

State Accounts

Latest Year: 2019-20

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Gross State Product

The ABS publishes three estimates of Gross State/Domestic Product using the expenditure, income and production methods. The headline measure of GSP growth, GSP Average (GSP(A)), is the average of these three measures.

The ABS estimates that GSP increased by 0.3 per cent in Tasmania in 2019-20 to \$32.10 billion. Nationally, GDP was estimated to have declined by 0.3 per cent in 2019-20.

Tasmanian GSP per capita was estimated to have been \$59 779 in 2019-20, 0.6 per cent less than the previous year, reflecting stronger population growth relative to growth in GSP. Nationally, GDP per capita was estimated to have decreased by 1.7 per cent.

Gross State Product Expenditure Method

The expenditure method of calculating GSP produces estimates from household consumption (C), investment (I), government expenditure (G), and international and interstate exports (X) and imports (M), such that:

$$\text{GSP(E)} = \text{C} + \text{I} + \text{G} + (\text{X} - \text{M})$$

A balancing item (BI) (comprising interstate trade, expenditure interstate, changes in inventories and other adjustments) and a statistical discrepancy (SD) are also applied to ensure jurisdictional estimates of GSP are consistent with the national estimate of GDP. Data reported below are in chain volume measures (real terms).

In 2019-20, household consumption in Tasmania was estimated to have been \$20.48 billion, down 2.3 per cent compared with the previous year. Household consumption was estimated to have contracted by 3.0 per cent nationally in 2019-20.

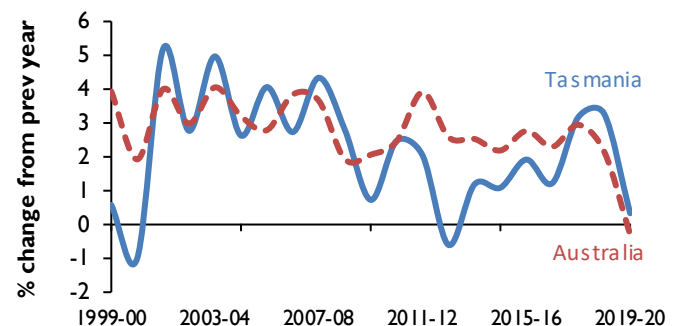
Tasmanian private sector investment was estimated to be \$4.87 billion in 2019-20, down 2.8 per cent from the previous year. Nationally, private investment decreased by an estimated 4.3 per cent.

Table 1: GSP and GSP per capita, states and territories, 2019-20

	GSP(A)	% change from	GSP per capita	% change from
	2019-20	2018-19	2019-20	2018-19
	\$m		\$	
NSW	624 923	-0.7	76 876	-1.8
Vic	458 895	-0.5	68 996	-2.3
Qld	363 524	-1.1	70 862	-2.6
SA	108 334	-1.4	61 582	-2.3
WA	292 284	1.4	110 752	0.1
Tas	32 102	0.3	59 779	-0.6
NT	26 153	5.3	106 851	5.7
ACT	40 902	2.4	95 695	1.4
Aus	1 947 118	-0.3	76 305	-1.7

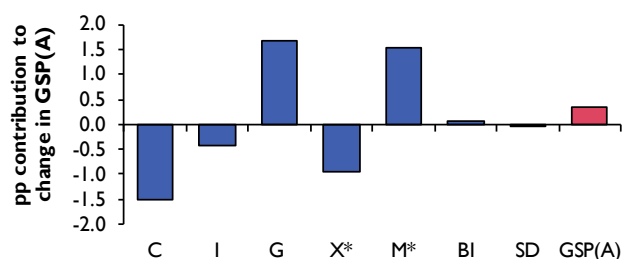
SOURCE: AUSTRALIAN NATIONAL ACCOUNTS: STATE ACCOUNTS, ABS CAT NO 5220.0: TABLE 1

Chart 1: GSP/GDP growth, Tasmania and Australia



SOURCE: AUSTRALIAN NATIONAL ACCOUNTS: STATE ACCOUNTS, ABS CAT NO 5220.0: TABLE 1

Chart 2: GSP components contribution to growth, Tasmania, 2019-20



*INTERNATIONAL EXPORTS AND IMPORTS

SOURCE: AUSTRALIAN NATIONAL ACCOUNTS: STATE ACCOUNTS, ABS CAT NO 5220.0: TABLE 15

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Government consumption expenditure in Tasmania was estimated to be \$8.50 billion in 2019-20, up 7.1 per cent from the previous year. This compares to estimated national growth of 6.6 per cent.

