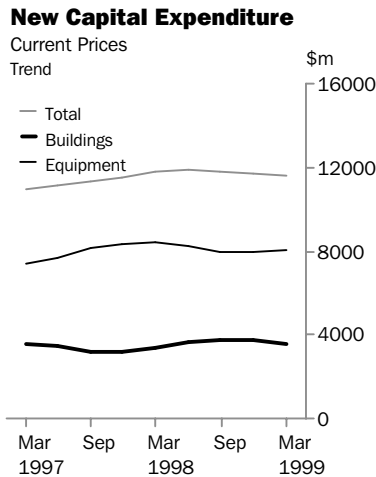


**PRIVATE NEW CAPITAL
EXPENDITURE**

STATE
ESTIMATES

EMBARGO: 11:30AM (CANBERRA TIME) TUES 15 JUNE 1999

MARCH QTR KEY FIGURES



TREND ESTIMATES	Mar Qtr 1999 \$m	% change Dec Qtr 1998 to Mar Qtr 1999	% change Mar Qtr 1998 to Mar Qtr 1999
New South Wales	3 756	1.5	0.4
Victoria	2 921	1.2	4.5
Queensland	2 159	8.6	21.3
South Australia	563	-6.2	-31.5
Western Australia	1 657	-10.5	-29.3
Tasmania	116	-3.3	-27.5
Northern Territory	443	-4.9	498.6
Australian Capital Territory	98	2.1	88.5
Australia	11 579	-0.7	-1.9

MARCH QTR KEY POINTS

ACTUAL EXPENDITURE - TREND ESTIMATES

- For New South Wales, expenditure (in current prices) increased by \$55m (1.5%) this quarter. Expenditure on buildings fell by 4.5% while equipment rose by 4.0%.
- For Victoria, expenditure increased by \$34m (1.2%) this quarter. Expenditure on buildings rose by 7.9% while equipment fell by 1.7%.
- For Queensland, expenditure increased by \$171m (8.6%) this quarter. Expenditure on buildings rose by 2.3% and equipment by 11.2%.
- For South Australia, expenditure decreased by \$37m (6.2%) this quarter. Expenditure on buildings fell by 20.8% and equipment by 1.3%.
- For Western Australia, expenditure decreased by \$194m (10.5%) this quarter. Expenditure on buildings fell by 11.2% and equipment by 10.1%.
- For Tasmania, expenditure decreased by \$4m (3.3%) this quarter. Expenditure on buildings fell by 9.1% and equipment by 2.3%.
- For Northern Territory, expenditure decreased by \$23m (4.9%) this quarter. Expenditure on buildings fell by 10.5% while equipment rose by 19.5%.
- For Australian Capital Territory, expenditure increased by \$2m (2.1%) this quarter. Expenditure on buildings fell by 29.2% while equipment rose by 11.1%.

- For further information about these and related statistics, contact John Blanchette on Sydney 02 9268 4357, or any ABS office shown on the back cover of this publication.

NOTES

FORTHCOMING ISSUES

ISSUE (Quarter)

RELEASE DATE

June 1999

14 September 1999

September 1999

14 December 1999



CHANGES IN THIS ISSUE

There are no changes in this issue.



SAMPLING ERRORS

The estimates in this publication are based on a sample survey of businesses. Because data are not collected from all businesses, the published estimates are subject to sampling variability.

Standard errors for estimates contained in this publication are shown on page 16.



REVISIONS TO TREND

Readers should exercise care in the interpretation of the trend data as the last three observations, in particular, are likely to be revised with the addition of subsequent quarters' data. For further information, refer to Trend Estimates on page 23.

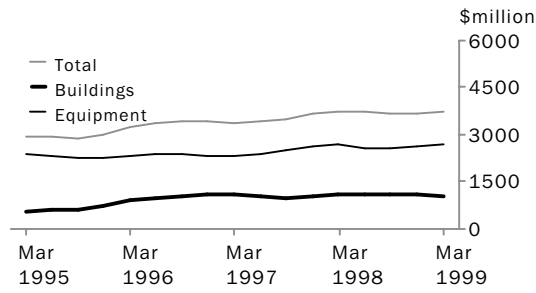


Dennis Trewin
Acting Australian Statistician

ACTUAL NEW CAPITAL EXPENDITURE: Trend

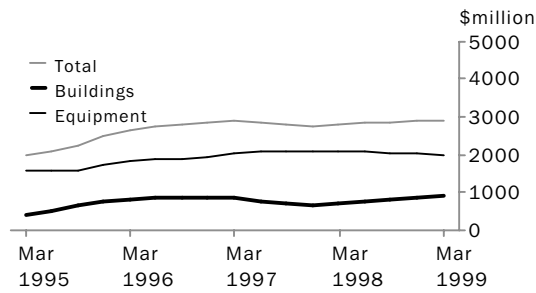
QUARTERLY TREND ESTIMATES AT CURRENT PRICES

NEW SOUTH WALES



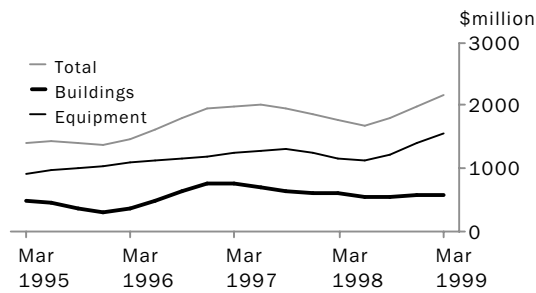
Since March quarter 1998, total expenditure for New South Wales has increased by 0.4%. Expenditure on building has decreased by 3.1%, while equipment has increased by 1.8%.

