SEPTEMBER QUARTER 1998 5625.0

PRIVATE NEW CAPITAL EXPENDITURE

AND EXPECTED EXPENDITURE to June 1999 AUSTRALIA

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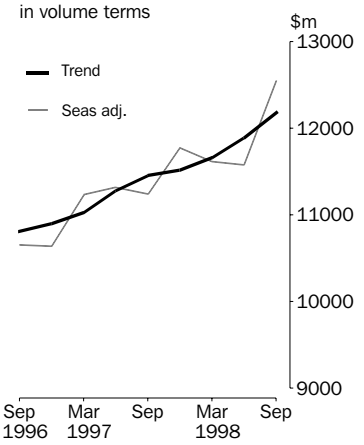
New Capital Expenditure
in volume terms



SEPTEMBER QTR KEY FIGURES

TREND ESTIMATES (a)

	Sep 97 $m	Jun 98 $m	Sep 98 $m	% change Jun 98 to Sep 98	% change Sep 97 to Sep 98
Total new capital expenditure	11 457	11 888	12 177	2.4	6.3
Buildings and structures	3 171	3 461	3 642	5.2	14.8
Equipment, plant and machinery	8 276	8 424	8 478	0.6	2.4

SEASONALLY ADJUSTED(a)

	Sep 97 $m	Jun 98 $m	Sep 98 $m	% change Jun 98 to Sep 98	% change Sep 97 to Sep 98
Total new capital expenditure	11 239	11 573	12 542	8.4	11.6
Buildings and structures	3 014	3 547	3 738	5.4	24.0
Equipment, plant and machinery	8 216	8 032	8 773	9.2	6.8

(a) In volume terms.

SEPTEMBER QTR KEY POINTS

ACTUAL EXPENDITURE

- Trend estimates of total new capital expenditure (in volume terms) have been increasing steadily since late 1995. The current estimate of $12,177m is 6.3% higher than for the September quarter 1997.
- Following four quarters of negative growth, expenditure on buildings and structures has been between 5% and 7% for the past three quarters, while growth in equipment has been flat for the past three quarters.
- While both Mining and Manufacturing have experienced negative growth over the past few quarters, growth in Other Selected Industries has been between 3% and 7% since March 1998.

EXPECTED EXPENDITURE

- The fourth estimate of total expenditure for 1998-99 is $45,454m. This is 1.0% higher than the corresponding estimate for 1997-98 and 0.4% higher than the third estimate for 1998-99.

■ For further information about these and related statistics, contact John Blanchette on 02 9268 4280, or any ABS office shown on the back cover of this publication.

NOTES

FORTHCOMING ISSUES

ISSUE (Quarter)	*RELEASE DATE*
December 1998	25 February 1999
March 1998	27 May 1999

CHANGES IN THIS ISSUE

As foreshadowed last issue, constant price data have been replaced with chain volume measures, using a reference year of 1996-97. The methodology used to derive the deflators underlying the volume measures has also changed. For further information refer to paragraphs 15 to 25 of the explanatory notes or the information paper *Introduction of Chain Volume Measures in the Australian National Accounts* (5248.0).

Additionally, the method used to seasonally adjust chain volume measures for the Manufacturing industry differs from that used to seasonally adjust constant price estimates. Previously, the seasonally adjusted estimate for Manufacturing was derived by aggregating seasonally adjusted estimates for each Manufacturing Subdivision. The Manufacturing Division is now directly seasonally adjusted.

REVISIONS TO TREND

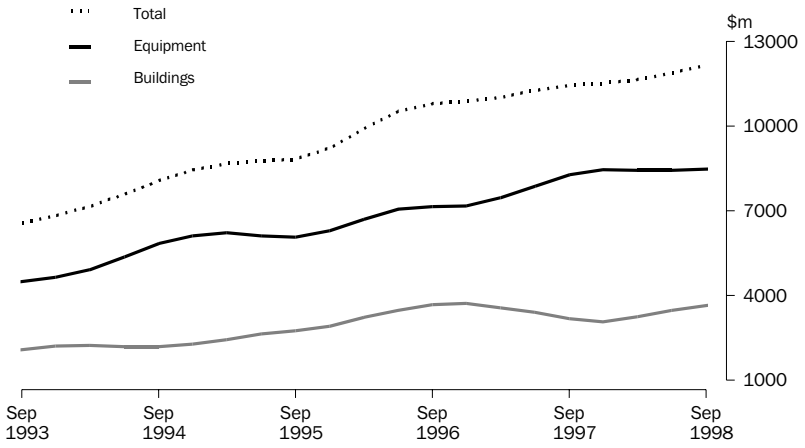
Readers should exercise care in the interpretation of the trend data as the last three observations, in particular, are likely to be revised with the addition of subsequent quarters' data. For further information, refer to Revisions to Trend Estimates on page 22.

W. McLennan
Australian Statistician

QUARTERLY TREND ESTIMATES OF CHAIN VOLUME MEASURES

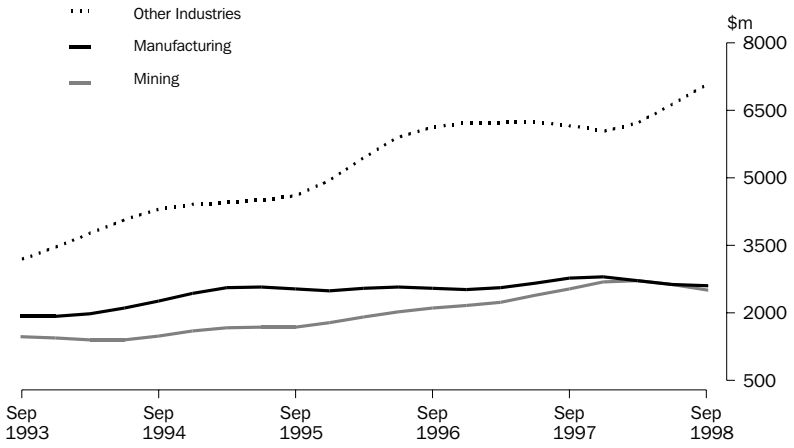
BY ASSET

Following relatively stronger growth over 1995-96, growth in total capital expenditure has been steady over the past two years, with growth rates of between 0.5% and 3%. Following a period of negative growth between March and December quarters 1997, expenditure on buildings has been between 5% and 7% over the past three quarters. Conversely, expenditure on equipment has been flat over the past three quarters after strong growth during 1997.



BY INDUSTRY

Following consistent growth from September quarter 1995, growth rates for the Mining industry have eased over the past five quarters, with negative growth in the most recent two quarters. Growth rates for Manufacturing have been relatively flat over the same period, with negative growth experienced over the past three quarters. Following a period of flat or negative growth over 1997, expenditure by Other Selected industries has grown strongly over the past three quarters.