Total public investment in Tasmania in 2019-20 was estimated to be \$2.24 billion, decreasing 1.3 per cent from the previous year. Public investment was estimated to have increased by 2.4 per cent nationally.

Tasmanian state final demand decreased by 0.2 per cent in 2019-20, to \$36.09 billion. Nationally domestic final demand fell by 1.1 per cent over that period.

Tasmanian international exports of goods and services were estimated to have decreased by 5.8 per cent, to \$5.04 billion, in 2019-20, a greater decline than the estimated fall in exports nationally of 1.9 per cent. International imports to Tasmania were estimated to be \$1.89 billion in 2019-20, a decrease of 20.7 per cent compared with 2018-19. Nationally, imports were estimated to have decreased by 7.3 per cent.

Gross State Product: Production Method

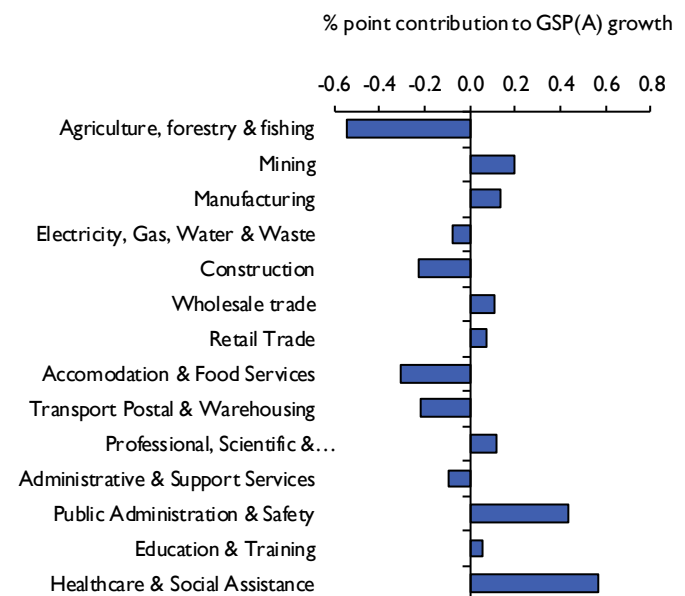
Gross Value Added (GVA) provides an estimate of the value of production by industry.

Estimates of industry GVA used in this briefing are chain volume measures (real terms).

Healthcare and social assistance remained Tasmania's largest industry in 2019-20. GVA in the healthcare and social assistance was \$4.13 billion and represented 13.6 per cent of Tasmania's total GVA. This is followed by the agriculture, forestry and fishing (\$2.81 billion) and public administration and safety (\$2.15 billion) industries.

The healthcare and social assistance and public administration and safety industries were the main contributors to growth in GSP in 2019-20, at 0.6 of a percentage point and 0.4 of a percentage point respectively.

Chart 3: Industry gross value added, contribution to Tasmanian GSP growth, selected industries, 2019-20



SOURCE: AUSTRALIAN NATIONAL ACCOUNTS: STATE ACCOUNTS, ABS CAT NO 5220.0: TABLE 28

A number of industries recorded negative growth in Tasmania in 2019-20, principally the accommodation and food services, and agriculture, forestry and fishing industries, which declined by 12.2 per cent and 5.8 per cent respectively.

Gross State Product: Income Method

Estimates of the components produced under the income method are only available in current prices.

Total factor income (TFI) in Tasmania was estimated to have increased by 6.2 per cent in nominal terms in 2019-20.

Compensation of employees (which includes wages and salaries excluding taxes and employer social contributions) for all industries is estimated to have increased by 4.7 per cent in Tasmania in 2019-20. Gross operating surplus and gross mixed income were estimated to have increased by 7.9 per cent in the same period.

