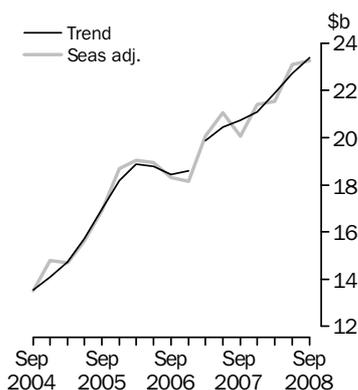


**PRIVATE NEW CAPITAL EXPENDITURE
AND EXPECTED EXPENDITURE AUSTRALIA**

EMBARGO: 11.30AM (CANBERRA TIME) THURS 27 NOV 2008

New Capital Expenditure

in volume terms



KEY FIGURES

	Sep Qtr 08	Jun Qtr 08 to Sep Qtr 08	Sep Qtr 07 to Sep Qtr 08
	\$m	% change	% change
Trend estimates^(a)			
Total new capital expenditure	23 377	2.9	12.7
Buildings & structures	10 385	2.4	10.2
Equipment, plant & machinery	12 973	3.1	14.3
Seasonally adjusted^(a)			
Total new capital expenditure	23 246	0.6	15.9
Buildings & structures	10 608	6.6	19.5
Equipment, plant & machinery	12 724	-2.4	13.0

(a) In volume terms.

KEY POINTS

ACTUAL EXPENDITURE (VOLUME TERMS)

- The trend estimate for total new capital expenditure (in volume terms) rose 2.9% in the September quarter 2008 while the seasonally adjusted estimate rose 0.6%.
- The trend estimate for buildings and structures rose 2.4% this quarter while the seasonally adjusted estimate rose 6.6%.
- The equipment, plant and machinery trend volume estimate rose 3.1% in the September quarter 2008. In seasonally adjusted terms the estimate fell 2.4%.

EXPECTED EXPENDITURE (CURRENT PRICE TERMS)

- This issue includes the fourth estimate for 2008-09.
- The fourth estimate for 2008-09 is \$102,675m. This is 21.9% higher than the fourth estimate for 2007-08. Estimate 4 is 1.6% higher than the third 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>
December 2008	26 February 2009
March 2009	28 May 2009
June 2009	27 August 2009
September 2009	26 November 2009

.....

CHANGES IN THIS ISSUE

Each September quarter the reference and base year for chain volume estimates for the Survey of Private New Capital Expenditure are updated. A new base year, 2006-07, has been introduced into the chain volume estimates which has resulted in minor revisions to growth rates in subsequent periods. In addition, the chain volume estimates have been re-referenced to 2006-07. Additivity is preserved in the quarters of the reference year and subsequent quarters. Re-referencing affects the level of, but not the movements in, chain volume estimates.

The Survey of Private New Capital Expenditure uses Autoregressive Integrated Moving Average (ARIMA) modelling where appropriate for seasonal adjustment of individual time series. The ARIMA model is assessed as part of the annual reanalysis which takes place each September quarter. Following the 2008 annual reanalysis which occurred in this quarter, 74% of eligible series use ARIMA modelling. For more information on seasonal adjustment for Survey series in this publication see paragraphs 41 to 43 of the Explanatory Notes.

Brian Pink
Australian Statistician

CONTENTS

page

COMMENTARY

Actual New Capital Expenditure, In Volume Terms	4
Actual and Expected New Capital Expenditure	6
Experimental Projected Capital Expenditure	10

TABLES

ACTUAL AND EXPECTED EXPENDITURE

1 Actual and expected expenditure, By type of asset and industry, Current prices	13
2 Actual and expected expenditure, By detailed industry, Current prices	14
3 Actual expenditure, By type of asset and industry, Chain volume measures	15
4 Actual expenditure, By type of asset and industry, Percentage change, Chain volume measures	16

FINANCIAL YEAR EXPENDITURE

5 Expected expenditure and realisation ratios, By type of asset, Current prices	17
6 Expected expenditure and realisation ratios, By industry, Current prices	18
7 Ratios of actual to short term expectations, By type of asset and industry, Current prices	19

STATE ESTIMATES

8 Actual expenditure on buildings and structures, By state, Current prices	20
9 Actual expenditure on equipment, plant and machinery, By state, Current prices	21
10 Actual total expenditure, By state, Current prices	22
11 Actual expenditure on buildings and structures, By state, Chain volume measures	23
12 Actual expenditure on equipment, plant and machinery, By state, Chain volume measures	24
13 Actual total expenditure, By state, Chain volume measures	25

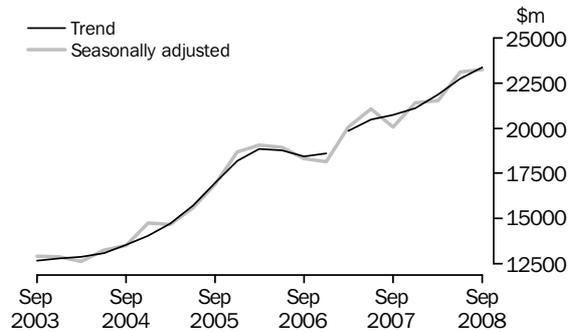
ADDITIONAL INFORMATION

What if...? Revisions to trend estimates	26
Explanatory Notes	27
Appendix 1: Sampling errors	36
Appendix 2: Data available on ABS Website	38

ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS

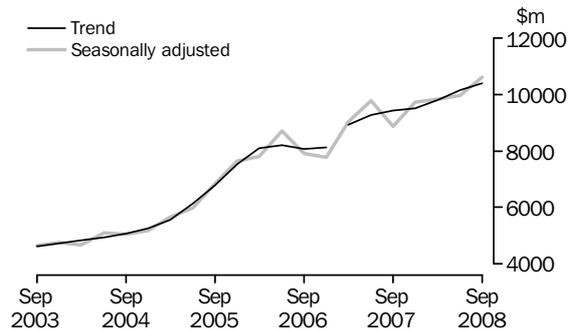
TOTAL CAPITAL EXPENDITURE

The trend estimate for total new capital expenditure rose 2.9% in the September quarter 2008. Both capital expenditure asset types have experienced growth. By industry, continued strength in Mining has been the key driver of the increase. The seasonally adjusted series for total new capital expenditure rose 0.6% in the September quarter 2008.



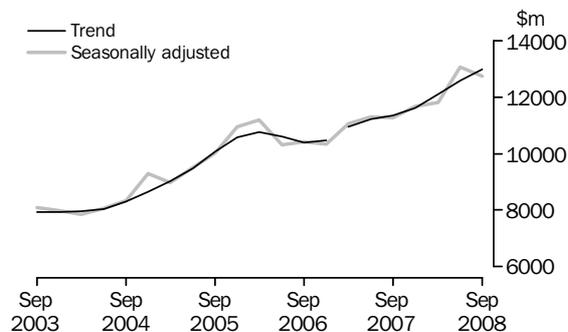
BUILDINGS AND STRUCTURES

Buildings and structures trend estimate rose 2.4% in the September quarter 2008. Mining was the main contributor to this gain, rising 7.6% in trend terms. The seasonally adjusted estimate for buildings and structures rose 6.6% in the September quarter 2008.



