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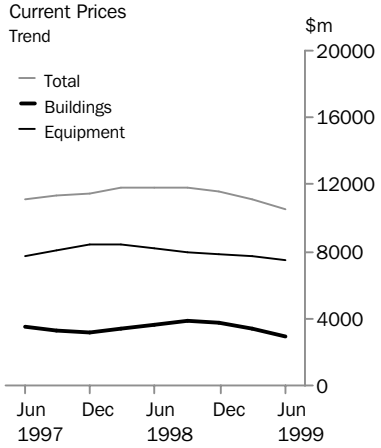
Australian Bureau of Statistics

PRIVATE NEW CAPITAL EXPENDITURE

STATE ESTIMATES

EMBARGO: 11:30AM (CANBERRA TIME) TUES 14 SEPT 1999

New Capital Expenditure



JUNE QTR KEY FIGURES

TREND ESTIMATES	Jun Qtr 1999 $m	% change Mar Qtr 1999 to Jun Qtr 1999	% change Jun Qtr 1998 to Jun Qtr 1999
New South Wales	3 484	–3.5	–6.6
Victoria	2 758	–2.4	–3.2
Queensland	1 835	–5.8	8.2
South Australia	503	–7.5	–33.3
Western Australia	1 439	–9.5	–38.0
Tasmania	112	–0.9	–20.0
Northern Territory	166	–32.5	–8.3
Australian Capital Territory	73	–17.0	10.6
Australia	10 478	–5.4	–11.5

JUNE QTR KEY POINTS

ACTUAL EXPENDITURE-TREND ESTIMATES

- For New South Wales, expenditure (in current prices) decreased by $128m (3.5%) this quarter. Expenditure on buildings fell by 8.3% and equipment by 1.7%.
- For Victoria, expenditure decreased by $68m (2.4%) this quarter. Expenditure on buildings fell by 7.2% and equipment by 0.4%.
- For Queensland, expenditure decreased by $113m (5.8%) this quarter. Expenditure on buildings fell by 13.6% and equipment by 2.9%.
- For South Australia, expenditure decreased by $41m (7.5%) this quarter. Expenditure on buildings fell by 14.5% and equipment by 5.6%.
- For Western Australia, expenditure decreased by $151m (9.5%) this quarter. Expenditure on buildings fell by 13.7% and equipment by 7.2%.
- For Tasmania, expenditure decreased by $1m (0.9%) this quarter. Expenditure on buildings rose by 3.2% while equipment fell by 2.4%.
- For Northern Territory, expenditure decreased by $80m (32.5%) this quarter. Expenditure on buildings fell by 40.1% and equipment by 16.5%.
- For Australian Capital Territory, expenditure decreased by $15m (17.0%) this quarter. Expenditure on buildings fell by 5.0% and equipment by 20.6%.

- For further information about these and related statistics, contact John Blanchette on Sydney 02 9268 4357, or Client Services in any ABS office as shown on the back cover of this publication.

NOTES

FORTHCOMING ISSUES

ISSUE (Quarter)	*RELEASE DATE*
September 1999	14 December 1999
December 1999	14 March 2000

CHANGES IN THIS ISSUE

There are no changes in this issue.

SAMPLING ERRORS

The estimates in this publication are based on a sample survey of businesses. Because data are not collected from all businesses, the published estimates are subject to sampling variability.

Standard errors for estimates contained in this publication are shown on page 16.

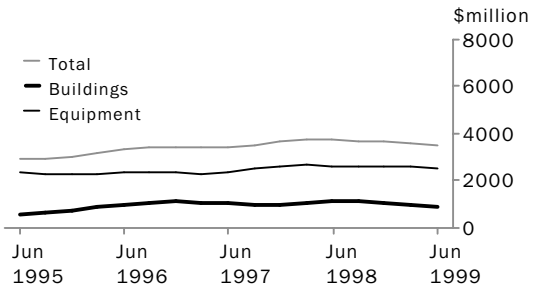
REVISIONS TO TREND

Readers should exercise care in the interpretation of the trend data as the last three observations, in particular, are likely to be revised with the addition of subsequent quarters' data. For further information, refer to Trend Estimates on page 23.

W. McLennan
Australian Statistician

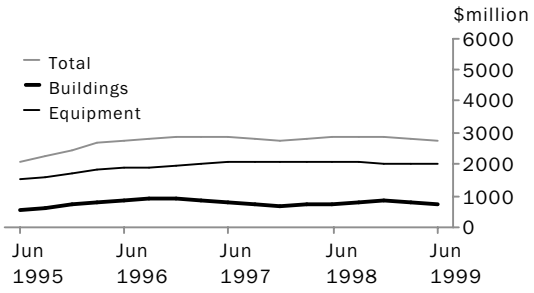
QUARTERLY TREND ESTIMATES AT CURRENT PRICES

NEW SOUTH WALES



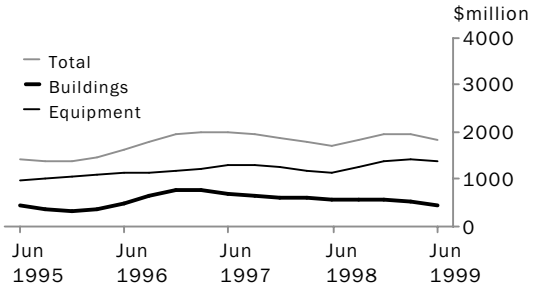
Since June quarter 1998, total expenditure for New South Wales has decreased by 6.6%. Expenditure on buildings has decreased by 16.6% and equipment by 2.3%.

