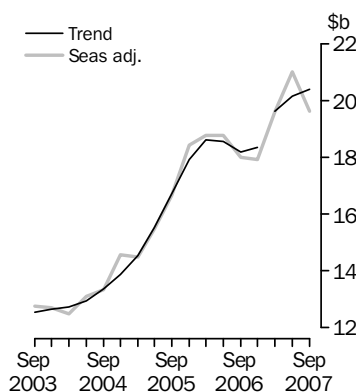


PRIVATE NEW CAPITAL EXPENDITURE AND EXPECTED EXPENDITURE AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) THURS 29 NOV 2007

New Capital Expenditure in volume terms



KEY FIGURES

	Sep Qtr 07	Jun Qtr 07 to Sep Qtr 07	Sep Qtr 06 to Sep Qtr 07
	\$m	% change	% change
Trend estimates^(a)			
Total new capital expenditure	20 406	1.2	12.2
Buildings & structures	8 727	0.6	15.5
Equipment, plant & machinery	11 713	1.8	9.9
Seasonally adjusted^(a)			
Total new capital expenditure	19 638	-6.5	9.0
Buildings & structures	8 272	-9.4	11.6
Equipment, plant & machinery	11 495	-2.3	7.8

(a) In volume terms.

KEY POINTS

ACTUAL EXPENDITURE (VOLUME TERMS)

- The trend estimate for total new capital expenditure (in volume terms) increased by 1.2% in the September quarter 2007 while the seasonally adjusted estimate decreased by 6.5%.
- The equipment, plant and machinery trend volume estimate increased 1.8% in the September quarter 2007. In seasonally adjusted terms the estimate fell by 2.3%.
- The trend estimate for buildings and structures increased 0.6% this quarter while the seasonally adjusted estimate fell by 9.4%.

EXPECTED EXPENDITURE (CURRENT TERMS)

- This issue includes the fourth estimate for 2007-08.
- The fourth estimate for 2007-08 is \$83,834m. This is 20.1% higher than the fourth estimate for 2006-07. Estimate 4 is 6.0% higher than the third estimate for 2007-08.
- 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 Scott Johnston on Sydney (02) 9268 4357.

NOTES

FORTHCOMING ISSUES

ISSUE (Quarter)

RELEASE DATE

December 2007

28 February 2008

March 2008

29 May 2008

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CHANGES IN THIS ISSUE

A new reference year has typically been updated annually every June quarter. From 2007 onwards the updating of the reference year will be completed in the September quarter each year. In September 2007 the new reference year will be 2005-06 for chain volume estimates. This has resulted in revisions to growth rates in quarters following 2005-06 but has preserved additivity in those quarters. For earlier periods re-referencing affects the levels of, but not the movements in, chain volume estimates.

Recently, the ABS has implemented improved methods of producing seasonally adjusted estimates, focused on the application of Autoregressive Integrated Moving Average (ARIMA) modelling techniques. The revision properties of the seasonally adjusted and trend estimates can be improved by the use of ARIMA modelling. ARIMA modelling relies on the characteristics of the series being analysed to project future period data. The projected values are temporary, intermediate values, that are only used internally to improve the estimation of the seasonal factors. The projected data do not affect the original estimates and are discarded at the end of the seasonal adjustment process. This collection will use, from the 2007 annual seasonal reanalysis, concurrent seasonal adjustment with ARIMA modelling where applicable to reduce the level of revision to seasonally adjusted capital expenditure estimates.

REVISIONS IN THIS ISSUE

The trend break adjustment required for the March 2007 quarter volume estimates was not applied to the individual State building and structures series published last quarter. (Plant and equipment and total trend estimates were correct). The effect of this is that calculated movements for all quarters except the December to March movement were correct, but the levels prior to March quarter were too high. This is correct for all series except Northern Territory movements between December 1999 and March 2000 and December 2000 and March 2001 where the published movements were incorrect due to an error in sourcing these cells. December 2006 to March 2007 movements should not be used as estimates up to and including December 2006 exclude Telstra, whereas, the March 2007 and subsequent estimates include Telstra. Remaining revisions to December quarter data are a result of the replacement of previously imputed data, which is a normal occurrence, along with changes due to the introduction of the new reference year.

Brian Pink

Australian Statistician

CONTENTS

page

COMMENTARY

Actual New Capital Expenditure, In Volume Terms	4
Actual and Expected New Capital Expenditure	6
Experimental Projected Capital Expenditure	10

TABLES

ACTUAL AND EXPECTED EXPENDITURE

1 Actual and expected expenditure, By type of asset and industry, Current prices	13
2 Actual and expected expenditure, By detailed industry, Current prices	14
3 Actual expenditure, By type of asset and industry, Chain volume measures	15
4 Actual expenditure, By type of asset and industry, Percentage change, Chain volume measures	16

FINANCIAL YEAR EXPENDITURE

5 Expected expenditure and realisation ratios, By type of asset, Current prices	17
6 Expected expenditure and realisation ratios, By industry, Current prices	18
7 Ratios of actual to short term expectations, By type of asset and industry, Current prices	19

STATE ESTIMATES

8 Actual expenditure on buildings and structures, By state, Current prices	20
9 Actual expenditure on equipment, plant and machinery, By state, Current prices	21
10 Actual total expenditure, By state, Current prices	22
11 Actual expenditure on buildings and structures, By state, Chain volume measures	23
12 Actual expenditure on equipment, plant and machinery, By state, Chain volume measures	24
13 Actual total expenditure, By state, Chain volume measures	25

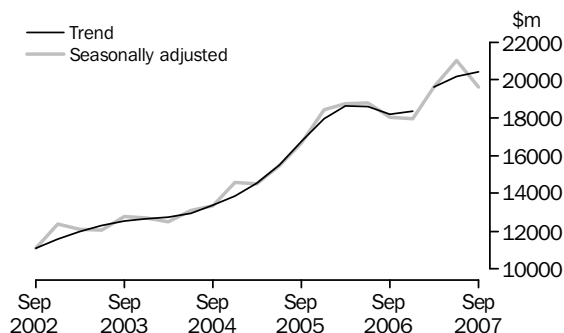
ADDITIONAL INFORMATION

What if...? Revisions to trend estimates	26
Explanatory Notes	27
Appendix 1: Sampling errors	36
Appendix 2: Data available on ABS Website	38

ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS

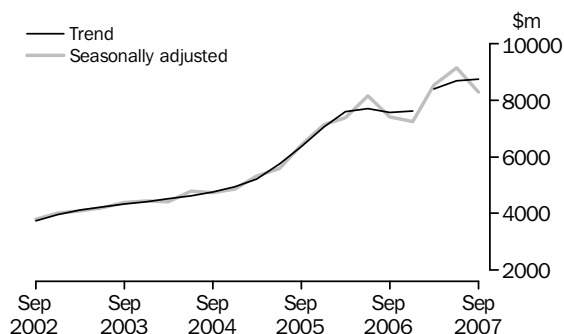
TOTAL CAPITAL EXPENDITURE

The trend estimate for total new capital expenditure rose by 1.2% in the September quarter 2007. The growth has been seen in both asset types and driven by rises in Mining (2.0%) and Other selected industries (2.1%). The seasonally adjusted series for total new capital expenditure fell by 6.5% in the September quarter 2007 following the strong June quarter.



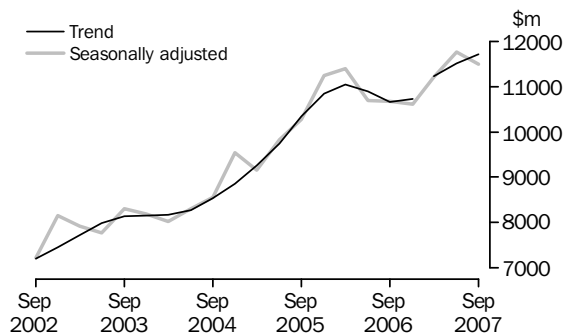
BUILDINGS AND STRUCTURES

Buildings and structures trend estimate has risen by 0.6% in the September quarter 2007. The seasonally adjusted estimate for buildings and structures fell by 9.4% in the September quarter 2007. Other selected industries was the main contributor with a fall of 19.0%.