EQUIPMENT, PLANT AND MACHINERY

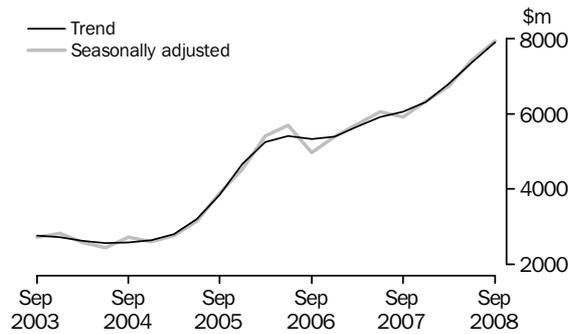
The trend estimate for equipment, plant and machinery rose 3.1% in the September quarter 2008. Mining rose 4.9% and Other selected industries rose 3.7% in the quarter, against a fall for Manufacturing (-1.6%). The seasonally adjusted series fell 2.4% this quarter led by a decrease in Mining of 10.1%.



ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS *continued*

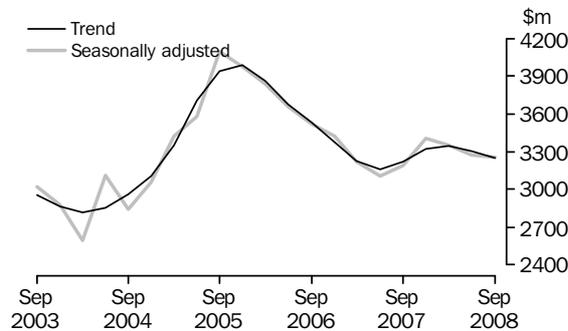
MINING

The trend estimate for Mining rose 7.2% in the September quarter 2008. The buildings and structures asset class rose 7.6% while equipment, plant and machinery rose 4.9% in trend terms. The seasonally adjusted September quarter estimate for Mining rose 7.1%. By asset class, buildings and structures continued to exhibit strength with a gain of 15.2% in the quarter compared to weakness in equipment, plant and machinery (-10.1%), in seasonally adjusted terms.



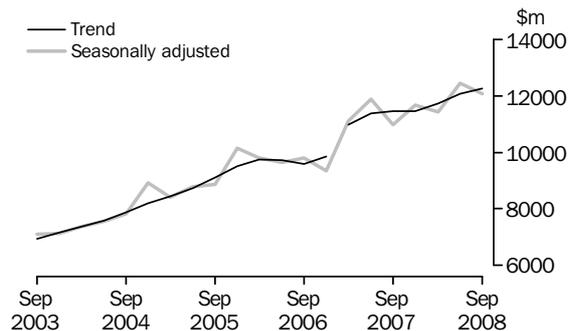
MANUFACTURING

The Manufacturing trend estimate fell 1.7% in the September quarter 2008. Both asset classes, buildings and structures and equipment, plant and machinery fell 1.6%. In seasonally adjusted terms the Manufacturing estimate fell 0.7%, which is the third consecutive quarterly decrease. Buildings and structures fell 2.6% while equipment, plant and machinery showed a slight increase (0.1%).



OTHER SELECTED INDUSTRIES

The trend estimate for Other selected industries rose 1.6% in the September quarter 2008. Buildings and structures fell 2.8% while equipment, plant and machinery rose 3.7%. The seasonally adjusted estimate for Other selected industries fell 2.9%. Buildings and structures fell 2.1% and equipment, plant and machinery fell 1.3%.



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.

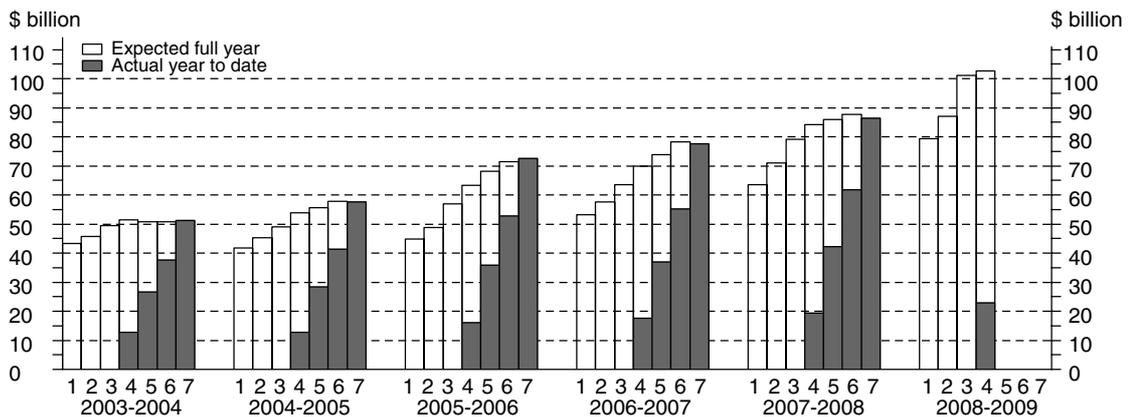
The timing and construction of these estimates are as follows:

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 4 for 2008-09 is \$102,675 million. This is an increase of 21.9% from Estimate 4 for 2007-08. The buildings and structures asset class rose 26.6%. Equipment rose 17.0% between these two estimates. Mining (47.7%) showed strong growth between these estimates and contributed 75.4% of the total increase from Estimate 4 for 2007-08.

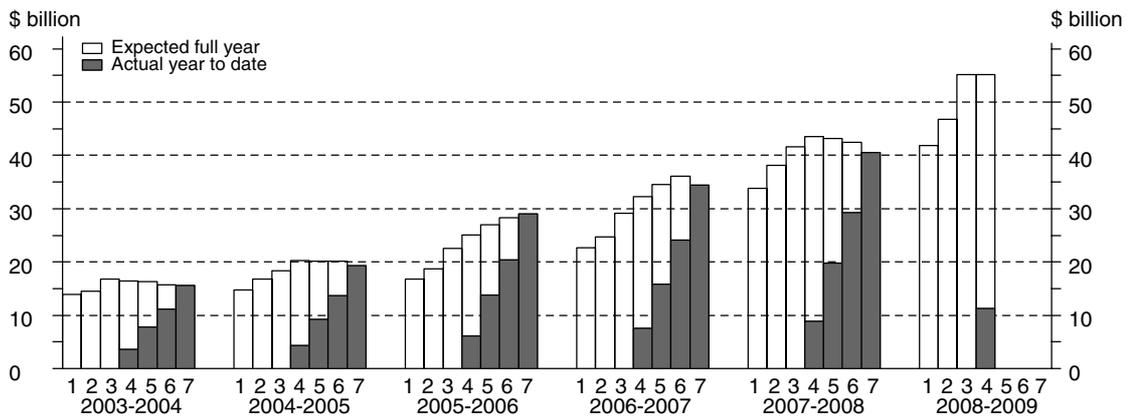
Estimate 4 for Manufacturing rose 12.1% and Other selected industries rose 7.1% in the same period. Estimate 4 rose only 1.6% from Estimate 3 of 2008-09 after strong rises in the estimate for 2008-09 in the two preceding quarters. By asset class, equipment rose 3.4% and buildings and structures was essentially flat.



ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

BUILDINGS AND STRUCTURES

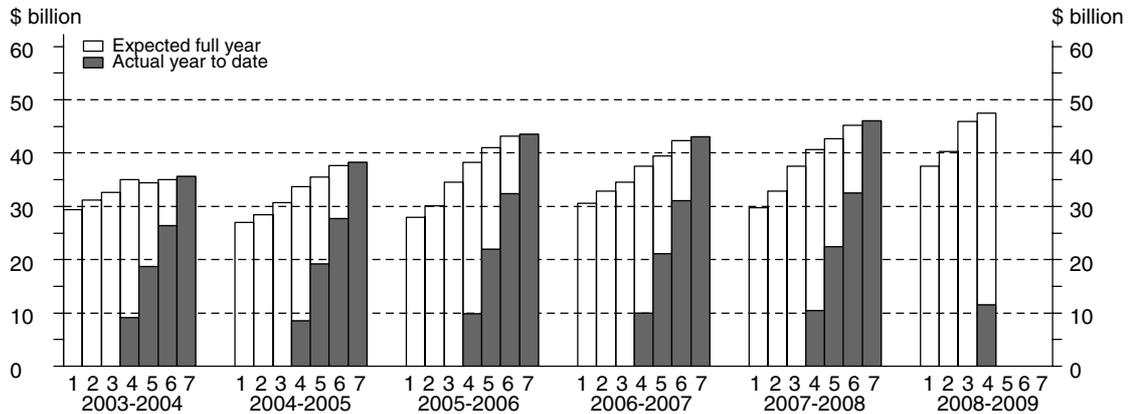
The buildings and structures Estimate 4 for 2008-09 is \$55,139 million and rose 26.6% when compared to Estimate 4 for 2007-08. Mining (45.9%) and Manufacturing (25.7%) showed strong growth between these estimates for buildings and structures while Other selected industries rose 2.4%. Mining has contributed 87.7% of the increase in Estimate 4 for the buildings and structures asset class between 2007-08 and 2008-09. Estimate 4 is relatively flat when compared to Estimate 3 for 2008-09. Mining increased marginally (2.5%) while Other selected industries (-3.4%) and Manufacturing (-2.7%) fell between these two estimates.



ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

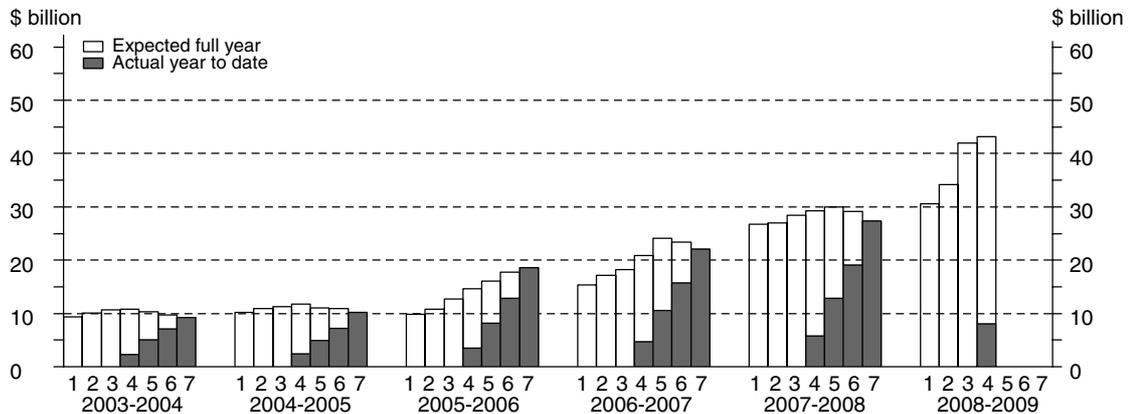
EQUIPMENT, PLANT AND MACHINERY

Estimate 4, at \$47,536m is 17.0% higher in 2008-09 than Estimate 4 for equipment, plant and machinery in the previous year. Mining (53.1%) was the major driver of this increase. Estimate 4 is 3.4% higher than Estimate 3 for 2008-09. This growth is balanced across Mining (3.7%), Other selected industries (3.6%) and Manufacturing (2.4%).



MINING

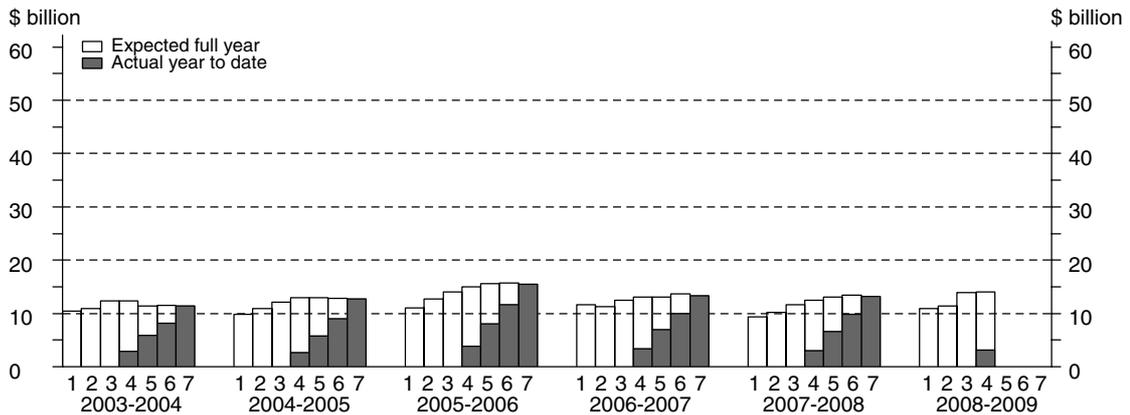
Estimate 4 for Mining, 2008-09 is \$43,168 million which is 47.7% higher than Estimate 4 of the previous year. Both asset classes have been strong between these estimates. Equipment, plant and machinery rose 53.1% and buildings and structures rose 45.9%. Estimate 4 rose 2.8% when compared to Estimate 3 of 2008-09. Equipment, plant and machinery rose 3.7% and buildings and structures rose 2.5% between these estimates.



ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

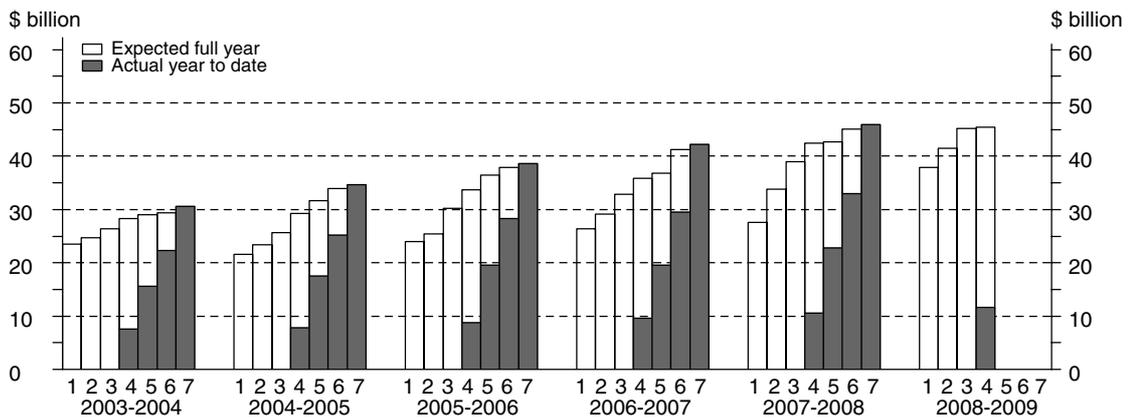
MANUFACTURING

The fourth estimate for Manufacturing, 2008-09 is \$14,028 million which is 12.1% higher than the corresponding estimate in 2007-08. Buildings and structures rose 25.7% and equipment, plant and machinery rose 5.9% between these estimates. Estimate 4 for Manufacturing 2008-09 rose only 0.6% on Estimate 3 for 2008-09. Equipment, plant and machinery rose 2.4% between these estimates while buildings and structures fell 2.7%.