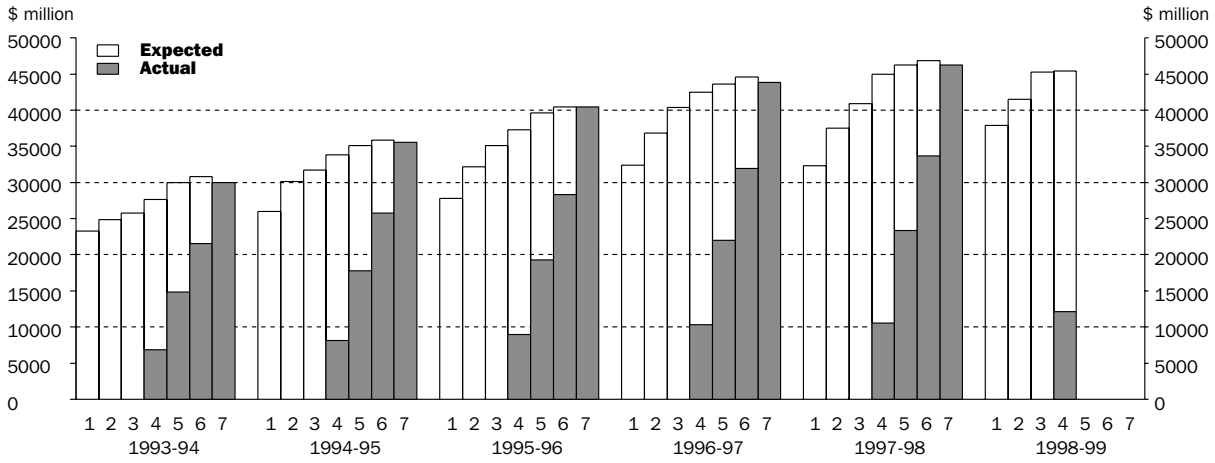


ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE

FINANCIAL YEARS AT CURRENT PRICES

EXPENDITURE

The seven estimates of actual and expected expenditure for each financial year which appear in the graph below relate to data contained in Table 4. Care should be taken when using these series and the associated realisation ratios.



EXPLANATION OF TIMING OF ESTIMATES used in construction of graph above

		COMPOSITION OF ESTIMATE		
Estimate	*Based on data reported at:*	*Data on actual expenditure*	*Data on short term expected expenditure*	*Data on long term expected expenditure*
1	Jan–Feb, 5–6 months before period begins	Nil	Nil	12 months
2	Apr–May, 2–3 months before period begins	Nil	Nil	12 months
3	Jul–Aug, at beginning of period	Nil	6 months	6 months
4	Oct–Nov, 3–4 months into period	3 months	3 months	6 months
5	Jan–Feb, 6–7 months into period	6 months	6 months	Nil
6	Apr–May, 9–10 months into period	9 months	3 months	Nil
7	Jul–Aug, at end of period	12 months	Nil	Nil

1 ACTUAL & EXPECTED EXPENDITURE, By Type of Asset and Industry—Current prices

	BUILDINGS AND STRUCTURES				EQUIPMENT, PLANT AND MACHINERY				TOTAL CAPITAL EXPENDITURE			
Period	*Mining* $m	*Manu-facturing* $m	*Other selected indus-tries* $m	*Total* $m	*Mining* $m	*Manu-facturing* $m	*Other selected indus-tries* $m	*Total* $m	*Mining* $m	*Manu-facturing* $m	*Other selected indus-tries* $m	*Total* $m
ORIGINAL (Actual)												
1996–97	4 296	1 686	8 348	14 330	4 485	8 511	16 511	29 507	8 781	10 198	24 859	43 837
1997–98	4 408	2 022	6 722	13 151	6 622	8 976	17 532	33 129	11 029	10 997	24 253	46 280
1996–97												
June	1 097	547	1 735	3 378	1 227	2 281	5 007	8 516	2 324	2 828	6 742	11 894
1997–98												
September	956	523	1 442	2 921	1 535	2 005	4 102	7 642	2 491	2 528	5 544	10 563
December	1 153	728	1 847	3 728	1 867	2 459	4 751	9 078	3 020	3 188	6 598	12 806
March	936	357	1 540	2 833	1 630	2 020	3 817	7 468	2 566	2 378	5 357	10 301
June	1 363	413	1 893	3 669	1 589	2 491	4 862	8 941	2 952	2 904	6 754	12 610
1998–99												
September	1 109	354	2 185	3 648	1 279	2 238	4 980	8 497	2 388	2 592	7 164	12 144
ORIGINAL (Expected)(a)												
1998-99												
3 mths to Dec	1 031	627	2 559	4 216	1 326	2 741	4 366	8 434	2 357	3 368	6 924	12 650
6 mths to Jun	1 888	794	4 229	6 910	2 127	4 783	6 839	13 750	4 015	5 576	11 069	20 660
Total 1998-99	4 027	1 774	8 972	14 774	4 733	9 762	16 185	30 680	8 760	11 537	25 157	45 454
SEASONALLY ADJUSTED (Actual)												
1996–97	4 309	1 658	8 418	14 385	4 486	8 526	16 444	29 456	8 794	10 184	24 863	43 841
1997–98	4 412	2 011	6 762	13 185	6 645	8 965	17 520	33 130	11 057	10 976	24 282	46 315
1996–97												
June	1 101	588	1 767	3 457	1 172	2 042	4 515	7 729	2 273	2 630	6 282	11 185
1997–98												
September	1 061	487	1 457	3 005	1 542	2 165	4 310	8 018	2 602	2 653	5 767	11 022
December	1 021	691	1 645	3 356	1 737	2 313	4 388	8 438	2 758	3 004	6 032	11 794
March	961	405	1 755	3 120	1 847	2 259	4 458	8 565	2 808	2 664	6 213	11 685
June	1 370	428	1 906	3 704	1 519	2 228	4 363	8 110	2 888	2 656	6 269	11 813
1998–99												
September	1 230	318	2 293	3 841	1 283	2 417	5 249	8 948	2 513	2 735	7 541	12 789
TREND ESTIMATES (Actual)												
1996–97	4 339	1 743	8 267	14 349	4 573	8 564	16 458	29 595	8 911	10 307	24 725	43 944
1997–98	4 366	2 033	6 906	13 305	6 523	8 985	17 830	33 337	10 889	11 017	24 736	46 642
1996–97												
June	1 122	547	1 798	3 468	1 269	2 093	4 323	7 686	2 392	2 640	6 122	11 153
1997–98												
September	1 051	580	1 596	3 227	1 511	2 173	4 407	8 090	2 562	2 752	6 003	11 317
December	1 016	560	1 574	3 151	1 728	2 239	4 360	8 326	2 744	2 799	5 934	11 478
March	1 095	489	1 758	3 342	1 723	2 274	4 417	8 414	2 818	2 763	6 175	11 756
June	1 203	403	1 978	3 585	1 561	2 299	4 646	8 507	2 764	2 703	6 624	12 091
1998–99												
September	1 286	329	2 142	3 756	1 357	2 337	4 944	8 638	2 643	2 665	7 086	12 394

(a) Not directly comparable with estimates of actual expenditure due to likely over/under realisation —see paragraphs 26 to 29 of the Explanatory Notes.

