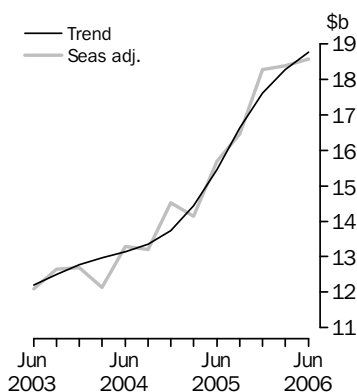


**PRIVATE NEW CAPITAL EXPENDITURE
AND EXPECTED EXPENDITURE AUSTRALIA**

EMBARGO: 11.30AM (CANBERRA TIME) THURS 31 AUG 2006

New Capital Expenditure

in volume terms



KEY FIGURES

	Jun Qtr 06	Mar Qtr 06 to Jun Qtr 06	Jun Qtr 05 to Jun Qtr 06
	\$m	% change	% change
Trend estimates^(a)			
Total new capital expenditure	18 756	2.6	21.3
Buildings & structures	7 262	3.9	34.6
Equipment, plant & machinery	11 399	1.1	13.1
Seasonally adjusted^(a)			
Total new capital expenditure	18 577	1.1	18.4
Buildings & structures	7 404	7.2	40.7
Equipment, plant & machinery	11 261	-0.6	8.4

(a) In volume terms.

KEY POINTS

ACTUAL EXPENDITURE (VOLUME TERMS)

- The trend estimate for total new capital expenditure increased by 2.6% in the June quarter 2006. It rose by 1.1% in seasonally adjusted terms after a small increase (0.6%) in the March quarter 2006.
- A seasonally adjusted increase in building and structures (up 7.2%) has been the source of growth this quarter, mainly driven by Mining.
- Seasonally adjusted expenditure on equipment, plant and machinery declined 0.6% this quarter, mainly due to falls in Mining and Manufacturing which were only partially offset by an increase in Other Selected Industries.

EXPECTED EXPENDITURE (CURRENT TERMS)

- This issue includes the seventh estimate for 2005-06 and the third estimate for 2006-07.
- The final estimate for 2005-06 is \$72,112m which is 25.3% higher than the comparable estimate for 2004-05. The increase since 2004-05 is mainly driven by mining which has increased by 76.2%. The estimate has increased slightly compared to Estimate 6 for 2005-06.
- Estimate 3 for 2006-07 is \$63,525m, 11.4% higher than the corresponding estimate for 2005-06 and 10.4% higher than Estimate 2 for 2006-07. Mining, Manufacturing and Other Selected Industries have all increased compared to Estimate 2.
- See pages 6 to 9 for further commentary on expectations data.

INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Heather Jackson on Sydney (02) 9268 4357.

NOTES

FORTHCOMING ISSUES

<i>ISSUE (Quarter)</i>	<i>RELEASE DATE</i>
September 2006	30 November 2006
December 2006	1 March 2007

CHANGES IN THIS ISSUE

A new base year, 2004-05, has been introduced into the chain volume estimates which has resulted in revisions to growth rates in subsequent periods. In addition, the chain volume estimates have been re-referenced to 2004-05, thereby preserving additivity in the quarters after the reference year. Re-referencing affects the level of, but not the movements in, chain volume estimates.

This issue includes revisions to the September qtr 2005, December qtr 2005 and March qtr 2006 estimates. In summary the revisions are, in original, current price terms, as follows:

	<i>Sept qtr 05 \$m</i>	<i>Dec qtr 05 \$m</i>	<i>Mar qtr 06 \$m</i>
Building	133.0	449.4	302.0
Equipment	—	-406.8	-338.8
Total	133.0	42.6	-36.5

— nil or rounded to zero (including null cells)

A significant contributor to the revisions has been the identification of some misreporting of expenditure by asset type, resulting in a reclassification of expenditure from equipment to buildings. The revisions in total are not so significant.

The equipment component of this series is used as an input in the compilation of the national accounts estimates of private gross fixed capital formation - machinery and equipment, whereas the estimates in the national accounts for private gross fixed capital formation - non dwelling construction are compiled using other data sources. Hence the above revisions will also result in revisions to the national accounts estimates of gross fixed capital formation. It is anticipated that the likely effect of the equipment revisions on the seasonally adjusted GDP chain volume measure of quarterly growth for December quarter 2005 will be less than 0.1 percentage points, with an insignificant impact on the quarterly GDP growth rate for March quarter 2006.

ABBREVIATIONS

ABN	Australian Business Number
ABS	Australian Bureau of Statistics
ANZSIC	Australian and New Zealand Standard Industrial Classification
PAYGW	pay-as-you-go withholding
TAU	type of activity unit

Susan Linacre
Acting Australian Statistician

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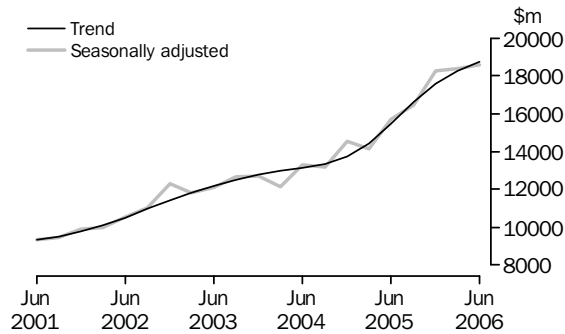
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ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS

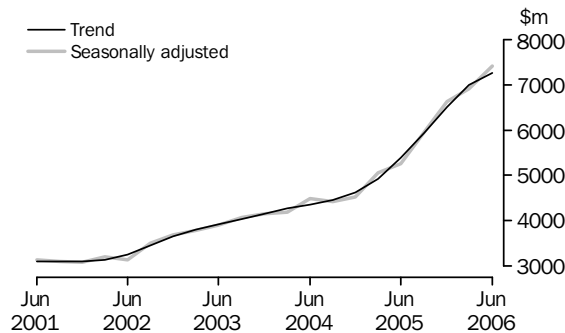
TOTAL CAPITAL EXPENDITURE

The trend estimate for total capital expenditure in the June quarter increased by 2.6%, slightly weaker than the previous six quarters of growth. Seasonally adjusted there was stronger growth this quarter, up 1.1%, compared to the previous quarter. This was driven by buildings and structures which increased by 7.2% this quarter and slightly offset by equipment, plant and machinery that fell a modest 0.6%.



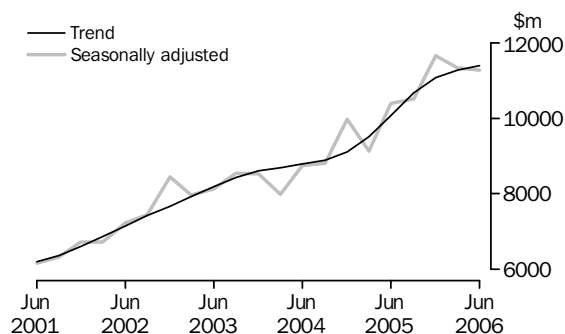
BUILDINGS AND STRUCTURES

The trend estimate for buildings and structures increased 3.9% this quarter, the growth rate slowing slightly after four quarters of very strong growth. In seasonally adjusted terms, the estimate increased 7.2% following weaker growth last quarter. The increase this quarter is mainly driven by Mining.



EQUIPMENT, PLANT AND MACHINERY

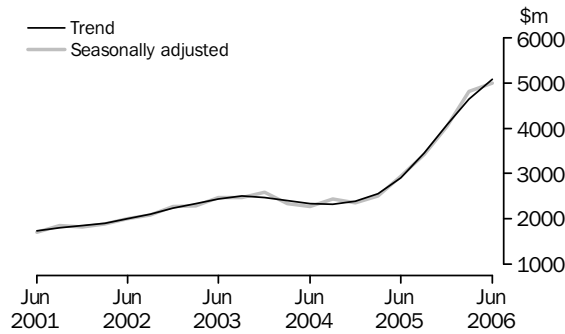
The trend estimate for equipment, plant and machinery increased 1.1% in the June quarter 2006, following growth of 1.8% in the March quarter. The rate of growth in the past two quarters has eased in comparison to the previous five quarters. In seasonally adjusted terms the estimate has decreased slightly by 0.6%, the second consecutive quarter of decline, following three quarters of growth. Equipment in Mining, seasonally adjusted, has had a large fall of 20.9% and Manufacturing has fallen by 4.3%. These falls have been partially offset by Other Selected Industries which rose by 5.5%.



ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS *continued*

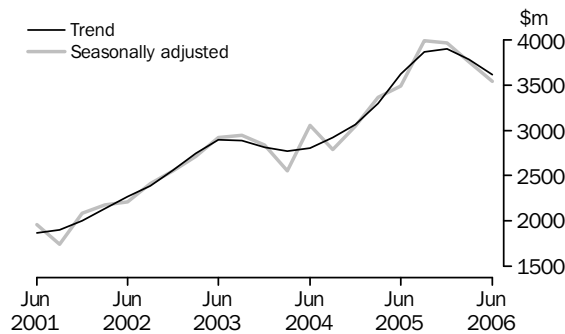
MINING

The trend estimate for Mining increased 9.5% this quarter, which is slightly weaker than the previous four quarters of very strong growth. In seasonally adjusted terms, the growth of 3.8%, was weaker than the previous four quarters and this is attributed to the large fall in equipment of 20.9%.



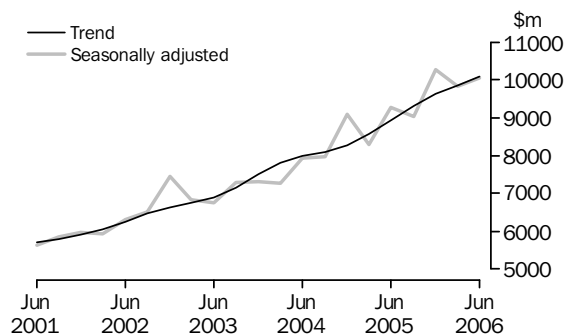
MANUFACTURING

Manufacturing trend estimate has fallen this quarter by 4.4%, which is the second consecutive fall. In seasonally adjusted terms, the estimate has fallen by 5.7%, which is the third consecutive fall. Estimates for both asset types have declined, with Equipment falling by 4.3% and Building by 8.6%.



OTHER SELECTED INDUSTRIES

The trend estimate for Other Selected Industries has increased 2.3%. In seasonally adjusted terms, the estimate has increased by 2.3% with both asset types contributing to the increase.



ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE

FINANCIAL YEARS AT CURRENT PRICES

The graphs below show the seven estimates of actual and expected expenditure for each financial year. The estimates appearing below relate to data contained in tables 5 and 6. Advice about the application of realisation ratios to these estimates is in paragraphs 24 to 27 of the Explanatory Notes.

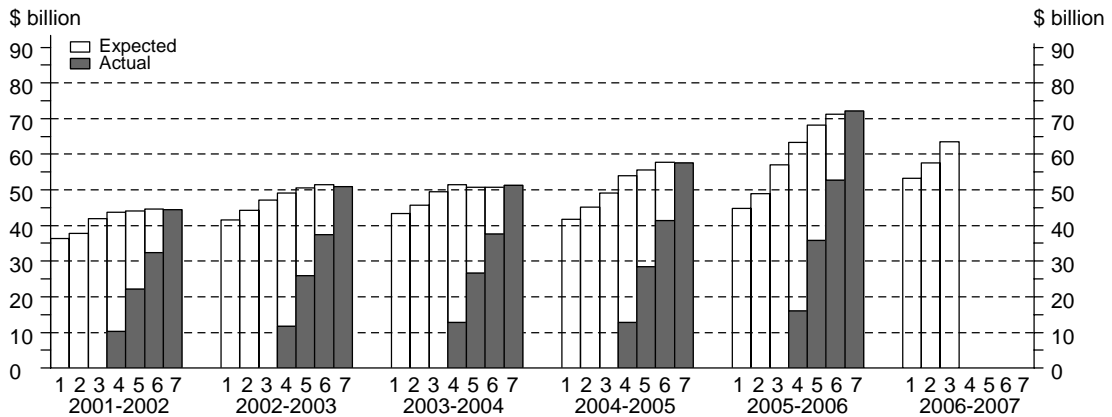
The timing and construction of these estimates are as follows:

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

TOTAL CAPITAL EXPENDITURE

Estimate 7 for 2005-06 is \$72,112m which is 25% higher than the comparable estimate for 2004-05. The increase since 2004-05 is mainly driven by mining which has increased by 76%. The estimate has increased slightly compared to Estimate 6 for 2005-06.

