



BITRE STATISTICAL ALERT

Construction Work Done, Australia (ABS cat. no. 8755.0)
September Quarter 2019

27 November 2019

Overview

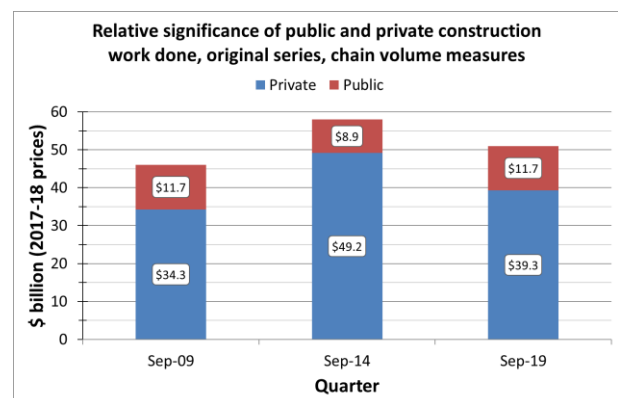
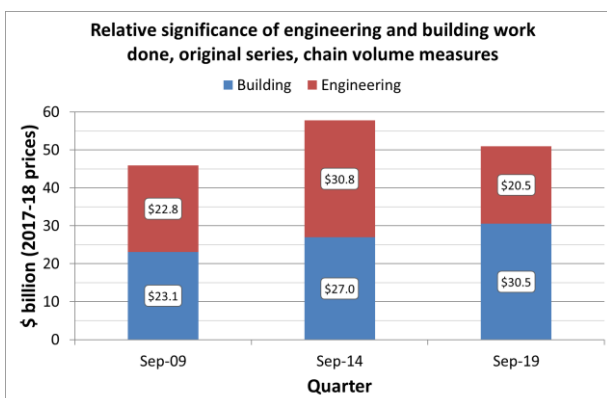
On 27 November, the Australian Bureau of Statistics (ABS) released the September quarter 2019 edition of Construction Work Done, Australia (ABS cat. no. 8755.0). This release presents preliminary estimates of building and engineering construction work done during the quarter derived from the quarterly Building Activity Survey and the quarterly Engineering Construction Survey. Please note that more comprehensive and updated engineering construction results will be available on 15 January 2020 with the release of Engineering Construction Activity, Australia (cat. no. 8762.0).

In real terms, overall changes in the construction work done (in original data—so the results here differ from trend or seasonal numbers reported elsewhere) in the September quarter 2019 relative to the previous quarter were:

- The total value of construction work done decreased by 2.9 per cent to \$51.0 billion.
- Building construction work done increased by 0.7 per cent to \$30.5 billion and engineering construction work decreased by 7.9 per cent to \$20.5 billion.
- The value of private sector engineering work done decreased by 4.8 per cent to \$12.1 billion while public sector engineering work decreased by 12.0 per cent to \$8.3 billion.

Year-on-year, relative to the September quarter 2018, the value of total construction work (original data) done in the September quarter 2019 decreased by 7.3 per cent, driven by a 10.4 per cent fall in engineering construction work done and a 5.1 per cent fall in building construction activity. Engineering construction work done in the September quarter 2019 is 10.0 per cent lower than ten years ago in the September quarter 2009, while building construction work done in the September quarter 2019 is 31.9 per cent higher than ten years ago.

The charts below show how selected elements of construction work done have changed over the past five and ten years. Engineering construction work done (mainly private) increased and fell with the resources construction boom. Building construction work done per quarter has steadily increased by nearly a third over the past decade. The private sector makes up around 80 per cent of construction work done and hence is the main driver of total construction work done.



Value of construction work done by data type

The ABS releases three data series: original, seasonally adjusted, and trend. The original data set is unadjusted, except for price. The seasonally adjusted series takes into account normal seasonal factors, the varying numbers of working days in a quarter and the varying date of Easter. As a result, seasonally adjusted statistics reflect both irregular and trend movements. Trend estimates are derived from the seasonally adjusted series, which is smoothed to reduce the impact of irregular changes.