2 ACTUAL & EXPECTED CAPITAL EXPENDITURE, Detailed Industries—Current prices

Period	Total mining	Food, beverage and tobacco	Textile, clothing, footwear and leather	Wood and paper product	Printing, publishing and recorded media	Petroleum, coal, chemical and assoc. product	Non-metallic mineral product	Metal product	Machinery and equipment	Other manu-facturing	Total manu-facturing
	MINING....	MANUFACTURING.....									
	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m
	ORIGINAL (Actual)										
1996–97	8 781	1 997	251	920	587	1 664	1 071	1 501	2 007	199	10 198
1997–98	11 029	2 446	289	906	795	1 594	870	1 666	2 130	301	10 997
1996–97											
June	2 324	610	75	236	190	362	290	462	542	61	2 828
1997–98											
September	2 491	558	55	162	139	361	265	375	551	63	2 528
December	3 020	600	95	242	197	478	264	464	770	75	3 188
March	2 566	554	51	160	206	369	175	351	431	81	2 378
June	2 952	734	88	343	252	386	165	476	378	82	2 904
1998–99											
September	2 388	468	75	315	190	425	114	631	311	62	2 592
	ORIGINAL (Expected)(a)										
1998-99											
3 mths to Dec	2 357	767	73	196	206	629	129	860	458	51	3 368
6 mths to Jun	4 015	1 407	132	333	374	1 016	233	1 313	648	120	5 576
Total 1998-99	8 760	2 642	280	845	771	2 070	476	2 804	1 418	232	11 537
	SEASONALLY ADJUSTED (Actual)										
1996–97	8 794	1 986	248	919	585	1 652	1 068	1 512	2 015	197	10 184
1997–98	11 057	2 438	284	893	789	1 600	876	1 688	2 101	307	10 976
1996–97											
June	2 273	549	71	219	151	376	308	348	555	53	2 630
1997–98											
September	2 602	596	60	165	168	344	288	415	560	57	2 653
December	2 758	588	78	228	201	423	249	486	662	89	3 004
March	2 808	596	64	180	220	431	162	429	491	90	2 664
June	2 888	658	82	320	199	402	176	358	388	71	2 656
1998–99											
September	2 513	501	81	322	230	406	125	699	316	56	2 735
	TREND ESTIMATES (Actual)										
1996–97	8 911	2 103	246	900	578	1 612	1 075	1 601	1 993	198	10 307
1997–98	10 889	2 384	286	899	795	1 611	873	1 763	2 102	305	11 017
1996–97											
June	2 392	561	65	205	150	358	309	385	553	55	2 640
1997–98											
September	2 562	578	67	190	173	375	286	420	597	67	2 752
December	2 744	602	69	196	196	402	238	426	589	80	2 799
March	2 818	610	73	232	209	417	192	435	510	83	2 763
June	2 764	594	77	281	216	416	157	481	407	74	2 703
1998–99											
September	2 643	560	81	321	219	406	131	562	323	63	2 665

(a) Not directly comparable with estimates of actual expenditure due to likely over/under realisation —see paragraphs 26 to 29 of the Explanatory Notes.

ACTUAL & EXPECTED CAPITAL EXPENDITURE, Detailed Industries—Current prices *continued*

Period	Construction	Wholesale trade	Retail trade	Transport and storage	Finance and insurance	Property and business services	Other services etc.	Total other selected industries	**Total new capital expenditure**
	OTHER SELECTED INDUSTRIES								TOTAL
	$m	$m	$m	$m	$m	$m	$m	$m	$m
	ORIGINAL (Actual)								
1996–97	1 145	2 545	2 253	3 303	2 464	6 269	6 880	24 859	**43 837**
1997–98	1 572	2 864	2 815	3 331	2 504	6 149	5 018	24 253	**46 280**
1996–97									
June	356	765	687	908	594	1 575	1 857	6 742	**11 894**
1997–98									
September	305	713	655	720	646	1 303	1 203	5 544	**10 563**
December	450	776	875	808	674	1 534	1 482	6 598	**12 806**
March	377	637	488	817	549	1 296	1 193	5 357	**10 301**
June	440	739	796	986	635	2 017	1 141	6 754	**12 610**
1998–99									
September	430	707	877	1 167	643	1 632	1 709	7 164	**12 144**
	ORIGINAL (Expected)(a)								
1998-99									
3 mths to Dec	372	797	919	853	604	1 694	1 686	6 924	**12 650**
6 mths to Jun	583	1 475	1 084	1 490	1 047	2 324	3 066	11 069	**20 660**
Total 1998-99	**1 385**	**2 979**	**2 880**	**3 510**	**2 293**	**5 650**	**6 461**	25 157	**45 454**
	SEASONALLY ADJUSTED (Actual)								
1996–97	1 149	2 551	2 229	3 295	2 447	6 295	6 896	24 863	**43 841**
1997–98	1 576	2 877	2 785	3 344	2 513	6 140	5 047	24 282	**46 315**
1996–97									
June	306	774	610	876	555	1 462	1 699	6 282	**11 185**
1997–98									
September	310	673	691	791	604	1 311	1 387	5 767	**11 022**
December	464	697	766	704	661	1 388	1 352	6 032	**11 794**
March	428	758	622	911	655	1 572	1 267	6 213	**11 685**
June	375	749	705	937	592	1 870	1 040	6 269	**11 813**
1998–99									
September	440	665	928	1 290	599	1 643	1 977	7 541	**12 789**
	TREND ESTIMATES (Actual)								
1996–97	1 269	2 500	2 295	3 302	2 218	6 233	6 908	24 725	**43 944**
1997–98	1 602	2 893	2 823	3 448	2 508	6 082	5 380	24 736	**46 642**
1996–97									
June	332	687	616	807	564	1 501	1 614	6 122	**11 153**
1997–98									
September	361	712	681	788	608	1 365	1 488	6 003	**11 317**
December	401	723	694	776	644	1 416	1 280	5 934	**11 478**
March	422	730	699	861	640	1 587	1 237	6 175	**11 756**
June	418	728	749	1 022	617	1 714	1 376	6 624	**12 091**
1998–99									
September	410	703	823	1 176	593	1 771	1 610	7 086	**12 394**

(a) Not directly comparable with estimates of actual expenditure due to likely over/under realisation —see paragraphs 26 to 29 of the Explanatory Notes.

3 ACTUAL EXPENDITURE, By Type of Asset and Industry—Chain volume measures(a)

	ASSET			INDUSTRY			
Period	*Buildings and structures* $m	*Equipment, plant and machinery* $m	*Total* $m	*Mining* $m	*Manfacturing* $m	*Other selected industries* $m	*Total* $m
			ORIGINAL				
1996–97	14 330	29 507	43 837	8 781	10 198	24 858	43 837
1997–98	12 830	33 324	46 201	10 717	10 917	24 576	46 201
1996–97							
June	3 361	8 722	12 123	2 324	2 863	6 936	12 123
1997–98							
September	2 878	7 815	10 718	2 474	2 553	5 691	10 718
December	3 645	9 191	12 853	2 958	3 182	6 715	12 853
March	2 770	7 463	10 238	2 477	2 348	5 415	10 238
June	3 536	8 855	12 393	2 808	2 834	6 754	12 393
1998–99							
September	3 489	8 321	11 866	2 240	2 482	7 142	11 866
			SEASONALLY ADJUSTED				
1996–97	14 330	29 507	43 837	8 781	10 198	24 858	43 837
1997–98	12 830	33 371	46 201	10 721	10 917	24 576	46 201
1996–97							
June	3 365	7 931	11 317	2 268	2 596	6 456	11 317
1997–98							
September	3 014	8 216	11 239	2 579	2 754	5 908	11 239
December	3 222	8 554	11 777	2 696	2 953	6 132	11 777
March	3 046	8 569	11 611	2 704	2 636	6 275	11 611
June	3 547	8 032	11 573	2 743	2 573	6 260	11 573
1998–99							
September	3 738	8 773	12 542	2 355	2 675	7 512	12 542
			TREND ESTIMATES				
1996–97	14 384	29 630	44 005	8 898	10 271	24 834	44 005
1997–98	12 935	33 577	46 520	10 556	10 928	25 050	46 520
1996–97							
June	3 407	7 861	11 277	2 384	2 665	6 233	11 277
1997–98							
September	3 171	8 276	11 457	2 534	2 777	6 149	11 457
December	3 069	8 448	11 519	2 682	2 795	6 045	11 519
March	3 234	8 428	11 657	2 715	2 721	6 226	11 657
June	3 461	8 424	11 888	2 626	2 636	6 629	11 888
1998–99							
September	3 642	8 478	12 177	2 508	2 605	7 068	12 177

(a) Reference year for chain volume measures is 1996–97.

