistInfoline
1300 78 38 44

Economic Growth by Expenditure

- Seasonally adjusted, GDP rose by 0.9% in the December quarter 2009 to be up 2.7% in annual terms.
- The significant drivers of growth in the quarter were business investment, public sector investment, household consumption and public consumption.
- These growth drivers reflect the ongoing impact of policy stimulus in 2009 in the forms of still mildly stimulatory monetary policy and the government's infrastructure spending, the positive impact of an improved labour market and rising stock market and housing related wealth.
- The main detractors from growth were new dwellings investment and net exports.
- In terms of the positive drivers of growth in the December quarter, business investment rose by 4.9% contributing 0.8 percentage points to growth; public investment grew by 10.2% adding 0.6 percentage points, household consumption rose by 0.7% adding 0.4 percentage points, while public sector consumption rose by 1.8% contributing 0.3 percentage points to growth.
- In terms of the key negative contributors to growth in the quarter, exports rose by 1.7% while imports rose by 7.7%, with the net impact a deduction of 1.3 percentage points from GDP growth in the quarter. New dwellings construction fell by 4.0% detracting 0.1 percentage points from growth in the December quarter.
- As an important indicator of underlying demand conditions, domestic final demand growth accelerated, to 2.0% in the quarter to be up 3.3% in annual terms.

Chart: Contributions to Economic Growth



SEPTEMBER QUARTER 2009 NATIONAL ACCOUNTS

Contribution by Industry

- On an industry basis, the main positive contributors to growth in the December quarter 2009 were the manufacturing sector (contributing 0.4 percentage points) and the construction and wholesale trade sectors (each contributing 0.2 percentage points).
- Agriculture, forestry & fishing; electricity, gas, water & waste services; financial & insurance services; public administration & safety; and ownership of dwellings each contributed 0.1 percentage points to GDP growth.
- The rental, hiring & real estate services sector detracted 0.3 percentage points to GDP growth in the December quarter 2009. Professional, scientific & technical services and administrative & support services each detracted 0.1 percentage points from GDP growth.
- Manufacturing production grew by 5.1% in the quarter to be 0.6% higher over the year.
- The rise in manufacturing in the December quarter 2009 was driven by strong expansions in machinery & equipment (up 14.9%); wood & paper products (up 10.7%); printing & recorded media (up 7.2%); and textiles, clothing & other manufacturing (up 6.7%).
- Production grew more moderately in petroleum, coal, chemical & rubber products (up 3.5%); metal products (up 2.7%); and non-metallic mineral products (up 0.2%); and fell by 1.4% in food, beverage & tobacco products.
- The construction sector's output grew by 2.8% in the December quarter 2009, to be 0.7% lower over the year.
- The impact of policy stimulus on retail trade appears to have eased in further in the December quarter 2009, with the sector expanding by just 0.7% in the December quarter, following a 0.6% contraction in the previous quarter.

Table: Economic Growth by Sector

	Growth Rate (%)		Percentage Point Contribution to growth Dec quarter 2009
	Dec quarter 2009	Year to Dec quarter 2009	
Agriculture, forestry and fishing	4.7	8.1	0.1
Mining	0.5	-0.3	0.0
Food, beverage and alcohol	-1.4	6.4	0.0
Textile, clothing, footwear and leather	6.7	-13.9	0.0
Wood and paper products	10.7	5.5	0.1
Printing, publishing and recorded media	7.2	-6.3	0.0
Petroleum, coal, chemical	3.5	4.9	0.0
Non-metallic mineral products	0.2	-5.6	0.0
Metal products	2.7	-11.3	0.1
Machinery and equipment	14.9	11.8	0.2
Manufacturing	5.1	0.6	0.4
Electricity, gas and water	2.8	5.9	0.1
Construction	2.8	-0.7	0.2
Wholesale trade	3.6	6.8	0.2
Retail trade	0.7	2.2	0.0
Accommodation and food services	0.6	-1.9	0.0
Transport and storage	-0.5	-0.8	0.0
Info media & telecoms	0.6	0.3	0.0
Finance and insurance	0.5	2.5	0.1
Rental, hiring and retail services	-9.9	-5.9	-0.3
Prof, scientific and tech services	-0.9	1.1	-0.1
Admin and support services	-2.5	-0.3	-0.1
Public admin & safety	1.1	0.3	0.1
Education & training	0.5	2.0	0.0
Health care & social assistance	0.8	3.6	0.0
Art & rec services	-1.9	0.0	0.0
Other services	2.5	-2.3	0.0