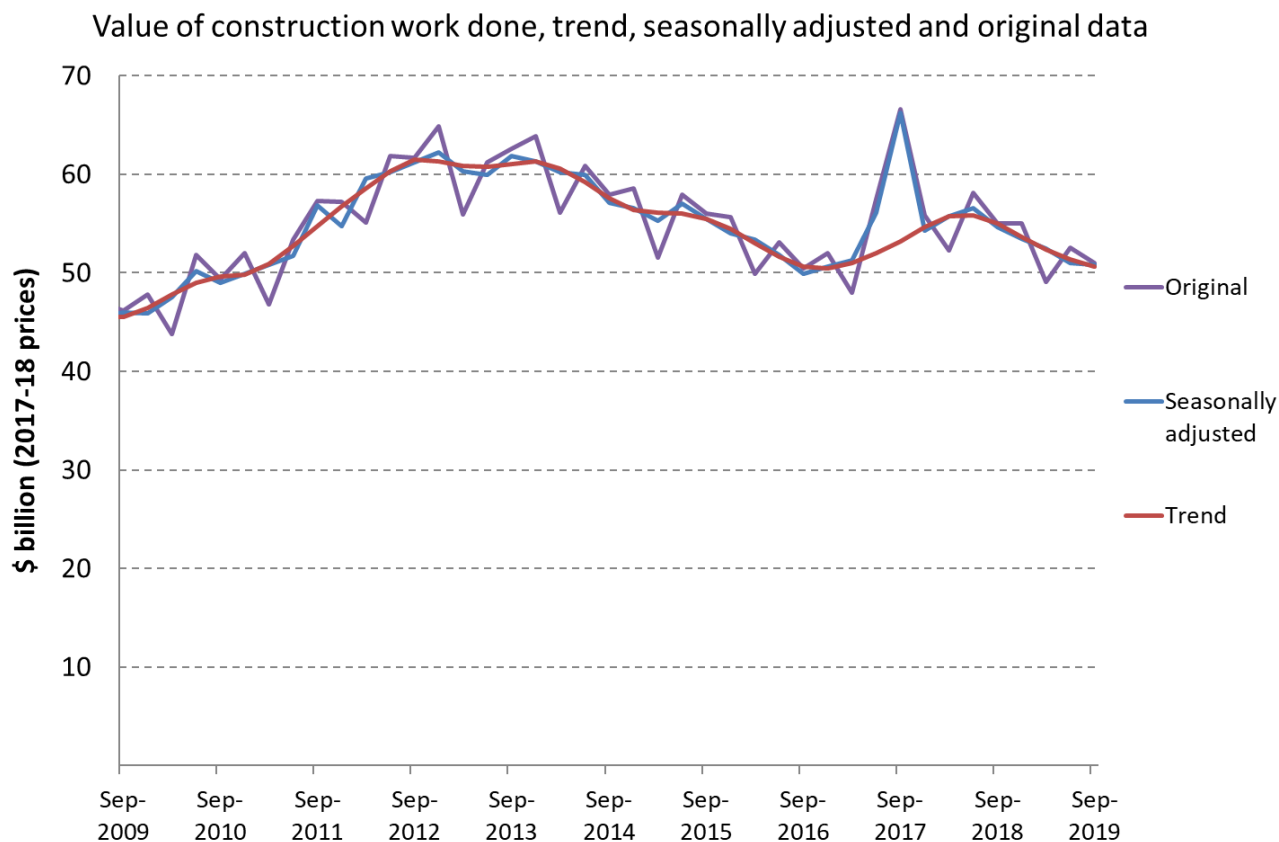
All the data in this statistical alert uses chain volume estimates in 2017–18 dollars (updated from 2016–17 dollars in the previous release). This measure reflects changes in value after the direct effects of price changes have been removed.

The value of construction work done (original data) in the September quarter 2019 was \$51.0 billion, a decrease of 2.9 per cent from the previous quarter and a decrease of 7.3 per cent compared to the same quarter in 2018.

The seasonally adjusted value of construction work done in the September quarter 2019 was \$50.8 billion, a decrease of 0.4 per cent from the previous quarter and a decrease of 7.0 per cent compared to the same quarter in 2018.

