

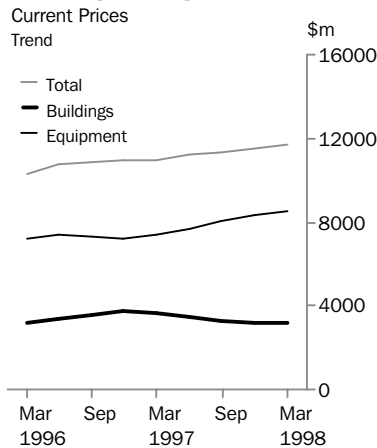
PRIVATE NEW CAPITAL EXPENDITURE

STATE
ESTIMATES

EMBARGO: 11:30AM (CANBERRA TIME) TUES 16 JUNE 1998

MARCH QTR KEY FIGURES

New Capital Expenditure



TREND ESTIMATES

	<i>Mar Qtr 1998</i> \$m	<i>% change Dec Qtr 1997 to Mar Qtr 1998</i>	<i>% change Mar Qtr 1997 to Mar Qtr 1998</i>
New South Wales	3 777	3.3	11.6
Victoria	2 782	0.4	-4.5
Queensland	1 783	-6.0	-9.1
South Australia	838	2.7	32.4
Western Australia	2 328	7.8	44.1
Tasmania	173	-5.5	-2.3
Northern Territory	91	12.3	-59.7
Australian Capital Territory	44	-17.0	-21.4
Australia	11 723	1.7	6.8

MARCH QTR KEY POINTS

ACTUAL EXPENDITURE

- For New South Wales, trend estimates of expenditure increased by \$120m (3.3%) this quarter. Buildings increased by 2.0% and equipment by 3.8%.
- For Victoria, trend estimates of expenditure increased by \$10m (0.4%) this quarter. Buildings increased by 3.7%, while equipment decreased by 0.8%.
- For Queensland, trend estimates of expenditure decreased by \$114m (6.0%) this quarter. Buildings decreased by 5.5% and equipment by 6.2%.
- For South Australia, trend estimates of expenditure increased by \$22m (2.7%) this quarter. Buildings increased by 8.4% and equipment by 1.1%.
- For Western Australia, trend estimates of expenditure increased by \$169m (7.8%) this quarter. Buildings increased by 1.5% and equipment by 10.2%.
- For Tasmania, trend estimates of expenditure decreased by \$10m (5.5%) this quarter. Buildings decreased by 4.0% and equipment by 6.0%.
- For the Northern Territory, trend estimates of expenditure increased by \$10m (12.3%) this quarter. Buildings decreased by 11.1% while equipment increased by 24.1%.
- For the Australian Capital Territory, trend estimates of expenditure decreased by \$9m (17.0%) this quarter. Buildings decreased by 15.4% and equipment by 17.5%.

- For further information about these and related statistics, contact John Stamolis on 02 92684241, or any ABS Office.

NOTES

FORTHCOMING ISSUES

ISSUE(Quarter)

RELEASE DATE

June 1998

15 September 1998



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.

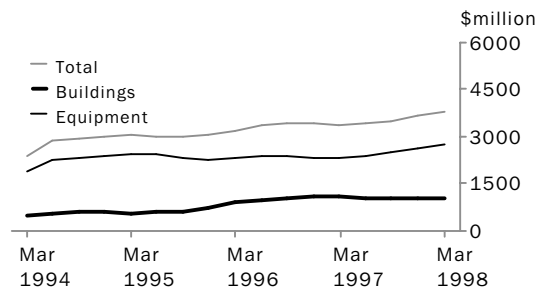


W. McLennan
Australian Statistician

ACTUAL NEW CAPITAL EXPENDITURE: Trend

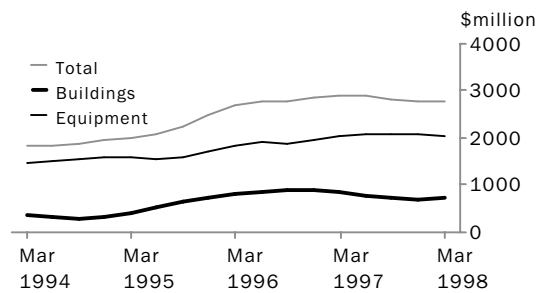
QUARTERLY TREND ESTIMATES AT CURRENT PRICES

