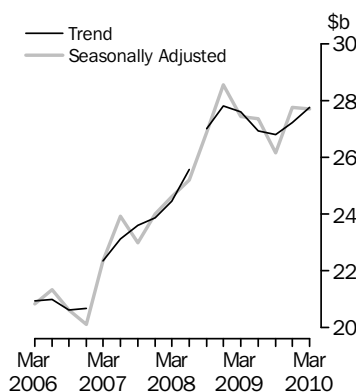


# **PRIVATE NEW CAPITAL EXPENDITURE AND EXPECTED EXPENDITURE AUSTRALIA**

EMBARGO: 11.30AM (CANBERRA TIME) THURS 27 MAY 2010

## **New Capital Expenditure**

in volume terms



## **KEY FIGURES**

	<b>Mar Qtr 10</b>	<b>Dec Qtr 09 to Mar Qtr 10</b>	<b>Mar Qtr 09 to Mar Qtr 10</b>
	<b>\$m</b>	<b>% change</b>	<b>% change</b>
<b>Trend estimates<sup>(a)</sup></b>			
Total new capital expenditure	27 753	1.9	0.6
Buildings and structures	13 103	0.6	-6.8
Equipment, plant and machinery	14 574	2.4	6.5
<b>Seasonally adjusted<sup>(a)</sup></b>			
Total new capital expenditure	27 703	-0.2	1.0
Buildings and structures	13 578	6.7	-1.0
Equipment, plant and machinery	14 124	-6.0	3.0

(a) In volume terms

## **KEY POINTS**

### **ACTUAL EXPENDITURE (VOLUME TERMS)**

- The trend estimate for total new capital expenditure (in volume terms) rose 1.9% in the March quarter 2010 while the seasonally adjusted estimate fell 0.2%.
- The trend volume estimate for buildings and structures rose 0.6% in the March quarter 2010 while the seasonally adjusted estimate rose 6.7%.
- The trend volume estimate for equipment, plant and machinery rose 2.4% in the March quarter 2010 while the seasonally adjusted estimate fell 6.0%.

### **EXPECTED EXPENDITURE (CURRENT PRICE TERMS)**

- This issue includes the sixth estimate (Estimate 6) for the financial year 2009-10 and the second estimate (Estimate 2) for 2010-11.
- Estimate 6 for 2009-10 is \$108,651m. This is 2.5% lower than Estimate 6 for 2008-09. Estimate 6 is 1.3% lower than Estimate 5 for 2009-10.
- Estimate 2 for 2010-11 is \$103,930m. This is 16.9% higher than Estimate 2 for 2009-10. Estimate 2 is 3.7% higher than Estimate 1 for 2010-11.
- See pages 6 to 10 for further commentary on expectations data.

## **INQUIRIES**

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

## NOTES

### FORTHCOMING ISSUES

#### ISSUE (Quarter)

#### RELEASE DATE

June 2010	26 August 2010
September 2010	25 November 2010
December 2010	24 February 2011
March 2011	26 May 2011

.....

### INTERPRETING TREND ESTIMATES

The trend series in this publication for the equipment, plant and machinery asset type should be interpreted with caution as the underlying behaviour of these series may have been impacted by the Federal Government's Economic Security Package implemented from December 2008.

.....

### ABBREVIATIONS

ABN	Australian Business Number
ABS	Australian Bureau of Statistics
ANZSIC	Australian and New Zealand Standard Industrial Classification
PAYGW	pay-as-you-go withholding
SNA08	System of National Accounts 2008 version
TAU	type of activity unit

Brian Pink  
Australian Statistician

# CONTENTS

page

## COMMENTARY

Actual new capital expenditure, In volume terms . . . . .	4
Actual and expected new capital expenditure . . . . .	6

## TABLES

### ACTUAL AND EXPECTED EXPENDITURE

<b>1</b> Actual and expected expenditure, By type of asset and industry, Current prices . . . . .	11
<b>2</b> Actual and expected expenditure, By detailed industry, Current prices . . . .	12
<b>3</b> Actual expenditure, By type of asset and industry, Chain volume measures . . . . .	14
<b>4</b> Actual expenditure, By type of asset and industry, Percentage change, Chain volume measures . . . . .	15

### FINANCIAL YEAR EXPENDITURE

<b>5</b> Expected expenditure and realisation ratios, By type of asset, Current prices . . . . .	16
<b>6</b> Expected expenditure and realisation ratios, By industry, Current prices . . . .	17
<b>7</b> Ratios of actual to short term expectations, By type of asset and industry, Current prices . . . . .	18

### STATE ESTIMATES

<b>8</b> Actual expenditure on buildings and structures, By state, Current prices . . . .	19
<b>9</b> Actual expenditure on equipment, plant and machinery, By state, Current prices . . . . .	20
<b>10</b> Actual total expenditure, By state, Current prices . . . . .	21
<b>11</b> Actual expenditure on buildings and structures, By state, Chain volume measures . . . . .	22
<b>12</b> Actual expenditure on equipment, plant and machinery, By state, Chain volume measures . . . . .	23
<b>13</b> Actual total expenditure, By state, Chain volume measures . . . . .	24

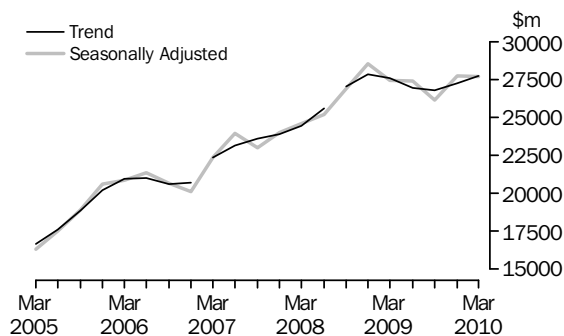
## ADDITIONAL INFORMATION

What if...? Revisions to trend estimates . . . . .	25
Explanatory Notes . . . . .	26
Appendix: Sampling errors . . . . .	34

## ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS

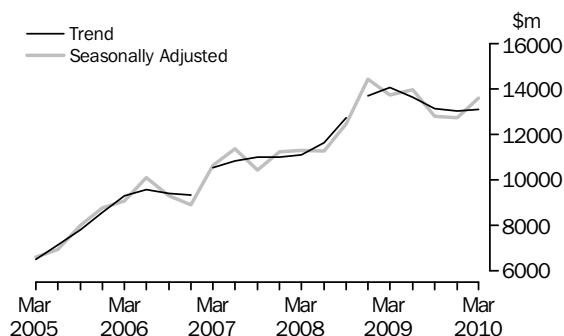
### TOTAL CAPITAL EXPENDITURE

The trend estimate for total new capital expenditure rose 1.9% in the March quarter 2010. By asset type, the trend estimate for buildings and structures rose 0.6% while equipment, plant and machinery rose 2.4%. The seasonally adjusted series for total new capital expenditure fell 0.2% in the March quarter 2010.



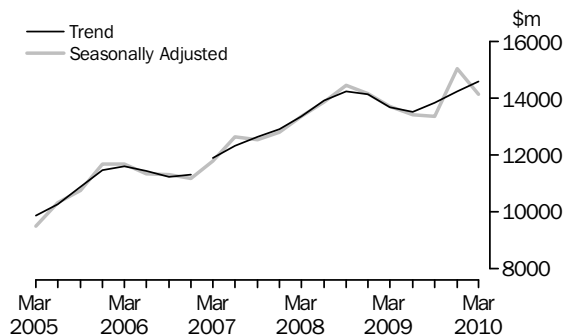
### BUILDINGS AND STRUCTURES

The trend estimate for buildings and structures rose 0.6% in the March quarter 2010. Building for Mining rose 0.6%, Manufacturing fell 6.6% and Other selected industries rose 2.0%. The seasonally adjusted estimate for buildings and structures rose 6.7% in the March quarter 2010. Mining rose 4.5%, Manufacturing fell 20.7% and Other selected industries rose 15.2% in seasonally adjusted terms.



### EQUIPMENT, PLANT AND MACHINERY

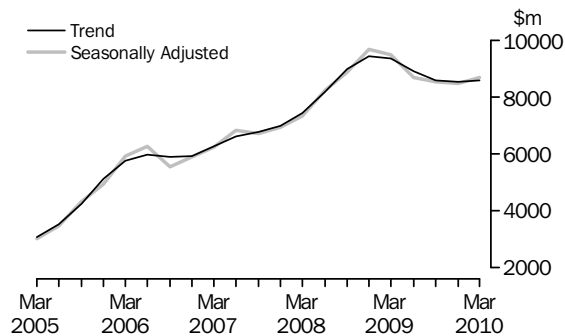
The trend estimate for equipment, plant and machinery rose 2.4% in the March quarter 2010. Mining rose 1.8%, Manufacturing fell 1.4% while Other selected industries rose 2.9% in the quarter. The seasonally adjusted series decreased 6.0%. Mining fell 3.2%, Manufacturing fell 11.3% and Other selected industries fell 5.5% in seasonally adjusted terms.



## ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS *continued*

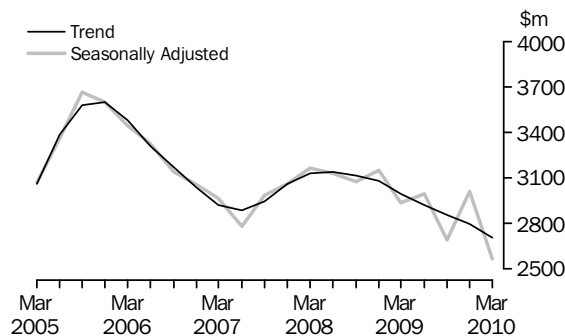
### MINING

The trend estimate for Mining rose 0.9% in the March quarter 2010. The buildings and structures asset type rose 0.6%, while equipment, plant and machinery rose 1.8%. The seasonally adjusted March quarter estimate for Mining rose 2.6%. By asset type, buildings and structures rose 4.5% in the quarter while equipment, plant and machinery fell 3.2% in seasonally adjusted terms.



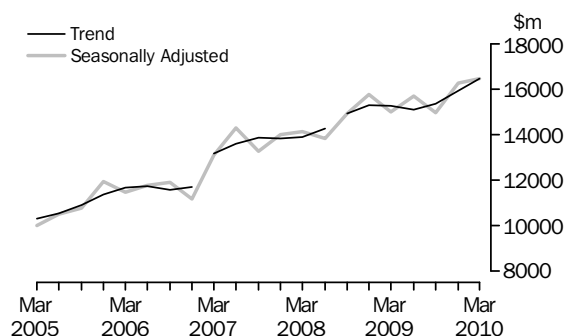
### MANUFACTURING

The Manufacturing trend estimate fell 3.1% in the March quarter 2010. Buildings and structures fell 6.6% while equipment, plant and machinery fell 1.4%. The seasonally adjusted March quarter estimate for Manufacturing fell 14.7%. Buildings and structures fell 20.7% and equipment, plant and machinery fell 11.3%.



### OTHER SELECTED INDUSTRIES

The trend estimate for Other selected industries rose 3.3% in the March quarter 2010. Buildings and structures rose 2.0% while equipment, plant and machinery rose 2.9%. The seasonally adjusted estimate for Other selected industries rose 1.1%. Buildings and structures rose 15.2% and equipment, plant and machinery fell 5.5%.



## ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE

### FINANCIAL YEARS AT CURRENT PRICES

The graphs below show the seven estimates of actual and expected expenditure for each financial year. The estimates appearing below relate to data contained in Tables 5 and 6. Commentary in this section includes reference to some unpublished data, providing some further analysis of change in these estimates by detailed industry. Advice about the application of realisation ratios to these estimates is in paragraphs 26 to 29 of the Explanatory Notes.

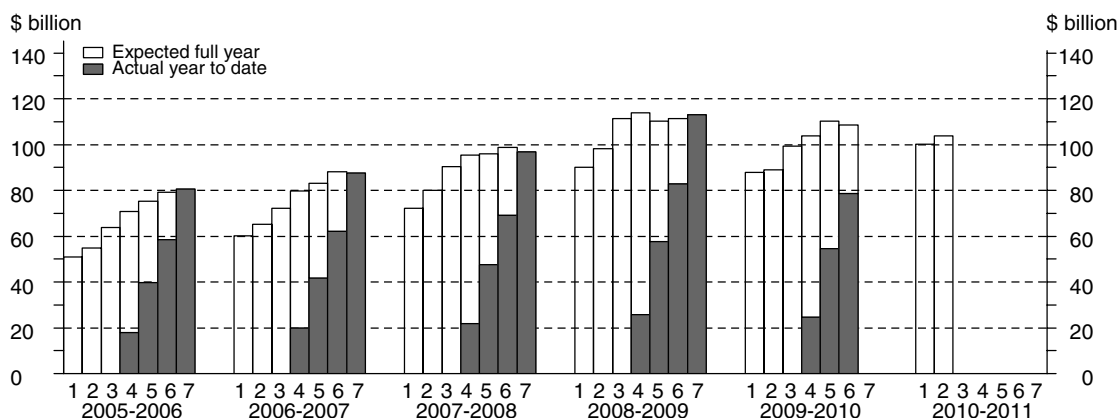
The timing and construction of these estimates are as follows:

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

### TOTAL CAPITAL EXPENDITURE

Estimate 6 for total capital expenditure for 2009-10 is \$108,651 million. This is 2.5% lower than Estimate 6 for 2008-09. The main contributors to this decrease, by detailed industry, were Transport, Postal and Warehousing (-12.8% compared to the corresponding previous estimate) and Mining (-4.2%). Estimate 6 for 2009-10 for Construction is \$2,042 million and 57.8% higher than the same estimate for 2008-09. Estimate 6 is 1.3% lower than Estimate 5 for 2009-10. Mining (-10.5%) was the main contributor to this decrease between estimates.

Estimate 2 for total capital expenditure for 2010-11 is \$103,930 million. This is 16.9% higher than Estimate 2 for 2009-10. Mining (33.2%) was the most significant contributor to this increase. Estimate 2 is 3.7% higher than Estimate 1 for 2010-11. By major industry, a rise in Manufacturing (18.3%) and Other selected industries (11.0%) was partially off-set by a decrease in Mining (-5.5%) between these estimates for 2010-11.

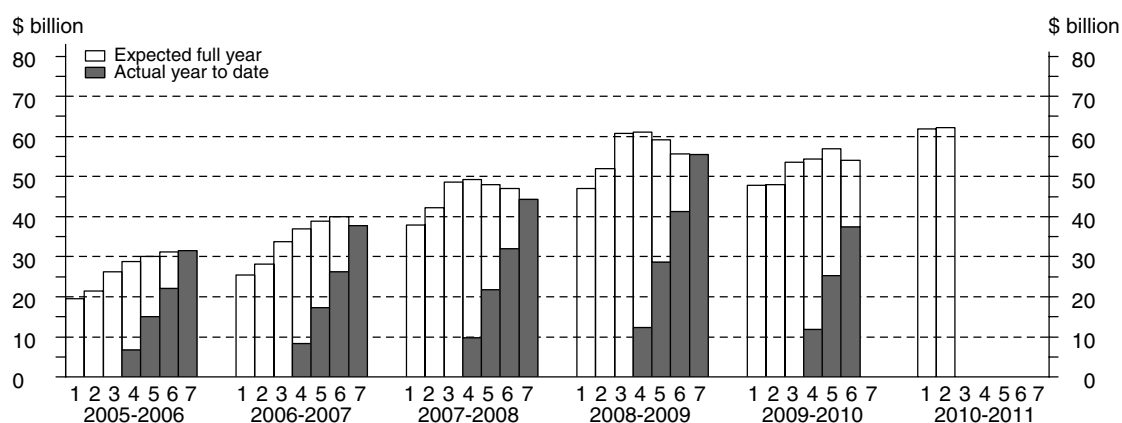


## ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

### BUILDINGS AND STRUCTURES

Estimate 6 for buildings and structures for 2009-10 is \$54,009 million which is 3.0% lower than Estimate 6 for buildings and structures for 2008-09. By detailed industry, the main contributor to this fall was Transport and Storage (-21.6%). Estimate 6 for buildings and structures is 5.2% lower than Estimate 5 for 2009-10. Mining (-11.5%) was the main contributor to this decrease between estimates.

Estimate 2 for buildings and structures for 2010-11 is \$62,159 million. This is 29.8% higher than Estimate 2 for 2009-10. Mining (39.1%) was the main contributor to this increase. Estimate 2 for 2010-11 is 0.4% higher than Estimate 1. By major industry, Estimate 2 for buildings and structures for Mining was 9.5% lower than Estimate 1. While Mining contributed 58.2% of Estimate 2 for total buildings and structures and was weaker between estimates, Manufacturing was 32.6% higher and Other selected industries 14.1% higher by this comparison which offset the decrease.

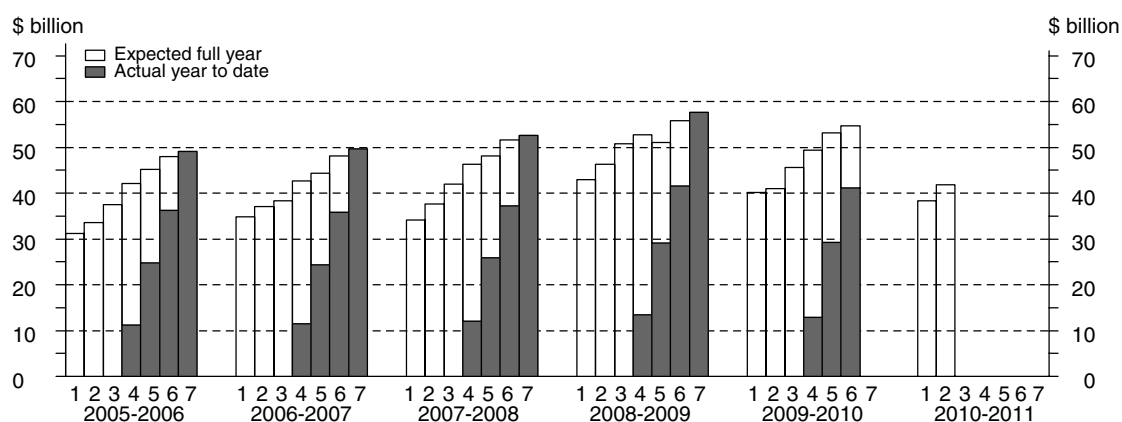


## ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

### EQUIPMENT, PLANT AND MACHINERY

Estimate 6 for equipment, plant and machinery for 2009-10 is \$54,641 million. This is 2.0% lower than Estimate 6 for 2008-09. By major industry, Mining (-9.7%) and Manufacturing (-8.8%) were the main contributors to this decrease between estimates. Estimate 6 for equipment, plant and machinery for 2009-10 is 2.7% higher than Estimate 5 for 2009-10. Construction (22.4%) contributed most to this increase between estimates.

Estimate 2 for equipment, plant and machinery for 2010-11 is \$41,771 million. This is 1.9% higher than Estimate 2 for 2009-10. Mining (15.8%) was the main contributor this increase. Estimate 2 is 9.1% higher than Estimate 1 for 2010-11. By major industry, Mining (11.8%), Manufacturing (5.8%) and Other selected industries (8.8%) all increased between these estimates.

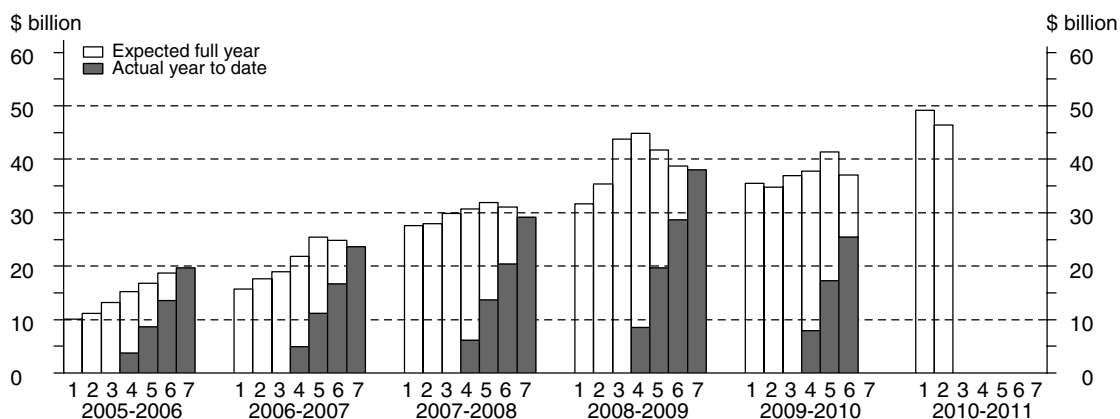


## ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

### MINING

Estimate 6 for Mining for 2009-10 is \$37,048 million. This is 4.2% lower than Estimate 6 for 2008-09. Estimate 6 is 10.5% lower than Estimate 5 for 2009-10. Buildings and structures is 11.5% lower and equipment, plant and machinery is 7.2% lower than corresponding fifth estimates for 2009-10.

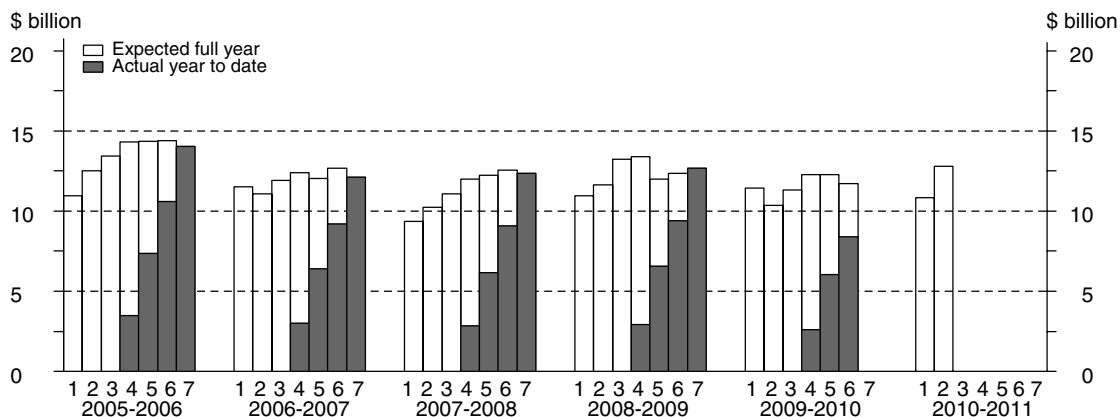
Estimate 2 for Mining for 2010-11 is \$46,379 million. This is 33.2% higher than the corresponding estimate for 2009-10. Estimate 2 is 5.5% lower than Estimate 1 for 2010-11. Buildings and structures is 9.5% lower and equipment, plant and machinery is 11.8% higher than corresponding first estimates for 2010-11.



