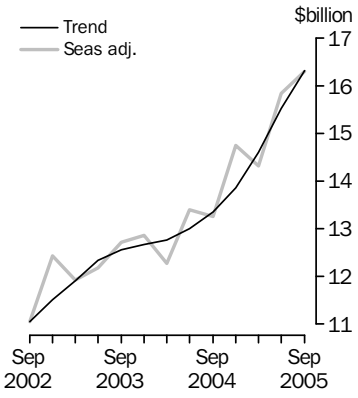
SEPTEMBER QUARTER 2005 5625.0

PRIVATE NEW CAPITAL EXPENDITURE AND EXPECTED EXPENDITURE AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) THURS 1 DEC 2005

New Capital Expenditure
in volume terms



KEY FIGURES

	Sep Qtr 05 $m	Jun Qtr 05 to Sep Qtr 05 % change	Sep Qtr 04 to Sep Qtr 05 % change
Trend estimates(a)			
Total new capital expenditure	16 320	5.1	22.2
Buildings & structures	5 201	5.0	26.3
Equipment, plant & machinery	11 047	4.5	19.8
Seasonally adjusted(a)			
Total new capital expenditure	16 303	2.9	23.0
Buildings & structures	5 358	10.1	32.3
Equipment, plant & machinery	10 945	–0.3	18.9

(a) In volume terms.

KEY POINTS

ACTUAL EXPENDITURE (VOLUME TERMS)

- The trend estimate for total new capital expenditure increased by 5.1% in the September quarter 2005. It rose by 2.9% in seasonally adjusted terms after a rise (10.6%) in the June quarter 2005.
- A strong increase in seasonally adjusted expenditure on buildings and structures (up 10.1%) has been the source of growth this quarter, mainly driven by the Mining and Manufacturing industries.
- Seasonally adjusted expenditure on equipment, plant and machinery decreased slightly (0.3%) due to a fall in expenditure by Other selected industries more than offsetting rises in Mining and Manufacturing.

EXPECTED EXPENDITURE (CURRENT TERMS)

- This issue includes the fourth estimate for 2005-06.
- Estimate 4 for 2005-06 is $63,621m. This estimate is 17.9% higher than the comparable estimate for 2004-05 and 11.6% higher than Estimate 3.
- See pages 6 to 9 for further commentary on expectations data.

INQUIRIES

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

NOTES

FORTHCOMING ISSUES

ISSUE (Quarter)	*RELEASE DATE*
December 2005	23 February 2006
March 2006	25 May 2006

CHANGES IN THIS ISSUE

As happens each year, a seasonal re-analysis has been undertaken based on estimates up to and including the June quarter 2005. As part of this year's re-analysis, a number of the aggregation structures were amended to bring the seasonal adjustment methodology more into line with that used for the equivalent National Accounts series. This has resulted in revisions to seasonally adjusted estimates for most time series in this release.

ABBREVIATIONS

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

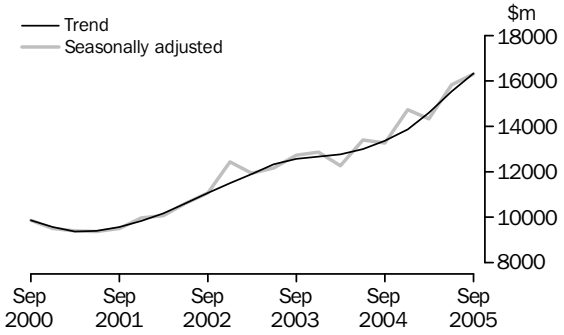
Dennis Trewin
Australian Statistician

CONTENTS

ACTUAL NEW CAPITAL EXPENDITURE IN VOLUME TERMS

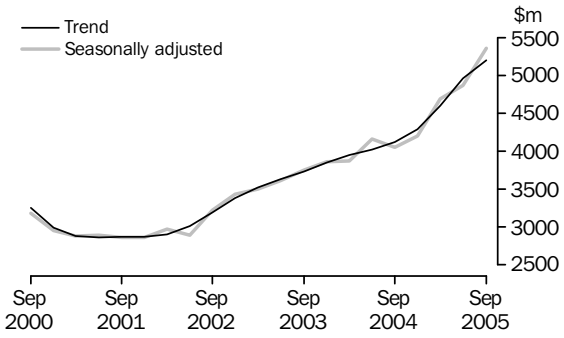
TOTAL CAPITAL EXPENDITURE

The trend estimate for total new capital expenditure increased 5.1% in the September quarter 2005, the third consecutive quarter of similar growth. The seasonally adjusted estimate increased 2.9% this quarter due to an increase in buildings and structures of 10.1%



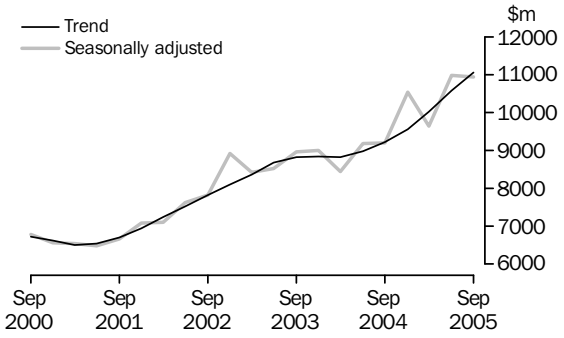
BUILDINGS AND STRUCTURES

The trend estimate for buildings and structures increased 5.0% this quarter, the growth rate falling slightly after two quarters of stronger growth. In seasonally adjusted terms, the estimate increased 10.1%. The increase this quarter is driven by Manufacturing, up 15.2% and Mining, up 9.1%.



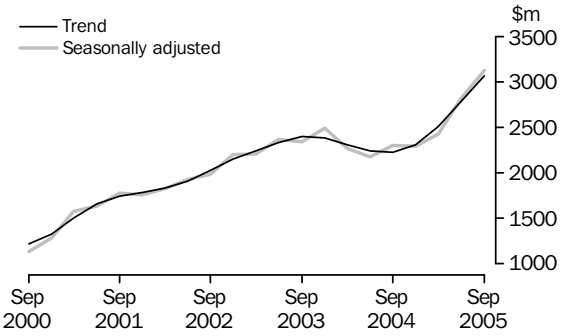
EQUIPMENT, PLANT AND MACHINERY

Trend estimates for equipment, plant and machinery have eased this quarter to 4.5%. The September quarter estimate, in seasonally adjusted terms, has fallen slightly by 0.3%. Both Mining and Manufacturing rose 13.6% and 15.8% respectively, while Other selected industries fell 8.1%.



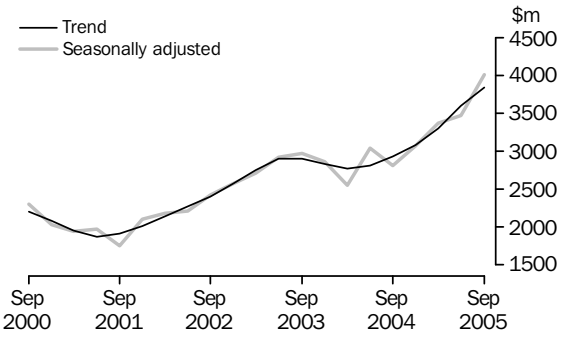
MINING

The trend estimate for Mining increased by 10.3% this quarter, the third quarter of strong growth. The seasonally adjusted estimate increased 11.0%, maintaining the growth seen last quarter. Equipment, plant and machinery is the main contributor, with 13.6% seasonally adjusted growth and buildings and structures recorded a 9.1% increase.



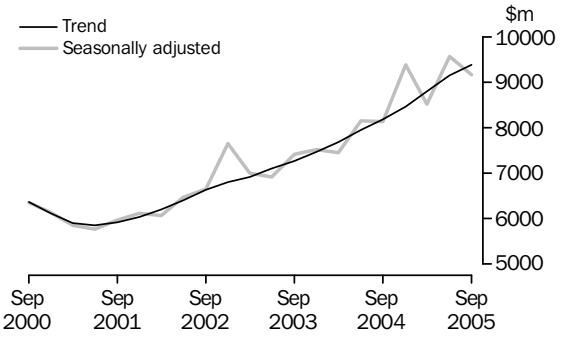
MANUFACTURING

Manufacturing trend estimates increased 6.5%, the sixth consecutive quarter of growth. In seasonally adjusted terms, the estimate has increased strongly by 15.6%. The increase is across both asset types with equipment, plant and machinery up 15.8% and buildings and structures up 15.2%.



OTHER SELECTED INDUSTRIES

Trend estimates for Other selected industries have recorded the smallest trend rise of the past 7 quarters, increasing 2.6%. In seasonally adjusted terms, Other selected industries fell 4.1% due to a decrease in equipment, plant and machinery expenditure of 8.1%.