OTHER SELECTED INDUSTRIES

Estimate 4 for Other selected industries, 2008-09 is \$45,480 million and 7.1% higher than Estimate 4 of 2007-08. By asset class, equipment, plant and machinery rose 10.5% and buildings and structures rose 2.4%. Estimate 4 rose only 0.7% on Estimate 3 for 2008-09. By asset class, equipment, plant and machinery rose 3.6% while buildings and structures fell 3.4%.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE

IN CURRENT PRICE TERMS

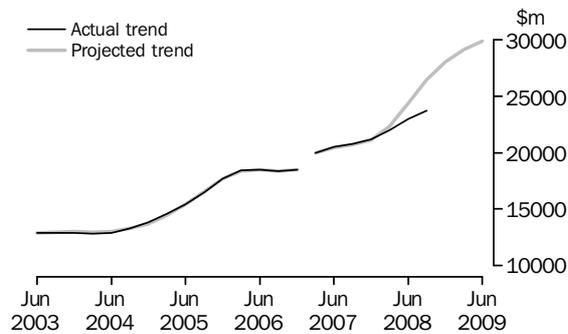
PROJECTED CAPITAL EXPENDITURE SERIES

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 September quarter 2008 data, which includes expected expenditure up to and including the June quarter 2009. Please see paragraphs 29 to 33 of the Explanatory Notes for further details about the methodology and cautionary notes for these series.

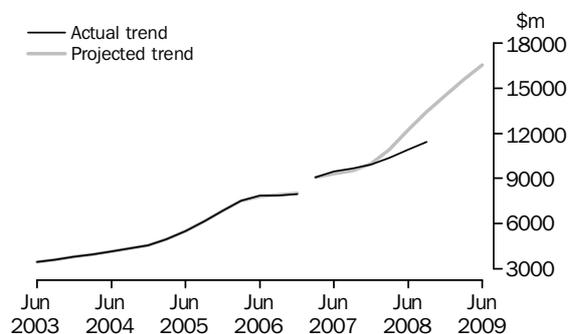
TOTAL CAPITAL EXPENDITURE

Continued strength in the trend series for total capital expenditure and stable 2008-09 expectations reported in the quarter project the total capital expenditure series to approach the \$30,000m expenditure per quarter level by the end of the 2008-09 financial year.



BUILDINGS AND STRUCTURES

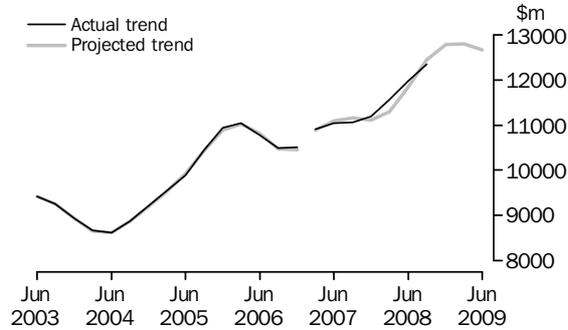
The projections for buildings and structures remain strong for the coming nine months, as expenditure expectations increased, albeit slightly in the September quarter. The buildings and structures projections are the main driver behind the strength displayed in the projection for total Capex. The projections anticipate an upturn in the pace of growth in the building series in the year ahead.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE *continued*

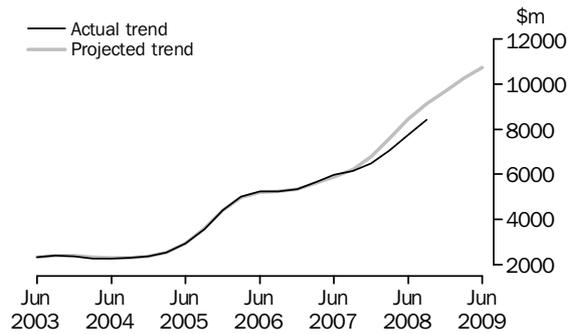
EQUIPMENT, PLANT AND MACHINERY

The progress of actual trend equipment, plant and machinery in the September quarter continued to follow modelled projections. Projections indicate increasing strength before a possible tapering in the series towards the end of the financial year.



MINING

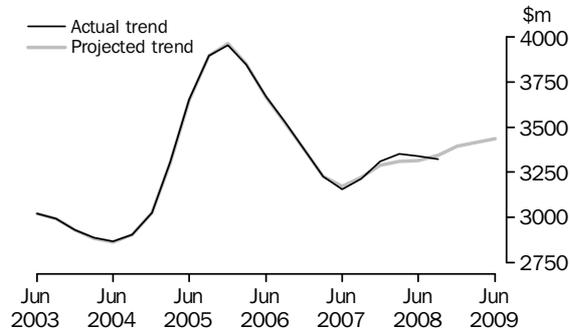
The Mining industry has experienced high growth since the start of 2005. Expectations data remained strong in the September quarter and the modelled projections suggest that this series will exceed the \$10,000m level by the end of the financial year.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE *continued*

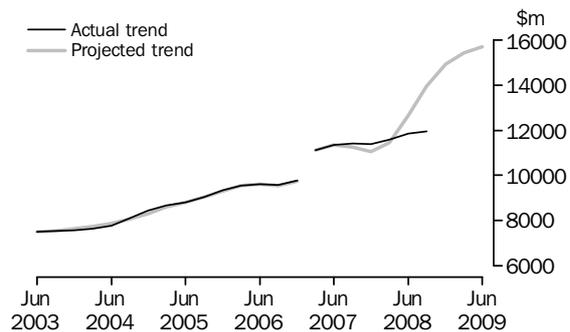
MANUFACTURING

The Manufacturing trend series fell slightly in the September quarter. The model is projecting a moderate rate of growth to a point marginally above current actual trend by June quarter 2009.



OTHER SELECTED INDUSTRIES

The Other selected industries series grew marginally in actual trend terms in the September quarter. Despite only slight upwards movement since June 2007, expectations data were steady in the September quarter and remain at high levels. The projections moving forward hence remain extremely strong, though the actual trend is diverging from the projected trend.



