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# Economic Trends

No. 634, September 2006

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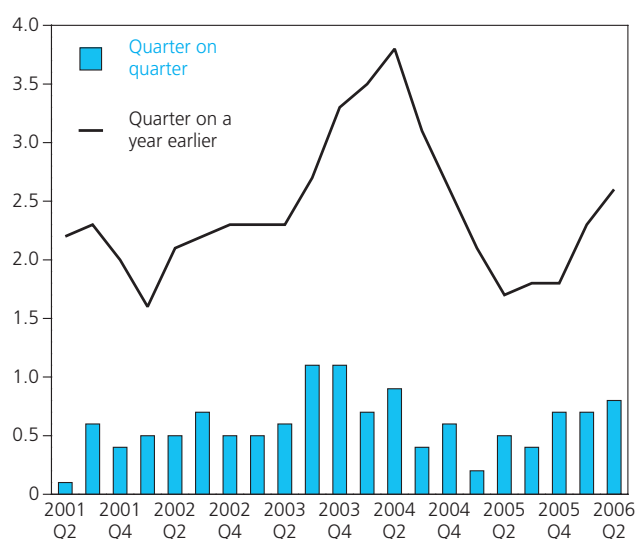
# in brief

At a glance – economic summaries recently released on the National Statistics website.

## GDP

### GDP, chained volume measure

Quarterly growth (per cent)



GDP grew by 0.8 per cent in the second quarter of 2006, up from growth of 0.7 per cent in the first quarter. The level of GDP is now 2.6 per cent higher than the second quarter of 2005.

The output of the production industries fell by 0.2 per cent in the latest quarter, following growth of 0.8 per cent in the previous quarter. While output of manufacturing industries grew by 0.6 per cent, this was more than offset by a 4.0 per cent decline in mining and quarrying and a 3.0 per cent fall in the output of utilities.

Growth in the service sector accelerated to 1.0 per cent in the second quarter, from 0.7 per cent in the previous quarter. Output of the distribution sector grew by 0.8 per cent, with a rebound in retailing partly offset by weaker growth in hotels and restaurants.

Construction output rose by 0.5 per cent in the second quarter of 2006.

Household expenditure rose 1.0 per cent in the second quarter, with strong growth in durable and semi-durable goods, reflecting the sharp rise in retail sales.

Government final consumption expenditure rose by 1.0 per cent in the latest quarter and is now 2.0 per cent above the level seen in the second quarter of 2005.

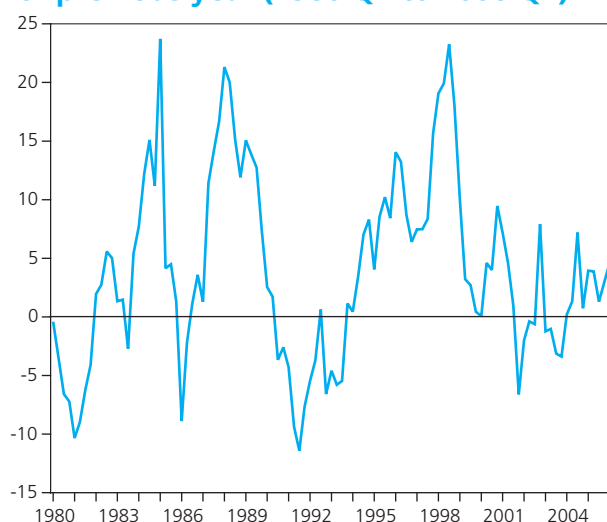
A rise in the trade deficit in real terms acted as a drag on GDP in the second quarter.

Compensation of employees, measured at current prices, rose by 0.8 per cent and is now 6.1 per cent above the level seen in the second quarter of 2005.

Released: 25 August 2006

## Business investment

### Total business investment percentage change, quarter on corresponding quarter of previous year (1980 Q1 to 2006 Q2)



The provisional estimate of business investment for the second quarter of 2006 is estimated to be 4.2 per cent higher compared with the same period of last year, and 1.7 per cent higher than the previous quarter.

The quarterly rise in business investment is due to increased capital spending by industries classified as private and public sector non-manufacturing.

Within private sector non-manufacturing there was increased investment within distribution services (up 15.1 per cent), other services (up 1.5 per cent) and other production (up 3.9 per cent), but reduced investment within construction (down 3.8 per cent). This increase is partly offset by reduced capital spending by industries classified within private sector manufacturing.

The quarterly fall in private sector manufacturing investment was from lower capital expenditure in the chemicals and man-made fibres industries (down 7.4 per cent), engineering and vehicles industries (down 35.8 per cent), food, drink and tobacco industries (down 9.2 per cent) and other manufacturing industries (down 0.8 per cent). These were partially offset by higher investment within solid and nuclear fuels and oil refining industries, metals and metal goods industries, and textiles and clothing industries.

By asset, the fall in private sector manufacturing investment was driven by lower capital expenditure on new building work (down 23.4 per cent) and other capital equipment (down 11.3 per cent).

Compared with the second quarter of 2005, total manufacturing investment fell by 8.0 per cent, construction and other production rose by 11.6 per cent, and services rose by 5.5 per cent. Public corporations' non-manufacturing showed a fall of 5.4 per cent compared with the second quarter of 2005.

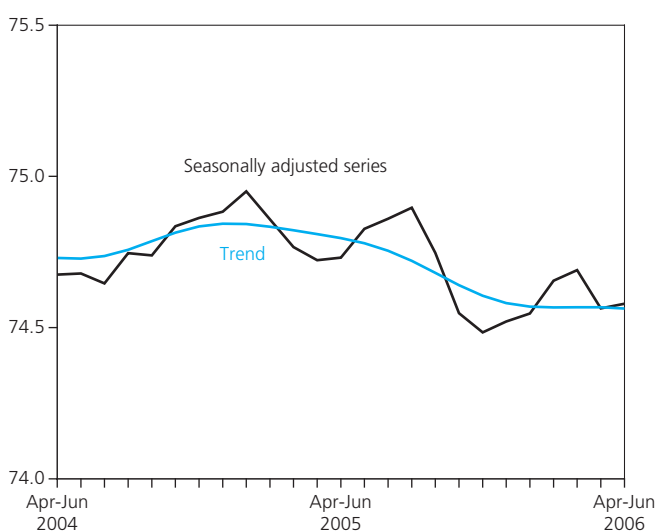
Released: 24 August 2006

# Employment

## Working age employment rate

Sampling variability  $\pm 0.3$  per cent

Percentage of working age



The trend in the employment rate is broadly flat while the trend in the unemployment rate continues to increase. The number of people claiming Jobseeker's Allowance benefit and the number of job vacancies have both increased. Growth in average earnings, both excluding and including bonuses, has increased.

The employment rate for people of working age was 74.6 per cent for the three months ending in June 2006, down 0.1 over the quarter and down 0.2 over the year.

The number of people in employment for the three months ending in June 2006 was 28.94 million, up 42,000 over the quarter and up 240,000 over the year. Total hours worked per week were 926.9 million, up 2.3 million over the quarter and up 8.8 million over the year. These figures for total employment and hours worked are the highest since comparable records began in 1971.

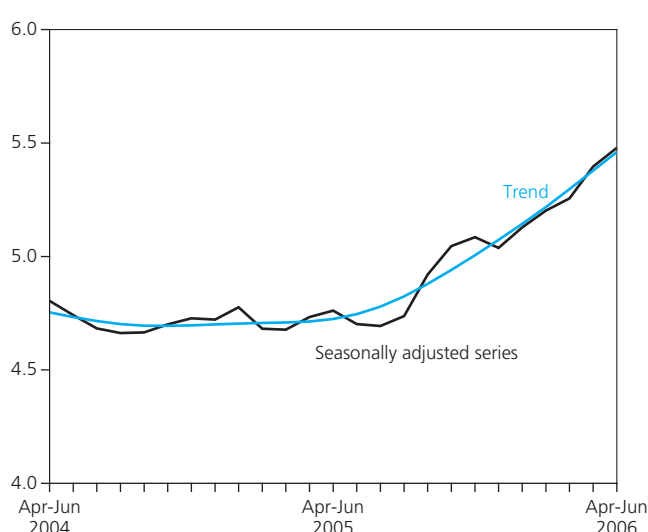
The unemployment rate was 5.5 per cent, up 0.3 over the quarter and up 0.7 over the year. The number of unemployed people increased by 92,000 over the quarter and by 243,000 over the year, to reach 1.68 million.

The claimant count was 957,000 in July 2006, up 2,000 on the previous month and up 90,900 on the year.

## Unemployment rate

Sampling variability  $\pm 0.2$  per cent

Percentage of all economically active



The inactivity rate for people of working age was 21.0 per cent for the three months ending in June 2006, down 0.2 over the quarter and down 0.4 over the year. The last time the rate was lower was in the three months to May 1992. The number of economically inactive people of working age fell by 46,000 over the quarter to reach 7.82 million.

The annual rate of growth in average earnings (the AEI), excluding bonuses, was 3.9 per cent in June 2006, up 0.1 from the previous month. Including bonuses it was 4.3 per cent, up 0.2 from the previous month.

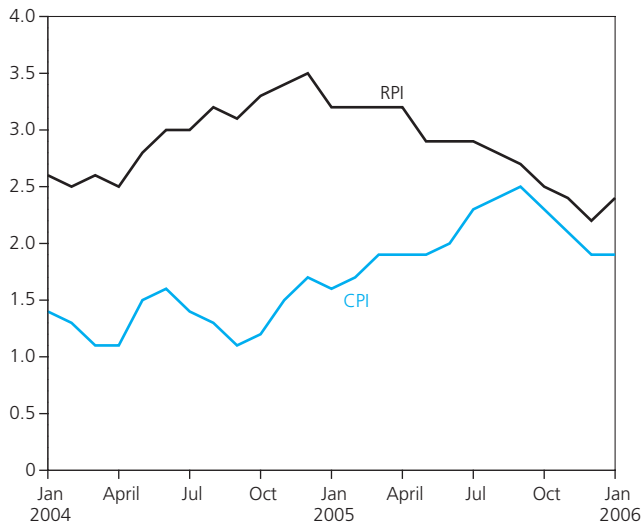
The average number of job vacancies for the three months to July 2006 was 603,900. This was up 7,600 on the previous quarter but down 21,900 over the year. The sector showing the largest increase over the quarter was Finance and Business Services which increased by 10,700.

The redundancy rate for the three months to June 2006 was 5.6 per 1,000 employees. This is down from 5.8 for the previous quarter.

Released: 16 August 2006

# Inflation

## Annual inflation rates – 12 month percentage change



CPI annual inflation – the Government's target measure – fell to 2.4 per cent in July down from 2.5 per cent in June.

The largest downward effect came from household equipment and routine maintenance, due to special offers in July for furniture and furnishings being greater than a year ago, particularly for some items of bedroom and lounge furniture, following larger than usual price increases in June.

There were also large downward effects from:

- miscellaneous goods and services, largely due to financial services, where increases seen a year ago were not repeated this July

- transport, where there were downward effects from air fares, petrol prices, which rose by less than last year, and other transport services, due to road tolls, where increases last July were not repeated this
- clothing and footwear, where special offers on a wide range of clothing in July were greater than last year

A small downward effect came from alcoholic drinks and tobacco.

The only large upward contribution to the change in the CPI annual rate came from price changes for food and non-alcoholic beverages due to upward effects from:

- fruit, where prices for some items fell by less than a year ago
- milk, cheese and eggs, where shop-bought milk prices rose in July following cuts earlier in the year
- meat, where prices rose in July, especially for beef

Small upward effects came from housing and household services, due to increased gas and electricity bills, and recreation and culture.

RPI inflation remained unchanged in July at 3.3 per cent. The main factors influencing it were similar to those affecting the CPI although differences in expenditure weights between the indices meant that the RPI remained unchanged.

RPIX inflation – the all items RPI excluding mortgage interest payments – was 3.1 per cent in July, unchanged from June.

As an internationally comparable measure of inflation, the CPI shows that the UK inflation rate is around the average for the European Union as a whole. The provisional inflation rate for the EU 25 in June was 2.4 per cent, compared with the UK figure for the same month of 2.5 per cent.

Released: 15 August 2006

# Economic update

## September 2006

Anis Chowdhury

Office for National Statistics

### Overview

- GDP growth in the second quarter of 2006 was 0.8 per cent, up from 0.7 per cent in the previous quarter.
- Growth in 2006 quarter two was mainly driven by services, led by growth in retail sales. This was offset in part by negative growth in industrial production.
- From the demand perspective; consumer and government expenditure rebounded in 2006 quarter two. Business investment rose in 2006 quarter two, continuing the trend from quarter one.
- Public sector net debt continued to rise in 2006 quarter two.
- The UK trade deficit narrowed in 2006 quarter two.
- The labour market showed a mixed but overall weak picture in the three months to June 2006. The employment rate fell whilst the unemployment rate increased; the claimant count increased; vacancies rose; average earnings rose slightly but overall remain subdued.
- Producer output price inflation and input price inflation fell in July.
- Consumer price inflation fell in July but remains above the Government's two per cent target.

### GDP activity – overview

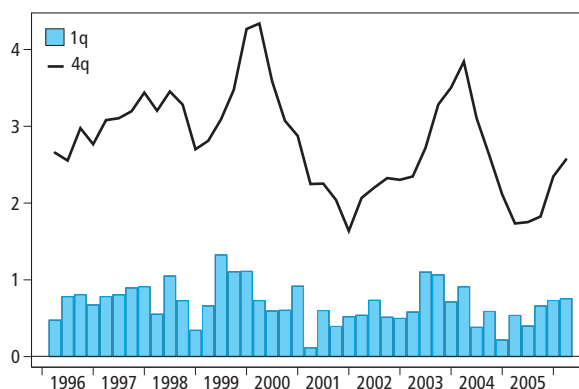
GDP growth for the second quarter of 2006 is estimated to have grown by 0.8 per cent, unchanged from the preliminary estimate. This is up from 0.7 per cent growth in the previous quarter. The annual rate of growth rose by 2.6 per cent, up from 2.3 per cent in the previous quarter (Figure 1). The latest release contains more information than that contained in the preliminary one. It gives first estimates for the main expenditure categories and more complete information on the output side. It is still, however, based on as yet incomplete information.

The growth rate in the UK economy in 2006 quarter two was led by an acceleration in services sector output. This was offset partially by a fall in industrial production. Construction output saw slower growth compared to quarter one. Leading the growth on the demand side was household expenditure, which rose strongly on the quarter.

Preliminary data for 2006 quarter two are available for the other major OECD economies. Data for quarter two shows a mixed picture of the world economy. US GDP growth for

### GDP

Growth



the second quarter of 2006 showed a somewhat weakening picture. Growth was 0.6 per cent, a marked deceleration from a growth rate of 1.4 per cent in quarter one. The slowdown in growth was mainly due to a fall in domestic demand. There was also a fall in government spending and business capital investment. Japan's growth also showed a significant fall in quarter two. Growth was 0.2 per cent compared to 0.7 per cent in the 2006 quarter one. The lower growth was mainly due to lower growth in exports and a sharp contraction in public spending.

In contrast, growth in the two biggest mainland EU economies – Germany and France – showed a strengthening picture. German GDP growth was 0.9 per cent in 2006 quarter two, an acceleration from 0.7 per cent growth in quarter one. Investment was the main driver of growth. However, this was offset by a fall in private consumption expenditure. Net trade made a neutral contribution to growth. French GDP growth accelerated markedly in 2006 quarter two, rising by 1.1 per cent, up from 0.5 per cent in quarter one. Private consumption expenditure was the main engine of growth. There was a rebound in investment growth following weak growth in the previous quarter. Net trade on the other hand made a negative contribution to growth. Italy in contrast recorded a modest growth rate of 0.5 per cent, down from 0.7 per cent in the previous quarter. The breakdown of growth is not yet available.

### Financial Market activity

Equity performance has been fairly weak in 2006 quarter two following robust growth in quarter one. The FTSE All-Share index fell by around 8 per cent in the quarter, in contrast to an increase of around 8 per cent in the previous quarter. This may be partly due to the concerns about the prospect of higher global interest rates in response to potential inflationary pressures in major world economies, particularly fuelled by higher energy prices and partly as a result of higher global economic growth. This has coincided with an increase in long term interest rates. Higher interest rates increase the cost of borrowing and might therefore affect firms profits and investment plans. Another factor could be due to a cautious approach taken by investors in light of weaker global growth particularly in emerging economies. In July 2006, there appears to be signs of a rally with the index rising by about 14 per cent. However, it remains to be seen whether this can be sustained as share prices have been volatile of late.

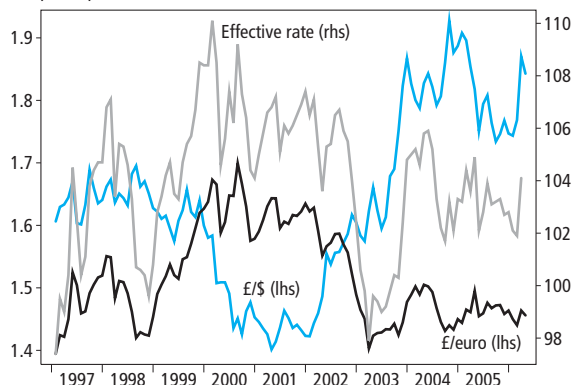
As for currency markets, 2006 quarter two saw sterling's average value appreciate against the dollar by around 4.0 per cent following flat growth in the previous quarter. Against the euro, sterling's value remained broadly flat after depreciating by around 1.0 per cent in quarter one. Overall, the quarterly effective exchange appreciated by about 1.0 per cent following depreciation of about 1.0 per cent in 2006 quarter one (Figure 2). The latest figures for July shows a continuation of the trend from quarter two.

The recent movements in the exchange rate might be linked to a number of factors. Firstly, exchange rate movements

Figure 2  
Exchange rates

£ equals

Aeaps/Beaps



can be related to the perceptions of the relative strengths of the US and UK economy. The appreciation of the pound against the dollar in 2006 quarter two may be partly linked to perceptions of stronger UK economic growth. Secondly, another factor may be due to the current account deficit which is generally perceived as a weakness for the US economy. The dollar may have fallen recently in response to a readjustment process, with the intended consequence of making exports cheaper and imports dearer – thus in theory leading to switch in expenditure to home produced goods and ultimately leading to a narrowing in the deficit. The sterling movements against the euro likewise can also be partly attributed to the relative performances of the UK and euro-zone economy. The euro-zone economy has been seen by the European Central Bank (ECB) to be growing fairly strongly and this is perceived as leading to higher inflation. Therefore, the possibility of higher interest rates might have resulted in the higher euro exchange rate. Indeed, the ECB raised interest rates further in August by 0.25 per cent to 3.00 per cent and there are expectations of further rate rises. UK interest rates rose by 0.25% in August to stand currently at 4.75%.

### Output

GDP growth in 2006 quarter two was estimated at 0.8 per cent, up slightly from growth of 0.7 per cent in the previous quarter. On an annual basis, it was 2.6 per cent, up from 2.3 per cent in 2006 quarter one.

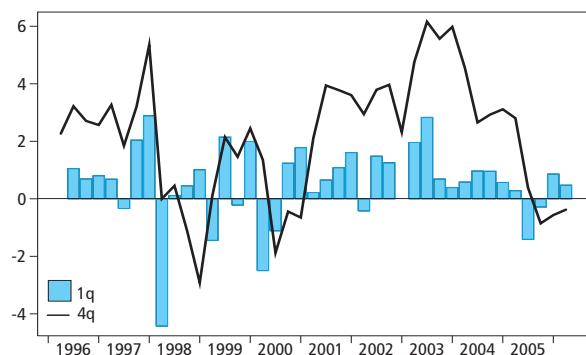
Construction is estimated to have grown by 0.5 per cent following growth of 0.9 per cent in the previous quarter. Comparing the quarter on the quarter a year ago, construction output fell by 0.4 per cent after falling by 0.6 per cent in the previous quarter (Figure 3).

As for external surveys of construction, the CIPS survey echoes the subdued growth in 2006 quarter two with the average growth of the headline index at 52.4. The latest figures for July rose to 53.2, which was fuelled by new business. The RICS survey reports that construction market activity accelerated in 2006 quarter two for the third successive quarter. The workload balance was plus 24, up from plus 23 in the previous quarter.



Figure 3  
Construction output

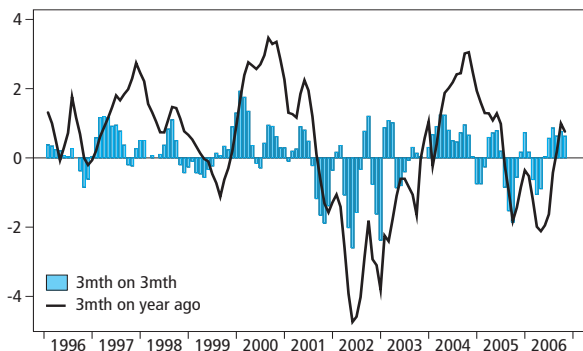
Growth



Total output from the production industries fell by 0.2 per cent in 2006 quarter two, reversing the expansion of 0.8 per cent in the previous quarter. The output of the electricity, gas and water supply industries fell by 3.0 per cent after virtually flat growth in the previous quarter. Mining and quarrying (including oil & gas extraction) contracted by 4.0 per cent following growth of 0.5 per cent in the previous quarter, which was due to maintenance shutdowns. This was offset by modest growth in output of the manufacturing sector, which grew by 0.6 per cent, compared to growth of 0.9 per cent in the previous quarter (Figure 4). It is worth noting that production growth in the mining and quarrying industries and electricity, gas and water supply industries has been volatile in recent quarters. The output of the agriculture, forestry and fishing industries fell by 1.2 per cent after growth of 0.7 per cent in 2006 quarter one.

Figure 4  
Manufacturing output

Growth

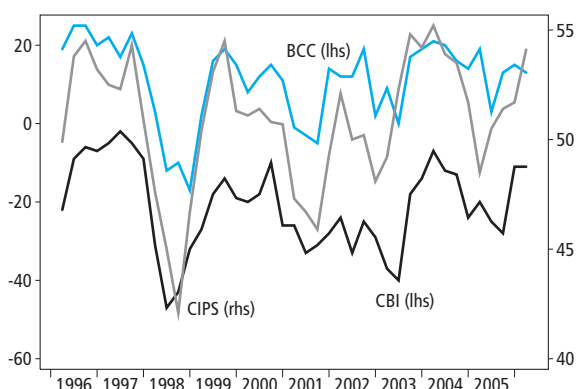


External surveys of manufacturing for 2006 quarter two (Figure 5) shows a generally mixed picture. It is not unusual for the path of business indicators and official data to diverge over the short term. These differences happen partly because the series are not measuring exactly the same thing. External surveys measure the direction rather than the magnitude of a change in output and often inquire into expectations rather than actual activity.

The CIPS average headline index for manufacturing was 54.2 in 2006 quarter two, up from 51.7 in quarter one. The latest figure for July continued to record relatively robust growth with the headline index at 53.8. The BCC and CBI

Figure 5  
External manufacturing

Balances



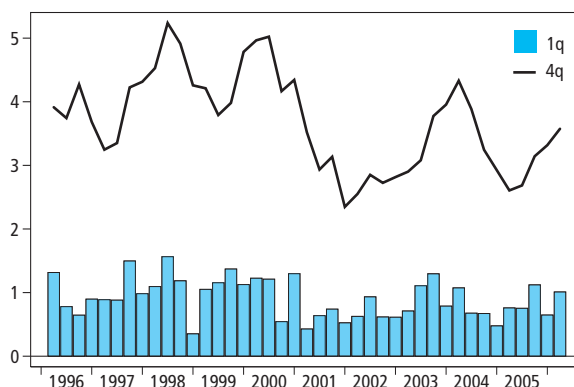
report a mixed but an overall weak picture in 2006 quarter two. The BCC report in their 2006 quarter two survey improvements in confidence, home sales and investment balances. However, this was offset by weakening in export orders, sales balances and off home sales. The CBI report weak domestic balances but improving export balances in quarter two. The CBI in its latest August Industrial Trends survey report that manufacturers order books were at their best for 20 months, led by improving domestic demand. Despite the negative balance, the orders index improved to minus 8 from minus 11 in July.

Overall, the service sector, by far the largest part of the UK economy and the main driver of UK growth recently, accelerated in 2006 quarter two. Growth was 1.0 per cent compared to 0.7 per cent in the previous quarter (Figure 6). Within the sector, growth was broad based. Business services and finance continued to grow strongly. Growth was 1.3 per cent in 2006 quarter two compared to 1.0 per cent in the previous quarter. The output of the distribution, hotels and catering industries also saw rapid growth during this period with a growth rate of 0.8 per cent, a jump from 0.5 per cent in the previous quarter.

The external surveys on services showed a mixed picture in 2006 quarter two. The CIPS survey echoes the official picture with the headline index signalling strengthening

Figure 6  
Services output

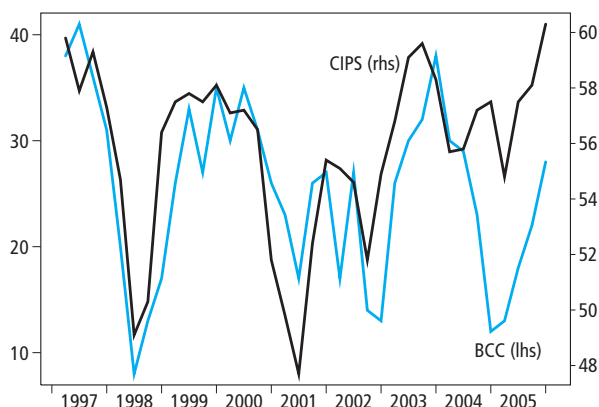
Growth



growth in 2006 quarter two. The headline index was at 60.3, up from 58.1 in the previous quarter. It should be noted that the CIPS survey has a narrow coverage of the distribution and government sectors. According to the latest CIPS survey UK service sector activity remained strong in July with the headline balance at 57.9. The CBI and BCC report a mixed picture of service sector output (Figure 7). The CBI make a distinction between professional & business services and consumer services, particularly leisure and personal care. According to the latest May 2006 service sector survey, the CBI reported that consumer services firms saw rising business volumes for the first time in six months with the level of business volumes for the past three months at plus 27 compared to minus 10 in the previous survey. In contrast, business and professional services firms saw growth in business volumes at a slower rate than in previous quarters with business volume at plus 9 compared to plus 44 in the previous survey. The BCC reported an improvement in domestic balances but a worsening in export balances.

Figure 7  
External services

Balances

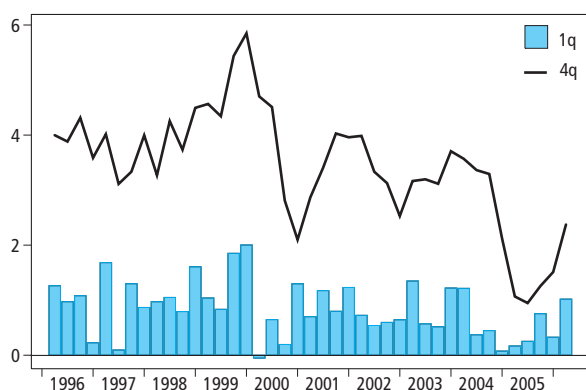


## Expenditure

Household consumption expenditure growth strengthened in 2006 quarter two. Growth was 1.0 per cent compared with 0.3 per cent in the previous quarter. Growth compared with the same quarter a year ago was 2.4 per cent, up from 1.5 per cent in the previous quarter (Figure 8).

Figure 8  
Household demand

Growth

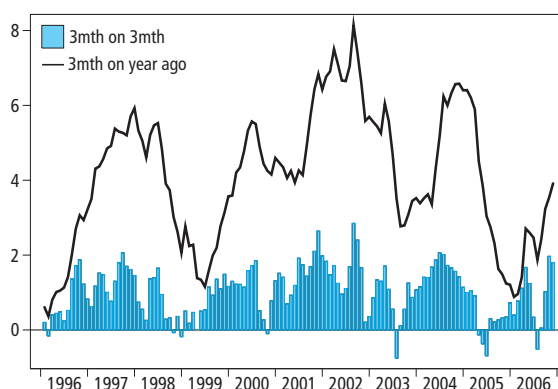


Growth has generally been subdued since the last quarter of 2004, partly due to weak retail sales. However, the bounce-back in the latest quarter appears mainly to be related to buoyant retail sales conditions, partly due to the effects of the World Cup. The increase in expenditure is due to sharp increases in expenditure on both durable and semi-durable goods which rose by 3.8 per cent and 3.2 per cent respectively in 2006 quarter two. It remains to be seen whether household expenditure can maintain its upward momentum given the drop out of the World Cup factor.

Retail sales figures are published on a monthly basis and the latest available figures for July show a continued robustness despite a slight fall from June (Figure 9). According to the latest figures, the volume of retail sales in the three months to July 2006 was 1.8 per cent higher than the previous three months. This followed growth of 2.0 per cent in the three months to June. On an annual basis, retail sales grew by 3.9 per cent in the three months to July compared to 3.6 per cent in the three months to June compared to a year ago.

Figure 9  
Retail sales

Growth



At a disaggregated level, growth during the three months to the end of July was driven by predominantly the non-food sector. Growth was 2.2 per cent in the three months to July compared to 2.8 per cent in the three months to June. The main contribution to the growth in this sector came from the household goods sector which rose by 2.9 per cent compared to 4.7 per cent in the three months to June.

This may suggest that the effect of the World Cup may be beginning to wane with lower sales of World Cup related merchandise (e.g TV plasma screens). The relatively hot weather may also be a factor. On the other hand the pick up in the housing market may be sustaining household goods expenditure. Sales in predominantly food stores was 1.2 per cent in the three months to July, up from the 0.9 per cent growth in the three months to June.

External surveys for retail sales echo the official picture. The CBI in its quarterly Distributive Trades survey report in August that retailers achieved their fastest year-on-year growth rate for twenty months. The sales balance was plus 12.

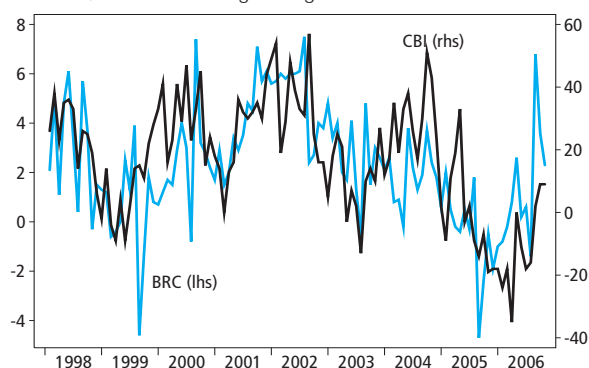
The British Retail Consortium (BRC) also report a similar story. They report that like-for-like retail sales increased by



3.4 per cent in July compared to 2.3 per cent in June. However, this was against a weak July 2005 comparative due to it being a quiet month as a result of the London bombings. The underlying picture according to the BRC remains tough (Figure 10).

Figure 10  
External retailing

Balances, 3 month moving average



Indicators for consumer expenditure appear to be uncertain for 2006 quarter three but may be tending towards the downside. As mentioned earlier household consumption rose strongly in 2006 quarter two, buoyed by retail sales growth. As noted, with the passing of the World Cup and lower retail sales figures in July, it remains to be seen whether the consumption uplift in the second quarter was a temporary phenomena. Oil and petrol prices are still hovering at relatively high levels and this may lead to a displacement of expenditure on consumption goods. The labour market shows a mixed but overall weakening picture with subdued wage growth. Indices of consumer confidence such as MORI and GfK generally report a negative picture in the second quarters of 2006 and in the beginning of the third quarter. The effects of actual and potential increases in utility and council tax bills may decrease real disposable income, thereby dampening household expenditure.

However, the main impact on consumer expenditure may come from the August increase in interest rates from the Bank of England which rose by 0.25 percentage points to 4.75%. The rise in interest rate implies an increase in borrowing costs for both secured and unsecured borrowing. This could have an effect on expenditure in either two ways.

Firstly, household consumption has risen faster than disposable income in recent years as the household sector has become a considerable net borrower and therefore accumulated high debt levels. It is possible, that the rise in interest rates will discourage borrowing in view of the higher re-financing costs and subsequently lower consumption expenditure. Indeed, the latest date for July appears to show a slowdown in M4 lending (i.e. bank cash deposits) compared to June.

Secondly, a major part of personal debt is tied up in secured lending (i.e. mortgage and equity release). A rise in interest rates could increase mortgage borrowing costs. This may discourage house purchases and consequently dampen house price inflation. In recent months, increasing house prices has

led to boost in equity release which has provided a source of consumption expenditure. With higher mortgage borrowing costs and a lower level of equity release, this could reduce expenditure, particularly related to household items.

It should be noted that any changes in interest rates could take time to feed through to households, so there may not be an immediate noticeable impact on expenditure. However, expenditure partly derives from perceptions of the economy and the rise in interest rate in itself may cause a pause in expenditure due to the negative outlook it creates.

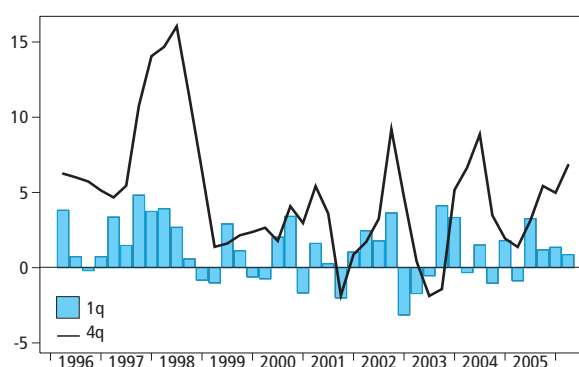
Conversely on the upside, house prices may continue to grow moderately, although there have been some signs of a slowdown lately, and this may outweigh any concerns about increase in mortgage borrowing costs. Also, mortgage borrowing has been relatively strong in recent months. The growth of secured lending may reflect households just choosing to incorporate some of their unsecured debts into their secured borrowing to lower the cost of financing and/or could be greater confidence in house price growth seen by households.

## Business demand

Total investment on an annual basis accelerated in 2006 quarter two, to 6.8 per cent from 5.0 per cent in the previous quarter (Figure 11). Business investment for the second quarter of 2006 has somewhat continued the momentum from the previous quarter, showing a strengthening picture. Business investment for 2006 quarter two was 1.7 per cent, with growth being the same as in the previous quarter. On an annual basis it was 4.2 per cent, down from 4.6 per cent in the previous quarter. The annual growth was broadly driven, led by an increase in dwellings investment. The data suggests an improving climate for business investment. However, businesses appear still to be taking a cautious approach.

Figure 11  
Total investment

Growth



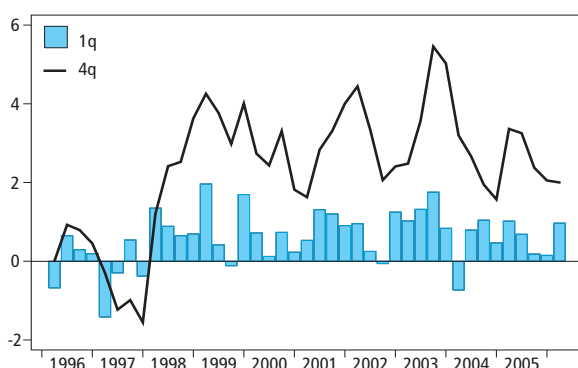
Evidence on investment intentions from the latest BCC and CBI surveys show a somewhat weak picture. According to the quarterly BCC survey, the balance of manufacturing and services firms investment in plant and machinery rose by just one point to plus 16. The CBI in its 2006 quarter two Industrial Survey report a weakening in investment with the balance at minus 10.

## Government demand

Government final consumption expenditure accelerated in 2006 quarter two to 1.0 per cent, from 0.1 per cent in the previous quarter. Growth quarter on quarter a year ago was 2.0 per cent, slightly down from 2.1 per cent in the previous quarter (Figure 12).

Figure 12  
Government spending

Growth



The latest figures on the public sector finances report in the current financial year to July 2006 and show an improvement. Over the financial year April to July 2006/7, the current budget was in deficit by £4.4 billion compared to a deficit of £5.7 billion for financial year April to July 2005/6. Over the financial year to July 2006/7, net borrowing was 10.0 billion. This compares with net borrowing of £10.3 billion than in the same period of 2005/6. The improving public sector finance situation in July mainly reflects increase in tax revenues, particularly from corporation capital gains tax and petroleum revenue tax exceeding central government expenditure, through timing effects.

Since net borrowing became positive in 2002, following the current budget moving from surplus into deficit, net debt as a proportion of annual GDP has risen steadily. Public sector net debt by the end of July 2006 was 36.5 per cent of GDP; up from 34.6 per cent of GDP at the end of July 2005 and also up from 36.1 per cent of GDP over the financial year 2005/6.

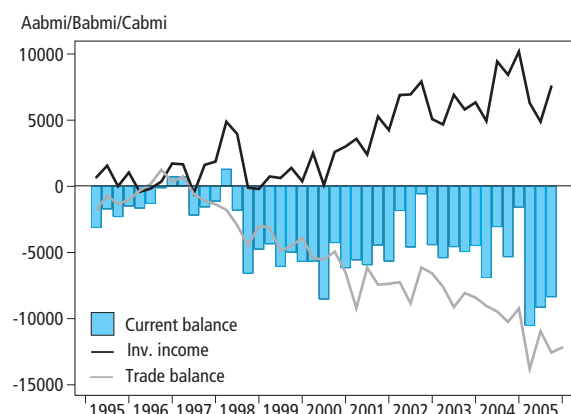
## Trade and the Balance of Payments

The publication of the latest quarterly Balance of Payments shows that the current account deficit narrowed in 2006 quarter one to £8.3 billion from a deficit of £9.1 billion in the previous quarter (Figure 13). As a proportion of GDP, the deficit fell to 2.6 per cent of GDP from 2.9 per cent in 2005 quarter four. The narrowing of the deficit was accounted for by a higher surplus on investment income, partially offset by a higher deficit on trade in goods.

There could be a number of reasons for the higher surplus on investment income. Firstly, higher direct investment income has mainly come from higher earnings of private-non financial corporations. This may be due in part simply to new investment undertaken by UK companies overseas. This could be linked to the higher profits generated by these companies given the buoyant growth and demand conditions in the world economy, particularly in the US and

Figure 13  
Balance of payments

£ million



China. Higher interest rates in some other major economies may also be a factor in terms of the appreciation of these currencies relative to sterling resulting in a higher value of UK capital and therefore of UK repatriated income.

Overall, the persistence of the current account deficit has led to the deterioration in the UK's international investment position (IIP) with the rest of the world. The net asset/liability was negative to the tune of £180.0 billion at the end of the first quarter of 2006 compared with net external liabilities of £168.9 billion at the end of 2005.

The UK continues to have a large trade deficit in goods with imports rising faster than exports.

The deficit in the trade of goods narrowed to £12.2 billion in 2006 quarter two from £12.6 billion in the previous quarter. Exports rose by £7.7 billion while imports rose by £5.1 billion. In terms of growth, exports in the trade of goods increased by 7.0 per cent on the quarter and imports by 6.2 per cent.

The deficit with the EU was £8.9 billion, compared with £9.5 billion in 2006 quarter one. Exports to EU countries rose by 12.8 per cent and imports from EU countries rose by 9.7 per cent in 2006 quarter two. The deficit with non-EU countries was £10.1 billion in the second quarter of 2006, unchanged from the previous quarter. In growth terms, exports to non-EU countries fell by 2.0 per cent whilst imports rose by 1.4 per cent.

However, these figures need to be treated with caution because as much as half of the growth reflects distributions by VAT Missing Trader Intra-Community (MTIC) Fraud. Changes to the pattern of trading associated with VAT MTIC fraud make it difficult to analyse trade figures as increases inflate both imports and exports. EU import figures for trade in goods include adjustments made by ONS to allow for the impact of VAT MTIC fraud.

External surveys on exports show a mixed but overall modest picture. The BCC reported that the export sales net balance fell by 4 points to plus 19 in 2006 quarter two. The CBI quarterly Industrial Trends Survey reports that the balance for export orders rose to plus seven. However, the latest CBI August Industrial Trends Survey reports a somewhat negative picture with the balance of export orders at minus six.

The run of current account deficits since 1998 reflects the sustained deterioration in the trade balance. The UK has traditionally run a surplus on the trade in services and complemented by a surplus in investment income, but this has been more than offset by the growing deficit in trade in goods partly due to the UK sucking in cheaper imports.

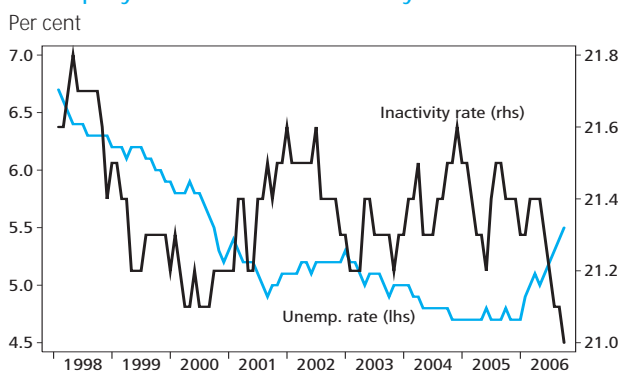
In 2006 quarter two, the narrowing in the trade deficit may partly reflect conditions in the EU where there appears to be a pick up in GDP growth, thus providing favourable export opportunities for UK firms. But again, this needs to be treated with caution due to MTIC considerations.

## Labour Market

In recent years the strength of the UK economy has been clearly reflected in the labour market statistics. The latest figures from the Labour Force Survey (LFS) pertain to the three-month period up to June 2006 and show a mixed picture. The unemployment and claimant count rate both increased. Average earnings picked up slightly but overall remain subdued. On the upside, the employment level increased. However, the employment rate decreased. Vacancies increased. The concurrent increase in the employment and unemployment rate can be explained by the fall in the inactivity rate with those classified as looking after the family/home, the long term sick, the retired and students entering the job market. It may also be explained by increased migration levels (Figure 14).

The current working age employment rate is 74.6 per cent, in the three months to June 2006, down 0.1 percentage point from the three months to March 2006 and down 0.2 percentage points from a year earlier. The number of people in employment increased by 42,000 over the quarter to leave the employment level standing at 28.94 million. The unemployment rate was 5.5 per cent, up 0.3 percentage points from the three months to March 2006 (Figure 14).

Figure 14  
Unemployment and economically inactive



The number of unemployed rose by 92,000 in the three months to June 2006 to stand at 1.68 million. The claimant count measures the number of people receiving the job-seekers allowance. The latest figures for July show the claimant count level at 957,000, up 2,000 on the month and up 90,900 on a year earlier.

According to the LFS, in the period April to June 2006, 42,000 jobs were gained. In the same reference period,

employee jobs rose by 65,000 while self-employed jobs fell by 29,000 continuing the trend from the previous quarter. From another perspective, full-time employee jobs increased by 79,000 whilst part-time jobs fell by 13,000.

The industry disaggregation from 'workforce jobs' is available for the three months to March 2006. There were 30.97 million workforce jobs in March, up 52,000 over the quarter and up 146,000 on a year earlier. Services employment growth led the increase. Within services, the largest rise came from education, health and public services which grew by 51,000 followed by finance & business services with employment increasing by 24,000. This was offset by a continued decrease in manufacturing sector jobs which fell by 32,000 in the three months to March 2006.

Average earnings growth showed moderate but stable growth in the latest reference period. Average earnings growth, excluding bonuses, was 3.9 per cent in June, up 0.1 percentage points from the previous month. Average earnings growth, including bonuses, grew by a rate of 4.3 per cent, up 0.2 percentage points from the previous month. The latter is mainly due to higher city bonuses.

In terms of the public and private sector split, the gap in earnings growth excluding bonuses shows further signs of widening in June 2006 from May 2006. The widening was due to slower growth in public sector wages which grew by 2.7 per cent, down from 3.0 per cent in the previous month. This compares with growth of 4.2 per cent in private sector wages, up from 4.0 per cent in the previous month.

Overall, the numbers point to a weaker labour market than in previous years, with unemployment and claimant count level increasing, which is consistent with subdued wage growth.

## Prices

The divergence between input and output price inflation for producers has continued in 2006 quarter three from 2006 quarter two but has narrowed compared to June 2006. Input price grew by 9.7 per cent in the year to July, down from 11.2 per cent in June. The main driver of growth remains energy, particularly oil prices although prices eased further in July, contributing partly to the slowdown in input prices. Gas prices, although easing lately, have also contributed to the increase. Producer output inflation, which has been considerably lower, rose by 2.8 per cent in July, down from 3.4 per cent in June. On the core measure, output prices increased by 2.5 per cent in July, down from 2.9 per cent in June.

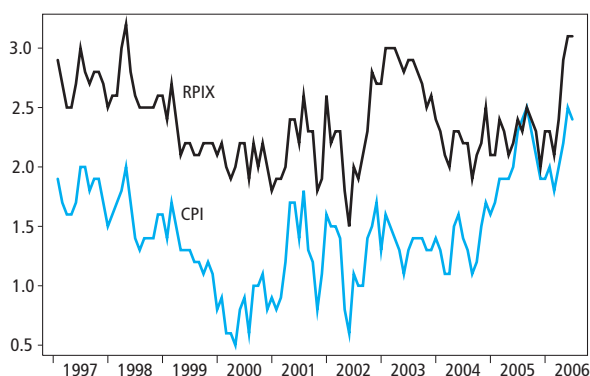
Growth in the consumer price index (CPI) – the Government's target measure of inflation – fell to 2.4 per cent in July, down from 2.5 per cent in June, but still continued to exceed the Government's 2.0 per cent inflation target.

The largest downward effect came from household equipment and routine maintenance, due to special offers in July for furniture and furnishings being greater than a year ago, particularly for some items of bedroom and lounge furniture, following larger than usual price increases in June. There were also large downward effects from air fares and petrol prices which rose less than last year. A downward effect was also provided by clothing and footwear, where special

offers on a wide range of clothing in July were greater than last year. The only large upward contribution to the CPI annual rate came from price changes for food and non-alcoholic beverages due to upward effects from fruit, dairy products and meat. The RPI remained unchanged in July at 3.3 per cent. The RPI was 3.1 per cent in July, unchanged from June (Figure 15).

Figure 15  
Inflation

Growth, month on month a year ago



# Forecasts for the UK economy

A comparison of independent forecasts, August 2006

The tables below are extracted from HM Treasury's Forecasts for the UK Economy and summarise the average and range of independent forecasts for 2006 and 2007, updated monthly.

## Independent forecasts for 2006

	Average	Lowest	Highest
GDP growth (per cent)	2.5	2.0	2.8
Inflation rate (Q4 per cent)			
CPI	2.3	1.4	2.9
RPI	3.1	1.7	3.9
Claimant unemployment (Q4, million)	0.99	0.90	1.17
Current account (£ billion)	-33.4	-41.6	-24.0
Public Sector Net Borrowing (2006-07, £ billion)	37.9	34.5	44.0

## Independent forecasts for 2007

	Average	Lowest	Highest
GDP growth (per cent)	2.4	-0.3	3.2
Inflation rate (Q4 per cent)			
CPI	2.0	1.4	3.1
RPI	2.5	1.3	3.7
Claimant unemployment (Q4, million)	1.03	0.88	1.40
Current account (£ billion)	-34.3	-53.7	-20.0
Public Sector Net Borrowing (2007-08, £ billion)	37.0	29.0	51.0

*NOTE* Forecasts for the UK Economy gives more detailed forecasts, covering 27 variables and is published monthly by HM Treasury, available on annual subscription, price £75. Subscription enquiries should be addressed to Claire Coast-Smith, Public Enquiry Unit 2/S2, HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ (Tel 020 7270 4558). It is also available at the Treasury's internet site: <http://www.hm-treasury.gov.uk> under 'Economic Data and Tools'.

\*PSNB: Public Sector Net Borrowing.





# Corporate services price index (experimental)

## Quarter 2 2006

### What is the CSPI?

The experimental Corporate Services Price Index (CSPI) measures movements in prices charged for services supplied by businesses to other businesses, local and national government. The data produced are used internally by the Office for National Statistics (ONS) as a deflator for the Index of Services and the quarterly measurement of Gross Domestic Product (GDP). It is also used by HM Treasury and the Bank of England to help monitor inflation in the economy.

### Results for quarter 2, 2006

Prices of business-to-business services rose by 3.5 per cent in the year to the second quarter of 2006. This is based on a comparison of the change in the top-level CSPI on the *net* sector basis.

Figure 1 shows how the percentage change for the top-level CSPI (net sector) compares with the Retail Prices Index (RPI) and the Producer Price Index (PPI) for all manufactured goods (net sector).

The top-level results, on both gross and net sector bases, are shown in Table 1. In 2006 Q2, the top-level CSPI (net sector) rose by 1.3 per cent compared with the previous quarter.

Figure 1

### Experimental top-level CSPI compared with the Retail Prices Index (RPI) for services and the Producer Price Index (PPI)

Percentage change on the same quarter a year ago

United Kingdom



Table 1  
CSPI results

	CSPI quarterly index values 2000=100		Percentage change on same quarter in previous year (per cent)	
	Gross sector	Net sector	Gross sector	Net sector
2001 Q1	100.9	101.5	1.0	2.0
Q2	102.8	103.2	2.9	3.5
Q3	103.1	103.3	3.0	3.1
Q4	103.5	103.7	3.4	3.2
2002 Q1	103.5	103.7	2.6	2.2
Q2	104.6	104.7	1.8	1.4
Q3	105.2	105.2	2.0	1.8
Q4	105.6	105.9	2.0	2.1
2003 Q1	105.8	106.6	2.2	2.8
Q2	107.1	107.9	2.4	3.1
Q3	107.6	108.4	2.3	3.1
Q4	108.0	108.9	2.3	2.9
2004 Q1	107.8	108.9	1.9	2.1
Q2	109.0	110.1	1.8	2.0
Q3	109.7	110.8	1.9	2.2
Q4	110.2	111.4	2.0	2.3
2005 Q1	110.7	112.1	2.7	3.0
Q2	112.1	113.9	2.8	3.5
Q3	113.1	114.8	3.1	3.6
Q4	113.8	115.6	3.3	3.7
2006 Q1	114.5	116.3	3.5	3.7
Q2	116.0	117.9	3.5	3.5

Figure 2 depicts the CSPI annual growths for both the net and gross sector time series. The annual growth for the CSPI net sector fell to 3.5 per cent for 2006 Q2, down from 3.7 per cent for 2006 Q1. The annual growth for the CSPI gross series remained at 3.5 per cent in 2006 Q2, the same as in Q1. There is no difference in the annual growth between the gross sector and net sector CSPI this quarter.

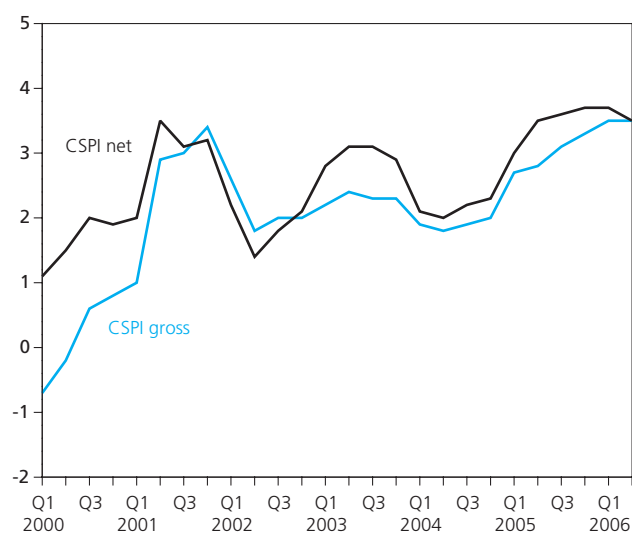
### Industry-specific indices

The tables attached at the end of this article contain the data for the 32 industries for which indices of corporate services prices are currently available. The weights for each industry index are shown at both gross and net sector levels. Comparing 2006 Q2 with 2005 Q2, some key points to note are:

- *banking services* prices rose by 18.2 per cent, generated by the underlying interest on outstanding loan balances, as reported by the Bank of England
- *property rental* prices rose by 3.0 per cent, following general increases across the industry, as reported by the Investment Property Databank

Figure 2  
Experimental top-level CSPI (gross and net sector)

Percentage change on the same quarter in previous year  
United Kingdom



- *freight transport by road* prices rose by 1.9 per cent, following general increases in the cost of fuel
- *sewerage services* prices rose by 13.3 per cent, following the setting of new price limits by Ofwat
- *advertising placement* prices rose by 2.5 per cent, following general rises throughout the industry
- *computer services* prices rose by 0.4 per cent
- *hotel services* prices fell by 0.2 per cent, where competitive market conditions are having an effect within the industry

## Background notes

1. The experimental Corporate Services Price Index (CSPI) measures movements in prices charged for services supplied by businesses to other businesses, local and national government. It is not classified as a National Statistic.
2. Unless otherwise stated, index numbers shown in the main text of this experimental release are on a net sector basis. These relate only to transactions between the corporate services sector and other sectors. Detailed tables also contain gross sector indices which include transactions within the corporate services.
3. Indices relate to average prices per quarter. The full effect of a price change occurring within a quarter will only be reflected in the index for the following quarter. All index numbers exclude VAT and are not seasonally adjusted.
4. CSPI inflation is the percentage change in the net sector index for the latest quarter compared with the corresponding quarter in the previous year.
5. Grants from the European Commission helped ONS to begin developing the CSPI. Funding of approximately 600,000 euros was awarded between 2002 and 2005. This has now ceased.
6. A number of external data sources are currently used in the compilation of the CSPI, as follows:
  - Bank of England – banking services
  - Investment Property Database (IPD) – property rental payments
  - Office of Communications (Ofcom) – business telecommunications
  - Office of Water Services (Ofwat) – sewerage services
  - Parcelforce – national post parcels
  - Strategic Rail Authority (SRA) – business rail fares
7. The business telecommunications index is currently under review and has been temporarily suppressed. Following consultation with Ofcom, a modernised index is due for inclusion next quarter.
8. The banking services industry has been revised back to 2004 Q1 to take account of updated information from the industry.
9. This CSPI release incorporates changes to the weighting methodology which improves the way in which the index is calculated.
10. This CSPI release includes additional indices for advertising placement services and elements of computer services. The advertising placement index covers television and printed media. The computer services index covers IT consultancy services, system maintenance and support, and computer facilities management and data processing.
11. ONS is consulting on changing the name of CSPI to SPPI (Services Producer Price Index). The name change would align UK terminology with Europe and the rest of the world. Users are invited to comment on this issue via contact details below.

