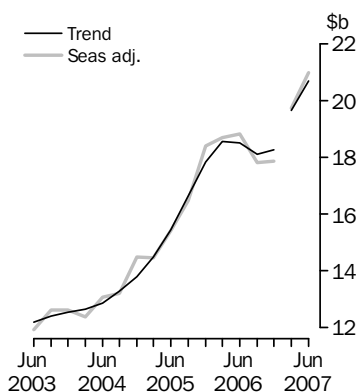


**PRIVATE NEW CAPITAL EXPENDITURE
AND EXPECTED EXPENDITURE AUSTRALIA**

EMBARGO: 11.30AM (CANBERRA TIME) THURS 30 AUG 2007

New Capital Expenditure

in volume terms



KEY FIGURES

	Jun Qtr 07	Mar Qtr 07 to Jun Qtr 07	Jun Qtr 06 to Jun Qtr 07
	\$m	% change	% change
Trend estimates^(a)			
Total new capital expenditure	20 685	5.3	11.8
Buildings & structures	8 392	5.9	15.6
Equipment, plant & machinery	12 247	4.5	8.9
Seasonally adjusted^(a)			
Total new capital expenditure	20 967	6.3	11.4
Buildings & structures	8 487	4.3	9.9
Equipment, plant & machinery	12 400	5.5	12.2

(a) In volume terms.

KEY POINTS

ACTUAL EXPENDITURE (VOLUME TERMS)

- The trend estimate for total new capital expenditure (in volume terms) increased by 5.3% in the June quarter 2007 while the seasonally adjusted estimate increased by 6.3%.
- The equipment, plant and machinery trend volume estimate increased 4.5% in the June quarter 2007. In seasonally adjusted terms the estimate rose 5.5%.
- The trend estimate for buildings and structures increased 5.9% this quarter while the seasonally adjusted estimate increased 4.3%.

EXPECTED EXPENDITURE (CURRENT TERMS)

- This issue includes the seventh estimate for 2006-07 and the third estimate for 2007-08.
- The final estimate for 2006-07 is \$77,341m, which is 6.5% higher than the comparable estimate for 2005-06 and 1.3% lower than the sixth estimate for 2006-07. The increase since 2005-06 is mainly driven by an 18.6% increase in Mining and the privatisation of Telstra.
- The third estimate for 2007-08 is \$79,166m. This is 24.4% higher than the third estimate for 2006-07. Estimate 3 is 11.5% higher than the second estimate for 2007-08.
- See pages 6 to 9 for further commentary on expectations data.

INQUIRIES

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

NOTES

FORTHCOMING ISSUES

<i>ISSUE (Quarter)</i>	<i>RELEASE DATE</i>
September 2007	29 November 2007
December 2007	28 February 2008



FORTHCOMING CHANGES

Recently, the ABS has implemented improved methods of producing seasonally adjusted estimates, focused on the application of Autoregressive Integrated Moving Average (ARIMA) modelling techniques. The revision properties of the seasonally adjusted and trend estimates can be improved by the use of ARIMA modelling. ARIMA modelling relies on the characteristics of the series being analysed to project future period data. The projected values are temporary, intermediate values, that are only used internally to improve the estimation of the seasonal factors. The projected data do not affect the original estimates and are discarded at the end of the seasonal adjustment process. This collection will use, from the 2007 annual seasonal reanalysis, concurrent seasonal adjustment with ARIMA modelling where applicable to reduce the level of revision to seasonally adjusted capital expenditure estimates.

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

Denis Farrell
Acting Australian Statistician

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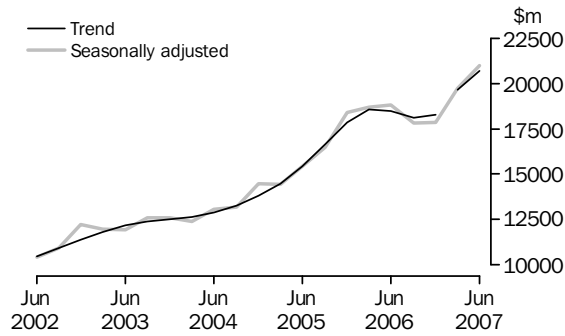
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ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS

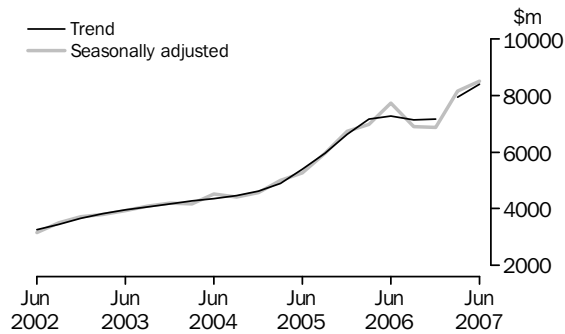
TOTAL CAPITAL EXPENDITURE

The trend estimate for total new capital expenditure rose by 5.3% in the June quarter 2007. This follows the break in the trend series in the March quarter 2007. The growth has come through in Other selected industries which rose 6.9% this quarter while Manufacturing fell by 3.8%. The seasonally adjusted series for total new capital expenditure rose by 6.3% in the June quarter 2007.



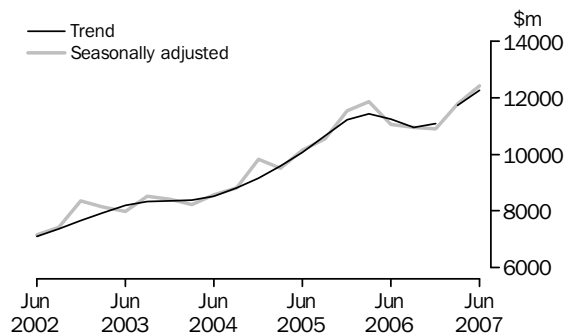
BUILDINGS AND STRUCTURES

Buildings and structures trend estimate has risen 5.9% in the June quarter 2007. The seasonally adjusted estimate for buildings and structures rose by 4.3% in the June quarter 2007 with a 12.0% rise in Other selected industries the main contributor.



EQUIPMENT, PLANT AND MACHINERY

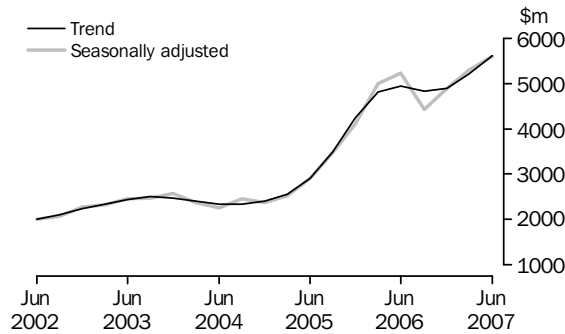
The trend estimate for equipment, plant and machinery rose by 4.5% in the June quarter 2007. Both Mining (7.8%) and Other selected industries (6.9%) increased this quarter while Manufacturing fell (-3.8%). The seasonally adjusted series has risen by 5.5% this quarter with all publication industries increasing.



ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS *continued*

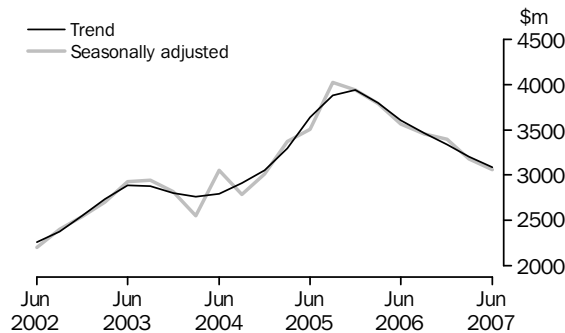
MINING

The trend estimate for Mining has risen 7.8% in the June quarter 2007. Both asset classes have risen this quarter, building by 6.2% and equipment by 10.6%. In seasonally adjusted terms the Mining estimate rose by 5.6%. This increase was driven by the equipment, plant and machinery asset class (15.8%) while building and structures had a more moderate increase of 1.6%.



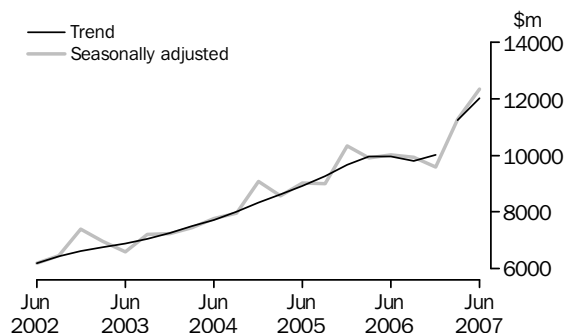
MANUFACTURING

The Manufacturing trend estimate fell by 3.8% in the June quarter 2007 which is the sixth consecutive fall. Building and structures fell 12.6% while equipment, plant and machinery had a small fall of 1.0%. In seasonally adjusted terms, the Manufacturing estimate fell by 3.7%, which is the seventh consecutive fall. Building and structures fell by 14.9% while equipment, plant and machinery was relatively unchanged (0.3%).



OTHER SELECTED INDUSTRIES

The trend estimate for Other selected industries rose by 6.9% in the June quarter 2007. Both asset classes rose with building and structures increasing by 9.7% and equipment, plant and machinery by 5.2%. The seasonally adjusted estimate for Other selected industries increased by 9.5%. In terms of asset classes, buildings and structures rose by 12.0% and equipment, plant and machinery by 5.6%.



ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE

FINANCIAL YEARS AT
CURRENT PRICES

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

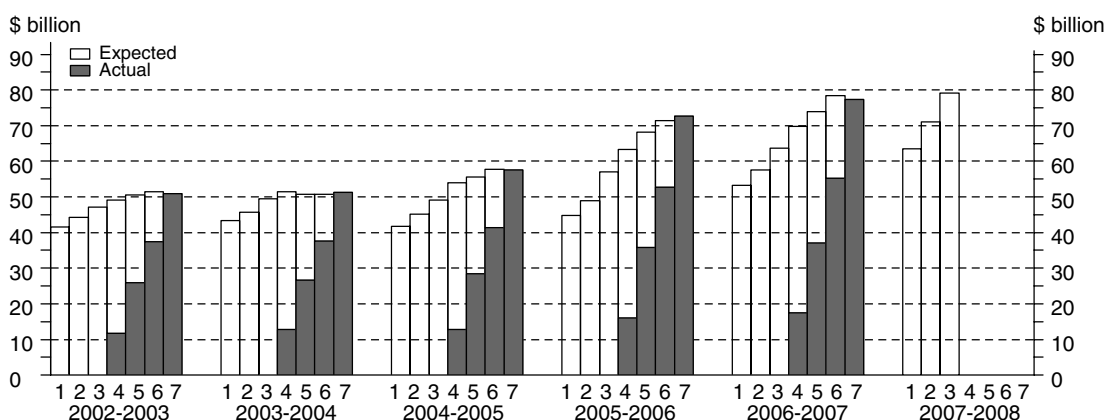
The timing and construction of these estimates are as follows:

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

TOTAL CAPITAL
EXPENDITURE

Estimate 7, recorded at \$77,341m for 2006-07 is 6.5% higher than the corresponding estimate for the previous year. This increase comes through the buildings and structures asset class which rose by 17.6%, while equipment, plant and machinery fell by 1.0% between the two estimates. Mining showed strong growth by increasing 18.6% as did Other selected industries which rose 8.8%. A fall in Manufacturing of 14.0% tempered these rises.

Estimate 7 is 1.3% lower than Estimate 6 for 2006-07 with building and structures falling 5.2% compared to a small rise of 2.1% in the equipment, plant and machinery asset class. Estimate 3 for 2007-2008 is \$79,166m. This is an increase of 24.4% from the previous estimate 3 in 2006-07. The main driver for this rise is from the building and structures asset class which rose 41.3%. There has been an increase of 11.5% between estimate 3 and estimate 2 in 2007-08. Both building and structures (7.9%) and equipment, plant and machinery (15.7%) have experienced strong growth between these estimates.

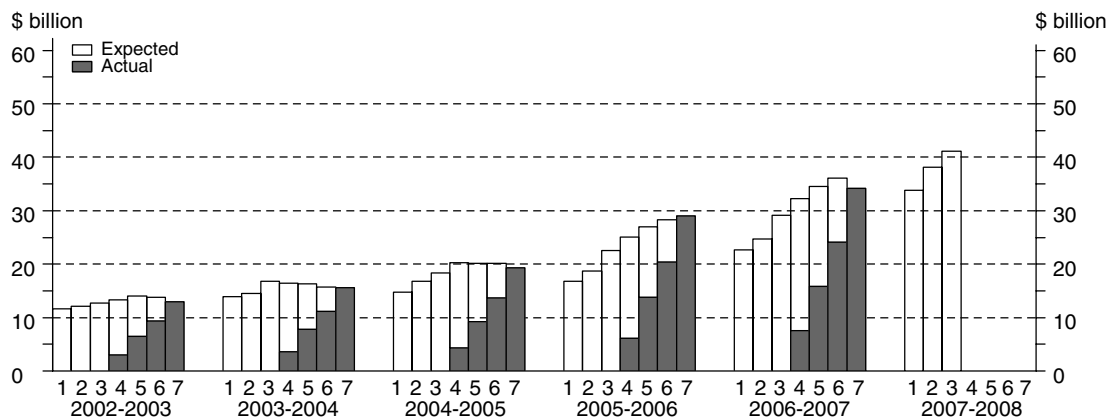


ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

BUILDING AND STRUCTURES

Estimate 7 for 2006-07 is at \$34,176m. This is a rise of 17.6% from the same estimate in 2005-06. Mining (24.1%) and Other selected industries (25.8%) recorded strong upwards movements while Manufacturing fell by 17.6%.

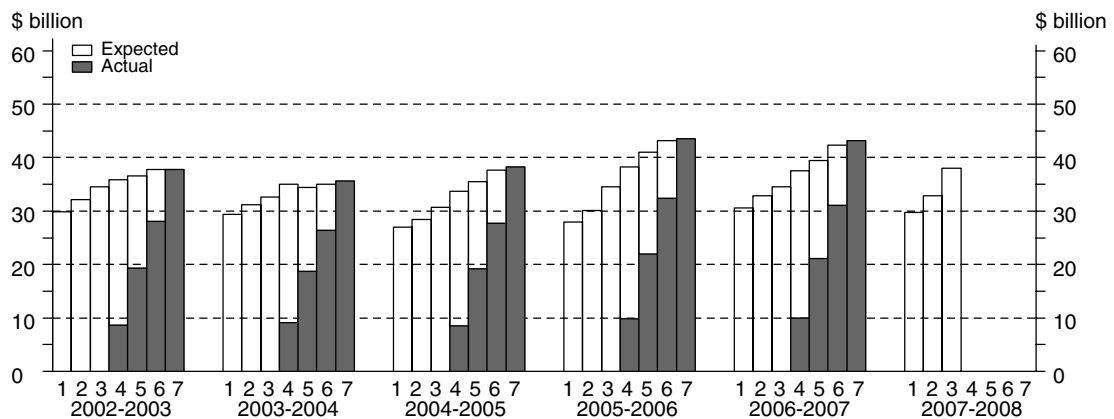
Estimate 3 for 2007-08 at \$41,129m has risen by 41.3% when compared to estimate 3 in 2006-07. Mining has risen by 64.9% and Other selected industries by 38.7% between these estimates while Manufacturing fell by 24.3%. Estimate 3 has risen by 7.9% when compared to Estimate 2. The growth in these estimates was broadly based with increased estimates in all publication industries.



EQUIPMENT, PLANT AND MACHINERY

Estimate 7 for 2006-07 was relatively unchanged (-1.0%) from the previous financial year which remains the historical high for Estimate 7. Estimate 7 for 2006-07 is \$43,165m. In comparison to Estimate 6 there has been a small increase of 2.1%.

Estimate 3 is 10.2% higher in 2007-08 than it was in the previous year at \$38,037m. The major contributor to this increase came from the Mining industry which rose by 28.1%. Estimate 3 is 15.7% higher than Estimate 2. This has been driven across all industries with Other selected industries (17.9%), Mining (15.6%) and Manufacturing (10.3%) all recording sizeable gains.

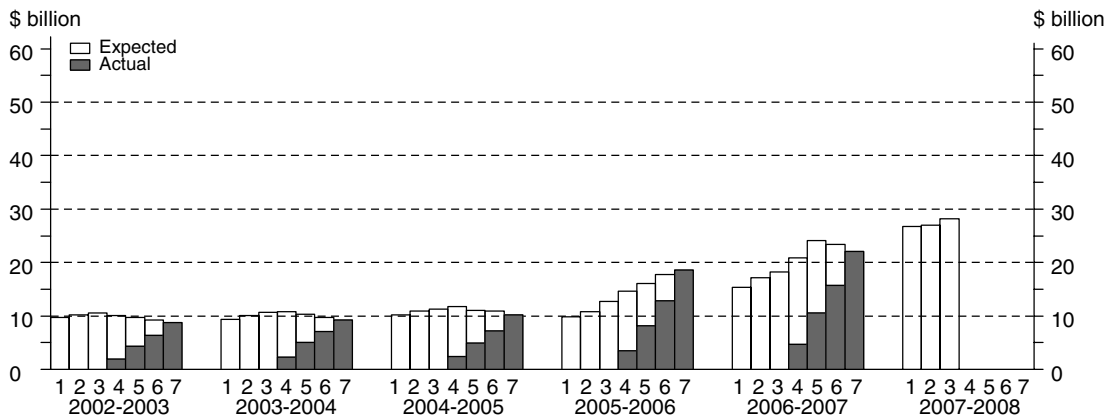


ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

MINING

Estimate 7 for 2006-07 was recorded at \$22,062m and is 18.6% higher than the corresponding estimate in 2005-06. There has been growth across both asset classes with building and structures rising 24.1% and equipment, plant and machinery 5.6%. Estimate 7 is 5.7% lower than estimate 6 this quarter. This decline resulted from a decrease in both asset types with building 7.5% lower and equipment 0.3% lower.

