

PRIVATE NEW CAPITAL EXPENDITURE, DECEMBER QUARTER 2017

Summary

During the December quarter, real private new capital expenditure:

- rose 3.6% in South Australia in trend terms (nationally, real private new capital expenditure rose 0.8%); and
- fell 4.2% in South Australia in seasonally adjusted terms (nationally, real private new capital expenditure fell 0.2%).

Note: The ABS survey of New Capital Expenditure covers private businesses in all industries except for agriculture, forestry and fishing, government administration and defence, superannuation funds, education, health and community services, and 'other' services and those that do not employ.

Further Analysis

Trend data

In South Australia, the rise in private new capital expenditure during the December quarter followed a rise of 6.4% in the previous quarter. The quarterly rise reflected an increase in spending on buildings and structures (up 9.6%) which was only partially offset by a fall in spending on equipment, plant and machinery (down 3.8%)—see Chart 1.

Real private new capital expenditure in South Australia was 30% higher than a year earlier. This reflected a substantial rise in capital expenditure on buildings and structures (up 65%) and a small fall in spending on equipment, plant and machinery (down 1.1%).

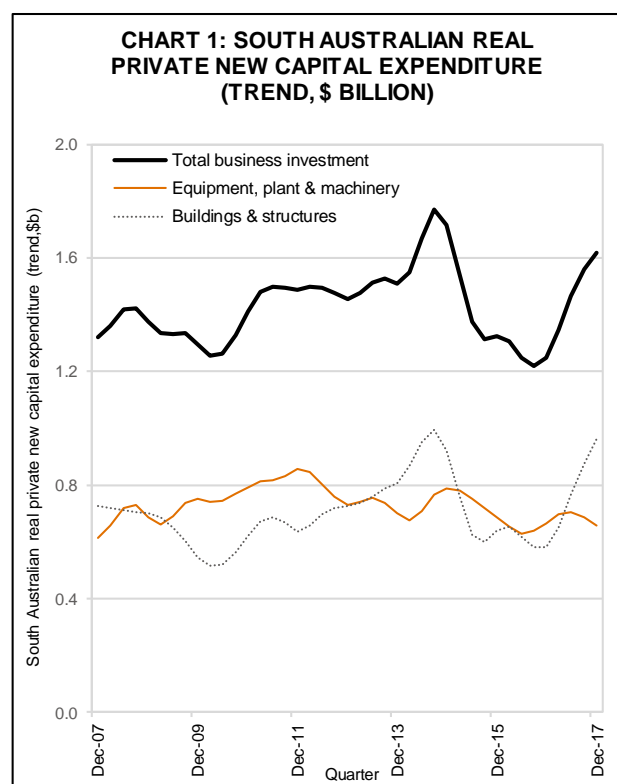
Nationally, real private new capital expenditure was 4.4% higher than a year earlier.

States recording a rise in capital expenditure in the December quarter 2017 were South Australia (up 3.6%), New South Wales (up 3.0%), Victoria (up 1.9%) and Queensland (up 1.1%) while falls were recorded in Tasmania (down 1.1%), and Western Australia (down 2.5%)—see Table 1.

All states except Western Australia recorded through the year growth in capital expenditure—see Table 1.

TABLE 1: Real Private New Capital Expenditure – Trend

	(\$ billion)	Dec 17 v Sep 17 (% change)	Dec 17 v Dec 16 (% change)
NSW	7.6	3.0	7.6
VIC	5.6	1.9	8.5
QLD	6.2	1.1	5.9
SA	1.6	3.6	29.5
WA	6.8	-2.5	-6.0
TAS	0.3	-1.1	14.2
AUS	29.7	0.8	4.4

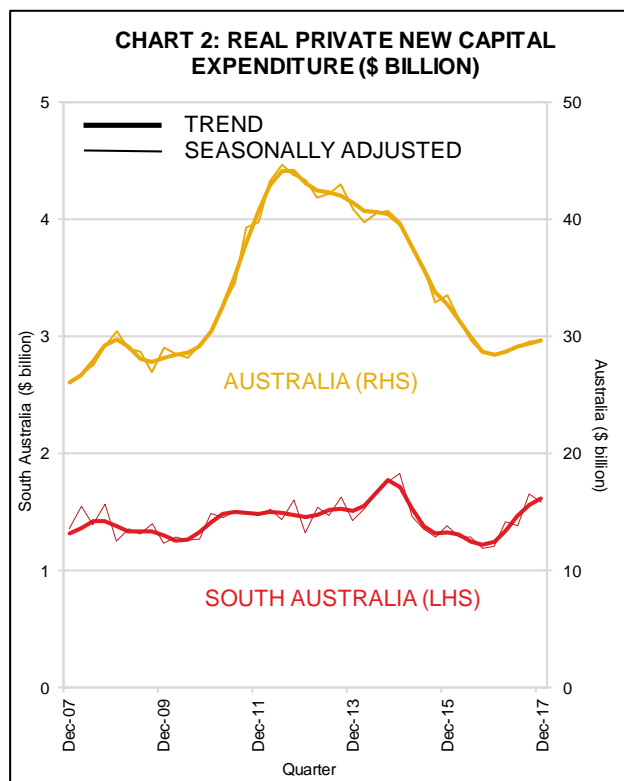


Seasonally Adjusted data

In South Australia, the fall in private new capital expenditure during the December quarter followed a rise of 20% in the previous quarter. The December quarter fall reflected a decrease in spending on equipment, plant and machinery (down 15%), which was only partially offset by a rise in spending on buildings and structures (up 4.7%).

Real private new capital expenditure in South Australia was 31% higher than a year earlier. This

reflected a substantial rise in spending on buildings and structures (up 70%) and a small fall in spending on equipment, plant and machinery (down 2.6%).



Nationally there was a real fall of 0.2% in private new capital expenditure during the December quarter, reflecting a fall in spending in the mining industry (down 4.7%), partially offset by rises in spending in 'other selected industries' (up 1.7%) and in the manufacturing industry (up 2.6%).

TABLE 2: Real Private New Capital Expenditure – Seasonally Adjusted

	(\$ billion)	Dec 17 v Sep 17 (% change)	Dec 17 v Dec 16 (% change)
NSW	7.6	3.3	8.3
VIC	5.7	3.2	9.6
QLD	6.2	1.1	6.9
SA	1.6	-4.2	31.0
WA	6.6	-9.6	-10.5
TAS	0.3	-15.6	2.4
AUS	29.6	-0.2	4.0

1 March 2018

Next release of ABS cat. no. 5625.0 is 31 May 2018

