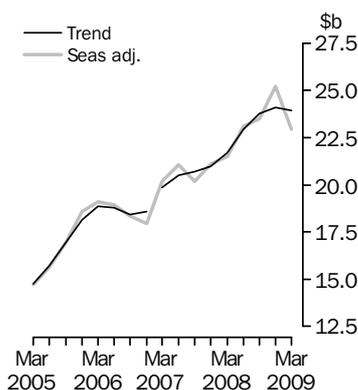


PRIVATE NEW CAPITAL EXPENDITURE AND EXPECTED EXPENDITURE AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) THURS 28 MAY 2009

New Capital Expenditure

in volume terms



KEY FIGURES

	Mar Qtr 09 \$m	Dec Qtr 08 to Mar Qtr 09 % change	Mar Qtr 08 to Mar Qtr 09 % change
Trend estimates^(a)			
Total new capital expenditure	23 932	-0.7	10.3
Buildings & structures	12 217	4.4	27.6
Equipment, plant & machinery	11 799	-5.3	-2.9
Seasonally adjusted^(a)			
Total new capital expenditure	22 959	-8.9	6.8
Buildings & structures	11 817	-4.7	21.2
Equipment, plant & machinery	11 377	-10.8	-4.9

(a) In volume terms.

KEY POINTS

ACTUAL EXPENDITURE (VOLUME TERMS)

- The trend estimate for total new capital expenditure (in volume terms) fell 0.7% in the March quarter 2009 while the seasonally adjusted estimate fell 8.9%.
- The trend estimate for buildings and structures rose 4.4% this quarter while the seasonally adjusted estimate fell 4.7%.
- The equipment, plant and machinery trend volume estimate fell 5.3% in the March quarter 2009. In seasonally adjusted terms the estimate fell 10.8%.

EXPECTED EXPENDITURE (CURRENT PRICE TERMS)

- This issue includes the sixth estimate for 2008-09 and the second estimate for 2009-10.
- Estimate 6 for 2008-09 is \$99,259m. This is 13.2% higher than Estimate 6 for 2007-08. Estimate 6 is 0.5% lower than Estimate 5 for 2008-09.
- Estimate 2 for 2009-10 is \$76,925m. This is 11.7% lower than the second estimate for 2008-09.
- See pages 6 to 9 for further commentary on expectations data.

INQUIRIES

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

NOTES

FORTHCOMING ISSUES

<i>ISSUE (Quarter)</i>	<i>RELEASE DATE</i>
June 2009	27 August 2009
September 2009	26 November 2009
December 2009	25 February 2010
March quarter 2010	27 May 2010



REVISIONS IN THIS ISSUE

The December quarter 2008 estimate for capital expenditure has been revised upwards \$445 million or 1.6% in original terms. The revision was due to errors in processing the December quarter estimates. Within the total revision equipment, plant and machinery has been revised downwards by \$193 million or 1.4% and buildings and structures has been revised upwards by \$639 million or 4.5%. Mining was subject to the largest revision.



ABBREVIATIONS

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

Brian Pink
Australian Statistician

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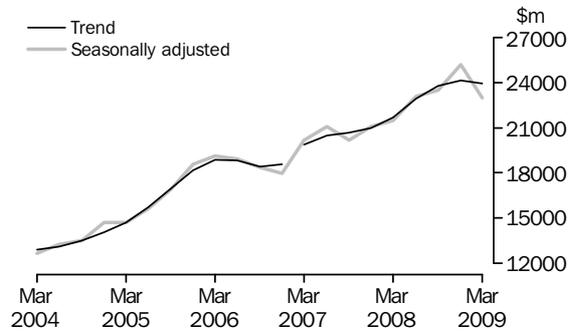
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ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS

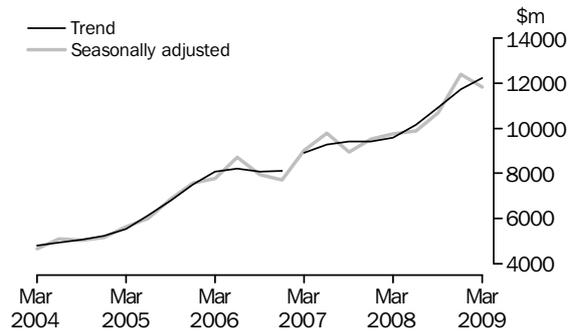
TOTAL CAPITAL EXPENDITURE

The trend estimate for total new capital expenditure fell 0.7% in the March quarter 2009. By asset type, the trend estimate for buildings and structures in volume terms rose 4.4% while equipment, plant and machinery fell 5.3%. The seasonally adjusted series for total new capital expenditure fell 8.9% in the March quarter 2009.



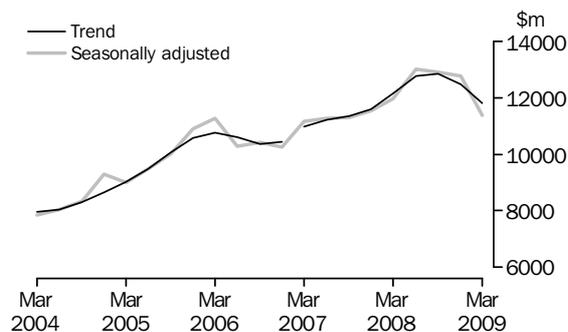
BUILDINGS AND STRUCTURES

The trend estimate for buildings and structures rose 4.4% in the March quarter 2009. Mining buildings rose 6.1% and Other selected industries rose 3.9%, compared to a fall for Manufacturing (-0.3%). The seasonally adjusted estimate for buildings and structures fell 4.7% in the March quarter 2009.



EQUIPMENT, PLANT AND MACHINERY

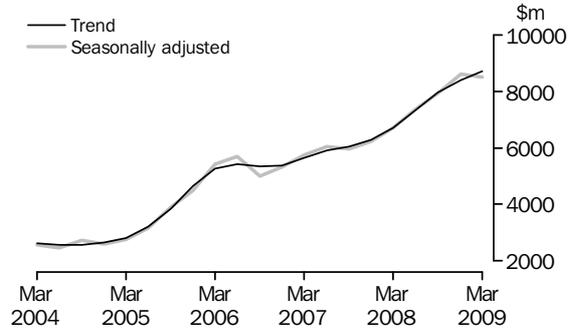
The trend estimate for equipment, plant and machinery fell 5.3% in the March quarter 2009. Other selected industries fell 6.0%, Mining fell 4.6% and Manufacturing fell 3.2% in the quarter. The seasonally adjusted series fell 10.8%. Weakness was widespread. In seasonally adjusted terms, Other selected industries fell 13.2%, Manufacturing fell 7.1% and Mining fell 6.9% in the quarter.



ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS *continued*

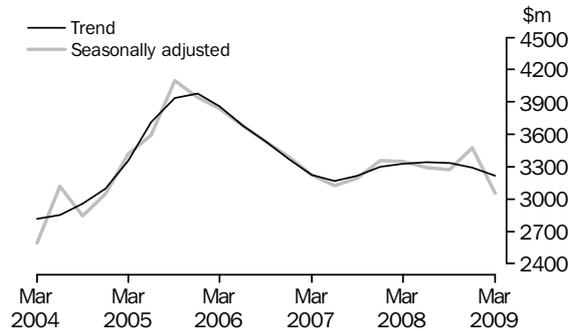
MINING

The trend estimate for Mining rose 3.7% in the March quarter 2009. The buildings and structures asset type rose 6.1%, against a fall of 4.6% for equipment, plant and machinery. The seasonally adjusted March quarter estimate for Mining fell 1.2%. By asset type, buildings and structures rose 0.7% in the quarter compared to a fall of 6.9% in equipment, plant and machinery, in seasonally adjusted terms.



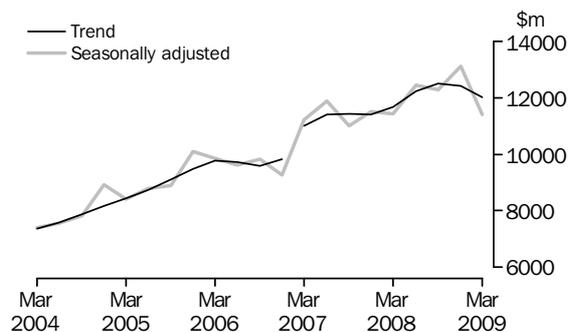
MANUFACTURING

The Manufacturing trend estimate fell 2.4% in the March quarter 2009. Buildings and structures fell 0.3% while equipment, plant and machinery fell 3.2%. In seasonally adjusted terms the Manufacturing estimate fell 12.2%. Buildings and structures fell 21.9% while equipment, plant and machinery fell 7.1%.



OTHER SELECTED INDUSTRIES

The trend estimate for Other selected industries fell 3.2% in the March quarter 2009. Buildings and structures rose 3.9% while equipment, plant and machinery fell 6.0%. The seasonally adjusted estimate for Other selected industries fell 13.1%. Buildings and structures fell 7.7% and equipment, plant and machinery fell 13.2%.



ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE

FINANCIAL YEARS AT
CURRENT PRICES

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

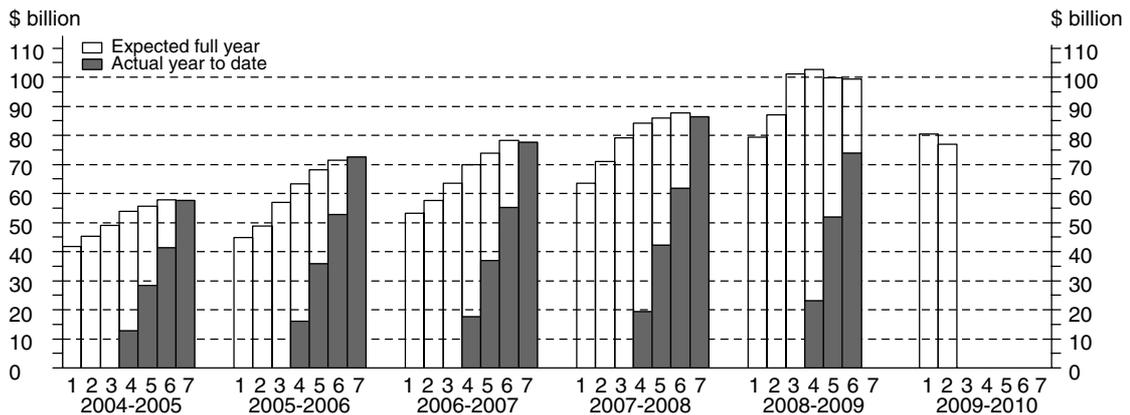
The timing and construction of these estimates are as follows:

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 6 for total capital expenditure for 2008-09 is \$99,259 million. This is 13.2% higher than Estimate 6 for 2007-08. Estimate 6 is 0.5% lower than Estimate 5 for 2008-09.

