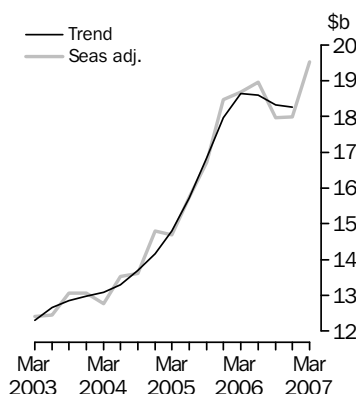


PRIVATE NEW CAPITAL EXPENDITURE AND EXPECTED EXPENDITURE AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) THURS 31 MAY 2007

New Capital Expenditure in volume terms



KEY FIGURES

	Mar Qtr 07	Dec Qtr 06 to Mar Qtr 07	Mar Qtr 06 to Mar Qtr 07
	\$m	% change	% change
Trend estimates^(a)			
Total new capital expenditure	np	np	np
Buildings & structures	np	np	np
Equipment, plant & machinery	np	np	np
Seasonally adjusted^(a)			
Total new capital expenditure	19 492	9.1	4.7
Buildings & structures	8 035	17.2	15.0
Equipment, plant & machinery	11 568	6.1	-1.1

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

(a) In volume terms.

KEY POINTS

ACTUAL EXPENDITURE (VOLUME TERMS)

- The seasonally adjusted estimate for total new capital expenditure (in volume terms) increased by 9.1% in the March quarter 2007. March quarter movements have been affected by the privatisation of Telstra. See changes in this issue on page 2.
- Seasonally adjusted estimates for equipment, plant and machinery increased 6.1% in the March quarter 2007.
- The seasonally adjusted estimate for buildings and structures increased 17.2% this quarter.
- There is a trend break in the March quarter 2007 for the total new capital expenditure, equipment, plant and machinery, buildings and structures and Other selected industries series. As a result no trend estimates are published for these series.

EXPECTED EXPENDITURE (CURRENT TERMS)

- This issue includes the sixth estimate for 2006-07 and the second estimate for 2007-08. These estimates have also been affected by the privatisation of Telstra.
- The sixth estimate for 2006-07 is \$78,062m, which is 9.3% higher than the corresponding estimate for 2005-06 and 5.6% higher than the fifth estimate for 2006-07.
- The second estimate for 2007-08 is \$70,029m. This is 21.7% higher than the second estimate for 2006-07. Estimate 2 is 10.2% higher than the first estimate for 2007-08
- 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 Scott Johnston on Sydney (02) 9268 4357.

NOTES

FORTHCOMING ISSUES

<i>ISSUE (Quarter)</i>	<i>RELEASE DATE</i>
June 2007	30 August 2007
September 2007	29 November 2007

.....

CHANGES IN THIS ISSUE

Telstra Corporation was effectively privatised on 20 November 2006. For the purposes of ABS statistics this change from public sector to private sector is effective from March quarter 2007. This change has impacted on the data series presented in this publication, particularly the March quarter 2007 movements. For more information please see Information Paper: Future Treatment of Telstra in ABS Statistics, 2007 (cat. no. 8102.0), released 26 February 2007.

To assist users of these statistics the seasonally adjusted movements for March quarter 2007 if Telstra Corporation had also been included in the December quarter 2006 data would have been as follows:

Total new capital expenditure	4.7%
Buildings and structures	10.1%
Equipment, plant and machinery	2.6%

Telstra Corporation have also been included in expectations estimates for the first time in the March quarter 2007. They contribute to the sixth estimate for 2006-07 and the second estimate for 2007-08. Caution should be taken in the application of realisation ratios where this has an impact.

REVISIONS IN THIS ISSUE

The December quarter 2007 Transport industry estimate has been revised downwards by \$298m in original terms. This has had the effect of reducing the industry total by 16.4%. The majority of this revision was due to the discovery of an incorrectly reporting unit.

FORTHCOMING CHANGES

A new reference year is typically updated annually every June quarter. From 2007 onwards the updating of the reference year will be completed in the September quarter each year. In September 2007 the new reference year will be 2005-06 for chain volume estimates. This will result in revisions to growth rates in quarters following 2005-06 but will preserve additivity in those quarters. For earlier periods re-referencing affects the levels of, but not the movements in, chain volume estimates.

.....

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

Peter Harper
Acting Australian Statistician

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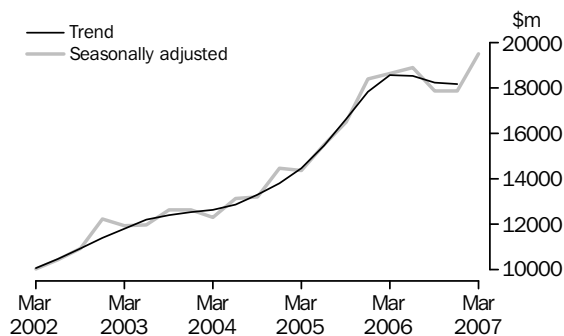
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ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS

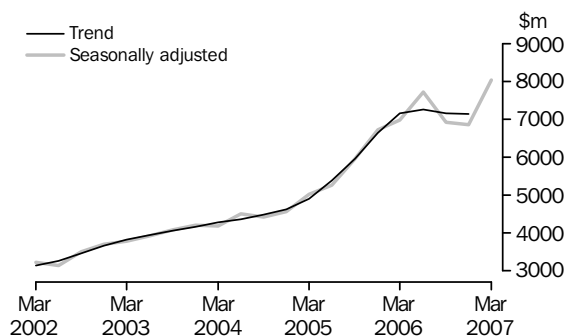
TOTAL CAPITAL EXPENDITURE

The seasonally adjusted series for total new capital expenditure rose by 9.1% in the March quarter 2007. Both asset classes have increased with buildings and structures rising by 17.2% and equipment, plant and machinery by 6.1%. There is a break in the trend series in the March quarter 2007 for total new capital expenditure.



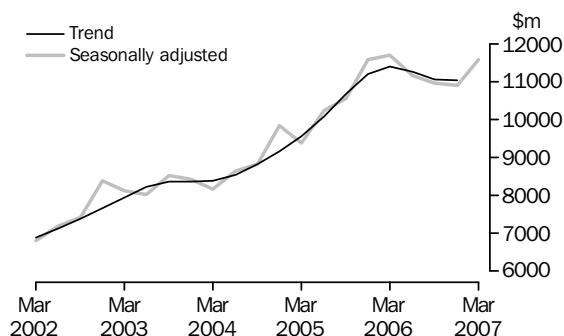
BUILDINGS AND STRUCTURES

The seasonally adjusted estimate for buildings and structures rose by 17.2% in the March quarter 2007. Other selected industries rose by 35.3% and Mining by 12.8%. Manufacturing fell by 13.3%. There is a break in the trend series in March quarter 2007 for buildings and structures.



EQUIPMENT, PLANT AND MACHINERY

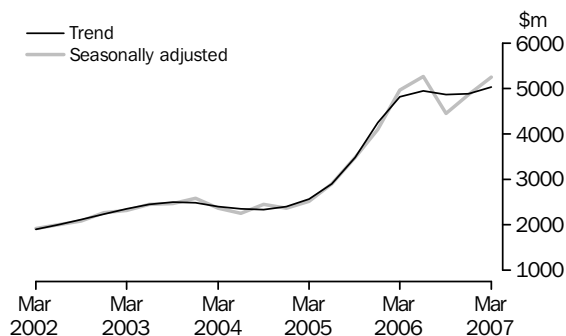
The seasonally adjusted series for equipment, plant and machinery has risen by 6.1% this quarter. Other selected industries increased by 12.3% in the March quarter 2007 while Mining (-3.0%) and Manufacturing (-7.3%) recorded falls. There is a break in the trend series for equipment, plant and machinery in March quarter 2007.



ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS *continued*

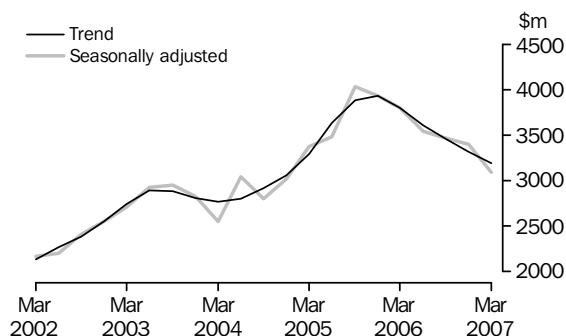
MINING

The trend estimate for Mining has risen 3.2% this quarter following the small 0.3% rise in the December quarter 2006. This has been driven by equipment, plant and machinery. In seasonally adjusted terms the series rose by 7.9%. This was led by the building and structures asset class. Equipment, plant and machinery fell during this period after a large rise in the December quarter 2006.



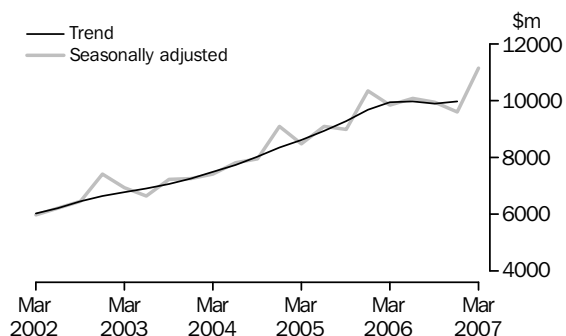
MANUFACTURING

The Manufacturing trend estimate fell by 3.9% in the March quarter 2007 which is the fifth consecutive fall. The decline was felt across both asset classes. In seasonally adjusted terms, the estimate fell by 9.0%, which is the sixth consecutive fall. Both building and structures and equipment, plant and machinery fell from the December quarter 2006.



OTHER SELECTED INDUSTRIES

The seasonally adjusted estimate for Other selected industries has increased by 16.2% in the March quarter 2007. There is a break in the trend series for Other selected industries in March quarter 2007.



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 24 to 27 of the Explanatory Notes.

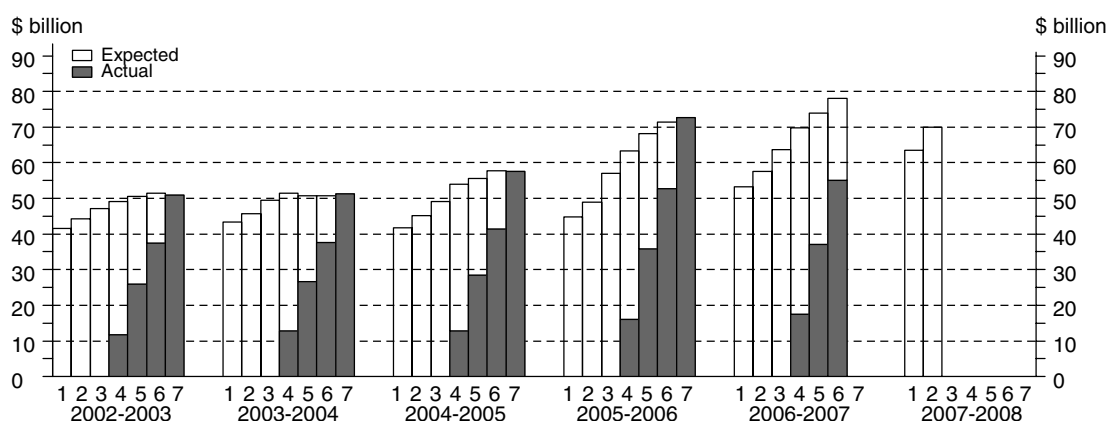
The timing and construction of these estimates are as follows:

Estimate	Based on data reported at:	COMPOSITION OF ESTIMATE.....		
		<i>Data on long-term expected expenditure</i>	<i>Data on short-term expected expenditure</i>	<i>Data on actual expenditure</i>
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

The sixth estimate for 2006-07 of \$78,062m is 9.3% higher than the corresponding estimate in the previous year. This growth is due to the contribution of the building and structures asset class which rose 27.4%. Other selected industries and Mining showed strong gains between these estimates. Estimate 6 is also 5.6% higher than Estimate 5 for 2006-07 with equipment (6.6%) showing the greater rise in expectations.

The second estimate for 2007-08 of \$70,029m is 21.7% higher than the corresponding estimate for the previous year. This movement was driven by a 52.3% rise in the building and structures asset class. Mining and Other selected industries had strong increases between these two estimates. The second estimate for total capital expenditure has increased by 10.2% from the first estimate. This strength comes through both asset classes and across most industries.

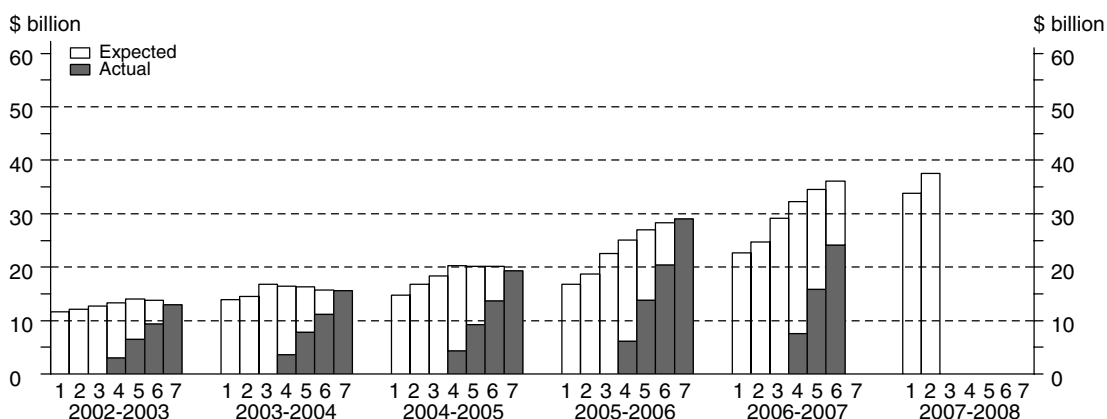


ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

BUILDING AND STRUCTURES

The sixth estimate has risen 27.4% from the same estimate in 2005-06. This has been driven by large increases in Mining and Other selected industries while Manufacturing fell 17.4%. Estimate 6 has also risen by 4.4% from Estimate 5 led by Manufacturing rising 11.8% and Other selected industries 12.4%.

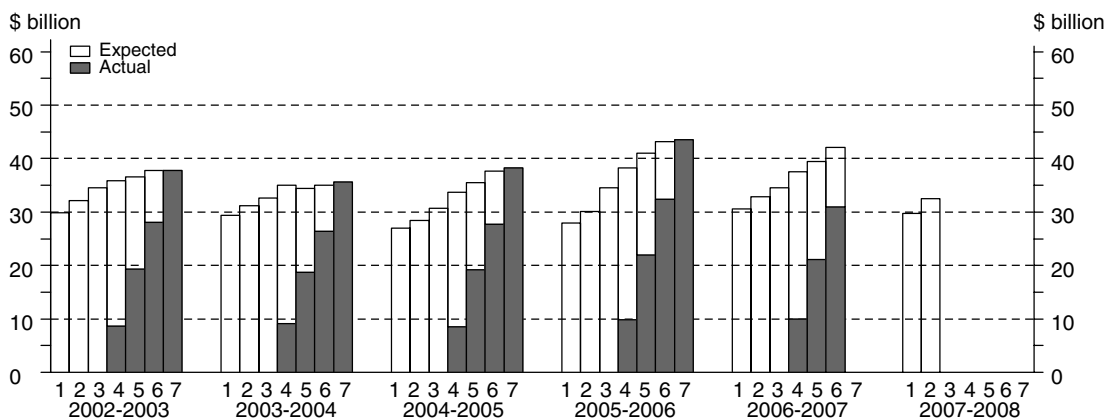
There has been a 52.3% rise in the second estimate for 2007-08 when compared to the corresponding estimate in 2006-07. Much of this increase has been as a result of the growth in Mining expectations (75.0%). Estimate 2 has risen by 10.9% when compared to Estimate 1.



EQUIPMENT, PLANT AND MACHINERY

Estimate 6 has fallen by 2.5% from the previous financial year which was a historical high for Estimate 6. There was minimal movement across industries with the largest contribution coming from Manufacturing (-10.9%). In comparison to Estimate 5 there has been an increase of 6.6%.

