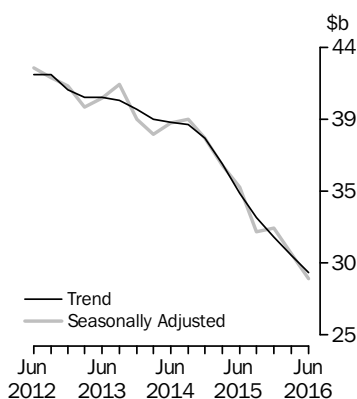


PRIVATE NEW CAPITAL EXPENDITURE AND EXPECTED EXPENDITURE AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) THURS 1 SEP 2016

New Capital Expenditure in volume terms



KEY FIGURES

	Jun Qtr 16	Mar Qtr 16 to Jun Qtr 16	Jun Qtr 15 to Jun Qtr 16
	\$m	% change	% change
Trend estimates^(a)			
Total new capital expenditure	29 130	-3.8	-15.2
Buildings and structures	17 078	-7.0	-22.1
Equipment, plant and machinery	12 132	1.9	-2.2
Seasonally adjusted^(a)			
Total new capital expenditure	28 712	-5.4	-17.4
Buildings and structures	16 513	-10.6	-25.6
Equipment, plant and machinery	12 199	2.8	-3.0

(a) In volume terms

KEY POINTS

ACTUAL EXPENDITURE (VOLUME TERMS)

- The trend volume estimate for total new capital expenditure fell 3.8% in the June quarter 2016 while the seasonally adjusted estimate fell by 5.4%.
- The trend volume estimate for buildings and structures fell by 7.0% in the June quarter 2016 while the seasonally adjusted estimate fell by 10.6%.
- The trend volume estimate for equipment, plant and machinery rose by 1.9% in the June quarter 2016 while the seasonally adjusted estimate rose by 2.8%.

EXPECTED EXPENDITURE (CURRENT PRICE TERMS)

- This issue includes the seventh estimate (Estimate 7) for 2015-16 and the third estimate (Estimate 3) for 2016-17.
- Estimate 7 for 2015-16 is \$127,455m. This is 15.4% lower than Estimate 7 for 2014-15. Estimate 7 is 0.2% higher than Estimate 6 for 2015-16.
- Estimate 3 for 2016-17 is \$105,173m. This is 9.1% lower than Estimate 3 for 2015-16. Estimate 3 is 15.2% higher than Estimate 2 for 2016-17.
- See pages 7-10 for further commentary on expectations data.

INQUIRIES

Inquiries about these and related statistics, contact the National Information and Referral Service on 1300 135 070. The ABS Privacy Policy outlines how the ABS will handle any personal information that you provide to us.

NOTES

FORTHCOMING ISSUES

<i>ISSUE (Quarter)</i>	<i>RELEASE DATE</i>
September 2016	1 December 2016
December 2016	23 February 2017
March 2017	1 June 2017
June 2017	31 August 2017



CHANGES TO THIS ISSUE

A feature article titled "Modelling for scope exclusions in Private New Capital Expenditure" is included in this issue.

DATA NOTES

Mining projects tend to be complex in structure and comprise a number of different investment activities including exploration, engineering construction, plant and equipment and buildings. A feature article released in the March 2012 issue of Private New Capital Expenditure and Expected Expenditure, Australia (cat. no. 5625.0) provides a summary of the conceptual basis of the relevant ABS publications that measure investment in Australia, using a hypothetical mining project to illustrate how this investment is reflected in ABS data.



ABBREVIATIONS

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

David W. Kalisch
Australian Statistician

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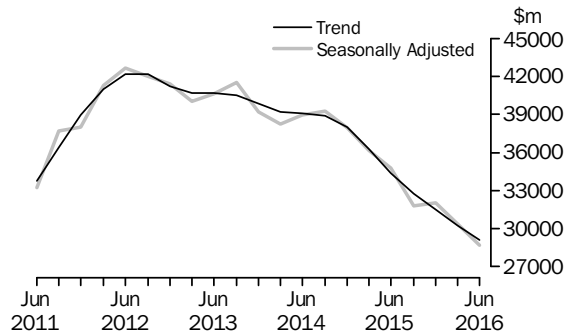
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ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS

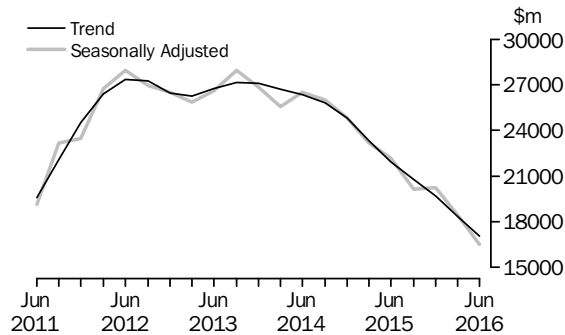
TOTAL CAPITAL EXPENDITURE

The trend estimate for total new capital expenditure fell 3.8% in the June quarter 2016. By asset type, the trend estimate for buildings and structures fell 7.0% and equipment, plant and machinery rose 1.9%. The seasonally adjusted estimate for total new capital expenditure fell 5.4% in the June quarter 2016.



BUILDINGS AND STRUCTURES

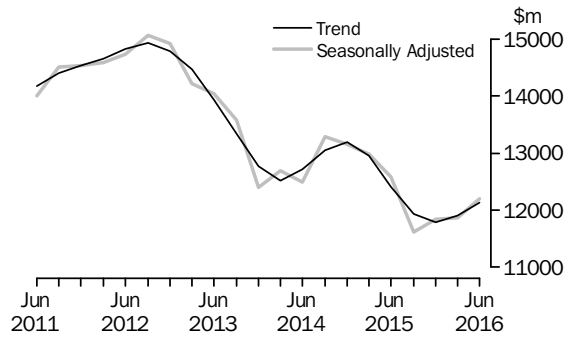
The trend estimate for buildings and structures fell 7.0% in the June quarter 2016. Buildings and structures for Mining fell 12.6%, Other Selected Industries rose 1.1% and Manufacturing rose 7.0%. The seasonally adjusted estimate for buildings and structures fell 10.6% in the June quarter 2016. Mining fell 17.5%, Other Selected Industries fell 1.6% and Manufacturing rose 23.5% in seasonally adjusted terms.



ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS *continued*

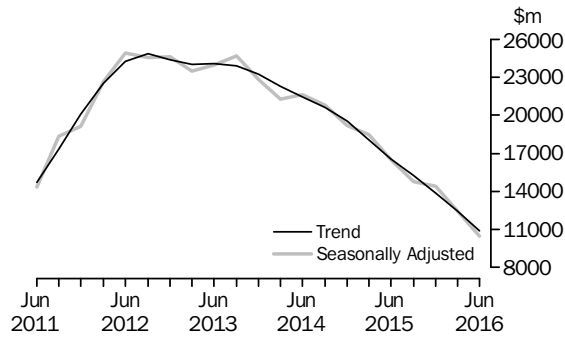
EQUIPMENT, PLANT AND MACHINERY

The trend estimate for equipment, plant and machinery rose 1.9% in the June quarter 2016. Equipment, plant and machinery for Other Selected Industries rose 3.5%, Mining fell 4.4% and Manufacturing fell 3.1%. The seasonally adjusted estimate for equipment, plant and machinery rose 2.8% in the June quarter 2016. Other Selected Industries rose 2.6%, Manufacturing rose 9.6% and Mining fell 3.5% in seasonally adjusted terms.



MINING

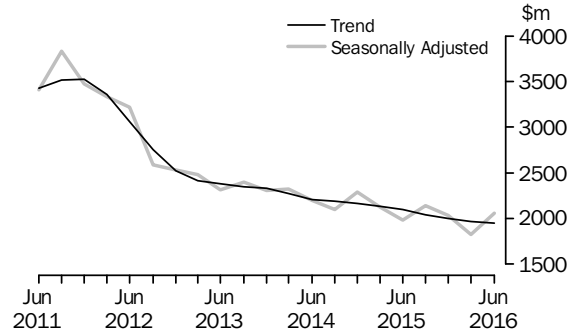
The trend estimate for Mining fell 12.5% in the June quarter 2016. Buildings and structures fell 12.6% and equipment, plant and machinery fell 4.4%. The seasonally adjusted estimate for Mining fell 16.1%. Buildings and structures fell 17.5% and equipment, plant and machinery fell 3.5% in seasonally adjusted terms.



ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS *continued*

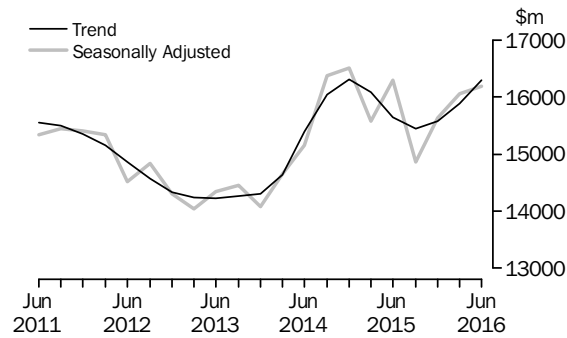
MANUFACTURING

The trend estimate for Manufacturing fell 0.8% in the June quarter 2016. Equipment, plant and machinery fell 3.1% and buildings and structures rose 7.0%. The seasonally adjusted estimate for Manufacturing rose 12.9% in the June quarter 2016. Equipment, plant and machinery rose 9.6% and buildings and structures rose 23.5% in seasonally adjusted terms.



OTHER SELECTED INDUSTRIES

The trend estimate for Other Selected Industries rose 2.6% in the June quarter 2016. Equipment, plant and machinery rose 3.5% and buildings and structures rose 1.1%. The seasonally adjusted estimate for Other Selected Industries rose 0.8% in the June quarter 2016. Equipment, plant and machinery rose 2.6% while buildings and structures fell 1.6% in seasonally adjusted terms.



ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE

FINANCIAL YEARS AT
CURRENT PRICES

The graphs below show the seven estimates of actual and expected expenditure for each financial year. The estimates appearing below relate to data contained in Tables 5 and 6. Advice about the application of realisation ratios to these estimates is in paragraph 26 to 29 of the Explanatory Notes.

