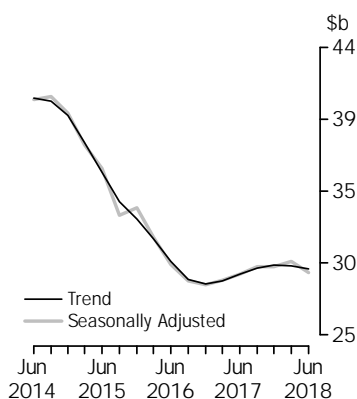


# PRIVATE NEW CAPITAL EXPENDITURE AND EXPECTED EXPENDITURE AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) THURS 30 AUG 2018

New Capital Expenditure  
in volume terms



## KEY FIGURES

	Jun Qtr 18 \$m	Mar Qtr 18 to Jun Qtr 18 % change	Jun Qtr 17 to Jun Qtr 18 % change
<b>Trend estimates(a)</b>			
Total new capital expenditure	29 377	-0.6	1.3
Buildings and structures	15 592	-2.1	-4.0
Equipment, plant and machinery	13 804	1.3	8.2
<b>Seasonally adjusted(a)</b>			
Total new capital expenditure	29 098	-2.5	0.4
Buildings and structures	15 421	-3.9	-4.7
Equipment, plant and machinery	13 677	-0.9	6.9

(a) In volume terms

## KEY POINTS

### ACTUAL EXPENDITURE (VOLUME TERMS)

- The trend volume estimate for total new capital expenditure fell by 0.6% in the June quarter 2018 while the seasonally adjusted estimate fell by 2.5%.
- The trend volume estimate for buildings and structures fell by 2.1% in the June quarter 2018 while the seasonally adjusted estimate fell by 3.9%.
- The trend volume estimate for equipment, plant and machinery rose by 1.3% in the June quarter 2018 while the seasonally adjusted estimate fell by 0.9%.

### EXPECTED EXPENDITURE (CURRENT PRICE TERMS)

- This issue includes the seventh estimate (Estimate 7) for 2017-18 and the third estimate (Estimate 3) for 2018-19.
- Estimate 7 for 2017-18 is \$118,927m. This is 4.0% higher than Estimate 7 for 2016-17. Estimate 7 is 1.0% higher than Estimate 6 for 2017-18.
- Estimate 3 for 2018-19 is \$101,997m. This is 1.1% lower than Estimate 3 for 2017-18. Estimate 3 is 16.1% higher than Estimate 2 for 2018-19.
- See pages 7-10 for further commentary on expectations data.

## INQUIRIES

Inquiries about these and related statistics, contact the National Information and Referral Service on 1300 135 070. The ABS Privacy Policy outlines how the ABS will handle any personal information that you provide to us.

# NOTES

## FORTHCOMING ISSUES

<i>ISSUE (Quarter)</i>	<i>RELEASE DATE</i>
September 2018	29 November 2018
December 2018	28 February 2019
March 2019	30 May 2019
June 2019	29 August 2019

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## CHANGES IN THIS ISSUE

From this issue (June quarter 2018), this publication will include experimental estimates of capital expenditure for the Education and Training and Health Care and Social Assistance industries. Data from these industries have been collected over the past several quarters through the Survey of New Capital Expenditure. The June quarter publication presents quarterly data from September 2017 up to and including the June quarter 2018. This new series will be ongoing and will be presented in current price original data until there are sufficient observations to produce seasonally adjusted and trend estimates.

## DATA NOTES

Mining projects tend to be complex in structure and comprise a number of different investment activities including exploration, engineering construction, plant and equipment and buildings. A feature article released in the March 2012 issue of *Private New Capital Expenditure and Expected Expenditure, Australia* (cat. no. 5625.0) provides a summary of the conceptual basis of the relevant ABS publications that measure investment in Australia, using a hypothetical mining project to illustrate how this investment is reflected in ABS data.

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## ABBREVIATIONS

ABN	Australian Business Number
ABS	Australian Bureau of Statistics
ANZSIC	Australian and New Zealand Standard Industrial Classification
PAYG	pay-as-you-go tax
SNA08	System of National Accounts 2008 version
TAU	type of activity unit

David W. Kalisch  
Australian Statistician

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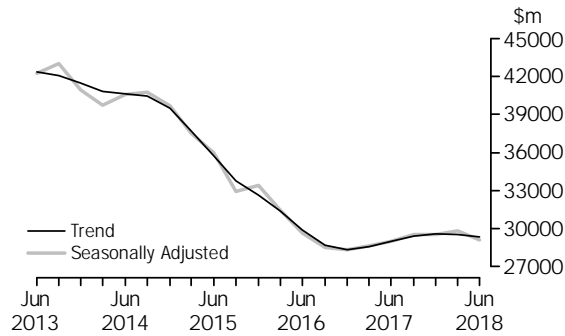
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# ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS

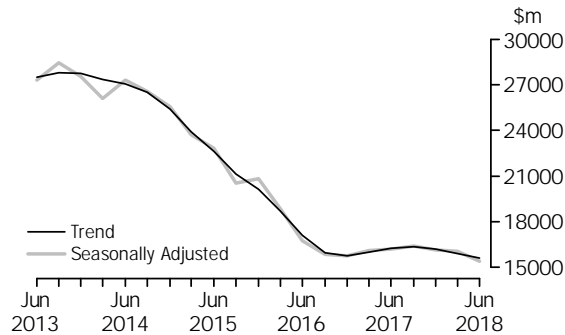
## TOTAL CAPITAL EXPENDITURE

The trend estimate for total new capital expenditure fell 0.6% in the June quarter 2018. By asset type, the trend estimate for buildings and structures fell 2.1% and equipment, plant and machinery rose 1.3%. The seasonally adjusted estimate for total new capital expenditure fell 2.5% in the June quarter 2018.



## BUILDINGS AND STRUCTURES

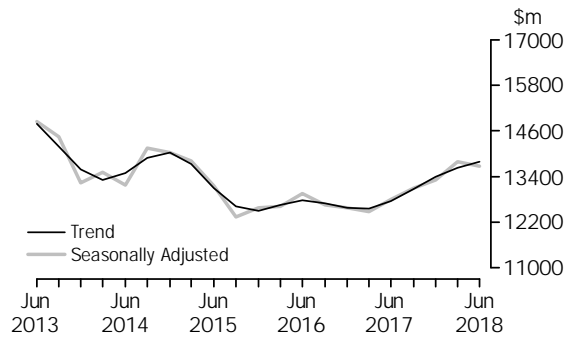
The trend estimate for buildings and structures fell 2.1% in the June quarter 2018. Buildings and structures for Mining fell 5.3%, Manufacturing fell 4.7% and Other Selected Industries rose 0.6%. The seasonally adjusted estimate for buildings and structures fell 3.9% in the June quarter 2018. Mining fell 10.5%, Manufacturing fell 0.9% and Other Selected Industries rose 1.4% in seasonally adjusted terms.



# ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS *continued*

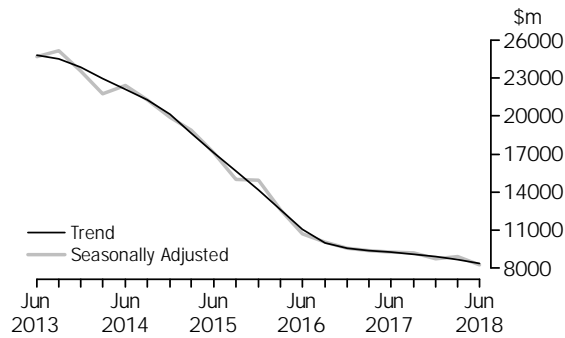
## EQUIPMENT, PLANT AND MACHINERY

The trend estimate for equipment, plant and machinery rose 1.3% in the June quarter 2018. Equipment, plant and machinery for Mining rose 6.4%, Manufacturing rose 1.9% and Other Selected Industries rose 0.2%. The seasonally adjusted estimate for equipment, plant and machinery fell 0.9% in the June quarter 2018. Mining rose 5.6%, Manufacturing rose 3.9% and Other Selected Industries fell 2.9% in seasonally adjusted terms.



## MINING

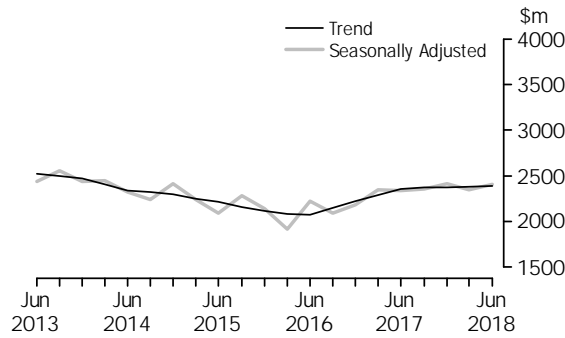
The trend estimate for Mining fell 3.1% in the June quarter 2018. Buildings and structures fell 5.3% while equipment, plant and machinery rose 6.4%. The seasonally adjusted estimate for Mining fell 7.2% in the June quarter 2018. Buildings and structures fell 10.5% while equipment, plant and machinery rose 5.6% in seasonally adjusted terms.



# ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS *continued*

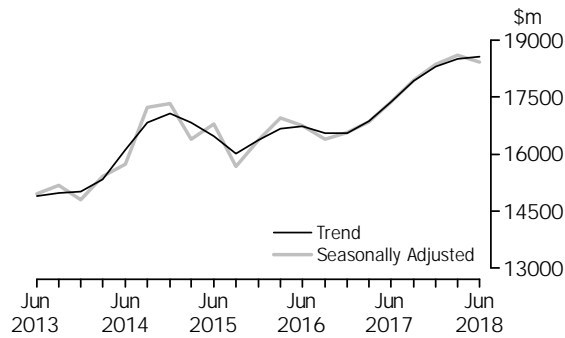
## MANUFACTURING

The trend estimate for Manufacturing rose 0.3% in the June quarter 2018. Equipment, plant and machinery rose 1.9% while buildings and structures fell 4.7%. The seasonally adjusted estimate for Manufacturing rose 2.7% in the June quarter 2018. Equipment, plant and machinery rose 3.9% while buildings and structures fell 0.9% in seasonally adjusted terms.



