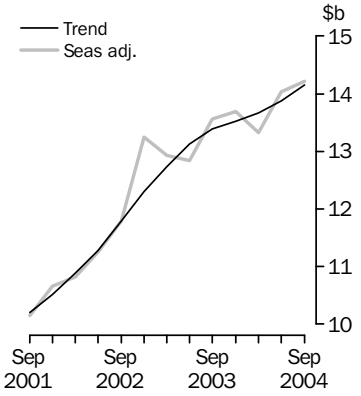
SEPTEMBER QUARTER 2004 5625.0

PRIVATE NEW CAPITAL EXPENDITURE AND EXPECTED EXPENDITURE AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) THURS 25 NOV 2004

New Capital Expenditure
in volume terms



KEY FIGURES

	Sep Qtr 04 $m	Jun Qtr 04 to Sep Qtr 04 % change	Sep Qtr 03 to Sep Qtr 04 % change
Trend estimates(a)			
Total new capital expenditure	14 152	2.0	5.7
Buildings & structures	3 951	2.4	11.8
Equipment, plant & machinery	10 177	1.6	3.1
Seasonally adjusted(a)			
Total new capital expenditure	14 220	1.3	4.8
Buildings & structures	3 984	2.2	10.7
Equipment, plant & machinery	10 237	1.0	2.7

(a) In volume terms.

KEY POINTS

ACTUAL EXPENDITURE

- The trend estimate for total new capital expenditure (in volume terms) increased by 2.0% in the September Quarter 2004. It increased 1.3% in seasonally adjusted terms.
- After two years of decreasing growth rates in the trend estimates, the rate of growth has increased for the past two quarters. Expectations for the remainder of 2004–05 are quite strong so it is projected that growth will continue.
- Expenditure on building and structures has had steady growth for the past seven quarters while expenditure on equipment, plant and machinery has increased slightly for the past two quarters.

EXPECTED EXPENDITURE

- This issue includes the fourth estimate for 2004–05.
- Estimate 4 for 2004–05 is $53,682m. This estimate is 4.3% higher than the comparable estimate for 2003–04 and 9.5% higher than Estimate 3.
- 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 Fiona Cotsell on Sydney (02) 9268 4357.

NOTES

FORTHCOMING ISSUES

ISSUE (Quarter)	*RELEASE DATE*
December 2004	24 February 2005
March 2005	26 May 2005

CHANGES IN THIS ISSUE

To assist users in interpreting data in this release the range of graphs and accompanying commentary has been expanded.

As happens each year, a seasonal re-analysis has been undertaken based on estimates up to and including the June quarter 2004. As part of this year's re-analysis, a number of the aggregation structures were amended to bring the seasonal adjustment methodology more into line with that used for the equivalent National Accounts series. This has resulted in revisions to seasonally adjusted estimates for most time series for expenditure on equipment, plant and machinery in this release.

The underlying price indexes used in the compilation of the chain volume measures have been reindexed resulting in minor revisions to the chain volume measures from September quarter 2000 onwards.

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

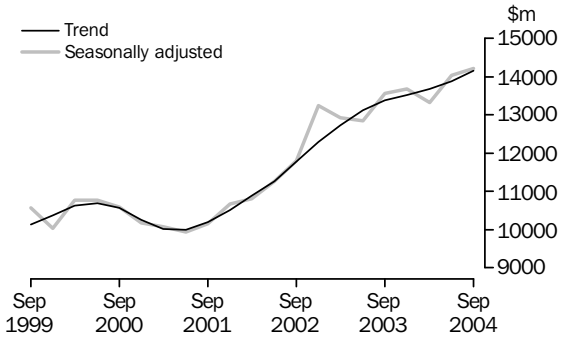
Dennis Trewin
Australian Statistician

CONTENTS

ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS

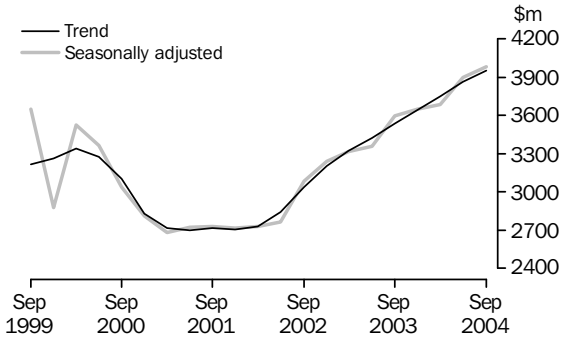
TOTAL CAPITAL EXPENDITURE

The trend estimate for total new capital expenditure increased 2.0% in the September quarter 2004. This is the fourteenth consecutive increase, and although the rate of growth had slowed significantly since December quarter 2002, it has started to increase in the past two quarters.



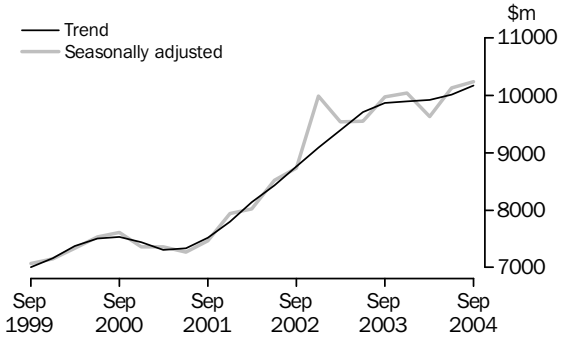
BUILDINGS AND STRUCTURES

The trend estimate increased 2.4% this quarter, after eleven consecutive increases since March quarter 2002. Manufacturing led the increase in buildings and structures this quarter (up 8%) with both Mining and Other selected industries increasing slightly.



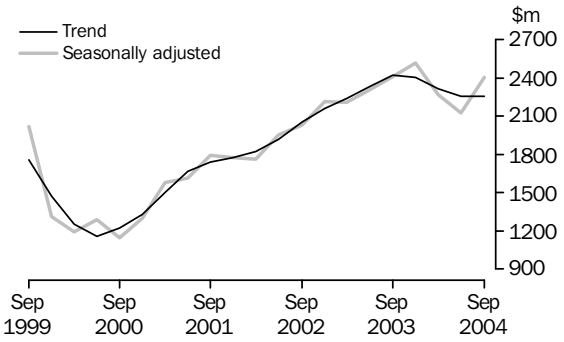
EQUIPMENT, PLANT AND MACHINERY

Trend estimates for equipment, plant and machinery increased by 1.6% in the September quarter 2004. The estimate has been increasing since June quarter 2001 but the rate of growth has been quite low in the most recent quarters. Both Manufacturing and Other selected industries increased slightly this quarter, offsetting a small fall in Mining.



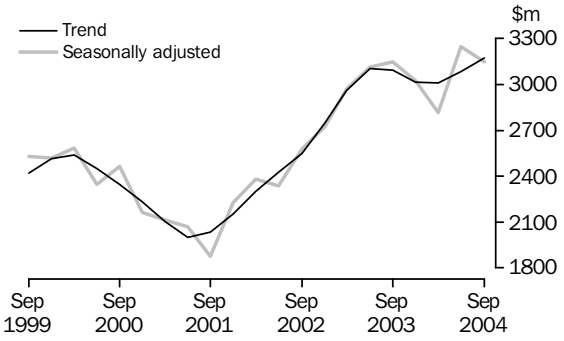
MINING

After three quarters of decreases, trend estimates for Mining were flat in the September quarter 2004. Equipment, plant and machinery decreased slightly this quarter after two quarters of strong decreases, while building and structures increased slightly.



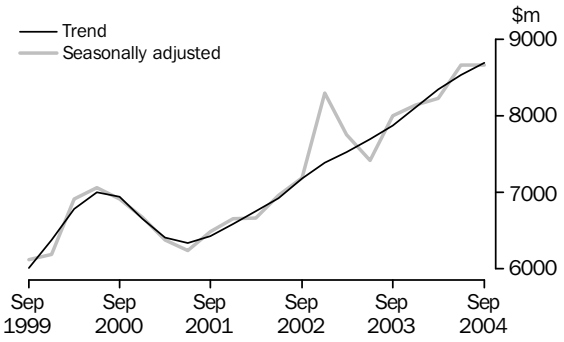
MANUFACTURING

The trend estimate increased 2.9% this quarter, the second consecutive increase. Manufacturing had strong growth up to June quarter 2003 and then fell slightly for three quarters. The current rate of growth has been consistent for the past two quarters. Buildings and structures has had a strong increase this quarter (up 8%) whilst equipment, plant and machinery increased slightly.



OTHER SELECTED INDUSTRIES

The trend estimate for Other selected industries increased 1.9% in the September quarter 2004, the thirteenth consecutive quarter of growth. The rate of growth has been relatively unchanged over this period. Equipment, plant and machinery has increased at a slightly higher rate than buildings and structures this quarter. The rate of growth for buildings and structures has been declining for the past four quarters.



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.