NEW SOUTH WALES



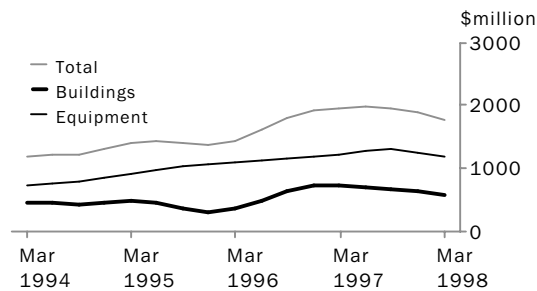
Since March quarter 1997, total expenditure for NSW has increased by \$392m (11.6%). Expenditure on buildings has decreased by \$40m (3.7%), while equipment has increased by \$432m (18.7%).

VICTORIA



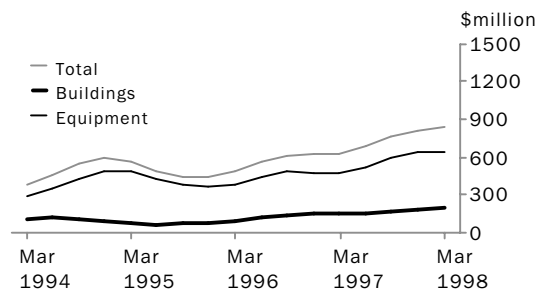
Since March quarter 1997, total expenditure for Victoria has decreased by \$132m (4.5%). Expenditure on buildings has decreased by \$131m (15.1%), and equipment has decreased by \$1m.

QUEENSLAND



Since March quarter 1997, total expenditure for Queensland has decreased by \$178m (9.1%). Expenditure on buildings has decreased by \$130m (17.9%), and equipment has decreased by \$48m (3.9%).

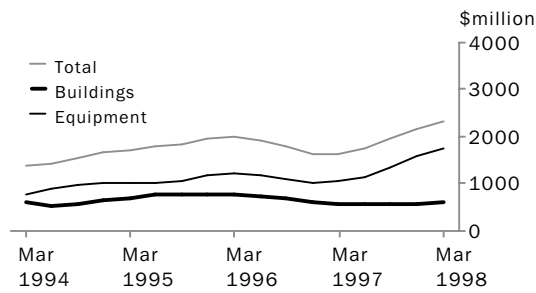
SOUTH AUSTRALIA



Since March quarter 1997, total expenditure for SA has increased by \$205m (32.4%). Expenditure on buildings has increased by \$40m (26.0%), and equipment has increased by \$165m (34.4%).

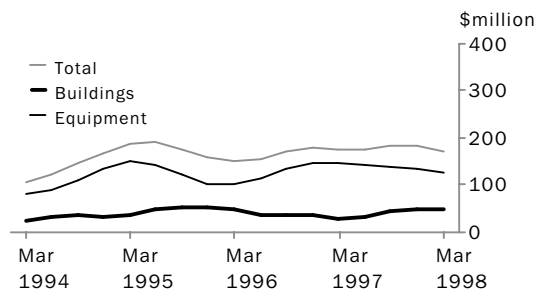
QUARTERLY TREND ESTIMATES AT CURRENT PRICES

WESTERN AUSTRALIA



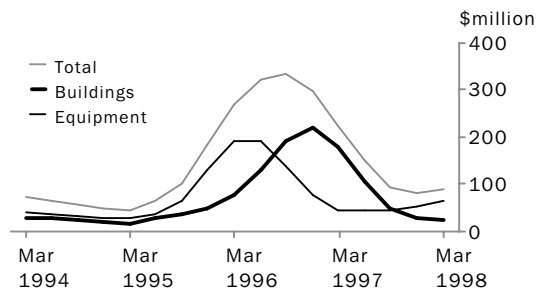
Since March quarter 1997, total expenditure for WA has increased by \$712m (44.1%). Expenditure on buildings has increased by \$20m (3.5%), and equipment has increased by \$692m (66.3%).

TASMANIA



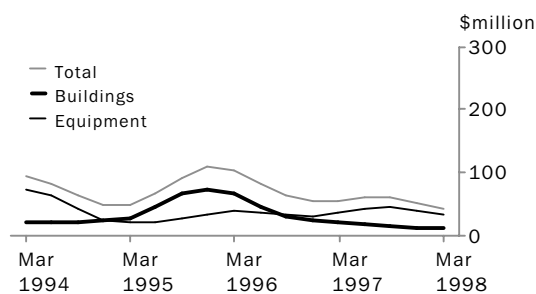
Since March quarter 1997, total expenditure for Tasmania has decreased by \$4m (2.3%). Expenditure on buildings has increased by \$18m (60.0%), while equipment has decreased by \$22m (15.0%).

