AUSTRALIAN BUREAU OF STATISTICS

CANBERRA

CATALOGUE NO. 5625.0

EMBARGOED UNTIL 11.30 A.M. 28 MAY 1986

PRIVATE NEW CAPITAL EXPENDITURE, AUSTRALIA MARCH QUARTER 1986 SURVEY, PRELIMINARY

(Previously: New Fixed Capital Expenditure by Private Enterprises in Selected Industries)

PHONE INQUIRIES *for more information about these statistics*—contact Mr Geoff McFarlane on Canberra (062) 52 5611 or any of our State offices.

other inquiries including copies of publications—contact Information Services on Canberra (062) 52 6627 or in any of our State offices.

MAIL INQUIRIES *write to* Information Services, ABS, P.O. Box 10, Belconnen, A.C.T. 2616 or any of our State offices.

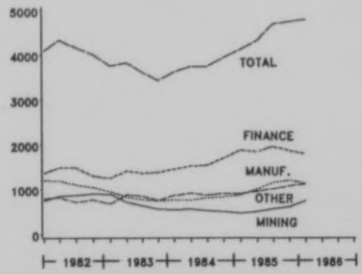
MAIN FEATURES

The preliminary seasonally adjusted estimate of private new fixed capital expenditure for the March quarter 1986 is $4,786m, 1% higher than estimated for the December quarter 1985.

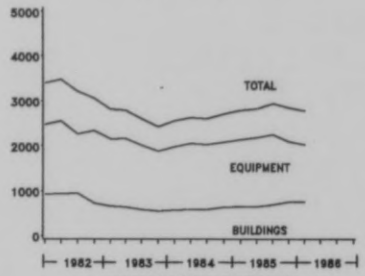
At average 1979/80 prices, the seasonally adjusted estimate is about 2% lower than the December quarter 1985 estimate due to a fall of 3% in expenditure on equipment.

The preliminary estimate of expected expenditure for the June quarter 1986 is $5,608m. While this is 36% higher than the March quarter actual expenditure, June quarter expenditure is seasonally high and in recent years expectations have not been fully realised. Based on data shown in Table 4, seasonally adjusted June quarter expenditure is more likely to be about 3% higher than estimated for March quarter.

CURRENT PRICES
SEASONALLY ADJUSTED SERIES
($ million)



AVERAGE 1979–80 PRICES
SEASONALLY ADJUSTED SERIES
($ million)

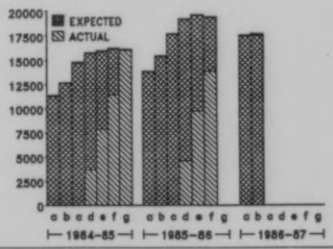


In the March quarter 1986 survey, businesses estimated that expected expenditure for 1986/87 will be about $17,625m, which is slightly higher than businesses estimated in the December quarter 1985 survey. This estimate is about 14% higher than the estimate for 1985/86 made from the March quarter survey last year.

In the past, estimates of expected expenditure from the March quarter survey for the following financial year have generally been revised upwards. If the average realisation over the past three years is achieved (see Table 4) then expenditure over 1986/87 will show an increase of about 6% over expected 1985/86 expenditure. However, the actual realisation will depend largely on the prevailing economic circumstances.

NOTE: There have been some small downward revisions to the expectations data collected in the December quarter 1985 survey and published in Catalogue No. 5626.0 on 25 March 1986.

SUMMARY OF EACH YEARS
ESTIMATE AS DERIVED OVER TIME
($ million)



EXPLANATORY NOTES

This publication contains preliminary estimates of actual new fixed capital expenditure by private enterprises in selected industries in Australia for the March quarter 1986 and of expected expenditure for the 3 months ending 30 June 1986 and for the 12 months ending 30 June 1987 together with estimates of actual new fixed capital expenditure for previous quarters from June quarter 1984. The statistics have been compiled on the basis of the initial 75 per cent of returns received and are subject to revision when final estimates are compiled on the basis of a more complete response. The sampling standard error for the preliminary estimate of the level of total actual new fixed capital expenditure is approximately 4 per cent. The standard error of the quarter to quarter movement in total new fixed capital expenditure is also about 4 per cent (expressed as a percentage of the level estimate).

