

CENTRAL STATISTICAL OFFICE



National Income and Expenditure 1963–1973

The title of this publication has been changed to include the time period covered by most of the tables contained therein, instead of the year of publication. The latter is, however, still shown in the bottom left-hand corner of the cover and on the title page.

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National Income and Expenditure 1963-1973

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INTRODUCTION

THIS PUBLICATION has been prepared by the Central Statistical Office in collaboration with other government departments and the Bank of England. It contains estimates of the national product, income and expenditure of the United Kingdom for each of the calendar years 1963 to 1973. In addition, Tables 1 to 8 and 14, 15 and 17 are extended to cover 1952 to 1962 on a consistent basis. Where tables relate to years other than 1963 to 1973 the years covered are noted in the list of contents.

The tables are grouped into twelve sections. Those in Section I (Summary Tables) summarise the more important statistics of national product, income and expenditure. These tables show the principal categories normally used in national accounting. The tables in the other eleven sections either show the composition of these aggregates in more detail or present them in alternative forms. Each item appearing in Tables 1 to 9 is given a *reference number* and is defined in Section XIII.

Quarterly estimates of the main components of national income and expenditure for the last two or three years are published regularly in the *Monthly Digest of Statistics* and, together with a commentary, in the January, April, July and October issues of *Economic Trends*. A longer run of quarterly estimates, consistent with the annual figures in the Blue Book, is published in the October issue of *Economic Trends*, which also contains tables giving percentages derived from the Blue Book figures. Some revised quarterly estimates for earlier years may be available in advance of publication if application is made to the Central Statistical Office. Quarterly capital accounts and financial accounts for each sector are published regularly in *Financial Statistics*.

Comparable data for periods prior to those contained in this publication and in the October issue of *Economic Trends* can be obtained from the CSO macro-economic data bank service on payment of a small fee. Most of the annual figures contained in Tables 1 to 8, 14 and 15 of this publication are available back to 1946 at current prices and to 1948 at constant prices. Corresponding quarterly estimates are available in most cases back to 1955.

Sources and methods

A general description of the statistics given in this publication, together with a detailed description of the sources, methods and definitions used in making the estimates, is given in *National Accounts Statistics: Sources and Methods*, Studies in Official Statistics, No. 13, HMSO, 1968. This description relates to the estimates published in the 1967 Blue Book, *National Income and Expenditure, 1967*. The notes in Section XIV describe changes in treatment and definitions which have been made since the publication of *National Accounts Statistics: Sources and Methods*.

Revisions and changes in content

The principal revisions which have been made to the estimates contained in the 1973 Blue Book are tabulated in a separate section of the notes in Section XIV.

Two additional tables have been included in this Blue Book. The section on expenditure and output at constant prices includes an analysis of industrial output by three types of market: consumer goods, investment goods and intermediate goods. The section on industrial input and output contains an analysis, at S.I.C. Order level, of the contribution to gross domestic product by manufacturing industries.

Reliability of the estimates

All the value estimates are expressed in terms of a precise number of £ million, but this does not imply that they can be regarded as accurate to the last digit. Similarly, the index numbers are not necessarily accurate to the last digit shown. Some of the figures are provisional and may be revised later; this applies particularly to many of the detailed figures for 1973.

Symbols and conventions used

Prices. Except where otherwise stated, all estimates of expenditure are valued at market prices.

Industrial classification. Analysis by industry are based, as far as possible, on the *Standard Industrial Classification, 1968*.

Symbols. The following symbols are used throughout:

.. not available.

— nil or less than £500,000.

Central Statistical Office,
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I. SUMMARY TABLES

Gross national product

£ million

TABLE 1

	Reference number	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
Expenditure												
Consumers' expenditure.....	1	10,691	11,402	12,091	13,038	13,744	14,509	15,296	16,117	16,933	17,835	18,923
Public authorities' current expenditure on goods and services.....	2, 3	2,957	3,099	3,182	3,248	3,512	3,664	3,746	3,997	4,244	4,584	4,916
Gross domestic fixed capital formation.....	4	2,134	2,395	2,595	2,882	3,164	3,451	3,569	3,816	4,190	4,704	4,833
Value of physical increase in stocks and work in progress.....	5	50	125	56	300	259	238	111	178	562	279	-8
Total domestic expenditure at market prices.....		15,832	17,021	17,924	19,468	20,679	21,862	22,722	24,108	25,929	27,402	28,664
Exports and property income from abroad.....	6	4,590	4,495	4,671	5,045	5,564	5,856	5,839	6,016	6,309	6,587	6,832
less Imports and property income paid abroad.....	7	-4,511	-4,414	-4,545	-5,175	-5,291	-5,549	-5,425	-5,791	-6,483	-6,480	-6,599
less Taxes on expenditure.....	8, 9	-2,286	-2,358	-2,493	-2,643	-2,817	-2,955	-3,028	-3,187	-3,378	-3,627	-3,879
Subsidies.....	10, 11	421	366	423	352	364	412	391	374	493	593	608
Gross national product at factor cost.....	12	14,046	15,110	15,980	17,047	18,499	19,626	20,499	21,520	22,870	24,475	25,626
Factor incomes												
Income from employment.....	13	9,107	9,634	10,284	11,244	12,267	12,963	13,470	14,107	15,174	16,407	17,306
Income from self-employment ⁽¹⁾	14	1,490	1,538	1,577	1,660	1,713	1,773	1,783	1,885	2,008	2,111	2,148
Gross trading profits of companies ⁽¹⁾	15	2,180	2,313	2,576	2,886	2,928	3,075	2,983	3,317	3,730	3,639	3,595
Gross trading surplus of public corporations ⁽¹⁾	16	276	319	351	311	342	320	336	387	534	639	745
Gross trading surplus of other public enterprises ⁽¹⁾	17, 18	46	69	115	120	130	138	165	173	189	108	84
Rent ⁽²⁾	19	611	685	751	805	870	930	1,078	1,171	1,263	1,359	1,477
Total domestic income before providing for depreciation and stock appreciation.....		13,710	14,558	15,654	17,026	18,250	19,199	19,815	21,040	22,898	24,263	25,355
less Stock appreciation.....	20	50	75	-75	-196	-208	-187	5	-98	-122	-171	-152
Residual error.....	21	34	248	151	43	228	365	386	316	-139	129	89
Gross domestic product at factor cost.....	22	13,794	14,881	15,730	16,873	18,270	19,377	20,206	21,258	22,637	24,221	25,292
Net property income from abroad.....	23	252	229	250	174	229	249	293	262	233	254	334
Gross national product.....	12	14,046	15,110	15,980	17,047	18,499	19,626	20,499	21,520	22,870	24,475	25,626
less Capital consumption.....	24	-1,283	-1,344	-1,407	-1,536	-1,672	-1,795	-1,908	-1,974	-2,072	-2,221	-2,354
National income.....	25	12,763	13,766	14,573	15,511	16,827	17,831	18,591	19,546	20,798	22,254	23,272

(1) Before providing for depreciation and stock appreciation.
(2) Before providing for depreciation.

Gross national product

TABLE 1 (continued)

£ million

	Reference number	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Expenditure												
Consumers' expenditure	1	20,118	21,463	22,856	24,227	25,434	27,331	28,965	31,387	34,881	39,472	44,855
Public authorities' current expenditure on goods and services	2, 3	5,176	5,505	6,041	6,572	7,272	7,727	8,088	9,095	10,353	11,776	13,270
Gross domestic fixed capital formation	4	5,020	5,993	6,448	6,856	7,452	8,097	8,449	9,237	10,179	11,429	13,871
Value of physical increase in stocks and work in progress	5	168	725	496	343	345	467	436	438	111	— 23	574
Total domestic expenditure at market prices		30,482	33,686	35,841	37,998	40,503	43,622	45,938	50,157	55,524	62,654	72,570
Exports and property income from abroad	6	7,217	7,679	8,302	8,716	8,954	10,815	12,226	13,970	15,714	16,792	21,542
less Imports and property income paid abroad	7	—6,956	—7,888	—8,167	—8,430	—9,035	—10,861	—11,551	—13,057	—14,408	—16,419	—22,291
less Taxes on expenditure	8, 9	—4,027	—4,437	—4,962	—5,427	—6,004	—6,818	—7,789	—8,433	—8,809	—9,282	—10,006
Subsidies	10, 11	569	516	574	572	815	910	855	900	936	1,158	1,456
Gross national product at factor cost	12	27,285	29,556	31,588	33,429	35,233	37,668	39,679	43,537	48,957	54,903	63,271
Factor incomes												
Income from employment	13	18,195	19,719	21,296	22,795	23,718	25,357	27,082	30,254	33,484	37,486	42,890
Income from self-employment ⁽¹⁾	14	2,207	2,319	2,510	2,671	2,835	3,080	3,287	3,664	4,253	5,024	6,244
Gross trading profits of companies ⁽¹⁾ ⁽²⁾	15	4,103	4,544	4,741	4,610	4,663	5,275	5,159	5,227	5,775	6,663	8,476
Gross trading surplus of public corporations ⁽¹⁾	16	840	924	988	1,042	1,132	1,363	1,451	1,447	1,520	1,680	2,034
Gross trading surplus of other public enterprises ⁽¹⁾	17, 18	92	104	112	106	110	132	153	151	175	154	160
Rent ⁽²⁾	19	1,592	1,722	1,917	2,119	2,342	2,616	2,933	3,323	3,663	4,162	4,894
Total domestic income before providing for depreciation and stock appreciation		27,029	29,332	31,564	33,343	34,800	37,823	40,065	44,066	48,870	55,169	64,698
less Stock appreciation	20	—177	—295	—317	—356	—186	—564	—745	—1,152	—1,081	—1,353	—3,111
Residual error	21	35	126	— 94	55	240	74	—140	98	643	574	589
Gross domestic product at factor cost	22	26,887	29,163	31,153	33,042	34,854	37,333	39,180	43,012	48,432	54,390	62,176
Net property income from abroad	23	398	393	435	387	379	335	499	525	525	513	1,095
Gross national product	12	27,285	29,556	31,588	33,429	35,233	37,668	39,679	43,537	48,957	54,903	63,271
less Capital consumption	24	—2,504	—2,702	—2,914	—3,154	—3,355	—3,653	—3,969	—4,518	—5,173	—5,941	—7,012
National income	25	24,781	26,854	28,674	30,275	31,878	34,015	35,710	39,019	43,784	48,962	56,259

See footnotes on page 2.

Personal income and expenditure

£ million

TABLE 2

	Reference number	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
Income before tax												
Income from employment	13	9,107	9,634	10,284	11,244	12,267	12,963	13,470	14,107	15,174	16,407	17,306
Income from self-employment ⁽¹⁾	14	1,490	1,538	1,577	1,660	1,713	1,773	1,783	1,885	2,008	2,111	2,148
Rent, dividends and net interest	26	1,274	1,391	1,400	1,482	1,499	1,583	1,799	2,003	2,335	2,563	2,713
Current transfers to charities from companies	27	..	..	9	9	11	12	13	15	17	19	21
National insurance benefits and other current grants from public authorities	28, 29	836	926	944	1,035	1,106	1,169	1,407	1,555	1,569	1,708	1,881
Total personal income⁽¹⁾		12,707	13,489	14,214	15,430	16,596	17,500	18,472	19,565	21,103	22,808	24,069
Expenditure												
Consumers' expenditure	1	10,691	11,402	12,091	13,038	13,744	14,509	15,296	16,117	16,933	17,835	18,923
Transfers abroad (net) and taxes paid abroad	30, 31	8	-6	-4	9	26	29	7	2	-1	-3	4
United Kingdom taxes on income:												
Payments	32a	1,156	1,113	1,213	1,305	1,428	1,577	1,668	1,746	1,961	2,214	2,430
Additions to tax reserves	32b	-14	9	33	35	20	—	50	15	95	20	-30
National insurance, etc. contributions	33	476	525	532	594	642	657	859	897	913	1,072	1,197
Total current expenditure		12,317	13,043	13,865	14,981	15,860	16,772	17,880	18,777	19,901	21,138	22,524
Balance: saving ⁽¹⁾	34	390	446	349	449	736	728	592	788	1,202	1,670	1,545
Total		12,707	13,489	14,214	15,430	16,596	17,500	18,472	19,565	21,103	22,808	24,069

⁽¹⁾ Before providing for depreciation and stock appreciation.Corporate income appropriation account⁽¹⁾

TABLE 3

£ million

	Reference number	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
Income												
Income arising in the United Kingdom:												
Gross trading profits and trading surplus ⁽²⁾	15, 16	2,456	2,632	2,927	3,197	3,270	3,395	3,319	3,704	4,264	4,278	4,340
Rent and non-trading income	37a, 42a	404	436	513	597	699	786	818	804	913	984	985
Total		2,860	3,068	3,440	3,794	3,969	4,181	4,137	4,508	5,177	5,262	5,325
Income from abroad ⁽³⁾	37b, 42b	726	683	706	737	828	874	965	992	955	983	1,073
Total income		3,586	3,751	4,146	4,531	4,797	5,055	5,102	5,500	6,132	6,245	6,398
Allocation of income												
Dividends and interest:												
Payments	38a, 43a	791	865	933	1,042	1,120	1,234	1,342	1,466	1,808	2,056	2,188
Additions to dividend and interest reserves	38b, 43b	41	16	68	12	47	35	78	143	69	64	52
Current transfers to charities from companies	27	..	..	9	9	11	12	13	15	17	19	21
Profits due abroad, net of United Kingdom tax, and taxes paid abroad	39	360	342	329	402	435	490	511	595	548	537	573
United Kingdom taxes on income:												
Payments	6e, 40a	1,006	989	916	997	918	997	1,038	998	745	848	1,009
Additions to tax reserves	40b, 40c	-29	11	116	-27	103	14	-168	-216	288	67	-183
Balance: undistributed income after taxation⁽²⁾	41, 45	1,417	1,528	1,775	2,096	2,163	2,273	2,288	2,499	2,657	2,654	2,738
Total		3,586	3,751	4,146	4,531	4,797	5,055	5,102	5,500	6,132	6,245	6,398

⁽¹⁾ From April 1961 the Post Office is treated as a public corporation not as part of central government.⁽²⁾ Before providing for depreciation and stock appreciation.⁽³⁾ After deducting depreciation allowances but before providing for stock appreciation.⁽⁴⁾ From April 1973 figures reflect change to imputation system of corporation tax. See notes on page 104.

Personal income and expenditure

TABLE 2 (continued)

£ million

	Reference number	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Income before tax												
Income from employment.....	13	18,195	19,719	21,296	22,795	23,718	25,357	27,082	30,254	33,484	37,486	42,890
Income from self-employment ⁽¹⁾	14	2,207	2,319	2,510	2,671	2,835	3,080	3,287	3,664	4,253	5,024	6,244
Rent, dividends and net interest ⁽²⁾	26	2,996	3,242	3,625	3,832	4,041	4,277	4,618	4,752	5,054	5,319	6,339
Current transfers to charities from companies.....	27	24	26	28	30	32	34	35	36	38	41	42
National insurance benefits and other current grants from public authorities.....	28, 29	2,128	2,250	2,596	2,825	3,189	3,679	3,937	4,336	4,784	5,847	6,455
Total personal income ⁽¹⁾		25,550	27,556	30,055	32,153	33,815	36,427	38,959	43,042	47,613	53,717	61,970
Expenditure												
Consumers' expenditure.....	1	20,118	21,463	22,856	24,227	25,434	27,331	28,965	31,387	34,881	39,472	44,855
Transfers abroad (net) and taxes paid abroad.....	30, 31	23	29	27	42	64	77	71	57	35	79	138
United Kingdom taxes on income:												
Payments ⁽³⁾	32a	2,480	2,751	3,297	3,689	4,069	4,524	5,139	5,850	6,424	6,646	7,782
Additions to tax reserves.....	32b	17	95	107	38	76	145	109	68	91	315	558
National insurance, etc. contributions.....	33	1,303	1,444	1,685	1,804	1,909	2,165	2,244	2,654	2,835	3,333	3,926
Total current expenditure.....		23,941	25,782	27,972	29,800	31,552	34,242	36,528	40,016	44,266	49,845	57,259
Balance: saving ⁽¹⁾	34	1,609	1,774	2,083	2,353	2,263	2,185	2,431	3,026	3,347	3,872	4,711
Total.....		25,550	27,556	30,055	32,153	33,815	36,427	38,959	43,042	47,613	53,717	61,970

See footnotes on page 4.

Corporate income appropriation account⁽¹⁾

TABLE 3 (continued)

£ million

	Reference number	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Income												
Income arising in the United Kingdom:												
Gross trading profits and trading surplus ⁽²⁾	15, 16	4,943	5,468	5,729	5,652	5,795	6,638	6,610	6,674	7,295	8,343	10,510
Rent and non-trading income.....	37a, 42a	984	1,127	1,295	1,420	1,570	1,845	2,049	2,296	2,624	3,152	4,468
Total.....		5,927	6,595	7,024	7,072	7,365	8,483	8,659	8,970	9,919	11,495	14,978
Income from abroad ⁽³⁾	37b, 42b	1,157	1,289	1,419	1,344	1,416	1,741	2,067	2,269	2,602	2,977	4,440
Total income.....		7,084	7,884	8,443	8,416	8,781	10,224	10,726	11,239	12,521	14,472	19,422
Allocation of income												
Dividends and interest:												
Payments ⁽⁴⁾	38a, 43a	2,251	2,563	2,976	3,186	3,322	3,593	4,029	4,086	4,471	4,767	6,092
Additions to dividend and interest reserves.....	38b, 43b	201	55	23	4	20	99	67	68	15	207	68
Current transfers to charities from companies.....	27	24	26	28	30	32	34	35	36	38	41	42
Profits due abroad ⁽³⁾ , net of United Kingdom tax, and taxes paid abroad.....	39	602	731	790	715	783	1,080	1,128	1,355	1,735	2,127	2,815
United Kingdom taxes on income:												
Payment ⁽⁴⁾	6e, 40a	887	759	706	750	1,018	1,119	1,185	1,577	1,562	1,482	1,762
Additions to tax reserves.....	40b, 40c	— 54	257	— 21	430	255	522	613	53	— 86	331	1,062
Balance: undistributed income after taxation ⁽²⁾	41, 45	3,173	3,493	3,941	3,301	3,351	3,777	3,803	4,064	4,786	5,517	7,579
Total.....		7,084	7,884	8,443	8,416	8,781	10,224	10,726	11,239	12,521	14,472	19,420

See footnotes on page 4.

SUMMARY TABLES

Current account of central government including National Insurance Funds

£ million

TABLE 4

	Reference number	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
Receipts												
Gross trading surplus ⁽¹⁾⁽²⁾	17	15	32	75	78	86	90	113	116	129	46	17
Rent, dividends and interest	46	176	198	222	251	288	300	348	394	426	505	602
Taxes on income	47	2,173	2,116	2,147	2,319	2,364	2,592	2,725	2,758	2,725	3,078	3,455
Taxes on expenditure	8	1,894	1,925	2,033	2,168	2,261	2,340	2,378	2,473	2,607	2,796	2,963
National insurance, etc. contributions	33	476	525	532	594	642	657	859	897	913	1,072	1,197
Current grants from overseas governments	48	120	105	50	46	26	21	3	—	—	—	—
Total		4,854	4,901	5,059	5,456	5,667	6,000	6,426	6,638	6,800	7,497	8,234
Expenditure												
Current expenditure on goods and services	2	2,230	2,328	2,357	2,353	2,504	2,558	2,561	2,724	2,882	3,080	3,252
Subsidies	10	399	343	399	322	330	377	356	341	456	544	561
National insurance benefits	28a	473	527	531	614	670	702	912	987	992	1,125	1,213
Other current grants to personal sector	28b	346	380	393	399	410	438	462	531	537	540	616
Debt interest	49	607	637	635	705	720	702	776	770	857	893	874
Current grants to local authorities	50	389	416	441	490	544	621	660	711	780	828	926
Current grants paid abroad	51	69	69	70	70	73	75	77	82	94	118	121
Total current expenditure		4,513	4,700	4,826	4,953	5,251	5,473	5,804	6,146	6,598	7,128	7,563
Balance: current surplus before providing for depreciation and stock appreciation	52	341	201	233	503	416	527	622	492	202	369	671
Total		4,854	4,901	5,059	5,456	5,667	6,000	6,426	6,638	6,800	7,497	8,234

(1) Before providing for depreciation and stock appreciation.

(2) From April 1961 the Post Office is treated as a public corporation not as part of central government.

Current account of local authorities

TABLE 5

£ million

	Reference number	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
Receipts												
Gross trading surplus ⁽¹⁾	18	31	37	40	42	44	48	52	57	60	62	67
Rent, dividends and interest	53	140	164	187	212	243	274	303	330	360	397	435
Rates	9	392	433	460	475	556	615	650	714	771	831	916
Current grants from central government	50	389	416	441	490	544	621	660	711	780	828	926
Total		952	1,050	1,128	1,219	1,387	1,558	1,665	1,812	1,971	2,118	2,344
Expenditure												
Current expenditure on goods and services	3	727	771	825	895	1,008	1,106	1,185	1,273	1,362	1,504	1,664
Subsidies	11	22	23	24	30	34	35	35	33	37	49	47
Current grants to personal sector	29	17	19	20	22	26	29	33	37	40	43	52
Debt interest	54	104	123	142	161	193	221	241	262	287	335	364
Total current expenditure		870	936	1,011	1,108	1,261	1,391	1,494	1,605	1,726	1,931	2,127
Balance: current surplus before providing for depreciation and stock appreciation	55	82	114	117	111	126	167	171	207	245	187	217
Total		952	1,050	1,128	1,219	1,387	1,558	1,665	1,812	1,971	2,118	2,344

(1) Before providing for depreciation and stock appreciation.

Current account of central government including National Insurance Funds

£ million

TABLE 4 (continued)

	Reference number	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Receipts												
Gross trading surplus ⁽¹⁾	17	17	24	24	15	16	30	40	35	42	9	6
Rent, dividends and interest	46	558	612	665	770	830	946	1,089	1,240	1,431	1,600	1,740
Taxes on income	47	3,385	3,528	4,024	4,450	5,092	5,648	6,330	7,433	7,992	8,135	9,143
Taxes on expenditure	8	3,013	3,341	3,734	4,053	4,537	5,270	6,122	6,609	6,722	6,905	7,389
National insurance, etc. contributions	33	1,303	1,444	1,685	1,804	1,909	2,165	2,244	2,654	2,835	3,333	3,926
Current grants from overseas governments	48	—	—	—	—	—	—	—	—	—	—	—
Total		8,276	8,949	10,132	11,092	12,384	14,059	15,825	17,971	19,022	19,982	22,204
Expenditure												
Current expenditure on goods and services	2	3,356	3,549	3,853	4,119	4,510	4,742	4,854	5,409	6,142	6,894	7,653
Subsidies	10	522	465	498	486	727	810	744	784	841	1,098	1,351
National insurance benefits	28a	1,413	1,497	1,775	1,894	2,084	2,360	2,429	2,715	2,926	3,483	3,927
Other current grants to personal sector	28b	652	679	732	825	985	1,186	1,360	1,459	1,686	2,114	2,073
Debt interest	49	930	937	968	1,036	1,105	1,240	1,280	1,298	1,384	1,599	1,801
Current grants to local authorities	50	1,031	1,159	1,249	1,481	1,706	1,898	2,099	2,450	2,858	3,302	4,099
Current grants paid abroad	51	132	163	177	180	188	179	177	172	200	202	347
Total current expenditure		8,036	8,449	9,252	10,021	11,305	12,415	12,943	14,287	16,037	18,692	21,251
Balance: current surplus before providing for depreciation and stock appreciation	52	240	500	880	1,071	1,079	1,644	2,882	3,684	2,985	1,290	953
Total		8,276	8,949	10,132	11,092	12,384	14,059	15,825	17,971	19,022	19,982	22,204

See footnote on page 6.

Current account of local authorities

£ million

TABLE 5 (continued)

	Reference number	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Receipts												
Gross trading surplus ⁽¹⁾	18	75	80	88	91	94	102	113	116	133	145	154
Rent, dividends and interest	53	470	522	603	686	760	863	992	1,115	1,187	1,299	1,536
Rates	9	1,014	1,096	1,228	1,374	1,467	1,548	1,667	1,824	2,087	2,377	2,617
Current grants from central government	50	1,031	1,159	1,249	1,481	1,706	1,898	2,099	2,450	2,858	3,302	4,099
Total		2,590	2,857	3,168	3,632	4,027	4,411	4,871	5,505	6,265	7,123	8,406
Expenditure												
Current expenditure on goods and services	3	1,820	1,956	2,188	2,453	2,762	2,985	3,234	3,686	4,211	4,882	5,617
Subsidies	11	47	51	76	86	88	100	111	116	95	60	105
Current grants to personal sector	29	63	74	89	106	120	133	148	162	172	250	455
Debt interest	54	392	445	522	600	671	791	930	1,068	1,104	1,164	1,403
Total current expenditure		2,322	2,526	2,875	3,245	3,641	4,009	4,423	5,032	5,582	6,356	7,580
Balance: current surplus before providing for depreciation and stock appreciation	55	268	331	293	387	386	402	448	473	683	767	826
Total		2,590	2,857	3,168	3,632	4,027	4,411	4,871	5,505	6,265	7,123	8,406

See footnote on page 6.

Combined capital account

£ million

TABLE 6

	Reference number	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
Receipts												
Saving ⁽¹⁾ :												
Personal sector	34	390	446	349	449	736	728	592	788	1,202	1,670	1,545
Companies	41	1,272	1,351	1,563	1,915	1,965	2,104	2,124	2,320	2,355	2,297	2,308
Public corporations	45	145	177	212	181	198	169	164	179	302	357	430
Central government	52	341	201	233	503	416	527	622	492	202	369	671
Local authorities	55	82	114	117	111	126	167	171	207	245	187	217
Additions to dividend and interest reserves:												
Companies	38b	36	12	70	17	31	27	72	138	63	55	75
Public corporations	43b	5	4	-2	-5	16	8	6	5	6	9	-23
Additions to tax reserves:												
Personal sector	32b	-14	9	33	35	20	—	50	15	95	20	-30
Companies	40b, 40c	-62	-2	122	-17	112	25	-147	-217	287	69	-178
Public corporations	44b	33	13	-6	-10	-9	-11	-21	1	1	-2	-5
Total saving before providing for depreciation and stock appreciation		2,228	2,325	2,691	3,179	3,611	3,744	3,633	3,928	4,758	5,031	5,010
less Stock appreciation:												
Personal sector		-10	-7	-20	-44	-39	-32	-16	-23	-33	-40	-41
Companies		22	44	-53	-119	-159	-141	18	-76	-75	-119	-108
Public corporations		6	6	-7	-18	-10	-14	3	1	-14	-12	-3
Central government		32	32	5	-15	—	—	—	—	—	—	—
Total	20	50	75	-75	-196	-208	-187	5	-98	-122	-171	-152
Capital transfers from abroad	57	35	17	1	1	—	—	—	—	—	—	—
Capital transfers paid abroad	60	—	—	—	—	—	—	—	—	—	—	—
Residual error	21	34	248	151	43	228	365	386	316	-139	129	89
Total		2,347	2,665	2,768	3,027	3,631	3,922	4,024	4,146	4,497	4,989	4,947
Expenditure												
Gross domestic fixed capital formation:												
Personal sector		322	393	494	571	555	561	622	681	784	852	817
Companies		644	689	804	985	1,232	1,416	1,464	1,543	1,758	2,026	2,053
Public corporations		414	488	538	571	589	660	694	758	788	905	933
Central government		214	218	184	192	221	245	245	252	256	219	216
Local authorities		540	607	575	563	567	569	544	582	604	702	814
Total	4	2,134	2,395	2,595	2,882	3,164	3,451	3,569	3,816	4,190	4,704	4,833
Value of physical increase in stocks and work in progress:												
Personal sector		-15	33	44	41	32	30	14	30	36	27	2
Companies		-62	65	200	352	235	190	69	147	568	248	-21
Public corporations		51	-25	-69	22	16	54	36	11	-25	-3	-1
Central government		76	52	-119	-115	-24	-36	-8	-10	-17	7	12
Total	5	50	125	56	300	259	238	111	178	562	279	-8
Net investment abroad	59	163	145	117	-155	208	233	344	152	-255	6	122
Total investment		2,347	2,665	2,768	3,027	3,631	3,922	4,024	4,146	4,497	4,989	4,947

(1) Before providing for depreciation and stock appreciation.

Combined capital account

TABLE 6 (continued)

£ million

	Reference number	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Receipts												
Saving ⁽¹⁾ :												
Personal sector	34	1,609	1,774	2,083	2,353	2,263	2,185	2,431	3,026	3,347	3,872	4,711
Companies	41	2,633	2,895	3,297	2,648	2,685	2,959	2,919	3,233	3,976	4,587	6,396
Public corporations	45	540	598	644	653	666	818	884	831	810	930	1,183
Central government	52	240	500	880	1,071	1,079	1,644	2,882	3,684	2,985	1,290	953
Local authorities	55	268	331	293	387	386	402	448	473	683	767	826
Additions to dividend and interest reserves:												
Companies	38b	161	45	10	-13	1	67	-58	58	-8	162	6
Public corporations	43b	40	10	13	17	19	32	-9	10	23	45	62
Additions to tax reserves:												
Personal sector	32b	17	95	107	38	76	145	109	68	91	315	558
Companies	40b, 40c	-51	257	-25	455	257	527	608	58	-87	325	1,055
Public corporations	44b	-3	—	4	-25	-2	-5	5	-5	1	6	7
Total saving before providing for depreciation and stock appreciation		5,454	6,505	7,306	7,584	7,430	8,774	10,219	11,436	11,821	12,299	15,757
less Stock appreciation:												
Personal sector		-36	-45	-49	-46	-41	-86	-105	-172	-180	-202	-454
Companies		-137	-241	-256	-304	-154	-465	-609	-907	-852	-1,105	-2,516
Public corporations		-4	-9	-12	-6	9	-13	-31	-73	-49	-46	-141
Central government		—	—	—	—	—	—	—	—	—	—	—
Total	20	-177	-295	-317	-356	-186	-564	-745	-1,152	-1,081	-1,353	-3,111
Capital transfers from abroad	57	—	—	—	—	—	—	—	—	—	—	—
Capital transfers paid abroad	60	—	—	—	—	—	—	—	—	—	—	-59
Residual error	21	35	126	-94	55	240	74	-140	98	643	574	589
Total		5,312	6,336	6,895	7,283	7,484	8,284	9,334	10,382	11,383	11,520	13,176
Expenditure												
Gross domestic fixed capital formation:												
Personal sector		867	928	989	997	1,117	1,237	1,147	1,161	1,722	2,350	2,426
Companies		2,019	2,482	2,680	2,726	2,711	3,071	3,577	3,976	4,039	4,424	5,888
Public corporations		1,024	1,187	1,293	1,453	1,661	1,619	1,482	1,673	1,857	1,776	2,029
Central government		227	284	301	335	395	458	486	576	601	643	773
Local authorities		883	1,112	1,185	1,345	1,568	1,712	1,757	1,851	1,960	2,236	2,755
Total	4	5,020	5,993	6,448	6,856	7,452	8,097	8,449	9,237	10,179	11,429	13,871
Value of physical increase in stocks and work in progress:												
Personal sector		22	54	29	18	30	46	28	16	67	94	102
Companies		171	651	451	265	197	388	428	388	-112	-178	417
Public corporations		-35	3	-7	35	91	-2	-62	-9	105	34	11
Central government		10	17	23	25	27	35	42	43	51	27	44
Total	5	168	725	496	343	345	467	436	438	111	-23	574
Net investment abroad	59	124	-382	-49	84	-313	-280	449	707	1,093	114	-1,269
Total investment		5,312	6,336	6,895	7,283	7,484	8,284	9,334	10,382	11,383	11,520	13,176

See footnote on page 8.

SUMMARY TABLES

International transactions

£ million

TABLE 7

	Reference number	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
United Kingdom credits												
Exports of goods	6a	2,769	2,683	2,785	3,073	3,377	3,509	3,406	3,522	3,732	3,891	3,993
Exports of services	6b	991	1,004	1,052	1,104	1,221	1,327	1,301	1,326	1,415	1,477	1,510
Property income from abroad	6c	768	728	755	788	884	940	1,046	1,077	1,052	1,084	1,182
U.K. taxes paid by non-residents on portfolio income	6d	11	14	18	17	18	18	19	14	19	16	16
U.K. taxes paid on profits due abroad	6e	51	66	61	63	64	62	67	77	91	119	131
Exports and property income from abroad	6	4,590	4,495	4,671	5,045	5,564	5,856	5,839	6,016	6,309	6,587	6,832
Current transfers:												
To personal sector	56	63	72	76	80	91	90	103	100	104	109	111
To central government	48	120	105	50	46	26	21	3	—	—	—	—
Capital transfers from abroad	57	35	17	1	1	—	—	—	—	—	—	—
Total		4,808	4,689	4,798	5,172	5,681	5,967	5,945	6,116	6,413	6,696	6,943
United Kingdom debits												
Imports of goods	7a	3,048	2,927	2,989	3,386	3,324	3,538	3,377	3,639	4,138	4,043	4,095
Imports of services	7b	885	908	972	1,095	1,230	1,240	1,209	1,246	1,416	1,472	1,509
Property income paid abroad	7c	310	346	369	423	424	414	475	487	548	557	567
Foreign taxes paid by U.K. residents	7d	268	233	215	271	313	357	364	419	381	408	428
Imports and property income paid abroad	7	4,511	4,414	4,545	5,175	5,291	5,549	5,425	5,791	6,483	6,480	6,599
Current transfers:												
From personal sector	58	65	61	66	82	109	110	99	91	91	92	101
From central government	51	69	69	70	70	73	75	77	82	94	118	121
Total debits		4,645	4,544	4,681	5,327	5,473	5,734	5,601	5,964	6,668	6,690	6,821
Investment and financing:												
Net investment abroad	59	163	145	117	—155	208	233	344	152	—255	6	122
Capital transfers paid abroad	60	—	—	—	—	—	—	—	—	—	—	—
Total ⁽²⁾		163	145	117	—155	208	233	344	152	—255	6	122
Total		4,808	4,689	4,798	5,172	5,681	5,967	5,945	6,116	6,413	6,696	6,943

(1) Including from 1964 a net adjustment for recording. See notes on page 119.

(2) Equal to the current balance in the balance of payments accounts.

Gross domestic product at factor cost

1970 = 100

TABLE 8

	Reference number	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
At current prices												
Based on expenditure data	22	32.1	34.6	36.6	39.2	42.5	45.1	47.0	49.4	52.6	56.3	58.8
Based on income data	61	32.1	34.1	36.3	39.2	42.0	44.3	46.2	48.8	53.1	56.1	58.7
At 1970 prices												
Based on expenditure data	62	60.3	63.1	65.4	67.7	69.0	70.3	70.1	72.6	76.0	78.7	79.5
Based on income data	63	60.3	62.2	64.9	67.6	68.3	69.1	69.0	71.7	76.6	78.4	79.4
Based on output data	64	60.8	63.3	65.9	68.1	68.8	70.0	69.9	73.1	77.0	78.4	79.5
Average estimate	65	60.4	62.9	65.4	67.8	68.7	69.8	69.7	72.5	76.5	78.5	79.4

International transactions

£ million

TABLE 7 (continued)

	Reference number	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
United Kingdom credits												
Exports of goods ⁽¹⁾	6a	4,282	4,486	4,817	5,184	5,124	6,274	7,063	7,893	8,796	9,134	11,435
Exports of services	6b	1,527	1,633	1,744	1,859	2,124	2,532	2,793	3,367	3,849	4,164	5,059
Property income from abroad	6c	1,272	1,411	1,555	1,487	1,558	1,873	2,198	2,433	2,799	3,238	4,721
U.K. taxes paid by non-residents on portfolio income	6d	18	18	21	11	5	5	6	6	6	7	2
U.K. taxes paid on profits due abroad	6e	118	131	165	175	143	131	166	271	264	249	325
Exports and property income from abroad	6	7,217	7,679	8,302	8,716	8,954	10,815	12,226	13,970	15,714	16,792	21,542
Current transfers:												
To personal sector	56	113	125	135	135	143	171	181	192	215	231	295
To central government	48	—	—	—	—	—	—	—	—	—	—	—
Capital transfers from abroad	57	—	—	—	—	—	—	—	—	—	—	—
Total		7,330	7,804	8,437	8,851	9,097	10,986	12,407	14,162	15,929	17,023	21,837
United Kingdom debits												
Imports of goods	7a	4,362	5,005	5,054	5,257	5,681	6,933	7,206	7,902	8,511	9,811	13,810
Imports of services	7b	1,584	1,716	1,807	1,887	2,027	2,254	2,474	2,970	3,353	3,627	4,528
Property income paid abroad	7c	580	644	743	761	746	908	1,011	1,166	1,240	1,432	1,784
Foreign taxes paid by U.K. residents	7d	430	523	563	525	581	766	860	1,019	1,304	1,549	2,169
Imports and property income paid abroad	7	6,956	7,888	8,167	8,430	9,035	10,861	11,551	13,057	14,408	16,419	22,291
Current transfers:												
From personal sector	58	118	135	142	157	187	226	230	226	228	288	409
From central government	51	132	163	177	180	188	179	177	172	200	202	347
Total debits		7,206	8,186	8,486	8,767	9,410	11,266	11,958	13,455	14,836	16,909	23,047
Investment and financing:												
Net investment abroad	59	124	-382	-49	84	-313	-280	449	707	1,093	114	-1,269
Capital transfers paid abroad	60	—	—	—	—	—	—	—	—	—	—	59
Total ⁽²⁾		124	-382	-49	84	-313	-280	449	707	1,093	114	-1,210
Total		7,330	7,804	8,437	8,851	9,097	10,986	12,407	14,162	15,929	17,023	21,837

See footnotes on page 10.

Gross domestic product at factor cost

1970 = 100

TABLE 8 (continued)

	Reference number	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
At current prices												
Based on expenditure data	22	62.5	67.8	72.4	76.8	81.0	86.8	91.1	100.0	112.6	126.5	144.6
Based on income data	61	62.6	67.7	72.8	76.9	80.7	86.8	91.6	100.0	111.4	125.4	143.5
At 1970 prices												
Based on expenditure data	62	82.7	87.4	89.5	91.3	93.4	96.9	98.2	100.0	101.9	104.1	109.5
Based on income data	63	82.7	87.2	90.0	91.4	93.0	96.6	98.8	100.0	100.8	103.2	108.7
Based on output data	64	82.1	87.1	89.5	91.1	92.7	96.6	98.4	100.0	101.5	104.7	109.9
Average estimate	65	82.5	87.2	89.7	91.3	93.1	96.8	98.5	100.0	101.4	104.0	109.4

Shares in the gross national product

TABLE 9

£ million

	Reference number	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Income after current transfers												
Personal sector:												
Income from civilian employment	13	17,697	19,186	20,742	22,176	23,090	24,693	26,413	29,455	32,576	36,450	41,755
Pay in cash and kind of H.M. Forces		498	533	554	619	628	664	669	799	908	1,036	1,135
Income from self-employment ⁽¹⁾	14	2,207	2,319	2,510	2,671	2,835	3,080	3,287	3,664	4,253	5,024	6,244
Rent, dividends and net interest	26	2,996	3,242	3,625	3,832	4,041	4,277	4,618	4,752	5,054	5,319	6,339
Current transfers to charities from companies	27	24	26	28	30	32	34	35	36	38	41	42
Current grants from public authorities	28, 29	2,128	2,250	2,596	2,825	3,189	3,679	3,937	4,336	4,784	5,847	6,455
less Transfers abroad (net)	30	-5	-10	-7	-22	-44	-55	-49	-34	-13	-57	-114
Total		25,545	27,546	30,048	32,131	33,771	36,372	38,910	43,008	47,600	53,660	61,856
Companies and public corporations:												
Undistributed income ⁽¹⁾	6e {40, 41 44, 45}	4,006	4,509	4,626	4,481	4,624	5,418	5,601	5,694	6,262	7,330	10,403
Public authorities:												
Gross trading surplus ⁽¹⁾	17, 18	92	104	112	106	110	132	153	151	175	154	160
less Rent, dividends and interest paid (net)	(2)	-294	-248	-222	-180	-186	-222	-129	-11	130	136	72
less Current grants to personal sector	28, 29	-2,128	-2,250	-2,596	-2,825	-3,189	-3,679	-3,937	-4,336	-4,784	-5,847	-6,455
less Current grants paid abroad (net)	51 less 48	-132	-163	-177	-180	-188	-179	-177	-172	-200	-202	-347
less Tax credits to personal sector	47b	—	—	—	—	—	—	—	—	—	—	-403
Total		-2,462	-2,557	-2,883	-3,079	-3,453	-3,948	-4,090	-4,368	-4,679	-5,759	-6,973
Current transfers paid abroad (net)	{30, 51 less 48}	137	173	184	202	232	234	226	206	213	259	461
Additions to dividend and interest reserves	38b, 43b	201	55	23	4	20	99	-67	68	15	207	68
Taxes paid by non-residents on portfolio income less taxes paid abroad by personal sector	6d, 31	—	-1	1	-9	-15	-17	-16	-17	-16	-15	-22
less Stock appreciation	20	-177	-295	-317	-356	-186	-564	-745	-1,152	-1,081	-1,353	-3,111
Residual error	21	35	126	-94	55	240	74	-140	98	643	574	589
Gross national product at factor cost	12	27,285	29,556	31,588	33,429	35,233	37,668	39,679	43,537	48,957	54,903	63,271
Income after current transfers, taxes on income and national insurance contributions												
Personal sector:												
Income from employment, self-employment, rent, dividends and net interest	35	19,645	21,120	22,490	23,850	24,668	26,118	27,712	30,283	33,673	37,979	43,900
Current transfers to charities from companies	27	24	26	28	30	32	34	35	36	38	41	42
Current grants from public authorities	36	2,080	2,196	2,535	2,760	3,117	3,564	3,807	4,196	4,621	5,696	6,296
less Transfers abroad (net)	30	-5	-10	-7	-22	-44	-55	-49	-34	-13	-57	-114
less Additions to tax reserves	32b	-17	-95	-107	-38	-76	-145	-109	-68	-91	-315	-558
Total disposable income		21,727	23,237	24,939	26,580	27,697	29,516	31,396	34,413	38,228	43,344	49,566
Companies and public corporations:												
Undistributed income ⁽¹⁾	41, 45	3,173	3,493	3,941	3,301	3,351	3,777	3,803	4,064	4,786	5,517	7,579
Public authorities:												
Income less current transfers ⁽¹⁾		-2,462	-2,557	-2,883	-3,079	-3,453	-3,948	-4,090	-4,368	-4,679	-5,759	-6,570
Taxes on income and national insurance, etc. contributions	33, 47a	4,688	4,972	5,709	6,254	7,001	7,813	8,574	10,087	10,827	11,468	13,069
Total		2,226	2,415	2,826	3,175	3,548	3,865	4,484	5,719	6,148	5,709	6,499
Current transfers paid abroad (net)	{30, 51 less 48}	137	173	184	202	232	234	226	206	213	259	461
Additions to dividend and interest reserves	38b, 43b	201	55	23	4	20	99	-67	68	15	207	68
Additions to tax reserves	{32b, 40b, 40c, 44b}	-37	352	86	468	331	667	722	121	5	646	1,620
less Stock appreciation	20	-177	-295	-317	-356	-186	-564	-745	-1,152	-1,081	-1,353	-3,111
Residual error	21	35	126	-94	55	240	74	-140	98	643	574	589
Gross national product at factor cost	12	27,285	29,556	31,588	33,429	35,233	37,668	39,679	43,537	48,957	54,903	63,271

(1) Before providing for depreciation and stock appreciation.
 (2) Item 46 plus 53 less 49 less 54.

The composition of final output

TABLE 10

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Income from employment	18,195	19,719	21,296	22,795	23,718	25,357	27,082	30,254	33,484	37,486	42,890
Gross profits and other trading income ⁽¹⁾	8,657	9,318	9,951	10,192	10,896	11,902	12,238	12,660	14,305	16,330	18,697
Imports of goods and services	5,946	6,721	6,861	7,144	7,708	9,187	9,680	10,872	11,864	13,438	18,338
Taxes on expenditure less subsidies	3,458	3,921	4,388	4,855	5,189	5,908	6,934	7,533	7,873	8,124	8,550
Residual error	35	126	- 94	55	240	74	- 140	98	643	574	589
Total final output ⁽²⁾	36,291	39,805	42,402	45,041	47,751	52,428	55,794	61,417	68,169	75,952	89,064

⁽¹⁾ Before providing for depreciation but after providing for stock appreciation.⁽²⁾ The value, at market prices, of home produced and imported goods and services available for private and public consumption, investment and export.Gross domestic product by industry⁽¹⁾

TABLE 11

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Agriculture, forestry and fishing	964	996	1,027	1,061	1,106	1,113	1,171	1,244	1,377	1,572	1,876
Mining and quarrying	744	744	709	712	719	691	639	678	725	803	868
Manufacturing	8,974	9,855	10,624	11,003	11,195	11,996	12,699	13,938	15,120	16,962	19,103
Construction	1,768	2,004	2,154	2,259	2,382	2,558	2,642	2,760	3,045	3,541	4,429
Gas, electricity and water	839	916	1,006	1,069	1,147	1,295	1,388	1,394	1,561	1,750	1,939
Transport	1,766	1,863	1,983	2,080	2,086	2,349	2,494	2,661	2,990	3,305	3,837
Communication	522	580	646	703	753	813	930	1,044	1,189	1,357	1,623
Distributive trades	3,145	3,323	3,605	3,756	3,915	4,062	4,122	4,402	4,891	5,423	6,122
Insurance, banking, finance and business services	1,771	1,894	2,092	2,183	2,408	2,725	2,877	3,385	4,024	4,739	5,774
Ownership of dwellings	1,149	1,256	1,416	1,574	1,748	1,957	2,174	2,458	2,694	3,082	3,668
Public administration and defence	1,551	1,681	1,812	1,983	2,129	2,268	2,429	2,840	3,335	3,835	4,266
Public health and educational services	1,183	1,272	1,423	1,564	1,691	1,840	2,013	2,321	2,737	3,223	3,726
Other services	3,172	3,453	3,655	3,979	4,317	4,701	4,909	5,134	5,620	6,129	6,908
Total	27,548	29,837	32,152	33,926	35,596	38,368	40,487	44,259	49,308	55,721	64,139
Adjustment for financial services ⁽²⁾	- 696	- 800	- 905	- 939	- 982	- 1,109	- 1,167	- 1,345	- 1,519	- 1,905	- 2,552
Residual error	35	126	- 94	55	240	74	- 140	98	643	574	589
Gross domestic product at factor cost	26,887	29,163	31,153	33,042	34,854	37,333	39,180	43,012	48,432	54,390	62,176

⁽¹⁾ The contribution of each industry to the gross domestic product before providing for depreciation but after providing for stock appreciation.⁽²⁾ See notes on page 99.

Gross domestic product by category of expenditure

£ million

TABLE 12

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
At market prices											
Consumers' expenditure	20,118	21,463	22,856	24,227	25,434	27,331	28,965	31,387	34,881	39,472	44,855
Public authorities' current expenditure on goods and services	5,176	5,505	6,041	6,572	7,272	7,727	8,088	9,095	10,353	11,776	13,270
Gross domestic fixed capital formation	5,020	5,993	6,448	6,856	7,452	8,097	8,449	9,237	10,179	11,429	13,871
Value of physical increase in stocks and work in progress	168	725	496	343	345	467	436	438	111	-23	574
Exports of goods and services	5,809	6,119	6,561	7,043	7,248	8,806	9,856	11,260	12,645	13,298	16,494
Total final expenditure	36,291	39,805	42,402	45,041	47,751	52,428	55,794	61,417	68,169	75,952	89,064
less Imports of goods and services ⁽¹⁾	-5,946	-6,721	-6,861	-7,144	-7,708	-9,187	-9,680	-10,872	-11,864	-13,438	-18,338
Gross domestic product ⁽²⁾	30,345	33,084	35,541	37,897	40,043	43,241	46,114	50,545	56,305	62,514	70,726
At factor cost											
Consumers' expenditure	17,238	18,245	19,259	20,268	21,248	22,658	23,667	25,717	28,907	33,146	37,968
Public authorities' current expenditure on goods and services	5,019	5,323	5,835	6,281	6,863	7,247	7,474	8,403	9,715	11,199	12,669
Gross domestic fixed capital formation	4,918	6,371	6,518	6,738	7,326	8,032	8,252	8,972	9,556	10,657	13,864
Value of physical increase in stocks and work in progress											
Exports of goods and services	5,658	5,945	6,402	6,899	7,125	8,583	9,467	10,792	12,118	12,826	16,013
Total final expenditure	32,833	35,884	38,014	40,186	42,562	46,520	48,860	53,884	60,296	67,828	80,514
less Imports of goods and services	-5,946	-6,721	-6,861	-7,144	-7,708	-9,187	-9,680	-10,872	-11,864	-13,438	-18,338
Gross domestic product	26,887	29,163	31,153	33,042	34,854	37,333	39,180	43,012	48,432	54,390	62,176

⁽¹⁾ Excluding taxes on expenditure levied on imports.⁽²⁾ Including taxes on expenditure levied on imports. See notes on page 99.

Gross domestic product by sector and type of income and employment by sector

£ million

TABLE 13

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Factor incomes analysed by sector of employment											
Personal sector:											
Income from employment ⁽¹⁾	1,709	1,959	2,083	2,143	2,236	2,396	2,539	2,773	2,958	3,256	3,783
of which											
Income of domestic servants	112	116	122	128	132	139	145	154	162	181	203
Income from services to private non-profit-making bodies	229	252	274	304	341	377	434	500	578	649	745
Income from self-employment ⁽²⁾	2,207	2,319	2,510	2,671	2,835	3,080	3,287	3,664	4,253	5,024	6,244
Rent ⁽³⁾	864	939	1,049	1,163	1,298	1,445	1,590	1,804	2,016	2,331	2,766
less Stock appreciation	-36	-45	-49	-46	-41	-86	-105	-172	-180	-202	-454
Total	4,744	5,172	5,593	5,931	6,328	6,835	7,311	8,069	9,047	10,409	12,339
Companies:											
Income from employment	11,331	12,264	13,254	14,282	14,592	15,518	16,650	18,538	20,281	22,459	25,887
Gross trading profits ⁽²⁾	4,103	4,544	4,741	4,610	4,663	5,275	5,159	5,227	5,775	6,663	8,476
Rent ⁽³⁾	172	179	191	205	227	254	288	329	375	429	493
less Stock appreciation	-137	-241	-256	-304	-154	-465	-609	-907	-852	-1,105	-2,516
Total	15,469	16,746	17,930	18,793	19,328	20,582	21,488	23,187	25,579	28,446	32,340
Public corporations:											
Income from employment	1,930	2,023	2,138	2,215	2,393	2,630	2,759	3,067	3,394	3,863	4,308
Gross trading surplus ⁽²⁾	840	924	988	1,042	1,132	1,363	1,451	1,447	1,520	1,680	2,034
Rent ⁽³⁾	41	45	49	52	55	56	64	74	84	125	130
less Stock appreciation	-4	-9	-12	-6	9	-13	-31	-73	-49	-46	-141
Total	2,807	2,983	3,163	3,303	3,589	4,036	4,243	4,515	4,949	5,622	6,331
Central government:											
Income from employment ⁽⁴⁾ :											
H.M. Forces	498	533	554	619	628	664	669	799	908	1,036	1,135
Civilians	1,159	1,260	1,396	1,492	1,596	1,707	1,855	2,132	2,465	2,779	3,042
Gross trading surplus ⁽²⁾	17	24	24	15	16	30	40	35	42	9	6
Rent ⁽³⁾	97	96	95	97	94	94	102	110	119	107	107
Total	1,771	1,913	2,069	2,223	2,334	2,495	2,666	3,076	3,534	3,931	4,290
Local authorities:											
Income from employment ⁽⁴⁾	1,568	1,680	1,871	2,044	2,273	2,442	2,610	2,945	3,478	4,093	4,735
Gross trading surplus ⁽²⁾	75	80	88	91	94	102	113	116	133	145	154
Rent ⁽³⁾	418	463	533	602	668	767	889	1,006	1,069	1,170	1,398
Total	2,061	2,223	2,492	2,737	3,035	3,311	3,612	4,067	4,680	5,408	6,287
Residual error	35	126	-94	55	240	74	-140	98	643	574	589
Gross domestic product	26,887	29,163	31,153	33,042	34,854	37,333	39,180	43,012	48,432	54,390	62,176
Employment⁽⁵⁾ analysed by sector of employment (thousands)											
Private sector ⁽⁶⁾	19,405	19,666	19,891	19,970	19,441	19,028	19,039	18,790	17,954	17,938	18,374
Public sector:											
Public corporations	2,132	2,080	2,023	1,969	1,941	2,077	2,040	2,010	1,977	1,893	1,858
Central government:											
H.M. Forces	427	424	423	417	417	400	380	372	368	371	361
Civilians	1,346	1,350	1,373	1,405	1,458	1,488	1,487	1,537	1,561	1,585	1,608
Local authorities	1,913	1,981	2,040	2,134	2,235	2,310	2,367	2,411	2,496	2,596	2,713
Total	5,818	5,835	5,859	5,925	6,051	6,275	6,274	6,330	6,402	6,445	6,540
Total working population in employment	25,223	25,501	25,750	25,895	25,492	25,303	25,313	25,120	24,356	24,383	24,914

(1) Wages, salaries and employers' contributions paid by unincorporated enterprises, by private non-profit-making bodies serving persons and by persons employing domestic servants.

(2) Before providing for depreciation and stock appreciation.

(3) Before providing for depreciation.

(4) For details see Table 44.

(5) At June in each year. Part-time employees are counted as one person. From 1971 based on the census of employment.

(6) Including self-employed.

