

**PRIVATE NEW CAPITAL EXPENDITURE
AND EXPECTED EXPENDITURE to June 1995 AUSTRALIA**

EMBARGOED UNTIL 11:30AM TUES 29 NOVEMBER 1994

SEP QTR SURVEY KEY FIGURES*

TREND ESTIMATES

	Sep 93 \$m	Jun 94 \$m	Sep 94 \$m	quarterly % change	annual % change
Total new capital expenditure	6 121	7 286	7 641	4.9	24.8
Building and structures	1 850	2 126	2 083	-2.0	12.6
Equipment, plant and machinery	4 271	5 160	5 558	7.7	30.1

SEASONALLY ADJUSTED

	Sep 93 \$m	Jun 94 \$m	Sep 94 \$m	quarterly % change	annual % change
Total new capital expenditure	6 122	7 625	7 559	-0.9	23.4
Building and structures	1 750	2 229	1 977	-11.3	13.0
Equipment, plant and machinery	4 373	5 397	5 582	3.4	27.6

* At average 1989-90 prices.

SEP QTR SURVEY KEY POINTS

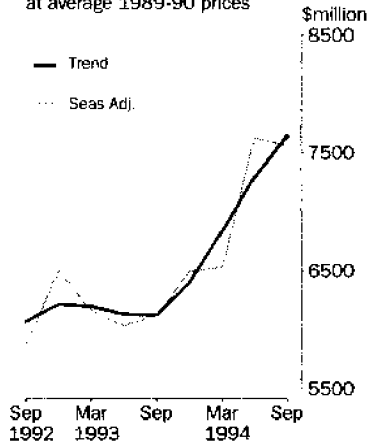
ACTUAL EXPENDITURE

- The trend estimate of total expenditure (in constant price terms) has been rising steadily since September 1993. The increase in the provisional trend of 4.9% follows increases in December quarter 1993 of 4.4% and in March and June 1994 of 6.9% and 6.7% respectively.
- Expenditure on equipment, plant and machinery has shown strong growth in recent quarters.

EXPECTED EXPENDITURE

- The latest estimate of expenditure for 1994-95 is \$33,141m, a rise of 3.3% compared to the estimate from the June 1994 survey for the same period.
- If the 5 year average realisation ratio was applied to this estimate the possible outcome would be a rise of 14.9% over expenditure in 1993-94.
- If the realisation ratio for the last completed year was applied, the possible outcome in 1994-95 would be an increase of 24.1% over 1993-94.

New Capital Expenditure
at average 1989-90 prices



INQUIRIES

- For further information about these and related statistics, contact Bruce Jamieson on 06 252 5611, or any ABS Office.

CAPITAL EXPENDITURE NOTES

FORTHCOMING ISSUES

<i>ISSUE (Quarter)</i>	<i>RELEASE DATE</i>
December 1994	23 February 1995
March 1995	25 May 1995
June 1995	24 August 1995

CHANGES IN THIS ISSUE

This issue of ABS Catalogue 5625.0 contains a number of changes. The format has been updated in line with changes to ABS major economic indicator publications. It contains a number of new features. From the June quarter 1994 data in the survey are classified to the Australian and New Zealand Standard Industrial Classification (ANZSIC) rather than the Australian Standard Industrial Classification (ASIC); more detailed industry preliminary data and constant price data at broad industry level are available. Trend series have been included for the first time at a fine industry level. Historical data classified by ANZSIC is available from 1987-88.

The data for each quarter from June 1993 have been revised upwards in the light of evidence that the new business factors applying in the survey for 1993-94 have not adequately represented the increasing business population over that period. For more information please contact Bruce Jamieson on (06) 252 5611.

SAMPLING ERRORS

Relative standard errors for estimates for September quarter 1994 contained in this publication are:

	<i>RELATIVE STANDARD ERROR</i>
Total Capital Expenditure:	
Mining	4.2%
Manufacturing	2.6%
Other Selected Industries	6.0%
Buildings & Structures	4.1%
Plant Machinery & Equipment	3.5%
Total Selected Industries	3.1%

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 the section on Revisions to Trend Estimates.

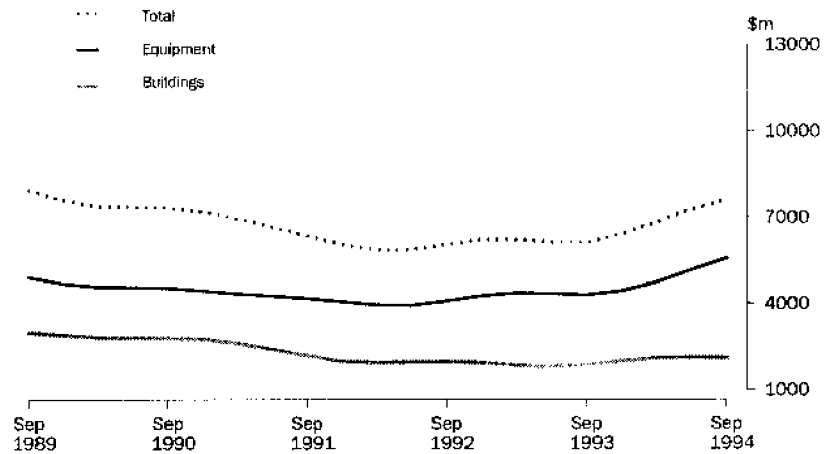
RICHARD MADDEN
ACTING AUSTRALIAN STATISTICIAN