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 indus- tries	Total	Mining	Manu- facturing	Other selected indus- tries	Total	Mining	Manu- facturing	Other selected indus- tries	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
2006-07												
June	4 711	821	4 794	10 326	1 743	2 444	7 883	12 071	6 454	3 265	12 678	22 397
2007-08												
September	4 232	926	3 760	8 919	1 502	2 085	6 823	10 409	5 735	3 011	10 583	19 328
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	6 058	1 050	4 224	11 332	2 003	2 096	7 389	11 489	8 061	3 146	11 613	22 820
ORIGINAL (Expected) (a)												
2008-09												
3 mths to Dec	8 400	1 139	4 968	14 506	3 265	2 817	8 011	14 093	11 665	3 956	12 979	28 600
6 mths to Jun	17 795	2 727	8 779	29 301	5 647	4 198	12 109	21 954	23 442	6 925	20 888	51 255
Total fin year	32 252	4 916	17 971	55 139	10 916	9 112	27 509	47 536	43 168	14 028	45 480	102 675
SEASONALLY ADJUSTED (Actual)												
2006-07												
June	4 494	821	4 654	9 969	1 616	2 275	7 250	11 141	6 110	3 096	11 904	21 110
2007-08												
September	4 440	929	3 803	9 172	1 603	2 274	7 112	10 989	6 043	3 203	10 916	20 162
December	4 802	960	4 334	10 096	1 668	2 406	7 153	11 227	6 470	3 366	11 488	21 324
March	5 037	1 108	4 262	10 407	1 952	2 268	7 061	11 280	6 989	3 376	11 322	21 687
June	5 432	1 060	4 256	10 748	2 339	2 235	7 800	12 374	7 771	3 295	12 057	23 123
2008-09												
September	6 389	1 055	4 257	11 701	2 158	2 285	7 707	12 150	8 547	3 340	11 962	23 849
TREND ESTIMATES (Actual)												
2006-07												
June	4 396	880	4 181	9 457	1 577	2 278	7 185	11 040	5 973	3 158	11 351	20 482
2007-08												
September	4 565	899	4 231	9 695	1 600	2 314	7 151	11 063	6 165	3 213	11 405	20 783
December	4 723	987	4 203	9 913	1 751	2 324	7 121	11 195	6 474	3 311	11 388	21 173
March	5 086	1 051	4 236	10 373	1 968	2 300	7 295	11 561	7 054	3 351	11 589	21 994
June	5 594	1 072	4 287	10 953	2 166	2 268	7 548	11 982	7 760	3 340	11 846	22 946
2008-09												
September	6 119	1 075	4 233	11 427	2 293	2 247	7 780	12 341	8 412	3 322	11 947	23 681

(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 AND EXPECTED EXPENDITURE, By detailed industry—Current prices

Period	Mining	Manu- facturing	Construction	Wholesale trade	Retail trade	Transport and storage	Finance and insurance	Property and business services	Other services	Total
	\$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
2006-07										
June	6 454	3 265	^ 771	750	1 081	2 148	874	3 239	3 814	22 397
2007-08										
September	5 735	3 011	^ 753	748	1 188	1 769	787	2 549	2 790	19 328
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	8 061	3 146	^ 558	787	1 152	2 303	907	2 697	3 208	22 820
ORIGINAL (Expected) (a)										
2008-09										
3 mths to Dec	11 665	3 956	789	824	1 541	2 845	882	2 688	3 409	28 600
6 mths to Jun	23 442	6 925	702	1 380	2 259	4 796	1 578	4 088	6 085	51 255
Total fin year	43 168	14 028	2 050	2 991	4 951	9 944	3 368	9 473	12 702	102 675
SEASONALLY ADJUSTED (Actual)										
2006-07										
June	6 110	3 096	691	695	1 055	1 952	801	2 945	3 765	21 110
2007-08										
September	6 043	3 203	856	781	1 190	1 836	796	2 603	2 854	20 162
December	6 470	3 366	791	730	1 227	1 877	832	2 927	3 104	21 324
March	6 989	3 376	779	719	994	2 042	726	2 885	3 177	21 687
June	7 771	3 295	778	824	1 322	2 219	817	2 749	3 348	23 123
2008-09										
September	8 547	3 340	631	816	1 155	2 392	911	2 765	3 292	23 849
TREND ESTIMATES (Actual)										
2006-07										
June	5 973	3 158	734	731	1 099	1 893	847	2 791	3 256	20 482
2007-08										
September	6 165	3 213	798	736	1 165	1 888	805	2 832	3 181	20 783
December	6 474	3 311	815	740	1 221	1 902	777	2 830	3 103	21 173
March	7 054	3 351	788	757	1 220	2 042	786	2 837	3 159	21 994
June	7 760	3 340	734	788	1 188	2 215	819	2 812	3 290	22 946
2008-09										
September	8 412	3 322	688	827	1 159	2 340	863	2 745	3 325	23 681

^ 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	21 890	36 122	58 605	11 277	12 907	33 946	58 605
2005-06	30 995	42 448	73 592	19 526	15 562	38 467	73 592
2006-07	34 461	43 090	77 552	22 118	13 264	42 169	77 552
2007-08	38 384	47 780	86 164	26 374	13 219	46 570	86 164
2006-07							
September	7 717	9 884	17 595	4 744	3 332	9 532	17 595
December	8 388	11 064	19 471	5 874	3 681	9 947	19 471
March	8 218	9 921	18 130	5 138	2 986	9 996	18 130
June	10 138	12 222	22 355	6 362	3 264	12 694	22 355
2007-08							
September	8 634	10 642	19 276	5 598	3 001	10 676	19 276
December	10 448	12 451	22 899	6 876	3 669	12 354	22 899
March	8 960	10 565	19 525	6 057	3 117	10 351	19 525
June	10 341	14 122	24 464	7 843	3 432	13 189	24 464
2008-09							
September	10 249	11 987	22 237	7 461	3 067	11 709	22 237
SEASONALLY ADJUSTED							
2006-07							
September	7 903	10 405	18 291	4 967	3 519	9 810	18 291
December	7 763	10 331	18 135	5 384	3 423	9 349	18 135
March	9 025	11 056	20 058	5 718	3 216	11 116	20 058
June	9 772	11 299	21 067	6 049	3 106	11 893	21 067
2007-08							
September	8 877	11 261	20 065	5 910	3 188	10 967	20 065
December	9 721	11 674	21 402	6 334	3 403	11 665	21 402
March	9 834	11 803	21 520	6 727	3 353	11 440	21 520
June	9 951	13 043	23 108	7 402	3 276	12 429	23 108
2008-09							
September	10 608	12 724	23 246	7 928	3 252	12 066	23 246
TREND							
2006-07							
September	8 068	10 379	18 427	5 334	3 530	9 589	18 427
December	8 128	10 463	18 601	5 383	3 375	9 843	18 601
March	(b)8 909	(b)10 946	(b)19 855	5 650	3 224	(b)10 976	(b)19 855
June	9 274	11 204	20 460	5 913	3 160	11 377	20 460
2007-08							
September	9 428	11 353	20 735	6 056	3 219	11 453	20 735
December	9 512	11 623	21 095	6 314	3 320	11 461	21 095
March	9 791	12 099	21 867	6 791	3 344	11 733	21 867
June	10 141	12 585	22 716	7 355	3 304	12 057	22 716
2008-09							
September	10 385	12 973	23 377	7 888	3 247	12 246	23 377