Estimate 3 for 2006-07 is \$63,525m which is 11% higher than the corresponding estimate for 2005-06 and 10% higher than Estimate 2 for 2006-07. Mining, Manufacturing and Other Selected Industries have all increased compared to Estimate 2.

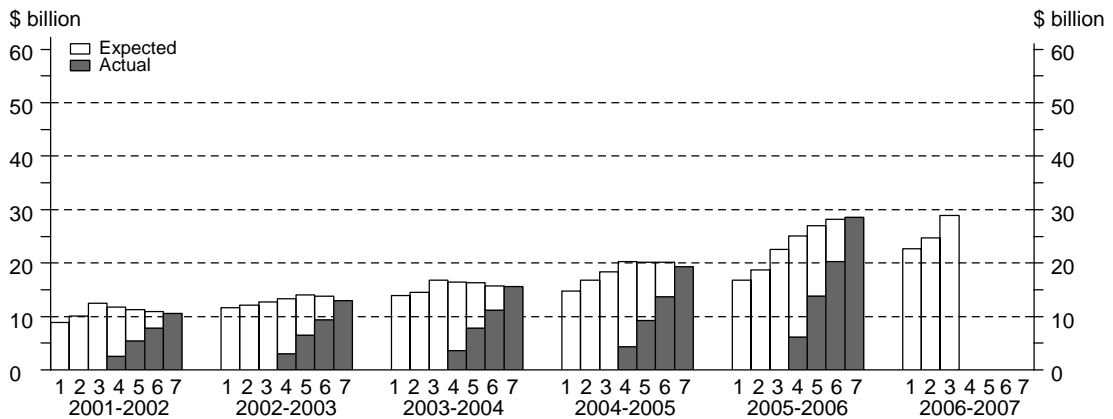


BUILDING AND STRUCTURES

Estimate 7 for 2005-06 has increased slightly compared to Estimate 6, and is 48% higher than the corresponding estimate for 2004-05. The increase in Estimate 7 from the previous financial year is driven by Mining which had an increase of 105% and growth in Other Selected Industries.

Estimate 3 for 2006-07 is 17% higher than Estimate 2, and 28% higher than Estimate 3 for 2005-06. The increase in Estimate 3 compared to Estimate 2, is due to increases across all broad industry groups.

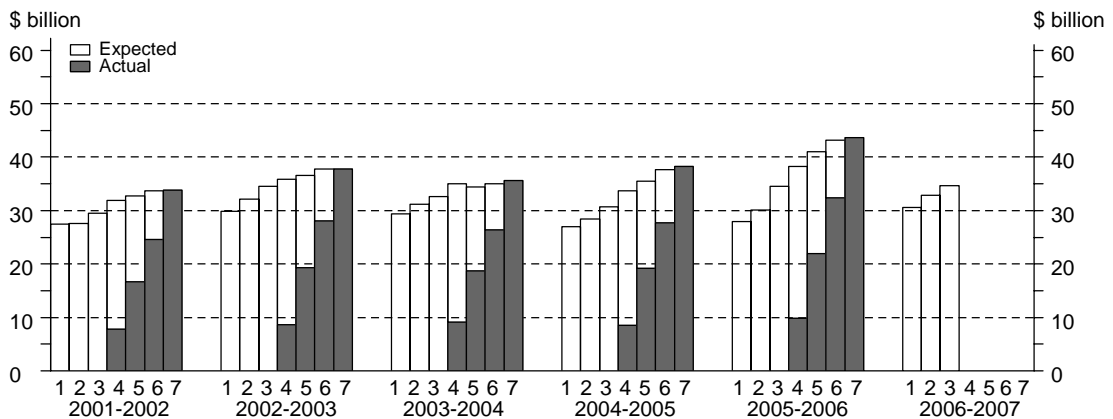
ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*



EQUIPMENT, PLANT AND MACHINERY

Estimate 7 for 2005-06 is 1% higher than Estimate 6 and 14% higher than the comparable Estimate for 2004-05. The largest increase from the previous financial year was recorded by Mining (32%) with Manufacturing and Other Selected Industries also increasing.

Estimate 3 for 2006-07 is 5% higher than Estimate 2, and is relatively unchanged than Estimate 3 for 2005-06. The increase from Estimate 2 is driven by Other Selected Industries and is spread across all component industries.

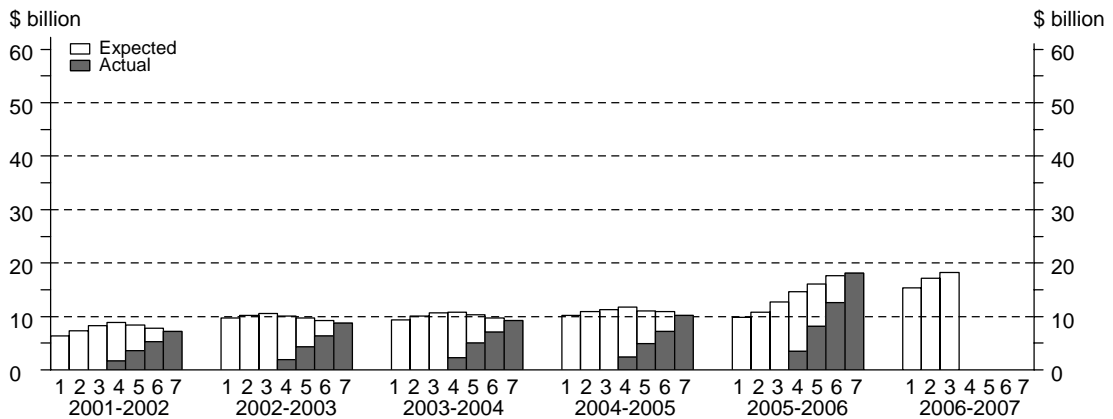


MINING

Estimate 7 for 2005-06 for Mining has risen 2% compared to Estimate 6, and is 76% higher than the comparable estimate for 2004-05. This is driven by an increase in Building expenditure.

Estimate 3 for Mining for 2006-07 is 7% higher than Estimate 2 and 43% higher than Estimate 3 for 2005-06. Buildings and structures expenditure contributed to most of the increase since Estimate 2.

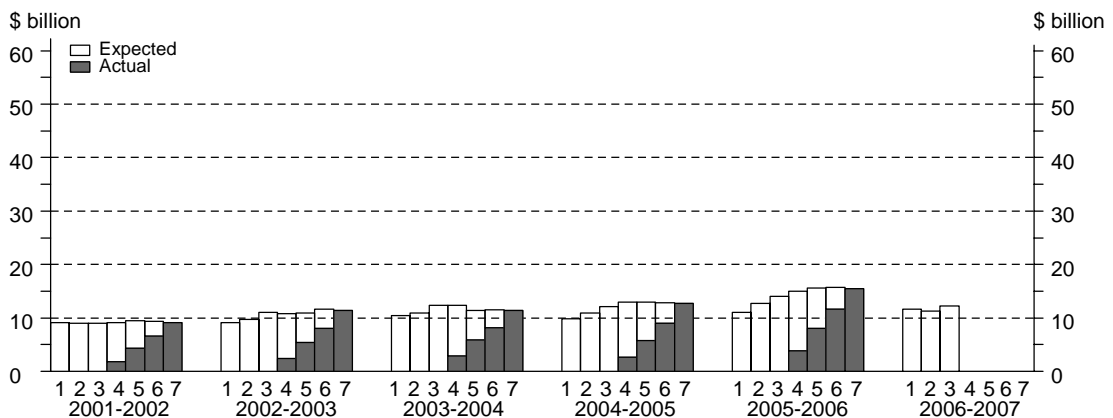
ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*



MANUFACTURING

Estimate 7 for 2005-06 is slightly lower than Estimate 6, and 22% higher than Estimate 7 for 2004-05. Both asset types have had increases since the corresponding financial year.

Estimate 3 for 2006-07 has increased 8% since Estimate 2 but is 13% less than the comparable estimate for 2005-06. This fall is mainly attributed to equipment expenditure.

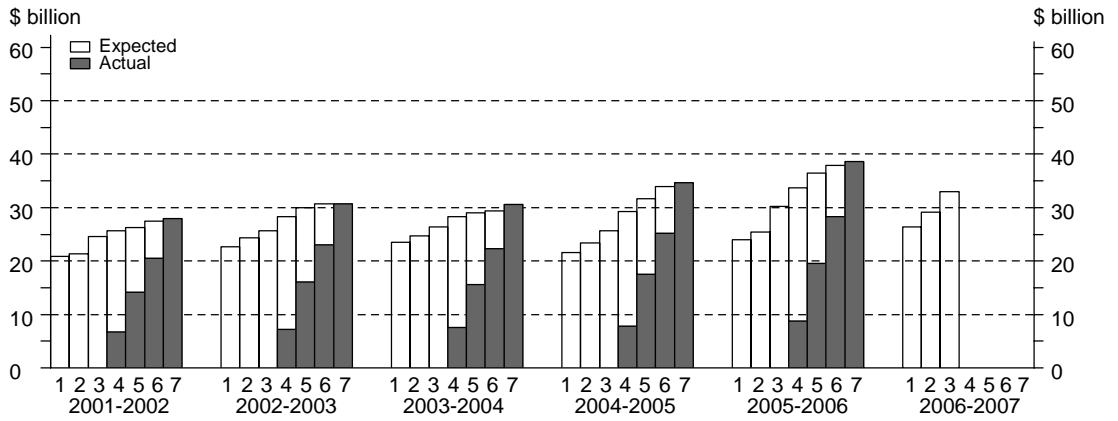


OTHER SELECTED INDUSTRIES

Estimate 7 for 2005-06 has increased 2% since Estimate 6 and is 11% higher than Estimate 7 for 2004-05. A decrease in building and structures has partially offset an increase in equipment, plant and machinery since Estimate 6.

Estimate 3 for 2006-07 is 13% higher than Estimate 2 and 9% higher than Estimate 3 for 2005-06. Both asset types have increased since Estimate 2, and this is driven by all components of Other Selected Industries.

ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE

IN CURRENT PRICE TERMS

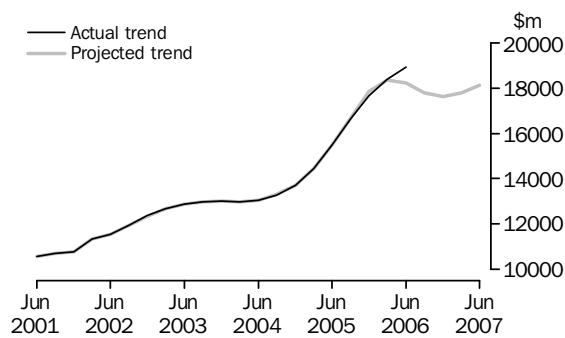
PROJECTED CAPITAL EXPENDITURE SERIES

The projected series below apply historical realisation ratios to contemporary expectations to convert these to quarterly figures. Trend estimates of resultant quarterly time series of actual and expected expenditure are produced.

The following graphs, with accompanying commentary, show the projected capital expenditure series based on June quarter 2006 data, which includes expected expenditure up to and including the June quarter 2007. Please see paragraphs 28 to 32 of the Explanatory Notes for further details about the methodology and cautionary notes for these series.