II. EXPENDITURE AND OUTPUT AT CONSTANT PRICES

Expenditure and output at 1970 prices⁽¹⁾

TABLE 14

£ million

	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
At 1970 market prices											
Consumers' expenditure	19,352	20,227	21,059	21,933	22,131	22,601	23,187	24,195	25,146	25,734	26,279
Public authorities' current expenditure on goods and services:											
Military defence	3,573	3,695	3,568	3,303	3,178	2,973	2,710	2,696	2,734	2,818	2,945
National health service	1,157	1,177	1,200	1,235	1,264	1,293	1,324	1,371	1,416	1,424	1,451
Education	826	861	900	934	1,006	1,040	1,080	1,141	1,165	1,234	1,255
Other	1,909	1,925	1,961	1,928	1,897	1,931	1,964	2,016	2,066	2,173	2,240
Total ⁽¹⁾	7,488	7,683	7,649	7,415	7,354	7,238	7,073	7,221	7,379	7,647	7,889
Gross domestic fixed capital formation	3,474	3,857	4,192	4,441	4,650	4,905	4,946	5,325	5,806	6,374	6,387
Value of physical increase in stocks and work in progress	81	166	67	387	301	308	137	246	767	369	12
Exports of goods and services ⁽²⁾	5,255	5,475	5,784	6,141	6,409	6,572	6,467	6,639	7,014	7,225	7,345
Total final expenditure at market prices ⁽¹⁾ less Imports of goods and services ⁽²⁾⁽³⁾	35,195 -4,848	37,003 -5,231	38,395 -5,423	40,148 -5,970	40,718 -5,987	41,567 -6,137	41,739 -6,204	43,583 -6,607	46,141 -7,399	47,368 -7,346	47,886 -7,487
Gross domestic product at market prices ⁽¹⁾⁽⁴⁾	30,421	31,829	33,032	34,195	34,759	35,454	35,553	36,988	38,730	40,024	40,398
Net property income from abroad ⁽⁵⁾	312	313	343	231	301	319	396	355	310	338	446
Gross national product at market prices ⁽¹⁾⁽⁴⁾	30,724	32,133	33,368	34,402	35,045	35,759	35,947	37,336	39,029	40,352	40,840
<i>Index numbers (1970=100):</i>											
Gross domestic product at market prices ⁽⁴⁾	60.2	63.0	65.4	67.7	68.8	70.1	70.3	73.2	76.6	79.2	79.9
Gross national product at market prices ⁽⁴⁾	60.2	62.9	65.3	67.4	68.6	70.0	70.4	73.1	76.4	79.0	80.0
At 1970 factor cost											
Gross domestic product at market prices ⁽¹⁾⁽⁴⁾	30,421	31,829	33,032	34,195	34,759	35,454	35,553	36,988	38,730	40,024	40,398
Adjustment to factor cost ⁽⁶⁾	-4,427	-4,607	-4,840	-5,029	-4,997	-5,119	-5,351	-5,801	-6,104	-6,203	-6,209
Gross domestic product at factor cost ⁽¹⁾	25,923	27,141	28,123	29,100	29,660	30,243	30,167	31,219	32,668	33,834	34,183
Net property income from abroad ⁽⁵⁾	312	313	343	231	301	319	396	355	310	338	446
Gross national product at factor cost ⁽¹⁾ less Capital consumption	26,231 -2,076	27,449 -2,158	28,463 -2,267	29,317 -2,362	29,951 -2,451	30,554 -2,553	30,563 -2,666	31,572 -2,775	32,976 -2,888	34,169 -3,008	34,628 -3,101
Net national product at factor cost ⁽¹⁾	24,167	25,292	26,197	26,947	27,500	27,997	27,900	28,796	30,084	31,153	31,515
<i>Index numbers (1970=100):</i>											
Gross domestic product at factor cost ⁽⁷⁾	60.3	63.1	65.4	67.7	69.0	70.3	70.1	72.6	76.0	78.7	79.5
Gross national product at factor cost	60.2	63.0	65.4	67.3	68.8	70.2	70.2	72.5	75.7	78.5	79.5
Net national product at factor cost	61.9	64.8	67.1	69.1	70.5	71.8	71.5	73.8	77.1	79.8	80.8

⁽¹⁾ For the years 1952 to 1962 the aggregates differ from the sum of the components; see notes on page 99.
The adjustments between the sum of the main components and the following aggregates are (£ million):

	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
Adjustment on gross domestic product at factor cost	-452	-429	-365	-218	-201	-125	-88	+ 1	+ 59	+ 34	- 33
Adjustment of gross national product at factor cost	-456	-434	-368	-232	-211	-133	-88	- 1	+ 57	+ 31	- 34

See footnotes ⁽²⁾ to ⁽⁷⁾ on page 17.

Expenditure and output at 1970 prices

TABLE 14 (continued)

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
At 1970 market prices											
Consumers' expenditure	27,427	28,283	28,717	29,269	29,852	30,564	30,649	31,387	32,241	34,179	35,759
Public authorities' current expenditure on goods and services:											
Military defence	2,932	2,900	2,927	2,862	3,005	2,852	2,567	2,420	2,433	2,437	2,408
National health service	1,485	1,533	1,602	1,672	1,741	1,794	1,774	1,854	1,886	1,956	2,024
Education	1,318	1,375	1,432	1,507	1,575	1,653	1,700	1,793	1,891	2,031	2,195
Other	2,279	2,330	2,396	2,554	2,754	2,804	2,919	3,028	3,156	3,321	3,482
Total	8,014	8,138	8,357	8,595	9,075	9,103	8,960	9,095	9,366	9,745	10,109
Gross domestic fixed capital formation.....	6,471	7,529	7,827	8,021	8,605	9,020	9,069	9,237	9,319	9,543	10,004
Value of physical increase in stocks and work in progress	215	934	615	411	361	505	445	438	84	— 39	674
Exports of goods and services ⁽²⁾	7,649	7,951	8,336	8,679	8,786	9,811	10,726	11,260	12,068	12,380	13,508
Total final expenditure at market prices.....	49,776	52,835	53,852	54,975	56,679	59,003	59,849	61,417	63,078	65,808	70,054
less Imports of goods and services ⁽²⁾⁽³⁾	— 7,761	— 8,480	— 8,561	— 8,780	— 9,371	— 10,058	— 10,357	— 10,872	— 11,395	— 12,525	— 13,922
Gross domestic product at market prices ⁽⁴⁾	42,015	44,355	45,291	46,195	47,308	48,945	49,492	50,545	51,683	53,283	56,132
Net property income from abroad ⁽⁵⁾	519	496	543	476	461	367	534	525	504	479	831
Gross national product at market prices ⁽⁴⁾	42,534	44,851	45,834	46,671	47,769	49,312	50,026	51,070	52,187	53,762	56,963
<i>Index numbers (1970=100):</i>											
Gross domestic product at market prices ⁽⁴⁾	83.1	87.8	89.6	91.4	93.6	96.8	97.9	100.0	102.3	105.4	111.1
Gross national product at market prices ⁽⁴⁾	83.3	87.8	89.7	91.4	93.5	96.6	98.0	100.0	102.2	105.3	111.5
At 1970 factor cost											
Gross domestic product at market prices ⁽⁴⁾	42,015	44,355	45,291	46,195	47,308	48,945	49,492	50,545	51,683	53,283	56,132
Adjustment to factor cost ⁽⁶⁾	— 6,465	— 6,771	— 6,798	— 6,918	— 7,115	— 7,278	— 7,252	— 7,533	— 7,865	— 8,519	— 9,019
Gross domestic product at factor cost	35,550	37,584	38,493	39,277	40,193	41,667	42,240	43,012	43,818	44,764	47,113
Net property income from abroad ⁽⁵⁾	519	496	543	476	461	367	534	525	504	479	831
Gross national product at factor cost.....	36,069	38,080	39,036	39,753	40,654	42,034	42,774	43,537	44,322	45,243	47,944
less Capital consumption	— 3,263	— 3,441	— 3,574	— 3,725	— 3,913	— 4,105	— 4,273	— 4,518	— 4,700	— 4,918	— 5,096
Net national product at factor cost.....	32,806	34,639	35,462	36,028	36,741	37,929	38,501	39,019	39,622	40,325	42,848
<i>Index numbers (1970=100):</i>											
Gross domestic product at factor cost ⁽⁷⁾	82.7	87.4	89.5	91.3	93.4	96.9	98.2	100.0	101.9	104.1	109.5
Gross national product at factor cost.....	82.8	87.5	89.7	91.3	93.4	96.5	98.2	100.0	101.8	103.9	110.1
Net national product at factor cost	84.1	88.8	90.9	92.3	94.2	97.2	98.7	100.0	101.5	103.3	109.8
<i>(2) Exports of goods</i>											
Exports of goods	5,571	5,743	6,047	6,293	6,223	6,989	7,638	7,893	8,422	8,422	9,408
Exports of services	2,078	2,208	2,289	2,386	2,563	2,822	3,088	3,367	3,646	3,958	4,100
Imports of goods	5,494	6,124	6,127	6,257	6,770	7,444	7,471	7,902	8,234	9,214	10,415
Imports of services	2,267	2,356	2,434	2,523	2,601	2,614	2,886	2,970	3,161	3,311	3,507

(3) Excluding taxes on expenditure levied on imports.

(4) Including taxes on expenditure levied on imports. See notes on page 99.

(5) This item is revalued here by the implied price index for total imports of goods and services shown in Table 17.

(6) This represents taxes on expenditure less subsidies valued at constant rates.

(7) Alternative estimates of the gross domestic product are given in Table 8.

EXPENDITURE AND OUTPUT AT CONSTANT PRICES

Index numbers of output at constant factor cost

1970 = 100

TABLE 15

	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
Agriculture, forestry and fishing	66	67	69	68	72	73	71	74	79	80	82
Industrial production:											
Mining and quarrying	140.6	140.8	142.3	140.1	140.8	139.8	133.6	129.9	125.1	123.3	126.5
Manufacturing:											
Food, drink and tobacco	63.0	66.5	66.9	68.6	70.2	71.3	73.3	75.8	78.0	80.4	81.9
Coal and petroleum products	37.3	40.9	43.8	45.9	48.9	48.2	51.9	55.5	60.8	63.4	62.2
Chemicals and allied industries	30.2	34.2	37.6	39.4	42.0	44.4	45.7	50.6	55.9	56.7	58.9
Metal manufacture	71.6	71.0	76.5	82.9	84.2	85.3	77.4	80.8	93.7	88.2	83.3
Mechanical engineering	54.8	53.7	57.2	60.5	60.9	63.1	59.8	61.1	66.5	72.1	71.7
Instrument engineering	29.4	30.0	33.5	35.5	35.4	36.7	39.3	42.5	47.6	50.4	53.8
Electrical engineering	36.9	38.9	42.9	47.5	47.0	50.2	53.3	58.7	61.7	64.2	67.0
Shipbuilding and marine engineering	100.0	106.0	103.1	111.8	121.0	111.3	111.6	104.4	94.6	95.6	96.6
Vehicles	50.9	57.8	65.6	75.4	70.7	75.9	78.7	85.2	92.1	85.5	87.1
Metal goods not elsewhere specified	73.1	68.3	72.4	80.6	78.8	79.1	77.1	77.0	87.2	83.3	80.5
Textiles	66.7	79.1	82.5	80.4	79.5	79.6	71.8	75.7	79.2	76.5	75.1
Leather, leather goods and fur	104.8	115.6	117.3	116.9	109.7	109.4	103.2	106.4	104.7	105.5	99.8
Clothing and footwear	82.1	88.8	89.5	90.9	90.9	88.9	83.3	91.2	96.3	96.7	92.2
Bricks, pottery, glass, cement, etc.	62.3	63.2	64.2	66.6	65.7	63.6	62.7	66.6	74.1	77.2	78.6
Timber, furniture, etc.	52.2	56.4	64.3	66.3	64.1	67.3	66.2	75.6	78.7	81.6	79.9
Paper, printing and publishing	47.4	53.1	62.2	67.1	66.2	67.6	69.8	73.1	80.1	78.8	78.7
Other manufacturing industries	33.9	37.0	42.5	46.7	44.1	46.4	45.4	50.5	57.6	57.2	60.1
Total manufacturing	54.0	57.8	61.0	64.8	64.7	66.2	65.5	69.3	74.9	75.0	75.2
Construction	58.4	62.5	65.4	65.5	69.1	69.0	68.7	72.6	76.4	82.2	83.0
Gas, electricity and water	40.0	42.1	45.7	48.1	50.3	52.2	54.5	55.9	60.2	62.9	67.9
Total industrial production	56.6	60.2	63.3	66.4	66.9	68.1	67.5	70.9	75.8	76.7	77.4
Transport and communication	63	64	65	67	68	68	67	70	74	75	76
Distributive trades	60	63	67	70	71	73	74	78	82	83	84
Insurance, banking, finance and business services	45	47	50	51	51	54	56	61	65	67	68
Ownership of dwellings	68	69	70	72	73	75	76	77	79	81	82
Professional and scientific services	57	59	61	62	65	67	69	71	73	76	78
Miscellaneous services	72	73	74	76	76	77	78	81	85	87	89
Public administration and defence	107	108	106	103	102	100	96	94	93	94	94
Adjustment for financial services .....	..	..	..	..	..	..	..	..	..	..	..
Gross domestic product ⁽²⁾	60.8	63.3	65.9	68.1	68.8	70.0	69.9	73.1	77.0	78.4	79.5

(1) The weights are proportional to the distribution of net output in 1970 and are used to combine the indices from 1968 onward.
For the method of calculation in earlier years see notes on page 100.

(2) Alternative estimates of the gross domestic product are given in Table 8.

Index numbers of output at constant factor cost

1970 = 100

TABLE 15 (continued)

	Weight per 1,000 ⁽¹⁾	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Agriculture, forestry and fishing	30	85	89	91	91	94	94	95	100	106	108	111
Industrial production:												
Mining and quarrying	16	126.7	126.9	122.3	115.3	114.5	111.4	104.9	100.0	99.7	84.0	93.6
Manufacturing:												
Food, drink and tobacco	37	84.5	86.4	88.6	91.3	93.0	95.6	98.6	100.0	100.7	105.0	109.3
Coal and petroleum products	3	64.2	70.4	75.0	79.7	76.4	84.0	92.1	100.0	103.4	102.6	110.0
Chemicals and allied industries	26	63.3	69.7	74.6	78.8	83.4	89.9	95.0	100.0	102.2	108.0	120.9
Metal manufacture	25	87.2	99.0	103.5	97.7	92.0	97.9	100.3	100.0	91.4	90.8	99.5
Mechanical engineering	44	71.6	78.3	82.7	87.8	88.3	92.0	97.0	100.0	100.1	95.1	104.6
Instrument engineering	7	57.5	64.0	72.3	75.0	76.9	86.0	92.4	100.0	100.8	93.1	101.3
Electrical engineering	29	70.5	76.6	75.5	82.4	88.2	91.2	97.1	100.0	102.6	110.3	126.2
Shipbuilding and marine engineering	7	86.4	87.1	90.2	92.1	93.0	95.0	94.8	100.0	96.6	91.8	95.1
Vehicles	32	91.3	98.9	97.3	96.3	94.5	100.5	105.9	100.0	98.5	101.6	101.6
Metal goods not elsewhere specified	21	83.0	96.0	99.6	94.1	90.2	98.3	104.1	100.0	93.3	94.2	102.6
Textiles	21	78.9	83.7	86.1	85.9	84.1	97.1	100.2	100.0	100.7	103.0	108.1
Leather, leather goods and fur	1	102.2	106.5	109.3	107.7	96.7	104.4	103.0	100.0	103.0	104.5	101.0
Clothing and footwear	10	91.9	97.1	100.8	100.9	97.8	101.8	100.4	100.0	105.4	107.7	113.8
Bricks, pottery, glass, cement, etc.	12	81.1	93.6	94.8	94.1	97.7	102.2	103.7	100.0	107.7	114.2	126.3
Timber, furniture, etc.	10	83.1	96.9	97.9	95.9	98.8	106.5	99.7	100.0	103.0	113.5	130.2
Paper, printing and pub- lishing	28	81.1	88.5	90.4	92.8	92.5	96.2	99.3	100.0	97.3	101.9	112.8
Other manufacturing in- dustries	14	64.0	74.0	78.6	81.9	85.2	95.7	99.5	100.0	100.6	104.6	111.3
Total manufacturing	327	77.9	85.1	87.6	89.2	89.8	95.7	99.4	100.0	99.6	102.0	110.3
Construction	64	82.6	91.0	95.1	96.7	100.4	103.4	102.0	100.0	102.9	105.2	107.5
Gas, electricity and water	32	71.3	74.8	79.9	83.0	86.0	91.6	96.2	100.0	103.9	111.2	117.8
Total industrial production	439	79.7	86.5	89.1	90.6	91.7	97.1	99.7	100.0	100.4	102.4	109.8
Transport and communication	84	79	84	85	88	89	92	96	100	101	106	110
Distributive trades	104	87	90	93	94	95	98	98	100	101	106	113
Insurance, banking, finance and business services	82	72	76	80	82	91	91	95	100	107	113	121
Ownership of dwellings	57	84	85	87	90	92	95	98	100	102	104	107
Professional and scientific services	98	80	83	86	89	92	95	97	100	103	107	110
Miscellaneous services	70	92	97	98	99	98	100	99	100	102	107	109
Public administration and defence	67	96	96	97	99	102	102	100	100	101	103	104
Adjustment for financial services	-31	71	77	82	84	99	93	96	100	108	116	129
Gross domestic product ⁽²⁾	1,000	82.1	87.1	89.5	91.1	92.7	96.6	98.4	100.0	101.5	104.7	109.9

See footnotes on page 18.

Index numbers of industrial production at constant factor cost Analysis by type of market

1970 = 100

TABLE 16

	Weight per 1,000	1968	1969	1970	1971	1972	1973
Consumer goods:							
Cars, etc.	7	106.8	100.9	100.0	108.3	118.5	110.8
Other durables	19	92.6	96.9	100.0	106.6	121.8	139.8
Clothing and footwear, etc.	16	99.1	100.3	100.0	103.8	105.8	110.9
Food, drink and tobacco ⁽¹⁾	33	96.0	98.5	100.0	100.7	105.1	109.2
Other	34	92.7	97.2	100.0	100.4	106.6	119.5
Total	109	95.5	98.3	100.0	102.6	109.6	118.3
Investment goods:							
Electrical	25	93.3	97.3	100.0	99.7	98.1	109.3
Transport	32	98.5	104.8	100.0	95.8	95.6	98.5
Other	48	91.4	97.0	100.0	99.4	94.0	103.7
Total	105	94.0	99.5	100.0	98.4	95.4	103.4
Intermediate goods:							
Fuels	44	97.6	98.7	100.0	103.0	102.0	109.9
Materials	115	97.8	100.5	100.0	97.8	100.7	109.0
Total	159	97.7	100.0	100.0	99.3	101.0	109.3
All industries other than construction	373	96.0	99.3	100.0	100.0	102.0	110.3

⁽¹⁾ This does not include grain milling, animal and poultry foods and vegetable or animal oils and fats industries which are classified to Intermediate goods: materials.

Implied index numbers of costs and prices⁽¹⁾

1970 = 100

TABLE 17

	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
Home costs per unit of output⁽¹⁾											
Total home costs (gross domestic product at factor cost).....	53.2	54.8	55.9	58.0	61.6	64.1	67.0	68.1	69.3	71.6	74.0
Income from employment.....	50.0	51.2	52.4	54.9	59.4	62.0	64.6	65.1	65.5	69.2	72.1
Gross profits and other trading income.....	61.0	63.5	64.4	65.2	66.8	69.1	72.7	75.3	78.4	77.4	78.6
Implied deflators⁽¹⁾											
Consumers' expenditure.....	55.2	56.4	57.4	59.4	62.1	64.2	66.0	66.6	67.3	69.3	72.0
Public authorities' current expenditure on goods and services.....	39	40	42	44	48	51	53	55	58	60	62.3
Gross domestic fixed capital formation.....	61	62	62	65	68	70	72	72	72	74	76
Total domestic expenditure.....	52.8	53.9	54.9	57.2	60.3	62.5	64.4	65.3	66.3	68.3	70.8
Exports of goods and services.....	72	67	66	68	72	74	73	73	73	74	75
Total final expenditure.....	55.7	56.0	56.7	58.9	62.1	64.2	65.7	66.4	67.4	69.2	71.4
Imports of goods and services.....	81	73	73	75	76	78	74	74	75	75	75

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Home costs per unit of output⁽¹⁾											
Total home costs (gross domestic product at factor cost).....	75.6	77.6	80.9	84.1	86.7	89.6	92.8	100.0	110.5	121.5	132.0
Income from employment.....	72.7	74.7	78.2	82.5	84.3	86.5	90.6	100.0	109.9	120.1	130.4
Gross profits and other trading income.....	82.7	84.4	87.4	88.1	92.5	97.0	97.9	100.0	112.2	125.0	135.8
Implied deflators⁽¹⁾											
Consumers' expenditure.....	73.4	75.9	79.6	82.8	85.2	89.4	94.5	100.0	108.2	115.5	125.4
Public authorities' current expenditure on goods and services.....	65	68	72	76	80	85	90	100	111	121	131
Gross domestic fixed capital formation.....	78	80	82	85	87	90	93	100	109	120	139
Total domestic expenditure.....	72.4	75.1	78.7	82.1	84.6	88.7	93.5	100.0	108.8	117.3	128.3
Exports of goods and services.....	76	77	79	81	82	90	92	100	105	107	122
Total final expenditure.....	72.9	75.3	78.7	81.9	84.2	88.9	93.2	100.0	108.1	115.4	127.1
Imports of goods and services.....	77	79	80	81	82	91	93	100	104	107	132

⁽¹⁾ For explanatory notes on these index numbers see *National Accounts Statistics: Sources and Methods*, pages 68-9.

Gross domestic product by industry and type of income⁽¹⁾

TABLE 18

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Agriculture, forestry and fishing:											
Wages and salaries	332	334	339	341	343	348	358	383	420	481	585
Employers' contributions.....	19	19	21	23	24	26	27	29	32	35	39
Income from employment	351	353	360	364	367	374	385	412	452	516	624
Income from self-employment and other trading income	642	670	702	728	774	790	850	935	1,035	1,183	1,542
Total	993	1,023	1,062	1,092	1,141	1,164	1,235	1,347	1,487	1,699	2,166
Mining and quarrying:											
Wages and salaries	553	557	550	539	538	505	491	509	514	591	636
Employers' contributions.....	44	44	49	54	55	57	55	57	56	92	96
Income from employment	597	601	599	593	593	562	546	566	570	683	732
Gross profits and other trading income	149	148	115	115	114	129	96	126	155	129	140
Total	746	749	714	708	707	691	642	692	725	812	872
Manufacturing:											
Wages and salaries ⁽²⁾	5,817	6,349	6,914	7,346	7,392	7,919	8,738	9,929	10,748	11,919	13,631
Employers' contributions.....	411	451	517	572	609	670	716	847	929	1,042	1,222
Income from employment	6,228	6,800	7,431	7,918	8,001	8,589	9,454	10,776	11,677	12,961	14,853
Gross profits of companies and trading surplus of public corporations.....	2,728	3,080	3,233	3,147	3,126	3,550	3,506	3,649	3,808	4,497	5,768
Income from self-employment and other trading income	128	141	157	175	175	204	212	228	266	297	335
Total	9,084	10,021	10,821	11,240	11,302	12,343	13,172	14,653	15,751	17,755	20,956
Construction:											
Wages and salaries	1,280	1,428	1,524	1,570	1,609	1,673	1,726	1,735	1,824	2,092	2,572
Employers' contributions.....	74	79	92	103	107	123	127	147	159	190	241
Income from employment	1,354	1,507	1,616	1,673	1,716	1,796	1,853	1,882	1,983	2,282	2,813
Gross profits of companies and income from self-employment	417	506	548	597	677	770	813	912	1,091	1,342	1,767
Total	1,771	2,013	2,164	2,270	2,393	2,566	2,666	2,794	3,074	3,624	4,580
Gas, electricity and water:											
Wages and salaries	337	364	394	439	449	461	487	538	605	676	732
Employers' contributions.....	36	38	45	51	55	57	61	68	80	88	99
Income from employment	373	402	439	490	504	518	548	606	685	764	831
Gross profits of companies	19	22	15	19	18	18	13	15	16	15	15
Gross trading surplus of public enterprises	449	495	558	571	627	767	831	784	870	984	1,111
Total	841	919	1,012	1,080	1,149	1,303	1,392	1,405	1,571	1,763	1,957
Transport:											
Wages and salaries	1,131	1,185	1,288	1,345	1,360	1,449	1,514	1,736	2,014	2,194	2,538
Employers' contributions.....	82	91	98	107	118	137	145	165	190	211	251
Income from employment	1,213	1,276	1,386	1,452	1,478	1,586	1,659	1,901	2,204	2,405	2,789
Gross profits of companies and income from self-employment	338	351	363	375	363	483	580	552	584	630	737
Gross trading surplus of public enterprises	215	237	235	252	246	280	257	210	203	272	316
Total	1,766	1,864	1,984	2,079	2,087	2,349	2,496	2,663	2,991	3,307	3,842

- (1) The contribution of each industry to the gross domestic product before providing for depreciation and stock appreciation.
 (2) Figures for separate industries are given in Table 20.
 (3) See notes on page 101.

Gross domestic product by industry and type of income⁽¹⁾

TABLE 18 (continued)

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Communication:											
Income from employment	387	432	470	501	534	586	623	709	819	974	1,116
Gross profits and other trading income	135	148	176	202	219	227	307	335	370	383	507
Total	522	580	646	703	753	813	930	1,044	1,189	1,357	1,623
Distributive trades:											
Income from employment	1,904	2,006	2,125	2,294	2,378	2,519	2,624	2,909	3,197	3,469	4,074
Gross profits and other trading income	1,268	1,394	1,533	1,534	1,579	1,682	1,653	1,710	1,944	2,233	2,720
Total	3,172	3,400	3,658	3,828	3,957	4,201	4,277	4,619	5,141	5,702	6,794
Insurance, banking, finance (including real estate) and business services:											
Income from employment	828	927	1,007	1,079	1,196	1,346	1,426	1,681	1,984	2,357	2,668
Gross profits and other income	559	564	650	630	695	802	780	933	1,170	1,407	1,991
Rent	384	403	435	474	517	577	671	771	870	975	1,115
Total	1,771	1,894	2,092	2,183	2,408	2,725	2,877	3,385	4,024	4,739	5,774
Ownership of dwellings:											
Rent	1,149	1,256	1,416	1,574	1,748	1,957	2,174	2,458	2,694	3,082	3,668
Public administration and defence:											
Wages and salaries	929	1,016	1,114	1,205	1,329	1,423	1,568	1,834	2,185	2,519	2,796
Pay in cash and kind of H.M. Forces	419	450	467	523	524	542	539	658	758	862	928
Employers' contributions:											
H.M. Forces	79	83	87	96	104	122	130	141	150	174	207
Civilians	124	132	144	159	172	181	192	207	242	280	335
Income from employment	1,551	1,681	1,812	1,983	2,129	2,268	2,429	2,840	3,335	3,835	4,266
Public health services:											
Wages and salaries	450	487	546	600	645	699	766	908	1,077	1,236	1,414
Employers' contributions	48	52	60	65	65	72	80	93	106	125	142
Income from employment	498	539	606	665	710	771	846	1,001	1,183	1,361	1,556
Local authority educational services:											
Teachers' salaries	484	511	577	620	648	710	770	867	984	1,175	1,342
Other salaries and wages	148	162	172	193	239	256	285	325	421	502	619
Employers' contributions	53	60	68	86	94	103	112	128	149	185	209
Income from employment	685	733	817	899	981	1,069	1,167	1,320	1,554	1,862	2,170
Other services:											
Income from employment	2,226	2,462	2,628	2,884	3,131	3,373	3,522	3,651	3,841	4,017	4,398
Gross profits and other trading income	950	998	1,037	1,094	1,186	1,339	1,407	1,539	1,829	2,159	2,628
Total	3,176	3,460	3,665	3,978	4,317	4,712	4,929	5,190	5,670	6,176	7,026
All industries:											
Income from employment	18,195	19,719	21,296	22,795	23,718	25,357	27,082	30,254	33,484	37,486	42,890
Gross profits and other trading income	9,530	10,413	11,173	11,487	12,064	13,575	14,150	15,157	16,905	19,588	24,360
less Stock appreciation	-177	-295	-317	-356	-186	-564	-745	-1,152	-1,081	-1,353	-3,111
less Adjustment for financial services ⁽²⁾	-696	-800	-905	-939	-982	-1,109	-1,167	-1,345	-1,519	-1,905	-2,552
Residual error	35	126	-94	55	240	74	-140	98	643	574	589
Gross domestic product at factor cost	26,887	29,163	31,153	33,042	34,854	37,333	39,180	43,012	48,432	54,390	62,176

See footnote on page 22.

Gross domestic product by manufacturing industries⁽¹⁾

TABLE 19

£ million

	1963	1968	1970	1971
Food, drink and tobacco	1,007	1,332	1,561	1,757
Coal and petroleum products	72	126	137	144
Chemicals and allied industries	742	946	1,104	1,195
Metal manufacture	739	819	1,060	1,019
Mechanical engineering	1,090	1,673	1,919	2,088
Instrument engineering	150	242	280	301
Electrical engineering	789	1,075	1,249	1,386
Shipbuilding and marine engineering	186	268	299	328
Vehicles	1,003	1,184	1,346	1,439
Metal goods not elsewhere specified	552	738	892	971
Textiles	661	846	911	949
Leather, leather goods and fur	45	55	63	68
Clothing and footwear	322	385	441	493
Bricks, pottery, glass, cement, etc.	353	438	498	576
Timber, furniture, etc.	261	350	405	464
Paper, printing and publishing	699	1,032	1,195	1,313
Other manufacturing industries	303	487	578	629
Total	8,974	11,996	13,938	15,120

⁽¹⁾ The contribution of each industry to the gross domestic product before providing for depreciation but after providing for stock appreciation. See notes on page 101.

Wages and salaries in manufacturing industries

£ million

TABLE 20

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Food, drink and tobacco	525	557	606	659	690	735	802	894	1,012	1,140	1,280
Coal and petroleum products	43	43	45	49	48	51	55	58	68	76	83
Chemicals and allied industries	355	378	419	453	458	486	556	625	670	743	832
Metal manufacture	477	542	589	599	579	606	681	806	824	884	1,006
Mechanical engineering	731	795	909	983	1,020	1,075	1,201	1,400	1,493	1,545	1,777
Instrument engineering	104	119	130	150	155	170	178	215	228	259	296
Electrical engineering	552	613	655	694	687	730	815	914	1,004	1,109	1,278
Shipbuilding and marine engineering	159	169	187	197	200	205	222	255	282	306	350
Vehicles	720	788	843	872	867	947	1,046	1,174	1,275	1,469	1,700
Metal goods not elsewhere specified	372	415	458	487	478	508	566	647	701	781	924
Textiles	429	459	489	519	506	547	606	645	680	738	794
Leather, leather goods and fur	32	34	36	37	36	39	40	45	50	56	64
Clothing and footwear	244	259	273	289	285	301	326	355	394	426	481
Bricks, pottery, glass, cement, etc.	229	253	272	279	285	303	315	369	409	475	540
Timber, furniture, etc.	182	201	216	222	225	251	268	309	343	407	501
Paper, printing and publishing	465	503	542	592	603	653	715	819	886	1,016	1,145
Other manufacturing industries	198	221	245	265	270	312	346	399	429	489	580
Total	5,817	6,349	6,914	7,346	7,392	7,919	8,738	9,929	10,748	11,919	13,631
<i>Estimated number of employees⁽¹⁾ in manufacturing industries (thousands)</i>	<i>7,890</i>	<i>7,975</i>	<i>8,070</i>	<i>8,060</i>	<i>7,825</i>	<i>7,750</i>	<i>7,935</i>	<i>7,995</i>	<i>7,760</i>	<i>7,665</i>	<i>7,615</i>

⁽¹⁾ The estimates of employment are based on census of production coverage and definitions and therefore relate to the average number employed in each year and exclude directors paid by fee only. If directors' fees are excluded from wages and salaries, the average annual wage and salary in manufacturing industries in 1973 was about £1,759.

IV. THE PERSONAL SECTOR

Income and expenditure account

TABLE 21

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Income before tax											
Wages and salaries	16,395	17,765	19,115	20,370	21,140	22,515	24,110	26,830	29,675	33,085	37,750
Pay in cash and kind of H.M. Forces	419	450	467	523	524	542	539	658	758	862	928
Employers' contributions:											
National insurance, etc.	611	682	831	906	966	1,099	1,141	1,356	1,459	1,710	2,061
Other	770	822	883	996	1,088	1,201	1,292	1,410	1,592	1,829	2,151
Total income from employment	18,195	19,719	21,296	22,795	23,718	25,357	27,082	30,254	33,484	37,486	42,890
Professional persons ⁽¹⁾	356	385	423	440	473	514	544	608	731	872	1,132
Farmers ⁽¹⁾	545	564	592	612	654	658	703	775	856	1,006	1,346
Other sole traders and partnerships ⁽¹⁾	1,306	1,370	1,495	1,619	1,708	1,908	2,040	2,281	2,666	3,146	3,766
Total income from self-employment⁽¹⁾	2,207	2,319	2,510	2,671	2,835	3,080	3,287	3,664	4,253	5,024	6,244
Rent, dividends and net interest ⁽²⁾ :											
Receipts by life assurance and superannuation funds	648	729	814	898	974	1,090	1,187	1,345	1,464	1,592	1,920
Other receipts	2,348	2,513	2,811	2,934	3,067	3,187	3,431	3,407	3,590	3,727	4,419
Total	2,996	3,242	3,625	3,832	4,041	4,277	4,618	4,752	5,054	5,319	6,339
Current transfers to charities from companies	24	26	28	30	32	34	35	36	38	41	42
National insurance benefits and other current grants from public authorities	2,128	2,250	2,596	2,825	3,189	3,679	3,937	4,336	4,784	5,847	6,455
Total personal income⁽¹⁾⁽³⁾	25,550	27,556	30,055	32,153	33,815	36,427	38,959	43,042	47,613	53,717	61,970
Expenditure											
Consumers' expenditure	20,118	21,463	22,856	24,227	25,434	27,331	28,965	31,387	34,881	39,472	44,855
Transfers abroad (net)	5	10	7	22	44	55	49	34	13	57	114
Taxes paid abroad	18	19	20	20	20	22	22	23	22	22	24
United Kingdom taxes on income:											
Payments ⁽²⁾	2,480	2,751	3,297	3,689	4,069	4,524	5,139	5,850	6,424	6,646	7,782
Additions to tax reserves	17	95	107	38	76	145	109	68	91	315	558
National insurance, etc. contributions	1,303	1,444	1,685	1,804	1,909	2,165	2,244	2,654	2,835	3,333	3,926
Total current expenditure	23,941	25,782	27,972	29,800	31,552	34,242	36,528	40,016	44,266	49,845	57,259
Balance: saving before providing for depreciation and stock appreciation but after providing for additions to tax reserves ⁽³⁾	1,609	1,774	2,083	2,353	2,263	2,185	2,431	3,026	3,347	3,872	4,711
Total	25,550	27,556	30,055	32,153	33,815	36,427	38,959	43,042	47,613	53,717	61,970

(1) Before providing for depreciation and stock appreciation.

(2) From April 1973 figures reflect change to imputation system of corporation tax. See notes on page 102.

(3) Total personal income less United Kingdom taxes on income, national insurance, etc. contributions, transfers abroad (net) and taxes paid abroad equals personal disposable income. Estimates of personal disposable income and saving before providing for additions to tax reserves are as follows (£ million):

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Personal disposable income	21,744	23,332	25,046	26,618	27,773	29,661	31,505	34,481	38,319	43,659	50,124
Saving	1,626	1,869	2,190	2,391	2,339	2,330	2,540	3,094	3,438	4,187	5,269
Savings as a percentage of personal disposable income	7.5	8.0	8.7	9.0	8.4	7.9	8.1	9.0	9.0	9.6	10.5
Personal disposable income at 1970 prices ⁽⁴⁾	29,644	30,746	31,469	32,158	32,597	33,170	33,337	34,481	35,419	37,805	39,960

(4) Personal disposable income revalued by the implied consumers' expenditure deflator shown in Table 17.

Capital account

TABLE 22

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Receipts											
Saving before providing for depreciation and stock appreciation	1,609	1,774	2,083	2,353	2,263	2,185	2,431	3,026	3,347	3,872	4,711
Additions to tax reserves	17	95	107	38	76	145	109	68	91	315	558
Capital transfers:											
Investment grants	—	—	—	—	4	5	8	5	6	3	2
Other	108	131	160	161	164	189	178	203	245	308	417
Total	1,734	2,000	2,350	2,552	2,507	2,524	2,726	3,302	3,689	4,498	5,688
Expenditure											
Gross domestic fixed capital formation:											
Dwellings ⁽¹⁾	507	628	653	637	682	742	684	670	882	1,217	1,614
Purchases less sales of land and existing buildings	— 72	— 179	— 163	— 128	— 67	— 64	— 111	— 118	154	333	— 108
Other	432	479	499	488	502	559	574	609	686	800	920
Increase in value of stocks and work in progress	58	99	78	64	71	132	133	188	247	296	556
Taxes on capital	308	308	289	313	332	421	577	564	568	674	729
Capital transfers to public corporations	4	5	5	4	6	6	6	2	7	8	10
Net acquisition of financial assets including net investment abroad	497	660	989	1,174	981	728	863	1,387	1,145	1,170	1,967
Total	1,734	2,000	2,350	2,552	2,507	2,524	2,726	3,302	3,689	4,498	5,688

⁽¹⁾ Excluding existing dwellings and land.

Revenue account of life assurance and superannuation funds

TABLE 23

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Contributions of employers	770	822	883	996	1,088	1,201	1,292	1,410	1,592	1,829	2,151
Contributions of employees, individual premiums, etc.	946	1,037	1,048	1,147	1,300	1,439	1,464	1,666	1,975	2,534	2,867
Rent, dividends and interest receipts	648	729	814	898	974	1,090	1,187	1,345	1,464	1,592	1,920
less Pensions and other benefits paid	— 1,024	— 1,137	— 1,258	— 1,446	— 1,614	— 1,798	— 1,978	— 2,148	— 2,426	— 2,810	— 3,272
less Administrative costs, etc. ⁽¹⁾	— 266	— 294	— 324	— 354	— 376	— 424	— 458	— 510	— 601	— 690	— 849
Net increase in funds	1,074	1,157	1,163	1,241	1,372	1,508	1,507	1,763	2,004	2,455	2,817

⁽¹⁾ Including tax on the investment income of life funds.

Consumers' expenditure at current prices

£ million

TABLE 24

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Food (household expenditure) (1):											
Bread and cereals	630	653	674	692	716	747	769	822	874	940	1,007
Meat and bacon	1,247	1,334	1,387	1,468	1,506	1,576	1,676	1,791	1,962	2,103	2,574
Fish	159	180	189	192	195	196	199	213	229	260	334
Oils and fats	238	247	250	249	243	237	246	267	331	325	312
Sugar, preserves and confectionery	461	469	485	492	509	528	557	597	650	710	727
Dairy products	702	712	748	767	786	834	869	924	1,071	1,127	1,286
Fruit	280	299	306	330	337	354	369	365	421	433	513
Potatoes and vegetables	533	533	551	623	658	656	726	766	785	851	978
Beverages	292	308	309	322	337	345	365	404	425	444	467
Other manufactured food	147	153	158	165	170	182	194	216	216	230	262
Total	4,689	4,888	5,057	5,300	5,457	5,655	5,970	6,365	6,964	7,423	8,460
Alcoholic drink:											
Beer	717	792	882	951	1,021	1,067	1,201	1,355	1,526	1,671	1,840
Spirits	355	406	420	453	471	519	520	620	688	817	1,060
Wines, cider and perry	160	192	197	222	247	284	308	336	401	484	636
Total	1,232	1,390	1,499	1,626	1,739	1,870	2,029	2,311	2,615	2,972	3,536
Tobacco:											
Cigarettes	1,129	1,171	1,242	1,316	1,319	1,379	1,479	1,504	1,457	1,567	1,687
Other	157	172	186	188	193	199	215	216	234	241	258
Total	1,286	1,343	1,428	1,504	1,512	1,578	1,694	1,720	1,691	1,808	1,945
Housing:											
Rent, rates and water charges	1,770	1,923	2,143	2,376	2,576	2,816	3,076	3,403	3,831	4,436	5,167
Maintenance, repairs and improvements by occupiers	390	410	456	495	552	609	681	737	829	963	1,023
Total	2,160	2,333	2,599	2,871	3,128	3,425	3,757	4,140	4,660	5,399	6,190
Fuel and light:											
Coal and coke	379	348	357	370	361	355	355	364	340	322	316
Electricity	384	402	456	490	521	607	637	663	747	851	907
Gas	173	183	206	233	258	301	356	381	437	512	530
Other	74	67	68	68	68	77	81	87	94	113	138
Total	1,010	1,000	1,087	1,161	1,208	1,340	1,429	1,495	1,618	1,798	1,891
Clothing:											
Footwear	327	341	359	368	376	393	410	449	483	547	622
Other clothing:											
Men's and boys' wear	517	548	585	604	613	654	683	748	810	919	1,052
Women's, girls' and infants' wear	1,029	1,082	1,155	1,182	1,213	1,290	1,354	1,469	1,580	1,813	2,100
Total	1,873	1,971	2,099	2,154	2,202	2,337	2,447	2,666	2,873	3,279	3,774
Durable goods:											
Motor cars and motor cycles, new and secondhand	640	733	707	703	781	876	800	969	1,368	1,716	1,886
Furniture and floor coverings	473	530	574	578	586	644	641	683	769	894	1,013
Radio, electrical and other durable goods	475	492	504	494	535	593	593	670	790	975	1,113
Total	1,588	1,755	1,785	1,775	1,902	2,113	2,034	2,322	2,927	3,585	4,012
Other household goods:											
Household textiles and soft furnishings	180	193	200	206	221	255	272	289	320	372	431
Hardware	229	255	276	297	313	347	362	410	475	556	640
Matches, soap and other cleaning materials	207	211	225	229	230	235	246	259	279	293	319
Total	616	659	701	732	764	837	880	958	1,074	1,221	1,390
Books, newspapers and magazines:											
Books	57	61	64	74	79	84	81	91	120	146	169
Newspapers	161	172	195	203	207	240	243	267	317	354	369
Magazines	61	63	67	72	74	82	92	102	104	123	126
Total	279	296	326	349	360	406	416	460	541	623	664

See footnote on page 29.

Consumers' expenditure at current prices

TABLE 24 (continued)

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Chemists' goods	294	320	339	359	373	410	434	471	533	608	707
Miscellaneous recreational goods	404	446	475	510	537	599	646	719	792	880	1,032
Other miscellaneous goods	256	281	297	309	319	354	361	384	411	489	579
Running costs of motor vehicles:											
Petrol and oil	309	382	470	539	608	714	809	859	942	1,093	1,250
Motor vehicle and driving licences	94	101	123	144	160	213	231	247	256	270	277
Other	279	307	347	398	460	501	557	590	668	777	882
Total	682	790	940	1,081	1,228	1,428	1,597	1,696	1,866	2,140	2,409
Travel:											
Rail	159	165	170	179	181	183	207	232	264	291	306
Bus, coach and tram	346	361	370	387	387	400	414	443	503	540	575
Air	66	84	100	120	134	157	180	188	214	270	340
Other	92	95	101	106	117	124	132	150	171	194	215
Total	663	705	741	792	819	864	933	1,013	1,152	1,295	1,436
Communication services:											
Postal	78	81	94	102	108	108	106	110	119	142	154
Telephone and telegraph	91	102	114	119	136	154	181	234	279	338	433
Total	169	183	208	221	244	262	287	344	398	480	587
Entertainment and recreational services:											
Cinema	61	63	65	63	60	60	59	61	63	63	63
Radio and TV: licences, rental and relay	179	191	212	233	256	269	300	323	363	438	555
Other admissions and recreational services	104	113	122	132	138	145	153	162	181	200	224
Total	344	367	399	428	454	474	512	546	607	701	842
Domestic service	112	116	122	130	136	143	149	158	165	182	203
Catering (meals and accommodation)	1,073	1,131	1,196	1,250	1,275	1,346	1,430	1,554	1,685	1,882	2,135
Wages, salaries, etc. paid by private non-profit-making bodies ⁽²⁾	195	216	238	267	303	335	387	445	518	581	667
Insurance	222	242	263	286	311	351	392	440	523	621	714
Other services:											
Laundry, laundrettes, dry cleaning and dyeing	103	104	108	115	119	118	116	117	119	127	137
Hairdressing, manicure and beauty care	138	146	156	170	176	184	195	206	217	230	253
Betting and gaming	164	179	182	204	246	273	285	309	360	397	441
Other	436	441	420	450	496	560	551	537	563	716	756
Total	841	870	866	939	1,037	1,135	1,147	1,169	1,259	1,470	1,587
Income in kind not included elsewhere	46	47	50	52	51	49	50	44	50	53	59
less Expenditure by foreign tourists, etc. in the United Kingdom	-242	-245	-249	-279	-303	-355	-437	-518	-584	-654	-793
Consumers' expenditure in the United Kingdom	19,792	21,104	22,466	23,817	25,056	26,956	28,544	30,902	34,338	38,836	44,026
Consumers' expenditure abroad	326	359	390	410	378	375	421	485	543	636	829
Total	20,118	21,463	22,856	24,227	25,434	27,331	28,965	31,387	34,881	39,472	44,855

(1) For estimates of household and total catering expenditure on food see page 102.

(2) Excluding catering.

Consumers' expenditure at 1970 prices

£ million

TABLE 25

Price index
1963=100

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Food (household expenditure) (1):											
Bread and cereals	866	857	852	838	837	828	816	822	795	784	776
Meat and bacon	1,702	1,689	1,684	1,716	1,731	1,736	1,752	1,791	1,796	1,756	1,697
Fish	218	232	233	229	232	228	221	213	199	194	201
Oils and fats	254	258	256	262	260	259	264	267	262	247	259
Sugar, preserves and confectionery	606	595	608	615	620	610	590	597	605	628	646
Dairy products	858	881	881	886	894	909	908	924	957	974	993
Fruit	333	354	353	364	346	363	365	365	378	355	360
Potatoes and vegetables	639	675	683	707	741	749	755	766	771	779	813
Beverages	337	352	345	359	372	378	385	404	396	402	410
Other manufactured food	181	187	186	194	195	200	208	216	203	201	219
Total	5,994	6,080	6,081	6,170	6,228	6,260	6,264	6,365	6,362	6,320	6,374
Alcoholic drink:											
Beer	1,064	1,113	1,122	1,158	1,196	1,235	1,309	1,355	1,419	1,473	1,586
Spirits	468	508	491	512	524	559	531	620	663	762	948
Wines, cider and perry	220	248	242	261	293	325	318	336	390	453	550
Total	1,752	1,869	1,855	1,931	2,013	2,119	2,158	2,311	2,472	2,688	3,084
Tobacco:											
Cigarettes	1,555	1,526	1,468	1,524	1,528	1,524	1,505	1,504	1,427	1,514	1,614
Other	219	226	220	218	224	220	218	216	231	234	245
Total	1,774	1,752	1,688	1,742	1,752	1,744	1,723	1,720	1,658	1,748	1,859
Housing:											
Rent, rates and water charges	2,850	2,895	2,972	3,052	3,137	3,241	3,326	3,403	3,472	3,552	3,636
Maintenance, repairs and improvements by occupiers	527	536	576	602	661	698	742	737	759	802	748
Total	3,377	3,431	3,548	3,654	3,798	3,939	4,068	4,140	4,231	4,354	4,384
Fuel and light:											
Coal and coke	574	518	512	488	452	427	408	364	307	263	249
Electricity	514	518	547	562	581	610	640	663	681	724	753
Gas	208	214	237	263	287	318	355	381	409	451	460
Other	82	74	75	74	73	77	81	87	87	99	106
Total	1,378	1,324	1,371	1,387	1,393	1,432	1,484	1,495	1,484	1,537	1,568
Clothing:											
Footwear	393	407	420	414	415	425	432	449	455	472	488
Other clothing:											
Mens' and boys' wear	636	662	689	690	686	717	720	748	749	792	819
Women's, girls' and infants' wear	1,214	1,267	1,317	1,321	1,342	1,413	1,425	1,469	1,488	1,609	1,716
Total	2,243	2,336	2,426	2,425	2,443	2,555	2,577	2,666	2,692	2,873	3,023
Durable goods:											
Motor cars and motor cycles, new and secondhand	747	866	836	833	900	959	855	969	1,263	1,523	1,576
Furniture and floor coverings	634	686	713	698	691	729	692	683	705	776	785
Radio, electrical and other durable goods	581	589	594	575	615	649	621	670	746	916	1,078
Total	1,962	2,141	2,143	2,106	2,206	2,337	2,168	2,322	2,714	3,215	3,439
Other household goods:											
Household textiles and soft furnishings	244	257	259	262	276	306	301	289	304	335	355
Hardware	293	319	336	351	363	390	390	410	437	484	513
Matches, soap and other cleaning materials	247	248	249	250	256	258	258	259	259	260	262
Total	784	824	844	863	895	954	949	958	1,000	1,079	1,130
Books, newspapers and magazines:											
Books	85	86	86	95	97	94	85	91	105	114	127
Newspapers	302	302	300	302	300	292	283	267	268	270	276
Magazines	103	98	98	104	103	97	104	102	94	99	100
Total	490	486	484	501	500	483	472	460	467	483	503

See footnote on page 31.

Consumers' expenditure at 1970 prices

TABLE 25 (continued)

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Chemists' goods.....	397	420	436	450	456	467	465	471	485	539	626
Miscellaneous recreational goods	540	575	604	620	642	686	682	719	738	786	874
Other miscellaneous goods	380	399	412	415	415	407	392	384	391	464	533
Running costs of motor vehicles:											
Petrol and oil.....	427	521	600	672	709	787	821	859	889	991	1,070
Motor vehicles and driving licences.....	159	172	186	207	229	239	235	247	256	269	277
Other	355	387	401	440	508	543	579	590	621	673	679
Total	941	1,080	1,187	1,319	1,446	1,569	1,635	1,696	1,766	1,933	2,026
Travel:											
Rail	223	228	219	217	215	211	223	232	226	214	205
Bus, coach and tram.....	553	539	522	507	492	478	470	443	426	432	446
Other	191	212	228	255	267	273	301	338	365	437	491
Total	967	979	969	979	974	962	994	1,013	1,017	1,083	1,142
Communication services:											
Postal	111	112	117	116	115	112	108	110	87	98	99
Telephone and telegraph	117	129	147	153	171	185	198	234	262	312	355
Total	228	241	264	269	286	297	306	344	349	410	454
Entertainment and recreational services:											
Cinema	113	109	103	96	85	76	69	61	56	50	43
Other	390	421	442	454	480	488	487	485	511	574	665
Total	503	530	545	550	565	564	556	546	567	624	708
Domestic service	170	167	167	164	160	160	160	158	149	149	145
Catering, insurance and other services.....	3,363	3,427	3,434	3,473	3,506	3,562	3,561	3,608	3,661	3,844	3,851
Income in kind not included elsewhere	59	59	60	60	58	54	52	44	46	46	46
less Expenditure by foreign tourists, etc. in the United Kingdom.....	-351	-341	-327	-347	-360	-405	-470	-518	-519	-539	-582
Consumers' expenditure in the United Kingdom	26,951	27,779	28,191	28,731	29,376	30,146	30,196	30,902	31,730	33,636	35,187
Consumers' expenditure abroad	476	504	526	538	476	418	453	485	511	543	572
Total ⁽²⁾	27,427	28,283	28,717	29,269	29,852	30,564	30,649	31,387	32,241	34,179	35,759

(1) For estimates of household and total expenditure on food see page 102.

(2) The consumers' expenditure deflator derived by dividing the estimates of total consumers' expenditure at current prices by the corresponding estimates at 1970 prices is shown in Table 17.

Categories of personal income

TABLE 26

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Households and private non-profit-making bodies											
Direct income in cash from work and property:											
Wages and salaries	16,182	17,543	18,879	20,121	20,885	22,249	23,829	26,540	29,372	32,752	37,363
Pay in cash of H.M. Forces	387	417	432	485	487	507	503	629	724	823	884
Income from self-employment ⁽¹⁾	2,207	2,319	2,510	2,671	2,835	3,080	3,287	3,664	4,253	5,024	6,244
Rent, dividends and interest:											
Gross receipts	2,152	2,334	2,681	2,825	2,866	2,967	3,183	3,093	3,227	3,328	4,411
less Interest paid	-420	-494	-606	-675	-730	-856	-957	-1,081	-1,197	-1,472	-2,275
Total	20,508	22,119	23,896	25,427	26,343	27,947	29,845	32,845	36,379	40,455	46,627
Imputed income and income in kind:											
Employers' national insurance, etc. contributions	611	682	831	906	966	1,099	1,141	1,356	1,459	1,710	2,061
Income in kind	245	255	271	287	292	301	317	319	337	372	431
Rent of owner-occupied dwellings	575	637	724	826	942	1,080	1,215	1,402	1,574	1,855	2,253
Accrued interest on national savings certificates	41	36	12	-42	-11	-4	-10	-7	-14	16	30
Total	1,472	1,610	1,838	1,977	2,189	2,476	2,663	3,070	3,356	3,953	4,775
Current transfers to charities from companies	24	26	28	30	32	34	35	36	38	41	42
Current grants from public authorities:											
Retirement pensions, widows' benefits, etc., and non-contributory pensions	1,035	1,136	1,342	1,429	1,501	1,709	1,766	1,972	2,160	2,702	3,074
Grants to private non-profit-making bodies	123	147	175	205	228	254	274	332	378	447	535
Other current grants	970	967	1,079	1,191	1,460	1,716	1,897	2,032	2,246	2,698	2,846
Total	2,128	2,250	2,596	2,825	3,189	3,679	3,937	4,336	4,784	5,847	6,455
Pensions and other benefits from life assurance and superannuation schemes	1,024	1,137	1,258	1,446	1,614	1,798	1,978	2,148	2,426	2,810	3,272
Total income of household and private non-profit-making bodies, including pensions and other benefits from life assurance and superannuation schemes	25,156	27,142	29,616	31,705	33,367	35,934	38,458	42,435	46,983	53,106	61,171
Adjustment ⁽²⁾ for life assurance and superannuation funds	394	414	439	448	448	493	501	607	630	611	799
Total personal income (as defined in Table 2)	25,550	27,556	30,055	32,153	33,815	36,427	38,959	43,042	47,613	53,717	61,970

⁽¹⁾ Before providing for depreciation and stock appreciation.⁽²⁾ Contributions of employers *plus* rent, dividends and interest receipts *less* pensions and other benefits paid (see Table 23).