ACTUAL NEW CAPITAL EXPENDITURE:Trend

QUARTERLY TREND ESTIMATES AT CONSTANT PRICES

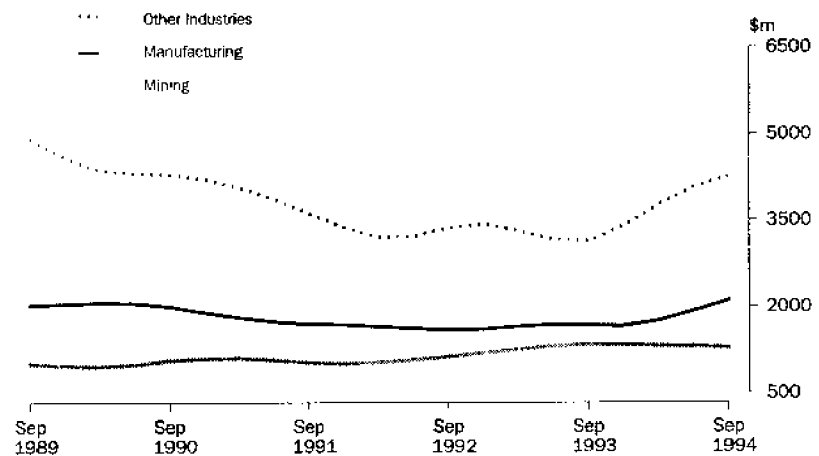
BY ASSET

This graph contains data showing New Capital Expenditure by type of asset in trend estimates at average 1989-90 prices.



BY INDUSTRY

This graph contains data showing New Capital Expenditure by broad industry group at trended average 1989-90 prices.

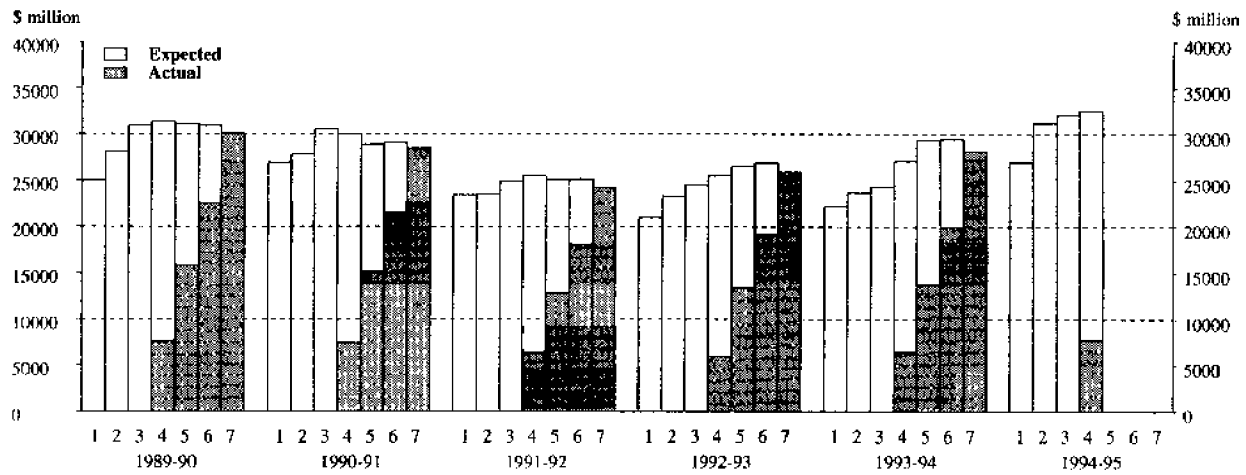


ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE

FINANCIAL YEARS AT CURRENT PRICES

EXPENDITURE

The graph below shows the 7 estimates collected for each financial year.



EXPLANATION OF TIMING OF ESTIMATES used in construction of graph above

COMPOSITION OF ESTIMATE.....

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

ACTUAL AND EXPECTED EXPENDITURE, By Selected Industries & Type of Asset—Current prices