EQUIPMENT, PLANT AND MACHINERY

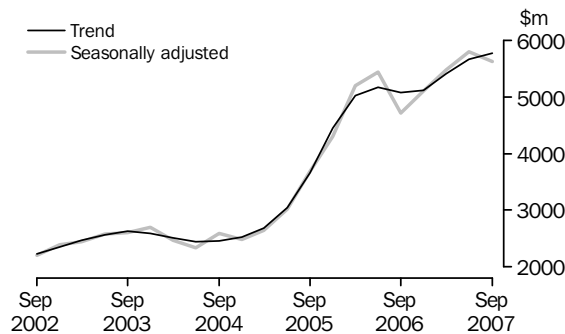
The trend estimate for equipment, plant and machinery rose by 1.8% in the September quarter 2007. Other selected industries rose by 2.9% while both Mining (-0.2%) and Manufacturing (-0.7%) fell this quarter. The seasonally adjusted series has fallen by 2.3% this quarter with Mining, Manufacturing and Other selected industries all recording falls in equipment capital expenditure.



ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS *continued*

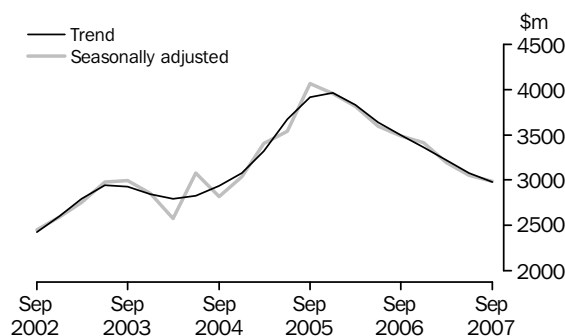
MINING

The trend estimate for Mining has risen 2.0% in the September quarter 2007. The building asset class has risen by 2.6% while equipment has had a small decrease of 0.2%. In seasonally adjusted terms the Mining estimate fell by 3.0%. Both asset classes contributed to this fall with building declining by 0.7% and equipment by 8.6%. This is the first fall in the seasonally adjusted Mining series after three quarters of growth.



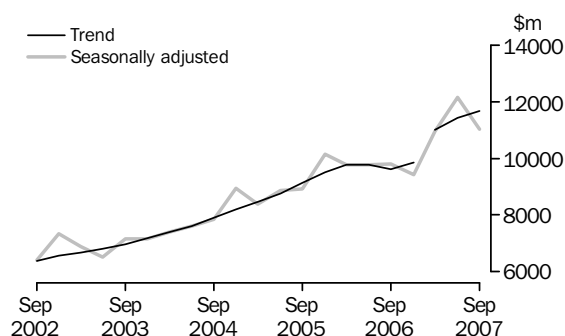
MANUFACTURING

The Manufacturing trend estimate fell by 3.2% in the September quarter 2007 which is the seventh consecutive fall. Building and structures fell 11.4% while equipment, plant and machinery had a small decrease of 0.7%. In seasonally adjusted terms, the Manufacturing estimate fell by 2.1%, which is the eighth consecutive fall. Building and structures fell by 2.9% while equipment, plant and machinery fell by 1.8%.



OTHER SELECTED INDUSTRIES

The trend estimate for Other selected industries (2.1%) has continued to rise in the September quarter 2007. Both asset classes rose with building and structures increasing by 0.8% and equipment, plant and machinery by 2.9%. The seasonally adjusted estimate for Other selected industries decreased by 9.3%. In terms of asset classes, buildings and structures fell by 19.0% and equipment, plant and machinery by 1.5%.



ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE

FINANCIAL YEARS AT CURRENT PRICES

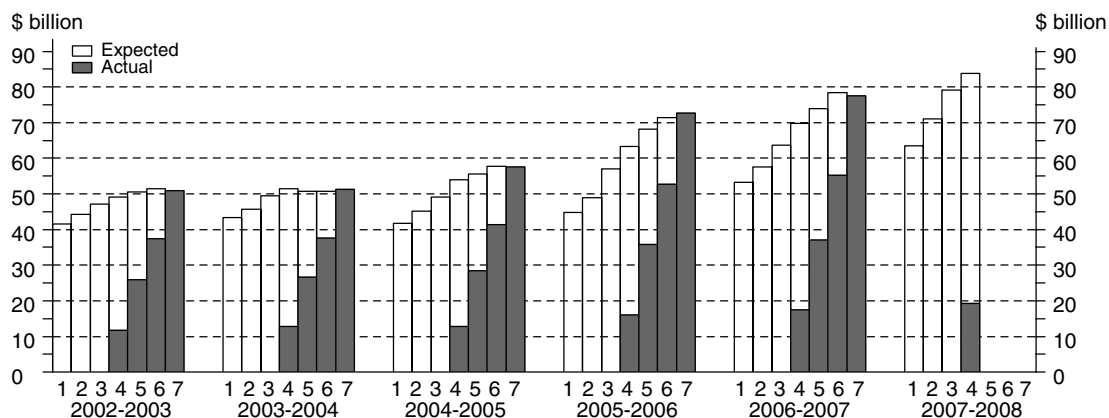
The graphs below show the seven estimates of actual and expected expenditure for each financial year. The estimates appearing below relate to data contained in tables 5 and 6. Advice about the application of realisation ratios to these estimates is in paragraphs 25 to 28 of the Explanatory Notes.

The timing and construction of these estimates are as follows:

		COMPOSITION OF ESTIMATE.....		
		<i>Data on long-term expected expenditure</i>	<i>Data on short-term expected expenditure</i>	<i>Data on actual expenditure</i>
Estimate	Based on data reported at:			
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

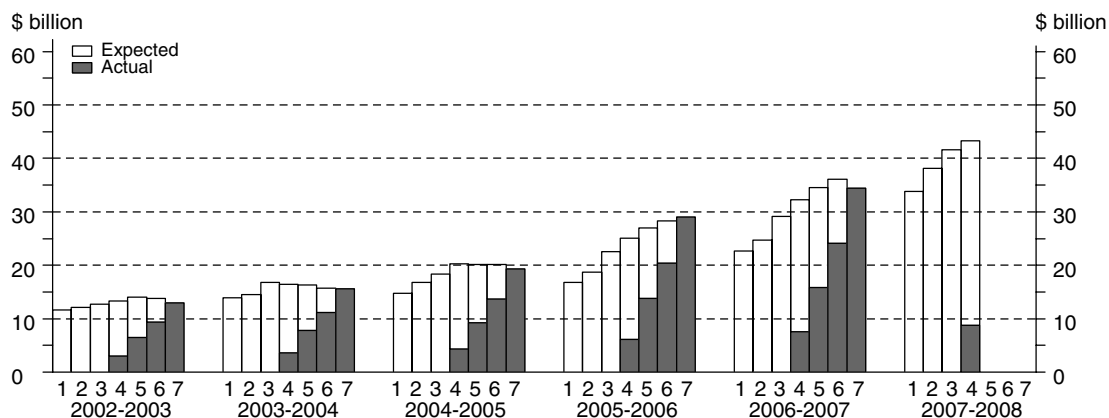
Estimate 4 for 2007-08 is \$83,834 million. This is an increase of 20.1% from the Estimate 4 for 2006-07. The building asset class was the main driver for this growth rising 34.2%. Equipment rose 8.0% between these two estimates. Mining (38.0%) and Other selected industries (19.2%) showed strong growth between these estimates while Manufacturing (-6.1%) fell. There has been a 6.0% rise between Estimate 4 and Estimate 3 of 2007-08. Both asset classes increased with equipment rising by 8.3% and building by 4.0%. All publication industries have forecast increased expenditure between these two estimates.



ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

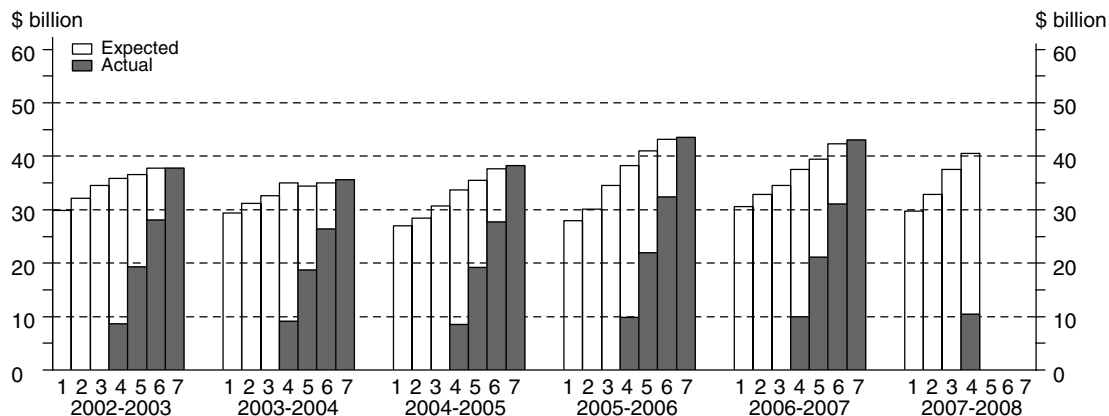
BUILDING AND STRUCTURES

Estimate 4 for 2007-08 at \$43,249 million has risen by 34.2% when compared to Estimate 4 for 2006-07. Mining (40.9%) and Other selected industries (40.5%) showed strong growth between these estimates while Manufacturing fell by 10.0%. Estimate 4 has risen by 4.0% when compared to Estimate 3 of 2007-08. Mining, Manufacturing and Other selected industries have all risen between these two estimates.