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Real Gross State Income

Real gross state income (RGSi) is a measure of the real purchasing power of income generated by production within a jurisdiction. It is calculated by adjusting the chain volume measure of GSP for changes in the terms of trade.

Tasmanian RGSi was estimated to have increased by 0.4 per cent in 2019-20, while national RGDI decreased by 0.1 per cent from the previous year.

Revisions and reliability of GSP estimates

Table 2 shows estimates of Tasmanian GSP growth published by the ABS and revised growth estimates published in each subsequent year. The volatility of the data is clearly evident from this table. For example, GSP growth in 2008-09 was estimated to be 1.4 per cent in the 2008-09 publication. This was revised upwards to 3.4 per cent a year later and is now estimated to be 2.8 per cent.

Treasury urges caution in the use of year on year State GSP data from the ABS. State GSP data, especially for a small economy such as Tasmania, tend to be quite volatile and often subject to substantial revision, as demonstrated above.

Table 2: Revisions to published GSP growth rates, Tasmania

Publication year

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
2008-09	1.4	3.4	1.9	2.4	2.5	2.4	2.4	2.4	2.9	2.0	2.0	2.8
2009-10		0.4	0.4	0.1	0.2	0.2	0.0	-0.1	0.2	0.8	0.8	0.7
2010-11			0.8	0.2	0.4	0.2	0.3	0.3	2.2	1.9	1.9	2.5
2011-12				0.5	0.4	0.6	0.1	0.1	1.1	0.7	0.7	2.1
2012-13					-0.6	-0.2	-1.2	-0.7	-0.3	-0.2	-0.3	-0.6
2013-14						1.2	1.3	1.8	1.4	1.1	1.0	1.2
2014-15							1.6	1.3	1.1	1.0	1.1	1.1
2015-16								1.3	1.3	1.7	1.7	1.9
2016-17									1.1	1.5	1.1	1.2
2017-18										3.3	3.5	3.2
2018-19											3.6	3.3
2019-20												0.3



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Table 3: Gross State Product, Tasmania, expenditure method, 2019-20

<i>GSP(E), chain volume measures, \$m, 2018-19 prices</i>			% change from 2018-19	Share of GSP % 2019-20	pp cont to GSP growth 2019-20
	2018-19	2019-20			
Consumption					
Households	20 961	20 481	-2.3	63.8	-1.5
Government	7 935	8 502	7.1	26.5	1.8
Investment					
Private business investment	3 109	2 975	-4.3	9.3	-0.4
Private dwelling investment	1 507	1 512	0.3	4.7	0.0
Ownership transfer costs	392	383	-2.3	1.2	0.0
<i>Total private investment</i>	<i>5 009</i>	<i>4 869</i>	<i>-2.8</i>	<i>15.2</i>	<i>-0.4</i>
Public corporations investment	839	860	2.5	2.7	0.1
General government investment	1 431	1 380	-3.6	4.3	-0.2
<i>Total public investment</i>	<i>2 270</i>	<i>2 240</i>	<i>-1.3</i>	<i>7.0</i>	<i>-0.1</i>
State Final Demand	36 175	36 092	-0.2	112.4	-0.3
Exports	5 348	5 038	-5.8	15.7	-1.0
Imports	2 377	1 885	-20.7	5.9	1.5
Balancing Item	-7 171	-7 147	-0.3	-22.3	0.1
Statistical Discrepancy	18	5	na	0.0	0.0
Gross State Product (A)	31 993	32 102	0.3	100.0	0.3

SOURCE: AUSTRALIAN NATIONAL ACCOUNTS: STATE ACCOUNTS, ABS CAT NO 5220.0: TABLE 7



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Table 4: Gross State Product, Tasmania, production method, 2019-20