NORTHERN TERRITORY



Since March quarter 1997, total expenditure for NT has decreased by \$135m (59.7%). Expenditure on buildings has decreased by \$157m (86.7%), while equipment has increased by \$22m (48.9%).

AUSTRALIAN CAPITAL TERRITORY



Since March quarter 1997, total expenditure for ACT has decreased by \$12m (21.4%). Expenditure on buildings has decreased by \$9m (45.0%), and equipment has decreased by \$3m (8.3%).

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)							
1995-96	12 348	28 124	40 473	7 525	10 457	22 491	40 473
1996-97	14 330	29 507	43 837	8 781	10 198	24 859	43 837
1996-97							
December	3 948	7 750	11 698	2 305	2 694	6 699	11 698
March	3 589	6 371	9 960	2 186	2 319	5 456	9 960
June	3 378	8 516	11 894	2 324	2 828	6 742	11 894
1997-98							
September	2 921	7 642	10 563	2 491	2 528	5 544	10 563
December	3 728	9 078	12 806	3 020	3 188	6 598	12 806
March	2 860	7 466	10 326	2 566	2 378	5 382	10 326
ORIGINAL (Expected)							
1997-98							
3 mths to June	4 265	9 034	13 299	3 474	3 358	6 467	13 299
Total 1997-98	13 774	33 217	46 994	11 551	11 451	23 991	46 994
Total 1998-99							
12 mths to June	13 532	27 717	41 249	10 088	10 412	20 749	41 249
SEASONALLY ADJUSTED (Actual)							
1995-96	12 229	28 162	40 391	7 516	10 444	22 430	40 391
1996-97	14 417	29 464	43 880	8 796	10 167	24 918	43 880
1996-97							
December	3 551	7 193	10 744	2 081	2 578	6 086	10 744
March	3 914	7 243	11 156	2 375	2 546	6 236	11 156
June	3 473	7 857	11 330	2 245	2 632	6 453	11 330
1997-98							
September	2 993	7 970	10 963	2 645	2 622	5 696	10 963
December	3 405	8 426	11 832	2 738	3 064	6 029	11 832
March	3 172	8 485	11 658	2 820	2 634	6 203	11 658
TREND ESTIMATES (Actual)							
1995-96	11 988	28 101	40 089	7 435	10 539	22 114	40 089
1996-97	14 375	29 591	43 966	8 922	10 280	24 765	43 966
1996-97							
December	3 702	7 200	10 902	2 166	2 539	6 196	10 902
March	3 622	7 357	10 979	2 241	2 547	6 191	10 979
June	3 487	7 708	11 194	2 395	2 633	6 167	11 194
1997-98							
September	3 285	8 055	11 340	2 563	2 742	6 035	11 340
December	3 199	8 330	11 529	2 720	2 811	5 998	11 529
March	3 220	8 504	11 723	2 861	2 803	6 059	11 723

ACTUAL EXPENDITURE, By Type of Asset and Industry—Constant Prices(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							
1995-96	11 984	26 721	38 705	6 879	9 562	22 264	38 705
1996-97	13 713	31 013	44 726	8 101	9 821	26 805	44 726
1996-97							
December	3 781	7 997	11 778	2 125	2 585	7 068	11 778
March	3 463	6 699	10 163	2 034	2 247	5 881	10 163
June	3 212	9 287	12 499	2 143	2 757	7 598	12 499
1997-98							
September	2 730	8 382	11 112	2 274	2 501	6 338	11 112
December	3 454	9 836	13 290	2 737	3 143	7 410	13 290
March	2 615	7 995	10 609	2 283	2 331	5 995	10 609
SEASONALLY ADJUSTED							
1995-96	11 882	26 742	38 624	6 870	9 548	22 207	38 624
1996-97	13 814	30 947	44 761	8 115	9 792	26 854	44 761
1996-97							
December	3 403	7 418	10 821	1 916	2 474	6 430	10 821
March	3 816	7 624	11 439	2 207	2 471	6 762	11 439
June	3 310	8 577	11 887	2 072	2 568	7 247	11 887
1997-98							
September	2 742	8 732	11 474	2 416	2 590	6 468	11 474
December	3 156	9 124	12 280	2 480	3 020	6 780	12 280
March	2 960	9 098	12 058	2 508	2 586	6 964	12 058
TREND ESTIMATES							
1995-96	11 670	26 727	38 397	6 794	9 609	21 994	38 397
1996-97	13 855	31 013	44 868	8 232	9 854	26 782	44 868
1996-97							
December	3 592	7 460	11 052	2 001	2 408	6 643	11 052
March	3 495	7 815	11 310	2 075	2 465	6 770	11 310
June	3 310	8 349	11 659	2 211	2 583	6 866	11 659
1997-98							
September	3 065	8 784	11 849	2 342	2 698	6 810	11 849
December	2 956	9 040	11 996	2 456	2 769	6 772	11 996
March	2 995	9 147	12 142	2 561	2 770	6 811	12 142