The timing and construction of these estimates are as follows:

TIMING & CONSTRUCTION OF SEVEN ESTIMATES

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

TOTAL CAPITAL
EXPENDITURE

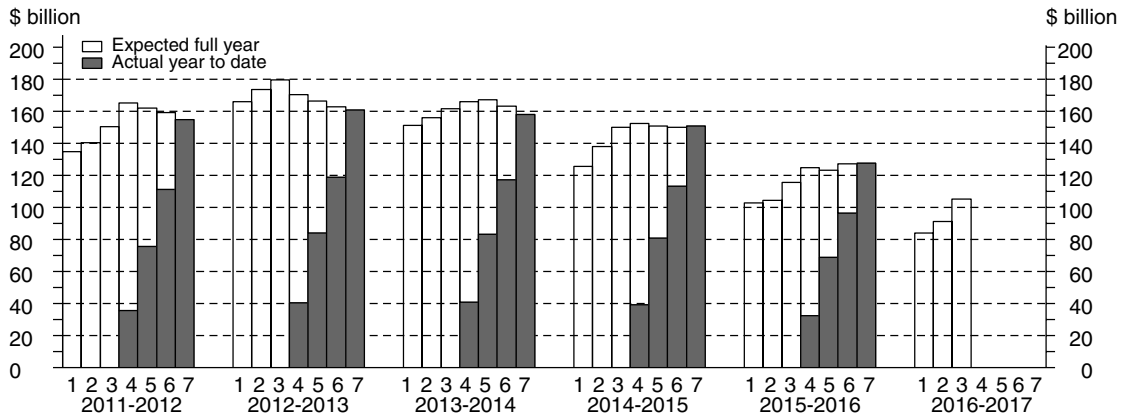
Estimate 7 for total capital expenditure in 2015-16 is \$127,455m. This is 15.4% lower than Estimate 7 for 2014-15. The main contributor to this decrease is Mining (-29.8%).

Estimate 7 is 0.2% higher than Estimate 6 for 2015-16. The main contributor to this increase is Other Selected Industries (3.9%).

Estimate 3 for total capital expenditure for 2016-17 is \$105,173m. This is 9.1% lower than Estimate 3 for 2015-16. The main contributor to the decrease is Mining (-24.2%).

Estimate 3 is 15.2% higher than Estimate 2 for 2016-17. The main contributor to the increase was Other Selected Industries (15.5%).

FINANCIAL YEAR ACTUAL & EXPECTED EXPENDITURE - TOTAL CAPITAL EXPENDITURE



ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

BUILDINGS AND STRUCTURES

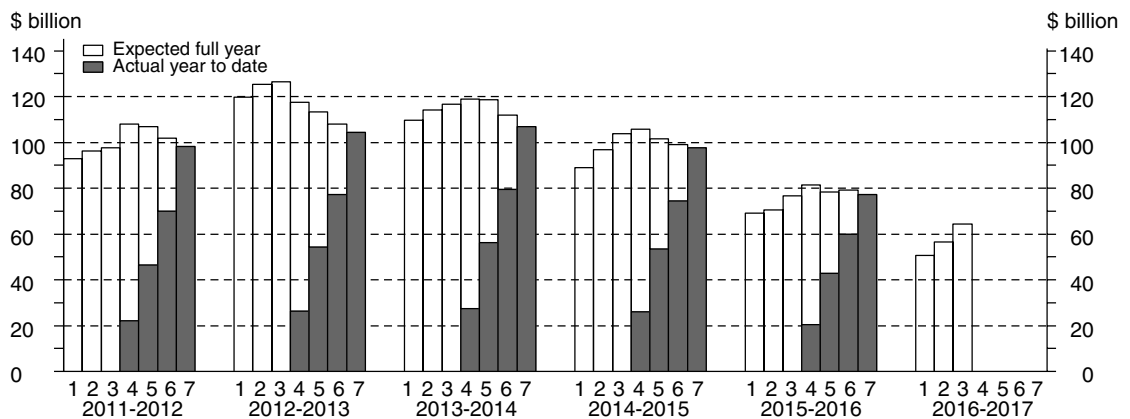
Estimate 7 for buildings and structures in 2015-16 is \$77,232m. This is 21.0% lower than Estimate 7 for 2014-15. The main contributor to this decrease is Mining (-29.7%).

Estimate 7 for buildings and structures is 2.4% lower than Estimate 6 for 2015-16. The main contributor to this decrease is Mining (-4.3%).

Estimate 3 for buildings and structures for 2016-17 is \$64,357m. This is 16.2% lower than Estimate 3 for 2015-16. The main contributor to the decrease was Mining (-25.8%).

Estimate 3 is 13.8% higher than Estimate 2 for 2016-17. The main contributor to the increase was Mining (16.5%).

FINANCIAL YEAR ACTUAL & EXPECTED EXPENDITURE - BUILDINGS AND STRUCTURES

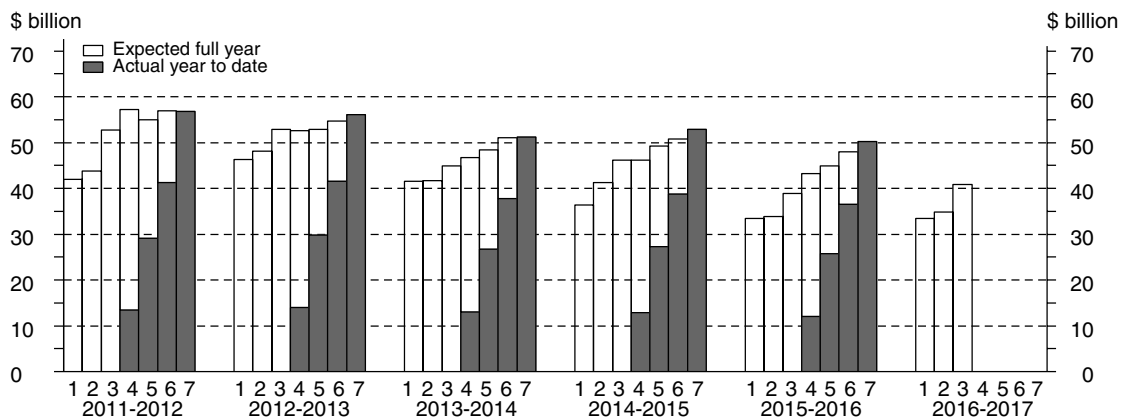


EQUIPMENT, PLANT AND MACHINERY

Estimate 7 for equipment, plant and machinery for 2015-16 is \$50,223m. This is 5.1% lower than Estimate 7 for 2014-15. The main contributor to this decrease is Mining (-30.6%). Estimate 7 is 4.6% higher than Estimate 6 for 2015-16. The main contributor to this increase is Other Selected Industries (6.2%).

Estimate 3 for equipment, plant and machinery for 2016-17 is \$40,815m. This is 4.8% higher than Estimate 3 for 2015-16. The main contributor to this increase is Other Selected Industries (10.0%). Estimate 3 is 17.4% higher than Estimate 2 for 2016-17. The main contributor to the increase is Other Selected Industries (20.9%).

FINANCIAL YEAR ACTUAL & EXPECTED EXPENDITURE - EQUIPMENT, PLANT AND MACHINERY



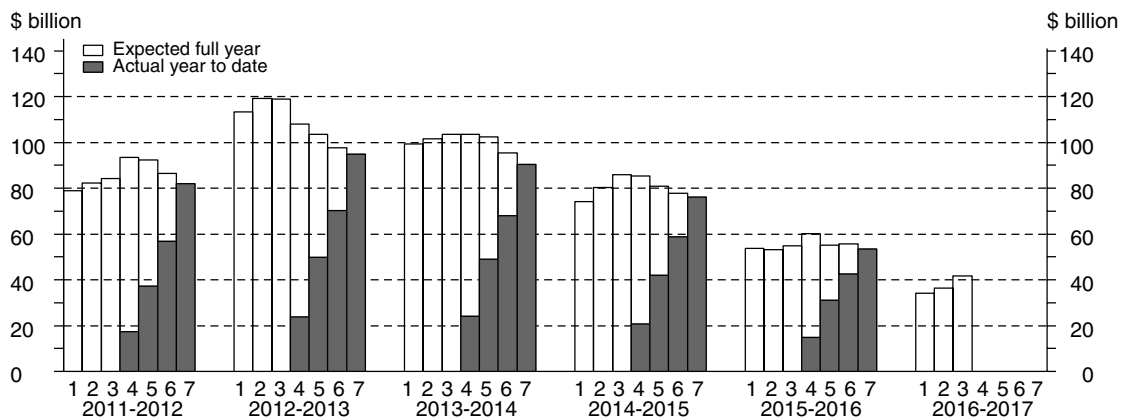
ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

MINING

Estimate 7 for Mining for 2015-16 is \$53,452m. This is 29.8% lower than Estimate 7 for 2014-15. Estimate 7 is 4.0% lower than Estimate 6 for 2015-16. Buildings and structures is 4.3% lower and equipment, plant and machinery is 1.6% lower than the corresponding sixth estimate for 2015-16.

Estimate 3 for Mining for 2016-17 is \$41,705m. This is 24.2% lower than Estimate 3 for 2015-16. Estimate 3 is 14.5% higher than Estimate 2 for 2016-17. Buildings and structures is 16.5% higher and equipment, plant and machinery is 4.4% higher than the corresponding second estimate for 2016-17.