VICTORIA



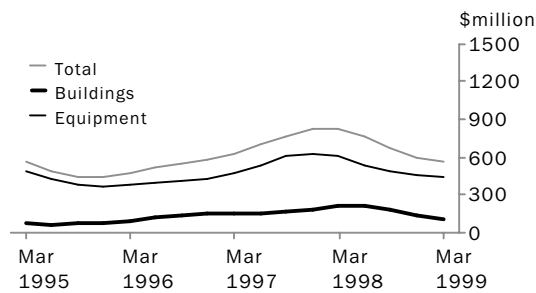
Since March quarter 1998, total expenditure for Victoria has increased by 4.5%. Expenditure on building has increased by 28.6%, while equipment has decreased by 3.9%.

QUEENSLAND



Since March quarter 1998, total expenditure for Queensland has increased by 21.3%. Expenditure on building has decreased by 3.5% while equipment rose by 34.3%.

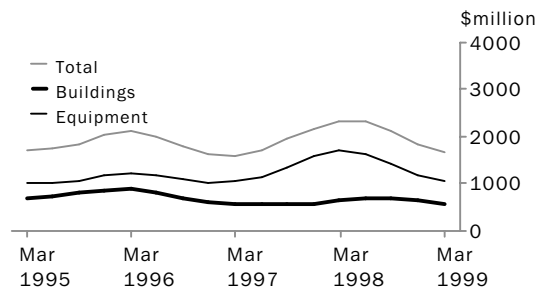
SOUTH AUSTRALIA



Since March quarter 1998, total expenditure for South Australia has decreased by 31.5%. Expenditure on building has decreased by 46.7% and equipment by 26.0%.

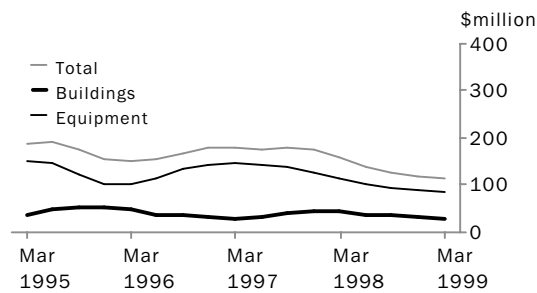
QUARTERLY TREND ESTIMATES AT CURRENT PRICES

WESTERN AUSTRALIA



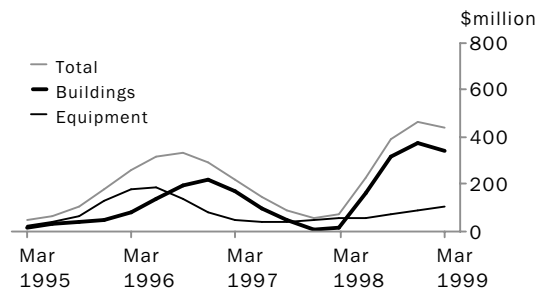
Since March quarter 1998, total expenditure for Western Australia has decreased by 29.3%. Expenditure on building has decreased by 8.7% and equipment by 37.0%.

TASMANIA



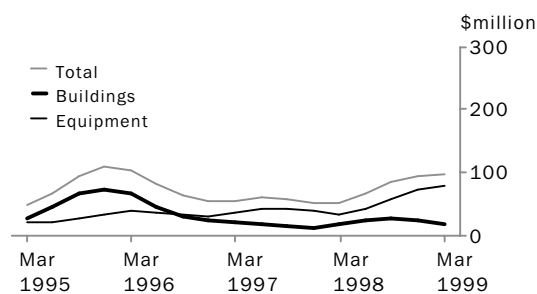
Since March quarter 1998, total expenditure for Tasmania has decreased by 27.5%. Expenditure on building has decreased by 31.8% and equipment by 25.9%.

NORTHERN TERRITORY



Since March quarter 1998, total expenditure for Northern Territory has increased by \$369m. Almost all this increase was in building work by the Mining industry.

AUSTRALIAN CAPITAL TERRITORY



Since March quarter 1998, total expenditure for Australian Capital Territory has increased by 88.5%. Expenditure on building has decreased by 5.6%, while equipment has increased by 135.3%.

ACTUAL AND EXPECTED EXPENDITURE, By Type of Asset and Industry—Current Prices

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)							
1996-1997	14 330	29 507	43 837	8 781	10 198	24 859	43 837
1997-1998	13 152	33 069	46 220	11 029	10 996	24 195	46 220
1997-1998							
December	3 728	9 078	12 806	3 020	3 188	6 598	12 806
March	2 833	7 468	10 301	2 566	2 378	5 357	10 301
June	3 670	8 881	12 551	2 952	2 903	6 696	12 551
1998-1999							
September	3 748	7 876	11 624	2 587	2 292	6 745	11 624
December	4 100	7 858	11 958	2 409	2 542	7 007	11 958
March	3 097	7 425	10 522	1 931	2 325	6 266	10 522
ORIGINAL (Expected)							
1998-1999							
3 mths to June	3 152	8 238	11 390	2 135	2 799	6 456	11 390
Total 1998-1999	14 098	31 397	45 495	9 062	9 958	26 474	45 495
1999-2000							
12 mths to June	8 848	23 747	32 595	5 877	8 586	18 132	32 595
SEASONALLY ADJUSTED (Actual)							
1996-1997	14 385	29 456	43 841	8 794	10 184	24 863	43 841
1997-1998	13 184	33 076	46 260	11 057	10 975	24 228	46 260
1997-1998							
December	3 356	8 438	11 794	2 758	3 004	6 032	11 794
March	3 120	8 565	11 685	2 808	2 664	6 213	11 685
June	3 703	8 056	11 758	2 888	2 654	6 216	11 758
1998-1999							
September	3 970	8 294	12 264	2 745	2 413	7 106	12 264
December	3 716	7 305	11 021	2 175	2 440	6 405	11 021
March	3 388	8 536	11 924	2 066	2 632	7 226	11 924
TREND ESTIMATES (Actual)							
1996-1997	14 349	29 595	43 944	8 911	10 307	24 725	43 944
1997-1998	13 369	33 136	46 505	11 001	10 927	24 577	46 505
1997-1998							
December	3 144	8 362	11 505	2 731	2 818	5 956	11 505
March	3 349	8 453	11 802	2 870	2 761	6 172	11 802
June	3 650	8 228	11 878	2 838	2 596	6 444	11 878
1998-1999							
September	3 785	7 977	11 762	2 624	2 486	6 652	11 762
December	3 727	7 931	11 659	2 327	2 490	6 842	11 659
March	3 511	8 068	11 579	2 052	2 527	7 000	11 579