VICTORIA



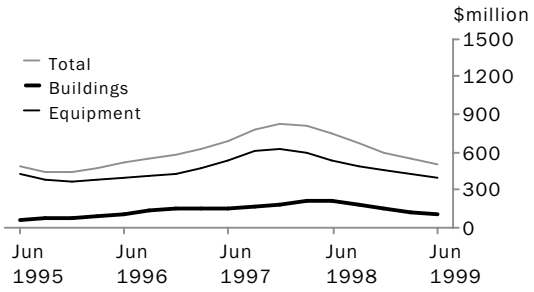
Since June quarter 1998, total expenditure for Victoria has decreased by 3.2%. Expenditure on buildings has increased by 0.1% while equipment has decreased by 4.4%.

QUEENSLAND



Since June quarter 1998, total expenditure for Queensland has increased by 8.2%. Expenditure on buildings has decreased by 19.0% while equipment rose by 21.7%.

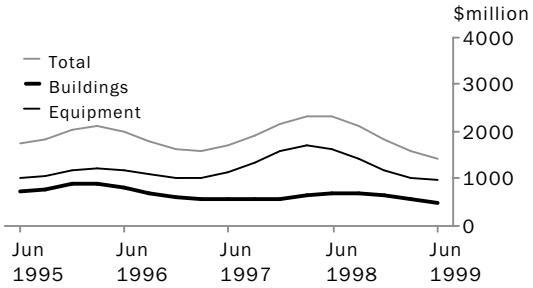
SOUTH AUSTRALIA



Since June quarter 1998, total expenditure for South Australia has decreased by 33.3%. Expenditure on buildings has decreased by 53.1% and equipment by 25.5%.

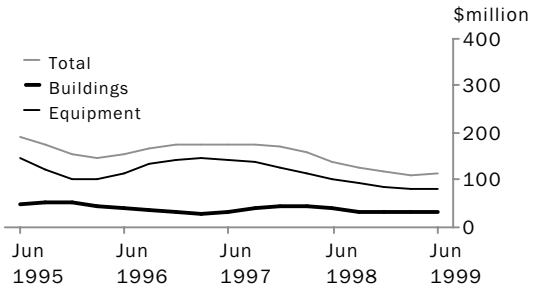
QUARTERLY TREND ESTIMATES AT CURRENT PRICES

WESTERN AUSTRALIA



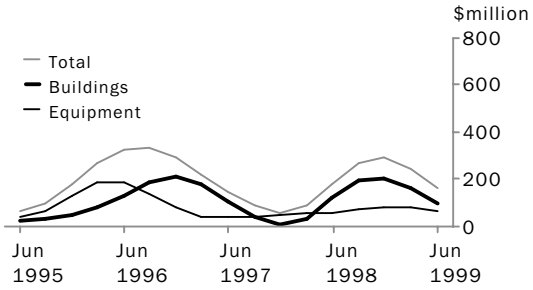
Since June quarter 1998, total expenditure for Western Australia has decreased by 38.0%. Expenditure on buildings has decreased by 31.0% and equipment by 41.0%.

TASMANIA



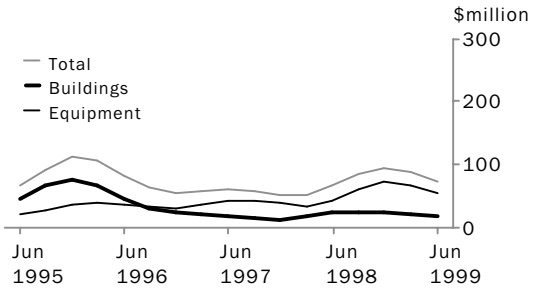
Since June quarter 1998, total expenditure for Tasmania has decreased by 20.0%. Expenditure on buildings has decreased by 17.9% and equipment by 20.8%.

NORTHERN TERRITORY



Since June quarter 1998, total expenditure for Northern Territory has decreased by 8.3%. Expenditure on buildings decreased by 16.7%, while equipment has increased by 8.2%.

AUSTRALIAN CAPITAL TERRITORY



Since June quarter 1998, total expenditure for Australian Capital Territory has increased by 10.6%. Expenditure on buildings has decreased by 20.8%,while equipment has increased by 28.6%.