## OTHER SELECTED INDUSTRIES

The trend estimate for Other Selected industries rose 0.4% in the June quarter 2018. Buildings and structures rose 0.6% while equipment, plant and machinery rose 0.2%. The seasonally adjusted estimate for Other Selected Industries fell 1.0% in the June quarter 2018. Equipment, plant and machinery fell 2.9% while buildings and structures rose 1.4% in seasonally adjusted terms.



# 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 paragraph 27 to 30 of the Explanatory Notes.

The timing and construction of these estimates are as follows:

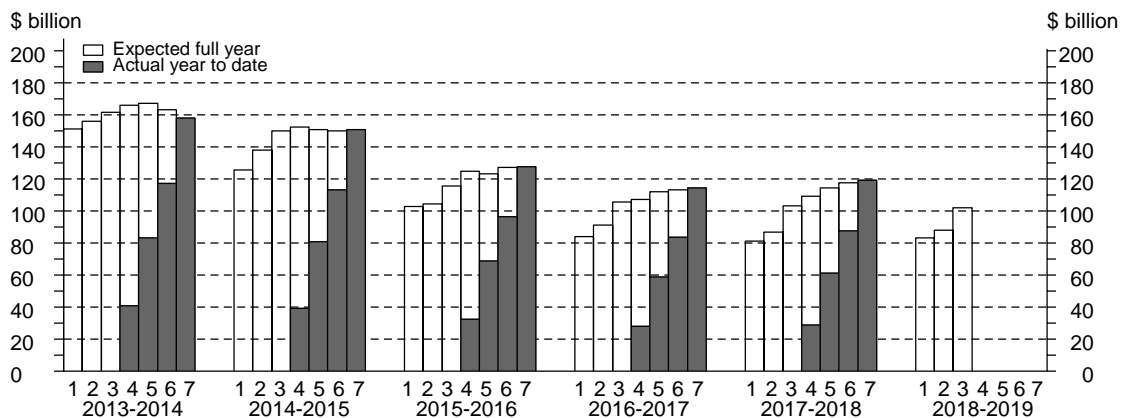
## TIMING & CONSTRUCTION OF SEVEN ESTIMATES COMPOSITION OF ESTIMATE.....

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

TOTAL CAPITAL  
EXPENDITURE

Estimate 7 for total capital expenditure in 2017-18 is \$118,927m. This is 4.0% higher than Estimate 7 for 2016-17. The main contributor to this increase is Other Selected Industries (9.9%). Estimate 7 is 1.0% higher than Estimate 6 for 2017-18. The main contributor to this increase is Other Selected Industries (4.5%).

Estimate 3 for total capital expenditure for 2018-19 is \$101,997m. This is 1.1% lower than Estimate 3 for 2017-18. The main contributor to the decrease is Mining (-4.2%). Estimate 3 is 16.1% higher than Estimate 2 for 2018-19. The main contributor to the increase was Other Selected Industries (14.2%).

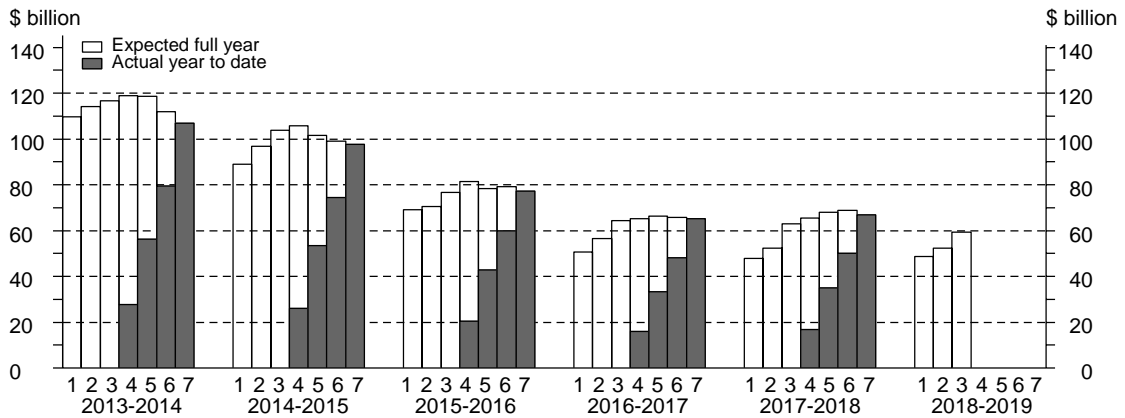


# ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

## BUILDINGS AND STRUCTURES

Estimate 7 for buildings and structures in 2017-18 is \$66,746m. This is 2.5% higher than Estimate 7 for 2016-17. The main contributor to this increase is Other Selected Industries (19.5%). Estimate 7 for buildings and structures is 2.9% lower than Estimate 6 for 2017-18. The main contributor to this decrease is Mining (-6.6%).

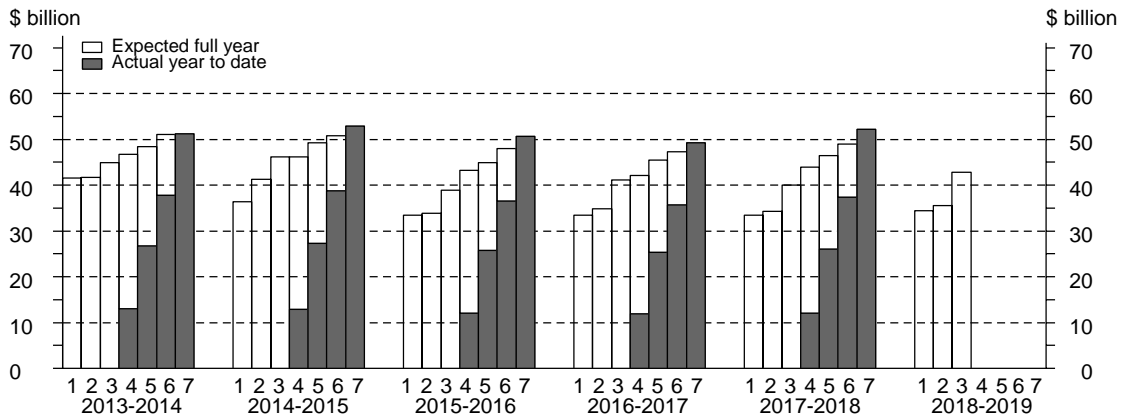
Estimate 3 for buildings and structures for 2018-19 is \$59,254m. This is 6.0% lower than Estimate 3 for 2017-18. The main contributor to the decrease was Mining (-11.9%). Estimate 3 is 13.3% higher than Estimate 2 for 2018-19. The main contributor to the increase was Mining (23.6%).



## EQUIPMENT, PLANT AND MACHINERY

Estimate 7 for equipment, plant and machinery for 2017-18 is \$52,181m. This is 5.8% higher than Estimate 7 for 2016-17. The main contributor to this increase is Mining (27.5%). Estimate 7 is 6.6% higher than Estimate 6 for 2017-18. The main contributor to this increase is Other Selected Industries (8.9%).

Estimate 3 for equipment, plant and machinery for 2018-19 is \$42,743m. This is 6.7% higher than Estimate 3 for 2017-18. The main contributor to this increase is Mining (27.0%). Estimate 3 is 20.0% higher than Estimate 2 for 2018-19. The main contributor to the increase is Other Selected Industries (22.2%).



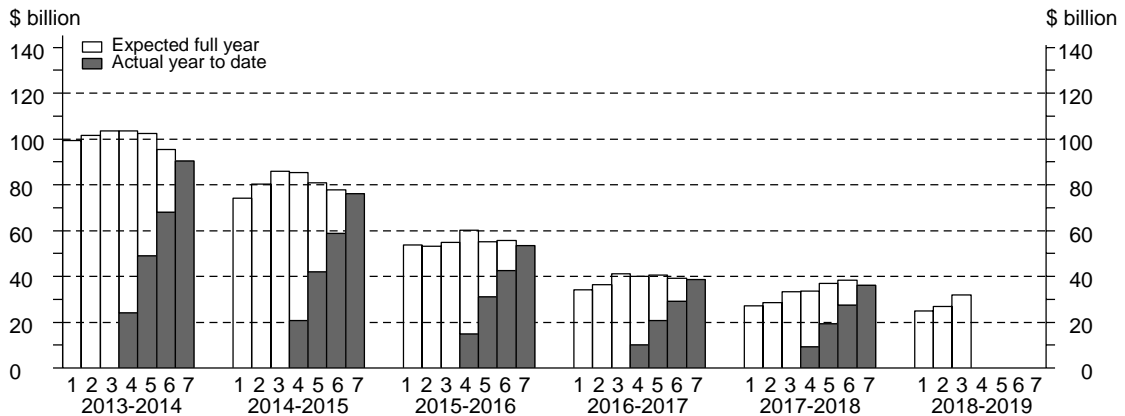


# ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

## MINING

Estimate 7 for Mining for 2017-18 is \$36,052m. This is 7.0% lower than Estimate 7 for 2016-17. Estimate 7 is 5.9% lower than Estimate 6 for 2017-18. Buildings and structures is 12.6% lower and equipment, plant and machinery is 27.5% higher than the corresponding seventh estimate for 2017-18.

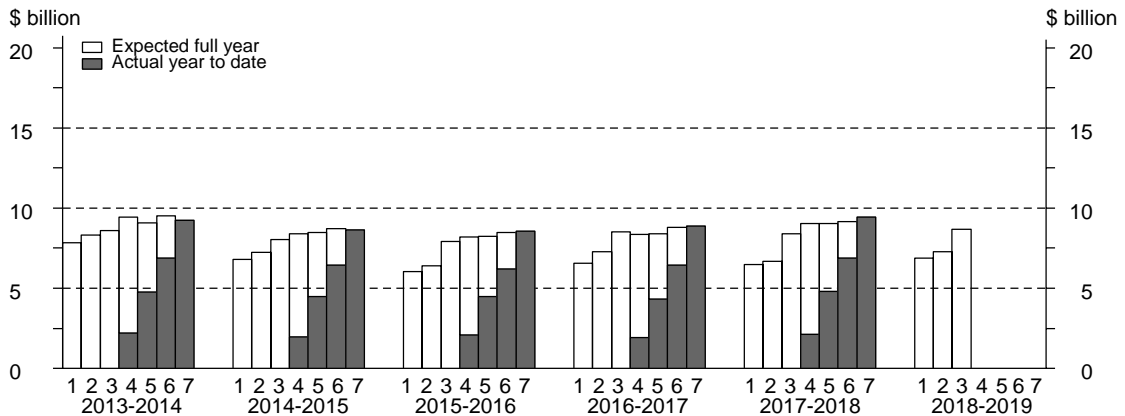
Estimate 3 for Mining for 2018-19 is \$31,873m. This is 4.2% lower than Estimate 3 for 2017-18. Estimate 3 is 19.0% higher than Estimate 2 for 2018-19. Buildings and structures is 11.9% lower and equipment, plant and machinery is 27.0% higher than the corresponding third estimate for 2018-19.