FINANCIAL YEAR ACTUAL & EXPECTED EXPENDITURE - MINING

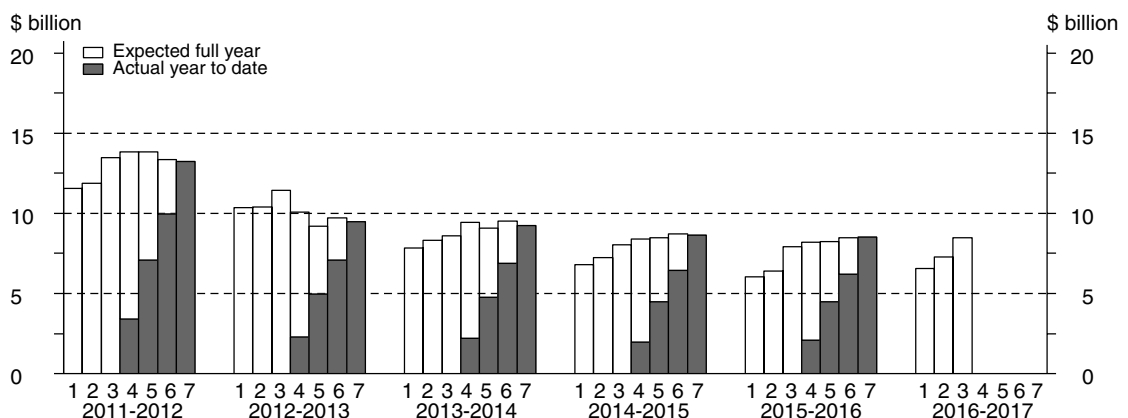


MANUFACTURING

Estimate 7 for Manufacturing for 2015-16 is \$8,507m. This is 1.4% lower than Estimate 7 for 2014-15. Estimate 7 is 0.5% higher than Estimate 6 for 2015-16. Equipment, plant and machinery is 1.4% higher and buildings and structures is 2.7% lower than the corresponding sixth estimate for 2015-16.

Estimate 3 for Manufacturing for 2016-17 is \$8,471m. This is 6.8% higher than Estimate 3 for 2015-16. Estimate 3 is 16.5% higher than Estimate 2 for 2016-17. Equipment, plant and machinery is 16.8% higher and buildings and structures is 15.9% higher than the corresponding second estimate for 2016-17.

FINANCIAL YEAR ACTUAL & EXPECTED EXPENDITURE - MANUFACTURING



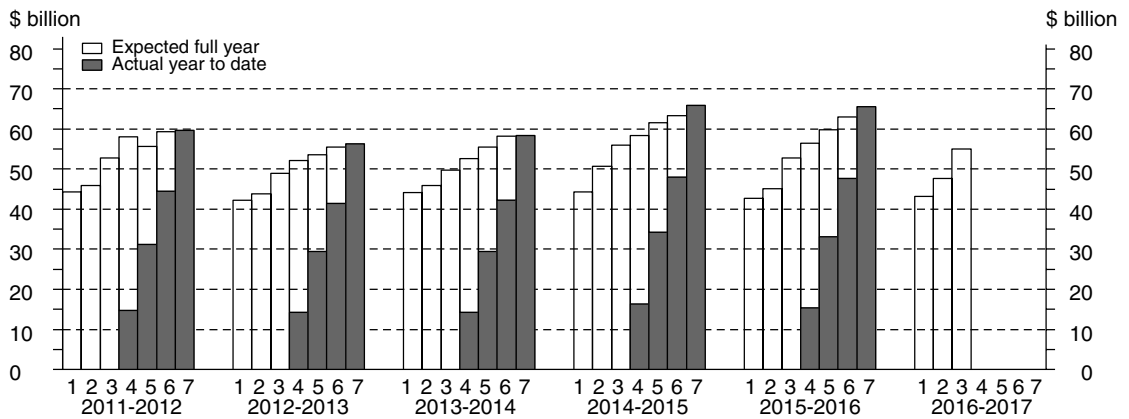
ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

OTHER SELECTED INDUSTRIES

Estimate 7 for Other Selected Industries for 2015-16 is \$65,496m. This is 0.6% lower than Estimate 7 for 2014-15. Estimate 7 is 3.9% higher than Estimate 6 for 2015-16. Equipment, plant and machinery is 6.2% higher and buildings and structures is 1.0% higher than the corresponding sixth estimate for 2015-16.

Estimate 3 for Other Selected Industries for 2016-17 is \$54,997m. This is 4.2% higher than Estimate 3 for 2015-16. Estimate 3 is 15.5% higher than Estimate 2 for 2016-17. Equipment, plant and machinery is 20.9% higher and buildings and structures is 10.3% higher than the corresponding second estimate for 2016-17.

FINANCIAL YEAR ACTUAL & EXPECTED EXPENDITURE - OTHER SELECTED INDUSTRIES



MODELLING FOR SCOPE EXCLUSIONS IN PRIVATE NEW CAPITAL EXPENDITURE

INTRODUCTION

The New Capital Expenditure Survey, published in Private New Capital Expenditure and Expected Expenditure (ABS Cat. No. 5625.0), provides estimates of actual and expected new capital expenditure for selected industries in Australia and is used as a measure of increasing or decreasing levels of investment by private sector businesses. The survey contains a number of exclusions in terms of selected industries and asset types.

The New Capital Expenditure Survey (Capex) does not include a number of industries in the scope of the survey. These industries are:

- 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)

The Capex survey also excludes certain asset types that can be classified as capital expenditure. Capital expenditure on intangible assets such as intellectual property, patents, licences, goodwill and capitalised computer software, including software licence fees, installation costs and software developed in house, are excluded.

Data for these excluded industries and asset types are published by the ABS, for example, as part of quarterly Australian National Accounts: National Income, Expenditure and Product (ABS Cat. No. 5206.0) and the annual Economic Activity Survey, as published in Australian Industry (ABS Cat. No. 8155.0). This data can be used to model what data in Capex may look like if the scope of the survey was expanded, firstly by the inclusion of additional industries, and then by the inclusion of expenditure on additional asset types.

OTHER ABS SOURCES OF CAPITAL EXPENDITURE

Capex is one of a suite of economic surveys. A broader measure of capital expenditure is published annually in Australian Industry, which includes total expenditure by private businesses on acquiring 'building and structures', 'plant, machinery and equipment' and 'other intangible assets'. Australian Industry publishes estimates of capital investment on land and intangible assets including capitalised exploration expenditure, patents, licences and goodwill. It also includes both new and second-hand purchases of capital by all industry divisions except for Division K: Financial and Insurance Services.

The quarterly Australian National Accounts: National Income, Expenditure and Product (ABS Cat. No. 5206.0) presents private business investment through the expenditure measure of Private Gross Fixed Capital Formation. The assets included are non-dwelling construction, machinery and equipment, intellectual property products and cultivated biological resources. 'Non-produced' capital items, including goodwill and licence fees are excluded. The Australian National Accounts measure makes no exclusions of industries but separates the Private and Public sectors.

Australian Industry and Capex are key components of National Accounts Gross Fixed Capital Formation data, but levels and movement estimates differ as a result of a number of factors including scope and the use of Supply-Use benchmarks that underpin National Accounts data.

COMPARING CAPEX DATA WITH AUSTRALIAN INDUSTRY

There are a number of reasons why the data from Capex and Australian Industry are not directly comparable, even when the differences in industries and asset types are removed. Firstly, Capex only collects expenditure on new assets (or imported assets) as the aim of the survey is to capture investment that adds to the production capacity of the economy. Australian Industry on the other hand includes purchases of second-hand capital items as transfers between industries are an important output of this collection.

Secondly, the primary objectives of the surveys are different. Capex is primarily concerned with presenting a timely quarterly indicator of changes in levels of private business investment, whereas the Economic Activity Survey, which has the benefit of being collected after a business' annual financial accounts have been finalised, is primarily focused on presenting more detailed annual levels of private business activity.

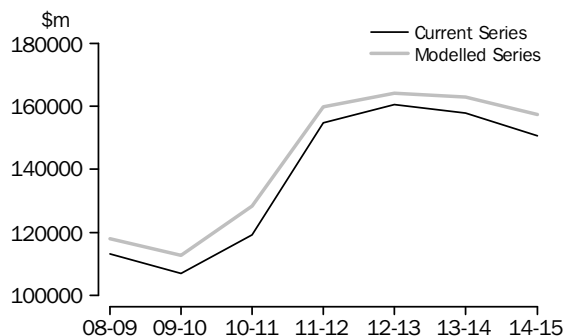
INCLUDING EDUCATION AND TRAINING, AND HEALTH CARE AND SOCIAL ASSISTANCE

Due to the level of detail collected, data from the Economic Activity Survey can be adjusted to create a comparable dataset to Capex by excluding the purchase of second-hand assets and removing asset types such as land from the Economic Activity Survey data. It is then possible to create a model of annualised Capex data including an expanded industry and asset scope. The model is only designed to give an indication of the scale of excluded industries and asset types and is not designed to indicate quarterly changes in investment levels. Data is only available annually, up to the 2014-15 financial year.

The first model estimates how the inclusion of Division P (Education and Training) and Division Q (Health Care and Social Assistance) may impact levels of capital expenditure within the current asset scope of the Capex survey. The modelling shows that the inclusion of these industries in Capex would raise total capital expenditure levels by an average of around \$5.7bn a year, or around 4% of total capital expenditure on Buildings and Structures, and Plant, Machinery and Equipment.

In 2014-15, Division P and Q would have raised the level from \$150.7bn to \$157.4bn. Health Care and Social Assistance contributes more to the increased level, making up around 60% of the additional capital expenditure, with 40% of the remaining additional spend coming from Education and Training. At the Other Selected Industries¹ level, the inclusion of Divisions P and Q raise levels by an average of 9%, from a low of 6% in 2012-13 to a high of 15% in 2010-11.

MODEL 1, Total Capex (Original current price)



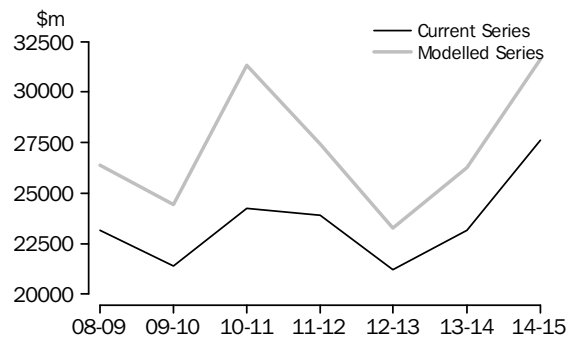
1 Other Selected Industries refers to all in-scope industries collected except Mining and Manufacturing.

INCLUDING EDUCATION
AND TRAINING, AND
HEALTH CARE AND
SOCIAL ASSISTANCE
continued

Analysis of this data by asset shows that the inclusion of a modelled figure for Divisions P and Q increases levels for Other Selected Industries by 16% in Buildings and Structures and around 5% in Plant, Machinery and Equipment. The data was calculated and applied annually and has a high of 29% for Building and Structures in 2010-11 and a low of 10% in 2012-13. The Plant, Machinery and Equipment number is far more stable, between 4% in 2012-13 and 7% in 2014-15.

