

PRIVATE NEW CAPITAL EXPENDITURE

STATE
ESTIMATES

EMBARGO: 11:30AM (CANBERRA TIME) TUES 15 DEC 1998

SEPTEMBER QTR KEY FIGURES

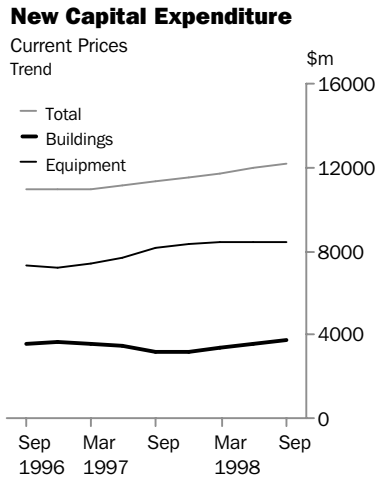
TREND ESTIMATES	Sep Qtr 1998 \$m	% change Jun Qtr 1998 to Sep Qtr 1998	% change Sep Qtr 1997 to Sep Qtr 1998
New South Wales	3 797	0.6	8.0
Victoria	3 031	3.8	8.7
Queensland	1 686	-1.3	-14.1
South Australia	724	-6.3	-6.2
Western Australia	2 499	4.1	28.7
Tasmania	140	-0.7	-21.7
Northern Territory	114	14.0	25.3
Australian Capital Territory	76	16.9	33.3
Australia	12 203	1.7	7.8

SEPTEMBER QTR KEY POINTS

ACTUAL EXPENDITURE

- For New South Wales, trend estimates of expenditure increased by \$24m (0.6%) this quarter. Expenditure on buildings rose by 2.2% while equipment fell by 0.1%.
- For Victoria, trend estimates of expenditure increased by \$110m (3.8%) this quarter. Expenditure on buildings rose by 14.4% while equipment fell by 0.3%.
- For Queensland, trend estimates of expenditure fell by \$23m (1.3%) this quarter. Expenditure on buildings decreased by 3.4% and equipment by 0.4%.
- For South Australia, trend estimates of expenditure fell by \$49m (6.3%) this quarter. Expenditure on buildings decreased by 6.5% and equipment by 6.3%.
- For Western Australia, trend estimates of expenditure increased by \$99m (4.1%) this quarter. Expenditure on buildings rose by 13.2% and equipment by 0.3%.
- For Tasmania, trend estimates of expenditure decreased by \$1m (0.7%) this quarter. Expenditure on buildings fell by 2.6% while equipment rose by 1.0%.
- For Northern Territory, trend estimates of expenditure increased by \$14m (14%) this quarter. Expenditure on buildings rose by 35.0% and equipment by 3.4%.
- For Australian Capital Territory, trend estimates of expenditure increased by \$11m (16.9%) this quarter. Expenditure on buildings rose by 16.7% and equipment by 17.1%.

- For further information about these and related statistics, contact John Blanchette on Sydney 02 92684357, or any ABS office shown on the back cover of this publication.



NOTES

FORTHCOMING ISSUES

ISSUE (Quarter)
December 1998

RELEASE DATE
16 March 1999



CHANGES IN THIS ISSUE

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

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



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.

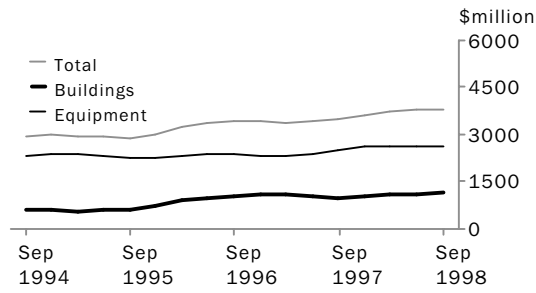


W. McLennan
Australian Statistician

ACTUAL NEW CAPITAL EXPENDITURE: Trend

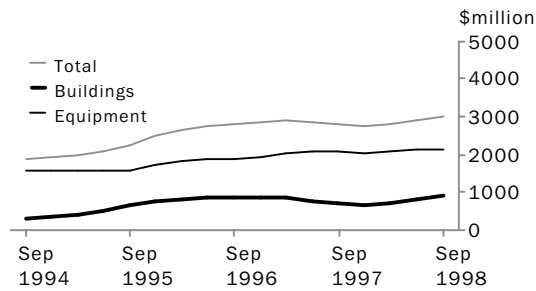
QUARTERLY TREND ESTIMATES AT CURRENT PRICES