Period	BUILDING AND STRUCTURES.....				EQUIPMENT, PLANT AND MACHINERY.....				TOTAL CAPITAL EXPENDITURE.....			
	Manu- facturing	Mining	Other selected indus- tries	Total	Manu- facturing	Mining	Other selected indus- tries	Total	Manu- facturing	Mining	Other selected indus- tries	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)												
1992-93	1 029	2 828	3 904	7 761	6 168	2 326	9 954	18 448	7 200	5 153	13 858	26 211
1993-94	933	3 193	4 055	8 182	6 938	2 484	11 265	20 686	7 871	5 677	14 301	28 849
1992-93												
June	272	807	767	1 846	1 769	644	2 375	4 787	2 041	1 451	3 142	6 634
1993-94												
September	238	760	857	1 855	1 571	589	2 599	4 758	1 809	1 349	2 456	6 613
December	238	1 004	1 091	2 332	1 831	634	2 885	5 351	2 070	1 638	3 964	7 672
March	183	686	990	1 859	1 462	539	2 488	4 489	1 645	1 225	3 470	6 340
June	274	743	1 119	2 135	2 074	722	3 293	6 089	2 348	1 465	4 412	8 224
1994-95												
September	236	596	1 161	1 993	1 984	754	3 154	5 892	2 220	1 350	4 315	7 885
ORIGINAL (Expected) ¹												
1994-95												
3 mths to Dec	333	909	1 345	2 586	2 604	1 413	3 703	7 719	2 936	2 321	5 048	10 306
6 mths to Jun	434	1 711	2 322	4 466	4 122	1 809	4 553	10 484	4 556	3 520	6 875	14 950
Total 1994-95	1 002	3 216	4 828	9 046	8 710	3 975	11 410	24 095	9 712	7 191	16 238	33 141
SEASONALLY ADJUSTED (Actual)												
1992-93	1 032	2 833	3 864	7 729	6 156	2 328	9 960	18 443	7 188	5 161	13 824	26 173
1993-94	965	3 177	4 072	8 213	6 914	2 485	11 260	20 659	7 879	5 662	15 332	28 872
1992-93												
June	256	808	854	1 918	1 633	622	2 349	4 604	1 889	1 430	3 203	6 522
1993-94												
September	346	759	820	1 925	1 686	613	2 566	4 865	2 031	1 372	3 386	6 789
December	124	918	906	1 947	1 682	569	2 728	4 979	1 806	1 487	3 634	6 927
March	225	758	1 098	2 082	1 631	606	2 706	4 942	1 856	1 364	3 804	7 024
June	270	743	1 247	2 260	1 915	697	3 260	5 873	2 185	1 439	4 507	8 132
1994-95												
September	255	597	1 115	1 967	2 129	785	3 115	6 029	2 384	1 381	4 230	7 995
TREND ESTIMATES (Actual)												
1992-93	1 067	2 816	3 813	7 696	6 155	2 317	10 098	18 570	7 222	5 134	13 910	26 266
1993-94	925	3 174	4 020	8 118	6 940	2 503	11 103	20 546	7 865	5 676	15 123	28 664
1992-93												
June	287	777	813	1 878	1 623	618	2 566	4 808	1 910	1 395	3 379	6 684
1993-94												
September	252	824	833	1 910	1 653	601	2 509	4 763	1 905	1 425	3 342	6 673
December	218	838	948	2 003	1 662	588	2 661	4 911	1 880	1 426	3 609	6 915
March	215	795	1 074	2 084	1 737	623	2 876	5 236	1 952	1 418	3 951	7 320
June	240	716	1 165	2 121	1 889	691	3 056	5 636	2 128	1 407	4 221	7 757
1994-95												
September	273	622	1 201	2 096	2 057	766	3 191	6 014	2 329	1 389	4 392	8 110

¹ Not directly comparable with estimates of actual expenditure due to likely over/under realisation—see paragraphs 19 to 22 of the Explanatory Notes.

ACTUAL AND EXPECTED CAPITAL EXPENDITURE, Detailed Industries—Current prices

Period	MANUFACTURING.....										
	Total mining	Food, beverage and tobacco	Textiles, clothing, footwear and leather	Wood and paper products	Printing, publishing and recorded media	Petroleum, coal, chemical and assoc. products	Non-metallic mineral product	Metal product	Machinery and equipment	Other manufacturing	Total manufacturing
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)											
1992-93	5 153	1 438	271	476	599	1 146	575	1 440	1 171	85	7 200
1993-94	5 677	2 022	239	592	570	1 202	587	1 162	1 310	188	7 871
1992-93											
June	1 451	414	54	137	237	305	195	336	340	23	2 041
1993-94											
September	1 349	491	65	143	139	269	171	264	328	34	1 809
December	1 638	423	61	147	113	309	162	336	397	29	2 070
March	1 225	489	51	121	88	277	116	216	241	46	1 645
June	1 465	620	62	181	229	347	138	345	345	80	2 348
1994-95											
September	1 350	562	79	141	239	444	162	253	288	53	2 220
ORIGINAL (Expected) ¹											
1994-95											
3 mths to Dec	2 321	731	77	195	307	493	270	371	446	46	2 936
6 mths to Jun	3 520	1 042	101	419	337	792	415	756	637	57	4 556
Total 1994-95	7 191	2 334	257	755	883	1 729	847	1 380	1 371	156	9 712
SEASONALLY ADJUSTED (Actual)											
1992-93	5 161	1 435	269	480	577	1 139	570	1 456	1 177	81	7 188
1993-94	5 662	2 038	243	593	564	1 204	591	1 154	1 302	189	7 879
1992-93											
June	1 430	385	56	140	194	290	180	287	334	22	1 889
1993-94											
September	1 372	523	76	140	171	276	184	292	335	34	2 031
December	1 487	380	52	138	107	279	160	313	350	27	1 806
March	1 364	560	50	129	97	320	119	253	277	51	1 856
June	1 439	576	65	186	190	329	128	295	340	77	2 185
1994-95											
September	1 381	598	91	137	299	458	175	279	293	54	2 384
TREND ESTIMATES (Actual)											
1992-93	5 134	1 468	278	477	571	1 110	577	1 484	1 167	90	7 222
1993-94	5 676	2 000	243	579	592	1 236	604	1 142	1 291	178	7 865
1992-93											
June	1 395	408	75	143	174	273	169	313	331	25	1 910
1993-94											
September	1 425	440	64	139	152	277	175	293	338	27	1 905
December	1 426	475	54	139	120	285	155	286	328	38	1 880
March	1 418	517	57	147	130	312	136	283	316	52	1 952
June	1 407	567	67	155	190	362	138	280	309	62	2 128
1994-95											
September	1 389	623	79	156	250	416	152	280	306	64	2 329

¹ Not directly comparable with estimates of actual expenditure due to likely over/under realisation
—see paragraphs 19 to 22 of the Explanatory Notes.