(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			
	Buildings and structures	Equipment, Plant and Machinery	Total	Mining	Manufacturing	Other selected industries	Total
	%	%	%	%	%	%	%
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	73.1	20.6	13.3	25.6
2006-07	11.2	1.5	5.4	13.3	-14.8	9.6	5.4
2007-08	11.4	10.9	11.1	19.2	-0.3	10.4	11.1
2006-07							
September	-14.5	-11.0	-12.4	-20.5	-13.6	-7.5	-12.4
December	8.7	11.9	10.7	23.8	10.5	4.4	10.7
March	-2.0	-10.3	-6.9	-12.5	-18.9	0.5	-6.9
June	23.4	23.2	23.3	23.8	9.3	27.0	23.3
2007-08							
September	-14.8	-12.9	-13.8	-12.0	-8.1	-15.9	-13.8
December	21.0	17.0	18.8	22.8	22.2	15.7	18.8
March	-14.2	-15.1	-14.7	-11.9	-15.1	-16.2	-14.7
June	15.4	33.7	25.3	29.5	10.1	27.4	25.3
2008-09							
September	-0.9	-15.1	-9.1	-4.9	-10.6	-11.2	-9.1
SEASONALLY ADJUSTED							
2006-07							
September	-9.3	1.0	-3.4	-12.7	-3.7	1.8	-3.4
December	-1.8	-0.7	-0.9	8.4	-2.7	-4.7	-0.9
March	16.3	7.0	10.6	6.2	-6.0	18.9	10.6
June	8.3	2.2	5.0	5.8	-3.4	7.0	5.0
2007-08							
September	-9.2	-0.3	-4.8	-2.3	2.6	-7.8	-4.8
December	9.5	3.7	6.7	7.2	6.7	6.4	6.7
March	1.2	1.1	0.6	6.2	-1.5	-1.9	0.6
June	1.2	10.5	7.4	10.0	-2.3	8.6	7.4
2008-09							
September	6.6	-2.4	0.6	7.1	-0.7	-2.9	0.6
TREND							
2006-07							
September	-1.8	-2.0	-1.9	-1.5	-3.9	-1.4	-1.9
December	0.7	0.8	0.9	0.9	-4.4	2.6	0.9
March	na	na	na	5.0	-4.5	na	na
June	4.1	2.4	3.0	4.6	-2.0	3.7	3.0
2007-08							
September	1.7	1.3	1.3	2.4	1.9	0.7	1.3
December	0.9	2.4	1.7	4.3	3.1	0.1	1.7
March	2.9	4.1	3.7	7.6	0.7	2.4	3.7
June	3.6	4.0	3.9	8.3	-1.2	2.8	3.9
2008-09							
September	2.4	3.1	2.9	7.2	-1.7	1.6	2.9

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)
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BUILDINGS AND STRUCTURES (\$ million)

2004-05	14 754	16 775	18 359	20 323	20 176	20 160	19 262
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	55 139	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)

2004-05	26 927	28 423	30 675	33 645	35 442	37 661	38 293
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	47 536	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)

2004-05	41 682	45 197	49 034	53 969	55 619	57 821	57 554
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	102 675	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)

2004-05	-3.9	-1.1	-0.9	4.9	9.6	13.9	12.3
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	21.9	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)

2004-05	10 192	10 937	11 226	11 784	10 998	10 950	10 253
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	43 168	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)

2004-05	9 853	10 915	12 133	12 937	12 928	12 895	12 681
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	14 028	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)

2004-05	21 637	23 346	25 676	29 247	31 693	33 976	34 620
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	45 480	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.

7

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				
2005–06	1.07	1.10	1.14	1.15
2006–07	0.97	0.87	1.06	1.00
2007–08	0.91	0.85	0.92	0.88
5-year average	0.95	0.93	1.01	0.97
Equipment, plant and machinery				
2005–06	1.05	1.04	1.22	1.13
2006–07	1.05	1.07	1.15	1.20
2007–08	1.06	1.06	1.17	1.17
5-year average	1.04	1.06	1.16	1.15
Total				
2005–06	1.06	1.07	1.19	1.14
2006–07	1.01	0.97	1.11	1.10
2007–08	0.98	0.95	1.03	1.01
5-year average	1.00	1.00	1.09	1.07
TYPE OF INDUSTRY				
Mining				
2005–06	1.10	1.17	1.21	1.33
2006–07	1.03	0.83	1.08	0.86
2007–08	0.91	0.82	0.88	0.85
5-year average	0.94	0.89	0.99	0.94
Manufacturing				
2005–06	0.99	0.94	1.09	0.98
2006–07	1.00	0.88	1.08	1.03
2007–08	0.97	0.94	1.13	1.02
5-year average	0.93	0.93	1.04	1.00
Other selected industries				
2005–06	1.07	1.07	1.23	1.13
2006–07	1.00	1.08	1.14	1.31
2007–08	1.04	1.07	1.11	1.16
5-year average	1.07	1.09	1.17	1.18
Total				
2005–06	1.06	1.07	1.19	1.14
2006–07	1.01	0.97	1.11	1.10
2007–08	0.98	0.95	1.03	1.01
5-year average	1.00	1.00	1.09	1.07

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

ACTUAL EXPENDITURE ON BUILDINGS AND STRUCTURES, 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									
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									
September	1 147	1 242	1 362	382	2 843	^ 39	494	^ 40	7 549
December	1 238	1 238	1 393	532	3 420	^ 54	405	*58	8 337
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	1 763	1 438	2 373	636	4 781	67	243	31	11 332
SEASONALLY ADJUSTED									
2006-07									
September	1 201	1 232	1 404	424	2 925	np	np	np	7 731
December	1 141	1 163	1 246	477	3 180	np	np	np	7 726
March	1 808	1 446	1 361	557	3 455	np	np	np	9 079
June	1 830	1 563	1 581	601	3 660	np	np	np	9 969
2007-08									
September	1 643	1 484	1 427	607	3 515	np	np	np	9 172
December	1 880	1 638	1 596	623	3 816	np	np	np	10 096
March	1 988	1 627	1 827	858	4 074	np	np	np	10 407
June	2 014	1 549	2 027	582	4 004	np	np	np	10 748
2008-09									
September	1 882	1 460	2 411	699	4 941	np	np	np	11 701
TREND									
2006-07									
September	1 183	1 206	1 349	442	3 179	47	423	46	7 901
December	1 268	1 242	1 302	473	3 214	58	427	48	7 997
March	(a)1 669	(a)1 421	(a)1 422	(a)559	(a)3 407	(a)84	(a)430	(a)64	(a)9 074
June	1 758	1 502	1 447	592	3 558	90	398	63	9 457
2007-08									
September	1 791	1 567	1 509	615	3 662	85	371	56	9 695
December	1 851	1 602	1 605	621	3 760	85	381	47	9 913
March	1 945	1 599	1 810	623	3 984	90	194	39	10 373
June	1 978	1 556	2 078	635	4 304	89	221	35	10 953
2008-09									
September	1 946	1 484	2 326	656	4 603	82	243	33	11 427

^ 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

* estimate has a relative standard error of 25% to 50% and should be used with caution (a) Break in series between December 2006 and March 2007.