4 ACTUAL & EXPECTED CAPITAL EXPENDITURE, By Type of Asset—Current prices

Financial year	*12 months expectation as reported in Jan–Feb of previous financial year (Estimate 1)*	*12 months expectation as reported in Apr–May of previous financial year (Estimate 2)*	*12 months expectation as reported in Jul–Aug (Estimate 3)*	*3 months actual and 9 months expectation as reported in Oct–Nov (Estimate 4)*	*6 months actual and 6 months expectation as reported in Jan–Feb (Estimate 5)*	*9 months actual and 3 months expectation as reported in Apr–May (Estimate 6)*	*12 months actual (Estimate 7)*
BUILDINGS AND STRUCTURES ($ million)							
1994–95	7 840	9 155	9 650	9 012	10 016	9 798	9 093
1995–96	8 700	9 528	10 479	11 878	12 861	12 373	12 348
1996–97	9 559	11 643	14 017	15 056	15 633	15 769	14 330
1997–98	12 085	14 505	13 668	14 014	13 593	13 740	13 151
1998–99	11 812	13 587	14 768	14 774	n.y.a.	n.y.a.	n.y.a.
BUILDINGS AND STRUCTURES (Realisation Ratio)(a)							
1995–96	1.42	1.30	1.18	1.04	0.96	1.00	1.00
1996–97	1.50	1.23	1.02	0.95	0.92	0.91	1.00
1997–98	1.09	0.91	0.96	0.94	0.97	0.96	1.00
5 year average	1.25	1.09	1.04	0.99	0.94	0.95	1.00
EQUIPMENT, PLANT AND MACHINERY ($ million)							
1994–95	18 176	20 814	22 085	24 832	25 072	26 027	26 467
1995–96	19 069	22 634	24 605	25 437	26 742	28 077	28 124
1996–97	22 841	25 174	26 384	27 428	27 996	28 845	29 507
1997–98	20 229	22 974	27 193	30 974	32 637	33 151	33 129
1998–99	26 104	27 905	30 497	30 680	n.y.a.	n.y.a.	n.y.a.
EQUIPMENT, PLANT AND MACHINERY (Realisation Ratio)(a)							
1995–96	1.47	1.24	1.14	1.11	1.05	1.00	1.00
1996–97	1.29	1.17	1.12	1.08	1.05	1.02	1.00
1997–98	1.64	1.44	1.22	1.07	1.02	1.00	1.00
5 year average	1.45	1.29	1.18	1.09	1.04	1.01	1.00
TOTAL ($ million)							
1994–95	25 997	30 167	31 736	33 844	35 087	35 825	35 561
1995–96	27 769	32 161	35 084	37 315	39 603	40 450	40 473
1996–97	32 400	36 817	40 401	42 484	43 629	44 614	43 837
1997–98	32 321	37 479	40 860	44 988	46 229	46 892	46 280
1998–99	37 916	41 492	45 265	45 454	n.y.a.	n.y.a.	n.y.a.
TOTAL (Realisation Ratio)(a)							
1995–96	1.46	1.26	1.15	1.08	1.02	1.00	1.00
1996–97	1.35	1.19	1.09	1.03	1.00	0.98	1.00
1997–98	1.43	1.23	1.13	1.03	1.00	0.99	1.00
5 year average	1.38	1.21	1.13	1.06	1.01	0.99	1.00
TOTAL (Percentage change over previous estimate for same financial year)							
1994–95	n.a.	16.0	5.2	6.6	3.7	2.1	–0.7
1995–96	n.a.	15.8	9.1	6.4	6.1	2.1	0.1
1996–97	n.a.	13.6	9.7	5.2	2.7	2.3	–1.7
1997–98	n.a.	16.0	9.0	10.1	2.8	1.4	–1.3
1998–99	n.a.	9.4	9.1	0.4	n.y.a.	n.y.a.	n.y.a.
TOTAL (Percentage change over corresponding estimate for previous financial year)							
1995–96	6.8	6.6	10.6	10.3	12.9	12.9	13.8
1996–97	16.7	14.5	15.2	13.9	10.2	10.3	8.3
1997–98	–0.2	1.8	1.1	5.9	6.0	5.1	5.6

(a) Ratio of actual expenditure for the financial year to each progressive estimate for the financial year. For more information see paragraphs 26 to 29 of the Explanatory Notes.

5 ACTUAL & EXPECTED CAPITAL EXPENDITURE, By Industry—Current prices

Financial year	*12 months expectation as reported in Jan–Feb of previous financial year (Estimate 1)*	*12 months expectation as reported in Apr–May of previous financial year (Estimate 2)*	*12 months expectation as reported in Jul–Aug (Estimate 3)*	*3 months actual and 9 months expectation as reported in Oct–Nov (Estimate 4)*	*6 months actual and 6 months expectation as reported in Jan–Feb (Estimate 5)*	*9 months actual and 3 months expectation as reported in Apr–May (Estimate 6)*	*12 months actual (Estimate 7)*
			MANUFACTURING ($ million)				
1994–95	7 700	8 839	9 445	10 255	10 309	10 474	10 352
1995–96	8 975	9 964	10 721	11 185	11 160	10 978	10 457
1996–97	9 711	10 037	10 652	11 081	10 350	10 359	10 198
1997–98	7 727	8 826	10 108	10 936	11 066	11 451	10 997
1998–99	8 679	10 412	11 177	11 537	n.y.a.	n.y.a.	n.y.a.
			MANUFACTURING (Realisation Ratio)(a)				
1995–96	1.17	1.05	0.98	0.93	0.94	0.95	1.00
1996–97	1.05	1.02	0.96	0.92	0.99	0.98	1.00
1997–98	1.42	1.25	1.09	1.01	0.99	0.96	1.00
5 year average	1.25	1.13	1.04	0.97	0.98	0.97	1.00
			MINING ($ million)				
1994–95	5 370	6 013	6 666	6 897	6 976	6 951	6 351
1995–96	5 541	6 720	7 472	7 627	7 764	7 788	7 525
1996–97	7 789	9 913	10 113	9 932	9 452	9 354	8 781
1997–98	8 592	9 588	11 026	11 908	12 090	11 551	11 029
1998–99	9 404	10 088	9 239	8 760	n.y.a.	n.y.a.	n.y.a.
			MINING (Realisation Ratio)(a)				
1995–96	1.36	1.12	1.01	0.99	0.97	0.97	1.00
1996–97	1.13	0.89	0.87	0.88	0.93	0.94	1.00
1997–98	1.28	1.15	1.00	0.93	0.91	0.95	1.00
5 year average	1.15	1.00	0.93	0.92	0.93	0.94	1.00
			OTHER SELECTED INDUSTRIES ($ million)				
1994–95	12 947	15 116	15 624	16 692	17 803	18 400	18 857
1995–96	13 253	15 478	16 890	18 503	20 679	21 683	22 491
1996–97	14 900	16 867	19 636	21 470	23 827	24 901	24 859
1997–98	16 002	19 065	19 726	22 144	23 074	23 889	24 253
1998–99	19 833	20 992	24 849	25 157	n.y.a.	n.y.a.	n.y.a.
			OTHER SELECTED INDUSTRIES (Realisation Ratio)(a)				
1995–96	1.70	1.45	1.33	1.22	1.09	1.04	1.00
1996–97	1.67	1.47	1.27	1.16	1.04	1.00	1.00
1997–98	1.52	1.27	1.23	1.10	1.05	1.02	1.00
5 year average	1.60	1.39	1.30	1.17	1.06	1.02	1.00