Estimate 2 is 1.3% lower in 2007-08 than it was for the previous year. Mining rose 13.2% moving against the movement seen in the remaining industries. Estimate 2 is 9.3% higher than Estimate 1. Manufacturing, Mining and Other selected industries all showed moderate gains.



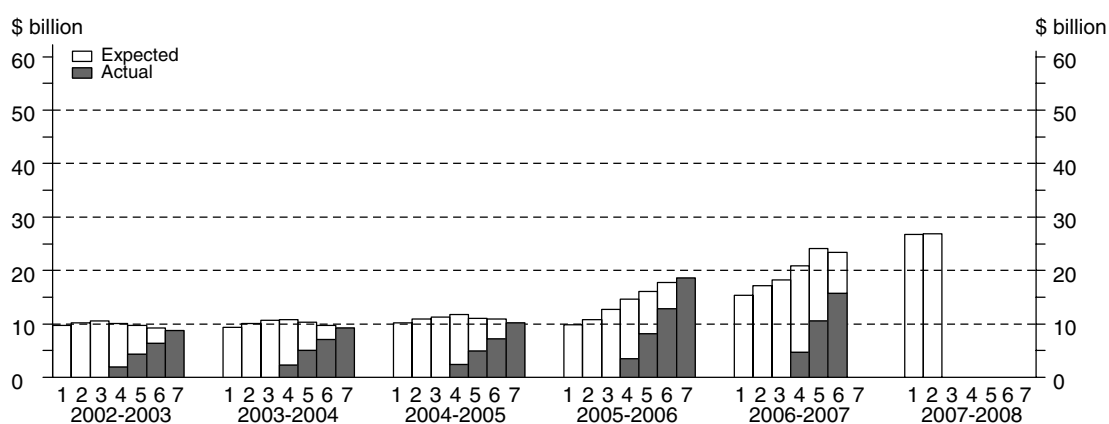
ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

MINING

The Mining expectations estimates for 2006-07 have recorded historical highs in recent quarters and this strength has continued into the March quarter.

Estimate 6 is 31.4% higher than the corresponding estimate in 2005-06. Building has had growth of 46.8% while there has been minimal change in equipment between the two estimates. Estimate 6 is 2.9% lower than Estimate 5. This decline was seen in both asset types with building 2.8% lower and equipment 3.3% lower.

Estimate 2 is 57.3% higher than Estimate 2 of the previous year driven by the building and structures asset class which has risen 75.0%. Estimate 2 has shown a small rise of 0.8% when compared to Estimate 1.

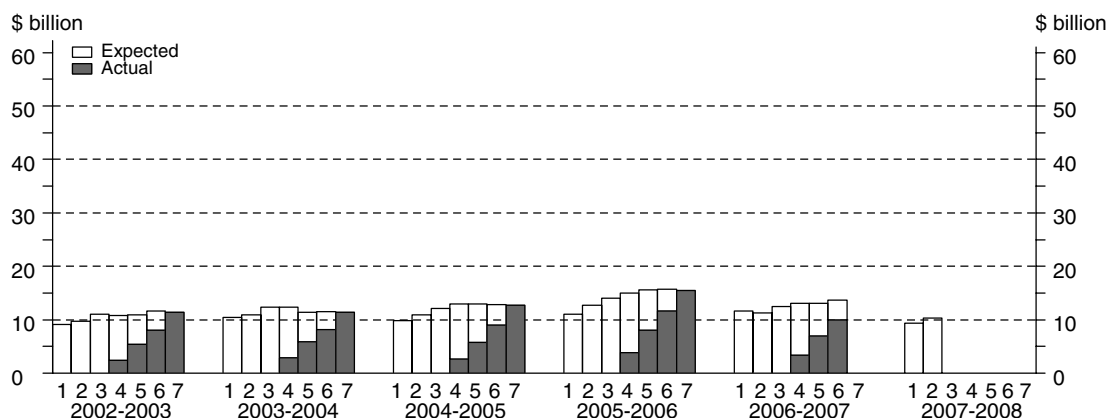


MANUFACTURING

Manufacturing expectations, while still at historically low levels, have shown signs of recovery in the March quarter.

Estimate 6 is 13.0% lower in 2006-07 than it was in 2005-06. This decline has been seen in both equipment (-10.9%) and in buildings and structures (-17.4%). Estimate 6 has risen by 4.3% from Estimate 5. The growth has resulted primarily from building which is 11.8% higher this quarter while equipment has shown a moderate increase of 1.3%.

Estimate 2 is 8.7% lower than the corresponding estimate in 2006-07. This has been seen across both asset types. Estimate 2 is 10.3% higher than the low Estimate 1 published last quarter. Equipment has risen 10.9% and building has risen 8.7%.

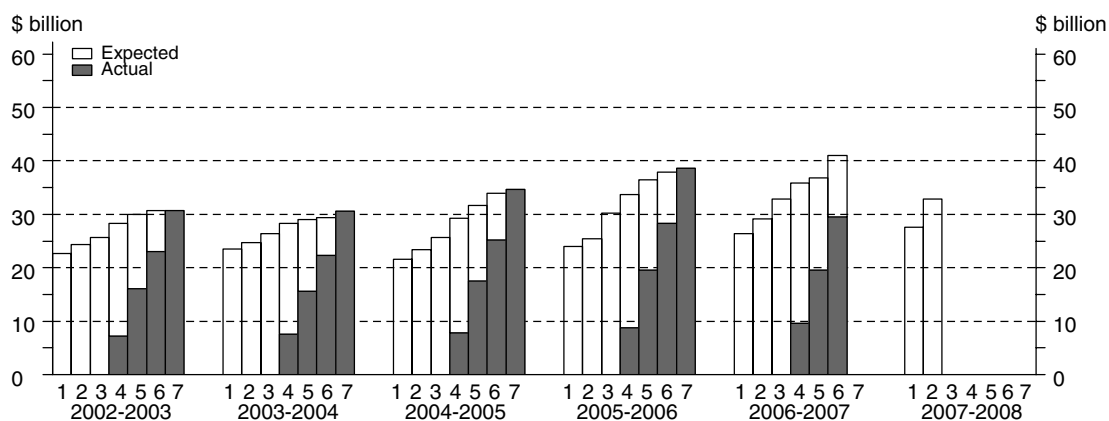


ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

OTHER SELECTED INDUSTRIES

Estimate 6 for 2006-07 has risen 8.2% compared with Estimate 6 of 2005-06. Buildings and structures has risen 27.5%. Estimate 6 has also risen 11.6% from Estimate 5 with building increasing by 12.4%% and equipment by 11.2%.

Estimate 2 for 2007-08 is 12.5% greater than Estimate 2 of 2006-07. Building has increased 44.3% while equipment had a small fall. Estimate 2 is 19.2% higher than Estimate 1.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE

IN CURRENT PRICE TERMS

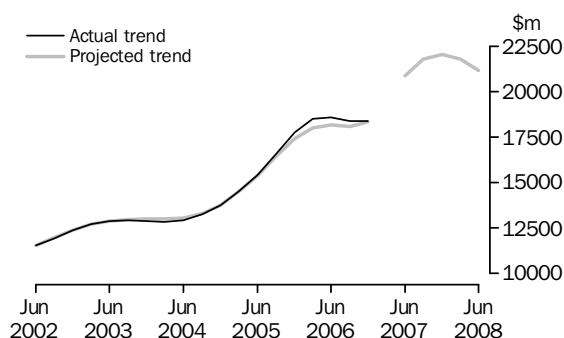
PROJECTED CAPITAL EXPENDITURE SERIES

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 2007 data, which includes expected expenditure up to and including the June quarter 2008. Please see paragraphs 29 to 33 of the Explanatory Notes for further details about the methodology and cautionary notes for these series.

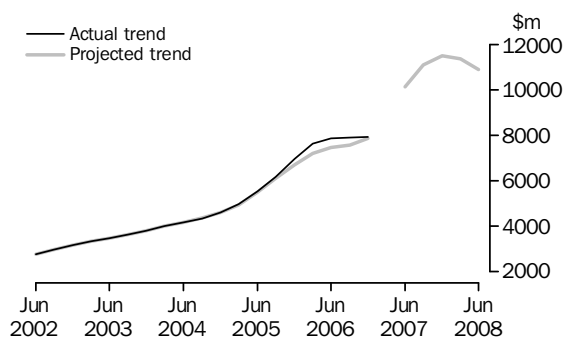
TOTAL CAPITAL EXPENDITURE

This series has a trend break applied for the March quarter 2007. Current price trend estimates for total Capital Expenditure have reached a plateau in the past two quarters following significant increases in the previous two financial years. Expectations suggest that while the series has not reached its peak it will see a downwards shift in the following financial year. The maintained growth will come through the building asset class, particularly seen in the Mining industry.