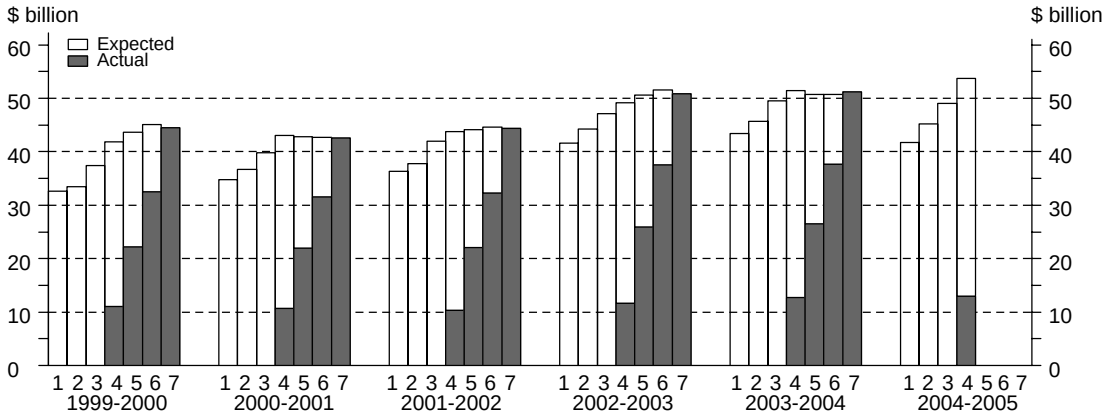
The timing and construction of these estimates are as follows:

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

TOTAL CAPITAL EXPENDITURE

Estimate 4 is 4.3% higher than the comparable estimate for 2003–04 and is the highest estimate on record. Buildings and structures contributed all of the increase (up 23%), with equipment falling by 5%.

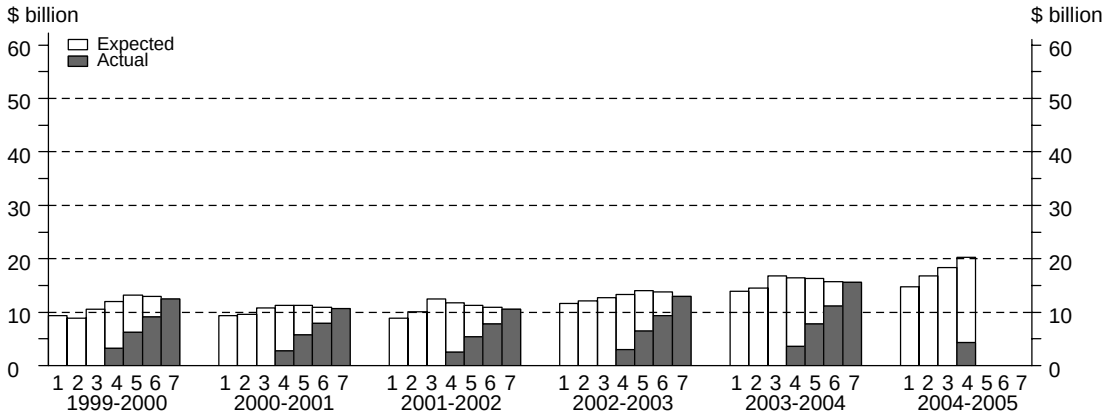
Estimate 4 is 9.5% higher than Estimate 3 for 2004-05. The increase from Estimate 3 is spread across all industries and both asset types.



BUILDINGS AND STRUCTURES

The fourth estimate for buildings and structures is 23% higher than the comparable estimate for 2003–04. Manufacturing has increased significantly (up 51%) whilst Mining, Wholesale and Construction have also had strong growth.

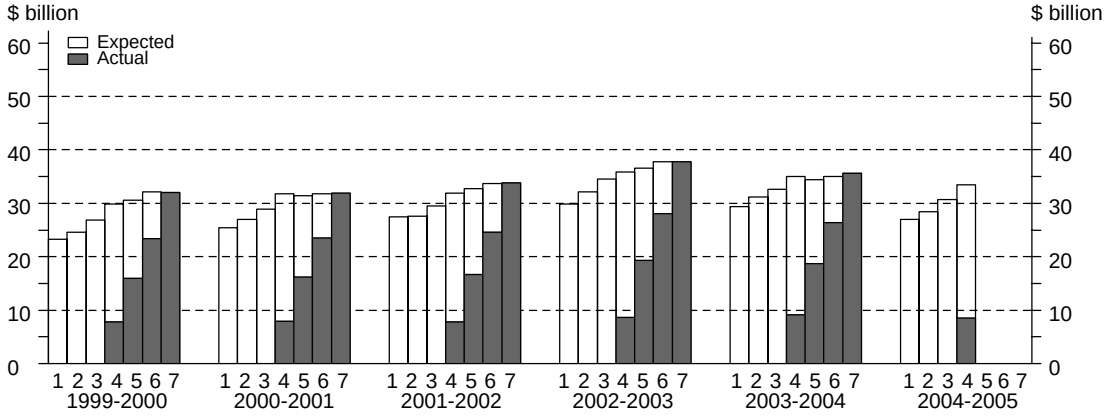
Estimate 4 is 10% higher than estimate 3 for 2004–05. Most industries have increased since Estimate 3, with the exception of Construction and Finance and Insurance, which have decreased slightly.



EQUIPMENT, PLANT AND MACHINERY

Estimate 4 for equipment, plant and machinery has decreased slightly since the comparable estimate for 2003–04. Other Services (down 18%) and Mining (down 13%) have contributed significantly to the decrease.

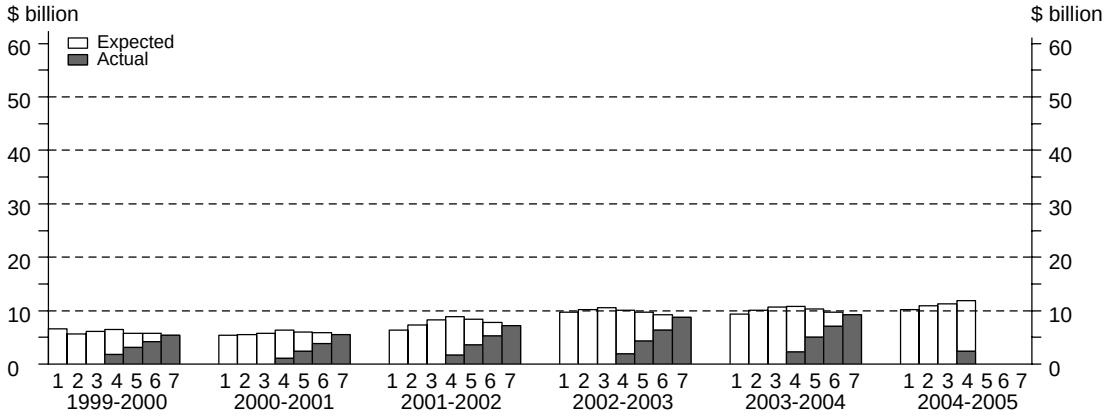
The fourth estimate for 2004–05 is 9% higher than Estimate 3. The increase is across all industries with strong growth from Construction (up 40%), Retail (up 27%) and Property and Business (up 22%).



MINING

Estimate 4 is 10% higher than the comparable estimate for 2003–04. Buildings and Structures contributed to all the increase.

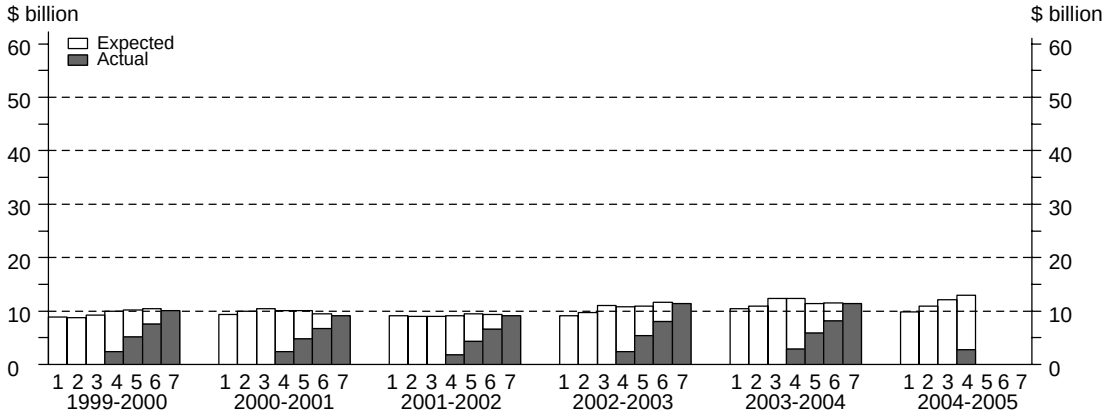
Estimate 4 is 6% higher than Estimate 3 for 2004–05. Both building and structures (up 8%) and equipment, plant and machinery (up 2%) have increased since Estimate 3.