The trend value of construction work done in the September quarter 2019 was \$50.6 billion, a decrease of 1.6 per cent from the previous quarter and a decrease of 8.1 per cent compared to the same quarter in 2018.

The remainder of this release uses original data (only adjusted for inflation) to capture the impact of seasonal variations and individual projects.

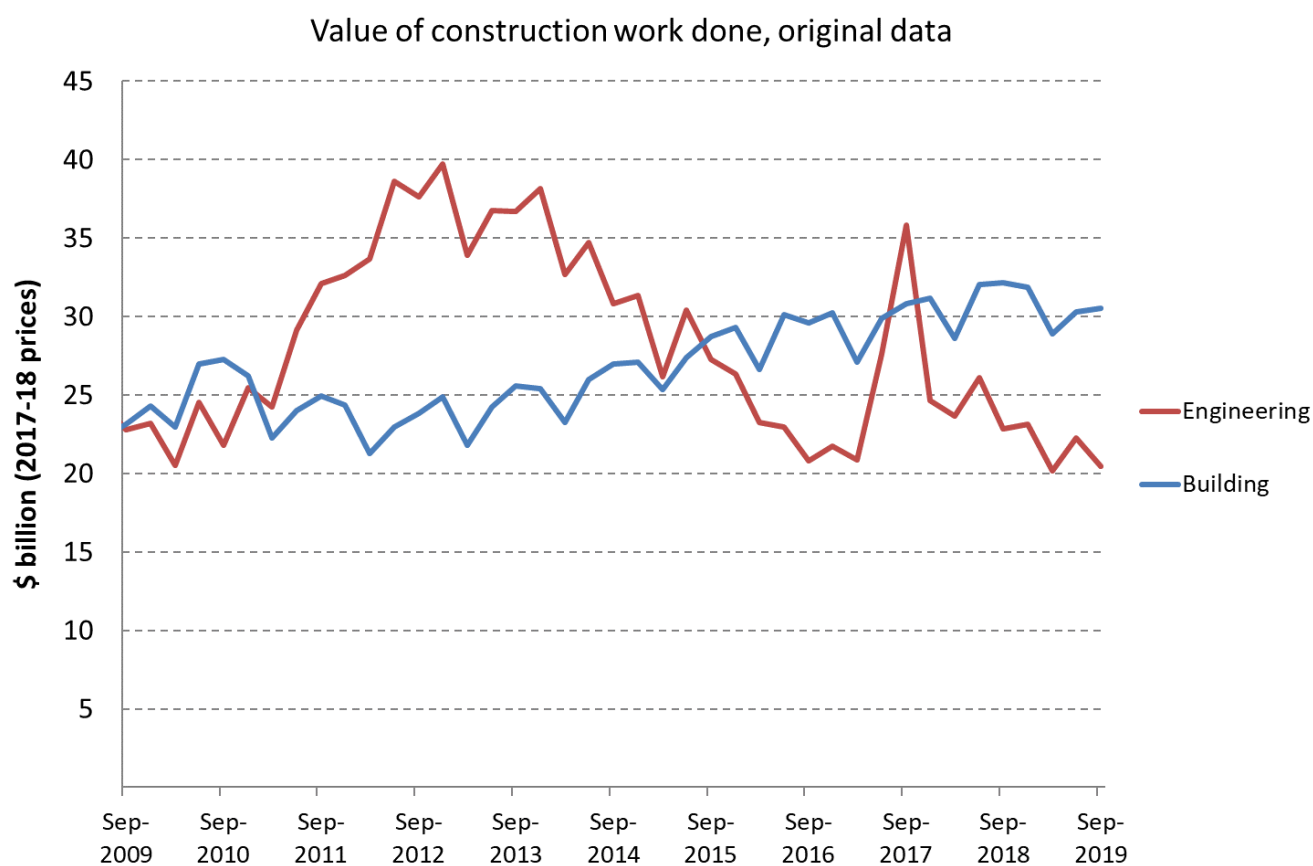


Note: Chain volume measures.