ACTUAL AND EXPECTED NEW CAPITAL EXPENDITURE

FINANCIAL YEARS AT CURRENT PRICES

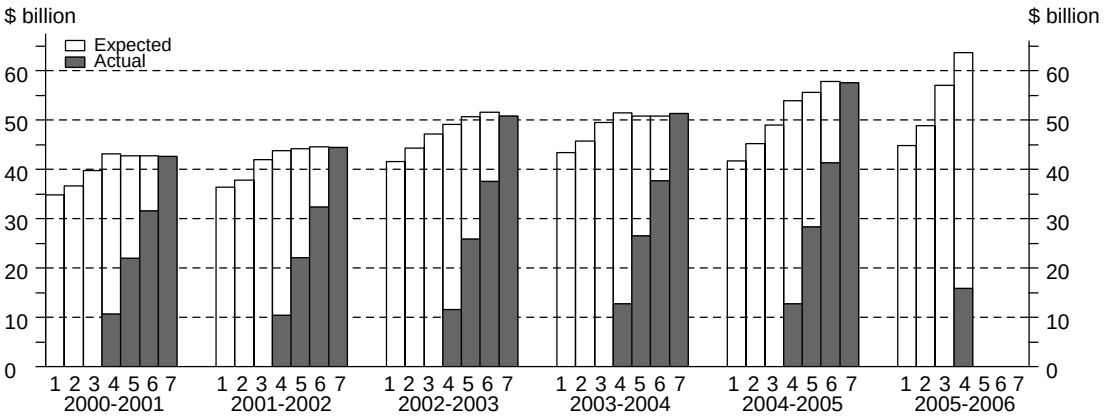
The graphs below show the seven estimates of actual and expected expenditure for each financial year. The estimates appearing below relate to data contained in tables 5 and 6. Advice about the application of realisation ratios to these estimates is in paragraphs 24 to 27 of the Explanatory Notes.

The timing and construction of these estimates are as follows:

		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

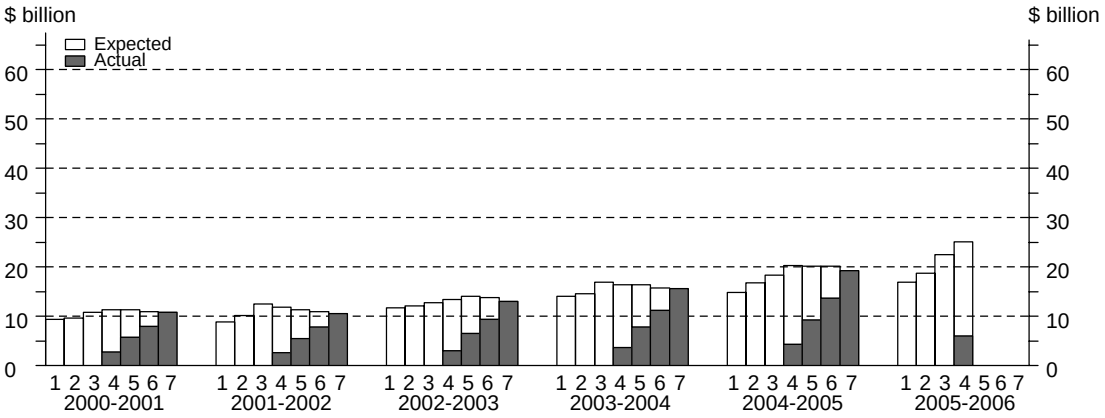
TOTAL CAPITAL EXPENDITURE

The fourth estimate for 2005-06 is $63,621m which is 17.9% higher than the comparable estimate for 2004-05 and 11.6% higher than the third estimate for 2005-06. All industries have increased since Estimate 3 for this financial year. Mining and Manufacturing contributed largely to the increase with above average increases in Construction, Wholesale and Retail.



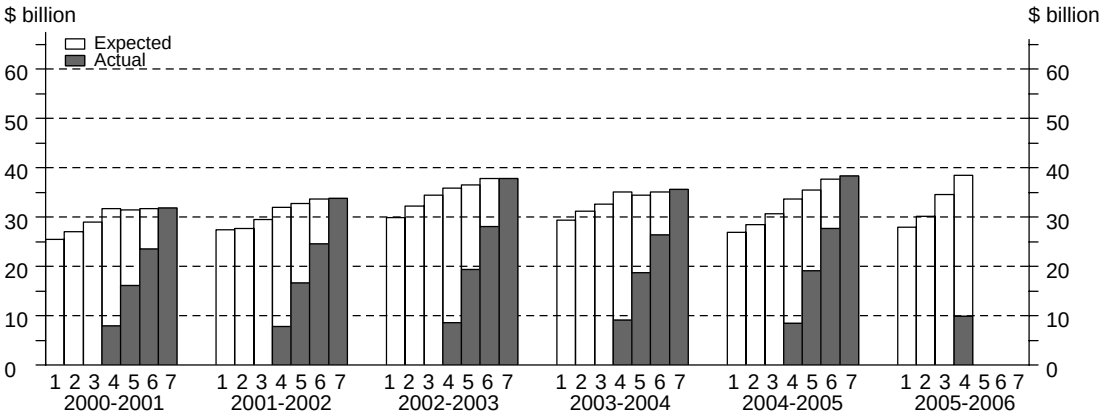
BUILDINGS AND STRUCTURES

Estimate 4 for 2005-06 is 23.7% higher than Estimate 4 for 2004-05 and 11.7% higher than Estimate 3. All industries have increased since Estimate 3 for this financial year. Mining and Manufacturing have increased this quarter, along with Construction, Finance and Insurance and Property and Business Services.



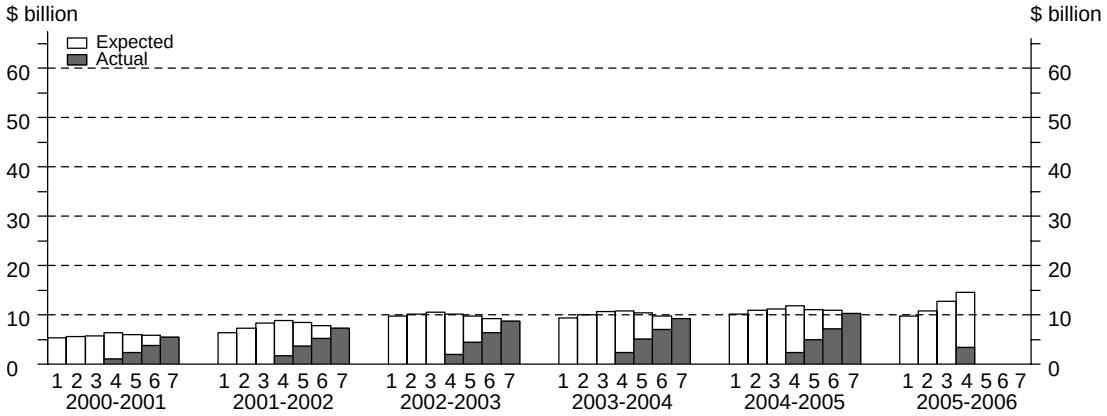
EQUIPMENT, PLANT AND MACHINERY

The fourth estimate for 2005-06 is 14.4% higher than the comparable estimate for 2004-05 and 11.5% higher than Estimate 3 for 2005-06. All industries have increased since Estimate 3, with the exception of Other Services, showing a decline of -1.1%. Retail, Wholesale, Construction and Transport and storage have all increased significantly since Estimate 3.



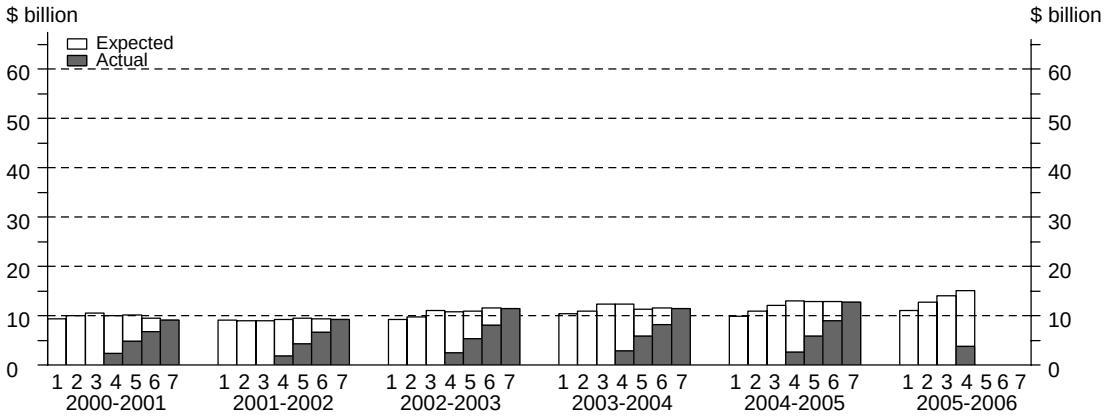
MINING

Estimate 4 for 2005-06 has increased by 23.4% compared to Estimate 4 for the 2004-05 year and is 14.0% higher than Estimate 3 for this financial year. Mining industry expectations continued to have strong growth this quarter due to increased expectations for both equipment, plant and machinery and buildings and structures. Estimate 4 has further raised the expectations in the Mining industry over the next 9 months.



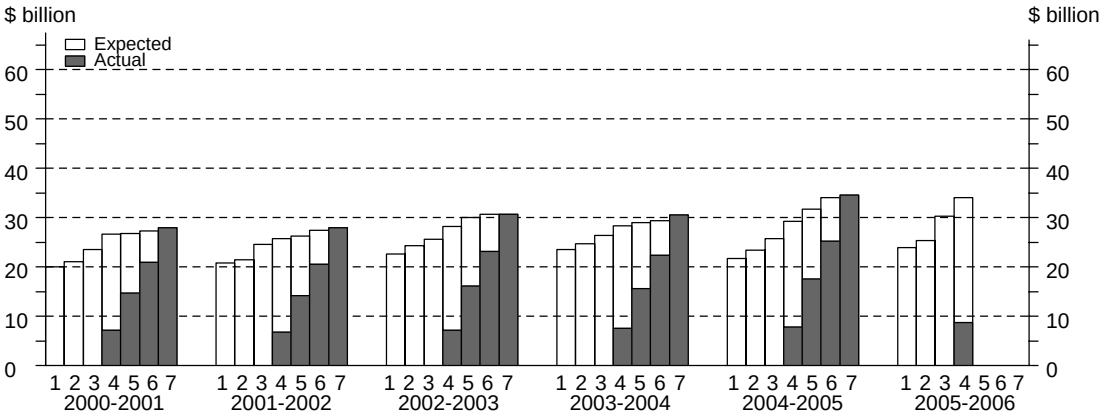
MANUFACTURING

Estimate 4 is 16.2% higher than the comparable estimate for 2004-05 and 7.2% higher than Estimate 3 for 2005-06. Expected expenditure for buildings and structures drove the increase with a 14.5% rise on Estimate 3 for 2005-06. Expected expenditure on equipment, plant and machinery rose by 4.2% this quarter.