EQUIPMENT, PLANT AND MACHINERY

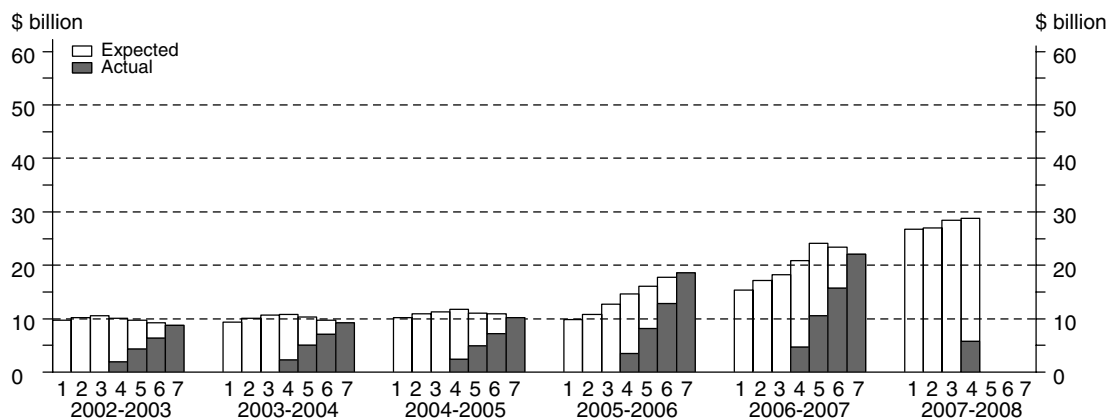
Estimate 4 is 8.0% higher in 2007-08 than it was in the previous year at \$40,585 million. Mining (29.5%) is the major driver for this increase between the financial years. Estimate 4 is 8.3% higher than Estimate 3 of 2007-08. Most of this growth has come through Other selected industries which rose by 13.4%.



ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

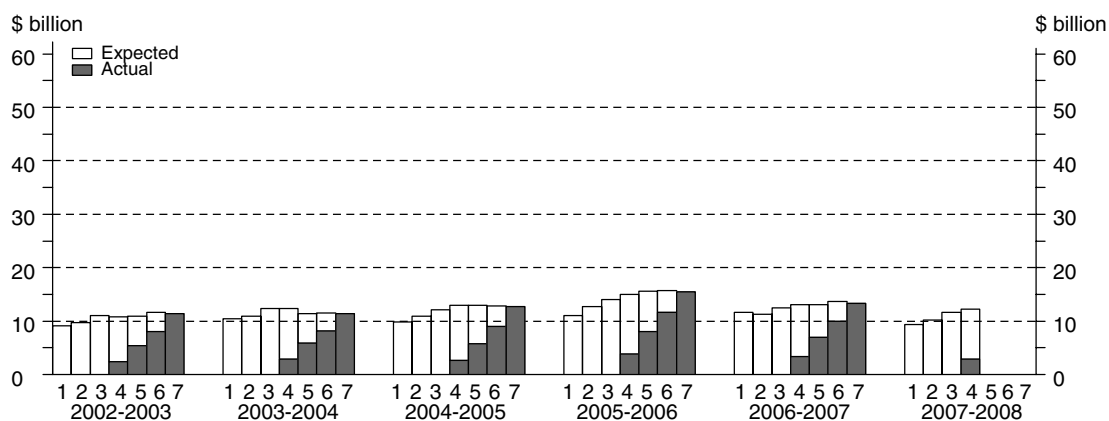
MINING

Estimate 4 for 2007-08 is at \$28,782 million which is 38.0% higher than Estimate 4 of the previous year. Both asset classes have been strong in this period with equipment increasing by 29.5% and building by 40.9%. Estimate 4 has shown a moderate rise 1.2% when compared to Estimate 3 of 2007-08. With both equipment (2.0%) and, building (0.9%) achieving small rises between these estimates.



MANUFACTURING

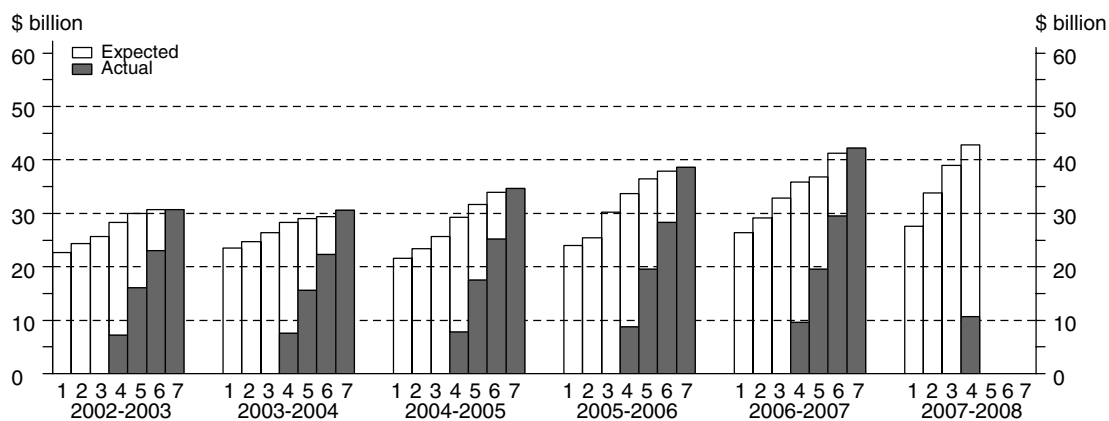
The fourth estimate of 2007-08 at \$12,275 million is 6.1% lower than the corresponding estimate in 2006-07. Both asset classes have fallen between these two estimates (equipment -4.2% and building -10.0%). The growth that has been seen in the first three estimates of 2007-08 has continued with Estimate 4 being 5.7% greater than Estimate 3 of 2007-08. Equipment fell by 0.1% but this was more than countered by a healthy rise in the building asset class of 21.3%.



ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

OTHER SELECTED INDUSTRIES

Estimate 4 for 2007-08 of \$42,777 million is 19.2% greater than Estimate 4 of 2006-07. In asset terms the Building class has grown by 40.5% and equipment by 7.7%. Estimate 4 is 9.7% greater than Estimate 3 of 2007-08. All industries within this classification rose between these two estimates with the greatest contribution coming from Property and business services and Construction. Both asset classes grew between these estimates with equipment the larger contributor rising 13.4% compared to the building asset increasing by 4.8%.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE

IN CURRENT PRICE TERMS

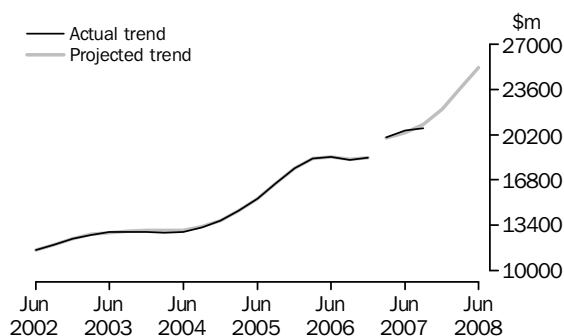
PROJECTED CAPITAL EXPENDITURE SERIES

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 September quarter 2007 data, which includes expected expenditure up to and including the June quarter 2008. Please see paragraphs 29 to 33 of the Explanatory Notes for further details about the methodology and cautionary notes for these series.

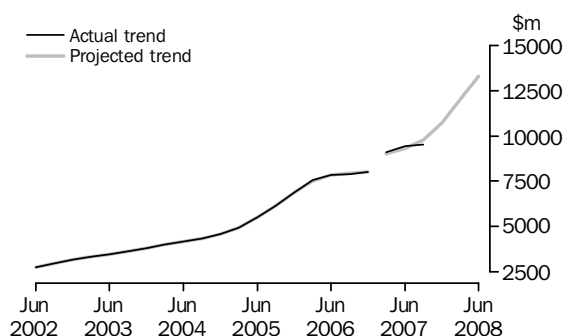
TOTAL CAPITAL EXPENDITURE

Total capital expenditure continues to show strong signs that the recent growth will continue to develop for the remainder of the financial year. The expectations for the remainder of the 2007-08 financial year suggest that the series will move above the recent high levels.