MANUFACTURING

The fourth estimate for 2004–05 is 5% higher than Estimate 4 for 2003–04. A 51% increase in buildings and structures was responsible for the increase.

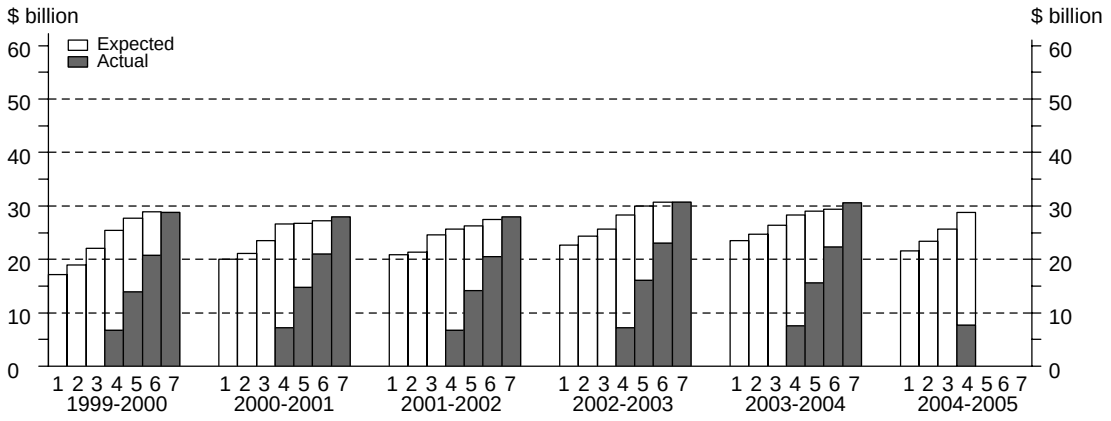
Estimate 4 for 2004–05 is 7% higher than Estimate 3. Expenditure on buildings and structures has increased significantly since Estimate 3 (up 23%) whilst equipment, plant and machinery is relatively unchanged.



OTHER SELECTED INDUSTRIES

Estimate 4 has increased by 2% from the comparable estimate for 2003–04. Increases in Wholesale, Property and Business Services and Construction offset small decreases in the other component industries.

Estimate 4 is 12% higher than Estimate 3 for 2004–05. All industries have increased since Estimate 3, with Construction (up 35%) and Retail (up 20%) showing the strongest growth. The increase was also spread across both asset types, with building and structures and equipment, plant and machinery increasing by 7% and 15% respectively.



IN CURRENT PRICE TERMS

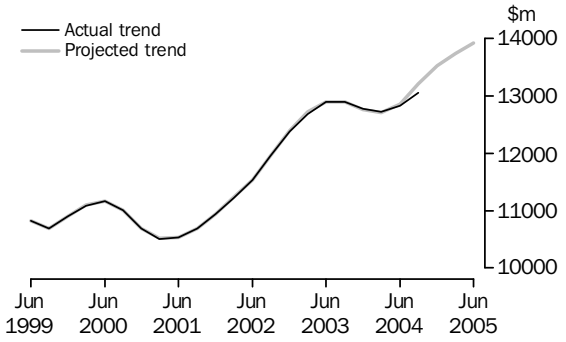
PROJECTED CAPITAL EXPENDITURE SERIES

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 2004 data, which includes expected expenditure up to and including the June quarter 2005. Please see the paragraphs 28 to 32 of the Explanatory Notes for further details about the methodology and cautionary notes of this series.

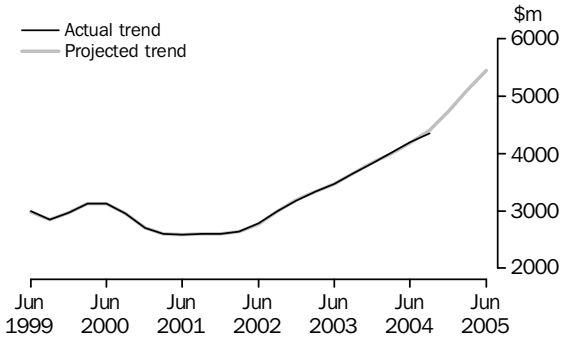
TOTAL CAPITAL EXPENDITURE

Current price trend estimates for total capital expenditure had been declining slightly in recent quarters, after a period of strong growth. However expectations for the next financial year indicate that growth will occur in the next three quarters following a small increase this quarter. Mining and Manufacturing are the major contributors to this growth, with Other selected industries expecting a small decrease.



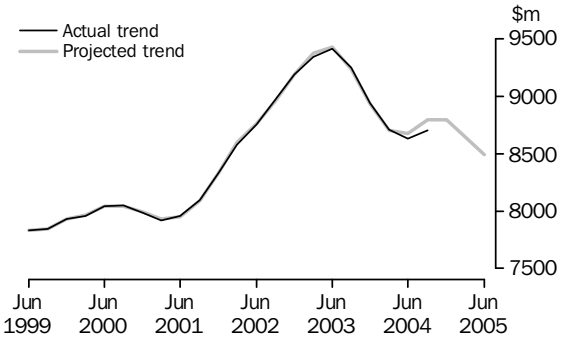
BUILDINGS AND STRUCTURES

Trend estimates for buildings and structures has shown strong growth since June quarter 2002 in current price terms. Strong expectations indicates this growth will continue for the 2004–05 financial year. The projected increase in buildings and structures is contributed to by all major industry groups.



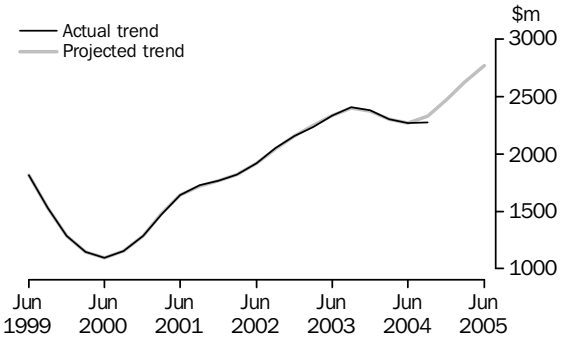
EQUIPMENT, PLANT AND MACHINERY

Current price trend estimates for equipment, plant and machinery have been falling after reaching a peak in June quarter 2003. Although recent quarters have indicated this decrease was flattening out, weak expectations for the next three quarters suggest that this decline will continue. Other selected industries is projecting a strong decrease for the current financial year, whilst Mining and Manufacturing are indicating small increases.



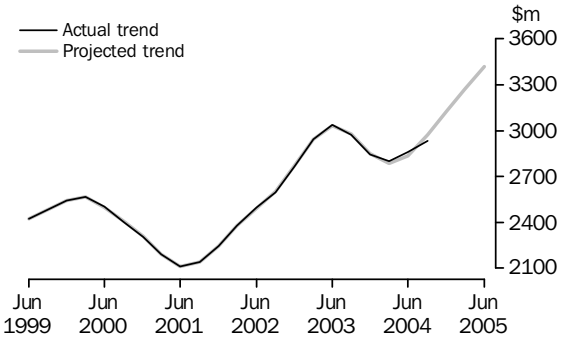
MINING

Trend estimates for Mining have been decreasing in recent quarters in current price terms. However strong expectations indicate that this decrease is temporary and growth is predicted for this financial year. The majority of the growth is expected to be from a significant increase in buildings and structures.



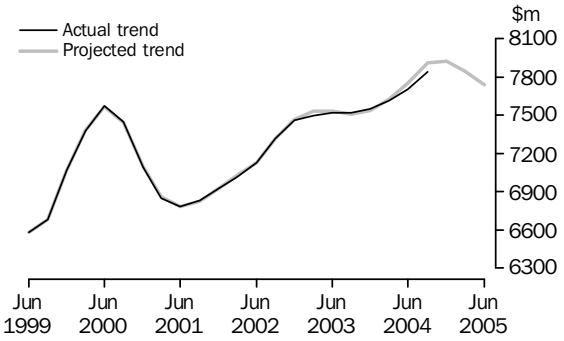
MANUFACTURING

After reaching a peak in June quarter 2003, Manufacturing current price trend estimates had been declining but have started to grow in recent quarters. Strong expectations predict that the estimate will increase again over the current financial year. Buildings and structures expenditure has been increasing March quarter 2001, and it is predicted that the growth rate will rise significantly over the next few quarters. After recent decreases equipment, plant and machinery is expected to increase slightly.



OTHER SELECTED INDUSTRIES

Current price trend estimates for Other Selected Industries have been increasing slightly in recent quarters. Current expectations data however indicate that there will be a slight decrease over the current financial year. Buildings and structures expenditure has been strong over recent quarters offsetting decreases in equipment, plant and machinery. This is set to continue over the financial year. Transport and Storage is main contributor to the expected decrease.