NEW SOUTH WALES



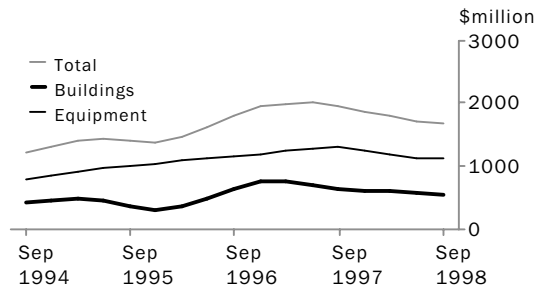
Since September quarter 1997, total expenditure for New South Wales has increased by 8.0%. Expenditure on buildings has increased by 14.5% and equipment by 5.4%.

VICTORIA



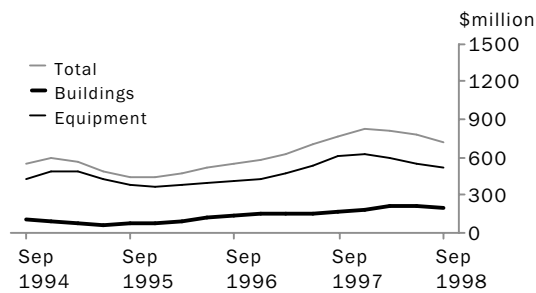
Since September quarter 1997, total expenditure for Victoria has increased by 8.7%. Expenditure on buildings has increased by 27.6% and equipment by 2.1%.

QUEENSLAND



Since September quarter 1997, total expenditure for Queensland has decreased by 14.1%. Expenditure on buildings has decreased by 16.2% and equipment by 13.1%.

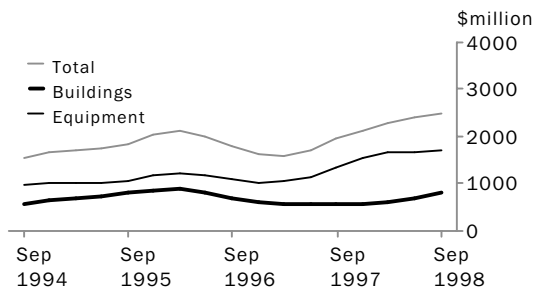
SOUTH AUSTRALIA



Since September quarter 1997, total expenditure for South Australia has decreased by 6.2%. Expenditure on buildings has increased by 25.5%, while equipment has decreased by 14.7%.

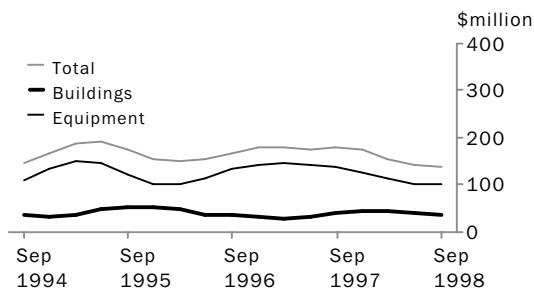
QUARTERLY TREND ESTIMATES AT CURRENT PRICES

WESTERN AUSTRALIA



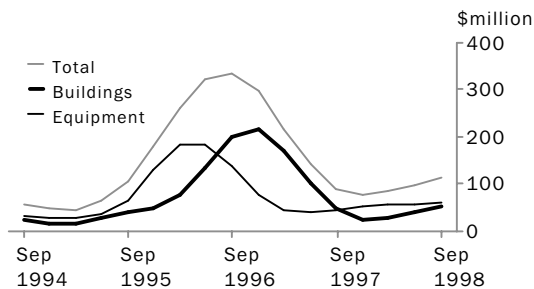
Since September quarter 1997, total expenditure for Western Australia has increased by 28.7%. Expenditure on buildings has increased by 38.6% and equipment by 24.4%.

