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NEW FIXED CAPITAL EXPENDITURE BY PRIVATE ENTERPRISES IN SELECTED INDUSTRIES, AUSTRALIA

DECEMBER QUARTER 1980 (PRELIMINARY) ACTUAL
JANUARY TO JUNE 1981 (PRELIMINARY) EXPECTED

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INQUIRIES

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MAIN FEATURES

Estimates of actual expenditure

In seasonally adjusted terms, the preliminary estimate for the December quarter 1980 is \$3,147.6m. This is 6.5% higher than for the September quarter 1980. Changes ranged from -4.3% for the remaining service industry category 'other selected industries' to +14.1% for the finance, property and business services industry.

For the year ended 31 December 1980, compared with the year ended 31 December 1979, actual new fixed capital expenditure at current prices rose by 23.4% to \$11,068.1m. In industry terms, the highest increase was 33.3% for the mining industry. There were no decreases. Expenditure on new buildings and structures (which includes mine development) rose by 36.5% for the calendar year 1980 compared with 1979 and on other new capital equipment rose by 19.1%.

Estimates of expected expenditure

The preliminary estimate (not seasonally adjusted) of expected new fixed capital expenditure for the 6 months ending 30 June 1981 is \$7,000.1m. This is 11.4% above the preliminary estimate of actual expenditure for the 6 months ended 31 December 1980. If expectations are realised, actual expenditure for the year ended 30 June 1981 will be 42.5% above that for 1979/80. Corresponding percentage increases for the years ended 30 June 1979 and 30 June 1980 were 24.2% and 5.9% respectively. Rises are expected to range from 87.6% in the mining industry to 27.1% in the finance, property and business services industry.

EXPLANATORY NOTES

Introduction

This publication contains preliminary estimates of actual new fixed capital expenditure by private enterprises in selected industries in Australia for the December quarter 1980 and of expected expenditure for the 6 months ended 30 June 1981 together with estimates of actual new fixed capital expenditure for previous quarters from June quarter 1979. Final estimates revising and expanding the preliminary estimates contained in this publication will be released in *New Fixed Capital Expenditure by Private Enterprises in Selected Industries* (Catalogue No. 5626.0).

2. In addition to the statistics in this publication, longer term expected new fixed capital expenditure estimates are available on request together with a comparison of these expected expenditures with subsequent actual expenditures for corresponding periods. These statistics are compiled at the time final estimates of actual and short-term expected new fixed capital expenditure are produced. The most recent available statistics of this type relate to expectations at 30 June 1980 for the 6 months ended 30 June 1981.

3. The preliminary estimates of expected new fixed capital expenditure in this publication relate to expenditure that enterprises expected, at the beginning of the 6 month period ending 30 June 1981, to undertake in that period. Subsequent events, e.g. changes in economic conditions, may cause revision of plans and affect the timing of construction or the deliveries of equipment, or their cost. Some indication of the predictive value of the preliminary estimates of expected new fixed capital expenditure may be obtained from Table 3 where the estimate of actual new fixed capital expenditure is expressed as a percentage of the preliminary expected estimate for the same period.

4. The series contained in this publication have been compiled from data collected in a quarterly survey of private enterprises. The survey is based on a stratified random sample of private enterprises recorded in the Australian Bureau of Statistics (ABS) central register of economic units. The statistics of actual new fixed capital expenditure for the December quarter 1980 and expected new fixed capital expenditure for the 6 months ending 30 June 1981 are preliminary estimates only. They have been compiled on the basis of the initial 75-80 per cent of returns received and are subject to revision when returns have been received from the complete sample. The sampling standard error of the level of total actual new fixed capital expenditure is approximately 3.0 per cent. The standard error of the quarter to quarter movement in total new fixed capital expenditure is about 1.7 per cent (expressed as a percentage of the level estimate).

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 see final publication (5626.0) issued on 24 February 1981. Details of seasonal adjustment methods used are given in *Seasonally Adjusted Indicators, Australia* (1308.0).

Related publications

6. Current publications produced by the ABS are listed in the *Catalogue of Publication* (1101.0) which is available free of charge from any ABS office.

Symbols and other usages

- p preliminary—figure or series subject to revision
 - r figure or series revised since previous issue
 - nil or rounded to zero
- ASIC Australian Standard Industrial Classification
1978 edition

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

R. J. CAMERON
Australian Statistician

TABLE 1. NEW FIXED CAPITAL EXPENDITURE FOR SELECTED INDUSTRIES (a) BY TYPE OF ASSET
ORIGINAL AND SEASONALLY ADJUSTED SERIES
(\$ million)