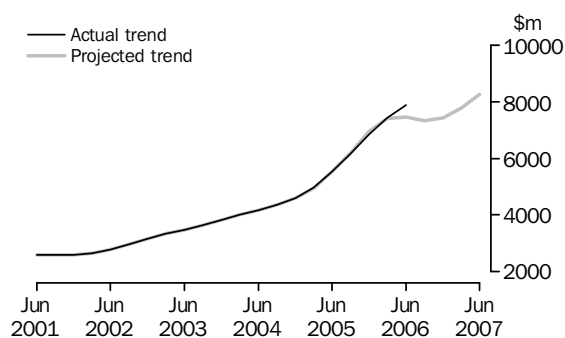
TOTAL CAPITAL EXPENDITURE

Current price trend estimates for total capital expenditure have increased sharply over the last two financial years, mainly due to increases in Mining expenditure. Estimates over the next financial year however suggest that the trend will flatten out over the 2006-07 financial year. A fall in expenditure on equipment, plant and machinery estimates is offsetting a small increase in expenditure in buildings and structures.



BUILDINGS AND STRUCTURES

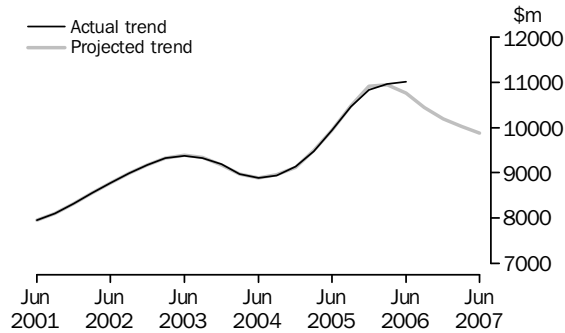
Current price trend estimates for buildings and structures have displayed sustained growth over the past few years. Expectations for the next financial year suggest that this growth rate will remain flat for the first half of the next financial year, increasing towards the end of 2006-07.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE *continued*

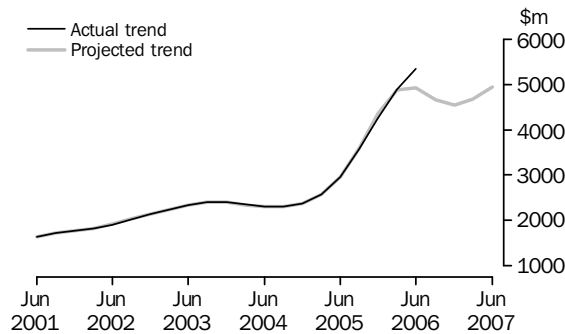
EQUIPMENT, PLANT AND MACHINERY

Current price trend estimates for equipment, plant and machinery have shown strong growth over the past two financial years. Based on expectations for the next financial year it is expected this expenditure will decline throughout 2006-07.



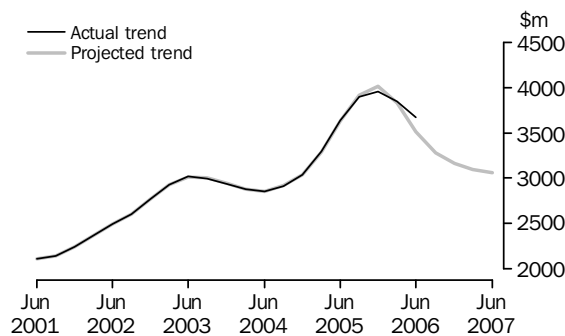
MINING

Current price trend estimates for Mining have increased sharply over the 2005-06 financial year being driven by growth in buildings and structures. Expectations suggest that growth over the next financial year will flatten out, although remaining at high levels of expenditure.



MANUFACTURING

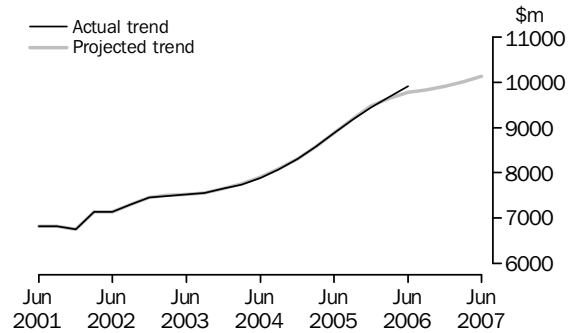
Current price trend estimates for Manufacturing increased sharply throughout 2004-05 and look to have reached a peak in 2005-06. Expectations for the next financial year indicate a decline in expenditure over the next financial year, with the decline flattening out slightly towards the end of the year.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE *continued*

OTHER SELECTED INDUSTRIES

Current price trend estimate for Other Selected Industries has had a steady growth rate over recent years. Expectations suggest that expenditure will continue to rise steadily over the next financial year.



ACTUAL AND EXPECTED EXPENDITURE, By type of asset and industry—Current prices

Period	BUILDINGS AND STRUCTURES				EQUIPMENT, PLANT AND MACHINERY				TOTAL CAPITAL EXPENDITURE			
	Mining	Manu- facturing	Other selected indus- tries	Total	Mining	Manu- facturing	Other selected indus- tries	Total	Mining	Manu- facturing	Other selected indus- tries	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)												
2004-05	6 062	3 690	9 509	19 262	4 191	8 991	25 111	38 293	10 253	12 681	34 620	57 554
2005-06	12 545	4 965	10 984	28 494	5 524	10 482	27 613	43 618	18 069	15 447	38 597	72 112
2004-05												
March	1 368	939	2 179	4 486	866	2 193	5 470	8 530	2 234	3 132	7 649	13 016
June	1 824	1 129	2 636	5 589	1 211	2 596	6 796	10 604	3 035	3 725	9 433	16 192
2005-06												
September	2 136	1 211	2 806	6 152	1 360	2 612	5 921	9 893	3 495	3 823	8 727	16 045
December	3 190	1 324	3 121	7 634	1 508	2 897	7 711	12 116	4 698	4 221	10 832	19 751
March	3 054	1 194	2 214	6 462	1 410	2 361	6 583	10 355	4 464	3 555	8 797	16 817
June	4 165	1 237	2 843	8 245	1 246	2 611	7 397	11 255	5 412	3 848	10 241	19 500
ORIGINAL (Expected) (a)												
2006-07												
6 mths to Dec	6 910	2 108	5 854	14 872	2 823	4 373	11 433	18 629	9 732	6 481	17 287	33 501
6 mths to Jun	6 190	2 041	5 791	14 022	2 341	3 717	9 943	16 001	8 531	5 758	15 734	30 024
Total fin year	13 099	4 150	11 646	28 895	5 164	8 090	21 376	34 630	18 263	12 240	33 022	63 525
SEASONALLY ADJUSTED (Actual)												
2004-05												
March	(b) 1 561	1 013	2 534	(b) 5 108	962	2 350	5 784	9 096	(b) 2 523	3 363	8 318	(b) 14 204
June	1 793	1 089	2 520	5 402	1 191	2 379	6 633	10 202	2 984	3 468	9 153	15 605
2005-06												
September	2 193	1 215	2 782	6 190	1 349	2 825	6 119	10 293	3 542	4 040	8 902	16 484
December	2 809	1 273	2 870	6 952	1 406	2 755	7 254	11 415	4 215	4 028	10 124	18 367
March	3 495	1 286	2 558	7 339	1 556	2 525	6 946	11 027	5 051	3 811	9 503	18 365
June	4 097	1 197	2 715	8 009	1 233	2 388	7 223	10 844	5 330	3 585	9 938	18 853
TREND ESTIMATES (Actual)												
2004-05												
March	1 530	987	2 454	4 971	1 052	2 305	6 121	9 478	2 582	3 292	8 573	14 447
June	1 795	1 111	2 630	5 536	1 164	2 523	6 249	9 935	2 959	3 634	8 880	15 473
2005-06												
September	2 236	1 209	2 735	6 180	1 333	2 691	6 439	10 462	3 569	3 900	9 180	16 649
December	2 831	1 259	2 750	6 840	1 429	2 698	6 696	10 823	4 260	3 957	9 449	17 666
March	3 465	1 262	2 712	7 439	1 425	2 580	6 953	10 957	4 890	3 842	9 669	18 401
June	3 986	1 239	2 649	7 874	1 364	2 429	7 218	11 004	5 350	3 668	9 904	18 922

(a) Not directly comparable with estimates of actual expenditure due to likely over/under realisation. See paragraphs 24 to 27 of the Explanatory Notes.

(b) Building and structures in Mining revised due to subsequent information on the impact of Easter falling in the March quarter 2005.

ACTUAL AND EXPECTED EXPENDITURE, By detailed industry—Current prices

Period	Mining	Manu- facturing	Construction	Wholesale trade	Retail trade	Transport and storage	Finance and insurance	Property and business services	Other services	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)										
2004-05	10 253	12 681	2 295	2 766	4 041	7 749	3 352	7 636	6 781	57 554
2005-06	18 069	15 447	2 462	3 020	4 501	9 063	3 483	8 898	7 170	72 112
2004-05										
March	2 234	3 132	^ 544	650	844	1 458	758	1 761	1 634	13 016
June	3 035	3 725	599	825	1 017	2 146	942	2 126	1 777	16 192
2005-06										
September	3 495	3 823	^ 457	762	1 114	1 724	874	2 158	1 639	16 045
December	4 698	4 221	^ 711	^ 878	1 150	3 052	805	2 357	1 879	19 751
March	4 464	3 555	^ 584	^ 712	984	2 103	869	1 823	1 722	16 817
June	5 412	3 848	^ 710	667	1 252	2 186	935	2 560	1 931	19 500
ORIGINAL (Expected) (a)										
2006-07										
6 mths to Dec	9 732	6 481	985	1 132	2 272	3 256	1 857	3 488	4 298	33 501
6 mths to Jun	8 531	5 758	779	1 312	1 934	2 670	1 967	3 643	3 429	30 024
Total fin year	18 263	12 240	1 764	2 444	4 206	5 926	3 824	7 130	7 727	63 525
SEASONALLY ADJUSTED (Actual)										
2004-05										
March	(b) 2 523	3 363	545	738	1 011	1 601	809	1 907	1 707	(b) 14 204
June	2 984	3 468	568	791	992	2 071	934	2 024	1 773	15 605
2005-06										
September	3 542	4 040	544	770	1 048	1 807	866	2 157	1 710	16 484
December	4 215	4 028	638	815	1 066	2 769	778	2 322	1 736	18 367
March	5 051	3 811	581	795	1 129	2 281	955	1 967	1 795	18 365
June	5 330	3 585	681	643	1 254	2 116	886	2 433	1 925	18 853
TREND ESTIMATES (Actual)										
2004-05										
March	2 582	3 292	572	731	990	1 810	869	1 898	1 703	14 447
June	2 959	3 634	562	775	1 013	1 870	874	2 057	1 729	15 473
2005-06										
September	3 569	3 900	569	803	1 033	2 035	861	2 145	1 734	16 649
December	4 260	3 957	596	795	1 079	2 186	862	2 179	1 752	17 666
March	4 890	3 842	625	757	1 147	2 238	879	2 213	1 810	18 401
June	5 350	3 668	658	700	1 220	2 254	911	2 271	1 890	18 922

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

(a) Not directly comparable with estimates of actual expenditure due to likely over/under realisation. See paragraphs 24 to 27 of the Explanatory Notes.

(b) Building and structures in Mining revised due to subsequent information on the impact of Easter falling in the March quarter 2005.