### MANUFACTURING

Estimate 6 for Manufacturing for 2009-10 is \$11,726 million. This is 5.1% lower than Estimate 6 for 2008-09. Estimate 6 is 4.3% lower than Estimate 5 for 2009-10. Buildings and structures is 2.1% lower and equipment, plant and machinery is 5.5% lower than corresponding fifth estimates for 2009-10.

Estimate 2 for Manufacturing for 2010-11 is \$12,799 million. This is 23.8% higher than Estimate 2 for 2009-10. Estimate 2 is 18.3% higher than Estimate 1 for 2010-11. Buildings and structures is 32.6% higher and equipment, plant and machinery is 5.8% higher than corresponding first estimates for 2010-11.



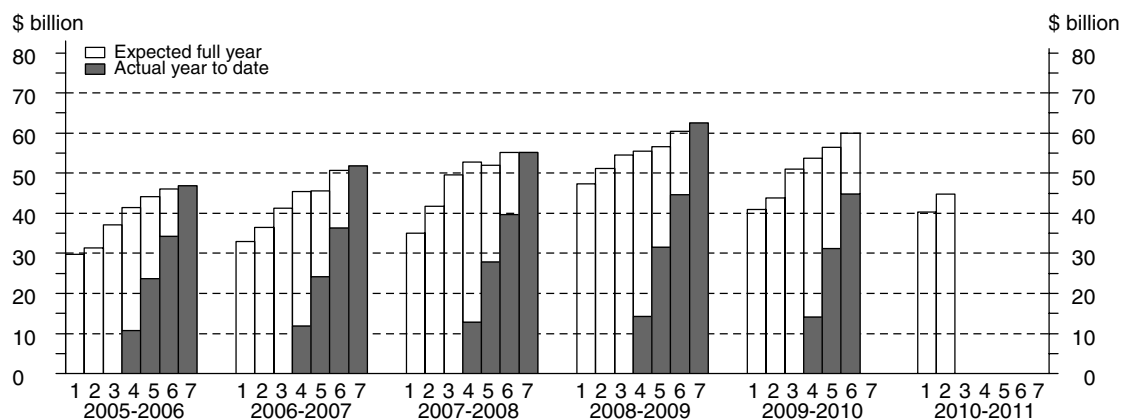
## ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

### OTHER SELECTED INDUSTRIES

Estimate 6 for Other Selected Industries for 2009-10 is \$59,876 million. This is 0.9% lower than Estimate 6 for 2008-09. By detailed industry, Construction (57.8%) has risen strongly between these estimates, while Transport and Storage (-12.8%) and Information Media and Telecommunications (-24.7%) have contributed most significantly to the decrease between these estimates. Estimate 6 is 6.0% higher than Estimate 5 for 2009-10.

Buildings and structures is 3.8% higher and equipment, plant and machinery is 7.3% higher than corresponding fifth estimates for 2009-10. By detailed industry, Construction (20.5%) and Rental, Hiring and Real Estate Services (11.6%) contributed most to the increase between estimates.

Estimate 2 for Other Selected Industries for 2010-11 is \$44,753 million. This is 2.3% higher than Estimate 2 for 2009-10. Buildings and structures is 10.5% higher and equipment, plant and machinery is 3.1% lower by this comparison of estimates. By detailed industry, Rental, Hiring and Real Estate Services (26.3%) contributed most to the increase between these estimates. Transport, Postal and Warehousing (-19.7%) was notably weaker between these estimates. Estimate 2 is 11.0% higher than Estimate 1 for 2010-11. Buildings and structures is 14.1% higher and equipment, plant and machinery is 8.8% higher than Estimate 1 for 2010-11. By detailed industry, only Finance and Insurance Services (-1.4%) was lower compared to Estimate 1 while Construction (30.9%) and Rental, Hiring and Real Estate Services (17.7%) rose most significantly between these estimates.



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

Period	BUILDINGS AND STRUCTURES				EQUIPMENT, PLANT AND MACHINERY				TOTAL			
	Mining	Man- ufacturing	Other Selected Industries	Total	Mining	Man- ufacturing	Other Selected Industries	Total	Mining	Man- ufacturing	Other Selected Industries	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (actual)												
<b>2007–08</b>	20 689	3 768	19 770	44 227	8 511	8 573	35 461	52 545	29 200	12 341	55 231	96 772
<b>2008–09</b>	28 090	4 333	23 096	55 519	9 888	8 348	39 366	57 602	37 978	12 681	62 462	113 121
<b>2008–09</b>												
December	8 121	1 264	6 770	16 156	2 921	2 347	10 476	15 745	11 042	3 612	17 246	31 900
March	6 807	1 035	4 786	12 627	2 284	1 820	8 370	12 473	9 090	2 855	13 155	25 100
June	6 831	1 073	6 439	14 343	2 442	2 206	11 347	15 995	9 273	3 279	17 786	30 338
<b>2009–10</b>												
September	6 044	936	4 837	11 817	1 916	1 679	9 239	12 835	7 961	2 615	14 076	24 651
December	6 792	1 186	5 478	13 457	2 534	2 226	11 637	16 397	9 326	3 412	17 115	29 853
March	6 199	806	5 088	12 093	1 906	1 573	8 458	11 937	8 104	2 379	13 547	24 030
ORIGINAL (Expected)(a)												
<b>2009–10</b>												
3 mths to Jun	8 968	1 251	6 424	16 643	2 690	2 069	8 714	13 473	11 658	3 320	15 138	30 116
Total fin year	28 003	4 180	21 827	54 009	9 046	7 547	38 049	54 641	37 048	11 726	59 876	108 651
<b>2010–11</b>												
Total fin year	36 184	6 679	19 296	62 159	10 195	6 119	25 457	41 771	46 379	12 799	44 753	103 930
SEASONALLY ADJUSTED (Actual)												
<b>2008–09</b>												
December	7 466	1 143	6 246	14 855	2 589	2 137	9 839	14 564	10 055	3 280	16 084	29 419
March	7 265	1 095	5 505	13 865	2 595	2 027	10 002	14 624	9 860	3 121	15 507	28 489
June	6 573	1 091	5 986	13 650	2 249	2 058	9 877	14 185	8 822	3 149	15 864	27 835
<b>2009–10</b>												
September	6 460	975	5 039	12 474	2 122	1 810	9 778	13 711	8 582	2 785	14 817	26 185
December	6 248	1 066	5 053	12 366	2 248	2 014	10 850	15 112	8 496	3 080	15 903	27 478
March	6 596	854	5 882	13 332	2 149	1 756	10 117	14 021	8 745	2 610	15 999	27 353
TREND (Actual)												
<b>2008–09</b>												
December	7 239	1 090	5 788	14 117	2 586	2 113	9 842	14 541	9 824	3 203	15 601	28 629
March	7 193	1 103	5 879	14 174	2 477	2 056	9 901	14 435	9 670	3 159	15 634	28 463
June	6 764	1 079	5 573	13 416	2 327	1 992	9 937	14 256	9 091	3 071	15 306	27 468
<b>2009–10</b>												
September	6 450	1 031	5 313	12 794	2 206	1 936	10 113	14 254	8 656	2 967	15 283	26 906
December	6 381	979	5 320	12 680	2 167	1 883	10 306	14 356	8 547	2 862	15 595	27 005
March	6 442	917	5 481	12 840	2 172	1 828	10 436	14 439	8 614	2 745	15 960	27 320

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

## ACTUAL AND EXPECTED EXPENDITURE, By detailed industry—Current prices

<i>Period</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Electricity, Gas, Water and Waste Services</i>	<i>Construction</i>	<i>Wholesale Trade</i>	<i>Retail Trade</i>	<i>Transport, Postal and Warehousing</i>
<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
ORIGINAL (Actual)							
<b>2007–08</b>	29 200	12 341	3 824	4 080	3 397	4 523	8 725
<b>2008–09</b>	37 978	12 681	5 557	4 095	3 878	5 082	13 050
<b>2008–09</b>							
December	11 042	3 612	1 662	872	1 098	1 510	3 803
March	9 090	2 855	1 218	^ 1 116	^ 825	^ 965	2 949
June	9 273	3 279	1 710	^ 1 393	^ 1 046	1 502	^ 3 572
<b>2009–10</b>							
September	7 961	2 615	1 243	^ 1 066	^ 766	1 172	3 051
December	9 326	3 412	1 349	^ 1 632	^ 1 093	1 349	3 401
March	8 104	2 379	985	1 687	763	851	2 311
ORIGINAL (Expected)(a)							
<b>2009–10</b>							
3 mths to Jun	11 658	3 320	1 434	1 193	773	1 360	2 590
Total fin year	37 048	11 726	5 012	5 577	3 395	4 732	11 353
<b>2010–11</b>							
Total fin year	46 379	12 799	4 587	3 221	2 200	3 930	7 544
SEASONALLY ADJUSTED (Actual)							
<b>2008–09</b>							
December	10 055	3 280	1 465	882	992	1 376	3 539
March	9 860	3 121	1 444	1 160	1 015	1 336	3 461
June	8 822	3 149	1 570	1 165	945	1 239	3 202
<b>2009–10</b>							
September	8 582	2 785	1 334	1 256	783	1 207	3 211
December	8 496	3 080	1 186	1 653	1 000	1 218	3 147
March	8 745	2 610	1 176	1 778	955	1 305	2 464
TREND (Actual)							
<b>2008–09</b>							
December	9 824	3 203	1 335	950	992	1 295	3 327
March	9 670	3 159	1 500	1 047	980	1 324	3 425
June	9 091	3 071	1 489	1 185	924	1 267	3 360
<b>2009–10</b>							
September	8 656	2 967	1 360	1 359	898	1 223	3 174
December	8 547	2 862	1 238	1 566	919	1 235	2 959
March	8 614	2 745	1 142	1 747	965	1 269	2 737