Taxes on expenditure and subsidies allocated to consumers' expenditure⁽¹⁾

TABLE 27

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Taxes on expenditure⁽²⁾											
Food (household expenditure).....	80	83	90	105	129	149	184	200	191	184	93
Alcoholic drink:											
Beer.....	252	286	326	355	384	390	443	454	472	484	519
Spirits.....	178	210	223	248	261	292	301	344	367	416	528
Wines, cider and perry.....	28	34	39	46	54	67	81	89	112	115	142
Total.....	458	530	588	649	699	749	825	887	951	1,015	1,189
Tobacco.....	889	937	995	1,025	1,039	1,085	1,169	1,154	1,104	1,170	1,245
Housing:											
Rent, rates and water charges.....	505	542	605	671	691	723	769	822	942	1,072	1,196
Maintenance, repairs and improvements by occupiers.....	2	3	2	6	13	13	18	22	19	15	52
Total.....	507	545	607	677	704	736	787	844	961	1,087	1,248
Fuel and light.....	5	4	5	6	10	12	14	16	16	15	12
Clothing.....	114	127	141	151	154	179	216	242	239	238	340
Durable goods:											
Motor cars and motor cycles, new and secondhand.....	90	115	120	117	136	162	165	201	253	288	221
Furniture and floor coverings.....	33	38	42	44	48	59	68	79	84	88	100
Radio, electrical and other durable goods.....	63	68	69	69	75	106	113	140	151	162	140
Total.....	186	221	231	230	259	327	346	420	488	538	461
Other household goods.....	37	41	49	49	49	58	69	80	83	83	137
Books, newspapers and magazines.....	—	—	—	1	3	3	4	4	3	2	1
Chemists' goods.....	37	40	43	49	53	78	93	101	101	81	69
Miscellaneous recreational goods.....	31	36	43	45	45	64	78	93	101	93	103
Other miscellaneous goods.....	42	47	53	58	64	86	96	106	100	83	68
Running costs of motor vehicles:											
Petrol and oil.....	163	197	258	295	341	407	487	539	594	670	723
Motor vehicle and driving licences.....	94	101	123	144	160	213	231	247	256	270	277
Other.....	2	2	3	6	11	12	18	19	21	15	64
Total.....	259	300	384	445	512	632	736	805	871	955	1,064
Travel.....	40	42	48	50	52	54	63	63	64	65	72
Communication services.....	—	1	1	1	1	1	1	—	—	—	31
Entertainment and recreational services.....	18	11	10	12	18	24	27	35	40	39	46
Other services (including catering).....	86	87	86	116	180	222	250	265	288	320	492
Not allocated to categories.....	586	614	721	787	843	902	1,017	1,072	1,146	1,245	1,303
Total taxes on expenditure.....	3,375	3,666	4,095	4,456	4,814	5,361	5,975	6,387	6,747	7,213	7,974
Subsidies											
Food (household expenditure).....	223	184	179	158	177	185	183	178	224	206	218
Rent, rates and water charges.....	128	138	171	190	206	234	269	314	330	332	398
Travel.....	42	38	57	62	81	80	68	62	61	95	134
Other services (including catering).....	27	23	23	21	23	25	23	23	28	27	30
Income in kind not included elsewhere.....	2	2	2	1	2	2	2	2	3	2	2
Not allocated to categories.....	73	63	66	65	139	162	132	138	127	225	305
Total subsidies.....	495	448	498	497	628	688	677	717	773	887	1,087
Taxes on expenditure less subsidies.....	2,880	3,218	3,597	3,959	4,186	4,673	5,298	5,670	5,974	6,326	6,887

⁽¹⁾ Net taxes allocated to the other categories of final expenditure are shown in Table 48.⁽²⁾ The allocation of selective employment tax is described in notes on page 104.

Appropriation account

TABLE 28

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Income											
Income arising in the United Kingdom:											
Gross trading profits ⁽¹⁾⁽²⁾	4,103	4,544	4,741	4,610	4,663	5,275	5,159	5,227	5,775	6,663	8,476
Rent and non-trading income	915	1,051	1,206	1,322	1,468	1,723	1,905	2,132	2,452	2,936	4,135
Total	5,018	5,595	5,947	5,932	6,131	6,998	7,064	7,359	8,227	9,599	12,611
Income from abroad ⁽³⁾	1,150	1,281	1,411	1,335	1,406	1,728	2,052	2,255	2,588	2,960	4,422
Total	6,168	6,876	7,358	7,267	7,537	8,726	9,116	9,614	10,815	12,559	17,033
Allocation of income											
Dividends and interest:											
Payments:											
Dividends on ordinary shares ⁽⁴⁾	1,245	1,396	1,624	1,548	1,499	1,492	1,601	1,453	1,621	1,603	1,675
Debenture and loan interest	172	185	212	346	384	425	495	554	592	630	672
Dividends on preference shares ⁽⁴⁾	115	120	117	113	108	96	92	78	83	77	58
Co-operative society dividends and interest	52	50	50	47	41	37	32	29	30	32	34
Interest on building society shares and deposits	184	209	268	324	392	467	581	679	791	915	1,346
Other interest paid by banks, etc.	150	209	284	335	346	440	506	514	490	585	1,181
Total ⁽⁴⁾	1,918	2,169	2,555	2,713	2,770	2,957	3,307	3,307	3,607	3,842	4,966
Additions to dividend reserves	161	45	10	-13	1	67	-58	58	-8	162	6
Current transfers to charities	24	26	28	30	32	34	35	36	38	41	42
Profits due abroad net of United Kingdom tax ⁽³⁾⁽⁴⁾	190	227	247	210	222	336	290	359	453	600	670
United Kingdom taxes on income ⁽⁴⁾⁽⁵⁾											
Payments on profits due abroad	118	131	165	175	143	131	166	271	264	249	325
Payments on other income	763	622	538	544	866	971	1,011	1,296	1,290	1,226	1,428
Additions to reserves on profits due abroad	39	54	-23	-45	18	138	95	-33	-6	65	102
Additions to reserves on other income	-90	203	-2	500	239	389	513	91	-81	260	953
Total	830	1,010	678	1,174	1,266	1,629	1,785	1,625	1,467	1,800	2,808
Taxes paid abroad	412	504	543	505	561	744	838	996	1,282	1,527	2,145
Balance: undistributed income after taxation ⁽¹⁾	2,633	2,895	3,297	2,648	2,685	2,959	2,919	3,233	3,976	4,587	6,396
Total	6,168	6,876	7,358	7,267	7,537	8,726	9,116	9,614	10,815	12,559	17,033

(1) Before providing for depreciation and stock appreciation.

(2) Including United Kingdom branches and subsidiaries of non-resident parent companies.

(3) After deducting depreciation allowances but before providing for stock appreciation.

(4) From April 1973 figures reflect change to imputation system of corporation tax. See notes on page 104.

(5) Total United Kingdom taxes on the total income of companies, including tax on distributions made by companies is as follows (£ million):

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Accruals	1,534	1,747	1,557	2,096	2,208	2,638	2,852	2,730	2,616	3,038	3,641
Payments	1,523	1,473	1,578	1,646	1,951	2,083	2,268	2,648	2,706	2,650	2,584

Capital account

TABLE 29

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Receipts											
Undistributed income after taxation but before providing for depreciation and stock appreciation.....	2,633	2,895	3,297	2,648	2,685	2,959	2,919	3,233	3,976	4,587	6,396
Additions to dividend reserves.....	161	45	10	-13	1	67	-58	58	-8	162	6
Additions to tax reserves	-51	257	-25	455	257	527	608	58	-87	325	1,055
Capital transfers:											
Investment grants.....	—	—	—	—	201	420	564	484	540	328	232
Other	13	17	20	26	38	40	42	53	69	88	146
Total	2,756	3,214	3,302	3,116	3,182	4,013	4,075	3,886	4,490	5,490	7,835
Expenditure											
Gross domestic fixed capital formation	2,019	2,482	2,680	2,726	2,711	3,071	3,577	3,976	4,039	4,424	5,888
Increase in value of stocks and work in progress	308	892	707	569	351	853	1,037	1,295	740	927	2,933
Taxes on capital.....	—	—	1	2	7	18	61	96	81	72	68
Capital transfers to public corporations.....	4	4	4	5	4	22	14	22	22	15	14
Net acquisition of financial assets including net investment abroad.....	425	-164	-90	-186	109	49	-614	-1,503	-392	52	-1,068
Total	2,756	3,214	3,302	3,116	3,182	4,013	4,075	3,886	4,490	5,490	7,835

Appropriation and capital accounts of industrial and commercial companies⁽¹⁾

£ million

TABLE 30

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Appropriation account											
<i>Income</i>											
Income arising in the UK:											
Gross trading profits ⁽²⁾	4,300	4,840	5,051	4,969	5,002	5,663	5,646	5,743	6,265	7,358	9,263
Rent and non-trading income	259	301	345	360	372	450	506	508	516	623	1,021
Income from abroad	1,006	1,118	1,245	1,148	1,222	1,488	1,757	1,973	2,302	2,544	3,890
Total	5,565	6,259	6,641	6,477	6,596	7,601	7,909	8,224	9,083	10,525	14,174
<i>Allocation of income</i>											
Dividend and interest payments:											
Dividends on ordinary shares ⁽³⁾	1,199	1,339	1,586	1,509	1,463	1,434	1,554	1,378	1,530	1,478	1,620
Other dividends and debenture and loan interest ⁽³⁾	336	351	374	489	510	532	591	627	664	696	718
Other interest	192	261	364	407	402	504	595	646	624	787	1,654
Total⁽³⁾	1,727	1,951	2,324	2,405	2,375	2,470	2,740	2,651	2,818	2,961	3,992
Current transfers to charities	22	23	25	27	29	31	32	33	34	36	37
Profits due abroad and taxes paid abroad ⁽³⁾	557	678	735	659	721	994	1,015	1,246	1,602	1,937	2,576
United Kingdom taxes on income ⁽³⁾	627	823	461	964	1,028	1,335	1,479	1,300	1,113	1,353	1,991
Balance: undistributed income after taxation plus additions to dividend reserves ⁽²⁾	2,632	2,784	3,096	2,422	2,443	2,771	2,643	2,994	3,516	4,238	5,578
Total	5,565	6,259	6,641	6,477	6,596	7,601	7,909	8,224	9,083	10,525	14,174
Capital account											
<i>Receipts</i>											
Saving before providing for depreciation and stock appreciation plus additions to dividend reserves	2,632	2,784	3,096	2,422	2,443	2,771	2,643	2,994	3,516	4,238	5,578
Additions to tax reserves ⁽⁴⁾	— 51	257	— 25	455	257	527	608	58	— 87	325	1,055
Capital transfers:											
Investment grants	—	—	—	—	198	414	556	473	526	321	227
Other	13	17	20	26	38	40	42	53	69	88	146
Total	2,594	3,058	3,091	2,903	2,936	3,752	3,849	3,578	4,024	4,972	7,006
<i>Expenditure</i>											
Gross domestic fixed capital formation	1,866	2,303	2,449	2,443	2,380	2,636	3,022	3,378	3,468	3,818	4,859
Increase in value of stocks and work in progress ⁽⁵⁾	308	892	707	569	351	818	953	1,332	775	910	2,991
Taxes on capital	—	—	—	—	—	5	14	21	17	14	12
Capital transfers to public corporations	4	4	4	5	4	22	14	22	22	15	14
Net acquisition of financial assets including net investment abroad	416	—141	— 69	—114	201	271	—154	—1,175	—258	215	—870
Total	2,594	3,058	3,091	2,903	2,936	3,752	3,849	3,578	4,024	4,972	7,006

⁽¹⁾ Including property companies but not banks and other financial institutions.⁽²⁾ Before providing for depreciation and stock appreciation.⁽³⁾ From April 1973 figures reflect change to imputation system of corporation tax. See notes on page 104.⁽⁴⁾ These figures relate to all companies since separate estimates for financial companies are not available.⁽⁵⁾ The figures up to 1967 relate to all companies since separate estimates for financial companies are not available for this period.

Appropriation and capital accounts of financial companies

TABLE 31

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Appropriation account											
<i>Income</i>											
Income arising in the U.K.:											
Gross trading profits ⁽¹⁾	-197	-296	-310	-359	-339	-388	-487	-516	-490	-695	-787
Rent and non-trading income:											
From industrial and commercial companies ⁽²⁾	312	399	517	555	548	656	755	804	799	978	1,854
Other	694	811	948	1,061	1,191	1,411	1,573	1,776	2,074	2,511	3,616
Income from abroad	144	163	166	187	184	240	295	282	286	416	532
Total	953	1,077	1,321	1,444	1,584	1,919	2,136	2,346	2,669	3,210	5,215
<i>Allocation of income</i>											
Dividends and debenture and loan interest payments ⁽²⁾	172	202	200	208	209	240	239	271	312	365	307
Other interest payments	369	476	635	754	829	1,041	1,257	1,341	1,414	1,692	3,023
Current transfers to charities	2	3	3	3	3	3	3	3	4	5	5
Profits due abroad and taxes paid abroad ⁽²⁾	45	53	55	56	62	86	113	109	133	190	239
United Kingdom taxes on income ⁽²⁾	203	187	217	210	238	294	306	325	354	447	817
Balance: undistributed income after taxation plus additions to dividend reserves	162	156	211	213	243	255	218	297	452	511	824
Total	953	1,077	1,321	1,444	1,584	1,919	2,136	2,346	2,669	3,210	5,215
Capital account											
<i>Receipts</i>											
Saving before providing for depreciation and stock appreciation plus additions to dividend reserves	162	156	211	213	243	255	218	297	452	511	824
Capital transfers: investment grants	—	—	—	—	3	6	8	11	14	7	5
Total	162	156	211	213	246	261	226	308	466	518	829
<i>Expenditure</i>											
Gross domestic fixed capital formation ⁽³⁾	153	179	231	283	331	435	555	598	571	606	1,029
Increase in value of stocks and work in progress	..	..	..	..	..	35	84	-37	-35	17	-58
Taxes on capital	—	—	1	2	7	13	47	75	64	58	56
Net acquisition of financial assets including net investment abroad	9	-23	-21	-72	-92	-222	-460	-328	-134	-163	-198
Total	162	156	211	213	246	261	226	308	466	518	829

⁽¹⁾ This represents the contribution of financial companies to the gross domestic product. It is the difference between bank charges, commissions, etc., on the one hand and management expenses on the other.

⁽²⁾ From April 1973 figures reflect change to imputation system of corporation tax. See notes on page 104.

⁽³⁾ Including expenditure by life assurance and superannuation funds.

Appropriation account of non-nationalised companies ⁽¹⁾

TABLE 32

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Income											
Income arising in the United Kingdom:											
Gross trading profits ⁽²⁾ ⁽³⁾	3,977	4,394	4,592	4,497	4,606	5,265	5,149	5,217	5,755	6,643	8,456
Rent and non-trading income	909	1,044	1,198	1,314	1,459	1,721	1,905	2,132	2,452	2,936	4,135
Total	4,886	5,438	5,790	5,811	6,065	6,986	7,054	7,349	8,207	9,579	12,591
Income from abroad ⁽⁴⁾	1,150	1,281	1,411	1,335	1,406	1,728	2,052	2,255	2,588	2,960	4,422
Total	6,036	6,719	7,201	7,146	7,471	8,714	9,106	9,604	10,795	12,539	17,013
Allocation of income											
Dividends and interest:											
Payments:											
Dividends on ordinary shares ⁽⁵⁾	1,220	1,360	1,583	1,505	1,479	1,491	1,600	1,452	1,620	1,602	1,674
Debenture and loan interest	164	177	205	338	375	425	495	554	592	630	672
Dividends on preference shares ⁽⁵⁾	113	118	115	111	107	96	92	78	83	77	58
Co-operative society dividends and interest	52	50	50	47	41	37	32	29	30	32	34
Interest on building society shares and deposits	184	209	268	324	392	467	581	679	791	915	1,346
Other interest paid by banks, etc.	150	209	284	335	346	440	506	514	490	585	1,181
Total ⁽⁵⁾	1,883	2,123	2,505	2,660	2,740	2,956	3,306	3,306	3,606	3,841	4,965
Additions to dividend reserves	154	43	7	6	12	67	-58	58	-8	162	6
Current transfers to charities	24	26	28	30	32	34	35	36	38	41	42
Profits due abroad net of United Kingdom tax ⁽⁴⁾ ⁽⁵⁾	190	227	247	210	222	336	290	359	453	600	670
United Kingdom taxes on income ⁽⁵⁾											
Payments on profits due abroad	118	131	165	175	143	131	166	271	264	249	325
Payments on other income	752	628	545	524	830	968	1,011	1,296	1,290	1,226	1,428
Additions to reserves on profits due abroad	39	54	-23	-45	18	138	95	-33	-6	65	102
Additions to reserves on other income	-81	189	-45	491	255	389	513	91	-81	260	953
Total	828	1,002	642	1,145	1,246	1,626	1,785	1,625	1,467	1,800	2,808
Taxes paid abroad	412	504	543	505	561	744	838	996	1,282	1,527	2,145
Balance: undistributed income after taxation but before providing for depreciation and stock appreciation	2,545	2,794	3,229	2,590	2,658	2,951	2,910	3,224	3,957	4,568	6,377
Total	6,036	6,719	7,201	7,146	7,471	8,714	9,106	9,604	10,795	12,539	17,013

⁽¹⁾ All companies except those nationalised during some part of the period 1938 to 1973.⁽²⁾ Before providing for depreciation and stock appreciation.⁽³⁾ Including United Kingdom branches and subsidiaries of non-resident parent companies.⁽⁴⁾ After deducting depreciation allowances but before providing for stock appreciation.⁽⁵⁾ From April 1973 figures reflect change to imputation system of corporation tax. See notes on page 104.

Trading profits by industry

£ million

TABLE 33

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972
Gross profits of companies operating in the United Kingdom⁽¹⁾										
Forestry and fishing	7	8	6	5	5	7	8	12	14	16
Mining and quarrying	32	41	38	36	38	50	46	46	48	57
Manufacturing:										
Food, drink and tobacco	474	457	495	481	487	527	524	511	576	674
Coal and petroleum products	69	74	68	59	61	50	33	34	32	42
Chemicals and allied industries	262	325	400	342	376	430	406	381	409	499
Metal manufacture	241	261	279	218	156	170	208	201	166	186
Mechanical engineering	291	352	344	344	366	402	401	407	404	439
Instrument engineering	36	44	49	67	58	70	53	56	61	70
Electrical engineering	211	264	242	230	230	285	254	284	359	455
Shipbuilding and marine engineering	10	11	12	10	13	14	12	17	21	25
Vehicles	227	239	225	186	160	210	168	207	232	258
Metal goods not elsewhere specified	125	158	155	154	144	153	171	170	171	177
Textiles	218	182	198	188	181	190	177	170	178	200
Leather, leather goods and fur	10	12	14	13	12	13	13	14	18	19
Clothing and footwear	59	59	69	70	67	70	68	66	75	78
Bricks, pottery, glass, cement, etc.	108	147	141	126	129	146	149	202	207	223
Timber, furniture, etc.	29	37	39	38	41	48	39	43	55	77
Paper, printing and publishing	183	216	211	193	208	244	226	224	219	266
Other manufacturing industries	75	95	84	93	97	118	116	119	122	135
Total	2,628	2,933	3,025	2,812	2,786	3,140	3,018	3,106	3,305	3,823
Construction	181	233	226	226	245	277	261	267	306	379
Gas, electricity and water	19	22	15	19	18	18	13	15	16	15
Transport and communication	266	272	277	277	261	371	459	411	414	451
Distributive trades	771	855	951	920	963	1,027	978	994	1,124	1,270
Insurance, banking, finance and business services ⁽²⁾	471	474	561	545	606	685	640	775	991	1,159
Other services	241	249	220	223	250	330	335	348	403	476
Adjustments	-513	-543	-578	-453	-509	-630	-599	-747	-846	-983
Total	4,103	4,544	4,741	4,610	4,663	5,275	5,159	5,227	5,775	6,663
Net profits of companies operating in the United Kingdom⁽³⁾										
Forestry and fishing	—	-1	-3	-3	1	3	1	2	5	9
Mining and quarrying	16	20	15	20	22	32	28	18	4	-3
Manufacturing:										
Food, drink and tobacco	345	316	340	356	370	402	410	361	373	365
Coal and petroleum products	18	28	26	25	28	15	16	-1	-23	-59
Chemicals and allied industries	139	151	223	211	242	294	297	235	208	224
Metal manufacture	82	89	102	93	47	60	138	111	31	-11
Mechanical engineering	194	221	204	244	265	295	277	253	194	181
Instrument engineering	25	34	37	55	52	55	41	40	34	29
Electrical engineering	127	170	140	154	156	203	180	195	226	274
Shipbuilding and marine engineering	—	1	4	1	5	7	5	9	12	12
Vehicles	92	102	93	47	39	79	83	104	81	53
Metal goods not elsewhere specified	83	105	96	109	102	110	128	118	100	75
Textiles	124	100	109	126	124	130	107	84	35	-28
Leather, leather goods and fur	7	9	10	10	9	10	9	9	11	9
Clothing and footwear	46	44	53	58	55	58	55	51	55	50
Bricks, pottery, glass, cement, etc.	63	84	69	70	71	86	98	106	125	97
Timber, furniture, etc.	18	23	26	26	30	35	26	28	31	41
Paper, printing and publishing	114	135	126	125	142	177	157	138	101	93
Other manufacturing industries	40	55	47	59	70	87	82	76	44	-10
Total	1,517	1,667	1,705	1,769	1,807	2,103	2,109	1,917	1,638	1,395
Construction	102	130	119	139	162	189	161	150	131	143
Gas, electricity and water	—	9	-1	2	5	5	-1	-5	-10	-35
Transport and communication	75	20	-10	12	61	123	108	68	65	-54
Distributive trades	553	610	697	669	723	773	734	715	734	725
Insurance, banking, finance and business services ⁽²⁾	446	434	517	501	559	634	546	646	827	979
Other services	155	158	119	122	145	215	205	209	211	204
Adjustments	-513	-543	-578	-453	-509	-630	-599	-747	-846	-983
Total	2,351	2,504	2,580	2,778	2,976	3,447	3,292	2,973	2,759	2,380

(1) Before providing for depreciation and stock appreciation.

(2) Including net receipts of interest.

(3) Net profits are equal to gross profits less the statutory depreciation allowances granted for purposes of tax assessment.

Operating account

TABLE 34 £ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Revenue											
Sales:											
Revenue sales outside sector	3,687	3,966	4,187	4,397	4,913	5,791	6,385	6,992	7,513	8,947	10,069
Revenue sales inside sector	551	543	539	560	636	739	741	750	844		
Sales to own capital account	289	316	349	352	370	350	370	438	488		
Subsidies	143	132	151	158	195	210	165	190	190	458	667
Total	4,670	4,957	5,226	5,467	6,114	7,090	7,661	8,370	9,035	9,931	11,303
Expenditure											
Wages, salaries, etc.	1,930	2,023	2,138	2,215	2,393	2,630	2,759	3,067	3,394	3,863	4,308
Purchases of goods and services	1,763	1,911	1,983	2,117	2,519	2,939	3,233	3,713	4,044	4,182	4,804
less Increase in value of stocks and work in progress	31	-12	-5	-41	-82	-11	31	-64	-154	-80	-152
Taxes on expenditure:											
Rates	59	60	65	74	89	104	112	121	135	150	167
Motor vehicle, catering licences, etc.	6	6	8	8	8	9	11	12	12	11	12
Balance: gross trading surplus and rent before providing for depreciation and stock appreciation	881	969	1,037	1,094	1,187	1,419	1,515	1,521	1,604	1,805	2,164
Total	4,670	4,957	5,226	5,467	6,114	7,090	7,661	8,370	9,035	9,931	11,303

Appropriation account

TABLE 35 £ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Income											
Gross trading surplus before providing for depreciation and stock appreciation	840	924	988	1,042	1,132	1,363	1,451	1,447	1,520	1,680	2,034
Rent	41	45	49	52	55	56	64	74	84	125	130
Non-trading income	28	31	40	46	47	66	80	90	88	91	203
Income from abroad	7	8	8	9	10	13	15	14	14	17	20
Total	916	1,008	1,085	1,149	1,244	1,498	1,610	1,625	1,706	1,913	2,387
Allocation of income											
Interest and dividends:											
Payments:											
To central government	246	297	313	385	414	523	602	660	740	803	889
Other	87	97	108	88	138	113	120	119	124	122	237
Additions to interest and dividend reserves	40	10	13	17	19	32	-9	10	23	45	62
United Kingdom taxes on income:											
Payments	6	6	3	31	9	17	8	10	8	7	9
Additions to tax reserves	-3	-	4	-25	-2	-5	5	-5	1	6	7
Balance: undistributed income before providing for depreciation and stock appreciation	540	598	644	653	666	818	884	831	810	930	1,183
Total	916	1,008	1,085	1,149	1,244	1,498	1,610	1,625	1,706	1,913	2,387

Capital account

TABLE 36

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Receipts											
Undistributed income before providing for depreciation and stock appreciation	540	598	644	653	666	818	884	831	810	930	1,183
Additions to interest and dividend reserves	40	10	13	17	19	32	-9	10	23	45	39 ⁽¹⁾
Additions to tax reserves	-3	—	4	-25	-2	-5	5	-5	1	6	7
Capital transfers:											
From central government:											
On writing-off debt	432	—	525	—	—	19	1,258	255	—	350	543
Investment grants	—	—	—	—	4	35	28	32	29	17	48
Other (net)	1	1	2	2	2	6	22	18	20	72	74
From local authorities	—	—	—	—	—	—	—	2	6	10	6
From private sector	8	9	9	9	10	28	20	24	29	23	24
Transactions in financial assets											
On writing-off debt:											
Loans from central government (net)	957	—	-473	—	—	-3	-1,258	-255	—	-350	-604
Transfer of liability for stock to central government	-1,444	—	-52	—	—	-16	—	—	—	—	—
Transfer of capital redemption funds to central government	55	—	—	—	—	—	—	—	—	—	—
Borrowing requirement:											
Loans from central government (net)	432	577	667	843	1,163	1,100	896	860	1,143	1,077	742
Redemption of government guaranteed stock	—	—	—	-13	—	—	-215	-8	-72	-183	-349
Other identified borrowing (net)	43	-5	17	17	-18	-29	43	147	156	108	839
Adjustment for subsidies	-7	-28	-4	-2	-12	-8	35	-37	-41	-128	-199 ⁽¹⁾
Trade credit and other identified financial transactions	26	54	8	75	-29	-195	-170	-32	-51	-225	-35
Unidentified items	-76	-18	-32	-37	-8	-28	-1	-28	33	136	-48
Total	1,004	1,198	1,328	1,539	1,795	1,754	1,538	1,814	2,086	1,888	2,270
Expenditure											
Gross domestic fixed capital formation	1,024	1,187	1,293	1,453	1,661	1,619	1,482	1,673	1,857	1,776	2,029
Increase in value of stocks and work in progress	-31	12	5	41	82	11	-31	64	154	80	152
Transactions in financial assets											
Net lending to private sector	9	-11	7	11	34	50	54	45	33	24	58
Net lending and investment abroad	2	9	13	14	13	18	24	28	45	30	32
Cash expenditure on company securities, etc. (net)	..	1	10	20	5	56	9	4	-3	-22	-1
Total	1,004	1,198	1,328	1,539	1,795	1,754	1,538	1,814	2,086	1,888	2,270

⁽¹⁾ See notes on page 106.

TABLE 37

		1966	1967	1968	1969	1970	1971	1972	1973
Income									
Gross trading surplus before providing for depreciation and stock appreciation	Fuel and power	603	654	794	821	799	902	978	1,100
	Iron and steel	12	46	91	89	139	62	70	142
	Transport and communication	416	429	472	530	515	539	612	781
	Housing and new town corporations	—	—	—	—	—	—1	—1	—1
	Other corporations	11	3	6	11	—6	18	21	12
	Total	1,042	1,132	1,363	1,451	1,447	1,520	1,680	2,034
Rent and non-trading income	Fuel and power	21	21	17	21	23	25	27	33
	Iron and steel	1	1	7	7	8	7	8	9
	Transport and communication	20	19	20	25	27	27	32	41
	Housing and new town corporations	31	34	39	48	57	67	110	119
	Other corporations	25	27	39	43	49	46	39	131
	Total	98	102	122	144	164	172	216	333
Income from abroad	Fuel and power	—	—	—	—	—	—	—	—
	Iron and steel	—	—	1	2	1	1	2	2
	Transport and communication	3	4	5	6	4	3	5	6
	Housing and new town corporations	—	—	—	—	—	—	—	—
	Other corporations	6	6	7	7	9	10	10	12
	Total	9	10	13	15	14	14	17	20
Total	Fuel and power	624	675	811	842	822	927	1,005	1,133
	Iron and steel	13	47	99	98	148	70	80	153
	Transport and communication	439	452	497	561	546	569	649	828
	Housing and new town corporations	31	34	39	48	57	66	109	118
	Other corporations	42	36	52	61	52	74	70	155
	Total	1,149	1,244	1,498	1,610	1,625	1,706	1,913	2,387
Allocation of income									
Provision for interest and dividends	Fuel and power	270	318	370	407	447	494	530	590
	Iron and steel	8	17	29	30	33	37	42	67
	Transport and communication	161	178	201	197	210	242	272	307
	Housing and new town corporations	30	35	42	49	63	77	102	116
	Other corporations	21	23	26	30	36	37	24	108
	Total	490	571	668	713	789	887	970	1,188
Provision for United Kingdom taxes on income	Fuel and power	—	—	—	—	—	—	—	—
	Iron and steel	—	—	—	—	—	—	—	—
	Transport and communication	1	2	6	7	3	2	6	3
	Housing and new town corporations	—	—	—	—	1	—	—	1
	Other corporations	5	5	6	6	1	7	7	12
	Total	6	7	12	13	5	9	13	16
Balance: undistributed income before providing for depreciation and stock appreciation	Fuel and power	354	357	441	435	375	433	475	543
	Iron and steel	5	30	70	68	115	33	38	86
	Transport and communication	277	272	290	357	333	325	371	518
	Housing and new town corporations	1	—1	—3	—1	—7	—11	7	1
	Other corporations	16	8	20	25	15	30	39	35
	Total	653	666	818	884	831	810	930	1,183
Total	Fuel and power	624	675	811	842	822	927	1,005	1,133
	Iron and steel	13	47	99	98	148	70	80	153
	Transport and communication	439	452	497	561	546	569	649	828
	Housing and new town corporations	31	34	39	48	57	66	109	118
	Other corporations	42	36	52	61	52	74	70	155
	Total	1,149	1,244	1,498	1,610	1,625	1,706	1,913	2,387

Analysis of capital accounts by industry

£ million

TABLE 38

		1966	1967	1968	1969	1970	1971	1972	1973
Receipts									
Undistributed income before providing for depreciation and stock appreciation	Fuel and power.....	354	357	441	435	375	433	475	543
	Iron and steel.....	5	30	70	68	115	33	38	86
	Transport and communication.....	277	272	290	357	333	325	371	518
	Housing and new town corporations.....	1	- 1	- 3	- 1	- 7	- 11	7	1
	Other corporations.....	16	8	20	25	15	30	39	35
Total		653	666	818	884	831	810	930	1,183
Capital transfers (net)	Fuel and power.....	9	10	30	23	28	34	24	391 ⁽¹⁾
	Iron and steel.....	—	4	31	25	24	23	365 ⁽¹⁾	51
	Transport and communication.....	—	—	16 ⁽¹⁾	1,277 ⁽¹⁾	274 ⁽¹⁾	24	79	249 ⁽¹⁾
	Housing and new town corporations.....	—	—	1	1	2	1	1	1
	Other corporations.....	2	2	10 ⁽¹⁾	2	3	2	3	3
Total		11	16	88 ⁽¹⁾	1,328 ⁽¹⁾	331 ⁽¹⁾	84	472 ⁽¹⁾	695 ⁽¹⁾
Loans from central government (net)	Fuel and power.....	610	755	460	467	398	475	359	-268 ⁽¹⁾
	Iron and steel.....	—	75	103	20	—	131	-221 ⁽¹⁾	84
	Transport and communication.....	158	210	399 ⁽¹⁾	-1,030 ⁽¹⁾	21 ⁽¹⁾	365	418	94 ⁽¹⁾
	Housing and new town corporations.....	71	97	111	128	148	151	159	201
	Other corporations.....	4	26	24 ⁽¹⁾	53	38	21	12	27
Total		843	1,163	1,097 ⁽¹⁾	-362 ⁽¹⁾	605 ⁽¹⁾	1,143	727 ⁽¹⁾	138 ⁽¹⁾
Net transactions in other financial assets including additions to reserves	Fuel and power.....	40	11	-44	-223	-75	-83	-174	59 ⁽¹⁾
	Iron and steel.....	2	-72	-128	-33	40	29	67	75
	Transport and communication.....	-13	10	-76 ⁽¹⁾	-39	92	129	-55	164
	Housing and new town corporations.....	5	—	- 1	- 4	-10	-22	-64	-29
	Other corporations.....	- 2	1	—	-13	—	- 4	-15	-15
Total		32	-50	-249 ⁽¹⁾	-312	47	49	-241	254 ⁽¹⁾
Total	Fuel and power.....	1,013	1,133	887	702	726	859	684	725
	Iron and steel.....	7	37	76	80	179	216	249	296
	Transport and communication.....	422	492	629	565	720	843	813	1,025
	Housing and new town corporations.....	77	96	108	124	133	119	103	174
	Other corporations.....	20	37	54	67	56	49	39	50
Total		1,539	1,795	1,754	1,538	1,814	2,086	1,888	2,270
Expenditure									
Gross domestic fixed capital formation	Fuel and power.....	986	1,060	877	758	736	739	660	701
	Iron and steel.....	5	36	62	63	108	198	214	177
	Transport and communication.....	384	470	569	534	686	791	799	996
	Housing and new town corporations.....	70	84	95	109	123	108	81	128
	Other corporations.....	8	11	16	18	20	21	22	27
Total		1,453	1,661	1,619	1,482	1,673	1,857	1,776	2,029
Increase in value of stocks and work in progress	Fuel and power.....	23	70	- 2	-62	-17	113	29	22
	Iron and steel.....	2	1	14	16	69	7	35	119
	Transport and communication.....	16	11	- 1	15	12	34	16	11
	Housing and new town corporations.....	—	—	—	—	—	—	—	—
	Other corporations.....	—	—	—	—	—	—	—	—
Total		41	82	11	-31	64	154	80	152
Net lending to private sector, net lending and investment abroad and cash expenditure on company securities, etc. (net)	Fuel and power.....	4	3	12	6	7	7	- 5	2
	Iron and steel.....	—	—	—	1	2	11	—	—
	Transport and communication.....	22	11	61	16	22	18	-2	18
	Housing and new town corporations.....	7	12	13	15	10	11	22	46
	Other corporations.....	12	26	38	49	36	28	17	23
Total		45	52	124	87	77	75	32	89
Total	Fuel and power.....	1,013	1,133	887	702	726	859	684	725
	Iron and steel.....	7	37	76	80	179	216	249	296
	Transport and communication.....	422	492	629	565	720	843	813	1,025
	Housing and new town corporations.....	77	96	108	124	133	119	103	174
	Other corporations.....	20	37	54	67	56	49	39	50
Total		1,539	1,795	1,754	1,538	1,814	2,086	1,888	2,270

⁽¹⁾ Including financial transactions on writing-off debt. See Table 36.

VII. CENTRAL GOVERNMENT INCLUDING NATIONAL INSURANCE FUNDS

Current account

TABLE 39 £ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Receipts											
Taxes on income:											
Income tax ⁽¹⁾	2,823	2,941	3,374	4,120	3,666	4,168	4,773	5,520	6,184	6,365	6,929
Surtax	174	179	184	210	279	220	240	266	286	333	342
Profits tax	387	407	465	135	39	12	4	2	1	1	1
Excess profits tax, excess profits levy, etc.	1	1	1	—	—	—	—	—	—	—	—
Corporation tax	—	—	—	23	1,166	1,285	1,373	1,676	1,549	1,460	1,892
less Overspill relief	—	—	—	—38	—58	—37	—60	—31	—28	—24	—21
Total	3,385	3,528	4,024	4,450	5,092	5,648	6,330	7,433	7,992	8,135	9,143
Taxes on expenditure:											
Customs and excise duties:											
Beer	257	292	332	361	390	395	450	460	479	492	392
Wines and spirits	225	267	285	314	335	382	405	459	509	570	586
Tobacco	894	942	1,000	1,029	1,038	1,084	1,165	1,150	1,102	1,171	1,100
Hydrocarbon oils ⁽²⁾	572	640	771	856	949	1,081	1,278	1,368	1,434	1,517	1,620
Protective duties	153	183	176	182	198	224	221	250	268	352	434
Temporary charge on imports	—	26	167	133	—9	—2	—1	—	—	—	—
Purchase tax ⁽²⁾	565	633	647	686	748	971	1,110	1,304	1,394	1,389	380
Value added tax	—	—	—	—	—	—	—	—	—	—	1,643
Car tax	—	—	—	—	—	—	—	—	—	—	108
Television licence	8	—	—	—	—	—	—	—	—	—	—
Television advertisement	8	6	—	—	—	—	—	—	—	—	—
Betting and gaming	29	33	33	43	69	96	111	124	151	168	184
Other	10	15	14	13	11	13	18	14	12	10	10
Total	2,721	3,037	3,425	3,617	3,729	4,244	4,757	5,129	5,349	5,669	6,457
Motor vehicle licence duties ⁽²⁾	181	194	239	270	289	385	431	455	468	489	518
less Export rebates	—	—	—47	—96	—93	—63	—16	—8	—5	—5	—5
Selective employment tax ⁽³⁾	—	—	—	141	470	531	766	850	666	449	132
Stamp duties	92	83	76	78	92	118	123	124	141	224	205
Post Office contribution to the Exchequer	1	2	2	2	2	3	2	—	—	—	—
Television contractors: additional payments	—	5	19	21	24	26	26	22	17	16	21
Miscellaneous	18	20	20	20	24	26	33	37	86	63	61
Total	3,013	3,341	3,734	4,053	4,537	5,270	6,122	6,609	6,722	6,905	7,389
National insurance contributions	1,138	1,275	1,518	1,620	1,712	1,946	2,005	2,394	2,547	3,048	3,636
National health contributions	165	169	166	166	164	178	186	208	236	233	237
Redundancy Fund contributions	—	—	1	18	33	41	53	52	52	52	53
Gross trading surplus ⁽⁴⁾	17	24	24	15	16	30	40	35	42	9	6
Rent ⁽⁵⁾ :											
Temporary houses and Forces' married quarters	2	3	3	4	5	6	6	6	6	6	7
Other	95	93	92	93	89	88	96	104	113	101	100
Interest and dividends, etc.:											
On loans to local authorities	123	125	142	171	203	237	281	340	399	453	539
From public corporations	246	297	313	385	414	523	602	660	740	803	889
Other	92	94	115	117	119	92	104	130	173	237	205
Total	8,276	8,949	10,132	11,092	12,384	14,059	15,825	17,971	19,022	19,982	22,204

- (1) Tax receipts less tax credits—see notes on page 107.
 (2) Before deducting Export rebates.
 (3) See notes on page 107.
 (4) Before providing for depreciation and stock appreciation.
 (5) Before providing for depreciation.

Current account

TABLE 39 (continued)

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Expenditure											
Current expenditure on goods and services:											
Military defence	1,849	1,928	2,062	2,150	2,335	2,370	2,255	2,420	2,712	3,015	3,316
Civil defence	10	10	9	9	12	7	8	6	6	6	6
External relations	71	77	87	91	98	106	109	115	123	143	160
Roads and public lighting	24	23	23	28	27	25	28	32	34	51	72
Transport and communication	13	14	9	9	12	12	11	16	29	—3	19
Employment services	23	25	30	32	37	41	48	55	72	84	95
Other industry and trade	35	36	52	66	95	123	145	146	195	218	211
Research	90	88	84	90	96	100	110	129	136	141	152
Agriculture, fishing and food	36	39	41	43	48	58	60	63	70	81	82
Police and prisons	29	33	34	38	44	49	56	64	73	87	102
Parliament and law courts	12	15	17	19	23	25	30	37	51	75	105
National health service	874	945	1,061	1,163	1,272	1,376	1,493	1,725	1,949	2,240	2,497
Milk and welfare foods	34	37	41	44	47	39	39	42	27	14	11
Social security benefits	92	106	109	118	131	146	159	186	212	249	268
Finance and tax collection	117	120	136	147	169	192	217	240	279	313	320
Records, registrations and surveys	7	7	8	8	9	10	12	14	22	15	14
Other	40	46	50	64	55	63	74	119	152	165	223
Total	3,356	3,549	3,853	4,119	4,510	4,742	4,854	5,409	6,142	6,894	7,653
Subsidies:											
Housing ⁽¹⁾	88	92	103	113	129	147	170	210	247	289	313
Agriculture, forestry and food	294	244	237	208	247	257	240	232	295	271	287
Nationalised transport undertakings	136	123	142	142	165	159	118	101	94	129	162
Other transport and communication	1	2	14	17	21	23	22	28	19	61	127
Employment premiums	—	—	—	—	152	188	155	141	129	114	114
Assistance to coal industry	—	—	—	1	9	21	17	12	10	169	161
Other	3	4	2	5	4	15	22	60	47	65	187
Total	522	465	498	486	727	810	744	784	841	1,098	1,351
Current grants to personal sector:											
Post-war credits	30	17	18	17	17	20	18	16	15	133	17
Education:											
Scholarships and maintenance allowances	13	14	15	16	16	18	20	23	26	16	17
Grants to universities, colleges, etc.	77	95	114	136	148	165	180	214	255	321	387
Grants to other private non-profit-making bodies	23	26	30	33	37	46	49	47	56	61	65
Social security benefits:											
National insurance ⁽²⁾⁽³⁾	1,413	1,497	1,775	1,894	2,084	2,360	2,429	2,715	2,926	3,483	3,927
War pensions and service grants ⁽³⁾	100	104	111	112	111	120	119	126	125	142	158
Family allowances	146	149	152	155	161	270	351	351	362	347	360
Supplementary benefits ⁽⁴⁾	218	225	241	277	392	421	489	517	634	729	705
Other non-contributory benefits	7	6	5	4	—	—	—	3	23	139	72
Employment services	6	7	8	29	48	61	52	55	76	99	93
Other	32	36	38	46	55	65	82	107	114	127	199
Total	2,065	2,176	2,507	2,719	3,069	3,546	3,789	4,174	4,612	5,597	6,000
Debt interest	930	937	968	1,036	1,105	1,240	1,280	1,298	1,384	1,599	1,801
Current grants to local authorities ⁽⁵⁾	1,031	1,159	1,249	1,481	1,706	1,898	2,099	2,450	2,858	3,302	4,099
Current grants to overseas countries and international organisations	120	151	162	163	167	156	153	147	173	172	312
National insurance benefits and war pensions paid to non-residents	12	12	15	17	21	23	24	25	27	30	35
Total current expenditure	8,036	8,449	9,252	10,021	11,305	12,415	12,943	14,287	16,037	18,692	21,251
Balance: current surplus before providing for depreciation and stock appreciation	240	500	880	1,071	1,079	1,644	2,882	3,684	2,985	1,290	953
Total	8,276	8,949	10,132	11,092	12,384	14,059	15,825	17,971	19,022	19,982	22,204

⁽¹⁾ For detail see Table 47.⁽²⁾ For detail see Table 42.⁽³⁾ Excluding payments to non-residents which are shown separately in this table.⁽⁴⁾ Assistance grants up to 26 November 1966.⁽⁵⁾ For detail see Table 43.

Capital account

£ million

TABLE 40

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Receipts											
Current surplus before providing for depreciation and stock appreciation	240	500	880	1,071	1,079	1,644	2,882	3,684	2,985	1,290	953
Taxes on capital ⁽¹⁾	308	308	290	315	339	439	638	660	649	746	797
Transactions in financial assets											
Proceeds of iron and steel disposals	22	18	—	—	—	—	—	—	—	—	—
Receipts from certain pension 'funds' (net)	68	56	52	64	61	72	51	58	84	117	137
Adjustment for purchase tax	-7	-14	1	-7	-37	-74	-25	-59	-4	-16	394
Adjustment for value added tax and car tax	—	—	—	—	—	—	—	—	—	—	-786
Adjustment for subsidies	7	26	4	3	18	15	-26	22	36	132	224 ⁽²⁾
Adjustment for selective employment tax	—	—	—	158	-36	88	42	-6	-112	-12	-120
Refinanced export and shipbuilding credits	—	—	—	—	—	—	-28	-160	-242	-59	91
Transactions in marketable securities on acquisition of the capital of certain undertakings	1,402	—	52	—	484	54	42	—	—	—	—
Import deposits	—	—	—	—	—	76	468	-260	-284	—	—
Borrowing for redemption of government guaranteed stock	—	—	—	13	—	—	215	8	72	183	349
Borrowing requirement (Net balance):											
Increase in net indebtedness to Bank of England, Banking Department	-32	68	152	44	-19	128	-128	276	-471	443	1,027
Increase in notes and coin in circulation	154	157	193	148	152	186	197	231	243	578	544
Increase in non-marketable debt:											
National savings	185	209	-28	-202	-43	-93	-224	-51	371	475	144
Tax reserve certificates	-59	-37	-106	79	36	21	-27	-18	81	-113	-216
Tax deposit accounts	—	—	—	—	—	—	—	—	—	—	10
Receipts from market transactions:											
Treasury bills ⁽³⁾	24	-519	-221	-290	-125	-224	-386	545	337	-463	-318
Government securities ⁽⁴⁾	-137	-114	222	217	529	-506	183	-272	3,361	-519	1,543
Local authority and commercial bills	—	—	—	—	—	—	—	—	-3	-49	-391
Northern Ireland central government debt:											
Net sales of securities	6	-1	14	3	22	—	3	—	-9	4	-5
Increase in other debt	-1	12	-1	6	-1	2	1	-3	—	5	-5
Borrowing from overseas governments less Repayments to overseas governments	-45	-36	-16	-48	-66	-44	-112	-104	-99	-112	-91
Miscellaneous direct borrowing (net) from overseas governments and institutions	—	—	48	106	16	30	8	109	-25	-85	-2
less Capital subscriptions to the IMF and European Fund:											
In sterling	—	—	—	-131	—	—	—	-113	—	—	—
In gold	—	—	—	-44	—	—	—	-38	—	—	4
Allocation of SDRs	—	—	—	—	—	—	—	171	125	124	—
Overseas official financing:											
Treasury bills: counterpart of central bank assistance	—	144	182	280	518	772	-608	-1,011	-399	—	—
Net drawings from less repayments to IMF	5	357	489	15	-339	506	-30	-134	-554	-415	—
Foreign currency deposits by other monetary authorities	—	72	-72	14	173	18	-61	-150	-864	864	—
less Increase in official reserves	53	122	-246	282	319	114	-44	-125	-1,536	692	-210
Total overseas official financing	58	695	353	591	671	1,410	-743	-1,420	-3,353	1,141	-210
E.E.A. loss on forward commitments⁽⁵⁾	—	—	—	—	-105	-251	—	—	—	—	—
Total borrowing requirement	153	434	610	530	1,155	757	-1,112	-678	562	1,429	2,034
Miscellaneous financial receipts (net) and changes in cash balances	72	15	-40	-20	—	76	-70	-24	23	-3	36 ⁽³⁾
Total	2,265	1,343	1,849	2,127	3,063	3,147	3,077	3,245	3,769	3,807	4,109

⁽¹⁾ For details see Table 49.⁽²⁾ See notes on page 108.⁽³⁾ Excluding counterpart of central bank assistance.⁽⁴⁾ Including government guaranteed securities.⁽⁵⁾ See notes on page 110.

Capital account

TABLE 40 (continued)

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Expenditure											
Gross domestic fixed capital formation:											
Military defence.....	19	25	18	29	41	45	20	25	26	37	45
Civil defence.....	2	2	3	2	2	1	-1	—	-1	1	1
Roads.....	79	108	112	123	139	156	214	275	250	246	293
Transport.....	8	9	8	6	5	10	5	8	5	-1	1
Other industry and trade.....	4	5	8	10	15	22	27	24	28	28	22
Research.....	21	21	19	20	19	25	24	28	28	26	29
Agriculture, forestry and food.....	4	4	5	5	5	6	6	6	8	7	7
National health service.....	50	65	79	90	112	128	128	139	167	206	253
Police and prisons.....	7	7	6	6	7	12	14	13	16	19	28
Other services.....	33	38	43	44	50	53	49	58	74	74	94
Total.....	227	284	301	335	395	458	486	576	601	643	773
Increase in value of stocks:											
Trading bodies ⁽¹⁾	18	20	24	27	29	39	47	44	51	27	42
Strategic stocks.....	-8	-3	-1	-2	-2	-4	-5	-1	—	—	2
Total.....	10	17	23	25	27	35	42	43	51	27	44
Capital transfers:											
To private sector ⁽¹⁾ :											
Grants to universities, colleges, etc.	51	60	76	84	85	82	79	80	84	91	104
Town and Country Planning compensation.....	—	—	—	—	—	—	—	—	—	—	—
War damage compensation.....	5	3	3	2	2	3	2	1	—	—	—
Investment grants.....	—	—	—	—	205	425	572	489	546	331	234
Other.....	48	65	80	81	93	122	118	147	182	210	303
To local authorities ⁽²⁾ :											
War damage compensation.....	1	1	1	1	—	—	—	—	—	—	—
Other.....	61	72	76	81	113	144	143	156	175	203	240
To public corporations:											
On writing-off debt.....	432	—	525	—	—	19	1,258	255	—	350	543
Investment grants.....	—	—	—	—	4	35	28	32	29	17	48
Other.....	1	1	2	2	2	6	22	18	20	72	74
To overseas sector.....	—	—	—	—	—	—	—	—	—	—	59
Total.....	599	202	763	251	504	836	2,222	1,178	1,036	1,274	1,605
Transactions in financial assets											
Net lending:											
Net lending to private sector:											
Industry and trade.....	18	17	43	15	5	38	18	25	13	-37	126
Building societies.....	-7	-3	-2	-4	-2	-4	-3	-3	-18	-3	-3
Housing associations.....	2	3	6	5	5	2	1	—	—	—	—
Other.....	2	3	2	2	3	2	3	4	10	1	3
Net lending to public sector:											
Local authorities.....	-31	172	455	546	398	589	556	722	739	875	1,020
Public corporations:											
Loans written-off.....	-487	—	-525	—	—	-19	-1,258	-255	—	-350	-604
Transfer of liability for stock.....	1,444	—	52	—	—	16	—	—	—	—	—
Other.....	432	577	667	843	1,163	1,100	896	860	1,143	1,077	742
Net lending to overseas sector:											
Loans to overseas governments.....	66	84	74	94	87	90	82	110	125	110	93
less Repayments by overseas governments.....	-14	-19	-24	-30	-26	-30	-30	-27	-32	-34	-31
Drawings from United Kingdom subscriptions to international lending bodies.....	7	7	16	10	18	7	20	12	17	22	58
Other.....	-3	-1	-2	2	2	-12	-3	-2	2	166	276
Total net lending.....	1,429	840	762	1,483	1,653	1,779	282	1,446	1,999	1,827	1,680
Cash expenditure on company securities (net).....	—	—	—	33	—	1	3	2	82	36	7
Steel compensation: issues of stock.....	—	—	—	—	484	38	42	—	—	—	—
Total.....	2,265	1,343	1,849	2,127	3,063	3,147	3,077	3,245	3,769	3,807	4,109

(1) For functional analysis see Table 51.

(2) For functional analysis see Table 44.

Current account of central government excluding National Insurance Funds

TABLE 41

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Receipts											
Taxes on income	3,385	3,528	4,024	4,450	5,092	5,648	6,330	7,433	7,992	8,135	9,143
Taxes on expenditure	3,013	3,341	3,734	4,053	4,537	5,270	6,122	6,609	6,722	6,905	7,389
Gross trading surplus ⁽¹⁾	17	24	24	15	16	30	40	35	42	9	6
Rent ⁽²⁾	97	96	95	97	94	94	102	110	119	107	107
Interest and dividends, etc.	446	503	558	661	723	840	977	1,122	1,305	1,487	1,631
National health contributions	165	169	166	166	164	178	186	208	236	233	237
Redundancy Fund contributions	—	—	1	18	33	41	53	52	52	52	53
Total	7,123	7,661	8,602	9,460	10,659	12,101	13,810	15,569	16,468	16,928	18,566
Expenditure											
Current expenditure on goods and services	3,294	3,484	3,782	4,045	4,430	4,651	4,755	5,298	6,015	6,747	7,493
Subsidies	522	465	498	486	727	810	744	784	841	1,098	1,351
Current grants to personal sector	652	679	732	825	985	1,186	1,360	1,459	1,686	2,114	2,073
Debt interest:											
To National Insurance Funds	53	57	61	64	63	60	59	57	63	66	79
Other	930	937	968	1,036	1,105	1,240	1,280	1,298	1,384	1,599	1,801
Current grants to National Insurance Funds	226	235	292	306	310	366	368	426	494	570	627
Current grants to local authorities	1,031	1,159	1,249	1,481	1,706	1,898	2,099	2,450	2,858	3,302	4,099
Current grants abroad	127	157	169	170	174	163	160	155	181	180	322
Total expenditure	6,835	7,173	7,751	8,413	9,500	10,374	10,825	11,927	13,522	15,676	17,845
Balance: current surplus before providing for depreciation and stock appreciation	288	488	851	1,047	1,159	1,727	2,985	3,642	2,946	1,252	721
Total	7,123	7,661	8,602	9,460	10,659	12,101	13,810	15,569	16,468	16,928	18,566

⁽¹⁾ Before providing for depreciation and stock appreciation.⁽²⁾ Before providing for depreciation.