Value of engineering and building construction work done by sector

In the September quarter 2019, the value of engineering construction work done decreased by 7.9 per cent relative to the previous quarter¹ to \$20.5 billion. Compared to the September quarter 2018, the value of engineering construction work done decreased by 10.4 per cent in the September quarter 2019 and relative to the same quarter 10 years ago, the value of engineering construction work is down by 10.0 per cent.

In the September quarter 2019, the value of building construction work done increased by 0.7 per cent relative to the previous quarter to \$30.5 billion. Compared to the September quarter 2018, the value of building construction work done decreased by 5.1 per cent in the September quarter 2019 and relative to the same quarter 10 years ago, the value of building construction work done is up by 31.9 per cent.



Note: Chain volume measures.

¹ Note that quarter on quarter variations for engineering and building construction work done are volatile.

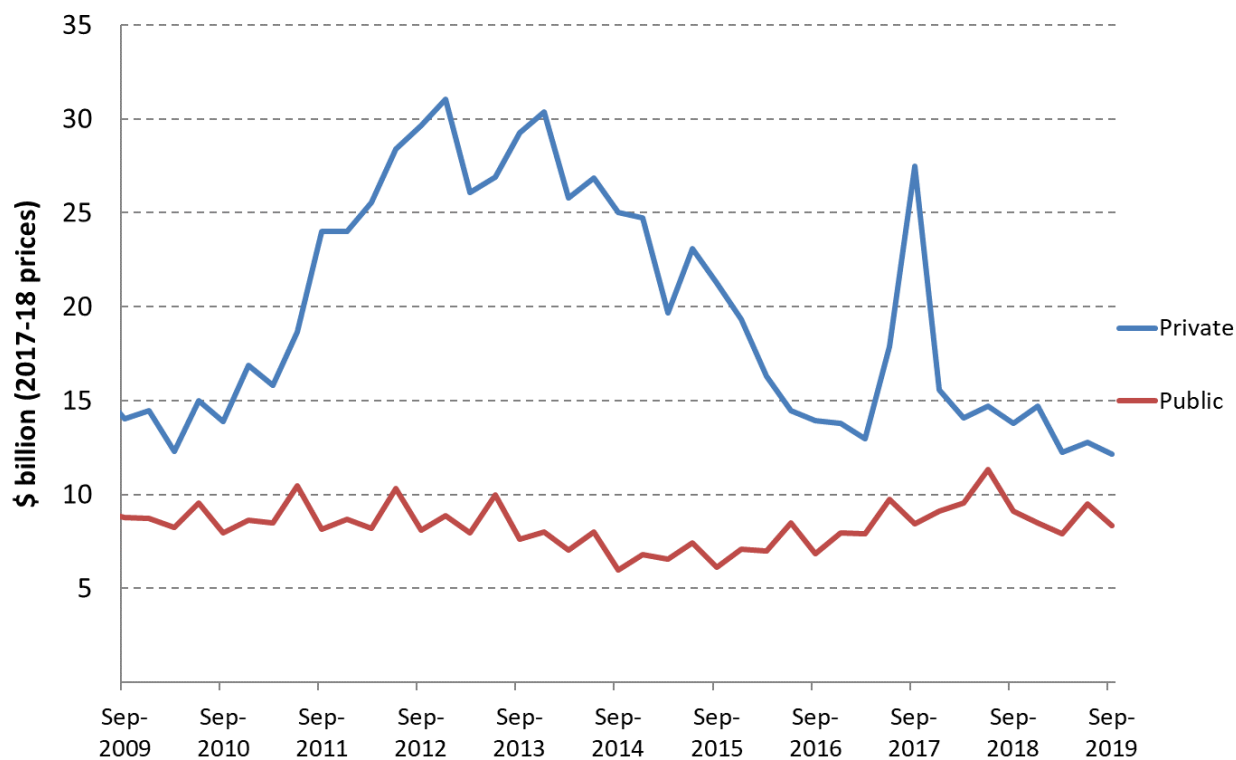
Value of engineering construction by sector

Engineering construction includes work done on transport infrastructure such as roads, bridges, railways and tramways and non-transport infrastructure such as sewerage and drainage, electricity, and telecommunications (For a full list of what engineering construction captures, see the glossary on page 7).