## Next results

The next set of CSPI results will be issued on 10 November 2006 via the National Statistics website [www.statistics.gov.uk/cspi](http://www.statistics.gov.uk/cspi)

## Further information

- Articles on the methodology and impact of rebasing the CSPI, the redevelopment of an index for business telecommunications and the introduction of an index for banking services (together with more general information on the CSPI) are available at [www.statistics.gov.uk/cspi](http://www.statistics.gov.uk/cspi)
- Survey Contact:  
Tim Clode  
Office for National Statistics  
Tel: 01633 813493  
E-mail: [cspi@ons.gsi.gov.uk](mailto:cspi@ons.gsi.gov.uk)

Table 2

## Corporate Services Price Indices (Experimental) (2000=100)

		Hospitality		Post and courier		Property		Waste	
		Hotels	Canteens and catering	National post parcels	Courier services	Property rental payments	Real estate agency	Sewerage services	Waste disposal
SIC(2003)		55.10	55.50	64.11	64.12	70.20	70.30	90.00/1	90.00/2
2000 weights (per cent)									
Gross sector		3.30	2.71	3.11	2.16	7.05	3.32	2.03	1.28
Net sector		3.88	3.19	1.73	1.20	11.73	1.49	3.80	2.40
Annual									
	2001	104.4	105.1	103.1	102.6	106.5	101.7	98.3	104.8
	2002	102.4	105.9	107.1	106.7	111.0	102.5	99.1	110.2
	2003	106.7	107.3	113.3	109.0	115.6	105.2	102.7	115.4
	2004	110.7	108.1	119.5	113.3	120.2	112.1	108.8	122.0
	2005	113.6	109.5	123.2	118.0	124.1	121.4	121.4	137.9
Percentage change, latest year on previous year									
	2001	4.4	5.1	3.1	2.6	6.5	1.7	-1.7	4.8
	2002	-1.9	0.7	3.9	4.0	4.3	0.8	0.8	5.1
	2003	4.2	1.4	5.9	2.2	4.1	2.6	3.7	4.7
	2004	3.7	0.8	5.4	4.0	4.0	6.6	5.9	5.7
	2005	2.7	1.2	3.1	4.1	3.2	8.3	11.6	13.0
Quarterly results (not seasonally adjusted)									
	2001 Q1	103.2	104.1	101.2	100.0	104.1	101.7	96.5	101.9
	Q2	105.0	105.5	103.7	101.5	105.7	101.7	98.9	104.2
	Q3	104.5	105.5	103.7	104.2	107.2	101.7	98.9	106.2
	Q4	104.9	105.5	103.7	104.7	108.8	101.6	98.9	107.1
	2002 Q1	102.1	105.5	103.7	105.7	109.6	101.5	98.9	107.3
	Q2	101.6	105.9	108.2	106.3	110.7	102.0	99.1	110.7
	Q3	101.7	106.0	108.2	107.2	111.3	102.9	99.1	111.1
	Q4	104.1	106.0	108.2	107.5	112.5	103.7	99.1	111.8
	2003 Q1	105.2	107.0	108.2	108.1	113.4	103.7	99.1	112.5
	Q2	104.7	107.0	115.0	108.9	115.5	104.6	104.0	116.6
	Q3	107.5	107.7	115.0	109.5	116.3	105.8	104.0	116.3
	Q4	109.5	107.6	115.0	109.5	117.1	106.6	104.0	116.3
	2004 Q1	109.8	107.7	115.0	110.5	118.3	108.1	104.0	116.8
	Q2	111.5	108.2	121.0	112.7	119.4	110.9	110.4	123.2
	Q3	110.7	108.3	121.0	114.4	120.9	113.3	110.4	123.3
	Q4	110.8	108.4	121.0	115.7	122.2	116.0	110.4	124.7
	2005 Q1	113.7	108.5	121.0	116.4	122.5	117.3	110.4	124.9
	Q2	113.3	108.7	124.0	117.4	123.8	119.5	125.1	139.2
	Q3	113.1	110.3	124.0	119.1	124.4	122.5	125.1	143.4
	Q4	114.4	110.4	124.0	119.0	125.5	126.5	125.1	144.1
	2006 Q1	112.0	111.6	124.0	119.4	126.4	130.8	125.1	145.2
	Q2	113.1	114.5	128.3	120.5	127.5	135.8	135.5	147.7

Table 2 - continued

	Hospitality		Post and courier		Property		Waste	
	Hotels	Canteens and catering	National post parcels	Courier services	Property rental payments	Real estate agency	Sewerage services	Waste disposal
SIC(2003)	55.10	55.50	64.11	64.12	70.20	70.30	90.00/1	90.00/2
Percentage change, latest quarter on previous quarter								
2001 Q1	2.6	3.8	0.0	-1.7	1.9	0.4	0.0	1.9
Q2	1.7	1.3	2.5	1.5	1.5	0.0	2.5	2.3
Q3	-0.5	0.0	0.0	2.7	1.4	0.0	0.0	1.9
Q4	0.4	0.1	0.0	0.4	1.5	-0.1	0.0	0.9
2002 Q1	-2.6	0.0	0.0	0.9	0.8	-0.2	0.0	0.1
Q2	-0.5	0.4	4.4	0.6	1.0	0.5	0.2	3.2
Q3	0.1	0.1	0.0	0.8	0.5	0.9	0.0	0.3
Q4	2.4	0.0	0.0	0.2	1.1	0.7	0.0	0.6
2003 Q1	1.1	0.9	0.0	0.6	0.8	0.1	0.0	0.6
Q2	-0.5	0.0	6.3	0.8	1.8	0.8	4.9	3.7
Q3	2.7	0.7	0.0	0.5	0.7	1.2	0.0	-0.3
Q4	1.9	-0.1	0.0	0.0	0.7	0.7	0.0	0.0
2004 Q1	0.2	0.1	0.0	0.9	1.0	1.5	0.0	0.4
Q2	1.6	0.4	5.1	2.1	1.0	2.6	6.2	5.5
Q3	-0.8	0.1	0.0	1.5	1.3	2.2	0.0	0.1
Q4	0.1	0.1	0.0	1.1	1.1	2.4	0.0	1.1
2005 Q1	2.7	0.1	0.0	0.6	0.2	1.1	0.0	0.2
Q2	-0.3	0.3	2.5	0.9	1.1	1.9	13.3	11.4
Q3	-0.2	1.4	0.0	1.4	0.5	2.5	0.0	3.0
Q4	1.1	0.1	0.0	0.0	0.9	3.3	0.0	0.5
2006 Q1	-2.1	1.1	0.0	0.3	0.7	3.4	0.0	0.7
Q2	1.0	2.6	3.5	0.9	0.9	3.9	8.3	1.7
Percentage change, latest quarter on corresponding quarter of previous year								
2001 Q1	4.6	4.4	4.8	1.3	6.3	3.2	-12.5	2.5
Q2	4.9	5.4	2.5	2.3	6.5	2.0	2.5	3.8
Q3	3.8	5.4	2.5	4.0	6.6	1.2	2.5	5.9
Q4	4.3	5.3	2.5	2.9	6.5	0.4	2.5	7.1
2002 Q1	-1.1	1.4	2.5	5.7	5.3	-0.2	2.5	5.3
Q2	-3.2	0.4	4.4	4.7	4.7	0.3	0.2	6.2
Q3	-2.7	0.6	4.4	2.9	3.8	1.2	0.2	4.6
Q4	-0.7	0.5	4.4	2.6	3.4	2.0	0.2	4.4
2003 Q1	3.0	1.4	4.4	2.3	3.5	2.2	0.2	4.9
Q2	3.0	1.0	6.3	2.4	4.3	2.5	4.9	5.4
Q3	5.7	1.6	6.3	2.1	4.6	2.8	4.9	4.7
Q4	5.2	1.5	6.3	1.9	4.1	2.8	4.9	4.1
2004 Q1	4.3	0.7	6.3	2.2	4.3	4.2	4.9	3.8
Q2	6.5	1.1	5.1	3.5	3.4	6.0	6.2	5.6
Q3	2.9	0.5	5.1	4.5	4.0	7.1	6.2	6.0
Q4	1.1	0.7	5.1	5.7	4.4	8.9	6.2	7.2
2005 Q1	3.6	0.7	5.1	5.4	3.6	8.5	6.2	7.0
Q2	1.6	0.5	2.5	4.2	3.7	7.7	13.3	13.0
Q3	2.2	1.8	2.5	4.1	2.9	8.1	13.3	16.3
Q4	3.2	1.9	2.5	2.9	2.7	9.0	13.3	15.6
2006 Q1	-1.5	2.9	2.5	2.6	3.2	11.5	13.3	16.2
Q2	-0.2	5.3	3.5	2.6	3.0	13.6	8.3	6.1

Table 2 – continued

## Corporate Services Price Indices (Experimental) (2000=100)

		Freight transport				
		Rail freight	Freight transport by road		Commercial vehicle ferries	Sea and coastal water freight
			Total	International component		Freight forwarding
SIC(2003)		60.10/9	60.24/9		61.10/1	61.10/2
2000 weights (per cent)						
Gross sector		0.55	11.37		0.26	0.65
Net sector		0.98	20.12		0.35	0.87
Annual						
	2001	100.5	102.3	100.0	98.5	102.0
	2002	102.1	103.3	100.5	100.6	93.0
	2003	103.5	105.9	102.3	102.8	93.5
	2004	104.1	107.8	103.2	102.6	91.7
	2005	106.3	112.7	109.1	104.8	91.7
Percentage change, latest year on previous year						
	2001	0.5	2.3	0.0	-1.5	2.0
	2002	1.6	0.9	0.5	2.2	-8.9
	2003	1.4	2.5	1.8	2.2	0.6
	2004	0.6	1.8	0.9	-0.2	-1.9
	2005	2.1	4.6	5.7	2.1	0.0
Quarterly results (not seasonally adjusted)						
	2001 Q1	100.3	102.2	100.2	101.6	103.9
	Q2	101.1	102.6	100.0	98.8	104.0
	Q3	100.5	102.4	99.8	96.6	102.3
	Q4	100.1	102.2	100.0	96.9	97.8
	2002 Q1	101.3	102.1	100.4	101.7	96.1
	Q2	102.1	102.8	100.5	100.5	91.2
	Q3	102.4	103.7	101.0	100.6	92.1
	Q4	102.5	104.6	100.1	99.6	92.4
	2003 Q1	102.7	105.5	102.6	102.7	94.9
	Q2	103.4	105.9	102.4	102.9	94.0
	Q3	103.6	105.8	102.4	102.9	93.4
	Q4	104.2	106.3	102.0	102.9	91.6
	2004 Q1	103.7	106.5	102.0	102.6	92.1
	Q2	104.1	107.1	102.4	102.6	91.2
	Q3	104.3	108.1	104.1	102.6	91.0
	Q4	104.5	109.4	104.4	102.7	92.8
	2005 Q1	105.6	111.1	107.2	104.8	88.6
	Q2	105.8	112.2	108.7	104.7	89.8
	Q3	106.6	113.6	110.3	104.8	93.7
	Q4	107.2	113.7	110.2	104.8	94.9
	2006 Q1	109.0	114.1	110.6	104.9	92.7
	Q2	110.5	114.3	109.7	105.0	92.8



Table 2 – continued

SIC(2003)	Freight transport					Freight forwarding
	Rail freight	Freight transport by road		Commercial vehicle ferries	Sea and coastal water freight	
		Total	International component			
60.10/9	60.10/9	60.24/9		61.10/1	61.10/2	63.40
Percentage change, latest quarter on previous quarter						
2001 Q1	0.9	0.8	-0.3	2.7	1.2	1.1
Q2	0.8	0.4	-0.2	-2.7	0.1	-1.9
Q3	-0.6	-0.2	-0.2	-2.2	-1.6	-1.6
Q4	-0.4	-0.2	0.2	0.4	-4.4	-0.1
2002 Q1	1.2	-0.1	0.3	4.9	-1.7	0.0
Q2	0.8	0.7	0.2	-1.1	-5.1	1.0
Q3	0.2	0.8	0.5	0.1	0.9	0.7
Q4	0.1	0.8	-0.9	-1.0	0.4	0.2
2003 Q1	0.2	0.9	2.5	3.1	2.7	1.9
Q2	0.7	0.4	-0.2	0.2	-0.9	1.4
Q3	0.2	-0.1	0.0	0.0	-0.7	1.3
Q4	0.5	0.4	-0.4	0.0	-1.9	0.1
2004 Q1	-0.5	0.2	0.0	-0.3	0.6	-0.3
Q2	0.4	0.6	0.4	0.0	-1.0	2.2
Q3	0.2	0.9	1.7	0.0	-0.2	1.5
Q4	0.2	1.2	0.3	0.1	2.0	0.0
2005 Q1	1.1	1.6	2.7	2.1	-4.5	1.2
Q2	0.2	1.0	1.3	-0.1	1.3	1.6
Q3	0.8	1.3	1.5	0.0	4.3	1.6
Q4	0.6	0.1	-0.1	0.0	1.3	0.9
2006 Q1	1.7	0.3	0.3	0.1	-2.3	-1.2
Q2	1.4	0.2	-0.7	0.1	0.1	0.6
Percentage change, latest quarter on corresponding quarter of previous year						
2001 Q1	-1.4	3.4	0.4	0.6	7.9	3.7
Q2	1.6	3.0	0.2	-1.0	4.8	1.1
Q3	1.1	2.2	-0.1	-3.8	0.5	-1.5
Q4	0.7	0.8	-0.4	-2.0	-4.8	-2.5
2002 Q1	1.0	-0.1	0.1	0.1	-7.5	-3.6
Q2	1.0	0.2	0.5	1.7	-12.3	-0.7
Q3	1.9	1.2	1.2	4.2	-10.0	1.6
Q4	2.4	2.3	0.1	2.7	-5.5	2.0
2003 Q1	1.3	3.3	2.2	1.0	-1.2	3.9
Q2	1.3	3.0	1.8	2.4	3.1	4.2
Q3	1.2	2.0	1.3	2.3	1.4	4.9
Q4	1.6	1.6	1.9	3.3	-0.9	4.7
2004 Q1	0.9	0.9	-0.6	-0.1	-2.9	2.5
Q2	0.7	1.1	0.0	-0.3	-3.1	3.4
Q3	0.6	2.1	1.7	-0.3	-2.6	3.6
Q4	0.3	2.9	2.4	-0.2	1.3	3.5
2005 Q1	1.8	4.3	5.2	2.2	-3.8	5.0
Q2	1.6	4.8	6.1	2.1	-1.5	4.3
Q3	2.2	5.2	6.0	2.2	3.0	4.4
Q4	2.6	4.0	5.6	2.0	2.3	5.3
2006 Q1	3.2	2.7	3.1	0.0	4.6	2.8
Q2	4.5	1.9	1.0	0.2	3.4	1.8

Table 2 – continued

## Corporate Services Price Indices (Experimental) (2000=100)

		Passenger transport				Business telecoms services	Banking services	Construction plant hire	Computer services
		Business rail fares	Bus and coach hire	Business air fares	Maintenance and repair of motor vehicles				
SIC(2003)		60.10/1	60.23/1	62.10/1	50.20	64.20	65.121	71.32	72.00
2000 weights (per cent)									
Gross sector		0.28	0.11	2.94	2.62	10.59	2.59	2.13	11.26
Net sector		0.15	0.19	1.51	1.98	5.13	3.07	5.41	6.81
Annual									
	2001	103.1	106.9	115.0	102.9	92.6	108.2	104.2	101.1
	2002	106.1	117.5	122.5	106.1	90.6	116.5	101.9	101.4
	2003	109.8	124.7	126.4	110.2	87.8	125.6	108.2	100.0
	2004	114.4	128.3	128.7	115.2	85.6	123.1	107.7	99.5
	2005	120.0	133.3	133.2	119.8	83.4	127.1	107.5	100.3
Percentage change, latest year on previous year									
	2001	3.1	6.9	15.0	2.9	-7.4	8.2	4.2	1.1
	2002	2.9	9.9	6.5	3.1	-2.2	7.7	-2.1	0.3
	2003	3.5	6.1	3.2	3.9	-3.0	7.8	6.1	-1.4
	2004	4.2	2.9	1.8	4.5	-2.5	-2.0	-0.4	-0.5
	2005	4.9	3.9	3.5	4.0	-2.6	3.3	-0.2	0.8
Quarterly results (not seasonally adjusted)									
	2001 Q1	103.1	103.4	112.0	102.0	93.1	101.4	101.8	99.7
	Q2	103.1	104.5	113.1	102.8	92.8	109.0	108.0	102.1
	Q3	103.1	107.9	116.6	103.5	93.7	106.7	105.0	101.4
	Q4	103.1	112.0	118.2	103.3	90.8	115.7	101.9	101.3
	2002 Q1	106.1	114.0	120.4	104.9	88.3	113.6	100.3	101.0
	Q2	106.1	115.6	121.9	105.5	89.5	117.8	101.4	102.4
	Q3	106.1	119.6	123.1	106.6	93.0	113.4	102.9	100.9
	Q4	106.1	121.0	124.4	107.4	91.4	121.3	103.2	101.3
	2003 Q1	109.8	122.7	124.5	108.9	88.2	122.5	107.4	99.7
	Q2	109.8	124.6	126.5	109.8	87.3	125.8	108.3	100.1
	Q3	109.8	125.4	127.2	110.4	88.2	125.7	108.7	100.2
	Q4	109.8	126.0	127.3	111.7	87.6	128.4	108.2	100.0
	2004 Q1	114.4	126.3	128.2	113.3	86.1	125.0	107.3	99.7
	Q2	114.4	127.4	128.5	114.6	85.8	115.0	108.7	99.1
	Q3	114.4	129.2	128.6	115.9	85.6	126.6	107.2	99.7
	Q4	114.4	130.4	129.4	116.8	85.0	125.7	107.8	99.6
	2005 Q1	120.0	131.0	131.3	118.9	83.4	124.2	107.6	100.5
	Q2	120.0	132.6	132.5	119.0	82.7	127.0	107.7	100.4
	Q3	120.0	132.9	133.8	119.8	83.7	123.8	108.0	100.3
	Q4	120.0	136.9	135.1	121.5	83.6	133.5	106.6	100.0
	2006 Q1	127.7	138.3	137.3	122.7	..	143.3	107.3	100.3
	Q2	127.7	140.7	138.1	123.9	..	150.1	108.6	100.8

Table 2 – continued

	Passenger transport							
	Business rail fares	Bus and coach hire	Business air fares	Maintenance and repair of motor vehicles	Business telecoms services	Banking services	Construction plant hire	Computer services
SIC(2003)	60.10/1	60.23/1	62.10/1	50.20	64.20	65.121	71.32	72.00
Percentage change, latest quarter on previous quarter								
2001 Q1	3.1	1.9	5.7	0.8	-1.3	-0.5	0.9	1.2
Q2	0.0	1.0	1.0	0.8	-0.3	7.4	6.1	2.4
Q3	0.0	3.3	3.1	0.6	1.0	-2.1	-2.7	-0.6
Q4	0.0	3.9	1.4	-0.2	-3.2	8.5	-3.0	-0.1
2002 Q1	2.9	1.7	1.9	1.5	-2.7	-1.8	-1.5	-0.3
Q2	0.0	1.4	1.2	0.6	1.3	3.6	1.0	1.4
Q3	0.0	3.5	1.0	1.0	4.0	-3.7	1.6	-1.4
Q4	0.0	1.2	1.1	0.8	-1.8	6.9	0.2	0.3
2003 Q1	3.5	1.4	0.1	1.5	-3.5	1.0	4.1	-1.5
Q2	0.0	1.6	1.6	0.8	-1.0	2.7	0.8	0.3
Q3	0.0	0.6	0.5	0.6	1.0	-0.1	0.3	0.1
Q4	0.0	0.5	0.1	1.2	-0.6	2.2	-0.4	-0.2
2004 Q1	4.2	0.2	0.7	1.4	-1.7	-2.7	-0.9	-0.3
Q2	0.0	0.9	0.2	1.1	-0.4	-8.0	1.3	-0.6
Q3	0.0	1.4	0.1	1.2	-0.2	10.0	-1.4	0.6
Q4	0.0	1.0	0.6	0.7	-0.7	-0.7	0.5	-0.1
2005 Q1	4.9	0.4	1.5	1.8	-1.8	-1.2	-0.1	0.8
Q2	0.0	1.2	0.9	0.1	-0.8	2.2	0.1	-0.1
Q3	0.0	0.3	1.0	0.7	1.2	-2.5	0.3	-0.1
Q4	0.0	3.0	1.0	1.3	-0.1	7.8	-1.3	-0.3
2006 Q1	6.4	1.1	1.6	1.1	..	7.4	0.7	0.3
Q2	0.0	1.7	0.6	0.9	..	4.7	1.2	0.5
Percentage change, latest quarter on corresponding quarter of previous year								
2001 Q1	3.1	6.1	16.5	2.9	-13.0	6.9	5.4	-1.5
Q2	3.1	4.2	15.5	3.2	-6.9	9.7	7.1	1.2
Q3	3.1	6.9	16.7	3.3	-5.4	2.8	3.3	2.0
Q4	3.1	10.4	11.6	2.1	-3.8	13.5	1.0	2.8
2002 Q1	2.9	10.2	7.5	2.8	-5.1	12.0	-1.4	1.3
Q2	2.9	10.6	7.7	2.6	-3.6	8.1	-6.1	0.3
Q3	2.9	10.9	5.5	3.0	-0.7	6.3	-2.0	-0.5
Q4	2.9	8.0	5.2	3.9	0.7	4.8	1.3	0.0
2003 Q1	3.5	7.6	3.4	3.9	-0.1	7.8	7.1	-1.2
Q2	3.5	7.8	3.8	4.0	-2.4	6.8	6.9	-2.3
Q3	3.5	4.8	3.3	3.6	-5.2	10.8	5.6	-0.8
Q4	3.5	4.1	2.3	4.1	-4.1	5.9	4.9	-1.2
2004 Q1	4.2	2.9	2.9	4.0	-2.4	2.0	-0.1	0.0
Q2	4.2	2.3	1.6	4.4	-1.8	-8.5	0.3	-1.0
Q3	4.2	3.1	1.1	5.0	-3.0	0.7	-1.4	-0.5
Q4	4.2	3.5	1.6	4.5	-3.0	-2.1	-0.4	-0.4
2005 Q1	4.9	3.7	2.4	4.9	-3.1	-0.6	0.3	0.8
Q2	4.9	4.0	3.1	3.8	-3.5	10.4	-0.8	1.4
Q3	4.9	2.9	4.1	3.4	-2.2	-2.2	0.8	0.6
Q4	4.9	4.9	4.5	4.0	-1.6	6.2	-1.1	0.3
2006 Q1	6.4	5.6	4.6	3.2	..	15.4	-0.3	-0.2
Q2	6.4	6.1	4.2	4.1	..	18.2	0.8	0.4

Table 2 – continued

## Corporate Services Price Indices (Experimental) (2000=100)

	Market research	Technical testing	Advertising	Employment agencies	Security services	Industrial cleaning	Commercial film processing
SIC(2003)	74.13	74.30	74.40	74.50	74.60	74.70	74.82
2000 weights (per cent)							
Gross sector	1.03	0.69	1.56	12.88	1.77	2.10	0.14
Net sector	0.94	0.92	1.46	6.27	2.36	2.25	0.19
Annual							
2001	103.1	103.7	100.2	107.2	104.5	101.4	100.1
2002	108.0	107.1	103.6	114.3	108.5	103.6	100.4
2003	111.6	111.8	104.2	117.0	115.1	105.1	104.9
2004	112.6	113.9	109.2	119.0	120.0	106.4	108.7
2005	115.7	115.3	113.6	122.3	123.6	107.8	106.4
Percentage change, latest year on previous year							
2001	3.1	3.7	0.2	7.2	4.5	1.4	0.1
2002	4.8	3.3	3.3	6.6	3.8	2.2	0.3
2003	3.3	4.4	0.6	2.4	6.1	1.4	4.5
2004	0.9	1.9	4.8	1.7	4.3	1.3	3.6
2005	2.8	1.2	4.0	2.8	3.0	1.2	-2.1
Quarterly results (not seasonally adjusted)							
2001 Q1	102.6	101.8	96.5	101.2	102.6	99.9	100.1
Q2	102.9	104.0	100.7	107.1	103.6	100.9	100.2
Q3	103.1	104.1	101.2	109.0	105.2	101.2	100.1
Q4	103.7	104.9	102.5	111.6	106.3	103.5	100.1
2002 Q1	107.3	106.0	98.4	113.7	107.5	103.1	100.4
Q2	107.4	106.2	107.1	114.0	107.9	103.5	100.4
Q3	107.7	107.1	104.1	115.1	108.4	103.6	100.4
Q4	109.7	109.2	104.7	114.3	110.0	104.1	100.4
2003 Q1	110.7	110.4	98.9	115.3	112.4	104.4	100.7
Q2	110.8	111.3	107.1	117.4	114.1	104.5	102.0
Q3	112.3	112.6	105.0	117.5	115.6	105.5	107.7
Q4	112.4	112.9	105.9	117.8	118.2	105.8	109.2
2004 Q1	112.9	113.7	99.5	117.2	118.8	105.9	109.9
Q2	112.6	113.6	114.0	119.7	120.1	106.5	108.3
Q3	112.7	114.1	110.2	119.2	120.4	106.6	108.3
Q4	112.2	114.4	113.3	120.0	120.7	106.8	108.2
2005 Q1	114.5	114.5	109.3	120.3	121.8	107.4	106.3
Q2	115.9	114.7	114.2	121.5	122.6	107.7	106.5
Q3	116.1	115.7	114.0	123.8	124.4	107.7	106.5
Q4	116.3	116.2	116.8	123.9	125.6	108.2	106.5
2006 Q1	118.7	116.6	108.9	125.2	128.5	109.6	106.5
Q2	119.6	119.8	117.1	126.0	132.6	109.7	108.9

Table 2 – continued

	Market research	Technical testing	Advertising	Employment agencies	Security services	Industrial cleaning	Commercial film processing
SIC(2003)	74.13	74.30	74.40	74.50	74.60	74.70	74.82
Percentage change, latest quarter on previous quarter							
2001 Q1	2.6	0.8	-4.4	0.7	1.7	-0.3	0.0
Q2	0.2	2.2	4.3	5.8	1.0	1.0	0.1
Q3	0.2	0.1	0.5	1.8	1.5	0.3	-0.1
Q4	0.5	0.7	1.3	2.4	1.1	2.3	0.0
2002 Q1	3.5	1.1	-4.0	1.8	1.1	-0.4	0.3
Q2	0.1	0.1	8.9	0.3	0.4	0.3	0.0
Q3	0.3	0.9	-2.8	1.0	0.5	0.1	0.0
Q4	1.8	1.9	0.6	-0.7	1.5	0.6	0.0
2003 Q1	0.9	1.1	-5.6	0.8	2.2	0.2	0.3
Q2	0.1	0.8	8.3	1.8	1.5	0.2	1.3
Q3	1.3	1.2	-2.0	0.1	1.3	0.9	5.6
Q4	0.2	0.3	0.8	0.3	2.3	0.3	1.4
2004 Q1	0.4	0.7	-6.0	-0.6	0.5	0.0	0.7
Q2	-0.3	-0.1	14.6	2.1	1.1	0.6	-1.5
Q3	0.1	0.5	-3.3	-0.4	0.2	0.1	0.0
Q4	-0.5	0.3	2.8	0.7	0.3	0.2	-0.1
2005 Q1	2.0	0.0	-3.5	0.2	0.9	0.5	-1.8
Q2	1.3	0.2	4.5	1.0	0.7	0.3	0.2
Q3	0.2	0.8	-0.2	1.9	1.5	0.0	0.0
Q4	0.2	0.4	2.4	0.1	1.0	0.4	0.0
2006 Q1	2.0	0.4	-6.8	1.1	2.3	1.3	0.0
Q2	0.8	2.7	7.5	0.6	3.2	0.1	2.2
Percentage change, latest quarter on corresponding quarter of previous year							
2001 Q1	3.0	2.5	2.3	1.9	3.6	0.1	0.2
Q2	3.0	4.5	-3.9	7.2	4.0	0.9	0.2
Q3	2.7	4.1	1.3	8.8	4.8	1.1	0.0
Q4	3.7	3.8	1.5	11.0	5.4	3.3	0.0
2002 Q1	4.6	4.1	1.9	12.3	4.8	3.3	0.3
Q2	4.4	2.0	6.3	6.4	4.1	2.6	0.2
Q3	4.5	2.9	2.9	5.6	3.0	2.4	0.3
Q4	5.8	4.1	2.2	2.4	3.4	0.6	0.3
2003 Q1	3.2	4.1	0.5	1.4	4.6	1.2	0.3
Q2	3.1	4.8	0.0	3.0	5.7	1.0	1.6
Q3	4.2	5.1	0.9	2.0	6.6	1.8	7.3
Q4	2.5	3.4	1.1	3.1	7.5	1.6	8.8
2004 Q1	2.0	2.9	0.6	1.7	5.6	1.4	9.2
Q2	1.6	2.0	6.4	2.0	5.3	1.9	6.2
Q3	0.4	1.3	4.9	1.5	4.2	1.0	0.6
Q4	-0.2	1.3	7.0	1.9	2.1	0.9	-0.9
2005 Q1	1.4	0.7	9.9	2.6	2.5	1.4	-3.3
Q2	3.0	1.0	0.2	1.5	2.1	1.2	-1.7
Q3	3.0	1.4	3.5	3.8	3.3	1.1	-1.7
Q4	3.7	1.5	3.1	3.2	4.1	1.3	-1.6
2006 Q1	3.6	1.9	-0.4	4.1	5.5	2.0	0.2
Q2	3.1	4.4	2.5	3.7	8.2	1.8	2.3

Table 2 – continued

## Corporate Services Price Indices (Experimental) (2000=100)

	Contract packaging	Direct marketing secretarial	Translation and interpretation services	Adult education	Commercial washing and dry cleaning	Top-level CSPI	
						Gross sector	Net sector
SIC(2003)	74.82	74.83(pt)	74.83(pt)	80.42	93.01		
2000 weights (per cent)							
Gross sector	0.53	0.30	0.04	1.37	0.60	100	
Net sector	1.26	0.32	0.04	1.46	0.64		100
Annual							
2001	100.2	99.5	99.4	103.0	101.3	102.6	102.9
2002	101.8	98.5	100.3	105.4	102.1	104.7	104.8
2003	107.0	100.1	101.7	108.9	102.9	107.2	108.0
2004	109.1	101.6	102.4	112.5	105.7	109.2	110.3
2005	114.5	104.3	102.1	114.0	106.3	112.4	114.1
Percentage change, latest year on previous year							
2001	0.2	-0.5	-0.6	3.0	1.3	2.6	2.9
2002	1.5	-1.0	0.9	2.4	0.8	2.1	1.9
2003	5.1	1.6	1.4	3.3	0.8	2.3	3.0
2004	2.0	1.6	0.7	3.3	2.7	1.9	2.2
2005	5.0	2.7	-0.3	1.4	0.5	2.9	3.4
Quarterly results (not seasonally adjusted)							
2001 Q1	99.7	99.2	99.5	100.9	100.3	100.9	101.5
Q2	100.0	99.7	99.5	103.2	101.3	102.8	103.2
Q3	100.5	99.7	99.2	103.8	101.5	103.1	103.3
Q4	100.7	99.6	99.4	104.0	102.2	103.5	103.7
2002 Q1	100.7	98.5	100.2	104.6	102.5	103.5	103.7
Q2	101.1	98.4	100.3	104.8	102.4	104.6	104.7
Q3	102.1	98.5	100.3	105.9	102.6	105.2	105.2
Q4	103.1	98.7	100.5	106.3	101.0	105.6	105.9
2003 Q1	103.9	98.9	101.5	107.0	102.7	105.8	106.6
Q2	106.6	99.0	101.8	107.6	102.6	107.1	107.9
Q3	108.3	100.9	101.8	109.0	103.0	107.6	108.4
Q4	109.1	101.5	101.8	112.0	103.4	108.0	108.9
2004 Q1	109.4	101.3	102.8	112.5	106.1	107.8	108.9
Q2	109.1	101.8	102.8	112.5	106.1	109.0	110.1
Q3	108.8	101.7	102.1	112.5	105.1	109.7	110.8
Q4	109.1	101.7	102.1	112.6	105.6	110.2	111.4
2005 Q1	113.9	101.0	102.1	112.5	105.8	110.7	112.1
Q2	114.1	104.8	102.1	113.0	106.2	112.1	113.9
Q3	115.1	105.7	102.1	113.2	106.3	113.1	114.8
Q4	115.1	105.8	102.1	117.4	106.8	113.8	115.6
2006 Q1	116.3	109.0	102.5	117.6	107.4	114.5	116.3
Q2	116.5	109.1	103.0	117.7	108.3	116.0	117.9



Table 2 – continued

	Contract packaging	Direct marketing secretarial	Translation and interpretation services	Adult education	Commercial washing and dry cleaning	Top-level CSPI	
						Gross sector	Net sector
SIC(2003)	74.82	74.83(pt)	74.83(pt)	80.42	93.01		
Percentage change, latest quarter on previous quarter							
2001 Q1	-0.1	-0.8	0.0	0.3	0.5	0.8	1.0
Q2	0.2	0.5	0.0	2.2	1.0	1.8	1.7
Q3	0.5	0.0	-0.4	0.6	0.2	0.3	0.1
Q4	0.2	-0.1	0.2	0.3	0.7	0.4	0.4
2002 Q1	0.0	-1.1	0.7	0.6	0.3	0.0	-0.1
Q2	0.4	-0.1	0.1	0.1	-0.2	1.0	1.0
Q3	0.9	0.1	0.0	1.1	0.2	0.6	0.5
Q4	1.0	0.2	0.2	0.4	-1.5	0.4	0.7
2003 Q1	0.8	0.3	1.0	0.6	1.7	0.2	0.6
Q2	2.6	0.1	0.3	0.6	-0.2	1.2	1.3
Q3	1.6	1.9	0.0	1.2	0.5	0.5	0.5
Q4	0.7	0.6	0.0	2.8	0.4	0.4	0.5
2004 Q1	0.3	-0.2	1.0	0.4	2.6	-0.2	-0.1
Q2	-0.3	0.4	0.0	0.0	0.0	1.1	1.1
Q3	-0.3	0.0	-0.7	0.0	-0.9	0.6	0.7
Q4	0.2	0.0	0.0	0.0	0.5	0.5	0.6
2005 Q1	4.4	-0.7	0.0	0.0	0.2	0.5	0.6
Q2	0.2	3.7	0.0	0.5	0.3	1.2	1.6
Q3	0.9	0.8	0.0	0.2	0.1	0.9	0.8
Q4	0.0	0.2	0.0	3.7	0.4	0.7	0.7
2006 Q1	1.1	3.0	0.4	0.2	0.6	0.6	0.6
Q2	0.1	0.1	0.5	0.1	0.9	1.3	1.4
Percentage change, latest quarter on corresponding quarter of previous year							
2001 Q1	-0.1	-0.7	-0.8	1.5	0.7	1.0	2.0
Q2	0.3	-0.1	-0.8	3.7	1.1	2.9	3.5
Q3	-0.3	-0.7	-0.7	3.4	1.2	3.0	3.1
Q4	0.9	-0.4	-0.1	3.4	2.4	3.4	3.2
2002 Q1	1.0	-0.7	0.6	3.7	2.2	2.6	2.2
Q2	1.2	-1.3	0.7	1.5	1.1	1.8	1.4
Q3	1.5	-1.2	1.1	2.1	1.0	2.0	1.8
Q4	2.4	-1.0	1.1	2.2	-1.2	2.0	2.1
2003 Q1	3.2	0.4	1.3	2.3	0.2	2.2	2.8
Q2	5.4	0.6	1.5	2.7	0.2	2.4	3.1
Q3	6.1	2.4	1.5	2.9	0.5	2.3	3.1
Q4	5.8	2.9	1.3	5.4	2.4	2.3	2.9
2004 Q1	5.3	2.4	1.3	5.1	3.3	1.9	2.1
Q2	2.3	2.8	1.0	4.5	3.4	1.8	2.0
Q3	0.4	0.8	0.3	3.3	2.0	1.9	2.2
Q4	0.0	0.2	0.3	0.5	2.1	2.0	2.3
2005 Q1	4.1	-0.3	-0.6	0.0	-0.3	2.7	3.0
Q2	4.6	3.0	-0.6	0.5	0.1	2.8	3.5
Q3	5.8	3.9	0.0	0.6	1.1	3.1	3.6
Q4	5.5	4.1	0.0	4.3	1.1	3.3	3.7
2006 Q1	2.2	7.9	0.4	4.5	1.5	3.5	3.7
Q2	2.1	4.1	0.9	4.1	2.0	3.5	3.5

# Development, Compilation and Use of Input-Output Supply and Use Tables in the UK National Accounts

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This article looks at the development, compilation and use of Input-Output (I-O) in the UK National Accounts since the first official tables were drawn up in 1961 for the year 1954. The I-O Supply and Use Tables framework is now a central part of the UK's National Accounts, and is the key to agreeing the annual level of current price Gross Domestic Product (GDP) as well as feeding into various parts of the National Accounts and other products.

This article was also presented as a paper by the author at the 29th General Conference of The International Association for Research in Income and Wealth, in Finland in August 2006.

## Introduction

In the UK, the first official Input-Output (I-O) Tables were published in 1961 for the year 1954, and have been produced roughly every five years as needed for the National Accounts rebasing of constant price estimates. However, since 1991/92, the production of I-O Supply and Use Tables has been a central part of the UK's National Accounts and has been used to set the annual level of current price Gross Domestic Product (GDP).

This article looks at the development of I-O in the UK National Accounts and covers:

- history and development of I-O Supply and Use Tables
- compilation and methodology of these tables, and annual coherence adjustments to GDP
- development of data sources used
- stages of integration with National Accounts
- development of new analyses based on the tables to increase their value to users

The article also describes the UK's approach to maintaining consistent I-O Supply and Use Tables over time, handling revisions and the planned improvement of the National Accounts through the development of quarterly and annual tables, both in current and previous years' prices. The article also covers the UK's approach to meeting demands for data from the Statistical Office of the European Community (Eurostat).

## Role of I-O Annual Supply and Use Tables

The main aim of the UK Office for National Statistics (ONS) I-O work is to provide a framework for the detailed reconciliation of the components of the three measures of GDP, thus agreeing a single annual estimate of current market price GDP. In order to achieve this, I-O Supply and Use Tables are produced annually.

The ONS *Blue Book*<sup>1</sup> and the *Pink Book*<sup>2</sup> incorporate the final results of various annual inquiries, which become available on average around 15 months after the year in question, and quarterly data, which are predominantly used to calculate estimates for the latest year. As new data are collected, it is likely that revisions will be necessary, hence the provisional nature of the latest tables. The process

of reassessing these estimates involves the preparation of current price I-O Annual Supply and Use Tables. This I-O approach brings together all the available information on inputs, outputs, gross value added, incomes and expenditures. Similarly, the production of the consolidated sector and financial accounts requires the preparation of 'top-to-bottom' sector and sub-sector accounts to identify discrepancies in the sector estimates.

The first UK I-O Annual Supply and Use Tables were compiled during 1991/92 covering the year 1989, and published in the 1992 ONS *National Accounts Blue Book* (Chapter 18). For the 2006 *Blue Book* exercise, the first tables for 2004 were produced together with revised tables for the period 1992 to 2003, which include revisions as described later in this article. The tables are based on the *European System of Accounts* 1995 (ESA95).<sup>3</sup>

The value of I-O is enhanced by the timely production of the tables and, to this end, the latest tables are now being produced around 18 months after the end of the year to which they refer.

Since 1998, in line with the ESA95, the I-O framework and data sources have been used to develop and produce integrated annual production accounts by sector, and by industry, together with the annual generation of income accounts by sector, and by industry. This process has added a further dimension to the GDP accounts and, in turn, has provided further improvements to the quality of the data and the links between the UK accounts.

I-O Annual Supply and Use Tables also form the basis for the I-O Analytical Tables, which provide another dimension to the National Accounts. These tables provide separate analyses of the uses of domestically produced and imported goods and services. They also provide a framework to assess the direct and indirect changes on the whole economy, when the demand for a single product increases or decreases, as well as modelling a range of other types of economic change. The latest such tables for the UK were produced for the year 1995,<sup>4</sup> and published in April 2002. Further details describing I-O Analytical Tables are provided later in this article.

Another major role for I-O work in ONS is to produce supply-side estimates of final demand. I-O analyses form the basis for the models that produce these estimates. Information from I-O Annual Supply and Use Tables also forms the basis of other statistics compiled in ONS, for example: producer price input indices, regional accounts, environmental accounts and gross value added weights used in the annual chain-linking of the constant price production measure of GDP.

Various new analyses have been developed based on the I-O Annual Supply and Use Tables, for example, trade performance and concentration ratios, as well as function-based analyses such as: ICT, food sector, oil and gas sector, and creative sector. The development of these tables in previous years' prices extends the framework for ensuring coherence of economic statistics into new areas, such as productivity.

Key external users of I-O analyses include the Bank of England, HM Treasury and HM Revenue and Customs, for modelling the economy through a disaggregated view of industrial behaviour over time. Such models allow analysis of how the economy has, or will, respond to micro or macro economic change, for example, VAT regulations, consumer behaviour, rising oil prices, introduction of the minimum wage, and situations like BSE and foot and mouth disease. Other external customers include: other government departments, Eurostat, OECD, city analysts and businesses, economic forecasters and modellers, academics, trade associations, companies and the media.

## I-O Supply and Use Tables – basic structure

The I-O Annual Supply and Use Tables consist of two matrices, which bring together the production, income and expenditure measures of GDP. When balanced, they provide a single measure of annual current price GDP, which integrates the components of gross value added, inputs and outputs, and final demands.

The tables, as illustrated in Figure 1, reflect the structure and availability of the data collected and the components needed to balance the three measures of GDP:

- the I-O Annual Supply and Use Tables show the supply and demand for products in terms of 123 industries (represented by column) and 123 products (represented by row). Industries are defined using the 2003 version of the *Standard Industrial Classification* (SIC (2003)), and businesses are classified on the ONS Inter-Departmental Business Register (IDBR) to industries according to whatever product accounts for the greatest part of their output. See Appendix A for the classification of the 123 I-O groups and their links to SIC (2003).
- the Supply Table shows the output of each industry by type of product at basic prices. Industries, by definition, produce mainly the principal product of the industry to which they are classified. The off-diagonal products are secondary production or by-products of the production process. The Supply Table is published in summary form only because of disclosure rules prohibiting the publication of data that may be traced to a single contributor to ONS inquiries.
- the industrial dimension of the Use Table shows, for each industry, the costs incurred in the production process as intermediate consumption along with primary inputs (labour costs, taxes on production, profits, and so on).
- the product dimension of the Use Table shows intermediate demand and final demand and is valued at purchasers' prices, which represent the prices that purchasers actually pay.
- estimates of consumption (both intermediate and final demand) include goods and services both domestically produced and imported.

Supply Table					Use Table									
P R O D U C T	INDUSTRY				INDUSTRY				FINAL DEMAND at purchasers' prices					
	DOMESTIC SUPPLY at basic prices	Imports of goods and services	Distributors' trading margins	TOTAL SUPPLY Taxes (less subsidies) on products	INTERMEDIATE DEMAND at purchasers' prices	Total intermediate demand	HHFCe	NPISHs FCe	Central government FCe	Local government FCe	Gross fixed capital formation	Valuables	Changes in inventories	TOTAL DEMAND Exports of goods and services
	Note: Supply Table industry/product detail is not available due to disclosure rules													
	TOTAL OUTPUT				Total intermediate consumption									
					Taxes (less subsidies) on production									
					Compensation of employees									
					Gross operating surplus									
					TOTAL OUTPUT (INPUTS)									

HHFCe represents households final consumption expenditure.

NPISHs FCe represents non-profit institutions serving households final consumption expenditure.

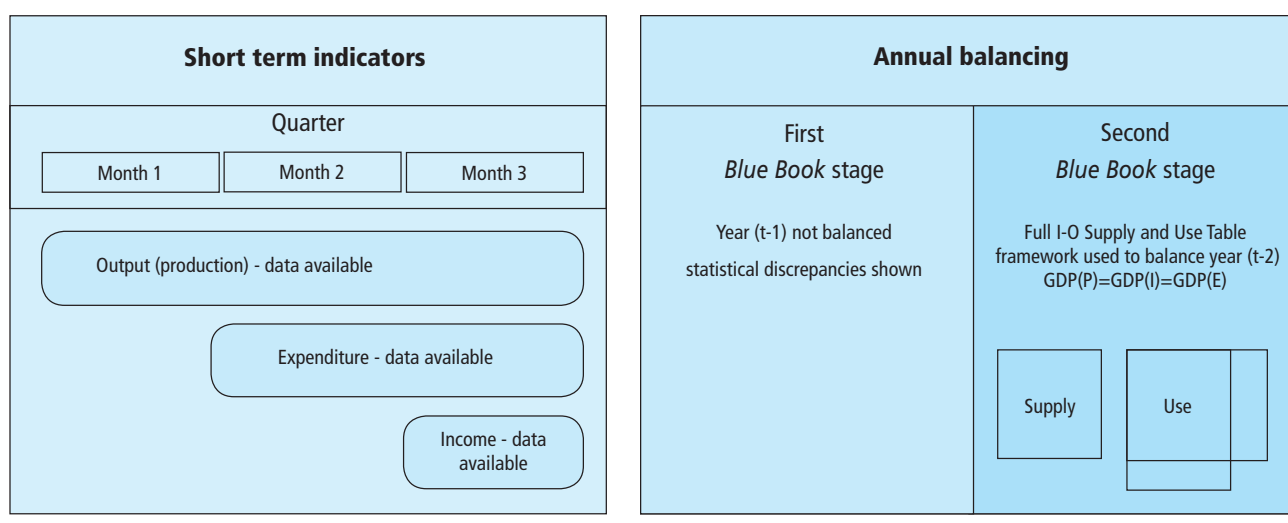
Table 1 shows the release dates for the ONS *Blue Book* dataset and for the quarterly data underpinning the annual datasets since the 1992 *Blue Book*, which contained the first I-O Annual Supply and Use Tables for the year 1989.

<b>Blue Book year dataset</b>	<b>Release of quarterly dataset</b>	<b>Release of Blue Book</b>
1992	Mid September	Mid August
1993	Mid September	Mid August
1994	Mid September	Mid August
1995	End June	Mid July
1996	End June	Mid July
1997	End June	Mid August
1998	End September	Early October
1999	End July	End August
2000	End June	Early August
2001	End September	End September
2002	End June	Mid July
2003	End September	End October
2004	End June	Mid July
2005	End June	Mid July
2006	End June	Mid July

- *Gross Domestic Product Preliminary Estimate*, referred to as Month One (M1)
- *UK Output, Income and Expenditure* release, referred to as Month Two (M2), and
- *Quarterly National Accounts*, referred to as Month Three (M3)

Figure 2

## Life cycle of National Accounts data - estimation timeframe



Letter 't' denotes the year of the *Blue Book* publication

Table 2

## 2004 Quarter 1: Initial estimates of GDP through to annual benchmarking

Month	Release
Apr 2004	M1 Gross Domestic Product Preliminary Estimate (after 25 days)
May 2004	M2 UK Output, Income and Expenditure (after 55 days)
Jun 2004	M3 Quarterly National Accounts (after 85 days)
Sep 2004	Quarterly Round (M3)
Dec 2004	Quarterly Round (M3)
Mar 2005	Quarterly Round (M3)
Jun 2005	Blue Book One stage
Sep 2005	Quarterly Round (M3)
Dec 2005	Quarterly Round (M3)
Mar 2006	Quarterly Round (M3)
Jun 2006	Blue Book Two stage (balanced through I-O SUTs framework)

The *Gross Domestic Product Preliminary Estimate* is usually released around 25 days after the end of the reference quarter. The UK is one of the fastest countries in the world in releasing its first estimate of GDP, balancing a trade-off between timeliness and subsequent revisions.

The preliminary estimate of GDP provides estimates of the growth in the volume of GDP on the previous quarter. It is based on a limited amount of information:

- Index of Production for the first two months of the quarter
- Monthly Inquiry into Distribution and Services Sectors (MIDSS) for two full months and partial data for the third month
- Retail Sales Inquiry estimates for the three months of the quarter
- limited information on the output of the rest of the economy

Although at this stage estimates are only available for broad industry groups, the preliminary estimate provides a broad indication of the level of growth in quarterly GDP, which will become more firmly based at later stages in the process.

*UK output, income and expenditure* is released around 55 days after the end of the reference quarter. A single estimate of GDP with its income, output (or production) and expenditure components is produced, replacing and revising the preliminary estimate. Revisions between M1 and M2 arise mostly from additional output-based data. This quarterly GDP estimate is improved by the addition of, for example:

- Index of Production and MIDSS data for the third month of the quarter, replacing previously used forecasts
- new information from the inventories and gross fixed capital formation inquiries
- Motor Trades Inquiry and HM Revenue and Customs data
- early survey data covering the construction industry
- data confrontation and balancing between the different approaches to the measurement of GDP

*Quarterly National Accounts* is released around 85 days after the end of the reference quarter. In this release, ONS produces a full set of quarterly economic accounts, revising and expanding the information made available in the earlier estimate and revising estimates for earlier quarters in the current and, normally, previous years.

Fuller survey data for components of each of the expenditure, output (or production) and income measures are available. Revisions between M2 and M3 arise from:

- additional output data. For example, construction industry estimates are based on full survey results in M3, replacing forecasts used in M1 and M2
- newly received data for expenditure and income measures of GDP, replacing previously used forecasts

- additional detail and replacement of imputation. For example, Expenditure and Food Survey (EFS) data are available in M3, replacing forecasts for households final consumption of services
- availability of data from the ONS Quarterly Profits Inquiry, and revised estimates for inventories and gross fixed capital formation
- availability of some Balance of Payments data for the first time at this stage
- data confrontation and balancing between the different approaches to the measurement of GDP

Figure 3 shows the evolving availability of data for components of the expenditure measure of GDP.

By this stage in the estimation process, the full final employment figures (employee jobs in the Workforce Jobs survey) are usually available. These feed into both the income measure of GDP, and to a lesser extent the output (or production) measure. Given the fully integrated nature of the accounts, any imbalance in the sector accounts is also part of the evidence considered in balancing GDP.

### Annual GDP process including I-O Supply and Use Tables

Annual data sources, as they become available, provide more detail than the quarterly releases and are published and incorporated the following year. This is known as 'Blue Book One stage'. In this stage, the latest complete year is year (t-1), where t is the year of the ONS *Blue Book*. This provides an opportunity to use data from sources that had not been available earlier, such as information from HM Revenue and Customs and Government outturns for the fiscal year. It is likely at this stage that revisions will be made to the latest annual data and underlying quarterly data. This revision will take place 6 to 18 months after the M3 estimate has been published. For the year (t-1) in this stage, the three measures of GDP are not fully balanced, and statistical discrepancies exist for the expenditure and income measures of GDP.

The 'Blue Book One stage' estimates are again revised at the 'Blue Book Two stage', typically 18 to 30 months after the preliminary GDP estimate is published. The first I-O Annual Supply and Use Tables are produced for the year (t-2) using annual sources such as the ONS Annual Business Inquiry (ABI) together with a range of other benchmark sources and revised data. So, for example, the 2006 *Blue Book* included the first such table for the year 2004, incorporating the first set of results from the ABI for that year. When balanced, the I-O

Figure 3  
Data availability of quarterly GDP expenditure components

Quarterly GDP expenditure components							R = Revised		
Data availability and estimation							B = Benchmark		
Expenditure components Percentages for the year 2004 in the 2006 <i>Blue Book</i>		Month 1		Month 2		Month 3		First <i>Blue Book</i>	Second <i>Blue Book</i>
HHFCe and NPISHs FCe 64.8%				45%		85%		100% R	100% B
General government FCe 21.3%				60%		60%		100% R	100% B
GFCF 16.5%				55%		80%		100% R	100% B
Changes in inventories 0.4%				65%		85%		100% R	100% B
Exports of goods 16.2%				100%		100%		100% R	100% B
Exports of services 9.2%				60%		80%		100% R	100% B
Imports of goods -21.4%				100%		100%		100% R	100% B
Imports of services -7.0%				60%		80%		100% R	100% B
Total		Limited data		60%		80%		100% R	100% B

HHFCe is households final consumption expenditure. NPISHs FCE is non-profit institutions serving households final consumption expenditure. GFCF is gross fixed capital formation. Values are not shown as the estimates are negligible.



Annual Supply and Use Tables have removed the need for any annual statistical discrepancies between the three measures of GDP. In the 'Blue Book Two stage' revisions can go back several years and impact on the first estimate for the year (t-1) produced during the 'Blue Book One stage', as well as the underlying quarterly estimates.

Figure 4 shows the impact of the first I-O Annual Supply and Use Table on the year (t-2) GDP at current market prices, since the 1994 Blue Book.

**Figure 4**  
**Impact of first I-O SUTs balance on year (t-2) GDP at current market prices**

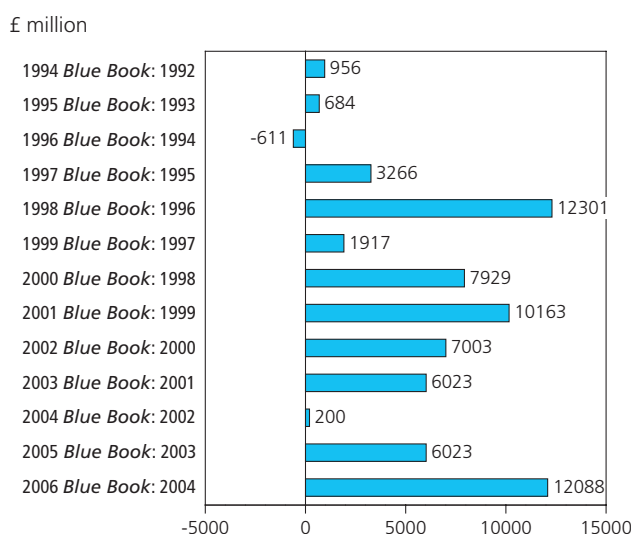
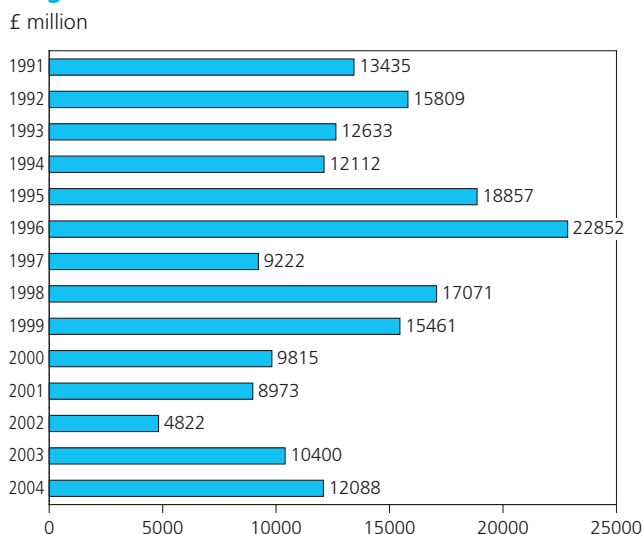


Figure 5 shows the accumulative revision from the first 'Blue Book One stage' estimate of annual GDP for each year balanced through the I-O Annual Supply and Use Tables process to the latest estimate published in this edition. Total revision varies between 0.4 per cent and 2.8 per cent of GDP.

**Figure 5**  
**Accumulative revision to GDP from Blue Book One stage to latest estimate since the 1992 Blue Book**



For fuller details and analyses of the revisions generated by the different stages of GDP compilation, from M1 through to benchmarking, see Akritidis<sup>7,8</sup> and Richardson.<sup>9,10</sup> For further details on the annual process, see Mahajan.<sup>11</sup>

### Sources of revisions

The scope for revisions to earlier periods is determined by the National Accounts revisions policy applied for each quarterly and annual exercise. The policy is based around the arrival of new data and its economic significance coupled with the need to be able to make methodological improvements. In general, revisions through the I-O Annual Supply and Use Tables framework are made due to:

- receipt of additional and/or more comprehensive data and the subsequent need to review any judgmental adjustments made in previous balancing exercises, see Penneck and Mahajan<sup>12</sup>
- update of institutional sector components to reflect final data
- annual benchmarking of short-term based data sources
- improvements and changes to methodology and classifications
- inclusion of new sources and improvements to existing sources
- specific data reconciliation exercises

In principle, it should be noted that methodological and classification changes can cause time series to be revised all the way back to the year 1948, the earliest year of UK GDP at current market prices under the present system. Examples of recent cases that have generated substantial changes to the National Accounts and I-O Annual Supply and Use Tables are shown in Table 3. For a more complete list of changes in the 1990s, see Brand and Jenkinson.<sup>13</sup>

Revisions can also be generated through the process of balancing I-O Annual Supply and Use Tables. For each year, this process, when complete, shows:

- for each of the 123 produces, total supply equals total demand
- for each of the 123 industries, total inputs equals total outputs, and
- for each of the 123 industries, GVA from the production approach equals that from the income approach, consistent both with components of the income measure and for each of the seven National Accounts institutional sectors

These identities hold for each year and the balancing process also has to ensure consistency of the industry, product and institutional sector detail over time. For further details of the annual balancing process, see Mahajan.<sup>11</sup>



Table 3

**Key changes affecting National Accounts and Input-Output Annual Supply and Use Tables in recent years**

<b>Blue Book</b>	
<b>year</b>	<b>Change</b>
<b>n/a</b>	Implementation of Pickford Report Recommendations (Cabinet Office (1989)). <sup>14</sup> Implementation of Chancellor's Initiatives (ONS (1991)) <sup>15</sup> – two funded packages in May 1990 and November 1991.
<b>1992</b>	Introduction of annual GDP current price balancing through the Input-Output Annual Supply and Use Tables framework.
<b>1993</b>	Rebasing the National Accounts onto 1990=100.
<b>1995</b>	Conversion of estimates from SIC (80) to SIC (92).
<b>1998</b>	Use of ONS inquiry results based on the new Inter-Departmental Business Register. Rebasing the National Accounts onto 1995=100. Move to the European System of Accounts 1995.
<b>2000</b>	Improved capital stock estimates from 1948.
<b>2001</b>	Incorporation of the full impact of results from the new Annual Business Inquiry (ABI). Inclusion of estimates for alcohol and tobacco smuggling.
<b>2003</b>	Incorporation of initial results from the new annual all-industry purchases data collected via the ABI. Inclusion of estimates for Missing Trader intra-community VAT fraud activity. Move to annual chain-linking of GDP with reference year 2000.
<b>2004</b>	Reclassification of National Health Service Trusts from the public non-financial corporation sector to the central government sector. Review of the public sector health industry estimates. Chain-linking of GDP with reference year 2001.
<b>2005</b>	Incorporation of results from Pension Inquiry data review. Range of Atkinson Review related revisions. Conversion of estimates from SIC (92) to SIC (2003). Chain-linking of GDP with reference year 2002.
<b>2006</b>	Reclassification of the BBC and S4C from the public non-financial sector to the central government sector. Inclusion of new Bank of England data on spread earnings and derivatives for banks, and data from new Bank of England Profit/Loss form. Improved estimates of consumption of fixed capital from 1948. Chain-linking of GDP with reference year 2003.

Table 4 shows, for each ONS *Blue Book* since 1992, the earliest year for which revisions have been made to annual current price GDP and to I-O Annual Supply and Use Tables. Improvements to the quality of the tables have also been made without affecting total GDP. For example, the 2005 exercise included revisions for years back to 1992, whereas annual current price GDP was only revised from the year 1996.

Table 5 shows, for each annual exercise from 1992, the publication of new I-O Annual Supply and Use Tables and the years for which earlier tables have been revised.

Appendix B shows a brief summary reflecting key changes incorporated in the I-O Annual Supply and Use Tables in each year.