Estimate 2 for total capital expenditure for 2009-10 is \$76,925 million. This is 11.7% lower than Estimate 2 for 2008-09. The key contributors to this decline have been Other services (-28.2%), Property and Business Services (-26.0%) and Mining (-6.1%). Estimate 2 is 4.5% lower than Estimate 1 for 2009-10. For Mining, Estimate 2 is 6.4% lower and for Manufacturing, Estimate 2 is 8.9% lower than Estimate 1. These industries account for 89.5% of the change between these estimates.

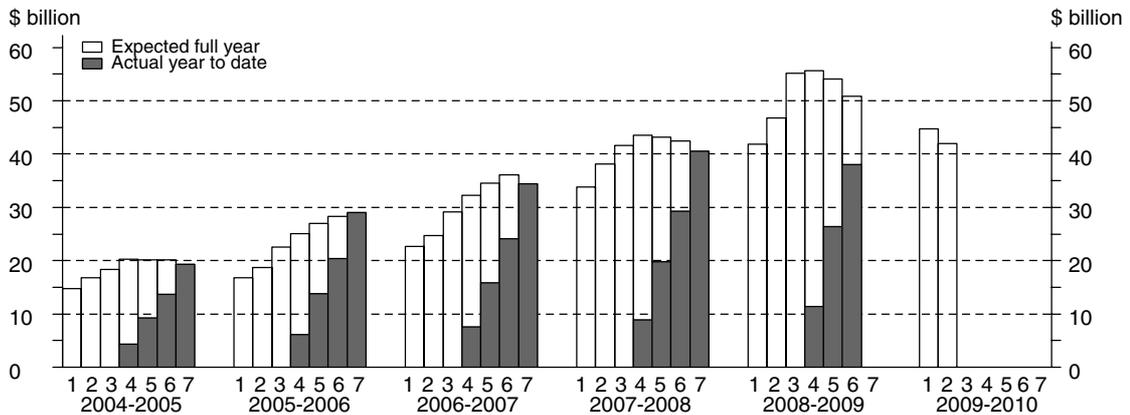


ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

BUILDINGS AND STRUCTURES

Estimate 6 for buildings and structures for 2008-09 is \$50,868 million which is 19.9% higher than Estimate 6 for buildings and structures for 2007-08. Transport (92.4%) and Mining (25.5%) rose strongly in the year between these estimates. Estimate 6 is 5.8% lower than Estimate 5 for 2008-09. Estimate 6 for Mining buildings and structures is \$3,167 million lower than Estimate 5 compared to a total change of -\$3,153 million.

Estimate 2 for buildings and structures for 2009-10 is \$41,959 million. This is 10.3% lower than Estimate 2 for 2008-09. The weakness between these estimates is concentrated in the Communications component of Other services (-27.6%), Mining (-7.2%) and Property and Business Services (-35.4%). By contrast, Estimate 2 for Transport buildings and structures is 68.4% higher than Estimate 2 for the previous year. Estimate 2 for buildings and structures is 6.3% lower than Estimate 1 for 2009-10. Mining (-8.3%) and Property and Business Services (-33.6%) were the main contributors to weakness between these estimates.

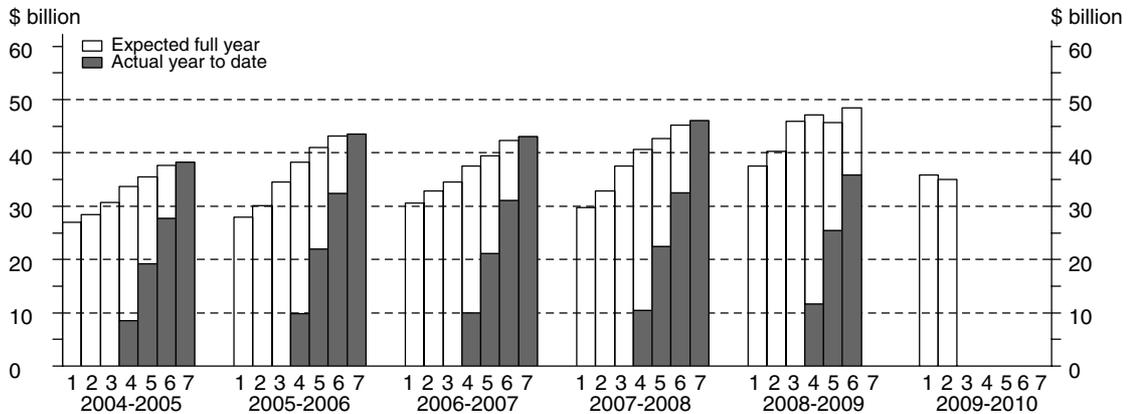


ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

EQUIPMENT, PLANT AND MACHINERY

Estimate 6 for equipment, plant and machinery for 2008-09 is \$48,391 million. This is 7.0% higher than the same estimate for 2007-08. Transport (36.1%) and Mining (16.4%) were the major contributors to this increase. Estimate 6 for equipment, plant and machinery is 5.8% higher than Estimate 5 for 2008-09. Transport (9.5%), Construction (33.4%) and Property and Business Services (10.1%) rose most significantly between these estimates.

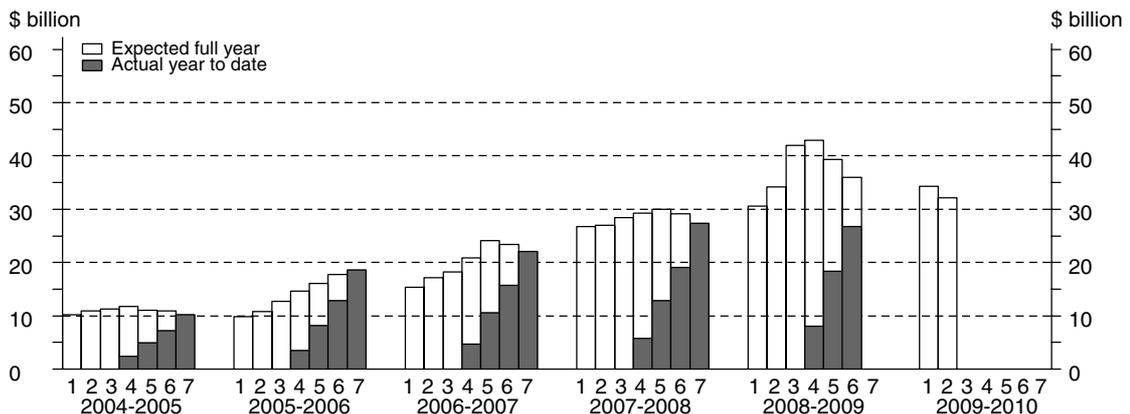
Estimate 2 for equipment, plant and machinery for 2009-10 is \$34,966 million. This is 13.3% lower than the same estimate in the previous year. Weakness in Transport (-23.5%), Property and Business Services (-20.8%) and Other services (-29.6%) have contributed most to this decline between estimates. Estimate 2 is 2.3% lower than Estimate 1 for 2009-10. Transport (-22.7%) has been the main contributor to this decline.



MINING

Estimate 6 for Mining for 2008-09 is \$35,915 million. This is 23.1% higher than Estimate 6 for the previous year. Equipment, plant and machinery rose 16.4% and buildings and structures rose 25.5%. Estimate 6 fell 8.7% from Estimate 5 for 2008-09. Both buildings and structures (-10.5%) and equipment, plant and machinery (-2.6%) were weaker.

Estimate 2 for Mining for 2009-10 is \$32,102 million. This is 6.1% lower than Estimate 2 for 2008-09. Estimate 2 for equipment, plant and machinery is 2.7% lower and buildings and structures 7.2% lower than Estimate 2 for 2008-09. Estimate 2 is 6.4% lower than Estimate 1 for 2009-10. Most (98.6%) of this fall was in buildings and structures.

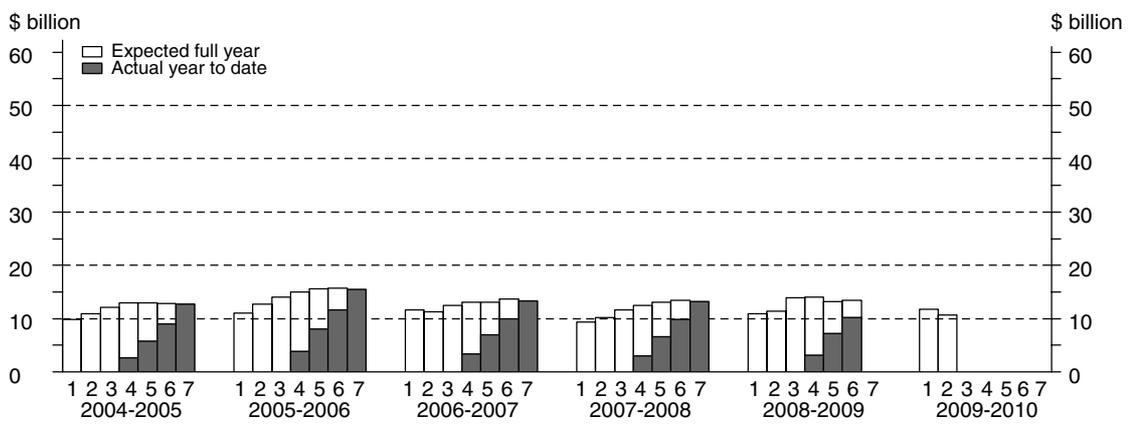


ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

MANUFACTURING

Estimate 6 for Manufacturing for 2008-09 is \$13,474 million. This is virtually unchanged from the corresponding estimate for 2007-08. Estimate 6 for Manufacturing 2008-09 rose 1.6% on Estimate 5 for 2008-09. Equipment, plant and machinery rose 6.5% between these estimates while the smaller buildings and structures asset type fell 7.8%.

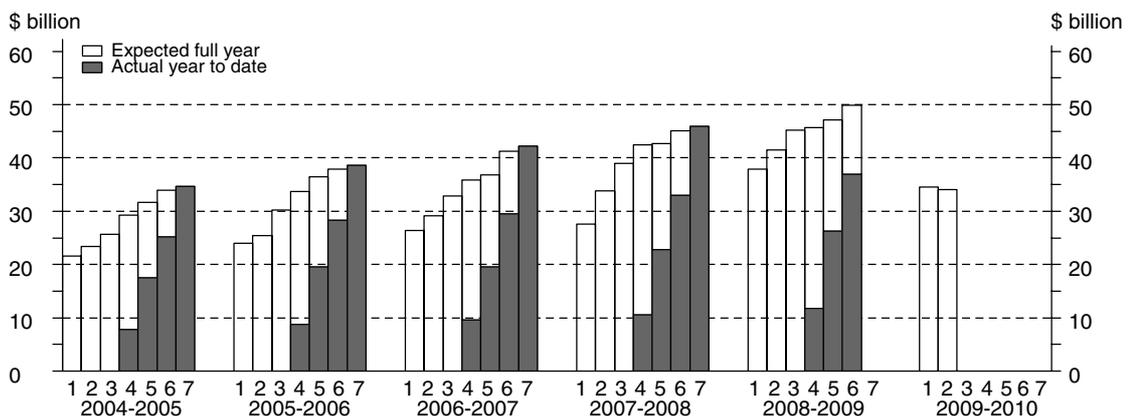
Estimate 2 for Manufacturing for 2009-10 is \$10,722 million. This is 5.9% lower than Estimate 2 for 2008-09. The buildings and structures asset type rose 5.3% in this period while equipment, plant and machinery fell 11.7%. Estimate 2 is 8.9% lower than Estimate 1 for 2009-10. Both asset classes are lower since Estimate 1 with equipment, plant and machinery down 6.2% and buildings and structures down 13.0%.