ACTUAL AND EXPECTED CAPITAL EXPENDITURE, Detailed Industries—Current prices *continued*

OTHER SELECTED INDUSTRIES.....									TOTAL
Period	Construction	Wholesale trade	Retail trade	Transport and storage	Finance and insurance	Property and business services	Other services etc.	Total other selected industries	Total new capital expenditure
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL (Actual)									
1992-93	1 104	2 409	1 749	1 273	2 004	2 679	2 640	13 858	26 211
1993-94	1 501	2 617	1 995	1 766	2 114	2 908	2 399	14 301	28 849
1992-93									
June	238	563	374	299	484	556	627	3 142	6 634
1993-94									
September	326	628	508	391	466	607	530	2 456	6 613
December	340	812	570	415	531	772	525	3 964	7 672
March	348	565	352	466	503	660	576	3 470	6 340
June	488	612	565	495	615	868	769	4 412	8 224
1994-95									
September	476	645	415	594	566	873	745	4 315	7 885
ORIGINAL (Expected) ¹									
1994-95									
3 mths to Dec	278	794	557	940	613	641	1 224	5 048	10 306
6 mths to Jun	363	1 160	784	903	952	1 204	1 509	6 875	14 950
Total 1994-95	1 117	2 599	1 756	2 437	2 132	2 718	3 478	16 238	33 141
SEASONALLY ADJUSTED (Actual)									
1992-93	1 107	2 398	1 726	1 292	2 004	2 678	2 620	13 824	26 173
1993-94	1 507	2 618	1 987	1 782	2 136	2 903	2 398	15 932	28 872
1992-93									
June	240	592	379	324	508	548	612	3 203	6 522
1993-94									
September	316	620	483	356	438	640	533	3 386	6 789
December	344	679	492	420	479	718	501	3 634	6 927
March	350	670	438	468	576	685	616	3 804	7 024
June	497	648	573	539	643	860	748	4 507	8 132
1994-95									
September	456	636	396	543	530	921	750	4 230	7 995
TREND ESTIMATES (Actual)									
1992-93	1 118	2 368	1 800	1 352	1 930	2 699	2 643	13 910	26 266
1993-94	1 466	2 609	1 898	1 772	2 124	2 872	2 383	15 123	28 664
1992-93									
June	274	586	425	394	456	631	613	3 379	6 684
1993-94									
September	293	625	438	374	468	624	519	3 342	6 673
December	338	663	483	404	505	672	544	3 609	6 915
March	394	666	495	473	559	749	616	3 951	7 320
June	442	654	482	520	591	827	704	4 221	7 757
1994-95									
September	473	638	462	550	584	907	776	4 392	8 110

¹ Not directly comparable with estimates of actual expenditure due to likely over/under realisation
—see paragraphs 19 to 22 of the Explanatory Notes.

ACTUAL EXPENDITURE, By Selected Industry & Type of Asset—Constant prices¹

Period	ASSET.....			INDUSTRY.....			
	Buildings and structures	Equipment, plant and machinery	Total	Manufacturing	Mining	Other selected industries	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL							
1992-93	7 876	16 920	24 796	6 513	4 894	13 389	24 796
1993-94	8 216	18 710	26 926	6 979	5 298	14 648	26 926
1992-93							
June	1 886	4 325	6 211	1 817	1 371	3 023	6 211
September	1 873	4 283	6 156	1 600	1 262	3 294	6 156
December	2 340	4 802	7 142	1 823	1 537	3 783	7 142
March	1 861	4 036	5 897	1 452	1 141	3 304	5 897
June	2 142	5 589	7 731	2 105	1 359	4 267	7 731
1994-95							
September	2 009	5 464	7 473	2 014	1 247	4 212	7 473
SEASONALLY ADJUSTED							
1992-93	7 664	16 910	24 574	6 503	4 901	13 170	24 574
1993-94	8 087	18 683	26 770	6 967	5 284	14 520	26 770
1992-93							
June	1 869	4 164	6 033	1 681	1 354	2 998	6 033
September	1 750	4 373	6 122	1 703	1 281	3 138	6 122
December	2 020	4 472	6 493	1 666	1 396	3 431	6 493
March	2 089	4 442	6 531	1 639	1 269	3 623	6 531
June	2 229	5 397	7 625	1 959	1 338	4 329	7 625
1994-95							
September	1 977	5 582	7 559	2 161	1 274	4 124	7 559
TREND ESTIMATES							
1992-93	7 594	17 024	24 618	6 508	4 874	13 236	24 618
1993-94	8 045	18 583	26 628	6 990	5 300	14 338	26 628
1992-93							
June	1 810	4 322	6 132	1 673	1 312	3 146	6 132
September	1 850	4 271	6 121	1 666	1 338	3 117	6 121
December	1 978	4 413	6 391	1 661	1 334	3 396	6 391
March	2 091	4 739	6 830	1 747	1 322	3 762	6 830
June	2 126	5 160	7 286	1 916	1 306	4 064	7 286
1994-95							
September	2 083	5 558	7 641	2 096	1 282	4 262	7 641

¹ At average 1989-90 prices

ACTUAL AND EXPECTED CAPITAL EXPENDITURE, 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 (\$ million)							
1990–91	10 978	11 185	11 773	11 803	11 417	11 517	10 914
1991–92	8 808	8 592	9 010	9 126	8 874	8 310	8 126
1992–93	6 774	7 247	7 504	7 910	8 575	8 105	7 761
1993–94	7 415	7 727	7 538	8 070	8 684	8 613	8 182
1994–95	7 724	8 700	9 570	9 046	n.y.a.	n.y.a.	n.y.a.