Current account of National Insurance Funds

TABLE 42

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Receipts											
Contributions from employers:											
H.M. Forces	9	10	12	13	13	16	16	19	19	27	32
Other insured persons	566	635	782	839	885	1,006	1,035	1,223	1,298	1,542	1,882
Total	575	645	794	852	898	1,022	1,051	1,242	1,317	1,569	1,914
Contributions from insured persons:											
H.M. Forces	9	10	12	12	12	15	14	18	17	25	29
Other employed persons	499	560	645	678	721	817	840	1,025	1,100	1,320	1,541
Self-employed persons	43	47	52	59	62	71	77	85	89	106	120
Non-employed persons	5	5	6	8	7	8	8	8	8	10	11
Total	556	622	715	757	802	911	939	1,136	1,214	1,461	1,701
Payments in lieu of graduated contributions	7	8	9	11	12	13	15	16	16	18	21
Grants from central government	226	235	292	306	310	366	368	426	494	570	627
Interest	68	70	73	76	76	72	69	65	70	72	81
Total	1,432	1,580	1,883	2,002	2,098	2,384	2,442	2,885	3,111	3,690	4,344
Expenditure											
Current expenditure on goods and services	62	65	71	74	80	91	99	111	127	147	160
Current grants to personal sector:											
Retirement pensions	930	1,022	1,204	1,281	1,351	1,551	1,605	1,795	1,948	2,342	2,762
Widows' benefits and guardians' allowances	98	108	133	144	150	158	161	174	189	221	240
Unemployment benefit	82	53	55	65	127	134	131	152	218	246	159
Sickness benefit	198	199	247	266	314	360	375	426	402	491	572
Maternity benefit	28	31	36	36	35	39	39	42	43	44	44
Death grant	7	7	8	8	9	11	12	12	13	14	14
Injury benefit	25	27	34	33	33	36	35	35	31	33	35
Disablement benefit	40	44	51	54	58	63	63	70	72	80	88
Industrial death benefit	5	6	7	7	7	8	8	9	10	12	13
Total	1,413	1,497	1,775	1,894	2,084	2,360	2,429	2,715	2,926	3,483	3,927
Current grants abroad	5	6	8	10	14	16	17	17	19	22	25
Balance: current surplus	-48	12	29	24	-80	-83	-103	42	39	38	232
Total	1,432	1,580	1,883	2,002	2,098	2,384	2,442	2,885	3,111	3,690	4,344

VIII. LOCAL AUTHORITIES

Current account

£ million

TABLE 43

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Receipts											
Current grants from central government:											
Grants not allocated to specific services	788	900	968	1,168	1,477	1,706	1,899	2,239	2,580	2,923	3,563
Roads and public lighting	41	42	42	45	28	11	4	1	1	4	1
Housing	—	—	—	—	—	—	—	—	—	103	178
Police	82	89	96	109	117	131	141	147	205	213	273
Administration of justice	8	9	10	13	15	15	19	20	26	24	35
Education ⁽¹⁾	89	94	108	119	38	2	1	1	—	—	—
Other specific services	23	25	25	27	31	33	35	42	46	35	49
Total	1,031	1,159	1,249	1,481	1,706	1,898	2,099	2,450	2,858	3,302	4,099
Rates	1,014	1,096	1,228	1,374	1,467	1,548	1,667	1,824	2,087	2,377	2,617
Gross trading surplus ⁽²⁾	75	80	88	91	94	102	113	116	133	145	154
Rent ⁽³⁾ :											
Dwellings	287	317	363	410	453	520	598	673	698	745	905
Other land and buildings	131	146	170	192	215	247	291	333	371	425	493
Interest, etc.	52	59	70	84	92	96	103	109	118	129	138
Total	2,590	2,857	3,168	3,632	4,027	4,411	4,871	5,505	6,265	7,123	8,406
Expenditure											
Current expenditure on goods and services:											
Civil defence	8	9	10	10	9	4	1	1	2	2	2
Roads and public lighting	174	179	194	208	235	232	237	254	285	322	363
Employment services	5	5	6	7	7	8	9	10	12	14	15
Agricultural services	3	3	3	3	4	3	2	3	3	3	3
Environmental services:											
Sewerage and sewage disposal	58	65	73	82	96	108	119	138	154	170	194
Refuse collection and disposal	53	57	65	73	82	89	102	115	130	147	167
Public health services	25	27	30	34	38	38	43	52	58	64	70
Land drainage and coast protection	12	12	14	15	16	20	18	21	22	27	33
Parks, pleasure grounds, etc.	42	46	52	58	66	74	80	90	105	119	137
Town and country planning	15	17	21	26	32	37	43	51	63	73	87
Libraries, museums and arts	28	31	36	41	47	51	56	64	75	88	98
Police	161	174	190	219	247	271	300	356	416	459	524
Administration of justice	16	19	21	24	29	33	38	45	50	46	50
Fire service	39	43	47	52	58	63	69	77	90	104	111
Social services:											
Education	875	937	1,052	1,175	1,299	1,428	1,562	1,777	2,032	2,400	2,764
National health service ⁽⁴⁾	94	102	115	127	145	159	127	129	146	167	190
Personal social services ⁽⁴⁾	66	73	83	96	113	127	186	239	287	353	425
School meals and milk	70	77	86	99	116	115	126	132	136	156	206
Rate collection	11	12	14	16	19	21	20	23	28	32	33
Records, registrations and surveys	5	5	5	5	6	6	7	8	9	10	9
Cemeteries	6	7	7	8	9	9	10	11	12	13	13
General administration	54	56	64	75	89	89	79	90	96	113	123
Total	1,820	1,956	2,188	2,453	2,762	2,985	3,234	3,686	4,211	4,882	5,617
Subsidies:											
Housing	38	44	66	74	74	84	96	103	82	43	85
Passenger transport	1	—	—	1	2	1	1	4	6	10	12
Other trading	8	7	10	11	12	15	14	9	7	7	8
Current grants to personal sector:											
Scholarships and grants to universities, colleges, etc.	63	74	89	106	120	133	147	159	168	188	209
Rent rebates and allowances	—	—	—	—	—	—	—	—	—	46	224
Other	—	—	—	—	—	—	1	3	4	16	22
Debt interest:											
On loans from central government	123	125	142	171	203	237	281	340	399	453	539
Other	269	320	380	429	468	554	649	728	705	711	864
Total current expenditure	2,322	2,526	2,875	3,245	3,641	4,009	4,423	5,032	5,582	6,356	7,530
Balance: current surplus before providing for depreciation and stock appreciation	268	331	293	387	386	402	448	473	683	767	826
Total	2,590	2,857	3,168	3,632	4,027	4,411	4,871	5,505	6,265	7,123	8,406

(1) Including grants for school meals and milk.

(2) Before providing for depreciation and stock appreciation.

(3) Before providing for depreciation.

(4) Change in coverage from 1969—see notes on page 111.

Capital account

TABLE 44

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Receipts											
Current surplus before providing for depreciation and stock appreciation	268	331	293	387	386	402	448	473	683	767	826
Capital grants from central government:											
Roads and public lighting	35	42	43	47	79	105	99	110	124	137	153
Environmental services:											
Water, sewerage and refuse disposal	5	6	6	7	8	10	11	18	22	29	40
Land drainage and coast protection	4	5	6	6	7	7	8	10	11	10	11
Education ⁽¹⁾	7	8	9	10	5	3	4	1	—	9	11
Other	11	12	13	12	14	19	21	17	18	18	25
Total	62	73	77	82	113	144	143	156	175	203	240
Borrowing requirement:											
Loans from central government (net)	-31	172	455	546	398	589	556	722	739	875	1,020
Other identified borrowing (net)	636	566	561	412	697	587	595	527	660	521	1,349
Adjustment for rates	1	23	—	-18	-1	22	-5	18	33	65	-115
Adjustment for subsidies	—	2	—	-1	-6	-7	-9	15	5	-4	-25
Bank deposits	-10	9	-25	—	—	-4	-25	-1	-40	1	19
Unidentified items	33	77	14	11	72	11	58	47	-119	88	-75
Total	959	1,253	1,375	1,419	1,659	1,744	1,761	1,957	2,136	2,516	3,239
Expenditure											
Gross domestic fixed capital formation:											
Civil defence	1	1	1	1	—	—	—	—	—	—	—
Roads and public lighting	85	105	106	112	159	195	206	246	270	309	344
Trading services ⁽²⁾ :											
Road and rail passenger transport	10	10	9	9	10	12	10	8	12	15	12
Harbours, docks and aerodromes	12	14	21	35	35	34	30	32	15	17	25
Gas and electricity	1	1	2	3	4	3	3	4	3	3	4
Other	15	22	24	23	22	17	25	32	45	53	43
Housing ⁽³⁾	365	495	545	655	743	783	797	742	670	712	956
Environmental services:											
Water	45	52	54	61	63	68	73	86	97	96	108
Sewerage and sewage disposal	56	63	68	78	94	115	117	138	164	208	261
Refuse collection and disposal	10	11	5	5	9	14	16	20	24	25	23
Public health services	3	3	2	2	5	2	2	2	3	3	3
Land drainage and coast protection	9	9	9	10	11	13	13	15	19	22	28
Parks, pleasure grounds, etc.	14	18	20	17	12	18	22	27	36	55	72
Town and country planning	21	35	41	35	44	53	50	60	69	84	96
Libraries, museums and arts	4	5	5	5	6	7	7	8	10	14	18
Police	12	15	18	20	22	22	20	22	26	21	31
Fire service	6	6	6	6	7	7	8	9	10	12	11
Social services:											
Education	159	180	171	185	234	263	270	295	354	430	521
National health service ⁽⁴⁾	10	11	12	12	13	15	9	12	14	18	24
Personal social services ⁽⁴⁾	13	15	18	18	21	24	28	31	38	50	75
Other	32	41	48	53	54	47	51	62	81	89	100
Total	883	1,112	1,185	1,345	1,568	1,712	1,757	1,851	1,960	2,236	2,755
Capital grants to personal sector	17	20	21	20	22	22	21	28	48	95	156
Capital grants to public corporations	—	—	—	—	—	—	—	2	6	10	6
Net lending to private sector:											
For house purchase	59	121	168	53	68	9	-18	72	120	173	320
Other	—	—	1	1	1	1	1	4	2	2	2
Total	959	1,253	1,375	1,419	1,659	1,744	1,761	1,957	2,136	2,516	3,239

(1) Including grants for school meals service.

(2) Excluding housing and water.

(3) Excluding houses provided for specific services (e.g. police); these appear under the service concerned.

(4) Change in coverage from 1969—see notes on page 111.

IX. COMBINED PUBLIC AUTHORITIES

Combined current and capital account

TABLE 45

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Receipts											
<i>Current account</i>											
Taxes on income:											
Central government	3,385	3,528	4,024	4,450	5,092	5,648	6,330	7,433	7,992	8,135	9,143
Taxes on expenditure:											
Central government	3,013	3,341	3,734	4,053	4,537	5,270	6,122	6,609	6,722	6,905	7,389
Local authorities ⁽¹⁾	1,014	1,096	1,228	1,374	1,467	1,548	1,667	1,824	2,087	2,377	2,617
National insurance, etc. contributions:											
Central government	1,303	1,444	1,685	1,804	1,909	2,165	2,244	2,654	2,835	3,333	3,926
Gross trading surplus:											
Central government	17	24	24	15	16	30	40	35	42	9	6
Local authorities	75	80	88	91	94	102	113	116	133	145	154
Rent:											
Central government	97	96	95	97	94	94	102	110	119	107	107
Local authorities	418	463	533	602	668	767	889	1,006	1,069	1,170	1,398
Interest and dividends, etc.:											
Central government ⁽²⁾	338	391	428	502	533	615	706	790	913	1,040	1,094
Local authorities	52	59	70	84	92	96	103	109	118	129	138
Total	9,712	10,522	11,909	13,072	14,502	16,335	18,316	20,686	22,030	23,350	25,972
<i>Capital account</i>											
Taxes on capital:											
Central government	308	308	290	315	339	439	638	660	649	746	797
Changes in financial assets and liabilities ⁽³⁾ :											
Central government ⁽⁴⁾	328	535	627	741	1,161	1,010	-485	-1,099	135	1,771	2,420
Local authorities	660	677	550	404	762	609	614	606	539	671	1,153
Total	1,296	1,520	1,467	1,460	2,262	2,058	767	167	1,323	3,188	4,370
<i>Combined current and capital account</i>											
Total receipts	11,008	12,042	13,376	14,532	16,764	18,393	19,083	20,853	23,353	26,538	30,342

⁽¹⁾ Rates.⁽²⁾ Excluding interest on loans to local authorities.⁽³⁾ Other than those shown on the expenditure side of the capital account; excluding central government lending to local authorities.⁽⁴⁾ Excluding transactions on writing-off debt of public corporations and on nationalisation of the steel industry.

Combined current and capital account

TABLE 45 (continued)

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Expenditure											
<i>Current account</i>											
Goods and services:											
Central government	3,356	3,549	3,853	4,119	4,510	4,742	4,854	5,409	6,142	6,894	7,653
Local authorities	1,820	1,956	2,188	2,453	2,762	2,985	3,234	3,686	4,211	4,882	5,617
Subsidies and grants:											
Central government ⁽¹⁾	2,719	2,804	3,182	3,385	3,984	4,535	4,710	5,130	5,653	6,897	7,698
Local authorities	110	125	165	192	208	233	259	278	267	310	560
Debt interest:											
Central government	930	937	968	1,036	1,105	1,240	1,280	1,298	1,384	1,599	1,801
Local authorities ⁽²⁾	269	320	380	429	468	554	649	728	705	711	864
Total	9,204	9,691	10,736	11,614	13,037	14,289	14,986	16,529	18,362	21,293	24,193
<i>Capital account</i>											
Goods and services ⁽³⁾ :											
Central government	237	301	324	360	422	493	528	619	652	670	817
Local authorities	883	1,112	1,185	1,345	1,568	1,712	1,757	1,851	1,960	2,236	2,755
Grants and other transfers:											
Central government ⁽¹⁾⁽⁴⁾	105	129	161	169	391	673	821	767	861	721	822
Local authorities	17	20	21	20	22	22	21	30	54	105	162
Financial assets ⁽⁵⁾ :											
Central government ⁽⁴⁾	503	668	780	970	1,255	1,194	987	981	1,342	1,338	1,271
Local authorities	59	121	169	54	69	10	-17	76	122	175	322
Total	1,804	2,351	2,640	2,918	3,727	4,104	4,097	4,324	4,991	5,245	6,149
<i>Combined current and capital account</i>											
Total expenditure	11,008	12,042	13,376	14,532	16,764	18,393	19,083	20,853	23,353	26,538	30,342

(1) Excluding grants to local authorities.

(2) Excluding interest on loans from central government.

(3) Comprises gross domestic fixed capital formation and increase in value of stocks.

(4) Excluding transactions on writing-off debt of public corporations and on nationalisation of the steel industry.

(5) Comprises net lending to the private sector, public corporations and the overseas sector, and cash expenditure on company securities (net).

Analysis of current expenditure on goods and services

TABLE 46

£ million

	1968				1969				1970			
	Wages, salaries, etc. ⁽¹⁾	Selective employment tax	Imputed rents	Other payments (net)	Wages, salaries, etc. ⁽¹⁾	Selective employment tax	Imputed rents	Other payments (net)	Wages, salaries, etc. ⁽¹⁾	Selective employment tax	Imputed rents	Other payments (net)
Defence:												
Military defence ⁽²⁾	1,043	21	7	1,299	1,068	27	8	1,152	1,238	36	7	1,139
Civil defence	5	—	—	6	3	—	—	6	2	—	—	5
External relations	38	1	—	67	40	1	—	68	43	2	—	70
Roads and public lighting	160	9	—	88	157	14	—	94	163	15	—	108
Transport and communication	15	1	—	— 4	15	1	—	— 5	24	1	—	— 9
Employment services	46	2	—	1	49	3	—	5	58	3	—	4
Other industry and trade	30	1	—	92	33	2	—	110	33	2	—	111
Research	51	2	9	38	57	3	8	42	65	4	7	53
Agriculture, fishing and food	39	1	2	19	42	2	1	17	44	4	2	16
Housing and environmental services:												
Sewerage and refuse disposal	84	5	65	43	91	8	80	42	104	9	91	49
Public health services	29	2	1	6	33	3	1	6	37	3	2	10
Parks, pleasure grounds, etc.	55	3	11	8	58	5	15	5	66	6	16	3
Other ⁽³⁾	168	10	44	—48	185	15	51	—81	237	16	59	—118
Libraries, museums and arts	32	2	3	23	36	2	4	24	42	3	5	26
Police	205	8	10	58	235	11	12	53	275	12	15	63
Prisons	26	1	—	12	30	2	—	13	37	2	—	16
Parliament and law courts	43	3	1	11	36	3	2	27	41	4	2	35
Fire service	47	3	4	9	51	4	5	10	59	5	5	9
Social services:												
Education	1,021	41	86	293	1,111	67	96	302	1,259	77	108	349
National health service	780	46	32	677	818	61	34	707	961	64	38	791
Personal social services	72	4	11	41	111	10	16	50	146	13	19	62
School meals, milk, and welfare foods	71	9	3	71	81	14	3	67	85	16	3	70
Social security benefits	72	4	—	70	78	5	—	76	93	6	—	87
Finance and tax collection	141	6	—	66	152	9	—	76	176	12	—	75
Records, registrations and surveys	19	1	—	— 4	20	1	—	— 2	24	2	—	— 4
Other services	90	3	28	—103	100	4	29	—108	112	4	30	—79
Total current expenditure on goods and services ⁽⁴⁾	4,382	189	317	2,839	4,690	277	365	2,756	5,424	321	409	2,941
of which												
Central government	2,303	82	70	2,287	2,450	112	74	2,218	2,858	135	76	2,340
Local authorities	2,079	107	247	552	2,240	165	291	538	2,566	186	333	601

(1) Including employers' contributions to national insurance, superannuation, etc.

(2) The columns Wages, salaries, etc. include the following amounts for Forces' pay in cash and kind and the related employers' contributions (£ million):

1968	1969	1970
664	669	799

(3) Including housing, land drainage and coast protection, and miscellaneous local government services.

(4) Total wages and salaries and employers' contributions paid by public authorities are as follows (£ million):

Total as shown in this table	1968	1969	1970
Wages and salaries, etc. in trading services:	4,382	4,690	5,424
Central government	59	64	64
Local authorities	294	301	311
Wages and salaries, etc. charged to capital accounts:			
Central government	6	7	7
Local authorities	69	69	68
Other wages and salaries financed by grants	3	3	2
Total	4,813	5,134	5,876

Analysis of current expenditure on goods and services

£ million

TABLE 46 (continued)

	1971				1972				1973			
	Wages, salaries, etc. ⁽¹⁾	Selective employment tax	Imputed rents	Other payments (net)	Wages, salaries, etc. ⁽¹⁾	Selective employment tax	Imputed rents	Other payments (net)	Wages, salaries, etc. ⁽¹⁾	Selective employment tax	Imputed rents	Other payments (net)
Defence:												
Military defence ⁽²⁾	1,423	27	6	1,256	1,611	17	6	1,381	1,776	5	8	1,527
Civil defence	3	—	—	5	3	—	—	5	3	—	—	5
External relations	49	1	—	73	52	1	—	90	54	—	—	106
Roads and public lighting	190	9	—	120	226	6	—	141	254	2	—	179
Transport and communication	33	1	—	— 5	17	1	—	—21	16	—	—	3
Employment services	69	3	—	12	69	2	—	27	79	—	—	31
Other industry and trade	46	—	—	149	59	1	—	158	40	1	—	170
Research	76	3	7	50	87	1	9	44	80	—	8	64
Agriculture, fishing and food	48	2	1	22	53	2	1	28	51	—	2	32
Housing and environmental services:												
Sewerage and refuse disposal	128	6	101	49	156	4	114	44	173	1	133	55
Public health services	44	3	2	9	52	2	2	8	58	—	2	10
Parks, pleasure grounds, etc.	83	4	18	2	98	3	20	2	114	1	23	3
Other ⁽³⁾	278	12	64	—132	318	8	75	—145	358	1	86	—151
Libraries, museums and arts	53	2	5	30	62	1	6	38	72	—	6	47
Police	340	9	16	60	388	5	17	60	455	1	20	63
Prisons	45	2	—	17	53	1	—	22	56	—	—	31
Parliament and law courts	50	2	3	46	54	1	3	63	61	—	4	90
Fire service	72	3	5	10	86	2	6	11	92	1	7	13
Social services:												
Education	1,475	52	124	398	1,777	34	145	463	2,068	8	169	548
National health service	1,104	52	42	897	1,294	36	49	1,028	1,403	10	51	1,223
Personal social services	185	7	22	74	232	4	25	92	282	1	29	113
School meals, milk, and welfare foods	101	12	4	46	120	7	5	38	145	2	5	65
Social security benefits	108	5	—	99	115	3	—	131	130	1	—	137
Finance and tax collection	207	10	—	90	235	6	—	104	252	2	—	99
Records, registrations and surveys	35	1	—	— 5	32	1	—	— 8	34	—	—	—11
Other services	123	4	37	—76	147	3	17	—76	195	1	11	—85
Total current expenditure on goods and services ⁽⁴⁾	6,368	232	457	3,296	7,396	152	500	3,728	8,301	38	564	4,367
of which												
Central government	3,301	104	86	2,651	3,748	70	75	3,001	4,100	18	71	3,464
Local authorities	3,067	128	371	645	3,648	82	425	727	4,201	20	493	903

(1) Including employers' contributions to national insurance, superannuation, etc.

(2) The columns Wages, salaries, etc. include the following amounts for Forces' pay in cash and kind and the related employers' contributions (£ million):

1971	1972	1973
908	1,036	1,135

(3) Including housing, land drainage and coast protection, and miscellaneous local government services.

(4) Total wages and salaries and employers' contributions paid by public authorities are as follows (£ million):

	1971	1972	1973
Total as shown in this table	6,368	7,396	8,301
Wages and salaries, etc. in trading services:			
Central government	58	52	59
Local authorities	333	357	426
Wages and salaries, etc. charged to capital accounts:			
Central government	10	10	12
Local authorities	78	88	108
Other wages and salaries financed by grants	4	5	6
Total	6,851	7,908	8,912

Housing subsidies

TABLE 47 £ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Local authority housing											
Loan charges	287	317	363	410	453	520	598	673	698	745	905
Other expenses	114	118	138	151	172	187	195	223	281	345	408
<i>less</i> Rents, etc.	-282	-307	-341	-384	-434	-489	-542	-601	-673	-812	-972
<i>less</i> Subsidies from central government	-81	-84	-94	-103	-117	-134	-155	-192	-224	-235	-256
Deficit—subsidy paid by local authorities	38	44	66	74	74	84	96	103	82	43	85
Subsidies											
Paid by local authorities	38	44	66	74	74	84	96	103	82	43	85
Paid by central government:											
to local authorities	81	84	94	103	117	134	155	192	224	235	256
to public corporations	7	8	9	10	12	13	15	18	23	54	57
Total subsidies by public authorities	126	136	169	187	203	231	266	313	329	332	398

Taxes on expenditure and subsidies
Allocation by type of expenditure

TABLE 48 £ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Taxes on consumers' expenditure ⁽¹⁾	3,375	3,666	4,095	4,456	4,814	5,361	5,975	6,387	6,747	7,213	7,974
<i>less</i> Subsidies on consumers' expenditure ⁽¹⁾	-495	-448	-498	-497	-628	-688	-677	-717	-773	-887	-1,087
Taxes on expenditure <i>less</i> subsidies on:											
Consumers' expenditure	2,880	3,218	3,597	3,959	4,186	4,673	5,298	5,670	5,974	6,326	6,887
Public authorities' current expenditure											
on goods and services	157	182	206	291	409	480	614	692	638	577	601
Gross domestic capital formation	270	347	426	461	471	532	633	703	734	749	581
Exports of goods and services	151	174	159	144	123	223	389	468	527	472	481
Total taxes on expenditure <i>less</i> subsidies	3,458	3,921	4,388	4,855	5,189	5,908	6,934	7,533	7,873	8,124	8,550

⁽¹⁾ An analysis by category of expenditure is given in Table 27.

Taxes on income, national insurance contributions and taxes on capital
Allocation by sector, type of income⁽¹⁾, and property

TABLE 49

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Taxes on income and national insurance, etc. contributions											
Taxes on income (payments):											
Personal sector	2,480	2,751	3,297	3,689	4,069	4,524	5,139	5,850	6,424	6,646	7,782
less tax credits	—	—	—	—	—	—	—	—	—	—	—403
Companies	763	622	538	544	866	971	1,011	1,296	1,290	1,226	1,428
Public corporations	6	6	3	31	9	17	8	10	8	7	9
Non-residents	136	149	186	186	148	136	172	277	270	256	327
National insurance, etc. contributions	1,303	1,444	1,685	1,804	1,909	2,165	2,244	2,654	2,835	3,333	3,926
Total	4,688	4,972	5,709	6,254	7,001	7,813	8,574	10,087	10,827	11,468	13,069
Income tax:											
Wages and salaries	1,385	1,563	1,928	2,296	2,409	2,809	3,251	3,864	4,291	4,379	5,237
Pay of H.M. Forces	28	31	37	40	46	46	60	90	120	129	132
Rent of land and buildings	165	140	150	172	112	117	117	141	153	159	177
Dividends, interest and trading incomes	1,197	1,153	1,198	1,547	1,027	1,081	1,215	1,285	1,457	1,547	1,224
Current grants from public authorities to personal sector	48	54	61	65	72	115	130	140	163	151	159
Surtax	174	179	184	210	279	220	240	266	286	333	342
Profits tax, excess profits tax, excess profits levy, etc.	388	408	466	135	39	12	4	2	1	1	1
Corporation tax	—	—	—	23	1,166	1,285	1,373	1,676	1,549	1,460	1,892
less Overspill relief	—	—	—	—38	—58	—37	—60	—31	—28	—24	—21
National insurance, etc. contributions:											
Employers:											
Civilian employees	601	671	818	892	952	1,082	1,124	1,336	1,438	1,682	2,028
H.M. Forces	10	11	13	14	14	17	17	20	21	28	33
Employees ⁽²⁾ :											
Civilians	621	686	770	804	846	955	986	1,170	1,244	1,464	1,687
H.M. Forces	12	13	15	15	15	18	17	21	20	28	32
Self-employed and non-employed persons	59	63	69	79	82	93	100	107	112	131	146
Total	4,688	4,972	5,709	6,254	7,001	7,813	8,574	10,087	10,827	11,468	13,069
Taxes on capital											
Personal sector	308	308	289	313	332	421	577	564	568	674	729
Companies	—	—	1	2	7	18	61	96	81	72	68
Total	308	308	290	315	339	439	638	660	649	746	797
Death duties:											
Land and buildings	38	40	41	44	47	64	60	56	60	89	108
Government and local authority debt	36	35	32	34	32	33	32	33	35	35	27
Company and overseas securities	158	155	133	141	147	178	176	172	183	234	196
Other interest-bearing securities	18	19	21	24	25	29	32	39	42	38	29
Other forms of property	58	58	60	65	66	70	72	78	84	87	60
Total	308	307	287	308	317	374	372	378	404	483	420
Taxes on capital gains	—	1	3	7	22	53	169	251	231	253	372
Betterment levy	—	—	—	—	—	6	19	26	14	10	5
Special charge	—	—	—	—	—	6	78	5	—	—	—
Total	308	308	290	315	339	439	638	660	649	746	797

⁽¹⁾ In the case of taxpayers receiving income of more than one type the allocation of tax can only be arbitrary. The allocation procedure is described in *National Accounts Statistics: Sources and Methods*, page 328.

⁽²⁾ Including payments in lieu of graduated contributions.

X. THE PUBLIC SECTOR

Current and capital accounts

TABLE 50 £ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Receipts											
<i>Current account</i>											
Taxes on income	3,379	3,522	4,021	4,419	5,083	5,631	6,322	7,423	7,984	8,128	9,134
Taxes on expenditure:											
Central government	3,013	3,341	3,734	4,053	4,537	5,270	6,122	6,609	6,722	6,905	7,389
Local authorities ⁽¹⁾	1,014	1,096	1,228	1,374	1,467	1,548	1,667	1,824	2,087	2,377	2,617
National insurance, etc. contributions	1,303	1,444	1,685	1,804	1,909	2,165	2,244	2,654	2,835	3,333	3,926
Gross trading surplus:											
Central government and local authorities	92	104	112	106	110	132	153	151	175	154	160
Public corporations	840	924	988	1,042	1,132	1,363	1,451	1,447	1,520	1,680	2,034
Rent	556	604	677	751	817	917	1,055	1,190	1,272	1,402	1,635
Interest and dividends, etc.:											
Central government	92	94	115	117	119	92	104	130	173	237	205
Local authorities	52	59	70	84	92	96	103	109	118	129	138
Public corporations	35	39	48	55	57	79	95	104	102	108	223
Total	10,376	11,227	12,678	13,805	15,323	17,293	19,316	21,641	22,988	24,453	27,461
<i>Capital account</i>											
Current surplus before providing for depreciation and stock appreciation and additions to tax and interest reserves	1,085	1,439	1,834	2,103	2,148	2,891	4,210	4,993	4,502	3,038	3,031
Taxes on capital	308	308	290	315	339	439	638	660	649	746	797
Capital transfers from private sector	8	9	9	9	10	28	20	24	29	23	24
Proceeds of iron and steel disposals	22	18	—	—	—	—	—	—	—	—	—
Receipts from certain pension 'funds' (net)	68	56	52	64	61	72	51	58	84	117	137
Adjustment for taxes on expenditure	-6	9	1	133	-74	36	12	-47	-83	37	-627
Refinanced export and shipbuilding credits	—	—	—	—	—	—	-28	-160	-242	-59	91
Import deposits	—	—	—	—	—	76	468	-260	-284	—	—
Borrowing requirement ⁽²⁾ :											
Central government ⁽³⁾	153	434	610	530	1,155	757	-1,112	-678	562	1,429	2,034
Local authorities	636	566	561	412	697	587	595	527	660	521	1,349
Public corporations	43	-5	17	17	-18	-29	43	147	156	108	839
Public sector	832	995	1,188	959	1,834	1,315	-474	-4	1,378	2,058	4,222
Other financial transactions (net) ⁽⁴⁾ :											
Central government	85	15	-40	-20	—	76	-70	-24	23	-3	13
Local authorities ⁽⁴⁾	23	86	-11	11	72	7	33	46	-159	89	-56
Public corporations ⁽⁵⁾	-50	36	-24	38	-37	-223	-171	-60	-18	-89	-83
Total	2,375	2,971	3,299	3,612	4,353	4,717	4,689	5,226	5,879	5,957	7,549
<i>Combined current and capital account</i>											
Receipts on current account	10,376	11,227	12,678	13,805	15,323	17,293	19,316	21,641	22,988	24,453	27,461
Receipts on capital account	1,290	1,532	1,465	1,509	2,205	1,826	479	233	1,377	2,919	4,518
Total	11,666	12,759	14,143	15,314	17,528	19,119	19,795	21,874	24,365	27,372	31,979

⁽¹⁾ Rates.⁽²⁾ See notes on page 112.⁽³⁾ For further detail see Table 40.⁽⁴⁾ For further detail see Table 44.⁽⁵⁾ For further detail see Table 36.

Current and capital accounts

TABLE 50 (continued)

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Expenditure											
<i>Current account</i>											
Current expenditure on goods and services ⁽¹⁾	5,176	5,505	6,041	6,572	7,272	7,727	8,088	9,095	10,353	11,776	13,270
Subsidies	569	516	574	572	815	910	855	900	936	1,158	1,456
Current grants to personal sector	2,128	2,250	2,596	2,825	3,189	3,679	3,937	4,336	4,784	5,847	6,455
Current grants abroad	132	163	177	180	188	179	177	172	200	202	347
Total current expenditure excluding debt interest	8,005	8,434	9,388	10,149	11,464	12,495	13,057	14,503	16,273	18,983	21,528
Interest and dividends:											
Central government	930	937	968	1,036	1,105	1,240	1,280	1,298	1,384	1,599	1,801
Local authorities	269	320	380	429	468	554	649	728	705	711	864
Public corporations	87	97	108	88	138	113	120	119	124	122	237
Total current expenditure	9,291	9,788	10,844	11,702	13,175	14,402	15,106	16,648	18,486	21,415	24,430
Balance: current surplus before providing for depreciation and stock appreciation and additions to tax and interest reserves	1,085	1,439	1,834	2,103	2,148	2,891	4,210	4,993	4,502	3,038	3,031
Total	10,376	11,227	12,678	13,805	15,323	17,293	19,316	21,641	22,988	24,453	27,461
<i>Capital account</i>											
Gross domestic fixed capital formation:											
Central government	227	284	301	335	395	458	486	576	601	643	773
Local authorities	883	1,112	1,185	1,345	1,568	1,712	1,757	1,851	1,960	2,236	2,755
Public corporations	1,024	1,187	1,293	1,453	1,661	1,619	1,482	1,673	1,857	1,776	2,029
Total	2,134	2,583	2,779	3,133	3,624	3,789	3,725	4,100	4,418	4,655	5,557
Increase in value of stocks:											
Central government	10	17	23	25	27	35	42	43	51	27	44
Public corporations	-31	12	5	41	82	11	-31	64	154	80	152
Capital grants to private sector	121	148	180	187	407	654	792	745	860	727	797
Capital transfers abroad	—	—	—	—	—	—	—	—	—	—	59
Net lending to private sector	83	130	225	83	114	98	56	147	160	160	506
Net lending to overseas governments	52	65	50	64	61	60	52	83	93	76	62
Drawings from United Kingdom subscriptions to international lending bodies	7	7	16	10	18	7	20	12	17	22	58
Other net lending and investment abroad	-1	8	11	16	15	6	21	26	47	196	308
Cash expenditure on company securities, etc. (net)	..	1	10	53	5	57	12	6	79	14	6
Total capital expenditure	2,375	2,971	3,299	3,612	4,353	4,717	4,689	5,226	5,879	5,957	7,549
<i>Combined current and capital account</i>											
Current expenditure excluding debt interest	8,005	8,434	9,388	10,149	11,464	12,495	13,057	14,503	16,273	18,983	21,528
Capital expenditure	2,375	2,971	3,299	3,612	4,353	4,717	4,689	5,226	5,879	5,957	7,549
Total public expenditure excluding debt interest ⁽²⁾	10,380	11,405	12,687	13,761	15,817	17,212	17,746	19,729	22,152	24,940	29,077
Debt interest	1,286	1,354	1,456	1,553	1,711	1,907	2,049	2,145	2,213	2,432	2,902
Total public expenditure	11,666	12,759	14,143	15,314	17,528	19,119	19,795	21,874	24,365	27,372	31,979

⁽¹⁾ Excluding current expenditure on goods and services on operating accounts of public corporations and other public enterprises.⁽²⁾ For functional analysis see Table 51.

Analysis of public expenditure

TABLE 51

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Military defence:											
Current expenditure on goods and services	1,849	1,928	2,062	2,150	2,335	2,370	2,255	2,420	2,712	3,015	3,316
Gross domestic fixed capital formation	19	25	18	29	41	45	20	25	26	37	45
Increase in value of stocks	—	—	—	2	2	2	2	2	5	16	17
Current grants to personal sector	—	—	—	—	—	—	—	2	—	—	—
Current grants abroad	22	35	23	24	28	21	13	12	17	23	18
Capital grants to private sector	2	2	2	2	2	2	2	3	3	3	4
Net lending to overseas governments	—	—	—	—	4	3	2	2	4	3	3
Total	1,892	1,990	2,105	2,207	2,412	2,443	2,294	2,466	2,767	3,097	3,403
Civil defence:											
Current expenditure on goods and services	18	19	19	19	21	11	9	7	8	8	8
Gross domestic fixed capital formation	3	3	4	3	2	1	—	—	—	1	1
Increase in value of stocks	— 8	— 3	— 1	— 2	— 2	— 4	— 5	— 1	—	—	2
Total	13	19	22	20	21	8	3	6	7	9	11
External relations:											
Current expenditure on goods and services	71	77	87	91	98	106	109	115	123	143	160
Gross domestic fixed capital formation	2	4	4	3	4	3	2	3	5	3	7
Current grants abroad	91	102	112	108	112	113	111	108	132	125	260
Capital transfers abroad	—	—	—	—	—	—	—	—	—	—	59
Net lending to overseas governments	52	65	50	64	57	57	50	81	89	73	59
Drawings from United Kingdom subscriptions to international lending bodies	7	7	16	10	18	7	20	12	17	22	58
Other net lending and investment abroad	2	7	9	10	7	10	13	11	19	15	24
Total	225	262	278	286	296	296	305	330	385	381	627
Roads and public lighting:											
Current expenditure on goods and services	198	202	217	236	262	257	265	286	319	373	435
Gross domestic fixed capital formation	164	214	219	236	300	354	423	527	527	563	650
Total	362	416	436	472	562	611	688	813	846	936	1,085
Transport and communication:											
Current expenditure on goods and services	13	14	9	9	12	12	11	16	29	— 3	19
Gross domestic fixed capital formation:											
Central government and local authorities	30	33	38	50	50	56	45	48	32	31	38
Public corporations	298	337	379	384	470	569	534	686	791	799	996
Increase in value of stocks	— 9	— 4	4	16	11	— 1	15	12	34	16	11
Subsidies	138	125	157	161	189	185	143	134	121	201	303
Current grants abroad	—	1	2	2	1	1	3	3	3	1	4
Capital grants to private sector	—	—	—	—	1	2	3	3	4	7	7
Net lending to private sector	—	—	—	—	—	1	—	1	4	3	2
Other net lending and investment abroad	—	2	4	6	8	11	14	19	19	17	18
Cash expenditure on company securities, etc. (net)	..	1	9	16	3	50	2	2	— 5	— 22	— 2
Total	470	509	602	644	745	886	770	924	1,032	1,050	1,396
Employment services:											
Current expenditure on goods and services	28	30	36	39	44	49	57	65	84	98	110
Gross domestic fixed capital formation	—	—	—	1	1	1	1	1	3	5	6
Subsidies	—	—	—	1	1	3	4	4	5	3	8
Current grants to personal sector	6	7	8	29	48	61	52	55	76	99	93
Current grants abroad	—	—	1	1	1	1	1	2	1	2	3
Capital grants to private sector	—	—	—	—	—	—	1	1	1	1	1
Net lending to private sector	—	—	—	—	—	—	—	—	7	—	—
Total	34	37	45	71	95	115	116	128	177	208	221

Analysis of public expenditure

TABLE 51 (continued)

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Other industry and trade:											
Current expenditure on goods and services	35	36	52	66	95	123	145	146	195	218	211
Gross domestic fixed capital formation:											
Central government and local authorities	20	28	34	36	41	42	55	60	76	84	69
Public corporations	683	796	854	1,001	1,106	953	838	862	957	900	917
Increase in value of stocks	-23	16	1	25	71	12	-46	52	120	64	141
Subsidies	5	6	5	6	167	225	191	207	179	348	457
Current grants to personal sector	—	—	—	—	—	2	6	11	9	10	12
Capital grants to private sector	12	19	24	28	238	461	608	537	607	405	372
Net lending to private sector	25	4	44	16	24	72	51	53	26	-42	132
Other net lending and investment abroad	—	—	—	—	—	-15	-6	-4	9	164	266
Cash expenditure on company securities, etc. (net)	..	—	1	37	2	7	10	4	84	36	8
Total	757	905	1,015	1,215	1,744	1,882	1,852	1,928	2,262	2,187	2,585
Research:											
Current expenditure on goods and services	90	88	84	90	96	100	110	129	136	141	152
Gross domestic fixed capital formation	21	21	19	20	19	25	24	28	28	26	29
Subsidies	—	—	—	2	1	1	3	5	5	2	2
Current grants to personal sector	12	15	18	21	27	31	32	39	45	48	53
Current grants abroad	5	11	22	26	22	17	22	19	17	19	22
Capital grants to private sector	1	1	2	4	5	5	5	6	7	7	8
Net lending to private sector	1	1	2	3	3	2	6	6	5	4	4
Total	130	137	147	166	173	181	202	232	243	247	270
Agriculture, forestry, fishing and food:											
Current expenditure on goods and services	39	42	44	46	52	61	62	66	73	84	85
Gross domestic fixed capital formation	4	4	5	5	5	6	7	8	10	1	3
Increase in value of stocks	19	20	24	25	30	32	36	39	44	11	12
Subsidies	294	244	237	208	247	257	240	232	295	271	287
Current grants to personal sector	4	5	5	5	5	3	3	4	6	9	10
Current grants abroad	1	1	1	1	2	2	1	1	1	—	2
Capital grants to private sector	17	18	19	19	26	36	41	47	67	78	94
Net lending to private sector	—	—	—	—	—	1	2	3	2	—	1
Total	378	334	335	309	367	398	392	400	498	454	494
Housing and environmental services:											
Housing:											
Current expenditure on goods and services	1	1	1	1	1	2	2	1	2	3	6
Gross domestic fixed capital formation:											
Local authorities	365	495	545	655	743	783	797	742	670	712	956
Public corporations	31	44	49	56	67	72	85	97	77	40	63
Subsidies	126	136	169	187	203	231	266	313	329	332	398
Current grants to personal sector	—	—	—	—	—	5	9	13	16	62	283
Capital grants to private sector	14	16	17	15	16	16	18	26	46	92	152
Net lending to private sector	55	122	176	61	83	20	-5	79	113	192	363
Total	592	814	957	975	1,113	1,129	1,172	1,271	1,253	1,433	2,221
Water, sewerage and refuse disposal:											
Current expenditure on goods and services	111	122	138	155	178	197	221	253	284	318	362
Subsidies	6	5	6	7	7	8	8	5	2	1	1
Gross domestic fixed capital formation	111	126	127	146	170	203	212	249	291	339	405
Total	228	253	271	308	355	408	441	507	577	658	768

PUBLIC SECTOR

Analysis of public expenditure

TABLE 51 (continued)

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Housing and environmental services (continued):											
Public health services:											
Current expenditure on goods and services	25	27	30	34	38	38	43	52	58	64	70
Gross domestic fixed capital formation	3	3	2	2	5	2	2	2	3	3	3
Capital grants to private sector	3	4	4	5	6	6	3	2	2	3	4
Total	31	34	36	41	49	46	48	56	63	70	77
Land drainage and coast protection:											
Current expenditure on goods and services	12	12	14	15	16	20	18	21	22	27	33
Gross domestic fixed capital formation	9	9	9	10	11	13	13	15	19	22	29
Total	21	21	23	25	27	33	31	36	41	49	62
Parks, pleasure grounds, etc.:											
Current expenditure on goods and services	44	48	55	61	70	77	83	91	107	123	141
Gross domestic fixed capital formation	14	18	20	17	12	18	22	28	37	55	72
Current grants to personal sector	—	—	—	1	1	1	1	3	2	3	—
Capital grants to private sector	—	—	—	—	—	—	—	2	2	2	2
Total	58	66	75	79	83	96	106	124	148	183	215
Miscellaneous local government services:											
Current expenditure on goods and services	83	90	105	124	147	152	150	172	198	226	255
Gross domestic fixed capital formation	54	77	91	89	99	101	101	121	150	179	205
Net lending to private sector	—	—	1	1	1	1	1	4	2	2	2
Total	137	167	197	214	247	254	252	297	350	407	462
Total housing and environmental services	1,067	1,355	1,559	1,642	1,874	1,966	2,050	2,291	2,432	2,800	3,805
Libraries, museums and arts:											
Current expenditure on goods and services	34	38	44	50	56	60	66	76	90	107	125
Gross domestic fixed capital formation	4	5	5	5	6	7	7	8	12	15	23
Current grants to personal sector	4	4	5	7	7	6	10	11	13	13	21
Capital grants to private sector	—	—	—	—	1	1	1	1	2	2	3
Total	42	47	54	62	70	74	84	96	117	137	172
Police:											
Current expenditure on goods and services	168	181	198	228	257	281	311	365	425	470	539
Gross domestic fixed capital formation	13	16	19	21	24	25	23	25	30	27	36
Total	181	197	217	249	281	306	334	390	455	497	575
Prisons:											
Current expenditure on goods and services	22	26	26	29	34	39	45	55	64	76	87
Gross domestic fixed capital formation	6	6	5	5	5	9	11	10	12	13	23
Total	28	32	31	34	39	48	56	65	76	89	110

Analysis of public expenditure

TABLE 51 (continued)

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Parliament and law courts:											
Current expenditure on goods and services	28	34	38	43	52	58	68	82	101	121	155
Gross domestic fixed capital formation.....	—	—	—	—	—	—	—	—	1	1	9
Current grants to personal sector.....	2	2	—	1	1	—	1	1	1	6	7
Total	30	36	38	44	53	58	69	83	103	128	171
Fire service:											
Current expenditure on goods and services	39	43	47	52	58	63	70	78	90	105	113
Gross domestic fixed capital formation.....	6	6	6	6	7	8	9	10	11	13	11
Total	45	49	53	58	65	71	79	88	101	118	124
Social services:											
Education:											
Current expenditure on goods and services	882	945	1,061	1,185	1,310	1,441	1,576	1,793	2,049	2,419	2,793
Gross domestic fixed capital formation	159	180	171	185	234	263	270	295	354	430	521
Current grants to personal sector.....	176	209	248	291	321	362	396	443	505	586	678
Capital grants to private sector.....	64	81	103	105	102	115	103	108	114	123	140
Net lending to private sector.....	1	2	2	2	3	1	1	1	1	1	2
Total	1,282	1,417	1,585	1,768	1,970	2,182	2,346	2,640	3,023	3,559	4,134
National health service:											
Current expenditure on goods and services	968	1,047	1,176	1,290	1,417	1,535	1,620	1,854	2,095	2,407	2,687
Gross domestic fixed capital formation	60	76	91	102	125	143	137	151	181	224	277
Current grants to personal sector.....	3	3	4	4	5	5	5	8	9	10	20
Current grants abroad.....	1	1	1	1	1	1	2	2	2	2	3
Capital grants to private sector.....	3	3	3	4	4	4	3	3	3	2	8
Total	1,035	1,130	1,275	1,401	1,552	1,688	1,767	2,018	2,290	2,645	2,995
Personal social services:											
Current expenditure on goods and services	66	73	83	96	114	128	187	240	288	353	425
Gross domestic fixed capital formation	13	15	18	18	21	24	28	31	38	50	75
Current grants to personal sector.....	3	3	3	4	4	5	4	4	5	4	4
Capital grants to private sector.....	—	1	1	1	1	1	1	1	1	—	—
Total	82	92	105	119	140	158	220	276	332	407	504
School meals, milk and welfare foods:											
Current expenditure on goods and services	104	114	127	143	163	154	165	174	163	170	217

Analysis of public expenditure

£ million

TABLE 51 (continued)

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Social services (continued):											
Social security benefits:											
Current expenditure on goods and services	92	106	109	118	131	146	159	186	212	249	268
Current grants to personal sector ⁽¹⁾	1,884	1,981	2,284	2,442	2,748	3,171	3,388	3,712	4,070	4,840	5,222
Current grants abroad	12	12	15	17	21	23	24	25	27	30	35
Total	1,988	2,099	2,408	2,577	2,900	3,340	3,571	3,923	4,309	5,119	5,525
Total social services	4,491	4,852	5,500	6,008	6,725	7,522	8,069	9,031	10,117	11,900	13,375
Finance and tax collection:											
Current expenditure on goods and services	128	132	150	163	188	213	237	263	307	345	353
Gross domestic fixed capital formation	—	—	—	—	1	1	1	—	1	1	3
Current grants to personal sector	30	17	18	17	17	20	18	16	15	133	17
Capital grants to private sector	—	—	—	—	2	—	—	—	—	—	—
Total	158	149	168	180	208	234	256	279	323	479	373
Records, registrations and surveys:											
Current expenditure on goods and services	12	12	13	13	15	16	19	22	31	25	23
War damage and Town and Country Planning compensation:											
Capital grants to private sector	5	3	3	2	2	3	2	1	—	—	—
Other services:											
Current expenditure on goods and services	16	18	16	26	12	18	25	67	88	91	122
Gross domestic fixed capital formation:											
Central government	31	35	40	41	45	48	45	53	61	65	63
Public corporations	11	7	7	7	10	14	14	15	16	16	22
Increase in value of stocks	—	—	—	—	—3	5	9	3	2	—	13
Current grants to personal sector	4	4	3	3	5	7	12	14	12	24	35
Capital grants to private sector	—	—	2	2	1	2	1	4	1	2	2
Net lending to private sector	1	1	—	—	—	—	—	—	—	—	—
Other net lending and investment abroad	—3	—1	—2	—	—	—	—	—	—	—	—
Total	60	64	66	79	70	94	106	156	180	198	257
Total public expenditure:											
Current expenditure on goods and services	5,176	5,505	6,041	6,572	7,272	7,727	8,088	9,095	10,353	11,776	13,270
Gross domestic fixed capital formation	2,134	2,583	2,779	3,133	3,624	3,789	3,725	4,100	4,418	4,655	5,557
Increase in value of stocks	—21	29	28	66	109	46	11	107	205	107	196
Subsidies	569	516	574	572	815	910	855	900	936	1,158	1,456
Current grants to personal sector	2,128	2,250	2,596	2,825	3,189	3,679	3,937	4,336	4,784	5,847	6,455
Current grants abroad	132	163	177	180	188	179	177	172	200	202	347
Capital grants to private sector	121	148	180	187	407	654	792	745	860	727	797
Capital transfers abroad	—	—	—	—	—	—	—	—	—	—	59
Net lending to private sector	83	130	225	83	114	98	56	147	160	160	506
Net lending to overseas governments	52	65	50	64	61	60	52	83	93	76	62
Drawings from United Kingdom subscriptions to international lending bodies	7	7	16	10	18	7	20	12	17	22	58
Other net lending and investment abroad	—1	8	11	16	15	6	21	26	47	196	308
Cash expenditure on company securities, etc. (net)	..	1	10	53	5	57	12	6	79	14	6
Total public expenditure excluding debt interest	10,380	11,405	12,687	13,761	15,817	17,212	17,746	19,729	22,152	24,940	29,077
Debt interest	1,286	1,354	1,456	1,553	1,711	1,907	2,049	2,145	2,213	2,432	2,902
Total public expenditure	11,666	12,759	14,143	15,314	17,528	19,119	19,795	21,874	24,365	27,372	31,979

⁽¹⁾ For details see Tables 39 and 42.

XI. CAPITAL FORMATION

Gross domestic fixed capital formation at current and 1970 prices by sector

TABLE 52

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
At current prices											
Private sector:											
Vehicles, ships and aircraft	405	506	494	462	524	656	749	787	873	1,141	1,381
Plant and machinery	1,155	1,364	1,552	1,667	1,688	1,852	2,110	2,419	2,473	2,605	3,239
Dwellings ⁽¹⁾	530	655	678	660	707	765	711	700	922	1,275	1,682
Other new buildings and works, etc. ⁽²⁾	796	885	945	934	909	1,035	1,154	1,231	1,493	1,753	2,012
Total	2,886	3,410	3,669	3,723	3,828	4,308	4,724	5,137	5,761	6,774	8,314
Public sector:											
Vehicles, ships and aircraft	110	115	126	104	119	160	105	183	222	193	180
Plant and machinery	771	858	928	1,097	1,214	1,155	1,075	1,186	1,361	1,402	1,638
Dwellings ⁽¹⁾	380	514	558	654	748	818	838	801	798	831	998
Other new buildings and works, etc. ⁽²⁾	873	1,096	1,167	1,278	1,543	1,656	1,707	1,930	2,037	2,229	2,741
Total	2,134	2,583	2,779	3,133	3,624	3,789	3,725	4,100	4,418	4,655	5,557
<i>of which</i>											
Public authorities	1,110	1,396	1,486	1,680	1,963	2,170	2,243	2,427	2,561	2,879	3,528
Public corporations	1,024	1,187	1,293	1,453	1,661	1,619	1,482	1,673	1,857	1,776	2,029
Total	5,020	5,993	6,448	6,856	7,452	8,097	8,449	9,237	10,179	11,429	13,871
At 1970 prices											
Private sector:											
Vehicles, ships and aircraft	495	639	598	550	611	745	797	787	803	979	1,081
Plant and machinery	1,455	1,682	1,831	1,902	1,930	2,059	2,276	2,419	2,264	2,255	2,605
Dwellings ⁽¹⁾	696	836	841	789	829	871	769	700	829	981	1,056
Other new buildings and works, etc. ⁽²⁾	956	1,032	1,081	1,058	1,019	1,119	1,217	1,231	1,372	1,426	1,345
Total	3,602	4,189	4,351	4,299	4,389	4,794	5,059	5,137	5,268	5,641	6,087
Public sector:											
Vehicles, ships and aircraft	147	128	153	122	140	180	112	183	200	162	141
Plant and machinery	1,037	1,122	1,170	1,318	1,444	1,319	1,177	1,186	1,231	1,178	1,260
Dwellings ⁽¹⁾	479	630	663	750	848	894	900	801	730	698	683
Other new buildings and works, etc. ⁽²⁾	1,206	1,460	1,490	1,532	1,784	1,833	1,821	1,930	1,890	1,864	1,833
Total	2,869	3,340	3,476	3,722	4,216	4,226	4,010	4,100	4,051	3,902	3,917
<i>of which</i>											
Public authorities	1,500	1,816	1,864	2,000	2,267	2,397	2,397	2,427	2,370	2,402	2,389
Public corporations	1,369	1,524	1,612	1,722	1,949	1,829	1,613	1,673	1,681	1,500	1,528
Total	6,471	7,529	7,827	8,021	8,605	9,020	9,069	9,237	9,319	9,543	10,004

(1) Excluding existing dwellings and land.

(2) Including purchases less sales of land and existing buildings.