OTHER SELECTED INDUSTRIES

Estimate 4 for 2005-06 is 16.4% above the corresponding estimate for 2004-05 and is 12.7% higher than Estimate 3 for this financial year. Equipment, plant and machinery is contributing to the majority of this growth, with Construction, Wholesale, Retail and Transport and storage showing increases on Estimate 3.



IN CURRENT PRICE TERMS

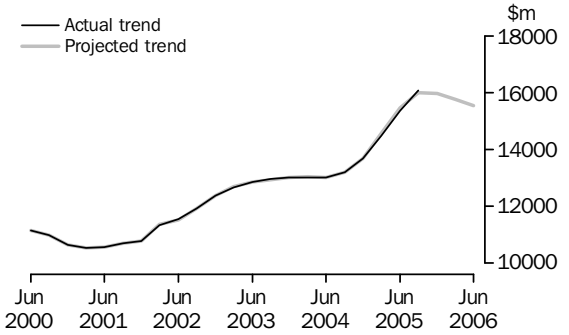
PROJECTED CAPITAL EXPENDITURE SERIES

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

The following graphs, with accompanying commentary, show the projected capital expenditure series based on September quarter 2005 data, which includes expected expenditure up to and including the June quarter 2006. Please see paragraphs 28 to 32 of the Explanatory Notes for further details about the methodology and cautionary notes for this series.

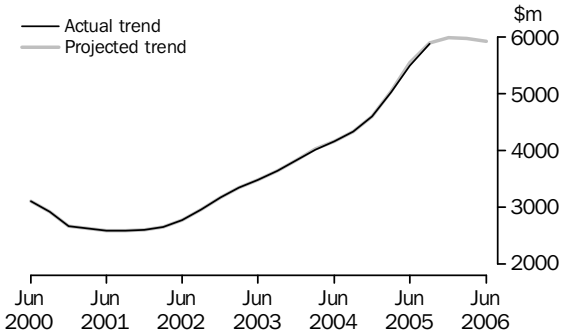
TOTAL CAPITAL EXPENDITURE

Current price trend estimates for total capital expenditure have increased sharply during 2004-05. Estimates are expected to maintain the level shown over the past 5 quarters and then decline towards the end of the 2005-06 financial year. All major industry groups are expecting a reduction in growth rates for the remainder of 2005-06.



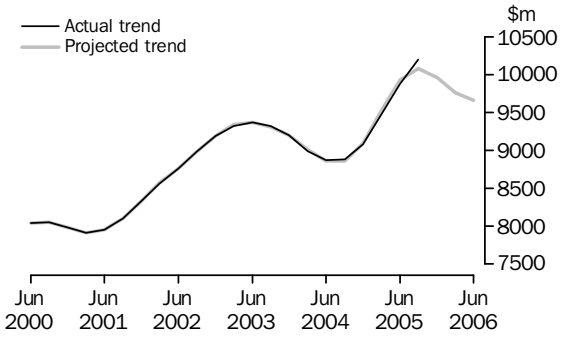
BUILDINGS AND STRUCTURES

In current price terms, trend estimates for buildings and structures have displayed sustained growth over the past three years. The expectations for the coming months, indicate a levelling in growth rather than a decline. Other selected industries are indicating little growth for the remainder of the current financial year, while Mining and Manufacturing are indicating a decrease for 2005-06.



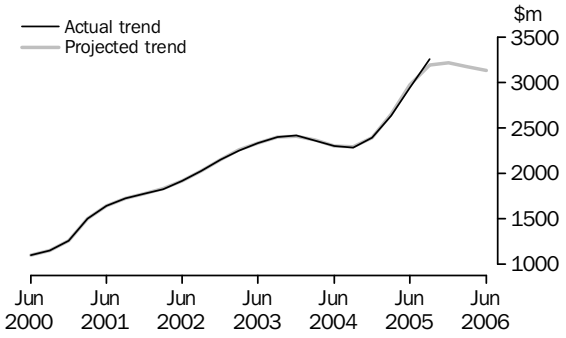
EQUIPMENT, PLANT AND MACHINERY

Current price trend estimates for equipment, plant and machinery, for the 2004-05 financial year, showed strong growth rates. Expectations gathered this quarter, indicate that the estimates will start to decline from next quarter and until the end of the 2005-06 financial year. The largest decline in expectations is coming from the Manufacturing industry, while expectations from Mining and Other selected industries are expecting a levelling of growth rates during the 2005-06 financial year.



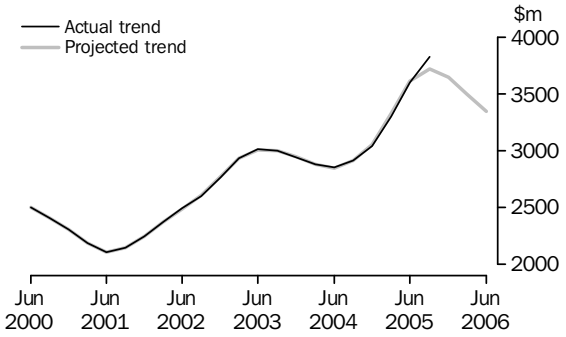
MINING

Trend estimates for Mining in current price terms have increased strongly over the last 4 quarters. The recent growth, however, is expected to ease for the rest of 2005-06. Equipment, plant and machinery is expected to decline next quarter and for the remainder of the financial year, while buildings and structures indicate moderate growth.



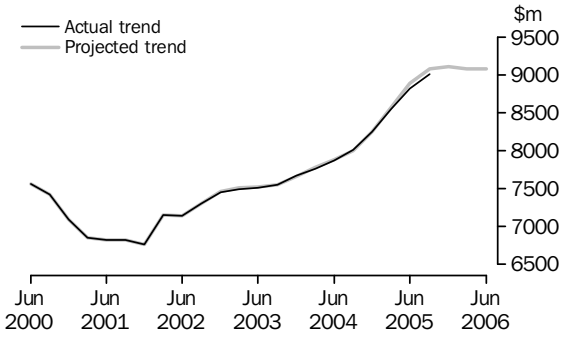
MANUFACTURING

Manufacturing trend estimates in current price terms have shown strong growth during the 2004-05 financial year. Expectations indicate that expenditure has reached a peak this quarter and will decline over the next 9 months. The expected decline over the 2005-06 financial year is in both equipment, plant and machinery and buildings and structures.



OTHER SELECTED INDUSTRIES

The current price trend estimate for Other selected industries has shown strong growth in recent quarters. Estimates show that current levels will be sustained in the coming quarters. Most Other selected industries are expecting a decline in growth rates over the next financial year, with the exception of Transport and storage where growth is expected to increase.



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

	BUILDINGS AND STRUCTURES				EQUIPMENT, PLANT AND MACHINERY				TOTAL CAPITAL EXPENDITURE			
Period	*Mining* $m	*Manufacturing* $m	*Other selected industries* $m	*Total* $m	*Mining* $m	*Manufacturing* $m	*Other selected industries* $m	*Total* $m	*Mining* $m	*Manufacturing* $m	*Other selected industries* $m	*Total* $m
ORIGINAL (Actual)												
2003–04	4 910	2 462	8 273	15 645	4 372	8 962	22 268	35 602	9 282	11 424	30 541	51 247
2004–05	6 062	3 690	9 509	19 262	4 191	8 991	25 111	38 293	10 253	12 681	34 620	57 554
2003–04												
June	1 261	780	2 395	4 437	981	2 424	5 782	9 186	2 242	3 204	8 177	13 623
2004–05												
September	1 391	723	2 170	4 284	989	1 896	5 619	8 504	2 380	2 619	7 790	12 789
December	1 479	899	2 524	4 902	1 125	2 306	7 225	10 655	2 604	3 205	9 749	15 557
March	1 368	939	2 179	4 486	866	2 193	5 470	8 530	2 234	3 132	7 649	13 016
June	1 824	1 129	2 636	5 589	1 211	2 596	6 796	10 604	3 035	3 725	9 433	16 192
2005–06												
September	2 001	1 228	2 806	6 035	1 360	2 579	5 912	9 851	3 361	3 807	8 718	15 886
ORIGINAL (Expected) (a)												
2005–06												
3 mths to Dec	2 666	1 265	3 301	7 231	1 613	3 005	6 866	11 484	4 278	4 270	10 167	18 715
6 mths to Jun	4 433	2 125	5 305	11 864	2 467	4 824	9 865	17 156	6 900	6 949	15 171	29 020
Total fin year	9 099	4 618	11 412	25 130	5 440	10 408	22 643	38 491	14 539	15 027	34 055	63 621
SEASONALLY ADJUSTED (Actual)												
2003–04												
June	1 246	737	2 303	4 286	947	2 224	5 599	8 770	2 193	2 961	7 901	13 055
2004–05												
September	1 379	727	2 160	4 266	988	2 059	5 761	8 808	2 367	2 786	7 921	13 074
December	1 343	874	2 301	4 518	1 032	2 186	6 878	10 096	2 375	3 060	9 179	14 614
March	1 559	1 022	2 537	5 118	994	2 350	5 806	9 150	2 553	3 372	8 344	14 269
June	1 802	1 068	2 534	5 404	1 170	2 378	6 584	10 133	2 972	3 446	9 117	15 535
2005–06												
September	1 984	1 234	2 792	6 010	1 348	2 793	6 056	10 197	3 332	4 027	8 848	16 207
TREND ESTIMATES (Actual)												
2003–04												
June	1 278	687	2 195	4 160	1 022	2 164	5 686	8 867	2 300	2 851	7 871	13 022
2004–05												
September	1 310	772	2 257	4 339	978	2 141	5 758	8 877	2 288	2 913	8 010	13 211
December	1 408	872	2 322	4 602	984	2 171	5 925	9 082	2 392	3 043	8 246	13 681
March	1 573	992	2 457	5 022	1 061	2 308	6 101	9 470	2 634	3 300	8 554	14 488
June	1 774	1 107	2 611	5 492	1 169	2 492	6 213	9 874	2 943	3 599	8 823	15 365
2005–06												
September	1 956	1 174	2 741	5 871	1 301	2 650	6 253	10 201	3 257	3 824	9 003	16 084