<i>GSP(P) - Gross Value Added, chain volume measures, \$m, 2018-19 prices</i>	2018-19	2019-20	% change	Share of GVA	Share of GSP	pp cont to GSP growth
Agriculture, Forestry & Fishing	2 982	2 809	-5.8	9.3	8.8	-0.5
Mining	1 123	1 187	5.7	3.9	3.7	0.2
Manufacturing	1 987	2 030	2.2	6.7	6.3	0.1
Electricity, Gas, Water & Waste Services	1 020	994	-2.5	3.3	3.1	-0.1
Construction	2 198	2 126	-3.3	7.0	6.6	-0.2
Wholesale Trade	943	978	3.7	3.2	3.0	0.1
Retail Trade	1 471	1 493	1.5	4.9	4.7	0.1
Accommodation & Food Services	797	700	-12.2	2.3	2.2	-0.3
Transport, Postal & Warehousing	1 311	1 242	-5.3	4.1	3.9	-0.2
Information Media & Telecommunications	1 002	992	-1.0	3.3	3.1	0.0
Financial & Insurance Services	1 773	1 814	2.3	6.0	5.7	0.1
Rental Hiring & Real Estate Services	547	573	4.8	1.9	1.8	0.1
Professional, Scientific & Technical Services	952	990	4.0	3.3	3.1	0.1
Administrative & Support Services	568	539	-5.1	1.8	1.7	-0.1
Public Administration & Safety	2 012	2 152	7.0	7.1	6.7	0.4
Education & Training	1 872	1 891	1.0	6.2	5.9	0.1
Healthcare & Social Assistance	3 945	4 126	4.6	13.6	12.9	0.6
Arts & Recreation Services	313	299	-4.5	1.0	0.9	0.0
Other Services	531	557	4.9	1.8	1.7	0.1
Ownership of Dwellings	2 786	2 811	0.9	9.3	8.8	0.1
<i>Gross Value Added at basic prices</i>	30 130	30 305	0.6	100.0	94.4	0.5
Taxes less subsidies on products	1 880	1 822	-3.1		5.7	-0.2
Statistical Discrepancy	- 18	- 25	na		-0.1	0.0
Gross State Product (A)	31 993	32 102	0.3		100.0	0.3

SOURCE: AUSTRALIAN NATIONAL ACCOUNTS: STATE ACCOUNTS, ABS CAT NO 5220.0: TABLE 7



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Table 5: Gross State Product, Tasmania, income method, 2019-20

<i>GSP(I) Total Factor Income, current prices, \$m</i>	CoE	GOS & GMI	Total Factor Income	TFI % change	pp cont to TFI % change
Agriculture, Forestry & Fishing	550	2 244	2 794	-4.3	-0.4
Mining	293	839	1 132	1.1	0.0
Manufacturing	1 246	906	2 152	10.6	0.7
Electricity, Gas, Water & Waste Services	332	644	976	2.2	0.1
Construction	900	1 431	2 331	7.9	0.6
Wholesale Trade	619	438	1 057	14.0	0.4
Retail Trade	993	613	1 605	12.2	0.6
Accommodation & Food Services	581	203	784	1.3	0.0
Transport, Postal & Warehousing	673	669	1 343	5.4	0.2
Information Media & Telecommunications	310	684	993	0.3	0.0
Financial & Insurance Services	486	1 292	1 779	3.7	0.2
Rental Hiring & Real Estate Services	209	381	590	14.3	0.3
Professional, Scientific & Technical Services	717	397	1 115	19.6	0.6
Administrative & Support Services	514	68	582	4.7	0.1
Public Administration & Safety	1 720	395	2 115	7.0	0.5
Education & Training	1 706	210	1 916	3.2	0.2
Healthcare & Social Assistance	3 767	405	4 172	6.9	0.9
Arts & Recreation Services	181	155	336	8.0	0.1
Other Services	380	198	578	11.8	0.2
Ownership of Dwellings	na	2 491	2 491	10.3	0.8
Total all industries	16 177	14 664	30 841	6.2	6.2

COE: COMPENSATION OF EMPLOYEES

GOS & GMI: GROSS OPERATING SURPLUS AND GROSS MIXED INCOME

TFI: TOTAL FACTOR INCOME

SOURCE: AUSTRALIAN NATIONAL ACCOUNTS: STATE ACCOUNTS, ABS CAT NO 5220.0: TABLE 7.

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