OTHER SELECTED INDUSTRIES

Estimate 6 for Other selected industries for 2008-09 is \$49,870 million. This is 10.7% higher than Estimate 6 for 2007-08. Transport (51.7%) is largely contributing to this increase. Estimate 6 is 5.7% higher than Estimate 5 for 2008-09. Property and Business Services (10.5%), Transport (6.7%) and Construction (28.5%) are the key contributors to this change. By asset type, equipment, plant and machinery rose 8.4% while buildings and structures rose 1.9%.

Estimate 2 for 2009-10 is \$34,101 million which is 17.9% lower than the previous Estimate 2. Buildings and structures is 18.7% lower and equipment, plant and machinery 17.3% lower than Estimate 2 for 2008-09. Estimate 2 is 1.1% lower than Estimate 1 for 2009-10. Transport (-13.3%) fell while Other services (18.2%) rose significantly.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE

IN CURRENT PRICE TERMS

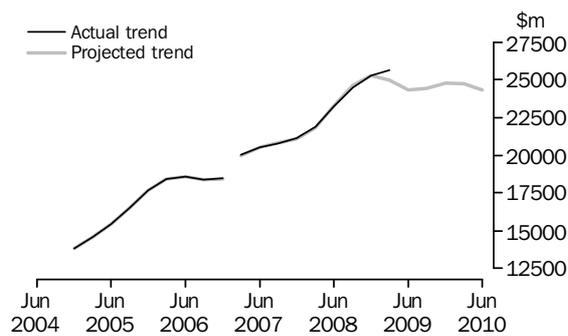
PROJECTED CAPITAL EXPENDITURE SERIES

The projected series below apply historical realisation ratios to contemporary expectations to convert these to quarterly figures. Trend estimates of resultant quarterly time series of actual and expected expenditure are produced.

The following graphs, with accompanying commentary, show the projected capital expenditure series based on March quarter 2009 data, which includes expected expenditure up to and including the June quarter 2010. Please see paragraphs 29 to 33 of the Explanatory Notes for further details about the methodology and cautionary notes for these series.

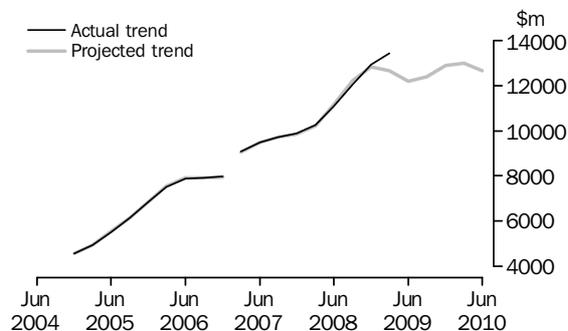
TOTAL CAPITAL EXPENDITURE

Short term (June quarter) and long term (2009-10) expectations reported in the March quarter 2009 have marginally weakened in current price terms relative to the same expectations reported in earlier periods. The increase of the actual trend series has slowed. The projection for the total capital expenditure series suggests a mild decline in the series to end June 2009 and limited growth as the 2009-10 financial year progresses.



BUILDINGS AND STRUCTURES

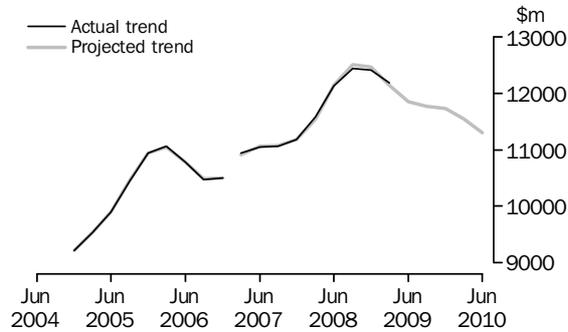
The projections for buildings and structures indicate a dip in expenditure in the period to end June 2009 followed by a minimal rise in 2009-10. Expenditure expectations for 2009-10 have weakened considerably since the December survey. The actual trend for buildings and structures is relatively strong and is the main contributor behind the resilience displayed in the projection for total capital expenditure.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE *continued*

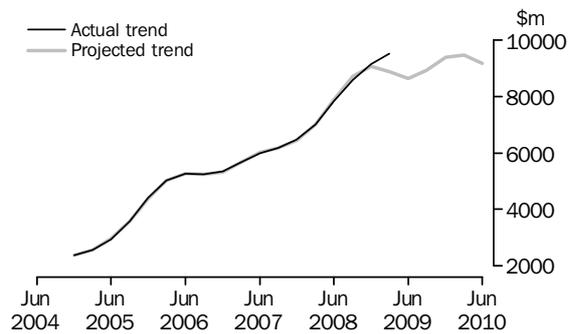
EQUIPMENT, PLANT AND MACHINERY

Projections of expenditure for equipment, plant and machinery indicate near term weakness and a progressive decline in expenditure in 2009-10. The actual trend in the March 2009 quarter tracked the series projection.



MINING

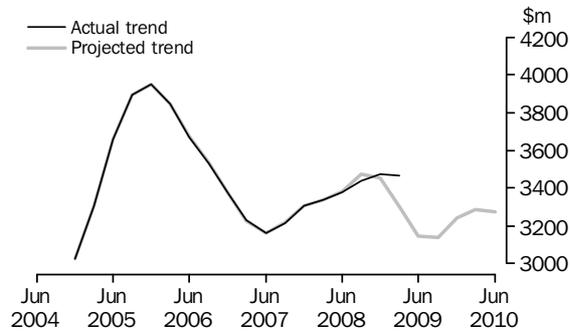
The Mining industry has experienced high growth since the start of 2005. Short term (June quarter) and long term (2009-10) expectations reported in the March quarter have weakened relative to the same expectations reported in earlier periods. The modelled projections imply that this series will hover around the \$9 billion per quarter level through the next quarter and the 2009-10 financial year.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE *continued*

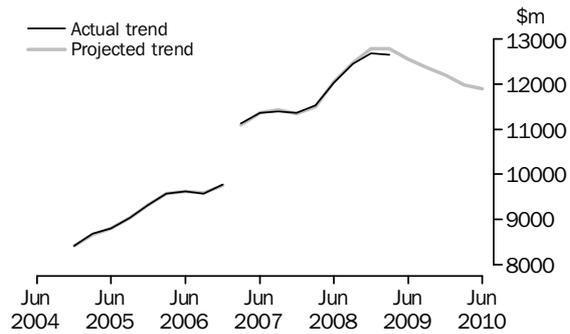
MANUFACTURING

The Manufacturing actual trend series was flat in the March quarter 2009. The model is projecting imminent weakness in the series before some recovery in expenditure from mid 2009-10. Expectations data collected in the March quarter survey for 2009-10 decreased substantially.



OTHER SELECTED INDUSTRIES

The projected trend for the Other selected industries series suggests a sustained decline in quarterly expenditure in the fifteen month period ahead.



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

Period	BUILDINGS AND STRUCTURES				EQUIPMENT, PLANT AND MACHINERY				TOTAL CAPITAL EXPENDITURE			
	Mining	Manu- facturing	Other selected 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)												
2006-07	16 283	4 079	14 100	34 461	5 836	9 186	28 069	43 090	22 118	13 264	42 169	77 552
2007-08	19 755	4 048	16 675	40 478	7 598	9 189	29 214	46 000	27 353	13 237	45 889	86 478
2007-08												
December	5 194	1 015	4 654	10 863	1 862	2 633	7 516	12 011	7 056	3 648	12 170	22 874
March	4 614	1 048	3 837	9 500	1 693	2 081	6 359	10 132	6 307	3 129	10 195	19 632
June	5 714	1 059	4 424	11 197	2 541	2 390	8 516	13 447	8 255	3 449	12 940	24 644
2008-09												
September	6 032	1 042	4 318	11 392	2 022	2 125	7 459	11 606	8 055	3 166	11 777	22 998
December	7 723	1 415	5 840	14 978	2 620	2 602	8 628	13 850	10 343	4 017	14 468	28 828
March	6 410	972	4 282	11 664	1 965	2 086	6 397	10 448	8 375	3 058	10 679	22 112
ORIGINAL (Expected) (a)												
2008-09												
3 mths to Jun	6 804	769	5 260	12 834	2 338	2 464	7 685	12 487	9 142	3 233	12 945	25 320
Total fin year	26 970	4 197	19 701	50 868	8 946	9 277	30 169	48 391	35 915	13 474	49 870	99 259
2009-10												
Total fin year	24 026	4 106	13 827	41 959	8 076	6 616	20 274	34 966	32 102	10 722	34 101	76 925
SEASONALLY ADJUSTED (Actual)												
2007-08												
December	4 772	954	4 246	9 972	1 639	2 391	7 065	11 095	6 410	3 345	11 311	21 067
March	5 037	1 099	4 284	10 420	1 970	2 280	7 193	11 444	7 007	3 379	11 477	21 864
June	5 407	1 074	4 265	10 746	2 346	2 233	7 767	12 346	7 753	3 307	12 032	23 092
2008-09												
September	6 437	1 049	4 426	11 912	2 195	2 326	7 799	12 320	8 632	3 374	12 225	24 231
December	7 088	1 328	5 304	13 720	2 317	2 353	8 100	12 770	9 405	3 681	13 404	26 490
March	6 991	1 015	4 810	12 816	2 274	2 289	7 277	11 839	9 265	3 304	12 087	24 656
TREND (Actual)												
2007-08												
December	4 720	984	4 181	9 886	1 746	2 320	7 113	11 179	6 466	3 305	11 360	21 130
March	5 030	1 038	4 169	10 238	1 976	2 298	7 301	11 574	7 006	3 336	11 529	21 871
June	5 623	1 093	4 369	11 086	2 195	2 284	7 653	12 132	7 818	3 378	12 032	23 228
2008-09												
September	6 301	1 137	4 624	12 062	2 281	2 300	7 849	12 429	8 582	3 437	12 447	24 466
December	6 861	1 152	4 891	12 903	2 288	2 323	7 801	12 411	9 148	3 475	12 670	25 292
March	7 228	1 141	5 039	13 408	2 275	2 326	7 591	12 186	9 503	3 467	12 649	25 619

