

Media Release

The Hon Tim Pallas MP
Treasurer
Minister for Resources



Wednesday, 6 June, 2018

VICTORIA – AUSTRALIA’S ECONOMIC POWERHOUSE

Victoria’s economy continues to lead the nation with the highest state final demand growth anywhere in the country.

Today’s National Accounts data from the Australian Bureau of Statistics shows Victoria’s state final demand is up by 4.9 per cent over the year – the highest growth of all the states and well above the national average of 3.2 per cent.

For the March quarter 2018, Victoria’s state final demand grew by 1.9 per cent, the highest quarterly growth since March 2013 and the highest result of all the mainland states.

Meanwhile, national gross domestic product increased by just 1 per cent in the March quarter.

Quarterly growth in Victoria was driven by the highest gains in household consumption of all the states (0.5 per cent), dwelling investment (5.1 per cent) and business investment (10.6 per cent).

Victoria’s strong annual result was driven by growth in business investment, which rose 15.5 per cent over the year – led by non-dwelling construction (22 per cent) and machinery and equipment investment (5 per cent).

New engineering construction increased by 13.7 per cent in the quarter and 20.5 per cent over the year, driven by the Labor Government’s major infrastructure investment.

State final demand is a measure of economic activity that looks at the total amount of goods and services used in the economy, excluding international and interstate trade.

The positive result comes on the back of solid data this week confirming that Victoria’s retail trade continues to lead the nation.

Victoria’s economy has created more than 320,000 jobs since November 2014 – the vast majority of them full time – meaning a better future for workers and their families.

Quotes attributable to Treasurer Tim Pallas

“Victoria continues to be the engine room of the national economy.”

“When the Andrews Labor Government was elected in November 2014, we promised Victorians a strong pipeline of economic activity that would create jobs and grow our economy – and we are delivering that.”

“We have invested heavily in the infrastructure Victorians need, and we will continue investing to create jobs for Victorians, and a prosperous state for all.”