Type of asset	ACTUAL							EXPECTED (b)
	1978-79	1979-80				1980-81		6 months ending 30 June 1981 p
	June qtr	Sept. qtr	Dec. qtr	March qtr	June qtr	Sept. qtr	Dec. qtr p	
ORIGINAL								
New buildings and structures (c)	575.5	531.9	675.6	536.8	697.3	755.0	1,062.0	2,247.5
Other new capital equipment (d)	1,916.5	1,568.3	1,758.5	1,551.5	2,001.1	2,125.9	2,338.4	4,752.6
Total selected industries (a)	2,492.0	2,100.2	2,434.2	2,088.3	2,698.4	2,880.9	3,400.5	7,000.1
SEASONALLY ADJUSTED (c)								
New buildings and structures (c)	556.3	533.0	588.0	655.7	674.0	756.6	924.0	2,291.9
Other new capital equipment (d)	1,737.0	1,621.3	1,668.0	1,776.1	1,807.1	2,201.7	2,218.2	4,752.6
Total selected industries (a)	2,297.0	2,152.6	2,253.2	2,431.5	2,485.1	2,958.3	3,142.2	7,044.5

TABLE 2. NEW FIXED CAPITAL EXPENDITURE BY MAJOR INDUSTRY GROUP
ORIGINAL AND SEASONALLY ADJUSTED SERIES
(\$ million)

Major Industry (f)	ACTUAL							EXPECTED (b)
	1978-79	1979-80				1980-81		6 months ending 30 June 1981 p
	June qtr	Sept. qtr	Dec. qtr	March qtr	June qtr	Sept. qtr	Dec. qtr p	
ORIGINAL								
Mining (11-16)	313.0	206.2	295.9	244.6	334.7	378.0	471.0	1,180.1
Manufacturing (21-34)	684.7	555.9	677.1	550.2	754.6	795.3	963.4	2,217.7
Finance etc. (g) (61-63)	951.6	855.6	918.1	869.0	1,066.4	1,109.7	1,274.6	2,331.1
Other selected industries (h) (36,37,47-56, 91-93)	542.7	482.5	543.1	424.5	542.7	1,597.9	691.5	1,271.2
Total (a) (11-37,47-63,91-93)	2,492.0	2,100.2	2,434.2	2,088.3	2,698.4	2,880.9	3,400.5	7,000.1
SEASONALLY ADJUSTED (c)								
Mining (i) (11-16)	291.5	213.5	270.1	283.0	311.3	392.5	429.2	1,180.1
Manufacturing (i) (21-34)	624.4	582.6	622.6	638.7	688.3	833.4	884.7	2,346.1
Finance etc. (g) (61-63)	860.9	845.0	899.9	1,088.4	963.4	1,097.0	1,251.2	2,346.1
Other selected industries (h) (36,37,47-56, 91-93)	513.6	501.7	465.9	509.4	513.1	1,620.3	593.8	1,300.7
Total (a) (11-37,47-63,91-93)	2,297.0	2,152.6	2,253.2	2,431.5	2,485.1	2,958.3	3,142.2	7,044.5

See page 4 for footnotes.

TABLE 3. ACTUAL NEW FIXED CAPITAL EXPENDITURE AS A PERCENTAGE (j)
OF PRELIMINARY EXPECTED NEW FIXED CAPITAL EXPENDITURE (b)

	6 months ended						
	30 June 1977	31 Dec. 1977	30 June 1978	31 Dec. 1978	30 June 1979	31 Dec. 1979	30 June 1980
By type of asset—							
New buildings and structures (c)	88.4	102.1	84.4	101.7	89.4	104.1	95.5
Other new capital equipment (d)	102.3	106.6	99.0	108.3	112.5	106.2	101.9
Total	97.8	105.2	94.7	106.4	105.9	105.6	100.1
By major industry (f)—							
Mining (11-16)	75.4	81.9	73.6	99.7	100.6	86.5	96.8
Manufacturing (21-34)	86.7	89.2	87.9	97.1	97.8	101.5	88.2
Finance etc. (g) (61-63)	107.3	123.6	106.5	116.1	105.7	104.1	113.0
Other selected industries (h) (36,37,47-56,91-93)	112.5	124.4	102.0	109.7	122.8	128.9	97.6
Total (a)	97.8	105.2	94.7	106.4	105.9	105.6	100.1

(a) Excludes public sector and all enterprises classified to agriculture, forestry, fishing and hunting, community services and construction. (b) Expected by businesses at beginning of period. (c) Includes houses, flats and home units, water and sewerage installations, lifts, heating, ventilating and similar equipment forming an integral part of buildings and structures, land and construction site development, roads, bridges, wharves, harbours, railway lines, pipelines, power and telephone lines. Also included is the value of expenditure on mine development (e.g. construction of shafts in underground mines, preparation of mining and quarrying sites for 'open cut' extraction, other equipment, furniture, fixtures and fittings not forming an integral part of buildings, durable containers, special tooling etc.; also includes goods imported from overseas whether previously used outside Australia or not. (e) Components and totals have been seasonally adjusted separately. Consequently, adjusted components may not add to adjusted totals. (f) Numbers in brackets refer to ASIC subdivisions. (g) Finance, property and business services. (h) Includes electricity, gas and water, wholesale and retail trade, transport and storage, communication, and recreational, personal etc. services. (i) As there is an insignificant seasonal pattern in the series 'Six months expected new fixed capital expenditure by the mining industry' and 'Six months expected new fixed capital expenditure by manufacturing industries' no seasonal adjustments have been made to the original series. (j) Subsequent actual new fixed capital expenditure (not seasonally adjusted and as first published in (5626.0)) as a percentage of preliminary expected new fixed capital expenditure for the same period.