2. It is anticipated that final estimates will be published in July (5626.0).

3. Estimates at average 1979-80 prices are presented, by type of asset, in both original and seasonally adjusted terms in Table 2. The deflators used to revalue the current price estimates are the price deflators compiled for the new fixed assets component of the national accounts aggregates 'Private gross fixed capital expenditure on non-dwelling construction' and 'Private gross fixed capital expenditure on equipment'.

Seasonal adjustment

4. The 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. At least once each year the seasonally adjusted series are re-analysed to take into account the latest available data. The most recent reanalysis takes into account data collected up to and including the December quarter 1985 survey.

Further information

5. For further information on the industry classification, reliability, definition of terms, scope of this series and a full discussion of the concept of standard error, together with estimates of standard errors, see the December 1985 issue of Catalogue No. 5626.0 published on 25 March 1986. Details of seasonal adjustment methods used are given in *Seasonally Adjusted Indicators, Australia,* (1308.0).

Related publications

6. Current publications produced by ABS are listed in the *Catalogue of Publications, 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.

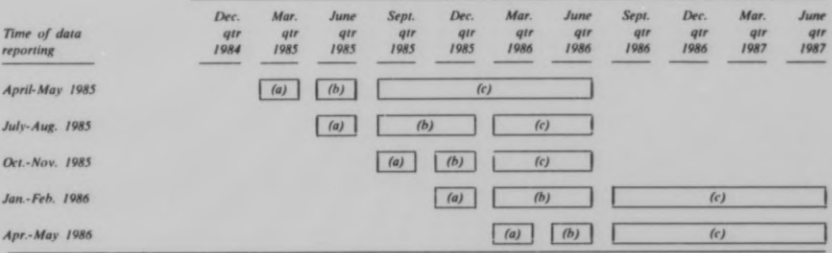
Symbols and other usages

p preliminary—figure or series subject to revision.
r figure or series revised since previous issue
N.A. not available

7. Where figures have been rounded, discrepancies may occur between the sums of the component items and the totals.

IAN CASTLES
Australian Statistician

SURVEY OF NEW FIXED CAPITAL EXPENDITURE—REPORTING CYCLE



(a) Represents estimate of actual expenditure for the quarter prior to time of reporting. (b) and (c) represent estimates of expected expenditure, at the time of reporting, for the current and subsequent periods respectively.

© Commonwealth of Australia 1986

Printed by C. J. THOMPSON, Commonwealth Government Printer, Canberra

TABLE 1 - NEW FIXED CAPITAL EXPENDITURE FOR SELECTED INDUSTRIES (a) BY TYPE OF ASSET
($ million)

Type of Asset	Actual								Expected (b)	
	1983-84	1984-85				1985-86			3 Months Ending 30 June 1986 P	12 Months Ending 30 June 1987 P
	June Qtr	Sept Qtr	Dec. Qtr	March Qtr	June Qtr	Sept Qtr	Dec. Qtr	March Qtr P		
ORIGINAL										
New Buildings and Structures	908	877	1,159	899	1,103	1,156	1,553	1,186	1,600	4,580
Equipment, Plant and Machinery	3,147	2,782	3,037	2,657	3,593	3,442	r 3,524	2,950	4,009	13,045
Total New Fixed Capital Expenditure	4,054	3,659	4,196	3,556	4,696	4,597	r 5,077	4,136	5,608	17,625
SEASONALLY ADJUSTED										
New Buildings and Structures	889	903	1,008	1,050	1,073	1,197	1,346	1,386	N.A.	N.A.
Equipment, Plant and Machinery	2,850	2,831	2,921	3,064	3,241	3,492	r 3,398	3,400	N.A.	N.A.
Total New Fixed Capital Expenditure	3,739	3,734	3,929	4,114	4,314	4,689	r 4,744	4,786	N.A.	N.A.