(a) Not directly comparable with estimates of actual expenditure due to likely over/under realisation. See paragraphs 24 to 27 of the Explanatory Notes.

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

Period	Mining	Manu-facturing	Construction	Wholesale trade	Retail trade	Transport and storage	Finance and insurance	Property and business services	Other services	Total
	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m
ORIGINAL (Actual)										
2003–04	9 282	11 424	1 725	2 101	3 571	7 076	2 962	6 710	6 397	51 247
2004–05	10 253	12 681	2 295	2 766	4 041	7 749	3 352	7 636	6 781	57 554
2003–04										
June	2 242	3 204	^ 491	558	912	1 966	794	1 788	1 666	13 623
2004–05										
September	2 380	2 619	^ 472	576	974	1 730	757	1 675	1 606	12 789
December	2 604	3 205	^ 680	716	1 206	2 415	894	2 073	1 763	15 557
March	2 234	3 132	^ 544	650	844	1 458	758	1 761	1 634	13 016
June	3 035	3 725	599	825	1 017	2 146	942	2 126	1 777	16 192
2005–06										
September	3 361	3 807	^ 455	763	1 116	1 724	873	2 150	1 638	15 886
ORIGINAL (Expected) (a)										
2005–06										
3 mths to Dec	4 278	4 270	567	659	1 143	2 851	934	1 948	2 064	18 715
6 mths to Jun	6 900	6 949	719	1 080	1 831	3 208	2 077	3 016	3 241	29 020
Total fin year	14 539	15 027	1 740	2 502	4 089	7 783	3 884	7 114	6 943	63 621
SEASONALLY ADJUSTED (Actual)										
2003–04										
June	2 193	2 961	464	522	913	1 880	737	1 706	1 679	13 055
2004–05										
September	2 367	2 786	538	578	913	1 768	755	1 671	1 698	13 074
December	2 375	3 060	645	662	1 115	2 265	844	2 042	1 606	14 614
March	2 553	3 372	533	755	1 005	1 624	839	1 884	1 704	14 269
June	2 972	3 446	565	773	999	2 031	921	2 036	1 792	15 535
2005–06										
September	3 332	4 027	525	769	1 049	1 761	876	2 145	1 723	16 207
TREND ESTIMATES (Actual)										
2003–04										
June	2 300	2 851	497	548	914	1 809	738	1 689	1 676	13 022
2004–05										
September	2 288	2 913	550	588	928	1 803	771	1 705	1 665	13 211
December	2 392	3 043	582	662	956	1 777	819	1 783	1 667	13 681
March	2 634	3 300	577	731	988	1 797	861	1 900	1 700	14 488
June	2 943	3 599	551	769	1 016	1 836	887	2 025	1 739	15 365
2005–06										
September	3 257	3 824	523	787	1 039	1 853	897	2 134	1 770	16 084

^ 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 24 to 27 of the Explanatory Notes.

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

	ASSET			INDUSTRY			
Period	*Buildings and structures* $m	*Equipment, plant and machinery* $m	*Total* $m	*Mining* $m	*Manufacturing* $m	*Other selected industries* $m	*Total* $m
				ORIGINAL			
2001–02	11 585	28 473	40 168	7 282	8 242	24 626	40 168
2002–03	13 768	33 707	47 595	8 756	10 634	28 216	47 595
2003–04	15 645	35 602	51 247	9 282	11 424	30 541	51 247
2004–05	17 806	40 348	58 154	9 834	12 720	35 600	58 154
2003–04							
September	3 750	8 653	12 405	2 337	2 770	7 305	12 405
December	4 206	9 493	13 694	2 728	3 007	7 975	13 694
March	3 379	7 857	11 246	1 994	2 374	6 872	11 246
June	4 310	9 599	13 902	2 223	3 273	8 390	13 902
2004–05							
September	4 074	8 883	12 957	2 319	2 639	8 000	12 957
December	4 569	11 120	15 689	2 516	3 220	9 953	15 689
March	4 118	8 994	13 111	2 132	3 134	7 845	13 111
June	5 045	11 351	16 396	2 868	3 727	9 802	16 396
2005–06							
September	5 385	10 557	15 942	3 148	3 771	9 023	15 942
				SEASONALLY ADJUSTED			
2003–04							
September	3 750	8 967	12 726	2 341	2 967	7 422	12 726
December	3 863	9 009	12 856	2 493	2 859	7 514	12 856
March	3 873	8 447	12 273	2 268	2 553	7 452	12 273
June	4 159	9 179	13 392	2 179	3 045	8 153	13 392
2004–05							
September	4 051	9 202	13 253	2 303	2 813	8 137	13 253
December	4 203	10 541	14 744	2 290	3 072	9 381	14 744
March	4 687	9 632	14 318	2 428	3 367	8 523	14 318
June	4 866	10 973	15 839	2 812	3 468	9 558	15 839
2005–06							
September	5 358	10 945	16 303	3 123	4 011	9 169	16 303
				TREND			
2003–04							
September	3 729	8 830	12 561	2 399	2 902	7 273	12 561
December	3 845	8 837	12 670	2 384	2 827	7 464	12 670
March	3 953	8 825	12 768	2 308	2 775	7 684	12 768
June	4 021	8 976	13 004	2 243	2 809	7 947	13 004
2004–05							
September	4 117	9 221	13 353	2 227	2 933	8 187	13 353
December	4 288	9 566	13 860	2 311	3 080	8 469	13 860
March	4 597	10 020	14 607	2 508	3 303	8 800	14 607
June	4 954	10 573	15 523	2 778	3 601	9 146	15 523
2005–06							
September	5 201	11 047	16 320	3 063	3 834	9 383	16 320

(a) Reference year for chain volume measures is 2003–04.

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

	ASSET			INDUSTRY			
	Buildings and structures	*Equipment, Plant and Machinery*	*Total*	*Mining*	*Manufacturing*	*Other selected industries*	*Total*
Period	%	%	%	%	%	%	%
			ORIGINAL				
2001–02	–2.8	7.9	5.2	29.4	0.1	2.1	5.2
2002–03	18.8	18.4	18.5	20.2	29.0	14.6	18.5
2003–04	13.6	5.6	7.7	6.0	7.4	8.2	7.7
2004–05	13.8	13.3	13.5	5.9	11.3	16.6	13.5
2003–04							
September	–0.3	–3.1	–2.4	–4.0	–11.8	2.2	–2.4
December	12.2	9.7	10.4	16.8	8.6	9.2	10.4
March	–19.7	–17.2	–17.9	–26.9	–21.0	–13.8	–17.9
June	27.6	22.2	23.6	11.5	37.9	22.1	23.6
2004–05							
September	–5.5	–7.5	–6.8	4.3	–19.4	–4.6	–6.8
December	12.2	25.2	21.1	8.5	22.0	24.4	21.1
March	–9.9	–19.1	–16.4	–15.3	–2.7	–21.2	–16.4
June	22.5	26.2	25.1	34.5	18.9	24.9	25.1
2005–06							
September	6.7	–7.0	–2.8	9.8	1.2	–7.9	–2.8
			SEASONALLY ADJUSTED				
2003–04							
September	3.9	5.1	4.4	–1.0	1.5	7.3	4.4
December	3.0	0.5	1.0	6.5	–3.6	1.2	1.0
March	0.3	–6.2	–4.5	–9.0	–10.7	–0.8	–4.5
June	7.4	8.7	9.1	–3.9	19.3	9.4	9.1
2004–05							
September	–2.6	0.3	–1.0	5.7	–7.6	–0.2	–1.0
December	3.8	14.5	11.2	–0.6	9.2	15.3	11.2
March	11.5	–8.6	–2.9	6.0	9.6	–9.1	–2.9
June	3.8	13.9	10.6	15.8	3.0	12.1	10.6
2005–06							
September	10.1	–0.3	2.9	11.0	15.6	–4.1	2.9
			TREND				
2003–04							
September	2.7	1.8	1.9	2.6	0.0	2.4	1.9
December	3.1	0.1	0.9	–0.6	–2.6	2.6	0.9
March	2.8	–0.1	0.8	–3.2	–1.8	2.9	0.8
June	1.7	1.7	1.8	–2.8	1.2	3.4	1.8
2004–05							
September	2.4	2.7	2.7	–0.7	4.4	3.0	2.7
December	4.2	3.7	3.8	3.8	5.0	3.4	3.8
March	7.2	4.7	5.4	8.5	7.3	3.9	5.4
June	7.8	5.5	6.3	10.8	9.0	3.9	6.3
2005–06							
September	5.0	4.5	5.1	10.3	6.5	2.6	5.1

(a) Reference year for chain volume measures is 2003–04.