ACTUAL EXPENDITURE ON EQUIPMENT, PLANT AND MACHINERY, 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									
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									
September	2 729	2 689	2 264	656	1 282	131	^ 119	^ 128	9 997
December	3 044	2 979	2 338	844	1 656	^ 146	^ 52	^ 97	11 158
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	3 212	2 419	2 488	711	2 120	187	*234	117	11 489
SEASONALLY ADJUSTED									
2006-07									
September	2 859	2 795	2 396	732	1 356	np	np	np	10 524
December	2 837	2 741	2 309	728	1 556	np	np	np	10 414
March	2 767	2 829	2 504	694	1 694	np	np	np	10 982
June	3 129	2 608	2 519	708	1 844	np	np	np	11 141
2007-08									
September	3 099	2 694	2 506	598	1 723	np	np	np	10 989
December	3 228	2 619	2 582	588	1 813	np	np	np	11 227
March	3 260	2 421	2 581	592	1 961	np	np	np	11 280
June	3 497	2 783	2 652	649	2 238	np	np	np	12 374
2008-09									
September	3 391	2 528	2 642	780	2 271	np	np	np	12 150
TREND									
2006-07									
September	2 826	2 796	2 335	724	1 456	152	86	120	10 485
December	2 783	2 761	2 369	719	1 532	135	75	114	10 505
March	(a)2 907	(a)2 752	(a)2 468	(a)713	(a)1 689	(a)132	(a)93	(a)110	(a)10 905
June	3 011	2 707	2 506	671	1 768	136	126	104	11 040
2007-08									
September	3 124	2 629	2 537	621	1 776	146	160	97	11 063
December	3 227	2 585	2 561	585	1 837	166	168	88	11 195
March	3 311	2 587	2 599	606	1 989	191	176	89	11 561
June	3 399	2 598	2 631	668	2 164	210	196	98	11 982
2008-09									
September	3 455	2 612	2 649	735	2 291	220	221	109	12 341

^ 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

* estimate has a relative standard error of 25% to 50% 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	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									
September	3 876	3 931	3 625	1 038	4 125	170	612	^ 167	17 546
December	4 283	4 218	3 731	1 377	5 076	^ 200	457	^ 155	19 495
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	4 975	3 858	4 861	1 347	6 901	254	^ 477	148	22 820
SEASONALLY ADJUSTED									
2006-07									
September	4 060	4 027	3 800	1 156	4 281	187	592	172	18 255
December	3 978	3 904	3 555	1 205	4 736	187	449	153	18 140
March	4 575	4 275	3 865	1 251	5 149	232	544	176	20 061
June	4 959	4 171	4 100	1 309	5 504	228	521	173	21 110
2007-08									
September	4 742	4 178	3 933	1 205	5 238	208	539	156	20 162
December	5 108	4 257	4 178	1 211	5 629	282	557	124	21 324
March	5 248	4 048	4 408	1 450	6 035	241	334	135	21 687
June	5 511	4 332	4 679	1 231	6 242	345	443	123	23 123
2008-09									
September	5 273	3 988	5 053	1 479	7 212	281	467	150	23 849
TREND									
2006-07									
September	4 009	4 002	3 684	1 166	4 635	199	509	166	18 340
December	4 051	4 003	3 671	1 192	4 746	193	502	162	18 493
March	(a) 4 576	(a) 4 173	(a) 3 890	(a) 1 272	(a) 5 096	(a) 216	(a) 523	(a) 174	(a) 19 993
June	4 769	4 209	3 953	1 263	5 326	226	524	167	20 482
2007-08									
September	4 915	4 196	4 046	1 236	5 438	231	531	153	20 783
December	5 078	4 187	4 166	1 206	5 597	251	549	135	21 173
March	5 256	4 186	4 409	1 229	5 973	281	370	128	21 994
June	5 377	4 154	4 709	1 303	6 468	299	417	133	22 946
2008-09									
September	5 401	4 096	4 975	1 391	6 894	302	464	142	23 681

^ 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	5 469	3 590	3 446	1 130	5 848	488	1 732	179	21 890
2005-06	6 388	4 661	5 164	1 564	10 815	295	1 860	248	30 995
2006-07	5 966	5 405	5 586	2 068	13 224	282	1 712	219	34 461
2007-08	7 150	5 986	6 504	2 485	14 615	335	1 139	170	38 384
2006-07									
September	1 174	1 270	1 391	392	2 908	40	503	40	7 717
December	1 248	1 246	1 400	536	3 440	54	406	58	8 388
March	1 516	1 291	1 178	450	3 199	96	432	55	8 218
June	2 028	1 598	1 617	690	3 676	92	372	65	10 138
2007-08									
September	1 503	1 428	1 350	535	3 299	74	383	62	8 634
December	1 968	1 684	1 703	665	3 939	85	372	34	10 448
March	1 572	1 370	1 495	657	3 593	79	153	42	8 960
June	2 108	1 505	1 956	628	3 785	98	231	31	10 341
2008-09									
September	1 593	1 301	2 146	575	4 325	60	219	28	10 249
SEASONALLY ADJUSTED									
2006-07									
September	1 227	1 261	1 433	439	2 993	np	np	np	7 903
December	1 146	1 170	1 251	484	3 199	np	np	np	7 763
March	1 798	1 440	1 353	557	3 440	np	np	np	9 025
June	1 794	1 534	1 549	588	3 592	np	np	np	9 772
2007-08									
September	1 591	1 437	1 379	581	3 402	np	np	np	8 877
December	1 812	1 578	1 533	588	3 670	np	np	np	9 721
March	1 881	1 537	1 722	791	3 843	np	np	np	9 834
June	1 866	1 434	1 870	525	3 699	np	np	np	9 951
2008-09									
September	1 708	1 323	2 179	616	4 470	np	np	np	10 608
TREND									
2006-07									
September	1 211	1 236	1 380	458	3 262	48	431	47	8 068
December	1 275	1 251	1 309	481	3 238	59	429	48	8 128
March	(b)1 656	(b)1 411	(b)1 409	(b)558	(b)3 384	(b)84	(b)427	(b)64	(b)8 909
June	1 726	1 475	1 418	568	3 494	89	392	62	9 274
2007-08									
September	1 741	1 523	1 463	602	3 555	83	363	55	9 428
December	1 776	1 537	1 537	642	3 606	82	369	45	9 512
March	1 838	1 510	1 702	652	3 753	84	184	37	9 791
June	1 836	1 442	1 917	630	3 974	82	206	32	10 141
2008-09									
September	1 775	1 348	2 096	597	4 186	74	225	30	10 385

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.

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	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	13 686	10 975	10 761	2 512	7 982	769	715	378	47 780
2006-07									
September	2 693	2 655	2 236	651	1 273	130	118	126	9 884
December	3 017	2 955	2 316	837	1 645	145	52	96	11 064
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	2 969	2 691	703	1 970	222	191	96	12 451
March	3 003	2 366	2 468	544	1 814	144	137	88	10 565
June	4 061	2 993	3 181	713	2 561	285	227	102	14 122
2008-09									
September	3 389	2 543	2 596	738	2 162	194	239	125	11 987
SEASONALLY ADJUSTED									
2006-07									
September	2 829	2 756	2 368	726	1 354	np	np	np	10 405
December	2 823	2 716	2 289	721	1 556	np	np	np	10 331
March	2 803	2 847	2 517	697	1 709	np	np	np	11 056
June	3 182	2 645	2 560	715	1 873	np	np	np	11 299
2007-08									
September	3 187	2 761	2 571	610	1 760	np	np	np	11 261
December	3 366	2 732	2 682	607	1 877	np	np	np	11 674
March	3 429	2 540	2 708	615	2 024	np	np	np	11 803
June	3 705	2 942	2 800	680	2 321	np	np	np	13 043
2008-09									
September	3 587	2 662	2 768	810	2 330	np	np	np	12 724
TREND									
2006-07									
September	2 791	2 755	2 305	716	1 453	149	85	118	10 379
December	2 781	2 745	2 357	715	1 537	134	75	113	10 463
March	(b)2 930	(b)2 760	(b)2 477	(b)714	(b)1 702	(b)132	(b)94	(b)110	(b)10 946
June	3 068	2 747	2 545	678	1 795	139	129	105	11 204
2007-08									
September	3 217	2 701	2 606	634	1 818	152	164	100	11 353
December	3 361	2 689	2 661	604	1 895	176	173	92	11 623
March	3 483	2 716	2 723	630	2 057	204	183	95	12 099
June	3 594	2 740	2 767	697	2 236	227	204	104	12 585
2008-09									
September	3 651	2 760	2 790	766	2 360	238	228	116	12 973