BUILDINGS AND STRUCTURES

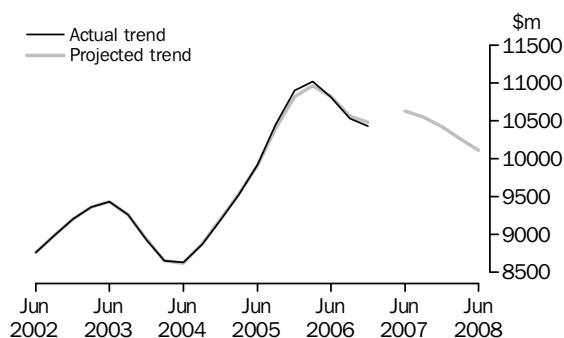
Current price trend estimates for buildings and structures have been strong in recent years and while it has eased in the past three quarters expectations suggest a continued surge until a change in momentum in the middle of the 2007-08 financial year. This series has a trend break applied for the March quarter 2007.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE *continued*

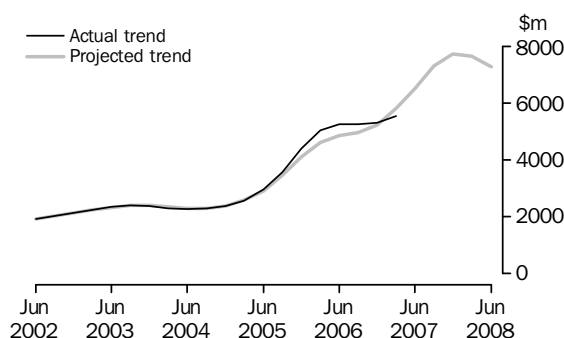
EQUIPMENT, PLANT AND MACHINERY

After the strong current price trend growth estimates for equipment, plant and machinery seen from June 2004 through till June 2006 the trend has since shifted downwards. The projections of this series indicate a continuation of this trend throughout the following financial year. This series has a trend break applied for the March quarter 2007.



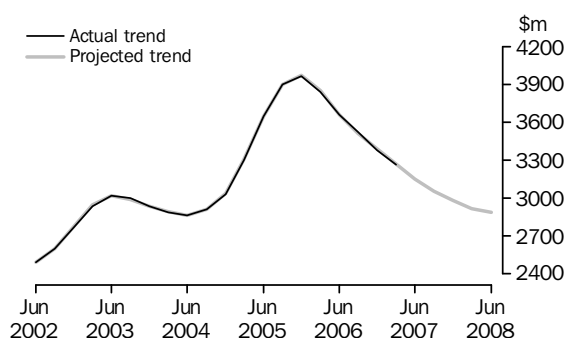
MINING

Growth in the Mining industry has been a major influence in the growth of total capital expenditure in the past two financial years. Expectations suggest that this will continue into the next financial year with the series reaching a historical peak in December quarter 2007.



MANUFACTURING

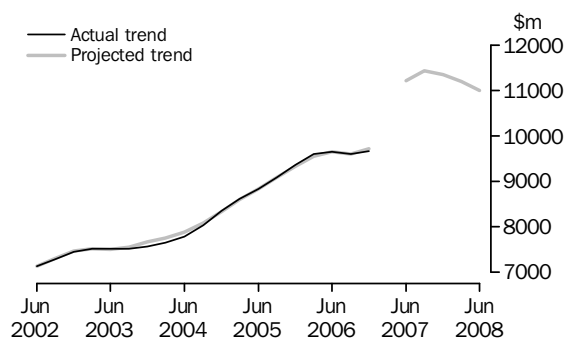
The trend series for Manufacturing reached a peak in 2005-06 but has since been on the decline. The projected series suggests that this weakness will continue for the remainder of the 2006-07 and most of 2007-08 before a slight levelling of the series towards the end of the financial year.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE *continued*

OTHER SELECTED INDUSTRIES

This series has a trend break applied for the March quarter 2007. The Other Selected Industries trend series had shown steady growth in the past four financial years. With the introduction of the trend break there is a substantial change in level of the projected series which is expected to see a move downwards in the second half of the financial year of 2007-08.



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)												
2004-05	6 062	3 690	9 509	19 262	4 191	8 991	25 111	38 293	10 253	12 681	34 620	57 554
2005-06	13 060	4 965	11 031	29 057	5 548	10 463	27 573	43 584	18 609	15 428	38 605	72 641
2005-06												
December	3 190	1 324	3 121	7 634	1 508	2 897	7 711	12 116	4 698	4 221	10 832	19 751
March	3 204	1 194	2 214	6 612	1 410	2 361	6 583	10 355	4 614	3 555	8 797	16 967
June	4 531	1 236	2 891	8 658	1 270	2 592	7 358	11 221	5 801	3 829	10 249	19 879
2006-07												
September	3 562	1 169	2 818	7 549	1 106	2 160	6 731	9 997	4 668	3 329	9 549	17 546
December	4 131	1 189	3 017	8 337	1 709	2 498	6 951	11 158	5 841	3 687	9 967	19 495
March	3 893	917	3 378	8 187	1 275	1 981	6 587	9 843	5 168	2 897	9 965	18 031
ORIGINAL (Expected)												
2006-07												
3 mths to												
Jun(a)	5 954	986	5 021	11 961	1 745	2 736	6 549	11 029	7 698	3 722	11 570	22 990
Total fin year	17 540	4 261	14 234	36 034	5 835	9 375	26 818	42 028	23 375	13 636	41 052	78 062
2007-08												
Total fin year	21 337	2 673	13 525	37 535	5 556	7 633	19 305	32 494	26 893	10 307	32 830	70 029
SEASONALLY ADJUSTED (Actual)												
2005-06												
December	2 900	1 255	2 888	7 043	1 343	2 705	7 255	11 303	4 243	3 960	10 144	18 347
March	3 567	1 286	2 548	7 401	1 625	2 556	7 160	11 341	5 192	3 842	9 707	18 741
June	4 343	1 223	2 770	8 336	1 257	2 363	7 018	10 639	5 600	3 586	9 788	18 974
2006-07												
September	3 708	1 163	2 781	7 652	1 107	2 376	6 970	10 454	4 815	3 539	9 753	18 107
December	3 775	1 126	2 811	7 712	1 520	2 331	6 516	10 367	5 295	3 457	9 326	18 078
March	4 309	988	3 847	9 144	1 472	2 145	7 167	10 783	5 781	3 133	11 014	19 928
TREND (Actual)												
2005-06												
December	2 947	1 259	2 752	6 958	1 451	2 706	6 737	10 894	4 398	3 965	9 371	17 734
March	3 623	1 266	2 727	7 616	1 420	2 575	7 018	11 013	5 043	3 841	9 607	18 491
June	3 937	1 235	2 698	7 870	1 323	2 426	7 058	10 807	5 260	3 661	9 655	18 576
2006-07												
September	3 948	1 169	2 773	7 890	1 293	2 352	6 883	10 530	5 241	3 521	9 605	18 367
December	3 953	1 095	2 893	7 941	1 363	2 282	6 790	10 432	5 316	3 377	9 665	18 358
March	4 032	1 043	np	np	1 503	2 218	np	np	5 535	3 261	np	np