ACTUAL EXPENDITURE, By Type of Asset and Industry—Chain Volume Measures(a)

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL							
1996-1997	14 330	29 507	43 837	8 781	10 198	24 858	43 837
1997-1998	12 831	33 333	46 165	10 730	10 908	24 526	46 165
1997-1998							
December	3 645	9 206	12 851	2 956	3 176	6 720	12 851
March	2 772	7 472	10 244	2 481	2 340	5 422	10 244
June	3 537	8 839	12 376	2 821	2 843	6 711	12 376
1998-1999							
September	3 572	7 723	11 294	2 438	2 209	6 647	11 294
December	3 895	7 761	11 656	2 267	2 447	6 942	11 656
March	2 922	7 458	10 380	1 808	2 260	6 312	10 380
SEASONALLY ADJUSTED							
1996-1997	14 330	29 507	43 837	8 781	10 198	24 858	43 837
1997-1998	12 831	33 333	46 165	10 741	10 908	24 526	46 165
1997-1998							
December	3 221	8 556	11 778	2 696	2 947	6 138	11 778
March	3 048	8 564	11 608	2 710	2 629	6 273	11 608
June	3 547	8 001	11 542	2 757	2 583	6 205	11 542
1998-1999							
September	3 846	8 155	12 029	2 585	2 379	7 064	12 029
December	3 461	7 233	10 718	2 043	2 267	6 407	10 718
March	3 184	8 602	11 816	1 931	2 529	7 359	11 816
TREND ESTIMATES							
1996-1997	14 383	29 631	44 005	8 898	10 271	24 835	44 005
1997-1998	12 999	33 378	46 388	10 680	10 835	24 884	46 388
1997-1998							
December	3 063	8 482	11 547	2 671	2 807	6 072	11 547
March	3 248	8 466	11 711	2 770	2 725	6 219	11 711
June	3 517	8 151	11 672	2 706	2 533	6 435	11 672
1998-1999							
September	3 617	7 884	11 516	2 476	2 401	6 634	11 516
December	3 521	7 876	11 424	2 182	2 376	6 864	11 424
March	3 326	8 080	11 410	1 945	2 404	7 088	11 410

(a) Reference year for chain volume measures is 1996-1997.

ACTUAL EXPENDITURE, By Type of Asset and State–Current Prices: **Original**

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
BUILDINGS AND STRUCTURES (\$ million)									
1996-1997	4 287	3 379	2 739	594	2 412	128	698	93	14 330
1997-1998	4 200	2 859	2 490	792	2 438	169	131	73	13 152
1997-1998									
December	1 214	784	732	196	705	59	26	13	3 728
March	934	615	441	188	581	31	32	11	2 833
June	1 197	765	654	250	685	42	40	36	3 670
1998-1999									
September	1 042	861	573	157	728	39	325	21	3 748
December	1 253	820	583	171	619	25	601	29	4 100
March	897	886	473	97	579	30	122	14	3 097
EQUIPMENT, PLANT AND MACHINERY (\$ million)									
1996-1997	9 376	8 117	4 863	1 985	4 206	559	259	142	29 507
1997-1998	10 408	8 186	4 907	2 400	6 323	477	201	163	33 069
1997-1998									
December	2 812	2 314	1 297	757	1 672	128	64	34	9 078
March	2 371	1 831	931	534	1 610	110	55	28	7 468
June	2 814	2 233	1 374	552	1 698	102	50	54	8 881
1998-1999									
September	2 523	2 015	1 177	444	1 495	103	73	47	7 876
December	2 601	2 153	1 339	494	1 020	70	96	84	7 858
March	2 469	1 781	1 457	410	1 081	86	81	60	7 425
TOTAL (\$ million)									
1996-1997	13 663	11 496	7 602	2 580	6 617	687	957	235	43 837
1997-1998	14 608	11 044	7 397	3 193	8 761	646	332	236	46 220
1997-1998									
December	4 025	3 099	2 029	953	2 377	187	89	47	12 806
March	3 305	2 446	1 371	721	2 191	141	86	39	10 301
June	4 012	2 998	2 029	802	2 383	145	90	90	12 551
1998-1999									
September	3 565	2 876	1 750	601	2 223	142	399	68	11 624
December	3 854	2 973	1 922	665	1 639	95	697	113	11 958
March	3 366	2 667	1 929	507	1 660	116	203	74	10 522
TOTAL (Percentage change)									
1996-1997	8.4	11.7	29.9	37.7	-16.3	12.1	3.1	-40.6	8.3
1997-1998	6.9	-3.9	-2.7	23.8	32.4	-6.0	-65.3	0.2	5.4
1997-1998									
December	23.2	23.9	3.1	33.0	31.3	7.4	33.6	-21.5	21.2
March	-17.9	-21.1	-32.4	-24.3	-7.8	-24.2	-3.5	-17.8	-19.6
June	21.4	22.6	47.9	11.2	8.8	2.3	3.8	132.4	21.8
1998-1999									
September	-11.1	-4.1	-13.7	-25.1	-6.7	-1.6	345.0	-24.1	-7.4
December	8.1	3.4	9.8	10.6	-26.3	-33.3	74.9	66.0	2.9
March	-12.7	-10.3	0.4	-23.7	1.3	22.3	-70.9	-35.1	-12.0