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

ACTUAL AND EXPECTED EXPENDITURE, By detailed industry—Current prices

	Mining	Manu- facturing	Construction	Wholesale trade	Retail trade	Transport and storage	Finance and insurance	Property and business services	Other services	Total
Period	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)										
2006-07	22 118	13 264	2 625	2 793	4 340	7 786	3 440	10 341	10 844	77 552
2007-08	27 353	13 237	3 196	3 054	4 772	8 016	3 176	11 165	12 508	86 478
2007-08										
December	7 056	3 648	851	802	1 382	1 978	885	2 992	3 281	22 874
March	6 307	3 129	721	619	832	1 765	651	^ 2 602	3 005	19 632
June	8 255	3 449	872	886	1 370	2 503	854	3 023	3 432	24 644
2008-09										
September	8 055	3 166	^ 568	792	1 195	2 542	907	2 596	3 178	22 998
December	10 343	4 017	693	900	1 597	3 536	941	3 219	3 583	28 828
March	8 375	3 058	^ 674	^ 717	^ 975	2 676	752	1 844	3 041	22 112
ORIGINAL (Expected) (a)										
2008-09										
3 mths to Jun	9 142	3 233	^ 829	689	1 381	3 027	885	^ 2 465	3 669	25 320
Total fin year	35 915	13 474	2 764	3 098	5 148	11 780	3 484	10 124	13 471	99 259
2009-10										
Total fin year	32 102	10 722	^ 1 713	1 891	3 850	8 239	2 368	6 797	9 243	76 925
SEASONALLY ADJUSTED (Actual)										
2007-08										
December	6 410	3 345	816	728	1 207	1 806	818	2 871	3 065	21 067
March	7 007	3 379	775	729	1 010	2 065	742	2 941	3 216	21 864
June	7 753	3 307	768	818	1 327	2 262	814	2 714	3 329	23 092
2008-09										
September	8 632	3 374	631	820	1 200	2 680	911	2 710	3 274	24 231
December	9 405	3 681	671	813	1 377	3 237	875	3 075	3 356	26 490
March	9 265	3 304	728	848	1 167	3 079	894	2 100	3 271	24 656
TREND (Actual)										
2007-08										
December	6 466	3 305	819	741	1 216	1 872	776	2 833	3 102	21 130
March	7 006	3 336	792	760	1 217	2 007	787	2 817	3 148	21 871
June	7 818	3 378	725	787	1 219	2 333	821	2 850	3 296	23 228
2008-09										
September	8 582	3 437	685	816	1 241	2 719	866	2 804	3 317	24 466
December	9 148	3 475	676	829	1 257	3 026	894	2 675	3 313	25 292
March	9 503	3 467	691	836	1 256	3 192	898	2 474	3 302	25 619

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

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

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

Period	ASSET			INDUSTRY			
	Buildings and structures	Equipment, plant and machinery	Total	Mining	Manufacturing	Other selected industries	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL							
2004-05	21 877	36 122	58 590	11 272	12 905	33 943	58 590
2005-06	30 977	42 448	73 574	19 518	15 560	38 463	73 574
2006-07	34 461	43 090	77 552	22 118	13 264	42 169	77 552
2007-08	38 129	47 794	85 924	26 251	13 195	46 478	85 924
2006-07							
March	8 220	9 921	18 132	5 138	2 986	9 997	18 132
June	10 144	12 222	22 361	6 355	3 263	12 696	22 361
2007-08							
September	8 614	10 642	19 255	5 588	2 999	10 668	19 255
December	10 361	12 454	22 815	6 835	3 661	12 320	22 815
March	8 884	10 570	19 454	6 021	3 109	10 325	19 454
June	10 270	14 129	24 399	7 807	3 426	13 166	24 399
2008-09							
September	10 204	12 110	22 315	7 404	3 078	11 833	22 315
December	13 498	13 795	27 293	9 443	3 795	14 056	27 293
March	10 738	10 011	20 749	7 676	2 832	10 241	20 749
SEASONALLY ADJUSTED							
2006-07							
March	9 023	11 164	20 167	5 735	3 220	11 203	20 167
June	9 775	11 269	21 062	6 050	3 126	11 867	21 062
2007-08							
September	8 967	11 286	20 167	5 962	3 195	11 011	20 167
December	9 527	11 530	21 091	6 222	3 355	11 515	21 091
March	9 754	11 970	21 495	6 704	3 351	11 439	21 495
June	9 881	13 009	23 101	7 363	3 295	12 443	23 101
2008-09							
September	10 697	12 891	23 487	7 945	3 275	12 268	23 487
December	12 401	12 756	25 198	8 606	3 476	13 116	25 198
March	11 817	11 377	22 959	8 504	3 053	11 402	22 959
TREND							
2006-07							
March	(b)8 909	(b)10 968	(b)19 873	5 653	3 225	(b)10 991	(b)19 873
June	9 287	11 208	20 488	5 922	3 166	11 389	20 488
2007-08							
September	9 412	11 336	20 700	6 049	3 215	11 429	20 700
December	9 425	11 600	20 968	6 272	3 302	11 394	20 968
March	9 577	12 155	21 695	6 712	3 328	11 656	21 695
June	10 151	12 764	22 928	7 362	3 340	12 227	22 928
2008-09							
September	10 932	12 852	23 785	7 951	3 331	12 502	23 785
December	11 704	12 460	24 104	8 393	3 292	12 419	24 104
March	12 217	11 799	23 932	8 701	3 213	12 021	23 932

(a) Reference year for chain volume measures is 2006-07.

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

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

Period	ASSET			INDUSTRY			Total
	Buildings and structures	Equipment, Plant and Machinery	Total	Mining	Manufacturing	Other selected industries	
	%	%	%	%	%	%	%
ORIGINAL							
2004-05	14.0	13.0	13.3	6.2	11.2	16.2	13.3
2005-06	41.6	17.5	25.6	73.2	20.6	13.3	25.6
2006-07	11.2	1.5	5.4	13.3	-14.8	9.6	5.4
2007-08	10.6	10.9	10.8	18.7	-0.5	10.2	10.8
2006-07							
March	-2.0	-10.3	-6.9	-12.6	-18.9	0.5	-6.9
June	23.4	23.2	23.3	23.7	9.3	27.0	23.3
2007-08							
September	-15.1	-12.9	-13.9	-12.1	-8.1	-16.0	-13.9
December	20.3	17.0	18.5	22.3	22.1	15.5	18.5
March	-14.3	-15.1	-14.7	-11.9	-15.1	-16.2	-14.7
June	15.6	33.7	25.4	29.7	10.2	27.5	25.4
2008-09							
September	-0.6	-14.3	-8.5	-5.2	-10.2	-10.1	-8.5
December	32.3	13.9	22.3	27.5	23.3	18.8	22.3
March	-20.5	-27.4	-24.0	-18.7	-25.4	-27.1	-24.0
SEASONALLY ADJUSTED							
2006-07							
March	17.2	9.0	12.3	7.6	-5.0	21.0	12.3
June	8.3	0.9	4.4	5.5	-2.9	5.9	4.4
2007-08							
September	-8.3	0.2	-4.2	-1.5	2.2	-7.2	-4.2
December	6.2	2.2	4.6	4.4	5.0	4.6	4.6
March	2.4	3.8	1.9	7.7	-0.1	-0.7	1.9
June	1.3	8.7	7.5	9.8	-1.7	8.8	7.5
2008-09							
September	8.3	-0.9	1.7	7.9	-0.6	-1.4	1.7
December	15.9	-1.1	7.3	8.3	6.1	6.9	7.3
March	-4.7	-10.8	-8.9	-1.2	-12.2	-13.1	-8.9
TREND							
2006-07							
March	na	na	na	5.2	-4.2	na	na
June	4.2	2.2	3.1	4.8	-1.8	3.6	3.1
2007-08							
September	1.4	1.1	1.0	2.1	1.5	0.4	1.0
December	0.1	2.3	1.3	3.7	2.7	-0.3	1.3
March	1.6	4.8	3.5	7.0	0.8	2.3	3.5
June	6.0	5.0	5.7	9.7	0.4	4.9	5.7
2008-09							
September	7.7	0.7	3.7	8.0	-0.2	2.3	3.7
December	7.1	-3.1	1.3	5.6	-1.2	-0.7	1.3
March	4.4	-5.3	-0.7	3.7	-2.4	-3.2	-0.7

na not available

(a) Reference year for chain volume measures is 2006-07.

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)							
2005-06	16 846	18 724	22 499	25 096	27 036	28 279	29 057
2006-07	22 695	24 648	29 103	32 239	34 513	36 042	34 461
2007-08	33 848	38 112	41 574	43 570	43 197	42 434	40 478
2008-09	41 902	46 778	55 117	55 597	54 021	50 868	nya
2009-10	44 766	41 959	nya	nya	nya	nya	nya
BUILDINGS AND STRUCTURES (Realisation Ratio) (a)							
2005-06	1.72	1.55	1.29	1.16	1.07	1.03	1.00
2006-07	1.52	1.40	1.18	1.07	1.00	0.96	1.00
2007-08	1.20	1.06	0.97	0.93	0.94	0.95	1.00
5-year average	1.37	1.25	1.09	1.01	0.98	0.98	1.00
EQUIPMENT, PLANT AND MACHINERY (\$ million)							
2005-06	27 975	30 147	34 508	38 272	41 064	43 116	43 584
2006-07	30 603	32 916	34 530	37 575	39 411	42 294	43 090
2007-08	29 720	32 866	37 489	40 634	42 653	45 237	46 000
2008-09	37 488	40 310	45 974	47 104	45 728	48 391	nya
2009-10	35 796	34 966	nya	nya	nya	nya	nya
EQUIPMENT, PLANT AND MACHINERY (Realisation Ratio) (a)							
2005-06	1.56	1.45	1.26	1.14	1.06	1.01	1.00
2006-07	1.41	1.31	1.25	1.15	1.09	1.02	1.00
2007-08	1.55	1.40	1.23	1.13	1.08	1.02	1.00
5-year average	1.43	1.33	1.22	1.11	1.07	1.02	1.00
TOTAL (\$ million)							
2005-06	44 819	48 871	57 005	63 368	68 101	71 396	72 641
2006-07	53 299	57 564	63 634	69 814	73 923	78 336	77 552
2007-08	63 568	70 978	79 062	84 205	85 851	87 671	86 478
2008-09	79 392	87 088	101 091	102 700	99 749	99 259	nya
2009-10	80 561	76 925	nya	nya	nya	nya	nya
TOTAL (Realisation Ratio) (a)							
2005-06	1.62	1.49	1.27	1.15	1.07	1.02	1.00
2006-07	1.46	1.35	1.22	1.11	1.05	0.99	1.00
2007-08	1.36	1.22	1.09	1.03	1.01	0.99	1.00
5-year average	1.40	1.29	1.16	1.07	1.03	1.00	1.00
TOTAL (Percentage change over corresponding estimate for previous financial year)							
2005-06	7.5	8.1	16.3	17.4	22.4	23.5	26.2
2006-07	18.9	17.8	11.6	10.2	8.5	9.7	6.8
2007-08	19.3	23.3	24.2	20.6	16.1	11.9	11.5
2008-09	24.9	22.7	27.9	22.0	16.2	13.2	nya
2009-10	1.5	-11.7	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. For more information see paragraphs 25 to 28 of the Explanatory Notes.