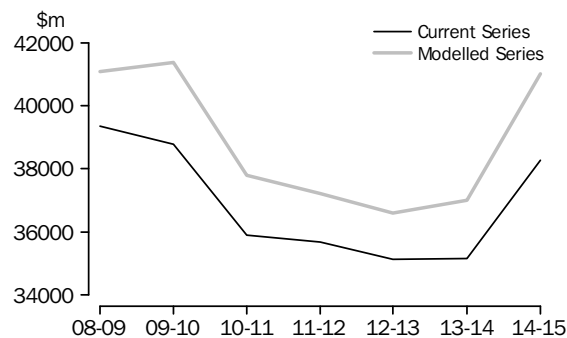
The inclusion of Divisions P and Q has little impact in terms of year-on-year movement at a total industry level, with movements dominated by Mining investment. At an Other Selected Industries level though, it does have an impact, although much of this is due to a one-off significant increase in Education and Training capital expenditure on Building and Structures during 2010-11. This is in line with the "Building the Education Revolution"² program.

MODEL 1, Other Selected Industries—Buildings and Structures (Original current price)



For Plant, Machinery and Equipment, the inclusion of Divisions P and Q trends closely with the current series in 5625.0, adding an average of \$2bn a year to current levels.

MODEL 1, Other Selected Industries—Plant, Machinery and Equipment (Original current price)



INCLUDING OTHER
INTANGIBLE ASSETS FOR
ALL DIVISIONS

In a similar way, we can also model capital expenditure data to include other intangible assets, defined here as capital purchases of intellectual property, patents, licences, goodwill and capitalised computer software, including software licence fees, installation costs and software developed in-house. Capitalised exploration expenditure is also included.

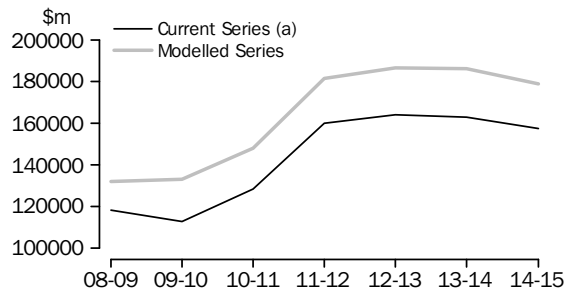
² Building the Education Revolution. Nation Building: Economic Stimulus Plan. Department of Employment, Education and Workplace Relations.

INCLUDING OTHER
INTANGIBLE ASSETS FOR
ALL DIVISIONS *continued*

Purchases of land are included in the Economic Activity Survey but all land purchases have been excluded from the model to align with the Capex scope of new assets.

The inclusion of a modelled estimate for other intangible assets would, on average, increase Capex levels by a further \$20.3bn a year from 2008-09 to 2014-15 at a total asset level. This is from a low of \$13.8bn in 2008-09 to a high of \$23.2bn in 2013-14. It would raise Capex levels in Mining by an average of \$7.0bn, Manufacturing by \$1.4bn and Other Selected Industries by \$11.8bn over the same period.

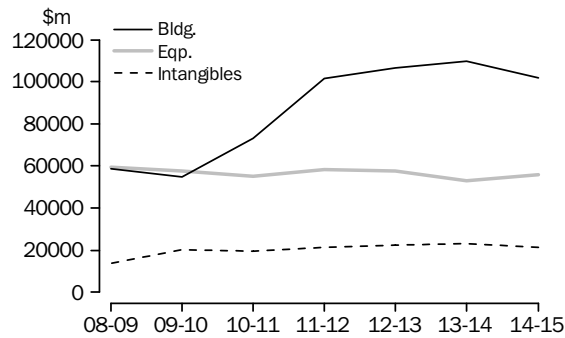
MODEL 2, Total Capex (Original current price)



(a) inclusive of the modelled component for Divisions P and Q

The below graph shows Total Capex including a modelled component for other intangibles assets (excluding land) and including Health and Education by asset type. On average, other intangible assets makes up around 12% of total modelled capital purchases, with a low of 10% in 2008-09 and a high of 15% in 2009-10.

MODEL 2, Total Capex by Asset (Original current price)



When looking at Other Selected Industries only, the average spend on other intangible assets increases to 15%, with a high of 17% in 2013-14 and a low of 13% in 2009-10.

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

Period	BUILDINGS AND STRUCTURES				EQUIPMENT, PLANT AND MACHINERY				TOTAL			
	Mining	Manu- facturing	Other Selected Industries	Total	Mining	Manu- facturing	Other Selected Industries	Total	Mining	Manu- facturing	Other Selected Industries	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)												
2014–15	67 622	2 483	27 625	97 729	8 495	6 145	38 286	52 925	76 117	8 628	65 910	150 655
2015–16	47 560	1 945	27 727	77 232	5 892	6 562	37 768	50 223	53 452	8 507	65 496	127 455
2014–15												
March	15 068	437	5 636	21 141	1 743	1 519	8 144	11 406	16 811	1 957	13 779	32 547
June	15 292	[^] 501	7 450	23 242	1 950	1 679	10 540	14 169	17 242	2 180	17 989	37 411
2015–16												
September	13 390	451	6 549	20 391	1 498	1 644	8 877	12 018	14 888	2 095	15 426	32 409
December	14 453	512	7 568	22 533	1 773	1 865	10 121	13 760	16 227	2 378	17 689	36 293
March	10 228	403	6 265	16 896	1 172	1 337	8 220	10 728	11 400	1 740	14 485	27 624
June	9 488	578	7 345	17 412	1 450	1 716	10 551	13 717	10 938	2 295	17 896	31 129
ORIGINAL (Expected)(a)												
2016–17												
6 mths to Dec	19 332	1 257	13 801	34 391	3 219	3 196	14 778	21 193	22 551	4 453	28 580	55 584
6 mths to Jun	15 990	990	12 986	29 966	3 165	3 028	13 430	19 623	19 155	4 017	26 417	49 589
Total fin year	35 322	2 247	26 788	64 357	6 383	6 224	28 209	40 815	41 705	8 471	54 997	105 173
SEASONALLY ADJUSTED (Actual)												
2014–15												
March	16 692	490	6 375	23 557	2 102	1 669	9 527	13 298	18 795	2 158	15 902	36 856
June	14 991	484	7 072	22 548	1 826	1 568	9 774	13 169	16 818	2 052	16 846	35 716
2015–16												
September	13 501	470	6 581	20 552	1 596	1 783	8 993	12 373	15 097	2 253	15 574	32 925
December	13 302	461	6 994	20 756	1 514	1 694	9 363	12 571	14 816	2 155	16 357	33 327
March	11 328	452	7 131	18 910	1 414	1 470	9 635	12 519	12 742	1 922	16 766	31 429
June	9 319	559	7 032	16 910	1 366	1 607	9 752	12 725	10 684	2 166	16 784	29 635
TREND (Actual)												
2014–15												
March	16 285	585	6 828	23 698	2 100	1 584	9 578	13 262	18 384	2 169	16 406	36 959
June	15 071	491	6 737	22 298	1 850	1 677	9 443	12 971	16 921	2 168	16 181	35 269
2015–16												
September	13 972	446	6 804	21 222	1 629	1 697	9 333	12 659	15 601	2 143	16 136	33 880
December	12 718	463	6 943	20 125	1 505	1 651	9 357	12 513	14 224	2 114	16 299	32 637
March	11 301	484	7 030	18 816	1 422	1 590	9 540	12 552	12 723	2 074	16 570	31 368
June	9 844	520	7 119	17 482	1 358	1 534	9 787	12 685	11 202	2 054	16 897	30 153

[^] 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

Period	Mining	Manufacturing	Electricity, Gas, Water and Waste Services	Construction	Wholesale Trade	Retail Trade	Transport, Postal and Warehousing
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)							
2014–15	76 117	8 628	5 097	6 279	3 449	5 679	12 495
2015–16	53 452	8 507	5 407	5 286	4 279	5 163	10 454
2014–15							
March	16 811	1 957	1 051	^ 1 438	608	994	2 607
June	17 242	2 180	1 312	^ 1 787	899	1 535	3 275
2015–16							
September	14 888	2 095	1 350	^ 1 075	899	1 282	3 006
December	16 227	2 378	1 543	^ 1 174	^ 1 143	1 447	2 813
March	11 400	1 740	1 134	^ 1 266	^ 1 030	984	2 113
June	10 938	2 295	1 379	^ 1 771	^ 1 207	1 449	2 522
ORIGINAL (Expected)(a)							
2016–17							
6 mths to Dec	22 551	4 453	2 894	^ 1 622	1 821	2 457	5 058
6 mths to Jun	19 155	4 017	2 781	^ 1 415	^ 1 716	2 686	4 388
Total fin year	41 705	8 471	5 675	3 037	3 537	5 144	9 446
SEASONALLY ADJUSTED (Actual)							
2014–15							
March	18 795	2 158	1 233	1 589	694	1 342	3 027
June	16 818	2 052	1 247	1 524	901	1 358	3 346
2015–16							
September	15 097	2 253	1 359	1 227	914	1 282	2 852
December	14 816	2 155	1 396	1 134	980	1 263	2 548
March	12 742	1 922	1 334	1 387	1 178	1 289	2 654
June	10 684	2 166	1 314	1 511	1 240	1 326	2 402
TREND (Actual)							
2014–15							
March	18 384	2 169	1 242	1 605	837	1 398	3 129
June	16 921	2 168	1 277	1 456	841	1 333	3 072
2015–16							
September	15 601	2 143	1 335	1 274	909	1 288	2 933
December	14 224	2 114	1 364	1 243	1 027	1 280	2 690
March	12 723	2 074	1 353	1 331	1 134	1 288	2 529
June	11 202	2 054	1 325	1 464	1 235	1 310	2 479