BUILDINGS (Ratio of actual expenditure to each progressive estimate for same financial year)							
1991–92	0.92	0.95	0.90	0.89	0.92	0.98	1.00
1992–93	1.15	1.07	1.03	0.98	0.91	0.96	1.00
1993–94	1.10	1.06	1.09	1.01	0.94	0.95	1.00
5 year average	1.03	0.98	0.96	0.94	0.93	0.96	1.00

EQUIPMENT (\$ million)							
1990–91	16 318	16 752	18 740	18 353	17 807	17 761	17 927
1991–92	15 248	14 718	15 918	16 543	17 041	17 239	16 709
1992–93	15 065	16 101	16 810	17 535	18 304	18 982	18 448
1993–94	15 172	15 926	16 798	18 522	20 271	20 825	20 686
1994–95	17 425	19 781	22 523	24 095	n.y.a.	n.y.a.	n.y.a.

EQUIPMENT (Ratio of actual expenditure to each progressive estimate for same financial year)							
1991–92	1.10	1.14	1.05	1.01	0.98	0.97	1.00
1992–93	1.22	1.15	1.10	1.05	1.01	0.97	1.00
1993–94	1.36	1.30	1.23	1.12	1.02	0.99	1.00
5 year average	1.22	1.16	1.08	1.12	1.00	0.99	1.00

TOTAL (\$ million)							
1990–91	27 265	27 937	30 010	29 922	29 190	29 147	28 806
1991–92	24 063	23 310	24 675	25 561	25 915	25 593	24 835
1992–93	21 839	23 348	24 729	25 834	26 882	27 164	26 211
1993–94	22 587	23 653	24 336	26 593	28 943	29 420	28 849
1994–95	25 149	28 466	32 093	33 141	n.y.a.	n.y.a.	n.y.a.

TOTAL (Ratio of actual expenditure to each progressive estimate for same financial year)							
1991–92	1.03	1.07	1.01	0.97	0.96	0.97	1.00
1992–93	1.20	1.12	1.06	1.01	0.98	0.96	1.00
1993–94	1.28	1.22	1.19	1.08	1.00	0.98	1.00
5 year average	1.15	1.09	1.04	1.00	0.98	0.98	1.00

TOTAL (Percentage change over previous estimate for same financial year)							
1990–91	na	2.5	7.4	-0.3	-2.4	-0.2	-1.2
1991–92	na	-3.1	5.9	3.6	1.4	-1.2	-3.0
1992–93	na	6.9	5.9	4.5	4.1	1.1	-3.5
1993–94	na	4.7	2.9	9.3	8.8	1.6	-1.9
1994–95	na	13.2	12.7	3.3	n.y.a.	n.y.a.	n.y.a.

TOTAL (Percentage change over corresponding estimate for previous financial year)							
1991–92	-11.7	-16.6	-17.8	-14.6	-11.2	-12.2	-13.8
1992–93	-9.2	0.2	0.2	1.1	3.7	6.1	5.5
1993–94	3.4	1.3	-1.6	2.9	7.7	8.3	10.1

ACTUAL AND EXPECTED CAPITAL EXPENDITURE, By Selected Industries—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)
MANUFACTURING (\$ million)							
1990-91	7 356	7 654	8 724	8 152	7 957	7 786	7 536
1991-92	8 063	7 673	7 534	7 531	7 596	7 351	6 943
1992-93	7 329	7 559	7 707	7 652	7 614	7 567	7 200
1993-94	6 381	6 754	7 404	7 897	8 084	8 090	7 871
1994-95	7 098	8 330	9 204	9 712	n.y.a.	n.y.a.	n.y.a.

MANUFACTURING (Ratio of actual expenditure to each progressive estimate for same financial year)							
1991-92	0.86	0.90	0.92	0.92	0.91	0.94	1.00
1992-93	0.98	0.95	0.93	0.94	0.95	0.95	1.00
1993-94	1.23	1.17	1.06	1.00	0.97	0.97	1.00
5 year average	1.04	1.02	0.96	0.96	0.95	0.96	1.00

MINING (\$ million)							
1990-91	4 332	4 477	5 021	4 724	4 802	4 624	4 440
1991-92	4 447	4 413	4 529	4 809	4 701	4 368	4 205
1992-93	4 591	4 603	5 412	5 404	5 725	5 506	5 153
1993-94	6 470	6 583	6 528	6 322	5 957	6 109	5 677
1994-95	5 412	5 823	7 202	7 191	n.y.a.	n.y.a.	n.y.a.

