

GROSS STATE & GROSS REGIONAL PRODUCTS

Global factors can be considered as general factors underlying property investment and can be used to answer the initial question of which state or region to invest in. Useful historical information at state and regional (also local government) levels are available from the Australian Bureau of Statistics (ABS). ABS also has available “local snapshots” that summarizes the relevant information concerning a region or local government area. ABS allows a great deal of free data on its website:

www.abs.gov.au

Relevant data is usually available from local council particularly if they have a section encouraging local development or available from a regional library.

GROSS STATE PRODUCT AND GROSS REGIONAL PRODUCT

Gross State Product (GSP) is defined as the total value of goods and services produced within a state during a specified period, regardless of ownership. GSP differs from Gross National Product (GNP) in excluding inter-country income transfers, in effect attributing to a territory the product generated within it rather than the incomes received in it.

Gross Regional Product (GRP) is the same as GSP but at a regional or local government level. GSP and GRP are a useful statistics relating to state and regional economic performance. The following example shows the use of GSP in deciding which state to invest in.

EXAMPLE – WHICH STATE TO INVEST IN?

GROSS STATE PRODUCT (GSP)

The GSP for each state is available from the ABS:

	GROSS STATE PRODUCT, Current prices VALUE S (\$m)				
	2004–05	2003–04	2002–03	2001–02	2000–01
Australia (GDP)	891 524	838 251	782 798	735 783	689 340
Australian Capital Territory Northern	18 306	17 309	16 091	14 707	13 819