BUILDINGS AND STRUCTURES

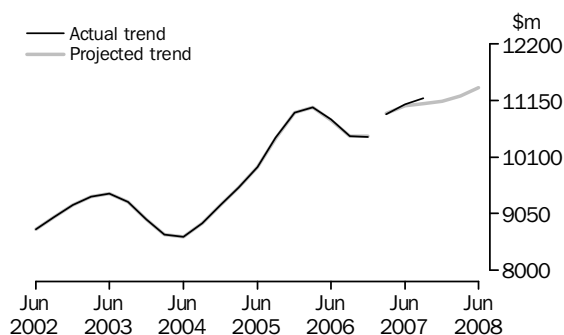
The buildings and structures current price trend series has grown substantially in the past five years. The expectations are that the momentum will continue and the series will surge past the \$12,000m level per quarter during the second half of the 2007-08 financial year.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE *continued*

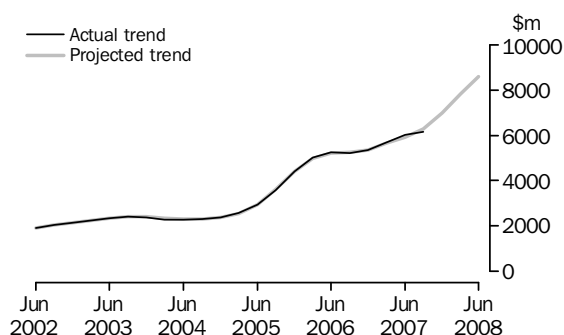
EQUIPMENT, PLANT AND MACHINERY

The equipment, plant and machinery current price trend series has displayed significant growth from June 2004. The projections for this series suggest that the current levels will be maintained with the possibility of a renewed rise towards the end of the 2007-08 financial year.



MINING

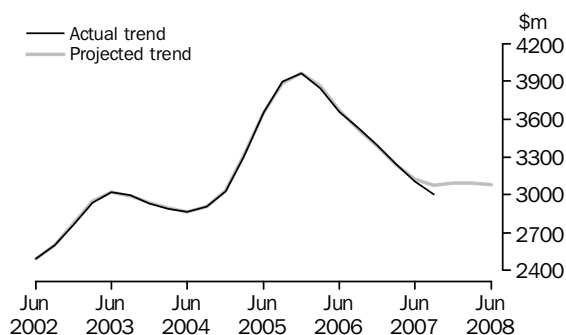
The Mining series has grown from the \$2,000m per quarter level in 2002 to \$6,000m in recent quarters. The projections for this series see increased momentum for the remainder of the financial year with the series driving towards \$8,000m capital expenditure per quarter.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE *continued*

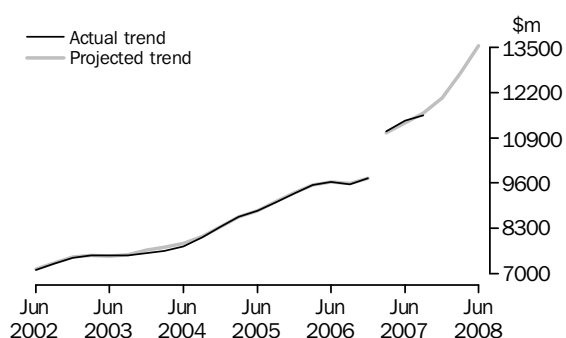
MANUFACTURING

The Manufacturing trend series has been in a state of continual decline since its high in the 2005-06 financial year. While September quarter estimates showed further decline in the series, the expectations for the remainder of the financial year suggest that the series will plateau.



OTHER SELECTED INDUSTRIES

This series was affected by the trend break applied between December quarter 2006 and March quarter 2007. The new trend has shown a large shift in level and the series projections look to be extremely strong for the remainder of 2007-08.



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)												
2005–06	13 060	4 965	11 031	29 057	5 548	10 463	27 573	43 584	18 609	15 428	38 605	72 641
2006–07	16 283	4 079	14 100	34 461	5 836	9 186	28 069	43 090	22 118	13 264	42 169	77 552
2005–06												
June	4 531	1 236	2 891	8 658	1 270	2 592	7 358	11 221	5 801	3 829	10 249	19 879
2006–07												
September	3 562	1 169	2 818	7 549	1 106	2 160	6 731	9 997	4 668	3 329	9 549	17 546
December	4 131	1 189	3 017	8 337	1 709	2 498	6 951	11 158	5 841	3 687	9 967	19 495
March	3 879	899	3 471	8 249	1 278	2 084	6 504	9 865	5 156	2 983	9 975	18 114
June	4 711	821	4 794	10 326	1 743	2 444	7 883	12 071	6 454	3 265	12 678	22 397
2007–08												
September	4 218	794	3 782	8 794	1 532	2 050	6 872	10 453	5 750	2 844	10 654	19 247
ORIGINAL (Expected) (a)												
2007–08												
3 mths to Dec	5 767	1 220	4 935	11 922	1 943	2 516	6 866	11 325	7 710	3 736	11 800	23 247
6 mths to Jun	11 846	1 767	8 920	22 533	3 476	3 929	11 403	18 807	15 322	5 695	20 323	41 340
Total fin year	21 832	3 781	17 636	43 249	6 950	8 494	25 141	40 585	28 782	12 275	42 777	83 834
SEASONALLY ADJUSTED (Actual)												
2005–06												
June	4 311	1 225	2 773	8 309	1 227	2 387	6 900	10 513	5 538	3 612	9 674	18 824
2006–07												
September	3 744	1 173	2 810	7 727	1 124	2 352	7 028	10 503	4 868	3 525	9 837	18 230
December	3 775	1 115	2 808	7 698	1 541	2 333	6 533	10 407	5 316	3 448	9 341	18 105
March	4 293	970	3 881	9 144	1 463	2 247	7 137	10 847	5 756	3 217	11 017	19 990
June	4 474	812	4 678	9 964	1 680	2 256	7 370	11 307	6 154	3 068	12 048	21 270
2007–08												
September	4 447	800	3 784	9 031	1 566	2 231	7 201	10 997	6 013	3 031	10 985	20 029
TREND ESTIMATES (Actual)												
2005–06												
June	3 934	1 238	2 682	7 854	1 317	2 422	7 048	10 788	5 251	3 660	9 630	18 541
2006–07												
September	3 948	1 183	2 763	7 894	1 279	2 347	6 856	10 483	5 227	3 530	9 571	18 328
December	3 964	1 087	2 959	8 010	1 379	2 305	6 800	10 479	5 343	3 392	9 743	18 478
March	4 158	969	3 990	9 117	1 533	2 275	7 075	10 889	5 691	3 244	11 083	20 018
June	4 404	857	4 174	9 435	1 601	2 247	7 218	11 067	6 005	3 104	11 393	20 502
2007–08												
September	4 548	771	4 216	9 535	1 612	2 230	7 346	11 191	6 160	3 001	11 532	20 693

(a) Not directly comparable with estimates of actual expenditure due to likely over/under realisation. See paragraphs 25 to 28 of the Explanatory Notes.