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

	BUILDINGS AND STRUCTURES				EQUIPMENT, PLANT AND MACHINERY				TOTAL CAPITAL EXPENDITURE			
Period	*Mining* $m	*Manufacturing* $m	*Other selected industries* $m	*Total* $m	*Mining* $m	*Manufacturing* $m	*Other selected industries* $m	*Total* $m	*Mining* $m	*Manufacturing* $m	*Other selected industries* $m	*Total* $m
					ORIGINAL (Actual)							
2002–03	4 540	1 877	6 583	13 000	4 226	9 507	24 082	37 816	8 766	11 384	30 665	50 816
2003–04	4 910	2 462	8 273	15 645	4 372	8 962	22 268	35 602	9 282	11 424	30 541	51 247
2002–03												
June	1 220	555	1 836	3 611	1 216	2 737	5 759	9 712	2 436	3 292	7 595	13 323
2003–04												
September	1 122	590	1 943	3 655	1 213	2 267	5 636	9 115	2 334	2 857	7 579	12 771
December	1 449	604	2 104	4 157	1 269	2 420	5 938	9 627	2 718	3 023	8 042	13 783
March	1 078	488	1 830	3 397	910	1 852	4 913	7 674	1 988	2 339	6 743	11 070
June	1 261	780	2 395	4 437	981	2 424	5 782	9 186	2 242	3 204	8 177	13 623
2004–05												
September	1 392	778	2 176	4 346	991	2 003	5 563	8 557	2 383	2 781	7 739	12 903
					ORIGINAL (Expected) (a)							
2004–05												
3 mths to Dec	1 799	894	2 660	5 353	1 534	2 729	5 440	9 702	3 333	3 623	8 100	15 056
6 mths to Jun	3 443	2 115	4 970	10 529	2 688	4 476	8 031	15 195	6 131	6 591	13 001	25 723
Total fin year	6 634	3 788	9 806	20 228	5 212	9 208	19 034	33 454	11 846	12 996	28 840	53 682
					SEASONALLY ADJUSTED (Actual)							
2002–03												
June	1 171	528	1 727	3 426	1 164	2 535	5 542	9 242	2 335	3 063	7 269	12 667
2003–04												
September	1 138	586	1 975	3 699	1 237	2 447	5 698	9 382	2 375	3 033	7 673	13 081
December	1 321	579	1 929	3 829	1 177	2 252	5 680	9 109	2 498	2 831	7 609	12 938
March	1 230	542	2 114	3 886	1 014	2 019	5 301	8 333	2 244	2 561	7 414	12 219
June	1 213	742	2 276	4 231	942	2 238	5 566	8 745	2 155	2 980	7 843	12 978
2004–05												
September	1 412	772	2 198	4 382	1 007	2 168	5 631	8 806	2 419	2 940	7 830	13 189
					TREND ESTIMATES (Actual)							
2002–03												
June	1 171	544	1 761	3 476	1 163	2 494	5 761	9 419	2 334	3 038	7 522	12 894
2003–04												
September	1 201	564	1 883	3 648	1 204	2 411	5 640	9 254	2 405	2 975	7 522	12 902
December	1 230	592	2 008	3 830	1 149	2 251	5 542	8 943	2 379	2 843	7 552	12 774
March	1 252	647	2 112	4 011	1 050	2 153	5 504	8 708	2 302	2 800	7 617	12 719
June	1 285	713	2 198	4 196	982	2 144	5 507	8 633	2 267	2 857	7 705	12 829
2004–05												
September	1 326	759	2 268	4 353	951	2 173	5 570	8 702	2 277	2 932	7 839	13 048

(a) Not directly comparable with estimates of actual expenditure due to likely over/under realisation. See paragraphs 24 to 27 of the Explanatory Notes.

2 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)										
2002–03	8 766	11 384	1 967	2 087	3 439	7 203	2 897	6 518	6 553	50 816
2003–04	9 282	11 424	1 725	2 101	3 571	7 076	2 962	6 710	6 397	51 247
2002–03										
June	2 436	3 292	494	577	892	1 707	695	1 734	1 496	13 323
2003–04										
September	2 334	2 857	^ 332	500	906	1 971	773	1 681	1 416	12 771
December	2 718	3 023	^ 420	555	978	1 795	765	1 812	1 717	13 783
March	1 988	2 339	^ 481	488	774	1 344	630	1 428	1 598	11 070
June	2 242	3 204	^ 491	558	912	1 966	794	1 788	1 666	13 623
2004–05										
September	2 383	2 781	^ 440	579	948	1 751	761	1 663	1 597	12 903
ORIGINAL (Expected) (a)										
2004–05										
3 mths to Dec	3 333	3 623	398	587	782	1 905	800	1 787	1 842	15 056
6 mths to Jun	6 131	6 591	452	991	1 212	2 714	1 381	2 996	3 255	25 723
Total fin year	11 846	12 996	1 289	2 156	2 943	6 369	2 942	6 446	6 695	53 682
SEASONALLY ADJUSTED (Actual)										
2002–03										
June	2 335	3 063	459	535	885	1 621	642	1 618	1 509	12 667
2003–04										
September	2 375	3 033	363	492	852	2 005	749	1 699	1 513	13 081
December	2 498	2 831	414	518	878	1 741	735	1 757	1 566	12 938
March	2 244	2 561	481	589	950	1 437	741	1 578	1 638	12 219
June	2 155	2 980	457	516	907	1 873	734	1 669	1 687	12 978
2004–05										
September	2 419	2 940	481	571	888	1 778	743	1 669	1 700	13 189
TREND ESTIMATES (Actual)										
2002–03										
June	2 334	3 038	428	511	855	1 770	738	1 659	1 561	12 894
2003–04										
September	2 405	2 975	412	515	874	1 790	719	1 695	1 517	12 902
December	2 379	2 843	415	530	896	1 735	729	1 685	1 562	12 774
March	2 302	2 800	448	545	912	1 678	742	1 663	1 629	12 719
June	2 267	2 857	472	555	915	1 703	738	1 646	1 676	12 829
2004–05										
September	2 277	2 932	481	557	903	1 799	740	1 648	1 711	13 048

^ 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 24 to 27 of the Explanatory Notes.

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

	ASSET			INDUSTRY			
	Buildings and structures	*Equipment, plant and machinery*	*Total*	*Mining*	*Manufacturing*	*Other selected industries*	*Total*
Period	$m	$m	$m	$m	$m	$m	$m
			ORIGINAL				
2000–01	11 258	29 614	40 777	5 635	8 815	26 218	40 777
2001–02	10 942	31 941	42 886	7 292	8 824	26 762	42 886
2002–03	13 000	37 816	50 816	8 766	11 384	30 665	50 816
2003–04	14 834	39 773	54 607	9 321	12 239	33 047	54 607
2002–03							
September	3 032	8 491	11 516	1 978	2 417	7 120	11 516
December	3 532	10 521	14 057	2 394	2 908	8 753	14 057
March	2 885	8 779	11 672	1 957	2 695	7 017	11 672
June	3 551	10 025	13 570	2 437	3 363	7 775	13 570
2003–04							
September	3 548	9 696	13 244	2 342	2 967	7 936	13 244
December	3 985	10 615	14 599	2 740	3 223	8 637	14 599
March	3 207	8 766	11 973	2 004	2 547	7 422	11 973
June	4 094	10 696	14 790	2 235	3 503	9 053	14 790
2004–05							
September	3 942	9 970	13 911	2 337	2 985	8 590	13 911
			SEASONALLY ADJUSTED				
2002–03							
September	3 085	8 739	11 797	2 030	2 579	7 187	11 797
December	3 240	9 989	13 240	2 214	2 722	8 300	13 240
March	3 315	9 536	12 935	2 210	2 969	7 756	12 935
June	3 360	9 552	12 844	2 313	3 114	7 422	12 844
2003–04							
September	3 597	9 970	13 567	2 408	3 151	8 008	13 567
December	3 651	10 036	13 687	2 518	3 026	8 142	13 687
March	3 687	9 633	13 320	2 270	2 816	8 233	13 320
June	3 899	10 134	14 033	2 124	3 246	8 664	14 033
2004–05							
September	3 984	10 237	14 220	2 404	3 150	8 666	14 220
			TREND				
2002–03							
September	3 035	8 756	11 786	2 055	2 551	7 177	11 786
December	3 205	9 086	12 302	2 164	2 748	7 389	12 302
March	3 322	9 392	12 732	2 239	2 960	7 533	12 732
June	3 423	9 709	13 132	2 336	3 103	7 694	13 132
2003–04							
September	3 535	9 869	13 388	2 421	3 093	7 876	13 388
December	3 643	9 893	13 528	2 403	3 015	8 110	13 528
March	3 750	9 922	13 672	2 313	3 009	8 352	13 672
June	3 861	10 018	13 877	2 258	3 083	8 537	13 877
2004–05							
September	3 951	10 177	14 152	2 258	3 173	8 697	14 152

(a) Reference year for chain volume measures is 2002–03.