ACTUAL EXPENDITURE, By Type of Asset and State–Current Prices: **Seasonally Adjusted(a)**

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania(a)	Northern Territory(a)	Australian Capital Territory(a)	Australia
BUILDINGS AND STRUCTURES (\$ million)									
1996-1997	4 309	3 379	2 814	594	2 433	n.p.	n.p.	n.p.	14 385
1997-1998	4 180	2 857	2 485	800	2 423	n.p.	n.p.	n.p.	13 184
1997-1998									
December	1 115	693	685	174	611	n.p.	n.p.	n.p.	3 356
March	1 033	704	566	209	587	n.p.	n.p.	n.p.	3 120
June	1 140	738	561	262	669	n.p.	n.p.	n.p.	3 703
1998-1999									
September	1 091	897	580	154	870	n.p.	n.p.	n.p.	3 970
December	1 150	725	546	151	539	n.p.	n.p.	n.p.	3 716
March	991	1 010	612	110	582	n.p.	n.p.	n.p.	3 388
EQUIPMENT, PLANT AND MACHINERY (\$ million)									
1996-1997	9 361	8 090	4 853	2 005	4 194	n.p.	n.p.	n.p.	29 456
1997-1998	10 420	8 169	4 899	2 412	6 323	n.p.	n.p.	n.p.	33 076
1997-1998									
December	2 669	2 234	1 342	623	1 550	n.p.	n.p.	n.p.	8 438
March	2 713	2 015	1 072	631	1 767	n.p.	n.p.	n.p.	8 565
June	2 531	2 125	1 168	516	1 597	n.p.	n.p.	n.p.	8 056
1998-1999									
September	2 625	1 999	1 189	512	1 568	n.p.	n.p.	n.p.	8 294
December	2 469	2 084	1 385	405	949	n.p.	n.p.	n.p.	7 305
March	2 826	1 957	1 680	486	1 181	n.p.	n.p.	n.p.	8 536
TOTAL (\$ million)									
1996-1997	13 670	11 468	7 667	2 599	6 627	692	965	235	43 841
1997-1998	14 600	11 026	7 384	3 213	8 746	656	338	234	46 260
1997-1998									
December	3 785	2 927	2 027	798	2 161	186	86	50	11 794
March	3 745	2 720	1 638	840	2 353	153	97	42	11 685
June	3 671	2 863	1 729	778	2 266	124	81	78	11 758
1998-1999									
September	3 716	2 896	1 770	666	2 438	158	470	72	12 264
December	3 619	2 809	1 931	556	1 488	94	656	120	11 021
March	3 818	2 968	2 292	596	1 762	125	214	81	11 924
TOTAL (Percentage change)									
1996-1997	8.7	11.3	31.8	38.8	-16.1	11.6	6.1	-40.9	8.7
1997-1998	6.8	-3.9	-3.7	23.6	32.0	-5.2	-65.0	-0.5	5.5
1997-1998									
December	11.3	16.3	1.9	0.1	10.0	-3.5	15.5	-22.3	7.0
March	-1.0	-7.1	-19.2	5.3	8.9	-18.1	13.2	-15.3	-0.9
June	-2.0	5.3	5.6	-7.4	-3.7	-18.7	-16.1	85.0	0.6
1998-1999									
September	1.2	1.1	2.3	-14.4	7.6	27.1	478.7	-7.1	4.3
December	-2.6	-3.0	9.1	-16.6	-38.9	-40.2	39.5	66.4	-10.1
March	5.5	5.6	18.7	7.2	18.4	32.0	-67.4	-33.0	8.2

(a) See paragraphs 34 and 35 of the Explanatory Notes.

TOTAL, By Type of Asset and State: Trend

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
BUILDINGS AND STRUCTURES (\$ million)									
1996-1997	4 291	3 428	2 870	590	2 451	132	689	89	14 349
1997-1998	4 216	2 876	2 450	780	2 495	170	236	70	13 369
1997-1998									
December	1 017	685	622	187	575	46	5	13	3 144
March	1 077	720	609	214	636	44	18	18	3 349
June	1 117	756	565	218	705	38	166	25	3 650
1998-1999									
September	1 114	803	561	186	709	35	322	27	3 785
December	1 093	858	575	144	654	33	379	24	3 727
March	1 044	926	588	114	581	30	339	17	3 511
EQUIPMENT, PLANT AND MACHINERY (\$ million)									
1996-1997	9 412	7 998	4 886	1 854	4 315	568	302	144	29 595
1997-1998	10 409	8 310	4 865	2 397	6 280	485	214	159	33 136
1997-1998									
December	2 633	2 072	1 256	635	1 576	128	53	39	8 362
March	2 665	2 074	1 170	608	1 709	116	57	34	8 453
June	2 600	2 089	1 130	543	1 633	102	60	42	8 228
1998-1999									
September	2 564	2 048	1 234	487	1 414	94	71	59	7 977
December	2 608	2 029	1 413	456	1 197	88	87	72	7 931
March	2 712	1 994	1 571	450	1 076	86	104	80	8 068
TOTAL (\$ million)									
1996-1997	13 703	11 425	7 756	2 444	6 765	701	991	234	43 943
1997-1998	14 625	11 186	7 316	3 177	8 775	654	450	228	46 505
1997-1998									
December	3 651	2 757	1 877	822	2 151	174	58	52	11 505
March	3 742	2 795	1 780	822	2 345	160	74	52	11 802
June	3 717	2 845	1 696	761	2 338	140	227	67	11 878
1998-1999									
September	3 678	2 851	1 794	673	2 123	128	393	86	11 762
December	3 701	2 887	1 988	600	1 851	120	466	96	11 659
March	3 756	2 921	2 159	563	1 657	116	443	98	11 579
TOTAL (Percentage change)									
1996-1997	9.4	12.4	32.6	29.7	-15.7	10.4	14.0	-40.5	9.5
1997-1998	6.7	-2.1	-5.7	30.0	29.7	-6.7	-54.6	-2.6	5.8
1997-1998									
December	3.9	-1.1	-4.4	6.5	10.8	-3.3	-36.3	-8.8	1.6
March	2.5	1.4	-5.2	0.0	9.0	-8.0	27.6	0.0	2.6
June	-0.7	1.8	-4.7	-7.4	-0.3	-12.5	206.8	28.8	0.6
1998-1999									
September	-1.0	0.2	5.8	-11.6	-9.2	-8.6	73.1	28.4	-1.0
December	0.6	1.3	10.8	-10.8	-12.8	-6.3	18.6	11.6	-0.9
March	1.5	1.2	8.6	-6.2	-10.5	-3.3	-4.9	2.1	-0.7