## MANUFACTURING

Estimate 7 for Manufacturing for 2017-18 is \$9,451m. This is 6.5% higher than Estimate 7 for 2016-17. Estimate 7 is 3.2% higher than Estimate 6 for 2017-18. Equipment, plant and machinery is 7.1% higher and buildings and structures is 4.9% higher than the corresponding seventh estimate for 2017-18.

Estimate 3 for Manufacturing for 2018-19 is \$8,665. This is 3.1% higher than Estimate 3 for 2017-18. Estimate 3 is 19.2% higher than Estimate 2 for 2018-19. Equipment, plant and machinery is 4.6% higher and buildings and structures is 0.6% lower than the corresponding third estimate for 2018-19.

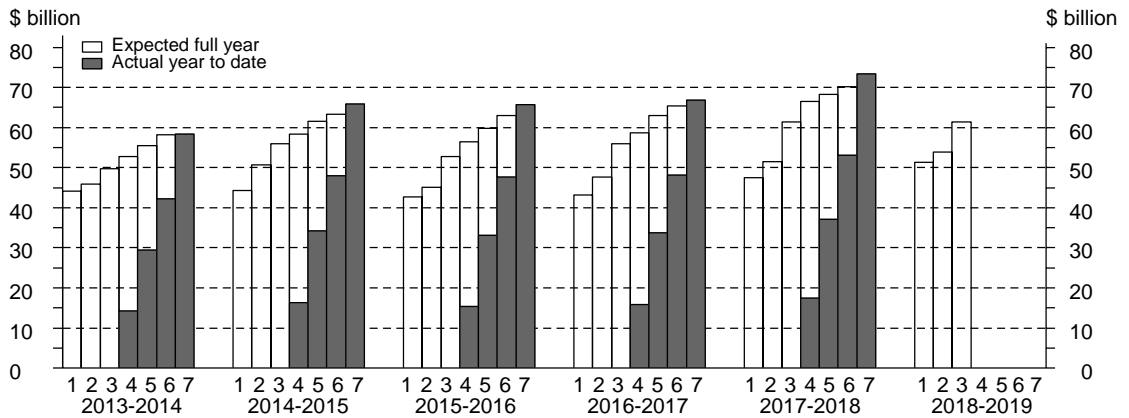


# ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE *continued*

## OTHER SELECTED INDUSTRIES

Estimate 7 for Other Selected Industries for 2017-18 is \$73,425m. This is 9.9% higher than Estimate 7 for 2016-17. Estimate 7 is 4.5% higher than Estimate 6 for 2017-18. Buildings and structures is 19.5% higher and equipment, plant and machinery is 2.5% higher than the corresponding seventh estimate for 2017-18.

Estimate 3 for Other Selected Industries for 2018-19 is \$61,458m. This is relatively unchanged (0.0%) from Estimate 3 for 2017-18. Estimate 3 is 14.2% higher than Estimate 2 for 2018-19. Equipment, plant and machinery is 2.2% higher and buildings and structures is 1.8% lower than the corresponding third estimate for 2018-19.



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

Period	BUILDINGS AND STRUCTURES				EQUIPMENT, PLANT AND MACHINERY				TOTAL			
	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)												
<b>2016-17</b>	33 277	2 476	29 353	65 105	5 474	6 397	37 430	49 301	38 751	8 873	66 783	114 406
<b>2017-18</b>	29 072	2 597	35 077	66 746	6 980	6 853	38 348	52 181	36 052	9 451	73 425	118 927
<b>2016-17</b>												
March	7 498	646	6 589	14 732	1 094	1 439	7 807	10 339	8 591	2 085	14 396	25 072
June	8 065	751	8 193	17 008	1 443	1 701	10 523	13 667	9 508	2 452	18 715	30 675
<b>2017-18</b>												
September	8 084	588	8 142	16 815	1 281	1 542	9 265	12 088	9 365	2 130	17 408	28 903
December	7 709	825	9 779	18 312	2 165	1 846	9 915	13 926	9 873	2 671	19 693	32 238
March	6 684	543	7 658	14 886	1 491	1 535	8 364	11 390	8 175	2 078	16 022	26 276
June	6 595	641	9 497	16 733	2 043	1 930	10 804	14 777	8 638	2 571	20 301	31 511
ORIGINAL (Expected)(a)												
<b>2018-19</b>												
6 mths to Dec	13 490	1 239	16 491	31 220	4 076	3 092	14 414	21 581	17 566	4 331	30 905	52 802
6 mths to Jun	9 975	1 245	16 814	28 034	4 332	3 090	13 740	21 161	14 307	4 334	30 554	49 195
Total fin year	23 465	2 484	33 305	59 254	8 408	6 181	28 154	42 743	31 873	8 665	61 458	101 997
SEASONALLY ADJUSTED (Actual)												
<b>2016-17</b>												
March	8 191	717	7 571	16 479	1 333	1 601	9 181	12 115	9 524	2 318	16 752	28 595
June	8 067	715	7 867	16 649	1 373	1 593	9 434	12 399	9 440	2 307	17 301	29 048
<b>2017-18</b>												
September	7 992	644	8 338	16 974	1 429	1 668	9 506	12 603	9 421	2 312	17 844	29 577
December	7 177	724	8 882	16 784	1 759	1 666	9 415	12 840	8 936	2 390	18 297	29 624
March	7 305	606	8 778	16 689	1 818	1 717	9 819	13 355	9 123	2 324	18 597	30 044
June	6 603	609	9 031	16 242	1 939	1 799	9 631	13 370	8 542	2 408	18 661	29 612
TREND (Actual)												
<b>2016-17</b>												
March	8 189	660	7 508	16 358	1 342	1 598	9 272	12 213	9 532	2 259	16 781	28 571
June	8 048	705	7 947	16 700	1 375	1 616	9 346	12 338	9 423	2 321	17 293	29 037
<b>2017-18</b>												
September	7 811	698	8 368	16 876	1 499	1 640	9 463	12 601	9 309	2 337	17 830	29 477
December	7 454	667	8 690	16 810	1 674	1 681	9 565	12 921	9 128	2 348	18 256	29 732
March	7 077	639	8 897	16 612	1 831	1 729	9 646	13 206	8 908	2 367	18 543	29 819
June	6 709	612	9 011	16 331	1 961	1 771	9 713	13 438	8 670	2 383	18 712	29 765

(a) Not directly comparable with estimates of actual expenditure due to likely over/under realisation. See paragraphs 27 to 30 of the Explanatory Notes.

## ACTUAL AND EXPECTED EXPENDITURE, By detailed industry—Current prices

Period	Mining	Manufacturing	Electricity, Gas, Water and Waste Services	Construction	Wholesale Trade	Retail Trade	Transport, Postal and Warehousing
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)							
2016-17	38 751	8 873	5 406	6 286	4 152	5 666	10 037
2017-18	36 052	9 451	8 599	6 097	4 144	5 367	11 886
<b>2016-17</b>							
March	8 591	2 085	1 248	^ 1 113	856	1 172	2 172
June	9 508	2 452	1 540	^ 2 129	1 093	1 539	2 934
<b>2017-18</b>							
September	9 365	2 130	1 804	^ 1 408	994	1 370	2 775
December	9 873	2 671	2 181	1 471	1 083	1 336	3 225
March	8 175	2 078	1 957	^ 1 315	870	1 014	2 694
June	8 638	2 571	2 657	^ 1 903	1 196	1 647	3 193
ORIGINAL (Expected)(a)							
<b>2018-19</b>							
6 mths to Dec	17 566	4 331	4 129	^ 1 991	1 803	2 969	5 317
6 mths to Jun	14 307	4 334	4 718	^ 1 416	^ 1 845	2 514	5 250
Total fin year	31 873	8 665	8 847	3 408	3 648	5 483	10 567
SEASONALLY ADJUSTED (Actual)							
<b>2016-17</b>							
March	9 524	2 318	1 464	1 268	1 041	1 495	2 637
June	9 440	2 307	1 433	1 691	1 045	1 405	2 745
<b>2017-18</b>							
September	9 421	2 312	1 836	1 614	1 035	1 386	2 711
December	8 936	2 390	2 012	1 495	940	1 179	3 009
March	9 123	2 324	2 271	1 496	1 062	1 361	3 115
June	8 542	2 408	2 472	1 495	1 108	1 421	3 084
TREND (Actual)							
<b>2016-17</b>							
March	9 532	2 259	1 390	1 539	1 051	1 473	2 557
June	9 423	2 321	1 549	1 559	1 039	1 425	2 694
<b>2017-18</b>							
September	9 309	2 337	1 768	1 573	1 006	1 329	2 829
December	9 128	2 348	2 027	1 552	1 007	1 294	2 952
March	8 908	2 367	2 265	1 494	1 038	1 324	3 068
June	8 670	2 383	2 435	1 480	1 084	1 381	3 127

^ 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 27 to 30 of the Explanatory Notes.