TABLE 2 - NEW FIXED CAPITAL EXPENDITURE FOR SELECTED INDUSTRIES (a) BY TYPE OF ASSET
AT AVERAGE 1979-80 PRICES (c)
($ million)

Type of Asset	1983-84	1984-85				1985-86		
	June Qtr	Sept Qtr	Dec. Qtr	March Qtr	June Qtr	Sept Qtr	Dec. Qtr	March Qtr P
ORIGINAL r								
New Buildings and Structures	588	560	729	555	662	671	871	646
Equipment, Plant and Machinery	2,258	1,991	2,162	1,854	2,413	2,214	2,165	1,758
Total New Fixed Capital Expenditure	2,846	2,551	2,891	2,409	3,075	2,885	3,036	2,404
SEASONALLY ADJUSTED r								
New Buildings and Structures	576	577	634	648	644	695	755	755
Equipment, Plant and Machinery	2,046	2,026	2,079	2,138	2,177	2,246	2,088	2,026
Total New Fixed Capital Expenditure	2,621	2,603	2,713	2,786	2,821	2,940	2,842	2,781

See page 4 for footnotes

TABLE 3 - NEW FIXED CAPITAL EXPENDITURE BY MAJOR INDUSTRY GROUP
($ million)

Major Industry	Actual								Expected (b)	
	1983-84	1984-85				1985-86			3 Months Ending 30 June 1986 P	12 Months Ending 30 June 1987 P
	June Qtr	Sept Qtr	Dec. Qtr	March Qtr	June Qtr	Sept Qtr	Dec. Qtr	March Qtr P		
ORIGINAL										
Mining	559	514	579	411	510	557	698	657	967	3,113
Manufacturing	779	791	907	784	1,035	1,129	r 1,310	1,011	1,525	4,652
Finance, Property and Business Services	1,731	1,505	1,716	1,609	2,113	1,914	1,880	1,544	1,880	6,688
Other Selected Industries	985	849	994	752	1,038	998	r 1,189	924	1,237	3,173
Total Selected Industries (a)	4,054	3,659	4,196	3,556	4,696	4,597	r 5,077	4,136	5,608	17,625
SEASONALLY ADJUSTED										
Mining	553	530	508	467	506	572	612	748	N.A.	N.A.
Manufacturing	757	805	828	874	1,007	1,148	r 1,200	1,126	N.A.	N.A.
Finance, Property and Business Services	1,516	1,535	1,692	1,868	1,842	1,957	1,859	1,793	N.A.	N.A.
Other Selected Industries	913	864	901	905	960	1,012	r 1,074	1,118	N.A.	N.A.
Total Selected Industries (a)	3,739	3,734	3,929	4,114	4,314	4,689	r 4,744	4,786	N.A.	N.A.

TABLE 4 - ACTUAL NEW FIXED CAPITAL EXPENDITURE AS A PERCENTAGE OF PRELIMINARY EXPECTED NEW FIXED CAPITAL EXPENDITURE

Period	Type of Asset		Major Industry Group				Total (a)
	New Buildings and Structures	Equipment Plant and Machinery	Mining	Manu-facturing	Finance, Property and Business Services	Other Selected Industries	
Three months ending							
30 June 1983	76.0	100.7	73.5	83.9	107.0	107.7	93.6
30 June 1984	88.4	100.0	67.7	81.7	111.9	116.2	97.1
30 June 1985	89.1	96.8	81.4	84.0	101.1	104.3	94.9
Twelve months ending							
30 June 1983	84.1	105.0	90.8	95.0	98.3	112.6	98.1
30 June 1984	105.0	125.0	92.0	110.9	125.7	148.7	119.6
30 June 1985	137.5	126.6	97.5	110.6	136.7	170.4	129.2

(a) Excludes public sector and all enterprises classified to agriculture, forestry, fishing and hunting, community services and construction. (b) Expected by businesses in April-May 1986. (c) See paragraph 3 of explanatory notes.