MINING (Ratio of actual expenditure to each progressive estimate for same financial year)							
1991-92	0.95	0.95	0.93	0.87	0.89	0.96	1.00
1992-93	1.12	1.12	0.95	0.95	0.90	0.94	1.00
1993-94	0.88	0.86	0.87	0.90	0.95	0.93	1.00
5 year average	1.04	0.96	0.91	0.91	0.92	0.95	1.00

OTHER SELECTED INDUSTRIES (\$ million)							
1990-91	15 577	15 806	10 661	13 100	16 432	14 923	16 831
1991-92	11 553	11 224	8 143	9 880	13 618	12 641	13 687
1992-93	9 919	11 187	7 363	9 471	13 543	12 758	13 858
1993-94	9 736	10 316	10 404	11 375	13 902	14 222	14 301
1994-95	12 639	14 313	15 687	16 238	n.y.a.	n.y.a.	n.y.a.

OTHER SELECTED INDUSTRIES (Ratio of actual expenditure to each progressive estimate for same financial year)							
1991-92	1.18	1.22	1.68	1.39	1.01	1.08	1.00
1992-93	1.40	1.24	1.88	1.46	1.02	1.09	1.00
1993-94	1.47	1.39	1.37	1.26	1.03	1.01	1.00
5 year average	1.37	1.19	1.64	1.34	1.01	1.09	1.00

RATIO OF ACTUAL TO SHORT TERM EXPECTATION FOR SAME PERIOD—Current prices

Financial year	3 MONTHS ENDING.....		6 MONTHS ENDING.....	
	31 December (collected in September Survey)	30 June (collected in March Survey)	31 December (collected in June Survey)	30 June (collected in December Survey)
BUILDINGS				
1991-92	0.80	0.90	1.10	0.80
1992-93	0.80	0.80	1.10	0.80
1993-94	0.80	0.80	n.y.a.	0.90
5 year average	0.80	0.80	1.10	0.90
EQUIPMENT				
1991-92	0.80	0.90	1.00	1.00
1992-93	0.90	0.90	1.10	1.00
1993-94	0.80	1.00	n.y.a.	1.00
5 year average	0.80	1.00	1.00	1.00
MANUFACTURING				
1991-92	1.20	0.80	0.90	0.80
1992-93	1.30	0.80	1.00	0.90
1993-94	1.20	0.90	n.y.a.	0.90
5 year average	1.50	0.90	1.00	0.90
MINING				
1991-92	0.70	0.90	0.90	0.80
1992-93	0.80	0.80	0.90	0.80
1993-94	0.60	0.80	n.y.a.	0.90
5 year average	0.70	0.80	0.90	0.80
OTHER SELECTED INDUSTRIES				
1991-92	1.20	1.50	1.80	1.00
1992-93	1.30	1.50	1.20	1.10
1993-94	1.20	1.00	n.y.a.	1.10
5 year average	1.20	1.60	1.30	1.00
TOTAL				
1991-92	0.80	0.90	1.00	0.90
1992-93	0.90	0.90	1.10	0.90
1993-94	0.80	0.90	n.y.a.	1.00
5 year average	0.80	0.90	1.10	1.00

EXPLANATORY NOTES

INTRODUCTION

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

SCOPE OF THE SURVEY

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

3 The scope of the survey:

▪ includes the following industries

Manufacturing (21-29)

food, beverages and tobacco (21)

textiles, clothing, footwear and leather (22)

wood and paper products (23)

printing, publishing and recorded media (24)

petroleum, coal, chemical and associated products (25)

non-metallic mineral products (26)

metal products (27)

machinery and equipment (28)

other manufacturing (29)

Mining (11-15)

Other Selected Industries

Construction (41,42)

Wholesale (45-47)

Retail (51-53)

Transport & storage (61-67)

Finance (73-75)

Property & Business Services (77-78)

Other non-manufacturing (including electricity & gas communication; accommodation, cafes & restaurants; cultural & recreational services; and other services (36,37,57,71,91-93,95,96)

▪ excludes the following industries

Agriculture, Forestry and Fishing

Government Administration & Defence

Education

Health and Community Services

SURVEY METHODOLOGY

4 This quarterly survey is based on a stratified random sample of private business units recorded on the ABS central register of economic units. The sample consists of approximately 8000 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.

TIMING AND CONSTRUCTION OF SURVEY CYCLE

5 Surveys are conducted in respect of each quarter and returns are completed in the 8 or 9 week period after the end of the quarter to which the survey data relate (e.g. March quarter survey returns are completed during April and May). Full details of the reporting cycle are shown in the table below.

Survey quarter	Period to which reported data relates											
	1993-94				1994-95				1995-96			
	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	
December 1993	Act	E1	E2									
March 1994	Actual		E1	E2								
June 1994	Actual			E1	E2							
September 1994				Act	E1	E2						
December 1994				Actual		E1	E2					
March 1995				Actual		E1	E2					
June 1995				Actual			E1	E2				

6 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)

7 This survey cycle facilitates the formation of estimates of expenditure for financial years (12 months ending 30 June). For instance, as the above table shows, the first estimate for 1994-95 was available from the December 1993 survey as a longer term expectation (E2). It was subsequently revised in the March 1994 survey (again as a longer term expectation) and in the June 1994 survey as the sum of two expectations (E1 + E2). In the September and subsequent surveys the estimate is updated, being derived as the sum of actual expenditure (for that part of the year completed) and expected expenditure for the remainder of the year. Finally, the seventh estimate from the June quarter 1994 survey, will be derived by summing the actual expenditure for each of the four quarters.