TASMANIA



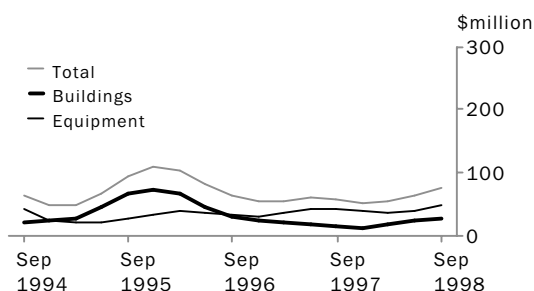
Since September quarter 1997, total expenditure for Tasmania has decreased by 21.7%. Expenditure on buildings has decreased by 9.5% and equipment by 25.4%.

NORTHERN TERRITORY



Since September quarter 1997, total expenditure for Northern Territory has increased by 25.3%. Expenditure on buildings has increased by 14.9% and equipment by 38.6%.

AUSTRALIAN CAPITAL TERRITORY



Since September quarter 1997, total expenditure for Australian Capital Territory has increased by 33.3%. Expenditure on buildings has increased by 100% and equipment by 11.6%.

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

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)							
1996-97	14 330	29 507	43 837	8 781	10 198	24 859	43 837
1997-98	13 152	33 069	46 220	11 029	10 996	24 195	46 220
1996-97							
June	3 378	8 516	11 894	2 324	2 828	6 742	11 894
1997-98							
September	2 921	7 642	10 563	2 491	2 528	5 544	10 563
December	3 728	9 078	12 806	3 020	3 188	6 598	12 806
March	2 833	7 468	10 301	2 566	2 378	5 357	10 301
June	3 670	8 881	12 551	2 952	2 903	6 696	12 551
1998-99							
September	3 637	8 256	11 893	2 414	2 545	6 935	11 893
ORIGINAL (Expected)							
1998-99							
3 mths to Dec	4 281	8 302	12 583	2 376	3 282	6 925	12 583
6 mths to June	6 905	13 918	20 823	4 068	5 428	11 327	20 823
Total 1998-99	14 823	30 476	45 299	8 858	11 254	25 186	45 299
SEASONALLY ADJUSTED (Actual)							
1996-97	14 386	29 456	43 842	8 795	10 184	24 863	43 842
1997-98	13 184	33 077	46 260	11 056	10 975	24 298	46 260
1996-97							
June	3 457	7 729	11 185	2 273	2 630	6 282	11 185
1997-98							
September	3 005	8 018	11 022	2 602	2 653	5 767	11 022
December	3 356	8 438	11 794	2 758	3 004	6 032	11 794
March	3 120	8 565	11 685	2 808	2 664	6 213	11 685
June	3 703	8 056	11 759	2 888	2 654	6 216	11 759
1998-99							
September	3 836	8 695	12 530	2 542	2 688	7 300	12 530
TREND ESTIMATES (Actual)							
1996-97	14 349	29 596	43 943	8 912	10 307	24 725	43 943
1997-98	13 303	33 239	46 542	10 897	11 004	24 641	46 542
1996-97							
June	3 468	7 686	11 153	2 392	2 640	6 122	11 153
1997-98							
September	3 227	8 094	11 320	2 562	2 752	6 006	11 320
December	3 151	8 338	11 490	2 743	2 802	5 945	11 490
March	3 342	8 394	11 736	2 819	2 761	6 156	11 736
June	3 583	8 413	11 996	2 773	2 689	6 534	11 996
1998-99							
September	3 752	8 451	12 203	2 661	2 634	6 908	12 203