(a) Ratio of actual expenditure for the financial year to each progressive estimate for the financial year. For more information see paragraphs 26 to 29 of the Explanatory Notes.

6 RATIOS OF ACTUAL TO SHORT TERM EXPECTATION FOR SAME PERIOD(a)—Current prices

Financial year	3 MONTHS ENDING..... 31 December (collected in September Survey)	3 MONTHS ENDING..... 30 June (collected in March Survey)	6 MONTHS ENDING..... 31 December (collected in June Survey)	6 MONTHS ENDING..... 30 June (collected in December Survey)
TYPE OF ASSET				
Buildings and Structures				
1995–96	0.95	0.99	1.05	0.93
1996–97	0.94	0.70	1.02	0.84
1997–98	0.91	0.86	0.92	0.94
5 year average	0.96	0.82	1.00	0.89
Equipment, Plant and Machinery				
1995–96	1.00	1.01	1.02	1.10
1996–97	0.97	1.08	1.06	1.11
1997–98	1.02	1.00	1.15	1.03
5 year average	0.99	1.02	1.09	1.08
Total				
1995–96	0.98	1.00	1.03	1.04
1996–97	0.96	0.94	1.04	1.01
1997–98	0.99	0.95	1.08	1.00
5 year average	0.98	0.96	1.06	1.02
TYPE OF INDUSTRY				
Mining				
1995–96	0.93	0.89	0.89	0.94
1996–97	0.84	0.80	0.87	0.87
1997–98	0.92	0.85	1.02	0.84
5 year average	0.88	0.80	0.91	0.88
Manufacturing				
1995–96	0.85	0.85	0.91	0.88
1996–97	0.74	0.95	0.91	0.97
1997–98	0.96	0.86	1.03	0.99
5 year average	0.85	0.90	0.96	0.95
Other Selected Industries				
1995–96	1.08	1.13	1.16	1.18
1996–97	1.15	0.99	1.20	1.09
1997–98	1.04	1.06	1.13	1.11
5 year average	1.10	1.06	1.20	1.12
Total				
1995–96	0.98	1.00	1.03	1.04
1996–97	0.96	0.94	1.04	1.01
1997–98	0.99	0.95	1.08	1.00
5 year average	0.98	0.96	1.06	1.02

(a) For more information on Realisation Ratios see paragraphs 26 to 29 of the Explanatory Notes.

EXPLANATORY NOTES

INTRODUCTION

1 This publication contains estimates of actual and expected new capital expenditure by private businesses in Australia. The series contained in this publication have been compiled from data collected in a quarterly survey of private businesses.

SCOPE OF THE SURVEY

2 This survey aims to measure the value of new capital expenditure by private businesses in Australia. Private households and public sector businesses (i.e. all departments, authorities and other organisations owned or controlled by Commonwealth, State or Local Government) are outside the scope of the survey.

3 The scope of the survey:

- includes the following Australian and New Zealand Standard Industrial Classification (ANZSIC) industries
  - Mining (Division B)
  - Manufacturing (Division C)
    - Food, beverages and tobacco (21)
    - Textiles, clothing, footwear and leather (22)
    - Wood and paper products (23)
    - Printing, publishing and recorded media (24)
    - Petroleum, coal, chemical and associated products (25)
    - Non-metallic mineral products (26)
    - Metal products (27)
    - Machinery and equipment (28)
    - Other manufacturing (29)
  - Other Selected Industries
    - Construction (Division E)
    - Wholesale trade (Division F)
    - Retail trade (Division G)
    - Transport & storage (Division I)
    - Finance and insurance (Division K)
    - Property & business services (Division L)
    - Other selected services (including electricity & gas; communication; accommodation, cafes & restaurants; cultural & recreational services; and personal services (36,37,57,71,91–93,95)
- excludes the following industries
  - Agriculture, forestry and fishing
  - Government administration & defence
  - Education
  - Health and community services

SURVEY METHODOLOGY

4 This quarterly survey is based on a stratified random sample of private business units recorded on the ABS register of businesses. The sample consists of approximately 7,700 units. The figures obtained from the selected businesses are supplemented by data from units which have large capital expenditure and/or large employment and which are outside the sample framework, or not adequately covered by it.

SURVEY METHODOLOGY *continued*

5 Adjustments are included in the estimates to allow for lags in processing new businesses to the ABS Business Register, and the omission of some businesses from the business register. The majority of business affected and to which the adjustments apply are small in size. The adjustments contribute 3.8% to the current quarter's estimate of reported capital expenditure. These adjustments were introduced in the June quarter 1997 publication and have been made back to the June quarter 1987. For further information, see the June quarter 1997 publication or the Information Paper, Improvements to ABS Economic Statistics, 1997 (Cat. No. 1357.0), issued on 22 August 1997.

6 Respondents are asked to provide data on the same basis as their own management accounts. Where a selected business unit does not respond in a given survey, an estimate is substituted. Revisions may be made to these estimate adjustments if data are provided subsequently from those businesses. Aggregates are calculated from original data using the 'number raised' estimation technique. Data are edited at both individual unit level and at aggregate level.

TIMING AND CONSTRUCTION OF SURVEY CYCLE

7 The survey cycle facilitates the formation of estimates of expenditure for financial years (12 months ending 30 June). For example, as the table below shows, the first estimate for 1998–1999 was available from the December 1997 survey as a longer term expectation (E2). It was subsequently revised in the March 1998 survey (again as a longer term expectation) and in the June 1998 survey as the sum of two expectations (E1 + E2). In the September and subsequent surveys the estimate is derived as the sum of actual expenditure (for that part of the year completed) and expected expenditure (for the remainder of the year). The final (or seventh) estimate from the June quarter 1999 survey, will be derived by summing the actual expenditure for each of the four quarters.