ACTUAL AND EXPECTED EXPENDITURE, By detailed industry—Current prices *continued*

<i>Period</i>	<i>Information Media and Telecommunications</i>	<i>Financial and Insurance Services</i>	<i>Rental, Hiring and Real Estate Services</i>	<i>Professional, Scientific and Technical Services</i>	<i>Other Selected Services</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)						
<b>2016-17</b>	7 808	3 621	12 766	3 351	7 690	114 406
<b>2017-18</b>	8 111	3 852	13 335	3 881	8 152	118 927
<b>2016-17</b>						
March	1 860	815	2 727	^ 785	1 647	25 072
June	2 182	790	3 329	977	2 201	30 675
<b>2017-18</b>						
September	2 034	927	3 151	1 070	1 874	28 903
December	2 164	1 071	3 837	^ 1 146	2 180	32 238
March	2 047	774	2 853	786	1 713	26 276
June	1 867	1 080	3 493	879	2 386	31 511
ORIGINAL (Expected)(a)						
<b>2018-19</b>						
6 mths to Dec	3 387	1 863	^ 5 730	^ 1 121	^ 2 594	52 802
6 mths to Jun	4 091	1 598	^ 5 473	^ 1 055	^ 2 593	49 195
Total fin year	7 478	3 461	11 204	2 176	5 187	101 997
SEASONALLY ADJUSTED (Actual)						
<b>2016-17</b>						
March	1 881	984	3 189	859	1 934	28 595
June	2 262	764	3 096	920	1 940	29 048
<b>2017-18</b>						
September	2 064	899	3 272	1 094	1 933	29 577
December	2 042	966	3 470	1 095	2 090	29 624
March	2 082	939	3 337	872	2 061	30 044
June	1 918	1 041	3 235	818	2 068	29 612
TREND (Actual)						
<b>2016-17</b>						
March	2 003	884	3 128	845	1 910	28 571
June	2 091	862	3 169	968	1 936	29 037
<b>2017-18</b>						
September	2 127	879	3 287	1 050	1 983	29 477
December	2 077	928	3 360	1 027	2 033	29 732
March	2 013	982	3 355	934	2 069	29 819
June	1 977	1 008	3 297	838	2 085	29 765

^ 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 27 to 30 of the Explanatory Notes.

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

Period	ASSET			INDUSTRY			
	Buildings and Structures	Equipment, Plant and Machinery	Total	Mining	Manufacturing	Other Selected Industries	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL							
<b>2014-15</b>	98 786	55 147	154 109	77 197	8 993	67 731	154 109
<b>2015-16</b>	77 111	50 581	127 692	53 389	8 566	65 737	127 692
<b>2016-17</b>	63 986	50 509	114 496	38 363	8 970	67 163	114 496
<b>2017-18</b>	64 091	53 898	117 989	35 159	9 522	73 308	117 989
<b>2015-16</b>							
June	17 217	14 210	31 389	10 837	2 357	18 218	31 389
<b>2016-17</b>							
September	15 811	12 165	27 976	10 022	1 932	16 022	27 976
December	17 178	13 611	30 789	10 487	2 435	17 867	30 789
March	14 446	10 643	25 089	8 492	2 116	14 481	25 089
June	16 552	14 091	30 642	9 362	2 487	18 794	30 642
<b>2017-18</b>							
September	16 276	12 550	28 827	9 166	2 167	17 493	28 827
December	17 652	14 441	32 094	9 664	2 691	19 739	32 094
March	14 301	11 777	26 078	7 968	2 095	16 015	26 078
June	15 861	15 130	30 991	8 360	2 569	20 062	30 991
SEASONALLY ADJUSTED							
<b>2015-16</b>							
June	16 760	12 956	29 669	10 729	2 226	16 752	29 669
<b>2016-17</b>							
September	15 889	12 653	28 542	10 049	2 093	16 401	28 542
December	15 756	12 571	28 327	9 579	2 184	16 565	28 327
March	16 131	12 480	28 611	9 417	2 353	16 841	28 611
June	16 189	12 798	28 987	9 289	2 340	17 356	28 987
<b>2017-18</b>							
September	16 428	13 089	29 517	9 226	2 354	17 933	29 517
December	16 189	13 318	29 507	8 732	2 412	18 357	29 507
March	16 047	13 801	29 848	8 898	2 346	18 598	29 848
June	15 421	13 677	29 098	8 260	2 410	18 421	29 098
TREND							
<b>2015-16</b>							
June	17 108	12 787	29 876	11 089	2 080	16 730	29 876
<b>2016-17</b>							
September	15 985	12 702	28 672	9 982	2 147	16 556	28 672
December	15 770	12 571	28 338	9 563	2 224	16 553	28 338
March	16 001	12 569	28 572	9 416	2 288	16 866	28 572
June	16 243	12 757	28 999	9 271	2 357	17 370	28 999
<b>2017-18</b>							
September	16 346	13 072	29 419	9 128	2 373	17 915	29 419
December	16 206	13 387	29 594	8 919	2 375	18 296	29 594
March	15 929	13 626	29 555	8 672	2 384	18 494	29 555
June	15 592	13 804	29 377	8 403	2 391	18 564	29 377

(a) Reference year for chain volume measures is 2015-16.

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							
<b>2014-15</b>	-9.7	1.4	-6.1	-16.9	-8.0	10.8	-6.1
<b>2015-16</b>	-21.9	-8.3	-17.1	-30.8	-4.7	-2.9	-17.1
<b>2016-17</b>	-17.0	-0.1	-10.3	-28.1	4.7	2.2	-10.3
<b>2017-18</b>	0.2	6.7	3.1	-8.4	6.2	9.1	3.1
<b>2015-16</b>							
June	2.1	31.9	13.5	-4.8	35.4	25.5	13.5
<b>2016-17</b>							
September	-8.2	-14.4	-10.9	-7.5	-18.1	-12.1	-10.9
December	8.6	11.9	10.1	4.6	26.1	11.5	10.1
March	-15.9	-21.8	-18.5	-19.0	-13.1	-19.0	-18.5
June	14.6	32.4	22.1	10.2	17.5	29.8	22.1
<b>2017-18</b>							
September	-1.7	-10.9	-5.9	-2.1	-12.9	-6.9	-5.9
December	8.5	15.1	11.3	5.4	24.2	12.8	11.3
March	-19.0	-18.4	-18.7	-17.5	-22.2	-18.9	-18.7
June	10.9	28.5	18.8	4.9	22.7	25.3	18.8
SEASONALLY ADJUSTED							
<b>2015-16</b>							
June	-11.0	2.7	-5.7	-14.9	15.9	-1.1	-5.7
<b>2016-17</b>							
September	-5.2	-2.3	-3.8	-6.3	-6.0	-2.1	-3.8
December	-0.8	-0.6	-0.8	-4.7	4.4	1.0	-0.8
March	2.4	-0.7	1.0	-1.7	7.7	1.7	1.0
June	0.4	2.5	1.3	-1.4	-0.5	3.1	1.3
<b>2017-18</b>							
September	1.5	2.3	1.8	-0.7	0.6	3.3	1.8
December	-1.5	1.8	0.0	-5.4	2.5	2.4	0.0
March	-0.9	3.6	1.2	1.9	-2.8	1.3	1.2
June	-3.9	-0.9	-2.5	-7.2	2.8	-0.9	-2.5
TREND							
<b>2015-16</b>							
June	-8.6	1.0	-4.8	-12.3	0.0	0.3	-4.8
<b>2016-17</b>							
September	-6.6	-0.7	-4.0	-10.0	3.2	-1.0	-4.0
December	-1.3	-1.0	-1.2	-4.2	3.6	—	-1.2
March	1.5	0.0	0.8	-1.5	2.9	1.9	0.8
June	1.5	1.5	1.5	-1.5	3.0	3.0	1.5
<b>2017-18</b>							
September	0.6	2.5	1.4	-1.5	0.7	3.1	1.4
December	-0.9	2.4	0.6	-2.3	0.1	2.1	0.6
March	-1.7	1.8	-0.1	-2.8	0.4	1.1	-0.1
June	-2.1	1.3	-0.6	-3.1	0.3	0.4	-0.6

— nil or rounded to zero (including null cells)

(a) Reference year for chain volume measures is 2015-16.

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

Financial Year	12 months expectation as reported in Jan-Feb of previous financial year (Estimate 1)	12 months expectation as reported in Apr-May of previous financial year (Estimate 2)	12 months expectation as reported in Jul-Aug (Estimate 3)	3 months actual and 9 months expectation as reported in Oct-Nov (Estimate 4)	6 months actual and 6 months expectation as reported in Jan-Feb (Estimate 5)	9 months actual and 3 months expectation as reported in Apr-May (Estimate 6)	12 months actual (Estimate 7)
BUILDINGS AND STRUCTURES (\$ million)							
2013-14	109 775	114 042	116 782	118 995	118 538	112 038	106 820
2014-15	89 051	96 787	103 842	105 873	101 534	99 060	97 729
2015-16	69 097	70 607	76 759	81 484	78 344	79 159	77 111
2016-17	50 563	56 541	64 424	65 099	66 355	65 866	65 105
2017-18	47 783	52 262	63 034	65 362	67 870	68 748	66 746
2018-19	48 600	52 279	59 254	nya	nya	nya	nya
BUILDINGS AND STRUCTURES (Realisation Ratio)(a)							
2013-14	0.97	0.94	0.91	0.90	0.90	0.95	1.00
2014-15	1.10	1.01	0.94	0.92	0.96	0.99	1.00
2015-16	1.12	1.09	1.00	0.95	0.98	0.97	1.00
2016-17	1.29	1.15	1.01	1.00	0.98	0.99	1.00
2017-18	1.40	1.28	1.06	1.02	0.98	0.97	1.00
EQUIPMENT, PLANT AND MACHINERY (\$ million)							
2013-14	41 490	41 649	44 838	46 727	48 467	51 100	51 158
2014-15	36 326	41 273	46 105	46 221	49 264	50 754	52 925
2015-16	33 474	33 893	38 944	43 238	44 901	48 023	50 581
2016-17	33 374	34 768	41 175	42 080	45 400	47 309	49 301
2017-18	33 412	34 295	40 071	43 907	46 431	48 956	52 181
2018-19	34 388	35 605	42 743	nya	nya	nya	nya
EQUIPMENT, PLANT AND MACHINERY (Realisation Ratio)(a)							
2013-14	1.23	1.23	1.14	1.09	1.06	1.00	1.00
2014-15	1.46	1.28	1.15	1.15	1.07	1.04	1.00
2015-16	1.51	1.49	1.30	1.17	1.13	1.05	1.00
2016-17	1.48	1.42	1.20	1.17	1.09	1.04	1.00
2017-18	1.56	1.52	1.30	1.19	1.12	1.07	1.00
TOTAL (\$ million)							
2013-14	151 265	155 691	161 621	165 722	167 005	163 138	157 978
2014-15	125 378	138 060	149 948	152 094	150 798	149 814	150 655
2015-16	102 571	104 499	115 704	124 722	123 245	127 182	127 692
2016-17	83 937	91 309	105 599	107 179	111 755	113 175	114 406
2017-18	81 195	86 558	103 105	109 269	114 301	117 704	118 927
2018-19	82 987	87 883	101 997	nya	nya	nya	nya
TOTAL (Realisation Ratio)(a)							
2013-14	1.04	1.01	0.98	0.95	0.95	0.97	1.00
2014-15	1.20	1.09	1.00	0.99	1.00	1.01	1.00
2015-16	1.24	1.22	1.10	1.02	1.04	1.00	1.00
2016-17	1.36	1.25	1.08	1.07	1.02	1.01	1.00
2017-18	1.46	1.37	1.15	1.09	1.04	1.01	1.00
TOTAL (Percentage change over corresponding estimate for previous financial year)							
2013-14	-8.8	-10.2	-9.8	-2.6	0.4	0.2	-1.6
2014-15	-17.1	-11.3	-7.2	-8.2	-9.7	-8.2	-4.6
2015-16	-18.2	-24.3	-22.8	-18.0	-18.3	-15.1	-15.2
2016-17	-18.2	-12.6	-8.7	-14.1	-9.3	-11.0	-10.4
2017-18	-3.3	-5.2	-2.4	2.0	2.3	4.0	4.0
2018-19	2.2	1.5	-1.1	nya	nya	nya	nya