In the September quarter 2019, the value of public sector engineering work done decreased by 12.0 per cent relative to the previous quarter to \$8.3 billion. This level of public sector engineering construction activity is 8.2 per cent lower than a year ago in the September quarter 2018 and 4.8 per cent lower than in the same quarter a decade ago.

Relative to the previous quarter, the value of private sector engineering construction work done decreased by 4.8 per cent in the September quarter 2019 to \$12.1 billion. However, the value of private sector engineering construction work done in the September quarter 2019 was 11.9 per cent lower than a year ago in the September quarter 2018 and 13.3 per cent lower than the same quarter a decade ago.

Value of engineering construction work done, by infrastructure owner, original data



Note: Chain volume measures.

Value of all engineering construction by state/territory

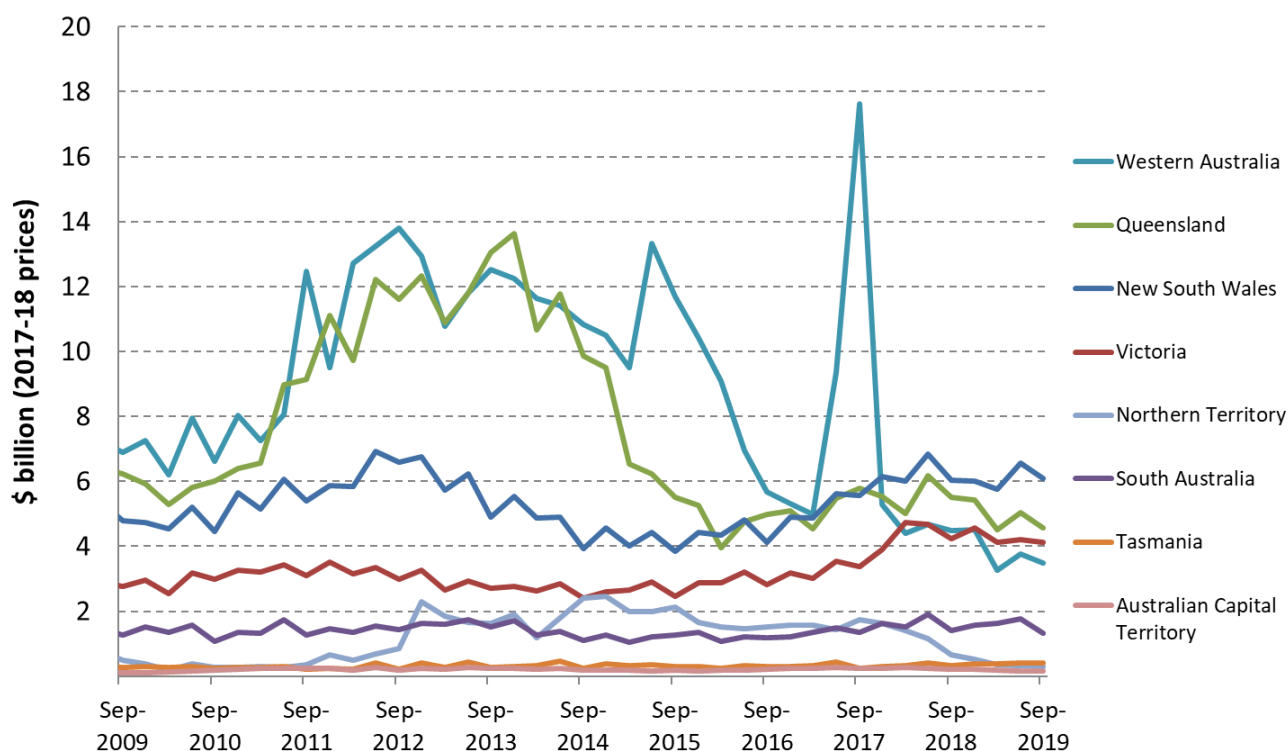
The largest values of engineering construction work done in the September quarter 2019 were in New South Wales (\$6.1 billion), Queensland (\$4.6 billion) and Victoria (\$4.1 billion).