(a) At average 1989-90 prices.

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)									
1995-96	3 352	3 126	1 563	358	3 197	190	306	256	12 348
1996-97	4 287	3 379	2 739	594	2 412	128	698	93	14 330
1996-97									
December	1 066	1 039	735	172	634	35	247	20	3 948
March	1 103	789	747	130	591	30	180	19	3 589
June	1 078	761	631	160	597	30	99	21	3 378
1997-98									
September	854	694	664	159	467	37	33	13	2 921
December	1 214	784	732	196	705	59	26	13	3 728
March	934	642	441	188	581	31	32	11	2 860
EQUIPMENT, PLANT AND MACHINERY (\$ million)									
1995-96	9 255	7 168	4 290	1 515	4 709	423	623	141	28 124
1996-97	9 376	8 117	4 863	1 985	4 206	559	259	142	29 507
1996-97									
December	2 518	2 110	1 162	517	1 176	157	82	27	7 750
March	1 982	1 758	1 086	391	940	140	41	33	6 371
June	2 602	2 465	1 495	563	1 148	144	48	51	8 516
1997-98									
September	2 412	1 807	1 305	557	1 343	136	34	47	7 642
December	2 812	2 314	1 297	757	1 672	128	64	34	9 078
March	2 370	1 830	930	534	1 610	110	55	28	7 466
TOTAL (\$ million)									
1995-96	12 607	10 294	5 853	1 873	7 907	613	929	396	40 473
1996-97	13 663	11 496	7 602	2 580	6 617	687	957	235	43 837
1996-97									
December	3 584	3 150	1 897	688	1 810	192	329	47	11 698
March	3 085	2 547	1 833	521	1 531	169	221	52	9 960
June	3 681	3 226	2 127	723	1 745	175	147	72	11 894
1997-98									
September	3 266	2 502	1 969	716	1 810	174	67	60	10 563
December	4 025	3 099	2 029	953	2 377	187	89	47	12 806
March	3 304	2 472	1 371	721	2 190	141	86	39	10 326
TOTAL (Percentage change)									
1995-96	3.9	30.0	6.0	-17.2	19.4	-11.1	360.3	85.3	13.8
1996-97	8.4	11.7	29.9	37.7	-16.3	12.1	3.1	-40.6	8.3
1996-97									
December	8.2	22.4	8.7	6.4	18.1	26.8	26.5	-26.8	13.7
March	-13.9	-19.1	-3.4	-24.3	-15.4	-11.8	-32.7	11.3	-14.9
June	19.3	26.7	16.0	38.6	14.0	3.2	-33.6	37.3	19.4
1997-98									
September	-11.3	-22.5	-7.4	-0.9	3.8	-0.6	-54.5	-16.4	-11.2
December	23.2	23.9	3.1	33.0	31.3	7.4	33.6	-21.5	21.2
March	-17.9	-20.2	-32.4	-24.3	-7.9	-24.2	-3.5	-17.8	-19.4