ACTUAL EXPENDITURE, By type of asset and industry—Chain volume measures(a)

Period	ASSET			INDUSTRY			
	Buildings and structures	Equipment, plant and machinery	Total	Mining	Manufacturing	Other selected industries	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL							
2002-03	14 898	32 038	47 118	9 134	10 602	27 447	47 118
2003-04	16 925	33 792	50 729	9 681	11 390	29 706	50 729
2004-05	19 262	38 293	57 554	10 253	12 681	34 620	57 554
2005-06	26 888	44 763	71 652	17 270	15 240	39 122	71 652
2003-04							
June	4 662	9 109	13 761	2 319	3 263	8 161	13 761
2004-05							
September	4 408	8 436	12 828	2 417	2 629	7 787	12 828
December	4 943	10 556	15 530	2 623	3 210	9 690	15 530
March	4 455	8 532	12 974	2 223	3 125	7 623	12 974
June	5 455	10 768	16 223	2 990	3 718	9 520	16 223
2005-06							
September	5 920	10 088	16 008	3 402	3 788	8 814	16 008
December	7 268	12 364	19 632	4 529	4 171	10 927	19 632
March	6 081	10 630	16 711	4 264	3 501	8 941	16 711
June	7 620	11 681	19 300	5 074	3 780	10 440	19 300
SEASONALLY ADJUSTED							
2003-04							
June	4 497	8 760	13 276	2 281	3 052	7 940	13 276
2004-05							
September	4 418	8 801	13 196	2 440	2 786	7 974	13 196
December	4 523	9 977	14 523	2 366	3 050	9 090	14 523
March	5 060	9 125	14 147	2 504	3 362	8 287	14 147
June	5 261	10 389	15 688	2 943	3 483	9 269	15 688
2005-06							
September	5 953	10 513	16 451	3 427	3 988	9 036	16 451
December	6 621	11 661	18 265	4 041	3 960	10 264	18 265
March	6 908	11 329	18 381	4 808	3 753	9 820	18 381
June	7 404	11 261	18 577	4 992	3 539	10 045	18 577
TREND							
2003-04							
June	4 355	8 789	13 141	2 345	2 803	7 997	13 141
2004-05							
September	4 462	8 885	13 343	2 332	2 918	8 087	13 343
December	4 627	9 105	13 730	2 396	3 064	8 265	13 730
March	4 917	9 517	14 434	2 566	3 292	8 576	14 434
June	5 395	10 079	15 466	2 907	3 623	8 939	15 466
2005-06							
September	5 949	10 675	16 633	3 463	3 862	9 312	16 633
December	6 511	11 075	17 600	4 080	3 898	9 624	17 600
March	6 989	11 269	18 278	4 636	3 781	9 860	18 278
June	7 262	11 399	18 756	5 077	3 615	10 085	18 756

(a) Reference year for chain volume measures is 2004-05.

ACTUAL EXPENDITURE, By type of asset and industry—Percentage change, Chain volume measures(a)

Period	ASSET			INDUSTRY			
	Buildings and structures	Equipment, Plant and Machinery	Total	Mining	Manufacturing	Other selected industries	Total
	%	%	%	%	%	%	%
ORIGINAL							
2002-03	18.8	18.2	18.5	20.2	29.0	14.6	18.5
2003-04	13.6	5.5	7.7	6.0	7.4	8.2	7.7
2004-05	13.8	13.3	13.5	5.9	11.3	16.5	13.5
2005-06	39.6	16.9	24.5	68.4	20.2	13.0	24.5
2003-04							
June	27.6	22.2	23.6	11.5	37.9	22.1	23.6
2004-05							
September	-5.5	-7.4	-6.8	4.2	-19.4	-4.6	-6.8
December	12.2	25.1	21.1	8.5	22.1	24.4	21.1
March	-9.9	-19.2	-16.5	-15.3	-2.6	-21.3	-16.5
June	22.5	26.2	25.0	34.5	19.0	24.9	25.0
2005-06							
September	8.5	-6.3	-1.3	13.8	1.9	-7.4	-1.3
December	22.8	22.6	22.6	33.1	10.1	24.0	22.6
March	-16.3	-14.0	-14.9	-5.8	-16.1	-18.2	-14.9
June	25.3	9.9	15.5	19.0	7.9	16.8	15.5
SEASONALLY ADJUSTED							
2003-04							
June	7.4	9.8	9.3	-2.8	19.5	9.3	9.3
2004-05							
September	-1.8	0.5	-0.6	7.0	-8.7	0.4	-0.6
December	2.4	13.4	10.0	-3.0	9.5	14.0	10.0
March	11.9	-8.5	-2.6	5.8	10.2	-8.8	-2.6
June	4.0	13.9	10.9	17.6	3.6	11.9	10.9
2005-06							
September	13.2	1.2	4.9	16.4	14.5	-2.5	4.9
December	11.2	10.9	11.0	17.9	-0.7	13.6	11.0
March	4.3	-2.8	0.6	19.0	-5.2	-4.3	0.6
June	7.2	-0.6	1.1	3.8	-5.7	2.3	1.1
TREND							
2003-04							
June	1.9	1.1	1.4	-2.3	1.2	2.4	1.4
2004-05							
September	2.4	1.1	1.5	-0.6	4.1	1.1	1.5
December	3.7	2.5	2.9	2.8	5.0	2.2	2.9
March	6.3	4.5	5.1	7.1	7.5	3.8	5.1
June	9.7	5.9	7.2	13.3	10.1	4.2	7.2
2005-06							
September	10.3	5.9	7.5	19.1	6.6	4.2	7.5
December	9.5	3.7	5.8	17.8	0.9	3.4	5.8
March	7.3	1.8	3.8	13.6	-3.0	2.5	3.8
June	3.9	1.1	2.6	9.5	-4.4	2.3	2.6

(a) Reference year for chain volume measures is 2004-05.

EXPECTED EXPENDITURE AND REALISATION RATIOS, 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)
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BUILDINGS AND STRUCTURES (\$ million)

2002-03	11 694	12 124	12 691	13 344	14 067	13 744	13 000
2003-04	13 975	14 551	16 834	16 427	16 353	15 712	15 645
2004-05	14 754	16 775	18 359	20 323	20 176	20 160	19 262
2005-06	16 846	18 724	22 499	25 096	27 036	28 129	28 494
2006-07	22 695	24 648	28 895	nya	nya	nya	nya

BUILDINGS AND STRUCTURES (Realisation Ratio) (a)

2003-04	1.12	1.08	0.93	0.95	0.96	1.00	1.00
2004-05	1.31	1.15	1.05	0.95	0.95	0.96	1.00
2005-06	1.69	1.52	1.27	1.14	1.05	1.01	1.00
5-year average	1.28	1.17	1.02	0.98	0.96	0.98	1.00

EQUIPMENT, PLANT AND MACHINERY (\$ million)

2002-03	29 859	32 157	34 478	35 805	36 540	37 770	37 816
2003-04	29 393	31 129	32 627	35 031	34 402	35 034	35 602
2004-05	26 927	28 423	30 675	33 645	35 442	37 661	38 293
2005-06	27 975	30 147	34 508	38 272	41 064	43 116	43 618
2006-07	30 603	32 916	34 630	nya	nya	nya	nya

EQUIPMENT, PLANT AND MACHINERY (Realisation Ratio) (a)

2003-04	1.21	1.14	1.09	1.02	1.03	1.02	1.00
2004-05	1.42	1.35	1.25	1.14	1.08	1.02	1.00
2005-06	1.56	1.45	1.26	1.14	1.06	1.01	1.00
5-year average	1.34	1.27	1.17	1.08	1.05	1.01	1.00

TOTAL (\$ million)

2002-03	41 553	44 281	47 169	49 149	50 607	51 514	50 816
2003-04	43 369	45 681	49 462	51 458	50 755	50 747	51 247
2004-05	41 682	45 197	49 034	53 969	55 619	57 821	57 554
2005-06	44 819	48 871	57 005	63 368	68 101	71 246	72 112
2006-07	53 299	57 564	63 525	nya	nya	nya	nya

TOTAL (Realisation Ratio) (a)

2003-04	1.18	1.12	1.04	1.00	1.01	1.01	1.00
2004-05	1.38	1.27	1.17	1.07	1.03	1.00	1.00
2005-06	1.61	1.48	1.27	1.14	1.06	1.01	1.00
5-year average	1.32	1.24	1.12	1.05	1.02	1.00	1.00

TOTAL (Percentage change over corresponding estimate for previous financial year)

2002-03	14.4	17.3	12.5	12.3	14.7	15.5	14.5
2003-04	4.4	3.2	4.9	4.7	0.3	-1.5	0.8
2004-05	-3.9	-1.1	-0.9	4.9	9.6	13.9	12.3
2005-06	7.5	8.1	16.3	17.4	22.4	23.2	25.3
2006-07	18.9	17.8	11.4	na	na	na	nya

na not available
nya not yet available

(a) Ratio of actual expenditure for the financial year to each progressive estimate for the financial year. For more information see paragraphs 24 to 27 of the Explanatory Notes.

EXPECTED EXPENDITURE AND REALISATION RATIOS, 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)
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MINING (\$ million)

2002-03	9 764	10 163	10 510	10 089	9 695	9 222	8 766
2003-04	9 388	10 053	10 672	10 812	10 365	9 780	9 282
2004-05	10 192	10 937	11 226	11 784	10 998	10 950	10 253
2005-06	9 795	10 817	12 759	14 598	16 025	17 635	18 069
2006-07	15 298	17 100	18 263	nya	nya	nya	nya

MINING (Realisation Ratio) (a)

2003-04	0.99	0.92	0.87	0.86	0.90	0.95	1.00
2004-05	1.01	0.94	0.91	0.87	0.93	0.94	1.00
2005-06	1.84	1.67	1.42	1.24	1.13	1.02	1.00
5-year average	1.18	1.08	0.98	0.93	0.94	0.96	1.00

MANUFACTURING (\$ million)

2002-03	9 173	9 776	11 021	10 808	10 904	11 624	11 384
2003-04	10 453	10 911	12 402	12 370	11 371	11 571	11 424
2004-05	9 853	10 915	12 133	12 937	12 928	12 895	12 681
2005-06	11 095	12 684	14 024	15 046	15 598	15 682	15 447
2006-07	11 651	11 293	12 240	nya	nya	nya	nya

MANUFACTURING (Realisation Ratio) (a)

2003-04	1.09	1.05	0.92	0.92	1.00	0.99	1.00
2004-05	1.29	1.16	1.05	0.98	0.98	0.98	1.00
2005-06	1.39	1.22	1.10	1.03	0.99	0.98	1.00
5-year average	1.20	1.12	1.02	1.00	1.00	0.98	1.00

OTHER SELECTED INDUSTRIES (\$ million)

2002-03	22 616	24 341	25 638	28 252	30 009	30 669	30 665
2003-04	23 528	24 716	26 388	28 276	29 019	29 396	30 541
2004-05	21 637	23 346	25 676	29 247	31 693	33 976	34 620
2005-06	23 929	25 370	30 222	33 724	36 478	37 929	38 597
2006-07	26 350	29 171	33 022	nya	nya	nya	nya

OTHER SELECTED INDUSTRIES (Realisation Ratio) (a)

2003-04	1.30	1.24	1.16	1.08	1.05	1.04	1.00
2004-05	1.60	1.48	1.35	1.18	1.09	1.02	1.00
2005-06	1.61	1.52	1.28	1.14	1.06	1.02	1.00
5-year average	1.44	1.36	1.22	1.12	1.06	1.02	1.00

nya not yet available

(a) Ratio of actual expenditure for the financial year to each progressive estimate for the financial year. For more information see paragraphs 24 to 27 of the Explanatory Notes.