1 ACTUAL AND EXPECTED EXPENDITURE, By Type of Asset and Industry–Current Prices

	ASSET			INDUSTRY			
	Buildings and structures	*Equipment, plant and machinery*	*Total*	*Mining*	*Manufacturing*	*Other selected industries*	*Total*
Period	*$m*	*$m*	*$m*	*$m*	*$m*	*$m*	*$m*
			ORIGINAL (Actual)				
1997-1998	13 150	33 060	46 210	11 029	10 996	24 185	46 210
1998-1999	13 701	30 969	44 671	8 719	9 417	26 535	44 671
1997-1998							
March	2 833	7 468	10 301	2 566	2 378	5 357	10 301
June	3 668	8 872	12 540	2 952	2 902	6 686	12 540
1998-1999							
September	3 727	7 874	11 601	2 553	2 262	6 786	11 601
December	4 100	7 848	11 948	2 409	2 548	6 991	11 948
March	3 069	7 361	10 430	1 914	2 330	6 186	10 430
June	2 805	7 887	10 691	1 842	2 277	6 572	10 691
			ORIGINAL (Expected)				
1999-2000							
6 mths to Dec	5 532	14 217	19 749	3 176	5 206	11 367	19 749
6 mths to June	4 576	12 503	17 079	2 781	3 976	10 322	17 079
Total 1999-2000	10 109	26 719	36 828	5 957	9 182	21 689	36 828
			SEASONALLY ADJUSTED (Actual)				
1997-1998	13 139	33 042	46 181	11 031	10 965	24 185	46 181
1998-1999	13 774	31 114	44 888	8 740	9 476	26 672	44 888
1997-1998							
March	3 231	8 407	11 638	2 839	2 605	6 194	11 638
June	3 582	8 101	11 683	2 865	2 650	6 168	11 683
1998-1999							
September	3 917	8 215	12 132	2 654	2 397	7 081	12 132
December	3 650	7 437	11 087	2 168	2 443	6 476	11 087
March	3 485	8 303	11 788	2 134	2 574	7 080	11 788
June	2 722	7 159	9 881	1 784	2 062	6 035	9 881
			TREND ESTIMATES (Actual)				
1997-1998	13 342	33 099	46 441	10 958	10 933	24 550	46 441
1998-1999	13 837	31 144	44 981	8 792	9 653	26 536	44 981
1997-1998							
March	3 357	8 423	11 780	2 869	2 750	6 161	11 780
June	3 631	8 210	11 841	2 808	2 604	6 429	11 841
1998-1999							
September	3 822	8 010	11 832	2 598	2 531	6 703	11 832
December	3 704	7 892	11 596	2 309	2 492	6 795	11 596
March	3 346	7 729	11 075	2 043	2 381	6 651	11 075
June	2 965	7 513	10 478	1 842	2 249	6 387	10 478

2 ACTUAL EXPENDITURE, By Type of Asset and Industry–Chain Volume Measures(a)

	ASSET			INDUSTRY			
Period	*Buildings and structures* $m	*Equipment, plant and machinery* $m	*Total* $m	*Mining* $m	*Manufacturing* $m	*Other selected industries* $m	*Total* $m
			ORIGINAL				
1997-1998	13 151	33 060	46 210	11 029	10 995	24 185	46 210
1998-1999	13 326	30 569	43 895	8 413	9 216	26 266	43 895
1997-1998							
March	2 839	7 412	10 248	2 552	2 359	5 342	10 248
June	3 623	8 752	12 363	2 903	2 866	6 596	12 363
1998-1999							
September	3 654	7 681	11 335	2 477	2 200	6 657	11 335
December	3 997	7 690	11 687	2 329	2 475	6 883	11 687
March	2 969	7 294	10 264	1 838	2 277	6 149	10 264
June	2 706	7 904	10 610	1 769	2 264	6 576	10 610
			SEASONALLY ADJUSTED				
1997-1998	13 151	33 060	46 210	11 029	10 995	24 185	46 210
1998-1999	13 326	30 569	43 895	8 455	9 216	26 266	43 895
1997-1998							
March	3 308	8 347	11 650	2 825	2 649	6 178	11 650
June	3 521	7 975	11 484	2 820	2 597	6 074	11 484
1998-1999							
September	3 868	7 988	11 851	2 581	2 364	6 915	11 851
December	3 458	7 256	10 714	2 100	2 282	6 343	10 714
March	3 387	8 187	11 577	2 054	2 532	7 002	11 577
June	2 613	7 138	9 754	1 720	2 039	6 006	9 754
			TREND ESTIMATES				
1997-1998	13 311	33 107	46 422	10 951	10 914	24 553	46 422
1998-1999	13 344	30 607	43 880	8 528	9 323	26 124	43 880
1997-1998							
March	3 355	8 375	11 726	2 854	2 744	6 132	11 726
June	3 572	8 064	11 629	2 763	2 541	6 331	11 629
1998-1999							
September	3 696	7 814	11 503	2 533	2 418	6 562	11 503
December	3 546	7 717	11 265	2 232	2 370	6 667	11 265
March	3 210	7 614	10 829	1 967	2 304	6 566	10 829
June	2 892	7 462	10 282	1 796	2 231	6 330	10 282

(a) Reference year for chain volume measures is 1997–1998.