The I-O Annual Supply and Use Tables are based on a wide range of sources:

- in the main, these tables are based on returns from ONS statistical surveys such as the ABI, PRODCOM, ITIS, Financial Industry inquiries and the EFS, as well as data from other government departments such as Defra, DTI and HM Revenue and Customs

Table 4

**Earliest year revised since 1992 Blue Book**

<b>Blue Book year</b>	<b>Earliest year revised</b>	
	<b>Annual current price GDP</b>	<b>I-O Annual Supply and Use Tables</b>
1992	1984	1989
1993	1982	1989
1994	1983	1989
1995	1987	1989
1996	1987	1989
1997	1989	1989
1998	1948	1989
1999	1996	1996
2000	1948	1989
2001	1986	1989
2002	1997	1997
2003	1996	1992
2004	1991	1991
2005	1996	1992
2006	1948	1989

Table 5  
Input-Output Annual Supply and Use Tables published since 1992

Year (t) published	Input-Output Annual Supply and Use Tables														Industrial classification	System of National Accounts
1992	'89														SIC (80)	ESA 79
1993	'89r '90														SIC (80)	ESA 79
1994	'89r '90r '91 '92														SIC (80)	ESA 79
1995	'89r '90r '91r '92r '93														SIC (92)	ESA 79
1996	'89r '90r '91r '92r '93r '94														SIC (92)	ESA 79
1997	'89r '90r '91r '92r '93r '94r '95														SIC (92)	ESA 79
1998	'89r '90r '91r '92r '93r '94r '95r '96														SIC (92)	ESA 95
1999	'89r '90r '91r '92r '93r '94r '95r '96r '97														SIC (92)	ESA 95
2000	'89r '90r '91r '92r '93r '94r '95r '96r '97r '98														SIC (92)	ESA 95
2001	'89r '90r '91r '92r '93r '94r '95r '96r '97r '98r '99														SIC (92)	ESA 95
2002	'89r '90r '91r '92r '93r '94r '95r '96r '97r '98r '99r '00														SIC (92)	ESA 95
2003	'89r '90r '91r '92r '93r '94r '95r '96r '97r '98r '99r '00r '01														SIC (92)	ESA 95
2004	'89r '90r '91r '92r '93r '94r '95r '96r '97r '98r '99r '00r '01r '02														SIC (92)	ESA 95
2005	'89r '90r '91r '92r '93r '94r '95r '96r '97r '98r '99r '00r '01r '02r '03														SIC (2003)	ESA 95
2006	'89r '90r '91r '92r '93r '94r '95r '96r '97r '98r '99r '00r '01r '02r '03r '04														SIC (2003)	ESA 95

Letter 'r' denotes the I-O Annual Supply and Use Tables that have been revised.

Letter 't' denotes the year of publication.

- data from administrative systems are also used, such as the Government Expenditure Monitoring System, Subjective Analyses Return covering local government expenditure, as well as tax and employment-based data from HM Revenue and Customs
- models are also used, such as the Perpetual Inventory Model, to provide estimates for market and non-market bodies' consumption of fixed capital
- over time, the ONS receives more complete information, for example, as more survey returns come in, this new information is incorporated within the National Accounts

For further details covering sources and methods underlying these tables, see Mahajan<sup>16</sup> and the *UK Gross National Income Inventory of Methods*.<sup>17</sup>

Revisions analyses are published each year in the *Input-Output Analyses* publication. Also, I-O based articles have been published in *Economic Trends*, see Mahajan.<sup>18</sup>

### Annual coherence adjustments to GDP in the 2006 Blue Book and I-O Supply and Use Tables

In practice, the data sources used in the National Accounts are subject to statistical error and complete coherence between measures of economic activity is not achieved without making specific adjustments. For the period 1989 to 2004, these adjustments are made through the current price I-O balancing process using the I-O Annual Supply and Use Tables and the underlying framework.

An article in the October 1999 issue of *Economic Trends*<sup>12</sup> describes the background to these adjustments and briefly shows how they are made. The compilation and balancing process is described in more detail in the *Input-Output Methodological Guide*<sup>16</sup> and the January 1997 issue of

*Economic Trends*. The process of achieving coherence in the accounts by balancing the tables can most simply be explained as a series of different types of adjustment.

The main types of adjustment described in the October 1999 *Economic Trends* article are:

- conceptual and coverage adjustments
- quality adjustments, and
- coherence adjustments

Table 6 shows these coherence adjustments for 2003 and 2004.

### Sources and methods underlying the I-O Supply and Use Tables

ONS's I-O work follows closely the approach of the United Nations in their *System of National Accounts 1993 (SNA93)*<sup>19</sup> and the *ESA95*. In addition, the United Nations *Input-Output Tables and Analysis, Studies in Methods and Handbook*<sup>20,21</sup> provide further detailed information. It is worth noting that Eurostat, in collaboration with Member States, arranged a Task Force, including the UK in 2001, to develop a new I-O Manual covering the compilation of I-O Supply and Use Tables and I-O Analytical Tables consistent with the *ESA95* and *SNA93*, and this is available in draft form.<sup>22</sup>

Wherever possible, ONS inquiries have been used as the basis of the estimates in the tables. However, for the detailed figures, we have to use a wide variety of data sources of varying suitability and quality. Information on purchases, in particular, is an area for which ONS has a programme of continual development to improve the quality and coverage of the inquiries.

Table 7 shows a summary of sources either directly or indirectly used.

Table 6

**Coherence adjustments within 2003 and 2004 annual current price GDP (£ million)**

	Coherence adjustment	
	2003	2004
<b>Income measure</b>		
Financial corporations' profits	1,380	950
Private non-financial corporations' profits	1,884	-1,686
Compensation of employees	2,992	2,361
Rental income	-	-
Self-employment income	2,682	1,910
<b>Expenditure measure</b>		
Households final consumption	1,409	5,711
NPISHs	520	802
Central government	-	-
Local government	-	-
Gross fixed capital formation	505	3,535
Changes in inventories	-	-
Exports of services	3,010	3,265
Imports of services	2,740	2,055
<b>Production measure (adjustment to GVA by industry)</b>		
Agriculture, forestry and fishing	35	-
Mining and quarrying	2,815	1,570
Manufacturing	179	-1,385
Electricity, gas and water supply	660	413
Construction	-366	240
Distribution and hotels	-1,857	-3,356
Transport and communication	-1,339	-685
Finance and business services	-4,194	-4,248
Public administration and defence	-	-
Education, health and social work	181	114
Other services	-794	-224

Table 7

**Brief summary of data sources**

ONS sources	Other government departments	Non-government sources
Annual Business Inquiry	Bank of England	Association of British Insurers
Business Spend on Capital Items	Department for Environment, Food and Rural Affairs	Civil Aviation Authority
Expenditure and Food Survey	Department of the Environment, Transport and the Regions	Company annual reports and accounts
Financial Inquiries	Department of Enterprise, Trade and Investment (Northern Ireland)	Company financial websites
Inter-Departmental Business Register	Department for Transport	Regulatory accounts
International Passenger Survey	Department of Health	
International Trade in Services Inquiry	Department of Trade and Industry	
Monthly inquiry into Distribution and Services Sector	Her Majesty's Revenue and Customs (including INTRASTAT data)	
Monthly Production Inquiry	Her Majesty's Treasury	
Perpetual Inventory Model	Ministry of Defence	
PRODCOM	Department for Communities and Local Government	
Quarterly Profits Inquiry		
Quarterly Capital Expenditure		
Quarterly Stocks Inquiry		
Range of ad hoc pilot surveys		
VAT paid and VAT turnover data		

The estimates used for the I-O Annual Supply and Use Tables for 1992 to 2004 are our best view of the structure of supply and demand. Many of the detailed estimates have been changed by the need to achieve a balance within the tables' framework.

The UK is relatively rich in terms of the availability of source data to populate the I-O Annual Supply and Tables, and producing all of the components for each of the three approaches to GDP. This enables detailed data confrontation as part of the balancing process and, consequently, a better quality end-product.

Over the past 15 years, the UK has implemented recommendations from the Pickford Report (1989) and the Chancellor's Initiatives (May 1990 and November 1991), which have led to numerous improvements to UK economic statistics and the development of new business surveys and products.

Several new sources have been developed to collect annual data covering detailed information on purchases of goods and services for intermediate consumption and a breakdown of gross fixed capital formation by industry and by product.

The next part of this section covers some of the key ONS annual survey sources developed and used to populate the I-O Annual Supply and Tables. It is worth noting that many of the sources provide data for both the Supply Table and the Use Table.

### Annual Business Inquiry (ABI)

The ABI, introduced in 1998, is a statutory survey with two parts: ABI/1 collects employment information and ABI/2 collects financial information from businesses and other establishments across most of the economy. The ABI/2 forms the single largest ONS-based source used to populate the I-O Annual Supply and Tables, and covers the following industries:

- parts of agriculture and all of forestry and fishing
- mining and quarrying
- manufacturing
- electricity, gas and water
- construction
- distribution and hotels
- transport and communication
- business (not financial industries), and
- other services excluding general government

In 2005/06, 69,900 ABI/2 forms (compared with 77,000 in 2004/05) were sent to businesses, collecting financial information covering:

- employment costs
- turnover

- purchases of goods and services
- taxes paid and subsidies received
- changes in inventories
- gross fixed capital formation, and
- imports and exports of services

This survey also collects from the distribution industries details of sales and purchases of goods for resale without processing, from which an estimate of distributors' trading margins by product can be derived.

### Detailed purchases of goods and services for intermediate consumption

Under the umbrella of the ABI/2, forms are sent to businesses across the whole economy collecting detailed breakdowns of purchases of goods and services used up as intermediate consumption. The forms are specific to each industry, asking appropriate questions relevant to the industries' activity. For example, the shoe manufacturing industry is asked about their purchases of leather, fabric, glue, rubber, and so on. In 2005/06, detailed questions on purchases were sent to around 13,000 businesses selected as a sub-sample of the ABI/2.

### PRODCOM

PRODucts of the European COMMunity (PRODCOM) is a statutory survey undertaken by ONS, in line with the harmonised system across the European Community for the collection and publication of product statistics. It is compiled by collecting data from manufacturers on an annual basis and covered over 24,500 businesses in 2005/06.

Detailed data are collected covering both value and volume of manufacturers' product sales, merchant goods, work done, sales of waste products and residues, and other income.

### International Trade in Services survey

The International Trade in Services survey is an annual statutory inquiry collecting product detail (51 products) on imports and exports of services (by country of origin and destination) of the private sector with a few exceptions. The annual sample in 2005/06 was around 20,000.

### Business Spending on Capital Items Survey

The Business Spending on Capital Items Survey is an annual statutory survey covering most industries, and collects detailed product breakdowns of companies' capital expenditure (acquisitions and disposals are covered separately) on assets such as vehicles and plant and machinery (over 50 products). The annual sample in 2005/06 was over 2,500.

For more information and detail on the data sources used, as well as the balancing process, please refer to the *Input-Output Methodological Guide*, 1997 edition. Although based on now superseded UK methodologies, it still offers extensive help.

The *Gross National Income Inventory of Methods* also provides more comprehensive detail on sources and methods underlying the compilation of the three measures of GDP and the balancing process.

### Gross value added and total output – link between survey-based estimates and the I-O Annual Supply and Use Tables

Data collected and published through the ONS Annual Business Inquiry (ABI) show ‘approximate’ GVA at basic prices and ‘approximate’ total output at basic prices. The ABI forms a major data input in the production of I-O Annual Supply and Use Tables, which also show industry estimates of total output at basic prices and GVA at basic prices but are different from those shown in the ABI. Alternative data sources are used for industries not covered by the ABI. In producing these estimates to be fully consistent with the ESA95, there are essentially four key adjustments required: coverage adjustments, conceptual and valuation adjustments, quality adjustments and coherence adjustments.

The adjustments can be briefly described as follows:

#### Coverage adjustments

These include, for example, allowances made for units missing from the IDBR; the self-employed; and, in the past, the transformation of inquiry-based estimates covering only Great Britain onto a full UK basis (including Northern Ireland).

#### Conceptual and valuation adjustments

These are needed to move the inquiry-based estimates onto a full ESA95 basis required for National Accounts. These adjustments include, for example, income earned in kind; imputed insurance premium supplement; taxes and subsidies on production; and capital formation on cultivated assets.

#### Quality adjustments

These are needed to address issues such as known biases or discontinuities in the source data. These may be specific to a range of products, industries or even to just one year, and are often not taken into source survey results due to timing or system constraints.

#### Coherence adjustments

These are needed to resolve the data confrontation posed by the various data sources used in producing and balancing the production, income and expenditure measures of GDP through the I-O Annual Supply and Use Tables framework.

### Analyses

Over the past ten years, substantial improvements have been made to the production processes allowing for the development of a range of user orientated analyses. This has further developed the role of I-O in the UK.

The Current Price Input-Output Branch has been staffed with around 11 members (reduced to ten from April 2006) over the past few years and covers the development, compilation, coordination and balancing of the I-O Annual Supply and Use Tables, as well as the production of the analyses in the UK I-O Analyses publication, and the publication itself.

The team has continually improved compilation methodologies; developed existing and new data sources; improved links with data suppliers and the annual balancing process; and automated many processes and routines used in the compilation of the tables.

These achievements have enabled the efficient production of the product, including meeting the challenge of maintaining a long run of consistent I-O Annual Supply and Use Tables, presently for the period 1992 to 2004. This in turn has allowed the team to drive forward the development of a wide range of new economic analyses, either as a time series or year specific, based on the tables. These analyses include:

- the UK economy – analyses at a glance
- export shares of goods and services
- import penetration of goods and services
- net trade in goods and services
- information and communication technologies (ICT)
- creative sector
- food sector
- concentration ratios for businesses by industry
- taxes and subsidies recorded within the production boundary
- oil and gas sector
- market sector and non-market sector activity
- revisions analyses
- chronologies of economic events for a number of industries

Many of these analyses require appropriate industry, product and sector definitions. Wherever possible, we have used internationally recognised definitions, such as the OECD’s description of ICT activity and the definition of the market sector as laid out in the ESA95. If such definitions are not suitable, we have used definitions recognised in the user community as used for the creative sector and food sector, both of which are used by other government departments.

User demands for analyses based on the I-O framework have been a key driver for developing such analyses. For example, key users like the Bank of England and HM Treasury are interested in the market sector and non-market sector activity to assess the business cycle, monitor the output gap, and compare productivity between sectors as well as across other countries. Market sector estimates also provide an important indicator of demand pressures reflecting changes in the quantity of goods and services sold in the market sector of the economy.



The *United Kingdom Input-Output Analyses* publication together with other I-O based products can be viewed on the ONS I-O web page at [www.statistics.gov.uk/inputoutput](http://www.statistics.gov.uk/inputoutput)

## I-O Analytical Tables

The I-O Analytical Tables provide tools to analyse the structure of the economy and perform economic modelling. They show separately the consumption of UK-produced goods and services and imported goods and services. These tables provide a theoretical framework for further analysis of the structure of the economy, the composition and the effect of changes in final demand on the economy.

Cambridge University produced the first UK I-O Tables for the years 1948 (using only eight industry groups) and 1950, with results published in the 1952 and 1953 *Blue Books* respectively. The first official UK I-O tables were produced by the Board of Trade and Central Statistical Office for the year 1954 (using 46 industry groups) based on the 1960 *Blue Book* and published in 1961. Since then, they have been produced roughly every five years as needed for the National Accounts rebasing of constant price estimates.

The close relationship between I-O Annual Supply and Use Tables and I-O Analytical Tables has sometimes led to confusion despite being two different products. For example, previous naming conventions have described the I-O Annual Supply and Use Tables and I-O Analytical Tables as Derived Tables, I-O Tables, I-O Balances or Symmetric Tables.

Figure 6 shows diagrammatically the structure of the symmetric I-O Analytical Tables (product by product).

The main differences between I-O Analytical Tables and the I-O Annual Supply and Use Tables are:

- I-O Analytical Tables are symmetric tables (product by product or industry by industry). There are no off-diagonal elements in the Supply Table and the row totals equal the column totals in this table
- in the I-O Analytical Tables, consumption of imports of goods and services and UK-produced goods and services are shown separately, since the assumptions underlying the construction of these tables cannot be applied to imports. A symmetric Imports Use Table can be constructed only as a derivation of the domestic-based I-O Analytical Tables
- the valuation of the main I-O Analytical Tables is at basic prices. This valuation reflects the amount received by the producers for their output, excluding distributors' trading margins and taxes (*less* subsidies) on products

There are various type of analyses that can be compiled in the process of producing I-O Analytical Tables. For example:

- industry by product transformation matrices covering distributors' trading margins, taxes (*less* subsidies) on products and imports of goods and services
- Domestic Use Table and Imports Use Table at basic prices (product by industry)

Figure 6  
I-O Analytical Tables (symmetric): Product by Product

Supply Table			Use Table												
PRODUCT			PRODUCT			FINAL DEMAND at basic prices									
P R O D U C T	X	DOMESTIC SUPPLY at basic prices	P R O D U C T	INTERMEDIATE DEMAND (of domestically produced goods and services) at basic prices	Total intermediate demand	HHFCe	NPISHs FCe	Central government FCe	Local government FCe	Gross fixed capital formation	Valuables	Changes in inventories	Exports of goods and services	T O T A L  D E M A N D	
	X														
	X														
	X														
	X														
	X														
	X														
	X														
	X														
	X														
	X														
TOTAL OUTPUT			Imports of goods and services												
			Taxes (less subsidies) on products												
			Total intermediate consumption					} GVA at basic prices (Primary inputs)							
			Taxes (less subsidies) on production												
			Compensation of employees												
			Gross operating surplus												
			TOTAL OUTPUT (INPUTS)												

HHFCe represents households final consumption expenditure.

NPISHs FCe represents non-profit institutions serving households final consumption expenditure.

X denotes the diagonal entries in the Domestic Supply Table. Off-diagonal entries in the industry by product Domestic Output Table, and their associated inputs, have been moved to this product as part of the compilation of the Symmetric Table.

- product by product tables for the Domestic Use Table and Imports Use Table at basic prices
- industry by industry tables for the Domestic Use Table and Imports Use Table at basic prices
- Leontief Inverse
- multiplier analyses (for example, output, employment and employment costs)
- primary input content of final demand, and links to GDP
- industrial analyses in terms of primary inputs

For further details, see the last set of *I-O Analytical Tables*. These tables covered the year 1995 and were on an ESA95 basis using the *Standard Industrial Classification 1992* (SIC (92)). The number of I-O groups (industry/product) was extended from 123 to 138 in order to reflect the different input structures of central government, local government and NPISHs (non-profit institutions serving households). These tables were also consistent with the I-O Annual Supply and Use Tables for 1995 published in November 2001. The tables for 1995 have since been revised in each of the subsequent annual exercises from 2002 to 2006 inclusive.

Member States are now required under EU statistical regulation to produce I-O Analytical Tables together with I-O Annual Supply and Use Tables, and submit them to Eurostat. The UK submitted the 1995 I-O Analytical Tables in December 2002.

Although the I-O Analytical Tables have been published roughly every five years, our plan to produce these tables annually following publication of the 1995 tables, consistent with the I-O Annual Supply and Use Tables, has been in abeyance. This plan has been reconsidered in the light of changed priorities within ONS. In particular, National Accounts production is being thoroughly reviewed as part of a Re-engineering Project. As a result, there are no explicit plans to produce another set of I-O Analytical Tables or to produce them annually but instead to consider them as part of this project.

Appendix C shows a full chronology of UK I-O Analytical Tables.

## Future

### Internationally driven changes

There are major changes that the UK has to prepare for, and implement. Those affecting the National Accounts and I-O Annual Supply and Use Tables at current prices include:

- implementation of the allocation of financial intermediation services indirectly measured (FISIM), by industry, by sector and by type of final expenditure
- implementation of the new *Standard Industrial Classification* (2007), consistent with the new NACE Rev. 2
- changes to the *System of National Accounts 1993* (SNA93) and the *European System of Accounts 1995* (ESA95)

The UK National Accounts and I-O Annual Supply and Use Tables presently treat FISIM as a nominal industry and sector. The present plan is to implement the allocation of FISIM, by industry, by sector and by type of final expenditure in the 2007 annual exercise, going back to the start of the UK National Accounts.

In line with the new *Standard Industrial Classification* (2007), which will be consistent with the new NACE Rev. 2, ONS will convert its business register onto the new classification through the year 2007. From the beginning of 2008, all ONS business surveys will be sampled using the new classification. The work programme will include the development of links between old and new register data to inform the creation of continuous survey results, and thereby continuous time series within National Accounts.

The new classification will have a major impact on survey results and National Accounts, requiring extensive re-writing of computer systems and the generation of back data onto a consistent basis. This will affect the compilation, balancing and publication of the monthly, quarterly and annual outputs of the National Accounts, including the I-O Annual Supply and Use Tables.

There are many international discussions covering the treatment of various issues leading to revision of the present SNA93, due for completion sometime in 2008. This in turn will lead to a revision of the ESA95, due for completion perhaps around 2010. The UK is actively participating in many of these discussions. Once both of these stages have been agreed, it is likely that the National Accounts will be produced on the new basis perhaps around 2012.

### Domestically driven changes

In 2003, the UK began a major National Accounts Re-engineering Project as part of a much wider ONS office-wide Statistical Modernisation programme. All National Accounts production processes and the further development of the role of I-O are being reviewed. This includes the estimation of GDP through the I-O Supply and Use Tables framework:

- both at current prices and previous years' prices
- quarterly and annually
- expanding the number of industries and products
- estimating gross value added by double deflation
- balancing of deflators across supply and demand
- improving links with labour market data

The National Accounts Re-engineering Project also includes the re-organisation of management structures, and staff roles and responsibilities to reflect new systems and processes.

Examples of other developments we will need to consider include:

- improving the processes, with which long-run consistent I-O Annual Supply and Use Tables can be maintained for an ever-increasing number of years. For example, in the



2006 annual exercise, tables for the years 1992 to 2003 were revised and rebalanced, together with the production of new tables for the year 2004. With limited resources and time available, this approach is not sustainable. Changes required will also need to include the development of an effective and appropriate revisions policy

- regular production of I-O Analytical Tables. The last set of these tables was produced for the year 1995 and published in 2002
- development of new sources covering areas where the data available are relatively weak compared with other areas of the National Accounts or parts of the I-O Supply and Use Tables. For example, with the increasing role of the distribution and service sector, there is a growing need for a SERVCOM type survey, similar to PRODCOM but collecting detail on sales by type of product for the construction, distribution and service industries
- an ever-changing economy and changes to the SNA/ESA require continual development of our business surveys to meet the needs of National Accounts and the compilation of I-O Annual Supply and Use Tables
- developing and publishing more economic analyses based on the I-O Supply and Use Tables to meet users' needs, both inside and outside government

## Conclusion

The role of I-O has greatly expanded in the UK in the past 15 years, and the challenges to date have been met in full. The challenges ahead for the UK over the next few years are even greater with the requirements of the following:

- implementation of the allocation of FISIM, by industry, by sector and by type of final expenditure
- implementation of the new *Standard Industrial Classification* (2007), consistent with the new NACE Rev. 2
- changes to the *System of National Accounts 1993* and the *European System of Accounts 1995* and
- ONS National Accounts Re-engineering Project placing I-O as the foundation of the UK quarterly and annual National Accounts

Success generates even greater expectations of success, and ONS will be striving to meet our targets and obligations over the next few years.

For some of these issues, we would like to benefit from the experience in other countries that already successfully carry out such processes. In other areas, we hope that our experiences and knowledge will be of assistance to other countries which are developing the role of I-O in their National Accounts.

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## Appendix A

## Classification of Input-Output industry/product groups by Standard Industrial Classification (2003) and NACE Rev. 1.1

11 level	Detail 123 level	Industry/product groups	Standard Industrial Classification (2003) Divisions, Groups, Classes	NACE Rev. 1.1 Industrial classifications			
				Divisions A60	Sub- sections A31	Sections A17	A6
Agriculture	1	Agriculture, hunting and related service activities	01	01	A	A	1
	2	Forestry, logging and related service activities	02	02			
	3	Fishing, fish farming and related service activities	05	05	B	B	
Mining and quarrying	4	Mining of coal and lignite; extraction of peat	10	10	CA	C	2
	5	Extraction of crude petroleum and natural gas; service activities incidental to oil and gas extraction	11 + 12	11 + 12			
	6	Mining of metal ores	13	13	CB		
	7	Other mining and quarrying	14	14			
Manufacturing	8	Production, processing and preserving of meat and meat products	15.1	15	DA	D	
	9	Processing and preserving of fish and fish products; fruit and vegetables	15.2 + 15.3				
	10	Vegetable and animal oils and fats	15.4				
	11	Dairy products	15.5				
	12	Grain mill products, starches and starch products	15.6				
	13	Prepared animal feeds	15.7				
	14	Bread, rusks and biscuits; pastry goods and cakes	15.81 + 15.82				
	15	Sugar	15.83				
	16	Cocoa; chocolate and sugar confectionery	15.84				
	17	Other food products	15.85 to 15.89				
	18	Alcoholic beverages - alcohol and malt	15.91 to 15.97				
	19	Production of mineral waters and soft drinks	15.98				
	20	Tobacco products	16	16			
	21	Preparation and spinning of textile fibres	17.1	17	DB		
	22	Textile weaving	17.2				
	23	Finishing of textiles	17.3				
	24	Made-up textile articles, except apparel	17.4				
	25	Carpets and rugs	17.51				
	26	Other textiles	17.52 to 17.54				
	27	Knitted and crocheted fabrics and articles	17.6 + 17.7				
	28	Wearing apparel; dressing and dyeing of fur	18	18			
	29	Tanning and dressing of leather; luggage, handbags, saddlery and harness	19.1 + 19.2	19	DC		
	30	Footwear	19.3				
	31	Wood and wood products, except furniture	20	20	DD		
	32	Pulp, paper and paperboard	21.1	21	DE		
	33	Articles of paper and paperboard	21.2				
	34	Publishing, printing and reproduction of recorded media	22	22			
	35	Coke, refined petroleum products and nuclear fuel	23	23	DF		
	36	Industrial gases, dyes and pigments	24.11 + 24.12	24	DG		
	37	Other inorganic basic chemicals	24.13				
	38	Other organic basic chemicals	24.14				
	39	Fertilisers and nitrogen compounds	24.15				
	40	Plastics and synthetic rubber in primary forms	24.16 + 24.17				
	41	Pesticides and other agro-chemical products	24.2				
	42	Paints, varnishes and similar coatings, printing ink and mastics	24.3				
	43	Pharmaceuticals, medicinal chemicals and botanical products	24.4				
	44	Soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations	24.5				
	45	Other chemical products	24.6				
	46	Man-made fibres	24.7				
	47	Rubber products	25.1	25	DH		
	48	Plastic products	25.2				
	49	Glass and glass products	26.1	26	DI		
	50	Ceramic goods	26.2 + 26.3				
	51	Bricks, tiles and construction products in baked clay	26.4				
	52	Cement, lime and plaster	26.5				
	53	Articles of concrete, plaster and cement; cutting, shaping and finishing of stone; manufacture of other non-metallic mineral products	26.6 to 26.8				
	54	Basic iron and steel and of ferro-alloys; manufacture of tubes and other first processing of iron and steel	27.1 to 27.3	27	DJ		
	55	Basic precious and non-ferrous metals	27.4				
	56	Casting of metals	27.5				
	57	Structural metal products	28.1	28			
	58	Tanks, reservoirs and containers of metal; central heating radiators and boilers; steam generators	28.2 + 28.3				
	59	Forging, pressing, stamping and roll forming of metal; powder metallurgy; treatment and coating of metals	28.4 + 28.5				
	60	Cutlery, tools and general hardware	28.6				
	61	Other fabricated metal products	28.7				

11 level	Detail 123 level	Industry/product groups	Standard Industrial Classification (2003) Divisions, Groups, Classes	NACE Rev. 1.1 Industrial classifications			
				Divisions A60	Sub- sections A31	Sections A17	A6
	62	Machinery for the production and use of mechanical power, except aircraft, vehicle and cycle engines	29.1	29	DK		
	63	Other general purpose machinery	29.2				
	64	Agricultural and forestry machinery	29.3				
	65	Machine tools	29.4				
	66	Other special purpose machinery	29.5				
	67	Weapons and ammunition	29.6				
	68	Domestic appliances not elsewhere classified	29.7				
	69	Office machinery and computers	30	30	DL		
	70	Electric motors, generators and transformers; manufacture of electricity distribution and control apparatus	31.1 + 31.2	31			
	71	Insulated wire and cable	31.3				
	72	Electrical equipment not elsewhere classified	31.4 to 31.6				
	73	Electronic valves and tubes and other electronic components	32.1	32			
	74	Television and radio transmitters and apparatus for line telephony and line telegraphy	32.2				
	75	Television and radio receivers, sound or video recording or reproducing apparatus and associated goods	32.3				
	76	Medical, precision and optical instruments, watches and clocks	33	33			
	77	Motor vehicles, trailers and semi-trailers	34	34	DM		
	78	Building and repairing of ships and boats	35.1	35			
	79	Other transport equipment	35.2 + 35.4 + 35.5				
	80	Aircraft and spacecraft	35.3				
	81	Furniture	36.1	36 + 37	DN		
	82	Jewellery and related articles; musical instruments	36.2 + 36.3				
	83	Sports goods, games and toys	36.4 + 36.5				
	84	Miscellaneous manufacturing not elsewhere classified; recycling	36.6 + 37				
Electricity, gas and water supply	85	Production, transmission and distribution of electricity	40.1	40	E	E	
	86	Gas; distribution of gaseous fuels through mains; steam and hot water supply	40.2 + 40.3				
	87	Collection, purification and distribution of water	41	41			
Construction	88	Construction	45	45	F	F	3
Wholesale and retail trade	89	Sale, maintenance and repair of motor vehicles and motorcycles; retail sale of automotive fuel	50	50	G	G	4
	90	Wholesale trade and commission trade, except of motor vehicles and motorcycles	51	51			
	91	Retail trade, except of motor vehicles and motorcycles; repair of personal and household goods	52	52			
	92	Hotels and restaurants	55	55	H	H	
Transport and communication	93	Transport via railways	60.1	60	I	I	
	94	Other land transport; transport via pipelines	60.2 + 60.3				
	95	Water transport	61	61			
	96	Air transport	62	62			
	97	Supporting and auxiliary transport activities; activities of travel agencies	63	63			
	98	Post and courier activities	64.1	64			
	99	Telecommunications	64.2				
Financial intermediation	100	Financial intermediation, except insurance and pension funding	65	65	J	J	5
	101	Insurance and pension funding, except compulsory social security	66	66			
	102	Activities auxiliary to financial intermediation	67	67			
	103	Real estate activities with own property; letting of own property, except dwellings	70.1 + 70.2(pt)	70	K	K	
	104	Letting of dwellings, including imputed rent	70.2 (pt)				
	105	Real estate activities on a fee or contract basis	70.3				
	106	Renting of machinery and equipment without operator and of personal and household goods	71	71			
	107	Computer and related activities	72	72			
	108	Research and development	73	73			
	109	Legal activities	74.11	74			
	110	Accounting, book-keeping and auditing activities; tax consultancy	74.12				
	111	Market research and public opinion polling; business / management consultancy activities; management activities of holding companies	74.13 to 74.15				
	112	Architectural and engineering activities and related technical consultancy; technical testing and analysis	74.2 + 74.3				
	113	Advertising	74.4				
	114	Other business services	74.5 to 74.8				
Public administration	115	Public administration and defence; compulsory social security	75	75	L	L	6
Education, health and social work	116	Education	80	80	M	M	
	117	Human health and veterinary activities	85.1 + 85.2	85	N	N	
	118	Social work activities	85.3				
Other services	119	Sewage and refuse disposal, sanitation and similar activities	90	90	O	O	
	120	Activities of membership organisations not elsewhere classified	91	91			
	121	Recreational, cultural and sporting activities	92	92			
	122	Other service activities	93	93			
	123	Private households employing staff and undifferentiated production activities of households for own use	95 to 97	95 to 97	P	P	

## Appendix B

### Notable changes within each annual current price Input-Output exercise since 1992

Year	Brief overview
1992	<p>Year (t-3) compiled using 102 I-O groups on SIC (80) classification.</p> <p>First set of GVA estimates produced for 1989 using the I-O Annual Supply and Use Tables framework.</p> <p>GVA by industry estimates produced using the production approach differed from those produced using the income approach.</p>
1993	<p>1989 and 1990 compiled using 123 I-O groups on SIC (80) classification.</p> <p>GVA weights at factor cost for 1990 used for rebasing production measure of GDP by industry onto 1990=100.</p> <p>At the 11 industry level, GVA estimates from the production and income approaches were brought into line for the first time.</p> <p>Input-Output Annual Supply and Use Tables for 1989 and 1990 compiled with government treated as a producer, as opposed to a consumer, for the first time.</p>
1994	<p>Timetable for I-O Annual Supply and Use Tables compilation accelerated, and years (t-3) and (t-2) compiled simultaneously.</p>
1995	<p>1992 and 1993 compiled using 123 I-O groups on SIC (92) classification.</p> <p>1989 to 1991 converted from SIC (80) to SIC (92) using correlator derived from dual run of 1992 data.</p> <p>I-O Annual Supply and Use Tables completed to further reduced timetable.</p>
1996	<p>Complete reconciliation of estimates of GVA at factor cost derived from the production and income approaches at the 123-industry level for the first time.</p> <p>Inclusion of results from the new Overseas Trade in Services Inquiry.</p>
1997	<p>I-O Annual Supply and Use Tables completed to a further reduced timetable.</p> <p>Charts included in the I-O publication for the first time.</p>
1998	<p>Major revisions package (1986–96, 68 revisions implemented) balanced through the I-O Annual Supply and Use Tables framework using ONS inquiry results based on the new IDBR for the first time.</p> <p>All I-O Annual Supply and Use Tables (1989–96) converted onto an ESA95 basis.</p> <p>UK production accounts by sector, for all sectors, produced for the first time.</p> <p>GVA weights at basic prices for 1995 used for rebasing the production measure of GDP onto 1995=100.</p>
1999	<p>Partly incorporated results from the new Annual Business Inquiry (ABI), including extension of ABI to cover oil and gas extraction industry.</p> <p>I-O Annual Supply and Use Tables completed to a further reduced timetable.</p>
2000	<p>Publication of annual current price quality and coherence adjustments underlying the balanced I-O Annual Supply and Use Tables for the first time.</p> <p>Inclusion of improved consumption of fixed capital estimates going back to 1948.</p>
2001	<p>Major revisions package (1986–97, 94 revisions implemented) balanced through the I-O Annual Supply and Use Tables framework incorporating the full impact of the new ABI results, using dual run of 1997 data to provide link factors for back data.</p> <p>Estimates for smuggling activity included for the first time going back to 1994.</p> <p>Range of new analyses based on I-O Annual Supply and Use Tables produced for the first time, including ICT, food sector, creative sector, import penetration, and contribution of top five businesses to each industry.</p>

- 2002** Inclusion of ABI results covering forestry SIC (92) Class 02 and fishing SIC (92) Class 03 for the first time.  
I-O Annual Supply and Use Tables completed to a further reduced timetable.  
Web-only *UK Input-Output Analyses* publication, including further new analyses including export shares and net trade in goods and services, all of which were made available free of charge for the first time.  
Inclusion of new Expenditure and Food Survey results.  
Inclusion of government outturn data on a Resource Accounting and Budgeting basis.  
I-O Analytical Tables for the year 1995 produced and published, also providing feedback structural mechanism for improvements to I-O Supply and Use Tables.
- 2003** Inclusion of new ABI results covering parts of the agriculture industry (SIC (92) Class 014 and 015), and the annual all-industry purchases data.  
Move onto full HHFCe COICOP by I-O product analyses (from 1992).  
New International Trade in Services (ITIS) results going back to 1996.  
Inclusion of Missing Trader intra-community VAT fraud estimates for the first time going back to 1999.  
Inclusion of Subjective Analysis Return results to inform estimates of local government intermediate consumption by product (from 1996).  
GVA weights at basic prices for years up to and including 2000 used for chain-linking the production measure of GDP, where 2000=100.  
Further new analyses produced covering taxes and subsidies, oil and gas sector and revisions.
- 2004** Reclassification of NHS Trusts from the public non-financial corporations sector to central government sector (from 1991).  
Review of public sector health industry estimates including range of reclassifications.  
Review of the allocation of the GFCF industry totals to I-O product groups from 1992 publishing at the NACE Rev. 1, A31 level and production of a new processing system.  
Review of effective VAT rates applied by I-O product linked to the detail Weighted Average Return analyses from the then HM Customs and Excise.  
Inclusion of estimates reflecting toll processing activity.  
GVA weights at basic prices for years up to and including 2001, used for chain-linking the production measure of GDP, where 2001=100.
- 2005** 1992 to 2003 I-O Annual Supply and Use Tables compiled on SIC (2003) classification to a further reduced timetable.  
Further new analyses produced covering market sector and non-market sector activity and concentration ratios.  
Review of the allocation of government spending to COFOG functional categories and I-O products.  
Implementation of Atkinson Review related recommendations affecting education, health, social protection and fire protection, including the reclassifications of Initial Teacher Training Agency; nursery vouchers/grants; and City Academies and City Technology Colleges.  
Inclusion of changes from Pension Inquiry data review.  
Review of GFCF industry headings to I-O product groups from 1992 publishing at the NACE Rev. 1.1, A60 level for the first time.  
GVA weights at basic prices for years up to and including 2002, used for chain-linking the production measure of GDP, where 2002=100.
- 2006** Complement of staff in I-O team reduced by one from eleven to ten staff as part of ONS National Accounts efficiency savings exercise.  
Sizeable revisions package (1989–2002, 46 revisions implemented).  
Review of the allocation of the GFCF industry totals to I-O product groups from 1992.  
Review of the allocation of the changes in inventories industry totals to I-O product groups, holding gains, and production of a new processing system.  
Reclassification of BBC licence fee from a service payment to a tax on income, and reclassification of BBC and S4C non-trading bodies from public non-financial corporations sector to central government sector.  
Inclusion of improved estimates of consumption of fixed capital, going back to 1948.  
Inclusion of new Bank of England data on spread earnings and derivatives for banks, and data from new Bank of England profit/loss form.  
Correction of classification of data sources for passport fees.  
Various publication analyses enhanced and a range of new industry chronologies introduced for the first time.  
GVA weights at basic prices for years up to and including 2003, used for chain-linking the production measure of GDP, where 2003=100.

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Letter 't' represents the year of the publication of the *Blue Book*.

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## Appendix C

### Chronology of UK Input-Output Analytical Tables

Title and publication details	Industrial classification	Number of industries and products	Valuation of tables
<b>1954</b> <i>Studies in Official Statistics: No. 8 Input-Output Tables for the United Kingdom 1954</i> Published by HMSO 1961, S.O. Code No. 63-166	SIC (48)	46 : (of which 2 services)	Producers' prices, with output and intermediate consumption shown net of intra-industry sales
<b>1963</b> <i>Studies in Official Statistics: No. 16 Input-Output Tables for the United Kingdom 1963</i> Published by HMSO 1970, SBN 11 630077 9	SIC (58)	73 : (of which 8 services)	Producers' prices
<b>1968</b> <i>Studies in Official Statistics: No. 22 Input-Output Tables for the United Kingdom 1968</i> Published by HMSO 1973, SBN 11 630111 2	SIC (68)	90 : (of which 6 services)	Producers' prices
<b>1970</b> <i>Business Monitor PA1004: Input-Output Tables for the United Kingdom 1970</i> Published by HMSO 1974, ISBN 0 11 511356 8	SIC (68)	90 : (of which 6 services)	Producers' prices Update of 1968 tables
<b>1971</b> <i>Business Monitor PA1004: Input-Output Tables for the United Kingdom 1971</i> Published by HMSO 1975, ISBN 0 11 511642 7	SIC (68)	60 : (of which 7 services)	Producers' prices Update of 1968 tables
<b>1972</b> <i>Business Monitor PA1004: Input-Output Tables for the United Kingdom 1972</i> Published by HMSO 1975, ISBN 0 11 511778 4	SIC (68)	60 : (of which 7 services)	Producers' prices Update of 1968 tables
<b>1974</b> <i>Business Monitor PA1004 Input-Output Tables for the United Kingdom 1974</i> Published by HMSO 1981, ISBN 0 11 512700 3	SIC (68)	103 : (of which 12 services)	Producers' prices Update of 1968 tables
<b>1979</b> <i>Business Monitor PA1004 Input-Output Tables for the United Kingdom 1979</i> Published by HMSO 1983, ISBN 0 11 513187 6	SIC (80)	100 : (of which 13 services)	Basic prices
<b>1984</b> <i>Input-Output Tables for the United Kingdom 1984</i> Published by HMSO 1988, ISBN 0 11 620299 8	SIC (80)	102 : (of which 15 services)	Basic prices
<b>1990</b> <i>Input-Output Tables for the United Kingdom 10th Edition</i> (containing 1990 tables) Published by HMSO 1995, 0 11 620664 0	SIC (80)	123 : (of which 33 services)	Basic prices
<b>1995</b> <i>Analytical Input-Output Tables for the United Kingdom</i> (containing 1995 tables) Produced by Office for National Statistics (April 2002) Web only - available from <a href="http://www.statistics.gov.uk/inputoutput">www.statistics.gov.uk/inputoutput</a>	SIC (92)	123 : (of which 35 services, plus 15 non-market activity industries shown separately).	Basic prices

Input-Output Analytical Tables have also been known as Input-Output Tables, Theoretical Tables, Symmetric Tables or Derived Tables.



# Public Service Productivity: Social Security Administration

UK Centre for the  
Measurement of Government  
Activity  
Office for National Statistics

This article is part of an ongoing series discussing public service productivity published by the Office for National Statistics (ONS) and is the first about social security administration (SSA). It explores the changes in the volume of output and the volume of inputs associated with government expenditure on SSA, and the productivity estimates arising from the ratio of output to inputs between 1998 and 2005, based on the best data currently available. It also discusses wider information – ‘triangulation’ in the terminology of the Atkinson Report – to give more context to the productivity story shown.

## Overview

Productivity is the ratio of output to inputs. The output measure used is taken from the National Accounts and is consistent with the 2006 *Blue Book*. The inputs estimates use expenditure data from the National Accounts and deflate these using a variety of measures of price inflation. The relevant expenditure here is that on the administration of social security and not the value of the cash benefits transferred to recipients.

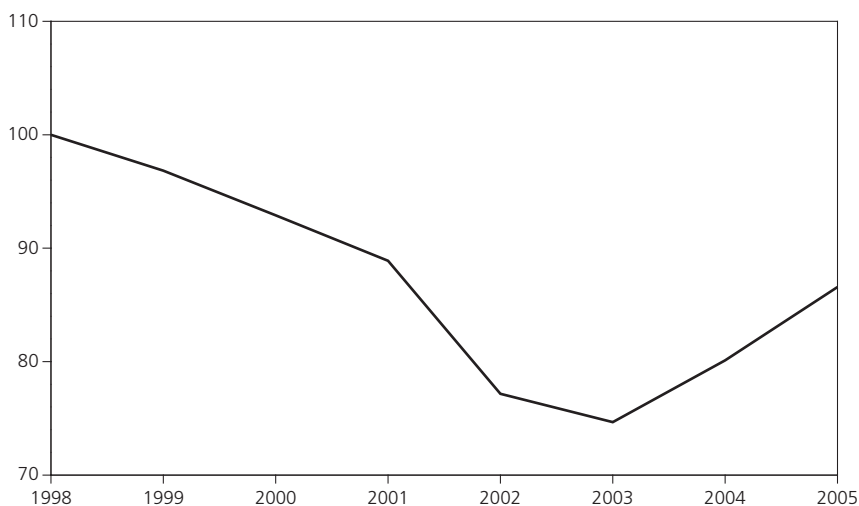
The coverage of SSA is that currently in the National Accounts, which is based on the United Nations Classification of the Functions of Government (COFOG) system. The primary function of SSA is to redistribute income in order to achieve certain societal goals. SSA achieves this by providing cash benefits to eligible individuals defined by states of need, such as unemployment, sickness and old age. SSA involves, under a variety of programmes, the processing, assessment and payment of claims for benefits, and the management of case reviews and appeals against decisions made. SSA programmes include: Income Support, Jobseeker’s Allowance (JSA), Incapacity Benefit, Pension Credit, State Pensions and Housing Benefit.

Figure 1 shows the changes in productivity from 1998 to 2005. Productivity declines each year from 1998 to 2003 but then increases sharply in 2004 and 2005. Figure 2 shows the output and input series used to produce the productivity estimates.

Figure 1  
Social security administration productivity, 1998–2005

United Kingdom

Index 1998 = 100

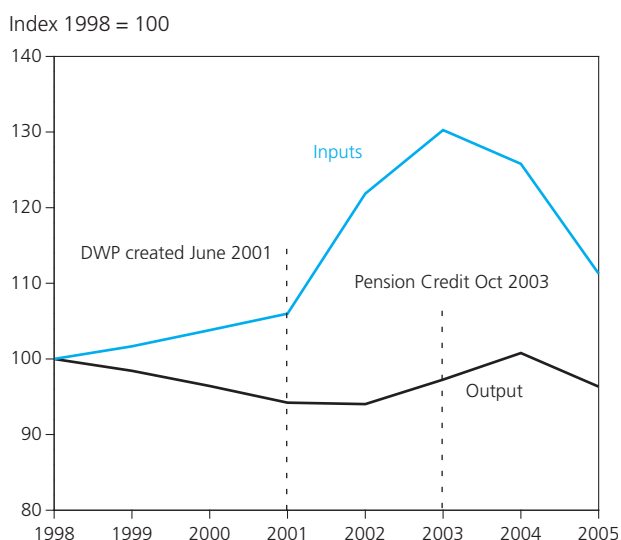


Source: Office for National Statistics



Figure 2  
Social security administration output and inputs,  
1998–2005

United Kingdom



Source: Office for National Statistics

The decline in productivity between 1998 and 2001 is largely due to a fall in the number of people receiving JSA leading to a fall in output while the volume of inputs grew steadily.

After 2001, inputs increased steeply before declining after 2003. This increase reflects, among other influences, expenditure related to the setting up of the Department for Work and Pensions (DWP) in 2001 and a series of modernisation projects instigated by them since then. The rise in inputs is partially offset by an increase in output which peaks in 2004 before falling back. This peak is due to the extra activity carried out when the Minimum Income Guarantee (MIG) was replaced by Pension Credit in 2003.

The productivity estimates should be interpreted in the light of the following:

- the methodology used in this article makes no allowance for changes in quality. There is some suggestion that both the accuracy and timeliness of SSA has improved. If so, this would to some extent offset falling productivity measured, as in this article, by changes in quantity alone
- the formation of DWP and its agencies has involved large one-off costs
- DWP has been engaged in a heavy modernisation programme, which will not have led to immediate increases in output and therefore have had a downward effect on productivity, but which may be expected in future to lead to higher productivity

ONS will continue to work with DWP and other partners to improve the accuracy of the estimates of SSA output, inputs and productivity.

## Introduction

This article is part of an ongoing series discussing public service productivity and is the first about SSA.<sup>1</sup> All of these articles are produced in accordance with the principles of the National Statistics Code of Practice, particularly regarding relevance, fitness for purpose and production with integrity in the interests of all. The advice of a number of experts has also been sought.<sup>2</sup>

The primary function of SSA is to redistribute income in order to achieve certain societal goals. SSA achieves this by providing cash benefits to eligible individuals defined by states of need, such as unemployment, sickness and old age. SSA involves, under a variety of programmes, the processing, assessment and payment of claims for benefits, and the management of case reviews and appeals against decisions made.

The article explores the changes in the volume of output and the volume of inputs of SSA, and the productivity estimates arising from the ratio of output to inputs between 1998 and 2005. It also discusses wider information – ‘triangulation’ in the terminology of the Atkinson Report – to give more context to the productivity story shown.

In 2005 administrative expenditure on social security<sup>3</sup> amounted to £6 billion which is approximately 3 per cent of total government consumption expenditure:

- this includes expenditure on labour (salaries and other staff costs), the procurement of goods and services, and capital consumption
- it does not include the value of the benefits transferred to recipients. This is a much larger sum of money – approximately £125 billion in 2004/05

More specifically, the coverage is that currently in the National Accounts, which is based on the COFOG system. This classification system has a number of advantages, not least in allowing international comparisons. The scope of SSA therefore includes administrative expenditure on:

- benefits administered by DWP across Great Britain, including JSA, Income Support, Incapacity Benefit, Pension Credit and State Pensions. DWP administered over 24 million benefits cases in 2005 and the associated expenditure accounts for around 80 per cent of total SSA
- UK benefits not administered by DWP. These include Housing Benefit which is the responsibility of the Department for Communities and Local Government,<sup>4</sup> or its counterparts in Scotland and Wales; Child Benefit (HM Revenue and Customs); and War Pensions (Ministry of Defence). In Northern Ireland, the Northern Ireland Department for Social Development has similar responsibilities to DWP
- certain DWP activities not involving benefits. Specifically, these are the Child Support Agency and Future Pensions Centre

Some DWP activities are not covered in SSA so are not in this article. These include activities related to helping people into work (as opposed to paying benefits) and the Health and Safety Executive. In this article, for simplicity, DWP is used to mean those parts of DWP included within SSA rather than the Department as a whole.<sup>5</sup>

On 15 June 2006, DWP published its own productivity analysis (An Analysis of DWP Productivity 1997/98 – 2007/08, Research report No. 335), which in many ways is similar to this article. There are, however, a number of important differences. The DWP article:

- covers only DWP activity rather than the whole of SSA
- presents data in financial rather than calendar years
- includes forecasts of productivity up to 2007/08 whereas this article relates only to the past

In addition, there are some differences in methodology.

The starting point for estimates of output and expenditure are the estimates used in the UK National Accounts. Estimates of deflators, quality indicators and other additional information are from various published sources. The first section of the article discusses how output is measured and shows how it has changed over time. Subsequent sections look at expenditure and input volumes for SSA services; show estimates of productivity; and present triangulation evidence to provide a wider picture of SSA performance. The article concludes with a summary and next steps.

## Social security administration output measures

### Measuring social security administration output

This section describes the output of SSA as it is measured in the National Accounts. This output relates to the processes established to ensure that benefits reach all the people who qualify for them, and only those persons. It does not refer to the value of the benefits transferred to recipients.

Like all output, the output of SSA has both a quantity and a quality dimension:

- output could change because the number of people making claims for, or receiving, benefits changes
- output could also change because quality has changed, for example, if benefit processing has become more or less timely or more or less accurate

The current methodology used in National Accounts does not capture any changes in quality. The productivity measures shown in this article are therefore subject to this important caveat. The methodology does, however, incorporate the improvements on the quantity side introduced in the National Accounts in 2005, following the implementation of the recommendations of the *Atkinson Review*. These were pre-announced in May 2005, in an ONS article.<sup>6</sup> The first full calendar year of data available under the new methodology is 1998, and so the analyses in this article start from this date.

The output measure combines information on 24 activities (see Table 1). Most benefits have two different types of associated output, with different costs:

- output from new claims processed. That is new applications on which a decision on the level of any payment due has been made (this does not, of course, include claims received but not yet processed)
- output from load arises from the maintenance of existing benefits payments

These activities are combined into a single cost weighted activity index using their shares of total expenditure as weights. The expenditure weights in Table 1 are derived as implied expenditure proportions (the product of unit costs and activity figures) and are based on estimates of the unit cost of each activity for 2004/05 – the only year where data are available. These unit costs are calculated from all relevant expenditure including all overheads and central corporate and support costs. Where direct cost data are not available (MIG, Housing Benefit and Child Benefit), unit costs have been estimated.

Table 1  
Activities used in the output measure

Great Britain	Percentages
Activity	Expenditure weight (2005)
<b>Working Age Benefits</b>	<b>51.7</b>
Income Support claims	4.7
Income Support load	12.5
Jobseeker's Allowance claims	6.5
Jobseeker's Allowance load	8.4
Social Fund grants and loans	7.0
Incapacity Benefit claims	3.5
Incapacity Benefit load	7.7
Other benefit claims	1.5
<b>Disability and Carers Service</b>	<b>8.9</b>
Attendance Allowance claims	1.3
Attendance Allowance load	0.6
Disability Living Allowance claims	3.0
Disability Living Allowance load	2.9
Carer's Allowance claims	0.8
Carer's Allowance load	0.4
<b>The Pension Service</b>	<b>24.9</b>
State Pension claims	3.0
State Pension load	9.3
Pension Credit claims	3.2
Pension Credit load	6.8
International Pension Centre State Pension claims	1.2
International Pension Centre State Pension load	0.7
International Pension Centre other benefits	0.4
Future Pensions Centre forecasts	0.3
<b>Housing and Child Benefit</b>	<b>14.5</b>
Housing Benefit	9.6
Child Benefit	4.9

Source: Office for National Statistics and Department for Work and Pensions

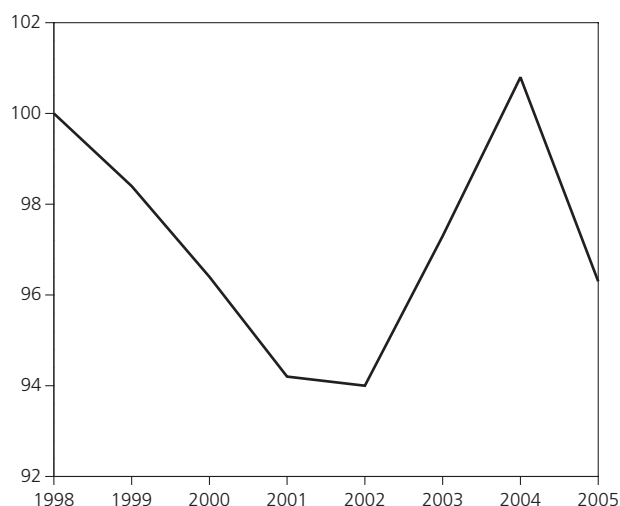
### Social security administration output in the National Accounts

Figure 3 shows the output of SSA as currently measured in the National Accounts (referenced so that 1998 = 100). Output fluctuated over the period studied with an average decline of 0.5 per cent a year.

Figure 3  
Social security administration output, 1998–2005

United Kingdom

Index 1998 = 100



Source: Office for National Statistics

### Analysis of output growth of social security administration

Table 2 shows how different components of SSA have contributed<sup>8</sup> to output growth:

- the output for Working Age benefits (these SSA activities are currently the responsibility of DWP's Jobcentre Plus agency) declined every year, on average contributing a fall of 1.4 percentage points
- Housing Benefit, Child Benefit and DWP's Disability and Carers Service make small contributions
- the Pension Service makes a positive contribution of, on average, 0.8 percentage points. Its significant growth in 2003 and 2004, and fall in 2005, largely determine the overall output changes of SSA in these years

Table 2  
Social security administration output: contributions to growth, 1999–2005

United Kingdom

Percentage points

	1999	2000	2001	2002	2003	2004	2005	Average annual contribution
<b>Total growth</b>	<b>-1.6</b>	<b>-2.0</b>	<b>-2.3</b>	<b>-0.2</b>	<b>3.4</b>	<b>3.6</b>	<b>-4.4</b>	<b>-0.5</b>
Working Age benefits	-1.2	-2.7	-1.9	-0.1	-1.0	-2.1	-1.0	-1.4
Disability and Carers Service	-0.1	0.4	0.1	0.3	0.5	0.3	-0.0	0.2
The Pension Service	0.1	0.8	-0.2	-0.3	3.9	5.2	-3.5	0.8
Housing and Child Benefits	-0.4	-0.6	-0.3	-0.1	0.0	0.2	0.2	-0.2

Source: Office for National Statistics

Further analysis (see Table 3) suggests that the main drivers of changes in output are JSA from 1998 to 2001, and activity related to the change from MIG to Pension Credit after this.

Table 3  
Social security administration output: contributions to growth, 1999–2005

United Kingdom

Percentage points

	1999	2000	2001	2002	2003	2004	2005
<b>Total growth</b>	<b>-1.6</b>	<b>-2.0</b>	<b>-2.3</b>	<b>-0.2</b>	<b>3.4</b>	<b>3.6</b>	<b>-4.4</b>
Of which:							
Jobseeker's Allowance	-0.9	-1.8	-1.7	-0.2	-0.3	-1.3	0.2
Minimum Income Guarantee and Pension Credit	0.1	1.0	-0.3	-0.3	3.3	4.1	-3.1

Source: Office for National Statistics

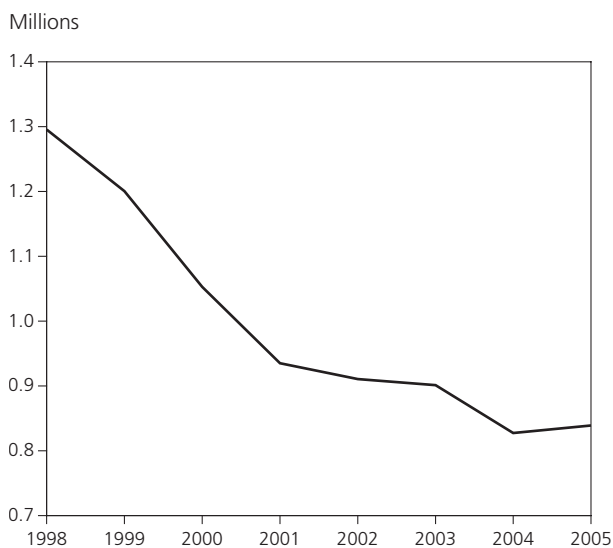
Working age benefits include Income Support, JSA and Incapacity Benefit. The largest changes in this area come from JSA, recipients of which have fallen from 1.3 million in 1998 to 0.8 million in 2005 (see Figure 4), following a generally improving economic climate over this period. Also, to some extent, it may represent the success of (non-SSA) Jobcentre Plus activities to encourage people to enter work. In this context, just under two thirds of the average contributions to growth attributable to Working Age benefits arise from changes in JSA load and claims.

In the Pension Service, output has risen slightly due to the increasing number of older people but the most significant changes have resulted from the introduction of Pension Credit in October 2003 to replace MIG. This has had two effects on output:

- a higher proportion of the pensioner population is entitled to receive Pension Credit than MIG.<sup>9</sup> This, along with the ageing population, has resulted in an underlying increase in the series (see Figure 5).<sup>10</sup> In 1998, 1.6 million people received payments under MIG whereas in 2005, 2.7 million received Pension Credit benefits
- the change from one benefit system to another resulted in a temporary but large increase in the number of benefit claims needing assessment. Figure 6 shows how the number of claims processed increased dramatically in 2003 and 2004, following the introduction of Pension Credit in October 2003, before falling back in 2005.

