



## Economic Indicators: Queensland and Australia

As at 24 July 2015

### Market Summary

The Reserve Bank of Australia (RBA) kept the cash rate steady at 2.0% at the July meeting, [noting](#) that with lower than average growth, unemployment above desired levels and labour costs likely to grow slowly, inflation was forecast to stay within target.

As at 24 July, the All Ordinaries sat at 5,619.82 pts and the Australian dollar bought US\$0.7359.

The RBA [Index of Commodity Prices](#) showed a rise in [SDR](#) terms of 0.7% in June 2015 (on a monthly average basis) after a fall of 1.8% in May. The index has fallen by 17.9% over the past year in SDR terms (See Figure 1). This equates to a 9.2% fall when expressed in Australian dollars.

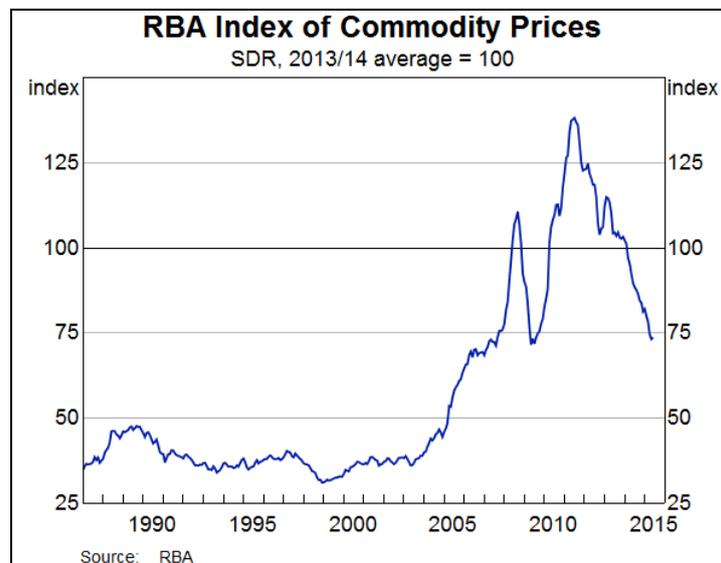


Figure 1: Index of commodity prices, June 2015

Commodities were mostly lower compared to last month, apart from cattle futures which increased by around 66 Ac/kg and cotton futures, which increased marginally. Iron ore prices fell by around 14 US\$/t from their four-and-a-half month high during June, while gold was around 100 US\$/Oz lower than last reported.

*The responsibility for the use of the contents of this report or its further distribution either in whole or part lies with the Member. This paper has been prepared to support the work of the Queensland Parliament and its members using information publicly available at the time of production. All care has been taken in the analysis and transmission of this data, but please refer to primary material, as noted, to confirm figures. The views expressed do not reflect an official position of the Queensland Parliamentary Library.*

## Market Monitor

	Price (Week ending 24 July)
<a href="#">AUD\$/US\$</a>	↓ \$0.7359
<a href="#">All Ord. Share Index</a>	↑ 5,619.82
<a href="#">Cattle Futures (EYCI)</a>	↑ 544.88 Ac/kg
<a href="#">Sugar (ICE No.11 Futures)</a>	↓ 11.40 USc/lb
<a href="#">Cotton (No. 2 Futures)</a>	↑ 66.09 USc/lb
<a href="#">Iron Ore 62% Fe</a>	↓ 50.60 US\$/t
<a href="#">Mogas95<sup>#</sup></a>	↓ 75.53 US\$/bbl
<a href="#">Gold (week-end London PM Fix)</a>	↓ 1,080.80 US\$/Oz

Economic Indicators Summary: Latest Results <sup>1</sup>		
<a href="#">RBA Cash Rate</a> (7 July 2015)	↔ at 2.00%	
<a href="#">Unemployment Rate</a> (June 2015)	Qld ↓ 0.1% at 6.3%	Aust ↔ at 6.0%
<a href="#">Participation Rate</a> (June 2015)	Qld ↔ at 65.4%	Aust ↔ at 64.8%
<a href="#">Consumer Price Index</a> (June quarter 2015)	Brisbane ↑ at 0.7%	Aust ↑ at 0.7%
<a href="#">Gross Domestic Product</a> (March quarter 2015)	↑ Aust at 0.6%	
<a href="#">International Trade</a> (May 2015)	Trade Balance ↓ 14% at -\$2.61 billion Exports ↓ 1% at \$25.85 billion Imports ↓ <0.1% at \$28.46 billion	
<a href="#">Building Approvals</a> (May 2015)	Qld ↓ 2.1%	Aust ↓ 0.1%
<a href="#">Retail Trade</a> (May 2015)	Qld ↑ 0.2%	Aust ↑ 0.2%
<a href="#">Housing Finance (value)<sup>2</sup></a> (May 2015)	Qld ↑ 0.4% at \$3.20 billion	Aust ↑ 0.4% at \$18.65 billion
<a href="#">Domestic Tourist Visitor Expenditure (annual)</a> (year ending Mar 2015) <sup>3</sup>	Qld ↑ 1.9% at \$13.83 billion	Aust ↑ 6.3% at \$55.66 billion

<sup>#</sup> Mogas 95 is the Singapore benchmark petrol price closely linked to Australian domestic fuel prices.