5 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)							
2001–02	8 860	10 122	12 445	11 796	11 335	10 891	10 552
2002–03	11 694	12 124	12 691	13 344	14 067	13 744	13 000
2003–04	13 975	14 551	16 834	16 427	16 353	15 712	15 645
2004–05	14 754	16 775	18 359	20 323	20 176	20 160	19 262
2005–06	16 846	18 724	22 499	25 130	nya	nya	nya
BUILDINGS AND STRUCTURES (Realisation Ratio) (a)							
2002–03	1.11	1.07	1.02	0.97	0.92	0.95	1.00
2003–04	1.12	1.08	0.93	0.95	0.96	1.00	1.00
2004–05	1.31	1.15	1.05	0.95	0.95	0.96	1.00
5-year average	1.18	1.09	0.97	0.94	0.94	0.97	1.00
EQUIPMENT, PLANT AND MACHINERY ($ million)							
2001–02	27 457	27 640	29 473	31 956	32 769	33 703	33 828
2002–03	29 859	32 157	34 478	35 805	36 540	37 770	37 816
2003–04	29 393	31 129	32 627	35 031	34 402	35 034	35 602
2004–05	26 927	28 423	30 675	33 645	35 442	37 661	38 293
2005–06	27 975	30 147	34 508	38 491	nya	nya	nya
EQUIPMENT, PLANT AND MACHINERY (Realisation Ratio) (a)							
2002–03	1.27	1.18	1.10	1.06	1.03	1.00	1.00
2003–04	1.21	1.14	1.09	1.02	1.03	1.02	1.00
2004–05	1.42	1.35	1.25	1.14	1.08	1.02	1.00
5-year average	1.28	1.21	1.14	1.05	1.04	1.01	1.00
TOTAL ($ million)							
2001–02	36 317	37 762	41 917	43 752	44 105	44 594	44 380
2002–03	41 553	44 281	47 169	49 149	50 607	51 514	50 816
2003–04	43 369	45 681	49 462	51 458	50 755	50 747	51 247
2004–05	41 682	45 197	49 034	53 969	55 619	57 821	57 554
2005–06	44 819	48 871	57 005	63 621	nya	nya	nya
TOTAL (Realisation Ratio) (a)							
2002–03	1.22	1.15	1.08	1.03	1.00	0.99	1.00
2003–04	1.18	1.12	1.04	1.00	1.01	1.01	1.00
2004–05	1.38	1.27	1.17	1.07	1.03	1.00	1.00
5-year average	1.25	1.18	1.08	1.02	1.01	1.00	1.00
TOTAL (Percentage change over corresponding estimate for previous financial year)							
2001–02	4.5	2.9	5.4	1.5	3.1	4.5	4.1
2002–03	14.4	17.3	12.5	12.3	14.7	15.5	14.5
2003–04	4.4	3.2	4.9	4.7	0.3	–1.5	0.8
2004–05	–3.9	–1.1	–0.9	4.9	9.6	13.9	12.3
2005–06	7.5	8.1	16.3	17.9	nya	nya	nya

nya not yet available

(a) Ratio of actual expenditure for the financial year to each progressive estimate for the financial year. For more information see paragraphs 24 to 27 of the Explanatory Notes.

6 EXPECTED EXPENDITURE AND REALISATION RATIOS, By industry—Current prices

Financial Year	*12 months expectation as reported in Jan-Feb of previous financial year (Estimate 1)*	*12 months expectation as reported in Apr-May of previous financial year (Estimate 2)*	*12 months expectation as reported in Jul-Aug (Estimate 3)*	*3 months actual and 9 months expectation as reported in Oct-Nov (Estimate 4)*	*6 months actual and 6 months expectation as reported in Jan-Feb (Estimate 5)*	*9 months actual and 3 months expectation as reported in Apr-May (Estimate 6)*	*12 months actual (Estimate 7)*
			MINING ($ million)				
2001–02	6 323	7 327	8 300	8 873	8 415	7 749	7 249
2002–03	9 764	10 163	10 510	10 089	9 695	9 222	8 766
2003–04	9 388	10 053	10 672	10 812	10 365	9 780	9 282
2004–05	10 192	10 937	11 226	11 784	10 998	10 950	10 253
2005–06	9 795	10 817	12 759	14 539	nya	nya	nya
			MINING (Realisation Ratio) (a)				
2002–03	0.90	0.86	0.83	0.87	0.90	0.95	1.00
2003–04	0.99	0.92	0.87	0.86	0.90	0.95	1.00
2004–05	1.01	0.94	0.91	0.87	0.93	0.94	1.00
5-year average	1.01	0.94	0.89	0.85	0.90	0.94	1.00
			MANUFACTURING ($ million)				
2001–02	9 161	9 028	9 018	9 174	9 465	9 377	9 180
2002–03	9 173	9 776	11 021	10 808	10 904	11 624	11 384
2003–04	10 453	10 911	12 402	12 370	11 371	11 571	11 424
2004–05	9 853	10 915	12 133	12 937	12 928	12 895	12 681
2005–06	11 095	12 684	14 024	15 027	nya	nya	nya
			MANUFACTURING (Realisation Ratio) (a)				
2002–03	1.24	1.16	1.03	1.05	1.04	0.98	1.00
2003–04	1.09	1.05	0.92	0.92	1.00	0.99	1.00
2004–05	1.29	1.16	1.05	0.98	0.98	0.98	1.00
5-year average	1.12	1.06	0.98	0.97	0.98	0.98	1.00
			OTHER SELECTED INDUSTRIES ($ million)				
2001–02	20 834	21 407	24 600	25 704	26 225	27 469	27 950
2002–03	22 616	24 341	25 638	28 252	30 009	30 669	30 665
2003–04	23 528	24 716	26 388	28 276	29 019	29 396	30 541
2004–05	21 637	23 346	25 676	29 247	31 693	33 976	34 620
2005–06	23 929	25 370	30 222	34 055	nya	nya	nya
			OTHER SELECTED INDUSTRIES (Realisation Ratio) (a)				
2002–03	1.36	1.26	1.20	1.09	1.02	1.00	1.00
2003–04	1.30	1.24	1.16	1.08	1.05	1.04	1.00
2004–05	1.60	1.48	1.35	1.18	1.09	1.02	1.00
5-year average	1.40	1.32	1.21	1.10	1.06	1.02	1.00

nya not yet available

(a) Ratio of actual expenditure for the financial year to each progressive estimate for the financial year. For more information see paragraphs 24 to 27 of the Explanatory Notes.

7 RATIOS OF ACTUAL TO SHORT TERM EXPECTATIONS(a), By type of asset and industry—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)*
TYPE OF ASSET				
Buildings and structures				
2002–03	0.98	0.83	1.04	0.86
2003–04	0.91	0.99	0.91	0.92
2004–05	0.89	0.86	1.01	0.92
5-year average	0.93	0.90	0.97	0.89
Equipment, plant and machinery				
2002–03	1.05	1.00	1.08	1.07
2003–04	0.95	1.07	1.06	1.08
2004–05	1.08	1.06	1.18	1.18
5-year average	1.01	1.03	1.09	1.08
Total				
2002–03	1.03	0.95	1.07	1.01
2003–04	0.94	1.04	1.01	1.02
2004–05	1.01	0.98	1.12	1.07
5-year average	0.98	0.99	1.05	1.02
TYPE OF INDUSTRY				
Mining				
2002–03	0.79	0.84	0.81	0.83
2003–04	0.86	0.82	0.86	0.80
2004–05	0.79	0.81	0.90	0.88
5-year average	0.80	0.82	0.86	0.82
Manufacturing				
2002–03	0.94	0.93	0.97	1.09
2003–04	0.81	0.96	0.91	1.01
2004–05	0.85	0.95	0.99	0.97
5-year average	0.88	0.93	0.93	0.97
Other selected industries				
2002–03	1.16	1.00	1.22	1.05
2003–04	1.04	1.16	1.11	1.11
2004–05	1.18	1.07	1.26	1.21
5-year average	1.10	1.08	1.18	1.12
Total				
2002–03	1.03	0.95	1.07	1.01
2003–04	0.94	1.04	1.01	1.02
2004–05	1.01	0.98	1.12	1.07
5-year average	0.98	0.99	1.05	1.02

(a) For more information on Realisation Ratios see paragraphs 24 to 27 of the Explanatory Notes.