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

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

ACTUAL AND EXPECTED EXPENDITURE, By detailed industry—Current prices *continued*

<i>Period</i>	<i>Information Media and Telecommunications</i>	<i>Financial and Insurance Services</i>	<i>Rental, Hiring and Real Estate Services</i>	<i>Professional, Scientific and Technical Services</i>	<i>Other Selected Services</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)						
<b>2007-08</b>	6 320	3 257	11 536	3 377	6 192	96 772
<b>2008-09</b>	6 331	3 465	11 000	3 384	6 618	113 121
<b>2008-09</b>						
December	1 518	994	3 208	1 016	1 565	31 900
March	1 447	759	^ 2 054	572	1 250	25 100
June	1 784	776	^ 2 467	1 090	^ 2 446	30 338
<b>2009-10</b>						
September	1 275	611	^ 2 379	^ 853	^ 1 661	24 651
December	1 295	^ 742	^ 3 115	^ 1 130	^ 2 009	29 853
March	1 195	695	2 982	776	1 302	24 030
ORIGINAL (Expected)(a)						
<b>2009-10</b>						
3 mths to Jun	1 356	667	3 314	803	1 648	30 116
Total fin year	5 121	2 713	11 790	3 562	6 620	108 651
<b>2010-11</b>						
Total fin year	5 016	2 114	9 927	2 144	4 070	103 930
SEASONALLY ADJUSTED (Actual)						
<b>2008-09</b>						
December	1 534	937	2 989	942	1 428	29 419
March	1 549	866	2 497	687	1 493	28 489
June	1 547	716	2 254	893	2 331	27 835
<b>2009-10</b>						
September	1 384	632	2 383	980	1 645	26 185
December	1 318	692	2 840	1 028	1 821	27 478
March	1 296	831	3 650	965	1 580	27 353
TREND (Actual)						
<b>2008-09</b>						
December	1 611	936	2 932	810	1 413	28 629
March	1 545	847	2 572	825	1 569	28 463
June	1 490	726	2 297	870	1 698	27 468
<b>2009-10</b>						
September	1 416	679	2 479	950	1 745	26 906
December	1 334	707	2 915	1 004	1 718	27 005
March	1 280	770	3 400	1 001	1 649	27 320

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

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

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

Period	ASSET			INDUSTRY			Total
	Buildings and Structures	Equipment, Plant and Machinery	Total	Mining	Manufacturing	Other Selected Industries	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL							
<b>2005-06</b>	35 939	45 426	81 652	21 481	14 032	45 950	81 652
<b>2006-07</b>	40 190	46 895	87 038	24 511	11 940	50 491	87 038
<b>2007-08</b>	44 227	52 545	96 772	29 200	12 341	55 231	96 772
<b>2008-09</b>	54 542	55 706	110 248	36 714	12 159	61 375	110 248
<b>2007-08</b>							
March	10 191	11 371	21 524	6 686	2 901	11 950	21 524
June	11 897	15 612	27 571	8 657	3 268	15 661	27 571
<b>2008-09</b>							
September	11 804	13 563	25 367	8 241	2 896	14 230	25 367
December	15 641	15 299	30 940	10 601	3 468	16 872	30 940
March	12 465	11 706	24 171	8 754	2 686	12 730	24 171
June	14 632	15 139	29 770	9 118	3 109	17 544	29 770
<b>2009-10</b>							
September	12 096	12 520	24 616	7 902	2 523	14 190	24 616
December	13 833	16 300	30 133	9 289	3 334	17 510	30 133
March	12 305	12 007	24 311	8 064	2 340	13 908	24 311
SEASONALLY ADJUSTED							
<b>2007-08</b>							
March	11 305	13 352	24 607	7 333	3 164	14 128	24 607
June	11 255	13 867	25 196	8 228	3 130	13 844	25 196
<b>2008-09</b>							
September	12 456	14 437	26 893	8 879	3 075	14 939	26 893
December	14 416	14 144	28 560	9 662	3 151	15 747	28 560
March	13 719	13 712	27 431	9 488	2 937	15 007	27 431
June	13 951	13 413	27 364	8 686	2 996	15 683	27 364
<b>2009-10</b>							
September	12 803	13 347	26 150	8 514	2 689	14 946	26 150
December	12 728	15 021	27 750	8 471	3 012	16 267	27 750
March	13 578	14 124	27 703	8 694	2 568	16 441	27 703
TREND							
<b>2007-08</b>							
March	11 101	13 350	24 446	7 424	3 131	13 898	24 446
June	11 634	13 924	25 572	8 179	3 141	14 259	25 572
<b>2008-09</b>							
September	12 738	14 234	27 024	8 989	3 116	14 923	27 024
December	13 700	14 137	27 816	9 443	3 082	15 290	27 816
March	14 053	13 686	27 591	9 344	2 995	15 251	27 591
June	13 611	13 517	26 927	8 904	2 919	15 103	26 927
<b>2009-10</b>							
September	13 126	13 821	26 807	8 574	2 858	15 374	26 807
December	13 021	14 235	27 225	8 512	2 794	15 920	27 225
March	13 103	14 574	27 753	8 587	2 707	16 441	27 753

(a) Reference year for chain volume measures is 2007-08.

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

Period	ASSET			INDUSTRY			
	Buildings and Structures	Equipment, Plant and Machinery	Total	Mining	Manufacturing	Other Selected Industries	Total
	%	%	%	%	%	%	%
ORIGINAL							
<b>2005-06</b>	40.6	16.6	24.5	74.0	18.8	13.3	24.5
<b>2006-07</b>	11.8	3.2	6.6	14.1	-14.9	9.9	6.6
<b>2007-08</b>	10.0	12.0	11.2	19.1	3.4	9.4	11.2
<b>2008-09</b>	23.3	6.0	13.9	25.7	-1.5	11.1	13.9
<b>2007-08</b>							
March	-16.2	-17.3	-16.9	-12.0	-13.5	-19.9	-16.9
June	16.7	37.3	28.1	29.5	12.6	31.1	28.1
<b>2008-09</b>							
September	-0.8	-13.1	-8.0	-4.8	-11.4	-9.1	-8.0
December	32.5	12.8	22.0	28.6	19.8	18.6	22.0
March	-20.3	-23.5	-21.9	-17.4	-22.6	-24.5	-21.9
June	17.4	29.3	23.2	4.2	15.8	37.8	23.2
<b>2009-10</b>							
September	-17.3	-17.3	-17.3	-13.3	-18.8	-19.1	-17.3
December	14.4	30.2	22.4	17.6	32.1	23.4	22.4
March	-11.0	-26.3	-19.3	-13.2	-29.8	-20.6	-19.3
SEASONALLY ADJUSTED							
<b>2007-08</b>							
March	0.7	4.4	2.6	5.9	3.4	1.0	2.6
June	-0.4	3.9	2.4	12.2	-1.1	-2.0	2.4
<b>2008-09</b>							
September	10.7	4.1	6.7	7.9	-1.8	7.9	6.7
December	15.7	-2.0	6.2	8.8	2.5	5.4	6.2
March	-4.8	-3.1	-4.0	-1.8	-6.8	-4.7	-4.0
June	1.7	-2.2	-0.2	-8.5	2.0	4.5	-0.2
<b>2009-10</b>							
September	-8.2	-0.5	-4.4	-2.0	-10.2	-4.7	-4.4
December	-0.6	12.5	6.1	-0.5	12.0	8.8	6.1
March	6.7	-6.0	-0.2	2.6	-14.7	1.1	-0.2
TREND							
<b>2007-08</b>							
March	0.9	3.5	2.4	6.4	2.3	0.4	2.4
June	4.8	4.3	4.6	10.2	0.3	2.6	4.6
<b>2008-09</b>							
September	9.5	2.2	5.7	9.9	-0.8	4.7	5.7
December	7.5	-0.7	2.9	5.1	-1.1	2.5	2.9
March	2.6	-3.2	-0.8	-1.1	-2.8	-0.3	-0.8
June	-3.1	-1.2	-2.4	-4.7	-2.5	-1.0	-2.4
<b>2009-10</b>							
September	-3.6	2.2	-0.4	-3.7	-2.1	1.8	-0.4
December	-0.8	3.0	1.6	-0.7	-2.3	3.6	1.6
March	0.6	2.4	1.9	0.9	-3.1	3.3	1.9

(a) Reference year for chain volume measures is 2007-08.

# EXPECTED EXPENDITURE AND REALISATION RATIOS, By type of asset—Current prices

<i>Financial Year</i>	<i>12 months expectation as reported in Jan-Feb of previous financial year (Estimate 1)</i>	<i>12 months expectation as reported in Apr-May of previous financial year (Estimate 2)</i>	<i>12 months expectation as reported in Jul-Aug (Estimate 3)</i>	<i>3 months actual and 9 months expectation as reported in Oct-Nov (Estimate 4)</i>	<i>6 months actual and 6 months expectation as reported in Jan-Feb (Estimate 5)</i>	<i>9 months actual and 3 months expectation as reported in Apr-May (Estimate 6)</i>	<i>12 months actual (Estimate 7)</i>
<b>BUILDINGS AND STRUCTURES (\$ million)</b>							
2005–06	19 588	21 433	26 261	28 717	30 070	31 206	31 545
2006–07	25 416	28 138	33 805	36 955	38 782	39 970	37 781
2007–08	37 911	42 288	48 536	49 251	47 919	47 034	44 227
2008–09	47 008	51 908	60 727	61 024	59 154	55 659	55 519
2009–10	47 758	47 893	53 611	54 337	56 954	54 009	nya
2010–11	61 935	62 159	nya	nya	nya	nya	nya
<b>BUILDINGS AND STRUCTURES (Realisation Ratio)(a)</b>							
2004–05	1.23	1.09	0.97	0.90	0.92	0.93	1.00
2005–06	1.61	1.47	1.20	1.10	1.05	1.01	1.00
2006–07	1.49	1.34	1.12	1.02	0.97	0.95	1.00
2007–08	1.17	1.05	0.91	0.90	0.92	0.94	1.00
2008–09	1.18	1.07	0.91	0.91	0.94	1.00	1.00
<b>EQUIPMENT, PLANT AND MACHINERY (\$ million)</b>							
2005–06	31 231	33 526	37 517	42 149	45 229	47 950	49 067
2006–07	34 805	37 056	38 293	42 679	44 308	48 134	49 695
2007–08	34 175	37 674	41 931	46 243	48 146	51 657	52 545
2008–09	43 010	46 267	50 713	52 791	51 078	55 779	57 602
2009–10	40 214	41 000	45 586	49 359	53 182	54 641	nya
2010–11	38 292	41 771	nya	nya	nya	nya	nya
<b>EQUIPMENT, PLANT AND MACHINERY (Realisation Ratio)(a)</b>							
2004–05	1.44	1.36	1.30	1.16	1.10	1.03	1.00
2005–06	1.57	1.46	1.31	1.16	1.08	1.02	1.00
2006–07	1.43	1.34	1.30	1.16	1.12	1.03	1.00
2007–08	1.54	1.39	1.25	1.14	1.09	1.02	1.00
2008–09	1.34	1.24	1.14	1.09	1.13	1.03	1.00
<b>TOTAL (\$ million)</b>							
2005–06	50 819	54 958	63 777	70 866	75 299	79 157	80 612
2006–07	60 221	65 194	72 098	79 634	83 090	88 104	87 475
2007–08	72 087	79 962	90 468	95 494	96 064	98 692	96 772
2008–09	90 018	98 175	111 440	113 815	110 232	111 439	113 121
2009–10	87 972	88 893	99 197	103 696	110 136	108 651	nya
2010–11	100 228	103 930	nya	nya	nya	nya	nya
<b>TOTAL (Realisation Ratio)(a)</b>							
2004–05	1.36	1.26	1.17	1.06	1.03	0.99	1.00
2005–06	1.59	1.47	1.26	1.14	1.07	1.02	1.00
2006–07	1.45	1.34	1.21	1.10	1.05	0.99	1.00
2007–08	1.34	1.21	1.07	1.01	1.01	0.98	1.00
2008–09	1.26	1.15	1.02	0.99	1.03	1.02	1.00
<b>TOTAL (percentage change over corresponding estimate for previous financial year)</b>							
2006–07	18.5	18.6	13.0	12.4	10.3	11.3	8.5
2007–08	19.7	22.7	25.5	19.9	15.6	12.0	10.6
2008–09	24.9	22.8	23.2	19.2	14.7	12.9	16.9
2009–10	–2.3	–9.5	–11.0	–8.9	–0.1	–2.5	nya
2010–11	13.9	16.9	nya	nya	nya	nya	nya

nya not yet available

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

# EXPECTED EXPENDITURE AND REALISATION RATIOS, By industry—Current prices

<i>Financial Year</i>	<i>12 months expectation as reported in Jan-Feb of previous financial year (Estimate 1)</i>	<i>12 months expectation as reported in Apr-May of previous financial year (Estimate 2)</i>	<i>12 months expectation as reported in Jul-Aug (Estimate 3)</i>	<i>3 months actual and 9 months expectation as reported in Oct-Nov (Estimate 4)</i>	<i>6 months actual and 6 months expectation as reported in Jan-Feb (Estimate 5)</i>	<i>9 months actual and 3 months expectation as reported in Apr-May (Estimate 6)</i>	<i>12 months actual (Estimate 7)</i>
-----------------------	---	---	--	---	---	---	--