nya not yet available

(a) Ratio of actual expenditure for the financial year to each progressive estimate for the financial year. See paragraphs 27 to 30 of the Explanatory Notes.



EXPECTED EXPENDITURE AND REALISATION RATIOS, By industry—Current prices

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

2013-14	99 224	101 482	103 379	103 608	102 528	95 365	90 393
2014-15	74 199	80 201	85 927	85 327	80 752	77 832	76 117
2015-16	53 820	53 058	54 991	60 110	55 251	55 696	53 389
2016-17	34 143	36 438	41 224	40 112	40 465	39 059	38 751
2017-18	27 244	28 427	33 259	33 727	36 970	38 319	36 052
2018-19	24 845	26 795	31 873	nya	nya	nya	nya

MINING (Realisation Ratio)(a)

2013-14	0.91	0.89	0.87	0.87	0.88	0.95	1.00
2014-15	1.03	0.95	0.89	0.89	0.94	0.98	1.00
2015-16	0.99	1.01	0.97	0.89	0.97	0.96	1.00
2016-17	1.13	1.06	0.94	0.97	0.96	0.99	1.00
2017-18	1.32	1.27	1.08	1.07	0.98	0.94	1.00

MANUFACTURING (\$ million)

2013-14	7 838	8 304	8 592	9 422	9 059	9 524	9 229
2014-15	6 814	7 234	8 053	8 386	8 470	8 703	8 628
2015-16	6 021	6 410	7 931	8 199	8 244	8 468	8 566
2016-17	6 563	7 269	8 499	8 345	8 378	8 809	8 873
2017-18	6 474	6 670	8 408	9 053	9 053	9 154	9 451
2018-19	6 888	7 267	8 665	nya	nya	nya	nya

MANUFACTURING (Realisation Ratio)(a)

2013-14	1.18	1.11	1.07	0.98	1.02	0.97	1.00
2014-15	1.27	1.19	1.07	1.03	1.02	0.99	1.00
2015-16	1.42	1.34	1.08	1.04	1.04	1.01	1.00
2016-17	1.35	1.22	1.04	1.06	1.06	1.01	1.00
2017-18	1.46	1.42	1.12	1.04	1.04	1.03	1.00

OTHER SELECTED INDUSTRIES (\$ million)

2013-14	44 203	45 905	49 650	52 692	55 418	58 248	58 356
2014-15	44 364	50 624	55 968	58 381	61 576	63 280	65 910
2015-16	42 730	45 032	52 781	56 413	59 750	63 019	65 737
2016-17	43 231	47 602	55 877	58 722	62 912	65 306	66 783
2017-18	47 477	51 460	61 438	66 490	68 278	70 231	73 425
2018-19	51 254	53 821	61 458	nya	nya	nya	nya

OTHER SELECTED INDUSTRIES (Realisation Ratio)(a)

2013-14	1.32	1.27	1.18	1.11	1.05	1.00	1.00
2014-15	1.49	1.30	1.18	1.13	1.07	1.04	1.00
2015-16	1.54	1.46	1.25	1.17	1.10	1.04	1.00
2016-17	1.54	1.40	1.20	1.14	1.06	1.02	1.00
2017-18	1.55	1.43	1.20	1.10	1.08	1.05	1.00

nya not yet available

(a) Ratio of actual expenditure for the financial year to each progressive estimate for the financial year. See paragraphs 27 to 30 of the Explanatory Notes.

# 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				
<b>Buildings and Structures</b>				
2013–14	0.93	0.84	0.95	0.81
2014–15	0.93	0.95	0.97	0.92
2015–16	0.88	0.89	0.97	0.97
2016–17	0.97	0.96	0.97	0.96
2017–18	1.04	0.89	1.06	0.97
<b>Equipment, Plant and Machinery</b>				
2013–14	1.08	1.00	1.16	1.12
2014–15	1.15	1.18	1.15	1.17
2015–16	1.13	1.22	1.28	1.30
2016–17	1.19	1.17	1.19	1.19
2017–18	1.17	1.28	1.26	1.28
<b>Total</b>				
2013–14	0.97	0.89	1.01	0.89
2014–15	0.99	1.02	1.03	1.00
2015–16	0.96	1.02	1.07	1.08
2016–17	1.05	1.04	1.05	1.05
2017–18	1.09	1.04	1.13	1.09
TYPE OF INDUSTRY				
<b>Mining</b>				
2013–14	0.93	0.82	0.93	0.77
2014–15	0.89	0.91	0.93	0.88
2015–16	0.84	0.83	0.96	0.92
2016–17	0.98	0.97	0.93	0.91
2017–18	1.09	0.79	1.05	0.95
<b>Manufacturing</b>				
2013–14	0.95	0.89	1.10	1.04
2014–15	0.97	0.97	1.07	1.04
2015–16	1.00	1.04	1.04	1.09
2016–17	0.92	1.03	0.97	1.12
2017–18	1.04	1.13	1.09	1.09
<b>Other selected industries</b>				
2013–14	1.06	1.01	1.15	1.11
2014–15	1.15	1.17	1.18	1.16
2015–16	1.10	1.18	1.20	1.22
2016–17	1.12	1.09	1.16	1.13
2017–18	1.10	1.19	1.19	1.17
<b>Total</b>				
2013–14	0.97	0.89	1.01	0.89
2014–15	0.99	1.02	1.03	1.00
2015–16	0.96	1.02	1.07	1.08
2016–17	1.05	1.04	1.05	1.05
2017–18	1.09	1.04	1.13	1.09

(a) For more information on Realisation Ratios see paragraphs 27 to 30 of the Explanatory Notes.

## ACTUAL EXPENDITURE ON BUILDINGS AND STRUCTURES, By state—Current prices

<i>Period</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2014-15</b>	11 185	7 145	23 268	3 273	46 395	272	5 831	360	97 729
<b>2015-16</b>	11 669	7 338	14 173	2 549	35 658	357	4 991	376	77 111
<b>2016-17</b>	11 804	9 032	13 516	2 564	22 062	404	5 289	434	65 105
<b>2017-18</b>	14 978	9 577	13 868	3 685	18 656	334	4 932	715	66 746
<b>2015-16</b>									
June	3 361	1 993	2 965	^ 632	6 902	^ 100	1 234	^ 104	17 291
<b>2016-17</b>									
September	2 592	2 054	3 431	^ 593	5 932	77	1 149	98	15 925
December	3 147	2 400	3 660	627	6 046	^ 130	1 319	111	17 440
March	2 760	2 071	2 908	580	4 743	^ 82	1 479	^ 108	14 732
June	3 306	2 507	3 517	763	5 341	114	1 343	117	17 008
<b>2017-18</b>									
September	3 148	2 334	3 509	958	5 251	^ 88	1 390	136	16 815
December	3 966	2 854	3 970	1 092	4 879	76	1 242	234	18 312
March	3 390	2 083	2 953	658	4 278	^ 67	1 255	204	14 886
June	4 475	2 306	3 437	977	4 248	^ 104	1 046	141	16 733
SEASONALLY ADJUSTED									
<b>2015-16</b>									
June	3 122	1 923	2 921	637	6 816	91	1 234	104	16 835
<b>2016-17</b>									
September	2 793	2 120	3 418	584	5 963	80	1 149	98	16 028
December	2 891	2 179	3 229	551	5 554	118	1 319	111	16 021
March	3 052	2 319	3 426	676	5 231	100	1 479	108	16 479
June	3 043	2 413	3 476	774	5 300	101	1 343	117	16 649
<b>2017-18</b>									
September	3 429	2 424	3 495	944	5 281	94	1 390	136	16 974
December	3 633	2 580	3 493	956	4 459	68	1 242	234	16 784
March	3 751	2 335	3 479	765	4 733	82	1 255	204	16 689
June	4 111	2 219	3 406	994	4 220	90	1 046	141	16 242
TREND									
<b>2015-16</b>									
June	3 017	1 952	3 160	627	7 115	89	1 149	95	17 193
<b>2016-17</b>									
September	2 933	2 080	3 173	584	6 012	94	1 216	102	16 138
December	2 890	2 206	3 320	586	5 473	102	1 323	106	16 019
March	2 971	2 308	3 412	664	5 345	107	1 396	106	16 358
June	3 158	2 406	3 456	804	5 234	100	1 406	123	16 700
<b>2017-18</b>									
September	3 364	2 481	3 505	892	5 056	87	1 354	163	16 876
December	3 601	2 461	3 490	902	4 787	81	1 281	193	16 810
March	3 832	2 376	3 464	897	4 514	80	1 196	195	16 612
June	4 025	2 265	3 430	903	4 315	85	1 097	176	16 331