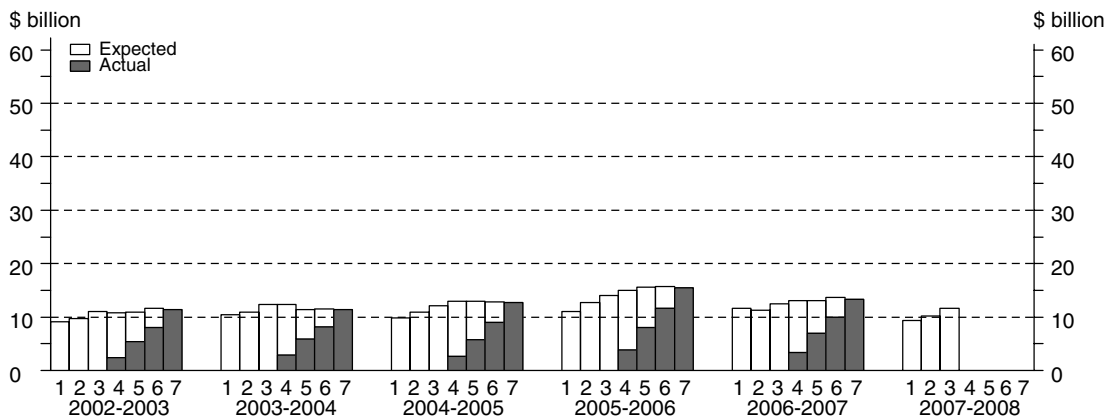
Estimate 3 for 2007-08 is \$28,203m which is 54.5% higher than estimate 3 of the previous year. The building and structures asset class has risen 28.1% while equipment, plant and machinery has risen 64.9%. The equipment, plant and machinery asset class rose 15.6% to drive the movement between estimate 3 and estimate 2 of 4.6%. Building and structures rose 1.6% between these two estimates.



MANUFACTURING

Estimate 7 for 2006-07 at \$13,267m is 14.0% lower than the corresponding estimate in 2005-06. This decline has been seen in both equipment, plant and machinery (-12.3%) and building and structures (-17.6%). Estimate 7 has fallen by 3.3% from estimate 6 with both building and structures (-3.3%) and equipment, plant and machinery (-3.2%) recording similar declines.

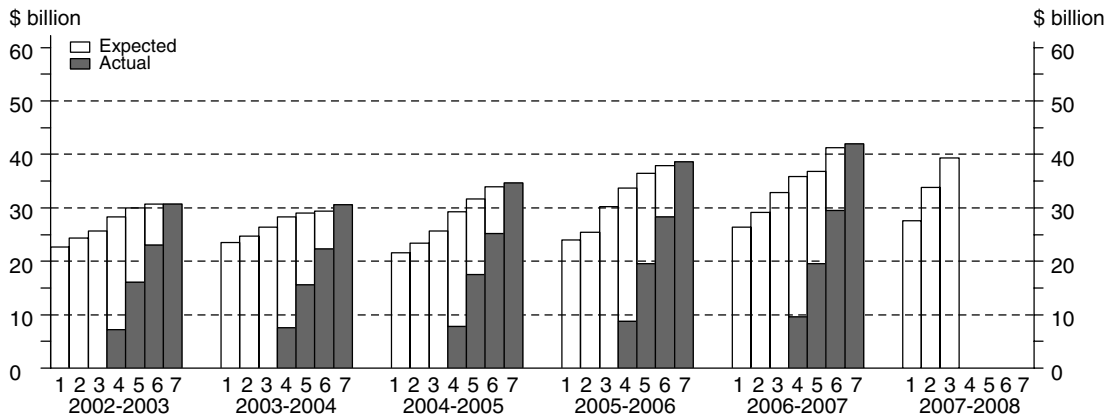
Estimate 3 at \$11,627m is 6.8% lower than the corresponding estimate for 2005-06, the small rise in equipment, plant and machinery of 2.2% was more than offset by the fall in the building and structures asset class of 24.3%. Estimate 3 is 13.8% higher than the estimate 2.



ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

OTHER SELECTED INDUSTRIES

Telstra has been included in these data since the March quarter 2007. Estimate 7 has risen 8.8% compared with estimate 7 for 2005-06. The growth is a result mainly through increases in expenditure in the building asset class (25.8%) while equipment had a more modest rise of 2.0%. Estimate 7 has risen a relatively small 1.9% from estimate 6 with the larger contribution coming from equipment (4.5%).



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE

IN CURRENT PRICE TERMS

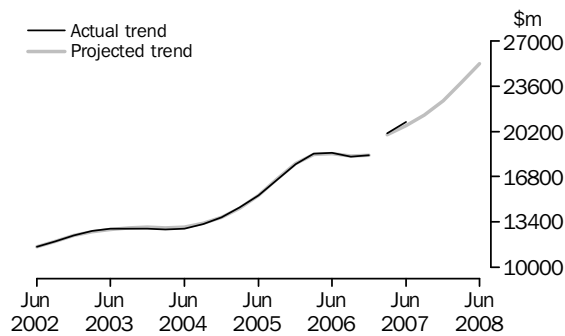
PROJECTED CAPITAL EXPENDITURE SERIES

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

The following graphs, with accompanying commentary, show the projected capital expenditure series based on June quarter 2007 data, which includes expected expenditure up to and including the June quarter 2008. Please see paragraphs 29 to 33 of the Explanatory Notes for further details about the methodology and cautionary notes for these series.

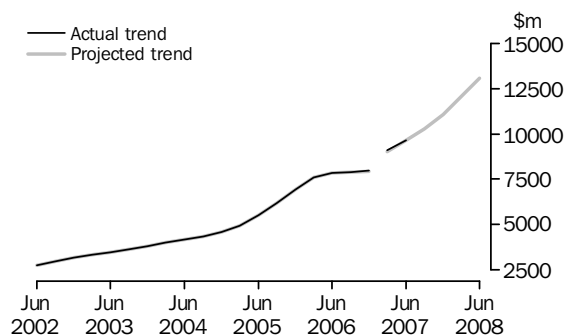
TOTAL CAPITAL EXPENDITURE

Since the trend break between December quarter 2006 and March quarter 2007 there has been a continued rise in current price estimates for total Capital Expenditure. The series has shown significant increases in the past three financial years and this is projected to continue. Expectations for the 2007-08 financial year indicate continued strong growth in the series.



BUILDINGS AND STRUCTURES

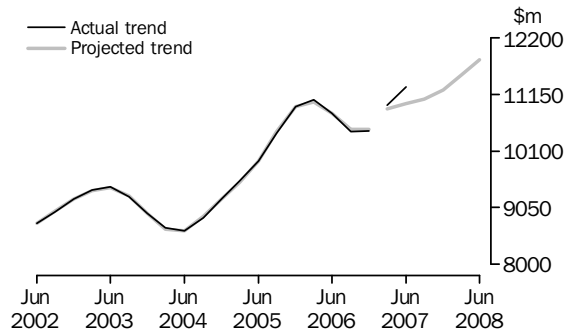
Current price trend estimates for buildings and structures have shown continued growth for the past five years. The expectations are that momentum will continue and the series will surge past the \$12,000m level during the 2007-08 financial year.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE *continued*

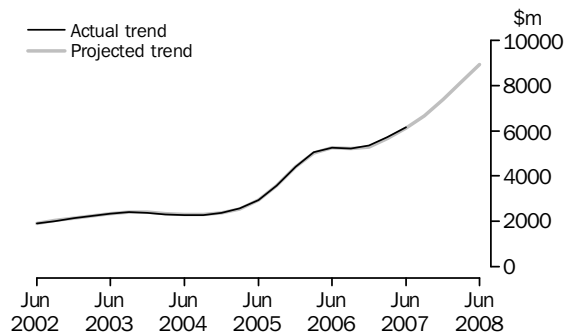
EQUIPMENT, PLANT AND MACHINERY

The equipment, plant and machinery current price trend series displayed significant growth from June 2004. This strength continued until December 2005 where the trend shifted downwards. The projections of this series indicate a resurgence in the trend in the coming financial year.



MINING

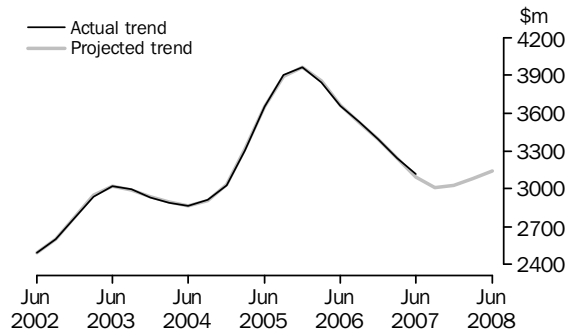
Expectations for the Mining industry continue to appear strong and show no sign of slowing in the coming financial year. The projected capital expenditure for the Mining series in 2007-08 will record new historical highs.



EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE *continued*

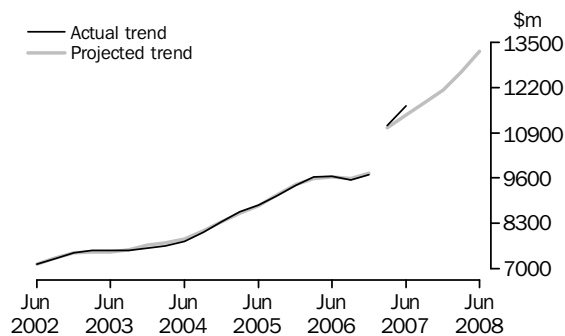
MANUFACTURING

The decline experienced in the Manufacturing current price trend series since its peak in 2005-06 is projected to continue through the remainder of 2007. The projected series indicates a slight shift in this movement in the March and June quarters in 2008 and the possibility of a turning point in Manufacturing.



OTHER SELECTED INDUSTRIES

This series was affected by the trend break applied between December quarter 2006 and March quarter 2007. The new trend has shown a large shift in level though the behaviour of the projected series remains similar and the series is projected to be strong in 2007-08.