## MINING (\$ million)

2005-06	10 105	11 168	13 241	15 210	16 848	18 749	19 659
2006-07	15 769	17 635	18 974	21 799	25 477	24 796	23 621
2007-08	27 638	27 924	29 912	30 697	31 842	31 019	29 200
2008-09	31 717	35 355	43 752	44 901	41 691	38 677	37 978
2009-10	35 529	34 811	36 940	37 762	41 394	37 048	nya
2010-11	49 100	46 379	nya	nya	nya	nya	nya

## MINING (Realisation Ratio)

2004-05	1.03	0.96	0.93	0.89	0.94	0.94	1.00
2005-06	1.95	1.76	1.48	1.29	1.17	1.05	1.00
2006-07	1.50	1.34	1.24	1.08	0.93	0.95	1.00
2007-08	1.06	1.05	0.98	0.95	0.92	0.94	1.00
2008-09	1.20	1.07	0.87	0.85	0.91	0.98	1.00

## MANUFACTURING (\$ million)

2005-06	10 968	12 506	13 410	14 293	14 358	14 381	14 032
2006-07	11 493	11 055	11 917	12 398	12 027	12 654	12 106
2007-08	9 359	10 230	11 055	12 006	12 212	12 539	12 341
2008-09	10 959	11 619	13 224	13 383	11 998	12 356	12 681
2009-10	11 450	10 342	11 306	12 287	12 258	11 726	nya
2010-11	10 820	12 799	nya	nya	nya	nya	nya

## MANUFACTURING (Realisation Ratio)

2004-05	1.19	1.08	1.00	0.94	0.97	0.98	1.00
2005-06	1.28	1.12	1.05	0.98	0.98	0.98	1.00
2006-07	1.05	1.10	1.02	0.98	1.01	0.96	1.00
2007-08	1.32	1.21	1.12	1.03	1.01	0.98	1.00
2008-09	1.16	1.09	0.96	0.95	1.06	1.03	1.00

## OTHER SELECTED INDUSTRIES (\$ million)

2005-06	29 745	31 285	37 126	41 363	44 094	46 027	46 920
2006-07	32 960	36 505	41 207	45 436	45 586	50 654	51 748
2007-08	35 090	41 808	49 501	52 791	52 010	55 133	55 231
2008-09	47 343	51 201	54 465	55 531	56 543	60 405	62 462
2009-10	40 993	43 740	50 951	53 647	56 484	59 876	nya
2010-11	40 308	44 753	nya	nya	nya	nya	nya

## OTHER SELECTED INDUSTRIES (Realisation Ratio)

2004-05	1.55	1.44	1.31	1.16	1.08	1.01	1.00
2005-06	1.58	1.50	1.26	1.13	1.06	1.02	1.00
2006-07	1.57	1.42	1.26	1.14	1.14	1.02	1.00
2007-08	1.57	1.32	1.12	1.05	1.06	1.00	1.00
2008-09	1.32	1.22	1.15	1.12	1.10	1.03	1.00

nya not yet available

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

Financial Year	3 MONTHS ENDING		6 MONTHS ENDING	
	31 December (collected in September Survey)	30 June (collected in March Survey)	31 December (collected in June Survey)	30 June (collected in December survey)
TYPE OF ASSET				
<b>Buildings and Structures</b>				
2005–06	0.98	1.04	1.06	1.10
2006–07	0.89	0.84	1.02	0.95
2007–08	0.87	0.81	0.86	0.86
2008–09	0.97	0.99	1.00	0.88
2009–10	0.95	nya	0.91	nya
<b>Equipment, Plant and Machinery</b>				
2005–06	1.11	1.10	1.29	1.19
2006–07	1.09	1.13	1.22	1.27
2007–08	1.11	1.06	1.23	1.20
2008–09	1.05	1.13	1.09	1.30
2009–10	1.15	nya	1.19	nya
<b>Total</b>				
2005–06	1.06	1.07	1.19	1.15
2006–07	1.00	0.98	1.13	1.11
2007–08	0.98	0.93	1.03	1.01
2008–09	1.01	1.06	1.04	1.05
2009–10	1.05	nya	1.04	nya
TYPE OF INDUSTRY				
<b>Mining</b>				
2005–06	1.11	1.18	1.23	1.34
2006–07	1.04	0.86	1.10	0.87
2007–08	0.92	0.83	0.89	0.85
2008–09	0.90	0.93	0.95	0.83
2009–10	0.97	nya	0.91	nya
<b>Manufacturing</b>				
2005–06	0.97	0.91	1.07	0.95
2006–07	1.01	0.84	1.06	1.01
2007–08	0.97	0.94	1.14	1.02
2008–09	0.98	1.11	1.04	1.13
2009–10	0.98	nya	1.14	nya
<b>Other selected industries</b>				
2005–06	1.06	1.08	1.22	1.14
2006–07	0.97	1.08	1.16	1.29
2007–08	1.02	1.01	1.09	1.13
2008–09	1.10	1.13	1.11	1.24
2009–10	1.12	nya	1.10	nya
<b>Total</b>				
2005–06	1.06	1.07	1.19	1.15
2006–07	1.00	0.98	1.13	1.11
2007–08	0.98	0.93	1.03	1.01
2008–09	1.01	1.06	1.04	1.05
2009–10	1.05	nya	1.04	nya

nya not yet available

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

## ACTUAL EXPENDITURE ON BUILDINGS AND STRUCTURES, By state—Current prices

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
Period	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2005–06</b>	6 008	4 800	5 636	1 502	10 638	293	2 438	233	31 545
<b>2006–07</b>	6 028	6 090	6 560	2 123	13 995	306	2 461	217	37 781
<b>2007–08</b>	7 519	7 065	8 186	2 666	16 516	377	1 726	171	44 227
<b>2008–09</b>	8 426	7 793	11 962	2 543	23 083	233	1 271	208	55 519
<b>2007–08</b>									
March	1 634	1 625	1 864	708	4 064	90	234	44	10 264
June	2 269	1 825	2 503	696	4 417	114	367	32	12 223
<b>2008–09</b>									
September	1 796	1 601	2 773	643	5 147	72	331	31	12 393
December	2 478	2 155	3 708	676	6 682	65	345	47	16 156
March	1 825	1 768	2 887	562	5 051	36	^ 424	75	12 627
June	2 327	2 268	2 595	663	6 203	60	^ 171	^ 56	14 343
<b>2009–10</b>									
September	1 779	1 828	2 678	543	4 753	37	157	44	11 817
December	2 017	2 222	3 162	540	5 200	56	195	64	13 457
March	2 021	1 734	2 359	406	5 137	46	110	279	12 093
SEASONALLY ADJUSTED									
<b>2007–08</b>									
March	1 907	1 825	2 139	852	4 390	np	np	np	11 364
June	1 998	1 707	2 434	604	4 150	np	np	np	11 542
<b>2008–09</b>									
September	2 011	1 710	2 893	687	5 529	np	np	np	13 062
December	2 233	1 950	3 249	628	6 208	np	np	np	14 855
March	2 113	1 990	3 310	670	5 433	np	np	np	13 865
June	2 041	2 108	2 526	578	5 826	np	np	np	13 650
<b>2009–10</b>									
September	2 015	1 974	2 789	577	5 124	np	np	np	12 474
December	1 814	2 002	2 776	504	4 825	np	np	np	12 366
March	2 328	1 953	2 692	481	5 513	np	np	np	13 332
TREND									
<b>2007–08</b>									
March	1 900	1 764	2 122	635	4 197	97	280	36	11 189
June	1 992	1 744	2 488	639	4 686	97	315	32	11 972
<b>2008–09</b>									
September	2 079	1 775	2 923	650	5 317	81	358	37	13 243
December	2 140	1 892	3 164	655	5 808	61	371	50	14 117
March	2 140	2 012	3 089	640	5 874	48	327	60	14 174
June	2 037	2 051	2 859	603	5 504	46	253	46	13 416
<b>2009–10</b>									
September	1 973	2 022	2 723	559	5 228	48	180	60	12 794
December	2 019	1 987	2 714	515	5 142	49	143	118	12 680
March	2 131	1 951	2 760	486	5 162	48	139	199	12 840