^ 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*

Period	Information Media and Telecommunications	Financial and Insurance Services	Rental, Hiring and Real Estate Services	Professional, Scientific and Technical Services	Other Selected Services	Total
	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)						
2014–15	5 810	3 794	12 192	3 639	7 476	150 655
2015–16	6 434	4 025	12 614	3 838	7 996	127 455
2014–15						
March	1 505	853	2 416	^ 744	^ 1 564	32 547
June	1 275	980	3 383	^ 1 139	2 404	37 411
2015–16						
September	1 535	955	2 800	^ 677	^ 1 847	32 409
December	1 701	1 173	3 510	^ 1 045	2 140	36 293
March	1 671	773	2 804	^ 970	1 740	27 624
June	1 527	1 124	3 500	^ 1 147	2 269	31 129
ORIGINAL (Expected)(a)						
2016–17						
6 mths to Dec	3 469	1 424	^ 5 219	^ 1 262	^ 3 354	55 584
6 mths to Jun	3 211	1 561	^ 4 731	^ 1 281	^ 2 646	49 589
Total fin year	6 680	2 986	9 950	2 543	6 000	105 173
SEASONALLY ADJUSTED (Actual)						
2014–15						
March	1 509	1 019	2 753	835	1 903	36 856
June	1 301	925	3 127	1 069	2 047	35 716
2015–16						
September	1 570	937	2 893	687	1 853	32 925
December	1 623	1 081	3 248	991	2 093	33 327
March	1 668	920	3 202	1 078	2 057	31 429
June	1 568	1 065	3 259	1 087	2 012	29 635
TREND (Actual)						
2014–15						
March	1 455	965	2 976	890	1 909	36 959
June	1 449	966	2 948	880	1 959	35 269
2015–16						
September	1 508	972	3 042	888	1 988	33 880
December	1 602	988	3 147	941	2 017	32 637
March	1 638	1 009	3 216	1 031	2 042	31 368
June	1 613	1 025	3 272	1 116	2 058	30 153

^ 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			
	Buildings and Structures	Equipment, Plant and Machinery	Total	Mining	Manufacturing	Other Selected Industries	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL							
2012-13	105 931	58 242	164 060	96 636	9 914	57 517	164 060
2013-14	106 800	51 158	157 958	90 393	9 229	58 336	157 958
2014-15	96 183	52 006	148 189	74 942	8 501	64 747	148 189
2015-16	75 391	47 520	122 911	52 098	8 063	62 750	122 911
2013-14							
June	27 191	13 437	40 623	22 226	2 336	16 063	40 623
2014-15							
September	25 789	12 911	38 700	20 552	1 952	16 195	38 700
December	26 775	14 410	41 184	20 945	2 519	17 721	41 184
March	20 786	11 142	31 927	16 531	1 927	13 470	31 927
June	22 834	13 544	36 378	16 914	2 103	17 361	36 378
2015-16							
September	19 974	11 257	31 231	14 556	1 990	14 686	31 231
December	21 926	12 933	34 859	15 731	2 242	16 886	34 859
March	16 497	10 187	26 684	11 130	1 650	13 903	26 684
June	16 993	13 143	30 136	10 681	2 181	17 275	30 136
SEASONALLY ADJUSTED							
2013-14							
June	26 494	12 497	38 987	21 632	2 197	15 154	38 987
2014-15							
September	25 987	13 280	39 267	20 798	2 097	16 372	39 267
December	24 812	13 156	37 968	19 165	2 293	16 511	37 968
March	23 188	12 989	36 177	18 474	2 128	15 575	36 177
June	22 195	12 581	34 777	16 505	1 983	16 289	34 777
2015-16							
September	20 170	11 614	31 784	14 775	2 142	14 867	31 784
December	20 231	11 836	32 067	14 397	2 034	15 637	32 067
March	18 477	11 871	30 347	12 464	1 825	16 058	30 347
June	16 513	12 199	28 712	10 462	2 061	16 189	28 712
TREND							
2013-14							
June	26 342	12 721	39 062	21 455	2 210	15 397	39 062
2014-15							
September	25 823	13 054	38 876	20 635	2 193	16 047	38 876
December	24 806	13 189	37 995	19 516	2 170	16 308	37 995
March	23 340	12 951	36 292	18 072	2 134	16 086	36 292
June	21 926	12 408	34 334	16 593	2 096	15 645	34 334
2015-16							
September	20 803	11 934	32 737	15 249	2 040	15 448	32 737
December	19 673	11 792	31 473	13 887	2 003	15 584	31 473
March	18 365	11 903	30 272	12 423	1 966	15 884	30 272
June	17 078	12 132	29 130	10 868	1 950	16 290	29 130

(a) Reference year for chain volume measures is 2013-14.

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							
2012-13	4.5	-0.2	2.8	13.6	-28.5	-5.3	2.8
2013-14	0.8	-12.2	-3.7	-6.5	-6.9	1.4	-3.7
2014-15	-9.9	1.7	-6.2	-17.1	-7.9	11.0	-6.2
2015-16	-21.6	-8.6	-17.1	-30.5	-5.2	-3.1	-17.1
2013-14							
June	18.4	23.1	19.9	16.9	10.7	26.0	19.9
2014-15							
September	-5.2	-3.9	-4.7	-7.5	-16.4	0.8	-4.7
December	3.8	11.6	6.4	1.9	29.0	9.4	6.4
March	-22.4	-22.7	-22.5	-21.1	-23.5	-24.0	-22.5
June	9.9	21.6	13.9	2.3	9.1	28.9	13.9
2015-16							
September	-12.5	-16.9	-14.1	-13.9	-5.4	-15.4	-14.1
December	9.8	14.9	11.6	8.1	12.7	15.0	11.6
March	-24.8	-21.2	-23.4	-29.2	-26.4	-17.7	-23.4
June	3.0	29.0	12.9	-4.0	32.1	24.2	12.9
SEASONALLY ADJUSTED							
2013-14							
June	3.7	-1.5	2.0	1.8	-5.5	3.4	2.0
2014-15							
September	-1.9	6.3	0.7	-3.9	-4.6	8.0	0.7
December	-4.5	-0.9	-3.3	-7.9	9.3	0.8	-3.3
March	-6.5	-1.3	-4.7	-3.6	-7.2	-5.7	-4.7
June	-4.3	-3.1	-3.9	-10.7	-6.8	4.6	-3.9
2015-16							
September	-9.1	-7.7	-8.6	-10.5	8.0	-8.7	-8.6
December	0.3	1.9	0.9	-2.6	-5.0	5.2	0.9
March	-8.7	0.3	-5.4	-13.4	-10.3	2.7	-5.4
June	-10.6	2.8	-5.4	-16.1	12.9	0.8	-5.4
TREND							
2013-14							
June	-1.3	1.6	-0.4	-3.8	-2.9	5.2	-0.4
2014-15							
September	-2.0	2.6	-0.5	-3.8	-0.7	4.2	-0.5
December	-3.9	1.0	-2.3	-5.4	-1.1	1.6	-2.3
March	-5.9	-1.8	-4.5	-7.4	-1.6	-1.4	-4.5
June	-6.1	-4.2	-5.4	-8.2	-1.8	-2.7	-5.4
2015-16							
September	-5.1	-3.8	-4.7	-8.1	-2.7	-1.3	-4.7
December	-5.4	-1.2	-3.9	-8.9	-1.8	0.9	-3.9
March	-6.6	0.9	-3.8	-10.5	-1.8	1.9	-3.8
June	-7.0	1.9	-3.8	-12.5	-0.8	2.6	-3.8

(a) Reference year for chain volume measures is 2013-14.

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

Financial Year	12 months expectation as reported in Jan-Feb of previous financial year (Estimate 1)	12 months expectation as reported in Apr-May of previous financial year (Estimate 2)	12 months expectation as reported in Jul-Aug (Estimate 3)	3 months actual and 9 months expectation as reported in Oct-Nov (Estimate 4)	6 months actual and 6 months expectation as reported in Jan-Feb (Estimate 5)	9 months actual and 3 months expectation as reported in Apr-May (Estimate 6)	12 months actual (Estimate 7)
BUILDINGS AND STRUCTURES (\$ million)							
2011-12	92 953	96 292	97 594	107 996	106 796	101 975	98 113
2012-13	119 640	125 271	126 439	117 631	113 418	108 037	104 404
2013-14	109 775	114 042	116 782	118 975	118 518	112 018	106 800
2014-15	89 051	96 787	103 842	105 873	101 534	99 060	97 729
2015-16	69 097	70 607	76 759	81 484	78 344	79 159	77 232
2016-17	50 563	56 541	64 357	n/a	n/a	n/a	n/a
BUILDINGS AND STRUCTURES (Realisation Ratio)(a)							
2011-12	1.06	1.02	1.01	0.91	0.92	0.96	1.00
2012-13	0.87	0.83	0.83	0.89	0.92	0.97	1.00
2013-14	0.97	0.94	0.91	0.90	0.90	0.95	1.00
2014-15	1.10	1.01	0.94	0.92	0.96	0.99	1.00
2015-16	1.12	1.09	1.01	0.95	0.99	0.98	1.00
EQUIPMENT, PLANT AND MACHINERY (\$ million)							
2011-12	41 920	43 815	52 710	57 184	54 905	56 983	56 728
2012-13	46 252	48 185	52 841	52 596	52 891	54 751	56 126
2013-14	41 490	41 649	44 838	46 727	48 467	51 100	51 158
2014-15	36 326	41 273	46 105	46 221	49 264	50 754	52 925
2015-16	33 474	33 893	38 944	43 238	44 901	48 023	50 223
2016-17	33 374	34 768	40 815	n/a	n/a	n/a	n/a
EQUIPMENT, PLANT AND MACHINERY (Realisation Ratio)(a)							
2011-12	1.35	1.29	1.08	0.99	1.03	1.00	1.00
2012-13	1.21	1.16	1.06	1.07	1.06	1.03	1.00
2013-14	1.23	1.23	1.14	1.09	1.06	1.00	1.00
2014-15	1.46	1.28	1.15	1.15	1.07	1.04	1.00
2015-16	1.50	1.48	1.29	1.16	1.12	1.05	1.00
TOTAL (\$ million)							
2011-12	134 874	140 108	150 305	165 180	161 701	158 958	154 841
2012-13	165 892	173 457	179 279	170 227	166 308	162 789	160 530
2013-14	151 265	155 691	161 621	165 702	166 985	163 118	157 958
2014-15	125 378	138 060	149 948	152 094	150 798	149 814	150 655
2015-16	102 571	104 499	115 704	124 722	123 245	127 182	127 455
2016-17	83 937	91 309	105 173	n/a	n/a	n/a	n/a
TOTAL (Realisation Ratio)(a)							
2011-12	1.15	1.11	1.03	0.94	0.96	0.97	1.00
2012-13	0.97	0.93	0.90	0.94	0.97	0.99	1.00
2013-14	1.04	1.01	0.98	0.95	0.95	0.97	1.00
2014-15	1.20	1.09	1.00	0.99	1.00	1.01	1.00
2015-16	1.24	1.22	1.10	1.02	1.03	1.00	1.00
TOTAL (Percentage change over corresponding estimate for previous financial year)							
2011-12	32.5	31.4	19.7	32.7	25.1	28.3	29.7
2012-13	23.0	23.8	19.3	3.1	2.8	2.4	3.7
2013-14	-8.8	-10.2	-9.8	-2.7	0.4	0.2	-1.6
2014-15	-17.1	-11.3	-7.2	-8.2	-9.7	-8.2	-4.6
2015-16	-18.2	-24.3	-22.8	-18.0	-18.3	-15.1	-15.4
2016-17	-18.2	-12.6	-9.1	n/a	n/a	n/a	n/a

n/a 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>
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MINING (\$ million)