Gross domestic fixed capital formation by sector and type of asset

£ million

TABLE 53

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Vehicles, ships and aircraft											
Personal sector	93	103	103	92	91	100	102	105	128	146	161
Companies	312	403	391	370	433	556	647	682	745	995	1,220
Public corporations	90	94	104	79	91	127	73	145	175	139	129
Central government:							1	—	1	1	1
Trading	—	—	—	—	—	—	1	2	2	2	3
Non-trading	2	3	3	2	2	2	—	—	—	—	—
Local authorities:											
Trading	9	9	8	9	10	12	10	9	9	11	12
Non-trading	9	9	11	14	16	19	20	27	35	40	35
Total	515	621	620	566	643	816	854	970	1,095	1,334	1,561
Plant and machinery											
Personal sector	163	173	181	185	193	221	223	233	249	299	352
Companies	992	1,191	1,371	1,482	1,495	1,631	1,887	2,186	2,224	2,306	2,887
Public corporations	680	769	839	991	1,092	1,016	927	1,019	1,157	1,175	1,393
Central government:											
Trading	9	3	6	7	14	19	15	20	16	27	20
Non-trading	43	38	38	47	46	53	56	58	77	74	92
Local authorities:											
Trading	8	10	9	9	12	12	12	10	16	14	13
Non-trading	31	38	36	43	50	55	65	79	95	112	120
Total	1,926	2,222	2,480	2,764	2,902	3,007	3,185	3,605	3,834	4,007	4,877
Dwellings⁽¹⁾											
Personal sector	507	628	653	637	682	742	684	670	882	1,217	1,614
Companies	23	27	25	23	25	23	27	30	40	58	68
Public corporations	31	43	46	52	64	70	81	87	85	95	112
Central government:											
Non-trading	11	21	20	23	20	24	15	14	17	20	32
Local authorities:											
Trading	333	446	488	575	658	719	735	693	686	708	847
Non-trading	5	4	4	4	6	5	7	7	10	8	7
Total	910	1,169	1,236	1,314	1,455	1,583	1,549	1,501	1,720	2,106	2,680
Other new buildings and works											
Personal sector	176	203	215	211	218	238	249	271	309	355	407
Companies	551	639	695	690	674	739	849	903	984	1,045	1,307
Public corporations	220	271	305	342	422	412	402	406	453	441	462
Central government	161	214	231	250	294	329	377	464	467	500	595
Local authorities	393	464	478	528	632	738	743	843	994	1,188	1,417
Total	1,501	1,791	1,924	2,021	2,240	2,456	2,620	2,887	3,207	3,529	4,188
Purchases less sales of land and existing buildings											
Personal sector	-72	-179	-163	-128	-67	-64	-111	-118	154	333	-108
Companies:											
Financial companies ⁽²⁾	67	74	108	143	159	209	296	267	226	209	486
Property companies	76	120	25	10	-68	-64	-90	-81	-123	-86	-80
Other	-2	28	65	8	-7	-23	-39	-11	-57	-103	-67
Public corporations	3	10	-1	-11	-8	-6	-1	16	-13	-74	-30
Central government	1	5	3	6	19	31	21	18	21	19	30
Local authorities	95	132	151	163	184	152	165	183	115	155	304
Total	168	190	188	191	212	235	241	274	323	453	565

⁽¹⁾ Excluding existing dwellings and land.⁽²⁾ Including expenditure by life assurance and superannuation funds.

Gross domestic fixed capital formation by sector and type of asset

TABLE 53 (continued)

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
All fixed assets											
Personal sector	867	928	989	997	1,117	1,237	1,147	1,161	1,722	2,350	2,426
Companies	2,019	2,482	2,680	2,726	2,711	3,071	3,577	3,976	4,039	4,424	5,888
Public corporations	1,024	1,187	1,293	1,453	1,661	1,619	1,482	1,673	1,857	1,776	2,029
Central government:											
Trading	23	25	25	31	38	42	39	47	48	50	47
Non-trading	204	259	276	304	357	416	447	529	553	593	726
Local authorities:											
Trading	448	594	655	786	877	917	938	904	842	896	1,148
Non-trading	435	518	530	559	691	795	819	947	1,118	1,340	1,607
Total	5,020	5,993	6,448	6,856	7,452	8,097	8,449	9,237	10,179	11,429	13,871

Gross domestic fixed capital formation at current prices by type of asset

TABLE 54

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Buses and coaches	29	29	29	29	28	32	30	38	49	51	60
Other road vehicles	318	380	398	409	419	458	506	537	578	681	803
Railway rolling stock	48	41	48	34	25	30	17	21	16	29	36
Ships	92	130	105	76	135	210	258	276	337	480	595
Aircraft	28	41	40	18	36	86	43	98	115	93	67
Plant and machinery	1,926	2,222	2,480	2,764	2,902	3,007	3,185	3,605	3,834	4,007	4,877
Dwellings	910	1,169	1,236	1,314	1,455	1,583	1,549	1,501	1,720	2,106	2,680
Other new buildings and works	1,501	1,791	1,924	2,021	2,240	2,456	2,620	2,887	3,207	3,529	4,188
Transfer costs of land and buildings	168	190	188	191	212	235	241	274	323	453	565
Total⁽¹⁾	5,020	5,993	6,448	6,856	7,452	8,097	8,449	9,237	10,179	11,429	13,871

(1) Expenditure on repairs and maintenance to buildings and works, including conversions and improvements to dwellings, carried out by contractors and labour directly employed by the public sector in Great Britain (most of which is not included in gross domestic fixed capital formation) is estimated as follows (£ million):

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
	986	1,067	1,152	1,235	1,285	1,382	1,440	1,558	1,719	2,027	2,746

Gross domestic fixed capital formation at 1970 prices by type of asset

TABLE 55

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Buses and coaches	35	34	34	34	33	35	31	38	44	43	47
Other road vehicles	385	458	472	480	482	510	537	537	522	579	634
Railway rolling stock, ships and aircraft	222	275	245	158	236	380	341	395	437	519	541
Plant and machinery	2,492	2,804	3,001	3,220	3,374	3,378	3,453	3,605	3,495	3,433	3,865
Dwellings	1,175	1,466	1,504	1,539	1,677	1,765	1,669	1,501	1,559	1,679	1,739
Other new buildings and works	1,925	2,230	2,328	2,359	2,556	2,686	2,783	2,887	2,979	2,974	2,885
Transfer costs of land and buildings	237	262	243	231	247	266	255	274	283	316	293
Total	6,471	7,529	7,827	8,021	8,605	9,020	9,069	9,237	9,319	9,543	10,004

CAPITAL FORMATION

Gross domestic fixed capital formation at current prices by industry group

£ million

TABLE 56

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Agriculture, forestry and fishing	183	190	194	193	207	244	240	262	303	372	475
Mining and quarrying	90	102	106	122	140	126	121	130	166	211	401
Manufacturing	1,068	1,232	1,423	1,517	1,485	1,593 ⁽¹⁾	1,868 ⁽¹⁾	2,130	2,191	2,123	2,510
Construction	99	130	145	131	151	161 ⁽¹⁾	159 ⁽¹⁾	164	153	176	207
Gas, electricity and water	647	757	823	979	1,055	901	797	783	789	722	769
Transport and communication	495	598	638	645	768	968	999	1,182	1,329	1,524	1,834
Distributive trades	313	363	355	329	344	406	429	475	534	653	768
Other service industries	427	508	539	564	605	687 ⁽¹⁾	797 ⁽¹⁾	889	1,034	1,174	1,395
Dwellings	910	1,169	1,236	1,314	1,455	1,583	1,549	1,501	1,720	2,106	2,680
Social services	313	373	392	427	501	578	568	616	720	834	1,004
Other public services	307	381	409	444	529	615	681	831	917	1,081	1,263
Transfer costs of land and buildings	168	190	188	191	212	235	241	274	323	453	565
Total	5,020	5,993	6,448	6,856	7,452	8,097	8,449	9,237	10,179	11,429	13,871

⁽¹⁾ Including an adjustment for the effect of a change in the rate of investment grants, see notes on page 114.

Gross domestic fixed capital formation at 1970 prices by industry group

TABLE 57

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Agriculture, forestry and fishing	232	237	235	227	238	273	259	262	278	311	348
Mining and quarrying	112	126	128	144	164	140	130	130	149	172	305
Manufacturing	1,391	1,569	1,732	1,780	1,735	1,795 ⁽¹⁾	2,027 ⁽¹⁾	2,130	1,996	1,802	1,920
Construction	124	161	174	154	174	179 ⁽¹⁾	170 ⁽¹⁾	164	139	149	161
Gas, electricity and water	863	983	1,031	1,166	1,238	1,022	869	783	717	609	577
Transport and communication	645	754	780	764	900	1,088	1,073	1,182	1,218	1,294	1,387
Distributive trades	386	441	421	380	393	447	455	475	495	571	618
Other service industries	530	611	631	639	678	743 ⁽¹⁾	838 ⁽¹⁾	889	965	1,019	1,057
Dwellings	1,175	1,466	1,504	1,539	1,677	1,765	1,669	1,501	1,559	1,679	1,739
Social services	390	455	465	489	569	631	603	616	669	709	719
Other public services	386	464	483	508	592	671	721	831	851	912	880
Transfer costs of land and buildings	237	262	243	231	247	266	255	274	283	316	293
Total	6,471	7,529	7,827	8,021	8,605	9,020	9,069	9,237	9,319	9,543	10,004

⁽¹⁾ Including an adjustment for the effect of a change in the rate of investment grants, see notes on page 114.

Gross domestic fixed capital formation by industry and type of asset

£ million

TABLE 58

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Vehicles, ships and aircraft											
Agriculture	19	20	19	19	20	20	19	18	35	40	45
Forestry	1	—	—	—	—	1	1	—	1	1	1
Fishing	4	4	7	6	5	9	8	7	12	15	23
Coal mining	1	—	—	—	1	—	—	—	—	—	—
Other mining and quarrying	3	3	3	4	5	4	5	4	3	3	6
Manufacturing:											
Food, drink and tobacco	17	19	20	22	24	24	26	24	27	31	35
Coal and petroleum products.....	1	1	1	1	1	1	1	1	1	1	1
Chemicals and allied industries	5	7	9	8	8	9	9	9	11	11	14
Iron and steel	2	3	2	2	2	3	3	5	4	5	6
Other metal manufacture	1	1	1	2	1	2	2	2	2	2	2
Mechanical engineering	6	7	8	9	10	11	14	15	14	14	} 26
Instrument engineering	1	1	1	1	1	1	3	1	2	2	
Electrical engineering	3	4	5	4	4	5	6	6	7	7	
Shipbuilding and marine engineering	—	—	—	1	—	—	1	1	1	1	
Motor vehicles	2	2	3	2	2	3	3	4	3	4	} 7
Aerospace equipment	—	1	1	1	1	1	1	1	1	1	
Other vehicles	—	—	—	—	—	—	—	—	—	—	
Metal goods not elsewhere specified	4	5	5	5	6	6	7	9	9	10	11
Textiles	3	4	4	4	4	5	6	6	6	7	} 14
Leather, leather goods, fur, clothing and footwear	3	3	3	3	2	3	3	4	5	4	
Paper, printing and publishing	5	6	6	6	6	7	7	9	9	11	11
Bricks, pottery, glass, cement, etc.	7	8	8	7	6	7	8	6	9	10	} 35
Rubber	1	1	1	1	1	1	1	1	2	2	
Timber, furniture, etc.	4	7	6	3	6	7	5	7	9	13	
Other manufacturing	2	1	2	2	2	2	3	3	4	4	
Total manufacturing	67	81	86	84	87	98	109	115	126	140	162
Construction	34	40	38	39	41	45	52	48	48	59	72
Gas	1	—	1	1	2	1	3	3	3	4	3
Electricity	2	2	2	4	3	3	4	5	6	5	5
Water	1	—	1	1	1	2	1	2	2	2	2
Railways	47	39	46	36	26	28	15	21	13	10 ⁽²⁾	12
Road passenger transport	34	34	36	35	35	41	40	53	60	65	74
Road haulage and storage	50	65	73	89	77	91	109	111	93	106	128
Shipping	82	121	96	66	126	199	249	267	324	463	570
Harbours, docks and canals	4	4	3	4	4	3	2	2	2	3	2
Air transport	28	41	40	18	36	86	43	98	115	93	67
Postal, telephone and radio communications	3	5	6	6	9	6	3	7	10	6	12
Wholesale distribution ⁽¹⁾	38	49	47	44	51	49	48	52	64	85	100
Retail distribution	41	46	46	40	41	45	46	50	54	69	84
Insurance, banking, finance and business services ⁽¹⁾	4	6	9	8	11	16	24	26	28	58 ⁽²⁾	80
Miscellaneous service industries.....	33	42	41	39	37	42	44	45	51	56	65
Dwellings	—	—	—	—	—	—	—	—	—	—	—
Universities, colleges, etc.	—	—	—	—	—	—	—	—	—	—	—
Other education	—	—	—	1	1	1	1	1	1	2	2
Health services	9	8	9	9	9	9	10	11	12	13	15
Personal social services	—	—	—	—	—	—	—	1	1	1	1
Roads, etc.	2	2	2	2	2	3	3	5	5	7	6
Sewerage, and land drainage	1	1	1	1	1	1	1	1	2	2	1
Miscellaneous public services.....	6	8	8	10	12	13	14	17	24	26	23
Total	515	621	620	566	643	816	854	970	1,095	1,334	1,561

(1) For the classification of leasing of industrial and office machinery, see notes on page 115.

(2) See note on page 115.

CAPITAL FORMATION

Gross domestic fixed capital formation by industry and type of asset

£ million

TABLE 58 (continued)

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Plant and machinery											
Agriculture	92	98	98	100	103	118	110	115	117	152	191
Forestry	—	1	1	—	1	—	—	1	1	1	1
Fishing	1	—	—	—	—	—	—	—	—	—	—
Coal mining	51	61	56	60	62	46	38	48	52	54	54
Other mining and quarrying	11	14	26	40	52	60	58	65	90	138	323
Manufacturing:											
Food, drink and tobacco	85	94	101	101	120	136	134	166	180	192	240
Coal and petroleum products	26	31	32	56	95	101	88	77	115	108	77
Chemicals and allied industries	100	130	178	217	180	187	223	322	313	257	223
Iron and steel	98	81	76	72	88	82	87	116	200	213	207
Other metal manufacture	16	16	22	29	26	22	33	86	62	41	37
Mechanical engineering	59	73	80	86	85	94	91	116	110	111	358
Instrument engineering	6	8	8	12	12	14	15	18	19	21	
Electrical engineering	45	56	65	66	65	77	82	83	89	103	
Shipbuilding and marine engineering	7	6	4	4	2	7	6	9	10	10	
Motor vehicles	88	90	102	110	117	101	120	163	118	73	126
Aerospace equipment	9	11	10	17	24	25	30	27	14	18	
Other vehicles	2	3	5	5	3	3	3	3	3	3	
Metal goods not elsewhere specified	35	41	49	53	51	58	61	69	69	70	103
Textiles	58	75	93	93	74	106	118	119	107	91	162
Leather, leather goods, fur, clothing and footwear	8	12	13	12	11	14	15	15	16	20	
Paper, printing and publishing	57	68	78	74	74	77	81	94	90	89	105
Bricks, pottery, glass, cement, etc.	33	36	52	58	47	60	67	64	70	79	242
Rubber	13	20	21	23	24	31	43	29	36	36	
Timber, furniture, etc.	7	8	8	7	8	15	11	14	20	31	
Other manufacturing	13	17	25	28	21	28	38	34	39	43	
Total manufacturing	765	876	1,022	1,123	1,127	1,192⁽¹⁾	1,392⁽¹⁾	1,624	1,680	1,609	1,880
Construction	54	76	87	72	91	94⁽¹⁾	89⁽¹⁾	99	92	105	124
Gas	46	40	53	104	149	86	58	58	51	51	35
Electricity	428	496	525	594	568	500	421	411	417	392	455
Water	5	6	6	5	6	7	7	8	11	11	11
Railways	5	9	10	10	12	14	8	9	9	8	11
Road passenger transport	1	2	1	2	2	2	2	2	4	3	4
Road haulage and storage	4	6	7	9	7	8	11	11	10	13	18
Shipping	—	—	—	—	—	4	5	8	10	23	9
Harbours, docks and canals	5	5	5	6	9	8	7	6	7	8	6
Air transport	5	5	8	8	11	13	15	17	16	12	11
Postal, telephone and radio communications	131	147	175	204	252	291	316	382	435	462	651
Wholesale distribution ⁽²⁾	42	45	50	42	53	60	58	74	78	86	96
Retail distribution	90	101	96	90	84	125	144	155	185	229	262
Insurance, banking, finance and business services ⁽²⁾	32	49	58	73	82	122 ⁽¹⁾	143 ⁽¹⁾	192	180	218	254
Miscellaneous service industries	81	98	102	105	102	108	145	139	169	176	199
Dwellings	—	—	—	—	—	—	—	—	—	—	—
Universities, colleges, etc.	16	23	29	39	42	52	52	58	59	65	72
Other education	25	30	28	30	37	42	47	56	69	77	89
Health services	19	11	11	14	16	14	17	16	23	28	36
Personal social services	1	1	1	1	1	2	2	2	3	4	4
Roads, etc.	2	3	3	4	3	4	4	4	5	8	9
Sewerage and land drainage	3	3	3	3	4	5	6	7	9	12	10
Miscellaneous public services	11	16	19	26	26	30	30	38	52	62	62
Total	1,926	2,222	2,480	2,764	2,902	3,007	3,185	3,605	3,834	4,007	4,877

(1) Including an adjustment for the effect of a change in the rate of investment grants; see notes on page 114. Figures for individual industries within manufacturing have not been adjusted and their sum differs from the total for manufacturing.

(2) For the classification of leasing of industrial and office machinery, see notes on page 115.

TABLE 58 (continued)

Gross domestic fixed capital formation by industry and type of asset

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
New buildings and works											
Agriculture	63	65	67	65	75	93	99	117	133	159	209
Forestry	2	2	2	3	3	3	3	3	3	4	4
Fishing	1	—	—	—	—	—	—	1	1	—	1
Coal mining	23	22	18	16	16	12	10	7	9	6	7
Other mining and quarrying	1	2	3	2	4	4	10	6	12	10	11
Manufacturing:											
Food, drink and tobacco	46	57	57	52	59	60	61	56	65	92	101
Coal and petroleum products.....	4	4	5	8	7	9	3	5	15	10	9
Chemicals and allied industries	23	25	30	29	27	27	36	51	43	40	44
Iron and steel	22	18	17	18	12	13	16	34	50	42	36
Other metal manufacture	5	5	6	7	5	7	14	14	9	5	6
Mechanical engineering	18	26	31	30	29	31	31	37	33	26	78
Instrument engineering	3	4	3	7	6	4	4	4	3	3	
Electrical engineering	14	16	18	16	16	21	21	29	22	16	
Shipbuilding and marine engineering	4	7	4	3	2	7	8	8	9	7	
Motor vehicles.....	26	18	23	25	16	13	28	27	19	15	28
Aerospace equipment.....	4	4	4	3	4	7	8	6	4	3	
Other vehicles	2	2	5	5	2	1	1	1	1	1	
Metal goods not elsewhere specified	12	12	18	16	14	17	17	17	17	17	27
Textiles	10	17	22	20	17	22	26	22	19	18	48
Leather, leather goods, fur, clothing and footwear	3	7	6	6	5	5	7	5	5	6	
Paper, printing and publishing	17	19	23	18	15	17	26	31	23	21	29
Bricks, pottery, glass, cement, etc.	11	16	25	26	16	20	23	19	16	18	62
Rubber	2	4	4	6	6	6	12	6	12	10	
Timber, furniture, etc.	6	9	8	7	7	8	11	11	11	14	
Other manufacturing	4	5	6	8	6	8	14	8	9	10	
Total manufacturing	236	275	315	310	271	303	367	391	385	374	468
Construction	11	14	20	20	19	22	18	17	13	12	11
Gas	35	47	49	82	133	137	154	131	113	68	78
Electricity	80	109	127	122	124	94	70	71	82	86	64
Water	49	57	59	66	69	71	79	94	104	103	116
Railways	44	60	64	63	57	57	53	58	70	88	104
Road passenger transport.....	5	5	4	3	5	5	3	4	5	7	9
Road haulage and storage.....	8	9	9	10	10	10	16	16	25	21	15
Shipping	2	2	4	4	3	3	4	5	2	2	2
Harbours, docks and canals.....	12	13	19	36	43	37	39	35	30	36	35
Air transport	12	13	17	17	18	26	23	24	21	22	26
Postal, telephone and radio communications	13	13	15	19	26	36	36	46	68	73	68
Wholesale distribution ⁽¹⁾	32	39	39	40	42	40	44	50	60	65	77
Retail distribution	70	83	77	73	73	87	89	94	93	119	149
Insurance, banking, finance and business services ⁽¹⁾	157	167	191	200	232	241	270	305	368	384	536
Miscellaneous service industries	120	146	138	139	141	158	171	182	238	282	261
Dwellings	910	1,169	1,236	1,314	1,455	1,583	1,549	1,501	1,720	2,106	2,680
Universities, colleges, etc.....	33	43	58	58	52	51	44	43	41	41	50
Other education	152	170	161	172	216	258	252	269	323	370	442
Health services	46	73	79	87	109	128	119	134	156	191	233
Personal social services.....	12	14	16	16	18	21	24	25	32	42	60
Roads, etc. ⁽²⁾	141	185	191	203	258	301	364	460	451	478	552
Sewerage and land drainage.....	66	75	72	82	101	126	127	145	173	226	290
Miscellaneous public services	75	88	110	113	122	132	132	154	196	260	310
Total expenditure on new buildings and works	2,411	2,960	3,160	3,335	3,695	4,039	4,169	4,388	4,927	5,635	6,868
Transfer costs of land and buildings	168	190	188	191	212	235	241	274	323	453	565
Total	2,579	3,150	3,348	3,526	3,907	4,274	4,410	4,662	5,250	6,088	7,433

(1) For the classification of leasing of industrial and office machinery, see notes on page 115.

(2) Including public lighting and local authority car parks.

CAPITAL FORMATION

TABLE 58 (continued)

Gross domestic fixed capital formation by industry and type of asset

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
All fixed assets											
Agriculture	174	183	184	184	198	231	228	250	285	351	445
Forestry	3	3	3	3	4	4	4	4	5	6	6
Fishing	6	4	7	6	5	9	8	8	13	15	24
Coal mining	75	83	74	76	79	58	48	55	61	60	61
Other mining and quarrying	15	19	32	46	61	68	73	75	105	151	340
Manufacturing:											
Food, drink and tobacco	148	170	178	175	203	220	221	246	272	315	376
Coal and petroleum products	31	36	38	65	103	111	92	83	131	119	87
Chemicals and allied industries	128	162	217	254	215	223	268	382	367	308	281
Iron and steel	122	102	95	92	102	98	106	155	254	260	249
Other metal manufacture	22	22	29	38	32	31	49	102	73	48	45
Mechanical engineering	83	106	119	125	124	136	136	168	157	151	462
Instrument engineering	10	13	12	20	19	19	22	23	24	26	
Electrical engineering	62	76	88	86	85	103	109	118	118	126	
Shipbuilding and marine engineering	11	13	8	8	4	14	15	18	20	18	
Motor vehicles	116	110	128	137	135	117	151	194	140	92	161
Aerospace equipment	13	16	15	21	29	33	39	34	19	22	
Other vehicles	4	5	10	10	5	4	4	5	4	4	
Metal goods not elsewhere specified	51	58	72	74	71	81	85	95	95	97	141
Textiles	71	96	119	117	95	133	150	147	132	116	224
Leather, leather goods, fur, clothing and footwear	14	22	22	21	18	22	25	24	26	30	
Paper, printing and publishing	79	93	107	98	95	101	114	134	122	121	145
Bricks, pottery, glass, cement, etc.	51	60	85	91	69	87	98	89	95	107	339
Rubber	16	25	26	30	31	38	56	36	50	48	
Timber, furniture, etc.	17	24	22	17	21	30	27	32	40	58	
Other manufacturing	19	23	33	38	29	38	55	45	52	57	
Total manufacturing	1,068	1,232	1,423	1,517	1,485	1,593⁽¹⁾	1,868⁽¹⁾	2,130	2,191	2,123	2,510
Construction	99	130	145	131	151	161 ⁽¹⁾	159 ⁽¹⁾	164	153	176	207
Gas	82	87	103	187	284	224	215	192	167	123	116
Electricity	510	607	654	720	695	597	495	487	505	483	524
Water	55	63	66	72	76	80	87	104	117	116	129
Railways	96	108	120	109	95	99	76	88	92	106 ⁽⁴⁾	127
Road passenger transport	40	41	41	40	42	48	45	59	69	75	87
Road haulage and storage	62	80	89	108	94	109	136	138	128	140	161
Shipping	84	123	100	70	129	206	258	280	336	488	581
Harbours, docks and canals	21	22	27	46	56	48	48	43	39	47	43
Air transport	45	59	65	43	65	125	81	139	152	127	104
Postal, telephone and radio communications	147	165	196	229	287	333	355	435	513	541	731
Wholesale distribution ⁽²⁾	112	133	136	126	146	149	150	176	202	236	273
Retail distribution	201	230	219	203	198	257	279	299	332	417	495
Insurance, banking, finance, and business services ⁽²⁾	193	222	258	281	325	379 ⁽¹⁾	437 ⁽¹⁾	523	576	660 ⁽⁴⁾	870
Miscellaneous service industries	234	286	281	283	280	308	360	366	458	514	525
Dwellings	910	1,169	1,236	1,314	1,455	1,583	1,549	1,501	1,720	2,106	2,680
Universities, colleges, etc.	49	66	87	97	94	103	96	101	100	106	122
Other education	177	200	189	203	254	301	300	326	393	449	533
Health services	74	92	99	110	134	151	146	161	191	232	284
Personal social services	13	15	17	17	19	23	26	28	36	47	65
Roads, etc. ⁽³⁾	145	190	196	209	263	308	371	469	461	493	567
Sewerage and land drainage	70	79	76	86	106	132	134	153	184	240	301
Miscellaneous public services	92	112	137	149	160	175	176	209	272	348	395
Total expenditure on equipment and new buildings	4,852	5,803	6,260	6,665	7,240	7,862	8,208	8,963	9,856	10,976	13,306
Transfer costs of land and buildings	168	190	188	191	212	235	241	274	323	453	565
Total	5,020	5,993	6,448	6,856	7,452	8,097	8,449	9,237	10,179	11,429	13,871

(1) Including an adjustment for the effect of a change in the rate of investment grants; see notes on page 114. Figures for individual industries within manufacturing have not been adjusted and their sum differs from the total for manufacturing.

(2) For the classification of leasing of industrial and office machinery, see notes on page 115.

(3) Including public lighting and local authority car parks.

(4) See note on page 115.

Capital consumption by sector

TABLE 59

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Dwellings											
Personal sector	215	227	239	254	264	278	293	318	356	421	535
Companies	8	8	8	9	10	10	11	12	13	15	19
Public corporations	5	6	7	7	8	9	10	12	14	17	22
Central government	3	3	3	3	3	4	4	4	5	6	7
Local authorities	95	103	111	121	130	141	153	169	192	227	288
Total	326	347	368	394	415	442	471	515	580	686	871
Other fixed assets⁽¹⁾											
Personal sector	355	385	402	422	455	496	526	588	678	836	1,008
Companies	997	1,076	1,178	1,283	1,335	1,432	1,585	1,807	2,069	2,338	2,713
Public corporations	595	647	702	773	850	955	1,030	1,214	1,396	1,560	1,776
Central government:											
Trading	26	26	27	26	25	27	29	31	34	38	45
Non-trading	43	47	50	54	59	64	70	79	91	104	129
Local authorities:											
Trading	51	54	57	61	64	70	75	77	86	99	118
Non-trading	111	120	130	141	152	167	183	207	239	280	352
Total	2,178	2,355	2,546	2,760	2,940	3,211	3,498	4,003	4,593	5,255	6,141
All fixed assets											
Personal sector	570	612	641	676	719	774	819	906	1,034	1,257	1,543
Companies	1,005	1,084	1,186	1,292	1,345	1,442	1,596	1,819	2,082	2,353	2,732
Public corporations	600	653	709	780	858	964	1,040	1,226	1,410	1,577	1,798
Central government	72	76	80	83	87	95	103	114	130	148	181
Local authorities	257	277	298	323	346	378	411	453	517	606	758
Total	2,504	2,702	2,914	3,154	3,355	3,653	3,969	4,518	5,173	5,941	7,012

(¹) Including transfer costs of land and buildings, wholly written off in the year incurred.

Capital consumption by type of asset

TABLE 60

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
At current prices											
Vehicles, ships and aircraft	445	474	507	539	561	611	680	753	863	978	1,112
Plant and machinery	1,069	1,157	1,279	1,412	1,509	1,656	1,810	2,119	2,444	2,725	3,075
Dwellings	326	347	368	394	415	442	471	515	580	686	871
Other buildings and works	496	534	572	618	658	709	767	857	963	1,099	1,389
Transfer costs of land and buildings	168	190	188	191	212	235	241	274	323	453	565
Total	2,504	2,702	2,914	3,154	3,355	3,653	3,969	4,518	5,173	5,941	7,012
At 1970 prices											
Vehicles, ships and aircraft	567	598	624	645	665	692	726	753	780	819	856
Plant and machinery	1,400	1,483	1,568	1,666	1,772	1,868	1,965	2,119	2,218	2,312	2,430
Dwellings	414	427	440	454	469	486	501	515	530	547	565
Other buildings and works	645	671	699	729	760	793	826	857	889	924	952
Transfer costs of land and buildings	237	262	243	231	247	266	255	274	283	316	293
Total	3,263	3,441	3,574	3,725	3,913	4,105	4,273	4,518	4,700	4,918	5,096

Net domestic fixed capital formation by industry group

£ million

TABLE 64

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
At current prices											
Agriculture, forestry and fishing	51	52	47	37	44	70	56	61	77	116	175
Mining and quarrying	7	17	17	27	38	16	4	—	17	36	179
Manufacturing	432	554	682	715	645	684	881	1,011	915	717	918
Construction	53	78	85	65	78	78	66	60	34	43	58
Gas, electricity and water	357	435	465	572	611	418	276	189	112	—22	—70
Transport and communication	89	166	178	154	257	408	374	427	457	522	665
Distributive trades and other service industries	488	592	586	555	586	692	779	857	984	1,166	1,389
Dwellings	584	822	868	920	1,040	1,141	1,078	986	1,140	1,420	1,809
Social and other public services	455	575	606	657	798	937	966	1,128	1,270	1,490	1,736
Total	2,516	3,291	3,534	3,702	4,097	4,444	4,480	4,719	5,006	5,488	6,859
At 1970 prices											
Agriculture, forestry and fishing	64	63	56	43	50	79	60	61	73	99	128
Mining and quarrying	9	21	21	33	47	17	4	—	15	29	139
Manufacturing	560	700	826	835	749	768	955	1,011	835	608	688
Construction	64	96	102	76	89	87	71	60	31	37	45
Gas, electricity and water	472	560	577	675	708	469	296	189	106	—16	—55
Transport and communication	107	199	208	173	292	453	402	427	427	463	517
Distributive trades and other service industries	604	713	686	629	654	745	817	857	922	1,014	1,058
Dwellings	761	1,039	1,064	1,085	1,208	1,279	1,168	986	1,029	1,132	1,174
Social and other public services	567	697	713	747	895	1,018	1,023	1,128	1,181	1,259	1,214
Total	3,208	4,088	4,253	4,296	4,692	4,915	4,796	4,719	4,619	4,625	4,908

Net capital stock at current replacement cost by sector and type of asset⁽¹⁾

TABLE 65

£ thousand million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Vehicles, ships and aircraft											
Personal sector.....	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.5	0.5	0.6
Companies ⁽²⁾	2.5	2.6	2.8	2.9	3.0 ⁽²⁾	3.4	3.9	4.4	5.0	5.8	7.0
Public corporations ⁽²⁾	1.2	1.3	1.3	1.3	1.3 ⁽²⁾	1.4	1.5	1.7	1.9	2.1	2.3
Central government.....	—	—	—	—	—	—	—	—	—	—	—
Local authorities.....	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2
Total.....	4.1	4.3	4.5	4.6	4.8	5.3	5.9	6.6	7.5	8.6	10.1
Plant and machinery											
Personal sector.....	1.0	1.1	1.2	1.4	1.4	1.5	1.7	2.0	2.2	2.4	2.8
Companies ⁽²⁾	10.6	11.6	12.9	13.8	14.0 ⁽²⁾	15.4	17.4	20.1	22.7	25.1	28.3
Public corporations ⁽²⁾	5.3	5.9	6.6	7.3	9.0 ⁽²⁾	9.9	10.7	12.1	13.6	14.8	16.5
Central government.....	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.6	0.6	0.8	0.9
Local authorities.....	0.3	0.3	0.3	0.4	0.4	0.5	0.6	0.7	0.8	0.9	1.0
Total.....	17.6	19.3	21.4	23.3	25.3	27.8	30.9	35.5	39.9	44.0	49.5
Dwellings											
Personal sector.....	12.2	12.9	13.8	14.5	15.3	16.3	17.5	19.2	22.1	27.3	34.3
Companies.....	0.4	0.5	0.5	0.5	0.6	0.6	0.6	0.7	0.8	1.0	1.2
Public corporations.....	0.5	0.5	0.6	0.7	0.7	0.8	0.9	1.1	1.3	1.6	2.1
Central government.....	0.2	0.2	0.2	0.3	0.3	0.3	0.4	0.4	0.5	0.5	0.7
Local authorities.....	7.8	8.5	9.2	9.9	10.7	11.6	12.7	14.3	16.6	20.3	25.2
Total.....	21.1	22.6	24.3	25.9	27.6	29.6	32.1	35.7	41.3	50.7	63.5
Other buildings and works											
Personal sector.....	2.0	2.2	2.4	2.6	2.8	3.1	3.5	4.0	4.6	5.7	7.1
Companies ⁽²⁾	8.5	9.2	10.0	10.8	11.2 ⁽²⁾	12.1	13.3	15.1	17.1	20.7	25.7
Public corporations ⁽²⁾	3.8	4.1	4.4	4.8	5.6 ⁽²⁾	6.0	6.6	7.3	8.1	9.7	11.8
Central government.....	2.3	2.5	2.8	2.9	3.2	3.6	4.2	4.8	5.7	7.0	8.8
Local authorities.....	5.9	6.4	6.9	7.5	8.1	9.0	10.1	11.5	13.3	16.4	20.8
Total.....	22.5	24.4	26.5	28.6	30.9	33.8	37.7	42.7	48.8	59.5	74.2
All fixed assets											
Personal sector.....	15.5	16.5	17.7	18.8	19.9	21.3	23.1	25.6	29.4	35.9	44.8
Companies ⁽²⁾	22.0	23.9	26.2	28.0	28.8 ⁽²⁾	31.5	35.2	40.3	45.6	52.6	62.2
Public corporations ⁽²⁾	10.8	11.8	12.9	14.1	16.6 ⁽²⁾	18.1	19.7	22.2	24.9	28.2	32.7
Central government.....	2.9	3.1	3.4	3.6	4.0	4.4	5.1	5.8	6.8	8.3	10.4
Local authorities.....	14.1	15.3	16.5	17.9	19.3	21.2	23.5	26.6	30.8	37.8	47.2
Total.....	65.3	70.6	76.7	82.4	88.6	96.5	106.6	120.5	137.5	162.8	197.3

(1) For an account of the principles of valuation, see *National Accounts Statistics: Sources and Methods*, pages 383–7. Figures relate to end of year.

(2) From July 1967 public corporations include the nationalised steel undertakings, previously included in the company sector.

Gross capital stock at 1970 replacement cost by industry and type of asset⁽¹⁾

£ thousand million

TABLE 66

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
By industry											
Agriculture	2.6	2.7	2.8	2.9	3.0	3.1	3.2	3.3	3.4	3.6	3.7
Mining and quarrying	2.1	2.1	2.1	2.1	2.2	2.3	2.3	2.3	2.3	2.4	2.6
Manufacturing:											
Food, drink and tobacco	3.3	3.4	3.6	3.8	4.0	4.2	4.4	4.6	4.8	5.0	5.2
Coal, petroleum products, chemicals and allied industries	5.1	5.3	5.6	5.9	6.3	6.6	7.0	7.4	7.8	8.1	8.4
Iron and steel	3.6	3.7	3.8	3.9	4.0	4.0	4.1	4.1	4.3	4.4	4.5
Other metals, engineering and allied industries	11.5	11.9	12.2	12.6	13.0	13.5	14.0	14.6	15.0	15.3	15.7
Bricks, pottery, glass, cement, etc.	1.1	1.2	1.3	1.4	1.4	1.5	1.6	1.7	1.7	1.8	1.9
Timber, furniture, etc.	0.4	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.7	0.7
Paper, printing and publishing	2.1	2.2	2.3	2.4	2.4	2.5	2.6	2.7	2.8	2.9	2.9
Textiles, leather, clothing and other manufacturing	4.2	4.3	4.5	4.7	5.0	5.1	5.3	5.5	5.6	5.7	5.9
Total	31.3	32.5	33.8	35.2	36.6	38.0	39.6	41.2	42.6	43.9	45.2
Construction	1.3	1.4	1.6	1.7	1.9	2.0	2.2	2.3	2.4	2.5	2.6
Gas	1.6	1.7	1.8	2.0	2.2	2.4	2.6	2.8	2.9	2.9	2.9
Electricity	7.7	8.4	9.1	9.8	10.5	11.1	11.5	11.9	12.2	12.4	12.6
Water	2.9	2.9	3.0	3.0	3.1	3.1	3.2	3.3	3.3	3.4	3.4
Railways	8.2	8.2	8.1	8.0	7.9	7.9	7.8	7.8	7.8	7.7	7.7
Road passenger transport	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.8	0.8	0.8
Road haulage and storage	0.7	0.8	0.9	1.0	1.0	1.1	1.2	1.3	1.3	1.4	1.4
Shipping	3.1	3.1	3.1	3.1	3.1	3.1	3.3	3.5	3.6	3.9	4.2
Harbours, docks and canals	1.5	1.5	1.5	1.5	1.6	1.6	1.6	1.7	1.7	1.7	1.7
Air transport	0.7	0.7	0.8	0.8	0.8	0.9	0.9	1.0	1.1	1.1	1.2
Postal, telephone and radio communica- tions	3.3	3.5	3.6	3.8	4.1	4.4	4.7	5.1	5.5	5.8	6.3
Distributive trades and other service industries	12.1	13.0	14.0	14.9	15.8	16.9	18.0	19.1	20.3	21.7	23.1
Private dwellings	27.8	28.5	29.1	29.7	30.3	31.0	31.6	32.1	32.8	33.6	34.5
Public dwellings	13.1	13.7	14.3	15.1	16.0	16.8	17.7	18.5	19.2	19.9	20.6
Roads ⁽²⁾	3.0	3.2	3.4	3.7	3.9	4.2	4.7	5.0	5.4	5.9	6.2
Other public social services ⁽³⁾	9.1	9.6	10.0	10.4	10.9	11.5	12.0	12.6	13.3	14.1	14.9
Other industries ⁽⁴⁾	3.5	3.7	3.9	4.2	4.4	4.7	4.9	5.2	5.5	5.7	5.9
Total gross capital stock	136.2	141.8	147.5	153.5	160.0	166.8	173.7	180.7	187.4	194.4	201.5
By type of asset											
Road vehicles	3.2	3.5	3.8	4.0	4.2	4.5	4.8	5.0	5.1	5.3	5.6
Railway rolling stock, ships and aircraft	6.2	6.3	6.3	6.2	6.1	6.1	6.2	6.4	6.6	6.9	7.1
Plant and machinery	37.6	39.7	42.0	44.5	47.2	49.8	52.4	55.2	57.7	60.1	62.8
Dwellings	40.9	42.2	43.4	44.8	46.3	47.8	49.3	50.6	52.0	53.5	55.1
Other buildings and works	48.3	50.1	52.0	54.0	56.2	58.6	61.0	63.5	66.0	68.6	70.9
Total gross capital stock	136.2	141.8	147.5	153.5	160.0	166.8	173.7	180.7	187.4	194.4	201.5

- (1) For an account of the principles of valuation, see *National Accounts Statistics: Sources and Methods*, pages 383-7. Figures relate to end of year.
 (2) Excluding the non-renewable element more than 75 years old.
 (3) Education, sewerage, prisons, administration, etc.; hospitals are not included.
 (4) Forestry, fishing, public and private health services, universities and private schools.

Gross capital stock at 1970 replacement cost⁽¹⁾
Analysis for manufacturing, construction, distribution and other services

TABLE 67

£ thousand million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Plant and machinery											
Manufacturing:											
Food, drink and tobacco	1.68	1.78	1.88	1.99	2.11	2.24	2.36	2.50	2.63	2.76	2.91
Coal, petroleum products, chemicals and allied industries	3.68	3.87	4.11	4.40	4.70	5.01	5.33	5.69	6.03	6.30	6.49
Iron and steel	2.55	2.63	2.70	2.75	2.82	2.86	2.90	2.94	3.04	3.14	3.21
Other metals, engineering and allied industries	7.61	7.90	8.09	8.33	8.62	8.91	9.24	9.70	10.01	10.22	10.55
Bricks, pottery, glass, cement, etc.	0.68	0.72	0.78	0.84	0.88	0.94	1.00	1.05	1.10	1.15	1.21
Timber, furniture, etc.	0.18	0.18	0.19	0.20	0.21	0.23	0.24	0.25	0.27	0.29	0.31
Paper, printing and publishing	1.34	1.40	1.48	1.55	1.61	1.67	1.74	1.81	1.85	1.89	1.94
Textiles, leather, clothing and other manufacturing	2.55	2.64	2.79	2.94	3.06	3.22	3.40	3.52	3.64	3.73	3.85
Total	20.27	21.12	22.02	23.00	24.01	25.08	26.21	27.46	28.57	29.48	30.47
Construction	0.70	0.79	0.90	0.98	1.09	1.19	1.29	1.38	1.45	1.52	1.59
Distributive trades and other service industries	3.09	3.35	3.66	3.97	4.30	4.73	5.22	5.73	6.25	6.81	7.45
Buildings											
Manufacturing:											
Food, drink and tobacco	1.42	1.48	1.54	1.59	1.66	1.73	1.78	1.84	1.89	1.96	2.02
Coal, petroleum products, chemicals and allied industries	1.35	1.38	1.42	1.46	1.50	1.53	1.58	1.63	1.68	1.72	1.75
Iron and steel	1.06	1.07	1.09	1.11	1.12	1.13	1.14	1.17	1.21	1.24	1.26
Other metals, engineering and allied industries	3.71	3.82	3.95	4.08	4.18	4.30	4.43	4.57	4.67	4.74	4.83
Bricks, pottery, glass, cement, etc.	0.38	0.40	0.43	0.46	0.48	0.50	0.52	0.54	0.55	0.57	0.58
Timber, furniture, etc.	0.23	0.24	0.25	0.26	0.27	0.27	0.29	0.30	0.31	0.32	0.33
Paper, printing and publishing	0.69	0.72	0.74	0.76	0.78	0.79	0.82	0.85	0.87	0.88	0.90
Textiles, leather clothing and other manufacturing	1.60	1.63	1.67	1.70	1.73	1.77	1.82	1.85	1.89	1.91	1.95
Total	10.44	10.74	11.09	11.42	11.72	12.02	12.38	12.75	13.07	13.34	13.62
Construction	0.32	0.34	0.36	0.39	0.41	0.43	0.45	0.47	0.48	0.49	0.50
Distributive trades and other service industries	8.00	8.52	9.04	9.55	10.10	10.67	11.26	11.84	12.48	13.14	13.80

⁽¹⁾ For an account of the principles of valuation, see *National Accounts Statistics: Sources and Methods*, pages 383-7. Figures relate to end of year.

CAPITAL FORMATION

Increase in the book value of stocks and work in progress by industry

£ million

TABLE 68

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973 ⁽¹⁾	Book value of stocks held at end of 1973
Agriculture	27	36	40	35	37	52	70	116	157	183	357	2,163
Forestry	19	20	24	25	30	32	36	39	44	14	19	549
Mining and quarrying	-44	1	—	-5	44	-5	-50	-33	50	4	2	149
Manufacturing:												
Food, drink and tobacco:												
Materials and fuel	39	-4	15	-11	8	34	14	33	4	38	177	813
Work in progress	11	26	23	28	29	23	15	26	33	31	43	451
Finished products	10	-6	9	14	6	25	48	40	32	26	66	475
Coal, petroleum products, chemicals and allied industries:												
Materials and fuel	3	25	12	15	9	38	35	42	56	-1	215	664
Work in progress	3	5	8	4	8	17	-1	17	15	19	48	216
Finished products	-14	22	11	14	15	18	43	45	29	30	50	475
Metal manufacture:												
Materials and fuel	-4	23	11	-5	-8	17	47	27	15	28	106	505
Work in progress	6	36	29	6	-11	17	19	45	-28	-1	71	344
Finished products	1	8	4	4	1	12	4	22	23	-21	33	197
Engineering, shipbuilding and vehicles:												
Materials and fuel	-1	127	100	88	26	64	118	216	20	36	426	2,002
Work in progress	59	227	179	177	150	128	135	287	105	157	532	3,457
Finished products	31	62	85	67	-7	21	91	121	85	-4	2	1,062
Textiles, leather and clothing:												
Materials and fuel	24	24	1	-16	-18	39	15	-4	-7	87	116	535
Work in progress	12	10	4	2	-9	26	20	—	8	36	69	319
Finished products	—	23	14	44	-19	12	52	29	30	-5	24	431
Other manufacturing:												
Materials and fuel	9	39	20	3	-7	37	35	45	6	53	223	756
Work in progress	8	6	15	11	3	19	28	21	15	32	62	323
Finished products	3	17	31	35	4	34	48	26	48	25	31	519
Total manufacturing of which	200	670	571	480	180	581	766	1,038	489	566	2,294	13,544
Materials and fuel	70	234	159	74	10	229	264	359	94	241	1,263	5,275
Work in progress	99	310	258	228	170	230	216	396	148	274	825	5,110
Finished products	31	126	154	178	—	122	286	283	247	51	206	3,159
Gas and electricity	15	13	1	28	26	5	-10	11	51	20	8	306
Retail distribution	50	85	50	55	55	156	118	110	139	124	326	2,349
Wholesale distribution:												
Wholesale distributors	19	70	34	42	26	78	49	85	131	131	276	1,532
Dealers in coal, industrial materials and machinery	25	66	39	9	21	60	55	77	29	86	196	985
Total	44	136	73	51	47	138	104	162	160	217	472	2,517
Other industries	43	62	55	32	114	76	152	148	102	202	192	1,946
Central government ⁽²⁾	-9	-3	-1	-2	-2	-4	-5	-1	—	—	15	123
Total	345	1,020	813	699	531	1,031	1,181	1,590	1,192	1,330	3,685	23,646
less Stock appreciation	-177	-295	-317	-356	-186	-564	-745	-1,152	-1,081	-1,353	-3,111	
Value of physical increase in stocks and work in progress	168	725	496	343	345	467	436	438	111	-23	574	

⁽¹⁾ It is estimated that a fall in the book value of stocks of £280 million took place on the introduction of VAT as a result of the change in treatment of tax in the valuation of stocks. See notes on page 116. The fall has been allocated as follows:—

	£ million		£ million
Manufacturers	34		
of which			
Materials and fuel	4	Wholesalers	36
Work in progress	8	Retailers	181
Finished products	22	Other industries	29

This allocation is approximate particularly in relation to the asset analysis of manufacturers stocks.

⁽²⁾ Excluding stocks of the Forestry Commission, Northern Ireland forestry, Royal Ordnance Factories, Royal Mint and the Post Office, which are included in the appropriate industries above.

Value of physical increase in stocks and work in progress at current prices by industry

TABLE 69

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973 ⁽¹⁾
Manufacturing:											
Food, drink and tobacco:											
Materials and fuel.....	—	18	8	-23	3	-5	-9	-14	-36	6	25
Work in progress.....	6	18	11	15	27	7	-1	9	19	12	12
Finished products.....	—	-17	3	7	2	8	38	16	20	6	14
Coal, petroleum products, chemicals and allied industries:											
Materials and fuel.....	3	24	15	16	-4	38	34	14	17	-18	88
Work in progress.....	3	5	7	4	3	15	-2	8	2	13	14
Finished products.....	-13	22	8	14	9	16	40	20	2	11	11
Metal manufacture:											
Materials and fuel.....	-10	7	4	-14	-15	11	12	3	5	6	-3
Work in progress.....	4	27	25	-29	-17	11	-10	29	-35	-15	-8
Finished products.....	20	-21	—	-4	-3	9	-15	17	22	-30	-45
Engineering, shipbuilding and vehicles:											
Materials and fuel.....	-6	87	71	51	22	23	16	107	-74	-63	157
Work in progress.....	39	174	99	82	104	36	2	78	-87	-23	237
Finished products.....	28	49	68	49	-27	-10	49	37	14	-92	-92
Textiles, leather and clothing:											
Materials and fuel.....	6	33	-5	-12	-4	11	13	-8	-24	11	27
Work in progress.....	4	14	—	4	-5	18	16	-5	-2	-9	20
Finished products.....	-6	23	9	43	-20	2	46	14	12	-58	-38
Other manufacturing:											
Materials and fuel.....	6	30	15	—	-8	14	15	11	-12	14	53
Work in progress.....	6	1	12	9	1	9	19	3	—	12	2
Finished products.....	—	10	24	31	5	21	30	-16	15	-10	-33
Total manufacturing	90	504	374	243	73	234	293	323	-142	-227	441
<i>of which</i>											
Materials and fuel.....	-1	199	108	18	-6	92	81	113	-124	-44	347
Work in progress.....	62	239	154	85	113	96	24	122	-103	-10	277
Finished products.....	29	66	112	140	-34	46	188	88	85	-173	-183
Retail distribution	42	50	23	12	50	77	31	-23	-5	4	98
Wholesale distribution:											
Wholesale distributors.....	9	49	23	17	5	51	16	15	46	47	108
Dealers in coal, industrial materials and machinery.....	16	45	24	5	5	27	20	53	8	11	-80
Total	25	94	47	22	10	78	36	68	54	58	28
Other industries	11	77	52	66	212	78	76	70	204	142	7
Total	168	725	496	343	345	467	436	438	111	-23	574

⁽¹⁾ See footnote (1) on page 80. The estimated fall in the book value of stocks has been carried through to the estimates of the value of physical increase in stocks and work in progress.

Value of physical increase in stocks and work in progress at 1970 prices by industry

£ million

TABLE 70

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Manufacturing:											
Food, drink and tobacco:											
Materials and fuel	—	17	3	-26	1	-7	-7	-14	-33	3	23
Work in progress	8	22	14	18	30	7	—	9	18	13	18
Finished products	4	-19	2	9	3	10	40	16	19	5	33
Coal, petroleum products, chemicals and allied industries:											
Materials and fuel	3	26	16	17	-6	40	35	14	12	-13	62
Work in progress	3	6	8	4	4	16	-2	8	2	11	12
Finished products	-15	24	9	15	9	16	41	20	3	7	7
Metal manufacture:											
Materials and fuel	-12	11	6	-19	-14	13	15	3	6	2	-2
Work in progress	5	35	32	-2	-22	13	-13	29	-30	-18	-7
Finished products	-1	—	—	-2	-5	11	-17	17	26	-34	-43
Engineering, shipbuilding and vehicles:											
Materials and fuel	-18	105	83	53	19	28	16	107	-68	-54	122
Work in progress	73	239	138	112	134	43	4	78	-83	-18	195
Finished products	33	62	84	57	-33	-4	53	37	14	-81	-77
Textiles, leather and clothing:											
Materials and fuel	6	36	-9	-15	-6	13	12	-8	-24	12	24
Work in progress	4	15	1	2	-8	18	17	-5	-2	-6	13
Finished products	-6	24	11	44	-24	3	47	14	12	-48	-29
Other manufacturing:											
Materials and fuel	8	36	18	—	-10	15	16	11	-12	12	41
Work in progress	8	2	14	11	1	11	20	3	-1	10	4
Finished products	—	12	30	37	-1	23	33	-16	15	-8	-22
Total manufacturing	103	653	460	315	72	269	310	323	-126	-205	374
of which											
Materials and fuel	-13	231	117	10	-16	102	87	113	-119	-38	270
Work in progress	101	319	207	145	139	108	26	122	-96	-8	235
Finished products	15	103	136	160	-51	59	197	88	89	-159	-131
Retail distribution	54	63	29	16	58	88	33	-23	-4	3	242
Wholesale distribution:											
Wholesale distributors	14	62	30	21	9	57	18	15	41	40	89
Dealers in coal, industrial materials and machinery	21	56	37	7	8	28	24	53	11	8	-57
Total	35	118	67	28	17	85	42	68	52	48	32
Other industries	23	100	59	52	214	63	60	70	162	115	26
Total	215	934	615	411	361	505	445	438	84	-39	674

Capital formation in stocks and work in progress by sector⁽¹⁾

TABLE 71

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Value of physical increase in stocks and work in progress⁽²⁾											
Personal sector ⁽³⁾	22	54	29	18	30	46	28	16	67	94	102
Companies	171	651	451	265	197	388	428	388	-112	-178	417
Public corporations	-35	3	-7	35	91	-2	-62	-9	105	34	11
Central government:											
Trading bodies	18	20	24	27	29	39	47	44	51	27	42
Strategic stocks	-8	-3	-1	-2	-2	-4	-5	-1	-	-	2
Total	10	17	23	25	27	35	42	43	51	27	44
Total	168	725	496	343	345	467	436	438	111	-23	574
Stock appreciation											
Personal sector ⁽³⁾	36	45	49	46	41	86	105	172	180	202	454
Companies	137	241	256	304	154	465	609	907	852	1,105	2,516
Public corporations	4	9	12	6	-9	13	31	73	49	46	141
Total	177	295	317	356	186	564	745	1,152	1,081	1,353	3,111
Increase in book value of stocks and work in progress⁽²⁾											
Personal sector ⁽³⁾	58	99	78	64	71	132	133	188	247	296	556
Companies	308	892	707	569	351	853	1,037	1,295	740	927	2,933
Public corporations	-31	12	5	41	82	11	-31	64	154	80	152
Central government:											
Trading bodies	18	20	24	27	29	39	47	44	51	27	42
Strategic stocks	-8	-3	-1	-2	-2	-4	-5	-1	-	-	2
Total	10	17	23	25	27	35	42	43	51	27	44
Total	345	1,020	813	699	531	1,031	1,181	1,590	1,192	1,330	3,685

(1) The book value of stocks and work in progress held at the end of 1973 by each of the various sectors was as follows: personal sector £3,719 million; companies £18,371 million; public corporations £988 million; and central government £568 million.

(2) Including a fall in the book value of stocks during 1973 of £280 million on the introduction of VAT reflecting the change in treatment of tax in the valuation of stocks. See notes on page 116. The fall has been allocated as follows:

	£ million
Personal sector	57
Companies	206
Public corporations	17

This allocation is to some extent arbitrary and therefore should be regarded as approximate.

(3) Stocks held for business purposes by professional persons, farmers and other sole traders and partnerships.