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RATIOS OF ACTUAL TO SHORT TERM EXPECTATIONS(a), By type of asset and industry—Current prices

<i>Financial Year</i>	3 MONTHS ENDING		6 MONTHS ENDING	
	<i>31 December (collected in September Survey)</i>	<i>30 June (collected in March Survey)</i>	<i>31 December (collected in June Survey)</i>	<i>30 June (collected in December Survey)</i>
TYPE OF ASSET				
Buildings and structures				
2003-04	0.91	0.99	0.91	0.92
2004-05	0.89	0.86	1.01	0.92
2005-06	1.07	1.05	1.14	1.11
5-year average	0.95	0.92	0.99	0.93
Equipment, plant and machinery				
2003-04	0.95	1.07	1.06	1.08
2004-05	1.08	1.06	1.18	1.18
2005-06	1.05	1.05	1.22	1.13
5-year average	1.03	1.04	1.13	1.11
Total				
2003-04	0.94	1.04	1.01	1.02
2004-05	1.01	0.98	1.12	1.07
2005-06	1.06	1.05	1.19	1.12
5-year average	1.01	1.00	1.08	1.05
TYPE OF INDUSTRY				
Mining				
2003-04	0.86	0.82	0.86	0.80
2004-05	0.79	0.81	0.90	0.88
2005-06	1.10	1.09	1.21	1.26
5-year average	0.86	0.87	0.92	0.90
Manufacturing				
2003-04	0.81	0.96	0.91	1.01
2004-05	0.85	0.95	0.99	0.97
2005-06	0.99	0.94	1.09	0.98
5-year average	0.90	0.94	0.98	1.00
Other selected industries				
2003-04	1.04	1.16	1.11	1.11
2004-05	1.18	1.07	1.26	1.21
2005-06	1.07	1.07	1.23	1.13
5-year average	1.11	1.07	1.19	1.13
Total				
2003-04	0.94	1.04	1.01	1.02
2004-05	1.01	0.98	1.12	1.07
2005-06	1.06	1.05	1.19	1.12
5-year average	1.01	1.00	1.08	1.05

(a) For more information on Realisation Ratios see paragraphs 24 to 27 of the Explanatory Notes.

ACTUAL EXPENDITURE ON BUILDINGS AND STRUCTURES, Current prices

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2002-03	3 112	2 343	2 122	783	2 898	255	1 380	107	13 000
2003-04	4 084	2 670	2 363	969	3 793	167	1 520	78	15 645
2004-05	4 820	3 161	3 033	992	5 135	430	1 534	158	19 262
2005-06	5 981	4 362	4 865	1 397	9 636	274	1 747	233	28 494
2003-04									
June	1 225	632	731	301	1 075	71	379	*23	4 437
2004-05									
September	1 136	714	621	221	1 153	93	327	*22	4 284
December	1 198	788	836	235	1 334	^ 116	363	^ 33	4 902
March	1 020	778	707	245	1 219	104	368	*45	4 486
June	1 467	881	870	291	1 429	^ 118	475	*58	5 589
2005-06									
September	1 603	970	908	296	1 746	^ 82	463	*84	6 152
December	1 838	1 143	1 354	369	2 333	77	477	*43	7 634
March	1 111	997	1 132	291	2 359	62	446	**64	6 462
June	1 429	1 252	1 471	^ 441	3 197	^ 52	361	*42	8 245
SEASONALLY ADJUSTED									
2003-04									
June	1 156	644	715	272	1 050	np	np	np	4 285
2004-05									
September	1 136	674	647	236	1 155	np	np	np	4 303
December	1 080	734	735	206	1 222	np	np	np	4 498
March	1 229	876	800	304	1 372	np	np	np	5 108
June	1 383	900	852	257	1 397	np	np	np	5 402
2005-06									
September	1 598	916	951	320	1 759	np	np	np	6 190
December	1 658	1 067	1 184	325	2 127	np	np	np	6 952
March	1 346	1 118	1 283	362	2 656	np	np	np	7 339
June	1 342	1 280	1 445	387	3 132	np	np	np	8 009
TREND									
2003-04									
June	1 126	654	644	248	1 033	72	355	22	4 168
2004-05									
September	1 125	682	691	240	1 136	94	338	26	4 347
December	1 132	755	732	242	1 235	109	356	31	4 590
March	1 226	834	779	259	1 320	113	407	47	4 971
June	1 416	898	865	286	1 469	106	448	62	5 536
2005-06									
September	1 562	954	985	307	1 742	91	466	68	6 180
December	1 550	1 038	1 144	332	2 173	75	461	62	6 840
March	1 451	1 146	1 300	361	2 642	62	444	52	7 439
June	1 329	1 257	1 420	378	2 997	55	418	42	7 874

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

* estimate has a relative standard error of 25% to 50% and should be used with caution

np not available for publication but included in totals where applicable, unless otherwise indicated

ACTUAL EXPENDITURE ON EQUIPMENT, PLANT AND MACHINERY, Current prices

<i>Period</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2002-03	11 312	10 487	6 929	3 223	4 241	626	427	570	37 816
2003-04	10 287	9 198	6 612	2 978	5 124	533	381	489	35 602
2004-05	11 986	9 648	7 306	2 993	4 815	698	316	534	38 293
2005-06	12 641	11 115	8 699	3 085	6 307	874	402	496	43 618
2003-04									
June	2 778	2 226	1 853	795	1 201	132	65	^ 136	9 186
2004-05									
September	2 609	2 121	1 717	608	1 119	^ 135	61	^ 135	8 504
December	3 261	2 725	2 013	885	1 338	209	^ 77	^ 146	10 655
March	2 679	2 197	1 514	^ 671	1 156	^ 135	^ 61	^ 117	8 530
June	3 436	2 605	2 062	828	1 201	^ 219	^ 117	^ 136	10 604
2005-06									
September	3 089	2 448	1 784	671	1 503	^ 209	^ 79	111	9 893
December	3 568	3 115	2 201	^ 967	1 727	^ 273	^ 124	^ 140	12 116
March	2 863	2 713	2 233	689	1 452	^ 187	^ 112	^ 105	10 355
June	3 121	2 839	2 480	^ 758	1 625	^ 205	^ 87	^ 140	11 255
SEASONALLY ADJUSTED									
2003-04									
June	2 640	2 186	1 690	760	1 188	np	np	np	8 817
2004-05									
September	2 695	2 180	1 852	676	1 115	np	np	np	8 849
December	3 040	2 487	1 868	770	1 221	np	np	np	10 041
March	2 982	2 399	1 687	778	1 295	np	np	np	9 096
June	3 236	2 567	1 879	756	1 196	np	np	np	10 202
2005-06									
September	3 195	2 520	1 927	746	1 495	np	np	np	10 293
December	3 315	2 838	2 034	841	1 569	np	np	np	11 415
March	3 169	2 955	2 504	766	1 630	np	np	np	11 027
June	2 959	2 805	2 255	720	1 624	np	np	np	10 844
TREND									
2003-04									
June	2 601	2 180	1 712	700	1 168	135	70	125	8 893
2004-05									
September	2 763	2 258	1 787	728	1 166	149	62	140	8 941
December	2 934	2 372	1 816	750	1 193	163	67	140	9 139
March	3 070	2 455	1 800	758	1 236	179	80	129	9 478
June	3 178	2 515	1 810	769	1 316	199	93	123	9 935
2005-06									
September	3 251	2 631	1 948	780	1 433	223	104	124	10 462
December	3 242	2 780	2 140	788	1 552	230	106	125	10 823
March	3 151	2 870	2 290	774	1 623	218	105	123	10 957
June	3 034	2 895	2 372	745	1 638	204	103	120	11 004

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

np not available for publication but included in totals where applicable, unless otherwise indicated

<i>Period</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2002-03	14 424	12 830	9 052	4 006	7 140	881	1 806	677	50 816
2003-04	14 371	11 869	8 975	3 947	8 917	700	1 901	567	51 247
2004-05	16 805	12 809	10 339	3 985	9 950	1 127	1 849	692	57 554
2005-06	18 622	15 477	13 563	4 482	15 942	1 148	2 149	729	72 112
2003-04									
June	4 003	2 858	2 584	1 096	2 276	202	444	^ 159	13 623
2004-05									
September	3 745	2 834	2 338	829	2 272	227	387	^ 157	12 789
December	4 459	3 513	2 849	1 120	2 672	324	440	^ 179	15 557
March	3 699	2 975	2 221	917	2 375	239	429	^ 162	13 016
June	4 902	3 486	2 932	1 119	2 630	^ 337	592	^ 194	16 192
2005-06									
September	4 692	3 418	2 692	967	3 249	^ 291	541	^ 195	16 045
December	5 406	4 258	3 554	1 336	4 060	^ 350	601	^ 183	19 751
March	3 974	3 709	3 366	980	3 811	^ 249	558	^ 169	16 817
June	4 550	4 091	3 951	^ 1 199	4 822	^ 258	448	^ 182	19 500
SEASONALLY ADJUSTED									
2003-04									
June	3 796	2 830	2 405	1 032	2 238	192	458	145	13 104
2004-05									
September	3 831	2 854	2 499	912	2 270	238	368	172	13 151
December	4 120	3 221	2 603	976	2 443	304	411	179	14 539
March	4 211	3 275	2 487	1 082	2 667	258	479	163	14 204
June	4 619	3 467	2 731	1 013	2 593	320	603	180	15 605
2005-06									
September	4 793	3 436	2 878	1 066	3 254	307	518	209	16 484
December	4 973	3 905	3 218	1 166	3 696	321	562	185	18 367
March	4 515	4 073	3 787	1 128	4 286	275	616	168	18 365
June	4 301	4 085	3 700	1 107	4 756	245	454	167	18 853
TREND									
2003-04									
June	3 727	2 834	2 356	948	2 201	207	425	147	13 055
2004-05									
September	3 888	2 940	2 478	968	2 302	243	400	166	13 286
December	4 066	3 127	2 548	992	2 428	272	423	171	13 727
March	4 296	3 289	2 579	1 017	2 556	292	487	176	14 447
June	4 594	3 413	2 675	1 055	2 785	305	541	185	15 473
2005-06									
September	4 813	3 585	2 933	1 087	3 175	314	570	192	16 649
December	4 792	3 818	3 284	1 120	3 725	305	567	187	17 666
March	4 602	4 016	3 590	1 135	4 265	280	549	175	18 401
June	4 363	4 152	3 792	1 123	4 635	259	521	162	18 922

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2002-03	3 570	2 678	2 433	899	3 320	292	1 584	123	14 898
2003-04	4 417	2 888	2 553	1 049	4 102	179	1 648	85	16 925
2004-05	4 820	3 161	3 033	992	5 135	430	1 534	158	19 262
2005-06	5 658	4 116	4 587	1 319	9 076	259	1 653	220	26 888
2003-04									
June	1 287	663	768	316	1 129	74	399	24	4 662
2004-05									
September	1 168	733	638	227	1 185	95	336	23	4 408
December	1 208	795	843	237	1 345	117	367	33	4 943
March	1 012	773	703	243	1 210	103	366	45	4 455
June	1 431	860	850	284	1 395	115	464	57	5 455
2005-06									
September	1 542	934	873	285	1 680	79	446	81	5 920
December	1 750	1 088	1 289	352	2 221	73	454	41	7 268
March	1 046	938	1 066	274	2 220	58	420	60	6 081
June	1 320	1 156	1 359	408	2 955	48	334	39	7 620
SEASONALLY ADJUSTED									
2003-04									
June	1 210	675	753	282	1 100	np	np	np	4 497
2004-05									
September	1 164	690	666	240	1 185	np	np	np	4 418
December	1 086	735	741	205	1 229	np	np	np	4 523
March	1 219	864	794	299	1 359	np	np	np	5 060
June	1 351	872	832	248	1 361	np	np	np	5 261
2005-06									
September	1 544	877	915	304	1 690	np	np	np	5 953
December	1 588	1 011	1 127	306	2 022	np	np	np	6 621
March	1 276	1 048	1 208	337	2 497	np	np	np	6 908
June	1 250	1 180	1 336	354	2 891	np	np	np	7 404
TREND									
2003-04									
June	1 180	686	678	262	1 082	76	374	24	4 355
2004-05									
September	1 155	698	711	246	1 166	97	347	27	4 462
December	1 139	756	739	241	1 244	110	357	32	4 627
March	1 213	821	772	253	1 307	112	402	47	4 917
June	1 382	872	845	276	1 432	103	436	61	5 395
2005-06									
September	1 509	915	949	295	1 675	88	448	66	5 949
December	1 484	984	1 091	316	2 072	71	438	60	6 511
March	1 373	1 073	1 222	340	2 480	58	417	49	6 989
June	1 259	1 144	1 296	351	2 720	53	389	40	7 262

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Reference year for chain volume measures is 2004-05.