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

## ACTUAL EXPENDITURE ON EQUIPMENT, PLANT AND MACHINERY, By state—Current prices

<i>Period</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2014-15</b>	15 819	11 501	11 732	2 975	8 717	623	1 166	393	52 925
<b>2015-16</b>	16 585	12 324	9 884	2 694	7 502	587	585	419	50 581
<b>2016-17</b>	16 492	11 597	10 154	2 603	6 961	579	501	413	49 301
<b>2017-18</b>	16 118	12 193	10 724	2 755	8 458	922	550	463	52 181
<b>2015-16</b>									
June	4 680	3 365	2 868	699	2 016	^ 166	^ 170	^ 110	14 075
<b>2016-17</b>									
September	4 454	2 828	2 271	572	1 475	^ 129	106	^ 123	11 958
December	4 445	3 102	2 772	680	1 935	^ 150	138	^ 113	13 336
March	3 172	2 437	2 087	^ 684	1 685	^ 128	^ 80	^ 65	10 339
June	4 421	3 229	3 024	^ 666	1 866	^ 172	176	^ 111	13 667
<b>2017-18</b>									
September	3 922	2 817	2 469	^ 687	1 768	^ 201	126	^ 99	12 088
December	4 337	3 132	2 879	^ 636	2 458	203	^ 165	115	13 926
March	3 497	2 784	2 170	514	1 944	^ 241	^ 124	^ 115	11 390
June	4 363	3 459	3 205	^ 917	2 287	^ 278	134	^ 134	14 777
SEASONALLY ADJUSTED									
<b>2015-16</b>									
June	4 357	3 033	2 414	618	1 948	155	149	102	12 828
<b>2016-17</b>									
September	4 471	2 953	2 423	617	1 575	133	109	106	12 422
December	4 119	2 885	2 590	629	1 707	133	128	114	12 293
March	3 737	2 840	2 550	806	1 874	154	101	86	12 115
June	4 105	2 910	2 570	579	1 805	160	152	102	12 399
<b>2017-18</b>									
September	3 938	2 948	2 639	746	1 906	207	132	86	12 603
December	4 021	2 912	2 692	591	2 157	181	152	115	12 840
March	4 134	3 238	2 533	607	2 159	286	156	149	13 355
June	4 037	3 120	2 850	792	2 212	259	115	123	13 370
TREND									
<b>2015-16</b>									
June	4 448	3 038	2 386	620	1 781	143	127	98	12 655
<b>2016-17</b>									
September	4 320	2 950	2 466	632	1 724	140	123	105	12 481
December	4 120	2 885	2 528	665	1 721	137	117	105	12 282
March	3 959	2 871	2 565	696	1 768	150	120	97	12 213
June	3 920	2 877	2 603	694	1 863	166	132	91	12 338
<b>2017-18</b>									
September	3 994	2 931	2 613	651	1 957	188	144	99	12 601
December	4 044	3 018	2 636	635	2 074	219	148	117	12 921
March	4 062	3 106	2 675	665	2 174	249	142	130	13 206
June	4 092	3 168	2 733	703	2 231	269	133	138	13 438

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

<i>Period</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2014-15</b>	27 004	18 646	35 000	6 249	55 112	895	6 996	753	150 655
<b>2015-16</b>	28 254	19 661	24 057	5 242	43 160	944	5 577	795	127 692
<b>2016-17</b>	28 296	20 629	23 671	5 166	29 023	983	5 791	847	114 406
<b>2017-18</b>	31 097	21 770	24 592	6 439	27 114	1 256	5 482	1 178	118 927
<b>2015-16</b>									
June	8 041	5 358	5 833	1 331	8 918	266	1 404	^ 214	31 366
<b>2016-17</b>									
September	7 046	4 882	5 702	1 165	7 407	206	1 255	221	27 883
December	7 591	5 502	6 432	1 308	7 982	^ 281	1 457	224	30 776
March	5 932	4 509	4 995	1 265	6 428	^ 211	1 559	^ 174	25 072
June	7 727	5 736	6 542	1 429	7 207	286	1 520	229	30 675
<b>2017-18</b>									
September	7 070	5 151	5 978	1 645	7 020	^ 289	1 516	235	28 903
December	8 303	5 987	6 849	1 728	7 338	278	1 407	349	32 238
March	6 887	4 867	5 123	1 172	6 222	^ 307	1 378	319	26 276
June	8 838	5 765	6 642	1 894	6 535	^ 381	1 180	275	31 511
SEASONALLY ADJUSTED									
<b>2015-16</b>									
June	7 480	4 956	5 335	1 256	8 764	245	1 383	206	29 663
<b>2016-17</b>									
September	7 264	5 073	5 841	1 201	7 538	213	1 257	204	28 450
December	7 010	5 064	5 819	1 180	7 262	252	1 446	224	28 313
March	6 789	5 159	5 975	1 481	7 106	254	1 580	194	28 595
June	7 148	5 322	6 045	1 353	7 105	261	1 495	220	29 048
<b>2017-18</b>									
September	7 367	5 372	6 134	1 690	7 187	301	1 522	222	29 577
December	7 653	5 492	6 186	1 548	6 616	249	1 393	349	29 624
March	7 885	5 573	6 012	1 372	6 892	368	1 411	353	30 044
June	8 148	5 340	6 256	1 786	6 432	350	1 161	264	29 612
TREND									
<b>2015-16</b>									
June	7 465	4 990	5 545	1 246	8 897	232	1 276	193	29 848
<b>2016-17</b>									
September	7 253	5 030	5 639	1 216	7 736	234	1 339	208	28 619
December	7 010	5 091	5 849	1 251	7 193	240	1 440	212	28 301
March	6 930	5 179	5 977	1 360	7 113	257	1 516	203	28 571
June	7 079	5 284	6 060	1 499	7 097	266	1 538	214	29 037
<b>2017-18</b>									
September	7 358	5 412	6 118	1 542	7 013	275	1 499	262	29 477
December	7 645	5 479	6 126	1 537	6 861	299	1 429	310	29 732
March	7 894	5 483	6 139	1 562	6 688	329	1 338	325	29 819
June	8 116	5 433	6 163	1 606	6 546	354	1 230	314	29 765

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

<i>Period</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2014-15</b>	11 456	7 155	23 678	3 293	46 685	278	5 881	365	98 786
<b>2015-16</b>	11 669	7 338	14 173	2 549	35 658	357	4 991	376	77 111
<b>2016-17</b>	11 424	9 047	13 104	2 526	21 840	391	5 229	425	63 986
<b>2017-18</b>	14 060	9 427	13 159	3 557	18 140	315	4 755	679	64 091
<b>2015-16</b>									
June	3 339	1 994	2 939	629	6 887	99	1 234	103	17 217
<b>2016-17</b>									
September	2 553	2 064	3 382	588	5 906	75	1 146	97	15 811
December	3 055	2 410	3 553	620	5 996	128	1 308	109	17 178
March	2 666	2 074	2 804	572	4 686	79	1 458	106	14 446
June	3 150	2 499	3 365	746	5 253	109	1 317	113	16 552
<b>2017-18</b>									
September	2 981	2 322	3 346	932	5 128	84	1 352	131	16 276
December	3 741	2 831	3 773	1 058	4 755	71	1 201	223	17 652
March	3 188	2 049	2 801	634	4 166	63	1 208	193	14 301
June	4 150	2 225	3 239	932	4 092	97	994	132	15 861
SEASONALLY ADJUSTED									
<b>2015-16</b>									
June	3 107	1 924	2 903	631	6 813	91	1 234	103	16 760
<b>2016-17</b>									
September	2 755	2 129	3 368	574	5 946	79	1 146	97	15 889
December	2 811	2 188	3 128	539	5 513	117	1 308	109	15 756
March	2 953	2 323	3 293	660	5 171	98	1 458	106	16 131
June	2 905	2 407	3 315	752	5 211	97	1 317	113	16 189
<b>2017-18</b>									
September	3 256	2 414	3 328	920	5 150	90	1 352	131	16 428
December	3 437	2 564	3 318	933	4 337	64	1 201	223	16 189
March	3 540	2 302	3 300	744	4 599	77	1 208	193	16 047
June	3 827	2 146	3 212	959	4 055	84	994	132	15 421
TREND									
<b>2015-16</b>									
June	3 003	1 953	3 137	620	7 107	89	1 148	94	17 108
<b>2016-17</b>									
September	2 891	2 087	3 117	575	5 993	94	1 212	101	15 985
December	2 817	2 214	3 224	573	5 435	101	1 312	105	15 770
March	2 866	2 311	3 279	648	5 280	104	1 376	103	16 001
June	3 020	2 403	3 299	783	5 140	96	1 378	119	16 243
<b>2017-18</b>									
September	3 198	2 473	3 336	869	4 941	83	1 319	156	16 346
December	3 407	2 441	3 315	879	4 657	76	1 240	184	16 206
March	3 604	2 337	3 282	872	4 372	75	1 149	185	15 929
June	3 749	2 204	3 240	873	4 162	79	1 039	165	15 592

(a) Reference year for chain volume measures is 2015-16.

