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## Private Business Investment by State



In 2008, New South Wales private business investment reached a record high of \$47.7 billion.

New South Wales has recorded strong growth in business investment. Private business investment grew by 10.3% in the year to December 2008 and long term growth in the five years to December 2008 has also averaged 10.3% per annum. Investment in new engineering construction grew by 18.6% in 2008, largely reflecting investments in mining, energy and transport related infrastructure, while new machinery and equipment expenditure grew by 11.5% and was the largest contributor to the overall growth in business investment.

In 2008 New South Wales accounted for almost one quarter of Australia's business investment. New South Wales has the largest share of business investment in machinery and equipment and intangible assets, such as computer software, mineral exploration rights and the intellectual property of creative industries.

The industries in New South Wales which recorded the highest growth in capital expenditure on non-dwelling construction, machinery and equipment were transport and storage, manufacturing, wholesale and mining, reflecting the relative strength of the capital-intensive goods producing sector in 2008. The retail industry also recorded strong increases in 2008.

Business investment is expected to weaken in 2008-09 as a result of the global financial crisis and the downturn in the world economy. The State and federal government's increased infrastructure commitments and capital expenditure incentives will continue to build the capacity of the economy and provide support to business investment.

### Private Business Investment by State, 2008 A\$ million

Asset type	NSW	Vic	Qld	SA	WA	Other (1)	Australia	NSW % of Australia
Machinery and equipment	24,398	20,606	21,276	5,110	15,945	4,068	91,403	26.7
Total non-dwelling construction (2)	17,505	17,769	19,334	3,652	22,845	4,661	85,766	20.4
New building	11,468	12,794	9,791	1,935	5,751	2,370	44,109	26.0
New engineering construction	6,159	4,933	9,854	1,752	17,131	2,347	41,176	14.6
Livestock	474	734	698	110	156	164	2,336	20.3
Intangible fixed assets	5,294	3,744	1,811	1,032	4,486	881	17,248	30.7
Total private business investment	47,669	42,855	43,118	9,903	43,431	19,778	196,754	24.2

Footnotes:

1: Other industries includes Tasmania, Northern Territory and Australian Capital Territory.

2: Total non-dwelling construction includes net purchases of second hand assets, which is not shown.

Source: ABS Cat. No. 5206.0, December 2008