<i>Period</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2002-03	9 450	8 791	5 905	2 756	3 717	531	367	476	32 038
2003-04	9 709	8 697	6 311	2 842	4 933	507	362	462	33 792
2004-05	11 986	9 648	7 306	2 993	4 815	698	316	534	38 293
2005-06	13 049	11 423	8 911	3 156	6 402	897	411	515	44 763
2003-04									
June	2 746	2 202	1 844	790	1 202	131	65	133	9 109
2004-05									
September	2 585	2 102	1 705	602	1 115	134	60	134	8 436
December	3 224	2 700	1 999	877	1 331	206	76	145	10 556
March	2 681	2 196	1 513	672	1 157	136	61	117	8 532
June	3 495	2 650	2 089	843	1 211	222	119	139	10 768
2005-06									
September	3 165	2 503	1 815	681	1 517	213	80	114	10 088
December	3 657	3 187	2 241	985	1 745	278	126	145	12 364
March	2 962	2 787	2 287	705	1 473	193	114	109	10 630
June	3 265	2 947	2 567	784	1 668	213	90	147	11 681
SEASONALLY ADJUSTED									
2003-04									
June	2 613	2 167	1 687	755	1 182	np	np	np	8 760
2004-05									
September	2 677	2 165	1 846	670	1 107	np	np	np	8 801
December	3 015	2 467	1 861	766	1 211	np	np	np	9 977
March	2 993	2 401	1 691	783	1 293	np	np	np	9 125
June	3 300	2 615	1 907	774	1 203	np	np	np	10 389
2005-06									
September	3 276	2 580	1 959	762	1 503	np	np	np	10 513
December	3 399	2 907	2 068	860	1 579	np	np	np	11 661
March	3 279	3 038	2 558	787	1 647	np	np	np	11 329
June	3 095	2 914	2 326	747	1 661	np	np	np	11 261
TREND									
2003-04									
June	2 565	2 154	1 702	693	1 159	133	69	122	8 789
2004-05									
September	2 743	2 243	1 785	724	1 160	148	61	137	8 885
December	2 924	2 363	1 814	749	1 187	164	66	138	9 105
March	3 086	2 464	1 808	765	1 234	182	80	129	9 517
June	3 230	2 552	1 831	783	1 320	204	94	125	10 079
2005-06									
September	3 329	2 689	1 979	798	1 441	229	105	128	10 675
December	3 335	2 853	2 179	807	1 568	236	109	130	11 075
March	3 261	2 957	2 342	796	1 645	223	108	128	11 269
June	3 174	2 994	2 448	772	1 659	209	107	126	11 399

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Reference year for chain volume measures is 2004-05.

ACTUAL TOTAL EXPENDITURE—Chain volume measures(a)

<i>Period</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2002-03	13 194	11 517	8 313	3 670	7 055	815	1 956	597	47 118
2003-04	14 089	11 581	8 863	3 880	9 101	698	2 013	552	50 729
2004-05	16 805	12 809	10 339	3 985	9 950	1 127	1 849	692	57 554
2005-06	18 707	15 539	13 498	4 475	15 478	1 156	2 064	735	71 652
2003-04									
June	4 015	2 877	2 608	1 100	2 332	203	459	159	13 761
2004-05									
September	3 741	2 834	2 348	826	2 297	227	395	158	12 828
December	4 441	3 503	2 840	1 119	2 679	323	443	178	15 530
March	3 700	2 962	2 209	914	2 370	238	426	161	12 974
June	4 923	3 509	2 941	1 126	2 604	339	586	195	16 223
2005-06									
September	4 706	3 436	2 689	967	3 196	292	526	196	16 008
December	5 407	4 276	3 530	1 337	3 966	352	580	185	19 632
March	4 008	3 724	3 353	979	3 693	251	534	169	16 711
June	4 585	4 103	3 926	1 192	4 623	261	424	185	19 300
SEASONALLY ADJUSTED									
2003-04									
June	3 809	2 843	2 429	1 038	2 297	191	471	144	13 276
2004-05									
September	3 833	2 855	2 518	910	2 294	238	374	172	13 196
December	4 112	3 209	2 604	975	2 444	304	410	178	14 523
March	4 211	3 258	2 479	1 078	2 653	260	472	162	14 147
June	4 649	3 486	2 738	1 023	2 560	325	593	180	15 688
2005-06									
September	4 819	3 457	2 874	1 066	3 193	310	502	210	16 451
December	4 987	3 918	3 195	1 166	3 601	322	542	187	18 265
March	4 555	4 087	3 766	1 123	4 144	276	589	170	18 381
June	4 345	4 094	3 662	1 101	4 553	248	430	171	18 577
TREND									
2003-04									
June	3 729	2 837	2 380	950	2 258	208	440	147	13 141
2004-05									
September	3 893	2 944	2 495	969	2 332	243	406	165	13 343
December	4 065	3 120	2 552	991	2 431	273	422	171	13 730
March	4 302	3 284	2 578	1 018	2 540	294	481	175	14 434
June	4 612	3 421	2 674	1 058	2 750	308	530	185	15 466
2005-06									
September	4 837	3 603	2 927	1 090	3 115	317	554	194	16 633
December	4 819	3 835	3 267	1 119	3 632	307	547	189	17 600
March	4 635	4 029	3 562	1 131	4 122	281	524	177	18 278
June	4 425	4 145	3 768	1 119	4 421	262	496	168	18 756

(a) Reference year for chain volume measures is 2004-05.

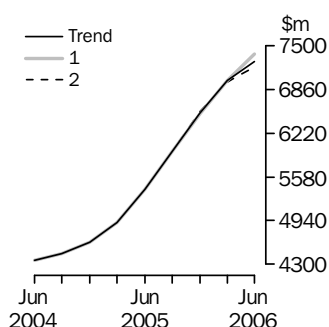
WHAT IF...? REVISIONS TO TREND ESTIMATES

EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

TREND REVISIONS

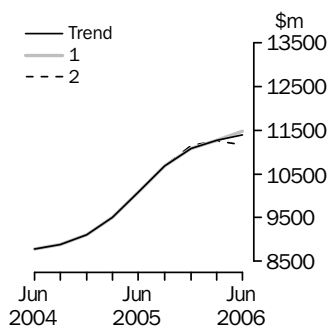
Recent seasonally adjusted and trend estimates are likely to be revised when original estimates for subsequent quarters become available. The approximate effect of possible scenarios on trend estimates for capital expenditure in chain volume terms are presented below by illustrating the impact if next quarter's seasonally adjusted estimate rises or falls by a specified percentage (based on the historical average of movements in seasonally adjusted estimates). For further information, see paragraphs 42 and 43 in the Explanatory Notes.

BUILDINGS AND STRUCTURES



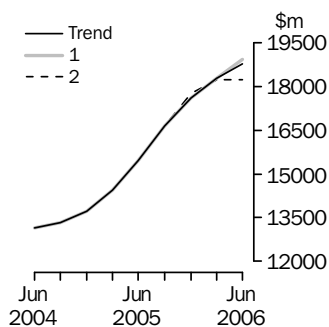
	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	%	(1) rises by 6.7% on this quarter		(2) falls by 6.7% on this quarter	
	\$m	%	\$m	%	\$m	%
2005						
September	5 949	10.3	5 949	10.3	5 949	10.3
December	6 511	9.5	6 502	9.3	6 540	9.9
2006						
March	6 989	7.3	6 984	7.4	6 969	6.6
June	7 262	3.9	7 372	5.6	7 187	3.1

EQUIPMENT, PLANT AND MACHINERY



	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	%	(1) rises by 4.9% on this quarter		(2) falls by 4.9% on this quarter	
	\$m	%	\$m	%	\$m	%
2005						
September	10 675	5.9	10 675	5.9	10 675	5.9
December	11 075	3.7	11 084	3.8	11 149	4.4
2006						
March	11 269	1.8	11 273	1.7	11 250	0.9
June	11 399	1.1	11 470	1.7	11 158	-0.8

TOTAL CAPITAL EXPENDITURE



	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	%	(1) rises by 4.4% on this quarter		(2) falls by 4.4% on this quarter	
	\$m	%	\$m	%	\$m	%
2005						
September	16 633	7.5	16 633	7.5	16 633	7.5
December	17 600	5.8	17 600	5.8	17 746	6.7
2006						
March	18 278	3.8	18 280	3.9	18 229	2.7
June	18 756	2.6	18 923	3.5	18 220	-0.1

EXPLANATORY NOTES

INTRODUCTION

1 This publication contains estimates of actual and expected new capital expenditure by private businesses for selected industries in Australia. The series have been compiled from data collected by the Australian Bureau of Statistics (ABS) in its quarterly Survey of New Capital Expenditure.

SCOPE OF THE SURVEY

2 The Survey of New Capital Expenditure includes the following industries classified according to the Australian and New Zealand Standard Industrial Classification, ANZSIC, 1993:

Mining (Division B)

Manufacturing (Division C)

Other selected industries:

Construction (Division E)

Wholesale trade (Division F)

Retail trade (Division G)

Transport and storage (Division I)

Finance and insurance (Division K, but excluding Superannuation funds (Class 7412))

Property and business services (Division L)

Other selected services:

Electricity, gas and water (Division D)

Accommodation, cafes and restaurants (Division H)

Communication services (Division J)

Cultural and recreational services (Division P)

Personal services (Subdivision 95)

3 The survey excludes the following industries:

Agriculture, forestry and fishing (Division A)

Government administration and defence (Division M)

Superannuation funds (Class 7412)

Education (Division N)

Health and community services (Division O)

Other services (Subdivision 96)

4 The scope excludes public sector business units (i.e. all departments, authorities and other organisations owned and controlled by Commonwealth, State and Local Government).

5 The Survey of New Capital Expenditure, like most ABS economic collections, takes its frame from employing businesses on the ABS Business Register which is primarily based on registrations to the Australian Taxation Office's Pay As You Go Withholding (PAYGW) scheme (and prior to 1 July 2000 the Group Employer scheme). The frame is updated quarterly to take account of new businesses, businesses which have ceased employing, changes in employment levels, changes in industry and other general business changes.

6 Businesses which have ceased employing are identified when the Australian Taxation Office (ATO) cancels their PAYGW registration (or previously their Group Employer registration). In addition, from September quarter 1999, businesses which did not remit under the Group Employer scheme for the previous five quarters were removed from the frame. A similar process has been adopted to remove businesses which did not remit under the PAYGW scheme.

7 The statistics in this publication exclude non-employing businesses. Though there are a substantial number of these businesses, it is expected that they would not contribute significantly to the estimates, although the impact would vary from industry to industry.