3 ACTUAL EXPENDITURE, By Type of Asset and State–Current Prices: **Original**

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
				BUILDINGS AND STRUCTURES ($ million)					
1997-1998	4 200	2 858	2 490	792	2 438	169	131	73	13 150
1998-1999	4 159	3 208	2 063	527	2 394	130	1 133	87	13 701
1997-1998									
March	934	615	441	188	581	31	32	11	2 833
June	1 197	765	654	250	684	42	40	36	3 668
1998-1999									
September	1 046	861	574	158	732	40	295	21	3 727
December	1 255	819	582	171	618	25	601	29	4 100
March	895	862	472	97	577	30	122	14	3 069
June	963	666	434	101	467	35	115	23	2 805
				EQUIPMENT, PLANT AND MACHINERY ($ million)					
1997-1998	10 405	8 185	4 904	2 400	6 323	477	201	163	33 060
1998-1999	10 280	8 143	5 340	1 749	4 571	345	301	239	30 969
1997-1998									
March	2 371	1 831	931	534	1 610	110	55	28	7 468
June	2 811	2 233	1 372	552	1 698	102	50	54	8 872
1998-1999									
September	2 535	2 015	1 175	445	1 482	101	73	47	7 874
December	2 600	2 149	1 336	493	1 019	70	96	84	7 848
March	2 464	1 776	1 426	407	1 061	85	81	60	7 361
June	2 681	2 202	1 403	403	1 010	89	51	49	7 887
				TOTAL ($ million)					
1997-1998	14 605	11 044	7 395	3 192	8 760	646	332	236	46 210
1998-1999	14 439	11 351	7 403	2 277	6 966	475	1 434	326	44 671
1997-1998									
March	3 305	2 446	1 371	721	2 191	141	86	39	10 301
June	4 008	2 998	2 026	802	2 382	145	90	90	12 540
1998-1999									
September	3 581	2 876	1 749	603	2 214	141	368	68	11 601
December	3 855	2 968	1 918	664	1 637	95	697	113	11 948
March	3 359	2 639	1 899	505	1 638	115	202	74	10 430
June	3 644	2 867	1 837	504	1 476	124	166	72	10 691
				TOTAL (Percentage change)					
1997-1998	6.9	–3.9	–2.7	23.8	32.4	–6.0	–65.3	0.4	5.4
1998-1999	–1.1	2.8	0.1	–28.7	–20.5	–26.4	331.6	38.1	–3.3
1997-1998									
March	–17.9	–21.1	–32.4	–24.3	–7.8	–24.6	–3.5	–17.0	–19.6
June	21.3	22.6	47.8	11.1	8.7	2.8	4.7	130.8	21.7
1998-1999									
September	–10.6	–4.1	–13.7	–24.8	–7.1	–2.7	308.9	–24.4	–7.5
December	7.6	3.2	9.7	10.1	–26.1	–32.6	89.4	66.2	3.0
March	–12.9	–11.1	–1.0	–24.0	0.1	21.1	–71.0	–34.5	–12.7
June	8.5	8.7	–3.2	0.2	–9.9	7.8	–17.8	–2.6	2.5

4 ACTUAL EXPENDITURE, By Type of Asset and State–Current Prices: **Seasonally Adjusted**(a)

Period	*New South Wales*	*Victoria*	*Queensland*	*South Australia*	*Western Australia*	*Tasmania(a)*	*Northern Territory(a)*	*Australian Capital Territory(a)*	*Australia*
				BUILDINGS AND STRUCTURES ($ million)					
1997-1998	4 179	2 858	2 489	792	2 421	n.p.	n.p.	n.p.	13 139
1998-1999	4 160	3 244	2 117	525	2 423	n.p.	n.p.	n.p.	13 774
1997-1998									
March	1 066	704	575	218	596	n.p.	n.p.	n.p.	3 231
June	1 117	748	547	236	665	n.p.	n.p.	n.p.	3 582
1998-1999									
September	1 120	882	583	166	814	n.p.	n.p.	n.p.	3 917
December	1 123	728	551	152	566	n.p.	n.p.	n.p.	3 650
March	1 021	982	621	114	592	n.p.	n.p.	n.p.	3 485
June	896	652	361	94	452	n.p.	n.p.	n.p.	2 722
				EQUIPMENT, PLANT AND MACHINERY ($ million)					
1997-1998	10 415	8 156	4 898	2 404	6 321	n.p.	n.p.	n.p.	33 042
1998-1999	10 333	8 144	5 392	1 767	4 592	n.p.	n.p.	n.p.	31 114
1997-1998									
March	2 696	2 028	1 052	612	1 699	n.p.	n.p.	n.p.	8 407
June	2 549	2 064	1 168	525	1 633	n.p.	n.p.	n.p.	8 101
1998-1999									
September	2 656	2 129	1 211	502	1 524	n.p.	n.p.	n.p.	8 215
December	2 445	2 005	1 375	416	983	n.p.	n.p.	n.p.	7 437
March	2 802	1 983	1 612	466	1 111	n.p.	n.p.	n.p.	8 303
June	2 431	2 027	1 194	384	974	n.p.	n.p.	n.p.	7 159
				TOTAL ($ million)					
1997-1998	14 593	11 015	7 387	3 198	8 742	653	333	232	46 181
1998-1999	14 494	11 388	7 508	2 294	7 016	477	1 435	335	44 888
1997-1998									
March	3 762	2 732	1 627	830	2 295	148	115	45	11 638
June	3 666	2 812	1 715	761	2 298	134	84	75	11 683
1998-1999									
September	3 776	3 011	1 794	668	2 338	146	373	70	12 132
December	3 568	2 733	1 926	568	1 549	96	666	119	11 087
March	3 823	2 965	2 233	580	1 703	120	236	87	11 788
June	3 327	2 679	1 555	478	1 426	115	160	59	9 881
				TOTAL (Percentage change)					
1997-1998	6.7	–3.8	–3.7	23.4	32.1	–5.5	–65.2	–1.3	5.4
1998-1999	–0.7	3.4	1.6	–28.3	–19.7	–27.0	330.9	44.4	–2.8
1997-1998									
March	0.7	–4.8	–20.0	2.5	2.3	–21.3	82.5	–8.2	–2.0
June	–2.6	2.9	5.4	–8.3	0.1	–9.5	–27.0	66.7	0.4
1998-1999									
September	3.0	7.1	4.6	–12.2	1.7	9.0	344.0	–6.7	3.8
December	–5.5	–9.2	7.4	–15.0	–33.7	–34.2	78.6	70.0	–8.6
March	7.1	8.5	15.9	2.1	9.9	25.0	–64.6	–26.9	6.3
June	–13.0	–9.6	–30.4	–17.6	–16.3	–4.2	–32.2	–32.2	–16.2

(a) See paragraphs 32 to 38 of the Explanatory Notes.