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

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

## ACTUAL EXPENDITURE ON EQUIPMENT, PLANT AND MACHINERY, By state—Current prices

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
Period	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2005–06</b>	14 194	12 737	10 098	3 175	6 856	933	546	527	49 067
<b>2006–07</b>	13 297	12 882	11 576	2 995	7 281	606	585	473	49 695
<b>2007–08</b>	14 657	12 355	12 264	2 494	8 607	797	996	376	52 545
<b>2008–09</b>	15 238	13 421	13 574	2 825	9 906	1 084	989	564	57 602
<b>2007–08</b>									
March	3 042	2 607	2 766	528	1 933	149	188	89	11 304
June	4 287	3 390	3 545	710	2 706	286	300	99	15 322
<b>2008–09</b>									
September	3 660	2 985	2 993	760	2 268	215	374	136	13 390
December	4 041	3 779	3 957	683	2 522	344	287	132	15 745
March	3 423	2 853	2 898	632	2 146	^ 241	^ 172	^ 109	12 473
June	4 115	3 804	3 726	751	^ 2 970	^ 284	^ 157	*188	15 995
<b>2009–10</b>									
September	3 599	2 953	2 633	768	^ 2 318	^ 176	^ 196	*191	12 835
December	5 188	^ 4 098	2 923	^ 767	2 736	^ 225	^ 234	*224	16 397
March	3 396	3 286	1 966	698	2 159	119	243	70	11 937
SEASONALLY ADJUSTED									
<b>2007–08</b>									
March	3 527	3 072	3 188	587	2 192	np	np	np	13 244
June	3 885	3 088	3 103	664	2 381	np	np	np	13 586
<b>2008–09</b>									
September	3 866	3 130	3 254	722	2 436	np	np	np	14 262
December	3 709	3 437	3 635	697	2 403	np	np	np	14 564
March	3 989	3 351	3 344	705	2 452	np	np	np	14 624
June	3 715	3 473	3 303	702	2 587	np	np	np	14 185
<b>2009–10</b>									
September	3 814	3 103	2 897	728	2 493	np	np	np	13 711
December	4 752	3 723	2 636	784	2 612	np	np	np	15 112
March	3 967	3 849	2 079	781	2 483	np	np	np	14 021
TREND									
<b>2007–08</b>									
March	3 677	3 051	3 065	606	2 193	203	257	96	13 184
June	3 765	3 091	3 184	655	2 341	233	290	108	13 679
<b>2008–09</b>									
September	3 834	3 203	3 339	697	2 412	265	308	116	14 202
December	3 852	3 344	3 456	709	2 444	287	279	127	14 541
March	3 770	3 378	3 441	702	2 474	278	214	142	14 435
June	3 861	3 339	3 251	709	2 525	253	168	172	14 256
<b>2009–10</b>									
September	4 054	3 396	2 924	736	2 553	214	183	186	14 254
December	4 224	3 579	2 562	765	2 547	181	229	169	14 356
March	4 336	3 771	2 220	788	2 524	160	278	129	14 439

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

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

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

## ACTUAL TOTAL EXPENDITURE, By state—Current prices

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
Period	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2005–06</b>	20 202	17 537	15 734	4 677	17 494	1 226	2 984	760	80 612
<b>2006–07</b>	19 325	18 972	18 136	5 118	21 276	912	3 046	690	87 475
<b>2007–08</b>	22 175	19 420	20 450	5 160	25 123	1 173	2 722	547	96 772
<b>2008–09</b>	23 664	21 214	25 536	5 368	32 989	1 318	2 260	772	113 121
<b>2007–08</b>									
March	4 676	4 232	4 630	1 236	5 998	240	422	134	21 568
June	6 556	5 215	6 048	1 406	7 123	400	667	130	27 545
<b>2008–09</b>									
September	5 456	4 586	5 765	1 403	7 414	287	705	166	25 783
December	6 518	5 934	7 665	1 359	9 204	409	632	179	31 900
March	5 248	4 621	5 785	1 193	7 197	^ 277	^ 596	183	25 100
June	6 442	6 072	6 320	1 414	9 173	^ 345	^ 327	*244	30 338
<b>2009–10</b>									
September	5 377	4 781	5 311	1 311	7 072	213	353	*234	24 651
December	7 204	6 320	6 085	1 308	7 936	^ 281	429	^ 289	29 853
March	5 417	5 021	4 325	1 104	7 296	165	353	350	24 030
SEASONALLY ADJUSTED									
<b>2007–08</b>									
March	5 434	4 897	5 327	1 439	6 582	263	478	147	24 608
June	5 883	4 795	5 537	1 268	6 531	369	648	125	25 128
<b>2008–09</b>									
September	5 877	4 840	6 147	1 408	7 965	320	679	163	27 323
December	5 942	5 387	6 884	1 324	8 611	365	600	172	29 419
March	6 102	5 341	6 654	1 375	7 885	318	661	200	28 489
June	5 755	5 581	5 829	1 280	8 413	310	320	237	27 835
<b>2009–10</b>									
September	5 829	5 077	5 687	1 305	7 617	242	337	226	26 185
December	6 566	5 724	5 412	1 288	7 437	252	408	276	27 478
March	6 296	5 802	4 771	1 262	7 996	185	416	361	27 353
TREND									
<b>2007–08</b>									
March	5 577	4 815	5 187	1 241	6 390	301	537	132	24 372
June	5 757	4 836	5 672	1 295	7 027	331	605	139	25 651
<b>2008–09</b>									
September	5 913	4 978	6 262	1 348	7 729	346	666	153	27 474
December	5 992	5 237	6 620	1 365	8 252	348	650	177	28 629
March	5 910	5 390	6 531	1 341	8 348	326	541	202	28 463
June	5 899	5 390	6 110	1 312	8 029	299	420	219	27 468
<b>2009–10</b>									
September	6 027	5 417	5 647	1 296	7 781	262	363	246	26 906
December	6 243	5 566	5 277	1 281	7 688	230	371	287	27 005
March	6 466	5 723	4 980	1 274	7 686	208	417	329	27 320

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

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

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
Period	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2005-06</b>	6 863	5 465	6 427	1 714	12 121	331	2 746	264	35 939
<b>2006-07</b>	6 419	6 473	6 988	2 259	14 888	322	2 603	229	40 190
<b>2007-08</b>	7 519	7 065	8 186	2 666	16 516	377	1 726	171	44 227
<b>2008-09</b>	8 284	7 670	11 725	2 497	22 681	236	1 243	205	54 542
<b>2007-08</b>									
March	1 623	1 612	1 854	703	4 036	89	231	44	10 191
June	2 209	1 775	2 439	677	4 300	110	356	31	11 897
<b>2008-09</b>									
September	1 710	1 523	2 640	612	4 899	76	315	29	11 804
December	2 399	2 086	3 590	654	6 469	63	335	45	15 641
March	1 802	1 746	2 849	554	4 986	36	418	74	12 465
June	2 374	2 315	2 646	676	6 328	62	174	57	14 632
<b>2009-10</b>									
September	1 821	1 871	2 740	555	4 866	37	160	45	12 096
December	2 073	2 285	3 249	556	5 346	58	201	66	13 833
March	2 056	1 765	2 400	413	5 226	47	112	285	12 305
SEASONALLY ADJUSTED									
<b>2007-08</b>									
March	1 907	1 815	2 125	830	4 362	np	np	np	11 305
June	1 958	1 665	2 369	578	4 046	np	np	np	11 255
<b>2008-09</b>									
September	1 925	1 634	2 752	647	5 279	np	np	np	12 456
December	2 173	1 897	3 140	604	6 036	np	np	np	14 416
March	2 096	1 976	3 262	659	5 391	np	np	np	13 719
June	2 090	2 163	2 572	588	5 976	np	np	np	13 951
<b>2009-10</b>									
September	2 071	2 032	2 850	589	5 274	np	np	np	12 803
December	1 873	2 070	2 848	516	4 987	np	np	np	12 728
March	2 379	1 999	2 734	488	5 641	np	np	np	13 578
TREND									
<b>2007-08</b>									
March	1 895	1 751	2 100	618	4 161	96	277	36	11 101
June	1 947	1 698	2 411	611	4 552	96	306	31	11 634
<b>2008-09</b>									
September	2 008	1 709	2 806	617	5 117	80	344	36	12 738
December	2 081	1 842	3 060	630	5 647	61	359	49	13 700
March	2 126	2 004	3 046	630	5 841	48	321	59	14 053
June	2 071	2 089	2 885	608	5 604	47	252	46	13 611
<b>2009-10</b>									
September	2 028	2 081	2 781	571	5 383	49	182	61	13 126
December	2 078	2 049	2 778	527	5 300	50	146	121	13 021
March	2 185	2 007	2 812	495	5 304	49	142	203	13 103

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

(a) Reference year for chain volume measures is 2007-08.

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
Period	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2005-06</b>	13 029	11 731	9 349	2 957	6 473	866	513	483	45 426
<b>2006-07</b>	12 484	12 109	10 918	2 832	6 963	572	558	444	46 895
<b>2007-08</b>	14 657	12 355	12 264	2 494	8 607	797	996	376	52 545
<b>2008-09</b>	14 848	13 073	13 097	2 730	9 413	1 043	955	549	55 706
<b>2007-08</b>									
March	3 066	2 622	2 787	531	1 937	150	189	90	11 371
June	4 382	3 464	3 609	724	2 736	291	306	101	15 612
<b>2008-09</b>									
September	3 726	3 036	3 031	768	2 272	217	374	139	13 563
December	3 949	3 698	3 843	661	2 414	333	274	128	15 299
March	3 241	2 712	2 701	590	1 974	224	161	103	11 706
June	3 933	3 627	3 522	710	2 753	268	146	179	15 139
<b>2009-10</b>									
September	3 545	2 927	2 550	744	2 203	172	190	189	12 520
December	5 185	4 138	2 896	763	2 637	226	227	228	16 300
March	3 458	3 351	1 963	703	2 099	118	241	72	12 007
SEASONALLY ADJUSTED									
<b>2007-08</b>									
March	3 570	3 089	3 219	598	2 210	np	np	np	13 352
June	3 981	3 157	3 166	684	2 420	np	np	np	13 867
<b>2008-09</b>									
September	3 935	3 189	3 303	734	2 446	np	np	np	14 437
December	3 616	3 371	3 539	676	2 305	np	np	np	14 144
March	3 763	3 193	3 125	658	2 260	np	np	np	13 712
June	3 534	3 320	3 131	662	2 402	np	np	np	13 413
<b>2009-10</b>									
September	3 740	3 084	2 813	703	2 373	np	np	np	13 347
December	4 728	3 769	2 618	778	2 522	np	np	np	15 021
March	4 022	3 936	2 082	785	2 418	np	np	np	14 124
TREND									
<b>2007-08</b>									
March	3 735	3 085	3 105	621	2 225	211	259	97	13 350
June	3 849	3 152	3 244	673	2 374	242	293	109	13 924
<b>2008-09</b>									
September	3 864	3 230	3 349	702	2 399	268	307	117	14 234
December	3 765	3 283	3 363	690	2 347	279	272	124	14 137
March	3 592	3 244	3 267	663	2 307	262	203	136	13 686
June	3 685	3 214	3 081	669	2 349	238	158	167	13 517
<b>2009-10</b>									
September	3 957	3 352	2 826	711	2 418	207	178	184	13 821
December	4 208	3 616	2 531	756	2 454	180	226	170	14 235
March	4 372	3 858	2 230	791	2 459	158	277	135	14 574

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

(a) Reference year for chain volume measures is 2007-08.