Period to which reported data relates

	1997–1998			1998–1999				1999–2000			
Survey quarter	*Dec*	*Mar*	*Jun*	*Sep*	*Dec*	*Mar*	*Jun*	*Sep*	*Dec*	*Mar*	*Jun*
December 1997	Act	E1		E2							
March 1998	Act	Act	E1	E2							
June 1998	Act	Act	Act	E1		E2					
September 1998				Act	E1	E2					
December 1998				Act	Act	E1		E2			
March 1999				Act	Act	Act	E1	E2			
June 1999				Act	Act	Act	Act	E1		E2	

8 Businesses are requested to provide 3 basic figures each survey:

- Actual expenditure incurred during the reference period (Act)
- A short term expectation (E1)
- A longer term expectation (E2).

SAMPLE REVISION

9 Prior to the June quarter 1996 survey, the survey frames and samples were revised annually to ensure that they remained representative of the survey population. Adjustments were made to the survey estimates each quarter to reflect changes in the size of the survey frame throughout the year. From the June quarter 1996 survey, the survey frames and samples are being revised each quarter. The aim is to further improve the quality of the survey estimates by selecting a sample which will be more representative of the survey population. Additionally, the timing of sample selection will now be consistent with other ABS surveys. This will lead to greater consistency when comparing data across these surveys.

10 With these revisions to the sample, some of the business units are rotated out of the survey and are replaced by other to spread the reporting workload equitably. The rate of rotation under quarterly sample selection is slightly higher than one quarter of the previous annual rate of rotation.

11 When the frames and samples were updated annually prior to the June quarter 1996, some data would be revised as a consequence. No data revisions of this nature will be needed given quarterly updates to frames and samples. Data may be revised, however, on the basis of further processing.

STATISTICAL UNIT

12 This survey uses the Management Unit as the statistical unit. The management unit is the highest level accounting unit within a business, having regard to industry homogeneity, for which accounts are maintained. In nearly all cases it coincides with the legal entity owning the business (i.e. company, partnership, trust, sole operator, etc). In the case of large diversified businesses, however, there may be more than one management unit, each coincides with a 'division' or 'line of business'. A division or line of business is defined when separate and comprehensive accounts are compiled for it. Prior to 1989, the survey was on a different business unit basis. Further details are available on request.

CLASSIFICATION BY INDUSTRY

13 The Australian and New Zealand Standard Industrial Classification (ANZSIC) has been developed for use in both countries for the production and analysis of industry statistics. It replaced the Australian Standard Industrial Classification (ASIC) and the New Zealand Standard Industrial Classification (NZSIC).

14 For more information, users are referred to *Australian & New Zealand Standard Industrial Classification, 1993, ANZSIC,* (1292.0) and *Statistics New Zealand* (19.005.0092).

INTRODUCTION OF CHAIN VOLUME MEASURES

15 Constant price estimates have been replaced with chain volume measures from September quarter 1998. This change will also be introduced in other ABS series. The reason for the change and some of the properties of chain volume measures are described below.

16 Both constant price estimates and chain volume measures have the objective of removing price influences from capital expenditure series. Each method achieves this objective in different ways and so the differences between the constant price estimates to chain volume measures varies considerably from statistic to statistic. The impact largely depends on the extent of differences in growth rates between the prices and volumes of the components of particular series.

17 Chain volume measures have been introduced because they provide a better measure of growth in volume than the previously used constant price estimates. To understand this it is necessary to briefly explain how constant price estimates are derived.

INTRODUCTION OF CHAIN VOLUME MEASURES *continued*

18 While current price estimates of capital expenditure reflect both price and volume changes, constant price estimates eliminate the direct effect of price changes and therefore only reflect volume changes. This is achieved by replacing the unit price of each type of new capital expenditure in the current period with the corresponding unit price in the chosen base year. The base year unit prices used to derive constant price estimates are effectively the weights used to combine quantities of different assets.

19 The prices of different assets tend to grow at different rates - some at dramatically different rates. For example, the prices of computer equipment are estimated to have declined by about 75% between 1989–90 and June quarter 1998, while the prices of most other assets have increased. Thus, over time, the relative prices of some assets change appreciably.

20 Changes in relative prices adversely affect the usefulness of constant price estimates, particularly for periods distant from the base year, and consequently the base year used to derive constant price estimates needs to be changed from time to time. It has been ABS practice to change the base year every five years, but it has been found that better estimates of growth in volume can be obtained by rebasing every year and linking the resulting indexes to form annually reweighted chain volume measures.

21 The chain volume measures appearing in this publication are annually reweighted chain Laspeyres indexes referenced to the current price values in a chosen reference year (currently 1996–97). They can be thought of as current price values re-expressed in (i.e. based on) the prices of the previous year and linked together to form continuous time series. They are formed in a multi-stage process of which the major steps are described in Section 15 of the information paper, *Introduction of Chain Volume Measures in the Australian National Accounts* (5248.0).

22 Chain volume measures are not generally additive. In other words, component chain volume measures do not, in general, sum to a total in the way original current price components do. For new capital expenditure this means that neither the original chain volume estimates for industry groups nor the original chain volume estimates for type of asset will add to total capital expenditure for Australia. However, in order to minimise the impact of this property, the ABS is using data for the previous financial year as the reference year. By adopting this approach, non-additivity does not exist for the quarters following the reference year (currently 1996–97) and is relatively small for the quarters in the reference year and the quarters immediately preceding it.

23 Each year's data in the chain volume series are based on the prices of the previous year, except for the quarters of the latest incomplete year (i.e. for the 1998–99 financial year) which are based upon the 1996–97 financial year. With each release of the June quarter issue of this publication, the reference year will be advanced one year. This means that from June next year, chain volume measures for 1998–99 will have 1997–98 as the reference year rather than 1996–97. Some revision to recent growth rates can be expected because of the introduction of a more recent reference year and, if they occur, revisions to the current price estimates underlying the chain volume measures. In addition, 1997–98 will become the reference year for the entire chain volume series. A change in reference year changes levels but not growth rates.

INTRODUCTION OF CHAIN VOLUME MEASURES *continued*

24 In addition to replacing constant price estimates with chain volume measures, changes have been made to the model used to derive the deflators for new capital expenditure on equipment. Among the changes to the model is the incorporation of the asset dissection of equipment collected in this survey from September quarter 1996. The changes to the model have tended to increase the growth in the chain volume measure of capital expenditure on equipment. Thus, the lower growth in recent years of the chain volume estimates relative to the constant price estimates has been offset to some extent by the adoption of the new deflators.

25 Improved equipment deflators will also be used to compile the chain volume measures in the September quarter 1998 issue of *Australian National Accounts: National Income, Expenditure and Product* (Cat. no. 5206.0).

DERIVATION AND USEFULNESS OF REALISATION RATIOS

26 Once actual expenditure for a financial year is known, it is useful to investigate the relationship between each of the prior 6 estimates and that actual. The resultant realisation ratios (subsequent actual expenditure divided by expected expenditure) then indicate how much expenditure was actually incurred against the amount expected to be incurred at the various times of reporting. Realisation ratios can also be formed separately for 3 or 6 month expectations as well as the 12 month E2 estimates or combinations of estimates containing at least some expectation components (e.g. 6 months actual and 6 months expected expenditure).