SAMPLE REVISION

8 Each year the survey frame and the sample are revised prior to the June quarter survey to ensure that they remain representative of the survey population. In the course of this revision some of the business units from the sample strata are rotated out of the sample and replaced by others to spread the reporting workload equitably. As a check on comparability, information is collected from both the old and revised samples for the June quarter. In this publication, estimates derived from a June quarter survey are based on the newer of the two samples.

9 Estimates of level derived from the new sample may differ from estimates derived from the old sample. These differences are due to several factors including changes in the composition of the population and sample, reclassification of some statistical units, different industries and inadequate provisions in the old sample estimate for new businesses commencing during the year. Where differences have been found to be significant, adjustments have been made to data for prior quarters to minimise the impact on movements between March and June quarter survey estimates.

STATISTICAL UNIT

10 From the beginning of 1989, the ABS introduced a new statistical unit known as the management 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 coinciding with a 'division' or 'line of business'. A division or line of business is recognised where separate and comprehensive accounts are compiled for it.

CLASSIFICATION BY INDUSTRY

11 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) which have been in use for many years. Both have been widely accepted as statistical standards in their own right.

12 There has been extensive consultation with external users to ensure that the ANZSIC reflects the structure of Australian and New Zealand industry and user requirements for statistics. The Australian Bureau of Statistics and the New Zealand Department of Statistics encourage other organisations to use the classification in their own work in order to improve the comparability and usefulness of the statistics.

13 In the development of the ANZSIC greater emphasis has been placed on alignment with the international standards than has been the case in the past. The International Standards Industrial Classification of All Economic Activities (ISIC), Revision 3, has been used as the international standard for reference purposes. This will lead to significant improvements in the comparability of industry statistics internationally.

14 Because of the introduction of ANZSIC and its use in this publication, changes occur in classification categories when compared to previous releases of this publication. As an example, categories listed in Table 1 and under "Manufacturing" differ from previously. The old (ASIC) classification: "Textiles, Clothing & Footwear" becomes (in part) the new ANZSIC classification: "Textiles, Clothing, Footwear & Leather". The correspondence between these categories is not strictly one-to-one. Accordingly, care should be taken when making comparisons between years where different classifications have been used.

15 Users are referred to a detailed analysis of ANZSIC/ASIC and ASIC/ANZSIC concordances contained in the joint ABS, New Zealand publication: *Australian & New Zealand Standard Industrial Classification, 1993, ANZSIC*, ABS Cat. No. 1292.0 and New Zealand Cat. No. 19.005.0092.

16 In order to classify new capital expenditure by industry, each statistical unit (as defined above) is classified to the Australian and New Zealand Standard Industrial Classification (ANZSIC) industry in which it *mainly* operates.

17 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.

ESTIMATES AT 1989-90 PRICES

18 Estimates at 1989-90 prices are presented, in Table 3. 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

19 Once actual expenditure for a financial year is known, it is useful to investigate the relationship between each of the prior 6 estimates 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 £2 estimates or combinations of estimates containing at least some expectation components (e.g. 6 months actual and 6 months expected expenditure).

20 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. For example, if one wished to predict actual expenditure for 1993-94 based on the June 1993 survey results and compare this with 1992-93 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.

21 There are many ways in which realisation ratios can be applied to make predictions of actual expenditure for a future period. For instance, the adjusted estimates shown on page 1 of this publication were derived using realisation ratios which are the average of the latest available five observations. A range of realisation ratios for both type of asset and industry estimates is provided in Tables 4 and 5.

22 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 and March surveys.

DESCRIPTION OF TERMS

23 *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.

24 Some estimates are dissected by type of asset:

- *New 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.

DESCRIPTION OF TERMS *continued* - **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 good imported for the first time whether previously used outside Australia or not.

RELIABILITY OF THE ESTIMATES

25 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. 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.

26 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. The relative standard errors for estimates of movement between March and June quarters are subject to somewhat higher standard errors than those shown on Page 2 due to the annual revisions made to the sample of businesses selected.

27 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. The major ones of concern and which may affect the data are:

- misreporting of data by respondents;
- deficiencies in the central register of economic units particularly in respect of small units.

28 Every effort is made to reduce the non-sample error to a minimum by careful design of questionnaires, efficient editing and operating procedures and appropriate methodology.

SEASONAL ADJUSTMENT

29 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.

30 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. Particular care should be taken in interpreting quarter to quarter movements in the adjusted series in the publication.

SEASONAL ADJUSTMENT *continued*

31 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 1994 survey. Data for periods after June 1994 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. For this reason, additional care should be exercised when interpreting movements in seasonally adjusted data for recent quarters.

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

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

TREND ESTIMATES

34 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 more information, see *A Guide to Smoothing Time Series—Estimates of Trend* (1316.0) and *Time Series Decomposition—An Overview* (1317.0).

COMPARABILITY WITH NATIONAL ACCOUNTS ESTIMATES

35 The statistics for new capital expenditure shown in his publication differ from estimates of private gross fixed capital expenditure shown in the Australian national Accounts for the following reasons:

36 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.

37 National Accounts estimates include capital expenditure by all private businesses including units classified to 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.

38 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.

39 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.

40 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)

RELATED PUBLICATIONS

- **41** Users may also wish to refer the following publications:
 - *State Estimates of Private New Capital Expenditure, (5646)*
 - *Company Profits, Australia (5651.0)*
 - *Stocks, Selected Industry Sales and Expected Sales, Australia (5629.0)*
 - *Australian National Accounts. National Income, Expenditure and Product (5206.0)*
 - *Australian Business Expectations (5250)*

- 42** 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 Publications Advice (1105.0) which lists publications to be released in the next few days. The catalogue and Publications Advice are available from any ABS office.