EXPECTED EXPENDITURE AND REALISATION RATIOS, By industry—Current prices

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

2005-06	9 795	10 817	12 759	14 598	16 025	17 785	18 609
2006-07	15 298	17 100	18 260	20 858	24 073	23 396	22 118
2007-08	26 691	26 970	28 450	29 230	30 001	29 177	27 353
2008-09	30 595	34 177	41 982	42 959	39 324	35 915	nya
2009-10	34 306	32 102	nya	nya	nya	nya	nya

MINING (Realisation Ratio) (a)

2005-06	1.90	1.72	1.46	1.27	1.16	1.05	1.00
2006-07	1.45	1.29	1.21	1.06	0.92	0.95	1.00
2007-08	1.02	1.01	0.96	0.94	0.91	0.94	1.00
5-year average	1.27	1.18	1.08	1.00	0.96	0.96	1.00

MANUFACTURING (\$ million)

2005-06	11 095	12 684	14 024	15 046	15 598	15 682	15 428
2006-07	11 651	11 293	12 471	13 067	13 071	13 718	13 264
2007-08	9 343	10 218	11 618	12 517	13 123	13 455	13 237
2008-09	10 939	11 397	13 950	14 093	13 258	13 474	nya
2009-10	11 774	10 722	nya	nya	nya	nya	nya

MANUFACTURING (Realisation Ratio) (a)

2005-06	1.39	1.22	1.10	1.03	0.99	0.98	1.00
2006-07	1.14	1.17	1.06	1.02	1.01	0.97	1.00
2007-08	1.42	1.30	1.14	1.06	1.01	0.98	1.00
5-year average	1.27	1.18	1.05	1.00	1.00	0.98	1.00

OTHER SELECTED INDUSTRIES (\$ million)

2005-06	23 929	25 370	30 222	33 724	36 478	37 929	38 605
2006-07	26 350	29 171	32 903	35 890	36 779	41 221	42 169
2007-08	27 534	33 791	38 995	42 457	42 727	45 039	45 889
2008-09	37 858	41 514	45 159	45 649	47 167	49 870	nya
2009-10	34 481	34 101	nya	nya	nya	nya	nya

OTHER SELECTED INDUSTRIES (Realisation Ratio) (a)

2005-06	1.61	1.52	1.28	1.14	1.06	1.02	1.00
2006-07	1.60	1.45	1.28	1.17	1.15	1.02	1.00
2007-08	1.67	1.36	1.18	1.08	1.07	1.02	1.00
5-year average	1.56	1.41	1.25	1.13	1.08	1.02	1.00

nya not yet available

(a) Ratio of actual expenditure for the financial year to each progressive estimate for the financial year. For more information see paragraphs 25 to 28 of the Explanatory Notes.

RATIOS OF ACTUAL TO SHORT TERM EXPECTATIONS, BY TYPE OF ASSET AND INDUSTRY,
CURRENT PRICES(a), By type of asset and industry—Current prices

Financial Year	3 MONTH ENDING		6 MONTH ENDING	
	31 December (collected in September Survey)	30 June (collected in March Survey)	31 December (collected in June Survey)	30 June (collected in December Survey)
TYPE OF ASSET				
Buildings and structures				
2006–07	0.97	0.87	1.06	1.00
2007–08	0.91	0.85	0.92	0.88
2008–09	1.01	nya	1.03	nya
5-year average	0.97	0.93	1.03	0.97
Equipment, plant and machinery				
2006–07	1.05	1.07	1.15	1.20
2007–08	1.06	1.06	1.17	1.17
2008–09	1.01	nya	1.04	nya
5-year average	1.05	1.06	1.15	1.15
Total				
2006–07	1.01	0.97	1.11	1.10
2007–08	0.98	0.95	1.03	1.01
2008–09	1.01	nya	1.03	nya
5-year average	1.02	1.00	1.10	1.07
TYPE OF INDUSTRY				
Mining				
2006–07	1.03	0.83	1.08	0.86
2007–08	0.91	0.82	0.88	0.85
2008–09	0.89	nya	0.94	nya
5-year average	0.94	0.89	1.00	0.94
Manufacturing				
2006–07	1.00	0.88	1.08	1.03
2007–08	0.97	0.94	1.13	1.02
2008–09	1.02	nya	1.06	nya
5-year average	0.97	0.93	1.07	1.00
Total other selected industries				
2006–07	1.00	1.08	1.14	1.31
2007–08	1.04	1.07	1.11	1.16
2008–09	1.12	nya	1.10	nya
5-year average	1.08	1.09	1.17	1.18
Total				
2006–07	1.01	0.97	1.11	1.10
2007–08	0.98	0.95	1.03	1.01
2008–09	1.01	nya	1.03	nya
5-year average	1.02	1.00	1.10	1.07

nya not yet available

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

ACTUAL EXPENDITURE ON BUILDINGS AND STRUCTURES, Current prices

<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									
2004-05	4 820	3 161	3 033	992	5 135	430	1 534	158	19 262
2005-06	5 979	4 370	4 845	1 464	10 142	276	1 748	233	29 057
2006-07	5 966	5 405	5 586	2 068	13 224	282	1 712	219	34 461
2007-08	7 547	6 307	6 868	2 620	15 410	354	1 195	178	40 478
2006-07									
March	1 519	1 296	1 183	451	3 214	96	434	^ 56	8 249
June	2 062	1 628	1 648	702	3 747	93	^ 379	^ 66	10 326
2007-08									
September	1 551	1 475	1 395	^ 552	3 410	^ 76	396	^ 64	8 919
December	2 046	1 751	1 770	^ 692	4 095	88	387	^ 35	10 863
March	1 667	1 452	1 584	697	3 808	84	162	45	9 500
June	2 283	1 629	2 118	680	4 097	106	251	34	11 197
2008-09									
September	1 788	1 427	2 381	631	4 840	67	226	33	11 392
December	2 504	1 961	3 175	673	6 324	61	231	^ 50	14 978
March	1 716	1 601	2 472	548	4 848	32	403	^ 43	11 664
SEASONALLY ADJUSTED									
2006-07									
March	1 817	1 440	1 359	558	3 489	np	np	np	9 080
June	1 832	1 556	1 595	599	3 638	np	np	np	9 968
2007-08									
September	1 677	1 508	1 439	599	3 580	np	np	np	9 286
December	1 834	1 629	1 572	632	3 732	np	np	np	9 972
March	2 001	1 618	1 824	857	4 134	np	np	np	10 420
June	2 016	1 539	2 048	580	3 974	np	np	np	10 746
2008-09									
September	1 953	1 481	2 441	684	5 111	np	np	np	11 912
December	2 238	1 813	2 833	617	5 732	np	np	np	13 720
March	2 059	1 789	2 848	672	5 273	np	np	np	12 816
TREND									
2006-07									
March	(a) 1 672	(a) 1 418	(a) 1 422	(a) 560	(a) 3 412	(a) 84	(a) 425	(a) 64	(a) 9 071
June	1 765	1 503	1 454	590	3 564	90	397	63	9 473
2007-08									
September	1 795	1 572	1 511	614	3 667	85	374	56	9 709
December	1 842	1 600	1 598	623	3 747	85	387	47	9 886
March	1 931	1 576	1 784	626	3 929	91	192	38	10 238
June	2 013	1 554	2 105	629	4 391	90	207	36	11 086
2008-09									
September	2 058	1 596	2 436	635	4 952	76	236	39	12 062
December	2 101	1 701	2 720	648	5 388	56	283	42	12 903
March	2 133	1 814	2 930	662	5 589	37	339	46	13 408

^ 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

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

ACTUAL EXPENDITURE ON EQUIPMENT, PLANT AND MACHINERY, Current prices

<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									
2004-05	11 986	9 648	7 306	2 993	4 815	698	316	534	38 293
2005-06	12 606	11 111	8 677	3 089	6 329	875	402	496	43 584
2006-07	11 638	10 964	9 733	2 860	6 493	552	400	451	43 090
2007-08	13 116	10 531	10 352	2 426	7 781	741	693	360	46 000
2006-07									
March	2 434	2 636	2 359	612	1 524	^ 122	^ 67	^ 111	9 865
June	3 430	2 659	2 773	747	2 032	153	^ 162	^ 115	12 071
2007-08									
September	2 942	2 584	2 365	541	1 613	116	^ 158	90	10 409
December	3 471	2 852	2 599	681	1 916	^ 215	^ 186	92	12 011
March	2 864	2 260	2 361	524	1 769	^ 139	133	^ 83	10 132
June	3 839	2 835	3 026	680	2 484	^ 271	217	95	13 447
2008-09									
September	3 174	2 528	2 542	725	2 059	197	^ 254	127	11 606
December	3 601	3 199	3 423	664	2 323	^ 312	200	129	13 850
March	2 987	2 264	2 438	577	1 775	^ 192	112	^ 103	10 448
SEASONALLY ADJUSTED									
2006-07									
March	2 763	2 875	2 509	696	1 706	np	np	np	11 098
June	3 124	2 587	2 550	707	1 843	np	np	np	11 119
2007-08									
September	3 101	2 683	2 529	598	1 724	np	np	np	11 022
December	3 233	2 610	2 503	588	1 796	np	np	np	11 095
March	3 261	2 466	2 612	593	1 986	np	np	np	11 444
June	3 489	2 758	2 681	649	2 235	np	np	np	12 346
2008-09									
September	3 352	2 629	2 739	793	2 203	np	np	np	12 320
December	3 348	2 922	3 265	577	2 185	np	np	np	12 770
March	3 411	2 473	2 652	650	2 002	np	np	np	11 839
TREND									
2006-07									
March	(a) 2 906	(a) 2 763	(a) 2 472	(a) 713	(a) 1 692	(a) 133	(a) 94	(a) 111	(a) 10 933
June	3 008	2 705	2 517	671	1 768	137	126	105	11 052
2007-08									
September	3 124	2 623	2 536	621	1 774	145	158	97	11 054
December	3 232	2 580	2 541	584	1 841	164	168	87	11 179
March	3 319	2 583	2 568	614	1 998	190	183	89	11 574
June	3 386	2 656	2 712	670	2 168	219	205	102	12 132
2008-09									
September	3 390	2 732	2 863	686	2 206	240	210	115	12 429
December	3 380	2 720	2 932	665	2 151	248	193	122	12 411
March	3 367	2 639	2 911	632	2 064	243	166	123	12 186

