

MEDIA RELEASE

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AUSTRALIAN PROPERTY INSTITUTE SAYS JUNE QUARTER GDP DATA REVEALS ‘MULTI-SPEED ECONOMY’

The June quarter GDP data released by the ABS shows all the signs of a multi-speed economy with key sectors experiencing mixed fortunes, the Australian Property Institute’s Chief Economist Dr Sherman Chan said today.

GDP rose 0.6% in the June quarter to be 1.8% higher than the same period last year. For the 2024-25 financial year, economic growth came in at 1.3%. Excluding the COVID-impacted years, this is the slowest performance since 1991-92 when the economy was recovering from recession and grew 0.4%.

“The latest quarter’s GDP data is encouraging, but we need to look beyond the headline numbers as we are certainly seeing a multi-speed economy,” Dr Chan said.

The industry breakdown shows mixed performances, with Mining leading the way with a strong 2.3% quarterly growth in output, adding a 0.3 percentage-point contribution to overall GDP growth. At the other end, Construction recorded a 0.9% decline in output, reducing GDP growth by 0.1 percentage point.

“Today’s GDP numbers will see some industries popping the champagne while other industries have been put on notice to find remedies to turn things around.”

“The solid GDP numbers for the June quarter will make it tricky for the RBA to justify another interest rate cut at their next meeting.”

“That said, some pockets of the economy are experiencing economic headwinds. So there are still risks to the labour market outlook. Let’s not rule out another interest rate cut in this monetary policy cycle, but instead of seeing it as a stimulus for the economy, it would be more fitting to see it as support for the ongoing economic recovery.”

About the Australian Property Institute

The Australian Property Institute was established in 1926 as the Commonwealth Institute of Valuers to uphold the highest standards in property practices. Over a period of nearly a century, API has grown to become the premier membership organisation for property professionals. With close to 8,000 members, API provides leadership, education, resources and services to the property industry.