<sup>1</sup> Unless otherwise indicated, the data referred to in this document is trend data. The Australian Bureau of Statistics defines trend data as a seasonally adjusted series that has been further adjusted to remove irregular effects and 'smooth' out the series to show the overall 'trend' of the data over time.

<sup>2</sup> Owner occupied.

<sup>3</sup> Please note that the [International Tourism Snapshot](#) has been delayed by processing issues with Passenger Arrival Cards, and will not be released until at least July.

*The responsibility for the use of the contents of this report or its further distribution either in whole or part lies with the Member. This paper has been prepared to support the work of the Queensland Parliament and its members using information publicly available at the time of production. All care has been taken in the analysis and transmission of this data, but please refer to primary material, as noted, to confirm figures. The views expressed do not reflect an official position of the Queensland Parliamentary Library.*

## NEW RELEASES THIS MONTH

### General economic data

At its 7 July meeting, the RBA kept the cash rate at the record low level of 2.00%, due to slow economic growth, high unemployment and low forecast wage growth.

Proxy data for the state of the economy were mixed. [The Westpac-Melbourne Institute Index of Consumer sentiment](#) fell by 3.2% in July, from 95.3 points in June to 92.2, its lowest level since December 2014. When the index is below 100, more consumers are pessimistic than optimistic about the economy, and it has been below 100 for 15 of the last 17 months. The fall was attributed to consumers' long-standing low confidence, the fall in China's share market and economic turmoil in Greece.

In June 2015, the [NAB Business conditions and Business confidence indices](#) increased. Business confidence rose from +8 to +10, its highest since September 2013. Confidence was positive in all industries except mining. Business conditions increased 5 points to +11, the highest level since October 2014.

[ANZ job ads](#) rose 0.5% in June in trend terms, and have risen every month since November 2013. Job ads are up 9.9% over the year.

### Labour Force, Australia, June 2015 – released 9 July 2015<sup>4</sup>

#### National

The trend national unemployment rate was unchanged at 6.0% for June, and unemployment fell by 2,700 compared with May. The figure of 6.0% is the same as a year ago, representing a rise in unemployment of 10,000 persons.

Employment rose by 0.1%, or 15,200, for June to 11,767,200 persons. The participation rate remained at 64.8%, 0.1% higher than June 2014.

#### Queensland

The unemployment rate fell 0.1% in June 2015 to 6.3%, representing 900 fewer people seeking and unable to find work. Annually, the unemployment rate also fell 0.1% or (1,800 persons) from 6.4% in June 2014.

Employment rose by 3,500 (0.1%) in June to 2,346,700. The participation rate remained at 65.4%, below the 66.2% in June 2014.

---

<sup>4</sup> Australian Bureau of Statistics, [Labour Force, Australia, June 2015](#), cat no 6202.0, ABS, 2015.

*The responsibility for the use of the contents of this report or its further distribution either in whole or part lies with the Member. This paper has been prepared to support the work of the Queensland Parliament and its members using information publicly available at the time of production. All care has been taken in the analysis and transmission of this data, but please refer to primary material, as noted, to confirm figures. The views expressed do not reflect an official position of the Queensland Parliamentary Library.*

## Employment by Industry, Queensland, May 2015, released 18 June 2015<sup>5</sup>

The table below shows employment by sector and the split of part-time and full-time workers. Sectors are listed in order of the total number of people employed.

Sector	Total	Full time	Part time	% of total
Health Care and Social Assistance	288,182	170,017	118,165	12.2%
Retail Trade	257,784	134,680	123,104	10.9%
Construction	207,013	184,378	22,635	8.8%
Education and Training	193,669	117,370	76,299	8.2%
Professional, Scientific and Technical Services	190,827	151,021	39,805	8.1%
Accommodation and Food Services	177,061	77,932	99,130	7.5%
Manufacturing	174,148	156,833	17,315	7.4%
Public Administration and Safety	153,326	127,786	25,540	6.5%
Transport, Postal and Warehousing	126,072	104,402	21,670	5.3%
Other	102,252	71,082	31,170	4.3%
Administrative and Support Services	77,221	46,087	31,134	3.3%
Wholesale Trade	72,028	62,358	9,669	3.1%
Mining	65,992	63,170	2,822	2.8%
Financial and Insurance Services	61,845	49,458	12,387	2.6%
Agriculture, Forestry and Fishing	60,395	41,543	18,852	2.6%
Rental, Hiring and Real Estate Services	48,661	34,444	14,216	2.1%
Arts and Recreation Services	41,824	23,499	18,325	1.8%
Electricity, Gas, Water and Waste Services	30,996	26,841	4,155	1.3%
Information Media and Telecommunications	29,372	21,318	8,054	1.2%
<b>Total</b>	<b>2,358,667</b>	<b>1,664,219</b>	<b>694,448</b>	

Source: Queensland Parliamentary Library, using data from the Australian Bureau of Statistics.

