

# PRIVATE NEW CAPITAL EXPENDITURE, DECEMBER QUARTER 2016

## Summary

During the December quarter, real private new capital expenditure:

- fell 3.3% in South Australia in trend terms (nationally, real private new capital expenditure fell 3.1%); and
- fell 2.9% in South Australia in seasonally adjusted terms (nationally, real private new capital expenditure fell 2.1%).

**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 fall in private new capital expenditure during the December quarter followed a fall of 3.8% in the previous quarter. The quarterly fall reflected a decrease in expenditure on both buildings and structures (down 4.8%) and equipment, plant and machinery (down 2.0%)—see Chart 1.

Real private new capital expenditure in South Australia was 10% lower than a year earlier. This reflected a fall in capital expenditure on both buildings and structures (down 11%) and equipment, plant and machinery (down 8.7%).

Nationally, real private new capital expenditure was 14% lower than a year earlier.

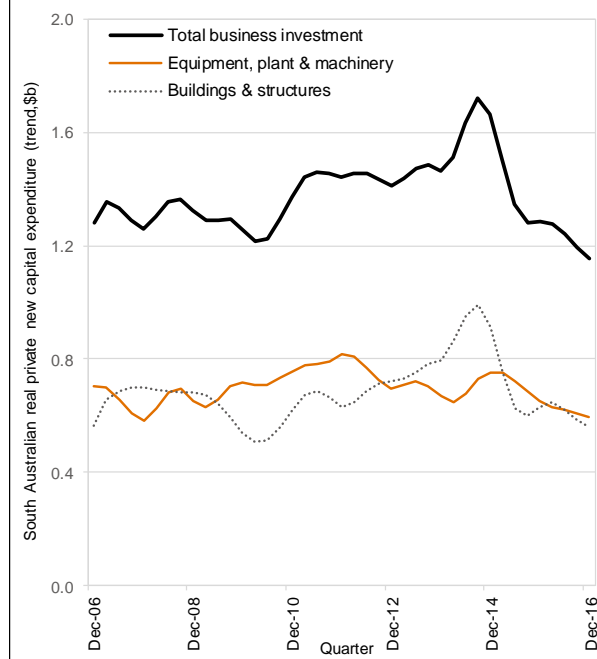
States recording a rise in capital expenditure in the December quarter 2016 were Victoria (up 1.9%) and Queensland (up 1.2%) with falls recorded in Tasmania (down 0.9%), New South Wales (down 2.4%), South Australia (down 3.3%) and Western Australia (down 8.2%)—see Table 1.

New South Wales (up 3.3%) and Victoria (up 7.3%) recorded through the year growth in capital expenditure—see Table 1.

**TABLE 1: Real Private New Capital Expenditure – Trend**

|            | (\$ billion) | Dec qtr 16<br>v Sep qtr 16<br>(% change) | Dec qtr 16<br>v Dec qtr 15<br>(% change) |
|------------|--------------|--|--|
| NSW        | 7.0          | -2.4                                     | 3.3                                      |
| VIC        | 5.1          | 1.9                                      | 7.3                                      |
| QLD        | 5.5          | 1.2                                      | -8.3                                     |
| <b>SA</b>  | <b>1.2</b>   | <b>-3.3</b>                              | <b>-10.0</b>                             |
| WA         | 7.1          | -8.2                                     | -38.2                                    |
| TAS        | 0.2          | -0.9                                     | 0.0                                      |
| <b>AUS</b> | <b>27.4</b>  | <b>-3.1</b>                              | <b>-14.4</b>                             |

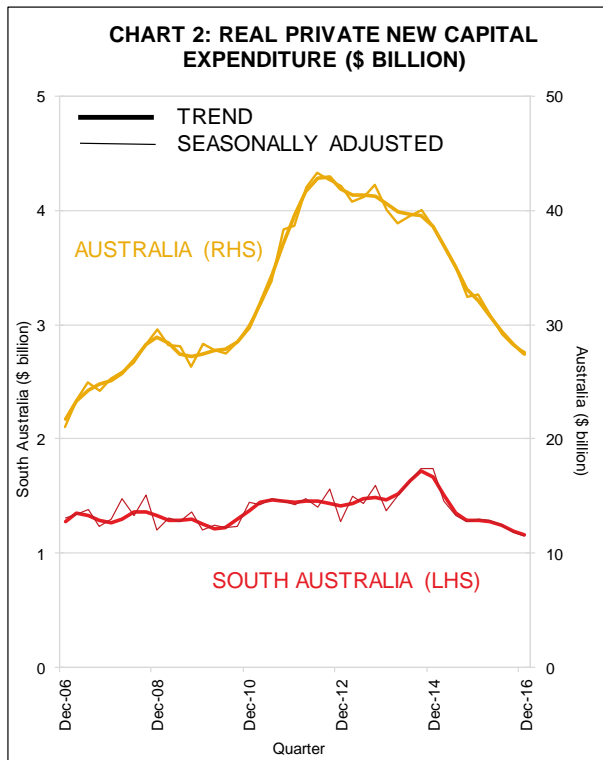
**CHART 1: SOUTH AUSTRALIAN REAL PRIVATE NEW CAPITAL EXPENDITURE (TREND, \$ BILLION)**



### Seasonally Adjusted data

In South Australia, the fall in private new capital expenditure during the December quarter followed a fall of 5.0% in the previous quarter. The December quarter fall reflected decreases in expenditure on buildings and structures (down 5.5%) and equipment, plant and machinery (down 0.2%).

Real private new capital expenditure in South Australia was 11% lower than a year earlier. This reflected a fall in capital expenditure on buildings and structures (down 16%) and a fall in capital expenditure on equipment, plant and machinery (down 6.6%)—see Chart 2.



Nationally there was a real fall of 2.1% in private new capital expenditure during the December quarter, reflecting a fall in the mining industry (down 9.3%), which was only partially offset by rises in the manufacturing industry (up 3.2%) and 'other selected industries' (up 1.8%).

**TABLE 2: Real Private New Capital Expenditure – Seasonally Adjusted**

|            | (\$ billion) | Dec 16<br>v Sep 16<br>(% change) | Dec 16<br>v Dec 15<br>(% change) |
|------------|--------------|----------------------------------|----------------------------------|
| NSW        | 6.9          | -2.3                             | 0.8                              |
| VIC        | 5.1          | 2.0                              | 7.4                              |
| QLD        | 5.4          | -6.1                             | -13.2                            |
| <b>SA</b>  | <b>1.2</b>   | <b>-2.9</b>                      | <b>-11.1</b>                     |
| WA         | 7.2          | -3.7                             | -38.6                            |
| TAS        | 0.2          | 10.8                             | 11.9                             |
| <b>AUS</b> | <b>27.6</b>  | <b>-2.1</b>                      | <b>-15.5</b>                     |

### Original Data

In South Australia, total nominal private new capital expenditure was 8.4% lower in the year to December 2016 compared with the previous year. Capital expenditure contributions by industry were not available for mining and manufacturing. Capital expenditure in 'other selected industries' was 2.8% lower than a year earlier.

23 February 2017

Next release of ABS cat. no. 5625.0 is 1 June 2017