5 TOTAL, By Type of Asset and State: **Trend**

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
				BUILDINGS AND STRUCTURES ($ million)					
1997-1998	4 221	2 877	2 456	776	2 489	168	207	69	13 342
1998-1999	4 168	3 237	2 129	548	2 383	129	673	89	13 837
1997-1998									
March	1 081	722	612	212	640	44	36	18	3 357
June	1 119	759	563	213	694	39	120	24	3 631
1998-1999									
September	1 126	817	571	186	703	34	198	26	3 822
December	1 092	841	573	147	647	32	208	24	3 704
March	1 017	819	528	117	555	31	167	20	3 346
June	933	760	456	100	479	32	100	19	2 965
				EQUIPMENT, PLANT AND MACHINERY ($ million)					
1997-1998	10 408	8 309	4 867	2 389	6 268	481	211	159	33 099
1998-1999	10 331	8 105	5 441	1 770	4 591	339	301	255	31 144
1997-1998									
March	2 660	2 065	1 165	604	1 700	116	55	35	8 423
June	2 610	2 090	1 133	541	1 626	101	61	42	8 210
1998-1999									
September	2 587	2 062	1 254	487	1 411	92	73	61	8 010
December	2 598	2 038	1 388	453	1 185	86	83	72	7 892
March	2 595	2 007	1 420	427	1 035	82	79	68	7 729
June	2 551	1 998	1 379	403	960	80	66	54	7 513
				TOTAL ($ million)					
1997-1998	14 628	11 186	7 324	3 166	8 756	649	418	228	46 441
1998-1999	14 499	11 342	7 569	2 320	6 975	469	974	344	44 981
1997-1998									
March	3 741	2 787	1 777	816	2 340	160	91	53	11 780
June	3 729	2 849	1 696	754	2 320	140	181	66	11 841
1998-1999									
September	3 713	2 879	1 825	673	2 114	126	271	87	11 832
December	3 690	2 879	1 961	600	1 832	118	291	96	11 596
March	3 612	2 826	1 948	544	1 590	113	246	88	11 075
June	3 484	2 758	1 835	503	1 439	112	166	73	10 478
				TOTAL (Percentage change)					
1997-1998	6.7	–2.0	–5.7	29.8	29.7	–7.0	–58.1	–2.6	5.6
1998-1999	–0.9	1.4	3.3	–26.7	–20.3	–27.7	133.0	50.9	–3.1
1997-1998									
March	2.8	1.3	–5.5	–0.9	8.3	–7.0	56.9	1.9	2.4
June	–0.3	2.2	–4.6	–7.6	–0.9	–12.5	98.9	24.5	0.5
1998-1999									
September	–0.4	1.1	7.6	–10.7	–8.9	–10.0	49.7	31.8	–0.1
December	–0.6	0.0	7.5	–10.8	–13.3	–6.3	7.4	10.3	–2.0
March	–2.1	–1.8	–0.7	–9.3	–13.2	–4.2	–15.5	–8.3	–4.5
June	–3.5	–2.4	–5.8	–7.5	–9.5	–0.9	–32.5	–17.0	–5.4

6 ACTUAL EXPENDITURE, By Type of Asset and Industry–New South Wales: **Current Prices**

	ASSET			INDUSTRY			
	Buildings and structures	*Equipment, plant and machinery*	*Total*	*Mining*	*Manufacturing*	*Other selected industries*	*Total*
Period	*$m*	*$m*	*$m*	*$m*	*$m*	*$m*	*$m*
1997-1998	4 200	10 405	14 605	856	3 649	10 100	14 605
1998-1999	4 159	10 280	14 439	529	2 845	11 065	14 439
1997-1998							
March	934	2 371	3 305	167	859	2 280	3 305
June	1 197	2 811	4 008	238	977	2 794	4 008
1998-1999							
September	1 046	2 535	3 581	144	600	2 837	3 581
December	1 255	2 600	3 855	133	810	2 912	3 855
March	895	2 464	3 359	98	782	2 479	3 359
June	963	2 681	3 644	154	652	2 837	3 644

7 ACTUAL EXPENDITURE, By Type of Asset and Industry–Victoria: **Current Prices**

	ASSET			INDUSTRY			
	Buildings and structures	*Equipment, plant and machinery*	*Total*	*Mining*	*Manufacturing*	*Other selected industries*	*Total*
Period	*$m*	*$m*	*$m*	*$m*	*$m*	*$m*	*$m*
1997-1998	2 858	8 185	11 044	833	3 401	6 809	11 044
1998-1999	3 208	8 143	11 351	1 234	2 951	7 166	11 351
1997-1998							
March	615	1 831	2 446	163	756	1 527	2 446
June	765	2 233	2 998	212	964	1 822	2 998
1998-1999							
September	861	2 015	2 876	318	715	1 843	2 876
December	819	2 149	2 968	288	780	1 900	2 968
March	862	1 776	2 639	321	652	1 665	2 639
June	666	2 202	2 867	306	803	1 758	2 867

8 ACTUAL EXPENDITURE, By Type of Asset and Industry–Queensland: **Current Prices**

	ASSET			INDUSTRY			
Period	*Buildings and structures* $m	*Equipment, plant and machinery* $m	*Total* $m	*Mining* $m	*Manufacturing* $m	*Other selected industries* $m	*Total* $m
1997-1998	2 490	4 904	7 395	1 968	1 764	3 663	7 395
1998-1999	2 063	5 340	7 403	1 695	1 348	4 360	7 403
1997-1998							
March	441	931	1 371	337	285	749	1 371
June	654	1 372	2 026	622	394	1 010	2 026
1998-1999							
September	574	1 175	1 749	483	339	926	1 749
December	582	1 336	1 918	457	351	1 111	1 918
March	472	1 426	1 899	376	323	1 200	1 899
June	434	1 403	1 837	379	336	1 123	1 837