Net acquisition of financial assets: summary analysis by sector

TABLE 72

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Personal sector:											
Saving ⁽¹⁾	1,626	1,869	2,190	2,391	2,339	2,330	2,540	3,094	3,438	4,187	5,269
Capital transfers (net receipts)	-204	-182	-134	-156	-170	-233	-397	-358	-324	-371	-320
less Gross domestic fixed capital formation ⁽²⁾	-867	-928	-989	-997	-1,117	-1,237	-1,147	-1,161	-1,722	-2,350	-2,426
less Increase in value of stocks and work in progress	-58	-99	-78	-64	-71	-132	-133	-188	-247	-296	-556
Net acquisition of financial assets	497	660	989	1,174	981	728	863	1,387	1,145	1,170	1,967
Industrial and commercial companies:											
Saving ⁽¹⁾	2,581	3,041	3,071	2,877	2,700	3,298	3,251	3,052	3,429	4,563	6,633
Capital transfers (net receipts)	9	13	16	21	232	427	570	483	556	380	347
less Gross domestic fixed capital formation	-1,866	-2,303	-2,449	-2,443	-2,380	-2,636	-3,022	-3,378	-3,468	-3,818	-4,859
less Increase in value of stocks and work in progress	-308	-892	-707	-569	-351	-818	-953	-1,332	-775	-910	-2,991
Net acquisition of financial assets	416	-141	-69	-114	201	271	-154	-1,175	-258	215	-870
Financial companies:											
Saving ⁽¹⁾	162	156	211	213	243	255	218	297	452	511	824
Capital transfers (net receipts)	—	—	-1	-2	-4	-7	-39	-64	-50	-51	-51
less Gross domestic fixed capital formation ⁽²⁾	-153	-179	-231	-283	-331	-435	-555	-598	-571	-606	-1,029
less Increase in value of stocks and work in progress	—	—	—	—	—	-35	-84	37	35	-17	58
Net acquisition of financial assets	9	-23	-21	-72	-92	-222	-460	-328	-134	-163	-198
Public corporations:											
Saving ⁽¹⁾	577	608	661	645	683	845	880	836	834	981	1,252
Capital transfers (net receipts) ⁽³⁾	9	10	11	11	16	69	70	76	84	122	152
less Gross domestic fixed capital formation	-1,024	-1,187	-1,293	-1,453	-1,661	-1,619	-1,482	-1,673	-1,857	-1,776	-2,029
less Increase in value of stocks and work in progress	31	-12	-5	-41	-82	-11	31	-64	-154	-80	-152
Net acquisition of financial assets	-407	-581	-626	-838	-1,044	-716	-501	-825	-1,093	-753	-777
Central government:											
Saving ⁽¹⁾	240	500	880	1,071	1,079	1,644	2,882	3,684	2,985	1,290	953
Capital transfers (net receipts) ⁽³⁾	141	106	52	64	-165	-378	-326	-263	-387	-178	-265
less Gross domestic fixed capital formation	-227	-284	-301	-335	-395	-458	-486	-576	-601	-643	-773
less Increase in value of stocks and work in progress	-10	-17	-23	-25	-27	-35	-42	-43	-51	-27	-44
Net acquisition of financial assets	144	305	608	775	492	773	2,028	2,802	1,946	442	-129
Local authorities:											
Saving ⁽¹⁾	268	331	293	387	386	402	448	473	683	767	826
Capital transfers (net receipts)	45	53	56	62	91	122	122	126	121	98	78
less Gross domestic fixed capital formation	-883	-1,112	-1,185	-1,345	-1,568	-1,712	-1,757	-1,851	-1,960	-2,236	-2,755
Net acquisition of financial assets	-570	-728	-836	-896	-1,091	-1,188	-1,187	-1,252	-1,156	-1,371	-1,851
Overseas sector:											
Net acquisition of assets ⁽⁴⁾	-124	382	49	-84	313	280	-449	-707	-1,093	-114	1,269
Net acquisition of financial assets:											
Private sector	922	496	899	988	1,090	777	249	-116	753	1,222	899
Public sector	-833	-1,004	-854	-959	-1,643	-1,131	340	725	-303	-1,682	-2,757
Overseas sector	-124	382	49	-84	313	280	-449	-707	-1,093	-114	1,269
Residual error	35	126	-94	55	240	74	-140	98	643	574	589

(1) Before providing for depreciation, stock appreciation and additions to reserves.

(2) The figures for the personal sector exclude, and those for financial companies include, expenditure by life assurance and superannuation funds.

(3) Excluding financial transactions on writing-off debt. See Tables 36 and 40.

(4) Equals, apart from the change in sign, Net investment abroad.

Transactions in financial assets⁽¹⁾
Analysis by sector and type of asset, 1973

TABLE 73

£ million

	Private sector					Public sector	Overseas sector
	Personal sector	Industrial and commercial companies	Financial institutions				
			Banks	Insurance companies and superannuation funds	Other		
Capital account							
Saving ⁽²⁾	5,269	6,633	824			3,031	
Capital transfers (net receipts)	— 320	347	— 51			— 35	
less Gross domestic fixed capital formation	— 2,426	— 4,859	— 1,029			— 5,557	
less Increase in value of stocks and work in progress	— 556	— 2,991	58			— 196	
Net acquisition of financial assets ⁽³⁾	1,967	— 870	— 198			— 2,757	1,269
Financial transactions account							
Notes and coin	129	176	239	—	—	— 544	—
Treasury bills	—	— 9	42	— 1	— 4	318	— 346
British government and government guaranteed securities	817 ⁽⁴⁾	..	— 35	497	191	— 1,552	82
National savings:							
Deposits	342	—	—	—	— 166	— 176	—
Certificates and bonds	— 32	—	—	—	—	32	—
Tax reserve certificates	— 90	— 77	— 41	—	— 8	216	—
Tax deposit accounts	—	10	—	—	—	— 10	—
Net Government indebtedness to Bank of England, Banking Department	—	—	1,027	—	—	— 1,027	—
Northern Ireland central government debt	— 7	10	— 13	—	—	10	—
Local authority debt:							
Temporary borrowing	358	124	21	192	66	— 855	151
Quoted securities and negotiable bonds		..		4	28	— 172	39
Other long-term borrowing		40		15	66	— 205	128
Deposits with banking sector	3,390	2,431	— 20,823	136	889	100	13,877
Deposits with building societies	2,128	— 28	—	2	— 2,102	—	—
Deposits with finance houses	21	35	—	—	— 58	—	2
Deposits with other financial institutions	—	—	—	—	— 52	—	52
Bank lending (except to public authorities):							
Advances and loans	— 991	— 4,507	19,060	— 28	— 715	— 772	— 12,047
Commercial bills	—	7	240	—	— 94	17	— 170
Money at call and short notice	— 36	— 4	216	—	—	—	— 176
Hire purchase debt	— 123	— 6	—	—	116	13	—
Trade credit (net)	— 98	— 72	—	—	—	60	110
Loans for house purchase	— 2,796	—	310	121	1,999	366	—
Transactions in commercial bills by Issue Department, Bank of England	—	— 301	—	—	—	301	—
Other loans by public sector to private sector	— 5	— 63	—	—	3	65	—
Loans by superannuation funds to parent organisation	—	— 28	—	173	—	— 145	—
Other loans and mortgages by financial institutions (excluding banks)	— 40	— 298	—	150	188	—	—
Unit trust units	156	—	—	30	— 186	—	—
Company and overseas securities:							
United Kingdom capital issues	— 1,815	— 149	— 20	—	— 46	—	30
Capital issues overseas		— 113	— 42	— 12	— 3	—	—
Other		863	357	806	— 267	6	405
Funds of life assurance and superannuation schemes	2,817	—	—	— 2,817	—	—	—
Other identified home assets	— 79	— 6	—	77	— 3	11	—
Allocation of Special Drawing Rights	—	—	—	—	—	—	—
Official reserves	—	—	—	—	—	210	— 210
Inter-government loans (net)	—	—	—	—	—	153	— 153
Transactions with IMF, etc.	—	—	—	—	—	54	— 54
Refinanced export and shipbuilding credits	—	— 54	—	—	—	250	— 196
Intra-company investment overseas	—	392	—	— 25	— 9	—	— 358
Other identified overseas assets	—	317	—	12	76	— 100	— 305
Accruals adjustment	4	— 456	—	—	— 115	567	—
Total identified financial assets	4,050	— 1,766	538	— 668	— 206	— 2,809	861
Unidentified items ⁽³⁾	— 2,083	896	61	77	—	52	408 ⁽⁵⁾
Net acquisition of financial assets ⁽¹⁾⁽³⁾	1,967	— 870	599	— 797	—	— 2,757	1,269

⁽¹⁾ Acquisition of assets or reduction in liabilities is shown positive; sale of assets or increase in liabilities negative.

⁽²⁾ Before providing for depreciation, stock appreciation and additions to reserves.

⁽³⁾ The sum of the entries in this row equals, apart from the change in sign, the Residual error shown in Table 1.

⁽⁴⁾ Residual, including unidentified transactions by industrial and commercial companies.

⁽⁵⁾ The Balancing item in the balance of payments accounts.

Transactions in financial assets⁽¹⁾: personal sector

£ million

TABLE 74

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Notes and coin	42	71	84	34	61	72	73	115	197	246	129
British government and government guaranteed securities	-225	-85	-77	-13	-216	-241	79	-222	470	5	817
National savings:											
Deposits with National Savings Bank and ordinary departments of trustee savings banks	71	66	43	-73	-58	-83	-101	-29	90	157	127
Deposits with the investment account of the National Savings Bank	—	—	—	54	62	72	55	64	68	118	54
Deposits with special investment departments of trustee savings banks	133	149	102	113	106	96	56	101	173	236	112
Premium savings bonds	44	53	52	45	47	70	61	44	92	73	54
Defence bonds	36	-55	-153	-333	-272	-135	-102	-66	-20	-1	—
National development bonds	—	135	142	191	189	-65	-160	-120	-134	-144	-33
British savings bonds	—	—	—	—	—	136	171	132	179	256	22
National savings certificates:											
Principal	-7	-26	-124	10	62	-12	-85	-27	147	74	-105
Interest accrued	41	36	12	-42	-11	-4	-10	-7	-14	16	30
Save As You Earn	—	—	—	—	—	—	2	22	31	44	49
Total	318	358	74	-35	125	75	-113	114	612	829	310
Tax reserve certificates	2	7	13	17	9	54	-11	1	24	-8	-90
Northern Ireland central government debt	6	1	4	3	11	-13	1	-2	-7	4	-7
Local authority debt:											
Temporary	22	78	65	5	-21	5	13	-17	-51	35	80
Longer-term ⁽²⁾	82	42	152	118	52	99	178	4	-152	-198	26
Unidentified	101	10	53	111	98	87	35	-66	-29	81	252
Total	205	130	270	234	129	191	226	-79	-232	-82	358
Deposits with banking sector	366	458	512	250	740	682	308	822	953	1,767	3,390
Deposits with building societies	490	501	657	726	1,090	762	890	1,484	1,961	2,139	2,128
Deposits with finance houses	8	24	30	12	-10	-1	-2	9	5	-29	21
Bank lending:											
Advances and loans ⁽³⁾	-95	-161	82	91	-162	—	115	-76	-453	-1,963	-991
Money at call and short notice	5	27	-48	-31	24	-38	-38	17	-123	36	-36
Hire purchase debt	-63	-137	-83	112	17	-23	31	-43	-191	-241	-123
Trade credit (net)	-10	-17	-27	4	-16	-64	-57	-29	-62	-59	-98
Loans for house purchase:											
Local authorities	-59	-121	-168	-53	-68	-9	18	-72	-120	-173	-320
Other public sector	-3	-4	-10	-12	-17	-15	-16	-10	-12	-22	-46
Banking sector	-55	-30	15	25	-40	-25	5	-40	-90	-345	-310
Building societies	-422	-546	-459	-667	-823	-860	-782	-1,088	-1,600	-2,215	-1,999
Insurance companies	-34	-53	-91	-61	-34	-71	-83	-36	-13	-2	-121
Other loans by central government	-2	-3	-2	-1	-3	-1	-3	-2	-1	-1	-5
Other loans and mortgages by financial institutions (excluding banks)	-12	-11	-24	-38	-21	-38	-52	-29	-12	-6	-40
Unit trust units	60	77	59	105	84	258	186	89	46	203	156
Shares of retail co-operative societies	-6	-1	—	-6	-15	-17	-22	-26	-11	-3	—
Company and overseas securities	-561	-634	-684	-464	-587	-702	-519	-849	-1,296	-1,218	-1,815
Funds of life assurance and superannuation schemes	1,074	1,157	1,163	1,241	1,372	1,508	1,507	1,763	2,004	2,455	2,817
Other identified home assets	14	-17	28	-31	3	33	-30	-25	41	-35	-79
Accruals adjustment	2	11	—	4	16	19	17	13	26	50	4
Total identified financial assets	1,045	1,002	1,318	1,446	1,669	1,536	1,728	1,799	2,116	1,332	4,050
Unidentified items	-548	-342	-329	-272	-688	-808	-865	-412	-971	-162	-2,083
Net acquisition of financial assets ⁽¹⁾	497	660	989	1,174	981	728	863	1,387	1,145	1,170	1,967

(1) Acquisition of assets or reduction in liabilities is shown positive; sale of assets or increase in liabilities negative.
 (2) Excluding quoted securities and negotiable bonds.
 (3) Excluding loans for house purchase.

Transactions in financial assets⁽¹⁾: industrial and commercial companies

£ million

TABLE 75

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Notes and coin	30	138	111	32	64	-20	73	206	76	249	176
Treasury bills	-30	-82	-25	-16	—	-38	-12	9	—	-20	-9
Tax reserve certificates	-61	-42	-119	-16	29	-20	-28	-6	69	-76	-77
Tax deposit accounts	—	—	—	—	—	—	—	—	—	—	10
Import deposits	—	—	—	—	—	75	403	-225	-253	—	—
Northern Ireland central government debt.....	2	1	—	—	-1	—	5	-1	-2	—	10
Local authority debt:											
Temporary	103	67	-68	-58	29	-59	-78	-65	37	102	124
Longer-term ⁽²⁾	30	-4	-12	-23	12	27	-6	-54	-12	23	40
Deposits with banking sector ⁽³⁾	278	-30	127	87	321	318	-214	121	919	2,039	2,431
Deposits with building societies	5	2	-6	-2	9	5	2	-3	69	48	-28
Deposits with finance houses	47	28	52	-1	-7	21	53	-6	-22	-3	35
Bank lending:											
Advances and loans ⁽⁴⁾	-460	-686	-439	-149	-253	-470	-553	-896	-551	-2,820	-4,507
Commercial bills	-78	-69	-52	-35	-83	-95	-106	-232	-168	-172	7
Money at call and short notice	1	3	-6	-3	3	-4	-5	2	-13	4	-4
Hire purchase debt	18	-2	-9	-28	18	6	-13	-3	35	36	-6
Trade credit (net)	104	92	52	174	104	-53	-40	8	-101	-212	-72
Refinanced shipbuilding credits	—	—	—	—	—	—	-4	-31	-46	-40	-54
Transactions in commercial bills by Issue Department, Bank of England	—	—	—	—	—	—	—	—	-2	1	-301
Loans from public sector	-26	-5	-47	-20	-28	-76	-58	-64	-43	45	-63
Loans by superannuation funds to parent organisation	-9	-8	-9	-8	-6	-2	-4	-5	-4	3	-28
Other loans and mortgages by financial institutions (excluding banks)	-79	-139	-148	-87	-33	-32	-105	-161	-56	26	-298
Shares of retail co-operative societies	6	1	—	6	15	17	22	26	11	3	—
Company and overseas securities:											
United Kingdom capital issues (net) ⁽⁵⁾ :											
Ordinary shares	-123	-158	-63	-124	-65	-299	-177	-39	-152	-317	-98
Debenture and preference shares	-212	-254	-345	-451	-350	-183	-335	-154	-215	-289	-51
Capital issues overseas	-6	-5	-18	-13	-32	-48	-11	-40	-75	-119	-113
Other	270	435	386	250	367	380	337	365	440	718	863
Other identified home assets	-3	-8	-1	-7	-57	-10	-14	-31	-13	-3	-6
Intra-company investment overseas:											
By UK companies overseas	253	311	402	326	343	385	526	473	554	560	1,274
By overseas companies in UK	-202	-116	-200	-252	-316	-378	-380	-503	-629	-408	-882
Other identified overseas assets	-12	20	-2	-7	58	108	61	68	-116	32	317
Accruals adjustment	-7	-1	1	141	-73	26	14	-54	-96	12	-456
Total identified financial assets	-161	-511	-438	-284	68	-419	-647	-1,295	-359	-578	-1,766
Unidentified items	577	370	369	170	133	690	493	120	101	793	896
Net acquisition of financial assets ⁽¹⁾	416	-141	-69	-114	201	271	-154	-1,175	-258	215	-870

(1) Acquisition of assets or reduction in liabilities is shown positive; sale of assets or increase in liabilities negative.

(2) Excluding quoted securities and negotiable bonds.

(3) After subtraction of 60 per cent of the excess of debit over credit transit items; see note on page 117.

(4) After addition of 40 per cent of the excess of debit over credit transit items; see note on page 117.

(5) Capital issues by quoted public companies only.

Transactions in financial assets⁽¹⁾: banking sector

£ million

TABLE 76

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Notes and coin	82	-52	-2	82	27	134	51	-90	-30	83	239
Treasury bills	-35	-331	85	-209	—	-111	-251	550	5	-599	42
British government and government guaranteed securities	-12	-215	73	119	233	-283	-341	-410	1,378	-1,114	-35
Tax reserve certificates	—	—	—	85	-10	-8	14	-21	-16	-21	-41
Net government indebtedness to Bank of England, Banking Department	-32	68	152	44	-19	128	-128	276	-471	443	1,027
Northern Ireland central government debt	-8	7	-2	3	-2	1	-3	-1	-1	5	-13
Local authority debt:											
Securities (quoted and unquoted)	-5	32	58	77	47	34	34	109	281	138	-139
Bills	2	2	-1	28	3	12	22	33	69	2	-21
Advances and loans	68	119	58	-24	295	271	256	341	422	-109	181
Deposits received:											
Private sector:											
Personal sector	-366	-458	-512	-250	-740	-682	-308	-822	-953	-1,767	-3,390
Industrial and commercial com- panies	-380	-52	-162	-2	-377	-351	140	-208	-957	-2,181	-2,423
Other financial institutions	-40	-6	-65	-63	-146	-77	-196	-278	-182	-918	-1,025
Public sector	-10	-10	-39	-13	-13	-23	-67	-44	-39	-80	-100
Overseas sector	-358	-527	-425	-759	-746	-2,630	-4,734	-3,384	-3,359	-7,462	-13,877
less Cheques in course of collection and items in transit ⁽²⁾	102	82	35	-85	56	33	74	87	38	142	-8
Net deposits	-1,052	-971	-1,168	-1,172	-1,966	-3,730	-5,091	-4,649	-5,452	-12,266	-20,823
Advances and loans (except to public authorities):											
Private sector:											
Personal sector:											
Loans for house purchase	55	30	-15	-25	40	25	-5	40	90	345	310
Other	95	161	-82	-91	162	—	-115	76	453	1,963	991
Industrial and commercial com- panies	391	630	416	206	217	449	504	837	525	2,724	4,513
Other financial institutions	41	30	40	-56	89	31	-9	81	411	1,017	743
Public corporations	13	-10	7	15	22	-52	-21	106	49	137	772
Overseas sector	274	385	311	975	781	2,737	4,756	2,541	2,187	7,204	12,047
plus Cheques in course of collection and items in transit ⁽³⁾	69	56	23	-57	36	21	49	59	26	96	-6
Total	938	1,282	700	967	1,347	3,211	5,159	3,740	3,741	13,486	19,370
Commercial bills	117	152	97	69	53	201	201	275	127	356	240
Money at call and short notice	-1	-22	56	37	-30	67	34	11	204	85	216
Company and overseas securities:											
United Kingdom capital issues	-26	-36	-13	-24	-23	-38	-41	-49	-30	-20	-20
Capital issues overseas	—	—	—	—	—	—	—	—	-28	-23	-42
Other	33	33	32	32	61	90	39	94	213	158	357
Total identified financial assets	69	68	125	114	16	-21	-45	209	412	604	538
Unidentified items	-25	-37	-31	-60	19	62	4	-89	-166	-380	61
Net acquisition of financial assets ⁽¹⁾	44	31	94	54	35	41	-41	120	246	224	599

(1) Acquisition of assets or reduction in liabilities is shown positive; sale of assets or increase in liabilities negative.

(2) 60 per cent of the excess of debit over credit transit items.

(3) 40 per cent of the excess of debit over credit transit items.

Transactions in financial assets⁽¹⁾: financial institutions other than banks

TABLE 77

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Treasury bills	-2	12	-12	-6	-5	-9	-2	-6	-3	2	-5
British government and government guaranteed securities	115	100	230	120	501	34	283	320	1,382	418	688
Tax reserve certificates	—	-2	—	-7	8	-5	-2	8	4	-8	-8
Northern Ireland central government debt	5	2	11	3	13	14	1	1	1	—	—
Local authority debt ⁽²⁾ :											
Temporary	35	84	14	46	25	70	59	209	-70	57	258
Longer-term ⁽³⁾	199	103	254	165	140	95	58	83	76	143	113
Deposits with banking sector	40	6	65	63	146	77	196	278	182	918	1,025
Deposits received by the investment account of the National Savings Bank	—	—	—	-54	-62	-72	-55	-64	-68	-118	-54
Deposits received by special investment departments of trustee savings banks	-133	-149	-102	-113	-106	-96	-56	-101	-173	-236	-112
Deposits received by building societies	-495	-503	-651	-724	-1,099	-767	-892	-1,481	-2,030	-2,187	-2,100
Deposits received by finance houses	-41	-66	-132	-7	59	25	-34	-27	4	40	-58
Deposits received by other financial institutions from overseas residents	-27	1	-26	-47	37	55	-26	-50	-38	96	-52
Bank lending:											
Advances and loans	-41	-30	-40	56	-89	-31	9	-81	-411	-1,017	-743
Commercial bills	3	-49	-3	1	8	-11	11	1	-6	-15	-94
Hire purchase debt	35	132	90	-67	-25	10	-21	47	140	163	116
Loans for house purchase	456	599	550	728	857	931	865	1,124	1,613	2,217	2,120
Loans by central government	7	3	2	3	2	3	3	1	16	3	3
Loans by superannuation funds to parent organisation ⁽²⁾	89	75	70	84	65	77	54	40	91	108	173
Other loans and mortgages	91	150	172	125	34	55	142	186	68	-20	338
Unit trust units	-60	-77	-59	-105	-84	-258	-186	-89	-46	-203	-156
Company and overseas securities:											
United Kingdom capital issues ⁽⁴⁾	-87	-84	-36	-106	-67	-132	-95	-55	-169	-419	-46
Capital issues overseas	—	—	—	—	—	—	—	—	-17	-28	-15
Other	779	786	654	804	754	1,016	673	819	1,142	2,028	539
Funds of life assurance and superannuation schemes	-1,074	-1,157	-1,163	-1,241	-1,372	-1,508	-1,507	-1,763	-2,004	-2,455	-2,817
Other identified home assets	-8	23	-22	39	4	-12	32	46	-30	34	74
Intra-company investment overseas	-6	-8	—	—	-2	—	-38	-26	-4	—	-34
Other identified overseas assets	10	7	-2	4	11	18	29	-15	-31	27	88
Accruals adjustment	-1	-3	—	-11	-16	-11	-19	-7	-15	-30	-115
Total identified financial assets	-111	-45	-136	-247	-263	-432	-518	-602	-396	-482	-874
Unidentified items	76	-9	21	121	136	169	99	154	16	95	77
Net acquisition of financial assets ⁽¹⁾	-35	-54	-115	-126	-127	-263	-419	-448	-380	-387	-797

(1) Acquisition of assets or reduction in liabilities is shown positive; sale of assets or increase in liabilities negative.

(2) Loans by local authority superannuation funds to parent authority are included under local authority debt.

(3) Including quoted securities and negotiable bonds.

(4) Capital issues by quoted public companies only.

Transactions in financial assets⁽¹⁾: public sector

£ million

TABLE 78

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Notes and coin	-154	-157	-193	-148	-152	-186	-197	-231	-243	-578	-544
Treasury bills:											
Counterpart of central bank assistance	—	-144	-182	-280	-518	-772	608	1,011	399	—	—
Other	-24	519	221	290	125	224	386	-545	-337	463	318
British government and government guaranteed securities	122	113	-221	-218	-526	503	-184	259	-3,367	518	-1,552
National savings ⁽²⁾ :											
Deposits	-71	-66	-43	73	58	83	99	7	-121	-201	-176
Certificates and bonds	-114	-143	71	129	-15	10	125	44	-250	-274	32
Tax reserve certificates	59	37	106	-79	-36	-21	27	18	-81	113	216
Tax deposit accounts	—	—	—	—	—	—	—	—	—	—	-10
Net government indebtedness to Bank of England, Banking Department	32	-68	-152	-44	19	-128	128	-276	471	-443	-1,027
Import deposits	—	—	—	—	—	-76	-462	257	281	—	—
N. Ireland central government debt	-5	-11	-13	-9	-21	-2	-4	3	9	-9	10
Local authority debt ⁽³⁾ ⁽⁴⁾ :											
Temporary borrowing	-207	-358	-5	17	-126	-18	-28	19	-90	-297	-855
Quoted securities and negotiable bonds	-87	-92	-216	-198	-207	-137	-73	-103	-247	-85	-172
Other long-term	-342	-111	-337	-221	-353	-429	-500	-454	-317	-41	-205
Deposits with banking sector	10	10	39	13	13	23	67	44	39	80	100
Bank lending to public corporations:											
Advances and loans	-13	10	-7	-15	-22	52	21	-106	-49	-137	-772
Commercial bills	—	—	—	—	26	-3	6	-20	20	-9	17
Hire purchase debt	10	7	2	-17	-10	7	3	-1	16	42	13
Trade credit (net)	-51	-65	-5	-60	-40	169	107	-12	-22	116	60
Loans for house purchase:											
Local authorities	59	121	168	53	68	9	-18	72	120	173	320
Other public sector	3	4	10	12	17	15	16	10	12	22	46
Transactions in commercial bills by Issue Department, Bank of England	—	—	—	—	—	—	—	—	2	-1	301
Other loans to the private sector	21	5	47	18	29	74	58	65	28	-47	65
Loans by superannuation funds to parent organisation ⁽⁴⁾	-80	-67	-61	-76	-59	-75	-50	-35	-87	-111	-145
Other loans and mortgages by financial institutions (excluding banks)	—	—	—	—	20	15	15	4	—	—	—
Company securities	-22	-17	10	53	5	57	12	6	79	14	6
Other identified home assets	-3	2	-5	-1	50	-11	12	10	2	4	11
Allocation of SDRs	—	—	—	—	—	—	—	-171	-125	-124	—
Official reserves	-53	-122	246	-282	-319	-114	44	125	1,536	-692	210
Inter-government loans (net)	97	101	66	61	39	6	48	178	188	188	153
Capital subscriptions to the IMF and European Fund	—	—	—	175	—	—	—	151	—	—	-4
Drawings from United Kingdom subscriptions to international lending bodies	7	7	16	10	18	7	20	12	17	22	58
Holding of interest-free notes by the IMF ⁽⁵⁾	-5	-359	-496	-159	320	-526	14	23	555	498	—
Refinanced export and shipbuilding credits	—	—	—	—	—	—	28	160	242	235	250
Other identified overseas assets	4	-57	39	39	-37 ⁽⁶⁾	211 ⁽⁶⁾	18	145	837	-841	-100
Accruals adjustment	6	-7	-1	-134	73	-34	-12	48	85	-32	567
Total identified financial assets	-801	-908	-896	-998	-1,561	-1,067	334	717	-398	-1,434	-2,809
Unidentified items	-32	-96	42	39	-82	-64	6	8	95	-248	52
Net acquisition of financial assets ⁽¹⁾	-833	-1,004	-854	-959	-1,643	-1,131	340	725	-303	-1,682	-2,757

(1) Acquisition of assets or reduction in liabilities is shown positive; sale of assets in liabilities negative.

(2) Excluding deposits with the investment account of the National Savings Bank and the special investment departments of the trustee savings banks.

(3) Including bank advances to local authorities.

(4) Loans by local authority superannuation funds to parent authority are included under Local authority debt.

(5) From July 1972 changes in interest-free notes as a counterpart to transactions affecting the UK official reserves are excluded.

(6) Including Exchange Equalisation Account loss on forward commitments.

Transactions in financial assets ⁽¹⁾: overseas sector

TABLE 79

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Treasury bills:											
Counterpart of central bank assistance	—	144	182	280	518	772	-608	-1,011	-399	—	—
Other	91	-118	-269	-59	-120	-66	-121	-8	335	154	-346
British government and government guaranteed securities	—	87	-5	-8	8	-13	163	53	137	173	82
Import deposits	—	—	—	—	—	1	59	-32	-28	—	—
Local authority debt:											
Temporary	-9	48	38	-35	—	-64	26	-41	62	144	151
Longer-term	8	-20	-53	-8	6	7	4	2	21	5	167
Allocation of Special Drawing Rights	—	—	—	—	—	—	—	171	125	124	—
Official reserves	53	122	-246	282	319	114	-44	-125	-1,536	692	-210
Inter-government loans (net)	-97	-101	-66	-61	-39	-6	-48	-178	-188	-188	-153
United Kingdom subscriptions to the International Monetary Fund and European Fund	—	—	—	-175	—	—	—	-151	—	—	4
Drawings from United Kingdom subscriptions to international lending bodies	-7	-7	-16	-10	-18	-7	-20	-12	-17	-22	-58
Holdings of interest-free notes by the International Monetary Fund ⁽²⁾	5	359	496	159	-320	526	-14	-23	-555	-498	—
Refinanced export credits	—	—	—	—	—	—	-24	-129	-196	-195	-196
Other public sector assets and liabilities	-4	57	-39	-39	37 ⁽³⁾	-211 ⁽³⁾	-18	-145	-837	841	100
Deposits with banking sector	358	527	425	759	746	2,630	4,734	3,384	3,359	7,462	13,877
Deposits with other financial institutions	13	13	76	43	-79	-100	9	74	51	-104	54
Bank lending:											
Advances and loans	-274	-385	-311	-975	-781	-2,737	-4,756	-2,541	-2,187	-7,204	-12,047
Commercial bills	-42	-34	-42	-35	-4	-92	-112	-24	27	-160	-170
Money at call and short notice	-5	-8	-2	-3	3	-25	9	-30	-68	-125	-176
Trade credit (net)	-43	-10	-20	-118	-48	-52	-10	33	185	155	110
Company and overseas securities:											
Capital issues in U.K.	-3	-3	28	44	-6	44	8	12	10	28	30
Other	-42	-63	49	-1	-57	-185	109	-110	98	-513	405
Intra-company investments overseas:											
By UK companies overseas	-253	-311	-402	-326	-343	-385	-526	-473	-571	-588	-1,289
By overseas companies in UK	208	124	200	252	318	378	418	529	650	436	931
Other private sector assets	2	-27	4	3	-69	-126	-90	-53	147	-59	-405
Total identified financial assets	-41	394	27	-31	71	403	-852	-828	-1,375	558	861
Unidentified items ⁽⁴⁾	-83	-12	22	-53	242	-123	403	121	282	-672	408
Net acquisition of financial assets ⁽¹⁾⁽⁵⁾	-124	382	49	-84	313	280	-449	-707	-1,093	-114	1,269

⁽¹⁾ Acquisition of assets or reduction in liabilities by the overseas sector is shown positive; sale of assets or increase in liabilities negative.

⁽²⁾ From July 1972 changes in interest-free notes as a counterpart to transactions affecting the U.K. official reserves are excluded.

⁽³⁾ Including Exchange Equalisation Account loss on forward commitments.

⁽⁴⁾ The Balancing item in the balance of payments accounts.

⁽⁵⁾ Equals, apart from the change in sign, the current balance in the balance of payments accounts *plus* capital transfers abroad.

Transactions in financial assets of the public sector

Analysis by sector acquiring assets⁽¹⁾

£ million

TABLE 80

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Banking sector											
Notes and coin	82	-52	-2	82	27	134	51	-90	-30	83	239
Treasury bills	-35	-331	85	-209	—	-111	-251	550	5	-599	42
British government securities ⁽²⁾	-12	-215	73	119	233	-283	-341	-410	1,378	-1,114	-35
Tax reserve certificates	—	—	—	85	-10	-8	14	-21	-16	-21	-41
Net government indebtedness to Bank of England, Banking Department	-32	68	152	44	-19	128	-128	276	-471	443	1,027
N. Ireland central government debt	-8	7	-2	3	-2	1	-3	-1	-1	5	-13
Local authority debt	65	153	115	81	345	317	312	483	772	31	21
Deposits by the public sector	-10	-10	-39	-13	-13	-23	-67	-44	-39	-80	-100
Bank lending to public corporations	13	-10	7	15	-4	-49	-27	126	29	146	755
Total	63	-390	389	207	557	106	-440	869	1,627	-1,106	1,895
Other financial institutions											
Treasury bills	-2	12	-12	-6	-5	-9	-2	-6	-3	2	-5
British government securities ⁽²⁾	115	100	230	120	501	34	283	320	1,382	418	688
Tax reserve certificates	—	-2	—	-7	8	-5	-2	8	4	-8	-8
N. Ireland central government debt	5	2	11	3	13	14	1	1	1	—	—
Local authority debt ⁽³⁾	234	187	268	211	165	165	117	292	6	200	371
Central government loans	7	3	2	3	2	3	3	1	16	3	3
Loans by superannuation funds to parent organisation ⁽³⁾	80	67	61	76	59	75	50	35	87	111	145
Other loans and mortgages	—	—	—	—	-20	-15	-15	-4	—	—	—
Total	439	369	560	400	723	262	435	647	1,493	726	1,194
Other private sector											
Notes and coin	72	209	195	66	125	52	146	321	273	495	305
Treasury bills	-30	-82	-25	-16	—	-38	-12	9	—	-20	-9
British government securities ⁽²⁾	-225	-85	-77	-13	-216	-241	79	-222	470	5	817
National savings	185	209	-28	-202	-43	-93	-224	-51	371	475	144
Tax reserve certificates	-59	-35	-106	1	38	34	-39	-5	93	-84	-167
Tax deposit accounts	—	—	—	—	—	—	—	—	—	—	10
Import deposits	—	—	—	—	—	75	403	-225	-253	—	—
N. Ireland central government debt	8	2	4	3	10	-13	6	-3	-9	4	3
Local authority debt	338	193	190	153	170	159	142	-198	-207	43	522
Hire purchase debt	-10	-7	-2	17	10	-7	-3	1	-16	-42	-13
Trade credit (net)	51	65	5	62	36	-173	-103	-20	-27	-136	-27
Refinanced shipbuilding credits	—	—	—	—	—	—	-4	-31	-46	-40	-54
Loans for house purchase	-62	-125	-178	-65	-85	-24	2	-82	-132	-195	-366
Transactions in commercial bills by Issue Department, Bank of England	—	—	—	—	—	—	—	—	-2	1	-301
Other loans by public sector to the private sector	-28	-8	-49	-21	-31	-77	-61	-66	-44	44	-68
Company securities	22	17	-10	-53	-5	-57	-12	-6	-79	-14	-6
Other identified home assets	3	-2	5	1	-50	11	-12	-10	-2	-4	-11
Accruals adjustment	-6	7	1	134	-73	34	12	-48	-85	32	-567
Total	259	358	-75	67	-114	-358	320	-636	305	564	212
Overseas sector											
Treasury bills:											
Counterpart of central bank assistance	—	144	182	280	518	772	-608	-1,011	-399	—	—
Other	91	-118	-269	-59	-120	-66	-121	-8	335	154	-346
British government securities ⁽²⁾	—	87	-5	-8	8	-13	163	53	137	173	82
Import deposits	—	—	—	—	—	1	59	-32	-28	—	—
Local authority debt	-1	28	-15	-43	6	-57	30	-39	83	149	318
Trade credit (net)	—	—	—	-2	4	4	-4	32	49	20	-33
Allocation of Special Drawing Rights	—	—	—	—	—	—	—	171	125	124	—
Official reserves	53	122	-246	282	319	114	-44	-125	-1,536	692	-210
Inter-government loans (net)	-97	-101	-66	-61	-39	-6	-48	-178	-188	-188	-153
Transactions with IMF, etc.	-2	352	480	-26	-338	519	-34	-186	-572	-520	-54
Refinanced export credits	—	—	—	—	—	—	-24	-129	-196	-195	-196
Other identified overseas assets	-4	57	-39	-39	37 ⁽⁴⁾	-211 ⁽⁴⁾	-18	-145	-837	841	100
Total	40	571	22	324	395	1,057	-649	-1,597	-3,027	1,250	-492
Unidentified items	32	96	-42	-39	82	64	-6	-8	-95	248	-52
Net acquisition of financial assets of the public sector by other sectors⁽¹⁾	833	1,004	854	959	1,643	1,131	-340	-725	303	1,682	2,757

(1) Acquisition of assets or reduction in liabilities is shown positive; sale of assets or increase in liabilities negative.

(2) Including government guaranteed securities.

(3) Loans by local authority superannuation funds to parent authority are included under Local authority debt.

(4) Including Exchange Equalisation Account loss on forward commitments.

XIII. DEFINITIONS OF ITEMS IN SUMMARY TABLES

THE FOLLOWING NOTES provide a brief description of the main aggregates and of the items appearing in Tables 1 to 9 of the summary tables. A full description is given in *National Accounts Statistics: Sources and Methods*, Studies in Official Statistics, No. 13, HMSO, 1968. The items are given a *reference number*. Whenever the item appears in one of these summary tables, either alone or in combination with another item, its reference number is shown against it.

The main aggregates

Gross national product at factor cost. The total income of residents of the United Kingdom, before providing for depreciation or capital consumption. It is equal to the value at factor cost of the goods and services produced by United Kingdom residents *plus* their income from economic activity abroad and from property held abroad *less* the corresponding income of non-residents. Item 12 in Table 1.

Gross domestic product at factor cost. The total value at factor cost of the goods and services produced by United Kingdom residents before providing for depreciation or capital consumption. Item 22 in Table 1. An alternative estimate is provided by the sum of items 13 to 19 *less* item 20.

National income. The total income of residents of the United Kingdom after providing for capital consumption. It is equal to the gross national product at factor cost *less* capital consumption. Item 25 in Table 1.

Gross domestic product at market prices. The value of the goods and services produced by United Kingdom residents, including taxes on expenditure on both home produced and imported goods and services, and deducting subsidies. Item 22 *plus* items 8 and 9 *less* items 10 and 11. See Table 12.

Total domestic expenditure at market prices. The value of expenditure by United Kingdom residents on consumption and investment. The sum of items 1 to 5. See Table 1.

Total final expenditure at market prices. The value of expenditure by United Kingdom residents on consumption and investment, *plus* expenditure by non-residents on goods and services produced by United Kingdom residents. The sum of items 1 to 5, 6a and 6b. It is equal to the value of the goods and services produced by United Kingdom residents *plus* the value of imported goods and services, including taxes on expenditure and deducting subsidies. Item 22 *plus* items 7a and 7b, *plus* items 8 and 9, *less* items 10 and 11. See Table 12.

Total final output. The value, at market prices, of home produced and imported goods and services

available for private and public consumption, investment and export. It is equal to total final expenditure at market prices. See Table 10.

Items of expenditure

1. *Consumers' expenditure, at market prices* ⁽¹⁾. Expenditure on consumers' goods and services by persons and non-profit-making bodies, *plus* the value of income in kind. All business expenditure, reckoned as current costs of production, is, so far as possible, excluded. For further details see Tables 24 and 25.

2. *Current expenditure on goods and services by central government, at market prices* ⁽¹⁾. Current expenditure by the central government, other than trading bodies but including the National Insurance Funds, constituting a direct demand for goods and services, including the services of government employees. The figures exclude (a) expenditure on grants, subsidies, interest payments and all other transfers; (b) expenditure on fixed assets and stocks, which are included under items 4 and 5, and (c) loans and loan repayments. For further details see Table 39.

3. *Current expenditure on goods and services by local authorities, at market prices* ⁽¹⁾. The definition corresponds to that of item 2. For further details see Table 43.

4. *Gross domestic fixed capital formation, at market prices* ⁽¹⁾. Expenditure on fixed assets (buildings, vehicles, plant and machinery, etc.) either for replacing or adding to the stock of existing fixed assets. Expenditure on maintenance and repairs is excluded. For details of gross domestic fixed capital formation by sector, industry and type of asset see Tables 52 to 58.

5. *Value of physical increase in stocks and work in progress, at market prices* ⁽¹⁾. The increase in the quantity of stocks and work in progress held by trading enterprises, or by the central government for strategic purposes, valued at average prices of the year. Calculation of the value of the physical increase in stocks is related to the calculation of stock appreciation (item 20). Considerable uncertainty attaches to the division of the change in value of stocks between these two elements. For further details of changes in stocks and work in progress see Tables 68 to 71.

6. *Exports and property income from abroad, at market prices* ⁽¹⁾:

(a) *Exports of goods.* This is the same as exports

⁽¹⁾ In Table 12 each form of expenditure is also shown at factor cost. This is the market price value *less* the taxes on expenditure *plus* the subsidies falling on each form of expenditure. The allocation of these taxes and subsidies between the different forms of final expenditure is shown in Table 48.

(f.o.b.) in Table 2 of *United Kingdom Balance of Payments, 1963-1973*.

(b) *Exports of services*. Sales by United Kingdom residents to the rest of the world, other than those included in item 6a above. This figure is the same as the total credits from government and private services in Table 9 of *United Kingdom Balance of Payments, 1963-1973*.

(c) *Property income from abroad*. Rent, interest, profits and dividends received from overseas by United Kingdom residents. This is the same as the credits for interest, profits and dividends in Table 9 of *United Kingdom Balance of Payments, 1963-1973*, but reckoned before deducting foreign taxes. Profits are reckoned after deducting depreciation allowances but before providing for stock appreciation.

(d) *United Kingdom taxes paid by non-residents on portfolio income*. Income tax paid by non-residents to the United Kingdom Government on their receipts of dividends and interest from portfolio investments in United Kingdom securities.

(e) *United Kingdom taxes paid on company profits due abroad*. Corporation tax, income tax, profits tax and excess profits taxes paid on profits earned in the United Kingdom by foreign-owned branches and subsidiaries.

7. Imports and property income paid abroad:

(a) *Imports of goods*. This is the same as imports (f.o.b.) in Table 2 of *United Kingdom Balance of Payments, 1963-1973*.

(b) *Imports of services*. Purchases from abroad by United Kingdom residents, other than those included in item 7a above. This figure is the same as the total debits for government and private services in Table 9 of *United Kingdom Balance of Payments, 1963-1973*.

(c) *Property income paid abroad*. Rent, interest, profits and dividends paid overseas. This is the same as the debits for interest, profits and dividends in Table 9 of *United Kingdom Balance of Payments, 1963-1973*, but reckoned before deducting United Kingdom taxes. Profits are reckoned after deducting depreciation allowances but before providing for stock appreciation.

(d) *Foreign taxes paid by United Kingdom residents*. Taxes paid to overseas governments by United Kingdom resident companies operating abroad and by persons. The taxes are those levied by central governments on the basis of income; taxes which are regarded as operating expenses, including most mining royalties, are excluded.

8. *Central government taxes on expenditure*. Actual receipts of 'indirect' taxes related to the volume of production of, or trade in, particular goods and services as distinct from taxes related to the income or capital resources of particular individuals, companies, etc., plus the excess of purchase tax charged by registered traders

in the year over actual receipts by the central government in the year. Value added tax is included on an accruals basis by adjusting the receipts figures to the taxable accounting periods to which they relate. Refunds of selective employment tax, which are deducted from payments in arriving at the net yield from the tax, are estimated on an accruals basis. For details see Table 39.

9. *Local authority taxes on expenditure*. Accruals of local rates and payments in lieu of rates.

10. *Central government subsidies*. Payments made to a producer or trader with the object of reducing his selling price below the factor costs of production plus the excess of subsidies accrued in the year over the actual payments by the central government in the year for subsidies to the nationalised transport undertakings and for housing subsidies. The financing of losses on public trading services is included. For details see Table 39.

11. *Local authority subsidies*. This includes the deficit on local authorities' housing revenue accounts and the accounts of other local authority trading undertakings as well as payments made to Passenger Transport Executives. For details see Tables 43 and 47.

12. *Gross national product at factor cost*. The sum of items 1 to 6, 10 and 11 less items 7, 8 and 9. It is also equal to item 22 plus item 23.

Items of factor income

13. *Income from employment*. This comprises the following items, given separately in Table 21:

(a) *Wages and salaries*. Cash earnings of wage earners and salaried employees, before deduction of income tax, surtax or insurance contributions plus income in kind less expenses of employment. The figures include directors' fees. For details see Tables 18 and 20.

(b) *Pay in cash and kind of H.M. Forces*. The pay and cash allowances of, and the cost of issues of food and clothing to, 'effective' members of the armed Forces and auxiliary services, excluding those on release leave but including those serving in government departments.

(c) *Employers' national insurance, etc., contributions*. Employers' contributions to the national insurance scheme, to the national health service and to the Redundancy Fund are regarded as part of employees' income deducted at source.

(d) *Other employers' contributions*. This item represents employers' contributions to superannuation and other pension funds, and, in the case of unfunded schemes, pensions and gratuities actually paid to retired employees (principally payments to former central government employees and to retired police and firemen). This item also includes compensation payments by employers to injured employees or to

their dependants and redundancy payments made by employers which are not covered by rebates from the Redundancy Fund.

14. *Income from self-employment (before providing for depreciation and stock appreciation).* This is measured before deduction of tax or interest payments, and comprises the following items, given separately in Table 21:

(a) *Professional persons.* Income of professional workers from practice on their own account.

(b) *Farmers.* Income of farmers from all commercial holdings; income of companies engaged in agriculture is also included.

(c) *Other sole traders and partnerships.* Trading profits of non-corporate enterprises other than those engaged in providing professional services or in farming.

15. *Gross trading profits of companies (before providing for depreciation and stock appreciation).* Trading profits, before deduction of tax or interest payments, of companies and co-operative societies operating in the United Kingdom, including United Kingdom branches and subsidiaries of non-resident parent companies. For details see Tables 28 and 30 to 33.

16. *Gross trading surplus of public corporations (before providing for depreciation and stock appreciation).* The trading surpluses, before deduction of tax or interest payments, of the nationalised industries and public boards engaged in providing coal, electricity, gas, transport, etc. The Post Office is treated as a public corporation from April 1961. For details of the operations of public corporations see Tables 34 to 38.

17. *Gross trading surplus of central government trading bodies (before providing for depreciation and stock appreciation).* The surpluses of the trading departments of the central government before making any provision for interest payments. The Post Office was the principal trading enterprise until March 1961, after which it is treated as a public corporation.

18. *Gross trading surplus of local authority trading bodies (before providing for depreciation and stock appreciation).* The trading surpluses, before charging interest, of the local authority undertakings engaged in providing water, passenger transport, harbours, docks, etc.

19. *Rent (before providing for depreciation).* Gross receipts from ownership of land and buildings less actual expenditure by the owners on repairs, maintenance and insurance. An imputed income is included for owner-occupied dwellings and farms, houses provided rent-free by employers and houses and non-trading property owned and occupied by public authorities. Imputed income from owner-occupied trading property, other than farms, is included in trading income (items 14a and 14c to 18) and is not part of rent.

20. *Stock appreciation.* This is the part of the change in the value of stocks and work in progress during the year which arises from increases in the prices at which stocks and work in progress are valued. The estimates of stock appreciation are related to estimates of the value of stocks, and are highly uncertain. An approximate analysis of stock appreciation by sector is given in Table 71.

21. *Residual error.* The difference between item 22 and the sum of items 13 to 19 less item 20. Two estimates of the gross domestic product (item 22) are built up from largely independent data on incomes and final expenditure. The *residual error*—the difference between the two independent estimates—is presented as though it were an item (positive or negative) of income. This is purely for convenience of presentation and does not imply that the estimates of expenditure are necessarily superior in accuracy to the estimates of income. The *residual error* is not attributed to any of the sectors. It is, however, carried into the combined capital account (Table 6) as a form of saving.

22. *Gross domestic product at factor cost.* The sum of expenditure items 1 to 5, 6a, 6b, 10 and 11, less items 7a, 7b, 8 and 9. It is also equal to the sum of income items 13 to 19 less item 20, plus the residual error (item 21).

23. *Net property income from abroad.* Item 6c plus item 6d plus item 6e less item 7c less item 7d. This is the same as the net credit from interest, profits and dividends in Table 2 of *United Kingdom Balance of Payments, 1963-1973*. Profits are reckoned after deducting depreciation allowances but before providing for stock appreciation.

24. *Capital consumption.* This item is a measure of the amount of fixed capital resources used up in the process of production during the year. It is deducted from the gross national product to obtain a measure of the national income, and from gross domestic fixed capital formation to obtain a measure of net domestic fixed capital formation. Capital consumption is not an identifiable set of transactions: it is an imputed transaction which can be measured only by a system of conventions. Mainly for this reason the estimates of capital consumption are not fully incorporated in the summary tables. For details of capital consumption see Tables 59 to 61.

25. *National income.* Item 12 less item 24.

Other items of personal income and expenditure

26. *Rent, dividends and net interest received by personal sector.* This item represents total receipts of rent and of dividends, including co-operative society dividends, together with receipts less payments of interest. From 6 April 1973, tax credits on dividends are included. The receipts of life assurance and superannuation funds, including industrial assurance funds, are

regarded as the income of the policy holders and members of the schemes and are included in the receipts of the personal sector. They are shown separately in Table 21.

27. *Current transfers to charities from companies.* Identified contributions by companies to charities, which are non-profit-making bodies included in the personal sector.

28. *Grants paid to personal sector by central government:*

(a) *National insurance benefits.* Details are given in Table 42.

(b) *Other.* Supplementary benefits, family allowances, war pensions, etc. Rebates to employers paid from the Redundancy Fund are included in this item. Grants to non-profit-making bodies serving persons, for example grants to universities, are also included. Details are given in Table 39.

29. *Grants paid to personal sector by local authorities.* The main items are scholarships and grants to universities, colleges, etc., and, from 1972, rent rebates and allowances granted to tenants under the 1972 Housing Finance Act. Details are given in Table 43.

30. *Transfers abroad (net) by personal sector.* Net transfers abroad by persons, including legacies and migrants' funds. This is the same as net private transfers in Table 9 of *United Kingdom Balance of Payments, 1963-1973*.

31. *Taxes paid abroad.* Taxes paid to overseas governments by persons on property income from abroad. This is part of item 7d.

32. *United Kingdom taxes on income:*

(a) *Payments.* From 6 April 1973, includes imputed tax payments set against tax credits on dividends.

(b) *Additions to tax reserves.* The excess of accruals of income tax and surtax over the actual payments of tax in the year.

33. *National insurance, etc. contributions.* Contributions by employers (item 13c), employees and self-employed persons to the national insurance scheme, to the national health service and to the Redundancy Fund.

34. *Balance: saving before providing for depreciation and stock appreciation.* This figure is obtained as the residual difference in Table 2 between total personal income and total personal current expenditure. Both the absolute amount in each year, and the changes from year to year, are subject to large margins of error. Saving, as here defined, includes increases in the funds of life assurance companies and superannuation schemes. Saving is transferred to the capital account shown in Table 22. Transactions in financial assets are given in Table 74.

35. *Income from employment, self-employment, rent, dividends and net interest after tax payments.* Items 13, 14 and 26 less the appropriate parts of items 32a and 33.

36. *Personal receipts of current grants by public authorities, after tax payments.* Items 28 and 29 less the appropriate part of item 32a.

The estimates of the incidence of tax on the different forms of income, which are only approximate, are shown in more detail in Table 49.

Other items in the appropriation account of companies

37. *Other income of companies:*

(a) *Rent and non-trading income arising in the United Kingdom.* The principal components are public debt interest, interest paid to financial companies and rent from property owned and let. Income from investments in other companies is excluded.

(b) *Income from abroad.* The profits of United Kingdom companies operating abroad and of foreign subsidiaries of United Kingdom companies (after deducting depreciation allowances, but before deducting taxes on income paid to overseas governments and before providing for stock appreciation) plus non-trading income from abroad. This is part of item 6c.

38. *Company dividends and interest:*

(a) *Payments.* Dividends and interest paid out during the year, prior to 6 April 1973, shown gross of income tax and thereafter as actual payments. Dividends, etc. paid by one company to another in the United Kingdom and dividends, etc. paid by United Kingdom subsidiaries to their foreign parent companies or shareholders are excluded.

(b) *Additions to dividend reserves.* The excess of accruals of dividends over payments in the year.

39. *Profits due abroad, net of United Kingdom tax, and taxes paid abroad.*

(a) *Profits due abroad, net of United Kingdom tax.* The profits earned in the United Kingdom by foreign-owned branches and subsidiaries.

(b) *Taxes paid abroad.* Taxes paid to overseas governments by United Kingdom resident companies operating abroad. This is part of item 7d.

40. *United Kingdom taxes on income.* Payments on profits due abroad appear as item 6e.

(a) *Payments on other income.* Corporation tax (including advance corporation tax), income tax, profits tax and excess profits taxes paid on income earned by companies both resident and owned in the United Kingdom.

(b) *Additions to tax reserves on profits due abroad.* The net excess of accruals of tax over the amounts actually paid in item 6e.

(c) *Additions to tax reserves on other income.* The net excess of accruals of tax over the amounts actually paid in item 42a.

41. *Balance: undistributed income of companies after taxation but before providing for depreciation and stock appreciation.* The balancing item in Table 28.

Other items in the appropriation account of public corporations

42. *Other income of public corporations:*

(a) *Rent and non-trading income.*

(b) *Income from abroad.*

This item corresponds to item 37 for companies.

43. *Public corporation interest:*

(a) *Payments.*

(b) *Additions to interest reserves.*

This item corresponds to item 38 for companies.

44. *United Kingdom taxes on income:*

(a) *Payments.*

(b) *Additions to tax reserves.*

This item corresponds to item 40 plus item 6e for companies.

45. *Balance: undistributed income of public corporations after taxation but before providing for depreciation and stock appreciation.* The balancing item in Table 35.

Other items in the current account of central government including National Insurance Funds

46. *Rent, dividends and interest received by central government.* The largest item is interest on loans to local authorities and public corporations. Interest received by one part of the central government from another part is excluded, for example, national debt interest received by the National Insurance Funds.