Figure 4  
Jobseeker's Allowance: load, 1998–2005

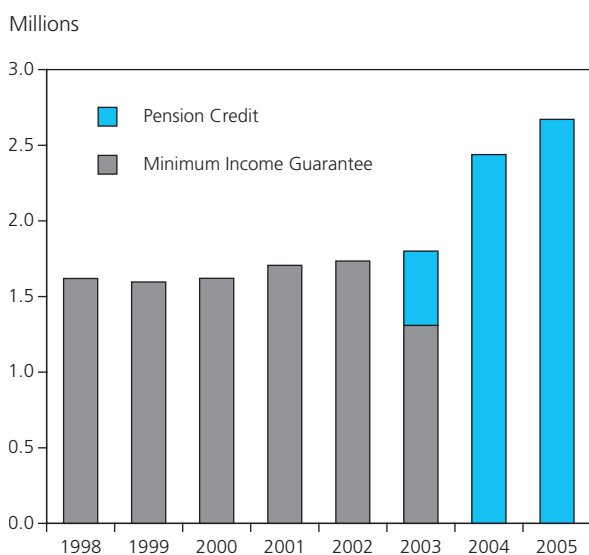
Great Britain



Source: Department for Work and Pensions

Figure 5  
Minimum Income Guarantee and Pension Credit: load, 1998–2005

Great Britain



Source: Department for Work and Pensions

Table 4  
Social security administration expenditure, 1998–2005

United Kingdom

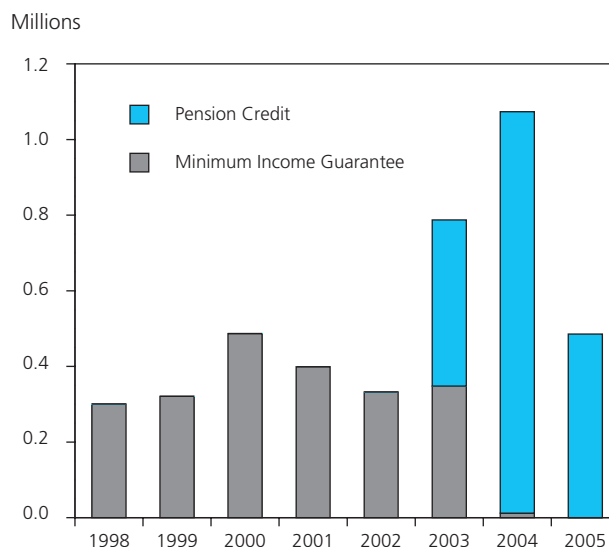
£ million

	1998	1999	2000	2001	2002	2003	2004	2005
Compensation of employees	1,968	1,977	2,103	2,017	2,526	2,680	2,664	2,833
Procurement	2,222	2,397	2,517	2,811	3,227	3,708	3,734	3,120
Capital consumption	76	76	76	76	76	76	78	80
Total	4,266	4,450	4,696	4,904	5,829	6,464	6,476	6,033

Source: Office for National Statistics

Figure 6  
Minimum Income Guarantee and Pension Credit: claims, 1998–2005

Great Britain



Source: Department for Work and Pensions

Unlike the output of the Working Age benefits and the Pension Service, the output of the Disability and Carers Service has remained stable in the last few years. Contributions to growth averaged 0.2 per cent between 1998 and 2005. Housing and Child Benefits output averaged a fall of 0.2 per cent over the same period.<sup>11</sup>

### Social security administration inputs

To investigate productivity changes, it is necessary to measure both changes in output and volume of inputs. Inputs volumes are estimated by removing the effects of price inflation from current price expenditure data. This section discusses both the current price expenditure data, taken from the National Accounts, and the deflation of these data to volume terms, that is, the steps taken to remove the effects of inflation.

SSA expenditure comprises three elements:

- compensation of employees (all staff costs such as pay, bonuses and national insurance contributions) – labour inputs
- procurement of goods and services (or intermediate consumption), and
- capital consumption

Table 4 shows SSA expenditure between 1998 and 2005. Total expenditure increased sharply, by about 40 per cent, over this period.

### Labour inputs

Expenditure on compensation of employees was £2.8 billion in 2005 and accounts for just under half of total expenditure. To estimate the volume of labour inputs, this expenditure figure needs to have the effects of inflation removed by using suitable labour cost deflators.

For this purpose, compensation of employees has been separated into expenditure by DWP and non-DWP expenditure:

- DWP expenditure (about 80 per cent of the total) has then been deflated by a DWP specific pay deflator. This has been developed by DWP based on their internal records of average labour cost price inflation
- Non-DWP expenditure, predominantly accounted for by Northern Ireland and local authorities' administration of Housing Benefit, is deflated by means of the Average Earnings Index for Public Administration<sup>12</sup>

Table 5 shows the trend in the volume of labour inputs using this methodology. While overall growth is small, with labour inputs growing by 0.4 per cent each year on average, there are large year-to-year changes. Most growth occurs in DWP labour inputs with non-DWP labour inputs decreasing slightly. DWP growth also shows some large swings: from contributing a decline in growth of 6.4 percentage points in 2001 to a positive contribution of 17.8 percentage points in 2002. This period coincides with the formation of DWP in June 2001 and the subsequent creation of its agencies.

The deflators used for estimates of labour inputs share a weakness in that neither takes into account changes in skill or experience of staff. The DWP deflator, in effect, assumes that all the year-on-year changes in price are due to inflation. However, the rise may in part be due to the Department employing a higher proportion of more highly skilled staff. This may well be the case in DWP as it has undergone a large reorganisation and modernisation programme in recent years. The effect of such a change in the skill-mix of employees will be that the estimates of labour volume growth used in this article are lower than they should be. ONS is working with DWP to adjust its labour deflator to take account of changes in the skill-mix.

### Procurement

In 2005, expenditure on the procurement of goods and services was £3.1 billion which was just over half of total expenditure on SSA. Procurement includes expenditure on utilities, the upkeep and maintenance of buildings, office consumables and the procurement of services from third parties such as IT and consultancy. There is no SSA specific deflator available to estimate procurement price inflation, so instead the general RPIX (retail prices index excluding mortgage interest payments) series has been used.

Table 6 shows growth in the volume of procured goods and services. Growth averaged 2.5 per cent between 1998 and 2005 but with some large year-to-year changes. Growth was particularly strong from 2001 to 2003, averaging more than 11 per cent a year. In 2005 there was a large decline in the volume of inputs of nearly 19 per cent.

Table 5  
Social security administration: volume of labour inputs, 1998–2005

United Kingdom

Index 1998 = 100

	1998	1999	2000	2001	2002	2003	2004	2005	Average contribution
Volume of labour	100.0	96.5	98.8	91.6	108.7	109.3	103.3	102.9	
Growth (per cent)									
Total		-3.5	2.3	-7.3	18.7	0.5	-5.5	-0.4	0.4
DWP contribution		-2.5	2.2	-6.4	17.8	-1.5	-4.2	-0.1	0.5
Non-DWP contribution		-1.0	0.1	-0.9	0.9	2.0	-1.2	-0.3	-0.1

Source: Office for National Statistics

Table 6  
Social security administration: volume of procurement inputs, 1998–2005

United Kingdom

Index 1998 = 100

	1998	1999	2000	2001	2002	2003	2004	2005	Average growth
Procurement	100.0	106.2	108.4	118.9	134.3	149.9	146.6	119.1	
Growth (per cent)		6.2	2.0	9.7	12.9	11.7	-2.2	-18.8	2.5

Source: Office for National Statistics



As the RPIX series used to estimate price movements for procurement is a general series for the whole economy, the estimates of growth in procurement inputs must be treated with some caution. It would be preferable to produce a series that more closely reflects the spending patterns in SSA. ONS will work with DWP to produce a more SSA-specific procurement price inflation series.

### Capital consumption

Capital expenditure is expenditure on assets such as buildings and machinery that produce benefits in the future and not just the present. The capital consumption or depreciation of these assets appears as current expenditure in the National Accounts. This represents only a small proportion of expenditure – less than 2 per cent. It has been deflated using a deflator for overall capital consumption by public administration implied by the National Accounts. Table 7 shows the resulting estimates.

### Analysis of growth in SSA inputs

Table 8 shows how the pattern of inputs growth was relatively steady between 1998 and 2001. After this period the growth was more volatile, with large increases followed by decreases. The main driver of these changes has been DWP expenditure which reflects among other factors:

- large organisational changes which began in 2001 with the formation of DWP from the former Department of Social Security and the Employment Service and the creation of the new DWP agencies (Jobcentre Plus, the Pension Service and, later on, the Disability and

Carers Service). This had considerable cost implications during the transition period with increased headcount and related costs. Similarly, the introduction of Pension Credit to replace the MIG in 2003 required considerable expenditure on staff and infrastructure

- substantial expenditure, up to around £1 billion a year, on modernisation projects within DWP. The modernisation projects cover many different aspects of DWP's operations but in general they involve modernising IT infrastructures and business processes to deliver better services more efficiently.<sup>13</sup> The potential impact of these programmes on productivity is discussed more fully in the next section.

### Productivity

This section presents the productivity estimates that are implied by the output and inputs estimates in the previous two sections respectively. Productivity<sup>14</sup> is the ratio of output to inputs, all in volume terms.

Figure 7 shows the output series and the input series from 1998 to 2005. The volume of inputs has risen over the period studied while the volume of outputs has declined, resulting in a decline in productivity, as shown in Figure 8. The average fall in productivity from 1998 to 2005 is estimated at 2.0 per cent a year.

Table 7

#### Social security administration: volume of capital consumption, 1998–2005

United Kingdom

Index 1998 = 100

	1998	1999	2000	2001	2002	2003	2004	2005	Average growth
Capital consumption	100.0	100.9	100.9	100.6	100.0	99.0	100.2	99.6	
Growth (per cent)		0.9	0.0	-0.3	-0.6	-1.0	1.1	-0.6	-0.1

Source: Office for National Statistics

Table 8

#### Social security administration: volume of inputs, 1998–2005

United Kingdom

Index 1998 = 100

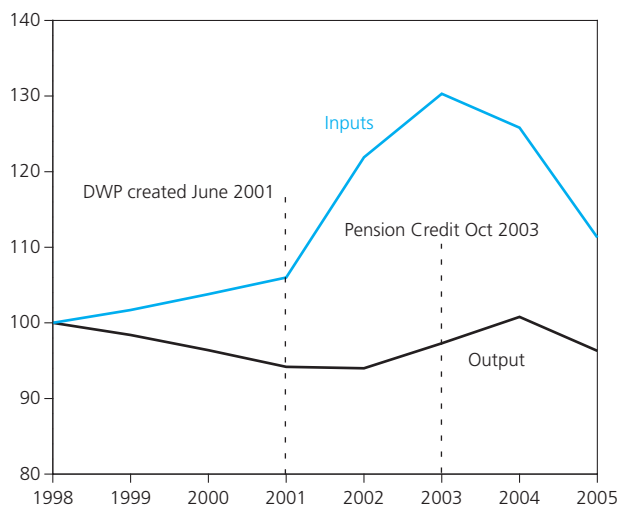
	1998	1999	2000	2001	2002	2003	2004	2005	Average growth
Volume of inputs	100.0	101.7	103.8	106.0	121.9	130.3	125.8	111.3	
Growth (per cent)		1.7	2.1	2.1	15.0	6.9	-3.4	-11.5	1.5
Contributions to growth									
Labour		-1.6	1.0	-3.2	7.5	0.2	-2.1	-0.2	0.2
Procurement		3.3	1.1	5.3	7.5	6.7	-1.3	-11.4	1.4
Capital consumption		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: Office for National Statistics

**Figure 7**  
**Social security administration output and inputs, 1998–2005**

United Kingdom

Index 1998 = 100

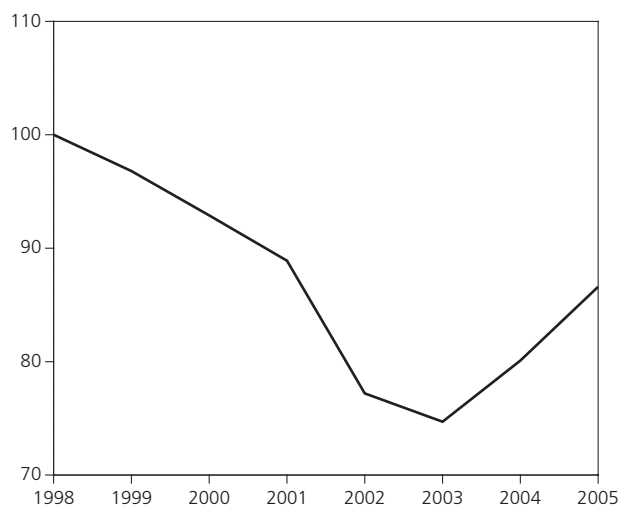


Source: Office for National Statistics

**Figure 8**  
**Social security administration productivity, 1998–2005**

United Kingdom

Index 1998 = 100



Source: Office for National Statistics

### Analysis of the growth in productivity

Between 1998 and 2001, output declined by an average of 1.9 per cent a year which, as discussed earlier, is largely the result of a decline in the number of people claiming JSA. As social security services must process all claims made and deliver benefits to all those eligible, SSA is largely demand-driven and the government agencies involved have little control over the level of their output. Inputs volumes, however, increased over this period leading to a large implied drop in productivity of, on average, 3.9 per cent a year.

After 2001, the productivity story is more complicated. Inputs volumes rose rapidly in 2002 and 2003 before falling back in 2004 and 2005. This was partly the result of expenditure associated with the setting up of DWP and the launch of extensive modernisation programmes. On the output side, there was a large but mostly temporary surge in 2003 and 2004 due to the introduction of Pension Credit. This resulted in a volatile implied productivity series in these years with growth swinging from minus 13.2 per cent in 2002 to 8.1 per cent in 2005.

It would not be surprising if there was a lag between expenditure on a modernisation programme, such as that undertaken by DWP, and any resulting efficiency gains materialising. Thus, it may be that this expenditure which has been partly responsible for the estimated productivity losses in recent years will equally lead to productivity gains in the future.<sup>15</sup>

### Triangulation

The previous section presented estimates of changes in SSA productivity over the period 1998 to 2005. This section looks at wider information to provide more context in which to view these productivity estimates. The triangulation evidence discussed covers:

- clearance times
- accuracy, and
- child and pensioner poverty rates<sup>16</sup>

#### Clearance times

DWP collects data on the average clearance times for a number of benefits. Where there are reasonable time series under consistent methodologies the data show improvements. New claims clearance times for Disability Living Allowance have fallen from 43 days in August 2000 to 36 days in August 2005, while those for Housing Benefit have fallen from about 56 days in June 2000 to 36 in June 2005. Times for Pension Credits have also improved.

#### Accuracy

DWP collect a range of accuracy statistics. Figure 9 shows how the most comprehensive of these (the performance measurement statistics) has changed over time. Accuracy has improved overall, by an average of 0.5 per cent a year, though in the latest year it declined due to a drop in Pension Credit accuracy.

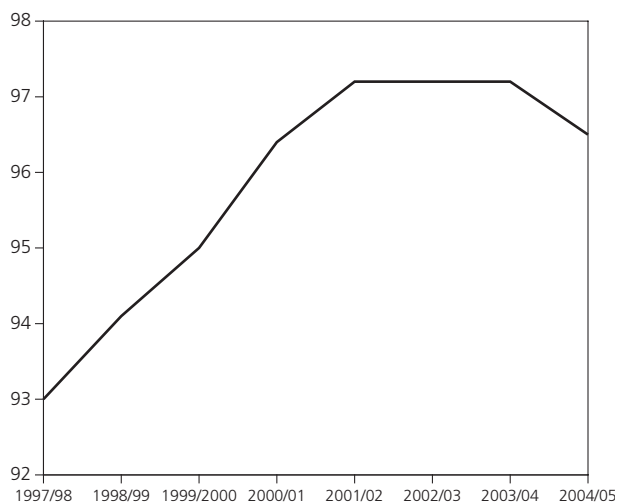
Other measures such as the 'fraud and error' statistics for JSA and Income Support have also shown improvements in recent years. For both benefits, much of this change has been due to a decrease in the level of fraud rather than claimant or staff error which have remained relatively stable. While the level of fraud will to some extent depend on external economic changes, much of this change may be attributable to the extra resources that DWP have committed to tackling fraud.



Figure 9  
Performance measurement accuracy statistics,  
1997/98–2004/05

Great Britain

Percentages



Source: Department for Work and Pensions

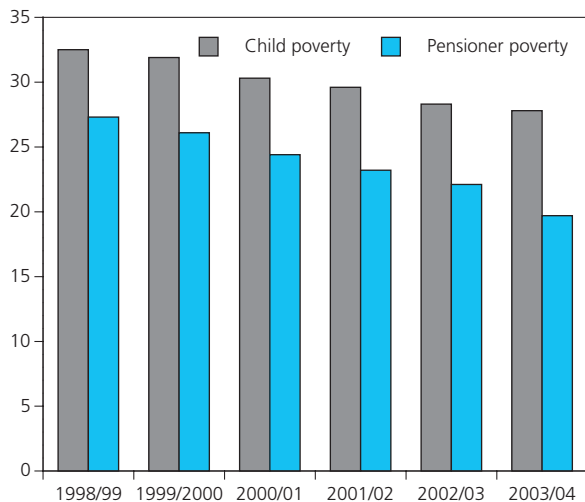
### Child and pensioner poverty

Reducing the levels of poverty, particularly for children and pensioners, is one of the main priorities of the social security system. These poverty rates will to some extent be affected by the activities associated with SSA, but they are also influenced by changes in the economy and society, as well as government activity in other areas. In particular, government activities to promote employment and tax credits will have had impacts. Figure 10 shows how rates of poverty<sup>17</sup> have declined every year from 1998/99 to 2003/04. This period coincides with the introduction of MIG in 1998 and Pension Credit in 2003, which may have influenced pensioner poverty.

Figure 10  
Child and pensioner poverty rates, 1998/99–2003/04

United Kingdom

Percentages



Source: Department for Work and Pensions

### Conclusion

In this section, we have looked at a variety of information relating to aspects of the performance of SSA which are not measured in the output measure presented earlier. This information falls a long way short of covering all aspects of performance and all possible SSA activities. However:

- the available information does suggest that accuracy is improving
- so too, where measured, are average clearance times
- in addition, key societal objectives such as reducing child and pensioner poverty are being met. However, not all of this is liable to have been due to SSA activity

Overall, the available evidence suggests that the quality of SSA has been improving. As stated earlier, the current methodology for measuring output does not take this dimension into account. Accordingly, the productivity estimates presented in the previous section must be to some extent qualified. Further work to incorporate quality changes into the output measure is a priority. This is taken up in the next section.

### Summary of findings and next steps

This article has presented a first analysis of changes in the productivity of SSA based on measures in the National Accounts. It has explained the limitations of the estimates due to the data sources, methods and assumptions used.

The main finding is a fall in productivity from 1998 to 2003 (some 25 per cent cumulatively) with sharp increases in the following two years. This performance should be interpreted in the light of the following:

- the methodology used in this article makes no allowance for changes in quality. There is some suggestion that both the accuracy and timeliness of SSA has improved. If so, this would to some extent offset falling productivity measured, as in this article, by changes in quantity alone
- the formation of DWP and its agencies has involved large one-off costs
- DWP has been engaged in a heavy modernisation programme, which will not have led to immediate increases in output and therefore have had a downward effect on productivity but which may be expected in future to lead to higher productivity

ONS will continue to work with the relevant departments to improve the accuracy of the estimates of the output, inputs and productivity of SSA. The development agenda will include:

- working to develop measures of changes in the quality of service provision, especially in terms of timeliness and accuracy
- working to improve estimates of changes in inputs by developing better deflators of labour and procurement expenditure

- investigating the possibility of improving the way that Housing and Child Benefits are measured and to include measures of the Child Support Agency and Northern Ireland Benefits Administration

Appendix A below discusses the development agenda in more detail.

## Appendix A: the future development agenda

This appendix discusses the main avenues for improving and refining the measurement of SSA output and productivity.

### Improving measures of changes in the number of claims and load

To account correctly for changes in the number of benefits administered, the output measure needs to:

- record activity levels which account for all expenditure
- measure activities at an increased level of detail, and
- accurately apply weights to costs

Overall, the current measure performs well on these criteria but there are a number of improvements that could be made.

At present, the output measure covers around 90 per cent of relevant expenditure. The remainder is largely accounted for by SSA in Northern Ireland and the Child Support Agency (CSA). In Northern Ireland, benefit delivery is similar to Great Britain, though with some differences in legislation and service delivery. ONS is discussing with colleagues in Northern Ireland ways to include this activity and with colleagues in DWP to develop measures of CSA.

To measure growth in output accurately, the indicators used should be measured at a high level of detail. Administering a social security benefit involves a number of activities and a true measure of output growth would capture changes in the levels of these individual activities (each with a corresponding weight). In the current measures, most benefits are divided into 'claims' and 'load' as these are very different types of activity, usually associated with very different costs. ONS is working with the relevant departments to produce a similar split into claims and load for Housing and Child benefits.

### Changes in the quality of social security administration

The System of National Accounts (SNA93), which governs national accounting practice worldwide, is clear that changes in quality should ideally be incorporated into output measures. Similarly, Principle B of the *Atkinson Review* states that *'the output of the government sector should in principle be measured in a way that is adjusted for quality, taking into account the attributable incremental contribution of the service to the outcome.'* In particular, the *Atkinson Review* recommends incorporating adjustments for timeliness and accuracy.

For claimants, applying for a benefit is an inconvenience which can be defined by parameters such as:

- the work needed to fill in forms
- the time spent awaiting a decision
- the possible need to appeal if the assessment of eligibility is incorrect
- the difficulties experienced when overpayments are reclaimed

Improvements in any of these service process aspects results in a reduction of inconvenience. They are therefore improvements in the quality of service provided and so should in principle be taken into account when measuring changes in output.

Other aspects of service quality are more associated with the collective purpose of the social security system. For example, activities associated with fraud detection and elimination do not benefit the fraudulent claimant (who is clearly worse off if benefits are stopped) but can contribute to an increase in the quality of the service from the perspective of society. Similarly a redesign of a benefit to better target delivery towards meeting a societal goal will not (assuming the total number of recipients does not change) produce any net benefit for the individual service recipients but can represent an improvement for society.

In the rest of this section, three potential areas of quality change are discussed: timeliness and accuracy, as recommended in the *Atkinson Review*, and an example from benefit re-design.

### Changes in the targeting or design of benefits

Benefits are sometimes re-designed to produce better societal outcomes. Such a re-design will have a number of effects:

- there may be differences in the number of people eligible for the benefit which will be captured by the measures of claims or load
- the processes associated with the benefit will affect the amount of inconvenience to the claimant and such changes should be picked up in suitable quality indicators
- the re-design may improve the impact on the societal outcomes by better targeting resources

An example may be the change from the MIG to Pension Credit which had the intention of extending payments to more pensioners with low savings and therefore to have an impact on the incidence of pensioner poverty.

The effects on the number of claimants have been large and are captured by the current output measure, as discussed earlier. Any impacts on pensioner poverty, or other quality changes, are, however, not picked up in the measure. The incidence of pensioner poverty is known and has been declining over the period studied. The question to be resolved, though, is the extent to which this is attributable to improved design.

## Timeliness

Timeliness refers to the time it takes SSA to process a benefit application or to process new information about a claim. DWP collects data on a range of timeliness indicators in terms of clearance times and backlogs. There are, though, a number of data and conceptual issues to be addressed.

Timeliness can be measured either as the average processing time or by the number of cases dealt with before a certain deadline. Average clearance times are generally preferable for use as quality indicators for the type of analysis used in this article.

Data for most benefits have tended to be measured by whether a deadline has been successfully met. However, such measures assume that beating the deadline by one day has the same benefit as beating it by a week. Also the assessment of what is a reasonable processing time<sup>18</sup> may change over time and so data are not collected on a consistent basis over time, making long-term year-on-year changes difficult to estimate.<sup>19</sup> The introduction of more standard measures from receipt to delivery may be worth investigating.

## Accuracy

For most of the activities covered in the current output measure, accuracy describes the success to which benefits recipients receive the correct amount of money to which they are entitled. Inaccuracy can arise for a number of reasons: there may be a deliberate and successful attempt to defraud the benefit system; a claimant may make mistakes in the information provided to SSA staff or fail to update their information in the light of changing circumstances; or SSA staff may make errors in the processing of the information provided.<sup>20</sup>

Inaccuracies can lead to both underpayment and overpayment of benefits. Underpayment clearly leads to losses for recipients both in the actual amount of money not received but also in the expenditure of time and effort to rectify the situation. Overpayment, if undetected, leads to losses to the benefits system but also when detected can cause difficulties to the benefit recipient when the overpayments are reclaimed.

DWP has three internal measures of accuracy which give indications of the quality of the process and are used internally as indicators of performance:

- monetary value of fraud and error, the value of incorrect payments
- performance measurement accuracy statistics, the number of cases incorrectly paid, and
- decision making and appeals checks, estimates of whether correct decisions have been made

All three measures are based on samples of cases being checked but the performance measurement statistics are the most appropriate currently available for use in quality adjusting output. The data cover the widest range of benefits and have been collected under consistent methodology over

time.

This measure of accuracy does, however, have a number of issues which will require further consideration before it can be considered for inclusion in the output measure. The first of these is coverage: data are only available for the measures of existing recipients and not for new claims and account for about 45 per cent of the SSA output measure. In addition, the measures are insensitive to the degree of inaccuracy; all inaccurate cases are treated as equal whether the payment is wrong by a penny or a pound. Additionally, the measure may be prone to perverse changes. If SSA error detection procedures or staff expertise improves previously undetected errors may come to light. This would lead to an apparent increase in the number of inaccurate cases and an implied drop in quality.

Finally, as with all quality changes, it will be necessary to consider attribution and weight. That is, the extent to which changes in accuracy are attributable to SSA activities and how much change in output a given change in accuracy gives rise to.

## Notes

1. The series of productivity articles began following a recommendation of the *Atkinson Review* (Atkinson, 2005).
2. Writing this article has benefited from the advice of a Quality Assurance Panel, whose members were: David Wroe (Chairman and member of the UKCeMGA Advisory board), Fran Bennett (University of Oxford), Prof Jonathan Bradshaw (University of York), Steve Almond (Deputy Director, UKCeMGA), Dave Barnbrook (Department for Work and Pensions), Robin Youll (Director, National Accounts, ONS), and Geoff Tily (Economist, ONS). ONS gratefully acknowledges the assistance of these individuals and takes final responsibility for the contents of this article.
3. This expenditure is defined in National Accounts terms as the general government final consumption expenditure on SSA.
4. Previously, the Office of the Deputy Prime Minister held this responsibility. The delivery of Housing Benefit is carried out by local authorities.
5. Also excluded from SSA are Tax Credits and Council Tax Benefit which, while having similar goals as SSA, are administered via the tax system.
6. ONS article *Improvements in the methodology for measuring government output* published May 2005, available at [www.statistics.gov.uk/cci/article.asp?id=1144](http://www.statistics.gov.uk/cci/article.asp?id=1144)
7. Pension Credit (PC) replaced the Minimum Income Guarantee (MIG) in October 2003. Earlier years contain MIG data.
8. The presentation of data as contributions to growth means that the sum of the components equals the total growth of the overall measure.
9. Claimants (over 60s) under MIG, people over 60 with capital assets of £12,000 or more (£16,000 or more for those in residential/care homes) were ineligible for any help. However, under PC, such people are eligible, although assets over £6,000 reduce benefits.
10. Figures 5 and 6 simply show the numbers of MIG/PC claims or load and are given to illustrate the impact of the change from MIG to PC. They are not contributions to the overall SSA series

as the numbers have not been weighted by expenditure share.

11. As the current housing and child benefit measures are not currently disaggregated into claims and load, this largely flat trend should not be considered as an accurate measure of output changes.
12. Not seasonally adjusted and excluding bonuses.
13. More discussion of DWP's modernisation projects can be found in DWP (2005), *An Analysis of DWP Productivity 1997/98 – 2007/08*.
14. Productivity estimates the extent to which inputs are being allocated to produce more output. It does not estimate whether government is getting the best prices for its inputs as price changes are removed in the deflation process.
15. Not all the benefits of the modernisation programmes would show up as productivity gains, however. Projects aimed at reducing procurement costs, for example, may save money but are additional benefits which would not show up in the productivity measure as there would be no change in input volumes.
16. DWP (2005), *An Analysis of DWP Productivity 1997/98 – 2007/08*, discusses in addition to the evidence presented here a range of other performance data.
17. Poverty is defined here as a household with an income of less than 60 per cent of the national median measured after housing costs.
18. Often, the performance against processing deadlines forms part of a Public Service Agreement target for the relevant Department or is part of the enabling legislation.
19. The benefits which have consistent time series and are published externally are presented in the triangulation section.
20. In the case of benefits such as Disability Living Allowance (DLA), there are also payments made to which the claimant is no longer eligible due to gradually improving health. This is not well described as either 'fraud' or 'error' but a reduction in these payments would still be an increase in accuracy.

## References

Atkinson A (2005) *Atkinson Review of Measurement of government output and productivity for the National Accounts: Final Report*, January 2005. Palgrave Macmillan: Basingstoke. Available via [www.statistics.gov.uk/about/data/methodology/specific/publicsector/atkinson](http://www.statistics.gov.uk/about/data/methodology/specific/publicsector/atkinson)

Office for National Statistics (2005) *Improvements in the methodology for measuring government output*, available via [www.statistics.gov.uk/cci/article.asp?id=1144](http://www.statistics.gov.uk/cci/article.asp?id=1144)

DWP (2005) *An Analysis of DWP Productivity 1997/98 – 2007/08*, available via [www.dwp.gov.uk/asd/asd5/rports2005-2006/rrep355.pdf](http://www.dwp.gov.uk/asd/asd5/rports2005-2006/rrep355.pdf)

## Glossary

**Blue Book (BB):** The short name for the annual publication of *United Kingdom National Accounts: the Blue Book*.

**Capital:** Capital assets are those which contribute to the productive process over periods longer than a year.

**Deflation:** The technique used to change figures from nominal terms (current prices) into real terms (constant prices or volume terms).

**Intermediate consumption:** The consumption of goods and services in the production process.

**Inputs:** Resources used up by SSA.

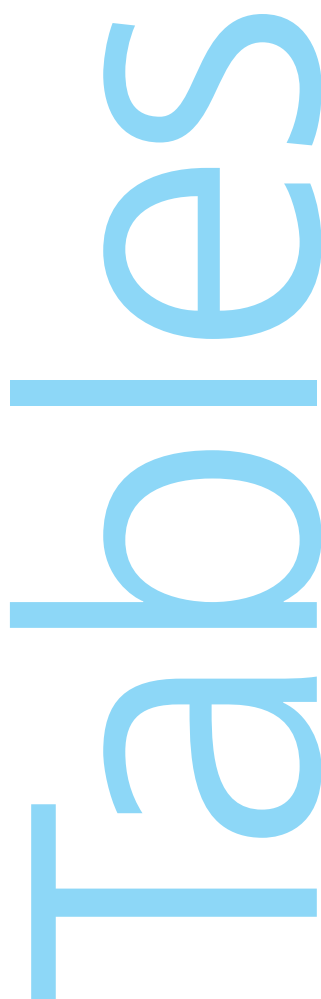
**Labour:** The people employed in SSA.

**National Accounts (NA):** The economic accounts of the nation. They detail the production processes, the sector accounts showing, for example, the income, expenditure, saving and financial transactions and balance sheets of each sector, and estimates of gross domestic product.

**Output:** What is produced (by SSA) in combining various inputs to achieve overall outcomes.

**Productivity:** Defined as the ratio of a volume measure of output to a volume measure of input.

**QA Panel:** Quality Assurance Panels set up to review UKCeMGA's productivity articles.



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## Notes to tables

### Identification codes

The four-letter identification code at the top of each data column is the ONS reference for this series of data on our database. Please quote the relevant code if you contact us requiring any further information about the data.

### Currency of data

All data in the tables and accompanying charts are current, as far as possible, to 1 September 2006.

Some data, particularly for the latest time period, are provisional and may be subject to revision in later editions.

### Geographic coverage

Statistics relate mainly to the United Kingdom. Where figures are for Great Britain only, this is shown on the table.

### Seasonal adjustments

Almost all quarterly data are seasonally adjusted; those not seasonally adjusted are indicated by the abbreviation NSA.

### Money

There is no single correct definition of money. The most widely used measures are:

#### M0

This is the narrowest measure and consists of notes and coins in circulation outside the Bank of England and bankers' operational deposits at the Bank.

#### M4

This comprises notes and coin in circulation with the public, together with all sterling deposits (including certificates of deposit) held with UK banks and building societies by the rest of the private sector.

The Bank of England also publish data for liquid assets outside M4.

### Conventions

Rounding may lead to inconsistencies between the constituent parts and the total in some tables.

A horizontal line between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. Footnotes explain the differences.

Billion denotes one thousand million.

### Symbols used

- .. not available
- nil or less than half the final digit shown
- + a series for which measures of variability are given on page 137
- † data have been revised since the last edition; the period marked is the earliest in the table to have been revised
- \* average (or total) of five weeks

## National Statistics Online

[www.statistics.gov.uk](http://www.statistics.gov.uk)

Users can download time series, cross-sectional data and metadata from across the Government Statistical Service (GSS), using the site search and index functions from the homepage. Many datasets can be downloaded, in whole or in part, and directory information for all GSS statistical resources can be consulted, including censuses, surveys, journals and enquiry services. Information is posted as PDF electronic documents, or in XLS and CSV formats, compatible with most spreadsheet packages.

### Time Series Data

The time series data facility on the website provide access to around 40,000 time series, of primarily macro-economic data, drawn from the main tables in our major economic and labour market publications. Users can download complete releases or view and download customised selections of individual time series.

Complete copies of *Economic Trends* can be downloaded from the following webpage:

[www.statistics.gov.uk/statbase/product.asp?vlnk=308](http://www.statistics.gov.uk/statbase/product.asp?vlnk=308)

# 1.1 Selected monthly indicators<sup>1</sup>

Seasonally adjusted unless otherwise stated

		2005	2005	2005	2005	2006	2006	2006	2006	2006	2006	2006	2006	2006
		2005	2005	2005	2005	2006	2006	2006	2006	2006	2006	2006	2006	2006
		Q3	Q4	Q1	Q2	Jan	Feb	Mar	Apr	May	Jun	Jul		
<b>Output - chained volume measures (CVM)</b> (2003 = 100 unless otherwise stated)														
Gross value added at basic prices (2.1, 2.8)	CGCE	105.2	..	105.4	106.1	106.9	107.7	..	..	..	..	..	..	..
Industrial production (2.8, 5.1)	CKYW	99.0	..	98.7	98.0	98.8	98.6 <sup>†</sup>	98.8	98.4	99.1	98.5	98.7 <sup>†</sup>	98.6	..
Oil and gas extraction (5.1)	CKZO	82.7	..	79.0	79.3	79.7	76.1	81.3	79.3	78.5	77.8 <sup>†</sup>	76.4	74.0	..
Manufacturing (2.8, 5.1)	CKYY	100.9	..	101.1	100.2	101.1	101.7 <sup>†</sup>	100.9	100.8	101.5	101.3 <sup>†</sup>	101.8	102.0	..
Construction (2.8)	GDQB	105.4	..	104.8	104.5	105.4	105.9 <sup>†</sup>	..	..	..	..	..	..	..
Car production (thousands) (5.3)	FFAO	133.0	..	135.5	127.8	124.3	124.3 <sup>†</sup>	121.1	124.5	127.2	127.3	122.4 <sup>†</sup>	123.2	119.2
<b>Domestic demand</b>														
Retail sales volume (2000 = 100) (5.8)	EAPS	125.8 <sup>†</sup>	..	125.7	127.8 <sup>†</sup>	127.1	129.7	126.6 <sup>†</sup>	126.9	127.8	128.7	129.6	130.5	130.2
GB new registrations of cars ('000s) <sup>2</sup> (5.8)	BCGT	2 443.3	..	677.1	473.9	661.7	..	154.0	74.8	432.9	..	..	..	..
Manufacturing: change in inventories (£m CVM, reference year 2003) (5.6)	DHBM	740	..	-109	509	410	-45	..	..	..	..	..	..	..
<b>Prices (12 monthly % change)</b> <b>and earnings (3 month average)</b>														
Consumer prices index <sup>2</sup> (3.1)	D7G7	2.1	..	2.4	2.1	1.9	2.3	1.9	2.0	1.8	2.0	2.2	2.5	2.4
Retail prices index <sup>2</sup> (3.1)	CZBH	2.8	..	2.8	2.4	2.4	3.0	2.4	2.4	2.4	2.6	3.0	3.3	3.3
Retail prices index <sup>2</sup> (less MIPS) <sup>3</sup> (3.1)	CDKQ	2.3	..	2.4	2.3	2.2	2.8	2.3	2.3	2.1	2.4	2.9	3.1	3.1
Producer output prices (less FBTP) <sup>4</sup>	EUA	2.1	..	2.1 <sup>†</sup>	1.5	1.9	2.4	1.7	1.9	2.0	2.1 <sup>†</sup>	2.4	2.8	2.5
Producer input prices <sup>5</sup>	EUAB	11.8	..	12.9	13.6	14.4	13.5 <sup>†</sup>	15.0	15.0	13.1	15.1 <sup>†</sup>	13.9	11.5	9.6
GB average earnings - whole economy <sup>6</sup> (4.6)	LNNC	..	..	4.1	3.6	4.2	4.3	3.5	4.1	4.2	4.3 <sup>†</sup>	4.1	4.3	..
<b>Foreign trade<sup>7</sup></b> (2003 = 100 volumes unless otherwise stated)														
UK balance on trade in goods (£ million) (2.13)	BOKI	-67 298	..	-17 766	-17 899	-19 602	-19 021	-6 713	-7 181	-5 708	-5 575 <sup>†</sup>	-6 983	-6 463	..
Non-EU balance on trade in goods (£ million)	LGDT	-31 250	..	-8 302	-8 650	-10 085	-10 107	-3 825	-3 472	-2 788	-3 359 <sup>†</sup>	-3 603	-3 145	..
Non-EU exports of goods (excl oil & erratics)	SHDJ	119.8	..	123.1	126.2	128.4	122.5	122.9	128.7	133.7	120.6 <sup>†</sup>	120.0	126.9	..
Non-EU imports of goods (excl oil & erratics)	SHED	116.8	..	115.9	120.3	124.2	125.1	119.8	128.4	124.4	126.3 <sup>†</sup>	122.7	126.2	..
Non-EU imports price index (excl oil)	LKWQ	101.2	..	102.2	103.6	104.8	103.9	103.9	105.1	105.3	105.4 <sup>†</sup>	102.9	103.5	..
Non-EU exports price index (excl oil)	LKVX	100.6	..	100.9	101.8	102.8	102.7	102.1	102.9	103.3	103.4	102.1 <sup>†</sup>	102.6	..
<b>Labour market and productivity</b> (2003 = 100 unless otherwise stated)														
UK claimant unemployment (thousands) (4.4)	BCJD	861.8	..	871.6	900.1	922.6	950.3 <sup>†</sup>	905.1	925.0	937.8	945.1	950.7	955.0 <sup>†</sup>	957.0
UK employees in manufacturing (thousands) (4.4)	YEJA	3 132 3 040	..	3 106	3 081	3 049	3 040	3 065	3 057	3 049	3 048	3 043	3 040	..
Whole economy productivity <sup>8</sup> (4.7)	LNNN	103.5	..	103.4	104.1	104.8	..	..	..	..	..	..	..	..
Manufacturing productivity <sup>8</sup> (4.7)	LNNX	109.0	..	109.7	109.4	111.5	112.6	111.0	111.1	112.3	112.0	112.7 <sup>†</sup>	113.2	..
Unit wage costs - whole economy (4.7)	LNNK	103.9	..	104.1	104.8	105.3	..	..	..	..	..	..	..	..
Unit wage costs - manufacturing (4.7)	LNNQ	98.6	..	98.4	99.9	99.8	99.8	99.5	100.2	99.7	100.4	99.3 <sup>†</sup>	99.7	..
<b>Financial markets<sup>2</sup></b>														
Sterling ERI (1990=100) (6.1)	AGBG	103.3	..	102.9	103.2	102.5	..	102.7	102.8	102.1	101.9	104.1	..	..
Average exchange rate /US \$ (6.1)	AUSS	1.8197 <sup>†</sup>	..	1.7844 <sup>†</sup>	1.7481	1.7528	1.8272	1.7678	1.7470	1.7435	1.7685	1.8702	1.8428	1.8447
Average exchange rate /Euro <sup>9</sup> (6.1)	THAP	1.4629	..	1.4635	1.4706	1.4570	1.4540	1.4582	1.4637	1.4500	1.4402	1.4637	1.4560	1.4540
3 month inter-bank rate <sup>10</sup> (6.8)	HSAJ	4.57	..	4.52	4.57	4.54	4.71	4.52	4.51	4.54	4.60	4.66	4.71	4.73
3 month US Treasury bills rate <sup>11</sup> (6.8)	LUST	3.92	..	3.47	3.92	4.52	4.88	4.37	4.51	4.52	4.66	4.74	4.88	4.97
<b>Monetary conditions/government finances</b>														
M0 (year on year percentage growth) (6.2)	VQMX	5.1	..	5.4	5.2	6.5	..	6.6	6.2	6.7	7.5	..	..	..
M4 (year on year percentage growth) (6.2)	VQJW	11.4	..	11.6	12.8	12.4	13.7	12.2	12.4	12.2	13.0	11.7	13.5	..
Public sector net borrowing (£ million) <sup>2</sup> (6.5)	-ANNX	37 009 <sup>†</sup>	..	7 077 <sup>†</sup>	16 440	-1 895	16 233	-10 963 <sup>†</sup>	2 021	8 961	-550	9 752	7 031	-6 250
Net lending to consumers (£ million)(broader) (5.8)	RLMH	19 603 <sup>†</sup>	..	4 223	3 833	3 416 <sup>†</sup>	3 198	1 374 <sup>†</sup>	1 480	661	1 014	1 293	833	1 122

		2005	2005	2005	2005	2005	2006	2006	2006	2006	2006	2006	2006	2006
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
<b>Activity and expectations</b>														
CBI output expectations balance <sup>2</sup>	ETCU	3	6	2	-4	-4	1	10	13	12	10	14	14	11
CBI optimism balance <sup>2</sup>	ETBV	..	..	-21	..	..	-14	..	..	-2	..	..	..	..
CBI price expectations balance	ETDQ	-7	-5	-3	-1	-1	5	4	8	9	1	10	10	14
New engineering orders (2000 = 100) (5.2)	JIQH	86.2	79.9	78.0	77.2	79.9	73.0	83.8	72.8	80.5 <sup>†</sup>	79.8	79.9	..	..

1 Numbers in brackets after series' titles refer to tables in which they appear.

2 Not seasonally adjusted.

3 MIPS: mortgage interest payments.

4 FBTP: food, beverages, tobacco and petroleum.

5 Includes the climate change levy introduced in April 2001, and the aggregates levy introduced in April 2002.

6 The three-month average is the percentage change in the average seasonally adjusted indices for the latest three months compared with the same period a year earlier.

7 All non-EU figures exclude Austria, Finland and Sweden.

8 Output per filled job.

9 Before January 1999, a synthetic Euro has been calculated by geometrically averaging the bilateral exchange rate of the 11 Euro-area countries using "internal weights" based on each country's share of the extra Euro-area trade.

10 Last Friday of the period.

11 Last working day.



## 2.1 National accounts aggregates

	£ million		Indices (2003 = 100)						
	At current prices		Value indices at current prices		Chained volume indices			Implied deflators <sup>3</sup>	
	Gross domestic product at market prices	Gross value added at basic prices	Gross domestic product at market prices <sup>1</sup>	Gross value added at basic prices	Gross domestic product at market prices	Gross value added at basic prices+	Gross national disposable income at market prices <sup>2</sup>	Gross domestic product at market prices	Gross value added at basic prices
	YBHA	ABML	YBEU	YBEX	YBEZ	CGCE	YBFP	YBGB	CGBV
2001	996 987	882 753	89.8	89.6	95.4	95.7	93.8	94.1	93.6
2002	1 048 767	930 297	94.5	94.4	97.4	97.4	97.2	97.0	96.9
2003	1 110 296	985 558	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2004	1 176 527	1 044 165	106.0	105.9	103.3	103.3	103.4	102.6	102.6
2005	1 224 715	1 086 859	110.3	110.3	105.2	105.2	104.7	104.9	104.8
2001 Q1	246 345	217 972	88.7	88.5	95.0	95.4	93.2	93.4	92.7
Q2	248 058	219 362	89.4	89.0	95.1	95.4	93.4	94.0	93.3
Q3	249 447	220 955	89.9	89.7	95.7	95.9	94.5	93.9	93.5
Q4	253 137	224 464	91.2	91.1	96.0	96.1	94.2	95.0	94.8
2002 Q1	257 368	228 051	92.7	92.6	96.5	96.6	95.9	96.1	95.8
Q2	261 028	231 626	94.0	94.0	97.1	97.0	96.3	96.9	96.9
Q3	264 049	234 316	95.1	95.1	97.8	97.7	98.4	97.3	97.3
Q4	266 322	236 304	95.9	95.9	98.3	98.2	98.3	97.6	97.6
2003 Q1	270 918	240 577	97.6	97.6	98.8	98.8	99.4	98.8	98.8
Q2	275 130	244 438	99.1	99.2	99.3	99.3	98.9	99.8	99.9
Q3	280 024	248 520	100.9	100.9	100.4	100.4	100.0	100.5	100.5
Q4	284 224	252 023	102.4	102.3	101.5	101.6	101.7	100.9	100.7
2004 Q1	286 975	254 169	103.4	103.2	102.2	102.2	101.9	101.1	100.9
Q2	293 120	260 148	105.6	105.6	103.1	103.2	103.2	102.4	102.4
Q3	295 998	262 789	106.6	106.7	103.5	103.5	103.0	103.0	103.0
Q4	300 434	267 059	108.2	108.4	104.1	104.2	105.4	103.9	104.0
2005 Q1	301 181	267 335	108.5	108.5	104.4	104.5	104.6	104.0	103.9
Q2	304 412	270 116	109.7	109.6	104.9	105.0	105.8	104.5	104.4
Q3	306 376	271 366	110.4	110.1	105.4	105.4	103.8	104.8	104.5
Q4	312 746	278 042	112.7	112.8	106.0	106.1	104.7	106.2	106.4
2006 Q1	315 717	280 405	113.7	113.8	106.8 <sup>†</sup>	106.9	106.0	106.5	106.5
Q2	322 743	286 679	116.3	116.4	107.6 <sup>†</sup>	107.7	..	108.0	108.1
Percentage change, quarter on corresponding quarter of previous year <sup>4</sup>									
2001 Q1	5.0	5.3	5.0	5.3	2.9	3.0	3.3	2.1	2.3
Q2	4.6	5.0	4.6	5.0	2.2	2.1	3.1	2.3	2.8
Q3	4.1	4.5	4.1	4.5	2.3	1.9	3.0	1.8	2.5
Q4	4.7	5.1	4.7	5.1	2.0	1.5	3.8	2.6	3.6
2002 Q1	4.5	4.6	4.5	4.6	1.6	1.2	3.0	2.8	3.4
Q2	5.2	5.6	5.2	5.6	2.1	1.7	3.1	3.1	3.9
Q3	5.9	6.0	5.9	6.0	2.2	1.9	4.2	3.6	4.0
Q4	5.2	5.3	5.2	5.3	2.3	2.3	4.3	2.8	3.0
2003 Q1	5.3	5.5	5.3	5.5	2.3	2.3	3.7	2.9	3.2
Q2	5.4	5.5	5.4	5.5	2.3	2.3	2.6	3.0	3.1
Q3	6.1	6.1	6.1	6.1	2.7	2.7	1.6	3.2	3.2
Q4	6.7	6.7	6.7	6.7	3.3	3.4	3.5	3.3	3.2
2004 Q1	5.9	5.6	5.9	5.6	3.5	3.5	2.5	2.3	2.1
Q2	6.5	6.4	6.5	6.4	3.8	3.9	4.4	2.6	2.4
Q3	5.7	5.7	5.7	5.7	3.1	3.1	3.0	2.5	2.5
Q4	5.7	6.0	5.7	6.0	2.6	2.6	3.7	3.0	3.3
2005 Q1	5.0	5.2	5.0	5.2	2.1	2.2	2.6	2.8	2.9
Q2	3.9	3.8	3.9	3.8	1.7	1.8	2.5	2.1	2.0
Q3	3.5	3.3	3.5	3.3	1.8	1.8	0.8	1.7	1.4
Q4	4.1	4.1	4.1	4.1	1.8	1.8	-0.7	2.2	2.2
2006 Q1	4.8	4.9	4.8	4.9	2.3	2.3	1.4	2.4	2.5
Q2	6.0	6.1	6.0	6.1	2.6	2.5	..	..	3.5

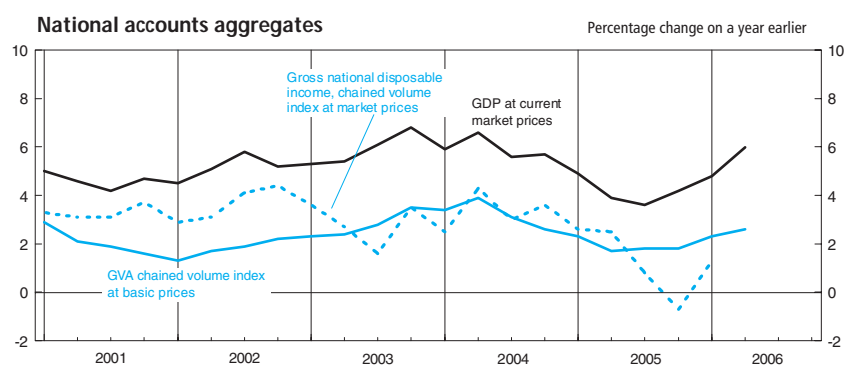
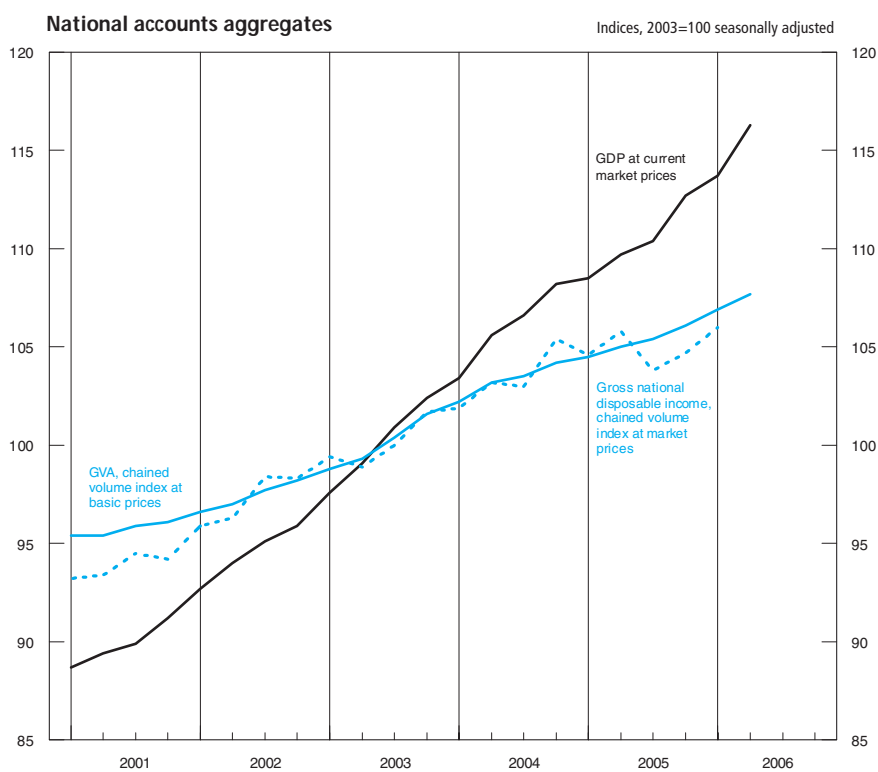
1 "Money GDP".

2 This series is only updated once a quarter, in line with the full quarterly national accounts dataset.

3 Based on chained volume measures and current price estimates of expenditure components of GDP.

4 For index number series, these are derived from less rounded figures than those shown in the table.

Source: Office for National Statistics; Enquiries: 020 7533 6031



## 2.2 Gross domestic product: by category of expenditure

### Chained volume measures<sup>1</sup>

Reference year 2003, £ million

Domestic expenditure on goods and services at market prices												
	Final consumption expenditure			Gross capital formation			Total	Exports of goods and services+	Gross final expenditure	Imports of goods and services+ <i>less</i>	Statistical discrepancy (expenditure)	Gross domestic product at market prices
	Households	Non-profit institutions <sup>2</sup>	General government	Gross fixed capital formation+	Changes in inventories <sup>3</sup>	Acquisitions less disposals of valuables						
	ABJR	HAYO	NMRY	NPQT	CAFU	NPJR	YBIM	IKBK	ABMG	IKBL	GIXS	ABMI
2001	653 326	27 155	217 359	171 639	5 577	342	1 075 760	277 694	1 353 632	294 449	–	1 059 648
2002	676 833	27 130	224 868	178 066	2 289	183	1 109 596	280 593	1 390 217	308 706	–	1 081 469
2003	697 160	27 185	232 699	178 751	3 983	–37	1 139 741	285 397	1 425 138	314 842	–	1 110 296
2004	721 434	27 327	240 129	189 492	4 597	–42	1 182 937	299 289	1 482 225	335 703	–	1 146 523
2005	731 143	28 244	246 465	195 118	3 261	–353	1 203 878	318 641	1 522 519	355 619	893	1 167 792
2001 Q1	161 204	6 873	53 609	42 555	1 643	–26	265 928	71 295	337 389	73 841	–	263 631
Q2	162 333	6 788	53 894	43 242	1 802	202	268 431	69 333	337 813	73 937	–	263 935
Q3	164 239	6 762	54 600	43 357	1 743	30	270 836	67 921	338 708	73 327	–	265 519
Q4	165 550	6 732	55 256	42 485	389	136	270 565	69 145	339 722	73 344	–	266 563
2002 Q1	167 588	6 762	55 756	42 927	1 047	66	274 166	69 440	343 608	75 709	–	267 948
Q2	168 803	6 756	56 288	43 981	385	48	276 273	71 533	347 850	78 367	–	269 392
Q3	169 715	6 793	56 429	44 765	511	62	278 337	71 056	349 422	78 006	–	271 368
Q4	170 727	6 819	56 395	46 393	346	7	280 820	68 564	349 337	76 624	–	272 761
2003 Q1	171 828	6 843	57 099	44 934	–571	–8	280 285	72 662	352 958	78 836	–	274 119
Q2	174 146	6 779	57 684	44 161	–644	94	282 367	70 611	352 971	77 283	–	275 712
Q3	175 140	6 790	58 445	43 924	2 264	–68	286 503	70 334	356 830	78 089	–	278 748
Q4	176 046	6 773	59 471	45 732	2 934	–55	290 586	71 790	362 379	80 634	–	281 717
2004 Q1	178 197	6 830	59 969	47 256	–381	112	291 983	73 389	365 373	81 648	–	283 725
Q2	180 362	6 805	59 530	47 102	1 050	–90	294 759	74 861	369 620	83 313	–	286 307
Q3	181 032	6 826	60 002	47 813	1 025	–96	296 603	75 097	371 700	84 300	–	287 400
Q4	181 843	6 866	60 628	47 321	2 903	32	299 592	75 942	375 532	86 442	–	289 091
2005 Q1	181 980	6 957	60 911	48 171	1 692	–158	299 554	75 808	375 361	85 816	172	289 718
Q2	182 287	7 020	61 532	47 750	519	86	299 193	79 871	379 065	88 008	216	291 273
Q3	182 748	7 104	61 954	49 306	1 108	–201	302 019	80 224	382 243	90 052	244	292 435
Q4	184 128	7 163	62 068	49 891	–58	–80	303 112	82 738	385 850	91 743	261	294 366
2006 Q1	184 731	7 241	62 161	50 568	1 617	–128	306 191	87 097	393 288	96 998	227	296 517 <sup>†</sup>
Q2	186 614	7 247	62 763	51 007	938	233	308 802	90 942	399 744	101 219	229	298 754 <sup>†</sup>
Percentage change, quarter on corresponding quarter of previous year												
2001 Q1	2.1	3.9	1.8	3.0			2.8	9.7	4.3	9.0		2.9
Q2	2.9	0.6	1.6	5.4			3.2	3.0	3.1	6.1		2.2
Q3	3.4	–1.6	2.8	3.6			3.0	1.0	2.6	3.6		2.3
Q4	4.0	–3.0	3.3	–1.8			2.7	–1.6	1.7	0.7		2.0
2002 Q1	4.0	–1.6	4.0	0.9			3.1	–2.6	1.8	2.5		1.6
Q2	4.0	–0.5	4.4	1.7			2.9	3.2	3.0	6.0		2.1
Q3	3.3	0.5	3.3	3.2			2.8	4.6	3.2	6.4		2.2
Q4	3.1	1.3	2.1	9.2			3.8	–0.8	2.8	4.5		2.3
2003 Q1	2.5	1.2	2.4	4.7			2.2	4.6	2.7	4.1		2.3
Q2	3.2	0.3	2.5	0.4			2.2	–1.3	1.5	–1.4		2.3
Q3	3.2	0.0	3.6	–1.9			2.9	–1.0	2.1	0.1		2.7
Q4	3.1	–0.7	5.5	–1.4			3.5	4.7	3.7	5.2		3.3
2004 Q1	3.7	–0.2	5.0	5.2			4.2	1.0	3.5	3.6		3.5
Q2	3.6	0.4	3.2	6.7			4.4	6.0	4.7	7.8		3.8
Q3	3.4	0.5	2.7	8.9			3.5	6.8	4.2	8.0		3.1
Q4	3.3	1.4	1.9	3.5			3.1	5.8	3.6	7.2		2.6
2005 Q1	2.1	1.9	1.6	1.9			2.6	3.3	2.7	5.1		2.1
Q2	1.1	3.2	3.4	1.4			1.5	6.7	2.6	5.6		1.7
Q3	0.9	4.1	3.3	3.1			1.8	6.8	2.8	6.8		1.8
Q4	1.3	4.3	2.4	5.4			1.2	8.9	2.7	6.1		1.8
2006 Q1	1.5	4.1	2.1	5.0			2.2	14.9	4.8	13.0		2.3
Q2	2.4	3.2	2.0	6.8			3.2	13.9	5.5	15.0		2.6

1 Although estimates are given to the nearest £ million, they cannot be regarded as accurate to this degree.

2 Non-profit institutions serving households (NPISH).

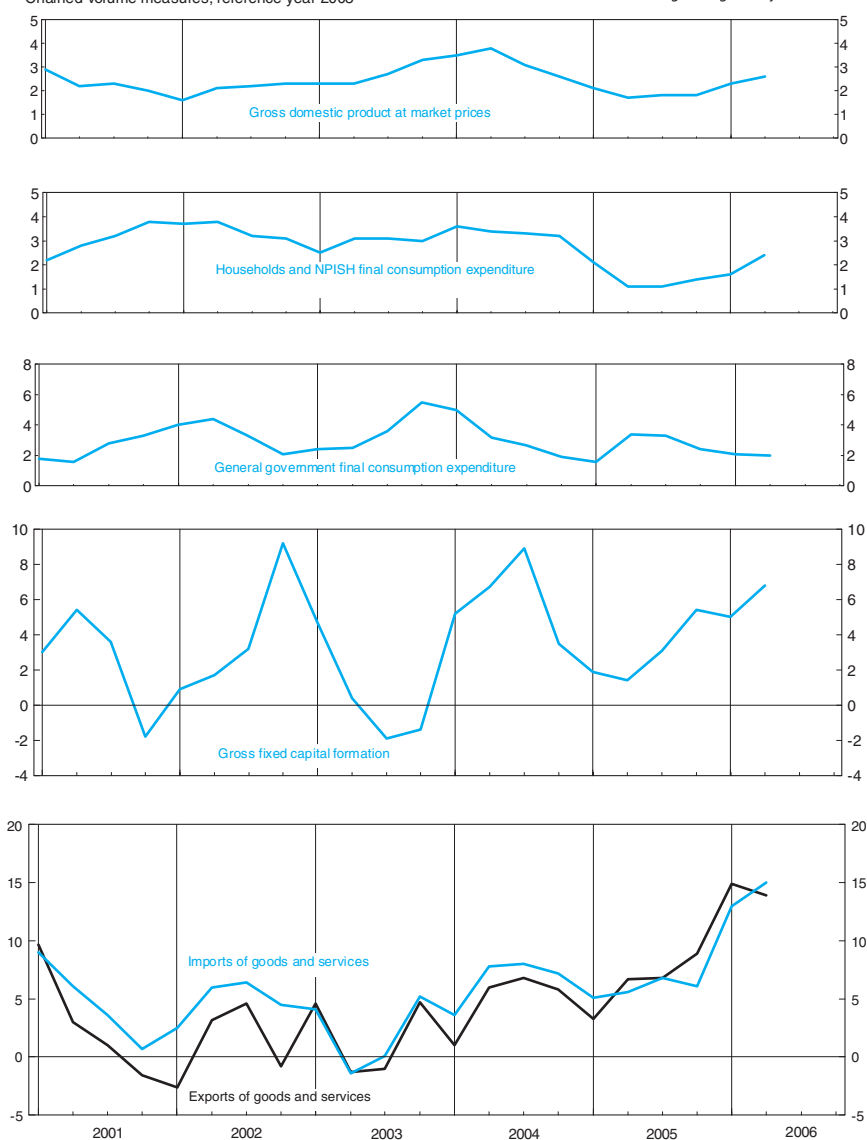
3 This series includes a quarterly alignment adjustment.