np not published due to break in series

(a) Not directly comparable with estimate of actual expenditure due to likely over/under realisation. See paragraphs 24 to 27 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)										
2004–05	10 253	12 681	2 295	2 766	4 041	7 749	3 352	7 636	6 781	57 554
2005–06	18 609	15 428	2 461	3 015	4 448	9 062	3 412	8 976	7 230	72 641
2005–06										
December	4 698	4 221	^ 711	^ 878	1 150	3 052	805	2 357	1 879	19 751
March	4 614	3 555	^ 584	^ 712	984	2 103	869	1 823	1 722	16 967
June	5 801	3 829	^ 709	663	1 200	2 185	865	2 637	1 991	19 879
2006–07										
September	4 668	3 329	^ 608	647	1 116	2 081	819	2 265	2 013	17 546
December	5 841	3 687	598	773	1 232	^ 1 817	951	2 370	2 227	19 495
March	5 168	2 897	^ 641	630	944	^ 1 704	835	2 413	2 799	18 031
ORIGINAL (Expected)										
2006–07										
3 mths to										
Jun(a)	7 698	3 722	403	738	1 192	1 635	952	2 578	4 071	22 990
Total fin year	23 375	13 636	2 249	2 788	4 484	7 238	3 557	9 626	11 110	78 062
2007–08										
Total fin year	26 893	10 307	1 003	1 881	3 483	4 628	2 644	7 736	11 455	70 029
SEASONALLY ADJUSTED (Actual)										
2005–06										
December	4 243	3 960	647	801	1 052	2 838	761	2 314	1 731	18 347
March	5 192	3 842	588	798	1 134	2 380	978	2 006	1 823	18 741
June	5 600	3 586	674	630	1 179	2 068	804	2 462	1 971	18 974
2006–07										
September	4 815	3 539	707	668	1 084	2 129	825	2 256	2 084	18 107
December	5 295	3 457	540	703	1 126	1 672	909	2 322	2 054	18 078
March	5 781	3 133	658	706	1 107	1 917	952	2 684	2 990	19 928
TREND (Actual)										
2005–06										
December	4 398	3 965	593	796	1 084	2 219	864	2 071	1 744	17 734
March	5 043	3 841	638	748	1 126	2 302	856	2 099	1 838	18 491
June	5 260	3 661	659	691	1 138	2 200	852	2 154	1 961	18 576
2006–07										
September	5 241	3 521	646	671	1 128	1 989	857	2 274	2 040	18 367
December	5 316	3 377	629	685	1 110	1 865	887	2 415	2 074	18 358
March	5 535	3 261	609	714	1 106	1 813	949	2 560	np	np

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

np not published due to break in series

(a) Not directly comparable with estimates of actual expenditure due to likely over/under realisation. See paragraphs 24 to 27 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							
2002-03	14 949	31 940	47 106	9 137	10 590	27 445	47 106
2003-04	16 971	33 736	50 707	9 682	11 375	29 700	50 707
2004-05	19 262	38 293	57 554	10 253	12 681	34 620	57 554
2005-06	27 389	44 993	72 382	17 806	15 307	39 269	72 382
2004-05							
March	4 453	8 544	12 984	2 223	3 127	7 632	12 984
June	5 453	10 767	16 218	2 994	3 725	9 509	16 218
2005-06							
September	5 920	10 110	16 030	3 409	3 801	8 820	16 030
December	7 268	12 431	19 700	4 539	4 192	10 969	19 700
March	6 221	10 677	16 898	4 418	3 522	8 957	16 898
June	7 980	11 775	19 755	5 441	3 792	10 522	19 755
2006-07							
September	6 824	10 453	17 277	4 317	3 262	9 697	17 277
December	7 418	11 708	19 126	5 366	3 612	10 146	19 126
March	7 200	10 536	17 736	4 690	2 854	10 191	17 736
SEASONALLY ADJUSTED							
2004-05							
March	5 025	9 389	14 368	2 519	3 378	8 477	14 368
June	5 255	10 235	15 483	2 906	3 487	9 102	15 483
2005-06							
September	5 969	10 565	16 510	3 484	4 030	8 996	16 510
December	6 723	11 570	18 374	4 098	3 936	10 339	18 374
March	6 986	11 695	18 612	4 967	3 799	9 846	18 612
June	7 711	11 163	18 887	5 257	3 543	10 087	18 887
2006-07							
September	6 910	10 955	17 849	4 444	3 464	9 941	17 849
December	6 857	10 902	17 860	4 868	3 397	9 595	17 860
March	8 035	11 568	19 492	5 254	3 090	11 149	19 492
TREND							
2004-05							
March	4 906	9 561	14 466	2 564	3 295	8 613	14 466
June	5 390	10 072	15 455	2 905	3 635	8 922	15 455
2005-06							
September	5 966	10 676	16 642	3 487	3 879	9 285	16 642
December	6 640	11 191	17 844	4 244	3 934	9 672	17 844
March	7 167	11 395	18 555	4 806	3 800	9 952	18 555
June	7 264	11 263	18 527	4 946	3 607	9 977	18 527
2006-07							
September	7 155	11 052	18 220	4 857	3 462	9 896	18 220
December	7 127	11 033	18 165	4 873	3 319	9 960	18 165
March	np	np	np	5 030	3 190	np	np

np not published due to break in series

(a) Reference year for chain volume measures is 2004-05.

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							
2002-03	18.8	18.4	18.5	20.2	29.0	14.6	18.5
2003-04	13.5	5.6	7.6	6.0	7.4	8.2	7.6
2004-05	13.5	13.5	13.5	5.9	11.5	16.6	13.5
2005-06	42.2	17.5	25.8	73.7	20.7	13.4	25.8
2004-05							
March	-9.9	-18.9	-16.3	-15.2	-2.4	-21.1	-16.3
June	22.5	26.0	24.9	34.7	19.1	24.6	24.9
2005-06							
September	8.6	-6.1	-1.2	13.9	2.0	-7.2	-1.2
December	22.8	23.0	22.9	33.1	10.3	24.4	22.9
March	-14.4	-14.1	-14.2	-2.7	-16.0	-18.3	-14.2
June	28.3	10.3	16.9	23.2	7.6	17.5	16.9
2006-07							
September	-14.5	-11.2	-12.5	-20.7	-14.0	-7.8	-12.5
December	8.7	12.0	10.7	24.3	10.8	4.6	10.7
March	-2.9	-10.0	-7.3	-12.6	-21.0	0.4	-7.3
SEASONALLY ADJUSTED							
2004-05							
March	10.2	-4.6	-0.8	6.4	11.9	-6.6	-0.8
June	4.6	9.0	7.8	15.4	3.3	7.4	7.8
2005-06							
September	13.6	3.2	6.6	19.9	15.5	-1.2	6.6
December	12.6	9.5	11.3	17.6	-2.3	14.9	11.3
March	3.9	1.1	1.3	21.2	-3.5	-4.8	1.3
June	10.4	-4.5	1.5	5.8	-6.7	2.4	1.5
2006-07							
September	-10.4	-1.9	-5.5	-15.5	-2.2	-1.5	-5.5
December	-0.8	-0.5	0.1	9.5	-1.9	-3.5	0.1
March	17.2	6.1	9.1	7.9	-9.0	16.2	9.1
TREND							
2004-05							
March	5.9	4.4	4.8	6.9	7.8	3.1	4.8
June	9.9	5.3	6.8	13.3	10.3	3.6	6.8
2005-06							
September	10.7	6.0	7.7	20.0	6.7	4.1	7.7
December	11.3	4.8	7.2	21.7	1.4	4.2	7.2
March	7.9	1.8	4.0	13.3	-3.4	2.9	4.0
June	1.4	-1.2	-0.1	2.9	-5.1	0.2	-0.1
2006-07							
September	-1.5	-1.9	-1.7	-1.8	-4.0	-0.8	-1.7
December	-0.4	-0.2	-0.3	0.3	-4.1	0.6	-0.3
March	na	na	na	3.2	-3.9	na	na

na not available

(a) Reference year for chain volume measures is 2004-05.