ACTUAL AND EXPECTED EXPENDITURE, By detailed industry—Current prices

	Mining	Manu- facturing	Construction	Wholesale trade	Retail trade	Transport and storage	Finance and insurance	Property and business services	Other services	Total
Period	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)										
2005–06	18 609	15 428	2 461	3 015	4 448	9 062	3 412	8 976	7 230	72 641
2006–07	22 118	13 264	2 625	2 793	4 340	7 786	3 440	10 341	10 844	77 552
2005–06										
June	5 801	3 829	^ 709	663	1 200	2 185	865	2 637	1 991	19 879
2006–07										
September	4 668	3 329	^ 608	647	1 116	2 081	819	2 265	2 013	17 546
December	5 841	3 687	598	773	1 232	^ 1 817	951	2 370	2 227	19 495
March	5 156	2 983	^ 649	623	911	^ 1 739	795	2 467	2 790	18 114
June	6 454	3 265	^ 771	750	1 081	2 148	874	3 239	3 814	22 397
2007–08										
September	5 750	2 844	^ 735	751	1 200	1 785	787	2 626	2 769	19 247
ORIGINAL (Expected) (a)										
2007–08										
3 mths to Dec	7 710	3 736	641	736	1 241	2 054	826	2 747	3 556	23 247
6 mths to Jun	15 322	5 695	1 062	1 202	1 945	3 117	1 491	4 883	6 622	41 340
Total fin year	28 782	12 275	2 439	2 689	4 386	6 956	3 104	10 256	12 947	83 834
SEASONALLY ADJUSTED (Actual)										
2005–06										
June	5 538	3 612	657	630	1 184	2 022	800	2 429	1 952	18 824
2006–07										
September	4 868	3 525	676	669	1 079	2 170	834	2 298	2 111	18 230
December	5 316	3 448	557	695	1 110	1 677	912	2 314	2 076	18 105
March	5 756	3 217	690	707	1 087	1 965	894	2 744	2 930	19 990
June	6 154	3 068	712	715	1 057	1 991	808	2 967	3 798	21 270
2007–08										
September	6 013	3 031	813	786	1 169	1 881	802	2 681	2 853	20 029
TREND ESTIMATES (Actual)										
2005–06										
June	5 251	3 660	649	694	1 143	2 181	856	2 149	1 958	18 541
2006–07										
September	5 227	3 530	630	666	1 127	1 992	864	2 265	2 027	18 328
December	5 343	3 392	628	676	1 090	1 892	874	2 466	2 117	18 478
March	5 691	3 244	661	708	1 083	1 898	874	2 672	3 187	20 018
June	6 005	3 104	726	734	1 099	1 924	837	2 812	3 261	20 502
2007–08										
September	6 160	3 001	789	763	1 122	1 952	799	2 858	3 249	20 693

^ 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 25 to 28 of the Explanatory Notes.

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							
2003-04	18 003	32 818	51 053	10 116	11 505	29 308	51 053
2004-05	20 521	37 088	57 848	10 747	12 796	34 065	57 848
2005-06	29 057	43 584	72 641	18 609	15 428	38 605	72 641
2006-07	32 314	44 243	76 558	21 083	13 151	42 324	76 558
2005-06							
September	6 292	9 791	16 090	3 567	3 833	8 663	16 090
December	7 712	12 043	19 766	4 743	4 225	10 799	19 766
March	6 595	10 344	16 956	4 615	3 549	8 802	16 956
June	8 458	11 406	19 829	5 684	3 820	10 340	19 829
2006-07							
September	7 235	10 145	17 380	4 520	3 297	9 566	17 380
December	7 863	11 359	19 222	5 597	3 644	9 983	19 222
March	7 709	10 188	17 897	4 899	2 962	10 034	17 897
June	9 508	12 551	22 059	6 067	3 248	12 740	22 059
2007-08							
September	8 009	10 913	18 922	5 356	2 810	10 752	18 922
SEASONALLY ADJUSTED							
2005-06							
September	6 407	10 268	16 679	3 685	4 060	8 920	16 679
December	7 134	11 234	18 418	4 302	3 954	10 142	18 418
March	7 376	11 396	18 764	5 190	3 817	9 773	18 764
June	8 140	10 686	18 780	5 432	3 597	9 769	18 780
2006-07							
September	7 410	10 667	18 011	4 716	3 491	9 804	18 011
December	7 252	10 602	17 933	5 100	3 410	9 423	17 933
March	8 518	11 210	19 610	5 474	3 195	10 940	19 610
June	9 135	11 765	21 005	5 794	3 054	12 157	21 005
2007-08							
September	8 272	11 495	19 638	5 621	2 991	11 026	19 638
TREND							
2005-06							
September	6 366	10 343	16 731	3 666	3 909	9 136	16 731
December	7 050	10 850	17 924	4 446	3 959	9 513	17 924
March	7 586	11 037	18 610	5 017	3 828	9 773	18 610
June	7 697	10 894	18 565	5 165	3 637	9 776	18 565
2006-07							
September	7 558	10 657	18 182	5 072	3 499	9 620	18 182
December	7 623	10 721	18 335	5 121	3 362	9 844	18 335
March	(b) 8 388	(b) 11 227	(b) 19 618	5 405	3 217	(b) 10 996	(b) 19 618
June	8 679	11 506	20 164	5 658	3 079	11 425	20 164
2007-08							
September	8 727	11 713	20 406	5 773	2 980	11 671	20 406

(a) Reference year for chain volume measures is 2005-06.

(b) Break in series between December 2006 and March 2007.

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							
2003-04	11.8	5.5	7.1	5.1	6.7	7.9	7.1
2004-05	14.0	13.0	13.3	6.2	11.2	16.2	13.3
2005-06	41.6	17.5	25.6	73.1	20.6	13.3	25.6
2006-07	11.2	1.5	5.4	13.3	-14.8	9.6	5.4
2005-06							
September	8.3	-6.1	-1.3	13.7	2.0	-7.4	-1.3
December	22.6	23.0	22.8	33.0	10.2	24.7	22.8
March	-14.5	-14.1	-14.2	-2.7	-16.0	-18.5	-14.2
June	28.2	10.3	16.9	23.2	7.6	17.5	16.9
2006-07							
September	-14.5	-11.1	-12.4	-20.5	-13.7	-7.5	-12.4
December	8.7	12.0	10.6	23.8	10.5	4.4	10.6
March	-2.0	-10.3	-6.9	-12.5	-18.7	0.5	-6.9
June	23.3	23.2	23.3	23.8	9.6	27.0	23.3
2007-08							
September	-15.8	-13.1	-14.2	-11.7	-13.5	-15.6	-14.2
SEASONALLY ADJUSTED							
2005-06							
September	14.5	4.6	7.9	22.0	14.9	0.6	7.9
December	11.3	9.4	10.4	16.8	-2.6	13.7	10.4
March	3.4	1.4	1.9	20.6	-3.5	-3.6	1.9
June	10.4	-6.2	0.1	4.7	-5.8	0.0	0.1
2006-07							
September	-9.0	-0.2	-4.1	-13.2	-2.9	0.4	-4.1
December	-2.1	-0.6	-0.4	8.1	-2.3	-3.9	-0.4
March	17.5	5.7	9.4	7.3	-6.3	16.1	9.4
June	7.2	5.0	7.1	5.8	-4.4	11.1	7.1
2007-08							
September	-9.4	-2.3	-6.5	-3.0	-2.1	-9.3	-6.5
TREND							
2005-06							
September	10.7	6.2	7.8	20.4	6.5	4.3	7.8
December	10.7	4.9	7.1	21.3	1.3	4.1	7.1
March	7.6	1.7	3.8	12.8	-3.3	2.7	3.8
June	1.5	-1.3	-0.2	3.0	-5.0	0.0	-0.2
2006-07							
September	-1.8	-2.2	-2.1	-1.8	-3.8	-1.6	-2.1
December	0.9	0.6	0.8	1.0	-3.9	2.3	0.8
March	na	na	na	5.6	-4.3	na	na
June	3.5	2.5	2.8	4.7	-4.3	3.9	2.8
2007-08							
September	0.6	1.8	1.2	2.0	-3.2	2.1	1.2

(a) Reference year for chain volume measures is 2005-06.

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)
BUILDINGS AND STRUCTURES (\$ million)							
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	28 279	29 057
2006–07	22 695	24 648	29 103	32 239	34 513	36 042	34 461
2007–08	33 848	38 112	41 574	43 249	nya	nya	nya
BUILDINGS AND STRUCTURES (Realisation Ratio) (a)							
2004–05	1.31	1.15	1.05	0.95	0.95	0.96	1.00
2005–06	1.72	1.55	1.29	1.16	1.07	1.03	1.00
2006–07	1.52	1.40	1.18	1.07	1.00	0.96	1.00
5-year average	1.36	1.25	1.10	1.02	0.98	0.98	1.00
EQUIPMENT, PLANT AND MACHINERY (\$ million)							
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	43 584
2006–07	30 603	32 916	34 530	37 575	39 411	42 294	43 090
2007–08	29 720	32 866	37 489	40 585	nya	nya	nya
EQUIPMENT, PLANT AND MACHINERY (Realisation Ratio) (a)							
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
2006–07	1.41	1.31	1.25	1.15	1.09	1.02	1.00
5-year average	1.37	1.28	1.19	1.10	1.06	1.01	1.00
TOTAL (\$ million)							
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	71 396	72 641
2006–07	53 299	57 564	63 634	69 814	73 923	78 336	77 552
2007–08	63 568	70 978	79 062	83 834	nya	nya	nya
TOTAL (Realisation Ratio) (a)							
2004–05	1.38	1.27	1.17	1.07	1.03	1.00	1.00
2005–06	1.62	1.49	1.27	1.15	1.07	1.02	1.00
2006–07	1.46	1.35	1.22	1.11	1.05	0.99	1.00
5-year average	1.37	1.28	1.16	1.07	1.03	1.00	1.00
TOTAL (Percentage change over corresponding estimate for previous financial year)							
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	23.5	26.2
2006–07	18.9	17.8	11.6	10.2	8.5	9.7	6.8
2007–08	19.3	23.3	24.2	20.1	nya	nya	nya