Source: Office for National Statistics; Enquiries: 020 7533 6031

### Gross domestic product: by category of expenditure

Chained volume measures, reference year 2003

Percentage change on a year earlier



## 2.3 Gross domestic product and shares of income and expenditure

£ million and percentages

	Gross domestic product at market prices (£ million) <sup>1</sup>	Gross final expenditure (£ million)	Percentage share of gross final expenditure				Percentage share of GDP by category of income				
			Final consumption expenditure		Exports of goods and services	Gross operating surplus	Corporations <sup>2</sup>	Other <sup>3</sup>	Compensation of employees	Mixed income	Taxes on production and imports
			Household and NPISH	General government							
	YBHA	ABMF	IHXI	IHXJ	IHXK	IHXL	IHXM	IHXO	IHXP	IHXQ	IHXR
2002	1 048 767	1 356 153	50.9	15.6	13.0	20.4	21.8	3.0	56.0	6.3	12.9
2003	1 110 296	1 425 138	50.8	16.3	12.8	20.0	22.5	3.0	55.6	6.2	12.7
2004	1 176 527	1 510 196	50.4	16.6	13.2	19.8	23.1	2.9	55.2	6.1	12.7
2005	1 224 715	1 590 317	49.8	16.8	13.1	20.3	22.3	3.2	55.9	6.2	12.5
2002 Q1	257 368	333 269	51.1	15.5	12.8	20.5	21.8	2.9	55.9	6.3	13.0
Q2	261 028	339 504	50.6	15.6	12.8	20.9	21.4	3.5	56.0	6.3	12.9
Q3	264 049	341 212	50.7	15.7	13.1	20.5	22.1	2.9	55.9	6.3	12.8
Q4	266 322	342 168	51.2	15.8	13.4	19.6	21.9	2.8	56.2	6.2	12.8
2003 Q1	270 918	349 581	50.8	16.0	12.4	20.7	22.7	2.7	55.7	6.3	12.7
Q2	275 130	352 412	51.2	16.4	12.4	20.1	22.3	3.3	55.5	6.2	12.7
Q3	280 024	358 445	50.9	16.4	13.0	19.8	22.7	2.8	55.6	6.2	12.7
Q4	284 224	364 700	50.5	16.5	13.5	19.6	22.3	3.3	55.5	6.2	12.8
2004 Q1	286 975	366 948	51.0	16.6	12.8	19.6	22.3	3.1	55.5	6.2	12.9
Q2	293 120	375 557	50.5	16.6	13.2	19.7	23.4	3.0	54.9	6.1	12.7
Q3	295 998	380 222	50.3	16.6	13.3	19.8	23.2	3.1	55.0	6.1	12.7
Q4	300 434	387 469	49.8	16.6	13.5	20.0	23.6	2.5	55.2	6.1	12.5
2005 Q1	301 181	388 071	50.2	16.8	13.2	19.8	22.5	3.2	55.7	6.2	12.5
Q2	304 412	393 944	49.9	16.7	13.0	20.4	22.3	3.3	55.8	6.2	12.5
Q3	306 376	399 795	49.7	16.9	13.4	20.0	21.6	3.4	56.1	6.3	12.7
Q4	312 746	408 507	49.3	16.9	13.0	20.8	22.7	2.9	56.0	6.2	12.3
2006 Q1	315 717	418 317	48.5	16.7	13.2	21.6	22.0	2.8	56.6	6.2	12.4
Q2	322 743	429 208	..	..	..	..	..	..	..	..	..

1 "Money GDP".

2 Non-financial and financial corporations.

3 Gross operating surplus of general government, and households and NPISH plus the adjustment for financial services.

Source: Office for National Statistics; Enquiries: 020 7533 6031

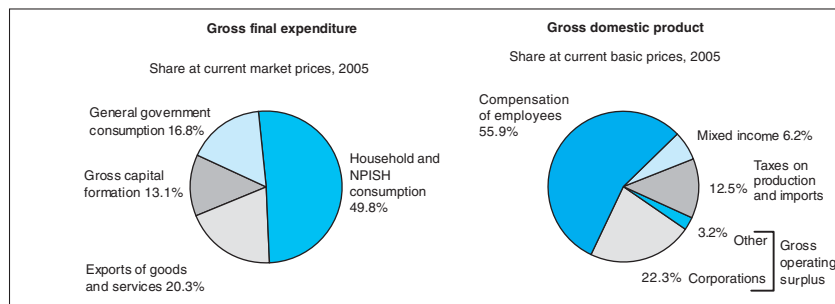
## 2.4 Income, product and spending per head

£

	At current prices				Chained volume measures (reference year 2003)		
	Gross national income at market prices	Gross domestic product at market prices	Household and NPISH final consumption expenditure	Households' gross disposable income	Gross domestic product at market prices	Household and NPISH final consumption expenditure	Real households' disposable income
	IHXS	IHXT	IHXU	IHXV	IHXW	IHXX	IHXZ
2002	18 034	17 679	11 641	11 952	18 231	11 866	12 184
2003	19 024	18 643	12 163	12 433	18 642	12 163	12 433
2004	20 089	19 663	12 726	12 796	19 162	12 515	12 583
2005	20 817	20 338	13 140	13 300	19 393	12 610	12 764
2002 Q1	4 420	4 345	2 874	2 957	4 523	2 943	3 028
Q2	4 457	4 403	2 900	2 988	4 544	2 961	3 051
Q3	4 568	4 449	2 918	2 996	4 573	2 974	3 054
Q4	4 589	4 482	2 949	3 011	4 591	2 988	3 051
2003 Q1	4 680	4 554	2 986	3 078	4 608	3 004	3 096
Q2	4 696	4 621	3 028	3 100	4 630	3 039	3 111
Q3	4 768	4 700	3 060	3 097	4 678	3 053	3 090
Q4	4 880	4 768	3 089	3 158	4 726	3 067	3 136
2004 Q1	4 899	4 806	3 134	3 176	4 752	3 099	3 140
Q2	5 006	4 903	3 175	3 180	4 789	3 131	3 136
Q3	5 022	4 944	3 197	3 217	4 800	3 138	3 157
Q4	5 162	5 010	3 220	3 223	4 821	3 147	3 150
2005 Q1	5 148	5 014	3 244	3 267	4 823	3 145	3 168
Q2	5 226	5 059	3 264	3 305	4 841	3 146	3 185
Q3	5 185	5 083	3 295	3 345	4 852	3 150	3 198
Q4	5 258	5 182	3 337	3 383	4 877	3 169	3 213
2006 Q1	5 345	5 224	3 360	3 400	4 907	3 177	3 215

Source: Office for National Statistics; Enquiries: 020 7533 6031

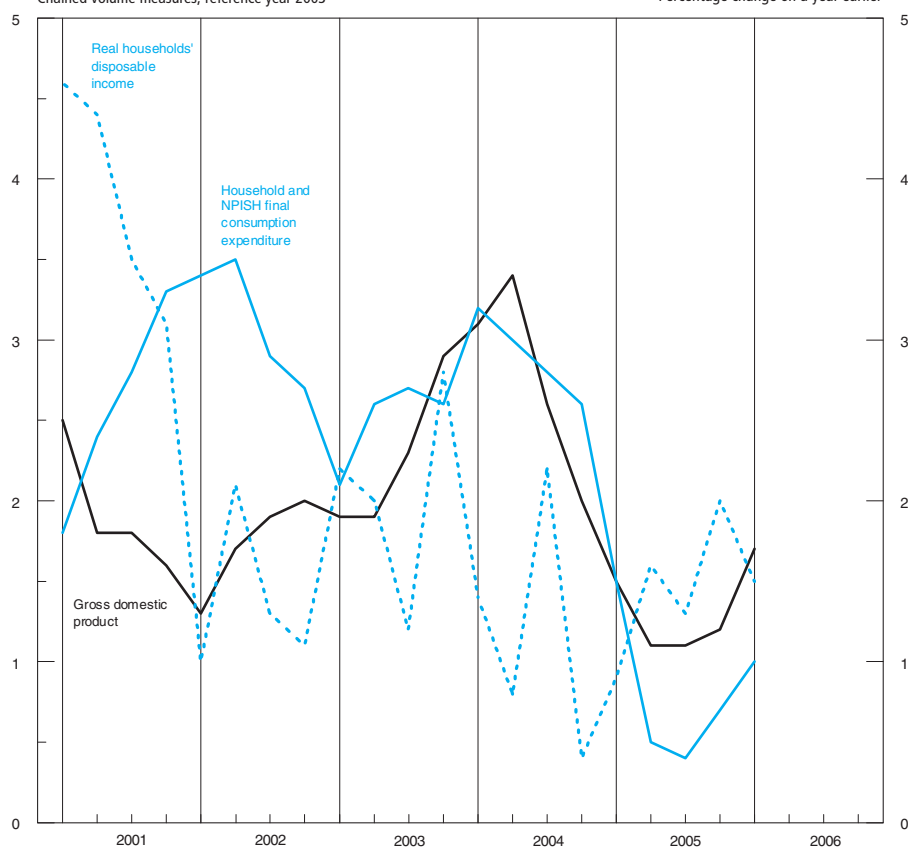
## Shares of income and expenditure



## Income, product and spending per head

Chained volume measures, reference year 2003

Percentage change on a year earlier





## 2.5 Households' disposable income and consumption

	£ million, current prices						£ million, chained volume measures (reference year 2003)			
	Households' income before tax		Gross households' disposable income <sup>2</sup>	Adjustment for the change in net equity of households in pension funds	Total available households' resources	Households' final consumption expenditure	Households' saving ratio <sup>3</sup> (per cent)+	Real households' disposable income <sup>4</sup> +	Household final consumption expenditure+	Real households' disposable income (index 2003=100)
	Total	of which: Wages and salaries								
	RPHP	ROYJ	RPHQ	RPQJ	RPQK	RPQM	NRJS	NRJR	NPSP	OSXS
2003	1 064 739	527 689	740 389	21 377	761 766	724 345	4.9	740 389	724 345	100.0
2004	1 112 081	550 654	765 683	25 108	790 791	761 484	3.7	752 890	748 761	101.7
2005	1 180 770	576 528	800 915	30 111	831 026	791 302	4.8	768 612	759 387	103.8
2003 Q1	260 622	129 933	183 076	5 107	188 183	177 616	5.6	184 156	178 667	99.5
Q2	265 011	131 181	184 564	4 035	188 599	180 286	4.4	185 216	180 926	100.1
Q3	267 111	132 790	184 502	6 086	190 588	182 339	4.3	184 087	181 932	99.5
Q4	271 995	133 785	188 247	6 149	194 396	184 104	5.3	186 930	182 820	101.0
2004 Q1	273 748	134 980	189 655	6 273	195 928	187 158	4.5	187 493	185 027	101.3
Q2	275 548	136 807	190 116	5 788	195 904	189 804	3.1	187 472	187 167	101.3
Q3	279 257	138 323	192 615	5 892	198 507	191 410	3.6	189 038	187 858	102.1
Q4	283 528	140 544	193 297	7 155	200 452	193 112	3.7	188 887	188 709	102.0
2005 Q1	288 680	141 991	196 222	7 054	203 276	194 860	4.1	190 261	188 937	102.8
Q2	293 935	143 361	198 894	7 042	205 936	196 435	4.6	191 681	189 307	103.6
Q3	297 761	144 785	201 613	7 382	208 995	198 615	5.0	192 722	189 852	104.1
Q4	300 394	146 391	204 186	8 633	212 819	201 392	5.4	193 948	191 291	104.8
2006 Q1	306 665	148 114	205 514	10 394	215 908	203 044	6.0	194 307	191 972	105.0
Q2	..	..	..	..	..	206 622	..	..	193 861	..

1 All households series also include non-profit institutions serving households (NPISH).

2 Total household income less payments of income tax and other taxes, social contributions and other current transfers.

3 Households' saving as a percentage of total available households' resources.

4 Gross household disposable income revalued by the implied household and NPISH final consumption expenditure deflator (2003 = 100).

Sources: Office for National Statistics; Enquiries: Columns 1-5, 7, 8, 10 020 7533 6005; Columns 6, 9 020 7533 5999

## 2.6 Household final consumption expenditure, by purpose<sup>1,2</sup>

Chained volume measures

£ million, reference year 2003

	UK national <sup>3</sup>														
	UK domestic <sup>4</sup>														
	Total	Net tourism	Total	Food and drink	Alcohol and tobacco	Clothing and footwear	Housing	Household goods and services	Health	Transport	Communication	Recreation and culture	Education	Restaurants and hotels	Miscellaneous
COICOP <sup>5</sup>	-	-	0	01	02	03	04	05	06	07	08	09	10	11	12
	ABJR	ABTH	ZAKW	ZWUN	ZAKY	ZALA	ZAVO	ZAVW	ZAWC	ZAWM	ZAWW	ZAXA	ZWUT	ZAXS	ZAYG
2003	697 160	12 158	685 002	63 174	27 297	41 155	129 051	42 466	11 335	104 569	15 654	84 386	9 610	78 902	77 403
2004	721 434	12 770	708 664	65 181	27 444	44 087	131 490	43 577	11 609	106 610	16 361	92 889	9 541	81 796	78 079
2005	731 143	11 629	719 514	65 690	27 279	46 107	131 965	43 025	11 539	107 302	17 008	98 910	9 374	83 840	77 475
2003 Q1	171 828	3 213	168 627	15 579	6 771	10 094	32 146	10 339	2 820	26 053	3 777	20 209	2 404	19 299	19 174
Q2	174 146	3 123	171 019	16 208	6 788	10 215	32 185	10 696	2 839	26 205	3 883	20 833	2 394	19 458	19 316
Q3	175 140	3 019	172 120	15 797	6 868	10 339	32 229	10 590	2 828	26 169	3 974	21 450	2 401	20 060	19 399
Q4	176 046	2 803	173 236	15 590	6 870	10 507	32 491	10 841	2 848	26 142	4 020	21 894	2 411	20 085	19 514
2004 Q1	178 197	3 141	175 056	16 262	6 869	10 769	32 750	10 587	2 870	26 324	4 065	22 500	2 401	20 321	19 338
Q2	180 362	3 165	177 197	16 153	6 877	11 047	32 902	10 950	2 950	26 391	4 008	23 490	2 389	20 460	19 580
Q3	181 032	3 310	177 722	16 239	6 837	11 108	32 881	11 207	2 908	26 738	4 162	23 396	2 380	20 464	19 402
Q4	181 843	3 154	178 689	16 527	6 861	11 163	32 957	10 833	2 881	27 157	4 126	23 503	2 371	20 551	19 759
2005 Q1	181 980	3 056	178 924	16 325	6 832	11 381	32 797	10 868	2 850	27 040	4 211	24 052	2 355	21 081	19 132
Q2	182 287	2 835	179 452	16 464	6 810	11 496	33 036	10 713	2 832	27 003	4 240	24 230	2 341	20 968	19 319
Q3	182 748	3 025	179 723	16 326	6 803	11 531	32 977	10 570	2 919	26 548	4 253	25 048	2 343	20 802	19 603
Q4	184 128	2 713	181 415	16 575	6 834	11 699	33 155	10 874	2 938	26 711	4 304	25 580	2 335	20 989	19 421
2006 Q1	184 731	3 035	181 696	16 943	6 854	11 658	33 319	10 824	2 967	26 585	4 365	25 416	2 341	20 996	19 428
Q2	186 614	..	..	..	..	..	..	..	..	..	..	..	..	..	..

1 Although estimates are given to the nearest £ million, they cannot be regarded as accurate to this degree.

2 More detailed estimates, expressed in both current prices and chained volume measures, both unadjusted and seasonally adjusted, appear in the

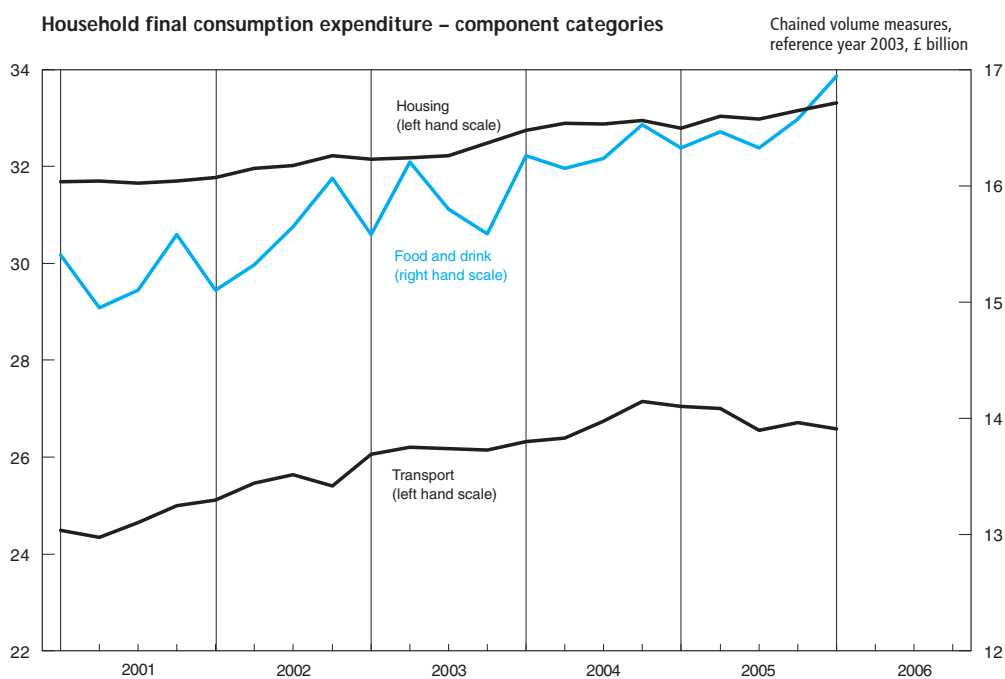
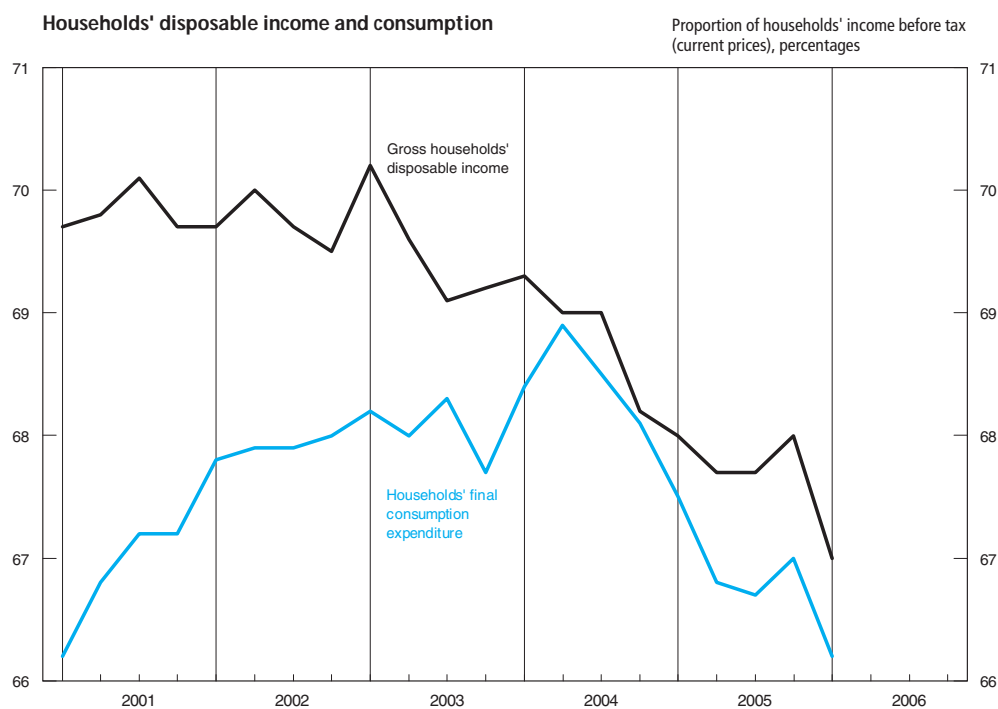
ONS publication *Consumer Trends*.

3 Final consumption expenditure by UK households in the UK and abroad.

4 Final consumption expenditure in the UK by UK and foreign households.

5 ESA 95 Classification of Individual Consumption by Purpose.

Source: Office for National Statistics; Enquiries: 020 7533 5999



## 2.7 Gross fixed capital formation

### Chained volume measures

£ million, reference year 2003

	Analysis by sector						Analysis by asset				
	Business investment <sup>1</sup>	General government	Public corporations: transfer costs of non-produced assets <sup>2</sup>	Private sector		Total+	Transport equipment	Other machinery and equipment	Dwellings	Other building and structures <sup>3</sup>	Intangible fixed assets
				Dwellings	Transfer costs of non-produced assets						
	NPEL	DLWF	DLWH	DFEA	DLWI	NPQT	DLWL	DLWO	DFEG	DLWT	EQDO
2001	110 390	13 980	-2 834	31 289	16 180	171 639	14 957	57 337	34 141	59 527	5 126
2002	111 678	15 740	-3 092	33 711	17 374	178 066	16 728	56 614	36 800	62 088	5 676
2003	109 218	20 509	-5 674	34 804	16 385	178 751	15 592	54 441	38 462	64 355	5 901
2004	111 765	22 266	-5 561	38 245	19 616	189 492	14 706	58 817	41 541	68 135	6 294
2005	115 116	23 713	-4 263	39 102	17 872	195 118	15 031	59 162	42 853	71 516	6 556
2001 Q1	28 007	2 781	-821	7 828	4 138	42 555	3 272	14 648	8 427	14 684	1 281
Q2	27 782	3 734	-698	7 679	3 978	43 242	3 955	14 157	8 435	15 327	1 270
Q3	27 744	3 703	-626	8 055	3 803	43 357	3 936	14 433	8 796	14 791	1 285
Q4	26 857	3 762	-689	7 727	4 261	42 485	3 794	14 099	8 483	14 725	1 290
2002 Q1	27 447	3 760	-555	7 784	3 774	42 927	4 068	13 782	8 499	15 206	1 325
Q2	27 677	3 846	-780	8 304	4 405	43 981	4 178	14 378	8 958	14 950	1 426
Q3	27 574	4 259	-894	8 669	4 613	44 765	4 269	14 253	9 400	15 363	1 433
Q4	28 980	3 875	-863	8 954	4 582	46 393	4 213	14 201	9 943	16 569	1 492
2003 Q1	27 111	5 673	-1 833	8 452	4 517	44 934	4 049	13 815	9 467	16 148	1 450
Q2	27 395	4 507	-1 378	8 695	4 145	44 161	3 726	13 165	9 536	16 287	1 463
Q3	26 712	4 999	-1 243	8 812	3 772	43 924	3 896	13 392	9 752	15 405	1 482
Q4	28 000	5 330	-1 220	8 845	3 951	45 732	3 921	14 069	9 707	16 515	1 506
2004 Q1	27 166	5 970	-1 598	9 421	5 551	47 256	3 771	14 083	10 193	17 675	1 534
Q2	27 757	5 360	-1 174	9 578	4 757	47 102	3 760	14 627	10 430	16 722	1 563
Q3	28 634	5 311	-1 186	9 524	4 733	47 813	3 635	15 299	10 370	16 922	1 587
Q4	28 208	5 625	-1 603	9 722	4 575	47 321	3 540	14 808	10 548	16 816	1 610
2005 Q1	28 239	6 373	-564	9 486	3 859	48 171	3 645	14 672	10 318	17 919	1 618
Q2	28 833	5 070	-1 204	9 658	4 551	47 750	3 708	14 717	10 533	17 159	1 632
Q3	29 004	5 935	-1 351	9 990	4 732	49 306	3 854	14 713	11 024	18 070	1 645
Q4	29 040	6 335	-1 144	9 968	4 730	49 891	3 824	15 060	10 978	18 368	1 661
2006 Q1	29 545	6 059	-379	10 249	4 101	50 568	3 555	15 628	11 291	18 412	1 683
Q2	30 050	..	..	..	..	51 007	..	..	..	..	..
Percentage change, quarter on corresponding quarter of previous year											
2001 Q1	7.2	-17.7		-2.3	-10.3	3.0	-2.8	10.1	-0.2	-2.8	2.2
Q2	4.6	26.0		-3.5	3.0	5.4	17.8	2.5	0.3	9.5	-2.8
Q3	1.0	25.7		3.6	-2.9	3.6	18.3	0.7	7.0	2.5	-0.9
Q4	-6.6	11.4		6.5	9.1	-1.8	3.2	-5.7	9.1	-3.1	-1.8
2002 Q1	-2.0	35.2		-0.6	-8.8	0.9	24.3	-5.9	0.9	3.6	3.4
Q2	-0.4	3.0		8.1	10.7	1.7	5.6	1.6	6.2	-2.5	12.3
Q3	-0.6	15.0		7.6	21.3	3.2	8.5	-1.2	6.9	3.9	11.5
Q4	7.9	3.0		15.9	7.5	9.2	11.0	0.7	17.2	12.5	15.7
2003 Q1	-1.2	50.9		8.6	19.7	4.7	-0.5	0.2	11.4	6.2	9.4
Q2	-1.0	17.2		4.7	-5.9	0.4	-10.8	-8.4	6.5	8.9	2.6
Q3	-3.1	17.4		1.6	-18.2	-1.9	-8.7	-6.0	3.7	0.3	3.4
Q4	-3.4	37.5		-1.2	-13.8	-1.4	-6.9	-0.9	-2.4	-0.3	0.9
2004 Q1	0.2	5.2		11.5	22.9	5.2	-6.9	1.9	7.7	9.5	5.8
Q2	1.3	18.9		10.2	14.8	6.7	0.9	11.1	9.4	2.7	6.8
Q3	7.2	6.2		8.1	25.5	8.9	-6.7	14.2	6.3	9.8	7.1
Q4	0.7	5.5		9.9	15.8	3.5	-9.7	5.3	8.7	1.8	6.9
2005 Q1	3.9	6.8		0.7	-30.5	1.9	-3.3	4.2	1.2	1.4	5.5
Q2	3.9	-5.4		0.8	-4.3	1.4	-1.4	0.6	1.0	2.6	4.4
Q3	1.3	11.7		4.9	0.0	3.1	6.0	-3.8	6.3	6.8	3.7
Q4	2.9	12.6		2.5	3.4	5.4	8.0	1.7	4.1	9.2	3.2
2006 Q1	4.6	-4.9		8.0	6.3	5.0	-2.5	6.5	9.4	2.8	4.0
Q2	4.2	..		..	..	6.8	..	..	..	..	..

1 Excluding dwellings and costs associated with the transfer of ownership of non-produced assets.

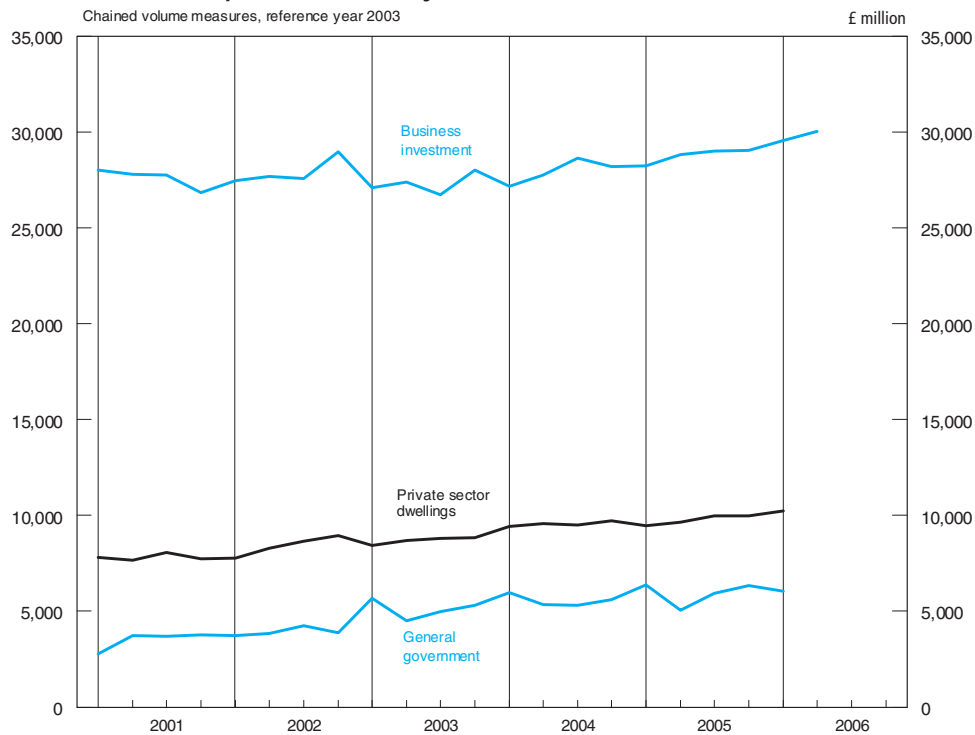
2 Remaining investment by public non-financial corporations is included under business investment.

3 Including costs associated with transfer of ownership of non-produced assets.

Source: Office for National Statistics; Enquiries: 020 7533 6010

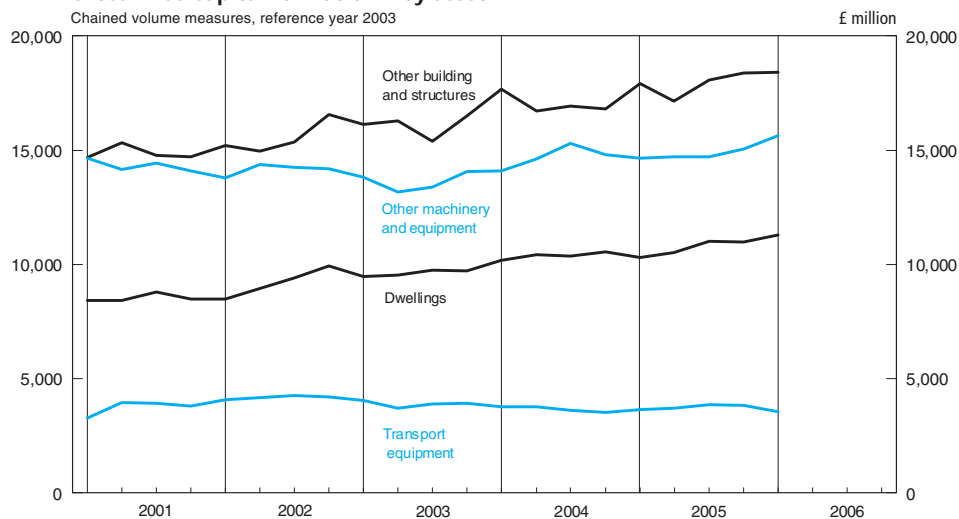
### Gross fixed capital formation – by sector

Chained volume measures, reference year 2003



### Gross fixed capital formation – by asset

Chained volume measures, reference year 2003



## 2.8 Gross value added chained volume measures at basic prices, by category of output<sup>1,2</sup>

2003 = 100

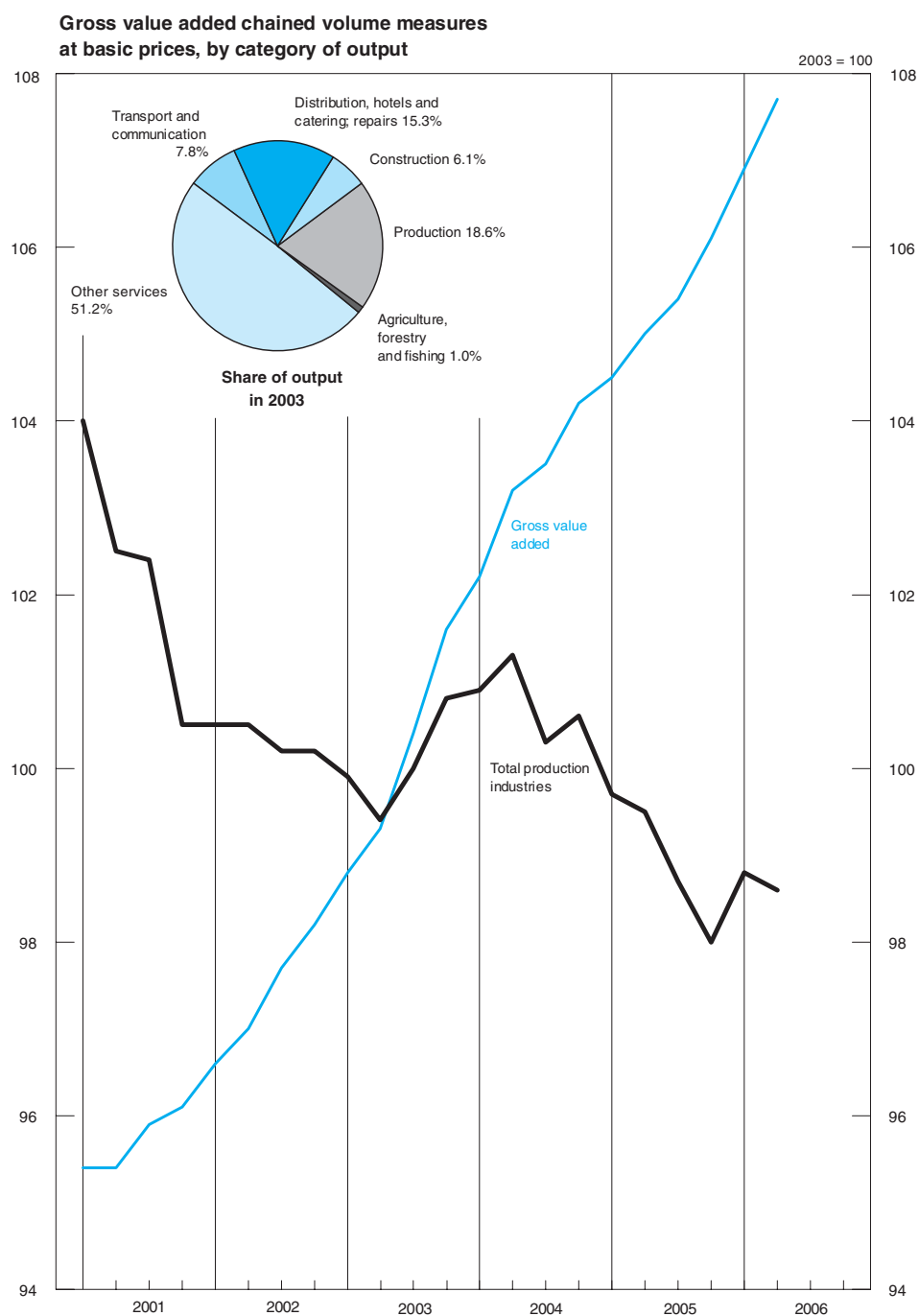
	Production						Service industries						Gross value added at basic prices	Gross value added excluding oil
	Agriculture, forestry, and fishing	Mining and quarrying including oil and gas extraction	Manufacturing	Electricity gas and water supply	Total	Construction	Distribution hotels and catering; repairs	Transport storage and communication	Business services and finance	Government and other services	Total			
2003 weights <sup>3</sup>	10	22	147	17	186	61	153	78	277	235	744	1000	978	
	GDQA	CKYX	CKYY	CKYZ	CKYW	GDQB	GDQE	GDQH	GDQN	GDQU	GDQS	CGCE	JUNT	
2001	90.9	105.0	102.5	98.0	102.3	92.2	92.1	97.0	94.4	95.3	94.5	95.7	95.5	
2002	102.1	105.4	99.8	98.4	100.3	95.5	96.4	98.2	96.3	97.7	96.9	97.4	97.2	
2003	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
2004	99.0	92.1	102.0	101.1	100.8	104.0	105.2	102.5	105.1	102.0	103.9	103.3	103.5	
2005	101.2	84.3	100.9	100.8	99.0	105.4	106.2	106.5	109.4	104.2	106.8	105.2	105.7	
2001 Q1	91.6	104.1	104.4	99.8	104.0	91.5	91.2	97.2	93.5	94.3	93.7	95.4	95.2	
Q2	90.2	106.3	102.4	98.6	102.5	91.7	91.3	97.2	94.2	94.9	94.1	95.4	95.2	
Q3	89.8	105.5	102.6	97.3	102.4	92.3	92.4	96.5	94.9	95.5	94.7	95.9	95.6	
Q4	92.1	104.1	100.5	96.4	100.5	93.3	93.6	97.1	95.1	96.4	95.4	96.1	95.9	
2002 Q1	101.0	105.4	100.2	97.2	100.5	94.8	95.3	98.0	94.7	96.9	95.9	96.6	96.4	
Q2	102.6	109.6	99.4	97.6	100.5	94.4	95.5	96.9	96.1	97.5	96.5	97.0	96.7	
Q3	102.8	101.0	100.3	99.2	100.2	95.8	96.7	98.4	97.0	97.9	97.4	97.7	97.6	
Q4	102.0	105.7	99.4	99.7	100.2	97.0	98.0	99.3	97.3	98.3	98.0	98.2	98.1	
2003 Q1	99.7	105.0	99.3	98.1	99.9	97.0	98.2	99.2	98.5	98.8	98.6	98.8	98.6	
Q2	99.3	99.8	99.4	98.9	99.4	98.9	99.4	99.8	98.9	99.5	99.3	99.3	99.3	
Q3	100.1	98.9	100.0	100.6	100.0	101.7	100.6	100.3	100.4	100.3	100.4	100.4	100.4	
Q4	100.9	96.3	101.3	102.3	100.8	102.4	101.8	100.7	102.2	101.3	101.7	101.6	101.7	
2004 Q1	99.1	94.3	101.7	102.2	100.9	102.8	103.6	100.7	103.4	101.4	102.5	102.2	102.4	
Q2	98.3	94.8	102.4	100.7	101.3	103.4	105.2	102.2	104.3	102.2	103.6	103.2	103.3	
Q3	99.3	90.9	101.6	101.0	100.3	104.4	106.0	103.1	105.6	102.0	104.3	103.5	103.8	
Q4	99.2	88.6	102.4	100.6	100.6	105.4	105.9	104.1	106.9	102.5	105.0	104.2	104.5	
2005 Q1	100.6	87.3	101.5	99.9	99.7	106.0	105.7	105.5	107.4	103.2	105.5	104.5	104.8	
Q2	102.1	87.8	100.9	101.8	99.5	106.3	105.8	105.9	108.7	103.8	106.3	105.0	105.4	
Q3	101.2	80.8	101.1	100.8	98.7	104.8	106.1	106.5	109.9	104.7	107.1	105.4	105.9	
Q4	100.9	81.3	100.2	100.8	98.0	104.5	107.4	108.1	111.4	105.1	108.3	106.1	106.6	
2006 Q1	101.7	81.7	101.1	100.9	98.8	105.4	108.0	108.4	112.5	105.7	109.0	106.9	107.4	
Q2	100.4†	78.5†	101.7†	97.9†	98.6†	105.9†	108.9†	109.4†	114.0†	106.6†	110.1	107.7	108.3	
Percentage change, quarter on corresponding quarter of previous year														
2001 Q1	-9.4	-10.0	1.3	7.1	0.4	-0.7	3.4	9.1	5.5	1.7	4.3	2.9	3.4	
Q2	-10.3	-6.3	-1.3	2.9	-1.5	2.1	3.0	5.4	4.6	2.2	3.5	2.1	2.4	
Q3	-11.6	-4.0	-1.1	2.1	-1.3	3.9	3.2	2.0	3.6	2.4	2.9	1.9	2.0	
Q4	-6.0	-1.3	-3.9	0.9	-3.4	3.8	4.1	1.6	2.9	3.1	3.1	1.6	1.7	
2002 Q1	10.3	1.2	-4.0	-2.6	-3.4	3.6	4.5	0.8	1.3	2.8	2.3	1.3	1.3	
Q2	13.7	3.1	-2.9	-1.0	-2.0	2.9	4.6	-0.3	2.0	2.7	2.6	1.7	1.6	
Q3	14.5	-4.3	-2.2	2.0	-2.1	3.8	4.7	2.0	2.2	2.5	2.9	1.9	2.1	
Q4	10.7	1.5	-1.1	3.4	-0.3	4.0	4.7	2.3	2.3	2.0	2.7	2.2	2.3	
2003 Q1	-1.3	-0.4	-0.9	0.9	-0.6	2.3	3.0	1.2	4.0	2.0	2.8	2.3	2.3	
Q2	-3.2	-8.9	0.0	1.3	-1.1	4.8	4.1	3.0	2.9	2.1	2.9	2.4	2.7	
Q3	-2.6	-2.1	-0.3	1.4	-0.2	6.2	4.0	1.9	3.5	2.5	3.1	2.8	2.9	
Q4	-1.1	-8.9	1.9	2.6	0.6	5.6	3.9	1.4	5.0	3.1	3.8	3.5	3.7	
2004 Q1	-0.6	-10.2	2.4	4.2	1.0	6.0	5.5	1.5	5.0	2.6	4.0	3.4	3.9	
Q2	-1.0	-5.0	3.0	1.8	1.9	4.6	5.8	2.4	5.5	2.7	4.3	3.9	4.0	
Q3	-0.8	-8.1	1.6	0.4	0.3	2.7	5.4	2.8	5.2	1.7	3.9	3.1	3.4	
Q4	-1.7	-8.0	1.1	-1.7	-0.2	2.9	4.0	3.4	4.6	1.2	3.2	2.6	2.8	
2005 Q1	1.5	-7.4	-0.2	-2.3	-1.2	3.1	2.0	4.8	3.9	1.8	2.9	2.3	2.3	
Q2	3.9	-7.4	-1.5	1.1	-1.8	2.8	0.6	3.6	4.2	1.6	2.6	1.7	2.0	
Q3	1.9	-11.1	-0.5	-0.2	-1.6	0.4	0.1	3.3	4.1	2.6	2.7	1.8	2.0	
Q4	1.7	-8.2	-2.1	0.2	-2.6	-0.9	1.4	3.8	4.2	2.5	3.1	1.8	2.0	
2006 Q1	1.1	-6.4	-0.4	1.0	-0.9	-0.6	2.2	2.7	4.7	2.4	3.3	2.3	2.5	
Q2	-1.7†	-10.6†	0.8†	-3.8†	-0.9†	-0.4†	2.9†	3.3†	4.9†	2.7†	3.6	2.6	2.8	

1 Estimates cannot be regarded as accurate to the last digit shown.

2 Components of output are valued at basic prices, which exclude taxes and subsidies on production.

3 Weights may not sum to totals due to rounding. The weights shown are in proportion to total gross value added (GVA) in 2003, and are used to combine the industry output indices to calculate the totals for 2004 and later. For 2003 and earlier, totals are calculated using the equivalent weights for the previous year, for example, totals for 2003 use 2002 weights.

Sources: Office for National Statistics; Enquiries: Columns 1-11 01633 813126; Columns 12, 13 020 7533 6031





## 2.9 Gross value added chained volume measures at basic prices, by category of output: service industries

2003 = 100

	Distribution hotels and catering; repairs	Transport, storage and communication	Business services and finance			Government and other services							
	Motor trades; wholesale and retail trade; repairs	Hotels and restaurants	Transport and storage	Post and telecommunication	Financial intermediation <sup>1</sup>	Real estate, renting and business activities	Ownership of dwellings	PAD <sup>2</sup>	Education	Health and social work	Other services <sup>3</sup>	Adjustment for financial services <sup>4</sup>	Total services
2003 weights <sup>5</sup>	122	31	48	30	79	165	79	52	59	72	53	-46	744
	GDQC	GDQD	GDQF	GDQG	GDQI	GDQK	GDQL	GDQO	GDQP	GDQQ	GDQR	GDQJ	GDQS
2001	92.3	91.3	97.7	96.0	90.2	92.9	96.5	93.0	97.6	92.8	98.5	86.3	94.5
2002	96.9	94.4	99.2	96.5	93.7	94.7	97.7	95.3	99.3	96.3	100.1	89.2	96.9
2003	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2004	105.3	104.5	103.4	101.2	107.6	107.7	101.5	101.9	100.4	103.9	101.3	113.0	103.9
2005	106.3	105.9	107.6	104.7	113.9	113.8	102.9	102.9	102.1	107.0	104.2	122.1	106.8
2001 Q1	91.2	91.2	97.0	97.4	90.6	92.2	95.7	92.6	96.8	91.1	97.6	88.1	93.7
Q2	91.4	91.0	98.1	95.8	89.3	92.6	96.4	92.9	97.3	92.6	97.5	85.5	94.1
Q3	92.5	91.9	97.9	94.5	89.8	93.4	96.8	92.9	97.8	93.1	99.1	86.0	94.7
Q4	94.2	91.2	97.8	96.1	91.0	93.3	96.9	93.8	98.4	94.3	99.8	85.8	95.4
2002 Q1	95.7	93.5	98.3	97.6	90.1	93.1	97.0	94.2	99.0	94.4	100.8	86.0	95.9
Q2	96.3	92.7	98.6	94.2	93.3	94.6	97.3	94.9	99.1	96.1	100.4	88.4	96.5
Q3	97.3	94.5	99.6	96.4	95.4	95.5	97.8	95.5	99.3	97.2	99.8	90.1	97.4
Q4	98.3	96.8	100.3	97.8	96.0	95.8	98.8	96.7	99.7	97.6	99.6	92.2	98.0
2003 Q1	98.2	98.5	98.7	99.8	96.8	97.9	99.4	98.5	99.9	98.3	98.7	95.2	98.6
Q2	99.2	99.9	98.9	101.3	99.6	98.4	99.6	99.5	100.0	98.9	99.6	99.5	99.3
Q3	100.5	100.6	101.0	99.3	101.3	100.3	100.1	100.7	100.0	100.7	99.9	100.9	100.4
Q4	102.1	101.0	101.4	99.6	102.3	103.4	100.9	101.3	100.1	102.1	101.8	104.4	101.7
2004 Q1	103.9	102.4	101.2	99.7	106.2	105.1	101.2	102.1	100.0	103.2	99.7	110.5	102.5
Q2	105.4	104.3	103.5	100.2	106.3	106.6	101.4	101.7	100.1	103.2	103.5	110.8	103.6
Q3	106.1	105.4	103.5	102.5	107.4	108.7	101.5	101.9	100.5	104.1	100.7	112.8	104.3
Q4	106.0	105.8	105.3	102.3	110.7	110.4	102.0	101.9	100.9	105.0	101.3	117.8	105.0
2005 Q1	105.8	105.0	106.9	103.3	111.2	112.0	102.2	102.5	101.6	105.7	102.4	121.3	105.5
Q2	105.8	105.7	107.1	104.1	113.5	112.8	102.5	102.8	102.1	106.7	102.9	121.1	106.3
Q3	106.3	105.4	107.3	105.2	114.7	114.4	103.1	103.1	102.3	107.3	105.6	122.5	107.1
Q4	107.4	107.6	109.3	106.2	116.4	116.1	103.8	103.2	102.4	108.3	105.7	123.6	108.3
2006 Q1	107.5	110.0	110.0	105.8	118.3	117.7	104.4	103.7	103.0	110.2	104.7	127.0	109.0
Q2	108.5	110.3	112.2	104.8	119.7	120.0	105.0	104.1	103.1	111.1	106.9	129.7	110.1
Percentage change, quarter on corresponding quarter of previous year													
2001 Q1	4.1	0.4	3.2	18.8	5.2	9.6	1.2	0.5	-0.1	3.3	3.5	12.5	4.3
Q2	3.2	2.4	2.4	10.4	2.5	6.7	1.2	1.3	0.3	3.5	3.4	4.0	3.5
Q3	3.2	2.9	1.2	3.4	3.0	4.9	1.6	1.2	0.7	3.3	4.4	4.5	2.9
Q4	4.4	2.9	2.0	1.1	3.2	3.3	1.6	2.0	1.8	4.1	4.7	2.0	3.1
2002 Q1	4.9	2.5	1.3	0.2	-0.6	1.0	1.4	1.7	2.3	3.6	3.3	-2.4	2.3
Q2	5.4	1.9	0.5	-1.7	4.5	2.2	0.9	2.2	1.8	3.8	3.0	3.4	2.6
Q3	5.2	2.8	1.7	2.0	6.2	2.2	1.0	2.8	1.5	4.4	0.7	4.8	2.9
Q4	4.4	6.1	2.6	1.8	5.5	2.7	2.0	3.1	1.3	3.5	-0.2	7.5	2.7
2003 Q1	2.6	5.3	0.4	2.3	7.4	5.2	2.5	4.6	0.9	4.1	-2.1	10.7	2.8
Q2	3.0	7.8	0.3	7.5	6.8	4.0	2.4	4.8	0.9	2.9	-0.8	12.6	2.9
Q3	3.3	6.5	1.4	3.0	6.2	5.0	2.4	5.4	0.7	3.6	0.1	12.0	3.1
Q4	3.9	4.3	1.1	1.8	6.6	7.9	2.1	4.8	0.4	4.6	2.2	13.2	3.8
2004 Q1	5.8	4.0	2.5	-0.1	9.7	7.4	1.8	3.7	0.1	5.0	1.0	16.1	4.0
Q2	6.3	4.4	4.7	-1.1	6.7	8.3	1.8	2.2	0.1	4.3	3.9	11.4	4.3
Q3	5.6	4.8	2.5	3.2	6.0	8.4	1.4	1.2	0.5	3.4	0.8	11.8	3.9
Q4	3.8	4.8	3.8	2.7	8.2	6.8	1.1	0.6	0.8	2.8	-0.5	12.8	3.2
2005 Q1	1.8	2.5	5.6	3.6	4.7	6.6	1.0	0.4	1.6	2.4	2.7	9.8	2.9
Q2	0.4	1.3	3.5	3.9	6.8	5.8	1.1	1.1	2.0	3.4	-0.6	9.3	2.6
Q3	0.2	0.0	3.7	2.6	6.8	5.2	1.6	1.2	1.8	3.1	4.9	8.6	2.7
Q4	1.3	1.7	3.8	3.8	5.1	5.2	1.8	1.3	1.5	3.1	4.3	4.9	3.1
2006 Q1	1.6	4.8	2.9	2.4	6.4	5.1	2.2	1.2	1.4	4.3	2.2	4.7	3.3
Q2	2.6	4.4	4.8	0.7	5.5	6.4	2.4	1.3	1.0	4.1	3.9	7.1	3.6

1 Comprising section J of the SIC(92). This covers activities of institutions such as banks, building societies, securities dealers, insurance companies and pension funds. It also covers institutions whose activities are closely related to financial intermediation, for example, fund managers and insurance brokers.

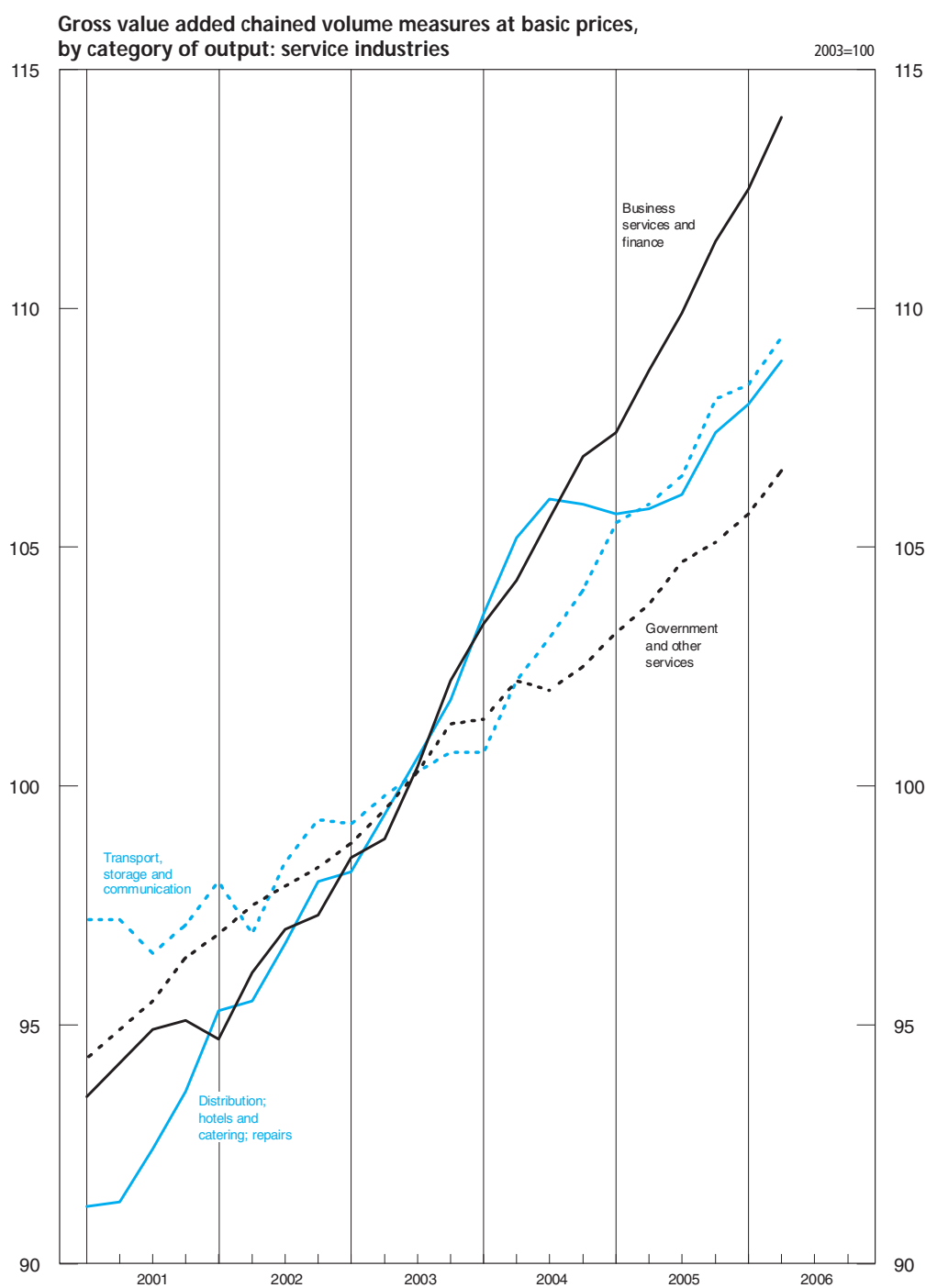
2 Public administration and national defence; compulsory social security.