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

Period	BUILDINGS AND STRUCTURES				EQUIPMENT, PLANT AND MACHINERY				TOTAL CAPITAL EXPENDITURE			
	Mining	Manu- facturing	Other selected industries	Total	Mining	Manu- facturing	Other selected industries	Total	Mining	Manu- facturing	Other selected industries	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)												
2005-06	13 060	4 965	11 031	29 057	5 548	10 463	27 573	43 584	18 609	15 428	38 605	72 641
2006-07	16 204	4 090	13 882	34 176	5 858	9 176	28 131	43 165	22 062	13 267	42 013	77 341
2005-06												
March	3 204	1 194	2 214	6 612	1 410	2 361	6 583	10 355	4 614	3 555	8 797	16 967
June	4 531	1 236	2 891	8 658	1 270	2 592	7 358	11 221	5 801	3 829	10 249	19 879
2006-07												
September	3 562	1 169	2 818	7 549	1 106	2 160	6 731	9 997	4 668	3 329	9 549	17 546
December	4 131	1 189	3 017	8 337	1 709	2 498	6 951	11 158	5 841	3 687	9 967	19 495
March	3 879	899	3 471	8 249	1 278	2 084	6 504	9 865	5 156	2 983	9 975	18 114
June	4 632	832	4 576	10 041	1 765	2 435	7 945	12 145	6 397	3 267	12 522	22 186
ORIGINAL (Expected) (a)												
2007-08												
6 mths to Dec	10 849	1 641	8 681	21 170	3 469	4 271	11 676	19 417	14 318	5 912	20 357	40 587
6 mths to Jun	10 730	1 556	7 673	19 959	3 155	4 159	11 306	18 621	13 885	5 715	18 980	38 579
Total fin year	21 578	3 196	16 354	41 129	6 625	8 430	22 982	38 037	28 203	11 627	39 336	79 166
SEASONALLY ADJUSTED (Actual)												
2005-06												
March	3 575	1 280	2 536	7 391	1 655	2 563	7 286	11 503	5 230	3 843	9 822	18 895
June	4 337	1 232	2 778	8 347	1 239	2 368	6 934	10 542	5 576	3 600	9 711	18 887
2006-07												
September	3 693	1 165	2 780	7 638	1 107	2 373	6 958	10 438	4 800	3 538	9 738	18 076
December	3 789	1 121	2 810	7 720	1 517	2 324	6 507	10 348	5 306	3 445	9 318	18 069
March	4 307	964	3 944	9 215	1 503	2 261	7 205	10 969	5 810	3 225	11 149	20 184
June	4 427	829	4 467	9 723	1 720	2 224	7 458	11 403	6 147	3 053	11 925	21 125
TREND ESTIMATES (Actual)												
2005-06												
March	3 624	1 265	2 725	7 614	1 427	2 577	7 045	11 049	5 051	3 842	9 634	18 527
June	3 934	1 238	2 692	7 864	1 322	2 421	7 054	10 798	5 256	3 659	9 646	18 561
2006-07												
September	3 943	1 182	2 755	7 880	1 272	2 351	6 833	10 457	5 215	3 533	9 542	18 290
December	3 959	1 083	2 924	7 966	1 375	2 311	6 795	10 478	5 334	3 394	9 701	18 429
March	4 148	970	(b)3 970	(b)9 088	1 555	2 271	(b)7 115	(b)10 948	5 703	3 241	(b)11 103	(b)20 047
June	4 419	887	4 340	9 646	1 717	2 232	7 341	11 289	6 136	3 119	11 667	20 922

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

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

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)										
2005-06	18 609	15 428	2 461	3 015	4 448	9 062	3 412	8 976	7 230	72 641
2006-07	22 062	13 267	2 547	2 800	4 333	7 783	3 455	10 168	10 927	77 341
2005-06										
March	4 614	3 555	^ 584	^ 712	984	2 103	869	1 823	1 722	16 967
June	5 801	3 829	^ 709	663	1 200	2 185	865	2 637	1 991	19 879
2006-07										
September	4 668	3 329	^ 608	647	1 116	2 081	819	2 265	2 013	17 546
December	5 841	3 687	598	773	1 232	^ 1 817	951	2 370	2 227	19 495
March	5 156	2 983	^ 649	623	911	^ 1 739	795	2 467	2 790	18 114
June	6 397	3 267	^ 693	758	1 074	2 145	889	3 066	3 897	22 186
ORIGINAL (Expected) (a)										
2007-08										
6 mths to Dec	14 318	5 912	794	1 326	2 275	3 089	1 363	4 502	7 007	40 587
6 mths to Jun	13 885	5 715	798	1 036	2 081	3 432	1 681	4 274	5 678	38 579
Total fin year	28 203	11 627	1 593	2 362	4 356	6 521	3 045	8 775	12 685	79 166
SEASONALLY ADJUSTED (Actual)										
2005-06										
March	5 230	3 843	596	803	1 143	2 408	991	2 041	1 840	18 895
June	5 576	3 600	665	629	1 177	2 039	807	2 443	1 951	18 887
2006-07										
September	4 800	3 538	705	668	1 083	2 124	821	2 257	2 080	18 076
December	5 306	3 445	542	700	1 120	1 686	902	2 303	2 065	18 069
March	5 810	3 225	675	704	1 078	1 980	915	2 798	2 999	20 184
June	6 147	3 053	647	721	1 045	2 005	826	2 828	3 853	21 125
TREND ESTIMATES (Actual)										
2005-06										
March	5 051	3 842	639	750	1 128	2 309	861	2 106	1 841	18 527
June	5 256	3 659	656	692	1 141	2 193	857	2 149	1 958	18 561
2006-07										
September	5 215	3 533	644	666	1 129	1 969	860	2 262	2 012	18 290
December	5 334	3 394	632	683	1 099	1 890	871	2 440	2 086	18 429
March	5 703	3 241	630	709	1 076	1 908	885	2 654	(b) 3 241	(b) 20 047
June	6 136	3 119	641	720	1 058	1 947	870	2 856	3 575	20 922

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

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

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

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

Period	ASSET			INDUSTRY			
	Buildings and structures	Equipment, plant and machinery	Total	Mining	Manufacturing	Other selected industries	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL							
2003-04	16 971	33 736	50 707	9 682	11 375	29 700	50 707
2004-05	19 262	38 293	57 554	10 253	12 681	34 620	57 554
2005-06	27 389	44 993	72 382	17 806	15 307	39 269	72 382
2006-07	30 261	45 918	76 178	20 160	13 086	42 930	76 178
2004-05							
June	5 453	10 767	16 218	2 994	3 725	9 509	16 218
2005-06							
September	5 920	10 110	16 030	3 409	3 801	8 820	16 030
December	7 268	12 431	19 700	4 539	4 192	10 969	19 700
March	6 221	10 677	16 898	4 418	3 523	8 957	16 898
June	7 980	11 775	19 755	5 441	3 792	10 522	19 755
2006-07							
September	6 813	10 459	17 272	4 312	3 261	9 699	17 272
December	7 409	11 714	19 123	5 361	3 612	10 148	19 123
March	7 280	10 557	17 837	4 692	2 947	10 197	17 837
June	8 759	13 187	21 946	5 795	3 266	12 885	21 946
SEASONALLY ADJUSTED							
2004-05							
June	5 266	10 152	15 418	2 897	3 500	9 034	15 418
2005-06							
September	5 966	10 546	16 487	3 471	4 023	8 993	16 487
December	6 726	11 540	18 385	4 108	3 937	10 340	18 385
March	6 977	11 853	18 693	4 993	3 786	9 914	18 693
June	7 720	11 053	18 817	5 234	3 561	10 021	18 817
2006-07							
September	6 899	10 938	17 819	4 428	3 457	9 934	17 819
December	6 866	10 881	17 872	4 886	3 397	9 589	17 872
March	8 136	11 757	19 717	5 292	3 178	11 246	19 717
June	8 487	12 400	20 967	5 588	3 059	12 319	20 967
TREND							
2004-05							
June	5 391	10 053	15 442	2 900	3 638	8 909	15 442
2005-06							
September	5 967	10 657	16 628	3 485	3 878	9 271	16 628
December	6 640	11 200	17 848	4 250	3 932	9 667	17 848
March	7 164	11 421	18 567	4 811	3 799	9 957	18 567
June	7 257	11 246	18 503	4 940	3 605	9 961	18 503
2006-07							
September	7 126	10 963	18 101	4 834	3 468	9 801	18 101
December	7 170	11 080	18 253	4 895	3 342	10 001	18 253
March	(b) 7 928	(b) 11 717	(b) 19 638	5 204	3 208	(b) 11 233	(b) 19 638
June	8 392	12 247	20 685	5 608	3 085	12 004	20 685