## ACTUAL TOTAL EXPENDITURE, By state—Chain volume measures(a)

<i>Period</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2005-06</b>	19 868	17 335	15 740	4 783	18 652	1 211	3 183	742	81 652
<b>2006-07</b>	18 902	18 617	17 928	5 135	21 795	891	3 099	671	87 038
<b>2007-08</b>	22 175	19 420	20 450	5 160	25 123	1 173	2 722	547	96 772
<b>2008-09</b>	23 132	20 743	24 822	5 227	32 094	1 279	2 198	754	110 248
<b>2007-08</b>									
March	4 687	4 228	4 642	1 227	5 959	237	423	134	21 524
June	6 598	5 255	6 046	1 407	7 059	403	665	132	27 571
<b>2008-09</b>									
September	5 435	4 559	5 671	1 380	7 170	294	689	168	25 367
December	6 347	5 784	7 433	1 315	8 883	396	609	174	30 940
March	5 043	4 457	5 550	1 145	6 961	259	580	176	24 171
June	6 307	5 941	6 168	1 387	9 081	330	320	236	29 770
<b>2009-10</b>									
September	5 366	4 799	5 290	1 299	7 069	209	351	233	24 616
December	7 258	6 423	6 145	1 319	7 983	284	428	293	30 133
March	5 514	5 116	4 364	1 117	7 326	165	353	357	24 311
SEASONALLY ADJUSTED									
<b>2007-08</b>									
March	5 475	4 896	5 342	1 424	6 556	266	481	147	24 607
June	5 943	4 838	5 539	1 264	6 490	377	649	127	25 196
<b>2008-09</b>									
September	5 868	4 831	6 051	1 384	7 738	331	666	164	26 893
December	5 786	5 268	6 682	1 279	8 344	354	578	167	28 560
March	5 855	5 167	6 393	1 315	7 654	297	641	193	27 431
June	5 623	5 476	5 697	1 249	8 358	297	313	230	27 364
<b>2009-10</b>									
September	5 804	5 110	5 673	1 288	7 641	237	334	226	26 150
December	6 601	5 834	5 474	1 294	7 508	254	405	281	27 750
March	6 396	5 929	4 821	1 270	8 058	185	415	368	27 703
TREND									
<b>2007-08</b>									
March	5 631	4 838	5 202	1 238	6 384	307	540	133	24 446
June	5 800	4 856	5 654	1 284	6 933	339	601	141	25 572
<b>2008-09</b>									
September	5 875	4 948	6 157	1 321	7 530	349	654	153	27 024
December	5 847	5 128	6 425	1 321	8 001	341	631	173	27 816
March	5 715	5 245	6 315	1 292	8 145	310	523	195	27 591
June	5 752	5 298	5 970	1 275	7 944	285	410	213	26 927
<b>2009-10</b>									
September	5 981	5 425	5 614	1 280	7 793	256	359	245	26 807
December	6 282	5 658	5 318	1 282	7 750	230	370	290	27 225
March	6 553	5 879	5 030	1 284	7 755	206	420	338	27 753

(a) Reference year for chain volume measures is 2007-08.

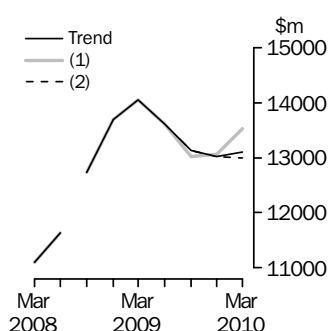
## WHAT IF...? REVISIONS TO TREND ESTIMATES

### EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

#### TREND REVISIONS

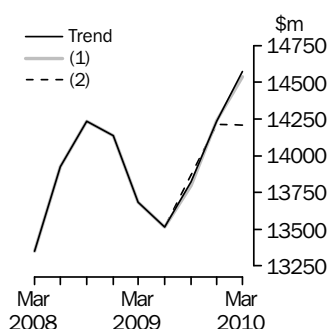
Recent seasonally adjusted and trend estimates are likely to be revised when original estimates for subsequent quarters become available. The approximate effects of possible scenarios on trend estimates for capital expenditure in chain volume terms are presented below by illustrating the impact if next quarter's seasonally adjusted estimate rises or falls by a specified percentage (based on the historical average of movements in seasonally adjusted estimates). For further information, see paragraphs 41 and 42 in the Explanatory Notes.

#### BUILDINGS AND STRUCTURES



	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:		(1) rises by 6.8% on this quarter		(2) falls by 6.8% on this quarter	
	\$m	%	\$m	%	\$m	%	\$m	%
<b>2009</b>								
June	13 611	-3.1	13 611	-3.1	13 611	-3.1	13 611	-3.1
September	13 126	-3.6	13 023	-4.3	13 132	-3.5	13 132	-3.5
December	13 021	-0.8	13 055	0.2	13 013	-0.9	13 013	-0.9
<b>2010</b>								
March	13 103	0.6	13 523	3.6	12 999	-0.1	12 999	-0.1

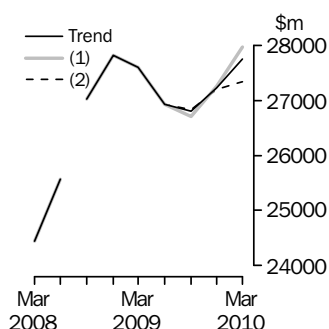
#### EQUIPMENT, PLANT AND MACHINERY



	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:		(1) rises by 4.1% on this quarter		(2) falls by 4.1% on this quarter	
	\$m	%	\$m	%	\$m	%	\$m	%
<b>2009</b>								
June	13 517	-1.2	13 517	-1.2	13 517	-1.2	13 517	-1.2
September	13 821	2.2	13 799	2.1	13 867	2.6	13 867	2.6
December	14 235	3.0	14 237	3.2	14 213	2.5	14 213	2.5
<b>2010</b>								
March	14 574	2.4	14 535	2.1	14 208	—	14 208	—

— nil or rounded to zero (including null cells)

#### TOTAL CAPITAL EXPENDITURE



	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:		(1) rises by 4.0% on this quarter		(2) falls by 4.0% on this quarter	
	\$m	%	\$m	%	\$m	%	\$m	%
<b>2009</b>								
June	26 927	-2.4	26 927	-2.4	26 927	-2.4	26 927	-2.4
September	26 807	-0.4	26 702	-0.8	26 832	-0.4	26 832	-0.4
December	27 225	1.6	27 250	2.1	27 205	1.4	27 205	1.4
<b>2010</b>								
March	27 753	1.9	27 969	2.6	27 343	0.5	27 343	0.5

## EXPLANATORY NOTES

### INTRODUCTION

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

### SCOPE OF THE SURVEY

**2** The Survey of New Capital Expenditure includes the following industries classified according to the Australian and New Zealand Standard Industrial Classification, ANZSIC, 2006:

Mining (Division B)

Manufacturing (Division C)

Other selected industries:

Electricity, Gas, Water and Waste Services (Division D)

Construction (Division E)

Wholesale Trade (Division F)

Retail Trade (Division G)

Transport, Postal and Warehousing (Division I)

Information Media and Telecommunications (Division J)

Finance and Insurance (Division K, excluding ANZSIC class 6330,

Superannuation Funds)

Rental, Hiring and Real Estate Services (Division L)

Professional, Scientific and Technical Services (Division M)

Other selected services:

Accommodation and Food Services (Division H)

Administrative and Support Services (Division N)

Arts and Recreation Services (Division R)

Other Services (Division S)

**3** The survey excludes the following industries:

Agriculture, Forestry and Fishing (Division A)

Public Administration and Safety (Division O)

Education and Training (Division P)

Health Care and Social Assistance (Division Q)

Superannuation Funds (Class 6330)

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

**5** The Survey of New Capital Expenditure, like most ABS economic collections, takes its frame from Employing and Non-Employing Units on the ABS Business Register which is primarily based on ABN registrations to the Australian Business Register, which is managed by the Australian Taxation Office (ATO). The frame is updated quarterly to take account of new businesses and changes in the characteristics of businesses, such as industry and size.

**6** Businesses which have ceased employing are identified when the Australian Taxation Office (ATO) cancels their Australian Business Number (ABN) registration. In addition, businesses which do not remit for Goods and Services Tax and/or Income Tax Withholding purposes for the previous five quarters, are removed from the frame.

**7** As noted, the Survey frame includes Employing and Non-Employing Units on the ABS Business Register. However, micro non-employing businesses are excluded. These are very small units on the ABS Business Register, by standard measures of size. While there are a substantial number of these businesses, it is expected that they would not contribute significantly to the estimates, although the impact would vary from industry to industry.

## EXPLANATORY NOTES *continued*

### STATISTICAL UNIT

**8** In the Survey of New Capital Expenditure, the statistical unit used to represent businesses, and for which statistics are reported, is the Australian Business Number (ABN) unit, in most cases. The ABN unit is the business unit which has registered for an ABN, and thus appears on the ATO administered Australian Business Register. This unit is suitable for ABS statistical needs when the business is simple in structure.

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

### SURVEY METHODOLOGY

**10** The survey is conducted by mail on a quarterly basis. It is based on a random sample of approximately 8,000 units which is stratified by industry, state/territory and derived employment size. The figures obtained from the selected units are supplemented by data from units which have large capital expenditure and are outside the sample framework, or not adequately covered by it.

**11** Respondents are asked to provide data on the same basis as their own management accounts. Where a selected unit does not respond in a given survey period, a value is estimated. If data are subsequently provided, the estimated value is replaced with reported data. Aggregates are calculated from all data using the 'number raised' estimation technique. Data are edited at both individual unit level and at aggregate level.

### TIMING AND CONSTRUCTION OF SURVEY CYCLE

**12** 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. June quarter survey returns are completed during July and August).

**13** Businesses are requested to provide 3 basic figures each survey:

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

#### Period to which reported data relates

	2008-2009				2009-2010				2010-2011			
Survey Quarter	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun
December 2008	Act	Act	E1		E2							
March 2009	Act	Act	Act	E1	E2							
June 2009	Act	Act	Act	Act	E1		E2					
September 2009					Act	E1	E2					
December 2009					Act	Act	E1		E2			
March 2010					Act	Act	Act	E1	E2			
June 2010					Act	Act	Act	Act	E1		E2	

## EXPLANATORY NOTES *continued*

### TIMING AND CONSTRUCTION OF SURVEY CYCLE *continued*

**14** This survey cycle facilitates the formation of estimates of expenditure for financial years (12 months ending 30 June) which are presented in tables 5 and 6 of this publication. For example, as the previous table shows for 2009-2010:

- the first estimate was available from the December 2008 survey as a longer term expectation (E2)
- the second estimate was available from the March 2009 survey (again as a longer term expectation)
- the third estimate was available from the June 2009 survey as the sum of two expectations (E1 + E2)
- in the September 2009, December 2009 and March 2010 surveys the fourth, fifth and sixth estimates, respectively, are derived from the sum of actual expenditure (for that part of the year completed) and expected expenditure (for the remainder of the year) as recorded in the current quarter's survey
- the final (or seventh) estimate from the June quarter 2010 survey is derived from the sum of the actual expenditure for each of the four quarters in the 2009-10 financial year.

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

**16** These expectations data by state/territory are not included in this publication but are released on the ABS Website.

### SAMPLE REVISION

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

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

**19** Adjustments are included in the estimates to allow for lags in processing new businesses to the ABS Business Register, and the omission of some businesses from the register. The majority of businesses affected and to which adjustments apply are small in size. As an indication of the size of these adjustments, in the March quarter 2010 they represented about 0.5% of the total estimate of new capital expenditure.

### CLASSIFICATION BY INDUSTRY

**20** The Australian and New Zealand Standard Industrial Classification (ANZSIC) has been developed for use in both countries for the production and analysis of industry statistics. For more information, users are referred to *Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006* (cat. no. 1292.0).