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 25 to 28 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)

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	17 785	18 609
2006-07	15 298	17 100	18 260	20 858	24 073	23 396	22 118
2007-08	26 691	26 970	28 450	28 782	nya	nya	nya

MINING (Realisation Ratio) (a)

2004-05	1.01	0.94	0.91	0.87	0.93	0.94	1.00
2005-06	1.90	1.72	1.46	1.27	1.16	1.05	1.00
2006-07	1.45	1.29	1.21	1.06	0.92	0.95	1.00
5-year average	1.25	1.15	1.06	0.99	0.96	0.97	1.00

MANUFACTURING (\$ million)

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	15 428
2006-07	11 651	11 293	12 471	13 067	13 071	13 718	13 264
2007-08	9 343	10 218	11 618	12 275	nya	nya	nya

MANUFACTURING (Realisation Ratio) (a)

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
2006-07	1.14	1.17	1.06	1.02	1.01	0.97	1.00
5-year average	1.23	1.15	1.03	1.00	1.01	0.98	1.00

OTHER SELECTED INDUSTRIES (\$ million)

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	38 605
2006-07	26 350	29 171	32 903	35 890	36 779	41 221	42 169
2007-08	27 534	33 791	38 995	42 777	nya	nya	nya

OTHER SELECTED INDUSTRIES (Realisation Ratio) (a)

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
2006-07	1.60	1.45	1.28	1.17	1.15	1.02	1.00
5-year average	1.49	1.39	1.25	1.13	1.07	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 25 to 28 of the Explanatory Notes.

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

Financial Year	3 MONTHS ENDING		6 MONTHS ENDING	
	31 December (collected in September Survey)	30 June (collected in March Survey)	31 December (collected in June Survey)	30 June (collected in December Survey)
TYPE OF ASSET				
Buildings and structures				
2004–05	0.89	0.86	1.01	0.92
2005–06	1.07	1.10	1.14	1.15
2006–07	0.97	0.87	1.06	1.00
5-year average	0.96	0.93	1.03	0.97
Equipment, plant and machinery				
2004–05	1.08	1.06	1.18	1.18
2005–06	1.05	1.04	1.22	1.13
2006–07	1.05	1.07	1.15	1.20
5-year average	1.04	1.05	1.14	1.13
Total				
2004–05	1.01	0.98	1.12	1.07
2005–06	1.06	1.07	1.19	1.14
2006–07	1.01	0.97	1.11	1.10
5-year average	1.01	1.00	1.10	1.07
TYPE OF INDUSTRY				
Mining				
2004–05	0.79	0.81	0.90	0.88
2005–06	1.10	1.17	1.21	1.33
2006–07	1.03	0.83	1.08	0.86
5-year average	0.91	0.89	0.97	0.94
Manufacturing				
2004–05	0.85	0.95	0.99	0.97
2005–06	0.99	0.94	1.09	0.98
2006–07	1.00	0.88	1.08	1.03
5-year average	0.92	0.93	1.01	1.01
Other selected industries				
2004–05	1.18	1.07	1.26	1.21
2005–06	1.07	1.07	1.23	1.13
2006–07	1.00	1.08	1.14	1.31
5-year average	1.09	1.08	1.19	1.16
Total				
2004–05	1.01	0.98	1.12	1.07
2005–06	1.06	1.07	1.19	1.14
2006–07	1.01	0.97	1.11	1.10
5-year average	1.01	1.00	1.10	1.07

(a) For more information on Realisation Ratios see paragraphs 25 to 28 of the Explanatory Notes.

ACTUAL EXPENDITURE ON BUILDINGS AND STRUCTURES, Current prices

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
Period	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
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	5 979	4 370	4 845	1 464	10 142	276	1 748	233	29 057
2006-07	5 966	5 405	5 586	2 068	13 224	282	1 712	219	34 461
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	2 509	62	446	**64	6 612
June	1 427	1 260	1 451	^ 508	3 554	^ 55	362	*42	8 658
2006-07									
September	1 147	1 242	1 362	382	2 843	^ 39	494	^ 40	7 549
December	1 238	1 238	1 393	532	3 420	^ 54	405	*58	8 337
March	1 519	1 296	1 183	451	3 214	96	434	^ 56	8 249
June	2 062	1 628	1 648	702	3 747	93	^ 379	^ 66	10 326
2007-08									
September	1 517	1 480	1 433	^ 553	3 394	^ 76	276	^ 65	8 794
SEASONALLY ADJUSTED									
2005-06									
September	1 627	937	949	332	1 819	np	np	np	6 247
December	1 708	1 080	1 200	326	2 160	np	np	np	7 034
March	1 319	1 109	1 310	368	2 738	np	np	np	7 365
June	1 292	1 240	1 375	426	3 387	np	np	np	8 309
2006-07									
September	1 176	1 215	1 432	429	2 991	np	np	np	7 727
December	1 152	1 168	1 233	473	3 164	np	np	np	7 698
March	1 800	1 441	1 370	572	3 497	np	np	np	9 144
June	1 862	1 594	1 558	588	3 550	np	np	np	9 964
2007-08									
September	1 559	1 458	1 514	620	3 598	np	np	np	9 031
TREND									
2005-06									
September	1 575	961	988	305	1 754	91	472	66	6 144
December	1 585	1 048	1 156	336	2 254	76	460	62	6 876
March	1 443	1 145	1 315	375	2 775	61	439	52	7 543
June	1 251	1 194	1 387	407	3 086	50	428	46	7 854
2006-07									
September	1 177	1 202	1 353	443	3 189	47	431	46	7 894
December	1 270	1 241	1 299	475	3 222	58	436	48	8 010
March	(a) 1 679	(a) 1 431	(a) 1 429	(a) 561	(a) 3 413	(a) 84	(a) 421	(a) 62	(a) 9 117
June	1 749	1 503	1 476	594	3 553	90	363	64	9 435
2007-08									
September	1 731	1 541	1 544	615	3 608	87	311	64	9 535

- ^ 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
- * estimate has a relative standard error of 25% to 50% and should be used with caution (a) Break in series between December 2006 and March 2007.
- ** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

ACTUAL EXPENDITURE ON EQUIPMENT, PLANT AND MACHINERY, Current prices

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
Period	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
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	12 606	11 111	8 677	3 089	6 329	875	402	496	43 584
2006-07	11 638	10 964	9 733	2 860	6 493	552	400	451	43 090
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	3 086	2 835	2 459	^ 762	1 647	^ 206	^ 87	^ 140	11 221
2006-07									
September	2 729	2 689	2 264	656	1 282	131	^ 119	^ 128	9 997
December	3 044	2 979	2 338	844	1 656	^ 146	^ 52	^ 97	11 158
March	2 434	2 636	2 359	612	1 524	^ 122	^ 67	^ 111	9 865
June	3 430	2 659	2 773	747	2 032	153	^ 162	^ 115	12 071
2007-08									
September	2 945	2 579	2 468	550	1 568	123	*129	91	10 453
SEASONALLY ADJUSTED									
2005-06									
September	3 189	2 530	1 877	761	1 596	np	np	np	10 361
December	3 365	2 880	2 144	833	1 590	np	np	np	11 329
March	3 178	2 908	2 424	782	1 592	np	np	np	11 409
June	2 885	2 793	2 234	710	1 542	np	np	np	10 513
2006-07									
September	2 830	2 787	2 372	752	1 384	np	np	np	10 503
December	2 856	2 744	2 293	715	1 521	np	np	np	10 407
March	2 707	2 815	2 543	699	1 659	np	np	np	10 847
June	3 202	2 623	2 527	697	1 888	np	np	np	11 307
2007-08									
September	3 060	2 681	2 576	633	1 715	np	np	np	10 997
TREND									
2005-06									
September	3 231	2 619	1 933	779	1 451	224	102	120	10 451
December	3 215	2 751	2 118	781	1 575	234	108	121	10 915
March	3 099	2 834	2 266	767	1 582	215	112	124	11 020
June	2 969	2 836	2 329	748	1 501	181	107	124	10 788
2006-07									
September	2 823	2 795	2 331	728	1 460	151	87	120	10 483
December	2 778	2 759	2 364	718	1 522	134	77	115	10 479
March	(a) 2 911	(a) 2 748	(a) 2 481	(a) 708	(a) 1 675	(a) 136	(a) 92	(a) 110	(a) 10 889
June	3 013	2 696	2 539	678	1 773	136	116	104	11 067
2007-08									
September	3 119	2 659	2 580	653	1 810	137	146	100	11 191

^ 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

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

(a) Break in series between December 2006 and March 2007.