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

	ASSET			INDUSTRY			
	Buildings and structures	*Equipment, Plant and Machinery*	*Total*	*Mining*	*Manufacturing*	*Other selected industries*	*Total*
Period	%	%	%	%	%	%	%
			ORIGINAL				
2000–01	–16.1	1.8	–3.2	–3.1	–11.7	–0.3	–3.2
2001–02	–2.8	7.9	5.2	29.4	0.1	2.1	5.2
2002–03	18.8	18.4	18.5	20.2	29.0	14.6	18.5
2003–04	14.1	5.2	7.5	6.3	7.5	7.8	7.5
2002–03							
September	5.7	–5.0	–2.6	–1.3	–4.4	–2.4	–2.6
December	16.5	23.9	22.1	21.1	20.3	22.9	22.1
March	–18.3	–16.6	–17.0	–18.3	–7.3	–19.8	–17.0
June	23.1	14.2	16.3	24.5	24.8	10.8	16.3
2003–04							
September	–0.1	–3.3	–2.4	–3.9	–11.8	2.1	–2.4
December	12.3	9.5	10.2	17.0	8.6	8.8	10.2
March	–19.5	–17.4	–18.0	–26.8	–21.0	–14.1	–18.0
June	27.7	22.0	23.5	11.5	37.6	22.0	23.5
2004–05							
September	–3.7	–6.8	–5.9	4.6	–14.8	–5.1	–5.9
			SEASONALLY ADJUSTED				
2002–03							
September	11.5	2.5	4.8	3.8	10.3	3.3	4.8
December	5.0	14.3	12.2	9.1	5.5	15.5	12.2
March	2.3	–4.5	–2.3	–0.2	9.1	–6.6	–2.3
June	1.4	0.2	–0.7	4.6	4.9	–4.3	–0.7
2003–04							
September	7.1	4.4	5.6	4.1	1.2	7.9	5.6
December	1.5	0.7	0.9	4.6	–3.9	1.7	0.9
March	1.0	–4.0	–2.7	–9.9	–6.9	1.1	–2.7
June	5.8	5.2	5.4	–6.4	15.2	5.2	5.4
2004–05							
September	2.2	1.0	1.3	13.2	–2.9	0.0	1.3
			TREND				
2002–03							
September	6.7	3.8	4.5	7.0	5.1	3.7	4.5
December	5.6	3.8	4.4	5.3	7.7	2.9	4.4
March	3.7	3.4	3.5	3.5	7.7	1.9	3.5
June	3.1	3.4	3.1	4.3	4.8	2.1	3.1
2003–04							
September	3.3	1.6	2.0	3.6	–0.3	2.4	2.0
December	3.1	0.2	1.0	–0.8	–2.5	3.0	1.0
March	2.9	0.3	1.1	–3.7	–0.2	3.0	1.1
June	2.9	1.0	1.5	–2.4	2.5	2.2	1.5
2004–05							
September	2.4	1.6	2.0	0.0	2.9	1.9	2.0

(a) Reference year for chain volume measures is 2002–03.

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

Financial Year	*12 months expectation as reported in Jan-Feb of previous financial year (Estimate 1)*	*12 months expectation as reported in Apr-May of previous financial year (Estimate 2)*	*12 months expectation as reported in Jul-Aug (Estimate 3)*	*3 months actual and 9 months expectation as reported in Oct-Nov (Estimate 4)*	*6 months actual and 6 months expectation as reported in Jan-Feb (Estimate 5)*	*9 months actual and 3 months expectation as reported in Apr-May (Estimate 6)*	*12 months actual (Estimate 7)*
BUILDINGS AND STRUCTURES ($ million)							
2000–01	9 321	9 654	10 834	11 333	11 330	10 955	10 742
2001–02	8 860	10 122	12 445	11 796	11 335	10 891	10 552
2002–03	11 694	12 124	12 691	13 344	14 067	13 744	13 000
2003–04	13 975	14 551	16 834	16 427	16 353	15 712	15 645
2004–05	14 754	16 775	18 359	20 228	nya	nya	nya
BUILDINGS AND STRUCTURES (Realisation Ratio) (a)							
2001–02	1.19	1.04	0.85	0.89	0.93	0.97	1.00
2002–03	1.11	1.07	1.02	0.97	0.92	0.95	1.00
2003–04	1.12	1.08	0.93	0.95	0.96	1.00	1.00
5-year average	1.18	1.14	1.00	0.96	0.94	0.97	1.00
EQUIPMENT, PLANT AND MACHINERY ($ million)							
2000–01	25 447	27 037	28 943	31 759	31 428	31 721	31 878
2001–02	27 457	27 640	29 473	31 956	32 769	33 703	33 828
2002–03	29 859	32 157	34 478	35 805	36 540	37 770	37 816
2003–04	29 393	31 129	32 627	35 031	34 402	35 034	35 602
2004–05	26 927	28 423	30 675	33 454	nya	nya	nya
EQUIPMENT, PLANT AND MACHINERY (Realisation Ratio) (a)							
2001–02	1.23	1.22	1.15	1.06	1.03	1.00	1.00
2002–03	1.27	1.18	1.10	1.06	1.03	1.00	1.00
2003–04	1.21	1.14	1.09	1.02	1.03	1.02	1.00
5-year average	1.27	1.20	1.13	1.04	1.03	1.00	1.00
TOTAL ($ million)							
2000–01	34 768	36 691	39 777	43 092	42 758	42 676	42 621
2001–02	36 317	37 762	41 917	43 752	44 105	44 594	44 380
2002–03	41 553	44 281	47 169	49 149	50 607	51 514	50 816
2003–04	43 369	45 681	49 462	51 458	50 755	50 747	51 247
2004–05	41 682	45 197	49 034	53 682	nya	nya	nya
TOTAL (Realisation Ratio) (a)							
2001–02	1.22	1.18	1.06	1.01	1.01	1.00	1.00
2002–03	1.22	1.15	1.08	1.03	1.00	0.99	1.00
2003–04	1.18	1.12	1.04	1.00	1.01	1.01	1.00
5-year average	1.24	1.19	1.09	1.02	1.01	1.00	1.00
TOTAL (Percentage change over corresponding estimate for previous financial year)							
2000–01	6.6	9.8	6.3	3.0	–2.1	–5.3	–4.1
2001–02	4.5	2.9	5.4	1.5	3.1	4.5	4.1
2002–03	14.4	17.3	12.5	12.3	14.7	15.5	14.5
2003–04	4.4	3.2	4.9	4.7	0.3	–1.5	0.8
2004–05	–3.9	–1.1	–0.9	4.3	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 24 to 27 of the Explanatory Notes.

6 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)*
			MINING ($ million)				
2000–01	5 355	5 569	5 789	6 415	5 952	5 879	5 490
2001–02	6 323	7 327	8 300	8 873	8 415	7 749	7 249
2002–03	9 764	10 163	10 510	10 089	9 695	9 222	8 766
2003–04	9 388	10 053	10 672	10 812	10 365	9 780	9 282
2004–05	10 192	10 937	11 226	11 846	nya	nya	nya
			MINING (Realisation Ratio) (a)				
2001–02	1.15	0.99	0.87	0.82	0.86	0.94	1.00
2002–03	0.90	0.86	0.83	0.87	0.90	0.95	1.00
2003–04	0.99	0.92	0.87	0.86	0.90	0.95	1.00
5-year average	0.98	0.95	0.88	0.85	0.91	0.94	1.00
			MANUFACTURING ($ million)				
2000–01	9 339	10 015	10 502	10 027	10 088	9 514	9 144
2001–02	9 161	9 028	9 018	9 174	9 465	9 377	9 180
2002–03	9 173	9 776	11 021	10 808	10 904	11 624	11 384
2003–04	10 453	10 911	12 402	12 370	11 371	11 571	11 424
2004–05	9 853	10 915	12 133	12 996	nya	nya	nya
			MANUFACTURING (Realisation Ratio) (a)				
2001–02	1.00	1.02	1.02	1.00	0.97	0.98	1.00
2002–03	1.24	1.16	1.03	1.05	1.04	0.98	1.00
2003–04	1.09	1.05	0.92	0.92	1.00	0.99	1.00
5-year average	1.09	1.06	0.99	0.98	0.98	0.98	1.00
			OTHER SELECTED INDUSTRIES ($ million)				
2000–01	20 074	21 108	23 486	26 650	26 718	27 283	27 987
2001–02	20 834	21 407	24 600	25 704	26 225	27 469	27 950
2002–03	22 616	24 341	25 638	28 252	30 009	30 669	30 665
2003–04	23 528	24 716	26 388	28 276	29 019	29 396	30 541
2004–05	21 637	23 346	25 676	28 840	nya	nya	nya
			OTHER SELECTED INDUSTRIES (Realisation Ratio) (a)				
2001–02	1.34	1.31	1.14	1.09	1.07	1.02	1.00
2002–03	1.36	1.26	1.20	1.09	1.02	1.00	1.00
2003–04	1.30	1.24	1.16	1.08	1.05	1.04	1.00
5-year average	1.41	1.33	1.20	1.09	1.05	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 24 to 27 of the Explanatory Notes.