ACTUAL EXPENDITURE, By Type of Asset and Industry—New South Wales: Current Prices

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1996-1997	4 287	9 376	13 663	990	3 075	9 598	13 663
1997-1998	4 200	10 408	14 608	856	3 649	10 103	14 608
1997-1998							
December	1 214	2 812	4 025	203	1 088	2 734	4 025
March	934	2 371	3 305	167	859	2 280	3 305
June	1 197	2 814	4 012	238	977	2 797	4 012
1998-1999							
September	1 042	2 523	3 565	145	606	2 814	3 565
December	1 253	2 601	3 854	133	805	2 916	3 854
March	897	2 469	3 366	98	777	2 492	3 366

ACTUAL EXPENDITURE, By Type of Asset and Industry—Victoria: Current Prices

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1996-1997	3 379	8 117	11 496	758	3 447	7 290	11 496
1997-1998	2 859	8 186	11 044	833	3 401	6 810	11 044
1997-1998							
December	784	2 314	3 099	295	906	1 898	3 099
March	615	1 831	2 446	163	756	1 527	2 446
June	765	2 233	2 998	212	965	1 822	2 998
1998-1999							
September	861	2 015	2 876	319	723	1 834	2 876
December	820	2 153	2 973	288	779	1 906	2 973
March	886	1 781	2 667	321	653	1 693	2 667

ACTUAL EXPENDITURE, By Type of Asset and Industry—Queensland: Current Prices

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1996-1997	2 739	4 863	7 602	1 865	1 734	4 002	7 602
1997-1998	2 490	4 907	7 397	1 968	1 764	3 665	7 397
1997-1998							
December	732	1 297	2 029	532	511	986	2 029
March	441	931	1 371	337	285	749	1 371
June	654	1 374	2 029	622	394	1 012	2 029
1998-1999							
September	573	1 177	1 750	484	342	924	1 750
December	583	1 339	1 922	457	351	1 114	1 922
March	473	1 457	1 929	376	323	1 231	1 929

ACTUAL EXPENDITURE, By Type of Asset and Industry—South Australia: Current Prices

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1996-1997	594	1 985	2 580	489	840	1 251	2 580
1997-1998	792	2 400	3 193	1 366	820	1 006	3 193
1997-1998							
December	196	757	953	447	265	241	953
March	188	534	721	360	168	193	721
June	250	552	802	215	217	370	802
1998-1999							
September	157	444	601	125	154	322	601
December	171	494	665	150	248	267	665
March	97	410	507	98	187	222	507

ACTUAL EXPENDITURE, By Type of Asset and Industry—Western Australia: Current Prices

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1996-1997	2 412	4 206	6 617	4 158	625	1 834	6 617
1997-1998	2 438	6 323	8 761	5 759	1 049	1 954	8 761
1997-1998							
December	705	1 672	2 377	1 489	337	552	2 377
March	581	1 610	2 191	1 473	240	479	2 191
June	685	1 698	2 383	1 607	278	498	2 383
1998-1999							
September	728	1 495	2 223	1 188	421	614	2 223
December	619	1 020	1 639	824	304	511	1 639
March	579	1 081	1 660	909	331	420	1 660

ACTUAL EXPENDITURE, By Type of Asset and Industry—Tasmania: Current Prices

Period	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1996-1997	128	559	687	81	390	216	687
1997-1998	169	477	646	85	239	322	646
1997-1998							
December	59	128	187	20	54	113	187
March	31	110	141	17	54	71	141
June	42	102	145	20	51	73	145
1998-1999							
September	39	103	142	19	33	90	142
December	25	70	95	8	28	59	95
March	30	86	116	10	38	67	116

RELATIVE STANDARD ERRORS, Estimates of Actual Private New Capital Expenditure

State	ASSET.....			INDUSTRY.....			
	<i>Buildings and structures</i>	<i>Equipment, plant and machinery</i>	<i>Total</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total</i>
	%	%	%	%	%	%	%
New South Wales	9.4	5.3	5.1	22.6	3.8	5.6	5.1
Victoria	8.4	3.9	3.9	0.7	5.5	5.9	3.9
Queensland	8.6	5.7	5.1	7.5	7.7	7.9	5.1
South Australia	7.0	6.9	5.8	6.0	8.7	10.3	5.8
Western Australia	10.9	6.8	6.8	9.7	11.2	8.5	6.8
Tasmania	19.0	9.3	9.3	0.1	13.9	15.5	9.3
Northern Territory	n.p.	n.p.	9.3	n.p.	n.p.	n.p.	9.3
Australian Capital Territory	n.p.	n.p.	5.8	n.p.	n.p.	n.p.	5.8
Total	5.7	3.4	3.2	8.1	4.5	4.7	3.2

n.p. not available for publication

EXPLANATORY NOTES

INTRODUCTION

1 This publication contains estimates of actual new capital expenditure by private businesses in Australia, dissected by State. The series contained in this publication have been compiled from data collected in a quarterly survey of private businesses.