	<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>
<i>Period</i>	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
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	18 585	15 481	13 522	4 553	16 471	1 151	2 150	729	72 641
2006-07	17 604	16 369	15 319	4 927	19 717	834	2 112	670	77 552
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	3 961	^ 249	558	^ 169	16 967
June	4 513	4 095	3 909	^ 1 270	5 201	^ 260	449	^ 182	19 879
2006-07									
September	3 876	3 931	3 625	1 038	4 125	170	612	^ 167	17 546
December	4 283	4 218	3 731	1 377	5 076	^ 200	457	^ 155	19 495
March	3 953	3 933	3 542	1 063	4 737	218	501	^ 166	18 114
June	5 492	4 287	4 421	1 449	5 779	246	^ 541	182	22 397
2007-08									
September	4 462	4 058	3 901	1 103	4 962	199	405	156	19 247
SEASONALLY ADJUSTED									
2005-06									
September	4 816	3 467	2 826	1 093	3 415	310	543	200	16 609
December	5 073	3 960	3 344	1 159	3 750	332	580	183	18 363
March	4 497	4 017	3 734	1 150	4 330	268	603	177	18 773
June	4 177	4 033	3 609	1 136	4 929	242	426	168	18 824
2006-07									
September	4 006	4 002	3 804	1 181	4 375	184	628	173	18 230
December	4 008	3 912	3 526	1 188	4 685	188	445	155	18 105
March	4 507	4 256	3 913	1 271	5 156	230	532	176	19 990
June	5 064	4 217	4 085	1 285	5 438	232	503	170	21 270
2007-08									
September	4 619	4 139	4 090	1 253	5 313	212	422	160	20 029
TREND									
2005-06									
September	4 806	3 580	2 921	1 084	3 205	315	574	186	16 532
December	4 800	3 799	3 274	1 117	3 829	310	568	183	17 673
March	4 542	3 979	3 581	1 142	4 357	276	551	176	18 426
June	4 220	4 030	3 716	1 155	4 587	231	535	170	18 541
2006-07									
September	4 000	3 997	3 684	1 171	4 649	198	518	166	18 328
December	4 048	4 000	3 663	1 193	4 744	192	513	163	18 478
March	(a) 4 590	(a) 4 179	(a) 3 910	(a) 1 269	(a) 5 088	(a) 220	(a) 513	(a) 172	(a) 20 018
June	4 762	4 199	4 015	1 272	5 326	226	479	168	20 502
2007-08									
September	4 850	4 200	4 124	1 268	5 418	224	457	164	20 693

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

(a) Break in series between December 2006 and March 2007.

	<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>
<i>Period</i>	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2003–04	4 684	3 071	2 721	1 117	4 374	191	1 745	90	18 003
2004–05	5 119	3 366	3 233	1 058	5 484	456	1 629	167	20 521
2005–06	5 979	4 370	4 845	1 464	10 142	276	1 748	233	29 057
2006–07	5 585	5 069	5 242	1 936	12 403	264	1 610	205	32 314
2005–06									
September	1 633	992	929	303	1 791	84	472	86	6 292
December	1 850	1 154	1 368	374	2 364	77	480	43	7 712
March	1 105	994	1 130	290	2 509	61	444	63	6 595
June	1 391	1 230	1 417	497	3 479	53	353	41	8 458
2006–07									
September	1 098	1 190	1 305	367	2 727	37	473	38	7 235
December	1 167	1 168	1 313	502	3 226	51	381	54	7 863
March	1 420	1 212	1 106	422	3 002	90	406	52	7 709
June	1 900	1 499	1 518	646	3 448	86	349	61	9 508
2007–08									
September	1 382	1 348	1 305	504	3 089	69	251	59	8 009
SEASONALLY ADJUSTED									
2005–06									
September	1 668	958	973	339	1 870	np	np	np	6 407
December	1 730	1 092	1 215	332	2 196	np	np	np	7 134
March	1 318	1 107	1 311	372	2 748	np	np	np	7 376
June	1 263	1 213	1 345	421	3 327	np	np	np	8 140
2006–07									
September	1 125	1 163	1 372	414	2 876	np	np	np	7 410
December	1 082	1 100	1 161	447	2 989	np	np	np	7 252
March	1 674	1 343	1 277	535	3 270	np	np	np	8 518
June	1 705	1 463	1 431	541	3 269	np	np	np	9 135
2007–08									
September	1 426	1 331	1 385	571	3 302	np	np	np	8 272
TREND									
2005–06									
September	1 616	984	1 014	315	1 806	93	484	69	6 366
December	1 606	1 060	1 171	342	2 289	76	464	62	7 050
March	1 441	1 141	1 312	378	2 776	61	437	50	7 586
June	1 225	1 168	1 358	402	3 032	49	417	44	7 697
2006–07									
September	1 127	1 154	1 300	428	3 074	45	412	45	7 558
December	1 193	1 169	1 226	450	3 047	55	411	45	7 623
March	(b) 1 557	(b) 1 330	(b) 1 330	(b) 523	(b) 3 184	(b) 78	(b) 393	(b) 57	(b) 8 388
June	1 608	1 383	1 359	548	3 282	83	335	59	8 679
2007–08									
September	1 580	1 407	1 408	565	3 312	79	281	61	8 727

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

(a) Reference year for chain volume measures is 2005–06.

(b) Break in series between December 2006 and March 2007.

<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									
2003-04	9 358	8 437	6 144	2 775	4 835	495	353	437	32 818
2004-05	11 537	9 326	7 095	2 912	4 712	679	306	509	37 088
2005-06	12 606	11 111	8 677	3 089	6 329	875	402	496	43 584
2006-07	12 024	11 275	9 972	2 921	6 608	565	408	469	44 243
2005-06									
September	3 051	2 425	1 766	665	1 489	207	78	109	9 791
December	3 544	3 099	2 187	961	1 717	272	123	139	12 043
March	2 862	2 709	2 231	689	1 451	187	112	104	10 344
June	3 149	2 878	2 493	774	1 672	208	89	144	11 406
2006-07									
September	2 783	2 730	2 289	664	1 294	133	121	131	10 145
December	3 118	3 038	2 373	855	1 674	148	53	100	11 359
March	2 536	2 730	2 427	629	1 554	126	69	116	10 188
June	3 587	2 778	2 883	773	2 087	158	165	121	12 551
2007-08									
September	3 099	2 704	2 575	569	1 610	128	132	96	10 913
SEASONALLY ADJUSTED									
2005-06									
September	3 151	2 511	1 860	757	1 584	np	np	np	10 268
December	3 334	2 859	2 130	826	1 579	np	np	np	11 234
March	3 176	2 905	2 421	783	1 594	np	np	np	11 396
June	2 945	2 835	2 266	722	1 571	np	np	np	10 686
2006-07									
September	2 893	2 829	2 400	762	1 407	np	np	np	10 667
December	2 936	2 796	2 327	723	1 547	np	np	np	10 602
March	2 831	2 912	2 617	716	1 703	np	np	np	11 210
June	3 364	2 738	2 628	720	1 951	np	np	np	11 765
2007-08									
September	3 227	2 811	2 687	659	1 769	np	np	np	11 495
TREND									
2005-06									
September	3 218	2 614	1 930	785	1 452	225	101	121	10 343
December	3 254	2 784	2 143	793	1 587	237	108	124	10 850
March	3 151	2 872	2 295	779	1 602	217	112	127	11 037
June	3 018	2 869	2 352	757	1 522	183	108	127	10 894
2006-07									
September	2 881	2 834	2 356	736	1 483	153	89	123	10 657
December	2 869	2 823	2 410	729	1 554	137	79	118	10 721
March	(b)3 032	(b)2 837	(b)2 550	(b)724	(b)1 719	(b)140	(b)95	(b)114	(b)11 227
June	3 165	2 810	2 634	700	1 828	141	120	109	11 506
2007-08									
September	3 288	2 789	2 699	679	1 865	142	150	106	11 713

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

(b) Break in series between December 2006 and March 2007.