ACTUAL EXPENDITURE, By Type of Asset and Industry–South Australia: **Current Prices**

	ASSET			INDUSTRY			
	Buildings and structures	*Equipment, plant and machinery*	*Total*	*Mining*	*Manufacturing*	*Other selected industries*	*Total*
Period	*$m*	*$m*	*$m*	*$m*	*$m*	*$m*	*$m*
1997-1998	792	2 400	3 192	1 366	820	1 006	3 192
1998-1999	527	1 749	2 277	508	776	992	2 277
1997-1998							
March	188	534	721	360	168	193	721
June	250	552	802	215	217	370	802
1998-1999							
September	158	445	603	125	153	326	603
December	171	493	664	150	248	266	664
March	97	407	505	98	187	220	505
June	101	403	504	136	188	180	504

10 ACTUAL EXPENDITURE, By Type of Asset and Industry–Western Australia: **Current Prices**

	ASSET			INDUSTRY			
	Buildings and structures	*Equipment, plant and machinery*	*Total*	*Mining*	*Manufacturing*	*Other selected industries*	*Total*
Period	*$m*	*$m*	*$m*	*$m*	*$m*	*$m*	*$m*
1997-1998	2 438	6 323	8 760	5 759	1 049	1 953	8 760
1998-1999	2 394	4 571	6 966	3 645	1 284	2 037	6 966
1997-1998							
March	581	1 610	2 191	1 473	240	479	2 191
June	684	1 698	2 382	1 607	278	497	2 382
1998-1999							
September	732	1 482	2 214	1 190	408	616	2 214
December	618	1 019	1 637	824	304	509	1 637
March	577	1 061	1 638	893	332	413	1 638
June	467	1 010	1 476	739	240	498	1 476

11 ACTUAL EXPENDITURE, By Type of Asset and Industry–Tasmania: **Current Prices**

	ASSET			INDUSTRY			
	Buildings and structures	*Equipment, plant and machinery*	*Total asset*	*Mining*	*Manufacturing*	*Other selected industries*	*Total all industries*
Period	*$m*	*$m*	*$m*	*$m*	*$m*	*$m*	*$m*
1997-1998	169	477	646	85	239	322	646
1998-1999	130	345	475	48	144	283	475
1997-1998							
March	31	110	141	17	54	71	141
June	42	102	145	20	51	73	145
1998-1999							
September	40	101	141	17	33	90	141
December	25	70	95	8	28	59	95
March	30	85	115	10	38	67	115
June	35	89	124	13	44	67	124

12 RELATIVE STANDARD ERRORS, Estimates of Actual Private New Capital Expenditure

	ASSET			INDUSTRY			
State	*Buildings and structures* %	*Equipment, plant and machinery* %	*Total* %	*Mining* %	*Manufacturing* %	*Other selected industries* %	*Total* %
New South Wales	9.4	5.3	5.1	22.6	3.8	5.6	5.1
Victoria	8.4	3.9	3.9	0.7	5.5	5.9	3.9
Queensland	8.6	5.7	5.1	7.5	7.7	7.9	5.1
South Australia	7.0	6.9	5.8	6.0	8.7	10.3	5.8
Western Australia	10.9	6.8	6.8	9.7	11.2	8.5	6.8
Tasmania	19.0	9.3	9.3	0.1	13.9	15.5	9.3
Northern Territory	n.p.	n.p.	9.3	n.p.	n.p.	n.p.	9.3
Australian Capital Territory	n.p.	n.p.	5.8	n.p.	n.p.	n.p.	5.8
Total	5.7	3.4	3.2	8.1	4.5	4.7	3.2

n.p. not available for publication

EXPLANATORY NOTES

INTRODUCTION

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

2 State estimates in this publication are derived from the latest available Australian estimates. These estimates are more up to date than those previously released in *Private New Capital Expenditure and Expected Expenditure* (Cat. no. 5625.0).

SCOPE

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

4 The scope of the survey:

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

- excludes the following industries
  - Agriculture, Forestry and Fishing
  - Government Administration and Defence
  - Education
  - Health and Community Services

SURVEY METHODOLOGY

5 This quarterly survey is based on a stratified random sample of private business units recorded on the ABS register of businesses and is stratified by industry, number of employees and state/territory. The sample consists of approximately 7,000 units. The figures obtained from the selected businesses are supplemented by data from units which have large capital expenditure and/or large employment and which are outside the sample framework, or not adequately covered by it.