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

### CHAIN VOLUME MEASURES

**22** 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 2007-08). The current price values may be thought to be the product of a price and quantity. The value in chain volume terms can be derived by linking together movements in volumes, calculated using the average prices of the previous financial year

## EXPLANATORY NOTES *continued*

### CHAIN VOLUME MEASURES

*continued*

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

**23** With each release of the September quarter issue of this publication, a new base year is introduced and the reference year is advanced one year to coincide with it. With this release of the September quarter 2009 issue of this publication, the chain volume measures for 2008-09 now have 2007-08 (the previous financial year) as their base year rather than 2006-07, and the reference year is 2007-08.

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

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

### DERIVATION AND USEFULNESS OF REALISATION RATIOS

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

**27** Realisation ratios provide an important tool in understanding and interpreting expectation statistics for future periods. The application of realisation ratios enables the adjustment of expectation data for known under (or over) realisation patterns in the past and hence provides a valid basis for comparison with other expectation data and actual expenditure estimates. Once this has been done the predictions can be more validly compared with each other and with previously derived estimates of actual expenditure for earlier years. For example, if one wished to make a prediction about actual expenditure for 2010-11 based on the March 2010 survey results and compare this with 2009-10 expenditure, it is necessary to apply the relevant realisation factors to the expectation to put both estimates on the same basis.

**28** There are many ways in which realisation ratios can be applied to make predictions of actual expenditure for a future period. A range of realisation ratios for both type of asset and industry estimates is provided in tables 5 and 6.

**29** In using realisation ratios to adjust expectations data, attention should be paid to the range of values that has occurred in the past. A wide range of values is indicative of volatility in the realisation patterns and hence greater caution should be exercised regarding the predictive value of the expectation, even after adjustment by application of realisation ratios. This is particularly the case with the early 12 month expectations for the following financial year collected in the December and March surveys.

## EXPLANATORY NOTES *continued*

### RELIABILITY OF THE ESTIMATES

**30** Estimates provided in this publication are subject to non-sampling and sampling errors. The most common way of quantifying sampling error is to calculate the standard error for the published estimate. Details of standard errors are on pages 34 and 35 of this publication.

**31** Estimates that have an estimated relative standard error between 10% and 25% are annotated with the symbol '^'. These estimates should be used with caution as they are subject to sampling variability too high for some purposes. Estimates with an RSE between 25% and 50% are annotated with the symbol '\*', indicating that the estimate should be used with caution as it is subject to sampling variability too high for most practical purposes. Estimates with an RSE greater than 50% are annotated with the symbol '\*\*' indicating that the sampling variability causes the estimates to be considered too unreliable for general use. These annotations have only been applied to estimates from the March quarter 2009.

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

**33** Estimates for the latest quarter presented in this publication are considered preliminary and revised estimates will be released with the next issue. As discussed in Paragraphs 38 to 42 below, seasonally adjusted and trend estimates are also subject to revision as data are revised and more data become available.

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

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

**36** After monitoring data items in the immediate years following March quarter 2005 it was concluded that most affected published data series were impacted by data breaks but that the magnitude of such breaks could not be determined without imposing disproportionate load upon data providers to ABS surveys and other administratively collected data.

### SEASONAL ADJUSTMENT

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

## EXPLANATORY NOTES *continued*

### SEASONAL ADJUSTMENT

*continued*

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

**39** The revision properties of the seasonally adjusted and trend estimates can be improved by the use of Autoregressive Integrated Moving Average (ARIMA) modelling. The Survey of Private New Capital Expenditure uses ARIMA modelling where appropriate for individual time series. ARIMA modelling relies on the characteristics of the series being analysed to project future period data. The projected values are temporary, intermediate values that are only used internally to improve the estimation of the seasonal factors. The projected data do not affect the original estimates and are discarded at the end of the seasonal adjustment process. The ARIMA model is reassessed each year as part of the annual reanalysis of the seasonal adjustment parameters. Following the most recent annual reanalysis, 80% of eligible series use ARIMA modelling. For more information on the details of ARIMA modelling see Feature article: Use of ARIMA modelling to reduce revisions in the October 2004 issue of *Australian Economic Indicators* (cat. no. 1350.0).

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

### TREND ESTIMATES

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

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

### DESCRIPTION OF TERMS

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

**44** *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.

## EXPLANATORY NOTES *continued*

**45** Some estimates are dissected by type of asset:

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

### COMPARISON WITH NATIONAL ACCOUNTS AND OTHER ABS STATISTICS

**46** 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 new capital expenditure survey. For example, annual estimates for capital expenditure on 'machinery and equipment' are based on the ABS' annual Economic Activity Survey combined with data from the Australian Taxation Office. Quarterly estimates are interpolated between and extrapolated from the annual estimates using a variety of indicators including this survey. The ABS's quarterly Building Activity Survey and Engineering Construction Survey are the main sources for estimating the National Accounts dwellings and other buildings and structures items.
- National Accounts estimates include capital expenditure by all private businesses including units classified to agriculture, forestry and fishing, education, and health and community services industries and capital expenditure on dwellings by households. Data for these sectors are excluded from this publication.
- National Accounts estimates include the value of work done on speculative construction projects as the work is put into place. The statistics in this publication, however, include full value of the speculative projects as new capital expenditure of the purchases (if in scope), when the project is sold.
- National accounts estimates of gross fixed capital formation relate to acquisitions less disposals of new or existing fixed assets, whereas the survey figures are acquisitions of new fixed tangible assets only.

**47** 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).

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

## EXPLANATORY NOTES *continued*

### RELATED PUBLICATIONS

**49** Users may also wish to refer the following publications:

- *Information Paper: Changes to Private New Capital Expenditure and Expected Expenditure statistics, September 2009* (cat. no. 5625.0.55.001)
- *Australian National Accounts: National Income, Expenditure and Product* (cat. no. 5206.0)
- *Australian National Accounts: Concepts, Sources and Methods* (cat. no. 5216.0)
- *Directory of Capital Expenditure Data Sources and Related Statistics* (cat. no. 5653.0)
- *Building Activity, Australia* (cat. no. 8752.0)
- *Business Indicators, Australia* (cat. no. 5676.0)
- *Business Operations and Industry Performance, Australia* (cat. no. 8140.0)
- *Construction Work Done, Australia* (cat no 8755.0)
- *Engineering Construction Activity, Australia* (cat. no. 8762.0)
- *Information Paper: Australian National Accounts, Introduction of Chain Volume and Price Indexes* (cat. no. 5248.0)

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

### ABS DATA AVAILABLE ON REQUEST

**51** In addition to the data contained in this publication, more detailed industry and state information may be made available on request, the cost for such a service being dependent upon the amount of data requested. For example, data are generally available at the ANZSIC subdivision (2 digit) level.

### ABS WEBSITE

**52** The ABS website contains most of the data included in this publication but with a longer time series. In addition to the series in this publication, data for Manufacturing Subdivisions and State by Industry data are also available.

### ACKNOWLEDGMENT

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

## APPENDIX SAMPLING ERRORS

### LEVEL ESTIMATES

#### INTRODUCTION

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

#### EXAMPLE OF USE

The following example illustrates how to use the standard error to interpret a level estimate.

Let us say that the published level estimate for total capital expenditure is \$24,030m and the calculated standard error in this case is \$629m. The standard error is then used to interpret the level estimate of \$24,030m.

For instance, the standard error of \$629m indicates that:

- There are approximately two chances in three that the real value falls within the range \$23,401m to \$24,659m ( $\$24,030\text{m} \pm \$629\text{m}$ )
- There are approximately 19 chances in 20 that the real value falls within the ranges \$22,772m to \$25,288m ( $\$24,030\text{m} \pm \$1,364\text{m}$ )

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

The following table shows the standard errors for March Quarter 2010 estimates.

	<i>Buildings and Structures</i>	<i>Equipment, Plant and Machinery</i>	<i>Total</i>
	\$m	\$m	\$m
Mining	38	34	60
Manufacturing	25	105	116
Electricity, Gas, Water and Waste Services	4	18	18
Construction	24	276	283
Wholesale Trade	4	126	127
Retail Trade	50	88	101
Transport, Postal and Warehousing	23	86	90
Information Media and Telecommunications	7	29	31
Financial and Insurance Services	14	81	85
Rental, Hiring and Real Estate Services	311	360	515
Professional, Scientific and Technical Services	8	83	85
Other Selected Services	103	106	147
<b>Total</b>	<b>331</b>	<b>509</b>	<b>629</b>
New South Wales	171	251	316
Victoria	289	384	500
Queensland	162	114	196
South Australia	11	114	116
Western Australia	52	155	158
Tasmania	4	12	13
Northern Territory	9	63	63
Australian Capital Territory	5	4	6
<b>Australia</b>	<b>331</b>	<b>509</b>	<b>629</b>

## APPENDIX SAMPLING ERRORS *continued*

### MOVEMENT ESTIMATES

#### EXAMPLE OF USE

The following example illustrates how to use the standard error to interpret a movement estimate.

Let us say that one quarter the published level estimate for total capital expenditure is \$29,853m and the next quarter the published level estimate is \$24,030m. In this example the calculated standard error for the movement estimate is \$746m. The standard error is then used to interpret the published movement estimate of \$5,823m.

For instance, the standard error of \$746m indicates that:

- There are approximately two chances in three that the real movement over the two quarter period falls within the range \$5,077m to \$6,569m (\$5,823m  $\pm$  \$746m)
- There are approximately nineteen chances in twenty that the real movement falls within the range \$4,331m to \$7,315m (\$5,823m  $\pm$  \$1,492m).

The following table shows the standard errors for March Quarter 2010 estimates.

	<i>Buildings and Structures</i>	<i>Equipment, Plant and Machinery</i>	<i>Total</i>
	\$m	\$m	\$m
Mining	40	89	92
Manufacturing	39	186	193
Electricity, Gas, Water and Waste Services	5	27	28
Construction	30	303	308
Wholesale Trade	49	144	154
Retail Trade	55	115	124
Transport, Postal and Warehousing	23	202	199
Information Media and Telecommunications	7	24	27
Financial and Insurance Services	22	102	107
Rental, Hiring and Real Estate Services	454	267	539
Professional, Scientific and Technical Services	41	103	114
Other Selected Services	117	144	181
<b>Total</b>	<b>488</b>	<b>516</b>	<b>746</b>
New South Wales	146	341	372
Victoria	281	295	377
Queensland	187	165	254
South Australia	38	85	92
Western Australia	208	190	268
Tasmania	3	36	36
Northern Territory	8	49	50
Australian Capital Territory	207	52	212
<b>Australia</b>	<b>488</b>	<b>516</b>	<b>746</b>

## FOR MORE INFORMATION . . .

### INTERNET

**www.abs.gov.au** the ABS website is the best place for data from our publications and information about the ABS.

## INFORMATION AND REFERRAL SERVICE

Our consultants can help you access the full range of information published by the ABS that is available free of charge from our website. Information tailored to your needs can also be requested as a 'user pays' service. Specialists are on hand to help you with analytical or methodological advice.

### PHONE

1300 135 070

### EMAIL

client.services@abs.gov.au

### FAX

1300 135 211

### POST

Client Services, ABS, GPO Box 796, Sydney NSW 2001

## FREE ACCESS TO STATISTICS

All statistics on the ABS website can be downloaded free of charge.

### WEB ADDRESS

**www.abs.gov.au**