47. (a) *Taxes on income.* Receipts from income tax, surtax, corporation tax, profits tax and excess profits taxes. The sum of items 6d, 6e, 32a, 40a and 44a less 47b.

(b) *Tax credits to personal sector.* Tax credits on dividends received by the personal sector.

48. *Current grants from overseas governments.* Mainly defence aid grants from the United States and Canada less United States share of counterpart.

49. *Debt interest paid by central government.* This item excludes interest on securities held within the central government, for example, securities held by the National Insurance Funds.

50. *Current grants to local authorities.* Includes rate support grants, general grants, rate deficiency grants, equalisation grants and grants towards specific services. Capital grants are excluded.

51. *Current grants paid abroad.* Grants to overseas governments under the economic aid programme; military aid to overseas governments; subscriptions and contributions to international organisations less transfers received from the European Economic Communities; war pensions and national insurance benefits paid to persons abroad. This is equal to government transfers overseas less transfers received from the EEC in Table 11 of *United Kingdom Balance of Payments, 1963-1973*.

52. *Balance: current surplus of central government, before providing for depreciation and stock appreciation.* The balancing item in Table 4.

Other items in the current account of local authorities

53. *Rent, dividends and interest received by local authorities.* The greater part of this item represents the imputed rent income in respect of houses and non-trading property owned by local authorities.

54. *Debt interest paid by local authorities.* This includes interest paid on loans from the central government.

55. *Balance: current surplus of local authorities before providing for depreciation and stock appreciation.* The balancing item in Table 5.

Other items in international transactions

56. *Current transfers to personal sector.* The credit part of item 30. This is the same as credits from private transfers in Table 9 of *United Kingdom Balance of Payments, 1963-1973*.

57. *Capital transfers from abroad.* This item includes a variety of capital receipts arising from government operations abroad. In the early post-war years the main constituents were grants under the European Recovery Programme and gifts from abroad; settlements of debts and claims arising out of the war; and sales of surplus war stores held abroad. Receipts were last recorded in 1955.

58. *Current transfers from personal sector.* The debit part of item 30. This is the same as debits from private transfers in Table 9 of *United Kingdom Balance of Payments, 1963-1973*.

59. *Net investment abroad.* This represents the net increase in the value of overseas assets acquired by United Kingdom residents less the net increase in the value of assets in the United Kingdom acquired by non-residents. Overseas assets are taken to include investment in physical assets, financial assets and gold and foreign currency reserves. Net investment abroad is equal to the current balance in the balance of payments for the years 1952-72, but in 1973 capital transfers paid abroad (item 60) have to be added. It is also equal, apart from the change in sign, to the net balance

of 'investment and capital flows' in the balance of payments *plus* the net balance of official financing items *plus* the 'balancing item'. The latter is the residual total of unidentified transactions in the balance of payments accounts, some part of which is probably attributable to current transactions. Details of net investment abroad are given in Table 79.

60. *Capital transfers paid abroad.* This item first appears in 1973 and relates to payments under the guarantee clauses of the Sterling Agreements of 1968, as renewed in 1971.

Gross domestic product

Table 8 brings together the various estimates of gross domestic product at factor cost. They are shown in index number form with the base year for the constant price estimates as 100.

61. *At current prices; based on income data.* The estimate built up from data on incomes, largely independent of the data on expenditure which provide item 22. It is the sum of items 13 to 19 less item 20 in Table 1. It is also equal to item 22 less item 21.

62. *At constant prices; based on expenditure data.* The estimate built up from the components of item 22 revalued at 1970 prices. Details are given in Table 14. It is equal to item 22 divided by the index of total home costs given in Table 17.

63. *At constant prices; based on income data.* The estimate obtained by deflating the income estimate of gross domestic product at current prices by the price index implied by the current and constant price estimates based on expenditure data. It is equal to item 61 divided by the price index implied by items 22 and 62, which is shown as the index of total home costs in Table 17.

64. *At constant prices; based on output data.* The estimate built up from estimating the contributions, revalued at constant prices, of different industries to the gross domestic product. Details are given in Table 15.

65. *At constant prices; average estimate.* The unweighted arithmetic average of the three estimates based on expenditure, income and output data (items 62, 63 and 64).

XIV. NOTES

THIS SECTION is designed to bring up-to-date the description of sources, methods and definitions given in *National Accounts Statistics: Sources and Methods*, Studies in Official Statistics, No. 13, HMSO, 1968 (subsequently referred to as *Sources and Methods*). The notes which follow also describe the principal revisions which have been made to the estimates contained in last year's National Income Blue Book (*National Income and Expenditure, 1973*, HMSO, 1973).

The analyses by industry are based as far as possible on the *Standard Industrial Classification, 1968*.

Summary tables

Changes in sources, methods and definition of items in tables 1 to 7 are described in the detailed sections of these notes in which the items occur.

Information for years before 1952 for the categories in Tables 1-7, 14, 15, and 17, is available in the Central Statistical Office data bank, and users may obtain this information on application, for a small fee.

Table 8. Gross domestic product at factor cost

From the 1973 Blue Book the index numbers in this table have been based on 1970 (see notes on Tables 14 and 15).

Table 11. Gross domestic product by industry

The items *Net property income from abroad* and *Gross national product at factor cost* have been omitted from the table, and the title changed accordingly. In addition, the table shows estimates of the contribution of each industry to the gross domestic product after providing for stock appreciation. Estimates before providing for stock appreciation still appear in Table 18, and the estimate of value added in manufacturing is further subdivided by SIC Order in a new Table 19, based on input-output analyses for certain selected years. See notes on page 101.

The contribution of *Insurance, banking and finance* is measured before deducting financial companies' net receipts of interest. This is offset by a new item *Adjustment for financial services* so that the measurement of gross domestic product in total is unchanged.

Table 12. Gross domestic product by category of expenditure

The items *Net property income from abroad* and *Gross national product* have been omitted from the table, and the title changed accordingly. The estimates of gross domestic product at market prices are defined to include taxes on expenditure levied on imports. Estimates excluding taxes on expenditure levied on imports can be obtained by using the estimates given in the table below.

Table 13. Gross domestic product by sector and type of income and employment by sector

The items *Net property income from abroad* and *Gross national product* have been omitted from the table, and the title changed accordingly.

Income of domestic servants. The estimates incorporate the numbers of domestic servants recorded in the 1966 and 1971 censuses of population.

The estimates of factor incomes for public corporations cover the British Steel Corporation from July 1967. The estimates of employment relate to mid-June and the steel undertakings nationalised in July 1967 are included in the private sector figures for that year.

Expenditure and output at constant prices

From the 1973 Blue Book the tables in this section have been based on 1970. Since the 1969 Blue Book they had been based on 1963. A comparison of the estimates on the 1963 and 1970 bases was described in an article in *Economic Trends* in February 1974.

Table 14. Expenditure and output at 1970 prices

The estimates for 1970 to 1973 have been calculated in detail in relation to the base year 1970. For the years 1963 to 1970 the estimates calculated on the base year 1963 have been linked to the series from 1970 based on 1970 without detailed re-calculation of all the individual items, but linking has been carried out separately at least for each of the components published in the Blue Book and in rather greater detail where it seemed appropriate. The estimates shown in this table are obtained from the sum of these linked components. A more detailed re-calculation was not thought worthwhile since the relative prices of 1963 are no less appropriate to this group of years than those of 1970.

For the years 1952 to 1962 the estimates related to the base years 1958 and 1963 have been linked to the series from 1963 based on 1970 separately only for each of the items included in this table. The aggregates have been linked separately from the components so that the relative changes shown by estimates for 1952 to 1962 are not affected by the relative prices of 1970. Hence the components shown do not add to the totals for these years. The adjustments between the sum of the main components and the estimates of the gross domestic and national products at factor cost are shown in footnote (1) to the table.

Consumers' expenditure. See notes on Table 25.

Public authorities' current expenditure on goods and services. The indices of wage and salary rates used to revalue at constant prices central government expenditure on wages and salaries have been improved. Volume

Taxes on expenditure levied on imports

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
At current prices	1,694	1,887	2,182	2,248	2,236	2,489	2,820	2,949	3,020	3,283	3,387
At 1970 prices	2,507	2,620	2,575	2,639	2,739	2,836	2,857	2,949	3,009	3,234	3,496

indicators of the floor area of buildings occupied are used to estimate changes in rent and rates at constant prices, in place of revaluation by price indices. Expenditure on repair and maintenance of buildings is revalued by the index of construction costs calculated by the Department of the Environment (formerly the Ministry of Public Building and Works), instead of by the appropriate section of the retail price index. The calculations have also been revised to incorporate a larger element of current weighting.

Gross domestic fixed capital formation. See notes on page 115.

Value of physical increase in stocks and work in progress. See notes on page 117.

Exports and imports of goods and services. See notes on page 119.

Adjustment to factor cost. The major difference between constant price estimates of the factor cost adjustment at 1963, and at 1970 prices is the inclusion in the latter of selective employment tax (net of refunds), selective employment premiums and regional employment premiums, none of which were operative in 1963. The method of calculation used was to multiply the number of employees in respect of whom tax or premium was payable each year, by the rates of tax or premium that applied in 1970—distinguishing between men, women, boys and girls.

The relative importance of the different types of taxes on expenditure and subsidies in the base years 1963 and 1970 can be assessed from an examination of Tables 39 and 43.

Table 15. Index numbers of output at constant factor cost

The indices from 1968 have been weighted together according to the distribution of net output in 1970, as given by the total of factor incomes, less stock appreciation.

The general methods used in the construction of the indices are those described in terms of the 1963 based index in *The Index of Industrial Production and Other Output Measures*. Studies in Official Statistics No. 17, HMSO, 1970. There are, however, changes in the treatment of financial services, and in a number of individual indicators. The major changes are outlined in the following paragraphs.

Financial services. A large contribution to the earnings of the insurance, banking and finance industries is made by the excess of interest received over interest paid out. Since the net output of other industries is defined in the national accounts before interest is charged there could arise a certain amount of duplication in the weights. The former treatment was to deduct from the weight for each industry the weight for net interest received in *Insurance, banking and finance and business services* by proportionately reducing the weights for each Order. In the 1970 based index this deduction is made *en bloc* by means of a special item, the *Adjustment for financial services*, with a negative weight to which are attached the indicators used for those

insurance, banking and finance services which are financed in this way. The revised treatment was applied to the years 1963 to 1968 on the 1963 based index before linking on to the new base as described below.

Other industries. The main change to indicators has been the increasing use of quarterly sales inquiries in the index of industrial production, where they now account for 22 per cent of the total weight, covering a wide range of industries.

The indicators for *Mining and quarrying* now include a series representing drilling for natural gas, as well as the quantity of gas produced. The indices for the gas and electricity supply industries now take into account different tariffs, and in particular distinguish between industrial and domestic use.

The index for *Shipbuilding and marine engineering* is still based on employment, but now includes allowances for changes in the length of working week and for changes in productivity in the industry.

Outside the index of industrial production, the index for road haulage in *Transport and communication* now excludes 'own account' haulage. The indicator for port activity in the same Order is now the value at constant prices of imports and exports. The indicator for insurance (other than life insurance) is now premiums adjusted for unexpired risk. An additional indicator for financial institutions in *Insurance, banking and finance* is the number of transactions in government stock. In the *Professional and scientific services* Order, an indicator, the number of mortgage advances, is used to represent conveyancing.

For the years before 1968 the indices within the index of industrial production have been linked to the 1970 base and combined using the general methods described in the May 1972 issue of *Economic Trends*. In addition, the movements at industry level of output between 1963 and 1968 have been amended in accordance with the results of the census of production for those years. The index for gross domestic product and the series outside the index of industrial production have been linked simply by reference to their annual levels in 1968 on the 1963 and 1970 bases. The following table compares the 1963 and 1970 weights per 1,000. Those for 1963 differ from those published in earlier Blue Books because of the revised treatment of financial services, described above.

	1963	1970
Agriculture, forestry and fishing	36	30
Mining and quarrying	25	16
Manufacturing	339	327
Construction	58	64
Gas, electricity and water	31	32
Transport and communication	94	84
Distributive trades	112	104
Insurance, banking, finance and business services	65	82
Ownership of dwellings	43	57
Professional and scientific services	84	98
Miscellaneous services	81	70
Public administration and defence	58	67
Adjustment for financial services	-26	-31
	1,000	1,000

Table 16. Index numbers of industrial production at constant factor cost: analysis by type of market

This new table introduces into the Blue Book an alternative form of disaggregation of the index of industrial production, designed to group together indices of the output of industries which meet broadly similar categories of demand. It should be noted that movements in output of these groups do not correspond to movements in the corresponding categories of final expenditure for a number of reasons. Probably the most important of these is that final expenditure includes imported goods and excludes the part of domestic production that is exported. In addition the classification of industries by the end-use of their principal products presents difficulties, particularly where an industry produces a range of products with different end-uses, or where an individual product may be purchased by more than one category of final demand. The analysis is described in greater detail in an article in the November 1973 issue of *Economic Trends*.

Table 17. Implied index numbers of costs and prices

The table includes the price index implied by the estimates of public authorities' current expenditure on goods and services at current and constant prices.

Industrial input and output

Table 18. Gross domestic product by industry and type of income

The estimates have been revised as far as possible in line with the *Standard Industrial Classification, 1968*. See notes on Tables 20 and 33. Estimates for wages and for salaries are no longer shown separately, but estimates, on broadly the same basis as those published previously, are available on request to the National Accounts Branch of the Central Statistical Office.

Within income from employment, estimates for recent years of income in kind and 'other' employers' contributions for the index of production industries and certain other industries have been based on information from the Department of Employment's labour costs survey in 1968.

In deriving estimates of income from employment for some industries, use has been made of the Department of Employment's new earnings surveys from 1970 onwards.

Mining and quarrying. The estimates of gross profits and other trading income have been reduced by the allocation to other industries of that part of the trading surplus of the National Coal Board appropriate to its activities outside of collieries.

Manufacturing: Gas electricity and water. The estimates of income from employment incorporate results from the 1970 census of production and take account of provisional results from the 1971 and 1972 censuses of production.

Insurance, banking, finance, and business services. The contribution of this industry is now measured before deducting financial companies' net receipts of interest. This is offset by a new item *Adjustment for financial services* so that the measurement of gross domestic product is

unchanged. It is no longer appropriate to include the item *Adjustment for net interest* under this industry heading but since the measurement of total gross domestic product is unchanged an adjustment to the sum of the industry contributions is still required; this is now shown at the foot of the table under the heading *Adjustment for financial services*. The intermediate output of financial services now treated as part of the contribution of *Insurance, banking and finance* should be offset against the contribution of those industries by which this output is consumed. Since this allocation is in practice impossible to make, however, the adjustment for financial services financed by the excess of interest received over interest paid out can only be made in the way described.

The method of estimation of rent from business property (that is covering property owned by persons, companies and public corporations and rented for use by both private and public trading enterprises) has been improved in the light of up-to-date information on rents of new offices.

Insurance, banking, finance, and business services; Other services. It has now been possible to revise the estimates for these industries and to transfer business services and central offices from the Order 'miscellaneous services' to the Order 'insurance, banking, finance and business services' as defined in the *Standard Industrial Classification, 1968*.

Table 19. Gross domestic product by manufacturing industries

This new table gives an analysis of the gross domestic product by industries at S.I.C. Order level within the total for manufacturing shown in Table 11. Figures are shown for 1963 and 1968, when full censuses of production were taken and for 1970 and 1971, using the results of the new style annual censuses of production.

The estimates for 1963, 1968 and 1970 are derived from the detailed analysis of income from employment and gross profits and other trading income, provided for these years by the input-output tables which are based on census data. The estimates for 1971 are based mainly on the final results of the annual census but partly on provisional results.

A description of the sources and methods used in the industrial analysis of gross domestic product for the input-output tables is given in *Input-output tables for the United Kingdom, 1968* (HMSO, price £7.30).

Table 20. Wages and salaries in manufacturing industries

See notes on Table 18.

The estimates have been revised as far as possible in line with the *Standard Industrial Classification, 1968*. The estimates incorporate the results of the 1970 census of production and take account of provisional results from the 1971 and 1972 censuses of production.

For years before 1963 estimates have been made by assuming that, for individual Orders, the differences between the figures on the old and new classifications were proportionally the same in earlier years as they were in 1963. It is not practicable to make estimates in this way for the additional industrial Orders in the *Standard Industrial Classification, 1968* which gives a

more detailed breakdown for the chemicals and engineering industries, and these Orders are therefore combined for the years before 1963. For 1963 to 1967 and 1969 estimates of the more detailed breakdown for the chemicals and engineering industries are based on the assumption that the movement of average earnings was the same for each of the two Orders in chemicals and for each of the three Orders in engineering, and these series are therefore subject to some uncertainty.

From the 1971 Blue Book the method of estimation for years when detailed census of production information is not available, described on page 135 of *Sources and Methods*, has been modified from 1963 to reflect the movement of the monthly index of average earnings between earnings inquiries (now including the Department of Employment's new earnings surveys).

Input-Output tables

No input-output tables are included in this Blue Book. The final detailed input-output tables for 1968 were published in 1973, and final tables for 1970 were published in September 1974 in the *Business Monitor* series (PA 1004).

Personal sector

Table 21. Income and expenditure account

Wages and salaries. See notes on Table 18.

Pay in cash and kind of H.M. Forces. About one-third of the increase between 1969 and 1970 reflects the introduction on 1 April 1970 of the new pay structure whereby servicemen are paid a salary from which they have to make payments to cover the cost of their food and accommodation and make additional tax payments. Up to that date the figures of income in kind include the cost of issues of food and nothing is included for lodging.

Employers' contributions: other. The estimates incorporate information from the Government Actuary's surveys of occupational pension schemes in 1967 and 1971.

Farmers; Other sole traders and partnerships. The estimates of income of farmers now cover occupiers of all commercial holdings, including those of less than one acre. The estimate of the income of smallholders, included in the income of other sole traders and partnerships, has been correspondingly reduced.

An addition has been made to the estimate of the income of other sole traders and partnerships to cover occasional sales of produce by non-commercial holdings. *Professional persons; Other sole traders and partnerships.*

The estimates of income of professional persons now excludes income from advertising, market research and business services, and the income of musicians (except musical composition), actors and entertainers. Estimates for other sole traders and partnerships have been correspondingly increased to take account of these categories.

Rent, dividends and net interest; UK taxes on income: payments. With the introduction of the imputation system of corporation tax from 6 April 1973, personal dividend income, gross of tax, consisted of a dividend (equivalent to the 'net of tax' dividend received in earlier periods) together with the associated tax credit. Taxes on personal income also include the imputed tax payments set against the tax credits, less cash payments to persons by the Inland Revenue in respect of tax credits where there is a reduced liability to pay tax. The effect of this treatment is broadly to maintain comparability within the personal sector account with the earlier figures. The effects of the new system of corporation tax on companies is described in the notes on page 104.

National insurance benefits and other current grants from public authorities. The figures now exclude the net cost to public authorities of school meals, milk and welfare foods provided free or at subsidised prices. Instead of being regarded as a grant in kind to the personal sector this expenditure is now included in public authorities' current expenditure on goods and services and does not enter into the personal income and expenditure account. Expenditure on legal aid has been similarly reclassified.

Taxes paid abroad. The estimates are now made by applying appropriate tax rates to the estimates of property income from abroad.

Real personal disposable income. In a new footnote to this table, personal disposable income is shown at constant prices. The current price estimate is deflated by the implied deflator for consumers' expenditure, shown in Table 17.

Table 22. Capital account

Capital transfers. Estimates of receipts of *Other* capital transfers are now shown gross instead of net, and payments are shown separately in the expenditure part of the table under the new item *Capital transfers to public corporations*.

Taxes on capital. Figures for 1968 to 1970 include the special charge on investment income in 1967/68, which is shown separately in Table 49.

Household and total catering expenditure on food⁽¹⁾

	£ million										
	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
At current prices	5,398	5,637	5,843	6,119	6,304	6,524	6,897	7,373	8,050	8,577	9,800
At 1970 prices	6,896	7,003	7,017	7,106	7,181	7,223	7,247	7,373	7,353	7,292	7,354

⁽¹⁾ As defined in the notes opposite.

Table 23. Revenue account of life assurance and super-annuation funds

The estimates incorporate information from the Government Actuary's surveys of occupational pension schemes in 1967 and 1971.

Distribution of personal income before and after tax. The table included up to the 1969 Blue Book has been dropped because of the increasing amount of estimation required to produce calendar year figures on a national accounts basis. Tables showing the distribution by ranges of personal income for financial years, as obtained by the Inland Revenue from income surveys of tax returns, are published in *Inland Revenue Statistics* and in the *Annual Abstract of Statistics*.

Tables 24 and 25. Consumers' expenditure

Food (household expenditure). The figures now include only the cost to persons of welfare foods and milk provided under the National Milk Schemes and not their total cost. See notes on Table 21.

In the table opposite the estimates of household and other personal expenditure on food given up to the 1969 Blue Book have been replaced by estimates of expenditure on food covering, in addition to household expenditure, all expenditure on food by both commercial and non-commercial catering establishments. These estimates are derived in the course of calculating household expenditure on food. They cover all expenditure on food for civilian consumption, including expenditure on food by public authorities for hospitals, prisons, homes for old people, etc. and for school meals, welfare foods and milk provided under National Milk Schemes. The cost of issues of food to H.M. Forces is excluded. The figures of household expenditure are at prices paid by the consumer while those of expenditure by catering establishments are generally at wholesale prices.

For the years since 1966 the estimates of expenditure on dairy products now include estimates of expenditure on yoghurt.

Rent, rates and water charges. The estimates from 1962 incorporate information on the total number of owner-occupied houses derived from the full census of population for 1971. The estimates of imputed rent of owner-occupiers take account of the rateable values given by the revaluation in England and Wales in 1973.

Fuel and light: electricity. From the second quarter of 1967 the timing of the estimates reflects consumption in the quarter instead of amounts billed and meter collections.

Gas. From 1969 the timing of the annual estimates reflects consumption in the year instead of amounts billed and meter collections.

Gas and electricity. For years since 1969 (except the most recent year) the estimates of sales in Northern Ireland are based on returns from the Ministry of Commerce in Northern Ireland, instead of assuming the sales to be 1½ per cent of sales in Great Britain as described in *Sources and Methods*. For the most recent year the estimates for Northern Ireland are extrapolated until the returns from the Ministry of Commerce are received.

In Table 25 the estimates of expenditure on gas and electricity at constant prices have been obtained by deflating the current price estimates by movements in the gas and electricity components of the index of retail prices. Before the 1973 Blue Book the estimates were derived by applying the average revenue per unit or therm in the base year to the number of units or therms in each year, as described in *Sources and Methods*. The new procedure is based on the principle that gas or electricity sold on different tariffs are separate products.

Clothing; Furniture and floor coverings; Radio, electrical and other durable goods; Household textiles and soft furnishings; Hardware; Chemists' goods; Miscellaneous recreational goods; Other miscellaneous goods. The estimates for 1966 incorporate the final results of the census of distribution for that year. From 1967 the estimates for the categories which are based on statistics of retail sales incorporate the provisional results of the census of distribution for 1971.

Other household goods. The separate estimates for *Household textiles and soft furnishings* and for *Hardware*, which prior to the 1971 Blue Book were included in the notes, are now given in the tables.

Chemists' goods. The figures include an estimate for private purchases of spectacles and contact lenses from ophthalmic opticians.

Motor cars and motor cycles, new and secondhand. The estimate for 1967 incorporates the final results of the motor trades inquiry for that year. The estimates for the years after 1967 are projected from this base in line with the short-term inquiry.

Books. The addition for the value of imported books based on import statistics excludes books printed abroad for United Kingdom publishers.

Newspapers and magazines. The estimates for the latest years have been based on the results of the Family Expenditure Survey, instead of on the data on circulations described in *Sources and Methods*. These estimates have been revalued at constant prices using the appropriate items of the index of retail prices.

Miscellaneous recreational goods. The estimates for expenditure on domestic pets now make more extensive use of the results of the Family Expenditure Survey.

Running costs of motor vehicles. The estimates for *Other* for recent years are based on the results of the Family Expenditure Survey.

Travel. Estimates for sea travel (within *Other*) on both long and short sea routes for the latest years are now derived from the results of the International Passenger Survey conducted by the Department of Industry.

Entertainment and recreational services. The estimates for renting of television and radio sets in the latest years are based on projections of the benchmark estimates from the censuses of distribution by turnover figures, instead of by numbers of sets hired out and an index

of price as described on page 178 of *Sources and Methods*. The estimates incorporate the provisional results of the census of distribution for 1971.

Domestic service. The estimates incorporate the number of domestic servants recorded in the 1966 census of population.

Catering (meals and accommodation). The figures now include only parents' contributions to school meals. The net cost to public authorities of meals in maintained schools and school milk is now excluded; see notes on Table 21. From 1 April 1970 the figures include payments made by the Forces to cover the cost of their food and accommodation, following the introduction of the new pay structure; the cost of food is not included in the table on page 102. The figures for *Income in kind not included elsewhere* have been reduced from the same date by the exclusion of food issued to the Forces.

From 1963 the estimates for catering are revalued at constant prices using a specially constructed price index for meals and accommodation instead of an index of changes in costs. Price indices for meals are calculated from information collected by the Department of Employment for calculating the component of the index of retail prices for meals bought and consumed outside the home. For accommodation a price index is constructed from published quotations for bed and breakfast in licensed and unlicensed hotels. Parents' contributions to the cost of school meals are revalued by a price index of gross costs per meal, which is also used in revaluing expenditure on school meals within public authorities' current expenditure on goods and services.

From 1969 estimates of expenditure on meals and accommodation in hotels, holiday camps, boarding houses, restaurants, cafés, fish and chip shops, clubs and canteens incorporate the results of the 1969 catering inquiry and of an inquiry on 'Expenditure on Accommodation while away from Home in 1969' undertaken by the Social Survey Division of the Office of Population Censuses and Surveys.

Wages, salaries, etc. paid by private non-profit-making bodies. The estimates for recent years have been revised in line with the latest information available from the Department of Education and Science.

Income in kind not included elsewhere. From 1 April 1970 the figures exclude the cost of food issued to the Forces, included under *Catering*.

Table 26. Categories of personal income

Rent of owner-occupied dwellings. See notes on Tables 24 and 25 under *Rent, rates and water charges*.

Table 27. Taxes on expenditure and subsidies allocated to consumers' expenditure

Taxes allocated to specific categories of consumers' expenditure include taxes on expenditure by foreign tourists, etc. The estimated total of taxes on their expenditure is deducted from taxes not allocated to categories of consumers' expenditure and attributed to exports of goods and services in Table 48.

From 1966 the proportion of selective employment tax payments and premiums attributed to consumers' expenditure is based largely on input-output statistics for 1968 and the results of the 1966 census of distribution. Payments made by those industries which do not qualify for a premium or refund of tax, broadly the service industries, have been allocated between the various categories of consumers' expenditure.

Refunds of selective employment tax are now measured on an accruals basis instead of a payments basis (see note on Table 39). As far as possible, the estimates of taxes and subsidies *Not allocated to categories* have been adjusted in order to be consistent with the results of the input-output analyses for 1963, 1968 and 1970. Differences in 1968 are due to the fact that refunds of selective employment tax are measured on a payments basis in the input-output analysis. In 1973, value added tax has been allocated between the various categories of consumers' expenditure in accordance with estimates of the value of taxable expenditure within each category.

Companies

Table 28. Appropriation account

With the introduction of the imputation system of corporation tax from 6 April 1973, companies paying dividends, instead of deducting income tax which had to be accounted for to the Inland Revenue and paying the dividend net, have been liable to pay advance corporation tax to the Inland Revenue in respect of the dividend paid; the rate of advance corporation tax for the year ending 31 March 1974 was at three-sevenths of the dividend. These payments of advance corporation tax are mainly made in the first month following the end of the quarter in which dividends were paid; they can subsequently be set against companies' corporation tax liability. This change in the taxation system is reflected in the company sector appropriation account so that for example, payments of ordinary dividends, previously shown gross of income tax, now appear as actual payments; the associated advance corporation tax is included within payments of United Kingdom taxes on income.

Gross trading profits. In contrast to the treatment followed in earlier Blue Books, where selective employment tax was recorded on a cash basis, in making the estimates from 1966, refunds of selective employment tax are allocated to the period in which the original payments were made. Premiums continue to be allowed for when they are received. The treatment of selective employment tax in the reported figures on which the estimates are based is often uncertain and the estimates are therefore subject to a wider margin of error than usual whenever there are changes in the tax.

The estimates of profits include an adjustment to the Inland Revenue profits data additional to those described on pages 223-6 of *Sources and Methods*. The Inland Revenue estimates of profits do not allow for all receipts and payments of royalties and an approximate adjustment has been made to allow for this. The estimates are consistent with the balance of payments accounts in which all royalties are regarded as payments for services.

The estimates of the gross trading profits of financial companies exclude the net earnings of United Kingdom

banks on claims and liabilities in non-sterling currencies, which are regarded as non-trading income.

Income from abroad. The estimates include the net earnings of United Kingdom banks on claims and liabilities in non-sterling currencies. This treatment is consistent with the balance of payments accounts where these net earnings are classified as *interest, profits and dividends*.

Dividend and interest payments. These items exclude dividend and interest payments by UK associates and subsidiaries to overseas parent companies, which are included under *Profits due abroad*. In 1973 £701 million gross ordinary dividends and £19 million gross preference dividends were paid by companies before the imputation system was introduced.

Dividends on ordinary shares. The estimates for recent years are based on information from Schedule 12 income tax returns.

Debenture and loan interest. The estimates cover loan interest payments not included in other items as well as debenture interest, which is not distinguished from other annual payments in the information available to the Inland Revenue. The estimates are based on information available from Schedule 12 income tax returns, adjusted to exclude royalty payments, covenanted contributions to charities and interest on deposits with hire purchase finance companies. Adjustments have also been made to exclude all payments within the company sector.

Additions to dividend reserves. The figures incorporate estimates of the timing of interim and final dividend payments. Quarterly payments have been allocated to accounting periods ending in each quarter on the basis of an analysis of the accounts of the largest companies. Interim dividends are estimated to be paid on average at the end of the accounting period and final dividends some six months later.

Profits due abroad net of United Kingdom tax. In 1973 this figure includes £290 million paid by UK subsidiaries to overseas parents. Of these payments some £200 million gross dividends were paid before the imputation system was introduced.

United Kingdom taxes on income. The tax charge from 1966 was increased by the withdrawal of investment allowances and the changes in initial allowances from 17 January 1966 when investment grants were introduced. Investment grants were withdrawn and a new system of allowances introduced from 26 October 1970.

Payments on profits due abroad and Payments on other income in 1973 include £276 million advance corporation tax.

Taxes paid abroad. From 1966 the figures are no longer estimated from information obtained by the Inland Revenue in connection with relief of United Kingdom tax against foreign tax. The estimates are partly based on direct information from certain companies, and partly derived by applying the appropriate rates of tax to an analysis by country of other property income from abroad.

Table 29. *Capital account*

Capital transfers. Receipts of investment grants, in respect of capital expenditure from 17 January 1966 to 26 October 1970, and taxes on capital are shown separately. Estimates of receipts of *Other* capital transfers are shown gross instead of net, and payments are shown separately in the expenditure part of the table under the item *Capital transfers to public corporations*.

Taxes on capital. These taxes mainly comprise amounts paid on chargeable gains under companies' corporation tax liability.

Tables 30 and 31. *Appropriation and capital accounts of industrial and commercial companies and financial companies*

Rent and non-trading income. The rent income of financial companies is estimated on the basis of their investment in land, real property and ground rents, etc.

Interest received by financial companies on government securities is estimated by applying to average quarterly holdings the average interest yield on all government securities, weighted for each group of financial institutions according to the maturity structure of their holdings.

In 1973 financial companies received dividend income totalling some £250 million. This figure includes gross dividends of approximately £80 million received before the imputation system was introduced.

Dividend and interest payments. Payments of dividends on ordinary shares by industrial and commercial companies are now shown separately and their payments on preference shares are included with *Other dividends and debenture and loan interest*.

In 1973 industrial and commercial companies paid £578 million gross ordinary dividends and £19 million gross preference dividends before the imputation system was introduced. Financial companies paid £123 million gross ordinary dividends during the same period.

Current transfers to charities. About one-tenth of the contributions by companies to charities are attributed to financial companies on the basis of information provided by the Inland Revenue.

Increase in value of stocks and work in progress. Estimates for financial companies are based on information about stocks held by financial institutions. No estimates are available for years before 1968, but the amounts involved are thought to be small.

Taxes on capital. The Inland Revenue has now estimated the division of these taxes between industrial and commercial companies and financial companies.

Table 33. *Trading profits by industry*

For 1968 onwards this table gives preliminary estimates based on a reclassification of company profits according to the *Standard Industrial Classification, 1968*, but estimates on this basis are not available for other years. Since this table is based on a classification of companies assessed for tax the revisions to the industrial

classification can be expected to have a smaller effect on these estimates than on estimates prepared on an establishment basis. More firmly based estimates of trading profits by industry, derived from the analysis of assessments to corporation tax, will be compiled by the Inland Revenue according to the revised classification, and revisions may be made to the preliminary estimates when the full detailed assessment-based figures become available.

For the years 1965 to 1967 the analysis by industry, which is derived from the statistics of tax assessments, is less reliable than that for earlier years because of the change in the system of taxation of companies from income tax and profits tax to corporation tax. Income tax was charged by reference to the gross trading profits whereas corporation tax is charged on the total net income, including non-trading income and after deducting capital allowances and interest payments. There are many technical differences between the resulting series, and the problem of linking them has not yet been fully solved.

Public corporations

From 28 July 1967 the British Steel Corporation is included in public corporations; the companies then nationalised were previously included in the company sector. In March 1968 the Transport Holding Company acquired full control of the British Electric Traction group of bus companies and from this date their activities are included within this sector. On 1 April 1968 the Ulster Transport Authority was recreated as the Northern Ireland Transport Holding Company. On 1 January 1969 three new transport bodies were set up under the Transport Act, 1968: the National Freight Corporation, the National Bus Company and the Scottish Transport Group. This represents a regrouping of business previously forming part of the Transport Holding Company and the British Railways Board. On 1 October 1969 responsibility for the Department for National Savings was transferred from the Post Office Corporation to the central government. The Passenger Transport Executives (including London Transport Executive) which were set up at various dates from 1 October 1969 have been reclassified in this Blue Book as public corporations (in previous Blue Books they were classified as local authorities). On 1 May 1971 the Industrial Reorganisation Corporation was dissolved and its assets and liabilities transferred to central government. The Northern Ireland Housing Executive was established on 13 May 1971. On 4 October 1971 the functions of the Northern Ireland Housing Trust were transferred to the Housing Executive. The housing functions of Northern Ireland New Town Development Commissions were also transferred to the Housing Executive between December 1972 and July 1973. On 1 April 1972 the Civil Aviation Authority was established to take over certain functions previously carried out by central government bodies. On 17 May 1972 a new Northern Ireland corporation, the Finance Corporation, was set up. On 31 March 1973 the Transport Holding Company was dissolved and its remaining assets and liabilities transferred to the National Freight Corporation. On 6 November 1973 a new corporation, the Maplin Development Authority, was established.

Table 34. Operating account

From 1967/68 the English and Scottish electricity boards changed their basis of recording income from sales of electricity. Previously this income was based on bills issued; it is now based on the consumption of electricity in the period. Both revenue sales and the gross trading surplus therefore reflect the inclusion of this unbilled revenue from 1 April 1967.

Subsidies. Including in 1972/73 £84 million in respect of the National Coal Board's revenue deficit for 1972/73 which was written off under the Coal Industry Act 1973.

Table 35. Appropriation account

Gross trading surplus; Rent. Certain income of the housing and new town corporations formerly included in the gross trading surplus has been reclassified as rent.

Non-trading income. The figures have been reduced by the exclusion of the receipt by the Electricity Council of £2 million a year interest from another public corporation, the South of Scotland Electricity Board, from 1955/56 onwards. The transaction has also been consolidated out of *Interest and dividends* on the other side of the account.

Payments of interest and dividends

To central government. This item now covers all other identified payments of interest and dividends as well as interest on loans. The additional items now included were previously included in *Other interest and dividends*; they are listed on page 242 of *Sources and Methods*.

Other. This item now excludes all identified payments to central government and the payment by the South of Scotland Electricity Board to the Electricity Council. See preceding notes.

Table 36. Capital account

The table has been rearranged in order to show the public corporations' borrowing requirement and to show the residual financial transactions on the receipts side of the account as in the other public sector capital accounts.

Additions to interest and dividend reserves. The figure for 1973 includes a reduction of £23 million, representing the National Coal Board's outstanding liability for interest payable to the central government which was extinguished under the Coal Industry Act 1973. This is offset by a similar sum included in *Capital transfers from central government on writing-off debt* (see notes on Table 40).

Capital transfers. The table now shows separately, transfers *From central government*, *From local authorities* and *From private sector*.

From central government: on writing-off debt. See notes on Table 40.

From local authorities. This item relates to capital grants paid by the Greater London Council to London Transport Executive.

From private sector. From 1968 this item includes capital contributions received by electricity generating boards from aluminium smelter companies.

Financial transactions on writing-off debt. These have now been brought together under one heading. For details of the entries from 1968 see notes on Table 40.

Borrowing requirement:

Redemption of government guaranteed stock. This item is shown separately because it is treated as not affecting the central government borrowing requirement. See notes on Table 40.

Other identified borrowing (net). This comprises borrowing from banks, from abroad and from own superannuation funds, and net receipts from issues less other redemptions of stock, less net acquisitions of local authority debt and British government securities. Figures of borrowing from banks and from own superannuation funds are taken from the financial accounts. Figures of borrowing from abroad are based on returns from the public corporations.

Adjustment for subsidies. The difference between accruals and receipts of subsidies from central government, which was included in *Miscellaneous financial receipts (net)*, is now presented separately. In 1973 including £84 million representing notional payment of the subsidy referred to in the entry under *Subsidies* above. See also notes on Table 40.

Trade credit and other identified financial transactions (net). This item comprises changes in domestic trade credit and debt, hire purchase debt, bank deposits and import deposits; and repayments by the British Steel Corporation of loans made by the private sector.

Net lending to private sector. This item now includes loans and mortgages by new town corporations and advances by the nationalised industries to associated companies. Net lending by the Industrial Reorganisation Corporation is included from 1967 to 1971.

Net lending and investment abroad. This item now includes expenditure on fixed assets abroad and other investment abroad by the nationalised industries and by Cable and Wireless, Ltd.

Cash expenditure on company securities, etc. (net). Including in 1972 the receipt of £22½ million from the sale of Thos. Cook and Son Ltd.

Tables 37 and 38. Analysis by industry of appropriation and capital accounts

These tables now include figures for the latest year shown in the combined tables. This has been made possible by improved quarterly information.

Table 38. Analysis of capital accounts by industry

The table has been rearranged to correspond with the revised arrangement of Table 36.

Central government including National Insurance Funds

On 1 October 1969 responsibility for the Department for National Savings was transferred to the central government from the Post Office Corporation. On 1 April 1972 responsibility for the regulation and licensing of air transport and for the operation of air navigation services was transferred from the central government to the Civil Aviation Authority.

Table 39. Current account

Income tax. With the introduction of the imputation system of corporation tax from 6 April 1973, central government receipts of income tax include imputed tax payments set against tax credits on dividends less total tax credits whether actually paid by the Inland Revenue or set against tax liability. See also notes on Table 21.

Value added tax and Car tax. These taxes became payable from 1 April 1973. The figures represent the amount of these taxes accruing on final expenditure, rather than actual receipts (less repayments) by Customs and Excise. The estimates are derived by reallocating tax receipts and repayments to the taxable periods in which they arise. The difference between the accruals estimates and actual net receipts by Customs and Excise in the period is shown in the capital account under the heading *Adjustment for value added tax and car tax*. The 1973 figure for VAT is after allowing for a rebate of £280 million to traders in respect of purchase tax and excise duties already paid on stocks of finished goods held for sale at 1 April 1973.

Export rebates. The figures shown include relief for shipbuilders under Section 2 of the Finance Act, 1966. Rebates ceased to be payable on goods exported after 31 March 1968, unless the goods were exported under certain contracts made before the announcement of devaluation. Shipbuilders' relief continued, however, and is payable on delivery of the ship.

Selective employment tax. Net receipts from selective employment tax were previously calculated by deducting central government cash refunds of the tax from payments in the corresponding period. The net yield from the tax has now been adjusted closer to an accruals basis by deducting estimates of the government liability for refunds from payments in the corresponding period. The difference between the liability for refunds and the actual cash refunds in the period is shown in the capital account under the heading *Adjustment for selective employment tax*.

Television contractors: additional payments. Payments to the Exchequer under the Television Act, 1964 are now shown separately from *Miscellaneous items*.

Miscellaneous taxes on expenditure. Certain fees for services provided by the central government previously included here are now classified as deductions from *Current expenditure on goods and services*. The amounts which were reclassified for each year from 1961 to 1970 were given in the notes to the 1972 Blue Book (page 103).

Gross trading surplus. On 1 April 1971 the trading activities of the Atomic Energy Authority were transferred to two companies in the private sector. From 1 April 1972 the Forestry Commission accounts have been recast and its notional capital liability to the government written down. This has resulted in a substantial reduction in the notional interest charge from the same date, which is reflected in a lower level of gross trading surplus since for the Forestry Commission this is equal to depreciation and interest charges.

Interest and dividends, etc.: from public corporations. This item now includes all identified receipts of interest and dividends. Receipts from public corporations other than interest on loans were previously included under *Other receipts of interest and dividends, etc.*

Current expenditure on goods and services. This item now includes net expenditure on milk and welfare foods, and expenditure on legal aid, which are no longer regarded as grants to the personal sector but as direct expenditure on goods and services. The figures now also include as a deduction certain fees for services provided by the central government previously included in *Taxes on expenditure* (see note above). The figures also exclude certain expenditure by the Arts Council of Great Britain to assist private theatres, clubs and societies which has now been reclassified as *Current grants to personal sector*, and capital expenditure on British embassies abroad, which has been reclassified as *Gross domestic fixed capital formation*.

Subsidies:

Employment premiums. Payments of selective employment premiums to manufacturers in excess of their original tax payments and regional employment premiums paid to manufacturers in development areas. Payments began in 1967.

Assistance to coal industry. Payments under the Coal Industry Acts, 1965, 1967 and 1971. The item covers grants to the National Coal Board in connection with pit closures, and reimbursements to electricity and gas boards in respect of the costs of additional coal consumption.

Other. Including compensation payable to the gas, electricity and post office corporations for price restraint.

Current grants to personal sector:

Milk and welfare food schemes. This expenditure is now classified as *Current expenditure on goods and services*.

Child care. This is now included in *Other*.

Social security benefits: Other non-contributory benefits. Including from 1970 old persons' retirement pensions, family income supplements, and attendance allowances. In 1972 including lump sum payments to pensioners. In 1973 these appear under the heading *Social security benefits: National Insurance*.

Other. Expenditure on legal aid is now classified as *Current expenditure on goods and services*. From 1968 includes supplementary payments to elderly redundant mineworkers under the Coal Industry Acts.

Debt interest. From 1 October 1969 includes payments of interest to the Post Office Staff Superannuation Scheme under Section 47 of the Post Office Act, 1969.

Table 40. Capital account

Taxes on capital. From 1968 includes the betterment levy. The figure comprises receipts by the Land Commission plus the amount of levy assessed on its own purchases. Figures from 1968 also include receipts from the special charge on investment income in 1967/68. Separate figures are given in Table 49.

Receipts from certain pension 'funds' (net). Under Sections 43 to 46 of the Post Office Act, 1969 responsibility for payment of pensions, etc. to Post Office employees was transferred from the central government to the Post Office. Receipts from the Post Office Fund under the previous arrangements ceased from 1 October 1969 and from that date the accrued liability of the central government in respect of these receipts is being repaid to the Post Office Staff Superannuation Scheme. The repayments are a deduction within this item.

Adjustment for value added tax and car tax. See notes on Table 39.

Adjustment for selective employment tax. See notes on Table 39.

Adjustment for subsidies. The figure for 1973 includes a reduction of £84 million, representing the write-off at 31 March 1973 of the National Coal Board's revenue deficit for 1972/73 which was treated as the payment of a subsidy. The corresponding notional repayment of government loans used to finance this deficit is shown under *Net lending to public corporation: loans written off*.

Refinanced export and shipbuilding credits. This item relates to the refinancing by the Issue Department of the Bank of England of medium-term and long-term export credit and loans for domestic shipbuilding provided by the London clearing and Scottish banks. The original scheme is described in greater detail in the September 1969 issue of the *Bank of England Quarterly Bulletin*. From April 1972 export credits are refinanced from voted funds and are recorded under the heading *Net lending to overseas sector: Other*. From the third quarter 1972 some shipbuilding credits are also being refinanced from voted funds and are recorded under the heading *Net lending to private sector: Industry and trade*. Transactions in refinanced bills by the Issue Department of the Bank of England continue to be recorded under this heading.

Transactions in marketable securities on acquisition of the capital of certain undertakings. The figures for 1967 to 1969 include issues of stock as compensation for the capital of the steel companies vested in the British Steel Corporation. They are balanced by entries on the payments side of the account under the heading *Steel compensation: issues of stock*. The figure for 1968 also includes the transfer to the Treasury under the Air Corporations Act, 1969 of liability for the £16 million of British European Airways guaranteed stock. This item is balanced by an entry on the payments side of the account under *Net lending to public corporations: transfer of liability for stock*.

Import deposits. Receipts less repayments by H.M. Customs and Excise of deposits made under the Customs (Import Deposits) Act, 1968. Deposits were payable in respect of imports of most manufactured goods other than those used in buildings and repairing ships and aircraft and those used in the manufacture of goods for export. Deposits were 50 per cent of their value from 27 November 1968, 40 per cent from

5 December 1969, 30 per cent from 14 May 1970 and 20 per cent from 1 September 1970 to 4 December 1970 when they were abolished. The deposits were repayable after 180 days. The figures exclude transactions with central government bodies.

Borrowing for redemption of government guaranteed stock. The redemption of government guaranteed stock is excluded from the central government borrowing requirement (Net balance). The figure for 1966 represents borrowing required to finance the redemption of 4½ per cent North of Scotland Electricity stock 1965–66. The figure for 1969 represents borrowing required to finance the redemption of £200 million of 4½ per cent British Electricity stock 1967–69 and £15 million of 4½ per cent South of Scotland Electricity stock 1967–69. The figure for 1970 represents borrowing required to finance the redemption of £8 million of 3 per cent North of Scotland Electricity stock 1968–70. The figure for 1971 represents borrowing required to finance the redemption of £72 million of 3½ per cent British Gas stock 1969–71. The figure for 1972 represents borrowing required to finance the redemption of £179 million of 4 per cent British Gas stock 1969–72 and £4 million of 2½ per cent North of Scotland Electricity stock 1967–72. The figure for 1973 represents borrowing required to finance the redemption of £341 million of 3 per cent British Electricity stock 1968–73 and £8 million of 3 per cent North of Scotland Electricity stock 1968–73.

Borrowing requirement (Net balance). Market transactions by the Issue Department of the Bank of England in local authority and commercial bills and borrowing by the Northern Ireland central government are included within the items financing the central government borrowing requirement. The analysis of the borrowing requirement has been rearranged in order to show *Total overseas official financing* of the total currency flow, as shown in the balance of payments accounts. The items *Treasury bills*, *Increase in holdings of interest-free notes*

by the International Monetary Fund, *Capital subscriptions to the International Monetary Fund and European Fund* and *Other direct borrowing (net) from overseas governments and institutions* are affected as described below.

Increase in non-marketable debt: Tax deposit accounts. This type of deposit was introduced from April 1973 as an interest-bearing security for the purpose of meeting corporation tax liabilities.

Treasury bills. The counterpart of central bank assistance in support of the reserves in the form of swaps against sterling is now shown separately because it forms part of *Total overseas official financing*.

Borrowing from overseas governments. The figures from 1966 represent drawings from the Export-Import Bank credit for the purchase of United States military aircraft, together with a loan of £52 million in 1969 from the German Federal Republic as part of an agreement on the cost of stationing British troops in Germany.

Increase in holdings of interest-free notes by the International Monetary Fund. This item is replaced by the transactions with the Fund leading to the changes in holdings, as shown in the table below. The figures for 1967, 1972 and 1973 exclude maintenance of value adjustments.

Miscellaneous direct borrowing (net) from overseas governments and institutions. This item includes:

- (i) deposits less withdrawals by the German Federal Republic formerly included in *Other direct borrowing (net) from overseas governments and institutions*;
- (ii) the counterpart of United Kingdom subscriptions in sterling to the IMF less deposits in the IMF current and deposit accounts plus other IMF transactions in sterling, formerly covered by the item *Increase in holdings of interest-free notes by the IMF*. Details are given in the table below.

Analysis of Increase in holdings of interest-free notes by the International Monetary Fund

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
United Kingdom subscriptions in sterling	—	—	—	131	—	—	—	113	—	—	—
less Deposits in the IMF current and deposit accounts	—	—	—	—2	—1	—	—	—2	—1	—	—
Other IMF transactions in sterling	—	2	7	15	20	20	16	—	—	—83	—
Net drawings from less repayments to the IMF:											
Gold tranche	5	174	—	—	—	—	—	—	—	—33	—
Credit tranche	—	183	489	15	—339	506	—30	—134	—554	—123	—
Increase in holdings of interest-free notes by IMF	5	359	496	159	—320	526	—14	—23	—555	—239	—

Capital subscriptions to the International Monetary Fund and European Fund. Subscriptions in gold, which form part of the total currency flow in the balance of payments accounts, are now shown separately. Subscriptions in sterling to the IMF, together with their counterpart mentioned in the item above are excluded from the balance of payments accounts. The figures for 1967 exclude the revaluation in sterling terms following devaluation.

Allocation of SDRs (Special Drawing Rights). The figures represent the United Kingdom share of the allocations by the International Monetary Fund of the new reserve asset Special Drawing Rights. The item forms part of the total currency flow in the balance of payments accounts.

Net drawings from less repayments to International Monetary Fund. This item was formerly covered by the item *Increase in holdings of interest-free notes by the IMF*. See table above. From July 1972 it excludes transactions with the IMF affecting the UK reserve position in the Fund (gold tranche) which are included as changes in the official reserves.

Foreign currency deposits by other monetary authorities. These were formerly part of *Other direct borrowing (net) from overseas governments and institutions*.

E.E.A. loss on forward commitments. This item records the loss arising from the fact that the Exchange Equalisation Account's forward commitments entered into before devaluation were recorded as being settled on maturity at the new parity.

Increase in official reserves. Changes in official holdings of non-convertible currencies, now appear as a separate item in the table. The figure for the increase in official reserves for 1967 excludes the revaluation on devaluation of sterling in November 1967. As from 23 August 1971 changes in the reserves have been valued at transactions rate of exchange. As from July 1972 transactions with the IMF affecting the UK reserve position in the Fund (gold tranche) are included as changes in the official reserves; in 1972 they amounted to £259 million.

Investment grants. Cash grants in respect of certain capital expenditure on new assets from 17 January 1966 to 26 October 1970. Payments of grants began in 1967.

Capital transfers to public corporations: on writing-off debt. The figure of £19 million in 1968 represents the write-off on 1 January 1968 of the Raw Cotton Commission's outstanding liability to the central government (£8 million), the write-off with effect from 31 March 1968 of certain loans to the National Research Development Corporation (£1 million) and the write-off with effect from 1 April 1968 under the Air Corporations Act, 1969 of debt of the British European Airways Corporation (£25 million) less the capitalisation with effect from 31 March 1968 of reserves of the British Overseas

Airways Corporation as public dividend capital (£15 million). The figure of £1,258 million in 1969 represents the write-off on 1 January 1969 of liabilities to the central government of the nationalised transport bodies covered by the Transport Act, 1968. The figure of £255 million in 1970 represents the write-off on 1 January 1970 of the outstanding debt of the London Transport Board (£270 million) less the capitalisation with effect from 31 March 1970 of a further part of the reserves of the British Overseas Airways Corporation as public dividend capital (£15 million). The figure of £350 million in 1972 represents a reduction on 1 April 1972 of £200 million of the British Steel Corporation's public dividend capital together with the write-off with effect from 15 September 1972 of £150 million loans to the Corporation. The figure of £543 million in 1973 represents (a) the write-off on 31 March 1973 of £343 million loans to the National Coal Board plus the extinguishment of £23 million liability for accrued interest; (b) the write-off on 20 March 1973 of £130 million and on 20 August 1973 of £47 million loans to the Post Office. The corresponding notional repayments less advances are shown under *Net lending to public corporations: loans written off*. The notional receipt of the National Coal Board's interest liability to the central government is included under *Miscellaneous financial receipts (net)*.

Capital transfer to overseas sector. For 1973 this item relates to amounts paid over in implementation of the guarantee clause of the Sterling Agreements.

Net lending to public corporations: loans written off. Including in 1973 the write-off of £84 million loans to the National Coal Board for the purpose of temporarily financing its 1972/73 revenue deficit. See note on *Adjustment for subsidies*.

Drawings from United Kingdom subscriptions to international lending bodies. In 1973 including subscriptions to the European Investment Bank.

Steel compensation: issues of stock. Stock issues in satisfaction of compensation for the assets of the steel companies vested in the British Steel Corporation. The stock is valued at its issue price and the figures represent the compensation value. It is matched by an equivalent amount on the receipts side of the account under the heading *Transactions in marketable securities on acquisition of the capital of certain undertakings*.

Table 42. Current account of National Insurance Funds
Current grants to personal sector:

Retirement pensions. Including in 1973 lump sum payments to pensioners made out of the National Insurance Funds.

Sickness benefit. Including from 1 October 1969 payments to the Post Office under Section 51 of the Post Office Act, 1969, which allows Post Office employees to retain the right, which they previously had as civil servants, to receive full pay during sickness. The payment to the Post Office of the estimated saving to the National Insurance Fund as a result of this arrangement was at the rate of £6 million a year during 1969/70.

Local authorities

The estimates for local authorities given in this Blue Book incorporate information from Local Government Financial Statistics (England & Wales), Local Financial Returns (Scotland) and Local Authority Financial Returns (Northern Ireland) for years up to 1971/2.