EXPLANATORY NOTES *continued*

STATISTICAL UNIT

8 In the Survey of New Capital Expenditure, the statistical unit used to represent businesses, and for which statistics are reported, is the Australian Business Number (ABN) unit, in most cases. The ABN unit is the business unit which has registered for an ABN, and thus appears on the ATO administered Australian Business Register. This unit is suitable for ABS statistical needs when the business is simple in structure. For more significant and diverse businesses where the ABN unit is not suitable for ABS statistical needs, the statistical unit used is the Type of Activity Unit (TAU). A TAU is comprised of one or more business entities, sub-entities or branches of a business entity within an Enterprise Group that can report production and employment data for similar economic activities. When a minimum set of data items is available, a TAU is created which covers all the operations within an industry subdivision (and the TAU is classified to the relevant subdivision of the Australian and New Zealand Standard Industrial Classification (ANZSIC)). Where a business cannot supply adequate data for each industry, a TAU is formed which contains activity in more than one industry subdivision and the TAU is classified to the predominant ANZSIC subdivision. Further details about the ABS economic statistical units used in this survey, and in other ABS economic surveys (both sample surveys and censuses), can be found in Chapter 2 of the *Standard Economic Sector Classifications of Australia (SESCA) 2002* (cat. no. 1218.0).

SURVEY METHODOLOGY

9 The survey is conducted by mail on a quarterly basis. It is based on a random sample of approximately 8,000 units which is stratified by industry, state/territory and number of employees. 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.

10 Respondents are asked to provide data on the same basis as their own management accounts. Where a selected unit does not respond in a given survey period, a value is estimated. If data are subsequently provided, the estimated value is replaced with reported data. Aggregates are calculated from all 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

11 Surveys are conducted in respect of each quarter and returns are completed in the 8 or 9 week period after the end of the quarter to which the survey data relate (e.g. March quarter survey returns are completed during April and May).

12 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).

Period to which reported data relates

Survey quarter	2004–2005				2005–2006			2006–2007	
	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
December 2004	Act	E1			E2				
March 2005	Act	Act	E1		E2				
June 2005	Act	Act	Act	E1	E2				
September 2005				Act	E1	E2			
December 2005				Act	Act	E1	E2		
March 2006				Act	Act	Act	E1	E2	
June 2006				Act	Act	Act	Act	E1	E2

EXPLANATORY NOTES *continued*

TIMING AND CONSTRUCTION OF SURVEY CYCLE *continued*

13 This survey cycle facilitates the formation of estimates of expenditure for financial years (12 months ending 30 June) which are presented in tables 5 and 6 of this publication. For example, as the table above shows for 2005-2006:

- the first estimate was available from the December 2004 survey as a longer term expectation (E2)
- the second estimate is available from the March 2005 survey (again as a longer term expectation)
- the third estimate will be available from in the June 2005 survey as the sum of two expectations (E1 + E2)
- in the September 2005, December 2005 and March 2006 surveys the fourth, fifth and sixth estimates, respectively, are derived as the sum of actual expenditure (for that part of the year completed) and expected expenditure (for the remainder of the year) as recorded in the current quarter's survey
- the final (or seventh) estimate from the June quarter 2006 survey will be derived by summing the actual expenditure for each of the four quarters in the 2005-06 financial year.

14 Businesses are requested to provide actual expenditure data by state/territory each quarter. Prior to 2002, businesses were also asked to provide expected expenditure data by state/territory each December quarter. Since 2002 state/territory expectations data have been directly collected each December quarter only from those businesses contributing significantly to data for a particular state or territory. Expectations data for the remaining businesses which operate in more than one state or territory are pro-rated to states/territories based on actual expenditure for the December quarter in each state or territory. As has always been the case, expectations data for businesses operating within a single state/territory are allocated to that state/territory.

15 These expectations data by state/territory are not included in this publication but are released on AusStats and are available on request.

SAMPLE REVISION

16 The survey frames and samples are revised each quarter to ensure that they remain representative of the survey population. The timing for creating each quarter's survey frame is consistent with that of other ABS business surveys. This provides for greater consistency when comparing data across surveys.

17 Additionally, with these revisions to the sample, some of the units from the sampled sector are rotated out of the survey and are replaced by others to spread the reporting workload equitably.

18 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 register. The majority of businesses affected and to which adjustments apply are small in size. As an indication of the size of these adjustments, in the March quarter 2006 they represented about 0.6% of the total estimate of new capital expenditure.

CLASSIFICATION BY INDUSTRY

19 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. For more information, users are referred to *Australian and New Zealand Standard Industrial Classification (ANZSIC), 1993* (cat. no. 1292.0).

20 In order to classify new capital expenditure by industry, each statistical unit (as defined above) is classified to the (ANZSIC) industry in which it mainly operates.

CHAIN VOLUME MEASURES

21 The chain volume measures appearing in this publication are annually reweighted chain Laspeyres indexes referenced to current price values in the chosen reference year (currently 2004-05). The current price values may be thought as being the product of a price and quantity. The value in chain volume terms can be derived by linking together movements in volumes, calculated using the average prices of the previous financial year

EXPLANATORY NOTES *continued*

CHAIN VOLUME MEASURES

continued

and applying compound movements to the current price estimates of the reference year. Each year's quarter-to-quarter growth rates in the chain volume series are based on the prices of the previous financial year, except for those quarters of the latest incomplete year which are based upon the second most recent financial year. Quarterly chain volume estimates for a financial year sum to the corresponding annual estimate.

22 With each release of the June quarter issue of this publication, a new base year is introduced and the reference year is advanced one year to coincide with it. This means that with the release of the June quarter 2006 issue of this publication, the chain volume measures for 2005–06 will have 2004–05 (the previous financial year) as their base year rather than 2003–04, and the reference year is 2004–05

23 A change in the reference year changes levels but not growth rates for all periods. A change in the base year can result in revisions, small in most cases, to growth rates for the last year.

24 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 capital expenditure data, this means that the original chain volume estimates for industry groups will not add to total capital expenditure for Australia. In order to minimise the impact of this, the ABS uses the latest base year as the reference year. By adopting this approach, additivity does exist for the quarters following the reference year and non-additivity is relatively small for the quarters in the reference year and those immediately preceding it. For further information on chain volume measures refer to *Information Paper: Introduction of Chain Volume Measures in the Australian National Accounts* (cat. no. 5248.0).

DERIVATION AND USEFULNESS OF REALISATION RATIOS

25 Once actual expenditure for a financial year is known, it is useful to investigate the relationship between each of the prior six estimates of expenditure for that financial year and the actual expenditure (see page 6 for an explanation of the derivation of the seven estimates). 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 three or six month expectations as well as the 12 month E2 estimates or combinations of estimates containing at least some expectation components (e.g. six months actual and six months expected expenditure).

26 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. Once this has been done the predictions can be more validly compared with each other and with previously derived estimates of actual expenditure for earlier years. For example, if one wished to make a prediction about actual expenditure for 2005–06 based on the June 2005 survey results and compare this with 2004–05 expenditure, it is necessary to apply the relevant realisation factors to the expectation to put both estimates on the same basis.

27 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 5 and 6.

28 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 regarding the predictive value of the expectation, even after adjustment by application of realisation ratios. This is particularly the case with the early 12 month expectations for the following financial year collected in the December and March surveys.

EXPLANATORY NOTES *continued*

EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE

29 Current short and long term expectations are of varying periods depending on the quarter in which they are collected (see paragraph 12 of the Explanatory Notes). Each expectation from the beginning of the time series is confronted with the actual expenditure that occurred in each quarter to which that expectations figure related (for example, June quarter 2005 short-term expectations related to the September and December quarters 2005). The output of this is to produce a quarterly realisation ratio for each expectations estimate through time.

30 Five-year average realisation ratios are then calculated. These average realisation ratios are applied to contemporary expectations to produce estimates of projected expenditure for forthcoming quarters.

31 These estimates of likely expenditure are then linked with the current price time series of actual expenditure to produce a quarterly time series which extends to the end point of the contemporary expectations series. For December, March and June quarters, the end point is 30 June of the following financial year. For September quarters, the end point is 30 June of the current financial year.

32 The resultant quarterly time series are then produced in trend terms. The same aggregation structure which is used to produce seasonally adjusted and trend estimates of actual capital expenditure is used for these projected series. (See Paragraphs 38 to 43 of the Explanatory notes for more information regarding seasonally adjusted and trend estimates).

33 While the ABS has produced these projected series to assist users in interpreting capital expenditure expectations, users should exercise caution in comparing these estimates with the estimates of actual and expected expenditure contained elsewhere in this release. In particular:

- The trend estimates which feature as key indicators in this release are based on the time series up to and including the current quarter, while the projected trend estimates are based on a time series which concludes at the end point of available expectations. Paragraph 42 of the Explanatory Notes describe the potential impact of future estimates on the end point of the trend estimate, and this is shown in more detail in the "What if ..." analysis on page 26 of this release.
- Key indicators of actual expenditure in this release are presented in volume terms, which removes the impact of price changes on the time series. Tables 1 and 2 of this release also present actual and expected expenditure in current price terms. The projected series, however, are compiled using current price estimates for the actual component of the time series (that is, prices as they related to the particular quarter) and expectations which are generally based on prices for the quarter in which they were reported. The impact of price changes can have a significant impact on some series. For example, trend estimates of total expenditure in volume terms have been increasing in recent quarters, while current price estimates have been decreasing.
- The projected series is based on five-year average realisation ratios. As is discussed in paragraphs 24 to 27 of the Explanatory Notes, there is some volatility in realisation ratios over time and so it is not necessarily the case that contemporary expectations will be realised in line with the average of the past five years.

RELIABILITY OF THE ESTIMATES

34 Estimates provided in this publication are subject to non-sampling and sampling errors. The most common way of quantifying sampling error is to calculate the standard error for the published estimate. Details of standard errors are on pages 36 and 37 of this publication.

EXPLANATORY NOTES *continued*

RELIABILITY OF THE ESTIMATES *continued*

35 Estimates that have an estimated relative standard error between 10% and 25% are annotated with the symbol '^'. These estimates should be used with caution as they are subject to sampling variability too high for some purposes. Estimates with an RSE between 25% and 50% are annotated with the symbol '*', indicating that the estimate should be used with caution as it is subject to sampling variability too high for most practical purposes. Estimates with an RSE greater than 50% are annotated with the symbol '**' indicating that the sampling variability causes the estimates to be considered too unreliable for general use. These annotations have only been applied to estimates from the September quarter 2003.

36 Non-sampling errors may arise as a result of errors in the reporting, recording or processing of the data and can occur even if there is a complete enumeration of the population. These errors can be introduced through inadequacies in the questionnaire, treatment of non-response, inaccurate reporting by respondents, errors in the application of survey procedures, incorrect recording of answers, and errors in data entry and processing.

37 Estimates for the latest quarter presented in this publication are considered preliminary and revised estimates will be released with the next issue. As discussed in Paragraphs 38 to 43 below, seasonally adjusted and trend estimates are also subject to revision as data are revised and more data becomes available.

38 It is difficult to measure the size of non-sampling errors. However, every effort is made in the design of the survey and development of survey procedures to minimise their effects. In addition, respondents may have difficulties in allocating to the appropriate state(s) expenditure on some equipment items such as mobile assets (e.g. aircraft, bulk oil carriers, satellites, off-shore drilling platforms and large computer installations supporting a national network). Where such difficulties exist expenditure is allocated to the state of the businesses' head office or, in the case of aircraft, is allocated across states in proportion to the likely use of the asset.

SEASONAL ADJUSTMENT

39 The quarterly original actual new capital expenditure series in this publication are affected in varying degrees by seasonal influences. The seasonal adjustment process estimates and removes the effects of normal seasonal variations from the original series so that the effects of other influences can be more easily recognised.

40 In the seasonal adjustment process, account has been taken of normal seasonal factors (e.g. increase in June quarter capital expenditure due to the impending end of the financial year) to produce the seasonally adjusted estimates. Particular care should be taken in interpreting quarterly movements in the seasonally adjusted estimates because seasonal adjustment does not remove the effect of irregular or non-seasonal influences (e.g. change in interest rates) and reflects the sampling and other errors to which the original estimates are subject.