^ 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

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

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									
2004-05	16 805	12 809	10 339	3 985	9 950	1 127	1 849	692	57 554
2005-06	18 585	15 481	13 522	4 553	16 471	1 151	2 150	729	72 641
2006-07	17 604	16 369	15 319	4 927	19 717	834	2 112	670	77 552
2007-08	20 663	16 838	17 220	5 046	23 191	1 094	1 888	538	86 478
2006-07									
March	3 953	3 933	3 542	1 063	4 737	218	501	^166	18 114
June	5 492	4 287	4 421	1 449	5 779	246	^541	182	22 397
2007-08									
September	4 493	4 058	3 761	1 093	5 023	192	554	155	19 328
December	5 517	4 603	4 370	1 372	6 011	303	572	127	22 874
March	4 531	3 712	3 946	1 221	5 577	223	295	^128	19 632
June	6 123	4 464	5 143	1 360	6 580	377	467	129	24 644
2008-09									
September	4 961	3 956	4 923	1 356	6 899	263	^480	160	22 998
December	6 105	5 159	6 598	1 336	8 647	^373	431	179	28 828
March	4 704	3 865	4 911	1 125	6 623	^224	515	^145	22 112
SEASONALLY ADJUSTED									
2006-07									
March	4 580	4 315	3 868	1 254	5 196	237	525	178	20 178
June	4 956	4 143	4 146	1 306	5 481	230	529	174	21 086
2007-08									
September	4 778	4 191	3 968	1 197	5 304	208	526	155	20 308
December	5 067	4 239	4 074	1 220	5 528	275	581	124	21 067
March	5 263	4 084	4 436	1 450	6 121	247	332	137	21 864
June	5 505	4 296	4 729	1 229	6 209	347	450	123	23 092
2008-09									
September	5 305	4 110	5 180	1 477	7 315	292	453	160	24 231
December	5 585	4 735	6 098	1 193	7 917	331	435	176	26 490
March	5 470	4 263	5 500	1 323	7 275	260	541	156	24 656
TREND									
2006-07									
March	(a)4 578	(a)4 181	(a)3 894	(a)1 273	(a)5 104	(a)217	(a)519	(a)175	(a)20 019
June	4 774	4 208	3 971	1 261	5 332	227	522	168	20 510
2007-08									
September	4 919	4 195	4 046	1 235	5 441	230	532	153	20 787
December	5 073	4 180	4 139	1 207	5 588	250	555	134	21 130
March	5 249	4 158	4 352	1 241	5 927	281	374	127	21 871
June	5 399	4 210	4 817	1 298	6 559	310	412	137	23 228
2008-09									
September	5 448	4 328	5 299	1 321	7 158	316	445	153	24 466
December	5 481	4 421	5 652	1 313	7 539	305	476	164	25 292
March	5 499	4 453	5 841	1 294	7 653	281	505	169	25 619

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

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

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									
2004-05	5 466	3 588	3 444	1 129	5 845	488	1 732	178	21 877
2005-06	6 384	4 658	5 161	1 563	10 809	295	1 859	248	30 977
2006-07	5 966	5 405	5 586	2 068	13 224	282	1 712	219	34 461
2007-08	7 103	5 947	6 460	2 468	14 518	333	1 132	169	38 129
2006-07									
March	1 516	1 292	1 178	450	3 200	96	432	55	8 220
June	2 029	1 599	1 618	690	3 678	92	372	65	10 144
2007-08									
September	1 499	1 424	1 347	534	3 292	73	382	62	8 614
December	1 951	1 670	1 689	660	3 906	84	369	33	10 361
March	1 559	1 358	1 482	652	3 562	78	151	42	8 884
June	2 093	1 495	1 943	623	3 759	97	230	31	10 270
2008-09									
September	1 600	1 278	2 133	565	4 336	60	202	29	10 204
December	2 255	1 767	2 862	606	5 700	55	208	45	13 498
March	1 579	1 474	2 276	505	4 465	30	371	39	10 738
SEASONALLY ADJUSTED									
2006-07									
March	1 805	1 435	1 350	559	3 469	np	np	np	9 023
June	1 795	1 529	1 562	587	3 574	np	np	np	9 775
2007-08									
September	1 619	1 458	1 386	572	3 456	np	np	np	8 967
December	1 752	1 556	1 496	592	3 560	np	np	np	9 527
March	1 877	1 517	1 703	784	3 856	np	np	np	9 754
June	1 855	1 415	1 876	520	3 647	np	np	np	9 881
2008-09									
September	1 755	1 330	2 183	598	4 578	np	np	np	10 697
December	2 023	1 638	2 549	543	5 168	np	np	np	12 401
March	1 901	1 651	2 617	604	4 839	np	np	np	11 817
TREND									
2006-07									
March	(b)1 657	(b)1 410	(b)1 409	(b)558	(b)3 389	(b)84	(b)424	(b)64	(b)8 909
June	1 730	1 476	1 422	567	3 499	89	390	62	9 287
2007-08									
September	1 737	1 523	1 459	599	3 547	83	362	54	9 412
December	1 755	1 527	1 519	640	3 568	81	368	45	9 425
March	1 808	1 476	1 661	652	3 666	85	178	35	9 577
June	1 847	1 425	1 918	618	4 007	83	188	32	10 151
2008-09									
September	1 867	1 447	2 200	573	4 472	69	213	35	10 932
December	1 906	1 543	2 459	563	4 870	51	256	38	11 704
March	1 946	1 657	2 649	589	5 080	34	309	42	12 217

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

(a) Reference year for chain volume measures is 2006-07.
(b) Break in series between December 2006 and March 2007.

<i>Period</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2004-05	11 167	9 068	6 925	2 851	4 630	662	300	490	36 122
2005-06	12 201	10 804	8 469	3 024	6 218	853	394	478	42 448
2006-07	11 638	10 964	9 733	2 860	6 493	552	400	451	43 090
2007-08	13 691	10 979	10 764	2 513	7 984	770	715	378	47 794
2006-07									
March	2 454	2 654	2 369	616	1 526	123	67	112	9 921
June	3 473	2 700	2 812	756	2 048	154	162	117	12 222
2007-08									
September	3 014	2 647	2 421	552	1 637	118	160	93	10 642
December	3 609	2 970	2 692	703	1 971	222	191	96	12 454
March	3 005	2 367	2 469	545	1 815	144	137	88	10 570
June	4 063	2 994	3 183	714	2 562	286	227	102	14 129
2008-09									
September	3 349	2 658	2 653	754	2 096	205	260	136	12 110
December	3 619	3 214	3 398	660	2 267	311	196	131	13 795
March	2 896	2 199	2 313	553	1 661	183	106	100	10 011
SEASONALLY ADJUSTED									
2006-07									
March	2 799	2 890	2 521	699	1 720	np	np	np	11 164
June	3 178	2 624	2 589	714	1 871	np	np	np	11 269
2007-08									
September	3 188	2 750	2 594	610	1 759	np	np	np	11 286
December	3 372	2 722	2 600	607	1 858	np	np	np	11 530
March	3 430	2 588	2 740	617	2 049	np	np	np	11 970
June	3 700	2 919	2 831	680	2 317	np	np	np	13 009
2008-09									
September	3 544	2 770	2 869	824	2 255	np	np	np	12 891
December	3 372	2 943	3 254	573	2 143	np	np	np	12 756
March	3 315	2 408	2 526	623	1 883	np	np	np	11 377
TREND									
2006-07									
March	(b)2 930	(b)2 769	(b)2 480	(b)714	(b)1 704	(b)133	(b)95	(b)110	(b)10 968
June	3 066	2 744	2 555	678	1 794	139	128	105	11 208
2007-08									
September	3 218	2 694	2 603	634	1 814	150	161	99	11 336
December	3 367	2 684	2 641	603	1 898	174	173	91	11 600
March	3 503	2 722	2 703	641	2 072	205	189	95	12 155
June	3 589	2 808	2 859	701	2 241	237	212	109	12 764
2008-09									
September	3 538	2 841	2 956	707	2 238	255	213	121	12 852
December	3 424	2 756	2 932	666	2 118	256	191	125	12 460
March	3 298	2 603	2 814	612	1 966	244	158	121	11 799

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

(a) Reference year for chain volume measures is 2006-07.
(b) Break in series between December 2006 and March 2007.

ACTUAL TOTAL EXPENDITURE—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									
2004-05	16 672	12 730	10 441	4 047	10 645	1 125	2 020	678	58 590
2005-06	18 577	15 503	13 614	4 618	17 078	1 157	2 250	725	73 574
2006-07	17 604	16 369	15 319	4 927	19 717	834	2 112	670	77 552
2007-08	20 793	16 925	17 225	4 982	22 502	1 103	1 847	547	85 924
2006-07									
March	3 953	3 948	3 557	1 067	4 727	217	497	167	18 132
June	5 488	4 289	4 431	1 442	5 742	245	538	181	22 361
2007-08									
September	4 513	4 071	3 768	1 085	4 929	192	542	155	19 255
December	5 561	4 640	4 381	1 363	5 877	306	560	129	22 815
March	4 564	3 725	3 951	1 196	5 377	223	288	130	19 454
June	6 156	4 489	5 125	1 337	6 320	382	457	133	24 399
2008-09									
September	4 949	3 937	4 786	1 319	6 432	265	462	165	22 315
December	5 874	4 981	6 260	1 266	7 967	366	404	176	27 293
March	4 475	3 673	4 589	1 057	6 126	212	477	139	20 749
SEASONALLY ADJUSTED									
2006-07									
March	4 581	4 325	3 877	1 256	5 195	236	526	178	20 167
June	4 965	4 144	4 149	1 299	5 455	229	527	172	21 062
2007-08									
September	4 808	4 208	3 980	1 182	5 215	210	516	155	20 167
December	5 124	4 279	4 095	1 199	5 418	281	567	126	21 091
March	5 307	4 105	4 443	1 400	5 904	253	327	139	21 495
June	5 555	4 334	4 706	1 200	5 965	359	437	127	23 101
2008-09									
September	5 299	4 100	5 052	1 423	6 832	302	436	165	23 487
December	5 395	4 581	5 802	1 116	7 311	332	406	173	25 198
March	5 216	4 059	5 143	1 227	6 722	254	501	149	22 959
TREND									
2006-07									
March	(b)4 575	(b)4 177	(b)3 890	(b)1 271	(b)5 099	(b)215	(b)439	(b)173	(b)19 873
June	4 788	4 218	3 979	1 243	5 299	227	534	167	20 488
2007-08									
September	4 951	4 215	4 062	1 232	5 365	233	545	153	20 700
December	5 122	4 210	4 159	1 243	5 466	255	482	136	20 968
March	5 311	4 199	4 364	1 294	5 737	289	431	130	21 695
June	5 436	4 233	4 776	1 319	6 248	320	402	141	22 928
2008-09									
September	5 405	4 289	5 154	1 280	6 707	323	417	156	23 785
December	5 331	4 299	5 391	1 229	6 986	307	448	163	24 104
March	5 247	4 244	5 480	1 201	7 074	279	464	163	23 932

(a) Reference year for chain volume measures is 2006-07.