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

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

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

Period	ASSET			INDUSTRY			
	Buildings and structures	Equipment, Plant and Machinery	Total	Mining	Manufacturing	Other selected industries	Total
	%	%	%	%	%	%	%
ORIGINAL							
2003-04	13.5	5.6	7.6	6.0	7.4	8.2	7.6
2004-05	13.5	13.5	13.5	5.9	11.5	16.6	13.5
2005-06	42.2	17.5	25.8	73.7	20.7	13.4	25.8
2006-07	10.5	2.1	5.2	13.2	-14.5	9.3	5.2
June	22.5	26.0	24.9	34.7	19.1	24.6	24.9
2005-06							
September	8.6	-6.1	-1.2	13.9	2.0	-7.2	-1.2
December	22.8	23.0	22.9	33.1	10.3	24.4	22.9
March	-14.4	-14.1	-14.2	-2.7	-16.0	-18.3	-14.2
June	28.3	10.3	16.9	23.2	7.6	17.5	16.9
2006-07							
September	-14.6	-11.2	-12.6	-20.8	-14.0	-7.8	-12.6
December	8.7	12.0	10.7	24.3	10.8	4.6	10.7
March	-1.7	-9.9	-6.7	-12.5	-18.4	0.5	-6.7
June	20.3	24.9	23.0	23.5	10.8	26.4	23.0
SEASONALLY ADJUSTED							
2004-05							
June	5.0	6.9	6.7	14.6	3.8	5.5	6.7
2005-06							
September	13.3	3.9	6.9	19.8	14.9	-0.5	6.9
December	12.7	9.4	11.5	18.3	-2.1	15.0	11.5
March	3.7	2.7	1.7	21.6	-3.8	-4.1	1.7
June	10.7	-6.8	0.7	4.8	-5.9	1.1	0.7
2006-07							
September	-10.6	-1.0	-5.3	-15.4	-2.9	-0.9	-5.3
December	-0.5	-0.5	0.3	10.3	-1.7	-3.5	0.3
March	18.5	8.1	10.3	8.3	-6.4	17.3	10.3
June	4.3	5.5	6.3	5.6	-3.7	9.5	6.3
TREND							
2004-05							
June	9.9	5.0	6.7	13.1	10.4	3.4	6.7
2005-06							
September	10.7	6.0	7.7	20.1	6.6	4.1	7.7
December	11.3	5.1	7.3	22.0	1.4	4.3	7.3
March	7.9	2.0	4.0	13.2	-3.4	3.0	4.0
June	1.3	-1.5	-0.3	2.7	-5.1	0.0	-0.3
2006-07							
September	-1.8	-2.5	-2.2	-2.1	-3.8	-1.6	-2.2
December	0.6	1.1	0.8	1.3	-3.6	2.0	0.8
March	na	na	na	6.3	-4.0	na	na
June	5.9	4.5	5.3	7.8	-3.8	6.9	5.3

na not available

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

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

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

2003-04	13 975	14 551	16 834	16 427	16 353	15 712	15 645
2004-05	14 754	16 775	18 359	20 323	20 176	20 160	19 262
2005-06	16 846	18 724	22 499	25 096	27 036	28 279	29 057
2006-07	22 695	24 648	29 103	32 239	34 513	36 042	34 176
2007-08	33 848	38 112	41 129	nya	nya	nya	nya

BUILDINGS AND STRUCTURES (Realisation Ratio) (a)

2004-05	1.31	1.15	1.05	0.95	0.95	0.96	1.00
2005-06	1.72	1.55	1.29	1.16	1.07	1.03	1.00
2006-07	1.51	1.39	1.17	1.06	0.99	0.95	1.00
5-year average	1.35	1.25	1.09	1.02	0.98	0.97	1.00

EQUIPMENT, PLANT AND MACHINERY (\$ million)

2003-04	29 393	31 129	32 627	35 031	34 402	35 034	35 602
2004-05	26 927	28 423	30 675	33 645	35 442	37 661	38 293
2005-06	27 975	30 147	34 508	38 272	41 064	43 116	43 584
2006-07	30 603	32 916	34 530	37 575	39 411	42 294	43 165
2007-08	29 720	32 866	38 037	nya	nya	nya	nya

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

2004-05	1.42	1.35	1.25	1.14	1.08	1.02	1.00
2005-06	1.56	1.45	1.26	1.14	1.06	1.01	1.00
2006-07	1.41	1.31	1.25	1.15	1.10	1.02	1.00
5-year average	1.37	1.28	1.19	1.10	1.06	1.01	1.00

TOTAL (\$ million)

2003-04	43 369	45 681	49 462	51 458	50 755	50 747	51 247
2004-05	41 682	45 197	49 034	53 969	55 619	57 821	57 554
2005-06	44 819	48 871	57 005	63 368	68 101	71 396	72 641
2006-07	53 299	57 564	63 634	69 814	73 923	78 336	77 341
2007-08	63 568	70 978	79 166	nya	nya	nya	nya

TOTAL (Realisation Ratio) (a)

2004-05	1.38	1.27	1.17	1.07	1.03	1.00	1.00
2005-06	1.62	1.49	1.27	1.15	1.07	1.02	1.00
2006-07	1.45	1.34	1.22	1.11	1.05	0.99	1.00
5-year average	1.37	1.27	1.16	1.07	1.03	1.00	1.00

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

2003-04	4.4	3.2	4.9	4.7	0.3	-1.5	0.8
2004-05	-3.9	-1.1	-0.9	4.9	9.6	13.9	12.3
2005-06	7.5	8.1	16.3	17.4	22.4	23.5	26.2
2006-07	18.9	17.8	11.6	10.2	8.5	9.7	6.5
2007-08	19.3	23.3	24.4	na	na	na	nya

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

EXPECTED EXPENDITURE AND REALISATION RATIOS, By industry—Current prices

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

2003-04	9 388	10 053	10 672	10 812	10 365	9 780	9 282
2004-05	10 192	10 937	11 226	11 784	10 998	10 950	10 253
2005-06	9 795	10 817	12 759	14 598	16 025	17 785	18 609
2006-07	15 298	17 100	18 260	20 858	24 073	23 396	22 062
2007-08	26 691	26 970	28 203	nya	nya	nya	nya

MINING (Realisation Ratio) (a)

2004-05	1.01	0.94	0.91	0.87	0.93	0.94	1.00
2005-06	1.90	1.72	1.46	1.27	1.16	1.05	1.00
2006-07	1.44	1.29	1.21	1.06	0.92	0.94	1.00
5-year average	1.25	1.15	1.06	0.99	0.96	0.97	1.00

MANUFACTURING (\$ million)

2003-04	10 453	10 911	12 402	12 370	11 371	11 571	11 424
2004-05	9 853	10 915	12 133	12 937	12 928	12 895	12 681
2005-06	11 095	12 684	14 024	15 046	15 598	15 682	15 428
2006-07	11 651	11 293	12 471	13 067	13 071	13 718	13 267
2007-08	9 343	10 218	11 627	nya	nya	nya	nya

MANUFACTURING (Realisation Ratio) (a)

2004-05	1.29	1.16	1.05	0.98	0.98	0.98	1.00
2005-06	1.39	1.22	1.10	1.03	0.99	0.98	1.00
2006-07	1.14	1.17	1.06	1.02	1.01	0.97	1.00
5-year average	1.23	1.15	1.03	1.00	1.01	0.98	1.00

OTHER SELECTED INDUSTRIES (\$ million)

2003-04	23 528	24 716	26 388	28 276	29 019	29 396	30 541
2004-05	21 637	23 346	25 676	29 247	31 693	33 976	34 620
2005-06	23 929	25 370	30 222	33 724	36 478	37 929	38 605
2006-07	26 350	29 171	32 903	35 890	36 779	41 221	42 013
2007-08	27 534	33 791	39 336	nya	nya	nya	nya

OTHER SELECTED INDUSTRIES (Realisation Ratio) (a)

2004-05	1.60	1.48	1.35	1.18	1.09	1.02	1.00
2005-06	1.61	1.52	1.28	1.14	1.06	1.02	1.00
2006-07	1.59	1.44	1.28	1.17	1.14	1.02	1.00
5-year average	1.49	1.39	1.25	1.13	1.07	1.02	1.00

nya not yet available

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

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RATIOS OF ACTUAL TO SHORT TERM EXPECTATIONS(a), By type of asset and industry—Current prices

<i>Financial Year</i>	3 MONTHS ENDING		6 MONTHS ENDING	
	<i>31 December (collected in September Survey)</i>	<i>30 June (collected in March Survey)</i>	<i>31 December (collected in June Survey)</i>	<i>30 June (collected in December Survey)</i>
TYPE OF ASSET				
Buildings and structures				
2004–05	0.89	0.86	1.01	0.92
2005–06	1.07	1.10	1.14	1.15
2006–07	0.97	0.84	1.06	0.98
5-year average	0.96	0.92	1.03	0.97
Equipment, plant and machinery				
2004–05	1.08	1.06	1.18	1.18
2005–06	1.05	1.04	1.22	1.13
2006–07	1.05	1.08	1.15	1.21
5-year average	1.04	1.05	1.14	1.13
Total				
2004–05	1.01	0.98	1.12	1.07
2005–06	1.06	1.07	1.19	1.14
2006–07	1.01	0.96	1.11	1.09
5-year average	1.01	1.00	1.10	1.07
TYPE OF INDUSTRY				
Mining				
2004–05	0.79	0.81	0.90	0.88
2005–06	1.10	1.17	1.21	1.33
2006–07	1.03	0.83	1.08	0.85
5-year average	0.91	0.89	0.97	0.94
Manufacturing				
2004–05	0.85	0.95	0.99	0.97
2005–06	0.99	0.94	1.09	0.98
2006–07	1.00	0.88	1.08	1.03
5-year average	0.92	0.93	1.01	1.01
Other selected industries				
2004–05	1.18	1.07	1.26	1.21
2005–06	1.07	1.07	1.23	1.13
2006–07	1.00	1.07	1.14	1.30
5-year average	1.09	1.07	1.19	1.16
Total				
2004–05	1.01	0.98	1.12	1.07
2005–06	1.06	1.07	1.19	1.14
2006–07	1.01	0.96	1.11	1.09
5-year average	1.01	1.00	1.10	1.07