(a) Reference year for chain volume measures is 2005-06.

ACTUAL TOTAL EXPENDITURE—Chain volume measures(a)

	<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>
<i>Period</i>	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2003-04	13 980	11 522	8 914	3 895	9 390	694	2 098	541	51 053
2004-05	16 679	12 712	10 371	3 990	10 267	1 119	1 930	681	57 848
2005-06	18 585	15 481	13 522	4 553	16 471	1 151	2 150	729	72 641
2006-07	17 609	16 344	15 214	4 857	19 012	829	2 017	674	76 558
2005-06									
September	4 672	3 413	2 699	968	3 296	291	549	193	16 090
December	5 385	4 256	3 547	1 339	4 091	350	604	184	19 766
March	3 983	3 707	3 367	982	3 954	248	556	167	16 956
June	4 545	4 104	3 909	1 264	5 131	262	442	186	19 829
2006-07									
September	3 881	3 920	3 594	1 031	4 021	170	593	169	17 380
December	4 286	4 206	3 686	1 357	4 900	199	435	154	19 222
March	3 956	3 941	3 533	1 051	4 556	216	475	168	17 897
June	5 487	4 278	4 401	1 419	5 535	244	514	183	22 059
2007-08									
September	4 481	4 052	3 880	1 073	4 699	197	384	156	18 922
SEASONALLY ADJUSTED									
2005-06									
September	4 809	3 470	2 837	1 099	3 474	312	551	203	16 679
December	5 055	3 952	3 343	1 161	3 784	330	581	184	18 418
March	4 507	4 015	3 734	1 155	4 336	267	600	170	18 764
June	4 214	4 043	3 607	1 139	4 877	242	417	173	18 780
2006-07									
September	4 018	3 992	3 772	1 176	4 283	183	609	176	18 011
December	4 018	3 896	3 489	1 171	4 536	187	424	153	17 933
March	4 505	4 255	3 895	1 251	4 973	229	506	173	19 610
June	5 068	4 201	4 058	1 260	5 220	230	479	172	21 005
2007-08									
September	4 653	4 143	4 072	1 230	5 071	211	400	162	19 638
TREND									
2005-06									
September	4 829	3 599	2 947	1 104	3 273	317	585	189	16 731
December	4 857	3 846	3 315	1 137	3 882	313	573	186	17 924
March	4 596	4 013	3 605	1 156	4 372	278	549	178	18 610
June	4 245	4 035	3 709	1 157	4 542	232	525	171	18 565
2006-07									
September	4 012	3 986	3 654	1 163	4 550	198	501	167	18 182
December	4 083	3 995	3 635	1 180	4 601	193	491	162	18 335
March	(b) 4 582	(b) 4 166	(b) 3 878	(b) 1 247	(b) 4 903	(b) 218	(b) 488	(b) 171	(b) 19 618
June	4 773	4 193	3 993	1 248	5 109	224	455	168	20 164
2007-08									
September	4 872	4 192	4 107	1 244	5 182	221	436	167	20 406

(a) Reference year for chain volume measures is 2005-06.

(b) Break in series between December 2006 and March 2007.

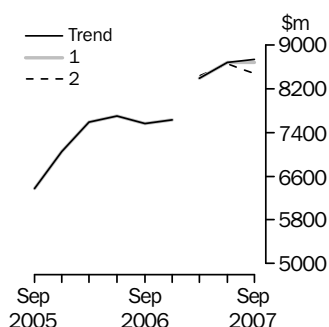
WHAT IF...? REVISIONS TO TREND ESTIMATES

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 effects 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 44 and 45 in the EN.

BUILDINGS AND STRUCTURES

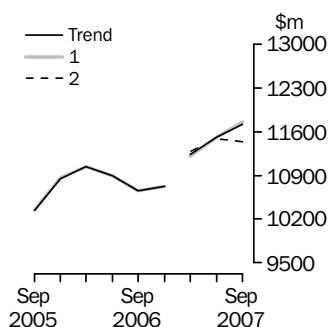


	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:		(1) rises by 6.7% on this quarter		(2) falls by 6.7% on this quarter	
	\$m	%	\$m	%	\$m	%	\$m	%
2006								
December	7 623	0.9	7 623	0.9	7 623	0.9	7 623	0.9
2007								
March	(a) 8 388	na	(a) 8 387	na	(a) 8 430	na	(a) 8 387	na
June	8 679	3.5	8 674	3.4	8 658	2.7	8 658	2.7
September	8 727	0.6	8 673	—	8 466	-2.2	8 466	-2.2

— nil or rounded to zero (including null cells)

(a) Break in series between December 2006 and March 2007.

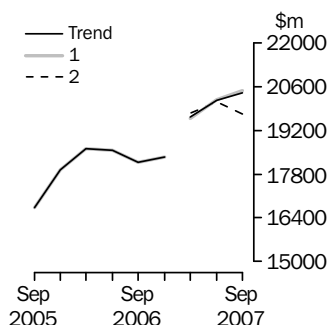
EQUIPMENT, PLANT AND MACHINERY



	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:		(1) rises by 4.9% on this quarter		(2) falls by 4.9% on this quarter	
	\$m	%	\$m	%	\$m	%	\$m	%
2006								
December	10 721	0.6	10 721	0.6	10 721	0.6	10 721	0.6
2007								
March	(a) 11 227	na	(a) 11 211	na	(a) 11 277	na	(a) 11 211	na
June	11 506	2.5	11 510	2.7	11 487	1.9	11 487	1.9
September	11 713	1.8	11 749	2.1	11 431	-0.5	11 431	-0.5

(a) Break in series between December 2006 and March 2007.

TOTAL CAPITAL EXPENDITURE



	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:		(1) rises by 4.4% on this quarter		(2) falls by 4.4% on this quarter	
	\$m	%	\$m	%	\$m	%	\$m	%
2006								
December	18 335	0.8	18 335	0.9	18 335	0.9	18 335	0.9
2007								
March	(a) 19 618	na	(a) 19 584	na	(a) 19 738	na	(a) 19 584	na
June	20 164	2.8	20 168	3.0	20 114	1.9	20 114	1.9
September	20 406	1.2	20 461	1.5	19 718	-2.0	19 718	-2.0

(a) Break in series between December 2006 and March 2007.

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

	2004–2005				2005–2006			2006–2007	
Survey quarter	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 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 is 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 the ABS Website 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 September quarter 2007 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 September 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 September quarter 2007 issue of this publication, the chain volume measures for 2006–07 will have 2005–06 (the previous financial year) as their base year rather than 2004–05, and the reference year will be 2005–06.

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 2007–08 based on the September 2007 survey results and compare this with 2006–07 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, September quarter 2007 short-term expectations related to the December quarter 2007). 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 41 to 46 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 45 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 projected series is based on five-year average realisation ratios. As is discussed in paragraphs 25 to 28 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.

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

EXPLANATORY NOTES *continued*

RELIABILITY OF THE ESTIMATES *continued*

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 41 to 46 below, seasonally adjusted and trend estimates are also subject to revision as data are revised and more data become 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.

39 The new Australian equivalents to International Financial Reporting Standards (AIFRS) began to be progressively implemented in Australia from 1 January 2005. As a result, a number of items in the financial accounts of Australian businesses have been affected by changed definitions which have in turn impacted upon both Income Statements and Balance Sheets. A range of ABS economic collections source data from financial accounts of businesses and use those data to derive economic statistics. There have been no changes in the associated economic definitions.

40 After monitoring data items since March quarter 2005 it has been concluded that most affected published data series have been impacted by data breaks, but that the magnitude of such breaks cannot be determined without imposing disproportionate load upon data providers to ABS surveys and other administratively collected data. ABS will continue to monitor developments and report any significant identified impacts or changes in methodology as a result of AIFRS.

SEASONAL ADJUSTMENT

41 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.

42 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.

EXPLANATORY NOTES *continued*

SEASONAL ADJUSTMENT

continued

43 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

44 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.

45 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

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

47 *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.

48 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

49 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.

50 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).

51 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

52 Users may also wish to refer the following publications:

- *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

53 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

54 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.

ABS WEBSITE

55 The ABS website 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 Time Series Spreadsheets available on the ABS Website is in Appendix 2 on page 38.

ACKNOWLEDGMENT

56 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*.

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

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 ABS WEBSITE

TIME SERIES SPREADSHEETS

The full list of Time Series Spreadsheets available on the ABS Website 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 ABS WEBSITE *continued*

TIME SERIES SPREADSHEETS *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

FOR MORE INFORMATION . . .

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