The passenger transport executives, which have been included in the local authority sector in previous Blue Books, are now in the public corporations sector from the date of their inception. London Transport Executive, which had been included in the local authority sector from 1 January 1970 (when it came under the control of the Greater London Council) is also transferred to the public corporations sector.

Table 43. Current account

Current grants from central government. The fall in specific grants for education and roads in 1967 reflects the replacement of grants in aid of school meals and milk and some highways grants by the rate support grant introduced in 1967/68. Also, from 1967/68 some grants for minor improvements on roads have been reclassified as capital grants.

Rates. From 1967 income was reduced by the lower rate on domestic hereditaments.

Gross trading surplus. Certain payments from rate-fund accounts to trading services, previously excluded, are now included in arriving at the gross trading surplus. Cemeteries and crematoria are no longer treated as a trading service, net expenditure on this service now being included with current expenditure on goods and services.

Current expenditure on goods and services:

Roads and public lighting. From April 1967 certain expenditure on minor improvements has been reclassified; it is no longer included in this item but is treated as *Gross domestic fixed capital formation*. This type of expenditure amounted to about £30 million in the financial year 1967/68.

Administration of justice. This item now includes expenditure on legal aid which was formerly regarded as a grant in kind and included in *Current grants to personal sector*. Responsibility for legal aid was transferred from local authorities to central government from 1 January 1972.

National health service. Expenditure from April 1969 on certain local authority health services is included under the heading *Personal social services*.

Personal social services. This heading comprises the two former headings *Local welfare services* and *Child care* together with, from April 1969, certain services transferred from the *National health service*.

School meals and milk. This expenditure was formerly regarded as a grant in kind and included in *Current grants to personal sector*.

Town and country planning. This expenditure was previously included in other current expenditure on

goods and services. This heading covers the administrative costs of such things as central area planning and redevelopment, treatment of derelict land and loans to industrialists.

Cemeteries. This heading was classified as a trading activity and was included as a deduction within the item *Gross trading surplus* until the 1973 Blue Book when it was reclassified to current expenditure on goods and services, and included in the residual *Other* heading.

General administration. This expenditure was previously included in the residual *Other* heading. In addition to general administrative expenditure it includes adjustments in respect of certain special funds of local authorities (e.g. insurance funds and trust or charity funds).

Subsidies. In addition to housing subsidies this heading now covers subsidies paid by local authorities to their own trading organisations, hitherto netted out in arriving at the trading surplus. The figures for passenger transport also include payments to nationalised transport undertakings.

Current grants to personal sector:

Rent rebates and allowances. Expenditure on rent rebates to tenants under the Housing Finance Act, 1972.

Other. This item comprises compensation for damage caused by civil disturbances in Northern Ireland.

Table 44. Capital account

Capital grants from central government:

Roads and public lighting. From April 1967 certain grants for minor improvements previously classified as current grants are included in this item.

Education. From April 1967 grants for school canteens were replaced by the rate support grant, which is included in current grants from the central government under the heading *Grants not allocated to specific services*.

Other identified borrowing (net). This comprises identified borrowing other than *Loans from central government (net)*, less net purchases of British government securities.

Adjustment for subsidies. The difference between cash receipts and accruals of housing subsidies from the central government, formerly included in *Miscellaneous financial receipts (net)*.

Adjustment for rates. The difference between cash receipts and accruals of rates from ratepayers, formerly included in *Miscellaneous financial receipts (net)*.

Bank deposits and unidentified items. Formerly included in *Miscellaneous financial receipts (net)*.

Gross domestic fixed capital formation:

Roads and public lighting. From April 1967 includes certain expenditure on minor improvements which had previously been treated as current expenditure. This type of expenditure amounted to about £30 million in the financial year 1967/68.

National health service and Personal social services.
See notes on Table 43.

Other. This heading now includes expenditure on agricultural services hitherto shown separately.

Capital grants to public corporations. Grants by local authorities to passenger transport executives.

Net lending to private sector:

For house purchase. This item includes estimates of lending for the purchase of council houses by tenants.

Other. This item comprises advances to industrialists for development under Sections 3 and 4 of the Local Authorities (Land) Act, 1963.

Combined public authorities

Table 45. Combined current and capital account

Changes in financial assets and liabilities. The figures exclude the transactions connected with the nationalisation of the steel industry. Repayments of loans by overseas governments are now also excluded.

Expenditure on financial assets. Repayments of loans by overseas governments are now offset against this item.

Table 46. Analysis of current expenditure on goods and services

The classification by service of central government expenditure on *Wages, salaries, etc.* has been amended; wages and salaries paid by the Department of the Environment (formerly the Ministry of Public Building and Works) in providing defence accommodation services have now been allocated directly to *Military defence* instead of to *Other services*. An offsetting reduction has been made to *Other payments (net)* for *Military defence* and an offsetting increase in *Other payments (net)* for *Other services*.

Table 48. Taxes on expenditure and subsidies: allocation by type of expenditure

The allocation to categories of final expenditure of taxes on expenditure and subsidies which fall largely on intermediate expenditure is as far as possible consistent with the results of the input-output analyses for 1963, 1968 and 1970 (see note on Table 27). In 1973, value added tax has been allocated between the various categories of final expenditure in accordance with estimates of the value of taxable expenditure within each category.

Table 49. Allocation of taxes by sector, type of income and property

Income tax: current grants from public authorities to personal sector. These estimates represent the allocation of tax paid in proportion to income for those receiving retirement pensions, widows' benefits and guardians' allowances, war pensions and service grants, non-contributory pensions and family allowances.

The section on taxes on capital now includes an allocation of tax by sector and an analysis by type of tax.

Public sector

The transactions connected with the nationalisation of the steel industry are excluded from the public sector tables. In addition to payments of interest on loans by public corporations to central government all other identified payments of interest and dividends by public corporations to central government have now been eliminated on consolidation. Lending to overseas governments is now shown net of repayments in the public sector tables.

Table 50. Current and capital accounts

Interest and dividends, etc.:

Central government. This series now excludes all identified interest and dividends received from public corporations. A corresponding deduction has been made from payments by public corporations on the other side of the account.

Public corporations. These figures have been amended to exclude the receipt of £2 million a year from within the sector. See notes on Table 35. A corresponding amount has also been excluded from payments by public corporations on the other side of the account.

Capital account

The receipts side of the account has been rearranged to identify the same transactions as the three separate sector accounts and to show the public sector borrowing requirement.

Adjustment for subsidies. This item no longer appears since it relates to the accruals adjustment in respect of central government subsidies to public corporations and local authorities and therefore disappears on consolidation.

Borrowing requirement. The public sector borrowing requirement is made up of the borrowing requirement shown in each of the sector capital accounts (Tables 36, 40 and 44), excluding borrowing by public corporations and local authorities from central government and redemption of government guaranteed stock. No further adjustment for intra-sector debt transactions is now required as the borrowing requirement of each sector already incorporates the appropriate adjustment.

Other financial transactions (net). The residual item in the table.

Table 51. Analysis of public expenditure

Military defence:

Royalties and awards paid to inventors, formerly included in *Capital grants to private sector*, have been reclassified from 1967 as *Current expenditure on goods and services*.

Net lending to overseas governments. The main constituents of this item are loans for military purposes to the governments of Ghana, India, Singapore and Turkey.

External relations:

Current grants abroad. From 1973 including net contributions to the European Communities' Budget.

Capital transfers abroad. The item described as *Capital transfers to overseas sector* in the capital account of central government. See notes on Table 40.

Transport and communication:

Subsidies. This heading now includes subsidies paid by local authorities (a) to their own passenger transport undertakings, civil aerodromes and harbours, docks and canals (b) to nationalised transport undertakings.

Capital grants to private sector. Grants under the Harbours Act, 1964 in respect of expenditure on harbour works.

Net lending to private sector. Loans by the Transport Holding Company to associated companies.

Other net lending and investment abroad. Expenditure on fixed assets abroad and other investment abroad by the Post Office, Cable & Wireless Ltd., airways corporations, Transport Holding Company and National Freight Corporation.

Employment services:

Gross domestic fixed capital formation. The provision of fixed assets for Remploy Ltd.

Subsidies. From 1966 grants to firms in development areas towards the cost of training labour.

Capital grants to private sector. Grants to Industrial Training Boards for capital expenditure.

Net lending to private sector. Loans to Industrial Training Boards for capital expenditure.

Other industry and trade:

Gross domestic fixed capital formation: public corporations. Including expenditure by the Covent Garden Market Authority, formerly classified to *Other services*.

Subsidies. This heading now includes subsidies paid by local authorities to their own trading services other than those included in transport and communication. From 1967 the figures include assistance to the coal industry under the Coal Industry Acts. From 1969 the figures include compensation for price restraint payable to the gas and electricity corporations. See notes on Table 39.

Current grants to personal sector. Supplementary payments to elderly redundant mineworkers, under the Coal Industry Acts.

Capital grants to private sector. From 1972 includes regional development grants and other capital grants under the Industry Act, 1972.

Net lending to private sector. This item includes from 1968 loans under the Industrial Expansion Act, 1968 to aluminium smelting companies and in 1968 and 1969 loans for the construction of R.M.S. Queen Elizabeth II.

Other net lending and investment abroad. The figures from 1968 are repayments by the Aluminium Company of Canada.

Agriculture, forestry, fishing and food:

Increase in value of stocks. From 1 April 1972 the recasting of the Forestry Commission's accounts has resulted in a sharp fall in the increase in value of stocks of growing timber. This increase is still measured by the net cost of forestry operations, but the net cost is considerably lower than before 1 April 1972 owing to a lower interest charge and the introduction of a subsidy for forestry.

Subsidies. From 1 April 1972 includes subsidies to the Forestry Commission.

Housing:

Gross domestic fixed capital formation. Some expenditure by new town corporations formerly included under this heading has now been allocated to the headings *Roads and public lighting*; *Other industry and trade*; *Water, sewerage and refuse disposal*; and *Miscellaneous local government services*.

Current grants to personal sector. Grants by the central government under the Housing Subsidies Act, 1967 to qualified lending agencies to meet the cost of reducing interest rates on certain mortgages in lieu of tax relief. From 1972 including rent rebates and allowances granted to tenants under the Housing Finance Act, 1972.

Capital grants to private sector. Grants by local authorities under the Clean Air Act, 1956 and the Clean Air Act (N.I.), 1964 have been transferred to *Public health services*.

Net lending to private sector. This item now includes loans and mortgages by new town corporations.

Water, sewerage and refuse disposal: subsidies. Subsidies paid by local authorities to their own water undertakings.

Public health services: capital grants to private sector. Grants by local authorities under clean air legislation, formerly classified to *Housing*.

Parks, pleasure grounds, etc.:

Current grants to personal sector. Grants towards the repair and maintenance of historic buildings.

Capital grants to private sector. Grants towards the provision of sport and recreational facilities.

Miscellaneous local government services: net lending to private sector. The item described as *Net lending to private sector: other* in the capital account of local authorities. See notes on Table 44.

Libraries, museums and arts: capital grants to private sector. Capital assistance by the Arts Council towards the cost of theatres, concert halls, arts centres, etc. and grants for capital expenditure to the National Library of Wales and the National Museum of Wales.

Personal social services:

This heading comprises the two former headings *Local welfare services* and *Child care* together with, from April 1969, expenditure on certain services transferred from the *National health service*.

Finance and tax collection: gross domestic fixed capital formation. Expenditure on plant and machinery for the Royal Mint.

Other services:

Gross domestic fixed capital formation: public corporations. Expenditure by the Covent Garden Market Authority has been transferred to *Other industry and trade*.

Increase in value of stocks. The change in the value of stocks held by the Atomic Energy Authority for its commercial activities.

Current grants to personal sector. From 1969 includes compensation for damage caused by civil disturbances in Northern Ireland.

Capital grants to private sector. Payments to supplement the compensation received from the United Arab Republic in settlement of specified claims in respect of expropriated British property in Egypt.

Gross domestic fixed capital formation

The reported figures for 1968 and 1969 were affected by the ending of the temporary higher rates for investment grants at 31 December 1968 which led to some expenditure being brought forward into the fourth quarter of 1968 from the early part of 1969 to secure the higher rate of grant. Broad estimates of the amount of expenditure brought forward from 1969 to 1968 have been made by averaging the seasonally adjusted quarterly figures of expenditure in the last quarter of 1968 and the first quarter of 1969. These approximate adjustments, which are given below, have been deducted from the reported figures for 1968 and added to those for 1969 to obtain the figures given in the tables, except for shipping where the adjustment is made to the figures given in the note on page 115. The estimate for shipping is particularly uncertain because of the erratic nature of this industry's capital expenditure. No adjustment is made to the data for shipping in the tables because imported ships, which are the majority, are estimated on a delivery rather than a payments basis. The estimate for

other industries is uncertain because of the smallness of the effect and its allocation to the individual industries is very approximate.

	<i>At current prices</i>	<i>£ million At 1970 prices</i>
Manufacturing	46	51
Construction	2	2
Insurance, banking, finance and business services	5	5
Total	53	58

Analysis by sector

Personal sector; Companies. The allocations for *Manufacturing* and *Construction* are now based on an analysis of the results of the census of production for 1968, dividing gross domestic fixed capital formation between unincorporated and incorporated businesses. The allocation for *Retail distribution* is based on a corresponding analysis of the results of the census of distribution for 1966.

Local authorities. From April 1967 the estimates of fixed capital formation by local authorities include certain expenditure on minor road improvements which had previously been treated as *Current expenditure on goods and services*. This type of expenditure amounted to about £30 million in the financial year 1967/68.

From 1965 the quarterly estimates are no longer assessed in the light of the quarterly estimates of building output relating to public sector buildings but are based entirely on the quarterly variations in cash payments by local authorities.

Analysis by industry

The analysis by industry is based as far as possible on the *Standard Industrial Classification*, 1968. From the 1973 Blue Book the estimates by industry are on the basis of the establishment instead of the business unit wherever possible.

Gross domestic fixed capital formation, 1973

Analysis by industry and sector

	£ million			
	Private sector	Public sector		Total
		Public corporations	Public authorities	
Agriculture, forestry and fishing	460	—	15	475
Mining and quarrying	340	61	—	401
Manufacturing	2,308	182	20	2,510
Construction	206	1	—	207
Gas, electricity and water	24	639	106	769
Transport and communication	786	1,008	40	1,834
Distributive trades	768	—	—	768
Other service industries	1,241	65	89	1,395
Dwellings	1,682	112	886	2,680
Social services	201	—	803	1,004
Other public services	—	28	1,235	1,263
Land and existing buildings	298	—67	334	565
Total	8,314	2,029	3,528	13,871

Agriculture. Estimates of expenditure on plant and machinery have been revised over all years shown in the tables, in the light of improved information from a new enquiry associated with the new series *Business Monitors*, and by further research.

Forestry. Estimates of expenditure on fixed assets by the private forestry industry are included from 1968.

Manufacturing. The estimates take into account final results from the 1970 census of production, and from the 1971 census for most industries. The 1972 census results used are provisional and estimates for 1973 are based on the quarterly sample inquiries.

Expenditure by the central government and new town corporations on factory buildings for leasing to private firms, is from the 1972 Blue Book included in the *Insurance, banking, finance and business services* industry together with other assets purchased for leasing out. As a result, gross domestic fixed capital formation is now analysed as far as possible by industry of ownership.

Railways. The majority of new rolling stock used by the British Railways Board is now being leased from the private sector. Expenditure from 1972 on such rolling stock is included under *Insurance, banking, finance and business services*.

Road haulage and storage. From the 1973 Blue Book it has been possible to make separate estimates for this industry which was previously included in *Other transport and services*. The latter is now entitled *Miscellaneous service industries*. In the industry group analysis in Tables 56 and 57 *Road haulage and storage* is included under *Transport and communication*.

Shipping. The estimates published quarterly in *Economic Trends* include, from the first quarter of 1973, cumulated capital expenditure on imported ships at the time of delivery (i.e. the total cost) instead of when the expenditure is incurred. The purpose of recording gross domestic fixed capital formation in this way is to help to obtain consistency with the recording of imports and thus lead to a consistent expenditure-based estimate of gross domestic product.

In order to adjust the estimates of gross domestic product to a similar basis for years prior to 1973, the estimates of gross domestic fixed capital formation in ships by the shipping industry shown in Table 58 include retrospective adjustments from 1966, which bring the capital formation series into line with the visible trade statistics. Without these adjustments the estimates are as follows:

	£ million
1966	96
1967	137
1968	210 ⁽¹⁾
1969	239 ⁽¹⁾
1970	351
1971	372
1972	527
1973	614

⁽¹⁾ Including an adjustment of £30 million for the effect of a change in the rate of investment grants (see note on page 114).

Air transport. From 1966, expenditure by British Overseas Airways Corporation (now part of British Airways) on the purchase of American aircraft is included when

the aircraft are delivered instead of when the expenditure is incurred. The recording of this expenditure is therefore in line with the recording of imports in the balance of payments accounts.

Retail distribution. The estimates take into account the results of the 1970 annual inquiry into the distributive and service industries. The estimates for 1971-3 are based on the Department of Industry quarterly sample inquiry.

Wholesale distribution; Insurance, banking, finance and business services; Miscellaneous service industries. The estimates take into account the results so far available from the 1972 inquiry into the distributive and service industries. The estimates for 1973 are based on the Department of Industry quarterly sample inquiry.

The leasing of industrial and office machinery continues to be included under *Insurance, banking, finance and business services* and not under *Wholesale distribution* to which it is classified in the *Standard Industrial Classification, 1968*. Much of the leasing is in any case carried on by business units properly classified to finance.

Expenditure by local authorities on buildings for leasing to private firms is now included in the insurance, banking, finance and business services industry. This is consistent with the principle of analysing investment as far as possible by industry of ownership.

Dwellings. The method of estimation of expenditure on private sector dwellings, described on pages 377-8 of *Sources and Methods* has been found to lead generally to slight over-estimates and to fail to reflect year-to-year changes in some of the components of expenditure. The revised method of estimation, adopted first in the 1973 Blue Book, takes into account additional data on construction output which have become available in recent years.

Personal social services. This item covers what was before the 1972 Blue Book described as *Local welfare services*, with the addition of local authority expenditure on child care, which was formerly included in *Other education*. The estimates for *Other education* have been reduced accordingly.

Miscellaneous public services. Central government expenditure on new buildings and works for civil accommodation overseas (e.g. embassies, etc., abroad) has been treated from the 1972 Blue Book onwards as gross domestic fixed capital formation instead of as current expenditure on goods and services.

Analysis by industry and sector

A cross-classification by industry and sector of the estimates for 1973 is given in the table on page 114. Corresponding figures for other recent years will be supplied on request to the Central Statistical Office.

Revaluation at constant prices

With effect from the 1973 Blue Book, the estimates at constant prices have been rebased on the year 1970. The price indicators used to deflate expenditures to 1970 values have been reweighted using material from a number of sources, including the 1968 census of production, annual inquiries into the distributive and service industries, and other *ad hoc* inquiries designed to provide estimates of the composition of assets purchased in the base year.

Capital consumption and capital stock

The estimates have been adjusted as far as possible to the *Standard Industrial Classification, 1968* in so far as they depend on fixed capital formation since 1948. Previous rough adjustments from 1959 have been replaced by adjustments from 1948 which can be regarded as definitive. No attempt is made to adjust figures for earlier years which cannot be regarded as being sufficiently reliable to warrant minor adjustments resulting from re-classification. Adjustments from a business unit to an establishment basis and all other revisions to the estimates of gross domestic fixed capital formation referred to above, have also been incorporated.

A change in the method of estimating the consumption of plant in the Post Office, introduced in this Blue Book, has increased total capital consumption (and therefore reduced net capital formation) by about £70 million in 1970 and 1971, and about £85 million in 1972. This change affects also the sector and asset analyses.

Table 61. *Capital consumption by industry group*

Improved estimates of the gross capital stock of the agriculture and fishing industries have led to improved estimates of capital consumption of the agriculture, forestry and fishing industry group, which are now shown separately. Before the 1972 Blue Book, estimates had appeared in *Other industries*. This group is now retitled *Social and other public services*.

Tables 61 and 64. *Capital consumption and net domestic fixed capital formation by industry group*

Estimates for the *Road haulage and storage* industry, which were previously included with *Distributive trades and other service industries*, are now included with *Transport and communication*.

Tables 65-67. *Net and gross capital stock*

In Table 66, estimates for the *Road haulage and storage* industry, which were previously included with *Distributive trades and other service industries*, are now shown separately.

Depreciation

The estimates of depreciation, described on pages

Depreciation

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Professional persons ⁽¹⁾	17	20	19	18	20	21	24	27	33	43	50
Farmers ⁽¹⁾	121	143	155	145	141	142	146	164	200	234	260
Other sole traders and partnerships ⁽¹⁾	116	139	142	148	158	171	176	202	254	308	327
Companies ⁽¹⁾⁽²⁾	1,752	2,040	2,161	1,832	1,687	1,828	1,867	2,254	3,016	4,283	5,070
Private sector	2,006	2,342	2,477	2,143	2,006	2,162	2,213	2,647	3,503	4,868	5,707
of which											
Investment allowances	531	630	655	204	42	6	1	—	—	—	—
First year allowances	—	—	—	—	—	—	—	186	1,559	2,712	3,589
Initial allowances	219	262	240	258	288	322	359	448	106	88	123
Other allowances	1,256	1,450	1,582	1,681	1,676	1,834	1,853	2,013	1,838	2,068	1,995
Public corporations ⁽³⁾⁽⁴⁾	444	481	506	552	607	716	767	843	920	1,069	1,187
Central government ⁽³⁾	6	6	9	9	8	9	9	9	10	10	10
Local authorities ⁽¹⁾	24	29	—	—	—	—	—	—	—	—	—

⁽¹⁾ The statutory allowances for income tax and corporation tax.

⁽²⁾ Excluding companies operating entirely overseas.

⁽³⁾ The sum of the depreciation provisions shown in the published trading accounts plus estimates of the renewals of certain fixed assets that are charged to revenue in some of these accounts.

⁽⁴⁾ The figures included for the Post Office relate to replacement cost.

385 and 388-9 of *Sources and Methods*, are given in the table below. The table has now been rearranged to show separately the totals of investment allowances, first year allowances, initial allowances and other allowances.

From 1965/66 local authorities ceased to be liable to income tax on their trading activities and as they are not charged to corporation tax no figures of statutory allowances are available from 1965 onwards. Figures from 1970 are affected by the new system of allowances introduced from 26 October 1970, when investment grants ended.

Capital formation in stocks and work in progress

Analysis by industry

The analysis by industry is based as far as possible on the *Standard Industrial Classification, 1968*. Commencing with the 1973 Blue Book, the estimates have been re-calculated with classification by industry on the basis of the establishment, instead of the business unit. The estimates are also consistent as far as possible with data from the 1968 and earlier censuses of production.

With the introduction of value added tax on 1 April 1973 there was a change to the treatment in the national accounts of the valuation of stocks, from a tax inclusive to VAT exclusive basis. There was an estimated fall of £280 million in the book values of stocks in 1973 resulting from this change in treatment, corresponding to the rebate of the same amount of purchase tax and some excise duties in respect of stocks of finished goods held on 1 April, for which this tax had already been paid. This rebate is included as a deduction within central government receipts of taxes on expenditure, and the fall in book values of stocks is included at current prices in the value of physical increase.

Forestry. The effect of the capital reconstruction to which reference is made on page 113, was to lower the level of stocks in respect of the Forestry Commission for the years 1972 and 1973. An upward revision has been made in the estimated level held by the private forestry industry. The estimated change in the book value of stocks in 1972 and 1973 are consistent with the updated

level of stocks but not with the estimates for earlier years, which have not been updated.

Manufacturing. The estimates for 1973 are based on new calculations which distinguish between stocks reported in terms of values at standard costs, and stocks reported on other bases of valuation. The reported changes in stocks valued at standard costs are considered to represent the value of physical increase in stocks and work in progress. Changes in book values are then calculated by the use of appropriate price indices taking account of the date to which, on average, the standard costs relate. This is a reversal of the conventional estimation procedure (see *Sources and Methods*, pages 404–405), which is still used for other stocks.

The estimates have been revised in the light of final results from the census of production for 1970 and for most industries from the census of production for 1971. The estimates for 1972 are based on provisional census results, and for 1973 on the Department of Industry quarterly sample inquiry. Book value levels at the end of 1973 are calculated by adding changes in stocks in the period 1971 to 1973 to the 1970 end year figure derived from the census, and the implied end 1971 and end 1972 levels are not necessarily consistent with census figures for those years.

Retail distribution. The estimates take into account the results of the census of distribution for 1971 and of the annual inquiry into retail distribution for 1972. The estimates for 1973 are based on the Department of Industry monthly sample inquiry. Some changes have also been made to the price indices which are used to deflate the estimates to constant prices.

Wholesale distribution. The estimates take into account the results of the annual inquiry into the distributive and service industries for 1972. The estimates for 1973 are based on the Department of Industry quarterly sample inquiry.

Other industries. The estimates for 1967 and 1968 include an allowance for the difference in timing between the estimates of stockbuilding and the recording of exports arising from the dock strikes in the latter part of 1967. The estimates from 1968 include an allowance for imported silver not covered elsewhere. The estimates of work in progress in the construction industry have been revised as a result of revisions to the output estimates for this industry.

Analysis by sector

Personal sector; Companies. The allocations for *Manufacturing* and *Construction* are now based on an analysis of the results of the census of production for 1968, dividing the book value of stocks held between unincorporated and incorporated businesses. The allocation for *Retail distribution* is based on a corresponding analysis of the results of the census of distribution for 1966.

Revaluation at constant prices

From the 1973 Blue Book the estimates at constant prices have been based on the year 1970. The various price indicators have been reweighted using material

from a number of sources, including the 1968 census of production (detailed input and output data), the 1965 inquiry into wholesaling, the 1966 census of distribution and other *ad hoc* inquiries, designed to project forward the information for earlier years in order to provide estimates of the composition of stocks in 1970.

Financial accounts

Treasury bills; British government and government guaranteed securities; Local authority debt; Deposits with banking sector; Deposits received by finance houses; Bank lending; Hire purchase debt; Other loans and mortgages; Company and overseas securities. A detailed description of the sources of the estimates for years before 1963 is given in the December 1967 issue of the *Bank of England Quarterly Bulletin* (pages 360–3). Although not as accurate as the estimates for later years the figures for the early years are considered sufficiently reliable to permit the main trends to be distinguished.

Treasury bills. The counterpart of central bank assistance in support of the reserves in the form of swaps against sterling is now shown separately in Tables 78 and 79 because it forms part of official financing in the balance of payments accounts.

Tax reserve certificates. The net purchases by other financial institutions are those reported by building societies.

Tax deposit accounts. See notes on Table 40.

Import deposits. See notes on Table 40. The sector allocation is based on an analysis of a sample of deposits, information supplied by public corporations and balance of payments returns.

Northern Ireland central government debt. This item, which is now shown separately, was formerly included in *Other identified home assets*. It consists of net sales of Northern Ireland government securities, Northern Ireland Treasury bills, Ulster savings certificates and Ulster development bonds, together with the increase in bank advances to the Northern Ireland central government. Debt other than that identified as taken up by the financial institutions is allocated to the private sector.

Local authority debt. Borrowing previously unallocated is attributed to the personal sector.

Deposits with banking sector. Changes in the total of cheques in course of collection and items in transit, previously unallocated, have been assigned to industrial and commercial companies as it is believed that most of the changes in the figures arise from transactions between these companies.

Items in transit. In the light of an analysis described in the December 1971 issue of the *Bank of England Quarterly Bulletin* the treatment of this item has been amended to provide an improved allocation between deposits and advances. Hitherto, the entire value of items in transit had been deducted from gross deposits; but in the revised treatment 60 per cent of the total is deducted from deposits and 40 per cent is added to advances.

Deposits with finance houses. Borrowing other than in the form of deposits is now classified to *Other identified home assets*.

Deposits with other financial institutions. Deposits with other financial institutions identified in the balance of payments accounts *less* deposits from overseas residents reported by finance houses.

Bank lending. Bank loans for house purchase are excluded from this item in all tables and included under *Loans for house purchase*. Advances and loans to the Northern Ireland central government are now excluded from this item and included under *Northern Ireland central government debt*.

Trade credit (net). This item consists of:

- (i) the domestic *Trade debt (net) of public corporations* formerly shown as a separate item;
- (ii) suppliers' trade credit and associated advance and progress payments on exports and imports, identified in the balance of payments accounts from 1963 onwards, formerly included in *Other identified overseas assets: short-term and long-term*.

No estimates are included for other forms of trade credit, in particular for credit extended by industrial and commercial companies to the personal sector.

Loans for house purchase. This item includes loans by banks, formerly included under *Bank lending*.

Shares of retail co-operative societies. This item is now included in *Other identified home assets* in Table 73, instead of in *Company and overseas securities*.

Company and overseas securities. The figures for the company sector now include *Capital issues overseas* by United Kingdom companies and identified unquoted issues in the United Kingdom. *Other* transactions by industrial and commercial companies include cash expenditure on acquiring subsidiaries and trade investments *less* certain identified direct subscriptions to unquoted issues of capital by the overseas sector and by other domestic sectors.

Accruals adjustment. This item was formerly described as *Miscellaneous short-term home assets (net)*: From 1973 estimates are included for accruals of value added tax and car tax.

Other identified home assets. Northern Ireland central government debt is now excluded from this item and shown separately. Repayments by nationalised steel undertakings of a loan from industrial and commercial companies are included in the figures for the public sector. The counterpart of issues of stock by public corporations in Northern Ireland *less* other redemptions of stock by public corporations are now allocated to the personal sector. The figures for financial institutions include borrowing by finance houses other than in the form of deposits previously included in *Deposits, etc. with hire purchase finance companies*. The figures for financial institutions now exclude changes in agents'

balances, etc. for insurance companies because corresponding miscellaneous liabilities are also excluded. There is no longer an adjustment in respect of the difference between identified investment in land, property and ground rents and the estimates of gross domestic fixed capital formation because the latter estimates now take into account these transactions.

Allocation of Special Drawing Rights. See notes on Table 40.

Official reserves. Changes in official holdings of non-convertible currencies are now classified under *Other identified overseas assets*. The figure for 1967 excludes the revaluation on devaluation of sterling in November 1967. As from 23 August 1971 changes in the reserves have been valued at transactions rates of exchange. As from July 1972 transactions with the IMF affecting the UK reserve position in the Fund (gold tranche) are included.

Refinanced export and shipbuilding credit. This item was, at one time, treated wholly as a transaction between central government and the overseas sector. However estimates are now made to provide a split between export credit (overseas sector) and loans for shipbuilding (industrial and commercial companies). It relates to the refinancing both by the Issue Department of the Bank of England and from voted funds. See notes on Table 40.

Intra-company investment overseas. This item represents private investment abroad, other than in securities, *less* the corresponding overseas investment in the United Kingdom private sector. It is equal in the balance of payments accounts to United Kingdom *Direct* private investment overseas, excluding the net acquisition of share and loan capital, and *Other (oil and miscellaneous)* private investment overseas *less* the corresponding elements of overseas investment in the United Kingdom private sector. This item previously formed part of *Other identified overseas assets: long-term*.

Other identified overseas assets. This item replaces the previous two categories *Other identified overseas assets: short-term and long-term*. For the public sector it includes all the elements previously covered except import credit received by public corporations which now appears under *Trade credit (net)*. The figures for the public sector in 1961 and 1962 now include changes in official holdings of non-convertible currencies, and in 1967 and 1968 include the Exchange Equalisation Account loss on forward commitments; see notes on page 110. For the private sector this item now excludes from 1963 onwards suppliers' trade credit on exports and imports which is included in *Trade credit (net)* and excludes in all years *Intra-company investment overseas* which is now shown separately. The figures also no longer include the timing and coverage adjustment on the transactions of finance houses, which is included in *Deposits with other financial institutions*. From 1963 the private sector element of this item relates solely to other commercial short-term transactions together with the timing and coverage differences arising on other items between the figures in the financial accounts and the figures in the balance of payments accounts.

Table 73. Analysis by sector and type of asset

The table no longer includes a column for *Unallocated* items because all identified financial transactions included in the table have been allocated. See notes above.

Table 76. Banking sector

From December 1967 the figures cover some new contributors to the banking sector statistics.

From 1972 the statistics include five former finance houses which were recognised or confirmed as banks in January 1972. There is a further break in the series during 1973 when six new contributors were included.

Table 77. Financial institutions other than banks

From 1968 the figures for insurance companies cover transactions by the life funds of Commonwealth companies. In 1972 and 1973 certain financial institutions became contributors to the banking sector, and their financial transactions are excluded from this table from the dates of their change in status.

International transactions

The figures in table 7 are consistent with those in *United Kingdom Balance of Payments, 1963-1973*, which gives detailed figures for the years 1963 to 1973 and summary figures for earlier years.

Goods. A coverage adjustment, additional to those described on pages 459-61 of *Sources and Methods*, has been made to the figures of imports and exports for bonded aircraft spare parts, which were included in the *Trade Statistics* until the end of 1967.

The figures for *Exports* from 1964 to 1971 include a net adjustment for the recording of exports in the *Trade Statistics*. See notes to *United Kingdom Balance of Payments, 1963-1973*.

Services:

Transport: shipping. Formerly the earnings of United Kingdom shipping operators covered only freight on exports and cross-trades carried in owned and time-chartered vessels. Exports of services now also include earnings from exports and cross-trades in vessels voyage-chartered by United Kingdom operators; imports of services now correspondingly include payments for all voyage charters, whereas formerly only voyage-charter payments for the carriage of United Kingdom imports were included.

Other services. The net earnings of United Kingdom banks on claims and liabilities in non-sterling currencies, formerly treated as exports of services, are now included in *Property income*.

Property income: other investment income. The method of allocating the earnings of United Kingdom oil companies between *Sea transport and Interest, profits and dividends* is affected by the treatment of freight on

exports and cross-trades in voyage-chartered vessels referred to above. The basis of valuation of freight earnings has also been modified; details are again in the notes to *United Kingdom Balance of Payments, 1963-1973*. The net earnings of United Kingdom banks on claims and liabilities in non-sterling currencies, formerly treated as exports of services, are now included here.

Foreign taxes paid by United Kingdom residents. From 1966 the figures are no longer estimated from information obtained by Inland Revenue in connection with the relief of United Kingdom tax against foreign tax. The estimates are partly based on direct information from certain companies, and partly derived by applying the appropriate rates of tax to an analysis by country of other property income from abroad.

Current transfers: personal sector. Only that part of migrants' wealth remitted at the time of migration is now included here; the reclassification of assets in accordance with the new resident status of a migrant is no longer regarded as giving rise to a transaction to be entered in the balance of payments accounts.

Detailed notes and definitions for the balance of payments figures are given in *United Kingdom Balance of Payments, 1963-1973*.

Revaluation at constant prices

Exports and imports of goods. These series are now derived by applying volume indices to the 1970 values of visible trade on a balance of payments basis. These volume indices are prepared by the Department of Industry.

Exports and imports of services. Most of the constant price estimates have been derived by deflating current price figures by indicators of price changes based on 1970 which use, as far as possible, 1970 weights.

Revisions

The table overleaf shows for the years 1963 to 1972 the revisions which have been made since the 1973 Blue Book to the main components of the current and constant price estimates of the expenditure-based gross national product and to the estimates of factor incomes. Some of these revisions have been incorporated in the estimates given in the tables accompanying the quarterly articles on national income and expenditure which appeared in the January, April and July issues this year of *Economic Trends*. The April issue included estimates which had been given in the White Paper *Preliminary Estimates of National Income and Balance of Payments 1968 to 1973* (Cmd 5575). Reasons for the changes to some of the items within the main components of expenditure and income are given in the notes above, and in some cases the revisions have been quantified.

Revisions

£ million

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972
Expenditure										
At current prices (Table 1)										
Consumers' expenditure	—	—25	—22	—24	—21	—4	—3	—17	+43	+209
Public authorities' current expenditure on goods and services	—	—	—	—	—	—	—	—	+14	+74
Gross domestic fixed capital formation	+2	+10	+10	+12	+14	+42	—9	+14	+78	+215
Value of physical increase in stocks and work in progress	+7	—9	+9	—3	+23	+28	+20	+181	+92	+417
Exports and property income from abroad	—	—	—	—	+3	+4	+6	+46	+51	+98
Imports and property income paid abroad ⁽¹⁾	—	—	—	—	—	—	+2	+31	+36	+72
Taxes on expenditure ⁽¹⁾	—	—	—	—	—	—	—	—	+1	+3
Subsidies	—	—	—	—	—	—	—	+41	+41	+25
Gross national product at factor cost	+9	—24	—3	—15	+19	+70	+12	+234	+282	+963
Revalued at 1970 prices (Table 14)										
Consumers' expenditure	+11	+9	+9	+11	+11	+8	+11	—17	+30	+64
Public authorities' current expenditure on goods and services	+30	+20	—39	—11	—22	—87	—16	—	—64	—41
Gross domestic fixed capital formation	+20	+25	+20	+38	+41	+69	+27	+14	+50	+161
Value of physical increase in stocks and work in progress	+18	—2	+13	—3	+23	+34	+26	+181	+91	+373
Exports of goods and services	—	—	—	—	+4	+4	+7	+5	+11	—52
Imports of goods and services ⁽²⁾	—	—	—	—	—	—	+2	—	—3	—31
Adjustment to factor cost ⁽²⁾	—17	—27	—23	—21	—15	—4	—31	—41	—29	+116
Gross domestic product at factor cost	+96	+79	+26	+56	+72	+32	+84	+224	+150	+420
Net property income from abroad	—	—	—	—	—	—	—	+10	+8	+53
Gross national product at factor cost ⁽³⁾	+96	+79	+26	+56	+72	+32	+84	+234	+158	+473
Factor incomes (Table 1)										
Income from employment	—	+2	+5	+9	+12	+16	+49	+75	+153	+348
Income from self-employment	—	—5	—9	—8	—8	—10	—11	+2	+86	+260
Gross trading profits of companies	—	—	—	—	—	—	+16	—52	+19	+79
Gross trading surplus of public corporations	—	—	—	—	—	—	—	+52	+56	+68
Gross trading surplus of other public enterprises	—	—	—	—	—	—	+7	—1	—10	—24
Rent	—	—25	—22	—24	—21	—	—3	+8	—4	—20
Total domestic income	—	—28	—26	—23	—17	+6	+58	+84	+300	+711
Stock appreciation	—5	+3	—4	+9	—1	—	+12	+15	+23	+34

(1) Estimates of imports and property income paid abroad and taxes on expenditure are deducted in arriving at gross national product at factor cost. The effect of revisions to these estimates on the total therefore involves reversing the sign.

(2) Estimates of imports of goods and services and the adjustment to factor cost are deducted in arriving at gross domestic product at factor cost. The effect of revisions to these estimates on the total therefore involves reversing the sign.

(3) Gross national product at factor cost equals gross domestic product at factor cost *plus* net property income from abroad.

Treasury analysis of public expenditure

The table which follows gives figures of total public expenditure for the financial years 1963/4 to 1973/4. Its purpose is to provide an analysis of total public expenditure which reflects the basis on which public expenditure programmes are decided. The main headings correspond to those used in the White Paper *Public Expenditure to 1977-8* (Cmnd 5519).

Since last year's Blue Book a new classification of expenditure has been introduced, reducing the number of main programmes from 21 to 15. The reclassifications below main programme level which this has entailed are shown below:

Main Programmes	Equivalent former classification
<i>Defence</i>	<i>Defence budget plus part of Other military defence</i>
<i>Overseas services</i>	<i>Overseas aid, Other overseas services plus part of Other military defence</i>
<i>Agriculture, fisheries and forestry</i>	<i>Agriculture, fisheries and forestry plus Covent Garden Market Authority</i>
<i>Trade, industry and employment</i>	<i>Trade, industry and employment less Covent Garden Market Authority, civil aviation and shipping services</i>
<i>Roads and transport</i>	<i>Roads, Surface transport, plus civil aviation and shipping services</i>
<i>Other environmental services</i>	<i>Miscellaneous local services</i>
<i>Law, order and protective services</i>	<i>Law and order less Parliament and Privy Council and Parliamentary election expenses plus Civil defence</i>
<i>Education and libraries, science and arts</i>	<i>Education and libraries, Research Councils, etc. and Arts</i>

Other public services

Financial administration plus Parliament and Privy Council, Parliamentary election expenses, Records, registration and surveys, Broadcasting authorities' capital expenditure and part of Other miscellaneous services

Common services

Common services plus part of Other miscellaneous services

The totals of expenditure are consistent with the calendar year totals shown on the expenditure side of Table 50 and analysed by function in Table 51.

An account of the way in which the table is compiled and its relationship to the functional classification in Table 51 is given in *National Accounts Statistics: Sources and Methods*, pages 355-6. A reconciliation between expenditure, including Vote expenditure, as shown in the conventional government accounts and the central government current expenditure included in the table below, is given for the year 1965/66 on page 291 of *Sources and Methods*. A reconciliation covering the preliminary out-turn for 1973/4 in terms of the economic categories used in the national income accounts is given in the *Financial Statement and Budget Report 1974/5* (HC45), Table 14.

The *Statistical adjustments* item includes only the minor differences remaining between the sum of the figures used for the Treasury analysis and the total used in the national accounts.

The figures have been revised since last year's Blue Book to take account of later information. Figures for the later years are provisional.

Treasury analysis of public expenditure

£ million

	1963/64	1964/65	1965/66	1966/67	1967/68	1968/69	1969/70	1970/71	1971/72	1972/73	1973/74	Classification in Table 51
Defence:												
Defence budget	1,811	1,941	2,058	2,141	2,236	2,245	2,216	2,503	2,828	3,092	3,448	Military defence
National accounts adjustments	18	-16	-17	51	99	69	-2	-47	-33	-52	-28	
Total	1,829	1,925	2,041	2,192	2,335	2,314	2,214	2,456	2,795	3,040	3,420	
Overseas services:												
Overseas representation ⁽¹⁾	60	71	77	51	53	56	58	65	73	79	84	External relations
Overseas information				28	27	28	29	32	34	36	40	
Other external relations	17	19	31	44	38	35	34	33	37	44	46	Military defence
Military aid	22	22	20	23	23	15	14	11	10	8	8	
Overseas aid	156	170	181	177	183	177	188	195	230	255	266	External relations
Overseas aid administration ⁽¹⁾	3	3	4	4	5	5	
Contributions to the EEC etc.	—	—	—	—	—	—	—	—	—	26	110	
Sterling area guarantees	—	—	—	—	—	—	—	—	—	38	22	
Total	255	282	309	323	324	314	326	340	388	491	581	
Agriculture, fisheries and forestry:												
Market and production support						197	200	178	221	159	281	Agriculture, forestry, fishing and food
Support for capital and other improvements						36	42	48	71	76	94	
Support for agriculture in special areas	322	291	264	260	334	24	26	31	33	33	36	
Other assistance to agriculture production, food processing and marketing						32	29	52	53	92	80	Other industry and trade
Covent Garden Market Authority						—	2	4	4	5	6	
Central and miscellaneous services						28	28	31	37	35	36	Agriculture, forestry, fishing and food
Support for the fishing industry	5	4	5	4	4	10	8	10	10	14	19	
Forestry	23	26	29	31	34	37	41	44	50	51	35	
Total	350	321	298	295	372	364	376	398	479	465	587	
Trade, industry and employment:												
Regional support and regeneration						141	157	163	155	166	265	Other industry and trade
Industrial innovation						192	193	234	277	230	249	
General support for industry						494	595	581	454	363	339	
Support for nationalised industries (other than the transport industries)	151	176	200	256	727	31	25	75	162	193	522	Other industry and trade
International trade						6	6	7	6	300	382	
Regulation of domestic trade and industry and consumer protection						4	4	1	1	—	2	Employment services
Functioning of the labour market	29	34	40	70	88	94	87	107	130	172	144	
Central and miscellaneous services .....	..	..	..	..	..	88	69	58	85	84	75	
Total	180	210	240	326	815	1,050	1,136	1,226	1,270	1,508	1,978	

⁽¹⁾ Overseas aid administration is included in Overseas representation up to 1967/68.

Treasury analysis of public expenditure

(continued)

£ million

	1963/64	1964/65	1965/66	1966/67	1967/68	1968/69	1969/70	1970/71	1971/72	1972/73	1974/74	Classification in Table 51
Nationalised industries:												
Fuel	701	826	850	1,079	1,061	790	682	769	712	758	689	Other industry and trade
British Steel Corporation	15	6	2	7	62	80	102	195	210	270	262	
Post Office	162	182	216	275	320	349	401	470	575	646	720	Transport and communication
Airways and airports	34	38	31	40	49	102	71	124	123	68	89	
Surface transport industries ⁽¹⁾	112	132	155	127	176	127	110	138	83	54	119	
Total	1,024	1,184	1,254	1,528	1,668	1,448	1,366	1,696	1,703	1,796	1,879	
Roads and transport:												
Roads	364	404	422	468	558	586	661	815	848	939	1,106	Roads and public lighting
Public surface transport ⁽²⁾	44	51	58	83	121	144	Transport and communication
Support to nationalised transport industries	128	121	132	142	166	145	118	91	85	119	189	
Ports and shipping	19	23	40	26	36	28	36	32	32	50	48	Roads and public lighting
Civil aviation	13	17	19	24	21	21	25	28	31	43	60	
Other transport services ⁽²⁾	8	7	7	15	18	10	6	4	6	4	3	
VAT paid by local authorities	—	—	—	—	—	—	—	—	—	—	12	
Total	532	572	620	675	799	834	897	1,028	1,085	1,276	1,562	
Housing:												
Subsidies	120	144	169	180	196	222	270	316	295	431	597	Housing
Option mortgage scheme .....	..	..	..	..	..	7	9	13	18	28	50	
Improvements	14	14	15	15	15	39	44	72	136	290	472	
Investment	435	534	600	729	804	795	803	747	596	591	854	
Lending	71	137	140	90	47	24	—1	64	99	95	370	
Administration	1	1	1	1	1	9	8	10	10	12	17	
Total	641	830	925	1,015	1,063	1,096	1,133	1,222	1,154	1,447	2,360	
Other environmental services:												
Water supply, conservation and sewerage	190	206	222	253	289	311	337	412	477	560	681	Water, Sewerage, Land drainage and coast protection
Improvement of the environment and other local facilities ⁽³⁾	299	340	387	418	454	511	575	707	754	891	1,068	Miscellaneous local government services, refuse disposal, Public health services
Royal palaces and royal parks ⁽³⁾	3	3	4	3	4	4	4	6	Parks, pleasure grounds, etc.
Historic buildings and ancient monuments ⁽³⁾	4	5	5	5	6	7	
Environmental research	3	3	3	4	5	6	6	8	11	12	16	Research
Central and miscellaneous environmental services	5	5	7	8	10	15	14	18	20	19	24	Miscellaneous local government services, War damage and Town and Country planning compensation
VAT paid by local authorities	—	—	—	—	—	—	—	—	—	—	26	Various headings
Total	497	554	619	686	761	851	940	1,154	1,271	1,492	1,828	

⁽¹⁾ Surface transport industries covers rail, road, ports and inland water transport. The figures up to 1965/66 relate to calendar years.

⁽²⁾ Public service transport is included in Other transport services up to 1967/68.

⁽³⁾ Royal palaces and royal parks and Historic buildings and ancient monuments are included in Improvement of the environment and other local facilities up to 1965/66.

Treasury analysis of public expenditure

£ million

(continued)

	1963/64	1964/65	1965/66	1966/67	1967/68	1968/69	1969/70	1970/71	1971/72	1972/73	1973/74	Classification in Table 51
Law, order and protective services: Administration of justice ⁽¹⁾⁽²⁾	29	34	36	39	45	65	81	96	95	109	117	Parliament and law courts
Treatment of offenders ⁽¹⁾	25	27	30	41	47	55	64	74	95	108	124	Prisons and Parliament and law courts
General protective services	225	246	274	304	350	359	393	467	535	598	684	Police, Fire service, Other services
Civil defence	22	21	19	19	18	6	1	5	7	8	12	Civil defence
Community services ⁽³⁾	5	5	7	14	11	2	4	10	10	21	21	Other services
Central and miscellaneous services ⁽³⁾	—	—	—	—	—	3	3	4	5	7	10	
VAT paid by local authorities	—	—	—	—	—	—	—	—	—	—	3	Police, Fire service, Other services
Total	306	333	366	417	471	490	546	656	747	851	971	
Education and libraries, science and arts: Schools ⁽⁴⁾⁽⁵⁾	890	941	1,043	1,146	1,266	1,314	1,401	1,606	1,900	2,232	2,650	Education, School meals, milk and welfare foods
Higher and further education	360	425	500	570	640	692	734	837	948	1,091	1,207	Education
Libraries	31	34	40	44	51	55	63	74	85	109	117	Libraries, museums and arts
Miscellaneous educational services, research and administration	58	66	72	96	132	151	188	205	191	210	195	Employment services, Education
Imputed rents	52	58	63	71	77	86	95	109	124	148	172	Education
Research Councils etc.	37	44	53	65	76	83	95	109	128	142	140	Research
Arts	10	13	13	17	20	23	24	30	38	42	50	Libraries, museums and arts
VAT paid by local authorities	—	—	—	—	—	—	—	—	—	—	40	Various headings
Total	1,438	1,581	1,784	2,009	2,262	2,404	2,600	2,970	3,414	3,974	4,571	
Health and personal social services: Health ⁽⁴⁾⁽⁵⁾	1,011	1,101	1,250	1,374	1,508	1,565	1,703	1,981	2,252	2,582	2,926	National health service
Personal social services	80	89	102	116	135	210	230	276	341	433	547	National health service, personal social services
Central and miscellaneous services	39	45	49	52	55	63	85	94	72	76	78	National health service, School meals, milk and welfare foods
Imputed rents	17	17	19	20	24	27	29	33	37	43	44	Various headings
VAT paid by local authorities	—	—	—	—	—	—	—	—	—	—	3	
Total	1,147	1,252	1,420	1,562	1,722	1,865	2,047	2,384	2,702	3,134	3,598	
Social security: Pension benefits: National insurance	1,424	1,485	1,809	1,891	2,123	1,751	1,840	2,002	2,394	2,852	3,288	Social security benefits
Other	110	110	121	118	121	125	125	136	166	281	307	
Supplementary benefit	217	223	246	298	386	429	468	521	636	683	704	
Family benefits	140	143	146	149	160	298	339	339	348	349	356	
Other non-pension benefits: National insurance ⁽⁶⁾	575	618	634	674	618	657	
Administration and miscellaneous services	85	88	95	103	116	122	142	158	195	209	247	
Total	1,976	2,049	2,417	2,559	2,906	3,300	3,532	3,790	4,413	4,992	5,559	

⁽¹⁾ Probation and after-care is included in Administration of justice up to 1965/66.

⁽²⁾ Includes Functioning of Parliament and the Privy Council up to 1967/68.

⁽³⁾ Includes certain items attributable to other Law, order and protective services up to 1967/68.

⁽⁴⁾ School health is included in Schools up to 1967/68.

⁽⁵⁾ Schools for mentally handicapped children are included in Health up to 1967/68.

⁽⁶⁾ Other non-pension benefits: National insurance are included in Pension benefits: National insurance up to 1967/68.

Treasury analysis of public expenditure

(continued)

£ million

	1963/64	1964/65	1965/66	1966/67	1967/68	1968/69	1969/70	1970/71	1971/72	1972/73	1973/74	Classification in Table 51
Other public services:												
Parliament and Privy Council ⁽¹⁾	—	2	2	1	—	6	8	12	10	10	20	Parliament and law courts
Economic and financial administration	139	143	160	179	192	231	246	253	307	452	373	Finance and tax collection
Central management of the Civil Service ⁽²⁾	3	6	8	10	10	13	Other services
Records, registrations and surveys	10	10	11	13	13	14	16	16	23	15	20	Records, registrations and surveys
Broadcasting (capital expenditure)	12	11	7	7	14	14	14	12	14	16	20	Other services
Other services ⁽³⁾	17	15	23	18	20	12	16	23	22	20	22	
VAT paid by local authorities	—	—	—	—	—	—	—	—	—	—	1	Various headings
Total	178	181	203	218	239	280	306	324	386	523	469	
Common services:												
Office and general accommodation services	54	64	73	84	95	78	105	128	156	155	156	Various headings
Stationery and printing (home)	18	19	22	26	29	24	32	33	42	42	52	
Computers and telecommunications	3	3	4	6	7	10	10	14	16	24	22	
Home publicity	3	4	4	5	5	6	8	10	11	13	17	
Civil superannuation	47	49	52	59	61	70	78	80	96	116	124	
Rates on Government property	21	23	27	31	33	36	40	43	51	58	63	
Other common services ⁽³⁾	4	5	5	7	7	9	
Total	146	162	182	211	230	228	278	313	379	415	443	
Northern Ireland												
Agriculture, fisheries and forestry						11	12	13	14	16	17	Agriculture, forestry, fishing and food
Trade, industry and employment						50	64	72	78	84	106	Employment services, Other industry and trade
Fuel						14	14	18	21	27	38	Other industry and trade
Roads and transport						24	26	26	29	34	43	Roads and public lighting, Transport and communication
Housing						35	33	40	46	56	61	Housing
Other environmental services						16	19	23	27	34	42	Miscellaneous
Law, order and protective services	210	228	275	304	356	11	15	21	29	56	78	Police, Prisons, Parliament and law courts
Education and libraries, science and arts						62	68	76	92	112	131	Education, libraries, museums and arts
Health and personal social services						54	60	70	80	90	108	National health service, personal social services
Social security						95	105	112	130	147	171	Social security benefits
Other public services						7	7	9	11	14	16	Other services
Common services						2	4	4	5	7	11	
VAT paid by local authorities						—	—	—	—	—	2	Various headings
Total	210	228	275	304	356	381	427	484	562	677	824	
Debt interest	1,315	1,379	1,470	1,592	1,811	1,941	2,066	2,129	2,302	2,522	3,186	
Statistical adjustments	33	—19	28	25	21	—26	—56	23	23	—35	9	
Total public expenditure	12,057	13,024	14,451	15,937	18,155	19,134	20,134	22,593	25,073	28,568	33,825	

⁽¹⁾ Functioning of Parliament and the Privy Council is included in Administration of justice up to 1967/68.

⁽²⁾ Central management of the Civil Service is included in Other services up to 1967/68.

⁽³⁾ Other common services is included in Other services up to 1967/68.

National Accounts Statistics Sources and Methods

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