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

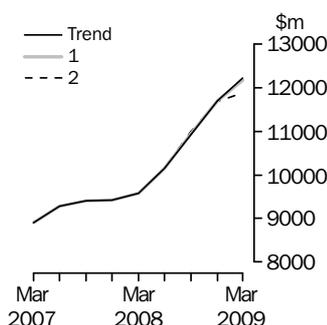
WHAT IF...? REVISIONS TO TREND ESTIMATES

EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

TREND REVISIONS

Recent seasonally adjusted and trend estimates are likely to be revised when original estimates for subsequent quarters become available. The approximate effects of possible scenarios on trend estimates for capital expenditure in chain volume terms are presented below by illustrating the impact if next quarter's seasonally adjusted estimate rises or falls by a specified percentage (based on the historical average of movements in seasonally adjusted estimates). For further information, see paragraphs 44 and 45 in the EN.

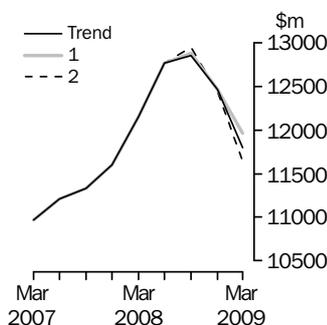
BUILDINGS AND STRUCTURES



WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:

	Trend as published		(1) rises by 6.7% on this quarter		(2) falls by 6.7% on this quarter	
	\$m	%	\$m	%	\$m	%
2008						
June	10 151	6.0	10 151	6.0	10 151	6.0
September	10 932	7.7	10 941	7.8	11 002	8.4
December	11 704	7.1	11 699	6.9	11 675	6.1
2009						
March	12 217	4.4	12 160	3.9	11 865	1.6

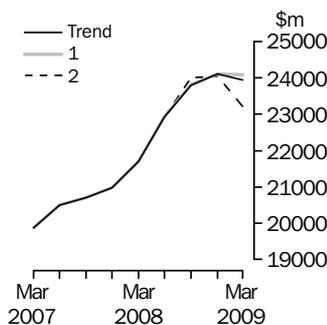
EQUIPMENT, PLANT AND MACHINERY



WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:

	Trend as published		(1) rises by 4.9% on this quarter		(2) falls by 4.9% on this quarter	
	\$m	%	\$m	%	\$m	%
2008						
June	12 764	5.0	12 764	5.0	12 764	5.0
September	12 852	0.7	12 879	0.9	12 945	1.4
December	12 460	-3.1	12 459	-3.3	12 436	-3.9
2009						
March	11 799	-5.3	11 959	-4.0	11 644	-6.4

TOTAL CAPITAL EXPENDITURE



WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:

	Trend as published		(1) rises by 4.4% on this quarter		(2) falls by 4.4% on this quarter	
	\$m	%	\$m	%	\$m	%
2008						
June	22 928	5.7	22 928	5.7	22 928	5.7
September	23 785	3.7	23 810	3.8	23 990	4.6
December	24 104	1.3	24 101	1.2	24 038	0.2
2009						
March	23 932	-0.7	24 079	-0.1	23 209	-3.4

EXPLANATORY NOTES

INTRODUCTION

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

SCOPE OF THE SURVEY

2 The Survey of New Capital Expenditure includes the following industries classified according to the Australian and New Zealand Standard Industrial Classification, ANZSIC, 1993:

Mining (Division B)

Manufacturing (Division C)

Other selected industries:

Construction (Division E)

Wholesale trade (Division F)

Retail trade (Division G)

Transport and storage (Division I)

Finance and insurance (Division K, but excluding Superannuation funds (Class 7412))

Property and business services (Division L)

Other selected services:

Electricity, gas and water (Division D)

Accommodation, cafes and restaurants (Division H)

Communication services (Division J)

Cultural and recreational services (Division P)

Personal services (Subdivision 95)

3 The survey excludes the following industries:

Agriculture, forestry and fishing (Division A)

Government administration and defence (Division M)

Superannuation funds (Class 7412)

Education (Division N)

Health and community services (Division O)

Other services (Subdivision 96)

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

5 The Survey of New Capital Expenditure, like most ABS economic collections, takes its frame from employing businesses on the ABS Business Register which is primarily based on registrations to the Australian Taxation Office's Pay As You Go Withholding (PAYGW) scheme (and prior to 1 July 2000 the Group Employer scheme). The frame is updated quarterly to take account of new businesses, businesses which have ceased employing, changes in employment levels, changes in industry and other general business changes.

6 Businesses which have ceased employing are identified when the Australian Taxation Office (ATO) cancels their PAYGW registration (or previously their Group Employer registration). In addition, from September quarter 1999, businesses which did not remit under the Group Employer scheme for the previous five quarters were removed from the frame. A similar process has been adopted to remove businesses which did not remit under the PAYGW scheme.

7 The statistics in this publication exclude non-employing businesses. Though there are a substantial number of these businesses, it is expected that they would not contribute significantly to the estimates, although the impact would vary from industry to industry.

EXPLANATORY NOTES *continued*

STATISTICAL UNIT

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

SURVEY METHODOLOGY

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

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

TIMING AND CONSTRUCTION OF SURVEY CYCLE

11 Surveys are conducted in respect of each quarter and returns are completed in the 8 or 9 week period after the end of the quarter to which the survey data relate (e.g. September quarter survey returns are completed during October and November).

12 Businesses are requested to provide 3 basic figures each survey:

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

Period to which reported data relates

Survey Quarter	2007-2008				2008-2009				2009-2010			
	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun
December 2007	Act	Act	E1		E2							
March 2008	Act	Act	Act	E1	E2							
June 2008	Act	Act	Act	Act	E1		E2					
September 2008					Act	E1	E2					
December 2008					Act	Act	E1		E2			
March 2009					Act	Act	Act	E1	E2			
June 2009					Act	Act	Act	Act	E1		E2	

EXPLANATORY NOTES *continued*

TIMING AND CONSTRUCTION OF SURVEY CYCLE *continued*

13 This survey cycle facilitates the formation of estimates of expenditure for financial years (12 months ending 30 June) which are presented in tables 5 and 6 of this publication. For example, as the previous table shows for 2008-2009:

- the first estimate was available from the December 2007 survey as a longer term expectation (E2)
- the second estimate was available from the March 2008 survey (again as a longer term expectation)
- the third estimate was available from the June 2008 survey as the sum of two expectations (E1 + E2)
- in the September 2008, December 2008 and March 2009 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 2009 survey is derived from the sum of the actual expenditure for each of the four quarters in the 2008-09 financial year.

14 Businesses are requested to provide actual expenditure data by state/territory each quarter. Prior to 2002, businesses were also asked to provide expected expenditure data by state/territory each December quarter. Since 2002 state/territory expectations data have been directly collected each December quarter only from 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. As has always been the case, expectations data for businesses operating within a single state/territory are allocated to that state/territory.

15 These expectations data by state/territory are not included in this publication but are released on the ABS Website and are available on request.

SAMPLE REVISION

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

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

18 Adjustments are included in the estimates to allow for lags in processing new businesses to the ABS Business Register, and the omission of some businesses from the register. The majority of businesses affected and to which adjustments apply are small in size. As an indication of the size of these adjustments, in the March quarter 2009 they represented about 0.2% of the total estimate of new capital expenditure.

CLASSIFICATION BY INDUSTRY

19 The Australian and New Zealand Standard Industrial Classification (ANZSIC) has been developed for use in both countries for the production and analysis of industry statistics. For more information, users are referred to *Australian and New Zealand Standard Industrial Classification (ANZSIC), 1993* (cat. no. 1292.0).

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

CHAIN VOLUME MEASURES

21 The chain volume measures appearing in this publication are annually reweighted chain Laspeyres indexes referenced to current price values in the chosen reference year (currently 2006-07). 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.

22 With each release of the September quarter issue of this publication, a new base year is introduced and the reference year is advanced one year to coincide with it. With this release of the September quarter 2008 issue of this publication, the chain volume measures for 2007–08 now have 2006–07 (the previous financial year) as their base year rather than 2005–06, and the reference year is 2006–07.

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

24 Chain volume measures are not generally additive. In other words, component chain volume measures do not, in general, sum to a total in the way original current price components do. For capital expenditure data, this means that the original chain volume estimates for industry groups will not add to total capital expenditure for Australia. In order to minimise the impact of this, the ABS uses the latest base year as the reference year. By adopting this approach, additivity does exist for the quarters following the reference year and non-additivity is relatively small for the quarters in the reference year and those immediately preceding it. For further information on chain volume measures refer to *Information Paper: Introduction of Chain Volume Measures in the Australian National Accounts* (cat. no. 5248.0).

DERIVATION AND USEFULNESS OF REALISATION RATIOS

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

26 Realisation ratios provide an important tool in understanding and interpreting expectation statistics for future periods. The application of realisation ratios enables the adjustment of expectation data for known under (or over) realisation patterns in the past and hence provides a valid basis for comparison with other expectation data and actual expenditure estimates. Once this has been done the predictions can be more validly compared with each other and with previously derived estimates of actual expenditure for earlier years. For example, if one wished to make a prediction about actual expenditure for 2008–09 based on the December 2008 survey results and compare this with 2007–08 expenditure, it is necessary to apply the relevant realisation factors to the expectation to put both estimates on the same basis.

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

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

EXPLANATORY NOTES *continued*

EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE

29 Current short and long term expectations are of varying periods depending on the quarter in which they are collected (see paragraph 12 of the Explanatory Notes). Each expectation from the beginning of the time series is confronted with the actual expenditure that occurred in each quarter to which that expectations figure related (for example, September quarter 2008 short-term expectations related to the December quarter 2008). The output of this is to produce a quarterly realisation ratio for each expectations estimate through time.

30 Five-year average realisation ratios are then calculated. These average realisation ratios are applied to contemporary expectations to produce estimates of projected expenditure for forthcoming quarters.

31 These estimates of likely expenditure are then linked with the current price time series of actual expenditure to produce a quarterly time series which extends to the end point of the contemporary expectations series. For December, March and June quarters, the end point is 30 June of the following financial year. For September quarters, the end point is 30 June of the current financial year.

32 The resultant quarterly time series are then produced in trend terms. The same aggregation structure which is used to produce seasonally adjusted and trend estimates of actual capital expenditure is used for these projected series. (See Paragraphs 41 to 45 of the Explanatory notes for more information regarding seasonally adjusted and trend estimates).