3 Comprising sections O, P and Q of the SIC(92).

4 The weight and proxy series for financial intermediation are calculated before the deduction of interest receipts and payments to provide a better indication of the underlying activity for this section (see note 1). However, this overstates the contribution to GDP because interest flows should be treated as transfer payments rather than final consumption. The financial services adjustment, which has a negative weight, corrects for this.

5 See footnote 3 on Table 2.8.

Source: Office for National Statistics; Enquiries: 01633 813126



# 2.10 Summary capital accounts and net lending/net borrowing

£ million

	General government					Financial corporations				Non-financial corporations				
	Capital transfers			Gross capital formation <sup>2</sup>	Net acquisition of non-financial assets	Gross saving <sup>1</sup>	Gross capital formation <sup>2</sup>	Net acquisition of non-financial assets	Capital transfers			Gross capital formation <sup>2</sup>	Net acquisition of non-financial assets	
	Gross saving <sup>1</sup>	Receivable	less Payable						Gross saving <sup>1</sup>	Receivable	less Payable			
	RPQC	RPUL	RPUV	RPZF	RPZE	RPPS	RPYP	RPYO	RPJV	RPWU	JRWK		RQBA	RQAX
2001	26 977	7 876	12 427	13 537	-916	-15 493	7 350	-43	93 552	4 760	473		107 140	1 208
2002	1 337	9 856	14 093	15 474	-1 087	13 914	6 932	-36	108 583	4 079	728		103 974	1 431
2003	-9 939	14 937	21 699	20 540	-957	22 984	3 652	-3	117 310	5 711	705		102 894	1 241
2004	-10 048	15 112	20 647	23 246	-1 071	31 213	4 740	-6	129 510	5 476	528		106 531	1 672
2005	-6 523	15 955	22 415	25 667	-958	20 001	7 074	-1	131 292	6 488	1 358		110 766	1 747
2001 Q1	9 332	1 829	2 733	2 810	-222	-5 914	2 440	-9	22 964	858	89		26 829	271
Q2	7 262	2 063	3 165	3 578	-221	-3 214	2 317	-11	22 782	1 358	129		27 520	305
Q3	6 657	1 912	2 757	3 529	-234	-3 725	1 300	-11	24 140	849	126		27 349	331
Q4	3 726	2 072	3 772	3 620	-239	-2 640	1 293	-12	23 666	1 695	129		25 442	301
2002 Q1	736	2 279	3 405	3 786	-285	2 346	963	-11	26 197	1 071	176		25 961	380
Q2	1 013	2 403	3 188	3 855	-232	1 576	1 349	-10	25 928	961	185		25 534	329
Q3	1 405	2 712	4 023	4 118	-237	3 495	3 038	-9	28 434	992	181		25 276	357
Q4	-1 817	2 462	3 477	3 715	-333	6 497	1 582	-6	28 024	1 055	186		27 203	365
2003 Q1	-3 231	3 824	5 807	5 295	-206	6 401	2 306	-3	29 109	1 159	185		22 844	283
Q2	-2 177	4 623	6 492	4 667	-256	5 179	854	-	27 921	1 474	175		24 788	333
Q3	-1 982	3 483	5 058	5 082	-252	4 695	218	1	30 119	1 643	170		26 784	364
Q4	-2 549	3 007	4 342	5 496	-243	6 709	274	-1	30 161	1 435	175		28 478	261
2004 Q1	-3 443	2 648	3 899	5 355	-252	5 884	601	-	30 922	1 491	170		25 652	369
Q2	-1 934	4 585	6 211	5 781	-275	7 620	952	-2	33 274	1 507	120		26 013	420
Q3	-3 124	3 824	5 079	5 821	-279	8 087	1 601	-2	31 499	1 261	117		26 963	449
Q4	-1 547	4 055	5 458	6 289	-265	9 622	1 586	-2	33 815	1 217	121		27 903	434
2005 Q1	-1 843	4 751	7 106	6 659	-272	6 851	-178	-2	32 888	2 530	896		28 119	474
Q2	-633	3 595	4 732	5 409	-241	6 106	3 116	-1	34 942	1 302	160		26 523	476
Q3	-876	3 876	5 341	6 619	-231	1 327	1 516	-	32 846	1 193	149		28 687	422
Q4	-3 171	3 733	5 236	6 980	-214	5 717	2 620	2	30 616	1 463	153		27 437	375
2006 Q1	578	3 912	7 203	6 650	-121	1 825	1 394	1	32 096	2 841	133		29 811	322
Households and NPISH														
	Capital transfers			Gross capital formation <sup>2</sup>	Net acquisition of non-financial assets	General government	Financial corporations	Non-financial corporations	Households and NPISH	Rest of the world <sup>4</sup>	Residual error			
	Gross saving <sup>1</sup>	Receivable	less Payable											
	RPQL	RPVN	RPVR	RPZV	RPZU	RPZD	RPYN	RQAW	RPZT	RQCH	DJDS			
2001	45 137	5 787	4 108	44 030	-152	9 805	-22 800	-10 509	2 938	20 566	-			
2002	36 301	5 325	3 375	50 268	-176	-17 287	7 018	6 529	-11 841	15 581	-			
2003	37 421	6 647	3 354	55 611	-210	-36 284	19 335	18 181	-14 687	13 455	-			
2004	29 307	6 693	3 724	64 793	-276	-37 758	26 479	26 255	-32 241	17 265	-			
2005	39 724	8 233	4 033	65 680	-320	-37 692	12 928	23 909	-21 436	24 148	-1 855			
2001 Q1	12 340	1 232	842	10 906	-25	5 840	-8 345	-3 367	1 849	4 021	-			
Q2	10 924	1 577	1 098	10 484	-36	2 803	-5 520	-3 814	955	5 577	-			
Q3	11 146	1 447	1 071	11 598	-44	2 517	-5 014	-2 817	-32	5 346	-			
Q4	10 727	1 531	1 097	11 042	-47	-1 355	-3 921	-511	166	5 622	-			
2002 Q1	9 047	1 346	924	12 069	-47	-3 891	1 394	751	-2 553	4 297	-			
Q2	9 379	1 088	879	12 814	-45	-3 395	237	841	-3 181	5 499	-			
Q3	9 381	1 544	816	12 114	-43	-3 787	466	3 612	-1 962	1 671	-			
Q4	8 494	1 347	756	13 271	-41	-6 214	4 921	1 325	-4 145	4 114	-			
2003 Q1	10 567	2 029	756	12 963	-46	-10 303	4 098	6 956	-1 077	326	-			
Q2	8 313	1 639	834	13 341	-50	-8 457	4 325	4 099	-4 173	4 206	-			
Q3	8 249	1 363	874	14 383	-55	-8 387	4 476	4 444	-5 590	5 057	-			
Q4	10 292	1 616	890	14 924	-59	-9 137	6 436	2 682	-3 847	3 866	-			
2004 Q1	8 770	1 624	906	15 452	-64	-9 797	5 283	6 222	-5 900	4 191	-			
Q2	6 100	1 874	959	16 788	-68	-9 066	6 670	8 228	-9 705	3 873	-			
Q3	7 097	1 429	955	16 056	-71	-9 921	6 488	5 231	-8 414	6 616	-			
Q4	7 340	1 766	904	16 497	-73	-8 974	8 038	6 574	-8 222	2 585	-			
2005 Q1	8 416	2 474	920	16 672	-76	-10 585	7 031	5 929	-6 626	4 608	-355			
Q2	9 501	1 751	1 015	15 999	-79	-6 938	2 991	9 085	-5 683	991	-446			
Q3	10 380	1 913	1 069	16 865	-81	-8 729	-189	4 781	-5 560	10 203	-506			
Q4	11 427	2 095	1 029	16 144	-84	-11 440	3 095	4 114	-3 567	8 346	-548			
2006 Q1	12 864	2 375	1 102	17 377	-85	-9 242	430	4 671	-3 155	7 774	-478			

1 Before providing for depreciation, inventory holding gains.

2 Comprises gross fixed capital formation, changes in inventories and acquisitions less disposals of valuables.

3 This balance equals gross saving plus capital transfers (net) less gross capital formation, less net acquisition of non-produced non-financial assets.

4 Equals the current balance of payments accounts, plus capital transfers.

Sources: Office for National Statistics;

Enquiries: Part 1 (upper) Columns 1, 3-5, 7-9, 11, 12 020 7533 6031;

Columns 2,6,10 020 7533 5985;

Part 2 (lower) Columns 1, 3-10 020 7533 6031; Column 2 020 7533 5985



# 2.11 Private non-financial corporations: allocation of primary income account

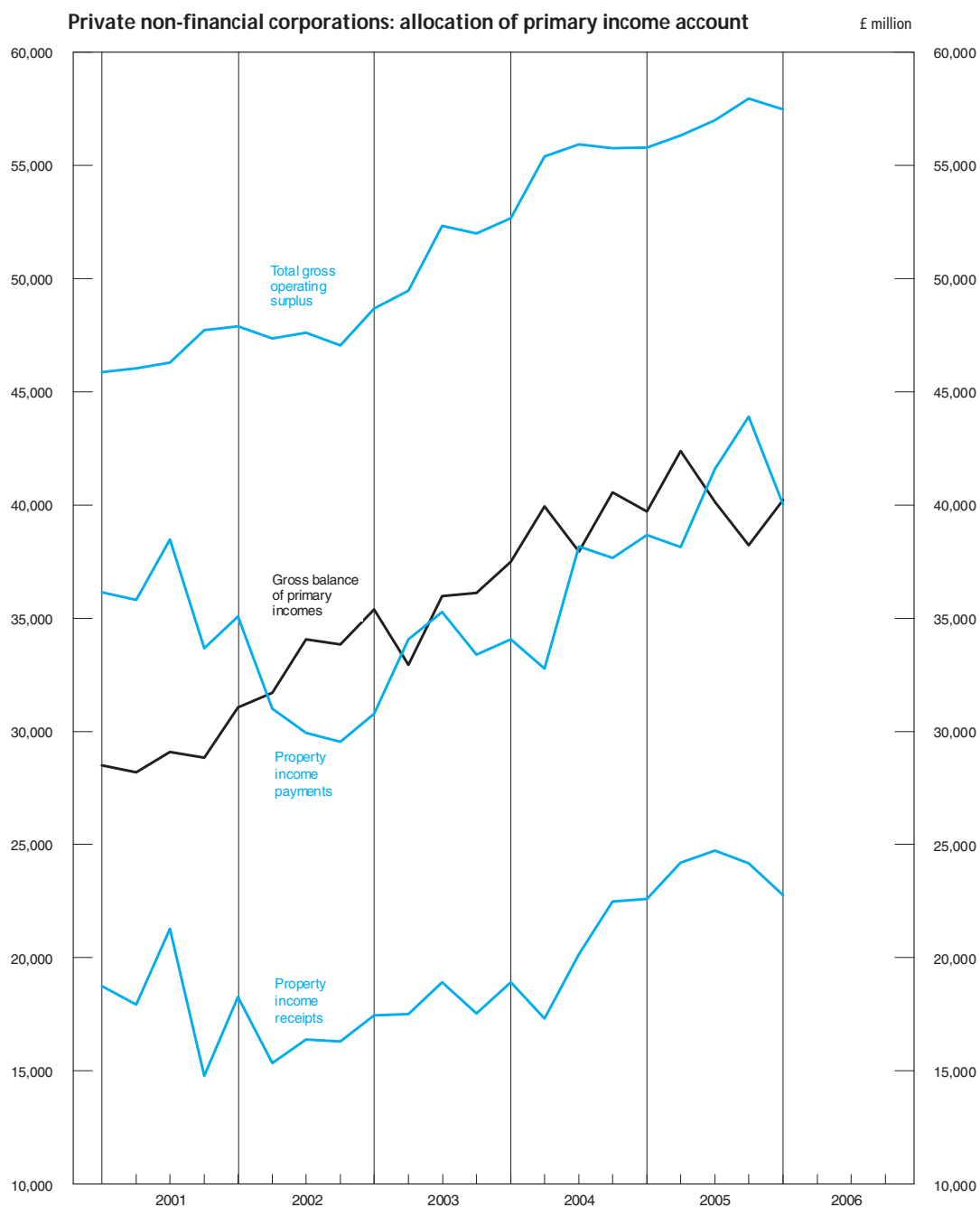
£ million

	Resources							Uses					Share of gross national income <sup>1</sup> (per cent)
	Gross operating surplus							Property income payments					
	Gross trading profits			less Inventory holding gains	Gross operating surplus <sup>1</sup> +	Property income receipts	Total resources <sup>1,2</sup>	Total payments	of which Dividends	of which Interest	Gross balance of primary incomes <sup>1</sup>		
	Continental shelf companies	Others <sup>1</sup>	Rental of buildings										
	CAGD	CAED	DTWR	-DLRA	CAER	RPBM	RPBN	RPBP	RVFT	ROCG	RPBO	NRJL	
2001	19 096	154 014	12 394	438	185 942	72 750	258 692	144 092	77 516	39 454	114 600	11.4	
2002	18 432	161 426	12 904	-2 856	189 906	66 329	256 235	125 544	61 580	36 418	130 691	12.2	
2003	17 981	174 873	13 891	-4 266	202 479	71 442	273 921	133 510	71 096	35 663	140 411	12.4	
2004	18 225	192 807	14 864	-6 158	219 738	78 885	298 623	142 694	72 509	41 352	155 929	13.0	
2005	20 633	197 639	15 404	-6 619	227 057	95 708	322 765	162 292	79 729	49 718	160 473	12.8	
2001 Q1	5 269	37 236	3 047	330	45 882	18 751	64 633	36 139	17 195	10 431	28 494	11.5	
Q2	5 228	37 719	3 089	6	46 042	17 944	63 986	35 799	19 022	9 946	28 187	11.3	
Q3	4 559	38 679	3 108	-51	46 295	21 279	67 574	38 481	21 705	10 124	29 093	11.5	
Q4	4 040	40 380	3 150	153	47 723	14 776	62 499	33 673	19 594	8 953	28 826	11.3	
2002 Q1	4 202	41 247	3 166	-733	47 882	18 271	66 153	35 087	19 432	9 066	31 066	11.9	
Q2	4 628	40 295	3 188	-762	47 349	15 351	62 700	30 988	14 981	9 136	31 712	12.0	
Q3	4 419	40 328	3 252	-384	47 615	16 393	64 008	29 929	14 566	9 084	34 079	12.6	
Q4	5 183	39 556	3 298	-977	47 060	16 314	63 374	29 540	12 601	9 132	33 834	12.4	
2003 Q1	5 088	41 339	3 381	-1 119	48 689	17 474	66 163	30 784	14 774	9 038	35 379	12.7	
Q2	3 888	43 269	3 435	-1 124	49 468	17 514	66 982	34 051	18 447	8 653	32 931	11.8	
Q3	4 457	45 402	3 509	-1 028	52 340	18 918	71 258	35 280	19 930	8 840	35 978	12.7	
Q4	4 548	44 863	3 566	-995	51 982	17 536	69 518	33 395	17 945	9 132	36 123	12.4	
2004 Q1	4 571	45 753	3 640	-1 308	52 656	18 920	71 576	34 074	17 588	9 451	37 502	12.8	
Q2	4 572	48 560	3 694	-1 441	55 385	17 313	72 698	32 770	16 113	10 105	39 928	13.3	
Q3	4 646	49 200	3 747	-1 653	55 940	20 167	76 107	38 177	19 977	10 717	37 930	12.6	
Q4	4 436	49 294	3 783	-1 756	55 757	22 485	78 242	37 673	18 831	11 079	40 569	13.1	
2005 Q1	4 720	48 905	3 822	-1 659	55 788	22 602	78 390	38 665	20 358	11 684	39 725	12.8	
Q2	5 137	48 919	3 834	-1 555	56 335	24 195	80 530	38 142	17 312	12 103	42 388	13.5	
Q3	5 360	49 389	3 855	-1 608	56 996	24 731	81 727	41 591	20 723	12 542	40 136	12.8	
Q4	5 416	50 426	3 893	-1 797	57 938	24 180	82 118	43 894	21 336	13 389	38 224	12.0	
2006 Q1	5 554	49 147	3 920	-1 146	57 475	22 774	80 249	40 030	17 045	13 495	40 219	12.5	
Percentage change, quarter on corresponding quarter of previous year													
2001 Q1	14.9	-5.1	8.4		-0.2	24.8	6.0	9.9	7.6	17.9	1.4		
Q2	2.9	-3.8	6.5		-0.7	27.5	5.9	18.7	53.7	5.6	-6.9		
Q3	-15.8	-2.0	4.5		-1.6	39.2	8.4	23.9	76.9	4.5	-7.1		
Q4	-29.2	7.2	2.9		4.1	-8.5	0.9	0.8	28.7	-11.5	1.0		
2002 Q1	-20.3	10.8	3.9		4.4	-2.6	2.4	-2.9	13.0	-13.1	9.0		
Q2	-11.5	6.8	3.2		2.8	-14.5	-2.0	-13.4	-21.2	-8.1	12.5		
Q3	-3.1	4.3	4.6		2.9	-23.0	-5.3	-22.2	-32.9	-10.3	17.1		
Q4	28.3	-2.0	4.7		-1.4	10.4	1.4	-12.3	-35.7	2.0	17.4		
2003 Q1	21.1	0.2	6.8		1.7	-4.4	0.0	-12.3	-24.0	-0.3	13.9		
Q2	-16.0	7.4	7.7		4.5	14.1	6.8	9.9	23.1	-5.3	3.8		
Q3	0.9	12.6	7.9		9.9	15.4	11.3	17.9	36.8	-2.7	5.6		
Q4	-12.3	13.4	8.1		10.5	7.5	9.7	13.1	42.4	0.0	6.8		
2004 Q1	-10.2	10.7	7.7		8.1	8.3	8.2	10.7	19.0	4.6	6.0		
Q2	17.6	12.2	7.5		12.0	-1.1	8.5	-3.8	-12.7	16.8	21.2		
Q3	4.2	8.4	6.8		6.9	6.6	6.8	8.2	0.2	21.2	5.4		
Q4	-2.5	9.9	6.1		7.3	28.2	12.5	12.8	4.9	21.3	12.3		
2005 Q1	3.3	6.9	5.0		5.9	19.5	9.5	13.5	15.7	23.6	5.9		
Q2	12.4	0.7	3.8		1.7	39.8	10.8	16.4	7.4	19.8	6.2		
Q3	15.4	0.4	2.9		1.9	22.6	7.4	8.9	3.7	17.0	5.8		
Q4	22.1	2.3	2.9		3.9	7.5	5.0	16.5	13.3	20.9	-5.8		
2006 Q1	17.7	0.5	2.6		3.0	0.8	2.4	3.5	-16.3	15.5	1.2		

1 These series include a quarterly alignment adjustment.

2 Total resources equal total uses.

Source: Office for National Statistics; Enquiries: 020 7533 6014





# 2.12 Private non-financial corporations: secondary distribution of income account and capital account

£ million

	Secondary distribution of income account						Capital account					
	Resources			Uses			Changes in liabilities and net worth		Changes in assets			
	Gross balance of primary incomes <sup>1</sup>	Other resources <sup>2</sup>	Total <sup>1,3</sup>	Taxes on income	Other uses <sup>4</sup>	Gross disposable income <sup>1,5</sup>	Net capital transfer receipts	Total <sup>1</sup>	Gross fixed capital formation	Changes in inventories <sup>1</sup>	Other changes in assets <sup>6</sup>	Net lending (+) or borrowing (-) <sup>1,7</sup>
	RPBO	NROQ	RPKY	RPLA	NROO	RPKZ	NROP	RPXH	ROAW	DLQY	NRON	RQBV
2001	114 600	9 229	123 829	23 087	9 640	91 102	3 636	94 738	98 007	5 941	1 138	-10 348
2002	130 691	9 889	140 580	23 977	10 311	106 292	2 732	109 024	97 540	2 677	1 212	7 595
2003	140 411	10 569	150 980	23 608	11 003	116 369	4 590	120 959	97 389	3 734	862	18 974
2004	155 929	10 327	166 256	27 287	10 773	128 196	4 615	132 811	100 784	4 566	1 227	26 234
2005	160 473	11 432	171 905	33 383	11 920	126 602	5 678	132 280	104 138	3 768	1 148	23 226
2001 Q1	28 494	2 253	30 747	5 732	2 354	22 661	470	23 131	24 679	1 462	238	-3 248
Q2	28 187	2 377	30 564	5 903	2 480	22 181	1 076	23 257	24 645	1 977	326	-3 691
Q3	29 093	2 262	31 355	5 651	2 365	23 339	601	23 940	24 766	1 831	297	-2 954
Q4	28 826	2 337	31 163	5 801	2 441	22 921	1 489	24 410	23 917	671	277	-455
2002 Q1	31 066	2 392	33 458	5 582	2 496	25 380	888	26 268	24 134	860	337	937
Q2	31 712	2 396	34 108	6 126	2 501	25 481	670	26 151	24 296	684	281	890
Q3	34 079	2 501	36 580	6 135	2 607	27 838	742	28 580	24 170	587	305	3 518
Q4	33 834	2 600	36 434	6 134	2 707	27 593	432	28 025	24 940	546	289	2 250
2003 Q1	35 379	2 622	38 001	6 264	2 729	29 008	875	29 883	23 004	-818	198	7 499
Q2	32 931	2 609	35 540	4 997	2 717	27 826	1 161	28 987	24 797	-441	265	4 366
Q3	35 978	2 764	38 742	6 175	2 873	29 694	1 370	31 064	24 212	2 100	254	4 498
Q4	36 123	2 574	38 697	6 172	2 684	29 841	1 184	31 025	25 376	2 893	145	2 611
2004 Q1	37 502	2 578	40 080	6 517	2 688	30 875	1 242	32 117	25 596	-64	288	6 297
Q2	39 928	2 613	42 541	6 729	2 724	33 088	1 278	34 366	24 776	868	298	8 424
Q3	37 930	2 570	40 500	6 710	2 682	31 108	1 069	32 177	25 571	1 144	318	5 144
Q4	40 569	2 566	43 135	7 331	2 679	33 125	1 026	34 151	24 841	2 618	323	6 369
2005 Q1	39 725	2 728	42 453	7 517	2 871	32 065	2 343	34 408	25 959	1 885	319	6 245
Q2	42 388	2 991	45 379	8 202	3 105	34 072	1 083	35 155	25 208	573	369	9 005
Q3	40 136	2 931	43 067	8 637	3 046	31 384	988	32 372	26 375	1 371	245	4 381
Q4	38 224	2 782	41 006	9 027	2 898	29 081	1 264	30 345	26 596	-61	215	3 595
2006 Q1	40 219	3 050	43 269	9 266	3 167	30 836	2 659	33 495	27 549	1 375	146	4 425
Percentage change, quarter on corresponding quarter of previous year												
2001 Q1	1.4	-9.0	0.6	-17.5	-9.2	7.7	-31.5	6.5	3.9			
Q2	-6.9	-2.1	-6.6	-3.0	-1.8	-8.0	+	-4.1	3.4			
Q3	-7.1	-17.3	-7.9	-4.0	-16.5	-7.8	+	-6.3	2.0			
Q4	1.0	-0.6	0.8	8.3	-0.4	-0.8	+	4.4	-5.0			
2002 Q1	9.0	6.2	8.8	-2.6	6.0	12.0	88.9	13.6	-2.2			
Q2	12.5	0.8	11.6	3.8	0.8	14.9	-37.7	12.4	-1.4			
Q3	17.1	10.6	16.7	8.6	10.2	19.3	23.5	19.4	-2.4			
Q4	17.4	11.3	16.9	5.7	10.9	20.4	-71.0	14.8	4.3			
2003 Q1	13.9	9.6	13.6	12.2	9.3	14.3	-1.5	13.8	-4.7			
Q2	3.8	8.9	4.2	-18.4	8.6	9.2	73.3	10.8	2.1			
Q3	5.6	10.5	5.9	0.7	10.2	6.7	84.6	8.7	0.2			
Q4	6.8	-1.0	6.2	0.6	-0.8	8.1	+	10.7	1.7			
2004 Q1	6.0	-1.7	5.5	4.0	-1.5	6.4	41.9	7.5	11.3			
Q2	21.2	0.2	19.7	34.7	0.3	18.9	10.1	18.6	-0.1			
Q3	5.4	-7.0	4.5	8.7	-6.6	4.8	-22.0	3.6	5.6			
Q4	12.3	-0.3	11.5	18.8	-0.2	11.0	-13.3	10.1	-2.1			
2005 Q1	5.9	5.8	5.9	15.3	6.8	3.9	88.6	7.1	1.4			
Q2	6.2	14.5	6.7	21.9	14.0	3.0	-15.3	2.3	1.7			
Q3	5.8	14.0	6.3	28.7	13.6	0.9	-7.6	0.6	3.1			
Q4	-5.8	8.4	-4.9	23.1	8.2	-12.2	23.2	-11.1	7.1			
2006 Q1	1.2	11.8	1.9	23.3	10.3	-3.8	13.5	-2.7	6.1			

1 These series include a quarterly alignment adjustment.

2 Social contributions and other current transfers.

3 Total resources equal total uses.

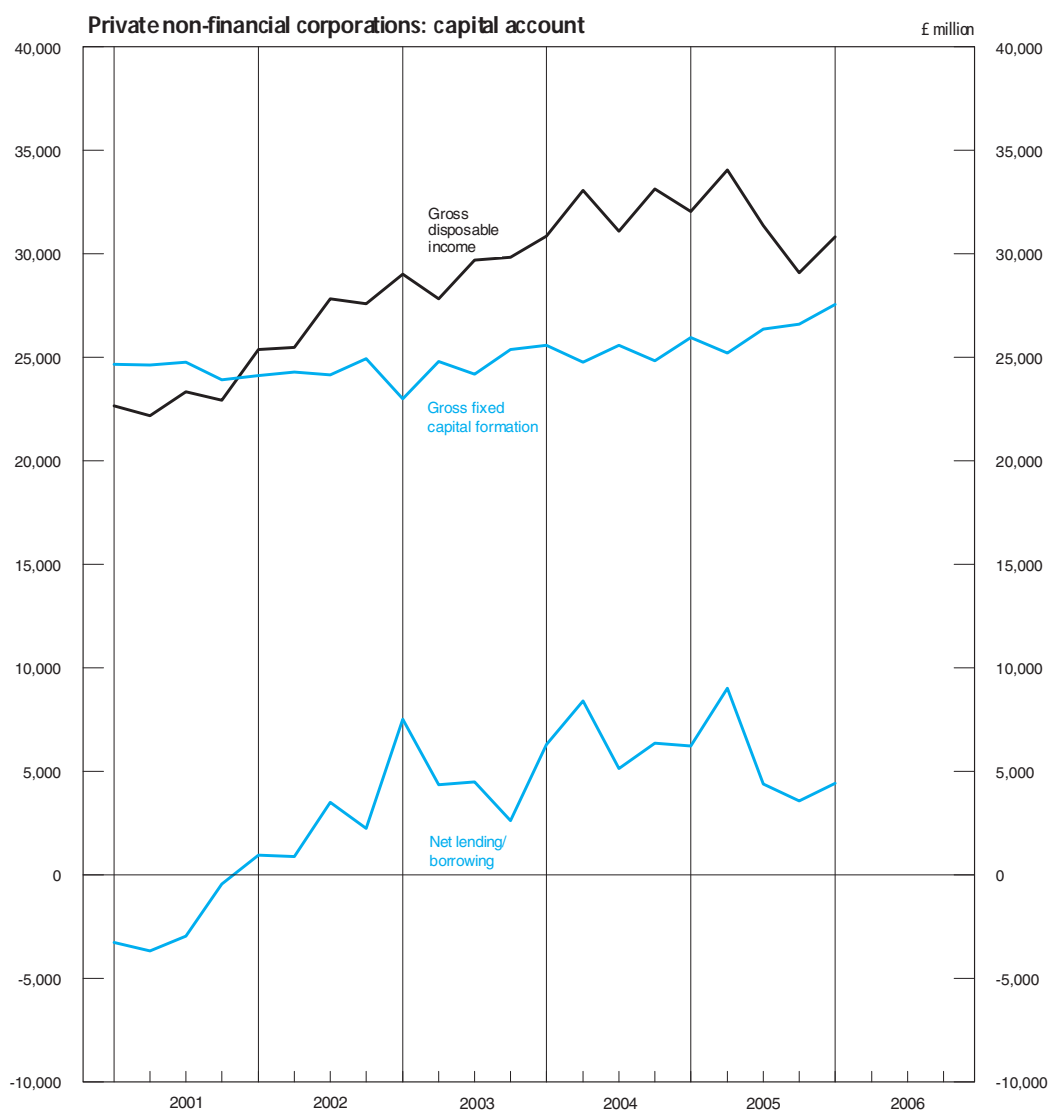
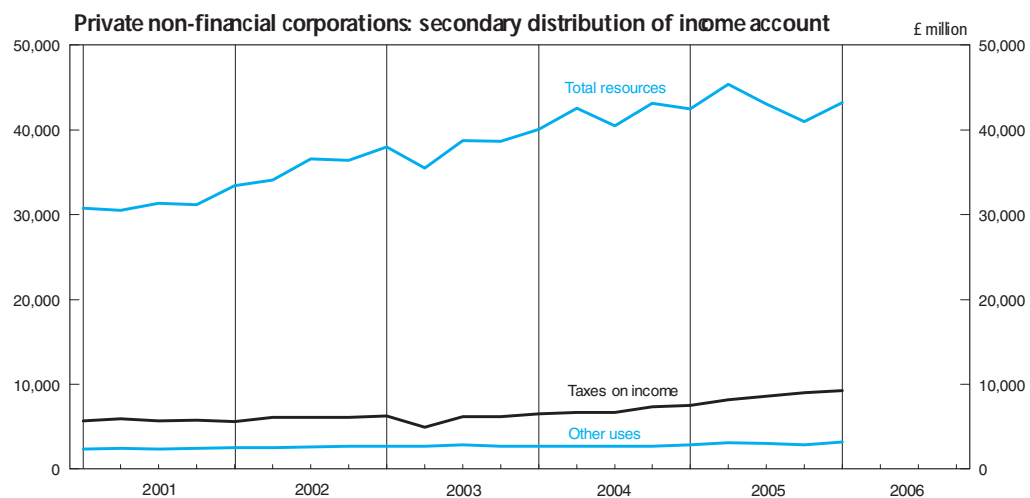
4 Social benefits and other current transfers.

5 Also known as gross saving.

6 Acquisitions less disposals of valuables and non-produced non-financial assets.

7 Gross of fixed capital consumption.

Source: Office for National Statistics; Enquiries: 020 7533 6014



# 2.13 Balance of payments: current account

£ million

	Trade in goods and services										Income balance	Current transfers balance	Current balance	Current balance as percentage of GDP <sup>1</sup>
	Goods			Services			Total							
	Exports+	Imports+	Balance of trade	Exports	Imports	Balance of trade	Exports	Imports	Balance of trade					
	BOKG	BOKH	BOKI	IKBB	IKBC	IKBD	IKBH	IKBI	IKBJ	HBOJ	IKBP	HBOP	AA6H	
2001	189 093	230 305	-41 212	84 047	69 624	14 423	273 140	299 929	-26 789	11 664	-6 759	-21 884	-2.2	
2002	186 524	234 229	-47 705	89 987	73 157	16 830	276 511	307 386	-30 875	23 443	-9 081	-16 513	-1.6	
2003	188 320	236 927	-48 607	97 077	77 915	19 162	285 397	314 842	-29 445	24 646	-10 122	-14 921	-1.3	
2004	190 877	251 770	-60 893	107 817	81 899	25 918	298 694	333 669	-34 975	26 596	-10 949	-19 328	-1.6	
2005	211 175	278 473	-67 298	111 123	88 067	23 056	322 298	366 540	-44 242	29 871	-12 179	-26 550	-2.2	
2001 Q1	49 790	58 970	-9 180	21 764	17 515	4 249	71 554	76 485	-4 931	2 545	-1 867	-4 253	-1.7	
Q2	47 770	58 850	-11 080	22 099	17 521	4 578	69 869	76 371	-6 502	3 074	-2 720	-6 148	-2.5	
Q3	46 114	56 595	-10 481	18 880	17 604	1 276	64 994	74 199	-9 205	3 620	26	-5 559	-2.2	
Q4	45 419	55 890	-10 471	21 304	16 984	4 320	66 723	72 874	-6 151	2 425	-2 198	-5 924	-2.3	
2002 Q1	46 382	57 754	-11 372	22 093	18 147	3 946	68 475	75 901	-7 426	5 283	-2 298	-4 441	-1.7	
Q2	49 102	60 104	-11 002	22 006	18 372	3 634	71 108	78 476	-7 368	4 270	-2 557	-5 655	-2.2	
Q3	46 608	58 624	-12 016	23 318	18 539	4 779	69 926	77 163	-7 237	6 924	-1 519	-1 832	-0.7	
Q4	44 432	57 747	-13 315	22 570	18 099	4 471	67 002	75 846	-8 844	6 966	-2 707	-4 585	-1.7	
2003 Q1	48 666	59 528	-10 862	23 865	19 135	4 730	72 531	78 663	-6 132	7 932	-2 364	-564	-0.2	
Q2	46 697	58 242	-11 545	24 003	19 040	4 963	70 700	77 282	-6 582	5 098	-2 926	-4 410	-1.6	
Q3	46 338	58 640	-12 302	24 483	19 781	4 702	70 821	78 421	-7 600	4 688	-2 479	-5 391	-1.9	
Q4	46 619	60 517	-13 898	24 726	19 959	4 767	71 345	80 476	-9 131	6 928	-2 353	-4 556	-1.6	
2004 Q1	46 079	60 026	-13 947	25 827	19 947	5 880	71 906	79 973	-8 067	5 825	-2 686	-4 928	-1.7	
Q2	47 137	62 384	-15 247	26 893	20 053	6 840	74 030	82 437	-8 407	6 377	-2 439	-4 469	-1.5	
Q3	48 218	63 747	-15 529	26 970	20 477	6 493	75 188	84 224	-9 036	4 954	-2 807	-6 889	-2.3	
Q4	49 443	65 613	-16 170	28 127	21 422	6 705	77 570	87 035	-9 465	9 440	-3 017	-3 042	-1.0	
2005 Q1	49 072	65 111	-16 039	27 748	21 958	5 790	76 820	87 069	-10 249	8 436	-3 504	-5 317	-1.8	
Q2	52 284	67 878	-15 594	28 237	21 880	6 357	80 521	89 758	-9 237	10 214	-2 554	-1 577	-0.5	
Q3	53 839	71 605	-17 766	26 032	22 070	3 962	79 871	93 675	-13 804	6 319	-3 031	-10 516	-3.4	
Q4	55 980	73 879	-17 899	29 106	22 159	6 947	85 086	96 038	-10 952	4 902	-3 090	-9 140	-2.9	
2006 Q1	60 337	79 939	-19 602	29 943	22 903	7 040	90 280	102 842	-12 562	7 549	-3 332	-8 345	-2.6	
Q2	64 967	83 988	-19 021	30 027	22 724	7 303	94 651	106 831	-12 180	..	..	..	..	
2003 Jan	16 575	19 842	-3 267	7 780	6 278	1 502	24 355	26 120	-1 765	..	..	..	..	
Feb	16 202	19 698	-3 496	7 996	6 400	1 596	24 198	26 098	-1 900	..	..	..	..	
Mar	15 889	19 988	-4 099	8 089	6 457	1 632	23 978	26 445	-2 467	..	..	..	..	
Apr	16 631	19 406	-2 775	7 961	6 270	1 691	24 592	25 676	-1 084	..	..	..	..	
May	15 327	19 546	-4 219	8 036	6 405	1 631	23 363	25 951	-2 588	..	..	..	..	
Jun	14 739	19 290	-4 551	8 006	6 365	1 641	22 745	25 655	-2 910	..	..	..	..	
Jul	15 781	19 563	-3 782	8 075	6 573	1 502	23 856	26 136	-2 280	..	..	..	..	
Aug	15 541	18 938	-3 397	8 199	6 614	1 585	23 740	25 552	-1 812	..	..	..	..	
Sep	15 016	20 139	-5 123	8 209	6 594	1 615	23 225	26 733	-3 508	..	..	..	..	
Oct	15 840	20 316	-4 476	8 177	6 574	1 603	24 017	26 890	-2 873	..	..	..	..	
Nov	15 165	19 858	-4 693	8 190	6 560	1 630	23 355	26 418	-3 063	..	..	..	..	
Dec	15 614	20 343	-4 729	8 359	6 825	1 534	23 973	27 168	-3 195	..	..	..	..	
2004 Jan	15 008	20 307	-5 299	8 442	6 714	1 728	23 450	27 021	-3 571	..	..	..	..	
Feb	15 177	19 460	-4 283	8 645	6 708	1 937	23 822	26 168	-2 346	..	..	..	..	
Mar	15 894	20 259	-4 365	8 740	6 525	2 215	24 634	26 784	-2 150	..	..	..	..	
Apr	15 741	20 791	-5 050	8 971	6 711	2 260	24 712	27 502	-2 790	..	..	..	..	
May	15 485	20 564	-5 079	8 966	6 672	2 294	24 451	27 236	-2 785	..	..	..	..	
Jun	15 911	21 029	-5 118	8 956	6 670	2 286	24 867	27 699	-2 832	..	..	..	..	
Jul	15 919	21 258	-5 339	8 920	6 701	2 219	24 839	27 959	-3 120	..	..	..	..	
Aug	15 915	21 152	-5 237	8 998	6 824	2 174	24 913	27 976	-3 063	..	..	..	..	
Sep	16 384	21 337	-4 953	9 052	6 952	2 100	25 436	28 289	-2 853	..	..	..	..	
Oct	16 239	21 835	-5 596	9 293	7 045	2 248	25 532	28 880	-3 348	..	..	..	..	
Nov	16 399	21 821	-5 422	9 417	7 123	2 294	25 816	28 944	-3 128	..	..	..	..	
Dec	16 805	21 957	-5 152	9 417	7 254	2 163	26 222	29 211	-2 989	..	..	..	..	
2005 Jan	16 310	21 816	-5 506	9 302	7 336	1 966	25 612	29 152	-3 540	..	..	..	..	
Feb	16 005	21 432	-5 427	9 257	7 328	1 929	25 262	28 760	-3 498	..	..	..	..	
Mar	16 757	21 863	-5 106	9 189	7 294	1 895	25 946	29 157	-3 211	..	..	..	..	
Apr	17 110	22 761	-5 651	9 334	7 281	2 053	26 444	30 042	-3 598	..	..	..	..	
May	16 906	22 277	-5 371	9 452	7 387	2 065	26 358	29 664	-3 306	..	..	..	..	
Jun	18 268	22 840	-4 572	9 451	7 212	2 239	27 719	30 052	-2 333	..	..	..	..	
Jul	17 502	23 053	-5 551	9 396	7 323	2 073	26 898	30 376	-3 478	..	..	..	..	
Aug	17 920	24 209	-6 289	7 384	7 310	74	25 304	31 519	-6 215	..	..	..	..	
Sep	18 417	24 343	-5 926	9 252	7 437	1 815	27 669	31 780	-4 111	..	..	..	..	
Oct	18 618	23 808	-5 190	9 395	7 314	2 081	28 013	31 122	-3 109	..	..	..	..	
Nov	18 394	24 728	-6 334	9 684	7 448	2 236	28 078	32 176	-4 098	..	..	..	..	
Dec	18 968	25 343	-6 375	10 027	7 397	2 630	28 995	32 740	-3 745	..	..	..	..	
2006 Jan	19 351	26 064	-6 713	10 169	7 622	2 547	29 520	33 686	-4 166	..	..	..	..	
Feb	20 189	27 370	-7 181	9 947	7 587	2 360	30 136	34 957	-4 821	..	..	..	..	
Mar	20 797	26 505	-5 708	9 827	7 694	2 133	30 624	34 199	-3 575	..	..	..	..	
Apr	22 107 <sup>†</sup>	27 682 <sup>†</sup>	-5 575 <sup>†</sup>	9 866 <sup>†</sup>	7 775 <sup>†</sup>	2 091 <sup>†</sup>	31 973 <sup>†</sup>	35 457 <sup>†</sup>	-3 484 <sup>†</sup>	..	..	..	..	
May	21 562	28 545	-6 983	9 839 <sup>†</sup>	7 563	2 276	31 401	36 108	-4 707	..	..	..	..	
Jun	21 298	27 761	-6 463	9 979	7 505	2 474	31 277	35 266	-3 989	..	..	..	..	

1 Using series YBHA: GDP at current market prices

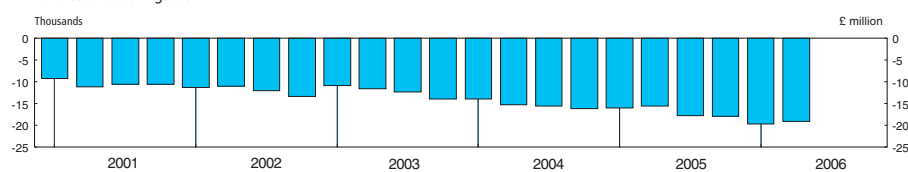
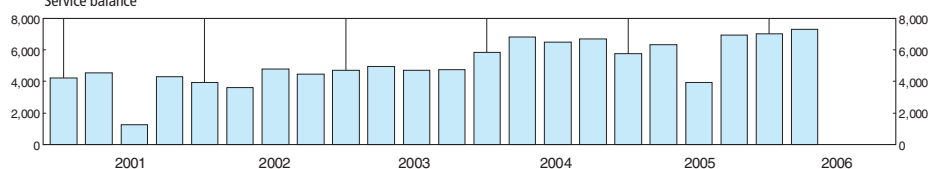
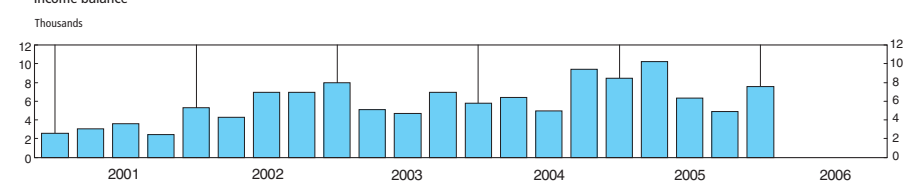
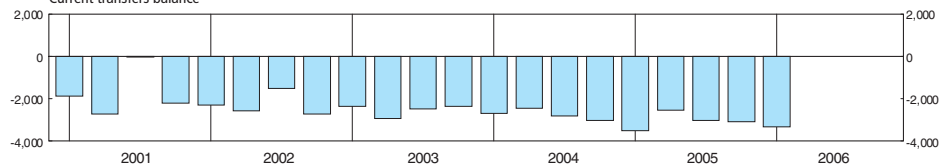
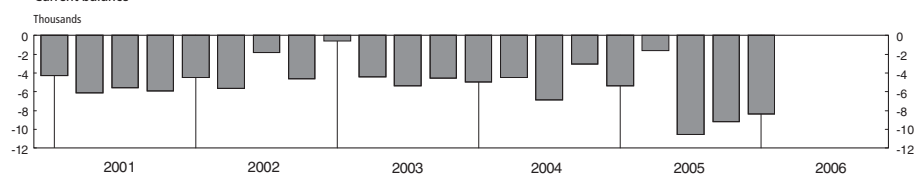
Sources: Office for National Statistics;

Enquiries: Columns 1-3 020 7533 6064; Columns 4-6 020 7533 6090;

Columns 7-13 020 7533 6078.

**Balance of payments: current account**

Balance of trade in goods

**Service balance****Income balance****Current transfers balance****Current balance**

# 2.14 Trade in goods (on a balance of payments basis)

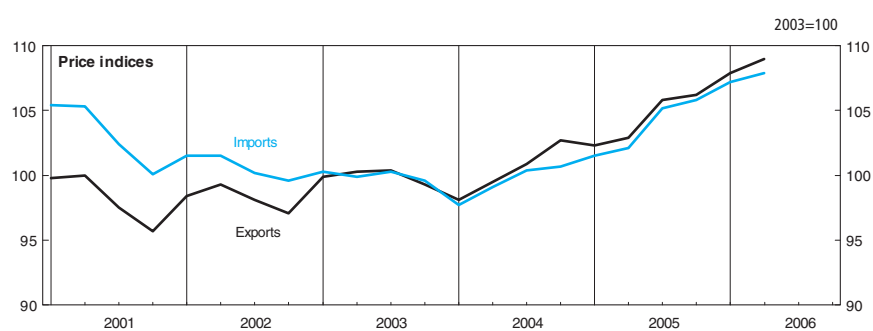
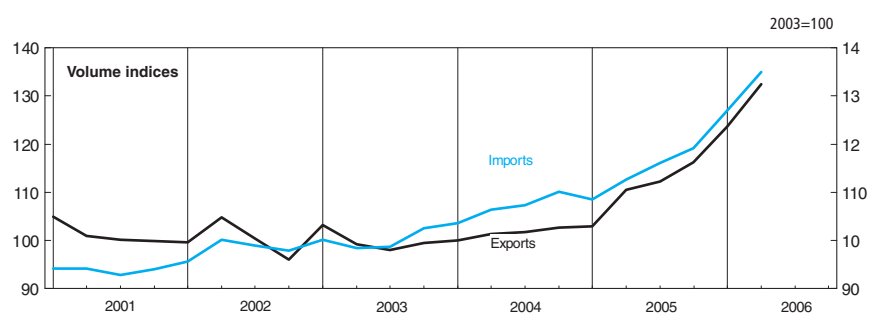
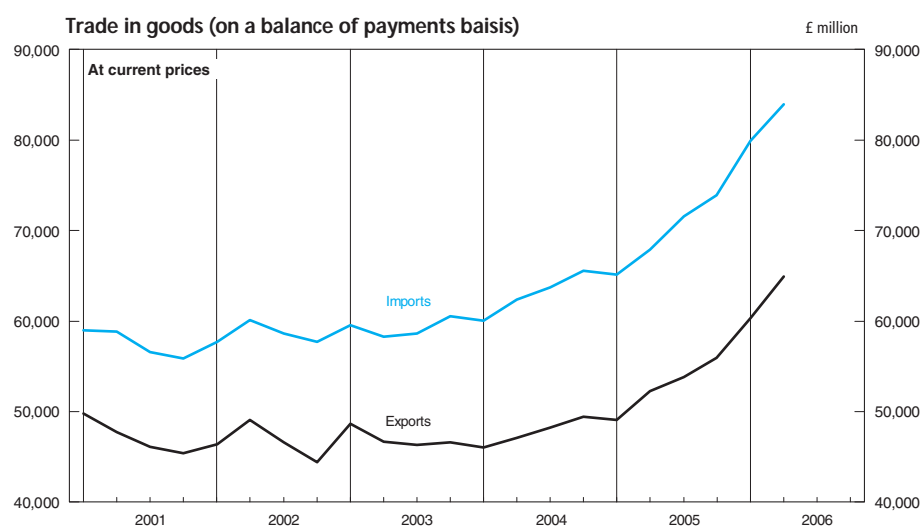
2003 = 100

	Volume indices (seasonally adjusted)						Price indices (not seasonally adjusted)								
	Total		Total excluding oil		Total excluding oil and erratics <sup>1</sup>		Total			Total excluding oil			Total excluding oil and erratics <sup>1</sup>		
	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Terms of trade <sup>2</sup>	Exports	Imports	Terms of trade <sup>2</sup>	Exports	Imports	
	BQKU	BQKV	BQKI	BQKJ	BOMA	ELAL	BQKR	BQKS	BQKT	BQKK	BQKL	BQKM	BQAK	ELBA	
2001	101.5	93.8	100.8	93.5	103.3	93.1	98.3	103.3	95.2	98.8	104.4	94.6	97.3	103.9	
2002	100.3	98.2	99.9	98.6	101.8	98.2	98.2	100.7	97.5	98.7	101.1	97.6	97.7	100.9	
2003	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
2004	101.5	106.9	102.0	106.3	102.0	106.8	100.3	99.5	100.8	98.9	98.7	100.2	99.0	99.0	
2005	110.5	114.2	112.0	114.2	112.7	115.0	104.3	103.7	100.6	100.2	100.6	99.6	100.4	100.7	
2001 Q1	104.9	94.2	104.7	94.0	107.4	94.2	99.8	105.4	94.7	100.2	106.4	94.2	98.4	105.8	
Q2	100.9	94.2	100.3	93.9	103.1	93.3	100.0	105.3	95.0	99.9	106.0	94.2	98.1	105.2	
Q3	100.2	92.9	99.1	93.3	101.4	92.5	97.5	102.4	95.2	97.7	103.2	94.7	96.5	102.9	
Q4	99.9	94.0	99.1	92.9	101.1	92.5	95.7	100.1	95.6	97.2	101.8	95.5	96.1	101.6	
2002 Q1	99.7	95.7	99.2	95.8	101.7	96.5	98.4	101.5	96.9	99.7	102.6	97.2	98.6	102.3	
Q2	104.8	100.2	103.9	100.6	105.0	100.0	99.3	101.5	97.8	99.6	101.8	97.8	98.7	101.6	
Q3	100.5	99.0	100.6	99.5	102.6	99.1	98.1	100.2	97.9	98.2	100.3	97.9	97.3	100.2	
Q4	96.1	97.9	95.8	98.4	98.1	97.2	97.1	99.6	97.5	97.2	99.8	97.4	96.3	99.7	
2003 Q1	103.2	100.2	102.8	100.8	103.4	100.7	99.9	100.3	99.6	99.0	99.7	99.3	99.0	99.7	
Q2	99.2	98.5	99.3	98.3	99.6	98.6	100.3	99.9	100.4	101.0	100.3	100.7	101.0	100.4	
Q3	98.0	98.7	98.1	98.4	98.2	97.9	100.4	100.3	100.1	100.6	100.4	100.2	100.5	100.2	
Q4	99.5	102.6	99.7	102.5	98.8	102.8	99.3	99.6	99.7	99.4	99.7	99.7	99.5	99.8	
2004 Q1	100.1	103.6	100.0	103.4	99.8	103.7	98.1	97.7	100.4	98.0	97.8	100.2	98.1	98.1	
Q2	101.4	106.4	102.2	105.5	102.7	105.9	99.5	99.1	100.4	98.6	98.6	100.0	98.7	98.9	
Q3	101.8	107.4	102.9	107.1	102.5	107.3	100.9	100.4	100.5	98.8	99.1	99.7	99.0	99.3	
Q4	102.7	110.1	103.1	109.4	103.1	110.1	102.7	100.7	102.0	100.3	99.3	101.0	100.4	99.5	
2005 Q1	102.9	108.6	103.1	108.8	103.3	109.4	102.3	101.5	100.8	100.2	99.8	100.4	100.4	100.0	
Q2	110.6	112.7	112.1	112.7	113.2	113.8	102.9	102.1	100.8	99.6	99.8	99.8	99.8	99.9	
Q3	112.3	116.1	114.6	116.0	115.2	116.3	105.8	105.2	100.6	100.0	100.9	99.1	100.3	101.0	
Q4	116.2	119.1	118.3	119.5	119.0	120.3	106.2	105.8	100.4	100.9	102.0	98.9	101.1	102.0	
2006 Q1	123.7	127.0	126.3	127.6	128.7	128.7	107.9	107.2	100.7	102.2	102.8	99.4	102.3	102.7	
Q2	132.4	135.0	135.5	136.1	137.5	137.6	109.0	107.9	101.0	102.2	102.8	99.4	102.4	102.9	
2003 Jan	106.8	100.7	106.8	101.0	107.1	100.3	98.5	99.5	99.0	97.7	98.9	98.8	97.6	99.0	
Feb	103.2	99.9	103.2	101.0	103.8	101.1	99.6	100.0	99.6	98.6	99.3	99.3	98.5	99.2	
Mar	99.5	100.1	98.5	100.3	99.3	100.6	101.5	101.3	100.2	100.8	100.8	100.0	100.8	100.8	
Apr	106.0	97.9	106.3	97.7	107.0	98.4	100.1	100.5	99.6	100.7	100.9	99.8	100.6	100.9	
May	97.6	99.4	97.7	98.6	98.0	98.1	101.0	100.0	101.0	101.9	100.5	101.4	101.9	100.6	
Jun	94.1	98.1	93.9	98.6	93.9	99.2	99.9	99.2	100.7	100.4	99.5	100.9	100.5	99.6	
Jul	100.3	98.9	100.0	98.5	100.0	98.3	100.1	99.8	100.3	100.3	99.9	100.4	100.3	99.8	
Aug	98.2	95.5	98.7	96.0	98.5	95.5	101.0	100.5	100.5	100.8	100.4	100.4	100.8	100.2	
Sep	95.6	101.8	95.6	100.7	96.0	100.0	100.2	100.5	99.7	100.6	100.8	99.8	100.5	100.7	
Oct	101.1	102.9	101.2	102.2	100.0	102.3	99.8	100.0	99.8	99.8	100.1	99.7	99.9	100.1	
Nov	97.1	101.1	98.2	101.5	98.0	102.5	99.2	99.7	99.5	99.3	99.8	99.5	99.4	99.9	
Dec	100.4	103.7	99.8	103.7	98.5	103.7	99.0	99.0	100.0	99.1	99.1	100.0	99.2	99.3	
2004 Jan	97.6	105.1	96.8	103.9	97.0	104.4	98.2	98.0	100.2	98.2	98.1	100.1	98.5	98.4	
Feb	99.8	101.5	100.7	101.7	100.8	102.5	97.2	96.7	100.5	97.3	97.0	100.3	97.4	97.3	
Mar	103.0	104.3	102.4	104.5	101.7	104.2	98.8	98.4	100.4	98.4	98.2	100.2	98.5	98.5	
Apr	102.0	106.7	102.6	105.5	103.2	105.8	99.1	98.6	100.5	98.7	98.4	100.3	98.8	98.6	
May	99.4	104.7	100.1	104.2	100.8	105.0	100.3	99.8	100.5	99.0	99.0	100.0	99.1	99.3	
Jun	102.8	107.7	103.9	106.8	104.2	106.8	99.1	98.9	100.2	98.0	98.4	99.6	98.1	98.7	
Jul	102.4	108.8	103.0	107.7	103.0	108.0	99.3	99.1	100.2	98.0	98.5	99.5	98.2	98.8	
Aug	100.7	106.9	101.5	107.6	101.0	107.7	101.0	100.6	100.4	98.5	99.0	99.5	98.7	99.2	
Sep	102.2	106.6	104.1	106.0	103.5	106.2	102.5	101.4	101.1	100.0	99.8	100.2	100.1	100.0	
Oct	100.1	109.1	101.2	109.2	101.0	109.3	104.2	102.2	102.0	100.8	99.9	100.9	101.0	100.1	
Nov	101.8	109.4	102.6	108.0	103.2	109.5	103.1	100.9	102.2	100.7	99.6	101.1	100.8	99.7	
Dec	106.3	111.8	105.6	110.9	105.2	111.6	100.9	99.1	101.8	99.3	98.5	100.8	99.4	98.8	
2005 Jan	102.7	109.5	102.2	109.4	102.4	109.9	101.6	101.1	100.5	100.1	99.8	100.3	100.2	100.0	
Feb	101.3	106.8	102.6	106.9	102.4	107.6	101.8	101.3	100.5	100.0	99.8	100.2	100.2	100.0	
Mar	104.7	109.5	104.6	110.0	105.1	110.6	103.5	102.2	101.3	100.6	99.7	100.9	100.8	100.0	
Apr	108.2	113.7	109.6	113.4	111.5	114.5	102.9	101.7	101.2	99.8	99.5	100.3	100.0	99.6	
May	106.9	111.3	108.0	111.1	108.4	112.9	103.0	102.0	101.0	100.2	100.0	100.2	100.3	100.1	
Jun	116.7	113.2	118.8	113.5	119.6	114.0	102.9	102.7	100.2	98.9	99.8	99.1	99.2	100.0	
Jul	108.6	112.2	109.8	112.4	109.7	112.9	105.6	105.3	100.3	100.4	101.5	98.9	100.6	101.5	
Aug	112.6	117.7	115.9	117.8	116.7	117.5	106.1	105.3	100.8	100.0	100.6	99.4	100.3	100.7	
Sep	115.6	118.5	118.1	117.7	119.2	118.6	105.7	104.9	100.8	99.6	100.6	99.0	99.9	100.7	
Oct	116.1	115.7	117.9	115.4	118.8	117.3	106.5	105.6	100.9	100.7	101.7	99.0	101.0	101.7	
Nov	115.0	119.3	117.5	119.5	117.9	119.3	106.1	106.0	100.1	100.9	102.3	98.6	101.1	102.2	
Dec	117.5	122.4	119.5	123.5	120.3	124.3	106.0	105.9	100.1	101.0	102.1	98.9	101.2	102.1	
2006 Jan	119.2	124.0	121.8	123.8	123.7	124.0	107.4	106.7	100.7	101.6	102.3	99.3	101.8	102.3	
Feb	125.3	130.9	128.6	132.4	131.0	133.6	107.8	107.2	100.6	102.1	102.9	99.2	102.2	102.8	
Mar	126.7	126.2	128.6	126.5	131.5	128.6	108.6	107.6	100.9	102.9	103.2	99.7	103.0	103.1	
Apr	135.7 <sup>†</sup>	133.2 <sup>†</sup>	139.2 <sup>†</sup>	135.3 <sup>†</sup>	141.7 <sup>†</sup>	137.3 <sup>†</sup>	110.1 <sup>†</sup>	109.0 <sup>†</sup>	101.0 <sup>†</sup>	102.9	103.4	99.5 <sup>†</sup>	103.1	103.3	
May	132.3	137.4	135.7	138.1	137.9	139.0	108.4	107.3	101.0	101.6	102.4 <sup>†</sup>	99.2	101.8 <sup>†</sup>	102.5 <sup>†</sup>	
Jun	129.2	134.3	131.6	135.0	133.0	136.5	108.6	107.4	101.1	102.0	102.7	99.3	102.3	102.8	

