



AUSTRALIA'S IMPORTS OF AIRCRAFT & PARTS – UPDATE FOR 2017

Introduction

This article updates analysis on the impact of confidentiality in Australia Bureau of Statistics (ABS) international merchandise trade statistics on imports of aircraft and parts. To avoid divulging commercially-sensitive details of individual firms, the ABS restricts release of statistics on certain commodities. These restrictions have led to the partial restriction of data released for imports of SITC code 792 - *Aircraft, spacecraft & related parts* in ABS reported data.

The following data are estimates of those imports, drawing on publicly available information including data from the countries where these imports are sourced. The methodology behind these estimates is laid out in **Attachment A**.

Estimates of imports of aircraft and related parts in 2017

Table 1 shows estimates of Australia's imports of *Aircraft, spacecraft & related parts*. Australia's imports of *Aircraft, spacecraft & related parts* rose 13.6 per cent (or \$531 million) to \$4.4 billion in 2017, making it Australia's 16th largest import (in terms of goods and services). In 2017, Australian imported aircraft valued at \$2.7 billion, helicopters valued at \$419 million and parts for aircraft & helicopters valued at \$1.1 billion.

**Table 1: Imports of Aircraft & parts by type
(A\$ million)**

	2015	2016	2017	% share 2017	% growth 2016 to 2017
Aircraft	2,867	1,204	2,710	61.0	125.0
Helicopters	883	1,460	419	9.4	-71.3
Parts of aircraft & helicopters	1,691	1,122	1,086	24.4	-3.2
Other	74	128	128	2.9	0.0
Total Aircraft, spacecraft & parts	5,516	3,915	4,446	100.0	13.6

Based on ABS & UN merchandise trade data on DFAT STARS database and Global Trade Atlas.

Table 2 shows imports of *Aircraft, spacecraft & related parts* by Australia's major sources. In 2017, Australia's top source for these imports was the United States valued at \$3.2 billion, up 25.1 per cent (or \$632 million). This included the import by Qantas of its first three (of eight on order) Boeing Dreamliner aircraft.

Following the United States, Spain was the second largest source with imports up \$219 million to \$231 million, France, with imports up \$25 million to \$207 million, was the third largest source and the Netherlands with imports up \$173 million to \$195 million the fourth largest source.

Table 2: Imports of Aircraft, spacecraft & parts for selected countries
(A\$ million)

	2015	2016	2017	% share 2017	% growth
					2016 to 2017
Canada	145	84	103	2.3	22.9
France	311	182	207	4.6	13.5
Germany	148	309	105	2.4	-65.9
Italy	241	342	106	2.4	-69.0
Netherlands	79	22	195	4.4	802.0
New Zealand	39	39	70	1.6	79.9
Portugal	1	0	52	1.2	..
Spain	412	12	231	5.2	..
Switzerland	88	27	132	3.0	390.2
United Kingdom	172	157	61	1.4	-61.1
United States (a)	3,674	2,523	3,155	71.0	25.1
Total	5,516	3,915	4,446	100.0	13.6
of which:					
<i>European Union 28</i>	<i>1,523</i>	<i>1,083</i>	<i>803</i>	<i>18.1</i>	<i>-25.8</i>

(a) Excludes imports of some military aircraft from Sep-2008 onwards which cannot be separately identified in US merchandise trade.

Based on ABS & UN merchandise trade data on DFAT STARS database and Global Trade Atlas.

Author: Frank Bingham
Office of Economic Analysis
statssection@dfat.gov.au

Updated: July 2018

ATTACHMENT A: METHODOLOGY FOR ESTIMATING AIRCRAFT & PARTS IMPORTS

Background

The ABS has a legal obligation to confidentialise data from an individual or organisation that is identifiable if that individual or organisation has requested that the data be suppressed. These restrictions affect the level of detailed merchandise trade data that is potentially available for release.

The ABS publishes monthly a list of merchandise trade commodities with confidential restrictions in its publication *International Merchandise Trade: Confidential Commodities List* (ABS catalogue 5372.0.55.0.01). More detail on how the ABS applies confidentiality in merchandise trade statistics is available in the ABS information paper *International Trade - Request to Confidentialise data* (ABS catalogue 5497.0.55.001). These products are available on the ABS website at www.abs.gov.au.