8 ACTUAL EXPENDITURE ON BUILDINGS AND STRUCTURES, Current prices

Period	New South Wales $m	Victoria $m	Queensland $m	South Australia $m	Western Australia $m	Tasmania $m	Northern Territory $m	Australian Capital Territory $m	Total $m
ORIGINAL									
2001–02	2 695	1 847	1 948	617	1 831	445	975	194	10 552
2002–03	3 112	2 343	2 122	783	2 898	255	1 380	107	13 000
2003–04	4 084	2 670	2 363	969	3 793	167	1 520	78	15 645
2004–05	4 820	3 161	3 033	992	5 135	430	1 534	158	19 262
2003–04									
September	895	^ 720	531	195	853	21	424	16	3 655
December	1 050	717	608	281	1 079	^ 24	383	14	4 157
March	914	601	493	192	786	52	334	*25	3 397
June	1 225	632	731	301	1 075	71	379	*23	4 437
2004–05									
September	1 136	714	621	221	1 153	93	327	*22	4 284
December	1 198	788	836	235	1 334	^ 116	363	^ 33	4 902
March	1 020	778	707	245	1 219	104	368	*45	4 486
June	1 467	881	870	291	1 429	^ 118	475	*58	5 589
2005–06									
September	1 601	973	924	296	1 610	^ 81	^ 466	*84	6 035
SEASONALLY ADJUSTED									
2003–04									
September	895	676	531	210	851	np	np	np	3 658
December	963	670	554	244	988	np	np	np	3 819
March	1 074	679	562	228	893	np	np	np	3 896
June	1 160	648	716	277	1 051	np	np	np	4 286
2004–05									
September	1 130	665	621	239	1 148	np	np	np	4 266
December	1 100	740	754	207	1 223	np	np	np	4 518
March	1 200	874	812	289	1 377	np	np	np	5 118
June	1 390	908	852	264	1 402	np	np	np	5 404
2005–06									
September	1 587	904	924	324	1 608	np	np	np	6 010
TREND									
2003–04									
September	922	660	519	224	893	27	353	17	3 636
December	991	674	555	234	913	28	377	18	3 826
March	1 065	667	599	248	963	47	381	20	4 015
June	1 124	654	641	249	1 032	72	358	23	4 160
2004–05									
September	1 125	681	686	241	1 134	94	337	25	4 339
December	1 132	756	737	240	1 243	109	355	30	4 602
March	1 227	840	800	257	1 344	111	409	45	5 022
June	1 384	898	866	286	1 455	104	456	64	5 492
2005–06									
September	1 547	932	907	309	1 545	94	476	84	5 871

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

* estimate has a relative standard error of 25% to 50% and should be used with caution

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

9 ACTUAL EXPENDITURE ON EQUIPMENT, PLANT AND MACHINERY, Current prices

Period	New South Wales $m	Victoria $m	Queensland $m	South Australia $m	Western Australia $m	Tasmania $m	Northern Territory $m	Australian Capital Territory $m	Total $m
ORIGINAL									
2001–02	10 821	9 508	5 480	2 497	4 163	518	414	427	33 828
2002–03	11 312	10 487	6 929	3 223	4 241	626	427	570	37 816
2003–04	10 287	9 198	6 612	2 978	5 124	533	381	489	35 602
2004–05	11 986	9 648	7 306	2 993	4 815	698	316	534	38 293
2003–04									
September	2 587	2 476	1 507	776	1 374	^ 139	^ 121	^ 134	9 115
December	2 672	2 480	1 854	798	1 462	136	^ 114	112	9 627
March	2 250	2 017	1 398	609	1 087	^ 126	80	^ 107	7 674
June	2 778	2 226	1 853	795	1 201	132	65	^ 136	9 186
2004–05									
September	2 609	2 121	1 717	608	1 119	^ 135	61	^ 135	8 504
December	3 261	2 725	2 013	885	1 338	209	^ 77	^ 146	10 655
March	2 679	2 197	1 514	^ 671	1 156	^ 135	^ 61	^ 117	8 530
June	3 436	2 605	2 062	828	1 201	^ 219	^ 117	^ 136	10 604
2005–06									
September	3 073	2 450	1 747	666	1 518	^ 205	^ 80	111	9 851
SEASONALLY ADJUSTED									
2003–04									
September	2 646	2 517	1 622	850	1 367	np	np	np	9 435
December	2 548	2 293	1 734	705	1 355	np	np	np	9 126
March	2 453	2 224	1 544	674	1 219	np	np	np	8 239
June	2 627	2 166	1 690	754	1 178	np	np	np	8 770
2004–05									
September	2 675	2 156	1 851	668	1 109	np	np	np	8 808
December	3 107	2 519	1 874	783	1 235	np	np	np	10 096
March	2 947	2 418	1 682	778	1 300	np	np	np	9 150
June	3 221	2 539	1 878	750	1 182	np	np	np	10 133
2005–06									
September	3 151	2 492	1 885	732	1 500	np	np	np	10 197
TREND									
2003–04									
September	2 614	2 439	1 681	809	1 313	144	115	135	9 324
December	2 533	2 325	1 634	746	1 329	135	107	119	9 198
March	2 507	2 211	1 635	699	1 252	128	87	115	8 992
June	2 594	2 173	1 712	697	1 166	134	70	125	8 867
2004–05									
September	2 766	2 255	1 788	727	1 165	149	62	141	8 877
December	2 947	2 382	1 819	753	1 196	165	67	141	9 082
March	3 065	2 477	1 805	764	1 247	181	80	130	9 470
June	3 139	2 508	1 823	759	1 314	193	91	121	9 874
2005–06									
September	3 174	2 501	1 865	735	1 385	203	98	117	10 201

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

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

10 ACTUAL TOTAL EXPENDITURE, Current prices

Period	New South Wales $m	Victoria $m	Queensland $m	South Australia $m	Western Australia $m	Tasmania $m	Northern Territory $m	Australian Capital Territory $m	Total $m
ORIGINAL									
2001–02	13 516	11 355	7 428	3 113	5 994	963	1 389	621	44 380
2002–03	14 424	12 830	9 052	4 006	7 140	881	1 806	677	50 816
2003–04	14 371	11 869	8 975	3 947	8 917	700	1 901	567	51 247
2004–05	16 805	12 809	10 339	3 985	9 950	1 127	1 849	692	57 554
2003–04									
September	3 482	3 196	2 038	971	2 227	^ 160	545	^ 150	12 771
December	3 722	3 197	2 462	1 079	2 541	160	497	126	13 783
March	3 164	2 618	1 891	802	1 873	^ 177	414	^ 132	11 070
June	4 003	2 858	2 584	1 096	2 276	202	444	^ 159	13 623
2004–05									
September	3 745	2 834	2 338	829	2 272	227	387	^ 157	12 789
December	4 459	3 513	2 849	1 120	2 672	324	440	^ 179	15 557
March	3 699	2 975	2 221	917	2 375	239	429	^ 162	13 016
June	4 902	3 486	2 932	1 119	2 630	^ 337	592	^ 194	16 192
2005–06									
September	4 674	3 423	2 671	962	3 128	^ 286	^ 546	^ 196	15 886
SEASONALLY ADJUSTED									
2003–04									
September	3 541	3 193	2 153	1 060	2 218	167	523	170	13 093
December	3 511	2 963	2 288	949	2 343	153	447	127	12 944
March	3 527	2 903	2 106	902	2 112	195	478	132	12 135
June	3 787	2 814	2 406	1 031	2 229	190	458	143	13 055
2004–05									
September	3 805	2 821	2 472	907	2 257	235	369	176	13 074
December	4 207	3 259	2 628	990	2 458	313	398	180	14 614
March	4 147	3 292	2 494	1 067	2 677	258	497	161	14 269
June	4 611	3 447	2 730	1 014	2 584	316	600	179	15 535
2005–06									
September	4 738	3 396	2 809	1 056	3 108	296	525	216	16 207
TREND									
2003–04									
September	3 536	3 099	2 200	1 033	2 206	171	468	152	12 958
December	3 524	2 999	2 189	980	2 242	163	484	137	13 021
March	3 572	2 878	2 234	947	2 215	175	468	135	13 002
June	3 718	2 827	2 353	946	2 198	206	428	148	13 022
2004–05									
September	3 891	2 936	2 474	968	2 299	243	399	166	13 211
December	4 079	3 138	2 556	993	2 439	274	422	171	13 681
March	4 292	3 317	2 605	1 021	2 591	292	489	175	14 488
June	4 523	3 406	2 689	1 045	2 769	297	547	185	15 365
2005–06									
September	4 721	3 433	2 772	1 044	2 930	297	574	201	16 084

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

11 ACTUAL EXPENDITURE ON BUILDINGS AND STRUCTURES—Chain volume measures(a)

Period	*New South Wales* $m	*Victoria* $m	*Queensland* $m	*South Australia* $m	*Western Australia* $m	*Tasmania* $m	*Northern Territory* $m	*Australian Capital Territory* $m	*Total* $m
					ORIGINAL				
2001–02	2 964	2 023	2 139	679	2 012	491	1 067	213	11 585
2002–03	3 300	2 476	2 250	830	3 069	272	1 458	114	13 768
2003–04	4 084	2 670	2 363	969	3 793	167	1 520	78	15 645
2004–05	4 456	2 923	2 803	916	4 749	398	1 416	145	17 806
2003–04									
September	920	737	545	200	876	21	434	16	3 750
December	1 064	724	616	285	1 092	24	387	14	4 206
March	910	596	491	192	781	52	331	25	3 379
June	1 190	613	711	292	1 044	69	368	22	4 310
2004–05									
September	1 080	678	590	210	1 096	88	310	21	4 074
December	1 116	735	779	219	1 243	108	339	30	4 569
March	936	714	649	225	1 119	95	338	41	4 118
June	1 324	796	785	262	1 291	106	429	53	5 045
2005–06									
September	1 429	865	825	265	1 436	73	417	75	5 385
					SEASONALLY ADJUSTED				
2003–04									
September	920	692	546	218	873	np	np	np	3 750
December	973	677	561	250	1 003	np	np	np	3 863
March	1 066	674	560	229	892	np	np	np	3 873
June	1 124	628	696	271	1 025	np	np	np	4 159
2004–05									
September	1 073	629	590	227	1 092	np	np	np	4 051
December	1 025	685	702	192	1 137	np	np	np	4 203
March	1 102	796	743	262	1 260	np	np	np	4 687
June	1 256	812	768	236	1 260	np	np	np	4 866
2005–06									
September	1 414	804	825	292	1 438	np	np	np	5 358
					TREND				
2003–04									
September	950	676	534	233	918	28	364	17	3 729
December	1 002	681	562	239	926	29	381	18	3 845
March	1 055	661	595	248	961	46	377	20	3 953
June	1 091	634	623	244	1 006	69	347	22	4 021
2004–05									
September	1 070	644	653	230	1 079	88	319	24	4 117
December	1 056	699	686	222	1 157	101	327	29	4 288
March	1 126	765	733	233	1 232	102	371	41	4 597
June	1 250	806	782	258	1 313	94	408	58	4 954
2005–06									
September	1 364	820	803	273	1 365	85	421	74	5 201

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

(a) Reference year for chain volume measures is 2003–04.