2 State estimates in this publication are derived from the latest available Australian estimates. These estimates are more up to date than those previously released in *Private New Capital Expenditure and Expected Expenditure* (Cat. no. 5625.0).

SCOPE

3 This survey aims to measure the value of new capital expenditure by private businesses in Australia. Private households and public sector businesses (i.e. all departments, authorities and other organisations owned or controlled by Commonwealth, State or Local Government) are outside the scope of the survey.

4 The scope of the survey:

- includes the following Australian and New Zealand Standard Industrial Classification (ANZSIC) industries
 - Mining (Division B)
 - Manufacturing (Division C)
 - Food, beverage and tobacco (21)
 - Textile, clothing, footwear and leather (22)
 - Wood and paper product (23)
 - Printing, publishing and recorded media (24)
 - Petroleum, coal, chemical and assoc. product (25)
 - Non-metallic mineral product (26)
 - Metal product (27)
 - Machinery and equipment (28)
 - Other manufacturing (29)
 - Other Selected Industries
 - Construction (Division E)
 - Wholesale trade (Division F)
 - Retail trade (Division G)
 - Transport and storage (Division I)
 - Finance and insurance (Division K)
 - Property and business services (Division L)
 - Other selected services (including electricity & gas; communication; accommodation; cafes & restaurants; cultural & recreational services; and personal services) (36,37,57,71,91-93,95)
- excludes the following industries
 - Agriculture, Forestry and Fishing
 - Government Administration and Defence
 - Education
 - Health and Community Services

SURVEY METHODOLOGY

5 This quarterly survey is based on a stratified random sample of private business units recorded on the ABS register of businesses and is stratified by industry, number of employees and state/territory. The sample consists of approximately 7,500 units. 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.

EXPLANATORY NOTES

SURVEY METHODOLOGY

continued

6 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 business register. The majority of businesses affected and to which the adjustments apply are small in size. The adjustments contributed 3.3% to the current quarter's estimate of reported capital expenditure. These adjustments were introduced in the June quarter 1997 publication and have been made back to the June quarter 1987. For further information see the June quarter 1997 publication or an Information Paper—*Improvements to ABS Economic Statistics 1997* (Cat. no. 1357.0) issued on 22 August 1997.

7 Respondents are asked to provide data on the same basis as their own management accounts. Where a selected business unit does not respond in a given survey, an estimate is substituted. Revisions may be made to these estimate adjustments if data are provided subsequently from those businesses. Aggregates are calculated from original 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

8 State estimates of actual new capital expenditure by business units are compiled quarterly. 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). Full details of the reporting cycle are shown in the table below.

Survey quarter	Period to which reported data relates											
	1997–1998				1998–1999				1999–2000			
	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	
December 1997	Act	E1			E2							
March 1998	Act	Act	E1		E2							
June 1998	Act	Act	Act	E1		E2						
September 1998				Act	E1	E2						
December 1998				Act	Act	E1		E2				
March 1999				Act	Act	Act	E1	E2				
June 1999				Act	Act	Act	Act	E1		E2		

9 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).

EXPLANATORY NOTES

TIMING AND CONSTRUCTION OF SURVEY CYCLE *continued*

10 This survey cycle facilitates the formation of estimates of expenditure for financial years (12 months ending 30 June). For example, as shown in paragraph 8, the first estimate for 1998–1999 was available from the December 1997 survey as a long term expectation (E2). It was subsequently revised in the March 1998 survey (again as a longer term expectation) and in the June 1998 survey as the sum of two expectations (E1 + E2). In the September and subsequent surveys the estimate is derived as the sum of actual expenditure (for that part of the year completed) and expected expenditure (for the remainder of the year). The final (or seventh) estimate from the June quarter 1999 survey, will be derived by summing the actual expenditure for each of the four quarters.

SAMPLE REVISION

11 Prior to the June quarter 1996 survey, the survey frames and samples were revised annually to ensure that they remained representative of the survey population. Adjustments were made to the survey estimates each quarter to reflect changes in the size of the survey frame throughout the year. From the June quarter 1996 survey, the survey frames and samples are being revised each quarter. The aim is to further improve the quality of survey estimates by selecting a sample which will be more representative of the survey population. Additionally, the timing of sample selection is now consistent with other ABS surveys. This will lead to greater consistency when comparing data across these surveys.

12 With these revisions to the sample, some of the business units are rotated out of the survey and are replaced by others to spread the reporting workload equitably. The rate of rotation under quarterly sample selection is slightly higher than one quarter of the previous annual rate of rotation.

13 When the frames and samples were updated annually prior to the June quarter 1996, some data would be revised as a consequence. No data revisions of this nature will be needed given quarterly updates to frames and samples. Data may be revised, however, on the basis of further processing.

STATISTICAL UNIT

14 This survey uses the Management Unit as the statistical unit. The management unit is the highest level accounting unit within a business, having regard to industry homogeneity, for which accounts are maintained. In nearly all cases it coincides with the legal entity owning the business (i.e. company, partnership, trust, sole operator, etc). In the case of large diversified businesses, however, there may be more than one management unit, each coincides with a 'division' or 'line of business'. A division or line of business is defined when separate and comprehensive accounts are compiled for it. Prior to 1989, the survey was on a different business unit basis. Further details are available on request.