<i>Period</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2014-15</b>	16 441	11 955	12 223	3 113	9 156	651	1 223	406	55 147
<b>2015-16</b>	16 585	12 324	9 884	2 694	7 502	587	585	419	50 581
<b>2016-17</b>	16 906	11 901	10 397	2 659	7 116	594	513	422	50 509
<b>2017-18</b>	16 672	12 617	11 073	2 839	8 698	950	567	482	53 898
<b>2015-16</b>									
June	4 723	3 403	2 893	707	2 031	168	172	112	14 210
<b>2016-17</b>									
September	4 533	2 881	2 308	582	1 496	131	108	126	12 165
December	4 542	3 174	2 826	693	1 966	153	141	116	13 611
March	3 271	2 511	2 148	701	1 731	132	82	67	10 643
June	4 561	3 335	3 115	684	1 924	178	182	113	14 091
<b>2017-18</b>									
September	4 072	2 929	2 562	711	1 833	208	131	103	12 550
December	4 503	3 259	2 985	658	2 535	210	171	120	14 441
March	3 621	2 883	2 244	532	2 000	248	128	121	11 777
June	4 476	3 546	3 281	939	2 330	283	138	138	15 130
SEASONALLY ADJUSTED									
<b>2015-16</b>									
June	4 403	3 070	2 443	622	1 963	156	153	104	12 956
<b>2016-17</b>									
September	4 565	3 013	2 470	621	1 597	135	114	109	12 653
December	4 226	2 955	2 646	633	1 733	136	134	117	12 571
March	3 868	2 927	2 630	816	1 925	158	106	89	12 480
June	4 247	3 005	2 650	590	1 861	165	159	106	12 798
<b>2017-18</b>									
September	4 093	3 062	2 742	772	1 979	213	137	90	13 089
December	4 172	3 023	2 793	615	2 230	186	155	122	13 318
March	4 275	3 343	2 620	632	2 228	291	159	157	13 801
June	4 133	3 189	2 918	820	2 261	260	116	128	13 677
TREND									
<b>2015-16</b>									
June	4 502	3 074	2 414	623	1 794	144	131	100	12 787
<b>2016-17</b>									
September	4 407	3 007	2 512	636	1 746	142	128	108	12 702
December	4 230	2 958	2 589	670	1 752	140	123	108	12 571
March	4 090	2 957	2 639	705	1 814	154	127	101	12 569
June	4 065	2 977	2 692	709	1 923	171	138	95	12 757
<b>2017-18</b>									
September	4 149	3 041	2 712	672	2 027	194	150	104	13 072
December	4 193	3 127	2 732	660	2 146	224	152	123	13 387
March	4 194	3 204	2 762	692	2 240	253	144	136	13 626
June	4 200	3 251	2 807	730	2 281	271	134	144	13 804

(a) Reference year for chain volume measures is 2015-16.

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									
<b>2014-15</b>	27 896	19 111	35 961	6 413	55 865	927	7 086	771	154 109
<b>2015-16</b>	28 254	19 661	24 057	5 242	43 160	944	5 577	795	127 692
<b>2016-17</b>	28 330	20 948	23 501	5 185	28 957	985	5 742	847	114 496
<b>2017-18</b>	30 732	22 044	24 232	6 396	26 838	1 265	5 322	1 161	117 989
<b>2015-16</b>									
June	8 062	5 396	5 824	1 336	8 903	267	1 405	215	31 389
<b>2016-17</b>									
September	7 086	4 945	5 689	1 170	7 402	206	1 254	223	27 976
December	7 597	5 584	6 379	1 313	7 961	281	1 449	225	30 789
March	5 937	4 585	4 953	1 273	6 417	211	1 541	173	25 089
June	7 711	5 834	6 480	1 429	7 176	287	1 499	227	30 642
<b>2017-18</b>									
September	7 054	5 251	5 909	1 643	6 961	292	1 483	234	28 827
December	8 244	6 090	6 758	1 717	7 289	281	1 372	343	32 094
March	6 809	4 932	5 045	1 165	6 166	311	1 335	314	26 078
June	8 626	5 771	6 520	1 871	6 422	380	1 131	270	30 991
SEASONALLY ADJUSTED									
<b>2015-16</b>									
June	7 511	4 994	5 341	1 253	8 762	246	1 386	207	29 669
<b>2016-17</b>									
September	7 325	5 142	5 830	1 194	7 536	215	1 259	206	28 542
December	7 037	5 143	5 768	1 172	7 247	253	1 441	226	28 327
March	6 816	5 249	5 920	1 475	7 098	256	1 565	194	28 611
June	7 153	5 415	5 983	1 344	7 077	261	1 477	220	28 987
<b>2017-18</b>									
September	7 364	5 475	6 062	1 690	7 126	303	1 489	222	29 517
December	7 608	5 584	6 104	1 546	6 570	250	1 357	345	29 507
March	7 802	5 643	5 922	1 376	6 826	369	1 365	348	29 848
June	7 958	5 341	6 144	1 784	6 316	343	1 111	261	29 098
TREND									
<b>2015-16</b>									
June	7 507	5 027	5 546	1 243	8 894	233	1 278	195	29 876
<b>2016-17</b>									
September	7 300	5 094	5 620	1 210	7 732	236	1 340	209	28 672
December	7 046	5 172	5 808	1 243	7 185	241	1 435	213	28 338
March	6 954	5 269	5 920	1 353	7 096	258	1 503	204	28 572
June	7 088	5 380	5 995	1 493	7 065	267	1 516	214	28 999
<b>2017-18</b>									
September	7 352	5 513	6 047	1 540	6 969	277	1 469	261	29 419
December	7 600	5 566	6 044	1 537	6 806	300	1 391	306	29 594
March	7 792	5 541	6 044	1 563	6 613	328	1 293	320	29 555
June	7 954	5 470	6 060	1 607	6 429	350	1 180	309	29 377

(a) Reference year for chain volume measures is 2015-16.



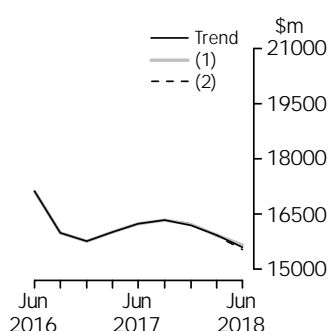
## WHAT IF...? REVISIONS TO TREND ESTIMATES

### 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 41 and 42 in the Explanatory Notes.

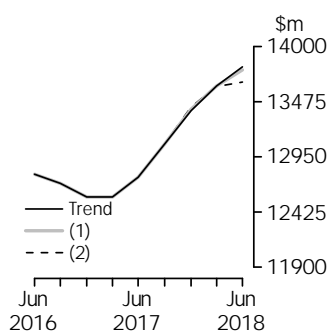
#### BUILDINGS AND STRUCTURES



#### WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:

	<i>Trend as published</i>		<i>(1) rises by 2.1% on this quarter</i>		<i>(2) falls by 2.1% on this quarter</i>	
	\$m	%	\$m	%	\$m	%
<b>2017</b>						
September	16 346	0.6	16 346	0.6	16 346	0.6
December	16 206	-0.9	16 209	-0.8	16 232	-0.7
<b>2018</b>						
March	15 929	-1.7	15 929	-1.7	15 920	-1.9
June	15 592	-2.1	15 661	-1.7	15 547	-2.3

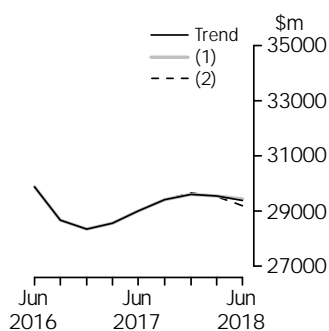
#### EQUIPMENT, PLANT AND MACHINERY



#### WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:

	<i>Trend as published</i>		<i>(1) rises by 1.9% on this quarter</i>		<i>(2) falls by 1.9% on this quarter</i>	
	\$m	%	\$m	%	\$m	%
<b>2017</b>						
September	13 072	2.5	13 072	2.5	13 072	2.5
December	13 387	2.4	13 399	2.5	13 423	2.7
<b>2018</b>						
March	13 626	1.8	13 623	1.7	13 614	1.4
June	13 804	1.3	13 776	1.1	13 660	0.3

#### TOTAL CAPITAL EXPENDITURE



#### WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:

	<i>Trend as published</i>		<i>(1) rises by 2.0% on this quarter</i>		<i>(2) falls by 2.0% on this quarter</i>	
	\$m	%	\$m	%	\$m	%
<b>2017</b>						
September	29 419	1.4	29 419	1.4	29 419	1.4
December	29 594	0.6	29 608	0.6	29 655	0.8
<b>2018</b>						
March	29 555	-0.1	29 554	-0.2	29 538	-0.4
June	29 377	-0.6	29 437	-0.4	29 211	-1.1

## 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, 2006:

Mining (Division B)

Manufacturing (Division C)

Other selected industries:

Electricity, Gas, Water and Waste Services (Division D)

Construction (Division E)

Wholesale Trade (Division F)

Retail Trade (Division G)

Transport, Postal and Warehousing (Division I)

Information Media and Telecommunications (Division J)

Finance and Insurance (Division K, excluding ANZSIC class 6330, Superannuation Funds)

Rental, Hiring and Real Estate Services (Division L)

Professional, Scientific and Technical Services (Division M)

Other selected services:

Accommodation and Food Services (Division H)

Administrative and Support Services (Division N)

Arts and Recreation Services (Division R)

Other Services (Division S)

**3** From June quarter 2018 the survey also includes the following industries which are presented as experimental estimates in the Appendix section of this publication:

Education and Training (Division P)

Health Care and Social Assistance (Division Q)

**4** The survey excludes the following industries:

Agriculture, Forestry and Fishing (Division A)

Public Administration and Safety (Division O)

Superannuation Funds (Class 6330)

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

**6** The Survey of New Capital Expenditure, like most ABS economic collections, takes its frame from Employing and Non-Employing Units on the ABS Business Register which is primarily based on ABN registrations to the Australian Business Register, which is managed by the Australian Taxation Office (ATO). The frame is updated quarterly to take account of new businesses and changes in the characteristics of businesses, such as industry and size.

**7** Businesses which have ceased employing are identified when the Australian Taxation Office (ATO) cancels their Australian Business Number (ABN) registration. In addition, businesses which do not remit for Goods and Services Tax and/or Income Tax Withholding purposes for the previous five quarters, are removed from the frame.

**8** As noted, the Survey frame includes Employing and Non-Employing Units on the ABS Business Register. However, micro non-employing businesses are excluded. These are very small units on the ABS Business Register, by standard measures of size. While there are a substantial number of these businesses, it is expected that they would not

## EXPLANATORY NOTES *continued*

### SCOPE OF THE SURVEY

*continued*

contribute significantly to the estimates, although the impact would vary from industry to industry.

### STATISTICAL UNIT

**9** 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.

**10** 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) 2008 (cat. no. 1218.0).

### SURVEY METHODOLOGY

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

**12** 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

**13** 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. December quarter survey returns are completed during January and February).