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

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL							
1996-97	14 331	29 506	43 838	8 780	10 197	24 858	43 838
1997-98	12 834	33 326	46 208	10 725	10 929	24 560	46 208
1996-97							
June	3 361	8 719	12 119	2 322	2 859	6 937	12 119
1997-98							
September	2 878	7 813	10 714	2 472	2 550	5 692	10 714
December	3 645	9 197	12 859	2 957	3 183	6 721	12 859
March	2 772	7 484	10 261	2 481	2 353	5 429	10 261
June	3 539	8 832	12 374	2 815	2 843	6 718	12 374
1998-99							
September	3 481	8 122	11 654	2 271	2 450	6 930	11 654
SEASONALLY ADJUSTED							
1996-97	14 329	29 506	43 836	8 779	10 198	24 859	43 836
1997-98	12 833	33 375	46 209	10 731	10 928	24 560	46 209
1996-97							
June	3 364	7 929	11 313	2 266	2 593	6 457	11 313
1997-98							
September	3 013	8 213	11 235	2 577	2 751	5 908	11 235
December	3 222	8 559	11 782	2 695	2 953	6 137	11 782
March	3 048	8 592	11 637	2 709	2 642	6 289	11 637
June	3 550	8 011	11 555	2 750	2 582	6 226	11 555
1998-99							
September	3 730	8 562	12 321	2 389	2 641	7 289	12 321
TREND ESTIMATES							
1996-97	14 384	29 627	44 002	8 898	10 271	24 831	44 002
1997-98	12 936	33 537	46 479	10 573	10 928	24 991	46 479
1996-97							
June	3 407	7 853	11 268	2 382	2 661	6 229	11 268
1997-98							
September	3 170	8 277	11 456	2 533	2 774	6 153	11 456
December	3 070	8 468	11 539	2 681	2 798	6 063	11 539
March	3 235	8 429	11 658	2 719	2 725	6 219	11 658
June	3 461	8 363	11 826	2 640	2 631	6 556	11 826
1998-99							
September	3 639	8 332	12 026	2 532	2 589	6 913	12 026

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

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)									
1996-97	4 287	3 379	2 739	594	2 412	128	698	93	14 330
1997-98	4 200	2 858	2 491	792	2 436	171	130	73	13 152
1996-97									
June	1 078	761	631	160	597	30	99	21	3 378
1997-98									
September	854	694	664	159	467	37	33	13	2 921
December	1 214	784	732	196	705	59	26	13	3 728
March	934	615	441	188	581	31	32	11	2 833
June	1 198	765	655	250	683	44	39	36	3 670
1998-99									
September	1 111	951	558	159	748	40	48	21	3 637
EQUIPMENT, PLANT AND MACHINERY (\$ million)									
1996-97	9 376	8 117	4 863	1 985	4 206	559	259	142	29 507
1997-98	10 410	8 186	4 908	2 402	6 325	473	199	185	33 068
1996-97									
June	2 602	2 465	1 495	563	1 148	144	48	51	8 516
1997-98									
September	2 412	1 807	1 305	557	1 343	136	34	47	7 642
December	2 812	2 314	1 297	757	1 672	128	64	34	9 078
March	2 371	1 831	931	534	1 610	110	55	28	7 468
June	2 816	2 234	1 375	553	1 700	99	47	54	8 881
1998-99									
September	2 612	2 167	1 151	463	1 642	102	72	47	8 256
TOTAL (\$ million)									
1996-97	13 663	11 496	7 602	2 580	6 617	687	957	235	43 837
1997-98	14 610	11 045	7 398	3 194	8 760	643	329	236	46 221
1996-97									
June	3 681	3 226	2 127	723	1 745	175	147	72	11 894
1997-98									
September	3 266	2 502	1 969	716	1 810	174	67	60	10 563
December	4 025	3 099	2 029	953	2 377	187	89	47	12 806
March	3 305	2 446	1 371	721	2 191	141	86	39	10 301
June	4 013	2 999	2 030	803	2 383	142	87	90	12 551
1998-99									
September	3 724	3 117	1 709	623	2 390	142	120	68	11 893
TOTAL (Percentage change)									
1996-97	8.4	11.7	29.9	37.7	-16.3	12.1	3.1	-40.6	8.3
1997-98	6.9	-3.9	-2.7	23.8	32.4	-6.4	-65.6	0.4	5.4
1996-97									
June	19.3	26.7	16.0	38.6	14.0	3.2	-33.6	37.3	19.4
1997-98									
September	-11.3	-22.5	-7.4	-0.9	3.8	-0.6	-54.5	-16.4	-11.2
December	23.2	23.9	3.1	33.0	31.3	7.4	33.6	-21.5	21.2
March	-17.9	-21.1	-32.4	-24.3	-7.8	-24.2	-3.5	-17.8	-19.6
June	21.4	22.6	48.0	11.4	8.8	0.4	0.6	130.7	21.8
1998-99									
September	-7.2	3.9	-15.8	-22.5	0.3	0.1	38.1	-24.4	-5.2