<sup>5</sup> Australian Bureau of Statistics, , cat no 6291.0.55.003, ABS, 2015.

*The responsibility for the use of the contents of this report or its further distribution either in whole or part lies with the Member. This paper has been prepared to support the work of the Queensland Parliament and its members using information publicly available at the time of production. All care has been taken in the analysis and transmission of this data, but please refer to primary material, as noted, to confirm figures. The views expressed do not reflect an official position of the Queensland Parliamentary Library.*

The sectors that gained and lost the most jobs since May 2014 are below.

Sector	Change in job numbers	Change as a proportion of jobs in the sector
Accommodation and Food Services	15,061	9%
Professional, Scientific and Technical Services	14,627	8%
Financial and Insurance Services	10,645	21%
Administrative and Support Services	- 17,079	-18%
Construction	- 16,087	-7%
Mining	- 11,608	-15%

Source: Queensland Parliamentary Library, using data from the Australian Bureau of Statistics.

## Economic Growth Outlook<sup>6</sup>

### National

Deloitte Access Economics forecast that Australian GDP grew by 2.4% in 2014-15, and will grow by 2.6%, 3.1% and 3.0% for the following three years.

### Queensland

Deloitte Access Economics forecast that Queensland's GDP grew by 2.3% in 2014-15, and will grow by 4.5%, 4.0% and 3.6% for the following three years.

## International Trade in Goods and Services, Australia, May 2015, released 2 July 2015<sup>7</sup>

The balance on goods and services declined by \$318 million (14.0%) to a deficit of \$2.611 billion in May 2015. Exports fell by \$367 million (1.0%) to \$25.85 billion, while imports fell \$49 million for the month (0.0%), to \$28.46 billion.

---

<sup>6</sup> Deloitte Access Economics, ['Business Outlook: China hits the accelerator, but will that be enough?'](#), June 2015.

<sup>7</sup> Australian Bureau of Statistics, [International Trade in Goods and Services, Australia, May 2015](#), cat no 5368.0, ABS, 2015.

*The responsibility for the use of the contents of this report or its further distribution either in whole or part lies with the Member. This paper has been prepared to support the work of the Queensland Parliament and its members using information publicly available at the time of production. All care has been taken in the analysis and transmission of this data, but please refer to primary material, as noted, to confirm figures. The views expressed do not reflect an official position of the Queensland Parliamentary Library.*

## Domestic Tourism – year ending March 2015<sup>8</sup>

### National

Domestic visitors within Australia increased by 6.1% to 82.305 million in the year to March 2015. Visits by holidaymakers rose by 0.1% to 33.034 million, while visits to family and relatives (VFR) grew by 7.9% to 29.464 million. Business visits rose 13.1% to 16.639 million.

Most tourism continued to occur within each traveller's home state (57.220 million intrastate visitors, around 69.5% of all visits). Interstate travel grew by 7.0% to 26.592 million, while intrastate travel grew by 5.7%.

Domestic visitor expenditure rose by 6.3% to \$55.662 billion over the year, which was largely due to business visitors' spending growth of 11.8%, to \$9.231 billion. VFR expenditure grew by 5.5% to \$9.485 billion, while holiday expenditure grew by 2.6% to \$23.324 billion.

### Queensland

Domestic visitors to Queensland increased by 5.1% to 18.662 million in the year to March 2015, a slower rate of growth than seen nationally. Visits by holidaymakers fell by 5.8% to 7.112 million, while VFR grew by 2.8% to 6.409 million. Business visits rose 26.3% to 4.196 million.

Growth in intrastate visitors represents grew by 6.3% to 13.184 million for the year, while growth in interstate visitors grew by 2.2% to 5.439 million.

Total expenditure grew by 1.9% to \$13.827 billion, made up of \$6.014 billion of holiday spending (a 5.7% fall), \$2.248 billion of VFR (a 3.4% fall) and \$2.112 billion (a 12.9% rise) of business spending.

Domestic tourism expenditure in Queensland accounted for 24.8% of Australian domestic tourism expenditure.