The value of engineering construction work done fell quarter-on-quarter in all jurisdictions except Tasmania where it increased 3.4 per cent. The biggest percentage decreases quarter-on-quarter were in South Australia (-24.8 per cent), Queensland (-9.5 per cent) and New South Wales (-7.3 per cent).

Compared to the September quarter 2018, engineering work done fell in every jurisdiction except Tasmania where it increased 28.2 per cent and New South Wales where it increased 0.9 per cent. The biggest percentage falls were in the Northern Territory (-53.3 per cent), the Australian Capital Territory (-26.0 per cent), Western Australia (-21.8 per cent), Queensland (-17.2 per cent) and South Australia (-5.7 per cent).

Compared to ten years ago (the September quarter 2009), the quarterly engineering work done is up in the Australian Capital Territory (62.1 per cent), Tasmania (61.6 per cent), Victoria (49.1 per cent), New South Wales (27.3 per cent), and South Australia (6.5 per cent). It is down over the decade in the resource states of Queensland (-26.6 per cent), the Northern Territory (-38.4 per cent) and Western Australia (-49.3 per cent).

Value of all engineering construction work done, by state/territory, original data



Note: Chain volume measures.

Value of all building construction by state/territory

A building is a rigid, fixed and permanent structure that has a roof. Its intended purpose is primarily to house people, plant, machinery, vehicles, goods or livestock. Note that the quarterly value of building construction work done is influenced by seasonal factors.

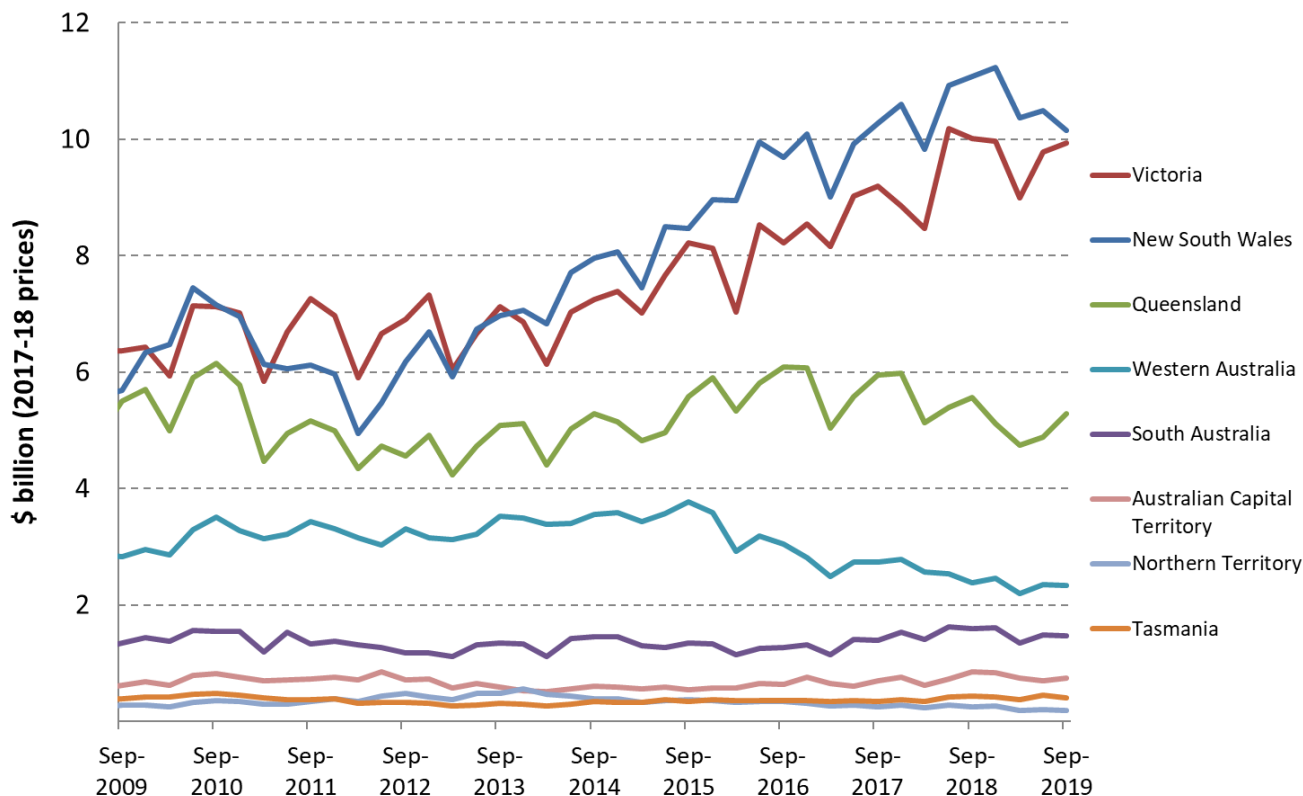
In the September quarter 2019 the largest values of building construction work done were in New South Wales (\$10.2 billion), Victoria (\$9.9 billion) and Queensland (\$5.3 billion).