7 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				
2001–02	0.92	0.89	0.86	0.87
2002–03	0.98	0.83	1.04	0.86
2003–04	0.91	0.99	0.91	0.92
5-year average	0.95	0.90	0.98	0.89
Equipment, plant and machinery				
2001–02	1.04	1.01	1.09	1.07
2002–03	1.05	1.00	1.08	1.07
2003–04	0.95	1.07	1.06	1.08
5-year average	0.99	1.02	1.08	1.07
Total				
2001–02	1.00	0.98	1.02	1.01
2002–03	1.03	0.95	1.07	1.01
2003–04	0.94	1.04	1.01	1.02
5-year average	0.98	0.98	1.05	1.01
TYPE OF INDUSTRY				
Mining				
2001–02	0.76	0.80	0.84	0.76
2002–03	0.79	0.84	0.81	0.83
2003–04	0.86	0.82	0.86	0.80
5-year average	0.80	0.82	0.86	0.83
Manufacturing				
2001–02	0.93	0.93	0.94	0.94
2002–03	0.94	0.93	0.97	1.09
2003–04	0.81	0.96	0.91	1.01
5-year average	0.90	0.92	0.93	0.97
Other selected industries				
2001–02	1.13	1.07	1.11	1.14
2002–03	1.16	1.00	1.22	1.05
2003–04	1.04	1.16	1.11	1.11
5-year average	1.07	1.07	1.16	1.10
Total				
2001–02	1.00	0.98	1.02	1.01
2002–03	1.03	0.95	1.07	1.01
2003–04	0.94	1.04	1.01	1.02
5-year average	0.98	0.98	1.05	1.01

(a) For more information on Realisation Ratios see paragraphs 24 to 27 of the Explanatory Notes.

8 ACTUAL EXPENDITURE ON BUILDINGS AND STRUCTURES, Current prices

Period	New South Wales $m	Victoria $m	Queensland $m	South Australia $m	Western Australia $m	Tasmania $m	Northern Territory $m	Australian Capital Territory $m	Total $m
ORIGINAL									
2000–01	3 202	2 385	2 052	692	1 671	134	396	212	10 742
2001–02	2 695	1 847	1 948	617	1 831	445	975	194	10 552
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
2002–03									
September	677	592	532	159	539	88	377	26	2 989
December	832	616	612	214	725	54	417	38	3 509
March	604	529	459	163	760	73	281	21	2 890
June	999	605	520	247	874	39	305	23	3 611
2003–04									
September	895	^ 720	531	195	853	21	424	16	3 655
December	1 050	717	608	281	1 079	^ 24	383	14	4 157
March	914	601	493	192	786	52	334	*25	3 397
June	1 225	632	731	301	1 075	71	379	*23	4 437
2004–05									
September	1 165	731	619	223	1 162	94	327	*25	4 346
SEASONALLY ADJUSTED									
2002–03									
September	691	553	531	171	540	np	np	np	3 044
December	755	573	571	175	664	np	np	np	3 234
March	706	612	517	203	862	np	np	np	3 313
June	942	615	499	235	851	np	np	np	3 426
2003–04									
September	909	668	533	213	854	np	np	np	3 699
December	956	667	564	229	984	np	np	np	3 829
March	1 073	695	559	239	901	np	np	np	3 886
June	1 149	646	701	284	1 042	np	np	np	4 231
2004–05									
September	1 186	673	623	245	1 162	np	np	np	4 382
TREND									
2002–03									
September	664	542	551	166	562	98	346	30	2 993
December	718	579	544	182	690	73	356	28	3 186
March	793	604	525	204	796	53	344	26	3 335
June	860	629	517	219	867	38	340	20	3 476
2003–04									
September	925	658	520	223	894	27	355	17	3 648
December	988	674	557	232	913	27	380	18	3 830
March	1 056	675	601	247	968	46	376	21	4 011
June	1 136	668	637	260	1 041	70	358	25	4 196
2004–05									
September	1 196	664	658	262	1 109	91	337	27	4 353

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

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

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

9 ACTUAL EXPENDITURE ON EQUIPMENT, PLANT AND MACHINERY, Current prices

Period	New South Wales $m	Victoria $m	Queensland $m	South Australia $m	Western Australia $m	Tasmania $m	Northern Territory $m	Australian Capital Territory $m	Total $m
ORIGINAL									
2000–01	11 820	8 612	4 471	2 170	3 608	467	382	348	31 878
2001–02	10 821	9 508	5 480	2 497	4 163	518	414	427	33 828
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
2002–03									
September	2 742	2 552	1 443	662	961	101	82	99	8 642
December	3 135	2 995	1 991	930	1 131	211	157	167	10 717
March	2 633	2 423	1 608	734	951	151	82	164	8 745
June	2 801	2 518	1 887	897	1 199	164	106	140	9 712
2003–04									
September	2 587	2 476	1 507	776	1 374	^ 139	^ 121	^ 134	9 115
December	2 672	2 480	1 854	798	1 462	136	^ 114	112	9 627
March	2 250	2 017	1 398	609	1 087	^ 126	80	^ 107	7 674
June	2 778	2 226	1 853	795	1 201	132	65	^ 136	9 186
2004–05									
September	2 555	2 140	1 754	637	1 136	^ 140	62	^ 136	8 557
SEASONALLY ADJUSTED									
2002–03									
September	2 781	2 571	1 547	718	948	np	np	np	8 881
December	3 013	2 788	1 917	821	1 072	np	np	np	10 163
March	2 872	2 701	1 708	807	1 072	np	np	np	9 487
June	2 652	2 433	1 740	860	1 149	np	np	np	9 242
2003–04									
September	2 625	2 490	1 615	848	1 356	np	np	np	9 382
December	2 564	2 310	1 777	704	1 382	np	np	np	9 109
March	2 454	2 244	1 490	674	1 227	np	np	np	8 333
June	2 634	2 157	1 707	757	1 154	np	np	np	8 745
2004–05									
September	2 590	2 147	1 879	698	1 118	np	np	np	8 806
TREND									
2002–03									
September	2 751	2 579	1 573	717	1 000	137	105	123	8 972
December	2 803	2 623	1 679	755	988	147	91	129	9 195
March	2 790	2 608	1 718	811	1 056	157	94	138	9 345
June	2 715	2 534	1 721	844	1 198	155	110	144	9 419
2003–04									
September	2 610	2 431	1 685	809	1 313	143	116	135	9 254
December	2 539	2 328	1 637	744	1 335	136	106	119	8 943
March	2 540	2 244	1 638	709	1 261	132	86	115	8 708
June	2 565	2 173	1 702	708	1 170	131	71	123	8 633
2004–05									
September	2 604	2 146	1 785	720	1 108	132	63	142	8 702

^ 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

10 ACTUAL TOTAL EXPENDITURE, Current prices

Period	New South Wales $m	Victoria $m	Queensland $m	South Australia $m	Western Australia $m	Tasmania $m	Northern Territory $m	Australian Capital Territory $m	Total $m
ORIGINAL									
2000–01	15 022	10 997	6 523	2 862	5 279	600	778	560	42 621
2001–02	13 516	11 355	7 428	3 113	5 994	963	1 389	621	44 380
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
2002–03									
September	3 420	3 144	1 975	821	1 500	189	459	125	11 631
December	3 967	3 611	2 604	1 145	1 856	265	574	205	14 226
March	3 237	2 953	2 067	897	1 711	224	362	184	11 635
June	3 801	3 123	2 407	1 143	2 073	203	411	163	13 323
2003–04									
September	3 482	3 196	2 038	971	2 227	^ 160	545	^ 150	12 771
December	3 722	3 197	2 462	1 079	2 541	160	497	126	13 783
March	3 164	2 618	1 891	802	1 873	^ 177	414	^ 132	11 070
June	4 003	2 858	2 584	1 096	2 276	202	444	^ 159	13 623
2004–05									
September	3 720	2 870	2 373	860	2 298	234	389	^ 160	12 903
SEASONALLY ADJUSTED									
2002–03									
September	3 472	3 124	2 078	889	1 488	197	426	140	11 927
December	3 768	3 361	2 488	996	1 736	272	545	207	13 396
March	3 578	3 313	2 225	1 010	1 934	230	394	179	12 800
June	3 594	3 048	2 239	1 095	2 000	185	423	148	12 667
2003–04									
September	3 534	3 158	2 148	1 061	2 210	163	525	169	13 081
December	3 520	2 977	2 341	933	2 366	164	467	129	12 938
March	3 527	2 939	2 049	913	2 128	182	449	129	12 219
June	3 783	2 803	2 408	1 041	2 196	189	462	145	12 978
2004–05									
September	3 776	2 820	2 502	943	2 280	242	370	179	13 189
TREND									
2002–03									
September	3 415	3 121	2 124	883	1 562	235	451	153	11 966
December	3 521	3 202	2 223	937	1 678	220	447	157	12 385
March	3 583	3 212	2 243	1 015	1 852	210	438	164	12 683
June	3 575	3 163	2 238	1 063	2 065	193	450	164	12 894
2003–04									
September	3 535	3 089	2 205	1 032	2 207	170	471	152	12 902
December	3 527	3 002	2 194	976	2 248	163	486	137	12 774
March	3 596	2 919	2 239	956	2 229	178	462	136	12 719
June	3 701	2 841	2 339	968	2 211	201	429	148	12 829
2004–05									
September	3 800	2 810	2 443	982	2 217	223	400	169	13 048