## Retail Trade – May 2015, released 3 July 2015<sup>9</sup>

### National

Retail trade in Australia rose 0.2% in May, slightly down from the 0.3% growth seen in each of the previous seven months. From May 2014, the national estimate of retail turnover increased 4.4%, or \$1.0 billion. In dollar terms at current prices, retail turnover at the national level increased from \$24.12 billion to \$24.18 billion.

The top performing industries in retail turnover for the month (in current prices) were *Clothing, footwear and personal accessory retailing* (0.8%) and *Household goods retailing* (0.2%).

---

<sup>8</sup> Tourism and Events Queensland, [Domestic Tourism Snapshot, year ending March 2015](#), TEQ, 2015.

<sup>9</sup> Australian Bureau of Statistics, [Retail Trade, Australia, May 2015](#), cat no 8501.0, ABS, 2015.

*The responsibility for the use of the contents of this report or its further distribution either in whole or part lies with the Member. This paper has been prepared to support the work of the Queensland Parliament and its members using information publicly available at the time of production. All care has been taken in the analysis and transmission of this data, but please refer to primary material, as noted, to confirm figures. The views expressed do not reflect an official position of the Queensland Parliamentary Library.*

## Queensland

Monthly estimated retail turnover increased by 0.2% in May 2015, to \$4.96 billion. This is \$165.8 million, or 3.5%, higher than May 2014. This was the fourth highest increase among the states.

*Furniture, floor coverings, houseware and textile goods retailing* increased by 1.5% in May, while *Clothing retailing* increased by 1.2%. The greatest declines were in *Takeaway food services* (-1.3%) and *Electrical and electronic goods* (-1.0%).

## Building Approvals, May 2015 – released 1 July 2015<sup>10</sup>

### National

Total dwelling units approved fell 0.1% in May to 19,299. Over the year from May 2014, total dwelling approvals increased by 18.5%. The estimated value of new residential building approved fell 0.1% in May, to \$5.255 billion.

### Queensland

Estimated total dwelling unit approvals fell by 2.1% in May 2015, to 3,521. Total dwellings approved has increased 13.9% since May 2014. The estimated value of new residential buildings approved rose 1.3% in May, to \$1.544 billion.

## Housing Finance, May 2015 – released 10 July 2015<sup>11</sup>

### National

The value of housing finance for total dwellings increased 0.7% nationally for May 2015 to \$31.866 billion. The value of owner occupied housing commitments rose 0.4% to \$18.645 billion. Investment housing commitments increased 1.1% to \$13.221 billion.

### Queensland

The value of housing finance commitments (owner occupied) for Queensland increased 0.4% at \$3.196 billion in May 2015. Tasmania recorded the largest fall in the value of commitments (-0.6%), while the largest increases were in the ACT (0.8%) and New South Wales (0.7%).

---

<sup>10</sup> Australian Bureau of Statistics, [Building Approvals, Australia, May 2015](#), cat no 8731.0, ABS, 2015.

<sup>11</sup> Australian Bureau of Statistics, [Housing Finance, Australia, May 2015](#), cat no 5609.0, ABS, 2015.

*The responsibility for the use of the contents of this report or its further distribution either in whole or part lies with the Member. This paper has been prepared to support the work of the Queensland Parliament and its members using information publicly available at the time of production. All care has been taken in the analysis and transmission of this data, but please refer to primary material, as noted, to confirm figures. The views expressed do not reflect an official position of the Queensland Parliamentary Library.*

## Economic releases due out by 7 August 2015:

- Building Approvals, Australia, June 2015 – due for release on 30 July 2015
- RBA – cash rate decision announcement – due for release on 4 August 2015
- International Trade, Australia, June 2015 – due for release on 4 August 2015
- Retail Trade, Australia, June 2015 – due for release on 4 August 2015
- Housing Finance, Australia, June 2015 – due for release on 7 August 2015
- Labour Force, Australia, July 2015 – due for release on 6 August 2015

## Research and Information Service

---

### QUEENSLAND PARLIAMENTARY SERVICE

#### Queensland Parliamentary Library & Research Service

Parliament House

Cnr George and Alice Streets Brisbane Qld 4000

Ph: 07 3406 7199 Fax: 07 3210 0172

mailto: [library.inquiries@parliament.qld.gov.au](mailto:library.inquiries@parliament.qld.gov.au)

web: [www.parliament.qld.gov.au](http://www.parliament.qld.gov.au)

*The responsibility for the use of the contents of this report or its further distribution either in whole or part lies with the Member. This paper has been prepared to support the work of the Queensland Parliament and its members using information publicly available at the time of production. All care has been taken in the analysis and transmission of this data, but please refer to primary material, as noted, to confirm figures. The views expressed do not reflect an official position of the Queensland Parliamentary Library.*