**14** Businesses are requested to provide 3 basic figures each survey:

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

## EXPLANATORY NOTES *continued*

### Period to which reported data relates

<u>Survey Quarter</u>	2016-17				2017-18				2018-19			
	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun
December 2016	Act	Act	E1		E2							
March 2017	Act	Act	Act	E1	E2							
June 2017	Act	Act	Act	Act	E1		E2					
September 2017					Act	E1	E2					
December 2017					Act	Act	E1		E2			
March 2018					Act	Act	Act	E1	E2			
June 2018					Act	Act	Act	Act	E1		E2	

#### TIMING AND CONSTRUCTION OF SURVEY CYCLE *continued*

**15** 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 previous table shows for 2017-18:

- the first estimate was available from the December 2016 survey as a longer term expectation (E2)
- the second estimate was available from the March 2017 survey (again as a longer term expectation)
- the third estimate was available from the June 2017 survey as the sum of two expectations (E1 + E2)
- in the September 2017, December 2017 and March 2018 surveys the fourth, fifth and sixth estimates, respectively, are derived from 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 2018 survey is derived from the sum of the actual expenditure for each of the four quarters in the 2017-18 financial year.

**16** 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 for 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. Expectations data for businesses operating within a single state/territory are allocated to that state/territory. Expectations for businesses which report no actual expenditure for the December quarter are split equally among the states in which the businesses are known to operate.

**17** These expectations data by state/territory are not included in this publication but are released on the ABS Website.

#### SAMPLE REVISION

**18** 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.

**19** 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.

## EXPLANATORY NOTES *continued*

### SAMPLE REVISION *continued*

**20** 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 2018 they represented about 0.8% of the total estimate of actual new capital expenditure.

### CLASSIFICATION BY INDUSTRY

**21** 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), 2006* (cat. no. 1292.0).

**22** 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

**23** 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 2015-16). The current price values may be thought to be 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 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.

**24** 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. With the release of the September quarter 2017 issue of this publication, the chain volume measures currently have 2015-16 as their base year rather than 2014-15.

**25** 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.

**26** 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 the states 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

**27** 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 7 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).

## EXPLANATORY NOTES *continued*

### DERIVATION AND USEFULNESS OF REALISATION RATIO *continued*

**28** 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 2018–19 based on the June 2018 survey results and compare this with 2017-18 expenditure, it is necessary to apply the relevant realisation factors to the expectations to put both estimates on the same basis.

**29** 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.

**30** 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.

### RELIABILITY OF THE ESTIMATES

**31** 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 included in the appendix of this publication.

**32** 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 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 March quarter 2009.

**33** 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.

**34** Estimates for the latest quarter presented in this publication are considered preliminary and revised estimates will be released with the next issue. As discussed in Paragraphs 38 to 42 below, seasonally adjusted and trend estimates are also subject to revision as data are revised and more data become available.

**35** 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.

## EXPLANATORY NOTES *continued*

### RELIABILITY OF THE ESTIMATES *continued*

**36** The Australian equivalents to International Financial Reporting Standards (AIFRS) were progressively implemented in Australia from 1 January 2005. As a result, a number of items in the financial accounts of Australian businesses were affected by changed definitions which 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.

**37** After monitoring data items in the immediate years following March quarter 2005 it was concluded that most affected published data series were impacted by data breaks but that the magnitude of such breaks could not be determined without imposing disproportionate load upon data providers to ABS surveys and other administratively collected data.

### SEASONAL ADJUSTMENT

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

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

**40** The revision properties of the seasonally adjusted and trend estimates can be improved by the use of Autoregressive Integrated Moving Average (ARIMA) modelling. The Survey of Private New Capital Expenditure uses ARIMA modelling where appropriate for individual time series. 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. For more information on the details of ARIMA modelling see Feature article: Use of ARIMA modelling to reduce revisions in the October 2004 issue of *Australian Economic Indicators* (cat. no. 1350.0).

### TREND ESTIMATES

**41** 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.

**42** 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).

### DESCRIPTION OF TERMS

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

## EXPLANATORY NOTES *continued*

### DESCRIPTION OF TERMS *continued*

**44** *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.

**45** 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

**46** 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 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 buildings 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.

**47** 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).

**48** 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



## EXPLANATORY NOTES *continued*

### COMPARISON WITH NATIONAL ACCOUNTS AND OTHER ABS STATISTICS *continued*

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

**49** Users may also wish to refer the following publications:

- *Information Paper: Changes to Private New Capital Expenditure and Expected Expenditure statistics, September 2009* (cat. no. 5625.0.55.001)
- *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)
- *Construction Work Done, Australia* (cat no 8755.0)
- *Engineering Construction Activity, Australia* (cat. no. 8762.0)
- *Information Paper: Australian National Accounts, Introduction of Chain Volume and Price Indexes* (cat. no. 5248.0)

**50** Current publications and other products released by the ABS are available from the Statistics View. 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

**51** 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 subdivision (2 digit) level.

### ABS WEBSITE

**52** 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.

### ACKNOWLEDGMENT

**53** 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*.

**54** The results of these statistics are based, in part, on ABR data supplied by the Registrar to the ABS under A New Tax System (Australian Business Number) Act 1999 which requires that such data is only used for the purpose of carrying out functions of the ABS. No individual information collected under the Census and Statistics Act 1905 is provided back to the Registrar for administrative or regulatory purposes. Any discussion of data limitations or weaknesses is in the context of using the data for statistical purposes, and is not related to the ability of the data to support the ABR's core operational requirements. Legislative requirements to ensure privacy and secrecy of this data have been followed. Only people authorised under the Australian Bureau of Statistics Act 1975 have been allowed to view data about any particular firm in conducting this survey. In accordance with the Census and Statistics Act 1905, results have been confidentialised to ensure that they are not likely to enable identification of a particular person or organisation.

## 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

The following example illustrates how to use the standard error to interpret a level estimate.

Let us say that the published level estimate for total capital expenditure is \$31,511m and the calculated standard error in this case is \$521m. The standard error is then used to interpret the level estimate of \$31,511m.

For instance, the standard error of \$521m indicates that:

- There are approximately two chances in three that the real value falls within the range \$30,990m to \$32,032m ( $\$31,511\text{m} \pm \$521\text{m}$ )
- There are approximately 19 chances in 20 that the real value falls within the range \$30,469m to \$32,553m ( $\$31,511\text{m} \pm \$1,042\text{m}$ )

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 June quarter 2018 estimates.

	<i>Buildings and Structures</i>	<i>Equipment, Plant and Machinery</i>	<i>Total</i>
	\$m	\$m	\$m
Mining	63	41	84
Manufacturing	61	107	133
Electricity, Gas, Water and Waste Services	35	45	61
Construction	22	196	201
Wholesale Trade	18	94	97
Retail Trade	121	80	131
Transport, Postal and Warehousing	36	166	170
Information Media and Telecommunications	—	34	34
Financial and Insurance Services	60	59	92
Rental, Hiring and Real Estate Services	164	115	198
Professional, Scientific and Technical Services	21	79	82
Other Selected Services	131	156	204
<b>Total</b>	<b>272</b>	<b>406</b>	<b>521</b>
New South Wales	193	182	276
Victoria	103	188	223
Queensland	117	221	249
South Australia	69	107	132
Western Australia	75	124	158
Tasmania	11	65	67
Northern Territory	15	11	19
Australian Capital Territory	4	22	22
<b>Australia</b>	<b>272</b>	<b>406</b>	<b>521</b>

— nil or rounded to zero (including null cells)

## 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 \$26,276m and the next quarter the published level estimate is \$31,511m.

In this example, the calculated standard error for the movement estimate is \$462m. The standard error is then used to interpret the published movement estimate of \$5,235m.

For instance, the standard error of \$462m indicates that:

- There are approximately two chances in three that the real movement over the two-quarter period falls within the range \$4,773m to \$5,697m ( $\$5,235m \pm \$462m$ )
- There are approximately 19 chances in 20 that the real movement falls within the range \$4,311m to \$6,159m ( $\$5,235m \pm \$924m$ )

The following table shows the standard errors for June quarter 2018 movement estimates.

	<i>Buildings and Structures</i>	<i>Equipment, Plant and Machinery</i>	<i>Total</i>
	\$m	\$m	\$m
Mining	35	26	44
Manufacturing	49	125	135
Electricity, Gas, Water and Waste Services	36	38	55
Construction	26	220	224
Wholesale Trade	18	75	82
Retail Trade	120	81	141
Transport, Postal and Warehousing	72	175	193
Information Media and Telecommunications	3	39	39
Financial and Insurance Services	36	63	76
Rental, Hiring and Real Estate Services	154	122	204
Professional, Scientific and Technical Services	15	86	86
Other Selected Services	132	157	206
<b>Total</b>	<b>262</b>	<b>382</b>	<b>462</b>
New South Wales	195	221	278
Victoria	126	219	253
Queensland	85	193	218
South Australia	62	107	124
Western Australia	96	96	139
Tasmania	8	67	68
Northern Territory	7	13	15
Australian Capital Territory	5	29	30
<b>Australia</b>	<b>262</b>	<b>382</b>	<b>462</b>

## APPENDIX 2 EXPERIMENTAL ESTIMATES OF EDUCATION AND HEALTH

### INTRODUCTION

**1** This Appendix contains quarterly estimates for actual new capital expenditure by private businesses for Education and Training (ANZSIC Division P) and Health Care and Social Assistance (ANZSIC Division Q) in Australia from September quarter 2017 onwards.

**2** This new series will be ongoing and will be presented in current price original data until there are sufficient observations to produce seasonally adjusted and trend estimates.

**3** The estimates in this appendix are considered experimental. They are subject to evaluation and should therefore be used with caution. They are not included in any totals in the main outputs nor are they used in the current compilation of the Australian National Accounts.

### KEY STATISTICS

ACTUAL EXPENDITURE, Australia, by selected industries and type of asset—Current prices

	EDUCATION AND TRAINING			HEALTH CARE AND SOCIAL ASSISTANCE		
	<i>Buildings and Structures</i>	<i>Equipment, Plant and Machinery</i>	<i>Total</i>	<i>Buildings and Structures</i>	<i>Equipment, Plant and Machinery</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL						
<b>2017–18</b>						
September	461	^ 140	601	965	500	1 465
December	594	^ 212	806	1 151	^ 639	1 791
March	546	218	764	904	529	1 433
June	597	^ 218	815	1 122	877	1 999

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

### FURTHER INFORMATION

**4** Experimental estimates of actual expenditure by state and territory are not included in this publication but are available in Table 13a from the Downloads tab of this issue on the ABS website.

**5** Experimental estimates of expected capital expenditure, including financial year estimates comprised of both actual and expected expenditure, will be available at a later date.







## FOR MORE INFORMATION . . .

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