12 ACTUAL EXPENDITURE ON EQUIPMENT, PLANT AND MACHINERY—Chain volume measures(a)

Period	New South Wales $m	Victoria $m	Queensland $m	South Australia $m	Western Australia $m	Tasmania $m	Northern Territory $m	Australian Capital Territory $m	Total $m
				ORIGINAL					
2001–02	9 006	7 936	4 623	2 118	3 621	438	357	356	28 473
2002–03	10 012	9 298	6 173	2 889	3 860	558	386	505	33 707
2003–04	10 287	9 198	6 612	2 978	5 124	533	381	489	35 602
2004–05	12 702	10 207	7 668	3 138	5 003	734	330	566	40 348
2003–04									
September	2 447	2 353	1 427	738	1 312	133	117	128	8 653
December	2 628	2 450	1 822	788	1 450	134	113	110	9 493
March	2 302	2 066	1 429	623	1 113	129	83	110	7 857
June	2 910	2 330	1 933	828	1 248	138	68	141	9 599
2004–05									
September	2 739	2 224	1 788	631	1 156	141	63	142	8 883
December	3 417	2 856	2 097	918	1 383	217	79	153	11 120
March	2 843	2 324	1 589	705	1 204	143	63	124	8 994
June	3 704	2 804	2 194	884	1 260	233	124	148	11 351
2005–06									
September	3 328	2 648	1 861	705	1 586	220	86	122	10 557
				SEASONALLY ADJUSTED					
2003–04									
September	2 505	2 390	1 543	808	1 306	np	np	np	8 967
December	2 509	2 264	1 712	696	1 345	np	np	np	9 009
March	2 515	2 277	1 586	689	1 249	np	np	np	8 447
June	2 758	2 267	1 771	785	1 225	np	np	np	9 179
2004–05									
September	2 816	2 262	1 935	694	1 146	np	np	np	9 202
December	3 265	2 644	1 959	816	1 273	np	np	np	10 541
March	3 137	2 563	1 770	821	1 348	np	np	np	9 632
June	3 484	2 738	2 005	806	1 235	np	np	np	10 973
2005–06									
September	3 419	2 690	2 016	775	1 575	np	np	np	10 945
				TREND					
2003–04									
September	2 478	2 318	1 601	771	1 261	136	111	127	8 830
December	2 499	2 296	1 617	736	1 317	133	105	117	8 837
March	2 563	2 257	1 673	713	1 275	130	87	116	8 825
June	2 711	2 266	1 786	723	1 207	139	72	129	8 976
2004–05									
September	2 910	2 366	1 872	757	1 207	156	65	147	9 221
December	3 113	2 510	1 906	789	1 237	175	70	148	9 566
March	3 270	2 631	1 904	808	1 295	194	85	137	10 020
June	3 383	2 691	1 940	808	1 373	207	97	129	10 573
2005–06									
September	3 437	2 702	1 998	787	1 440	217	104	129	11 047

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

(a) Reference year for chain volume measures is 2003–04.

13 ACTUAL TOTAL EXPENDITURE—Chain volume measures(a)

Period	New South Wales $m	Victoria $m	Queensland $m	South Australia $m	Western Australia $m	Tasmania $m	Northern Territory $m	Australian Capital Territory $m	Total $m
				ORIGINAL					
2001–02	12 046	10 001	6 675	2 793	5 729	867	1 441	538	40 168
2002–03	13 395	11 803	8 417	3 733	6 912	818	1 847	613	47 595
2003–04	14 371	11 869	8 975	3 947	8 917	700	1 901	567	51 247
2004–05	17 158	13 130	10 472	4 054	9 751	1 131	1 747	712	58 154
2003–04									
September	3 369	3 084	1 969	943	2 194	157	551	145	12 405
December	3 688	3 174	2 442	1 070	2 539	160	501	125	13 694
March	3 215	2 662	1 922	817	1 899	179	415	134	11 246
June	4 099	2 949	2 641	1 119	2 286	204	434	164	13 902
2004–05									
September	3 819	2 902	2 378	841	2 252	229	374	163	12 957
December	4 533	3 590	2 876	1 138	2 626	324	418	184	15 689
March	3 778	3 038	2 238	929	2 323	238	402	165	13 111
June	5 028	3 599	2 979	1 146	2 551	339	553	200	16 396
2005–06									
September	4 757	3 514	2 685	970	3 022	293	503	198	15 942
				SEASONALLY ADJUSTED					
2003–04									
September	3 429	3 082	2 090	1 032	2 185	164	532	163	12 726
December	3 484	2 939	2 278	943	2 346	154	449	126	12 856
March	3 575	2 949	2 146	918	2 144	194	476	132	12 273
June	3 883	2 898	2 460	1 055	2 242	187	443	146	13 392
2004–05									
September	3 888	2 892	2 525	921	2 238	236	354	181	13 253
December	4 290	3 329	2 660	1 008	2 411	314	375	184	14 744
March	4 239	3 359	2 514	1 084	2 608	261	462	164	14 318
June	4 741	3 551	2 772	1 042	2 495	321	556	182	15 839
2005–06									
September	4 833	3 495	2 841	1 067	3 013	301	482	217	16 303
				TREND					
2003–04									
September	3 426	2 993	2 140	1 005	2 178	166	478	145	12 561
December	3 498	2 975	2 181	975	2 246	163	487	135	12 670
March	3 617	2 918	2 267	960	2 235	175	463	136	12 768
June	3 800	2 901	2 407	966	2 210	206	417	151	13 004
2004–05									
September	3 980	3 011	2 523	987	2 285	243	382	171	13 353
December	4 170	3 209	2 592	1 011	2 393	276	397	176	13 860
March	4 394	3 395	2 637	1 041	2 524	295	456	178	14 607
June	4 632	3 497	2 721	1 065	2 684	301	506	187	15 523
2005–06									
September	4 815	3 524	2 803	1 064	2 821	304	525	202	16 320

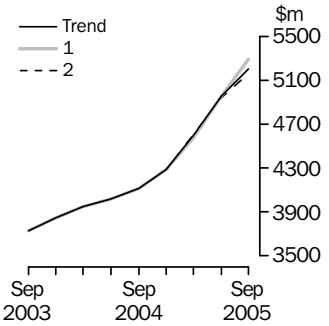
(a) Reference year for chain volume measures is 2003–04.

EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

TREND REVISIONS

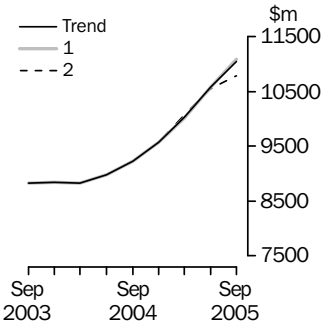
Recent seasonally adjusted and trend estimates are likely to be revised when original estimates for subsequent quarters become available. The approximate effect of possible scenarios on trend estimates for capital expenditure in chain volume terms are presented below by illustrating the impact if next 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 42 and 43 in the Explanatory Notes.

BUILDINGS AND STRUCTURES



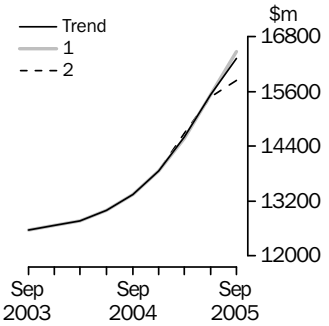
	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE: (1) rises by 6.7% on this quarter		(2) falls by 6.7% on this quarter	
	$m	%	$m	%	$m	%
2004						
December	4 288	4.2	4 288	4.2	4 288	4.2
2005						
March	4 597	7.2	4 577	6.7	4 605	7.4
June	4 954	7.8	4 954	8.2	4 943	7.4
September	5 201	5.0	5 294	6.9	5 161	4.4

EQUIPMENT, PLANT AND MACHINERY



	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE: (1) rises by 4.9% on this quarter		(2) falls by 4.9% on this quarter	
	$m	%	$m	%	$m	%
2004						
December	9 566	3.7	9 566	3.7	9 566	3.7
2005						
March	10 020	4.7	10 007	4.6	10 070	5.3
June	10 573	5.5	10 575	5.7	10 552	4.8
September	11 047	4.5	11 082	4.8	10 779	2.1

TOTAL CAPITAL EXPENDITURE



	Trend as published		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE: (1) rises by 4.4% on this quarter		(2) falls by 4.4% on this quarter	
	$m	%	$m	%	$m	%
2004						
December	13 860	3.8	13 860	3.8	13 860	3.8
2005						
March	14 607	5.4	14 562	5.1	14 690	6.0
June	15 523	6.3	15 528	6.6	15 483	5.4
September	16 320	5.1	16 463	6.0	15 846	2.3