2011-12	79 004	82 380	84 137	93 377	92 248	86 370	81 997
2012-13	113 396	119 290	118 984	108 065	103 622	97 587	94 710
2013-14	99 224	101 482	103 379	103 608	102 528	95 365	90 393
2014-15	74 199	80 201	85 927	85 327	80 752	77 832	76 117
2015-16	53 820	53 058	54 991	60 110	55 251	55 696	53 452
2016-17	34 143	36 438	41 705	nya	nya	nya	nya

MINING (Realisation Ratio)(a)

2011-12	1.04	1.00	0.97	0.88	0.89	0.95	1.00
2012-13	0.84	0.79	0.80	0.88	0.91	0.97	1.00
2013-14	0.91	0.89	0.87	0.87	0.88	0.95	1.00
2014-15	1.03	0.95	0.89	0.89	0.94	0.98	1.00
2015-16	0.99	1.01	0.97	0.89	0.97	0.96	1.00

MANUFACTURING (\$ million)

2011-12	11 545	11 867	13 476	13 810	13 812	13 330	13 226
2012-13	10 353	10 394	11 414	10 074	9 204	9 700	9 470
2013-14	7 838	8 304	8 592	9 422	9 059	9 524	9 229
2014-15	6 814	7 234	8 053	8 386	8 470	8 703	8 628
2015-16	6 021	6 410	7 931	8 199	8 244	8 468	8 507
2016-17	6 563	7 269	8 471	nya	nya	nya	nya

MANUFACTURING (Realisation Ratio)(a)

2011-12	1.15	1.11	0.98	0.96	0.96	0.99	1.00
2012-13	0.91	0.91	0.83	0.94	1.03	0.98	1.00
2013-14	1.18	1.11	1.07	0.98	1.02	0.97	1.00
2014-15	1.27	1.19	1.07	1.03	1.02	0.99	1.00
2015-16	1.41	1.33	1.07	1.04	1.03	1.00	1.00

OTHER SELECTED INDUSTRIES (\$ million)

2011-12	44 324	45 861	52 692	57 992	55 641	59 258	59 618
2012-13	42 143	43 772	48 882	52 088	53 482	55 502	56 350
2013-14	44 203	45 905	49 650	52 672	55 398	58 228	58 336
2014-15	44 364	50 624	55 968	58 381	61 576	63 280	65 910
2015-16	42 730	45 032	52 781	56 413	59 750	63 019	65 496
2016-17	43 231	47 602	54 997	nya	nya	nya	nya

OTHER SELECTED INDUSTRIES (Realisation Ratio)(a)

2011-12	1.35	1.30	1.13	1.03	1.07	1.01	1.00
2012-13	1.34	1.29	1.15	1.08	1.05	1.02	1.00
2013-14	1.32	1.27	1.17	1.11	1.05	1.00	1.00
2014-15	1.49	1.30	1.18	1.13	1.07	1.04	1.00
2015-16	1.53	1.45	1.24	1.16	1.10	1.04	1.00

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.

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

<i>Financial Year</i>	3 MONTHS ENDING		6 MONTHS ENDING	
	<i>31 December (collected in September Survey)</i>	<i>30 June (collected in March Survey)</i>	<i>31 December (collected in June Survey)</i>	<i>30 June (collected in December survey)</i>
TYPE OF ASSET				
Buildings and Structures				
2011-12	0.88	0.88	0.99	0.86
2012-13	0.90	0.88	0.87	0.85
2013-14	0.93	0.84	0.95	0.81
2014-15	0.93	0.95	0.97	0.92
2015-16	0.88	0.90	0.97	0.97
Equipment, Plant and Machinery				
2011-12	0.94	0.98	1.05	1.07
2012-13	1.04	1.10	1.07	1.14
2013-14	1.08	1.00	1.16	1.12
2014-15	1.15	1.18	1.15	1.17
2015-16	1.13	1.19	1.28	1.28
Total				
2011-12	0.90	0.91	1.01	0.92
2012-13	0.95	0.95	0.93	0.93
2013-14	0.97	0.89	1.01	0.89
2014-15	0.99	1.02	1.03	1.00
2015-16	0.96	1.01	1.07	1.08
TYPE OF INDUSTRY				
Mining				
2011-12	0.85	0.85	0.94	0.81
2012-13	0.91	0.89	0.84	0.83
2013-14	0.93	0.82	0.93	0.77
2014-15	0.89	0.91	0.93	0.88
2015-16	0.84	0.83	0.96	0.93
Manufacturing				
2011-12	0.91	0.97	0.97	0.91
2012-13	0.84	0.91	0.88	1.06
2013-14	0.95	0.89	1.10	1.04
2014-15	0.97	0.97	1.07	1.04
2015-16	1.00	1.02	1.04	1.07
Other selected industries				
2011-12	0.97	1.02	1.12	1.16
2012-13	1.05	1.06	1.14	1.12
2013-14	1.06	1.01	1.15	1.11
2014-15	1.15	1.17	1.18	1.16
2015-16	1.10	1.16	1.20	1.22
Total				
2011-12	0.90	0.91	1.01	0.92
2012-13	0.95	0.95	0.93	0.93
2013-14	0.97	0.89	1.01	0.89
2014-15	0.99	1.02	1.03	1.00
2015-16	0.96	1.01	1.07	1.08

(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

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2012-13	10 134	7 082	31 667	2 912	45 035	353	6 799	421	104 404
2013-14	9 606	6 822	34 064	3 346	46 060	248	6 337	318	106 800
2014-15	11 185	7 145	23 268	3 273	46 395	272	5 831	360	97 729
2015-16	11 700	7 280	14 259	2 607	35 657	357	4 996	376	77 232
2013-14									
June	2 832	1 893	8 135	971	11 853	^ 58	1 601	72	27 415
2014-15									
September	2 796	1 540	7 160	^ 1 000	11 874	*72	1 630	76	26 147
December	3 164	1 988	6 964	^ 1 059	12 298	69	1 568	89	27 199
March	2 247	1 667	4 375	639	10 763	44	1 317	88	21 141
June	2 978	1 950	4 769	^ 576	11 459	87	1 316	107	23 242
2015-16									
September	2 444	1 757	3 953	^ 596	10 104	77	1 359	101	20 391
December	3 072	1 922	4 471	^ 749	10 793	105	1 331	90	22 533
March	2 791	1 667	2 784	^ 572	7 859	76	1 067	81	16 896
June	3 393	1 935	3 051	^ 690	6 901	^ 99	1 239	^ 104	17 412
SEASONALLY ADJUSTED									
2013-14									
June	2 740	1 816	7 933	946	11 494	np	np	np	26 692
2014-15									
September	2 838	1 569	7 129	998	11 922	np	np	np	26 320
December	2 935	1 849	6 290	949	11 501	np	np	np	25 160
March	2 485	1 854	5 077	743	11 895	np	np	np	23 557
June	2 877	1 860	4 647	566	11 140	np	np	np	22 548
2015-16									
September	2 492	1 803	3 938	593	10 182	np	np	np	20 552
December	2 845	1 782	4 025	668	10 015	np	np	np	20 756
March	3 087	1 855	3 245	667	8 703	np	np	np	18 910
June	3 274	1 840	2 969	681	6 731	np	np	np	16 910
TREND									
2013-14									
June	2 719	1 684	7 896	947	11 492	65	1 617	80	26 543
2014-15									
September	2 835	1 724	7 121	984	11 695	65	1 588	79	26 129
December	2 811	1 782	6 195	907	11 815	62	1 510	84	25 163
March	2 718	1 841	5 255	751	11 593	63	1 394	95	23 698
June	2 640	1 854	4 562	623	11 133	73	1 341	101	22 298
2015-16									
September	2 671	1 815	4 117	594	10 553	85	1 313	98	21 222
December	2 833	1 811	3 767	637	9 631	89	1 266	92	20 125
March	3 041	1 826	3 373	671	8 503	89	1 200	90	18 816
June	3 280	1 847	3 021	686	7 377	91	1 155	93	17 482