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

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

2003-04	13 975	14 551	16 834	16 427	16 353	15 712	15 645
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	36 034	nya
2007-08	33 848	37 535	nya	nya	nya	nya	nya

BUILDINGS AND STRUCTURES (Realisation Ratio) (a)

2003-04	1.12	1.08	0.93	0.95	0.96	1.00	1.00
2004-05	1.31	1.15	1.05	0.95	0.95	0.96	1.00
2005-06	1.72	1.55	1.29	1.16	1.07	1.03	1.00
5-year average	1.29	1.18	1.03	0.99	0.97	0.98	1.00

EQUIPMENT, PLANT AND MACHINERY (\$ million)

2003-04	29 393	31 129	32 627	35 031	34 402	35 034	35 602
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	42 028	nya
2007-08	29 720	32 494	nya	nya	nya	nya	nya

EQUIPMENT, PLANT AND MACHINERY (Realisation Ratio) (a)

2003-04	1.21	1.14	1.09	1.02	1.03	1.02	1.00
2004-05	1.42	1.35	1.25	1.14	1.08	1.02	1.00
2005-06	1.56	1.45	1.26	1.14	1.06	1.01	1.00
5-year average	1.34	1.27	1.17	1.08	1.05	1.01	1.00

TOTAL (\$ million)

2003-04	43 369	45 681	49 462	51 458	50 755	50 747	51 247
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	78 062	nya
2007-08	63 568	70 029	nya	nya	nya	nya	nya

TOTAL (Realisation Ratio) (a)

2003-04	1.18	1.12	1.04	1.00	1.01	1.01	1.00
2004-05	1.38	1.27	1.17	1.07	1.03	1.00	1.00
2005-06	1.62	1.49	1.27	1.15	1.07	1.02	1.00
5-year average	1.33	1.24	1.12	1.05	1.02	1.00	1.00

TOTAL (Percentage change over corresponding estimate for previous financial year)

2003-04	4.4	3.2	4.9	4.7	0.3	-1.5	0.8
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	9.3	nya
2007-08	19.3	21.7	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

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

2003-04	9 388	10 053	10 672	10 812	10 365	9 780	9 282
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	23 375	nya
2007-08	26 691	26 893	nya	nya	nya	nya	nya

MINING (Realisation Ratio) (a)

2003-04	0.99	0.92	0.87	0.86	0.90	0.95	1.00
2004-05	1.01	0.94	0.91	0.87	0.93	0.94	1.00
2005-06	1.90	1.72	1.46	1.27	1.16	1.05	1.00
5-year average	1.19	1.09	0.99	0.94	0.95	0.96	1.00

MANUFACTURING (\$ million)

2003-04	10 453	10 911	12 402	12 370	11 371	11 571	11 424
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	13 636	nya
2007-08	9 343	10 307	nya	nya	nya	nya	nya

MANUFACTURING (Realisation Ratio) (a)

2003-04	1.09	1.05	0.92	0.92	1.00	0.99	1.00
2004-05	1.29	1.16	1.05	0.98	0.98	0.98	1.00
2005-06	1.39	1.22	1.10	1.03	0.99	0.98	1.00
5-year average	1.20	1.12	1.02	1.00	1.00	0.98	1.00

OTHER SELECTED INDUSTRIES (\$ million)

2003-04	23 528	24 716	26 388	28 276	29 019	29 396	30 541
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	41 052	nya
2007-08	27 534	32 830	nya	nya	nya	nya	nya

OTHER SELECTED INDUSTRIES (Realisation Ratio) (a)

2003-04	1.30	1.24	1.16	1.08	1.05	1.04	1.00
2004-05	1.60	1.48	1.35	1.18	1.09	1.02	1.00
2005-06	1.61	1.52	1.28	1.14	1.06	1.02	1.00
5-year average	1.44	1.36	1.22	1.12	1.06	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(a), By type of asset and industry—Current prices

Financial Year	3 MONTHS ENDING		6 MONTHS ENDING	
	31 December (collected in September Survey)	30 June (collected in March Survey)	31 December (collected in June Survey)	30 June (collected in December Survey)
TYPE OF ASSET				
Buildings and structures				
2004-05	0.89	0.86	1.01	0.92
2005-06	1.07	1.10	1.14	1.15
2006-07	0.97	nya	1.06	nya
5-year average	0.95	0.93	0.99	0.94
Equipment, plant and machinery				
2004-05	1.08	1.06	1.18	1.18
2005-06	1.05	1.04	1.22	1.13
2006-07	1.05	nya	1.15	nya
5-year average	1.03	1.04	1.13	1.10
Total				
2004-05	1.01	0.98	1.12	1.07
2005-06	1.06	1.07	1.19	1.14
2006-07	1.01	nya	1.11	nya
5-year average	1.01	1.00	1.08	1.05
TYPE OF INDUSTRY				
Mining				
2004-05	0.79	0.81	0.90	0.88
2005-06	1.10	1.17	1.21	1.33
2006-07	1.03	nya	1.08	nya
5-year average	0.86	0.89	0.92	0.92
Manufacturing				
2004-05	0.85	0.95	0.99	0.97
2005-06	0.99	0.94	1.09	0.98
2006-07	1.00	nya	1.08	nya
5-year average	0.90	0.94	0.98	1.00
Other selected industries				
2004-05	1.18	1.07	1.26	1.21
2005-06	1.07	1.07	1.23	1.13
2006-07	1.00	nya	1.14	nya
5-year average	1.11	1.08	1.19	1.13
Total				
2004-05	1.01	0.98	1.12	1.07
2005-06	1.06	1.07	1.19	1.14
2006-07	1.01	nya	1.11	nya
5-year average	1.01	1.00	1.08	1.05

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

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
Period	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2002-03	3 112	2 343	2 122	783	2 898	255	1 380	107	13 000
2003-04	4 084	2 670	2 363	969	3 793	167	1 520	78	15 645
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
2004-05									
March	1 020	778	707	245	1 219	104	368	*45	4 486
June	1 467	881	870	291	1 429	^ 118	475	*58	5 589
2005-06									
September	1 603	970	908	296	1 746	^ 82	463	*84	6 152
December	1 838	1 143	1 354	369	2 333	77	477	*43	7 634
March	1 111	997	1 132	291	2 509	62	446	**64	6 612
June	1 427	1 260	1 451	^ 508	3 554	^ 55	362	*42	8 658
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	1 458	1 256	1 218	496	3 174	96	434	^ 56	8 187
SEASONALLY ADJUSTED									
2004-05									
March	1 197	865	804	303	1 349	np	np	np	5 070
June	1 377	891	845	248	1 375	np	np	np	5 390
2005-06									
September	1 602	927	944	333	1 793	np	np	np	6 195
December	1 703	1 078	1 199	330	2 162	np	np	np	7 043
March	1 300	1 098	1 284	358	2 758	np	np	np	7 401
June	1 336	1 275	1 410	428	3 422	np	np	np	8 336
2006-07									
September	1 149	1 193	1 420	433	2 926	np	np	np	7 652
December	1 150	1 167	1 232	478	3 171	np	np	np	7 712
March	1 702	1 381	1 379	609	3 477	np	np	np	9 144
TREND									
2004-05									
March	1 215	829	779	273	1 310	113	405	47	4 956
June	1 412	896	863	288	1 459	106	447	62	5 523
2005-06									
September	1 569	958	986	306	1 746	91	467	68	6 184
December	1 577	1 046	1 151	336	2 259	76	460	63	6 958
March	1 442	1 148	1 313	373	2 788	61	445	51	7 616
June	1 261	1 202	1 390	404	3 090	50	428	45	7 870
2006-07									
September	1 196	1 209	1 363	446	3 169	48	418	47	7 890
December	1 227	1 212	1 300	488	3 199	57	426	48	7 941
March	(a)np	(a)np	(a)np	(a)np	(a)np	(a)np	(a)np	(a)np	(a)np

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

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

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

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

(a) Break in series between December 2006 and March 2007. See Changes in this Issue on page 2.