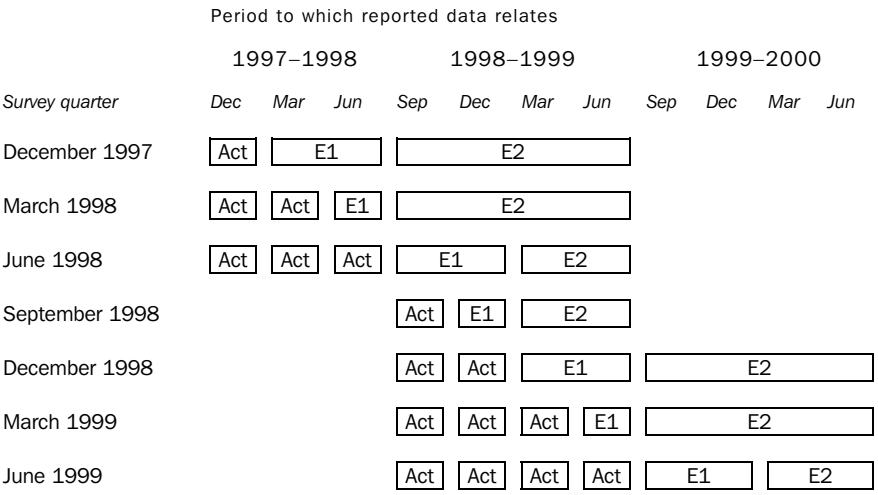
SURVEY METHODOLOGY *continued*

6 Adjustments are included in the estimates to allow for lags in processing new businesses to the ABS business register, and the omission of some businesses from the business register. The majority of businesses affected and to which the adjustments apply are small in size. The adjustments contributed 5.4% to the current quarter's estimate of reported capital expenditure. These adjustments were introduced in the June quarter 1997 publication and have been made back to the June quarter 1987. For further information see the June quarter 1997 publication or an Information Paper—*Improvements to ABS Economic Statistics 1997* (Cat. no. 1357.0) issued on 22 August 1997.

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

TIMING AND CONSTRUCTION OF SURVEY CYCLE

8 State estimates of actual new capital expenditure by business units are compiled quarterly. 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). Full details of the reporting cycle are shown in the table below.



9 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).

TIMING AND CONSTRUCTION OF SURVEY CYCLE *continued*

10 This survey cycle facilitates the formation of estimates of expenditure for financial years (12 months ending 30 June). For example, as shown in paragraph 8, the first estimate for 1998–1999 was available from the December 1997 survey as a long term expectation (E2). It was subsequently revised in the March 1998 survey (again as a longer term expectation) and in the June 1998 survey as the sum of two expectations (E1 + E2). In the September and subsequent surveys the estimate is derived as the sum of actual expenditure (for that part of the year completed) and expected expenditure (for the remainder of the year). The final (or seventh) estimate from the June quarter 1999 survey, will be derived by summing the actual expenditure for each of the four quarters.

SAMPLE REVISION

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

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

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

STATISTICAL UNIT

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

STATE DATA AVAILABILITY

15 Seasonally adjusted estimates for Tasmania, NT and ACT are not separately available because of the high sampling variability associated with them. They are included in totals for Australia and while a residual for them can be derived, the measure is not reliable.

16 State estimates for expected expenditure are only collected in the December quarter survey. The expectations data relate to the 6 months ending the following June and to the financial year following that.

CLASSIFICATION BY INDUSTRY

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

CLASSIFICATION BY INDUSTRY *continued*

18 For more information, users are referred to *Australian & New Zealand Standard Industrial Classification, 1993, ANZSIC,* (Cat. no. 1292.0) and *Statistics New Zealand* (Cat. no. 19.005.0092).

CHAIN VOLUME MEASURES

19 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 1997–1998). Chain volume measures were introduced in September quarter 1998, replacing constant price estimates. Chain volume measures can be thought of as current price values re-expressed in (i.e based on) the prices of the previous year and linked together to form continuous time series. Each year's quarter–to–quarter growth rates in the chain volume series are based on the prices of the previous year, except for those of the quarters of the latest incomplete year which are based upon the second most recent financial year. With each release of the June quarter issue of this publication, a new base year will be introduced and the reference year will be advanced one year to coincide with it. This means that with the release of the June quarter 2000 issue of this publication, the chain volume measures for 1999–2000 will have 1998–1999 (the previous year) as their base year rather than 1997–1998, and the reference year will be 1998–1999. A change in reference year changes level but not growth rates.

20 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. However, by using the latest base year as the reference year, non-additivity does not exist for the quarters following the reference year and is relatively small for the quarters in the reference year and those immediately preceding it. For further information on chain volume measures refer to the information paper *Introduction of Chain Volume Measures in the Australian National Accounts* (Cat no. 5248.0).

DERIVATION AND USEFULNESS OF REALISATION RATIOS

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

22 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 actual expenditure estimates. For example, if one wished to predict actual expenditure for 1999–2000 based on the June 1999 survey results and compare this with 1998–1999 expenditure, it is necessary to apply relevant realisation factors to the expectation to put both estimates on the same basis. Once this has been done the predictions can be validly compared with each other and with previously derived estimates of actual expenditure for earlier years.

23 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 for each state.

DERIVATION AND USEFULNESS OF REALISATION RATIOS *continued*

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

25 The December issue of this publication contains three sets of realisation ratios for each State. These are:

- *6 months to June (Actual/Dec E1)* – this ratio is calculated by summing the actual outcome for the March and June quarters for any given year and dividing this sum by the expected outcome for this same period, as collected in the December quarter just prior to the commencement of that period (i.e. the short term expectation Dec E1). For example, to calculate the appropriate realisation ratio for 1998–1999, sum the actual outcomes for March quarter 1999 and June quarter 1999 and divide this sum by the short term expectation taken in December quarter 1998.
- *12 months to June (Actual/sum of actual and December E1)* – this ratio is calculated by summing the actual outcome for the whole of that financial year and dividing this sum by the 'expected outcome' for the financial year as collected half way through that financial year. This expected outcome will be made up of two quarters of actual data (September and December quarters) and the expected outcome for the following six months (i.e. the short term expectation, Dec E1). For example, to calculate the appropriate realisation ratio for 1998–1999, first sum the actual outcomes for all quarters of 1998–1999. Divide this by the sum of actual September quarter 1998, actual December quarter 1998 and the short term expectation taken in December quarter 1998.
- *12 months to June (Actual/December E2)* – this ratio is calculated by summing the actual outcome for the whole of the financial year and dividing this sum by the expected outcome for that financial year as collected in the December quarter just prior to the commencement of that financial year (i.e. the long term or 12 month expectation, Dec E2). For example, to calculate the appropriate realisation ratio for 1998–1999, first sum the actual outcomes for all quarters of 1998–1999 and divide this by the long term expectation taken in December quarter 1997 (Dec E2).