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)									
1995-96	3 352	3 129	1 531	367	3 177	n.p.	n.p.	n.p.	12 229
1996-97	4 297	3 389	2 768	598	2 439	n.p.	n.p.	n.p.	14 417
1996-97									
December	1 018	908	729	161	533	n.p.	n.p.	n.p.	3 551
March	1 165	941	835	141	611	n.p.	n.p.	n.p.	3 914
June	1 084	727	564	179	598	n.p.	n.p.	n.p.	3 473
1997-98									
September	845	719	678	140	557	n.p.	n.p.	n.p.	2 993
December	1 163	684	729	184	591	n.p.	n.p.	n.p.	3 405
March	982	765	490	206	599	n.p.	n.p.	n.p.	3 172
EQUIPMENT, PLANT AND MACHINERY (\$ million)									
1995-96	9 246	7 182	4 284	1 506	4 721	n.p.	n.p.	n.p.	28 162
1996-97	9 364	8 090	4 850	2 000	4 196	n.p.	n.p.	n.p.	29 464
1996-97									
December	2 381	2 025	1 225	436	1 067	n.p.	n.p.	n.p.	7 193
March	2 284	1 943	1 226	454	1 050	n.p.	n.p.	n.p.	7 243
June	2 305	2 347	1 266	515	1 059	n.p.	n.p.	n.p.	7 857
1997-98									
September	2 542	1 795	1 317	646	1 460	n.p.	n.p.	n.p.	7 970
December	2 663	2 234	1 376	636	1 516	n.p.	n.p.	n.p.	8 426
March	2 734	2 015	1 048	623	1 803	n.p.	n.p.	n.p.	8 485
TOTAL (\$ million)									
1995-96	12 597	10 311	5 815	1 873	7 899	623	923	395	40 391
1996-97	13 661	11 478	7 618	2 598	6 635	696	971	235	43 880
1996-97									
December	3 399	2 933	1 954	597	1 600	199	308	47	10 744
March	3 449	2 884	2 061	595	1 661	176	257	55	11 156
June	3 389	3 074	1 830	694	1 657	146	130	61	11 330
1997-98									
September	3 387	2 514	1 995	786	2 017	202	68	69	10 963
December	3 826	2 917	2 106	820	2 108	200	88	47	11 832
March	3 716	2 780	1 539	829	2 402	144	103	41	11 658
TOTAL (Percentage change)									
1995-96	4.1	29.9	5.8	-16.2	20.9	-8.0	356.4	83.6	14.1
1996-97	8.4	11.3	31.0	38.7	-16.0	11.8	5.2	-40.7	8.6
1996-97									
December	-0.7	13.3	10.2	-16.1	-6.8	13.1	11.1	-34.6	0.9
March	1.5	-1.7	5.4	-0.4	3.9	-11.5	-16.5	19.0	3.8
June	-1.7	6.6	-11.2	16.7	-0.2	-17.1	-49.4	10.3	1.6
1997-98									
September	-0.1	-18.2	9.1	13.3	21.7	38.8	-47.4	12.4	-3.2
December	13.0	16.1	5.5	4.3	4.5	-1.2	28.5	-31.3	7.9
March	-2.9	-4.7	-26.9	1.1	14.0	-27.7	17.8	-13.1	-1.5

(a) See paragraphs 35 and 36 of the Explanatory Notes.