The value of building construction work done decreased in the September quarter 2019 relative to the previous quarter in most jurisdictions with the largest percentage decreases in Tasmania (-8.7 per cent), the Northern Territory (-5.6 per cent) and New South Wales (-3.2 per cent). The three jurisdictions with a quarterly increase in building construction done was Queensland (8.4 per cent), the Australian Capital Territory (7.6 per cent) and Victoria (1.6 per cent).

Compared to a year ago in the September quarter 2018, the building construction work done fell in every jurisdiction. The biggest percentage falls were in the Northern Territory (-26.8 per cent), the Australian Capital Territory (-12.7 per cent) and New South Wales (-8.4 per cent). The smallest fall was in Victoria (-0.8 per cent).

Compared to ten years ago in the September quarter 2009, the quarterly building construction work done in the September quarter 2019 is up by 78.8 per cent in New South Wales, 55.9 per cent in Victoria, 21.1 per cent in the Australian Capital Territory and 9.9 per cent in South Australia. The quarterly building activity however is down in the Northern Territory (-34.1 per cent), Western Australia (-17.3 per cent) and Queensland (-4.0 per cent).

Value of all building construction work done, by state/territory, original data



Note: Chain volume measures.

Glossary

Chain Volume Measures	Measures that have been adjusted to take account of price variations. The current reference year is 2017-18.
Building construction	A building is a rigid, fixed and permanent structure that has a roof. Its intended purpose is primarily to house people, plant, machinery, vehicles, goods or livestock.
Engineering construction	Value of engineering construction includes work done on: <ul style="list-style-type: none">• Roads, highways and subdivisions, airport runways• Bridges• Railways and tramways• Harbours• Water storage and supply• Sewerage and drainage• Electricity generation, transmission and distribution• Pipelines (other than water)• Recreation• Telecommunications• Heavy Industry
Value of work done	This value only includes work carried out during the quarter. The value of work done for the private sector consists of the value of work done on prime contracts, plus speculative contracts, plus work done on own account. The value of work done for the public sector is the work done by the private organisation's own workforce and subcontractors.

Next scheduled release

27 November 2019 - Construction Work Done, Australia - ABS cat. 8755.0 (September quarter 2019)

Related releases

1 November 2019 - Producer Price Indexes, Australia - ABS cat. 6427.0 (September quarter 2019)

15 January 2020 - Engineering Construction Activity, Australia - ABS cat. 8762.0 (September quarter 2019)

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ISSN 2206-3358

November 2019

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This publication should be attributed in the following way; Bureau of Infrastructure, Transport and Regional Economics (BITRE), Statistical Alert, Construction Work Done, Australia - ABS cat. 8755.0, September quarter 2019, BITRE, Canberra.

Acknowledgement

The Australian Bureau of Statistics releases the data summarised in this alert.

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Department of Infrastructure, Transport, Cities and Regional Development
Bureau of Infrastructure, Transport and Regional Economics (BITRE)
GPO Box 501, Canberra ACT 2601, Australia

Phone: (international) +61 2 6274 7210

Fax: (international) +61 2 6274 6855

Email: bitre@infrastructure.gov.au

Website: www.bitre.gov.au