STATE DATA AVAILABILITY

15 Seasonally adjusted estimates for Tasmania, NT and ACT are not separately available because of the high sampling variability associated with them. They are included in totals for Australia and while a residual for them can be derived, the measure is not reliable.

16 State estimates for expected expenditure are only collected in the December quarter survey. The expectations data relate to the 6 months ending the following June and to the financial year following that.

CLASSIFICATION BY INDUSTRY

17 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. It replaces the Australian Standard Industrial Classification (ASIC) and the New Zealand Standard Industrial Classification (NZSIC).

EXPLANATORY NOTES

CLASSIFICATION BY INDUSTRY *continued*

18 For more information, users are referred to *Australian & New Zealand Standard Industrial Classification, 1993, ANZSIC*, (Cat. no. 1292.0) and *Statistics New Zealand* (Cat. no. 19.005.0092).

CHAIN VOLUME MEASURES

19 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 1996–1997). Chain volume measures were introduced in September quarter 1998, replacing constant price estimates. Chain volume measures can be thought of as current price values re-expressed in (i.e based on) the prices of the previous year and linked together to form continuous time series. Each year's quarter-to-quarter growth rates in the chain volume series are based on the prices of the previous year, except for those of the quarters of the latest incomplete year which are based upon the second most recent financial year. With each release of the June quarter issue of this publication, a new base year will be introduced and the reference year will be advanced one year to coincide with it. This means that with the release of the June quarter 1999 issue of this publication, the chain volume measures for 1998–1999 will have 1997–1998 (the previous year) as their base year rather than 1996–1997, and the reference year will be 1997–1998. A change in reference year changes level but not growth rates.

20 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. However, by using the latest base year as the reference year, non-additivity does not exist for the quarters following the reference year and is relatively small for the quarters in the reference year and those immediately preceding it. For further information on chain volume measures refer to the information paper *Introduction of Chain Volume Measures in the Australian National Accounts* (Cat no. 5248.0).

DERIVATION AND USEFULNESS OF REALISATION RATIOS

21 Once actual expenditure for a financial year is known, it is useful to investigate the relationship between the estimate and that actual. 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 3 or 6 month expectations as well as the 12 month E2 estimates or combinations of estimates containing at least some expectations components (e.g. 6 months actual and 6 months expected expenditure).

22 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 actual expenditure estimates. For example, if one wished to predict actual expenditure for 1998–1999 based on the June 1998 survey results and compare this with 1997–1998 expenditure, it is necessary to apply relevant realisation factors to the expectation to put both estimates on the same basis. Once this has been done the predictions can be validly compared with each other and with previously derived estimates of actual expenditure for earlier years.

23 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 for each state.

EXPLANATORY NOTES

DERIVATION AND USEFULNESS OF REALISATION RATIOS *continued*

24 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 in the application of realisation ratios. This is particularly the case with the twelve month expectations collected in the December surveys.

25 The December issue of this publication contains three sets of realisation ratios for each State. These are:

- *6 months to June (Actual/Dec E1)* – this ratio is calculated by summing the actual outcome for the March and June quarters for any given year and dividing this sum by the expected outcome for this same period, as collected in the December quarter just prior to the commencement of that period (i.e. the short term expectation Dec E1). For example, to calculate the appropriate realisation ratio for 1997–1998, sum the actual outcomes for March quarter 1998 and June quarter 1998 and divide this sum by the short term expectation taken in December quarter 1997.
- *12 months to June (Actual/sum of actual and December E1)* – this ratio is calculated by summing the actual outcome for the whole of that financial year and dividing this sum by the ‘expected outcome’ for the financial year as collected half way through that financial year. This expected outcome will be made up of two quarters of actual data (September and December quarters) and the expected outcome for the following six months (i.e. the short term expectation, Dec E1). For example, to calculate the appropriate realisation ratio for 1997–1998, first sum the actual outcomes for all quarters of 1997–1998. Divide this by the sum of actual September quarter 1997, actual December quarter 1997 and the short term expectation taken in December quarter 1997.
- *12 months to June (Actual/December E2)* – this ratio is calculated by summing the actual outcome for the whole of the financial year and dividing this sum by the expected outcome for that financial year as collected in the December quarter just prior to the commencement of that financial year (i.e. the long term or 12 month expectation, Dec E2). For example, to calculate the appropriate realisation ratio for 1997–1998, first sum the actual outcomes for all quarters of 1997–1998 and divide this by the long term expectation taken in December quarter 1996 (Dec E2).

DESCRIPTION OF TERMS

26 *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.

27 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.

EXPLANATORY NOTES

DESCRIPTION OF TERMS

- *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.

RELIABILITY OF ESTIMATES

28 Since the estimates are based on data obtained from a sample rather than a complete enumeration, the data and the movements derived from them are subject to sampling variability; that is, they may differ from the figures that would have been obtained if all units had been included in the survey. One measure of the likely difference is given by the *standard error*, which indicates the extent to which an estimate might have varied by chance because only a sample of units was included. There are about two chances in three that a sample estimate will differ by less than one standard error from the figure that would have been obtained if all units had been included, and about nineteen chances in twenty that the difference will be less than two standard errors.

29 Another measure of sampling variability is the *relative standard error* which is obtained by expressing the standard error as a percentage of the estimate to which it refers. The relative standard error is a useful measure in that it provides an immediate indication of the percentage errors likely to have occurred due to sampling. The sample estimates of quarter to quarter movement in the value of new capital expenditure are also subject to sampling variability. The relative standard error of the estimate of movement is expressed as a percentage of the quarterly estimate of the level of capital expenditure. Table 12 shows the relative standard errors by State.