ACTUAL EXPENDITURE ON EQUIPMENT, PLANT AND MACHINERY, Current prices

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
Period	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2002-03	11 312	10 487	6 929	3 223	4 241	626	427	570	37 816
2003-04	10 287	9 198	6 612	2 978	5 124	533	381	489	35 602
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
2004-05									
March	2 679	2 197	1 514	^ 671	1 156	^ 135	^ 61	^ 117	8 530
June	3 436	2 605	2 062	828	1 201	^ 219	^ 117	^ 136	10 604
2005-06									
September	3 089	2 448	1 784	671	1 503	^ 209	^ 79	111	9 893
December	3 568	3 115	2 201	^ 967	1 727	^ 273	^ 124	^ 140	12 116
March	2 863	2 713	2 233	689	1 452	^ 187	^ 112	^ 105	10 355
June	3 086	2 835	2 459	^ 762	1 647	^ 206	^ 87	^ 140	11 221
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	2 448	2 661	2 334	610	1 497	119	^ 65	^ 110	9 843
SEASONALLY ADJUSTED									
2004-05									
March	2 965	2 384	1 643	759	1 286	np	np	np	9 346
June	3 228	2 543	1 883	775	1 179	np	np	np	10 055
2005-06									
September	3 192	2 515	1 874	749	1 511	np	np	np	10 327
December	3 353	2 896	2 141	842	1 593	np	np	np	11 303
March	3 185	2 932	2 423	784	1 607	np	np	np	11 341
June	2 890	2 770	2 241	711	1 620	np	np	np	10 639
2006-07									
September	2 831	2 768	2 370	736	1 292	np	np	np	10 454
December	2 844	2 761	2 283	728	1 522	np	np	np	10 367
March	2 730	2 868	2 527	697	1 652	np	np	np	10 783
TREND									
2004-05									
March	3 008	2 396	1 751	759	1 234	174	80	131	9 524
June	3 150	2 488	1 786	770	1 311	197	91	122	9 925
2005-06									
September	3 231	2 615	1 932	777	1 427	223	102	120	10 444
December	3 213	2 758	2 117	782	1 568	234	105	122	10 894
March	3 101	2 839	2 266	768	1 600	215	110	125	11 013
June	2 970	2 828	2 331	745	1 516	182	108	124	10 807
2006-07									
September	2 857	2 778	2 329	726	1 466	152	92	119	10 530
December	2 777	2 777	2 357	715	1 488	134	74	114	10 432
March	(a)np	(a)np	(a)np	(a)np	(a)np	(a)np	(a)np	(a)np	(a)np

^ 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. See Changes in this Issue on page 2.

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

ACTUAL TOTAL EXPENDITURE, Current prices

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
Period	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2002-03	14 424	12 830	9 052	4 006	7 140	881	1 806	677	50 816
2003-04	14 371	11 869	8 975	3 947	8 917	700	1 901	567	51 247
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
2004-05									
March	3 699	2 975	2 221	917	2 375	239	429	^ 162	13 016
June	4 902	3 486	2 932	1 119	2 630	^ 337	592	^ 194	16 192
2005-06									
September	4 692	3 418	2 692	967	3 249	^ 291	541	^ 195	16 045
December	5 406	4 258	3 554	1 336	4 060	^ 350	601	^ 183	19 751
March	3 974	3 709	3 366	980	3 961	^ 249	558	^ 169	16 967
June	4 513	4 095	3 909	^ 1 270	5 201	^ 260	449	^ 182	19 879
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	3 906	3 917	3 553	1 107	4 670	215	498	^ 165	18 031
SEASONALLY ADJUSTED									
2004-05									
March	4 162	3 249	2 447	1 062	2 635	256	475	167	14 414
June	4 605	3 434	2 728	1 023	2 554	316	598	180	15 446
2005-06									
September	4 794	3 442	2 818	1 082	3 304	309	514	203	16 521
December	5 056	3 974	3 340	1 172	3 755	329	576	186	18 347
March	4 485	4 030	3 707	1 142	4 365	271	609	174	18 741
June	4 226	4 045	3 651	1 139	5 042	243	450	168	18 974
2006-07									
September	3 980	3 961	3 790	1 169	4 218	182	588	172	18 107
December	3 994	3 928	3 515	1 206	4 693	187	445	157	18 078
March	4 432	4 249	3 906	1 306	5 129	229	538	172	19 928
TREND									
2004-05									
March	4 223	3 225	2 530	1 032	2 544	287	485	178	14 495
June	4 562	3 384	2 649	1 058	2 770	303	538	184	15 433
2005-06									
September	4 800	3 573	2 918	1 083	3 173	314	569	188	16 565
December	4 790	3 804	3 268	1 118	3 827	310	565	185	17 734
March	4 543	3 987	3 579	1 141	4 388	276	555	176	18 491
June	4 231	4 030	3 721	1 149	4 606	232	536	169	18 576
2006-07									
September	4 053	3 987	3 692	1 172	4 635	200	510	166	18 367
December	4 004	3 989	3 657	1 203	4 687	191	500	162	18 358
March	np	np	np	np	np	np	np	np	np

^ estimate has a relative standard error of 10% to less than 25% np not published due to break in series
and should be used with caution

<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									
2002-03	3 582	2 687	2 444	902	3 332	295	1 585	124	14 949
2003-04	4 429	2 896	2 564	1 052	4 113	181	1 651	85	16 971
2004-05	4 820	3 161	3 033	992	5 135	430	1 534	158	19 262
2005-06	5 653	4 121	4 565	1 378	9 538	261	1 653	220	27 389
2004-05									
March	1 012	772	702	243	1 210	103	366	45	4 453
June	1 430	859	849	284	1 394	115	464	57	5 453
2005-06									
September	1 542	934	874	285	1 680	79	446	81	5 920
December	1 750	1 088	1 289	352	2 222	73	454	41	7 268
March	1 045	938	1 066	274	2 361	58	420	60	6 221
June	1 315	1 161	1 337	468	3 276	51	334	39	7 980
2006-07									
September	1 037	1 123	1 231	346	2 568	35	447	36	6 824
December	1 102	1 102	1 240	474	3 041	48	360	51	7 418
March	1 282	1 105	1 072	437	2 789	84	381	49	7 200
SEASONALLY ADJUSTED									
2004-05									
March	1 190	854	798	296	1 338	np	np	np	5 025
June	1 348	866	825	239	1 340	np	np	np	5 255
2005-06									
September	1 549	890	909	321	1 725	np	np	np	5 969
December	1 632	1 025	1 143	316	2 059	np	np	np	6 723
March	1 232	1 032	1 210	341	2 597	np	np	np	6 986
June	1 240	1 174	1 302	400	3 157	np	np	np	7 711
2006-07									
September	1 040	1 074	1 284	387	2 645	np	np	np	6 910
December	1 024	1 034	1 097	421	2 822	np	np	np	6 857
March	1 498	1 209	1 214	529	3 059	np	np	np	8 035
TREND									
2004-05									
March	1 206	819	772	251	1 299	112	400	47	4 906
June	1 381	872	843	276	1 423	103	436	61	5 390
2005-06									
September	1 518	921	951	297	1 682	88	450	66	5 966
December	1 511	994	1 097	322	2 149	72	439	59	6 640
March	1 364	1 075	1 233	354	2 616	58	419	47	7 167
June	1 171	1 107	1 283	375	2 852	47	395	41	7 264
2006-07									
September	1 085	1 092	1 236	402	2 871	44	378	43	7 155
December	1 093	1 075	1 159	430	2 849	51	379	43	7 127
March	(b)np	(b)np	(b)np	(b)np	(b)np	(b)np	(b)np	(b)np	(b)np

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

(b) Break in series between December 2006 and March 2007. See Changes in this Issue on page 2.

(a) Reference year for chain volume measures is 2004-05.

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
Period	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2002-03	9 427	8 777	5 877	2 753	3 710	531	368	473	31 940
2003-04	9 686	8 682	6 294	2 838	4 924	507	363	459	33 736
2004-05	11 986	9 648	7 306	2 993	4 815	698	316	534	38 293
2005-06	13 094	11 492	8 934	3 174	6 465	899	413	521	44 993
2004-05									
March	2 688	2 199	1 514	673	1 157	136	61	118	8 544
June	3 492	2 650	2 090	842	1 213	222	119	139	10 767
2005-06									
September	3 170	2 509	1 819	683	1 521	213	80	115	10 110
December	3 681	3 206	2 252	988	1 753	279	127	146	12 431
March	2 972	2 801	2 297	708	1 482	193	115	109	10 677
June	3 271	2 976	2 567	796	1 709	214	91	151	11 775
2006-07									
September	2 886	2 815	2 347	682	1 325	137	124	137	10 453
December	3 240	3 137	2 433	875	1 711	153	55	105	11 708
March	2 675	2 859	2 474	647	1 561	129	69	122	10 536
SEASONALLY ADJUSTED									
2004-05									
March	2 984	2 391	1 648	765	1 285	np	np	np	9 389
June	3 289	2 592	1 912	792	1 190	np	np	np	10 235
2005-06									
September	3 277	2 581	1 912	766	1 528	np	np	np	10 565
December	3 449	2 974	2 190	858	1 614	np	np	np	11 570
March	3 305	3 028	2 492	807	1 641	np	np	np	11 695
June	3 062	2 909	2 340	744	1 683	np	np	np	11 163
2006-07									
September	2 998	2 903	2 465	770	1 333	np	np	np	10 955
December	3 030	2 912	2 383	758	1 569	np	np	np	10 902
March	2 988	3 086	2 686	743	1 719	np	np	np	11 568
TREND									
2004-05									
March	3 085	2 461	1 800	763	1 231	181	80	130	9 561
June	3 226	2 547	1 824	785	1 322	203	92	125	10 072
2005-06									
September	3 342	2 700	1 986	804	1 455	230	105	126	10 676
December	3 378	2 887	2 205	816	1 612	243	109	130	11 191
March	3 273	2 976	2 364	802	1 651	223	114	134	11 395
June	3 131	2 957	2 422	777	1 565	189	113	132	11 263
2006-07									
September	3 026	2 916	2 424	757	1 513	160	96	127	11 052
December	2 979	2 944	2 474	751	1 539	143	78	123	11 033
March	(b)np	(b)np	(b)np	(b)np	(b)np	(b)np	(b)np	(b)np	(b)np

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

(b) Break in series between December 2006 and March 2007. See Changes in this Issue on page 2.