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)									
1996-97	4 308	3 379	2 815	593	2 434	n.p.	n.p.	n.p.	14 385
1997-98	4 180	2 856	2 485	801	2 422	n.p.	n.p.	n.p.	13 186
1996-97									
June	1 027	735	545	171	585	n.p.	n.p.	n.p.	3 457
1997-98									
September	892	721	672	155	557	n.p.	n.p.	n.p.	3 005
December	1 115	693	685	174	611	n.p.	n.p.	n.p.	3 356
March	1 033	704	566	209	587	n.p.	n.p.	n.p.	3 120
June	1 140	738	562	263	667	n.p.	n.p.	n.p.	3 703
1998-99									
September	1 163	990	565	156	894	n.p.	n.p.	n.p.	3 836
EQUIPMENT, PLANT AND MACHINERY (\$ million)									
1996-97	9 361	8 090	4 855	2 005	4 194	n.p.	n.p.	n.p.	29 456
1997-98	10 422	8 170	4 901	2 413	6 324	n.p.	n.p.	n.p.	33 077
1996-97									
June	2 344	2 347	1 275	526	1 082	n.p.	n.p.	n.p.	7 729
1997-98									
September	2 507	1 795	1 318	642	1 409	n.p.	n.p.	n.p.	8 018
December	2 669	2 234	1 342	623	1 550	n.p.	n.p.	n.p.	8 438
March	2 713	2 015	1 072	631	1 767	n.p.	n.p.	n.p.	8 565
June	2 532	2 126	1 169	517	1 598	n.p.	n.p.	n.p.	8 056
1998-99									
September	2 718	2 149	1 163	535	1 723	n.p.	n.p.	n.p.	8 695
TOTAL (\$ million)									
1996-97	13 670	11 468	7 667	2 599	6 627	692	965	235	43 841
1997-98	14 602	11 027	7 385	3 214	8 746	654	335	234	46 260
1996-97									
June	3 371	3 082	1 819	697	1 666	150	136	61	11 185
1997-98									
September	3 399	2 516	1 990	797	1 966	193	74	64	11 022
December	3 785	2 927	2 027	798	2 161	186	86	50	11 794
March	3 745	2 720	1 638	840	2 353	153	97	42	11 685
June	3 673	2 864	1 731	779	2 265	122	79	78	11 759
1998-99									
September	3 881	3 139	1 729	691	2 617	158	132	72	12 530
TOTAL (Percentage change)									
1996-97	8.7	11.3	31.8	38.8	-16.1	11.6	6.1	-40.9	8.7
1997-98	6.8	-3.8	-3.7	23.7	32.0	-5.5	-65.2	-0.4	5.5
1996-97									
June	-3.3	8.0	-17.1	16.4	1.3	-18.9	-38.6	7.1	-0.1
1997-98									
September	0.8	-18.4	9.4	14.3	17.9	29.1	-45.3	5.4	-1.5
December	11.3	16.3	1.9	0.1	10.0	-3.5	15.5	-22.3	7.0
March	-1.0	-7.1	-19.2	5.3	8.9	-18.1	13.2	-15.3	-0.9
June	-1.9	5.3	5.6	-7.2	-3.7	-20.1	-18.6	85.7	0.6
1998-99									
September	5.7	9.6	-0.1	-11.3	15.5	29.3	66.9	-7.6	6.5