30 The imprecision due to sampling, which is measured by the standard error, is not the only type of inaccuracy to which the estimates are subject. Other inaccuracies, referred to collectively as non-sample error, may occur for a number of reasons, for example misreporting of data by respondents or imputation for missing respondents. 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.

31 In the design of questionnaires and in the processing of survey data every effort is made to reduce the non-sample error to a minimum.

SEASONAL ADJUSTMENT

32 The quarterly actual new capital expenditure series in this publication are affected to some extent by seasonal influences and it is useful to recognise and take account of this element of variation.

33 Seasonal adjustment may be carried out by various methods and the results may vary slightly depending on the procedure adopted. Accordingly, seasonally adjusted statistics are in fact only indicative and should not be regarded as in any way definitive. In interpreting seasonally adjusted data it is important therefore to bear in mind the methods by which they have been derived and the limitations to which the methods used are subject.

34 Seasonally adjusted estimates in this publication have been derived by independently adjusting State estimates by type of asset and then adding them to form State capital expenditure estimates. This publication contains seasonally adjusted State estimates by type of asset for all States except Tasmania, NT and ACT where only totals are available. Seasonally adjusted for Tasmania, NT and ACT have not been published at the type of asset level because of volatility within the series.

EXPLANATORY NOTES

SEASONAL ADJUSTMENT

continued

35 The seasonally adjusted Australian estimates of new capital expenditure included in the publication are consistent with those published in *Private New Capital Expenditure, Australia* (Cat. no. 5625.0). These estimates are derived independently of the seasonally adjusted State estimates and as such the residual difference between the States and Australia estimates should in no way be regarded as seasonally adjusted estimates for Tas, ACT and NT.

36 At least once each year the seasonally adjusted series are revised to take account of the latest available data. The most recent reanalysis takes into account data collected up to and including the March quarter 1998 survey. Data for periods after March 1998 are seasonally adjusted on the basis of extrapolation of historical patterns. The nature of the seasonal adjustment process is such that the magnitude of some revisions resulting from reanalysis may be quite significant, especially for data for more recent quarters. Care should be exercised when interpreting quarter to quarter movements in the seasonally adjusted series in the publication, particularly for recent quarters.

37 It should be noted that the seasonally adjusted figures necessarily reflect the sampling and other errors to which the original figures are subject.

38 Details of the seasonal adjustment methods used together with selected measures of variability for these series are available on request.

TREND ESTIMATES

39 The trend estimates are derived by applying a 7-term Henderson moving average to the seasonally adjusted series. The 7-term Henderson average (like all Henderson averages) is symmetric, but as the end of a time series is approached, asymmetric forms of the average are applied. Unlike the weights of the standard 7-term Henderson moving average, the weights employed here have been tailored to suit the particular characteristics of individual series. While the asymmetric weights enable trend estimates for recent quarters to be produced, it does result in revisions to the estimates for the most recent three quarters as additional observations become available. There may also be revisions because of changes in the original data and as a result of the re-estimation of the seasonal factors. For further information, see *A Guide to Interpreting Time Series—Monitoring 'Trends': an Overview* (Cat. no. 1348.0) or contact the Assistant Director, Time Series Analysis on (02) 6252 6076.

COMPARABILITY WITH NATIONAL ACCOUNTS ESTIMATES

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

- National Accounts estimates incorporate data from other sources as well as information from the capital expenditure survey. For example, estimates for capital expenditure on 'equipment' are based on annual statistics of depreciable assets available from the Taxation Commissioner. Quarterly estimates are interpolated between and extrapolated from the annual taxation based 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 dwelling and non-dwelling construction items respectively.
- National Accounts estimates include capital expenditure by all private businesses including units classified to the agriculture, forestry, fishing and hunting and community services industries and capital expenditure on dwellings by households. Data for these sectors are excluded from this publication.

EXPLANATORY NOTES

COMPARABILITY WITH NATIONAL ACCOUNTS ESTIMATES *continued*

- 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.
- For equipment, the National Accounts estimates relate to acquisitions less disposals of all fixed tangible assets whereas the survey figures are acquisitions of new fixed tangible assets only.

41 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).

RELATED PUBLICATIONS

42 Users may also wish to refer to the following publications:

- *Australian Business Expectations* (Cat. no. 5250.0)
- *Australian National Accounts: National Income, Expenditure and Product* (Cat. no. 5206.0)
- *Building Activity, Australia* (Cat. no. 8752.0)
- *Business Operations and Industry Performance, Australia* (Cat. no. 8140.0)
- *Company Profits, Australia* (Cat. no. 5651.0)
- *Directory of Capital Expenditure Data Sources and Related Statistics* (Cat. no. 5653.0)
- *Engineering Construction Activity, Australia* (Cat. no. 8762.0)
- *Private New Capital Expenditure and Expected Expenditure* (Cat. no. 5625.0)
- *Inventories and Sales, Selected Industries, Australia* (Cat. no. 5629.0).

43 Current publications produced by the ABS are listed in the *Catalogue of Publications and Products, Australia* (Cat. no. 1101.0). The ABS also issues, on Tuesdays and Fridays, a *Release Advice* (Cat. no. 1105.0) which lists publications to be released in the next few days. The Catalogue and Release Advice are available from any ABS office.

UNPUBLISHED DATA

44 In addition to the data contained in this publication, more detailed industry information may be made available on request.

SYMBOLS AND OTHER USAGES

n.p. not available for publication but included in totals where applicable
ANZSIC Australian and New Zealand Standard Industrial Classification

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