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

ACTUAL EXPENDITURE ON BUILDINGS AND STRUCTURES, Current prices

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2003-04	4 084	2 670	2 363	969	3 793	167	1 520	78	15 645
2004-05	4 820	3 161	3 033	992	5 135	430	1 534	158	19 262
2005-06	5 979	4 370	4 845	1 464	10 142	276	1 748	233	29 057
2006-07	5 828	5 264	5 609	2 067	13 206	280	1 716	206	34 176
2004-05									
June	1 467	881	870	291	1 429	^ 118	475	*58	5 589
2005-06									
September	1 603	970	908	296	1 746	^ 82	463	*84	6 152
December	1 838	1 143	1 354	369	2 333	77	477	*43	7 634
March	1 111	997	1 132	291	2 509	62	446	**64	6 612
June	1 427	1 260	1 451	^ 508	3 554	^ 55	362	*42	8 658
2006-07									
September	1 147	1 242	1 362	382	2 843	^ 39	494	^ 40	7 549
December	1 238	1 238	1 393	532	3 420	^ 54	405	*58	8 337
March	1 519	1 296	1 183	451	3 214	96	434	^ 56	8 249
June	1 924	1 487	1 672	702	3 730	91	^ 383	^ 53	10 041
SEASONALLY ADJUSTED									
2004-05									
June	1 369	884	832	247	1 374	np	np	np	5 400
2005-06									
September	1 602	927	943	332	1 789	np	np	np	6 191
December	1 715	1 083	1 203	326	2 166	np	np	np	7 047
March	1 300	1 103	1 313	368	2 761	np	np	np	7 391
June	1 326	1 261	1 378	426	3 419	np	np	np	8 347
2006-07									
September	1 148	1 194	1 419	431	2 919	np	np	np	7 638
December	1 159	1 174	1 238	472	3 178	np	np	np	7 720
March	1 773	1 434	1 373	571	3 527	np	np	np	9 215
June	1 788	1 482	1 584	586	3 586	np	np	np	9 723
TREND									
2004-05									
June	1 409	895	859	289	1 458	106	449	63	5 525
2005-06									
September	1 570	959	987	305	1 746	91	467	68	6 185
December	1 581	1 048	1 158	336	2 261	76	459	62	6 959
March	1 443	1 147	1 317	375	2 788	61	443	50	7 614
June	1 255	1 196	1 386	407	3 085	50	429	46	7 864
2006-07									
September	1 179	1 206	1 349	443	3 174	47	421	47	7 880
December	1 249	1 228	1 301	475	3 216	57	423	48	7 966
March	(a)1 652	(a)1 398	(a)1 437	(a)560	(a)3 432	(a)83	(a)432	(a)57	(a)9 088
June	1 812	1 477	1 480	586	3 598	97	413	56	9 646

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution np not available for publication but included in totals where applicable, unless otherwise indicated

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

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

ACTUAL EXPENDITURE ON EQUIPMENT, PLANT AND MACHINERY, Current prices

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2003-04	10 287	9 198	6 612	2 978	5 124	533	381	489	35 602
2004-05	11 986	9 648	7 306	2 993	4 815	698	316	534	38 293
2005-06	12 606	11 111	8 677	3 089	6 329	875	402	496	43 584
2006-07	11 642	11 033	9 733	2 844	6 510	550	401	453	43 165
2004-05									
June	3 436	2 605	2 062	828	1 201	^ 219	^ 117	^ 136	10 604
2005-06									
September	3 089	2 448	1 784	671	1 503	^ 209	^ 79	111	9 893
December	3 568	3 115	2 201	^ 967	1 727	^ 273	^ 124	^ 140	12 116
March	2 863	2 713	2 233	689	1 452	^ 187	^ 112	^ 105	10 355
June	3 086	2 835	2 459	^ 762	1 647	^ 206	^ 87	^ 140	11 221
2006-07									
September	2 729	2 689	2 264	656	1 282	131	^ 119	^ 128	9 997
December	3 044	2 979	2 338	844	1 656	^ 146	^ 52	^ 97	11 158
March	2 434	2 636	2 359	612	1 524	^ 122	^ 67	^ 111	9 865
June	3 434	2 728	2 772	731	2 049	151	^ 163	^ 117	12 145
SEASONALLY ADJUSTED									
2004-05									
June	3 222	2 557	1 878	778	1 157	np	np	np	9 977
2005-06									
September	3 191	2 516	1 873	750	1 522	np	np	np	10 313
December	3 364	2 891	2 148	839	1 598	np	np	np	11 282
March	3 180	2 916	2 423	780	1 630	np	np	np	11 503
June	2 882	2 788	2 237	716	1 583	np	np	np	10 542
2006-07									
September	2 831	2 770	2 367	737	1 301	np	np	np	10 438
December	2 856	2 757	2 291	724	1 529	np	np	np	10 348
March	2 708	2 826	2 552	696	1 710	np	np	np	10 969
June	3 202	2 687	2 524	686	1 965	np	np	np	11 403
TREND									
2004-05									
June	3 148	2 491	1 785	771	1 307	197	87	122	9 910
2005-06									
September	3 232	2 616	1 932	777	1 430	223	102	120	10 432
December	3 216	2 754	2 119	781	1 575	234	109	122	10 913
March	3 099	2 836	2 266	767	1 601	215	113	125	11 049
June	2 968	2 833	2 328	746	1 507	182	107	124	10 798
2006-07									
September	2 823	2 787	2 329	726	1 441	151	88	119	10 457
December	2 788	2 764	2 368	714	1 514	135	80	114	10 478
March	(a)2 911	(a)2 773	(a)2 482	(a)707	(a)1 715	(a)136	(a)91	(a)111	(a)10 948
June	3 023	2 740	2 535	685	1 908	137	105	108	11 289

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

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

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

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2003-04	14 371	11 869	8 975	3 947	8 917	700	1 901	567	51 247
2004-05	16 805	12 809	10 339	3 985	9 950	1 127	1 849	692	57 554
2005-06	18 585	15 481	13 522	4 553	16 471	1 151	2 150	729	72 641
2006-07	17 470	16 296	15 342	4 911	19 716	831	2 116	659	77 341
2004-05									
June	4 902	3 486	2 932	1 119	2 630	^ 337	592	^ 194	16 192
2005-06									
September	4 692	3 418	2 692	967	3 249	^ 291	541	^ 195	16 045
December	5 406	4 258	3 554	1 336	4 060	^ 350	601	^ 183	19 751
March	3 974	3 709	3 366	980	3 961	^ 249	558	^ 169	16 967
June	4 513	4 095	3 909	^ 1 270	5 201	^ 260	449	^ 182	19 879
2006-07									
September	3 876	3 931	3 625	1 038	4 125	170	612	^ 167	17 546
December	4 283	4 218	3 731	1 377	5 076	^ 200	457	^ 155	19 495
March	3 953	3 933	3 542	1 063	4 737	218	501	^ 166	18 114
June	5 358	4 214	4 444	1 433	5 778	243	^ 546	171	22 186
SEASONALLY ADJUSTED									
2004-05									
June	4 591	3 441	2 710	1 025	2 531	315	595	181	15 379
2005-06									
September	4 793	3 443	2 816	1 082	3 311	308	513	202	16 504
December	5 079	3 974	3 351	1 165	3 764	330	585	186	18 328
March	4 480	4 019	3 736	1 148	4 391	272	607	172	18 895
June	4 208	4 049	3 615	1 142	5 002	242	449	169	18 887
2006-07									
September	3 979	3 964	3 786	1 168	4 220	182	587	171	18 076
December	4 015	3 931	3 529	1 196	4 707	187	450	157	18 069
March	4 481	4 260	3 925	1 267	5 237	233	537	171	20 184
June	4 990	4 169	4 108	1 272	5 551	229	533	161	21 125
TREND									
2004-05									
June	4 557	3 386	2 644	1 060	2 765	303	536	185	15 420
2005-06									
September	4 802	3 575	2 919	1 082	3 176	314	569	188	16 555
December	4 797	3 802	3 277	1 117	3 836	310	568	184	17 754
March	4 542	3 983	3 583	1 142	4 389	276	556	175	18 527
June	4 223	4 029	3 714	1 153	4 592	232	536	170	18 561
2006-07									
September	4 002	3 993	3 678	1 169	4 615	198	509	166	18 290
December	4 037	3 992	3 669	1 189	4 730	192	503	162	18 429
March	(a)4 563	(a)4 171	(a)3 919	(a)1 267	(a)5 147	(a)219	(a)523	(a)168	(a)20 047
June	4 835	4 217	4 015	1 271	5 506	234	518	164	20 922