(a) See paragraphs 35 and 36 of the Explanatory Notes.

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)									
1996-97	4 291	3 428	2 870	590	2 451	132	689	89	14 349
1997-98	4 223	2 907	2 450	774	2 484	171	142	69	13 303
1996-97									
June	1 043	788	710	157	574	33	102	17	3 468
1997-98									
September	1 005	715	654	161	580	42	47	14	3 227
December	1 013	679	623	187	574	46	25	13	3 151
March	1 079	716	607	210	621	43	29	18	3 342
June	1 126	797	567	216	710	39	40	24	3 583
1998-99									
September	1 151	912	548	202	804	38	54	28	3 752
EQUIPMENT, PLANT AND MACHINERY (\$ million)									
1996-97	9 412	7 998	4 886	1 854	4 315	568	302	144	29 595
1997-98	10 439	8 345	4 893	2 402	6 284	481	213	160	33 239
1996-97									
June	2 368	2 094	1 299	541	1 159	143	41	43	7 686
1997-98									
September	2 510	2 075	1 309	611	1 362	138	44	43	8 094
December	2 628	2 063	1 257	634	1 567	128	53	39	8 338
March	2 653	2 083	1 185	601	1 665	113	57	37	8 394
June	2 648	2 123	1 142	556	1 690	102	59	41	8 413
1998-99									
September	2 646	2 118	1 138	521	1 695	103	61	48	8 451
Actual Expenditure - Current Price									
1996-97	13 703	11 425	7 756	2 444	6 765	701	991	234	43 943
1997-98	14 661	11 252	7 344	3 178	8 769	653	355	229	46 542
1996-97									
June	3 412	2 881	2 010	698	1 733	176	143	60	11 153
1997-98									
September	3 515	2 789	1 963	772	1 942	180	91	57	11 320
December	3 641	2 743	1 880	821	2 141	174	77	52	11 490
March	3 732	2 799	1 792	812	2 286	157	87	55	11 736
June	3 773	2 921	1 709	773	2 400	141	100	65	11 996
1998-99									
September	3 797	3 031	1 686	724	2 499	140	114	76	12 203
TOTAL (Percentage change)									
1996-97	9.4	12.4	32.6	29.7	-15.7	10.4	14.0	-40.5	9.5
1997-98	7.0	-1.5	-5.3	30.0	29.6	-7.0	-64.2	-2.1	5.9
1996-97									
June	0.6	-0.9	0.6	11.9	7.5	-1.1	-34.1	-5.0	1.8
1997-98									
September	3.0	-3.2	-2.3	10.6	12.1	2.3	-36.4	-8.7	1.4
December	3.6	-1.6	-4.2	6.3	10.2	-3.3	-15.4	-11.1	1.5
March	2.5	2.0	-4.7	-1.1	6.8	-9.8	13.0	5.7	2.1
June	1.1	4.4	-4.6	-4.8	5.0	-10.2	14.9	18.1	2.2
1998-99									
September	0.6	3.8	-1.3	-6.3	4.1	-0.7	14.0	16.9	1.7

ACTUAL EXPENDITURE, By Type of Asset and Industry—New South Wales: Current Prices