^ 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

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<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									
2012-13	13 974	11 146	13 404	2 626	13 134	673	645	525	56 126
2013-14	13 682	11 029	12 082	2 671	9 886	596	859	353	51 158
2014-15	15 819	11 501	11 732	2 975	8 717	623	1 166	393	52 925
2015-16	16 455	12 240	9 873	2 641	7 430	586	579	419	50 223
2013-14									
June	3 565	3 045	3 208	712	2 512	116	220	^ 74	13 451
2014-15									
September	3 765	2 647	2 878	657	2 340	^ 147	^ 326	*133	12 893
December	4 258	3 044	3 091	^ 873	2 571	181	352	*88	14 458
March	3 421	2 494	^ 2 609	^ 618	1 839	^ 126	237	*61	11 406
June	4 375	3 316	3 154	827	1 967	^ 169	251	^ 111	14 169
2015-16									
September	3 630	2 921	2 529	^ 663	1 796	150	184	^ 145	12 018
December	4 574	3 385	2 572	^ 764	2 081	152	134	^ 99	13 760
March	3 702	2 653	1 915	^ 567	1 609	^ 119	*97	65	10 728
June	4 549	3 282	2 858	647	1 944	^ 166	^ 164	^ 109	13 717
SEASONALLY ADJUSTED									
2013-14									
June	3 400	2 811	2 817	679	2 387	np	np	np	12 527
2014-15									
September	3 826	2 735	3 023	704	2 391	np	np	np	13 276
December	3 879	2 807	2 908	774	2 324	np	np	np	13 193
March	3 933	2 904	2 979	696	2 120	np	np	np	13 298
June	4 168	3 039	2 869	787	1 887	np	np	np	13 169
2015-16									
September	3 694	3 022	2 648	710	1 830	np	np	np	12 373
December	4 169	3 127	2 427	676	1 875	np	np	np	12 571
March	4 252	3 090	2 305	642	1 852	np	np	np	12 519
June	4 329	2 998	2 468	614	1 874	np	np	np	12 725
TREND									
2013-14									
June	3 571	2 723	2 897	668	2 407	139	248	94	12 765
2014-15									
September	3 718	2 771	2 916	715	2 402	141	289	92	13 065
December	3 896	2 824	2 971	738	2 279	152	313	89	13 277
March	3 983	2 904	2 951	749	2 109	161	295	93	13 262
June	3 958	3 000	2 837	744	1 936	157	236	103	12 971
2015-16									
September	3 972	3 069	2 643	720	1 847	149	174	109	12 659
December	4 067	3 088	2 465	682	1 847	144	139	103	12 513
March	4 218	3 073	2 382	642	1 862	145	129	96	12 552
June	4 380	3 045	2 374	619	1 871	150	136	96	12 685

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Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2012–13	24 108	18 228	45 072	5 537	58 169	1 026	7 444	946	160 530
2013–14	23 287	17 850	46 147	6 017	55 946	844	7 196	672	157 958
2014–15	27 004	18 646	35 000	6 249	55 112	895	6 996	753	150 655
2015–16	28 155	19 519	24 132	5 248	43 087	943	5 575	794	127 455
2013–14									
June	6 396	4 938	11 343	1 683	14 364	174	1 821	^146	40 866
2014–15									
September	6 561	4 187	10 038	^1 657	14 214	^219	1 955	*209	39 039
December	7 422	5 032	10 055	1 931	14 869	250	1 921	^177	41 657
March	5 668	4 162	6 984	1 258	12 603	^170	1 554	^149	32 547
June	7 353	5 266	7 923	1 403	13 426	^256	1 566	218	37 411
2015–16									
September	6 074	4 677	6 482	1 260	11 900	227	1 543	246	32 409
December	7 646	5 306	7 042	1 513	12 874	257	1 465	189	36 293
March	6 493	4 320	4 700	^1 139	9 468	^195	1 164	146	27 624
June	7 942	5 216	5 908	1 337	8 845	265	1 403	^213	31 129
SEASONALLY ADJUSTED									
2013–14									
June	6 140	4 628	10 750	1 625	13 881	165	1 812	147	39 219
2014–15									
September	6 664	4 304	10 152	1 702	14 313	237	1 939	188	39 596
December	6 813	4 656	9 198	1 723	13 825	210	1 893	176	38 353
March	6 419	4 757	8 056	1 440	14 015	208	1 608	164	36 856
June	7 045	4 899	7 516	1 353	13 027	243	1 556	218	35 716
2015–16									
September	6 186	4 825	6 586	1 303	12 012	243	1 532	221	32 925
December	7 014	4 910	6 453	1 344	11 890	219	1 455	190	33 327
March	7 339	4 945	5 550	1 310	10 555	234	1 187	163	31 429
June	7 603	4 838	5 438	1 295	8 604	251	1 395	213	29 635
TREND									
2013–14									
June	6 290	4 407	10 793	1 614	13 899	203	1 865	174	39 308
2014–15									
September	6 553	4 495	10 037	1 699	14 097	207	1 878	171	39 194
December	6 707	4 606	9 166	1 644	14 093	214	1 824	173	38 440
March	6 701	4 745	8 206	1 500	13 702	225	1 689	188	36 959
June	6 599	4 854	7 398	1 367	13 069	230	1 577	204	35 269
2015–16									
September	6 643	4 884	6 760	1 314	12 400	235	1 487	207	33 880
December	6 900	4 899	6 231	1 318	11 477	233	1 405	195	32 637
March	7 259	4 899	5 755	1 313	10 365	234	1 329	186	31 368
June	7 660	4 892	5 395	1 304	9 249	242	1 292	189	30 153

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

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2012-13	10 291	7 150	32 266	2 958	45 592	352	6 883	430	105 931
2013-14	9 606	6 822	34 064	3 346	46 060	248	6 337	318	106 800
2014-15	10 957	7 058	22 778	3 251	45 837	271	5 676	355	96 183
2015-16	11 190	7 172	13 631	2 567	35 213	347	4 904	365	75 391
2013-14									
June	2 810	1 875	8 074	968	11 745	58	1 589	71	27 191
2014-15									
September	2 753	1 526	7 038	996	11 742	72	1 589	75	25 789
December	3 109	1 965	6 850	1 051	12 128	69	1 515	88	26 775
March	2 200	1 645	4 259	634	10 638	44	1 280	86	20 786
June	2 895	1 923	4 632	571	11 330	87	1 292	105	22 834
2015-16									
September	2 344	1 735	3 818	588	9 979	76	1 335	99	19 974
December	2 942	1 888	4 272	739	10 596	102	1 299	87	21 926
March	2 672	1 639	2 644	563	7 782	73	1 045	78	16 497
June	3 233	1 910	2 896	677	6 856	96	1 226	100	16 993
SEASONALLY ADJUSTED									
2013-14									
June	2 719	1 802	7 897	942	11 382	np	np	np	26 494
2014-15									
September	2 804	1 558	7 040	998	11 773	np	np	np	25 987
December	2 898	1 831	6 223	948	11 323	np	np	np	24 812
March	2 445	1 832	4 974	741	11 739	np	np	np	23 188
June	2 809	1 837	4 541	564	11 003	np	np	np	22 195
2015-16									
September	2 395	1 782	3 827	586	10 055	np	np	np	20 170
December	2 725	1 751	3 869	659	9 838	np	np	np	20 231
March	2 953	1 823	3 100	656	8 627	np	np	np	18 477
June	3 116	1 815	2 835	666	6 694	np	np	np	16 513
TREND									
2013-14									
June	2 697	1 678	7 845	944	11 391	64	1 602	79	26 342
2014-15									
September	2 805	1 710	7 051	982	11 544	65	1 552	78	25 823
December	2 775	1 764	6 111	906	11 645	62	1 465	83	24 806
March	2 671	1 821	5 161	749	11 436	63	1 355	93	23 340
June	2 573	1 831	4 456	620	10 986	73	1 312	99	21 926
2015-16									
September	2 578	1 790	3 991	588	10 408	84	1 287	96	20 803
December	2 717	1 783	3 628	628	9 491	87	1 240	90	19 673
March	2 904	1 797	3 228	660	8 404	87	1 178	87	18 365
June	3 110	1 819	2 877	672	7 400	89	1 135	90	17 078

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(a) Reference year for chain volume measures is 2013-14.

<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									
2012-13	14 423	11 492	13 929	2 735	13 785	700	678	535	58 242
2013-14	13 682	11 029	12 082	2 671	9 886	596	859	353	51 158
2014-15	15 547	11 298	11 526	2 915	8 571	613	1 147	388	52 006
2015-16	15 628	11 627	9 344	2 482	6 943	554	542	399	47 520
2013-14									
June	3 564	3 039	3 204	710	2 509	116	219	74	13 437
2014-15									
September	3 771	2 650	2 882	658	2 343	148	327	133	12 911
December	4 251	3 035	3 081	869	2 556	180	350	88	14 410
March	3 341	2 441	2 551	600	1 795	124	231	60	11 142
June	4 185	3 172	3 013	789	1 877	162	240	107	13 544
2015-16									
September	3 407	2 736	2 377	613	1 675	140	172	136	11 257
December	4 304	3 207	2 422	714	1 925	141	125	94	12 933
March	3 546	2 518	1 812	537	1 511	113	89	62	10 187
June	4 371	3 167	2 733	619	1 832	159	156	107	13 143
SEASONALLY ADJUSTED									
2013-14									
June	3 394	2 808	2 809	676	2 371	np	np	np	12 497
2014-15									
September	3 833	2 740	3 015	706	2 389	np	np	np	13 280
December	3 876	2 802	2 882	774	2 310	np	np	np	13 156
March	3 846	2 845	2 898	680	2 070	np	np	np	12 989
June	3 992	2 911	2 732	755	1 802	np	np	np	12 581
2015-16									
September	3 471	2 833	2 488	657	1 707	np	np	np	11 614
December	3 924	2 965	2 292	632	1 734	np	np	np	11 836
March	4 073	2 934	2 191	607	1 737	np	np	np	11 871
June	4 160	2 895	2 373	586	1 765	np	np	np	12 199
TREND									
2013-14									
June	3 563	2 718	2 886	664	2 387	138	246	95	12 721
2014-15									
September	3 722	2 773	2 904	715	2 393	140	288	94	13 054
December	3 876	2 811	2 937	735	2 262	151	310	91	13 189
March	3 897	2 840	2 868	733	2 061	157	288	93	12 951
June	3 790	2 874	2 707	710	1 848	150	228	100	12 408
2015-16									
September	3 750	2 900	2 493	674	1 727	140	165	105	11 934
December	3 846	2 919	2 327	637	1 718	134	130	99	11 792
March	4 020	2 927	2 265	604	1 739	136	122	94	11 903
June	4 194	2 924	2 275	589	1 760	142	130	94	12 132

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(a) Reference year for chain volume measures is 2013-14.