1 Defined as ships, aircraft, precious stones and silver.

2 Price index for exports expressed as a percentage of price index for imports.

Source: Office for National Statistics; Enquiries: 020 7533 6064



# 3.1 Prices

Not seasonally adjusted except series RNPE

	Producer price index (2000=100)		Consumer prices index <sup>2,3</sup> (2005=100)						Retail prices index (13 January 1987=100)						Pensioner price index <sup>6</sup> (13 January 1987=100)		
			All items		CPI excluding indirect taxes (CPIY) <sup>4</sup>		All items (RPI)		All items excluding mortgage interest payments (RPIX)		All items excluding mortgage interest payments and indirect taxes (RPIY) <sup>5</sup>						
	Materials and fuel purchased by manufacturing industry (SA) <sup>1</sup>	Output: all manufactured products: home sales	Index	Percent-age change on a year earlier	Index	Percent-age change on a year earlier	Index	Percent-age change on a year earlier	Index	Percent-age change on a year earlier	Index	Percent-age change on a year earlier	One-person household	Two-person household	Purchasing power of the pound <sup>7</sup> (NSA) (1985=100)		
	RNPE	PLLU	D7BT	D7G7	EL2Q	EL2S	CHAW	CZBH	CHMK	CDKQ	CBZW	CBZX	CZIF	CZIU	FJAK		
2001	98.8	99.7	94.2	1.2	..	..	173.3	1.8	171.3	2.1	163.7	2.4	152.7	158.5	55		
2002	94.4	99.8	95.4	1.3	..	..	176.2	1.7	175.1	2.2	167.5	2.3	155.3	160.9	54		
2003	95.7	101.3	96.7	1.4	96.6	..	181.3	2.9	180.0	2.8	172.0	2.7	158.1	163.8	52		
2004	99.4	103.8	98.0	1.3	97.9	1.3	186.7	3.0	184.0	2.2	175.5	2.0	160.9	166.4	51		
2005	111.1	106.7	100.0	2.1	100.0	2.2	192.0	2.8	188.2	2.3	179.4	2.2	165.1	170.0	49		
2001 Q1	100.9	99.7	93.2	0.9	..	..	171.8	2.6	168.9	1.9	161.1	1.6	150.6	156.5	55		
Q2	101.8	100.1	94.5	1.5	..	..	173.9	1.9	171.8	2.3	164.1	2.6	153.3	159.3	54		
Q3	98.2	99.8	94.5	1.5	..	..	174.0	1.8	172.1	2.4	164.6	2.8	153.0	158.9	54		
Q4	94.2	99.3	94.6	1.0	..	..	173.8	1.0	172.4	2.0	165.0	2.4	153.9	159.3	55		
2002 Q1	94.2	99.2	94.6	1.5	..	..	173.9	1.2	172.9	2.4	165.5	2.7	154.7	160.1	54		
Q2	95.2	99.8	95.4	0.9	..	..	176.0	1.2	175.0	1.9	167.1	1.8	155.3	161.0	54		
Q3	94.2	99.9	95.5	1.0	..	..	176.6	1.5	175.5	2.0	167.8	1.9	155.0	160.7	54		
Q4	93.9	100.1	96.0	1.5	..	..	178.2	2.5	176.9	2.6	169.5	2.7	156.1	161.7	53		
2003 Q1	95.9	100.9	96.0	1.5	95.9	..	179.2	3.0	177.9	2.9	170.6	3.1	156.7	162.6	53		
Q2	94.8	101.1	96.6	1.3	96.5	..	181.3	3.0	180.1	2.9	171.8	2.8	157.9	163.7	52		
Q3	95.4	101.3	96.8	1.4	96.7	..	181.8	2.9	180.5	2.8	172.3	2.7	158.3	164.0	52		
Q4	96.7	101.7	97.3	1.3	97.2	..	182.9	2.6	181.5	2.6	173.2	2.2	159.4	165.0	52		
2004 Q1	95.7	102.4	97.2	1.3	97.1	1.3	183.8	2.6	182.0	2.3	173.8	1.9	159.7	165.4	51		
Q2	98.6	103.4	98.0	1.4	97.8	1.4	186.3	2.8	184.0	2.2	175.4	2.1	160.9	166.6	51		
Q3	100.5	104.2	98.0	1.3	97.9	1.2	187.4	3.1	184.3	2.1	175.6	1.9	160.5	166.1	50		
Q4	102.9	105.1	98.7	1.4	98.6	1.4	189.2	3.4	185.6	2.3	177.1	2.3	162.3	167.6	50		
2005 Q1	105.7	105.2	98.9	1.7	98.9	1.8	189.7	3.2	186.0	2.2	177.5	2.1	163.4	168.3	50		
Q2	108.4	106.3	99.9	2.0	99.9	2.1	191.9	3.0	188.1	2.2	179.3	2.2	164.8	169.8	49		
Q3	113.5	107.4	100.4	2.4	100.4	2.6	192.6	2.8	188.7	2.4	179.9	2.4	165.1	170.1	49		
Q4	116.9	107.7	100.8	2.1	100.9	2.3	193.7	2.4	189.8	2.3	181.0	2.2	167.1	171.7	49		
2006 Q1	120.9	108.1	100.8	1.9	100.9	2.0	194.2	2.4	190.1	2.2	181.4	2.2	168.2	172.4	49		
Q2	123.0p <sup>†</sup>	109.5p	102.1	2.3	102.2	2.3	197.6	3.0	193.4	2.8	184.3	2.8	171.6	175.4	48		
2004 Jul	99.1	103.8	97.8	1.4	97.7	1.4	186.8	3.0	183.8	2.2	175.1	2.0	..	..	51		
Aug	100.2	104.2	98.1	1.3	97.9	1.3	187.4	3.2	184.3	2.2	175.7	2.0	..	..	50		
Sep	102.3	104.5	98.2	1.1	98.0	1.0	188.1	3.1	184.7	1.9	176.1	1.7	..	..	50		
Oct	105.0	105.2	98.4	1.2	98.3	1.2	188.6	3.3	185.1	2.1	176.6	2.0	..	..	50		
Nov	103.0	105.3	98.6	1.5	98.5	1.4	189.0	3.4	185.4	2.2	176.9	2.2	..	..	50		
Dec	100.6	104.9	99.1	1.7	99.1	1.7	189.9	3.5	186.4	2.5	177.9	2.5	..	..	50		
2005 Jan	105.0	104.8	98.6	1.6	98.5	1.7	188.9	3.2	185.2	2.1	176.7	2.0	..	..	50		
Feb	105.0	105.1	98.8	1.7	98.8	1.7	189.6	3.2	185.9	2.1	177.4	2.0	..	..	50		
Mar	107.0	105.8	99.3	1.9	99.3	2.0	190.5	3.2	186.8	2.4	178.3	2.3	..	..	50		
Apr	107.2	106.5	99.7	1.9	99.6	2.0	191.6	3.2	187.8	2.3	179.0	2.3	..	..	49		
May	107.7	106.3	100.0	1.9	100.0	2.0	192.0	2.9	188.2	2.1	179.4	2.2	..	..	49		
Jun	110.2	106.2	100.0	2.0	100.0	2.2	192.2	2.9	188.3	2.2	179.5	2.2	..	..	49		
Jul	113.4	107.0	100.1	2.3	100.1	2.5	192.2	2.9	188.3	2.4	179.5	2.5	..	..	49		
Aug	113.5	107.3	100.4	2.4	100.5	2.6	192.6	2.8	188.6	2.3	179.8	2.3	..	..	49		
Sep	113.5	108.0	100.6	2.5	100.6	2.6	193.1	2.7	189.3	2.5	180.5	2.5	..	..	49		
Oct	114.8	107.9	100.7	2.3	100.8	2.5	193.3	2.5	189.5	2.4	180.7	2.3	..	..	49		
Nov	117.1	107.7	100.7	2.1	100.8	2.3	193.6	2.4	189.7	2.3	180.9	2.3	..	..	49		
Dec	118.9	107.4	101.0	1.9	101.1	2.1	194.1	2.2	190.2	2.0	181.5	2.0	..	..	49		
2006 Jan	120.8	107.8	100.5	1.9	100.6	2.1	193.4	2.4	189.4	2.3	180.7	2.3	..	..	49		
Feb	120.8	108.1	100.9	2.0	100.9	2.1	194.2	2.4	190.1	2.3	181.4	2.3	..	..	49		
Mar	121.0	108.4	101.1	1.8	101.1	1.9	195.0	2.4	190.8	2.1	182.2	2.2	..	..	49		
Apr	123.4 <sup>†</sup>	109.2	101.7	2.0	101.7	2.1	196.5	2.6	192.3	2.4	183.2	2.3	..	..	48		
May	122.7	109.6	102.2	2.2	102.3	2.3	197.7	3.0	193.6	2.9	184.5	2.8	..	..	48		
Jun	122.9p	109.8p	102.5	2.5	102.6	2.6	198.5	3.3	194.2	3.1	185.2	3.2	..	..	48		
Jul	124.3p	110.0p	102.5	2.4	102.6	2.4	198.5	3.3	194.2	3.1	185.2	3.2	..	..	48		

Note: Figures marked with a 'p' are provisional.

1 Includes the climate change levy introduced in April 2001 and the aggregates levy introduced in April 2002.

2 Rebased from 1996=100 with effect from the January 2006 CPI release. Inflation rates before 1997 and index levels before 1996 are estimated. Further details are given in *Economic Trends* No.541 December 1998.

3 Before December 2003, the consumer prices index (CPI) was published in the UK as the harmonised index of consumer prices (HICP).

4 New series published with effect from the March 2006 CPI release. The index is not available before December 2002.

5 The taxes excluded are council tax, VAT, duties, vehicle excise duty, insurance tax and airport passenger duty.

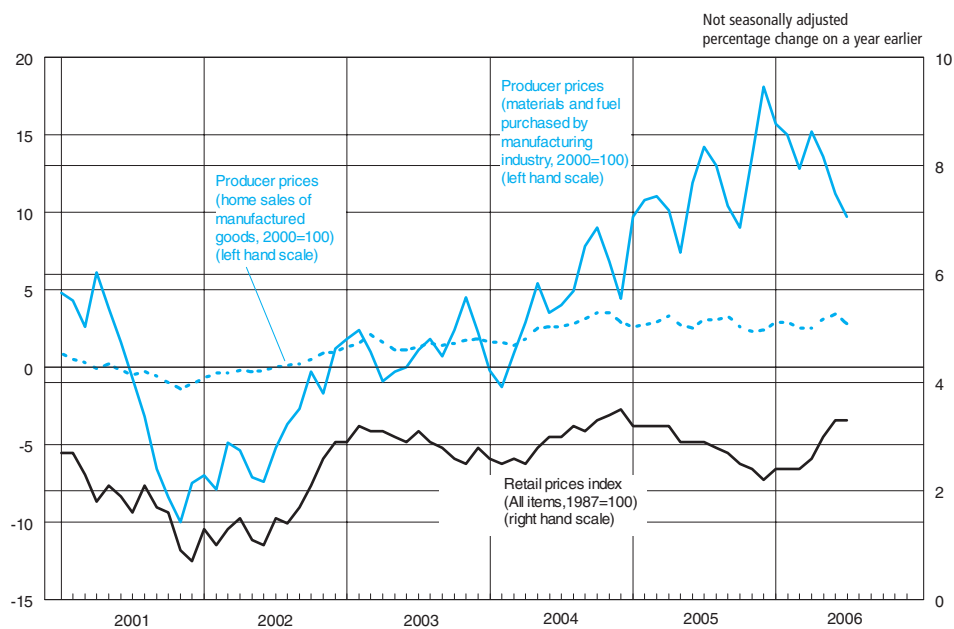
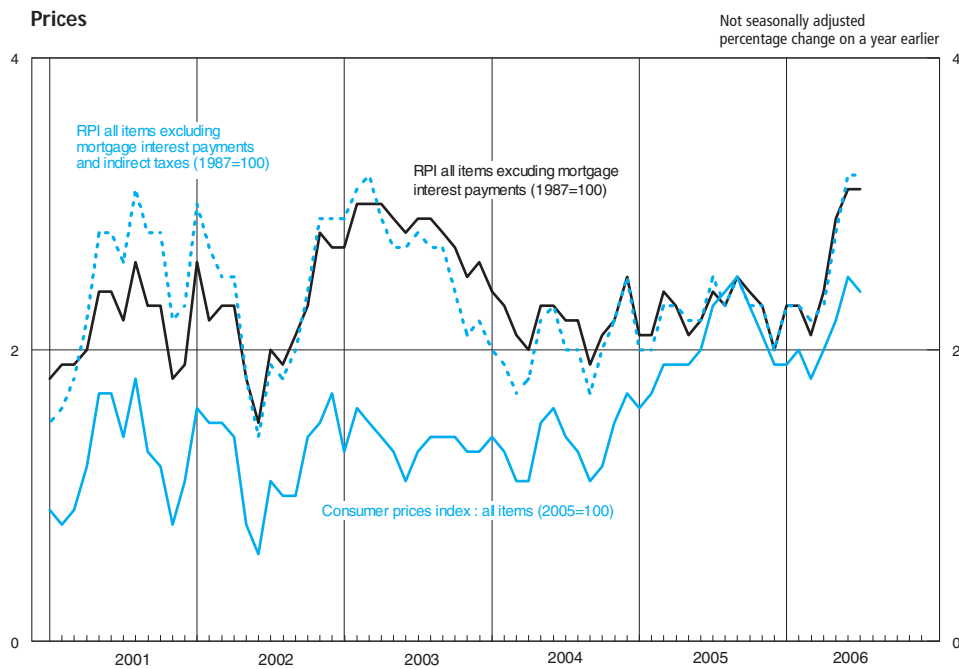
6 Pensioner price indices exclude housing costs, as these are often atypical for a pensioner household, based on RPI.

7 Movements in the purchasing power of the pound are based on movements in the retail prices index.

Sources: Office for National Statistics; Enquiries: Columns 1-2 01633 812106; Columns 3-15 020 7533 5853.



## Prices



# 4.1 Labour market activity<sup>1</sup>

## United Kingdom

Thousands, seasonally adjusted<sup>2</sup>

	Employment categories				Total in employment	Unemployed	Total economically active	Economically inactive	Total aged 16 and over	Employment rate: age 16-59/64 <sup>3</sup>
	Employees	Self-employed	Unpaid family workers	Government training and employment programmes						
<b>Total</b>	<b>MGRN</b>	<b>MGRQ</b>	<b>MGRT</b>	<b>MGRW</b>	<b>MGRZ</b>	<b>MGSC</b>	<b>MGSF</b>	<b>MGSI</b>	<b>MGSL</b>	<b>MGSU</b>
2002 Q1	24 247	3 321	97	112	27 777	1 511	29 288	17 369	46 657	74.3
Q2	24 365	3 336	97	106	27 905	1 515	29 420	17 306	46 727	74.5
Q3	24 366	3 355	94	97	27 912	1 561	29 473	17 325	46 798	74.4
Q4	24 521	3 363	94	96	28 074	1 514	29 588	17 284	46 872	74.7
2003 Q1	24 452	3 435	83	94	28 065	1 524	29 588	17 358	46 946	74.6
Q2	24 456	3 555	88	93	28 191	1 463	29 654	17 366	47 020	74.8
Q3	24 360	3 647	108	107	28 222	1 499	29 721	17 377	47 098	74.6
Q4	24 388	3 659	99	108	28 254	1 458	29 712	17 470	47 183	74.6
2004 Q1	24 550	3 628	103	116	28 398	1 432	29 830	17 438	47 268	74.8
Q2	24 518	3 670	98	125	28 410	1 434	29 844	17 509	47 352	74.7
Q3	24 662	3 586	91	128	28 467	1 392	29 859	17 585	47 444	74.7
Q4	24 720	3 644	97	126	28 586	1 418	30 004	17 546	47 550	74.9
2005 Q1	24 819	3 630	104	126	28 679	1 409	30 087	17 569	47 656	74.9
Q2	24 860	3 621	101	116	28 698	1 435	30 132	17 629	47 762	74.7
Q3	24 965	3 660	93	107	28 825	1 434	30 259	17 605	47 863	74.9
Q4	24 869	3 700	90	109	28 769	1 541	30 310	17 647	47 957	74.5
2006 Q1	24 967	3 748	87	94	28 896	1 586	30 482	17 568	48 050	74.7
Q2	25 032	3 719	91	95	28 938	1 677	30 615	17 528	48 143	74.6
<b>Males</b>	<b>MGRO</b>	<b>MGRR</b>	<b>MGRU</b>	<b>MGRX</b>	<b>MGSA</b>	<b>MGSD</b>	<b>MMSG</b>	<b>MGSJ</b>	<b>MGSM</b>	<b>MGSV</b>
2002 Q1	12 467	2 449	30	70	15 016	919	15 935	6 587	22 522	78.9
Q2	12 535	2 442	31	61	15 068	910	15 978	6 586	22 564	79.0
Q3	12 517	2 457	36	60	15 070	945	16 015	6 591	22 606	78.9
Q4	12 671	2 460	34	61	15 226	891	16 117	6 533	22 650	79.5
2003 Q1	12 594	2 505	26	56	15 181	926	16 107	6 586	22 694	79.1
Q2	12 602	2 604	32	53	15 291	886	16 177	6 560	22 738	79.5
Q3	12 512	2 672	41	61	15 285	896	16 180	6 602	22 783	79.3
Q4	12 482	2 680	38	60	15 261	879	16 140	6 691	22 830	79.0
2004 Q1	12 581	2 657	42	68	15 348	841	16 190	6 688	22 878	79.4
Q2	12 544	2 695	41	73	15 353	841	16 195	6 731	22 926	79.2
Q3	12 630	2 653	35	75	15 393	815	16 208	6 769	22 977	79.3
Q4	12 651	2 686	37	75	15 450	834	16 284	6 753	23 037	79.3
2005 Q1	12 709	2 668	41	70	15 488	830	16 318	6 778	23 096	79.3
Q2	12 710	2 662	38	71	15 481	834	16 316	6 839	23 155	79.1
Q3	12 751	2 678	34	63	15 526	849	16 376	6 837	23 213	79.1
Q4	12 721	2 718	30	62	15 531	910	16 441	6 825	23 266	78.8
2006 Q1	12 733	2 726	28	60	15 548	926	16 474	6 845	23 318	78.7
Q2	12 790	2 706	35	55	15 587	975	16 562	6 810	23 371	78.7
<b>Females</b>	<b>MGRP</b>	<b>MGRS</b>	<b>MGRV</b>	<b>MGRY</b>	<b>MGSB</b>	<b>MGSE</b>	<b>MGRH</b>	<b>MGRK</b>	<b>MGRN</b>	<b>MGRW</b>
2002 Q1	11 780	872	66	42	12 760	593	13 353	10 782	24 135	69.4
Q2	11 831	895	65	45	12 837	606	13 443	10 720	24 163	69.7
Q3	11 850	898	58	37	12 843	615	13 458	10 734	24 192	69.7
Q4	11 850	903	60	35	12 848	623	13 471	10 751	24 222	69.6
2003 Q1	11 858	930	57	38	12 883	598	13 481	10 771	24 252	69.7
Q2	11 853	951	56	40	12 900	578	13 477	10 805	24 283	69.7
Q3	11 848	975	67	46	12 937	603	13 541	10 775	24 315	69.7
Q4	11 906	979	61	47	12 993	579	13 572	10 780	24 352	69.8
2004 Q1	11 969	971	61	48	13 049	591	13 640	10 749	24 390	70.0
Q2	11 974	975	57	52	13 057	592	13 649	10 778	24 427	69.8
Q3	12 033	933	55	53	13 074	577	13 651	10 816	24 467	69.9
Q4	12 068	959	59	50	13 136	584	13 721	10 793	24 514	70.1
2005 Q1	12 110	962	63	55	13 191	579	13 769	10 791	24 560	70.1
Q2	12 150	959	63	44	13 216	600	13 817	10 790	24 606	70.1
Q3	12 214	982	59	44	13 299	584	13 883	10 768	24 651	70.4
Q4	12 148	982	60	48	13 238	632	13 869	10 822	24 691	69.8
2006 Q1	12 233	1 022	58	34	13 348	660	14 008	10 723	24 731	70.3
Q2	12 241	1 013	56	41	13 351	702	14 053	10 718	24 772	70.1

1 Data are from the Labour Force Survey which uses the definitions recommended by the International Labour Organisation (ILO), an agency of the United Nations. For details see the *Guide to Labour Market Statistics Releases*.

2 Seasonally adjusted estimates are revised in September each year.

3 The employment rate equals those in employment aged 16-64 (males) and 16-59 (females), as a percentage of all in these age groups. The underlying data are available on request.

Source: Office for National Statistics; Enquiries: 020 7533 6094



## 4.2 Labour market activity<sup>1</sup>

### United Kingdom

Thousands, not seasonally adjusted

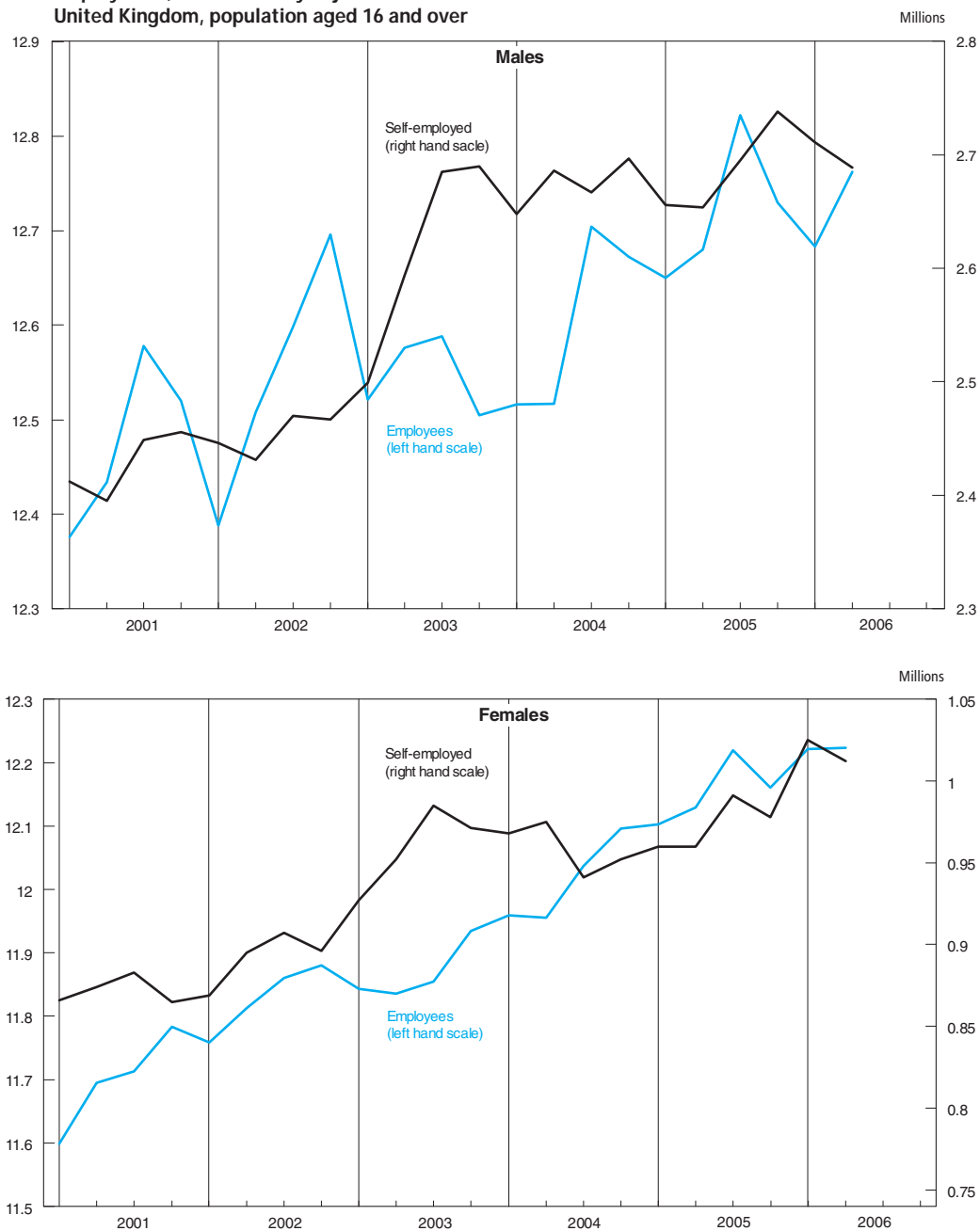
	Employment categories					Unemployed	Total economically active	Economically inactive	Total aged 16 and over	Employment rate: age 16-59/64 <sup>2</sup>
	Employees	Self-employed	Unpaid family workers	Government training and employment programmes	Total in employment					
<b>Total</b>										
	MGTA	MGTD	MGTG	MGTJ	MGTM	MGTP	MGTS	MGTV	MGSL	MGUH
2002 Q1	24 146	3 315	95	117	27 672	1 517	29 189	17 468	46 657	74.0
Q2	24 321	3 326	95	105	27 847	1 468	29 315	17 411	46 727	74.4
Q3	24 458	3 377	97	90	28 022	1 633	29 656	17 142	46 798	74.7
Q4	24 576	3 363	95	99	28 133	1 476	29 609	17 263	46 872	74.9
2003 Q1	24 363	3 426	83	99	27 971	1 525	29 497	17 450	46 946	74.3
Q2	24 412	3 545	86	91	28 134	1 416	29 550	17 470	47 020	74.6
Q3	24 442	3 670	110	101	28 323	1 572	29 895	17 203	47 098	74.9
Q4	24 440	3 661	100	110	28 311	1 422	29 733	17 450	47 183	74.7
2004 Q1	24 475	3 616	104	121	28 316	1 430	29 746	17 522	47 268	74.6
Q2	24 471	3 661	96	122	28 349	1 389	29 738	17 614	47 352	74.5
Q3	24 741	3 607	91	123	28 562	1 466	30 029	17 416	47 444	75.0
Q4	24 768	3 649	97	128	28 642	1 383	30 025	17 525	47 550	75.0
2005 Q1	24 752	3 616	106	130	28 604	1 405	30 009	17 647	47 656	74.6
Q2	24 809	3 613	98	112	28 633	1 392	30 025	17 737	47 762	74.5
Q3	25 041	3 686	92	102	28 920	1 509	30 429	17 434	47 863	75.2
Q4	24 891	3 715	89	111	28 807	1 525	30 332	17 625	47 957	74.6
2006 Q1	24 904	3 736	90	97	28 827	1 589	30 416	17 634	48 050	74.4
Q2	24 985	3 702	90	93	28 870	1 643	30 513	17 630	48 143	74.4
<b>Males</b>										
	MGTB	MGTE	MGTH	MGTK	MGTN	MGTQ	MGTT	MGTW	MGSM	MGUI
2002 Q1	12 388	2 446	31	73	14 938	932	15 870	6 652	22 522	78.5
Q2	12 508	2 431	30	60	15 030	888	15 918	6 646	22 564	78.8
Q3	12 598	2 470	36	57	15 161	971	16 132	6 475	22 606	79.4
Q4	12 696	2 467	34	63	15 260	867	16 127	6 523	22 650	79.7
2003 Q1	12 521	2 499	27	59	15 107	938	16 045	6 649	22 694	78.7
Q2	12 576	2 594	31	52	15 253	864	16 116	6 621	22 738	79.3
Q3	12 588	2 685	41	58	15 372	921	16 293	6 489	22 783	79.8
Q4	12 505	2 690	38	62	15 295	855	16 150	6 680	22 830	79.2
2004 Q1	12 516	2 648	44	70	15 279	852	16 130	6 748	22 878	79.0
Q2	12 517	2 686	40	71	15 313	820	16 133	6 792	22 926	79.0
Q3	12 704	2 667	35	73	15 478	842	16 320	6 657	22 977	79.7
Q4	12 672	2 697	37	77	15 483	811	16 294	6 742	23 037	79.5
2005 Q1	12 650	2 656	43	72	15 422	839	16 261	6 835	23 096	78.9
Q2	12 680	2 654	37	70	15 440	814	16 254	6 901	23 155	78.8
Q3	12 822	2 695	33	61	15 610	878	16 488	6 724	23 213	79.5
Q4	12 730	2 738	29	63	15 560	900	16 459	6 806	23 266	79.0
2006 Q1	12 683	2 711	31	61	15 487	937	16 424	6 895	23 318	78.4
Q2	12 762	2 689	36	54	15 541	955	16 496	6 875	23 371	78.5
<b>Females</b>										
	MGTC	MGTF	MGTI	MGTL	MGTO	MGTR	MGTU	MGTX	MGSN	MGUJ
2002 Q1	11 758	869	64	44	12 735	585	13 319	10 816	24 135	69.2
Q2	11 813	895	65	45	12 818	579	13 397	10 766	24 163	69.6
Q3	11 860	907	60	33	12 862	662	13 524	10 668	24 192	69.8
Q4	11 880	896	61	36	12 873	609	13 482	10 740	24 222	69.8
2003 Q1	11 843	927	55	40	12 865	587	13 452	10 801	24 252	69.6
Q2	11 836	952	55	39	12 881	552	13 434	10 849	24 283	69.6
Q3	11 855	985	69	43	12 951	651	13 601	10 714	24 315	69.7
Q4	11 934	971	62	48	13 016	567	13 583	10 770	24 352	70.0
2004 Q1	11 959	968	60	51	13 037	579	13 616	10 774	24 390	69.9
Q2	11 955	975	56	50	13 036	569	13 605	10 822	24 427	69.7
Q3	12 037	941	56	50	13 084	624	13 708	10 759	24 467	70.0
Q4	12 096	952	60	51	13 159	571	13 730	10 783	24 514	70.2
2005 Q1	12 102	960	62	58	13 183	565	13 748	10 812	24 560	70.0
Q2	12 129	960	62	42	13 193	578	13 771	10 835	24 606	69.9
Q3	12 219	991	59	41	13 310	631	13 941	10 710	24 651	70.5
Q4	12 160	978	60	49	13 247	625	13 872	10 819	24 691	69.9
2006 Q1	12 221	1 025	58	36	13 341	652	13 992	10 739	24 731	70.2
Q2	12 223	1 012	55	39	13 330	688	14 017	10 754	24 772	70.0

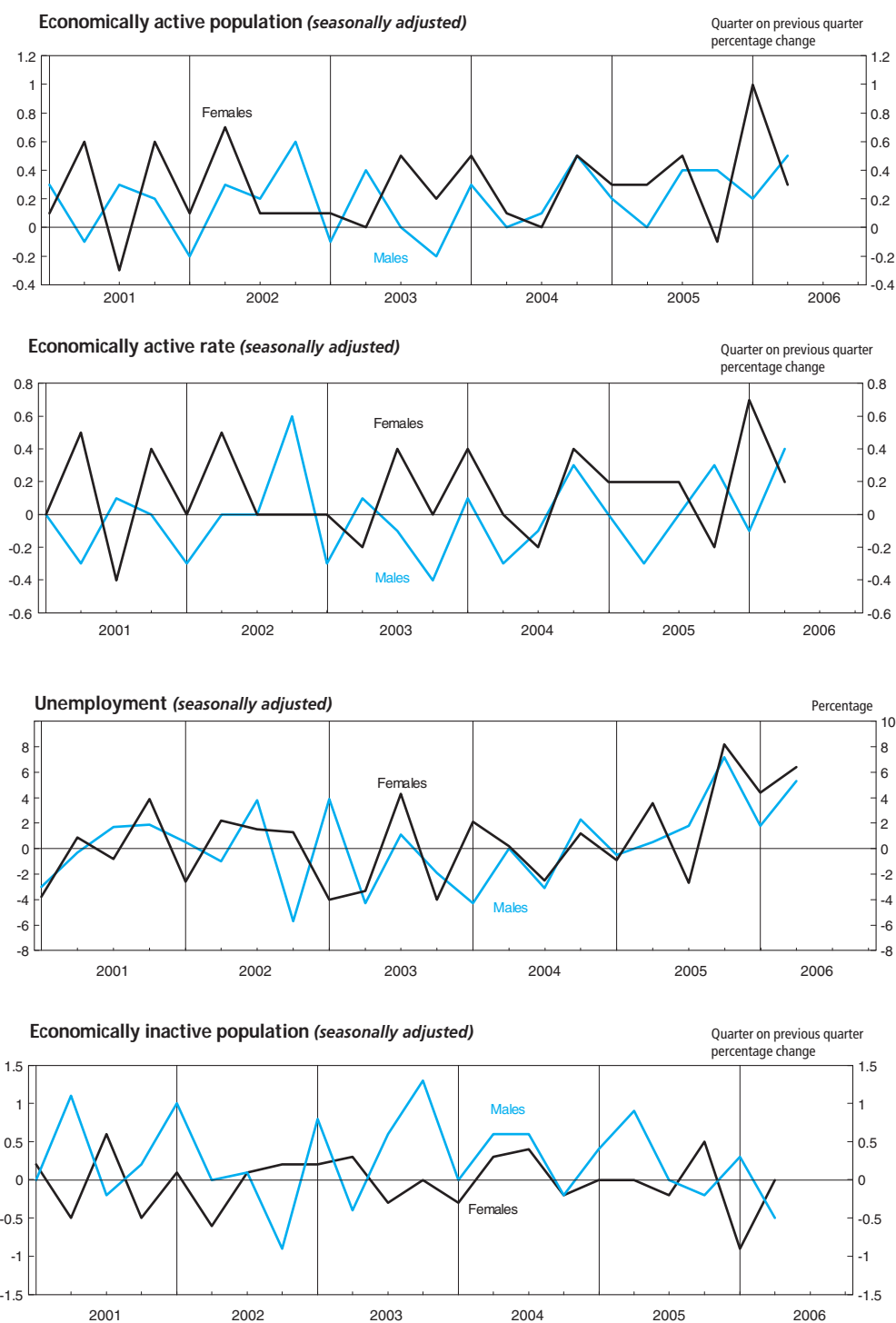
1 Data are from the Labour Force Survey which uses the definitions recommended by the International Labour Organisation (ILO), an agency of the United Nations. For details see the *Guide to Labour Market Statistics Releases*.

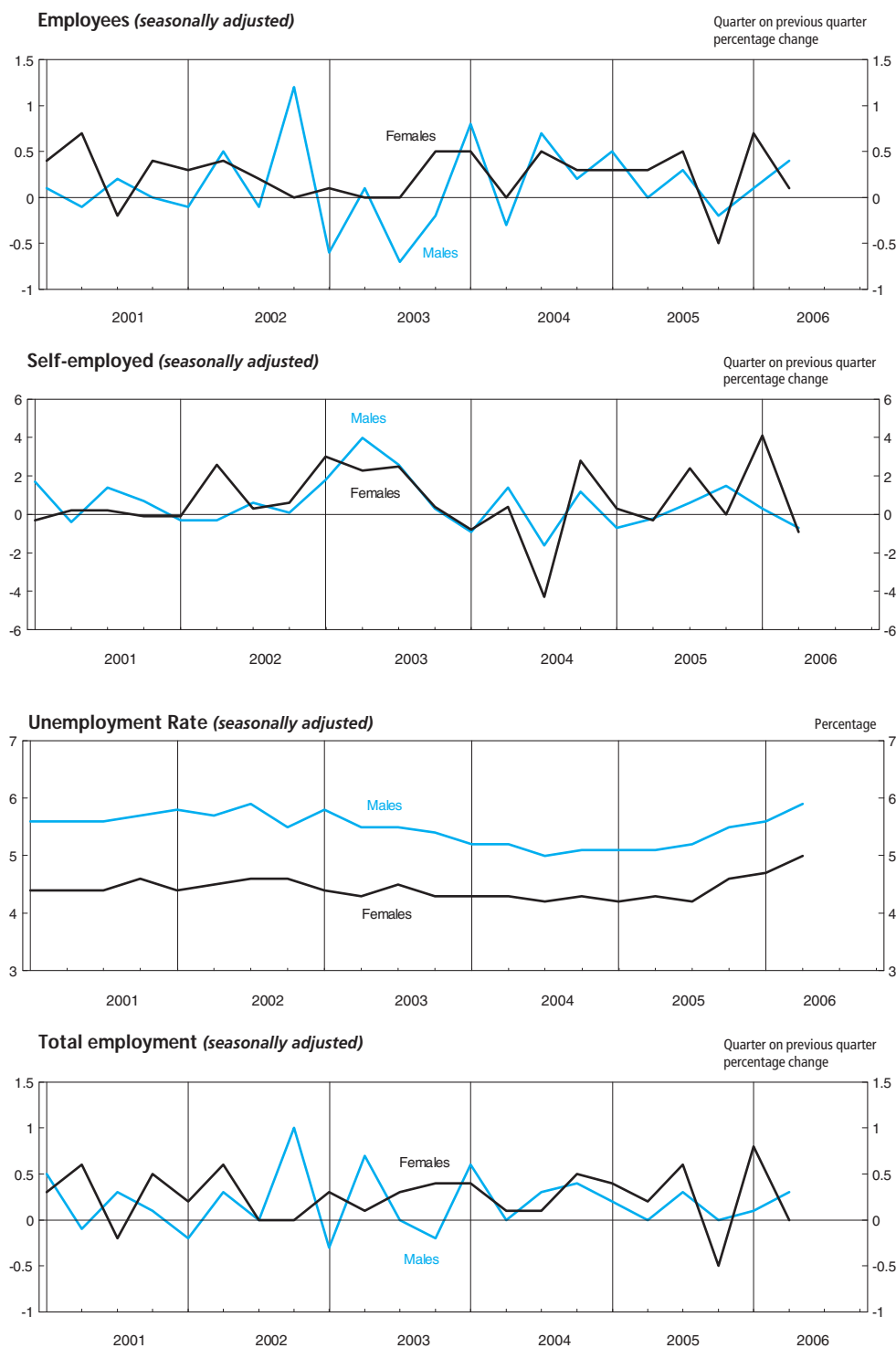
2 The employment rate equals those in employment aged 16-64 (males) and 16-59 (females), as a percentage of all in these age groups. The underlying data are available on request.

Source: Office for National Statistics; Enquiries: 020 7533 6094

**Employment, not seasonally adjusted:  
United Kingdom, population aged 16 and over**









# 4.3 Labour market activity by age<sup>1</sup>

## United Kingdom

Thousands, seasonally adjusted<sup>2</sup>

Total aged 16 and over				Age groups <sup>3</sup>							
				16-24		25-49		50-59/64		60/65 and over	
				Males	Females	Males	Females	Males	Females	Males	Females
Total				Males	Females	Males	Females	Males	Females	Males	Females
In employment											
	MGRZ	MGSA	MGSB	MGUR	MGUS	MGUU	MGUV	MGUX	MGUY	MGVA	MGVB
2004 Q1	28 398	15 348	13 049	2 151	2 011	9 149	7 828	3 714	2 558	334	651
Q2	28 410	15 353	13 057	2 166	1 978	9 127	7 856	3 721	2 554	340	669
Q3	28 467	15 393	13 074	2 157	1 987	9 161	7 872	3 736	2 561	338	653
Q4	28 586	15 450	13 136	2 156	1 994	9 189	7 889	3 759	2 588	345	666
2005 Q1	28 679	15 488	13 191	2 171	1 986	9 189	7 927	3 773	2 586	356	692
Q2	28 698	15 481	13 216	2 158	1 979	9 195	7 943	3 774	2 592	354	703
Q3	28 825	15 526	13 299	2 148	1 973	9 215	8 010	3 800	2 610	363	707
Q4	28 769	15 531	13 238	2 115	1 931	9 218	7 981	3 815	2 591	383	734
2006 Q1	28 896	15 548	13 348	2 122	1 990	9 237	7 988	3 807	2 619	382	751
Q2	28 938	15 587	13 351	2 111	1 988	9 243	7 982	3 838	2 621	394	760
Unemployed											
	MGSC	MGSD	MGSE	MGVG	MGVH	MGVJ	MGVK	MGVM	MGVN	MGVP	MGVQ
2004 Q1	1 432	841	591	329	233	370	285	133	64	10	..
Q2	1 434	841	592	328	246	368	281	136	56	..	..
Q3	1 392	815	577	342	248	332	262	133	59	..	..
Q4	1 418	834	584	350	248	343	269	131	60	11	..
2005 Q1	1 409	830	579	341	231	346	278	134	60	..	..
Q2	1 435	834	600	362	249	342	278	123	64	..	10
Q3	1 434	849	584	370	237	336	270	133	63	10	14
Q4	1 541	910	632	392	262	370	294	137	66	11	10
2006 Q1	1 586	926	660	388	251	395	323	133	69	10	17
Q2	1 677	975	702	416	276	412	336	136	73	11	16
Economically inactive											
	MGSI	MGSJ	MGSK	MGVV	MGVW	MGVY	MGVZ	MGWB	MGWC	MGWE	MGWF
2004 Q1	17 438	6 688	10 749	929	1 095	827	2 453	1 318	1 188	3 614	6 014
Q2	17 509	6 731	10 778	936	1 132	853	2 432	1 320	1 203	3 622	6 010
Q3	17 585	6 769	10 816	950	1 136	864	2 443	1 318	1 197	3 637	6 041
Q4	17 546	6 753	10 793	960	1 142	842	2 434	1 310	1 171	3 641	6 046
2005 Q1	17 569	6 778	10 791	971	1 180	856	2 401	1 306	1 176	3 645	6 034
Q2	17 629	6 839	10 790	979	1 182	871	2 400	1 327	1 168	3 661	6 040
Q3	17 605	6 837	10 768	997	1 211	872	2 354	1 305	1 154	3 663	6 049
Q4	17 647	6 825	10 822	1 021	1 237	847	2 370	1 304	1 173	3 652	6 042
2006 Q1	17 568	6 845	10 723	1 033	1 198	814	2 344	1 333	1 144	3 665	6 036
Q2	17 528	6 810	10 718	1 029	1 184	802	2 348	1 316	1 141	3 662	6 046
Economic activity rate (per cent) <sup>4</sup>											
	MGWG	MGWH	MGWI	MGWK	MGWL	MGWN	MGWO	MGWQ	MGWR	MGWT	MGWU
2004 Q1	63.1	70.8	55.9	72.7	67.2	92.0	76.8	74.5	68.8	8.7	9.9
Q2	63.0	70.6	55.9	72.7	66.3	91.8	77.0	74.5	68.4	8.8	10.1
Q3	62.9	70.5	55.8	72.5	66.3	91.7	76.9	74.6	68.6	8.7	9.9
Q4	63.1	70.7	56.0	72.3	66.2	91.9	77.0	74.8	69.3	8.9	10.0
2005 Q1	63.1	70.7	56.1	72.1	65.3	91.8	77.4	74.9	69.2	9.1	10.4
Q2	63.1	70.5	56.2	72.0	65.3	91.6	77.4	74.6	69.4	9.0	10.6
Q3	63.2	70.5	56.3	71.6	64.6	91.6	77.9	75.1	69.8	9.2	10.6
Q4	63.2	70.7	56.2	71.1	63.9	91.9	77.7	75.2	69.4	9.7	11.0
2006 Q1	63.4	70.6	56.6	70.8	65.2	92.2	78.0	74.7	70.1	9.6	11.3
Q2	63.6	70.9	56.7	71.1	65.7	92.3	78.0	75.1	70.2	10.0	11.4
Unemployment rate (per cent) <sup>5</sup>											
	MGSX	MGSY	MGSZ	MGWZ	MGXA	MGXC	MGXD	MGXF	MGXG	MGXI	MGXJ
2004 Q1	4.8	5.2	4.3	13.3	10.4	3.9	3.5	3.5	2.4	2.8	..
Q2	4.8	5.2	4.3	13.2	11.1	3.9	3.5	3.5	2.2	..	..
Q3	4.7	5.0	4.2	13.7	11.1	3.5	3.2	3.4	2.2	..	..
Q4	4.7	5.1	4.3	14.0	11.1	3.6	3.3	3.4	2.3	3.0	..
2005 Q1	4.7	5.1	4.2	13.6	10.4	3.6	3.4	3.4	2.3	..	..
Q2	4.8	5.1	4.3	14.4	11.2	3.6	3.4	3.2	2.4	..	1.3
Q3	4.7	5.2	4.2	14.7	10.7	3.5	3.3	3.4	2.4	2.7	1.9
Q4	5.1	5.5	4.6	15.6	11.9	3.9	3.6	3.5	2.5	2.8	1.4
2006 Q1	5.2	5.6	4.7	15.4	11.2	4.1	3.9	3.4	2.6	2.4	2.2
Q2	5.5	5.9	5.0	16.5	12.2	4.3	4.0	3.4	2.7	2.8	2.1

1 Data are from the Labour Force Survey which uses the definitions recommended by the International Labour Organisation (ILO), an agency of the United Nations. For details see the *Guide to Labour Market Statistics Releases*.

2 Seasonally adjusted estimates are revised in September each year.

3 Data for more detailed age groups are published in *Labour Market Trends*.

4 The activity rate is the percentage of people in each age group who are economically active.

5 The unemployment rate is the percentage of economically active people who are unemployed on the ILO measure.

Source: Office for National Statistics; Enquiries: 020 7533 6094



# 4.4 Jobs and claimant count

## United Kingdom

Thousands

	Jobs <sup>1</sup>					Claimant count <sup>5,6,7</sup>			Vacancies: average for three months ending in month shown <sup>9</sup>
	Employee jobs <sup>3,4</sup>					Percentage of workforce jobs and claimant count <sup>8</sup>	Total not seasonally adjusted		
	Workforce jobs <sup>2,3,4</sup>	All industries	Manufacturing industries	Production industries	Service industries			Total	
	DYDC	BCAJ	YEJA	YEJF	YEID	BCJD	BCJE	BCJA	AP2Y
2002	29 985	26 107	3 599	3 800	20 904	946.6	3.1	958.8	..
2003	30 283	26 175	3 411	3 598	21 202	933.0	3.0	945.9	..
2004	30 572	26 381	3 255	3 424	21 557	853.5	2.7	866.1	..
2005	30 810	26 650	3 132	3 293	21 916	861.8	2.7	874.4	..
2006	..	..	3 040	3 207	..	..	..	..	..
2002 Q1	29 974	26 154	3 647	3 852	20 863	952.5	3.1	1 014.6	..
Q2	29 985	26 107	3 599	3 800	20 904	950.6	3.1	958.1	..
Q3	30 029	26 103	3 554	3 749	20 975	946.5	3.1	951.8	..
Q4	30 122	26 182	3 513	3 703	21 108	937.0	3.0	910.6	..
2003 Q1	30 168	26 133	3 465	3 652	21 115	941.0	3.0	1 001.1	..
Q2	30 283	26 175	3 411	3 598	21 202	943.5	3.0	954.3	..
Q3	30 384	26 172	3 365	3 546	21 232	934.1	3.0	939.0	..
Q4	30 489	26 284	3 325	3 500	21 397	913.7	2.9	889.2	..
2004 Q1	30 524	26 334	3 284	3 458	21 480	888.8	2.8	947.2	..
Q2	30 572	26 381	3 255	3 424	21 557	859.2	2.7	871.8	..
Q3	30 558	26 396	3 217	3 381	21 614	836.1	2.7	839.0	..
Q4	30 747	26 569	3 187	3 346	21 770	830.0	2.6	806.7	..
2005 Q1	30 832	26 663	3 168	3 328	21 866	823.3	2.6	879.8	..
Q2	30 810	26 650	3 132	3 293	21 916	852.2	2.7	865.8	..
Q3	30 827	26 647	3 106	3 266	21 922	871.6	2.8	874.4	..
Q4	30 926	26 683	3 081	3 242	21 987	900.1	2.8	877.6	..
2006 Q1	30 979	26 705	3 049	3 213	22 029	922.6 <sup>†</sup>	3.0	976.4	..
Q2	..	..	3 040	3 207	..	950.3 <sup>†</sup>	3.0	966.6	..
2004 Jan	..	..	3 308	3 484	..	897.2	2.9	952.4	599.2
Feb	..	..	3 297	3 472	..	888.7	2.8	957.0	604.8
Mar	..	26 334	3 284	3 458	21 480	880.5	2.8	932.0	615.8
Apr	..	..	3 272	3 444	..	871.9	2.8	905.2	619.9
May	..	..	3 263	3 434	..	858.1	2.7	869.7	625.2
Jun	..	26 381	3 255	3 424	21 557	847.7	2.7	840.5	628.7
Jul	..	..	3 246	3 412	..	837.1	2.7	841.5	640.8
Aug	..	..	3 232	3 398	..	835.5	2.7	847.6	642.4
Sep	..	26 396	3 217	3 381	21 614	835.7	2.7	827.8	638.8
Oct	..	..	3 205	3 368	..	834.2	2.7	806.8	638.0
Nov	..	..	3 194	3 356	..	830.0	2.6	803.0	641.1
Dec	..	26 569	3 187	3 346	21 770	825.9	2.6	810.2	646.9
2005 Jan	..	..	3 182	3 343	..	819.6	2.6	872.1	647.7
Feb	..	..	3 174	3 334	..	819.0	2.6	885.0	643.2
Mar	..	26 663	3 168	3 328	21 866	831.4	2.6	882.3	636.5
Apr	..	..	3 160	3 319	..	839.2	2.7	871.8	630.7
May	..	..	3 145	3 304	..	854.2	2.7	867.6	633.8
Jun	..	26 650	3 132	3 293	21 916	863.3	2.7	858.2	632.7
Jul	..	..	3 118	3 279	..	866.1	2.7	871.0	625.8 <sup>†</sup>
Aug	..	..	3 109	3 270	..	869.3	2.7	880.7	618.0
Sep	..	26 647	3 106	3 266	21 922	879.3	2.8	871.5	611.3
Oct	..	..	3 093	3 256	..	891.2	2.8	864.8	595.6
Nov	..	..	3 086	3 249	..	901.3	2.8	875.3	591.6
Dec	..	26 674	3 081	3 242	21 984	907.9	2.9	892.7	596.5
2006 Jan	..	..	3 065	3 227	..	905.1	2.9	955.3	602.8
Feb	..	..	3 057	3 220	..	925.0	2.9	984.7	603.3
Mar	..	..	3 049	3 213	..	937.8	3.0	989.1	596.2
Apr	..	..	3 048	3 213	..	945.1	3.0	981.2	596.3
May	..	..	3 043	3 209	..	950.7 <sup>†</sup>	3.0	965.7	593.8
Jun	..	..	3 040	3 207	..	955.0 <sup>†</sup>	3.0	952.9	598.2
Jul	..	..	..	..	..	957.0	3.0	960.8	603.9

1 Estimates of employee jobs and workforce jobs for Great Britain now use the Annual Business Inquiry as a benchmark on which quarterly movements are based. For further information see Labour Market Statistics First Release, April 2001 which is held on the National Statistics website [www.statistics.gov.uk](http://www.statistics.gov.uk). The Northern Ireland component of workforce jobs and employee jobs has not changed.

2 Workforce jobs comprise employee jobs, self-employed jobs, HM Forces and participants in work-related government supported training, which includes the Project Work Plan.

3 For all dates, individuals with two jobs as employees of different employers are counted twice.

4 Annual estimates relate to mid-year. Figures for the four quarters relate to March, June, September and December. For claimant count, unlike employment and workforce figures, the annual figure is an annual average.

5 Unadjusted claimant count figures have been affected by changes in the coverage. The seasonally adjusted figures, however, as given in this table are estimated on the current basis, allowing for the discontinuities, except for the effect of the Jobseeker's Allowance introduced in October 1996 (see also below).

The seasonally adjusted figures now relate only to claimants aged 18 or over in order to maintain the consistent series, available back to 1971 (1974 for the regions), allowing for the effect of the change in benefit regulations for under 18 year olds from September 1988 (see pages 398-400 of November 1995 *Labour Market Trends*).

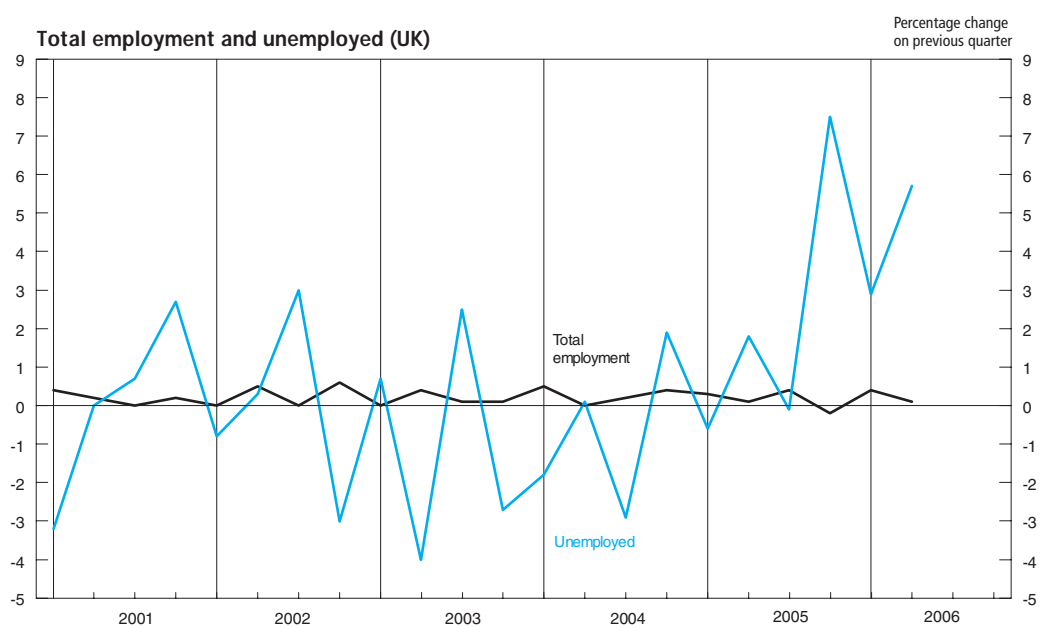
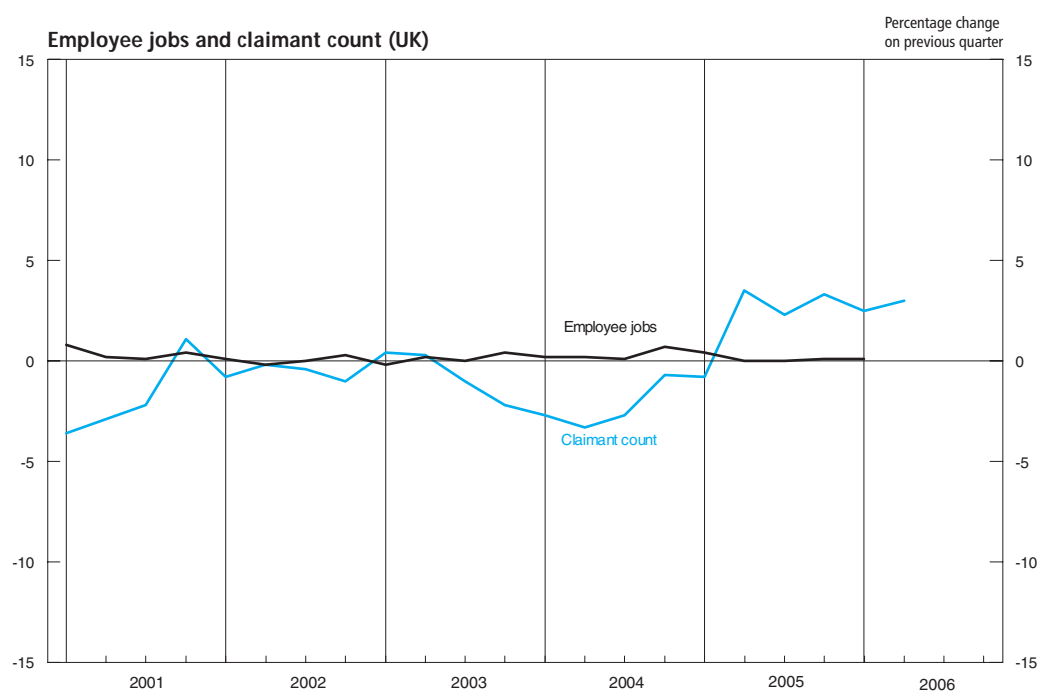
6 Claimant count figures do not include students claiming benefit during a vacation who intend to return to full-time education.

7 Quarterly and annual values are now the mean of the monthly and quarterly data respectively.

8 The denominator used to calculate claimant count unemployment rates comprises the workforce jobs *plus* the claimant count.

9 The ONS Vacancy Survey, a monthly business survey of the number of job vacancies held by employers across the UK economy, has been running since April 2001; the results were adopted as National Statistics in June 2003.