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1996-97	4 287	9 376	13 663	990	3 075	9 598	13 663
1997-98	4 200	10 410	14 610	856	3 651	10 103	14 610
1996-97							
June	1 078	2 602	3 681	169	847	2 665	3 681
1997-98							
September	854	2 412	3 266	249	726	2 292	3 266
December	1 214	2 812	4 025	203	1 088	2 734	4 025
March	934	2 371	3 305	167	859	2 280	3 305
June	1 198	2 816	4 013	238	978	2 797	4 013
1998-99							
September	1 111	2 613	3 724	145	667	2 911	3 724

ACTUAL EXPENDITURE, By Type of Asset and Industry—Victoria: Current Prices

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1996-97	3 379	8 117	11 496	758	3 447	7 290	11 496
1997-98	2 858	8 186	11 045	834	3 401	6 810	11 045
1996-97							
June	761	2 465	3 226	170	880	2 176	3 226
1997-98							
September	694	1 807	2 502	164	775	1 563	2 502
December	784	2 314	3 099	295	906	1 898	3 099
March	615	1 831	2 446	163	756	1 527	2 446
June	765	2 234	2 999	212	965	1 822	2 999
1998-99							
September	951	2 167	3 117	319	893	1 905	3 117

ACTUAL EXPENDITURE, By Type of Asset and Industry—Queensland: Current Prices

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1996-97	2 739	4 863	7 602	1 865	1 734	4 002	7 602
1997-98	2 491	4 908	7 398	1 970	1 763	3 666	7 398
1996-97							
June	631	1 495	2 127	435	621	1 071	2 127
1997-98							
September	664	1 305	1 969	477	574	918	1 969
December	732	1 297	2 029	532	511	986	2 029
March	441	931	1 371	337	285	749	1 371
June	655	1 375	2 030	624	393	1 013	2 030
1998-99							
September	558	1 151	1 709	438	361	911	1 709

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

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1996-97	594	1 985	2 580	489	840	1 251	2 580
1997-98	792	2 402	3 194	1 366	820	1 008	3 194
1996-97							
June	160	563	723	267	221	234	723
1997-98							
September	159	557	716	345	170	201	716
December	196	757	953	447	265	241	953
March	188	534	721	360	168	193	721
June	250	553	803	214	217	373	803
1998-99							
September	159	463	623	126	157	340	623

ACTUAL EXPENDITURE, By Type of Asset and Industry—Western Australia: Current Prices

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1996-97	2 412	4 206	6 617	4 158	625	1 834	6 617
1997-98	2 436	6 325	8 760	5 756	1 049	1 956	8 760
1996-97							
June	597	1 148	1 745	1 168	153	424	1 745
1997-98							
September	467	1 343	1 810	1 190	194	426	1 810
December	705	1 672	2 377	1 489	337	552	2 377
March	581	1 610	2 191	1 473	240	479	2 191
June	683	1 700	2 383	1 604	278	500	2 383
1998-99							
September	748	1 642	2 390	1 337	421	632	2 390

ACTUAL EXPENDITURE, By Type of Asset and Industry—Tasmania: Current Prices

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total asset</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total all industries</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1996-97	128	559	687	81	390	216	687
1997-98	171	473	643	85	239	320	643
1996-97							
June	30	144	175	15	94	66	175
1997-98							
September	37	136	174	28	80	65	174
December	59	128	187	20	54	113	187
March	31	110	141	17	54	71	141
June	44	98	142	20	51	71	142
1998-99							
September	40	102	142	19	33	90	142

RELATIVE STANDARD ERRORS, Estimates of Actual Private New Capital Expenditure

State	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	%	%	%	%	%	%	%
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* (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 7,700 units. The figures obtained from the selected businesses are supplemented by data from units which have large capital expenditure and/or large employment and which are outside the sample framework, or not adequately covered by it.

EXPLANATORY NOTES

SURVEY METHODOLOGY

continued

6 Adjustments are included in the estimates to allow for lags in processing new businesses to the ABS 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 3.8% to the current quarter's estimate of reported capital expenditure. These adjustments were introduced in the June quarter 1997 publication and have been made back to the June quarter 1987. For further information see the June quarter 1997 publication or 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.