EXPLANATORY NOTES

INTRODUCTION

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

SCOPE OF THE SURVEY

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

Mining (Division B)
Manufacturing (Division C)
Other selected industries:
- Construction (Division E)
- Wholesale trade (Division F)
- Retail trade (Division G)
- Transport and storage (Division I)
- Finance and insurance (Division K, but excluding Superannuation funds (Class 7412))
- Property and business services (Division L)
- Other selected services:
  - Electricity, gas and water (Division D)
  - Accommodation, cafes and restaurants (Division H)
  - Communication services (Division J)
  - Cultural and recreational services (Division P)
  - Personal services (Subdivision 95)

3 The survey excludes the following industries:

Agriculture, forestry and fishing (Division A)
Government administration and defence (Division M)
Superannuation funds (Class 7412)
Education (Division N)
Health and community services (Division O)
Other services (Subdivision 96)

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

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

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

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

STATISTICAL UNIT

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

SURVEY METHODOLOGY

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

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

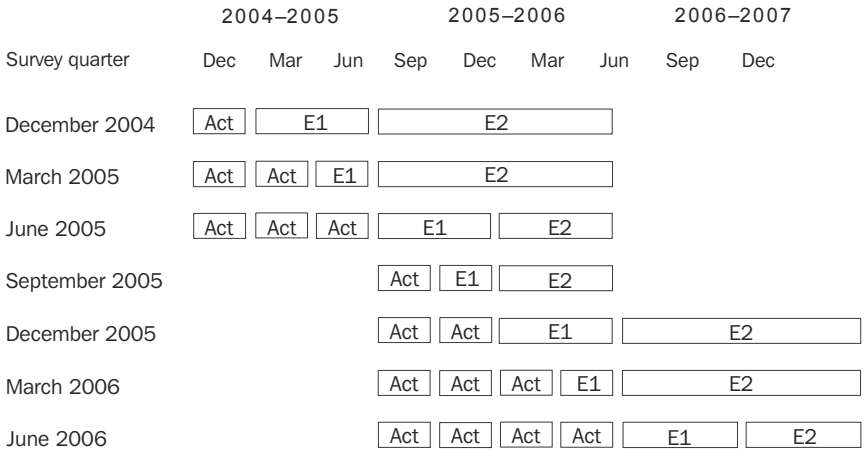
TIMING AND CONSTRUCTION OF SURVEY CYCLE

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

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

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

Period to which reported data relates



TIMING AND CONSTRUCTION OF SURVEY CYCLE *continued*

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

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

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

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

SAMPLE REVISION

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

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

18 Adjustments are included in the estimates to allow for lags in processing new businesses to the ABS Business Register, and the omission of some businesses from the register. The majority of businesses affected and to which adjustments apply are small in size. As an indication of the size of these adjustments, in the September quarter 2005 they represented about 1.0% of the total estimate of new capital expenditure.

CLASSIFICATION BY INDUSTRY

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

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

CHAIN VOLUME MEASURES

21 The chain volume measures appearing in this publication are annually reweighted chain Laspeyres indexes referenced to current price values in the chosen reference year (currently 2003–04). The current price values may be thought as being the product of a price and quantity. The value in chain volume terms can be derived by linking together movements in volumes, calculated using the average prices of the previous financial year

CHAIN VOLUME MEASURES *continued*

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

22 With each release of the June quarter issue of this publication, a new base year is introduced and the reference year is advanced one year to coincide with it. This means that with the release of the June quarter 2005 issue of this publication, the chain volume measures for 2004–05 will have 2003–04 (the previous financial year) as their base year rather than 2002–03, and the reference year will be 2003–04. 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.

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

DERIVATION AND USEFULNESS OF REALISATION RATIOS

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

25 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 2005–06 based on the June 2005 survey results and compare this with 2004–05 expenditure, it is necessary to apply the relevant realisation factors to the expectation to put both estimates on the same basis.

26 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.

27 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.

EXPERIMENTAL PROJECTED CAPITAL EXPENDITURE

28 Current short and long term expectations are of varying periods depending on the quarter in which they are collected (see paragraph 12 of the Explanatory Notes). Each expectation from the beginning of the time series is confronted with the actual expenditure that occurred in each quarter to which that expectations figure related (for example, June quarter 2005 short-term expectations related to the September and December quarters 2005). The output of this is to produce a quarterly realisation ratio for each expectations estimate through time.

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

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

31 The resultant quarterly time series are then produced in trend terms. The same aggregation structure which is used to produce seasonally adjusted and trend estimates of actual capital expenditure is used for these projected series. (See Paragraphs 38 to 43 of the Explanatory notes for more information regarding seasonally adjusted and trend estimates).

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

- The trend estimates which feature as key indicators in this release are based on the time series up to and including the current quarter, while the projected trend estimates are based on a time series which concludes at the end point of available expectations. Paragraph 42 of the Explanatory Notes describe the potential impact of future estimates on the end point of the trend estimate, and this is shown in more detail in the "What if ..." analysis on page 26 of this release.
- Key indicators of actual expenditure in this release are presented in volume terms, which removes the impact of price changes on the time series. Tables 1 and 2 of this release also present actual and expected expenditure in current price terms. The projected series, however, are compiled using current price estimates for the actual component of the time series (that is, prices as they related to the particular quarter) and expectations which are generally based on prices for the quarter in which they were reported. The impact of price changes can have a significant impact on some series. For example, trend estimates of total expenditure in volume terms have been increasing in recent quarters, while current price estimates have been decreasing.
- The projected series is based on five-year average realisation ratios. As is discussed in paragraphs 24 to 27 of the Explanatory Notes, there is some volatility in realisation ratios over time and so it is not necessarily the case that contemporary expectations will be realised in line with the average of the past five years.

RELIABILITY OF THE ESTIMATES

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

RELIABILITY OF THE ESTIMATES *continued*

34 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 September quarter 2003.

35 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.

36 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 43 below, seasonally adjusted and trend estimates are also subject to revision as data are revised and more data becomes available.

37 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.

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 In this publication, the seasonally adjusted estimates are produced by the concurrent seasonal adjustment method which takes account of the latest available original estimates. This method improves the estimation of seasonal factors, and therefore, the seasonally adjusted and trend estimates for the current and previous quarters. As a result of this improvement, revisions to the seasonally adjusted and trend estimates will be observed for recent periods. In most instances the only noticeable revisions will be to the previous quarter and the same quarter one year ago. A more detailed review is conducted annually prior to the September quarter release using data up to and including the June quarter. The concurrent seasonal adjustment methodology replaces the forward factor methodology previously used to adjust capital expenditure estimates where seasonal factors for these estimates were only revised following an annual reanalysis.

SEASONAL ADJUSTMENT *continued*

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

TREND ESTIMATES

42 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.

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

DESCRIPTION OF TERMS

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

45 *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.

46 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

47 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:

COMPARISON WITH NATIONAL ACCOUNTS AND OTHER ABS STATISTICS *continued*

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

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

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

RELATED PUBLICATIONS

50 Users may also wish to refer the following publications:

- *Australian Business Expectations* (cat. no. 5250.0)
- *Australian National Accounts: National Income, Expenditure and Product* (cat. no. 5206.0)
- *Australian National Accounts: Concepts, Sources and Methods* (cat. no. 5216.0)
- *Building Activity, Australia* (cat. no. 8752.0)
- *Business Indicators, Australia* (cat. no. 5676.0)
- *Business Operations and Industry Performance, Australia* (cat. no. 8140.0)
- *Constructon Work Done, Australia* (cat no 8755.0)
- *Directory of Capital Expenditure Data Sources and Related Statistics* (cat. no. 5653.0)
- *Engineering Construction Activity, Australia* (cat. no. 8762.0)
- *Information Paper: Experimental Estimates: Australian Industry, A State Perspective, 1998–99* (cat. no. 8156.0)
- *Information Paper: Improvements to Australian Bureau of Statistics Business Indicators* (cat. no. 5677.0)
- *Information Paper: Australian National Accounts, Introduction of Chain Volume and Price Indexes* (cat. no. 5248.0)

RELATED PUBLICATIONS *continued*

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

ABS DATA AVAILABLE ON REQUEST

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

DATA AVAILABLE ON AUSSTATS

53 The ABS' time series service AusStats contains most of the data included in this publication but with a longer time series. In addition to the series in this publication, data for Manufacturing Subdivisions and State by Industry data are also available. A full list of available AusStats tables is in Appendix 2 on page 38.

ACKNOWLEDGMENT

54 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*.

APPENDIX 1 SAMPLING ERRORS

LEVEL ESTIMATES

INTRODUCTION

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

EXAMPLE OF USE

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

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

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

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

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

na not available

MOVEMENT ESTIMATES

EXAMPLE OF USE

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

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

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

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

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

na not available

APPENDIX 2 DATA AVAILABLE ON AUSSTATS

DATA AVAILABLE ON AUSSTATS

The full list of Ausstats tables is as follows:

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

DATA AVAILABLE ON AUSSTATS *continued*

10b Actual and expected expenditure, By industry, Western Australia, Original, Current price terms
11a Actual and expected expenditure, By type of asset, Tasmania, Original, Current price terms
11b Actual and expected expenditure, By industry, Tasmania, Original, Current price terms

FOR MORE INFORMATION . . .

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CPI INFOLINE	For current and historical Consumer Price Index data, call 1902 981 074 (call cost 77c per minute).
DIAL-A-STATISTIC	This service now provides only current Consumer Price Index statistics call 1900 986 400 (call cost 77c per minute).

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