27 Realisation ratios provide an important tool in understanding and interpreting expectation statistics for future periods. The application of realisation ratios enables the adjustment of expectation data for known under (or over) realisation patterns in the past and hence provides a valid basis for comparison with other expectation data and actual expenditure estimates. For example, if one wished to predict actual expenditure for 1998–99 based on the June 1998 survey results and compare this with 1997–98 expenditure, it is necessary to apply relevant realisation factors to the expectation to put both estimates on the same basis. Once this has been done the predictions can be validly compared with each other and with previously derived estimates of actual expenditure for earlier years.

28 There are many ways in which realisation ratios can be applied to make predictions of actual expenditure for a future period. A range of realisation ratios for both type of asset and industry estimates is provided in Tables 4 and 5.

29 In using realisation ratios to adjust expectations data, attention should be paid to the range of values that has occurred in the past. A wide range of values is indicative of volatility in the realisation patterns and hence greater caution should be exercised in the application of realisation ratios. This is particularly the case with the twelve month expectations collected in the December and March surveys.

NEW BUSINESS INVESTIGATION

30 The ABS Business Register should ideally record all employing businesses as soon as they commence operations. However, the ability to achieve this is limited by the time it takes to obtain and process information from the ATO, and other sources, and the requirement to extract survey frames prior to the end of the reference period to which they relate. Adjustments to survey estimates for capital expenditure are made to account for this. These are discussed in paragraph 5.

NEW BUSINESS INVESTIGATION *continued*

31 This method of adjustment assumes that the level of capital expenditure of those units not yet on the Business Register at the time of selection is of similar extent and nature to those already represented in the survey. Because it could be reasonably expected that economic characteristics of new businesses could vary from that of established businesses, the ABS conducted the Survey of Business Performance to establish the nature and extent of any bias in the methodology used for estimating the contribution of missing businesses. The population source for the survey was the new ATO Group Employer registrations that were not on the capital expenditure survey frame for the March 1997 quarter, due to the timing problems explained above.

32 The survey, which was conducted over two quarters in December quarter 1996 and March quarter 1997, found that only an estimated 36% of newly registered businesses were truly new, with remaining businesses equally divided between existing businesses that had expanded and begun to employ staff and existing businesses that had been purchased or taken over by other businesses. However, the proportion of truly new businesses was not constant over all the ANZSIC divisions. As the following table demonstrates, the rate of occurrence of truly new businesses was relatively low in Retail trade and Accommodation, cafes and restaurants with the low rate of truly new businesses in both cases being offset by the relatively high percentage of purchased businesses. These results indicate a relatively strong connection between certain activities and the particular location of businesses in these industries.

NEWLY REGISTERED BUSINESSES

Industry Division	*New businesses*	*Purchased businesses*	*Previously non-employing businesses*
	%	%	%
Mining	54	27	19
Manufacturing	36	38	26
Construction	34	29	37
Wholesale	41	32	27
Retail	23	55	22
Accommodation, cafes and restaurants	20	68	12
Transport and storage	38	31	31
Communication	34	43	23
Finance and insurance	50	18	32
Property and business services	52	21	27

Source: ABS Survey of Business Performance

33 The survey results also show that truly new businesses appear in higher proportions for Mining, Finance and insurance, and Property and business services than in other industries. With the exception of Mining and Accommodation, cafes and restaurants, the proportion of new businesses where the registrant had previously operated as a non-employing business did not vary noticeably across industries. Construction reported the highest rate of businesses which had previously operated as non-employing businesses (37%), while Accommodation, cafes and restaurants had the lowest rate (12%).

NEW BUSINESS INVESTIGATION *continued*

34 Given the high proportion of businesses already operating among new registrants, it is not surprising that the pattern of capital expenditure among these businesses was found to be very similar to businesses included in the capital expenditure survey. In other words, the Survey of Businesses Performance found no evidence to support any variation to the method employed for estimating missing businesses outlined in paragraph 5.

DESCRIPTION OF TERMS

35 *New capital expenditure* refers to the acquisition of new tangible assets either on own account or under a *finance lease* and includes major improvements, alterations and additions. In general, this is expenditure charged to fixed tangible assets accounts excluding expenditure on second hand assets unless these are imported for the first time.

36 Some estimates are dissected by type of asset:

- *Buildings and Structures*. Includes industrial and commercial buildings, houses, flats, home units, water and sewerage installations, lifts, heating, ventilating and similar equipment forming an integral part of buildings and structures , land development and construction site development, roads, bridges, wharves, harbours, railway lines, pipelines, power and telephone lines. Also includes mine development (e.g. construction of shafts in underground mines, preparation of mining and quarrying sites for open cut extraction and other developmental operations primarily for commencing or extending production). Excludes purchases of land, previously occupied buildings and speculatively built projects intended for sale before occupation.
- *Equipment, plant and machinery*. Includes plant, machinery, vehicles, electrical apparatus, office equipment, furniture, fixtures and fittings not forming an integral part of buildings, durable containers, special tooling, etc. Also includes goods imported for the first time whether previously used outside Australia or not.

37 Since the estimates are based on data obtained from a sample rather than a complete enumeration, the data and the movements derived from them are subject to sampling variability; that is, they may differ from the figures that would have been obtained if all units had been included in the survey. One measure of the likely difference is given by the standard error, which indicates the extent to which an estimate might have varied by chance because only a sample of units was included. There are about two chances in three that a sample estimate will differ by less than one standard error from the figure that would have been obtained if all units had been included, and about nineteen chances in twenty that the difference will be less than two standard errors.

RELIABILITY OF THE ESTIMATES

38 Another measure of sampling variability is the relative standard error which is obtained by expressing the standard error as a percentage of the estimate to which it refers. The relative standard error is a useful measure in that it provides an immediate indication of the percentage errors likely to have occurred due to sampling. The sample estimates of quarter to quarter movement in the value of new capital expenditure are also subject to sampling variability. The relative standard error of the estimate of movement is expressed as a percentage of the quarterly estimate of the level of capital expenditure.

RELIABILITY OF THE ESTIMATES *continued*

	RELATIVE STANDARD ERROR
Total new capital expenditure:	
Mining	7.3%
Manufacturing	2.8%
Other Selected Industries	3.4%
Buildings & Structures	4.8%
Equipment, Plant & Machinery	2.7%
Total Selected Industries	2.6%

39 The imprecision due to sampling, which is measured by the standard error, is not the only type of inaccuracy to which the estimates are subject. Other inaccuracies, referred to collectively as non-sample error, may occur for a number of reasons, for example misreporting of data by respondents or imputation for missing respondents.

40 In the design of questionnaires and in the processing of survey data every effort is made to reduce the non-sample error to a minimum.

SEASONAL ADJUSTMENT

41 The quarterly actual new capital expenditure series in this publication are affected to some extent by seasonal influences and it is useful to recognise and take account of this element of variation.

42 Seasonal adjustment may be carried out by various methods and the results may vary slightly depending on the procedure adopted. Accordingly, seasonally adjusted statistics are in fact only indicative and should not be regarded as in any way definitive. In interpreting seasonally adjusted data it is important therefore to bear in mind the methods by which they have been derived and the limitations to which the methods used are subject.