	Period to which reported data relates											
	1997-98			1998-99			1999-2000					
Survey quarter	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	
December 1997	Act	E1			E2							
March 1998	Act	Act	E1		E2							
June 1998	Act	Act	Act		E1		E2					
September 1998				Act	E1		E2					
December 1998					Act	Act	E1		E2			
March 1999					Act	Act	Act	E1	E2			
June 1999					Act	Act	Act	Act	E1		E2	

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).

EXPLANATORY NOTES

- 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 the above table shows, the first estimate for 1998–99 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).

EXPLANATORY NOTES

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).

19 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.

20 The total value of all new capital assets acquired by each statistical unit either on own account or under a finance lease is classified to the ANZSIC industry in which it mainly operates even though it may have activities in other industries.

INTRODUCTION OF CHAIN VOLUME INDEX

21 Constant price estimates have been replaced with chain volume measures from September quarter 1998. Estimates in chain volume measures (current reference year 1996–97) are presented, in Table 2. The deflators used to revalue the current price estimates are the same as the price deflators compiled for the national accounts aggregates ‘Private gross fixed capital expenditure on non-dwelling construction’ and ‘Private gross fixed capital expenditure on equipment’.

DERIVATION AND USEFULNESS OF REALISATION RATIOS

22 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).

23 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 1998–99 based on the June 1998 survey results and compare this with 1997–98 expenditure, it is necessary to apply relevant realisation factors to the expectation to put both estimates on the same basis. Once this has been done the predictions can be validly compared with each other and with previously derived estimates of actual expenditure for earlier years.

24 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.

25 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.

EXPLANATORY NOTES

DERIVATION AND USEFULNESS OF REALISATION RATIOS *continued*

- 26** 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 1996–97, sum the actual outcomes for March quarter 1997 and June quarter 1997 and divide this sum by the short term expectation taken in December quarter 1996.
 - *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 1996–97, first sum the actual outcomes for all quarters of 1996–97. Divide this by the sum of actual September quarter 1996, actual December quarter 1996 and the short term expectation taken in December quarter 1996.
 - *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 1996–97, first sum the actual outcomes for all quarters of 1996–97 and divide this by the long term expectation taken in December quarter 1995 (Dec E2).

DESCRIPTION OF TERMS

- 27** *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.
- 28** 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.

EXPLANATORY NOTES

RELIABILITY OF ESTIMATES

29 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.

30 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 new relative standard errors by State.

31 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.

32 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

33 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.

34 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.

35 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 for Tasmania, NT and ACT have not been published at the type of asset level because of volatility within the series.

EXPLANATORY NOTES

SEASONAL ADJUSTMENT

continued

36 The seasonally adjusted Australian estimates of new capital expenditure included in the publication are consistent with those published in *Private New Capital Expenditure, Australia* (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.

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

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

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

TREND ESTIMATES

40 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* (1348.0) or contact the Assistant Director, Time Series Analysis on (02) 6252 6345.

COMPARABILITY WITH NATIONAL ACCOUNTS ESTIMATES

41 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.

EXPLANATORY NOTES

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.

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

RELATED PUBLICATIONS

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

- *Directory of Capital Expenditure Data Sources and Related Statistics* (5653.0)
- *Company Profits, Australia* (5651.0)
- *Stocks and Sales, Selected Industries, Australia* (5629.0)
- *Private New Capital Expenditure and Expected Expenditure* (5625.0)
- *Australian National Accounts: National Income, Expenditure and Product* (5206.0)
- *Australian Business Expectations* (5250.0)
- *Business Operations and Industry Performance, Australia* (8140.0)
- *Engineering Construction Activity, Australia* (8762.0)
- *Building Activity, Australia* (8752.0).

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

UNPUBLISHED DATA

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

SYMBOLS AND OTHER USAGES

- .. not applicable
- n.p. not published
- ANZSIC Australian and New Zealand Standard Industrial Classification

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