(a) Reference year for chain volume measures is 2004-05.

ACTUAL TOTAL EXPENDITURE—Chain volume measures(a)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
Period	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2002-03	13 111	11 511	8 314	3 669	7 059	815	1 960	594	47 106
2003-04	14 063	11 573	8 863	3 879	9 105	698	2 016	549	50 707
2004-05	16 805	12 809	10 339	3 985	9 950	1 127	1 849	692	57 554
2005-06	18 746	15 613	13 499	4 553	16 003	1 160	2 067	741	72 382
2004-05									
March	3 706	2 965	2 210	914	2 370	238	426	161	12 984
June	4 921	3 508	2 940	1 126	2 605	339	585	195	16 218
2005-06									
September	4 711	3 443	2 692	968	3 201	292	526	196	16 030
December	5 431	4 294	3 541	1 340	3 975	352	581	186	19 700
March	4 017	3 739	3 362	982	3 843	251	535	169	16 898
June	4 587	4 137	3 904	1 264	4 984	265	425	189	19 755
2006-07									
September	3 923	3 938	3 578	1 028	3 893	172	571	173	17 277
December	4 341	4 239	3 673	1 349	4 751	201	415	156	19 126
March	3 958	3 964	3 546	1 084	4 351	213	450	171	17 736
SEASONALLY ADJUSTED									
2004-05									
March	4 174	3 238	2 437	1 057	2 627	258	469	167	14 368
June	4 635	3 455	2 737	1 033	2 529	320	589	180	15 483
2005-06									
September	4 827	3 471	2 821	1 087	3 253	312	500	203	16 510
December	5 081	3 999	3 333	1 174	3 673	330	556	189	18 374
March	4 536	4 060	3 703	1 148	4 238	273	584	174	18 612
June	4 302	4 083	3 642	1 144	4 840	246	427	174	18 887
2006-07									
September	4 038	3 977	3 749	1 157	3 978	186	548	176	17 849
December	4 055	3 946	3 480	1 179	4 391	189	403	158	17 860
March	4 486	4 296	3 900	1 272	4 779	230	486	179	19 492
TREND									
2004-05									
March	4 294	3 278	2 571	1 015	2 531	294	481	177	14 466
June	4 607	3 416	2 664	1 061	2 746	307	529	185	15 455
2005-06									
September	4 859	3 619	2 936	1 102	3 137	318	555	191	16 642
December	4 889	3 881	3 303	1 139	3 760	315	548	190	17 844
March	4 638	4 052	3 597	1 156	4 267	281	533	181	18 555
June	4 324	4 065	3 699	1 154	4 416	239	510	174	18 527
2006-07									
September	4 102	4 004	3 658	1 158	4 380	203	473	170	18 220
December	3 994	3 956	3 576	1 171	4 277	184	439	165	18 165
March	np	np	np	np	np	np	np	np	np

np not published due to break in seriesd

(a) Reference year for chain volume measures is 2004-05.

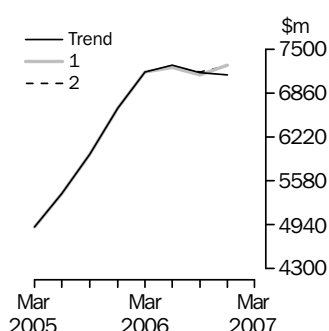
WHAT IF...? REVISIONS TO TREND ESTIMATES

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 43 and 44 in the Explanatory Notes.

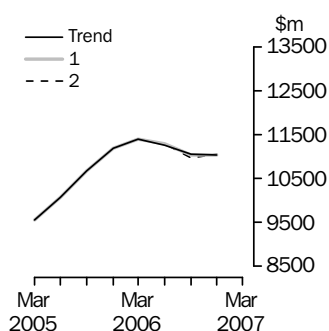
BUILDINGS AND STRUCTURES



	WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:					
	<i>Trend as published</i>		<i>(1) rises by 6.7% on this quarter</i>		<i>(2) falls by 6.7% on this quarter</i>	
	\$m	%	\$m	%	\$m	%
2006						
June	7 264	1.4	7 238	1.0	7 238	1.0
September	7 155	-1.5	7 166	-1.0	7 124	-1.6
December	7 127	-0.4	7 256	1.3	7 272	2.1
2007						
March	np	np	np	np	np	np

np not published due to break in series

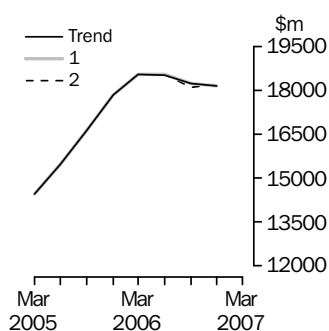
EQUIPMENT, PLANT AND MACHINERY



	WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:					
	<i>Trend as published</i>		<i>(1) rises by 4.9% on this quarter</i>		<i>(2) falls by 4.9% on this quarter</i>	
	\$m	%	\$m	%	\$m	%
2006						
June	11 263	-1.2	11 289	-0.9	11 289	-0.9
September	11 052	-1.9	11 041	-2.2	11 975	-2.8
December	11 033	-0.2	11 029	-0.1	11 053	0.7
2007						
March	np	np	np	np	np	np

np not published due to break in series

TOTAL CAPITAL EXPENDITURE



	WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:					
	<i>Trend as published</i>		<i>(1) rises by 4.4% on this quarter</i>		<i>(2) falls by 4.4% on this quarter</i>	
	\$m	%	\$m	%	\$m	%
2006						
June	18 527	-0.2	18 553	-0.0	18 553	-0.0
September	18 220	-1.7	18 245	-1.7	18 096	-2.5
December	18 165	-0.3	18 152	-0.5	18 203	0.6
2007						
March	np	np	np	np	np	np

np not published due to break in series

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. March quarter survey returns are completed during April and May).

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

	2004–2005				2005–2006			2006–2007	
Survey quarter	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
December 2004	Act	E1			E2				
March 2005	Act	Act	E1		E2				
June 2005	Act	Act	Act	E1	E2				
September 2005				Act	E1	E2			
December 2005				Act	Act	E1	E2		
March 2006				Act	Act	Act	E1	E2	
June 2006				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 table above shows for 2005-2006:

- the first estimate was available from the December 2004 survey as a longer term expectation (E2)
- the second estimate is available from the March 2005 survey (again as a longer term expectation)
- the third estimate will be available from the June 2005 survey as the sum of two expectations (E1 + E2)
- in the September 2005, December 2005 and March 2006 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 2006 survey is derived by summing the actual expenditure for each of the four quarters in the 2005-06 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 AusStats 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 December quarter 2006 they represented about 0.4% 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 2004-05). The current price values may be thought as being 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. This means that with the release of the September quarter 2007 issue of this publication, the chain volume measures for 2006–07 will have 2005–06 (the previous financial year) as their base year rather than 2004–05, and the reference year will be 2005–06.

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 2005–06 based on the June 2005 survey results and compare this with 2004–05 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, June quarter 2005 short-term expectations related to the September and December quarters 2005). 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 46 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 46 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.

EXPLANATORY NOTES *continued*

SEASONAL ADJUSTMENT

continued

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 <timeseries@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)
- *Constructon 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 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 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

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