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

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

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2003-04	4 429	2 896	2 564	1 052	4 113	181	1 651	85	16 971
2004-05	4 820	3 161	3 033	992	5 135	430	1 534	158	19 262
2005-06	5 653	4 121	4 565	1 378	9 538	261	1 653	220	27 389
2006-07	5 154	4 662	4 968	1 828	11 696	248	1 522	182	30 261
2004-05									
June	1 430	859	849	284	1 394	115	464	57	5 453
2005-06									
September	1 542	934	874	285	1 680	79	446	81	5 920
December	1 750	1 088	1 289	352	2 222	73	454	41	7 268
March	1 045	938	1 066	274	2 361	58	420	60	6 221
June	1 315	1 161	1 337	468	3 276	51	334	39	7 980
2006-07									
September	1 036	1 121	1 229	345	2 566	35	445	36	6 813
December	1 100	1 100	1 237	473	3 039	48	359	51	7 409
March	1 340	1 144	1 044	398	2 836	85	383	49	7 280
June	1 678	1 297	1 458	612	3 254	80	334	46	8 759
SEASONALLY ADJUSTED									
2004-05									
June	1 339	860	812	238	1 339	np	np	np	5 266
2005-06									
September	1 549	891	908	318	1 721	np	np	np	5 966
December	1 642	1 030	1 147	312	2 062	np	np	np	6 726
March	1 231	1 038	1 237	350	2 600	np	np	np	6 977
June	1 231	1 162	1 272	398	3 154	np	np	np	7 720
2006-07									
September	1 039	1 075	1 283	384	2 639	np	np	np	6 899
December	1 032	1 041	1 102	414	2 829	np	np	np	6 866
March	1 569	1 263	1 214	497	3 118	np	np	np	8 136
June	1 564	1 290	1 384	505	3 134	np	np	np	8 487
TREND									
2004-05									
June	1 668	953	928	304	1 457	121	453	73	5 391
2005-06									
September	1 839	1 009	1 052	327	1 723	103	466	78	5 967
December	1 833	1 091	1 220	356	2 203	85	453	70	6 640
March	1 652	1 177	1 369	393	2 680	68	432	56	7 164
June	1 410	1 205	1 415	417	2 918	55	410	50	7 257
2006-07									
September	1 295	1 192	1 353	440	2 948	50	393	51	7 126
December	1 350	1 195	1 285	461	2 939	60	389	51	7 170
March	(b)1 458	(b)1 228	(b)1 267	(b)486	(b)3 026	(b)74	(b)380	(b)51	(b)7 928
June	1 580	1 284	1 295	508	3 153	85	358	49	8 392

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

(a) Reference year for chain volume measures is 2004-05.
(b) Break in series between December 2006 and March 2007.

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2003-04	9 686	8 682	6 294	2 838	4 924	507	363	459	33 736
2004-05	11 986	9 648	7 306	2 993	4 815	698	316	534	38 293
2005-06	13 094	11 492	8 934	3 174	6 465	899	413	521	44 993
2006-07	12 564	11 783	10 293	2 991	6 786	584	421	497	45 918
2004-05									
June	3 492	2 650	2 090	842	1 213	222	119	139	10 767
2005-06									
September	3 170	2 509	1 819	683	1 521	213	80	115	10 110
December	3 681	3 206	2 252	988	1 753	279	127	146	12 431
March	2 972	2 801	2 297	708	1 482	193	115	109	10 677
June	3 271	2 976	2 567	796	1 709	214	91	151	11 775
2006-07									
September	2 888	2 818	2 351	681	1 323	137	124	137	10 459
December	3 242	3 140	2 437	874	1 709	153	55	105	11 714
March	2 658	2 834	2 504	648	1 587	132	72	123	10 557
June	3 776	2 992	3 001	787	2 167	162	171	132	13 187
SEASONALLY ADJUSTED									
2004-05									
June	3 284	2 606	1 907	796	1 168	np	np	np	10 152
2005-06									
September	3 277	2 583	1 911	767	1 538	np	np	np	10 546
December	3 462	2 969	2 197	855	1 619	np	np	np	11 540
March	3 300	3 013	2 491	804	1 664	np	np	np	11 853
June	3 055	2 928	2 335	749	1 644	np	np	np	11 053
2006-07									
September	2 999	2 904	2 462	771	1 342	np	np	np	10 938
December	3 044	2 908	2 391	755	1 575	np	np	np	10 881
March	2 960	3 039	2 714	742	1 778	np	np	np	11 757
June	3 525	2 949	2 737	744	2 075	np	np	np	12 400
TREND									
2004-05									
June	3 225	2 550	1 822	786	1 318	203	90	125	10 053
2005-06									
September	3 344	2 701	1 986	805	1 459	230	105	126	10 657
December	3 381	2 883	2 207	815	1 619	243	112	130	11 200
March	3 272	2 973	2 363	802	1 653	224	115	134	11 421
June	3 130	2 963	2 419	778	1 555	189	111	132	11 246
2006-07									
September	2 987	2 920	2 420	757	1 485	158	92	127	10 963
December	2 990	2 931	2 486	750	1 567	144	85	123	11 080
March	(b)3 164	(b)2 981	(b)2 639	(b)751	(b)1 788	(b)147	(b)98	(b)122	(b)11 717
June	3 324	2 987	2 732	740	2 004	149	113	121	12 247

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

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

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

ACTUAL TOTAL EXPENDITURE—Chain volume measures(a)

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2003-04	14 063	11 573	8 863	3 879	9 105	698	2 016	549	50 707
2004-05	16 805	12 809	10 339	3 985	9 950	1 127	1 849	692	57 554
2005-06	18 746	15 613	13 499	4 553	16 003	1 160	2 067	741	72 382
2006-07	17 718	16 444	15 261	4 819	18 482	832	1 943	679	76 178
2004-05									
June	4 921	3 508	2 940	1 126	2 605	339	585	195	16 218
2005-06									
September	4 711	3 443	2 692	968	3 201	292	526	196	16 030
December	5 431	4 294	3 541	1 340	3 975	352	581	186	19 700
March	4 017	3 739	3 362	982	3 843	251	535	169	16 898
June	4 587	4 137	3 904	1 264	4 984	265	425	189	19 755
2006-07									
September	3 924	3 939	3 580	1 026	3 890	172	570	172	17 272
December	4 342	4 240	3 674	1 347	4 748	201	414	156	19 123
March	3 998	3 977	3 548	1 046	4 424	217	455	172	17 837
June	5 454	4 288	4 459	1 399	5 421	241	505	179	21 946
SEASONALLY ADJUSTED									
2004-05									
June	4 622	3 464	2 720	1 036	2 505	319	586	181	15 418
2005-06									
September	4 826	3 473	2 819	1 086	3 260	311	498	203	16 487
December	5 104	4 000	3 344	1 167	3 681	331	563	189	18 385
March	4 531	4 050	3 729	1 154	4 264	274	582	173	18 693
June	4 285	4 090	3 608	1 147	4 798	245	423	176	18 817
2006-07									
September	4 039	3 979	3 746	1 154	3 981	186	549	176	17 819
December	4 077	3 949	3 493	1 169	4 405	189	408	158	17 872
March	4 529	4 302	3 928	1 239	4 896	235	490	179	19 717
June	5 089	4 239	4 121	1 249	5 209	229	490	168	20 967
TREND									
2004-05									
June	4 603	3 418	2 659	1 061	2 741	307	528	185	15 442
2005-06									
September	4 862	3 622	2 937	1 100	3 140	318	555	191	16 628
December	4 895	3 880	3 311	1 137	3 769	315	549	189	17 848
March	4 637	4 049	3 601	1 158	4 269	281	533	181	18 567
June	4 291	4 064	3 698	1 155	4 403	235	507	174	18 503
2006-07									
September	4 058	4 009	3 643	1 155	4 362	201	472	170	18 101
December	4 124	4 026	3 648	1 169	4 435	196	461	166	18 253
March	(b)4 616	(b)4 208	(b)3 905	(b)1 237	(b)4 814	(b)221	(b)478	(b)173	(b)19 638
June	4 914	4 269	4 028	1 248	5 168	232	473	170	20 685

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

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

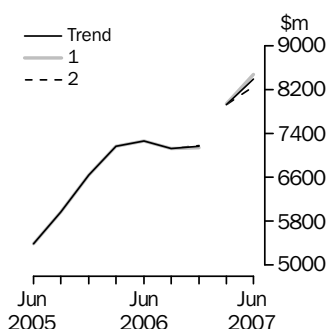
WHAT IF...? REVISIONS TO TREND ESTIMATES

EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

TREND REVISIONS

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

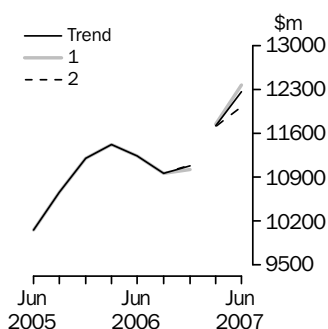
BUILDINGS AND STRUCTURES



	<i>Trend as published</i>		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	%	<i>(1) rises by 6.7% on this quarter</i>		<i>(2) falls by 6.7% on this quarter</i>	
	\$m	%	\$m	%	\$m	%
2006						
September	7 126	-1.8	7 126	-1.8	7 126	-1.8
December	7 170	0.6	7 138	0.2	7 179	0.7
2007						
March	(a) 7 928	na	(a) 7 942	na	(a) 7 925	na
June	8 392	5.9	8 470	6.7	8 258	4.2

na not available (a) Break in series between December 2006 and March 2007.