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	16 675	12 733	10 443	4 048	10 649	1 125	2 020	678	58 605
2005-06	18 581	15 505	13 616	4 619	17 084	1 157	2 250	725	73 592
2006-07	17 604	16 369	15 319	4 927	19 717	834	2 112	670	77 552
2007-08	20 837	16 961	17 265	4 997	22 598	1 104	1 853	548	86 164
2006-07									
September	3 881	3 923	3 620	1 044	4 167	171	622	168	17 595
December	4 283	4 211	3 712	1 376	5 083	200	455	154	19 471
March	3 953	3 948	3 557	1 066	4 726	217	497	167	18 130
June	5 487	4 288	4 430	1 441	5 740	245	537	181	22 355
2007-08									
September	4 516	4 075	3 771	1 087	4 936	192	543	155	19 276
December	5 576	4 653	4 394	1 368	5 909	306	563	129	22 899
March	4 576	3 736	3 962	1 202	5 407	223	290	130	19 525
June	6 168	4 497	5 137	1 341	6 346	383	458	133	24 464
2008-09									
September	4 982	3 844	4 742	1 314	6 487	255	459	153	22 237
SEASONALLY ADJUSTED									
2006-07									
September	4 072	4 019	3 794	1 167	4 333	187	602	172	18 291
December	3 987	3 894	3 542	1 207	4 754	186	448	151	18 135
March	4 578	4 286	3 876	1 252	5 154	232	543	175	20 058
June	4 967	4 170	4 107	1 302	5 475	228	519	172	21 067
2007-08									
September	4 778	4 198	3 950	1 191	5 162	211	534	157	20 065
December	5 178	4 310	4 215	1 195	5 547	290	552	127	21 402
March	5 310	4 077	4 429	1 406	5 868	247	332	138	21 520
June	5 571	4 376	4 670	1 205	6 021	357	436	127	23 108
2008-09									
September	5 295	3 985	4 946	1 426	6 801	291	454	156	23 246
TREND									
2006-07									
September	4 019	3 994	3 679	1 175	4 696	199	517	166	18 427
December	4 082	4 002	3 667	1 198	4 771	193	676	161	18 601
March	(b)4 574	(b)4 170	(b)3 888	(b)1 270	(b)5 092	(b)215	(b)444	(b)173	(b)19 855
June	4 784	4 218	3 965	1 245	5 295	227	539	167	20 460
2007-08									
September	4 954	4 220	4 070	1 236	5 376	234	548	154	20 735
December	5 138	4 225	4 198	1 246	5 501	258	480	137	21 095
March	5 321	4 227	4 426	1 282	5 806	288	432	132	21 867
June	5 430	4 182	4 684	1 327	6 208	309	413	137	22 716
2008-09									
September	5 426	4 108	4 883	1 363	6 588	314	422	146	23 377

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

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

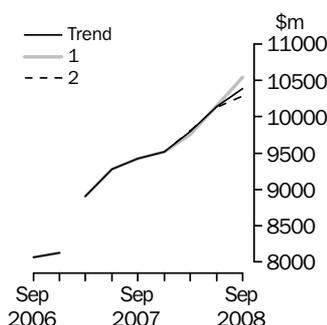
WHAT IF...? REVISIONS TO TREND ESTIMATES

EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

TREND REVISIONS

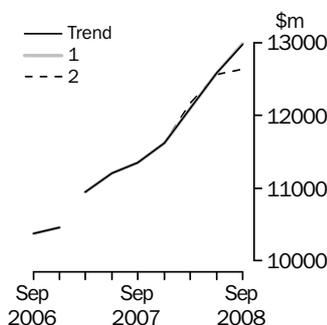
Recent seasonally adjusted and trend estimates are likely to be revised when original estimates for subsequent quarters become available. The approximate effects of possible scenarios on trend estimates for capital expenditure in chain volume terms are presented below by illustrating the impact if next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



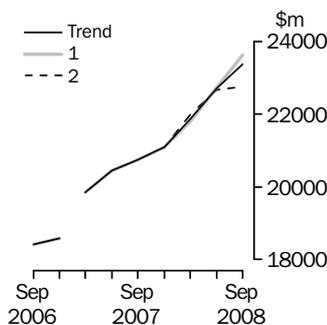
	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	%	(1) rises by 6.7% on this quarter		(2) falls by 6.7% on this quarter	
	\$m	%	\$m	%	\$m	%
2007						
December	9 512	0.9	9 512	0.9	9 512	0.9
2008						
March	9 791	2.9	9 755	2.6	9 810	3.1
June	10 141	3.6	10 149	4.0	10 128	3.2
September	10 385	2.4	10 542	3.9	10 277	1.5

EQUIPMENT, PLANT AND MACHINERY



	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	%	(1) rises by 4.9% on this quarter		(2) falls by 4.9% on this quarter	
	\$m	%	\$m	%	\$m	%
2007						
December	11 623	2.4	11 623	2.4	11 623	2.4
2008						
March	12 099	4.1	12 090	4.0	12 163	4.6
June	12 585	4.0	12 586	4.1	12 560	3.3
September	12 973	3.1	12 984	3.2	12 632	0.6

TOTAL CAPITAL EXPENDITURE



	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	%	(1) rises by 4.4% on this quarter		(2) falls by 4.4% on this quarter	
	\$m	%	\$m	%	\$m	%
2007						
December	21 095	1.7	21 095	1.7	21 095	1.7
2008						
March	21 867	3.7	21 801	3.3	21 984	4.2
June	22 716	3.9	22 729	4.3	22 665	3.1
September	23 377	2.9	23 622	3.9	22 742	0.3

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

	2006–2007				2007–2008			2008–2009	
	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
Survey quarter									
December 2006	Act	E1			E2				
March 2007	Act	Act	E1		E2				
June 2007	Act	Act	Act	E1	E2				
September 2007				Act	E1	E2			
December 2007				Act	Act	E1	E2		
March 2008				Act	Act	Act	E1	E2	
June 2008				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 2007-2008:

- the first estimate was available from the December 2006 survey as a longer term expectation (E2)
- the second estimate is available from the March 2007 survey (again as a longer term expectation)
- the third estimate will be available from in the June 2007 survey as the sum of two expectations (E1 + E2)
- in the September 2007, December 2007 and March 2008 surveys the fourth, fifth and sixth estimates, respectively, are derived as 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 2008 survey is derived by summing the actual expenditure for each of the four quarters in the 2007-08 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 those 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 September quarter 2008 they represented about 0.3% 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 September 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*.

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

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

FOR MORE INFORMATION . . .

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