Impact of confidentiality on imports of aircraft & parts

From September 2008, the ABS made select Harmonised Tariff Item Stat-key Classification (HTISC) codes confidential that make up most of the SITC code Aircraft, spacecraft & parts. These codes have the restriction applied of no commodity details. No data relating to these HTISC are released by the ABS.

Table A lists the ABS confidentiality restrictions applied to these aircraft codes and the dates when they were in effect.

Table A: SITC 792 - Aircraft, spacecraft & parts

Confidential codes

HTISC	From	To	Description
8802.11	Dec-08	Jun-15	Helicopters of an unladen weight not exceeding 2,000 kg
8802.12	Dec-08	Aug-15	Helicopters of an unladen weight exceeding 2,000 kg
8802.30	Dec-08	Jun-15	Aeroplanes and other aircraft (excl helicopters) of an unladen weight exceeding 2,000 kg but not exceeding 15,000 kg
8802.40	Sep-08		Aeroplanes and other aircraft (excl helicopters) of an unladen weight exceeding 15,000 kg
8803.30	Dec-08	Aug-15	Parts of aeroplanes or helicopters (excl propellers, rotors and undercarriages and parts thereof)

Non-confidential codes

HTISC	Description
8802.20	Aeroplanes and other aircraft (excl helicopters) of an unladen weight not exceeding 2,000 kg
8802.60	Spacecraft
8801.00	Balloons and dirigibles, gliders and other non-powered aircraft
8803.10	Propellers and rotor parts
8803.20	Undercarriages and parts
8803.90	Other



Alternative sources of information

By using partner country export data or mirror statistics (e.g. United States exports of aircraft & parts to Australia) it is possible to get an idea of the size of Australia's imports of the confidential aircraft & parts codes. This partner country data was then summed with the non-confidential codes in the ABS trade data to produce an estimate of imports of aircraft & parts for Australia.

Quality of these estimates

The reader should note the above analysis provides only an estimate of the actual value of Australian aircraft & parts imports. These estimates have a number of data quality issues:

- Firstly not all of Australia's export partners publish their own export trade data (for example only limited data is available for Middle East countries) and therefore some Australian confidential aircraft & parts imports may not have been included. As Australia's major trading partners were covered in the calculation this should only have a small impact on the above estimates.
- Timing differences will also impact on the quality of the estimates, given the long distances to some of Australia's major trading partners.
 - For example a good that is imported and recorded in ABS trade statistics in January 2017 could be exported and recorded in partner country trade data in December 2016 due to the time it takes to ship the good to that country. As a result this good is recorded in ABS trade statistics in calendar year 2017, while in the partner country data it will be recorded in 2016. This will impact more on aircraft parts than aircraft themselves as the time to fly the aircraft to Australia is within 24 hours. However part of the partner country data may be allocated to the incorrect time period.
- It is possible that in partner country export statistics the final country of destination for these goods are incorrect (it may be shipped through a third party country). This is unlikely for shipments of bulk goods, such as aircraft. However for aircraft parts this may be more of an issue, especially for trading hubs such as Singapore. To minimise this issue only Singapore-produced goods were included in these estimates
- A particular problem in using this type of analysis to estimate the imports of aircraft into Australia is to exclude imports of aircraft on an operational lease (which the ABS excludes from Australian import statistics). To try to overcome this issue the Civil Aviation Safety Authority's civil aircraft register has been used to try and identify imports of leased aircraft so as to exclude these aircraft in partner country export data.
- In 2009, both the United Kingdom and the United States confidentialised aircraft exports to a degree. For the United States the lower level of confidentiality still enabled the analysis of United States export data and ABS import data to produce an estimate of the value of imports of civil aircraft from the United States (it excludes some US military aircraft, which could not be separately identified in US merchandise trade statistics). However the higher degree of confidentiality in the United Kingdom export statistics prevented the estimation of aircraft imports from the United Kingdom. As a result the estimation of Australian aircraft imports from 2008 to 2012 excludes imports from the United Kingdom.