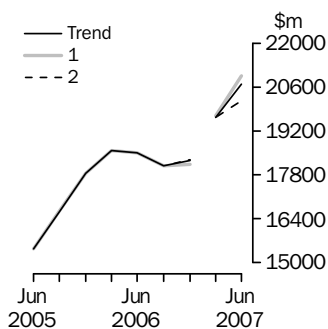
EQUIPMENT, PLANT AND MACHINERY



	<i>Trend as published</i>		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	%	<i>(1) rises by 4.9% on this quarter</i>		<i>(2) falls by 4.9% on this quarter</i>	
	\$m	%	\$m	%	\$m	%
2006						
September	10 963	-2.5	10 962	-2.5	10 962	-2.5
December	11 080	1.1	11 018	0.5	11 088	1.1
2007						
March	(a) 11 717	na	(a) 11 730	na	(a) 11 705	na
June	12 247	4.5	12 358	5.3	12 014	2.6

na not available (a) Break in series between December 2006 and March 2007.

TOTAL CAPITAL EXPENDITURE



	<i>Trend as published</i>		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	%	<i>(1) rises by 4.4% on this quarter</i>		<i>(2) falls by 4.4% on this quarter</i>	
	\$m	%	\$m	%	\$m	%
2006						
September	18 101	-2.2	18 100	-2.2	18 100	-2.2
December	18 253	0.8	18 133	0.2	18 293	1.1
2007						
March	(a) 19 638	na	(a) 19 673	na	(a) 19 616	na
June	20 685	5.3	20 957	6.5	20 164	2.8

na not available (a) Break in series between December 2006 and March 2007.

EXPLANATORY NOTES

INTRODUCTION

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

SCOPE OF THE SURVEY

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

Mining (Division B)

Manufacturing (Division C)

Other selected industries:

Construction (Division E)

Wholesale trade (Division F)

Retail trade (Division G)

Transport and storage (Division I)

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

Property and business services (Division L)

Other selected services:

Electricity, gas and water (Division D)

Accommodation, cafes and restaurants (Division H)

Communication services (Division J)

Cultural and recreational services (Division P)

Personal services (Subdivision 95)

3 The survey excludes the following industries:

Agriculture, forestry and fishing (Division A)

Government administration and defence (Division M)

Superannuation funds (Class 7412)

Education (Division N)

Health and community services (Division O)

Other services (Subdivision 96)

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

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

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

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

EXPLANATORY NOTES *continued*

STATISTICAL UNIT

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

SURVEY METHODOLOGY

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

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

TIMING AND CONSTRUCTION OF SURVEY CYCLE

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

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

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

Period to which reported data relates

Survey quarter	2004–2005				2005–2006			2006–2007	
	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
December 2004	Act	E1			E2				
March 2005	Act	Act	E1		E2				
June 2005	Act	Act	Act	E1		E2			
September 2005				Act	E1	E2			
December 2005				Act	Act	E1	E2		
March 2006				Act	Act	Act	E1	E2	
June 2006				Act	Act	Act	Act	E1	E2

EXPLANATORY NOTES *continued*

TIMING AND CONSTRUCTION OF SURVEY CYCLE *continued*

13 This survey cycle facilitates the formation of estimates of expenditure for financial years (12 months ending 30 June) which are presented in tables 5 and 6 of this publication. For example, as the table above shows for 2005-2006:

- the first estimate was available from the December 2004 survey as a longer term expectation (E2)
- the second estimate is available from the March 2005 survey (again as a longer term expectation)
- the third estimate will be available from in the June 2005 survey as the sum of two expectations (E1 + E2)
- in the September 2005, December 2005 and March 2006 surveys the fourth, fifth and sixth estimates, respectively, are derived as the sum of actual expenditure (for that part of the year completed) and expected expenditure (for the remainder of the year) as recorded in the current quarter's survey
- the final (or seventh) estimate from the June quarter 2006 survey is derived by summing the actual expenditure for each of the four quarters in the 2005-06 financial year.

14 Businesses are requested to provide actual expenditure data by state/territory each quarter. Prior to 2002, businesses were also asked to provide expected expenditure data by state/territory each December quarter. Since 2002 state/territory expectations data have been directly collected each December quarter only from those businesses contributing significantly to data for a particular state or territory. Expectations data for the remaining businesses which operate in more than one state or territory are pro-rated to states/territories based on actual expenditure for the December quarter in each state or territory. As has always been the case, expectations data for businesses operating within a single state/territory are allocated to that state/territory.

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

SAMPLE REVISION

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

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

18 Adjustments are included in the estimates to allow for lags in processing new businesses to the ABS Business Register, and the omission of some businesses from the register. The majority of businesses affected and to which adjustments apply are small in size. As an indication of the size of these adjustments, in the June quarter 2007 they represented about 0.5% of the total estimate of new capital expenditure.

CLASSIFICATION BY INDUSTRY

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

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

CHAIN VOLUME MEASURES

21 The chain volume measures appearing in this publication are annually reweighted chain Laspeyres indexes referenced to current price values in the chosen reference year (currently 2004-05). The current price values may be thought as being the product of a price and quantity. The value in chain volume terms can be derived by linking together movements in volumes, calculated using the average prices of the previous financial year

EXPLANATORY NOTES *continued*

CHAIN VOLUME MEASURES

continued

and applying compound movements to the current price estimates of the reference year. Each year's quarter-to-quarter growth rates in the chain volume series are based on the prices of the previous financial year, except for those quarters of the latest incomplete year which are based upon the second most recent financial year. Quarterly chain volume estimates for a financial year sum to the corresponding annual estimate.

22 With each release of the September quarter issue of this publication, a new base year is introduced and the reference year is advanced one year to coincide with it. This means that with the release of the September quarter 2007 issue of this publication, the chain volume measures for 2006–07 will have 2005–06 (the previous financial year) as their base year rather than 2004–05, and the reference year will be 2005–06.

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

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

DERIVATION AND USEFULNESS OF REALISATION RATIOS

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

26 Realisation ratios provide an important tool in understanding and interpreting expectation statistics for future periods. The application of realisation ratios enables the adjustment of expectation data for known under (or over) realisation patterns in the past and hence provides a valid basis for comparison with other expectation data and actual expenditure estimates. Once this has been done the predictions can be more validly compared with each other and with previously derived estimates of actual expenditure for earlier years. For example, if one wished to make a prediction about actual expenditure for 2007–08 based on the June 2007 survey results and compare this with 2006–07 expenditure, it is necessary to apply the relevant realisation factors to the expectation to put both estimates on the same basis.

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

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

EXPLANATORY NOTES *continued*

EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE

29 Current short and long term expectations are of varying periods depending on the quarter in which they are collected (see paragraph 12 of the Explanatory Notes). Each expectation from the beginning of the time series is confronted with the actual expenditure that occurred in each quarter to which that expectations figure related (for example, June quarter 2007 short-term expectations related to the September and December quarters 2007). The output of this is to produce a quarterly realisation ratio for each expectations estimate through time.

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

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

32 The resultant quarterly time series are then produced in trend terms. The same aggregation structure which is used to produce seasonally adjusted and trend estimates of actual capital expenditure is used for these projected series. (See Paragraphs 41 to 46 of the Explanatory notes for more information regarding seasonally adjusted and trend estimates).

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

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

RELIABILITY OF THE ESTIMATES

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

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

EXPLANATORY NOTES *continued*

RELIABILITY OF THE ESTIMATES *continued*

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

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

37 Estimates for the latest quarter presented in this publication are considered preliminary and revised estimates will be released with the next issue. As discussed in Paragraphs 41 to 46 below, seasonally adjusted and trend estimates are also subject to revision as data are revised and more data become available.

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

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

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

SEASONAL ADJUSTMENT

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

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

EXPLANATORY NOTES *continued*

SEASONAL ADJUSTMENT

continued

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

TREND ESTIMATES

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

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

DESCRIPTION OF TERMS

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

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

48 Some estimates are dissected by type of asset:

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

COMPARISON WITH NATIONAL ACCOUNTS AND OTHER ABS STATISTICS

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

EXPLANATORY NOTES *continued*

COMPARISON WITH NATIONAL ACCOUNTS AND OTHER ABS STATISTICS *continued*

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

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

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

RELATED PUBLICATIONS

52 Users may also wish to refer the following publications:

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

EXPLANATORY NOTES *continued*

RELATED PUBLICATIONS

continued

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

ABS DATA AVAILABLE ON REQUEST

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

ABS WEBSITE

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

ACKNOWLEDGMENT

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

ABBREVIATIONS

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

APPENDIX 1 SAMPLING ERRORS

LEVEL ESTIMATES

INTRODUCTION

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

EXAMPLE OF USE

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

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

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

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

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

na not available

APPENDIX 1 SAMPLING ERRORS *continued*

MOVEMENT ESTIMATES

EXAMPLE OF USE

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

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

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

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

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

na not available

APPENDIX 2 DATA AVAILABLE ON ABS WEBSITE

TIME SERIES SPREADSHEETS

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

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

APPENDIX 2 DATA AVAILABLE ON ABS WEBSITE *continued*

TIME SERIES SPREADSHEETS
continued

10b Actual and expected expenditure, By industry, Western Australia, Original,
Current price terms

11a Actual and expected expenditure, By type of asset, Tasmania, Original, Current
price terms

11b Actual and expected expenditure, By industry, Tasmania, Original, Current price
terms

FOR MORE INFORMATION . . .

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PHONE

1300 135 070

EMAIL

client.services@abs.gov.au

FAX

1300 135 211

POST

Client Services, ABS, GPO Box 796, Sydney NSW 2001

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