43 At least once each year the seasonally adjusted series are revised to take account of the latest available data. The most recent reanalysis takes into account data collected up to and including the March quarter 1998 survey. Data for periods after March 1998 are seasonally adjusted on the basis of extrapolation of historical patterns. The nature of the seasonal adjustment process is such that the magnitude of some revisions resulting from reanalysis may be quite significant, especially for data for more recent quarters. Care should be exercised when interpreting quarter to quarter movements in the seasonally adjusted series in the publication, particularly for recent quarters.

44 It should be noted that the seasonally adjusted figures necessarily reflect the sampling and other errors to which the original figures are subject.

45 Details of the seasonal adjustment methods used together with selected measures of variability for these series are available on request.

TREND ESTIMATES

46 The trend estimates are derived by applying a 7–term Henderson moving average to the seasonally adjusted series. The 7–term Henderson average (like all Henderson averages) is symmetric, but as the end of a time series is approached, asymmetric forms of the average are applied. Unlike the weights of the standard 7-term Henderson moving average, the weights employed here have been tailored to suit the particular characteristics of individual series. While the asymmetric weights enable trend estimates for recent quarters to be produced, it does result in revisions to the estimates for the most recent three quarters as additional observations become available. There may also be revisions because of changes in the original data and as a result of the re-estimation of the seasonal factors. For further information, see *A Guide to Interpreting Time Series—Monitoring 'Trends': an Overview* (Cat. no. 1348.0) or contact the Assistant Director, Time Series Analysis on (02) 6252 6345.

COMPARABILITY WITH NATIONAL ACCOUNTS ESTIMATES

47 The statistics for new capital expenditure shown in this publication differ from estimates of private gross fixed capital expenditure shown in the Australian National Accounts for the following reasons:

- National Accounts estimates incorporate data from other sources as well as information from the capital expenditure survey. For example, estimates for capital expenditure on 'equipment' are based on annual statistics of depreciable assets available from the Taxation Commissioner. Quarterly estimates are interpolated between and extrapolated from the annual taxation based estimates using a variety of indicators including this survey. The ABS's quarterly Building Activity Survey and Engineering Construction Survey are the main sources for estimating the National Accounts dwelling and non-dwelling construction items respectively.
- National Accounts estimates include capital expenditure by all private businesses including units classified to agriculture, forestry, fishing and hunting and community services industries and capital expenditure on dwellings by households. Data for these sectors are excluded from this publication.
- National Accounts estimates include the value of work done on speculative construction projects as the work is put into place. The statistics in this publication, however, include full value of the speculative projects as new capital expenditure of the purchases (if in scope), when the project is sold.
- For equipment, the National Accounts estimates relate to acquisitions less disposals of all fixed tangible assets whereas the survey figures are acquisitions of new fixed tangible assets only.

48 For a more detailed explanation of the concepts and methods used in compiling the National Accounts estimates see *Australian National Accounts: Concepts, Sources and Methods* (5216.0).

RELATED PUBLICATIONS

49 Users may also wish to refer the following publications:

- *Australian Business Expectations* (5250.0)
- *Australian National Accounts. National Income, Expenditure and Product* (5206.0)
- *Building Activity, Australia* (8752.0)
- *Business Operations and Industry Performance, Australia* (8140.0)
- *Company Profits, Australia* (5651.0)
- *Directory of Capital Expenditure Data Sources and Related Statistics* (5653.0)
- *Engineering Construction Activity, Australia* (8762.0)
- *Introduction of Chain Volume Measures in the Australian National Accounts* (5248.0)
- *State Estimates of Private New Capital Expenditure,* (5646.0)
- *Stocks and Sales, Selected Industries, Australia* (5629.0).

RELATED PUBLICATIONS *continued*

50 Current publications produced by the ABS are listed in the *Catalogue of Publications and Products, Australia* (1101.0). The ABS also issues, on Tuesdays and Fridays, a *Release Advice* (1105.0) which lists publications to be released in the next few days. The Catalogue and Release Advice are available from any ABS office.

UNPUBLISHED DATA

51 In addition to the data contained in this publication, more detailed industry information may be made available on request. For example, data are generally available at the ANZSIC group (3 digit) level.

SYMBOLS AND OTHER USAGES

ANZSIC	Australian and New Zealand Standard Industrial Classification
n.y.a.	not yet available

EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

Each time new seasonally adjusted estimates become available, trend estimates are revised (see paragraphs 41 and 46 of the Explanatory Notes).

TREND REVISIONS

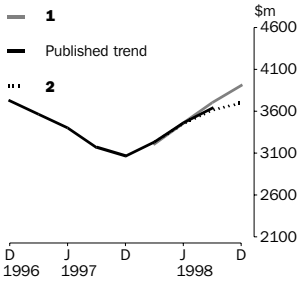
The examples in the tables below show two scenarios and the consequent revisions to previous trend estimates of capital expenditure by private businesses.

1 The December quarter seasonally adjusted estimate of chain volume measures is higher than the September quarter estimate by the percentage shown.

2 The December quarter seasonally adjusted estimate of chain volume measures is lower than the September quarter estimate by the percentage shown.

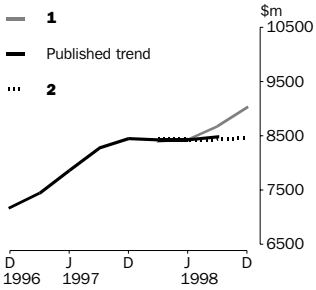
The percentages chosen are approximately the long term average movement, without regard to sign, in the seasonally adjusted series.

BUILDINGS AND STRUCTURES



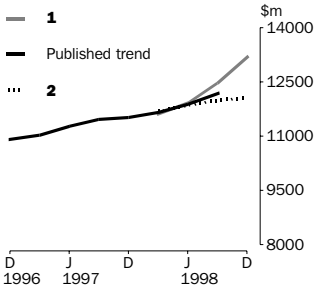
	TREND AS PUBLISHED		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
			1 *rises by 6.7% on Sep 1998*		**2** *falls by 6.7% on Sep 1998*	
	$m	*% change*	*$m*	*% change*	*$m*	*% change*
1998						
March	3 234	5.4	3 215	4.7	3 234	5.4
June	3 461	7.0	3 463	7.7	3 456	6.8
September	3 642	5.2	3 710	7.1	3 617	4.7
December	—	—	3 916	5.6	3 708	2.5

EQUIPMENT, PLANT AND MACHINERY



	TREND AS PUBLISHED		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
			1 *rises by 4.9% on Sep 1998*		**2** *falls by 4.9% on Sep 1998*	
	$m	*% change*	*$m*	*% change*	*$m*	*% change*
1998						
March	8 428	–0.2	8 398	–0.6	8 449	0.0
June	8 424	–0.1	8 437	0.5	8 419	–0.4
September	8 478	0.6	8 675	2.8	8 431	0.1
December	—	—	9 027	4.1	8 467	0.4

TOTAL CAPITAL EXPENDITURE



	TREND AS PUBLISHED		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
			1 *rises by 4.4% on Sep 1998*		**2** *falls by 4.4% on Sep 1998*	
	$m	*% change*	*$m*	*% change*	*$m*	*% change*
1998						
March	11 657	1.2	11 595	0.7	11 694	1.5
June	11 888	2.0	11 907	2.7	11 872	1.5
September	12 177	2.4	12 472	4.7	11 997	1.0
December	—	—	13 195	5.8	12 068	0.6

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