UNPUBLISHED DATA

43 In addition to the data contained in this publication more detailed industry information may be made available on request. For example, data are generally available at the ANZSIC group (3 digit) level.

SYMBOLS AND OTHER USAGES

- na not applicable
- nya not yet available
- r figure revised since previous issue
- nec not elsewhere classified
- ANZSIC Australian and New Zealand Standard Industrial Classification

WHAT IF...? REVISIONS TO TREND ESTIMATES

EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

Each time new seasonally adjusted estimates become available, trend estimates are revised (see paragraphs 29 and 34 of Explanatory Notes).

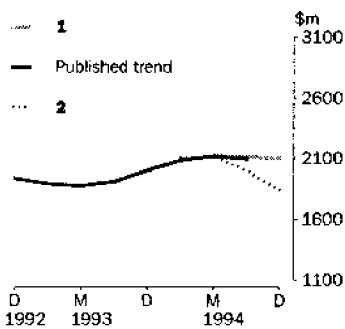
TREND REVISIONS

The examples in the tables below show two illustrative scenarios and the consequent revisions to previous trend estimates of capital expenditure by private businesses and.

1 The December seasonally adjusted estimate is 5% higher than the September estimate by the percentage shown.

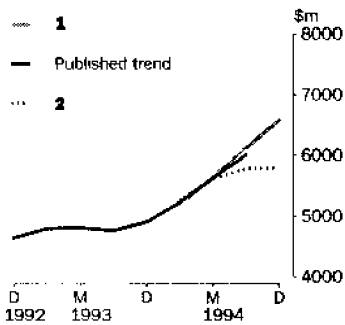
2 The December seasonally adjusted estimate is 5% lower than the September estimate by the percentage shown.

NEW BUILDINGS AND STRUCTURES



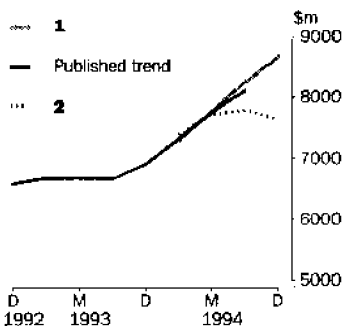
	TREND AS PUBLISHED		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	% change	1 rises by 5% on Sep 1994		2 falls by 5% on Sep 1994	
	\$m	% change	\$m	% change	\$m	% change
1994						
March	2 084	4.0	2 083	4.0	2 107	5.1
June	2 121	1.7	2 121	1.8	2 113	0.3
September	2 096	-1.1	2 117	-0.2	2 005	-5.1
December	—	—	2 100	-0.8	1 844	-8.1

PLANT MACHINERY AND EQUIPMENT



	TREND AS PUBLISHED		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	% change	1 rises by 5% on Sep 1994		2 falls by 5% on Sep 1994	
	\$m	% change	\$m	% change	\$m	% change
1994						
March	5 236	6.6	5 206	6.0	5 277	7.5
June	5 636	7.6	5 644	8.4	5 618	6.5
September	6 014	6.7	6 134	8.7	5 793	3.1
December	—	—	6 573	7.1	5 787	-0.1

TOTAL CAPITAL EXPENDITURE



	TREND AS PUBLISHED		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	% change	1 rises by 5% on Sep 1994		2 falls by 5% on Sep 1994	
	\$m	% change	\$m	% change	\$m	% change
1994						
March	7 320	5.9	7 290	5.4	7 384	6.8
June	7 757	6.0	7 765	6.5	7 731	4.7
September	8 110	4.6	8 251	6.3	7 798	0.9
December	—	—	8 673	5.1	7 631	-2.1



FOR MORE INFORMATION

The ABS publishes a wide range of information on Australia's economic and social conditions. A catalogue of publications and products is available from any of our offices (see below).

INFORMATION CONSULTANCY SERVICES

Special tables or in-depth data investigations are provided by the ABS Information Consultancy Service in each of our offices (see below).

ELECTRONIC DATA SERVICES

A large range of data is available via on-line services, diskette, magnetic tape, tape cartridge and CD ROM. For more details about our electronic data services, contact any ABS office (see below).

BOOKSHOP AND SUBSCRIPTIONS

There are over 500 titles available from the ABS Bookshops in each of our offices. You can also receive any of our publications on a regular basis. Join our subscription mailing service and have your publications mailed to you in Australia at no additional cost. Telephone our Publications Subscription Service toll free Australia wide on 008 0206 08.

ABS EMAIL ADDRESSES

Keylink STAT.INFO/ABS
X.400 (C:AU,A:TELMEMO,O:ABS,SN:INFO,FN:STAT)
Internet STAT.INFO@ABS. TELEMEMO.AU

GENERAL SALES AND INQUIRIES

* Sydney 02 268 4611 * Adelaide 08 237 7100
* Melbourne 03 615 7000 * Hobart 002 20 5800
* Brisbane 07 222 6351 * Darwin 089 43 2111
* Perth 09 360 5140 * Canberra 06 252 6007

■ Information Services, ABS
PO Box 10, Belconnen ACT 2616



2562500009948
ISSN 1033-5048

RRP \$11.00

© Commonwealth of Australia 1994

Produced by the Australian Government Publishing Service