41 In this publication, the seasonally adjusted estimates are produced by the concurrent seasonal adjustment method which takes account of the latest available original estimates. This method improves the estimation of seasonal factors, and therefore, the seasonally adjusted and trend estimates for the current and previous quarters. As a result of this improvement, revisions to the seasonally adjusted and trend estimates will be observed for recent periods. In most instances the only noticeable revisions will be to the previous quarter and the same quarter one year ago. A more detailed review is conducted annually prior to the September quarter release using data up to and including the June quarter. The concurrent seasonal adjustment methodology replaces the forward factor methodology previously used to adjust capital expenditure estimates where seasonal factors for these estimates were only revised following an annual reanalysis.

EXPLANATORY NOTES *continued*

SEASONAL ADJUSTMENT

continued

42 Seasonally adjusted estimates by asset type for Tasmania, Northern Territory and Australian Capital Territory are not separately available because of the high sampling variability associated with them. They are included in totals for Australia and while a combined residual can be derived, the measure should not be considered reliable.

TREND ESTIMATES

43 The trend estimates are derived by applying a 7-term Henderson moving average to the seasonally adjusted estimates. The 7-term Henderson moving average is symmetric, but as the end of a time series is approached, asymmetric forms of the moving average are applied. The asymmetric moving average has been tailored to suit the particular characteristics of individual series and enable trend estimates for recent quarters to be produced. Estimates of the trend will be improved at the current end of the time series as additional observations become available. This improvement is due to the application of different asymmetric moving averages for the most recent three quarters. As a result of the improvement, revisions to the trend estimates will generally be observed for the most recent three quarters.

44 There may also be revisions because of changes in the original estimates. As a result of these revisions, the seasonally adjusted and trend estimates will also be revised. For further information, see *Information Paper: A Guide to Interpreting Time Series — Monitoring Trend, An Overview* (cat. no. 1349.0) or contact the Assistant Director, Time Series Analysis on Canberra (02) 6252 6345 or email <timeseries@abs.gov.au>.

DESCRIPTION OF TERMS

45 A description of the terms used in this publication is given below:

46 *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.

47 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.

COMPARISON WITH NATIONAL ACCOUNTS AND OTHER ABS STATISTICS

48 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:

EXPLANATORY NOTES *continued*

COMPARISON WITH NATIONAL ACCOUNTS AND OTHER ABS STATISTICS *continued*

- National Accounts estimates incorporate data from other sources as well as information from the new capital expenditure survey. For example, annual estimates for capital expenditure on 'machinery and equipment' are based on the ABS' annual Economic Activity Survey combined with data from the Australian Taxation Office. Quarterly estimates are interpolated between and extrapolated from the annual 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 dwellings and other building and structures items.
- National Accounts estimates include capital expenditure by all private businesses including units classified to agriculture, forestry and fishing, education, and health 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.
- National accounts estimates of gross fixed capital formation relate to acquisitions less disposals of new or existing fixed assets, whereas the survey figures are acquisitions of new fixed tangible assets only.

49 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* (cat. no. 5216.0).

50 The estimates of capital expenditure on buildings and other structures will differ with estimates of Construction activity published in *Construction Work Done, Australia, Preliminary* (cat. no. 8755.0). The latter publication presents estimates of building and engineering construction work collected by the Building Activity Survey and the Engineering Construction Survey. Estimates of construction activity are based on the value of actual work done during the quarter of individual building or construction jobs by builders, and do not necessarily equate to capitalisation of this work by the builders' eventual clients. Estimates of capital expenditure in this publication are based on data reported by businesses (that is, the builders' clients) from their financial or management accounts for purchases of buildings and structures.

RELATED PUBLICATIONS

51 Users may also wish to refer the following publications:

- *Australian Business Expectations* (cat. no. 5250.0)
- *Australian National Accounts: National Income, Expenditure and Product* (cat. no. 5206.0)
- *Australian National Accounts: Concepts, Sources and Methods* (cat. no. 5216.0)
- *Building Activity, Australia* (cat. no. 8752.0)
- *Business Indicators, Australia* (cat. no. 5676.0)
- *Business Operations and Industry Performance, Australia* (cat. no. 8140.0)
- *Constructon Work Done, Australia* (cat no 8755.0)
- *Directory of Capital Expenditure Data Sources and Related Statistics* (cat. no. 5653.0)
- *Engineering Construction Activity, Australia* (cat. no. 8762.0)
- *Information Paper: Experimental Estimates: Australian Industry, A State Perspective, 1998–99* (cat. no. 8156.0)
- *Information Paper: Improvements to Australian Bureau of Statistics Business Indicators* (cat. no. 5677.0)
- *Information Paper: Australian National Accounts, Introduction of Chain Volume and Price Indexes* (cat. no. 5248.0)

EXPLANATORY NOTES *continued*

RELATED PUBLICATIONS

continued

52 Current publications and other products released by the ABS are listed in the *Catalogue of Publications and Products* (cat. no. 1101.0). The Catalogue is available from any ABS office or the ABS web site <<http://www.abs.gov.au>>. The ABS also issues a daily Release Advice on the web site which details products to be released in the week ahead.

ABS DATA AVAILABLE ON REQUEST

53 In addition to the data contained in this publication, more detailed industry and state information may be made available on request, the cost for such a service being dependent upon the amount of data requested. For example, data are generally available at the ANZSIC group (3 digit) level.

DATA AVAILABLE ON AUSSTATS

54 The ABS' time series service AusStats contains most of the data included in this publication but with a longer time series. In addition to the series in this publication, data for Manufacturing Subdivisions and State by Industry data are also available. A full list of available AusStats tables is in Appendix 2 on page 38.

ACKNOWLEDGMENT

55 ABS publications draw extensively on information provided freely by individuals, businesses, governments and other organisations. Their continued cooperation is very much appreciated; without it, the wide range of statistics published by the ABS would not be available. Information received by the ABS is treated in strict confidence as required by the *Census and Statistics Act 1905*.

APPENDIX 1 SAMPLING ERRORS

LEVEL ESTIMATES

INTRODUCTION

The estimates in this publication are based on a sample drawn from units in the surveyed population. Because the entire population is not surveyed, the published estimates are subject to sampling error. The most common way of quantifying such sampling error is to calculate the standard error for the published estimate or statistic.

EXAMPLE OF USE

To illustrate, let us say that the published level estimate for total capital expenditure is \$10,500m and the calculated standard error in this case is \$173m. The standard error is then used to interpret the level estimate of \$10,500m. For instance, the standard error of \$173m indicates that:

- There are approximately two chances in three that the real value falls within the range \$10,327m to \$10,673m ($\$10,500\text{m} \pm \173m)
- There are approximately 19 chances in 20 that the real value falls within the ranges \$10,154m and \$10,846m ($\$10,500\text{m} \pm \346m)

The real value in this case is the result we would obtain if we could enumerate the total population.

The following table shows the standard errors for quarterly level estimates. These standard errors are based on a smoothed average of capital expenditure estimates.

	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>
	\$m	\$m	\$m
Mining	11	16	36
Manufacturing	16	51	62
Construction	7	35	40
Wholesale trade	5	57	65
Retail trade	7	22	34
Transport and storage	10	40	45
Finance and insurance	3	29	31
Property and business services	52	62	84
Other services	69	36	89
Total	90	124	173
New South Wales	17	77	92
Victoria	73	71	108
Queensland	10	35	44
South Australia	2	13	27
Western Australia	5	25	32
Tasmania	1	8	8
Northern Territory	na	na	2
Australian Capital Territory	na	na	6
Australia	90	124	173

na not available

APPENDIX 1 SAMPLING ERRORS *continued*

MOVEMENT ESTIMATES

EXAMPLE OF USE

The following example illustrates how to use the standard error to interpret a movement estimate. Let us say that one quarter the published level estimate for total capital expenditure is \$10,500m, and the next quarter the published level estimate is \$11,100m. In this example the calculated standard error for the movement estimate is \$221m. The standard error is then used to interpret the published movement estimate of +\$600m.

For instance, the standard error of \$221m indicates that:

- There are approximately two chances in three that the real movement over the two quarter period falls within the range \$379m to \$821m ($\$600m \pm \$221m$)
- There are approximately nineteen chances in twenty that the real movement falls within the range \$158m to \$1,042m ($\$600m \pm \$442m$)

The following table shows the standard errors for national quarterly movement estimates. These standard errors are based on a smoothed average of capital expenditure estimates.

	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>
	\$m	\$m	\$m
Mining	15	23	49
Manufacturing	22	64	78
Construction	10	48	55
Wholesale trade	7	51	66
Retail trade	11	25	45
Transport and storage	12	49	53
Finance insurance	5	40	32
Property and business services	74	84	114
Other services	98	46	119
Total	127	153	221
New South Wales	26	99	103
Victoria	26	114	117
Queensland	63	75	100
South Australia	10	84	84
Western Australia	24	87	91
Tasmania	5	21	21
Northern Territory	na	na	33
Australian Capital Territory	na	na	67
Australia	127	153	221

na not available

APPENDIX 2 DATA AVAILABLE ON AUSSTATS

DATA AVAILABLE ON AUSSTATS

The full list of Ausstats tables is as follows:

- 1a Actual expenditure, By type of asset and broad industry, Australia, Original, Current price terms
- 1b Short-term expectations, By type of asset and broad industry, Australia, Original, Current price terms
- 1c Long-term expectations, By type of asset and broad industry, Australia, Original, Current price terms
- 1e Actual expenditure, By type of asset and broad industry, Australia, Seasonally adjusted, Current price terms
- 1f Actual expenditure, By type of asset and broad industry, Australia, Trend, Current price terms
- 2a Actual expenditure, By detailed industry, Australia, Original, Current price terms
- 2b Short-term expectations, By detailed industry, Australia, Original, Current price terms
- 2c Long-term expectations, By detailed industry, Australia, Original, Current price terms
- 2e Actual expenditure, By detailed industry, Australia, Seasonally adjusted, Current price terms
- 2f Actual expenditure, By detailed industry, Australia, Trend, Current price terms
- 3a Actual expenditure, By type of asset, Australia, Original, Seasonally adjusted, Trend, Chain volume measures
- 3b Actual expenditure, By industry, Australia, Original, Seasonally adjusted, Trend, Chain volume measures
- 4a Actual expenditure, By type of asset, States and Australia, Original, Current price terms
- 4b Actual expenditure, By type of asset, States and Australia, Seasonally adjusted, Current price terms
- 4c Actual expenditure, By type of asset, States and Australia, Trend, Current price terms
- 5a Actual expenditure, By type of asset, States and Australia, Original, Chain volume measures
- 5b Actual expenditure, By type of asset, States and Australia, Seasonally adjusted, Chain volume measures
- 5c Actual expenditure, By type of asset, States and Australia, Trend, Chain volume measures
- 6a Actual and expected expenditure, By type of asset, New South Wales, Original, Current price terms
- 6b Actual and expected expenditure, By industry, New South Wales, Original, Current price terms
- 7a Actual and expected expenditure, By type of asset, Victoria, Original, Current price terms
- 7b Actual and expected expenditure, By industry, Victoria, Original, Current price terms
- 8a Actual and expected expenditure, By type of asset, Queensland, Original, Current price terms
- 8b Actual and expected expenditure, By industry, Queensland, Original, Current price terms
- 9a Actual and expected expenditure, By type of asset, South Australia, Original, Current price terms
- 9b Actual and expected expenditure, By industry, South Australia, Original, Current price terms
- 10a Actual and expected expenditure, By type of asset, Western Australia, Original, Current price terms

APPENDIX 2 DATA AVAILABLE ON AUSSTATS *continued*

DATA AVAILABLE ON
AUSSTATS *continued*

10b Actual and expected expenditure, By industry, Western Australia, Original,
Current price terms

11a Actual and expected expenditure, By type of asset, Tasmania, Original, Current
price terms

11b Actual and expected expenditure, By industry, Tasmania, Original, Current price
terms

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