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

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
BUILDINGS AND STRUCTURES (\$ million)									
1995-96	3 282	3 084	1 556	360	3 042	195	295	252	11 988
1996-97	4 275	3 441	2 810	594	2 458	133	704	89	14 375
1996-97									
December	1 100	895	743	148	625	35	220	23	3 702
March	1 073	865	726	154	572	30	181	20	3 622
June	1 048	788	696	157	580	33	107	17	3 487
1997-98									
September	1 016	720	662	164	584	44	51	15	3 285
December	1 013	708	631	179	583	50	27	13	3 199
March	1 033	734	596	194	592	48	24	11	3 220
EQUIPMENT, PLANT AND MACHINERY (\$ million)									
1995-96	9 326	7 090	4 295	1 575	4 646	443	579	139	28 101
1996-97	9 422	7 990	4 864	1 973	4 339	569	309	145	29 591
1996-97									
December	2 344	1 960	1 194	481	1 017	146	79	32	7 200
March	2 312	2 049	1 235	479	1 044	147	45	36	7 357
June	2 364	2 094	1 294	527	1 160	142	43	43	7 708
1997-98									
September	2 501	2 077	1 310	602	1 359	139	43	45	8 055
December	2 644	2 064	1 266	637	1 576	133	54	40	8 330
March	2 744	2 048	1 187	644	1 736	125	67	33	8 504
TOTAL (\$ million)									
1995-96	12 608	10 174	5 852	1 935	7 688	638	874	391	40 089
1996-97	13 698	11 432	7 675	2 568	6 798	702	1 013	234	43 967
1996-97									
December	3 444	2 855	1 937	629	1 642	181	299	55	10 902
March	3 385	2 914	1 961	633	1 616	177	226	56	10 979
June	3 412	2 882	1 990	684	1 740	175	150	60	11 195
1997-98									
September	3 517	2 797	1 972	766	1 943	183	94	60	11 340
December	3 657	2 772	1 897	816	2 159	183	81	53	11 529
March	3 777	2 782	1 783	838	2 328	173	91	44	11 724
TOTAL (Percentage change)									
1995-96	4.9	28.8	8.8	-11.5	14.2	-7.5	302.8	71.5	13.4
1996-97	8.6	12.4	31.2	32.7	-11.6	10.0	15.9	-40.2	9.7
1996-97									
December	-0.3	2.6	6.8	1.8	-7.8	5.2	-10.2	-15.6	0.1
March	-1.7	2.1	1.2	0.6	-1.6	-2.2	-24.4	1.8	0.7
June	0.8	-1.1	1.5	8.1	7.7	-1.1	-33.6	7.1	2.0
1997-98									
September	3.1	-2.9	-0.9	12.0	11.7	4.6	-37.3	0.0	1.3
December	4.0	-0.9	-3.8	6.5	11.1	0.0	-13.8	-11.7	1.7
March	3.3	0.4	-6.0	2.7	7.8	-5.5	12.3	-17.0	1.7

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
1995-96	3 352	9 255	12 607	963	3 318	8 326	12 607
1996-97	4 287	9 376	13 663	990	3 075	9 598	13 663
1996-97							
December	1 066	2 518	3 584	271	782	2 531	3 584
March	1 103	1 982	3 085	258	655	2 173	3 085
June	1 078	2 602	3 681	169	847	2 665	3 681
1997-98							
September	854	2 412	3 266	249	726	2 292	3 266
December	1 214	2 812	4 025	203	1 088	2 734	4 025
March	934	2 370	3 304	167	859	2 279	3 304

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
1995-96	3 126	7 168	10 294	590	3 544	6 160	10 294
1996-97	3 379	8 117	11 496	758	3 447	7 290	11 496
1996-97							
December	1 039	2 110	3 150	301	987	1 862	3 150
March	789	1 758	2 547	162	772	1 613	2 547
June	761	2 465	3 226	170	880	2 176	3 226
1997-98							
September	694	1 807	2 502	164	775	1 563	2 502
December	784	2 314	3 099	295	906	1 898	3 099
March	642	1 830	2 472	163	756	1 554	2 472

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
1995-96	1 563	4 290	5 853	961	1 433	3 459	5 853
1996-97	2 739	4 863	7 602	1 865	1 734	4 002	7 602
1996-97							
December	735	1 162	1 897	458	386	1 054	1 897
March	747	1 086	1 833	543	420	870	1 833
June	631	1 495	2 127	435	621	1 071	2 127
1997-98							
September	664	1 305	1 969	477	574	918	1 969
December	732	1 297	2 029	532	511	986	2 029
March	441	930	1 371	337	285	749	1 371

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
1995-96	358	1 515	1 873	196	756	921	1 873
1996-97	594	1 985	2 580	489	840	1 251	2 580
1996-97							
December	172	517	688	82	234	373	688
March	130	391	521	79	198	245	521
June	160	563	723	267	221	234	723
1997-98							
September	159	557	716	345	170	201	716
December	196	757	953	447	265	241	953
March	188	534	721	360	168	193	721

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
1995-96	3 197	4 709	7 907	4 285	1 046	2 575	7 907
1996-97	2 412	4 206	6 617	4 158	625	1 834	6 617
1996-97							
December	634	1 176	1 810	1 063	166	581	1 810
March	591	940	1 531	1 063	145	323	1 531
June	597	1 148	1 745	1 168	153	424	1 745
1997-98							
September	467	1 343	1 810	1 190	194	426	1 810
December	705	1 672	2 377	1 489	337	552	2 377
March	581	1 610	2 190	1 473	240	478	2 190

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 asset</i>	<i>Mining</i>	<i>Manufacturing</i>	<i>Other selected industries</i>	<i>Total all industries</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1995-96	190	423	613	162	222	229	613
1996-97	128	559	687	81	390	216	687
1996-97							
December	35	157	192	20	102	70	192
March	30	140	169	18	118	33	169
June	30	144	175	15	94	66	175
1997-98							
September	37	136	174	28	80	65	174
December	59	128	187	20	54	113	187
March	31	110	141	17	54	71	141

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.a.	n.a.	9.3	n.p.	n.p.	n.p.	9.3
Australian Capital Territory	n.a.	n.a.	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* (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 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 4.3% 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.