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

11 ACTUAL EXPENDITURE ON BUILDINGS AND STRUCTURES—Chain volume measures(a)

Period	*New South Wales* $m	*Victoria* $m	*Queensland* $m	*South Australia* $m	*Western Australia* $m	*Tasmania* $m	*Northern Territory* $m	*Australian Capital Territory* $m	*Total* $m
					ORIGINAL				
2000–01	3 356	2 498	2 149	725	1 753	140	414	222	11 258
2001–02	2 797	1 915	2 018	640	1 901	460	1 009	201	10 942
2002–03	3 112	2 343	2 122	783	2 898	255	1 380	107	13 000
2003–04	3 869	2 537	2 239	918	3 597	157	1 444	74	14 834
2002–03									
September	687	600	539	161	547	89	382	26	3 032
December	838	620	616	216	731	55	419	38	3 532
March	604	528	457	163	760	73	280	21	2 885
June	984	595	511	243	861	38	299	22	3 551
2003–04									
September	869	699	515	189	828	20	412	15	3 548
December	1 007	688	583	270	1 034	23	368	13	3 985
March	863	567	466	182	742	49	315	24	3 207
June	1 130	583	675	277	992	65	349	21	4 094
2004–05									
September	1 057	662	561	202	1 055	85	299	22	3 942
					SEASONALLY ADJUSTED				
2002–03									
September	705	561	537	170	551	np	np	np	3 085
December	767	574	576	175	667	np	np	np	3 240
March	711	605	520	201	855	np	np	np	3 315
June	930	602	490	237	826	np	np	np	3 360
2003–04									
September	887	653	516	202	841	np	np	np	3 597
December	917	637	543	220	949	np	np	np	3 651
March	1 011	652	534	225	851	np	np	np	3 687
June	1 053	595	646	271	956	np	np	np	3 899
2004–05									
September	1 081	617	562	215	1 064	np	np	np	3 984
					TREND				
2002–03									
September	678	549	560	167	570	98	352	30	3 035
December	729	580	549	182	691	72	361	29	3 205
March	796	599	524	203	788	52	345	26	3 322
June	851	618	509	216	851	37	336	20	3 423
2003–04									
September	903	639	506	216	873	26	343	16	3 535
December	947	645	536	221	880	27	363	17	3 643
March	993	634	569	234	915	45	356	19	3 750
June	1 049	618	589	242	962	65	335	22	3 861
2004–05									
September	1 082	609	593	238	1 005	78	310	24	3 951

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

(a) Reference year for chain volume measures is 2002–03.

12 ACTUAL EXPENDITURE ON EQUIPMENT, PLANT AND MACHINERY—Chain volume measures(a)

Period	New South Wales $m	Victoria $m	Queensland $m	South Australia $m	Western Australia $m	Tasmania $m	Northern Territory $m	Australian Capital Territory $m	Total $m
				ORIGINAL					
2000–01	10 858	7 967	4 186	2 024	3 441	436	358	319	29 614
2001–02	10 174	8 950	5 189	2 362	3 978	491	395	402	31 941
2002–03	11 312	10 487	6 929	3 223	4 241	626	427	570	37 816
2003–04	11 561	10 325	7 393	3 310	5 621	595	419	548	39 773
2002–03									
September	2 693	2 504	1 419	649	947	99	81	98	8 491
December	3 077	2 940	1 954	914	1 113	207	154	163	10 521
March	2 646	2 436	1 613	736	951	151	83	163	8 779
June	2 897	2 607	1 943	925	1 231	169	109	145	10 025
2003–04									
September	2 761	2 649	1 601	822	1 441	149	129	144	9 696
December	2 956	2 752	2 041	877	1 591	150	124	124	10 615
March	2 582	2 317	1 596	692	1 221	144	91	123	8 766
June	3 262	2 607	2 155	918	1 368	153	75	158	10 696
2004–05									
September	3 008	2 512	2 032	731	1 295	162	71	159	9 970
				SEASONALLY ADJUSTED					
2002–03									
September	2 731	2 527	1 544	706	953	np	np	np	8 739
December	2 954	2 739	1 890	818	1 057	np	np	np	9 989
March	2 883	2 710	1 716	812	1 061	np	np	np	9 536
June	2 744	2 512	1 780	887	1 170	np	np	np	9 552
2003–04									
September	2 804	2 669	1 751	893	1 452	np	np	np	9 970
December	2 839	2 566	1 967	784	1 504	np	np	np	10 036
March	2 818	2 572	1 704	765	1 365	np	np	np	9 633
June	3 100	2 519	1 971	867	1 301	np	np	np	10 134
2004–05									
September	3 050	2 529	2 220	798	1 308	np	np	np	10 237
				TREND					
2002–03									
September	2 679	2 509	1 543	700	984	134	102	123	8 756
December	2 763	2 585	1 663	747	977	145	88	129	9 086
March	2 799	2 616	1 724	814	1 052	157	95	140	9 392
June	2 802	2 616	1 777	869	1 229	158	115	148	9 709
2003–04									
September	2 790	2 605	1 809	859	1 394	153	124	145	9 869
December	2 817	2 586	1 816	819	1 454	150	115	132	9 893
March	2 908	2 563	1 863	802	1 401	150	95	130	9 922
June	3 001	2 533	1 974	811	1 327	151	81	143	10 018
2004–05									
September	3 073	2 526	2 106	825	1 296	154	75	166	10 177

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

(a) Reference year for chain volume measures is 2002–03.

13 ACTUAL TOTAL EXPENDITURE—Chain volume measures(a)

Period	New South Wales $m	Victoria $m	Queensland $m	South Australia $m	Western Australia $m	Tasmania $m	Northern Territory $m	Australian Capital Territory $m	Total $m
				ORIGINAL					
2000–01	14 177	10 393	6 269	2 729	5 223	581	791	526	40 777
2001–02	12 971	10 872	7 178	2 997	5 919	934	1 410	594	42 886
2002–03	14 424	12 830	9 052	4 006	7 140	881	1 806	677	50 816
2003–04	15 430	12 862	9 632	4 227	9 218	752	1 863	622	54 607
2002–03									
September	3 383	3 101	1 951	810	1 499	186	461	124	11 516
December	3 914	3 562	2 569	1 130	1 845	263	574	201	14 057
March	3 258	2 965	2 073	900	1 705	223	362	184	11 672
June	3 869	3 201	2 459	1 166	2 091	209	409	168	13 570
2003–04									
September	3 630	3 348	2 116	1 012	2 269	169	541	159	13 244
December	3 963	3 440	2 623	1 147	2 625	172	492	137	14 599
March	3 445	2 884	2 062	874	1 963	192	406	146	11 973
June	4 392	3 191	2 830	1 195	2 361	218	424	179	14 790
2004–05									
September	4 065	3 174	2 592	933	2 350	246	369	181	13 911
				SEASONALLY ADJUSTED					
2002–03									
September	3 439	3 089	2 076	876	1 509	195	428	144	11 797
December	3 723	3 315	2 466	994	1 727	270	551	205	13 240
March	3 600	3 315	2 237	1 013	1 910	231	398	182	12 935
June	3 662	3 112	2 272	1 123	1 994	185	428	146	12 844
2003–04									
September	3 692	3 322	2 266	1 095	2 292	174	515	185	13 567
December	3 755	3 203	2 511	1 004	2 453	177	461	140	13 687
March	3 830	3 224	2 238	990	2 216	202	442	143	13 320
June	4 153	3 114	2 617	1 139	2 257	198	446	154	14 033
2004–05									
September	4 132	3 146	2 782	1 013	2 373	256	352	213	14 220
				TREND					
2002–03									
September	3 362	3 060	2 097	868	1 560	230	454	153	11 786
December	3 495	3 165	2 212	930	1 668	218	449	158	12 302
March	3 594	3 214	2 250	1 018	1 838	210	440	166	12 732
June	3 650	3 234	2 287	1 084	2 078	196	450	169	13 132
2003–04									
September	3 690	3 243	2 316	1 075	2 266	179	467	162	13 388
December	3 763	3 230	2 351	1 040	2 334	178	478	149	13 528
March	3 901	3 197	2 432	1 035	2 315	195	452	149	13 672
June	4 050	3 151	2 563	1 053	2 289	216	415	165	13 877
2004–05									
September	4 155	3 134	2 695	1 062	2 305	233	384	190	14 152

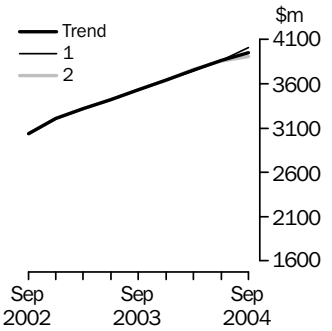
(a) Reference year for chain volume measures is 2002–03.

EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

TREND REVISIONS

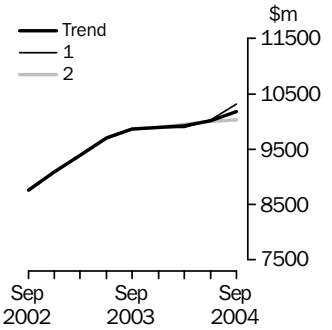
Recent seasonally adjusted and trend estimates are likely to be revised when original estimates for subsequent quarters become available. The approximate effect of possible scenarios on trend estimates for capital expenditure in chain volume terms are presented below by illustrating the impact if next 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 42 and 43 in the Explanatory Notes.

BUILDINGS AND STRUCTURES



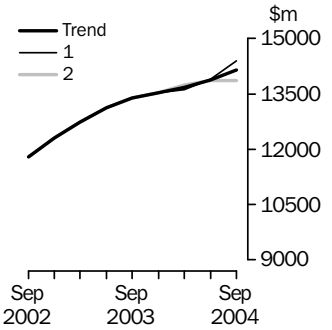
	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE: (1) rises by 6.7% on this quarter		(2) falls by 6.7% on this quarter	
	$m	%	$m	%	$m	%
2003						
December	3 613	2.7	3 613	2.7	3 613	2.7
2004						
March	3 712	2.7	3 704	2.5	3 724	3.1
June	3 818	2.9	3 821	3.2	3 813	2.4
September	3 907	2.3	3 961	3.7	3 863	1.3

EQUIPMENT, PLANT AND MACHINERY



	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE: (1) rises by 4.9% on this quarter		(2) falls by 4.9% on this quarter	
	$m	%	$m	%	$m	%
2003						
December	9 898	0.2	9 898	0.2	9 898	0.2
2004						
March	9 918	0.2	9 889	–0.1	9 948	0.5
June	10 005	0.9	10 017	1.3	9 996	0.5
September	10 159	1.5	10 305	2.9	10 022	0.3

TOTAL CAPITAL EXPENDITURE



	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE: (1) rises by 4.4% on this quarter		(2) falls by 4.4% on this quarter	
	$m	%	$m	%	$m	%
2003						
December	13 508	1.0	13 508	1.0	13 508	1.0
2004						
March	13 630	0.9	13 580	0.5	13 691	1.4
June	13 823	1.4	13 841	1.9	13 802	0.8
September	14 074	1.8	14 342	3.6	13 806	0.0

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 Witholding (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 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 who do 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.

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 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.

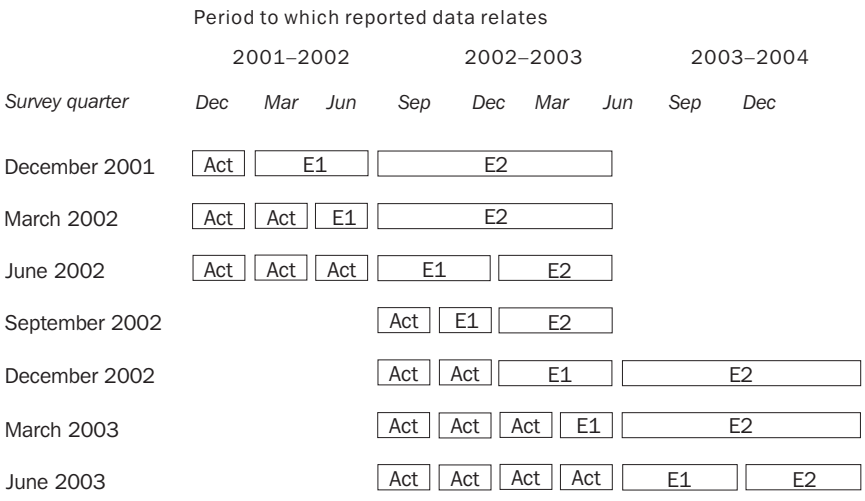
10 Respondents are asked to provide data on the same basis as their own management accounts. Where a selected unit does not respond in a given survey period, a value is estimated. If data are subsequently provided, the estimated value is replaced with reported data. Aggregates are calculated from all 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).



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 2002–2003:

- the first estimate was available from the December 2001 survey as a longer term expectation (E2)
- the second estimate was available from the March 2002 survey (again as a longer term expectation)
- the third estimate was available from in the June 2002 survey as the sum of two expectations (E1 + E2)
- in the September 2002, December 2002 and March 2003 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 2003 survey was derived by summing the actual expenditure for each of the four quarters in the 2002–03 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 who 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 September quarter 2004 they represented about 1.0% 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 2002–03). 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

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 June 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 June quarter 2004 issue of this publication, the chain volume measures for 2003–04 will have 2002–03 (the previous financial year) as their base year rather than 2001–02, and the reference year will be 2002–03. 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.

23 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

24 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).

25 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 2004–05 based on the June 2004 survey results and compare this with 2003–04 expenditure, it is necessary to apply the relevant realisation factors to the expectation to put both estimates on the same basis.

26 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.

27 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.

EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE

28 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 2001 short-term expectations related to the September and December quarters 2001). The output of this is to produce a quarterly realisation ratio for each expectations estimate through time.

29 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.

30 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.

31 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 38 to 43 of the Explanatory notes for more information regarding seasonally adjusted and trend estimates).

32 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 42 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 impact of price changes can have a significant impact on some series. For example, trend estimates of total expenditure in volume terms have been increasing in recent quarters, while current price estimates have been decreasing.
- The projected series is based on five-year average realisation ratios. As is discussed in paragraphs 24 to 27 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

33 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.

RELIABILITY OF THE ESTIMATES *continued*

34 Estimates that have an estimated relative standard error between 10% and 25% are annotated with the symbol '^' . These estimate's should be used with caution as they are subject to sampling variability too high for some purposes. Estimates with an RSE between 25% and 50% are annotated with the symbol '*', indicating that the estimate should be used with caution as it is subject to sampling variability too high for most practical purposes. Estimates with an RSE greater than 50% are annotated with the symbol '**' indicating that the sampling variability causes the estimates to be considered too unreliable for general use. These annotations have only been applied to estimates from the September quarter 2003.

35 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.

36 Estimates for the latest quarter presented in this publication are considered preliminary and revised estimates will be released with the next issue. As discussed in Paragraphs 38 to 43 below, seasonally adjusted and trend estimates are also subject to revision as data are revised and more data becomes available.

37 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.

SEASONAL ADJUSTMENT

38 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.

39 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.

40 In this publication, the seasonally adjusted estimates are produced by the concurrent seasonal adjustment method which takes account of the latest available original estimates. This method improves the estimation of seasonal factors, and therefore, the seasonally adjusted and trend estimates for the current and previous quarters. As a result of this improvement, revisions to the seasonally adjusted and trend estimates will be observed for recent periods. In most instances the only noticeable revisions will be to the previous quarter and the same quarter one year ago. A more detailed review is conducted annually prior to the September quarter release using data up to and including the June quarter. The concurrent seasonal adjustment methodology replaces the forward factor methodology previously used to adjust capital expenditure estimates where seasonal factors for these estimates were only revised following an annual reanalysis.

SEASONAL ADJUSTMENT *continued*

41 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

42 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.

43 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

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

45 *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.

46 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

47 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:

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.

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

49 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

50 Users may also wish to refer the following publications:

- *Australian Business Expectations* (cat. no. 5250.0)
- *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)

RELATED PUBLICATIONS *continued*

51 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

52 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.

DATA AVAILABLE ON AUSSTATS

53 The ABS' time series service AusStats 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 AusStats tables is in Appendix 2 on page 38.

ACKNOWLEDGMENT

54 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 ($10,500m ± $173m)
- There are approximately 19 chances in 20 that the real value falls within the ranges $10,154m and $10,846m ($10,500m ± $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.

	Buildings and structures	*Equipment, plant and machinery*	*Total*
	$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

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 ±$221m)
- There are approximately nineteen chances in twenty that the real movement falls within the range $158m to $1,042m ($600m ± $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.

	Buildings and structures	*Equipment, plant and machinery*	*Total*
	$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 AUSSTATS

DATA AVAILABLE ON AUSSTATS

The full list of Ausstats tables 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

DATA AVAILABLE ON AUSSTATS *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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CPI INFOLINE	For current and historical Consumer Price Index data, call 1902 981 074 (call cost 77c per minute).
DIAL-A-STATISTIC	For the latest figures for National Accounts, Balance of Payments, Labour Force, Average Weekly Earnings, Estimated Resident Population and the Consumer Price Index call 1900 986 400 (call cost 77c per minute).

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