DESCRIPTION OF TERMS

26 *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.

27 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.

DESCRIPTION OF TERMS

- *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.

RELIABILITY OF ESTIMATES

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

29 Another measure of sampling variability is the *relative standard error* which is obtained by expressing the standard error as a percentage of the estimate to which it refers. The relative standard error is a useful measure in that it provides an immediate indication of the percentage errors likely to have occurred due to sampling. The sample estimates of quarter to quarter movement in the value of new capital expenditure are also subject to sampling variability. The relative standard error of the estimate of movement is expressed as a percentage of the quarterly estimate of the level of capital expenditure. Table 12 shows the relative standard errors by State.

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

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

SEASONAL ADJUSTMENT

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

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

34 Seasonal adjusted estimates in this publication have been derived by independently adjusting State estimates by type of asset and then adding them to form State capital expenditure estimates. This publication contains seasonally adjusted State estimates by type of asset for all States except Tasmania, NT and ACT where only totals are available. Seasonally adjusted estimates for Tasmania, NT and ACT have not been published at the type of asset level because of volatility within the series.

SEASONAL ADJUSTMENT *continued*

35 The seasonally adjusted Australian estimates of new capital expenditure included in the publication are consistent with those published in *Private New Capital Expenditure, Australia* (Cat. no. 5625.0). These estimates are derived independently of the seasonally adjusted State estimates and as such the residual difference between the States and Australia estimates should in no way be regarded as seasonally adjusted estimates for Tas, ACT and NT.

36 At least once each year the seasonally adjusted series are revised to take account of the latest available data. The most recent reanalysis takes into account data collected up to and including the March quarter 1999 survey. Data for periods after March 1999 are seasonally adjusted on the basis of extrapolation of historical patterns. The nature of the seasonal adjustment process is such that the magnitude of some revisions resulting from reanalysis may be quite significant, especially for data for more recent quarters. Care should be exercised when interpreting quarter to quarter movements in the seasonally adjusted series in the publication, particularly for recent quarters.

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

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

TREND ESTIMATES

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

COMPARABILITY WITH NATIONAL ACCOUNTS ESTIMATES

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

- National Accounts estimates incorporate data from other sources as well as information from the capital expenditure survey. For example, estimates for capital expenditure on 'equipment' are based on annual statistics of depreciable assets available from the Taxation Commissioner. Quarterly estimates are interpolated between and extrapolated from the annual taxation based estimates using a variety of indicators including this survey. The ABS's quarterly Building Activity Survey and Engineering Construction Survey are the main sources for estimating the National Accounts dwelling and non-dwelling construction items respectively.
- National Accounts estimates include capital expenditure by all private businesses including units classified to the agriculture, forestry, fishing and hunting and community services industries and capital expenditure on dwellings by households. Data for these sectors are excluded from this publication.

COMPARABILITY WITH NATIONAL ACCOUNTS ESTIMATES *continued*

- National Accounts estimates include the value of work done on speculative construction projects as the work is put into place. The statistics in this publication, however, include full value of the speculative projects as new capital expenditure of the purchases (if in scope), when the project is sold.
- For equipment, the National Accounts estimates relate to acquisitions less disposals of all fixed tangible assets whereas the survey figures are acquisitions of new fixed tangible assets only.

41 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).

RELATED PUBLICATIONS

42 Users may also wish to refer to the following publications:

- *Australian Business Expectations* (Cat. no. 5250.0)
- *Australian National Accounts: National Income, Expenditure and Product* (Cat. no. 5206.0)
- *Building Activity, Australia* (Cat. no. 8752.0)
- *Business Operations and Industry Performance, Australia* (Cat. no. 8140.0)
- *Company Profits, Australia* (Cat. no. 5651.0)
- *Directory of Capital Expenditure Data Sources and Related Statistics* (Cat. no. 5653.0)
- *Engineering Construction Activity, Australia* (Cat. no. 8762.0)
- *Private New Capital Expenditure and Expected Expenditure* (Cat. no. 5625.0)
- *Inventories and Sales, Selected Industries, Australia* (Cat. no. 5629.0).

43 Current publications produced by the ABS are listed in the *Catalogue of Publications and Products, Australia* (Cat. no. 1101.0). The ABS also issues, on Tuesdays and Fridays, a *Release Advice* (Cat. no. 1105.0) which lists publications to be released in the next few days. The Catalogue and Release Advice are available from any ABS office.

UNPUBLISHED DATA

44 In addition to the data contained in this publication, more detailed industry information may be made available on request.

SYMBOLS AND OTHER USAGES

n.p.	not available for publication but included in totals where applicable
ANZSIC	Australian and New Zealand Standard Industrial Classification

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2564600006995
ISSN 0819-0909

RRP $17.00

Produced by the Australian Bureau of Statistics