	Period to which reported data relates											
	1996–97			1997–98				1998–99				
Survey quarter	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	
December 1996	Act	E1		E2								
March 1997	Act	Act	E1	E2								
June 1997	Act	Act	Act	E1	E2							
September 1997				Act	E1	E2						
December 1997				Act	Act	E1	E2					
March 1998				Act	Act	Act	E1	E2				
June 1998				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 the above table shows, the first estimate for 1997–98 was available from the December 1996 survey as a long term expectation (E2). It was subsequently revised in the March 1997 survey (again as a longer term expectation) and in the June 1997 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 1998 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).

19 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.

20 The total value of all new capital assets acquired by each statistical unit either on own account or under a finance lease is classified to the ANZSIC industry in which it mainly operates even though it may have activities in other industries.

CONSTANT PRICES

21 Estimates in constant prices (average 1989–90 prices) are presented, in Table 2. The deflators used to revalue the current price estimates are the same as the price deflators compiled for the national accounts aggregates 'Private gross fixed capital expenditure on non-dwelling construction' and 'Private gross fixed capital expenditure on equipment'.

DERIVATION AND USEFULNESS OF REALISATION RATIOS

22 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).

23 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 1997–98 based on the June 1997 survey results and compare this with 1996–97 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.

24 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.

25 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.

26 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 1996–97, sum the actual outcomes for March quarter 1997 and June quarter 1997 and divide this sum by the short term expectation taken in December quarter 1996.

EXPLANATORY NOTES

DERIVATION AND USEFULNESS OF REALISATION RATIOS *continued*

- *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 1996–97, first sum the actual outcomes for all quarters of 1996–97. Divide this by the sum of actual September quarter 1996, actual December quarter 1996 and the short term expectation taken in December quarter 1996.
- *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 1996–97, first sum the actual outcomes for all quarters of 1996–97 and divide this by the long term expectation taken in December quarter 1995 (Dec E2).

DESCRIPTION OF TERMS

27 *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.

28 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.

RELIABILITY OF ESTIMATES

29 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.

EXPLANATORY NOTES

RELIABILITY OF ESTIMATES *continued*

30 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 new relative standard errors by State.

31 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.

32 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

33 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.

34 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.

35 Seasonal 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.

36 The seasonally adjusted Australian estimates of new capital expenditure included in the publication are consistent with those published in *Private New Capital Expenditure, Australia* (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.

37 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 June quarter 1997 survey. Data for periods after June 1997 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.

EXPLANATORY NOTES

SEASONAL ADJUSTMENT

continued

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

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

TREND ESTIMATES

40 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* (1348.0) or contact the Assistant Director, Time Series Analysis on (02) 6252 6345.

COMPARABILITY WITH NATIONAL ACCOUNTS ESTIMATES

41 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.
- 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.

COMPARABILITY WITH NATIONAL ACCOUNTS ESTIMATES *continued*

42 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* (5216.0).

EXPLANATORY NOTES

RELATED PUBLICATIONS

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

- *Directory of Capital Expenditure Data Sources and Related Statistics* (5653.0)
- *Company Profits, Australia* (5651.0)
- *Stocks and Sales, Selected Industries, Australia* (5629.0)
- *Private New Capital Expenditure and Expected Expenditure* (5625.0)
- *Australian National Accounts: National Income, Expenditure and Product* (5206.0)
- *Australian Business Expectations* (5250.0)
- *Business Operations and Industry Performance, Australia* (8140.0)
- *Engineering Construction Activity, Australia* (8762.0)
- *Building Activity, Australia* (8752.0).

44 Current publications produced by the ABS are listed in the *Catalogue of Publications and Products, Australia* (1101.0). The ABS also issues, on Tuesdays and Fridays, a *Release Advice* (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

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

SYMBOLS AND OTHER USAGES

.. not applicable
n.p. not published
ANZSIC Australian and New Zealand Standard Industrial Classification

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