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									
2012-13	24 716	18 642	46 159	5 688	59 259	1 053	7 569	965	164 060
2013-14	23 287	17 850	46 147	6 017	55 946	844	7 196	672	157 958
2014-15	26 504	18 356	34 304	6 166	54 408	884	6 823	743	148 189
2015-16	26 819	18 799	22 975	5 049	42 157	901	5 446	764	122 911
2013-14									
June	6 375	4 913	11 275	1 679	14 256	174	1 808	146	40 623
2014-15									
September	6 524	4 176	9 919	1 653	14 085	219	1 915	208	38 700
December	7 360	4 999	9 930	1 920	14 684	249	1 866	177	41 184
March	5 541	4 086	6 810	1 233	12 433	168	1 511	146	31 927
June	7 080	5 095	7 644	1 360	13 207	248	1 531	212	36 378
2015-16									
September	5 752	4 471	6 195	1 201	11 654	216	1 507	235	31 231
December	7 245	5 095	6 695	1 453	12 522	243	1 424	182	34 859
March	6 218	4 157	4 457	1 100	9 293	186	1 134	141	26 684
June	7 604	5 076	5 629	1 296	8 688	255	1 382	207	30 136
SEASONALLY ADJUSTED									
2013-14									
June	6 115	4 609	10 701	1 619	13 754	164	1 797	147	38 987
2014-15									
September	6 637	4 298	10 049	1 704	14 161	236	1 898	189	39 267
December	6 774	4 634	9 104	1 723	13 632	208	1 839	177	37 968
March	6 292	4 678	7 877	1 421	13 810	205	1 564	162	36 177
June	6 801	4 747	7 275	1 318	12 805	235	1 522	214	34 777
2015-16									
September	5 866	4 616	6 319	1 245	11 763	231	1 496	213	31 784
December	6 649	4 716	6 161	1 290	11 569	207	1 416	184	32 067
March	7 027	4 759	5 289	1 262	10 367	223	1 158	159	30 347
June	7 277	4 708	5 206	1 252	8 459	240	1 376	208	28 712
TREND									
2013-14									
June	6 260	4 396	10 727	1 609	13 779	201	1 847	174	39 062
2014-15									
September	6 527	4 483	9 951	1 698	13 936	205	1 840	172	38 876
December	6 652	4 575	9 046	1 641	13 907	212	1 775	173	37 995
March	6 568	4 661	8 031	1 482	13 498	220	1 643	186	36 292
June	6 363	4 705	7 167	1 330	12 833	222	1 539	200	34 334
2015-16									
September	6 328	4 689	6 486	1 263	12 134	224	1 451	201	32 737
December	6 561	4 702	5 956	1 265	11 218	221	1 370	189	31 473
March	6 923	4 723	5 492	1 264	10 147	223	1 300	181	30 272
June	7 335	4 742	5 147	1 260	9 083	231	1 269	185	29 130

(a) Reference year for chain volume measure is 2013-14.

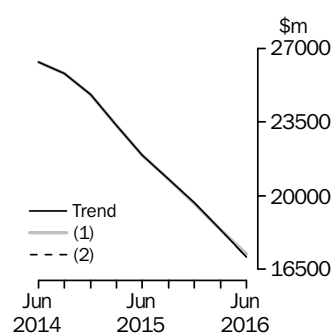
WHAT IF...? REVISIONS TO TREND ESTIMATES

EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

TREND REVISIONS

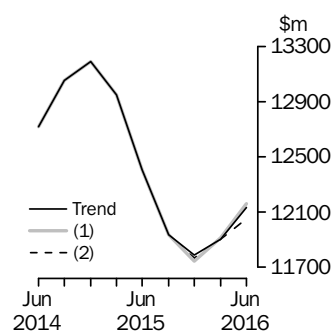
Recent seasonally adjusted and trend estimates are likely to be revised when original estimates for subsequent quarters become available. The approximate effects of possible scenarios on trend estimates for capital expenditure in chain volume terms are presented below by illustrating the impact if next 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



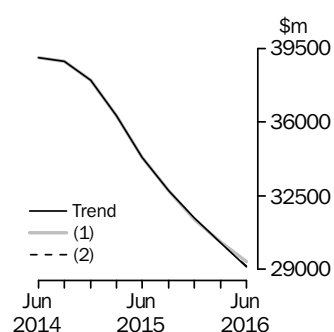
	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	%	(1) rises by 2.1% on this quarter		(2) falls by 2.1% on this quarter	
	\$m	%	\$m	%	\$m	%
2015						
September	20 803	-5.1	20 803	-5.1	20 803	-5.1
December	19 673	-5.4	19 625	-5.7	19 654	-5.5
2016						
March	18 365	-6.6	18 371	-6.4	18 360	-6.6
June	17 078	-7.0	17 217	-6.3	17 078	-7.0

EQUIPMENT, PLANT AND MACHINERY



	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	%	(1) rises by 1.9% on this quarter		(2) falls by 1.9% on this quarter	
	\$m	%	\$m	%	\$m	%
2015						
September	11 934	-3.8	11 934	-3.8	11 934	-3.8
December	11 792	-1.2	11 746	-1.6	11 769	-1.4
2016						
March	11 903	0.9	11 914	1.4	11 906	1.2
June	12 132	1.9	12 161	2.1	12 052	1.2

TOTAL CAPITAL EXPENDITURE



	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	%	(1) rises by 2.0% on this quarter		(2) falls by 2.0% on this quarter	
	\$m	%	\$m	%	\$m	%
2015						
September	32 737	-4.7	32 737	-4.7	32 737	-4.7
December	31 473	-3.9	31 371	-4.2	31 422	-4.0
2016						
March	30 272	-3.8	30 303	-3.4	30 285	-3.6
June	29 130	-3.8	29 385	-3.0	29 139	-3.8

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) 2008 (cat. no. 1218.0).

SURVEY METHODOLOGY

10 The survey is conducted on a quarterly basis. It is based on a random sample of approximately 8,500 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*) and a longer term expectation (*E2*).

PERIOD TO WHICH REPORTED DATA RELATES

Period to which reported data relates

<u>Survey Quarter</u>	2014-15				2015-16				2016-17			
	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun
December 2014	Act	Act	E1		E2							
March 2015	Act	Act	Act	E1	E2							
June 2015	Act	Act	Act	Act	E1		E2					
September 2015					Act	E1	E2					
December 2015					Act	Act	E1		E2			
March 2016					Act	Act	Act	E1	E2			
June 2016					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 2015-2016:

- the first estimate was available from the December 2014 survey as a longer term expectation (E2)
- the second estimate was available from the March 2015 survey (again as a longer term expectation)
- the third estimate was available from the June 2015 survey as the sum of two expectations (E1 + E2)
- in the September 2015, December 2015 and March 2016 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 2016 survey is derived from the sum of the actual expenditure for each of the four quarters in the 2015-16 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 for 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. Expectations for businesses which report no actual expenditure for the December quarter are split equally among the states in which the businesses are known to operate.

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 June quarter 2016 they represented about 0.83% 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 2013-14). 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 the release of the September quarter 2015 issue of this publication, the chain volume measures currently have 2013-14 as their base year rather than 2012-13.

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 7 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 2016-17 based on the forthcoming September 2016 survey results and compare this with 2015-16 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 38 and 39 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 37 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. 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)
- *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 available from the Statistics View. 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 \$31,129 and the calculated standard error in this case is \$553m. The standard error is then used to interpret the level estimate of \$31,129.

For instance, the standard error of \$553m indicates that:

- There are approximately two chances in three that the real value falls within the range \$30,576m to \$31,682m ($\$31,129\text{m} \pm \553m)
- There are approximately 19 chances in 20 that the real value falls within the range \$30,023m to \$32,235m ($\$31,129\text{m} \pm \$1,106\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 June Quarter 2016 estimates.

	<i>Buildings and Structures</i>	<i>Equipment, Plant and Machinery</i>	<i>Total</i>
	\$m	\$m	\$m
Mining	115	33	118
Manufacturing	40	89	117
Electricity, Gas, Water and Waste Services	27	26	37
Construction	5	246	246
Wholesale Trade	78	96	130
Retail Trade	59	45	77
Transport, Postal and Warehousing	64	118	133
Information Media and Telecommunications	4	53	53
Financial and Insurance Services	13	57	59
Rental, Hiring and Real Estate Services	138	134	209
Professional, Scientific and Technical Services	43	132	153
Other Selected Services	122	150	206
Total	301	427	553
New South Wales	103	270	335
Victoria	96	197	221
Queensland	173	243	298
South Australia	69	38	85
Western Australia	118	133	190
Tasmania	14	21	25
Northern Territory	48	21	58
Australian Capital Territory	23	20	40
Australia	301	427	553

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 \$27,624m and the next quarter the published level estimate is \$31,129m.

In this example, the calculated standard error for the movement estimate is \$486m. The standard error is then used to interpret the published movement estimate of \$3,505m.

For instance, the standard error of \$486m indicates that:

- There are approximately two chances in three that the real movement over the two-quarter period falls within the range \$3,019m to \$3,991m ($\$3,505\text{m} \pm \486m).
- There are approximately 19 chances in 20 that the real movement falls within the range \$2,533m to \$4,477m ($\$3,505\text{m} \pm \972m).

The following table shows the standard errors for June Quarter 2016 movement estimates.

	<i>Buildings and Structures</i>	<i>Equipment, Plant and Machinery</i>	<i>Total</i>
	\$m	\$m	\$m
Mining	114	35	117
Manufacturing	39	95	117
Electricity, Gas, Water and Waste Services	25	35	45
Construction	8	277	278
Wholesale Trade	74	101	109
Retail Trade	48	39	63
Transport, Postal and Warehousing	104	124	147
Information Media and Telecommunications	4	42	42
Financial and Insurance Services	12	75	77
Rental, Hiring and Real Estate Services	198	158	260
Professional, Scientific and Technical Services	29	128	133
Other Selected Services	147	166	199
Total	322	352	486
New South Wales	147	250	302
Victoria	115	228	247
Queensland	193	191	279
South Australia	48	84	89
Western Australia	168	119	206
Tasmania	14	27	32
Northern Territory	45	44	69
Australian Capital Territory	23	19	37
Australia	322	352	486

FOR MORE INFORMATION . . .

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