33 While the ABS has produced these projected series to assist users in interpreting capital expenditure expectations, users should exercise caution in comparing these estimates with the estimates of actual and expected expenditure contained elsewhere in this release. In particular:

- The trend estimates which feature as key indicators in this release are based on the time series up to and including the current quarter, while the projected trend estimates are based on a time series which concludes at the end point of available expectations. Paragraph 45 of the Explanatory Notes describe the potential impact of future estimates on the end point of the trend estimate, and this is shown in more detail in the "What if ..." analysis on page 26 of this release.
- Key indicators of actual expenditure in this release are presented in volume terms, which removes the impact of price changes on the time series. Tables 1 and 2 of this release also present actual and expected expenditure in current price terms. The projected series, however, are compiled using current price estimates for the actual component of the time series (that is, prices as they related to the particular quarter) and expectations which are generally based on prices for the quarter in which they were reported.
- The projected series is based on five-year average realisation ratios. As is discussed in paragraphs 25 to 28 of the Explanatory Notes, there is some volatility in realisation ratios over time and so it is not necessarily the case that contemporary expectations will be realised in line with the average of the past five years.

RELIABILITY OF THE ESTIMATES

34 Estimates provided in this publication are subject to non-sampling and sampling errors. The most common way of quantifying sampling error is to calculate the standard error for the published estimate. Details of standard errors are on pages 36 and 37 of this publication.

35 Estimates that have an estimated relative standard error between 10% and 25% are annotated with the symbol '^'. These estimates should be used with caution as they are subject to sampling variability too high for some purposes. Estimates with an RSE between 25% and 50% are annotated with the symbol '*', indicating that the estimate should be used with caution as it is subject to sampling variability too high for most practical purposes. Estimates with an RSE greater than 50% are annotated with the

EXPLANATORY NOTES *continued*

RELIABILITY OF THE ESTIMATES *continued*

symbol '**' indicating that the sampling variability causes the estimates to be considered too unreliable for general use. These annotations have only been applied to estimates from the September quarter 2003.

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

37 Estimates for the latest quarter presented in this publication are considered preliminary and revised estimates will be released with the next issue. As discussed in Paragraphs 41 to 45 below, seasonally adjusted and trend estimates are also subject to revision as data are revised and more data become available.

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

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

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

SEASONAL ADJUSTMENT

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

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

EXPLANATORY NOTES *continued*

SEASONAL ADJUSTMENT

continued

and are discarded at the end of the seasonal adjustment process. The ARIMA model is assessed as part of the annual reanalysis which is completed each September quarter. 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).

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

TREND ESTIMATES

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

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

DESCRIPTION OF TERMS

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

47 *New capital expenditure* refers to the acquisition of new tangible assets either on own account or under a finance lease and includes major improvements, alterations and additions. In general, this is expenditure charged to fixed tangible assets accounts excluding expenditure on second hand assets unless these are imported for the first time.

48 Some estimates are dissected by type of asset:

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

COMPARISON WITH NATIONAL ACCOUNTS AND OTHER ABS STATISTICS

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

EXPLANATORY NOTES *continued*

COMPARISON WITH NATIONAL ACCOUNTS AND OTHER ABS STATISTICS *continued*

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

50 For a more detailed explanation of the concepts and methods used in compiling the National Accounts estimates see *Australian National Accounts: Concepts, Sources and Methods* (cat. no. 5216.0).

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

RELATED PUBLICATIONS

- 52** Users may also wish to refer the following publications:
- *Australian National Accounts: National Income, Expenditure and Product* (cat. no. 5206.0)
 - *Australian National Accounts: Concepts, Sources and Methods* (cat. no. 5216.0)
 - *Building Activity, Australia* (cat. no. 8752.0)
 - *Business Indicators, Australia* (cat. no. 5676.0)
 - *Business Operations and Industry Performance, Australia* (cat. no. 8140.0)
 - *Construction Work Done, Australia* (cat. no. 8755.0)
 - *Directory of Capital Expenditure Data Sources and Related Statistics* (cat. no. 5653.0)
 - *Engineering Construction Activity, Australia* (cat. no. 8762.0)
 - *Information Paper: Experimental Estimates: Australian Industry, A State Perspective, 1998–99* (cat. no. 8156.0)
 - *Information Paper: Improvements to Australian Bureau of Statistics Business Indicators* (cat. no. 5677.0)
 - *Information Paper: Australian National Accounts, Introduction of Chain Volume and Price Indexes* (cat. no. 5248.0)

EXPLANATORY NOTES *continued*

RELATED PUBLICATIONS

continued

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

ABS DATA AVAILABLE ON REQUEST

54 In addition to the data contained in this publication, more detailed industry and state information may be made available on request, the cost for such a service being dependent upon the amount of data requested. For example, data are generally available at the ANZSIC group (3 digit) level.

ABS WEBSITE

55 The ABS website contains most of the data included in this publication but with a longer time series. In addition to the series in this publication, data for Manufacturing Subdivisions and State by Industry data are also available. A full list of available Time Series Spreadsheets available on the ABS Website is in Appendix 2 on page 38.

ACKNOWLEDGMENT

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

APPENDIX 1 SAMPLING ERRORS

LEVEL ESTIMATES

INTRODUCTION

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

EXAMPLE OF USE

To illustrate, let us say that the published level estimate for total capital expenditure is \$10,500m and the calculated standard error in this case is \$173m. The standard error is then used to interpret the level estimate of \$10,500m. For instance, the standard error of \$173m indicates that:

- There are approximately two chances in three that the real value falls within the range \$10,327m to \$10,673m ($\$10,500\text{m} \pm \173m)
- There are approximately 19 chances in 20 that the real value falls within the ranges \$10,154m and \$10,846m ($\$10,500\text{m} \pm \346m)

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

The following table shows the standard errors for quarterly level estimates. These standard errors are based on a smoothed average of capital expenditure estimates.

	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>
	\$m	\$m	\$m
Mining	11	16	36
Manufacturing	16	51	62
Construction	7	35	40
Wholesale trade	5	57	65
Retail trade	7	22	34
Transport and storage	10	40	45
Finance and insurance	3	29	31
Property and business services	52	62	84
Other services	69	36	89
Total	90	124	173
New South Wales	17	77	92
Victoria	73	71	108
Queensland	10	35	44
South Australia	2	13	27
Western Australia	5	25	32
Tasmania	1	8	8
Northern Territory	na	na	2
Australian Capital Territory	na	na	6
Australia	90	124	173

na not available

APPENDIX 1 SAMPLING ERRORS *continued*

MOVEMENT ESTIMATES

EXAMPLE OF USE

The following example illustrates how to use the standard error to interpret a movement estimate. Let us say that one quarter the published level estimate for total capital expenditure is \$10,500m, and the next quarter the published level estimate is \$11,100m. In this example the calculated standard error for the movement estimate is \$221m. The standard error is then used to interpret the published movement estimate of +\$600m.

For instance, the standard error of \$221m indicates that:

- There are approximately two chances in three that the real movement over the two quarter period falls within the range \$379m to \$821m ($\$600m \pm \$221m$)
- There are approximately nineteen chances in twenty that the real movement falls within the range \$158m to \$1,042m ($\$600m \pm \$442m$)

The following table shows the standard errors for national quarterly movement estimates. These standard errors are based on a smoothed average of capital expenditure estimates.

	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>
	\$m	\$m	\$m
Mining	15	23	49
Manufacturing	22	64	78
Construction	10	48	55
Wholesale trade	7	51	66
Retail trade	11	25	45
Transport and storage	12	49	53
Finance insurance	5	40	32
Property and business services	74	84	114
Other services	98	46	119
Total	127	153	221
New South Wales	26	99	103
Victoria	26	114	117
Queensland	63	75	100
South Australia	10	84	84
Western Australia	24	87	91
Tasmania	5	21	21
Northern Territory	na	na	33
Australian Capital Territory	na	na	67
Australia	127	153	221

na not available

APPENDIX 2 DATA AVAILABLE ON ABS WEBSITE

TIME SERIES SPREADSHEETS

The full list of Time Series Spreadsheets available on the ABS Website is as follows:

- 1a Actual expenditure, By type of asset and broad industry, Australia, Original, Current price terms
- 1b Short-term expectations, By type of asset and broad industry, Australia, Original, Current price terms
- 1c Long-term expectations, By type of asset and broad industry, Australia, Original, Current price terms
- 1e Actual expenditure, By type of asset and broad industry, Australia, Seasonally adjusted, Current price terms
- 1f Actual expenditure, By type of asset and broad industry, Australia, Trend, Current price terms
- 2a Actual expenditure, By detailed industry, Australia, Original, Current price terms
- 2b Short-term expectations, By detailed industry, Australia, Original, Current price terms
- 2c Long-term expectations, By detailed industry, Australia, Original, Current price terms
- 2e Actual expenditure, By detailed industry, Australia, Seasonally adjusted, Current price terms
- 2f Actual expenditure, By detailed industry, Australia, Trend, Current price terms
- 3a Actual expenditure, By type of asset, Australia, Original, Seasonally adjusted, Trend, Chain volume measures
- 3b Actual expenditure, By industry, Australia, Original, Seasonally adjusted, Trend, Chain volume measures
- 4a Actual expenditure, By type of asset, States and Australia, Original, Current price terms
- 4b Actual expenditure, By type of asset, States and Australia, Seasonally adjusted, Current price terms
- 4c Actual expenditure, By type of asset, States and Australia, Trend, Current price terms
- 5a Actual expenditure, By type of asset, States and Australia, Original, Chain volume measures
- 5b Actual expenditure, By type of asset, States and Australia, Seasonally adjusted, Chain volume measures
- 5c Actual expenditure, By type of asset, States and Australia, Trend, Chain volume measures
- 6a Actual and expected expenditure, By type of asset, New South Wales, Original, Current price terms
- 6b Actual and expected expenditure, By industry, New South Wales, Original, Current price terms
- 7a Actual and expected expenditure, By type of asset, Victoria, Original, Current price terms
- 7b Actual and expected expenditure, By industry, Victoria, Original, Current price terms
- 8a Actual and expected expenditure, By type of asset, Queensland, Original, Current price terms
- 8b Actual and expected expenditure, By industry, Queensland, Original, Current price terms
- 9a Actual and expected expenditure, By type of asset, South Australia, Original, Current price terms
- 9b Actual and expected expenditure, By industry, South Australia, Original, Current price terms
- 10a Actual and expected expenditure, By type of asset, Western Australia, Original, Current price terms

APPENDIX 2 DATA AVAILABLE ON ABS WEBSITE *continued*

TIME SERIES SPREADSHEETS *continued*

- 10b Actual and expected expenditure, By industry, Western Australia, Original, Current price terms
- 11a Actual and expected expenditure, By type of asset, Tasmania, Original, Current price terms
- 11b Actual and expected expenditure, By industry, Tasmania, Original, Current price terms
- 12a Financial year estimates combining actual and expected expenditure, By type of asset and broad industry, Australia, Original, Current price terms
- 12b Realisation ratios comparing actual to expected expenditure, By type of asset and broad industry, Australia, Original, Current price terms

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.

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