Sources: Office for National Statistics;  
Enquiries: Columns 1-5 01633 812079; Columns 6-9 020 7533 6094



## 4.5 Regional claimant count rates<sup>1,2</sup> by Government Office Region

Percentages

	North East	North West <sup>3</sup>	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East
	DPDM	IBWC	DPBI	DPBJ	DPBN	DPDP	DPDQ	DPDR
2000 Q1	6.5	4.3	4.6	3.5	4.1	2.6	4.0	2.0
Q2	6.4	4.1	4.4	3.4	4.0	2.4	3.8	1.9
Q3	6.1	4.0	4.2	3.3	3.9	2.3	3.6	1.8
Q4	5.9	3.9	4.1	3.2	3.9	2.2	3.5	1.7
2001 Q1	5.8	3.8	4.0	3.2	3.9	2.1	3.3	1.6
Q2	5.6	3.7	3.9	3.1	3.7	2.0	3.2	1.5
Q3	5.4	3.6	3.8	3.0	3.6	2.0	3.2	1.5
Q4	5.5	3.6	3.8	3.0	3.6	2.0	3.4	1.6
2002 Q1	5.2	3.5	3.6	2.9	3.5	2.0	3.5	1.6
Q2	5.1	3.5	3.6	2.9	3.5	2.1	3.5	1.6
Q3	5.0	3.5	3.6	2.9	3.5	2.1	3.6	1.7
Q4	4.8	3.4	3.5	2.8	3.5	2.1	3.6	1.7
2003 Q1	4.7	3.3	3.4	2.8	3.5	2.1	3.6	1.7
Q2	4.6	3.3	3.4	2.9	3.5	2.1	3.6	1.7
Q3	4.5	3.2	3.3	2.9	3.5	2.1	3.6	1.7
Q4	4.3	3.1	3.2	2.8	3.5	2.1	3.6	1.7
2004 Q1	4.2	3.0	3.0	2.6	3.4	2.0	3.6	1.7
Q2	4.0	2.9	2.8	2.5	3.3	2.0	3.5	1.6
Q3	3.9	2.8	2.8	2.4	3.2	2.0	3.4	1.6
Q4	3.9	2.8	2.7	2.4	3.2	2.0	3.4	1.6
2005 Q1	3.7	2.7	2.7	2.4	3.1	2.0	3.4	1.6
Q2	3.9	2.8	2.8	2.5	3.4	2.1	3.4	1.6
Q3	4.0	2.9	2.9	2.6	3.5	2.1	3.5	1.7
Q4	4.0	3.1	3.1	2.7	3.7	2.2	3.5	1.7
2006 Q1	4.2	3.2	3.3	2.8	3.9	2.3	3.5	1.8
Q2	4.3	3.3	3.3	2.9	4.0	2.4	3.5	1.9
	South West	England	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom	
	DPBM	VASQ	DPBP	DPBQ	DPAJ	DPBR	BCJE	
2000 Q1	2.7	3.6	4.5	4.8	3.7	5.5	3.8	
Q2	2.5	3.4	4.4	4.6	3.6	5.3	3.6	
Q3	2.4	3.3	4.3	4.4	3.4	5.1	3.5	
Q4	2.3	3.2	4.3	4.3	3.3	5.2	3.4	
2001 Q1	2.1	3.1	4.2	4.1	3.2	5.0	3.2	
Q2	2.1	3.0	4.0	3.9	3.1	4.9	3.2	
Q3	2.0	2.9	3.8	3.9	3.0	4.8	3.1	
Q4	2.0	3.0	3.7	3.9	3.1	4.7	3.1	
2002 Q1	2.0	2.9	3.6	3.9	3.0	4.6	3.1	
Q2	2.0	2.9	3.6	3.9	3.0	4.5	3.1	
Q3	1.9	2.9	3.5	3.8	3.0	4.3	3.1	
Q4	1.9	2.9	3.5	3.8	3.0	4.3	3.0	
2003 Q1	1.9	2.9	3.4	3.7	3.0	4.2	3.0	
Q2	1.9	2.9	3.4	3.7	3.0	4.1	3.0	
Q3	1.9	2.9	3.3	3.7	3.0	4.2	3.0	
Q4	1.8	2.8	3.2	3.7	2.9	4.1	2.9	
2004 Q1	1.7	2.7	3.1	3.6	2.8	3.9	2.8	
Q2	1.6	2.6	3.0	3.5	2.7	3.7	2.7	
Q3	1.5	2.6	2.9	3.4	2.6	3.5	2.7	
Q4	1.6	2.5	2.9	3.3	2.6	3.5	2.6	
2005 Q1	1.5	2.5	2.8	3.2	2.6	3.4	2.6	
Q2	1.6	2.6	2.9	3.2	2.7	3.3	2.7	
Q3	1.6	2.7	3.0	3.2	2.7	3.3	2.8	
Q4	1.6	2.8	3.1	3.2	2.8	3.3	2.8	
2006 Q1	1.8	2.9	3.2	3.3	2.9	3.3	3.0	
Q2	1.8	3.0	3.2	3.3	3.0	3.3	3.0	

Note: Quarterly claimant count figures relate to the average of the three months in each quarter.

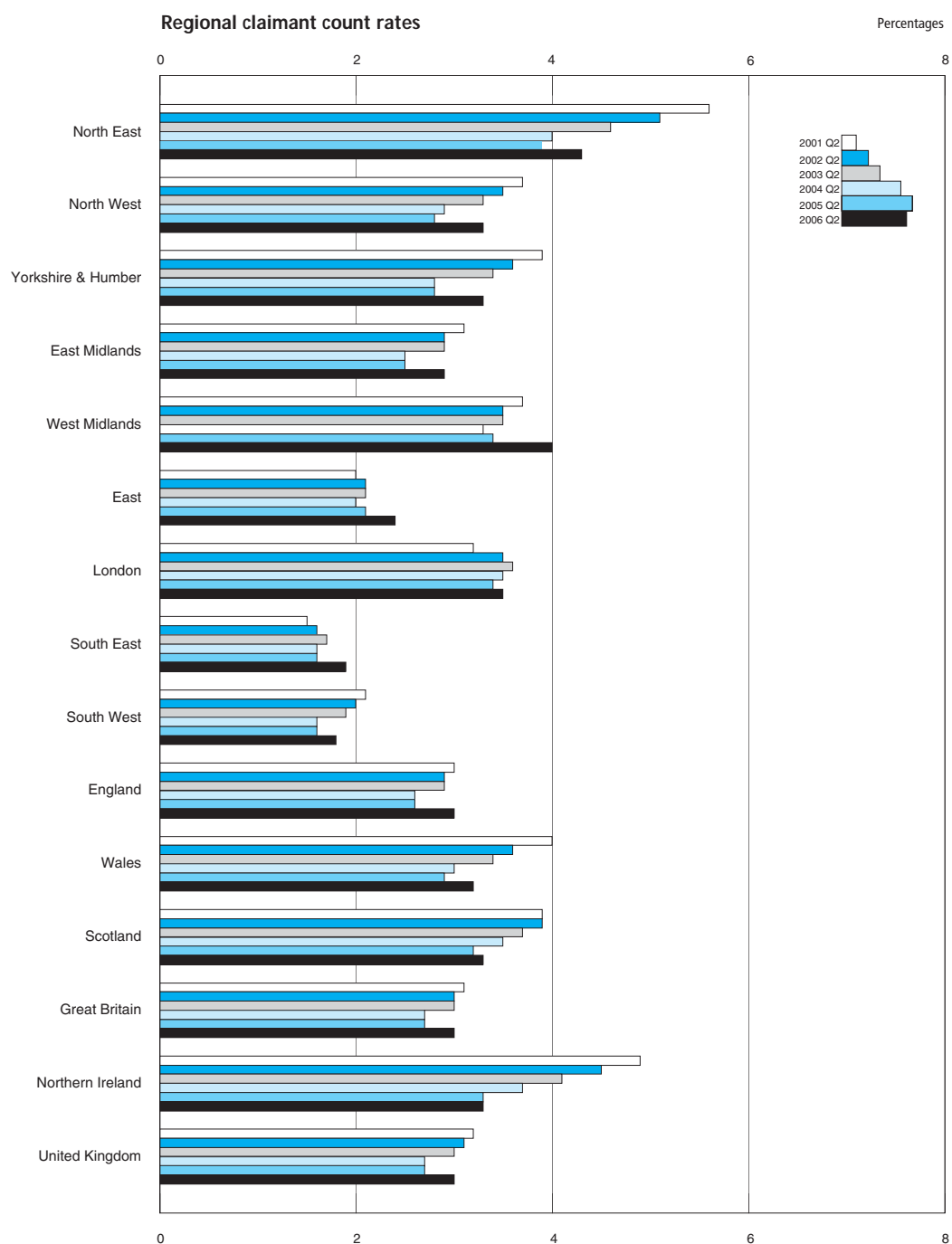
1 Government Office Regions came into effect in April 1994. It was decided that from May 1997 sub-national data should be published for these areas rather than standard statistical regions (SSRs). Data by SSRs are available on request.

2 The seasonally adjusted figures now relate only to claimants aged 18 or over, in order to maintain the consistent series available back to 1971 for Great Britain, Northern Ireland and the United Kingdom (1974 for Wales and Scotland; 1986 for the Government Office Regions), allowing for the effect

of the change in benefit regulations for under 18 year olds from September 1988 (see pages 398-400 of November 1995 *Labour Market Trends*). The denominators used to calculate claimant count rates are the sum of the appropriate mid-year estimates of employee jobs, the self-employed, government-supported trainees, HM Forces and claimants of unemployment-related benefits.

3 Includes Merseyside.

Source: Office for National Statistics; Enquiries: 020 7533 6094



# 4.5A Unemployment rates<sup>1</sup> by Government Office Region

Percentages, seasonally adjusted<sup>2</sup>

	North East	North West <sup>3</sup>	Yorkshire and the Humber	East Midlands	West Midlands	East	London	South East
	YCNC	YCND	YCNE	YCNF	YCNG	YCNH	YCNI	YCNJ
2000 Q1	8.8	6.0	6.4	5.1	6.1	3.9	7.6	3.5
Q2	8.9	5.3	6.1	4.8	6.1	3.7	7.4	3.3
Q3	8.9	5.4	5.9	4.8	5.7	3.7	6.9	3.1
Q4	7.7	5.3	6.1	4.7	6.0	3.6	6.8	3.4
2001 Q1	7.6	5.2	5.4	4.7	5.6	3.5	6.5	3.4
Q2	7.4	5.3	5.5	5.0	5.5	3.6	6.2	3.2
Q3	7.1	5.1	5.3	4.6	5.4	4.0	6.6	3.4
Q4	7.2	5.4	5.1	4.5	5.5	3.9	7.4	3.4
2002 Q1	7.3	5.4	5.1	4.7	5.6	3.7	6.9	3.6
Q2	6.5	5.5	5.3	4.6	5.7	3.7	6.8	3.8
Q3	6.2	5.5	5.6	4.7	5.9	3.9	7.1	4.0
Q4	7.3	4.9	5.0	4.8	5.7	4.0	6.6	4.0
2003 Q1	6.6	4.9	5.3	4.0	6.0	4.7	7.0	3.9
Q2	6.1	5.0	5.1	4.4	5.6	3.9	7.2	3.9
Q3	6.6	4.9	4.9	4.6	5.9	3.9	7.2	3.9
Q4	6.3	4.7	5.0	4.4	5.7	3.5	7.0	3.9
2004 Q1	5.6	4.5	4.8	4.7	5.5	3.5	7.0	3.9
Q2	5.5	4.4	4.5	4.3	5.5	3.8	7.0	3.6
Q3	6.0	4.4	4.6	4.0	5.0	3.5	7.2	3.7
Q4	6.4	4.6	4.7	4.2	4.8	3.8	7.2	3.5
2005 Q1	5.7	4.8	4.3	4.3	4.7	3.9	6.7	3.7
Q2	6.8	4.4	4.7	4.4	4.6	3.9	7.1	3.8
Q3	6.6	4.4	4.6	4.4	4.7	4.0	6.7	4.0
Q4	6.5	4.8	5.3	4.5	5.3	4.5	7.3	4.2
2006 Q1	6.7	4.9	5.3	4.9	5.1	4.8	7.6	4.4
Q2	6.1	5.2	5.7	5.4	5.6	5.0	7.9	4.6

	South West	England	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
	YCNK	YCNL	YCNM	YCNN	YCNO	ZSFB	MGSX
2000 Q1	4.3	5.5	6.7	7.5	5.8	6.5	5.8
Q2	4.3	5.3	6.1	7.1	5.5	6.7	5.5
Q3	4.0	5.1	6.7	6.6	5.3	5.6	5.3
Q4	3.9	5.1	5.8	6.2	5.2	6.1	5.2
2001 Q1	3.9	4.9	6.0	5.9	5.0	6.2	5.1
Q2	3.6	4.8	6.1	6.3	5.0	6.1	5.0
Q3	3.6	4.9	5.5	6.6	5.1	6.0	5.1
Q4	3.6	5.0	5.8	6.7	5.2	5.9	5.2
2002 Q1	3.5	5.0	5.7	6.6	5.1	6.1	5.2
Q2	3.7	5.0	5.7	6.3	5.1	5.6	5.2
Q3	4.0	5.2	5.2	6.4	5.3	6.1	5.3
Q4	4.0	5.0	5.1	6.1	5.1	5.5	5.1
2003 Q1	3.8	5.1	4.8	6.0	5.1	5.3	5.1
Q2	3.4	4.9	4.5	5.3	4.9	5.2	4.9
Q3	3.2	5.0	4.7	5.9	5.0	5.6	5.0
Q4	3.1	4.8	4.8	5.8	4.9	6.3	4.9
2004 Q1	3.0	4.7	4.6	5.8	4.8	5.3	4.8
Q2	3.7	4.7	4.2	6.0	4.8	5.2	4.8
Q3	3.2	4.6	4.9	5.2	4.7	5.0	4.7
Q4	3.4	4.7	4.2	5.6	4.7	4.6	4.7
2005 Q1	3.6	4.6	4.5	5.6	4.7	4.8	4.7
Q2	3.2	4.7	4.6	5.5	4.8	5.0	4.8
Q3	3.6	4.7	4.6	5.4	4.8	4.3	4.7
Q4	4.0	5.1	4.9	5.2	5.1	4.5	5.1
2006 Q1	3.6	5.3	4.7	5.3	5.2	4.4	5.2
Q2	3.8	5.5	5.7	5.5	5.5	4.2	5.5

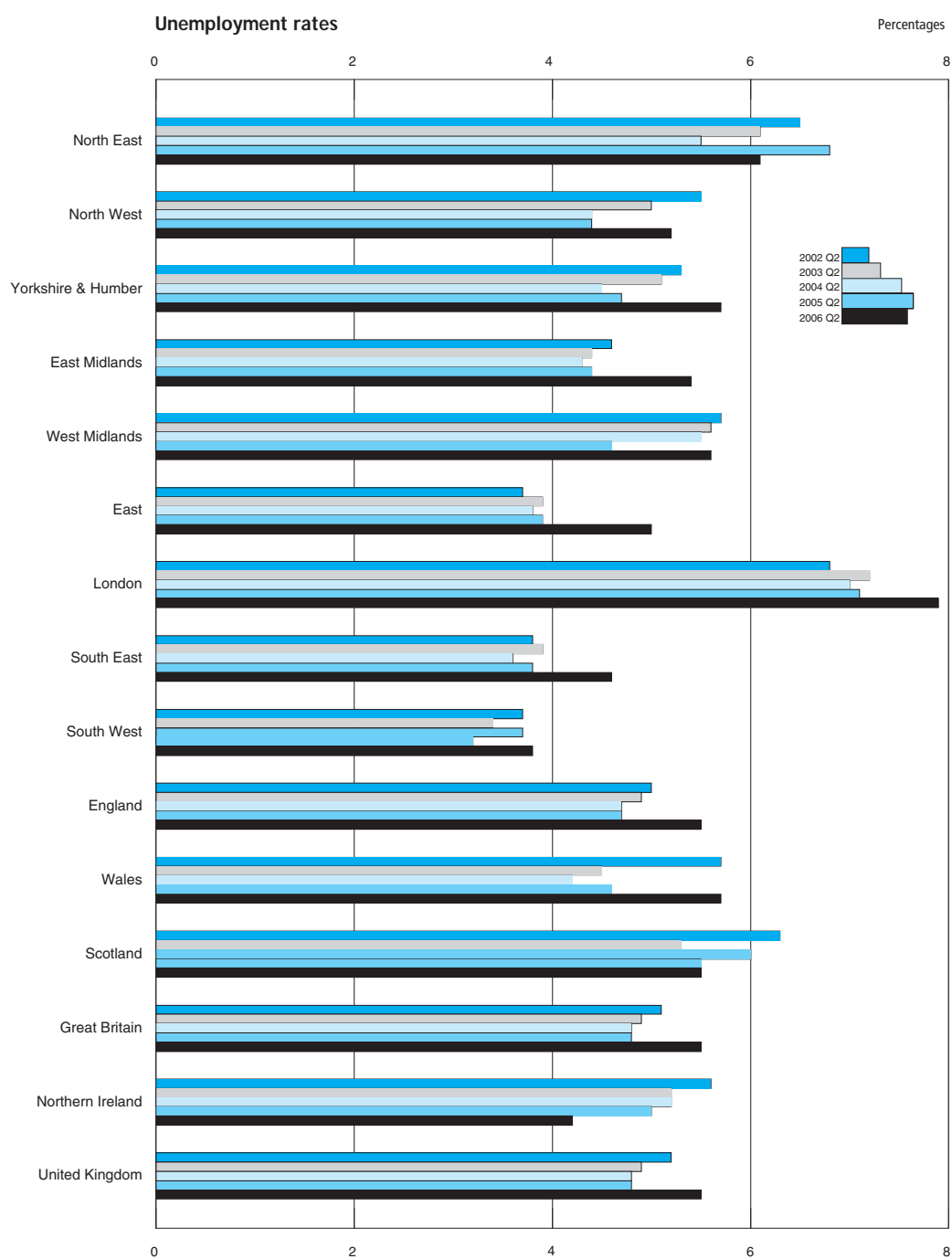
1 Data are from the Labour Force Survey. The unemployment rate is the percentage of economically active people who are unemployed on the ILO measure.

2 Seasonally adjusted estimates are revised in September each year.

3 Includes Merseyside.

Source: Office for National Statistics; Enquiries: 020 7533 6094





# 4.6 Average earnings (including bonuses)<sup>1</sup>

## Great Britain

2000 = 100

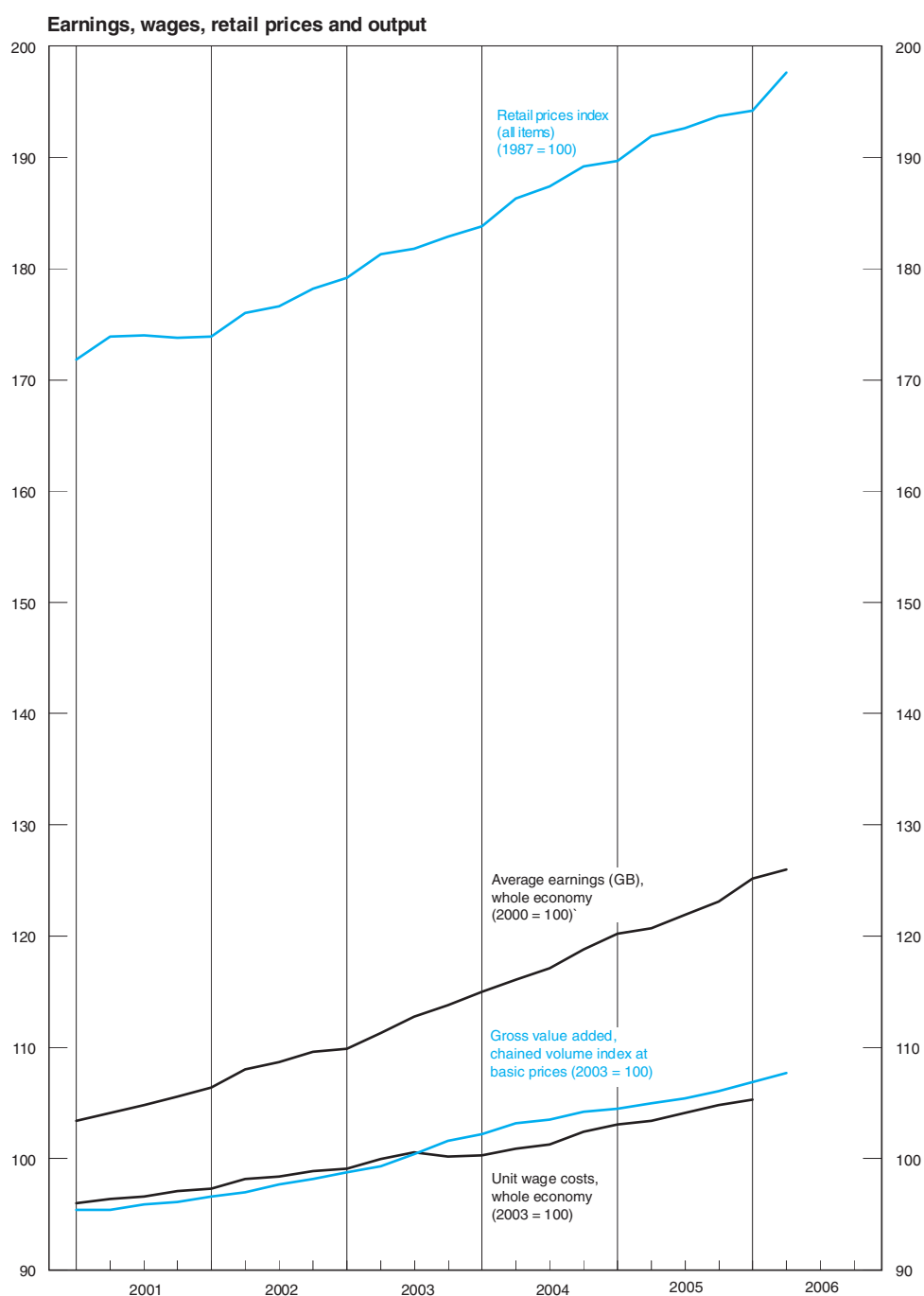
	Whole economy+ LNMQ	Three-month average <sup>2</sup>	Private sector LNKY	Three-month average <sup>2</sup>	Public sector LNNJ	Three-month average <sup>2</sup>	Manufacturing industries <sup>3</sup> LNMR	Three-month average <sup>2,3</sup>	Production industries LNMS	Three-month average <sup>2</sup>	Service industries LNMT	Three-month average <sup>2</sup>	Private sector services JJGH	Three-month average <sup>2</sup>
2002	108.2		107.9		109.3		108.0		107.9		108.1		107.8	
2003	111.9		111.3		114.8		111.9		111.7		112.0		110.9	
2004	116.8		116.0		119.8		116.0		115.8		116.8		115.7	
2005	121.5		120.6		125.4		120.2		120.0		121.6		120.3	
2002 Jan	106.0	LNNC 2.9	105.9	LNNB 2.5	107.1	LNNE 4.9	106.1	LNNG 3.0	106.2	LNNF 2.9	106.0	LNNH 2.8	105.5	JJGJ 2.2
Feb	106.8	2.7	106.6	2.3	107.3	4.8	106.1	2.8	105.9	2.6	106.9	2.7	106.7	2.1
Mar	106.4	2.8	105.9	2.6	107.9	4.6	105.8	3.0	106.2	2.9	106.2	2.7	105.7	2.2
Apr	107.9	3.2	108.0	3.1	108.3	4.1	107.0	2.9	106.8	2.8	107.9	3.2	107.8	2.9
May	108.0	3.5	107.8	3.4	108.6	3.8	107.7	3.2	107.5	3.2	108.0	3.4	107.8	3.3
Jun	108.2	3.8	108.1	3.9	108.9	3.5	108.2	3.3	108.0	3.3	108.2	3.9	108.1	4.0
Jul	108.5	3.8	108.3	3.9	109.7	3.6	108.4	3.6	108.2	3.6	108.6	3.9	108.1	4.0
Aug	108.7	3.8	108.6	3.8	109.0	3.4	108.9	3.7	108.8	3.8	108.6	3.8	108.4	3.9
Sep	109.0	3.8	108.8	3.8	110.0	3.6	108.9	3.7	108.9	3.8	108.9	3.8	108.6	3.8
Oct	109.3	3.7	109.0	3.8	110.9	3.7	109.5	3.8	109.4	3.9	109.2	3.7	108.7	3.7
Nov	110.1	4.0	109.7	3.9	111.7	4.3	109.7	3.9	109.6	4.0	110.2	4.0	109.7	3.9
Dec	109.5	3.9	108.6	3.6	112.2	4.7	110.0	4.1	109.9	4.2	108.9	3.8	108.1	3.5
2003 Jan	109.0	3.5	108.6	3.2	112.6	5.0	110.2	4.1	110.2	4.1	108.9	3.4	107.4	2.9
Feb	109.8	3.0	109.0	2.6	112.9	5.1	110.6	4.1	110.3	4.1	109.5	2.7	108.3	1.9
Mar	110.9	3.3	110.1	2.9	113.3	5.1	111.8	4.6	112.0	4.5	110.4	3.0	109.2	2.2
Apr	110.7	3.2	110.0	2.7	113.9	5.1	110.3	4.4	110.2	4.3	110.8	3.0	109.7	2.2
May	111.4	3.3	110.9	2.9	113.6	4.9	111.1	4.0	110.9	4.0	111.6	3.3	111.0	2.7
Jun	111.7	3.0	111.1	2.5	114.7	5.0	111.4	3.1	111.3	3.2	111.9	3.1	110.9	2.5
Jul	112.6	3.4	111.9	3.0	115.6	5.1	111.8	3.1	111.7	3.1	113.0	3.6	111.9	3.0
Aug	112.6	3.5	111.9	3.0	115.5	5.6	112.2	3.0	112.0	3.1	112.8	3.8	111.8	3.1
Sep	113.2	3.7	112.5	3.3	116.0	5.6	112.8	3.2	112.6	3.2	113.2	4.0	112.3	3.4
Oct	113.4	3.7	112.8	3.3	116.1	5.4	113.0	3.3	112.9	3.2	113.4	3.9	112.5	3.4
Nov	113.7	3.6	113.1	3.3	116.4	4.8	113.7	3.5	113.5	3.4	113.7	3.7	112.8	3.3
Dec	114.3	3.8	113.9	3.9	117.0	4.4	113.6	3.4	113.4	3.3	114.5	4.1	113.4	3.7
2004 Jan	115.6	4.6	115.0	4.6	117.2	4.2	114.3	3.5	114.1	3.4	115.7	4.8	115.4	5.0
Feb	113.8	4.7	113.0	4.8	117.8	4.3	114.5	3.5	114.4	3.5	113.4	5.0	111.9	5.2
Mar	115.7	4.7	114.9	4.6	118.3	4.3	115.5	3.5	115.4	3.4	115.7	4.8	114.6	5.2
Apr	115.7	4.2	115.1	4.2	118.5	4.3	115.4	3.8	115.3	3.8	115.6	4.2	114.6	4.2
May	116.1	4.4	115.5	4.4	118.7	4.3	116.0	4.1	115.7	4.0	115.8	4.3	115.0	4.3
Jun	116.4	4.3	115.7	4.3	119.9	4.4	116.0	4.4	115.8	4.3	116.4	4.1	115.3	4.0
Jul	116.4	3.9	115.5	3.8	119.9	4.2	116.1	4.1	115.9	4.0	116.2	3.6	114.8	3.4
Aug	117.2	3.9	116.4	3.8	120.7	4.2	116.0	3.8	115.8	3.7	117.3	3.6	116.1	3.4
Sep	117.7	3.8	116.9	3.7	121.2	4.2	116.2	3.4	116.1	3.4	117.9	3.6	116.8	3.5
Oct	118.6	4.2	117.9	4.1	121.7	4.6	116.8	3.2	116.6	3.2	118.8	4.3	117.8	4.2
Nov	118.9	4.4	118.2	4.3	121.9	4.7	117.1	3.1	116.9	3.1	119.0	4.5	117.9	4.4
Dec	119.0	4.4	118.4	4.3	122.1	4.6	117.8	3.3	117.4	3.3	119.3	4.5	118.2	4.5
2005 Jan	120.9	4.4	119.9	4.2	122.8	4.6	117.8	3.2	117.7	3.2	120.9	4.5	120.4	4.4
Feb	119.8	4.6	119.1	4.5	123.3	4.6	118.4	3.4	118.5	3.4	120.0	4.9	118.7	4.9
Mar	120.0	4.5	119.2	4.5	123.3	4.6	120.0	3.5	119.3	3.4	120.2	4.7	118.9	4.7
Apr	120.7	4.4	119.9 <sup>†</sup>	4.4	124.6	4.7	118.7	3.4	118.6	3.3	120.9 <sup>†</sup>	4.7	119.6 <sup>†</sup>	4.8
May	120.7 <sup>†</sup>	4.0	119.5	3.8 <sup>†</sup>	127.0 <sup>†</sup>	5.5	118.3 <sup>†</sup>	2.9 <sup>†</sup>	118.5 <sup>†</sup>	2.9 <sup>†</sup>	121.0	4.3 <sup>†</sup>	119.3	3.9
Jun	120.8	4.0 <sup>†</sup>	119.8	3.7	125.3	5.6 <sup>†</sup>	119.4	2.6	119.0	2.7	121.0	4.3	119.5	3.9 <sup>†</sup>
Jul	121.6	4.1	120.7	3.9	125.2	5.3	120.1	2.8	119.8	2.9	121.8	4.4	120.6	4.1
Aug	121.9	4.1	121.0	4.0	125.9	4.4	121.0	3.6	120.6	3.5	121.9	4.3	120.8	4.2
Sep	122.1	4.1	121.2	4.1	126.1	4.2	121.6	4.1	121.2	4.0	122.0	4.1	120.7	4.1
Oct	122.3	3.6	121.3	3.5	126.7	4.1	122.0	4.4	121.7	4.3	122.1	3.4	120.7	3.3
Nov	122.9	3.4	121.9	3.3	127.3	4.1	122.2	4.5	121.9	4.3	122.9	3.2	121.5	2.9
Dec	124.0	3.6	123.1	3.3	127.9	4.4	122.9	4.4	123.0	4.4	124.0	3.3	122.7	3.1
2006 Jan	124.6	3.5	123.5	3.4	127.9	4.4	123.6	4.6	123.3	4.6	124.4	3.4	123.4	3.1
Feb	125.8	4.1	125.4	4.1	128.3	4.3	124.6	4.9	124.0	4.7	126.0	3.9	125.2	3.9
Mar	125.3	4.2	124.5	4.2	128.7	4.2	125.3	4.9	124.7	4.7	125.6	4.1	124.4	4.1
Apr	125.0	4.3	124.4	4.5	128.3	3.8	125.9	5.2	125.8	5.1	124.8	4.3	123.6	4.4
May	126.0	4.1	125.2	4.3	131.5	3.6	125.2	5.4	125.6	5.5	126.2	4.0	124.9	4.2
Jun	126.9	4.3	126.2	4.6	130.0	3.4	126.4	5.9	126.4	6.1	127.0	4.1	126.0	4.5

1 Data for the latest published month are provisional.

2 The three-month average is the percentage change in the average seasonally adjusted indices for the latest three months compared with the same period a year earlier.

3 Owing to an irregularity, these series have been withdrawn for the period 1963 to 1982.

Source: Office for National Statistics; Enquiries: 01633 816024



# 4.7 Productivity and unit wage costs<sup>1</sup>

## United Kingdom

2003 = 100

	Productivity jobs			Output per worker: <sup>2</sup> whole economy	Output per filled job <sup>3</sup>			Output per hour worked <sup>4</sup>			Unit wage costs <sup>5</sup>	
	Whole economy	Total production industries	Manufacturing industries		Whole economy	Total production industries	Manufacturing industries	Whole economy	Total production industries	Manufacturing industries	Whole economy	Manufacturing industries
	LNNM	LNOJ	LNOK	A4YM	LNNN	LNNW	LNNX	LZVB	LZVK	LZVF	LNNK	LNNQ
2003	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2004	100.8	95.6	95.9	102.2	102.5	105.4	106.3	102.7	104.3	105.6	101.2	97.5
2005	101.7	92.5	92.6	103.2	103.5	107.0	109.0	103.5	105.9	108.2	103.9	98.6
2003 Q1	99.7	102.4	102.0	99.2	99.1	97.5	97.3	99.0	97.8	97.3	99.1	101.8
Q2	99.9	100.7	100.7	99.2	99.4	98.6	98.7	99.0	99.0	98.9	100.0	100.4
Q3	100.1	99.2	99.3	100.2	100.2	100.7	100.7	100.1	100.2	100.4	100.6	99.6
Q4	100.2	97.6	98.0	101.3	101.3	103.2	103.3	101.8	103.0	103.4	100.2	98.1
2004 Q1	100.6	96.7	97.1	101.4	101.6	104.3	104.8	101.8	104.0	104.7	100.3	97.9
Q2	100.7	96.1	96.5	102.4	102.5	105.4	106.1	103.0	104.6	105.5	100.9	97.5
Q3	100.8	95.2	95.6	102.4	102.7	105.3	106.3	103.0	103.7	104.9	101.3	97.6
Q4	101.1	94.3	94.6	102.7	103.1	106.6	108.2	102.9	105.1	107.1	102.4	96.8
2005 Q1	101.4	93.5	93.9	102.7	103.0	106.5	108.1	102.8	104.9	107.0	103.1	98.2
Q2	101.6	92.6	92.8	103.1	103.3	107.4	108.7	103.6	106.3	108.3	103.4	97.6†
Q3	101.9	92.1	92.1	103.0	103.4	107.1	109.7	103.2	105.7	108.5	104.1	98.4
Q4	101.9	91.6	91.6	103.9	104.1	107.0	109.4	104.2	106.8	109.2	104.8	99.9
2006 Q1	102.0	90.8	90.6	104.2	104.8	108.8	111.5	104.7	106.8	109.7	105.3	99.8
Q2	..	..	90.3	..	..	..	112.6	..	..	..	..	99.8
2004 Jan	..	..	97.2	..	..	..	104.5	..	..	..	..	97.7
Feb	..	..	97.0	..	..	..	104.3	..	..	..	..	98.0
Mar	..	..	97.0	..	..	..	105.5	..	..	..	..	97.9
Apr	..	..	96.6	..	..	..	106.0	..	..	..	..	97.3
May	..	..	96.4	..	..	..	106.2	..	..	..	..	97.5
Jun	..	..	96.4	..	..	..	106.1	..	..	..	..	97.7
Jul	..	..	96.1	..	..	..	105.4	..	..	..	..	98.5
Aug	..	..	95.6	..	..	..	106.0	..	..	..	..	97.7
Sep	..	..	95.1	..	..	..	107.5	..	..	..	..	96.6
Oct	..	..	94.9	..	..	..	107.1	..	..	..	..	97.4
Nov	..	..	94.6	..	..	..	108.6	..	..	..	..	96.3
Dec	..	..	94.3	..	..	..	108.9	..	..	..	..	96.7
2005 Jan	..	..	94.2	..	..	..	108.5	..	..	..	..	97.0
Feb	..	..	93.9	..	..	..	108.9	..	..	..	..	97.2
Mar	..	..	93.5	..	..	..	106.8	..	..	..	..	100.4
Apr	..	..	93.2	..	..	..	108.1	..	..	..	..	98.0
May	..	..	92.8	..	..	..	108.7	..	..	..	..	97.3†
Jun	..	..	92.4	..	..	..	109.4	..	..	..	..	97.5
Jul	..	..	92.2	..	..	..	110.0	..	..	..	..	97.5
Aug	..	..	92.1	..	..	..	109.9	..	..	..	..	98.4
Sep	..	..	92.0	..	..	..	109.3	..	..	..	..	99.4
Oct	..	..	91.6	..	..	..	108.9	..	..	..	..	100.1
Nov	..	..	91.6	..	..	..	109.4	..	..	..	..	99.9
Dec	..	..	91.5	..	..	..	110.0	..	..	..	..	99.9
2006 Jan	..	..	90.9	..	..	..	111.0	..	..	..	..	99.5
Feb	..	..	90.7	..	..	..	111.1	..	..	..	..	100.2
Mar	..	..	90.4	..	..	..	112.3	..	..	..	..	99.7
Apr	..	..	90.4	..	..	..	112.0	..	..	..	..	100.4
May	..	..	90.4	..	..	..	112.7†	..	..	..	..	99.3
Jun	..	..	90.0	..	..	..	113.2	..	..	..	..	99.7

Percentage change, quarter on corresponding quarter of previous year

	LNNO	LNNR	LNNS	A4YN	LNNP	LNNT	LNNU	LZVD	LZVM	LZVH	LOJE	LOJF
2003 Q1	1.0	-4.3	-3.8	1.2	1.2	3.9	3.1	2.0	3.7	3.4	1.9	1.4
Q2	0.9	-5.2	-4.4	1.3	1.4	4.3	4.5	1.2	2.4	3.5	1.9	-1.5
Q3	0.9	-5.2	-4.3	1.6	1.8	5.2	4.2	2.3	2.7	2.9	2.3	-0.9
Q4	0.6	-5.9	-4.6	2.8	2.9	6.9	6.8	3.5	6.3	7.6	1.3	-3.2
2004 Q1	0.8	-5.6	-4.9	2.2	2.6	7.0	7.6	2.8	6.3	7.6	1.2	-3.9
Q2	0.8	-4.6	-4.2	3.1	3.1	6.8	7.5	4.0	5.7	6.6	0.9	-2.9
Q3	0.6	-4.0	-3.8	2.2	2.4	4.5	5.6	2.9	3.5	4.6	0.6	-2.0
Q4	0.8	-3.4	-3.4	1.4	1.7	3.3	4.7	1.1	2.0	3.6	2.2	-1.3
2005 Q1	0.8	-3.3	-3.3	1.2	1.4	2.1	3.2	1.0	0.9	2.2	2.8	0.3
Q2	0.9	-3.7	-3.8	0.7	0.8	1.9	2.5	0.6	1.7	2.6	2.5	0.1†
Q3	1.2	-3.3	-3.6	0.6	0.7	1.7	3.2	0.2	1.9	3.4	2.8	0.8
Q4	0.8	-2.9	-3.2	1.2	1.0	0.4	1.2	1.3	1.6	1.9	2.3	3.2
2006 Q1	0.6	-2.9	-3.4	1.5	1.7	2.1	3.2	1.8	1.8	2.5	2.1	1.6
Q2	..	..	-2.7	..	..	..	3.6	..	..	..	..	2.3

1 The full productivity and unit wage costs data sets with associated articles can be found on the National Statistics web site at [www.statistics.gov.uk/productivity](http://www.statistics.gov.uk/productivity). Contact the Labour Market Statistics helpline (020 7533 6094) for further information.

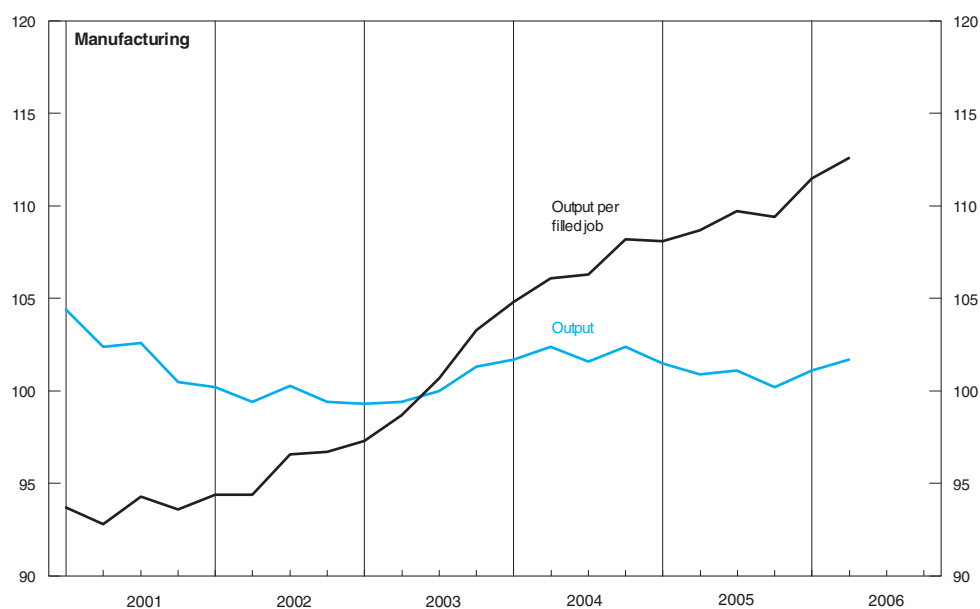
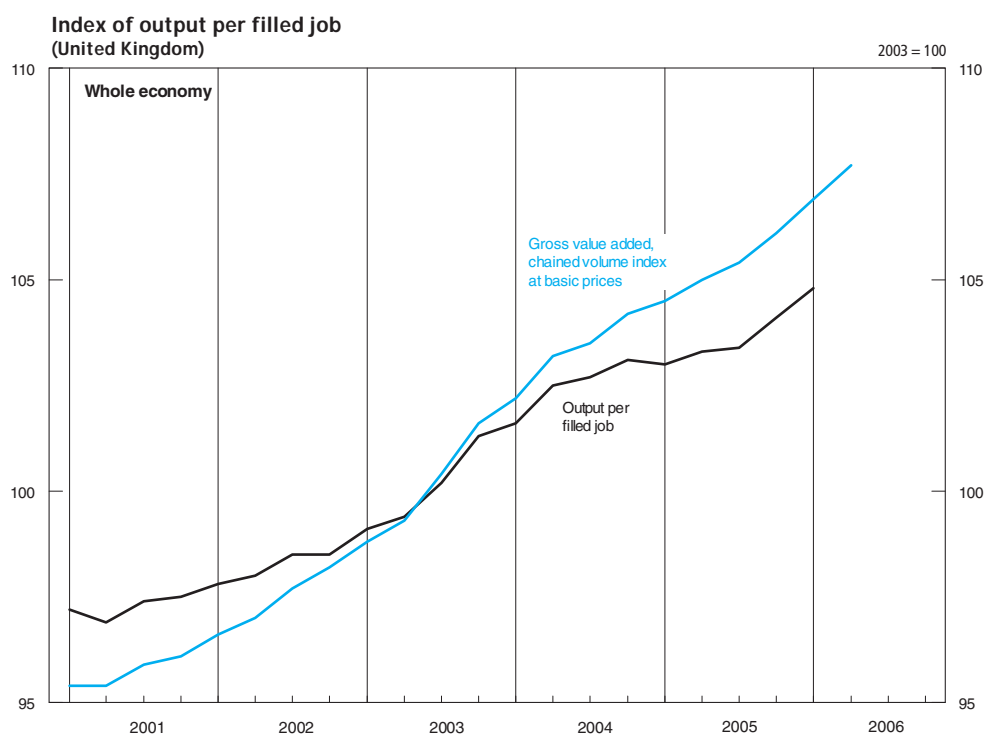
2 Output per worker is the ratio of gross value added (GVA) at basic prices to LFS total employment. On 29 July 2004, ONS published details on the National Statistics website of a change in productivity methodology. Output per worker is the new headline measure.

3 Output per filled job is the ratio of GVA at basic prices to productivity jobs.

4 Output per hour worked is the ratio of GVA at basic prices to productivity hours.

5 Unit wage costs are calculated as total wages and salaries per job divided by output per job.

Source: Office for National Statistics; Enquiries: 01633 812766



# 5.1 Output of the production industries<sup>1</sup>

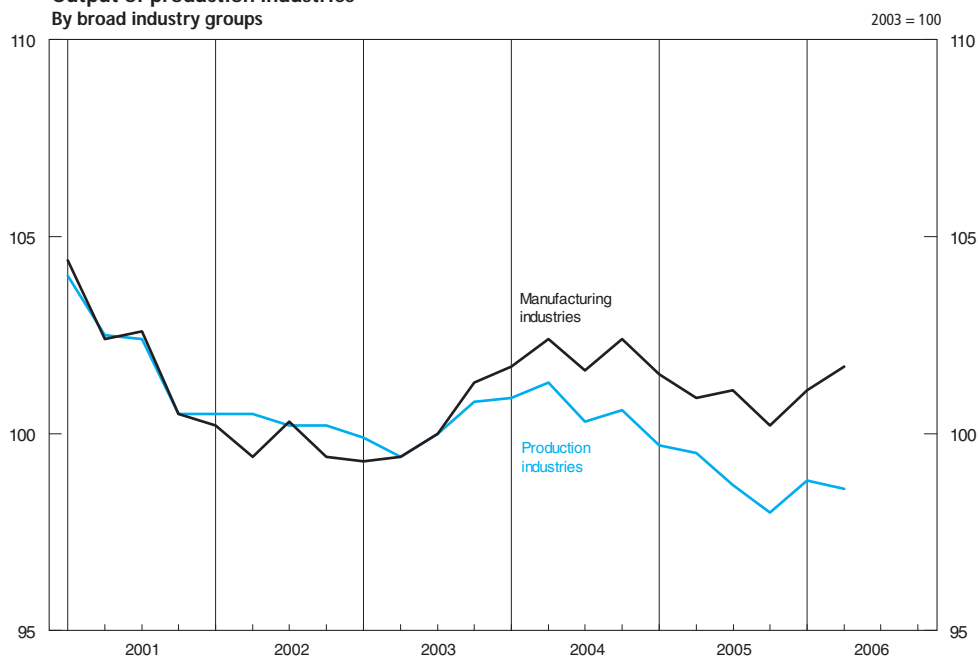
2003 = 100

	Broad industry groups					Main industrial groupings			
	Production industries+	Mining and quarrying including oil and gas extraction	Manufacturing+	Electricity, gas and water supply	Oil and gas extraction	Consumer durables	Consumer non-durables	Capital goods	Intermediate goods and energy
2003 weights	1 000	118	792	90	107	36	272	213	478
	CKYW	CKYX	CKYY	CKYZ	CKZO	UFIU	UFJS	UFIL	JMOH
2001	102.3	105.0	102.5	98.0	107.3	101.2	99.4	106.8	102.3
2002	100.3	105.4	99.8	98.4	105.9	101.7	99.9	98.2	101.5
2003	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2004	100.8	92.1	102.0	101.1	91.6	104.6	100.0	103.7	99.7
2005	99.0	84.3	100.9	100.8	82.7	102.6	99.2	103.7	96.5
2001 Q1	104.0	104.1	104.4	99.8	106.3	102.6	99.2	110.8	103.9
Q2	102.5	106.3	102.4	98.6	108.7	100.8	99.8	106.8	103.0
Q3	102.4	105.5	102.6	97.3	107.7	100.2	99.6	107.4	102.0
Q4	100.5	104.1	100.5	96.4	106.3	101.0	100.1	102.1	100.1
2002 Q1	100.5	105.4	100.2	97.2	105.4	104.0	100.2	98.2	101.4
Q2	100.5	109.6	99.4	97.6	110.8	100.7	99.9	97.5	102.1
Q3	100.2	101.0	100.3	99.2	101.1	100.4	100.5	98.7	100.8
Q4	100.2	105.7	99.4	99.7	106.4	101.6	98.7	98.4	101.7
2003 Q1	99.9	105.0	99.3	98.1	105.1	99.7	99.0	98.7	101.0
Q2	99.4	99.8	99.4	98.9	99.5	99.3	99.2	99.1	99.6
Q3	100.0	98.9	100.0	100.6	99.1	99.9	100.6	99.8	99.7
Q4	100.8	96.3	101.3	102.3	96.3	101.2	101.2	102.4	99.8
2004 Q1	100.9	94.3	101.7	102.2	94.4	102.6	100.4	102.2	100.4
Q2	101.3	94.8	102.4	100.7	94.5	104.9	100.4	103.4	100.6
Q3	100.3	90.9	101.6	101.0	90.2	106.3	99.1	104.0	98.9
Q4	100.6	88.6	102.4	100.6	87.2	104.7	99.8	105.1	98.7
2005 Q1	99.7	87.3	101.5	99.9	85.9	105.1	99.4	102.9	98.0
Q2	99.5	87.8	100.9	101.8	86.5	102.5	99.2	103.5	97.6
Q3	98.7	80.8	101.1	100.8	79.0	101.3	99.1	105.1	95.3
Q4	98.0	81.3	100.2	100.8	79.3	101.5	98.9	103.1	95.0
2006 Q1	98.8	81.7	101.1	100.9	79.7	103.1	99.1	104.7	95.7
Q2	98.6 <sup>†</sup>	78.5 <sup>†</sup>	101.7 <sup>†</sup>	97.9 <sup>†</sup>	76.1	105.3	99.0	105.4	94.9
2003 Jul	100.3	100.2	100.3	99.8	100.3	101.4	100.9	99.6	100.1
Aug	99.5	99.4	99.4	100.7	99.6	98.3	100.3	98.9	99.5
Sep	100.1	97.2	100.4	101.3	97.3	100.0	100.5	100.8	99.5
Oct	101.4	98.1	101.6	104.6	98.3	101.0	102.2	101.6	101.0
Nov	100.2	96.2	100.8	100.4	96.0	102.2	100.4	102.5	99.0
Dec	100.6	94.7	101.4	101.9	94.6	100.3	101.0	103.1	99.4
2004 Jan	100.8	94.8	101.6	102.0	94.9	101.8	100.4	102.3	100.2
Feb	100.5	93.3	101.3	103.3	93.2	102.4	99.9	101.6	100.2
Mar	101.4	94.9	102.3	101.4	95.1	103.7	100.9	102.6	100.9
Apr	101.4	94.5	102.4	101.6	94.5	104.9	101.2	102.6	100.6
May	101.3	93.8	102.5	100.5	93.5	104.2	99.9	104.5	100.4
Jun	101.3	96.0	102.3	99.9	95.6	105.7	100.2	103.0	100.9
Jul	100.6	96.2	101.3	100.2	95.7	107.6	98.0	103.6	100.2
Aug	100.2	90.9	101.3	102.0	90.3	105.6	99.6	103.2	98.7
Sep	100.2	85.7	102.3	100.7	84.6	105.7	99.8	105.2	97.7
Oct	99.9	86.8	101.7	101.3	85.4	105.4	99.7	104.5	97.5
Nov	100.9	88.9	102.7	100.5	87.6	103.2	100.1	105.5	99.1
Dec	101.0	90.0	102.7	100.0	88.4	105.4	99.7	105.1	99.5
2005 Jan	100.2	86.9	102.3	99.7	85.8	104.5	100.5	103.7	98.2
Feb	100.3	86.9	102.3	100.2	85.5	106.6	100.0	103.3	98.6
Mar	98.5	88.0	99.9	99.7	86.5	104.2	97.6	101.6	97.2
Apr	99.6	88.1	100.8	103.3	86.8	105.0	98.2	103.1	98.4
May	99.5	89.3	100.9	101.1	88.2	101.5	99.1	103.5	97.8
Jun	99.3	85.9	101.1	100.9	84.5	100.9	100.2	104.1	96.5
Jul	99.2	83.2	101.5	100.7	81.9	100.5	100.1	105.5	95.9
Aug	98.1	75.8	101.2	100.1	73.4	101.1	98.8	105.3	94.3
Sep	98.6	83.4	100.6	101.4	81.6	102.1	98.5	104.6	95.8
Oct	97.5	81.8	99.8	98.0	80.0	100.8	98.2	102.9	94.5
Nov	98.1	80.9	100.2	102.5	78.7	101.4	98.8	103.5	95.1
Dec	98.5	81.2	100.6	101.9	79.1	102.3	99.9	103.0	95.4
2006 Jan	98.8	83.4	100.9	100.5	81.3	101.3	99.3	103.8	96.1
Feb	98.4	81.3	100.8	99.7	79.3	102.3	99.0	104.7	95.0
Mar	99.1	80.5	101.5	102.5	78.5	105.8	99.0	105.6	95.8
Apr	98.5	80.0 <sup>†</sup>	101.3 <sup>†</sup>	98.4 <sup>†</sup>	77.8 <sup>†</sup>	105.7 <sup>†</sup>	98.9 <sup>†</sup>	105.1 <sup>†</sup>	94.8
May	98.7 <sup>†</sup>	78.9	101.8	97.2	76.4	105.3	99.2	105.6	94.9
Jun	98.6	76.6	102.0	98.0	74.0	104.9	99.0	105.4	94.9

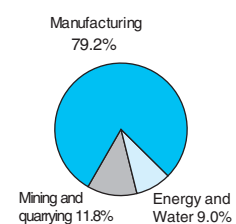
<sup>1</sup> Figures contain, where appropriate, an adjustment for stock changes.

Source: Office for National Statistics; Enquiries: 01633 812059

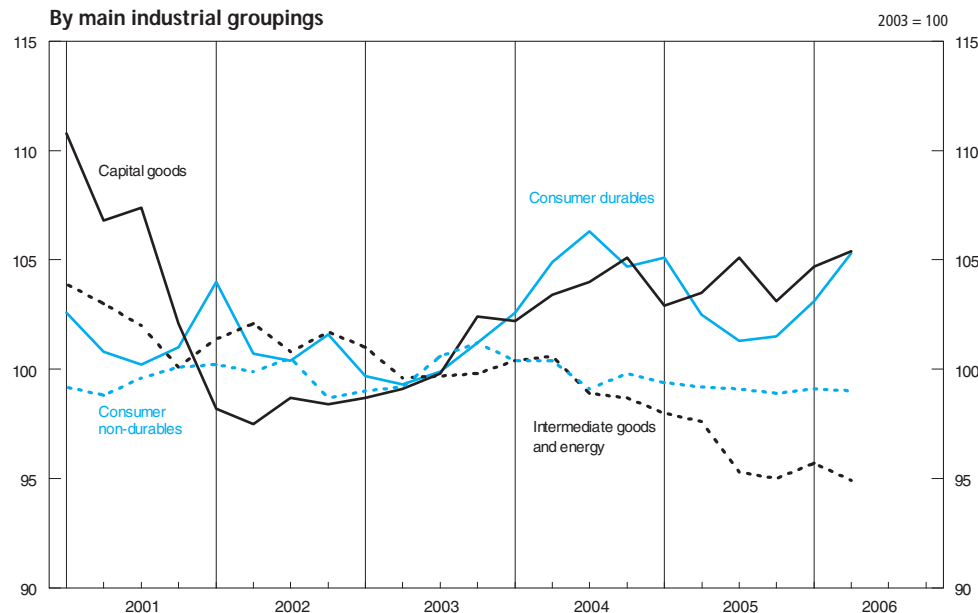
**Output of production industries**  
By broad industry groups



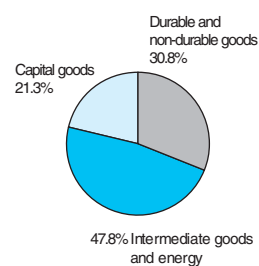
**Share of output in 2003**



**By main industrial groupings**



**Share of output in 2003**





## 5.2 Engineering and construction: output and orders

Seasonally adjusted index numbers at constant prices<sup>1</sup>

	Engineering (2000 = 100)									Construction (GB) (2000 = 100)	
	Total			Home			Export			Gross output <sup>4</sup> +	Orders received
	Orders on hand <sup>2</sup>	New orders <sup>3</sup>	Turnover	Orders on hand <sup>2</sup>	New orders <sup>3</sup>	Turnover	Orders on hand <sup>2</sup>	New orders <sup>3</sup>	Turnover		
	JIQI	JIQH	JIQJ	JIQC	JIQB	JIQD	JIQF	JIQE	JIQG	SFZX	SGAA
2001	95.6	89.6	95.3	105.4	94.5	98.4	79.1	83.0	91.2	102.0	99.5
2002	92.6	80.8	84.5	104.5	87.9	91.8	72.4	71.2	74.8	106.3	102.5
2003	92.6	78.9	81.6	108.4	87.9	90.2	65.8	66.8	70.3	111.7	97.8
2004	88.9	78.3	82.1	102.5	83.9	89.3	65.8	70.8	72.6	115.2	106.2
2005	92.8	79.3	80.8	104.8	86.2	88.9	72.3	70.1	70.1	113.9	112.3
2001 Q1	104.5	100.6	103.8	105.9	100.7	104.2	102.1	100.5	103.3	101.2	108.4
Q2	101.9	90.9	97.1	108.3	98.5	99.4	91.2	80.6	94.1	101.3	95.6
Q3	100.1	87.1	92.2	108.0	92.0	96.1	86.8	80.5	87.1	102.1	103.6
Q4	95.6	80.0	88.1	105.4	87.0	94.0	79.1	70.5	80.3	103.5	90.5
2002 Q1	95.0	81.8	85.4	104.9	88.0	92.2	78.1	73.5	76.3	105.3	107.6
Q2	93.6	80.3	84.7	105.6	89.8	92.6	73.3	67.5	74.2	104.7	90.7
Q3	93.7	81.5	84.2	106.2	88.6	91.4	72.5	72.1	74.8	106.8	109.2
Q4	92.6	79.6	83.7	104.5	85.4	91.2	72.4	71.8	73.7	108.5	102.5
2003 Q1	91.1	76.7	81.2	103.4	86.0	90.9	70.2	64.4	68.3	108.7	104.7
Q2	91.5	79.3	81.5	105.2	89.2	90.6	68.3	65.9	69.5	110.4	95.8
Q3	91.6	78.9	81.5	106.2	87.6	89.8	66.9	67.2	70.4	113.5	98.0
Q4	92.6	80.7	82.3	108.4	88.8	89.5	65.8	69.8	72.8	114.4	92.7
2004 Q1	93.7	79.2	80.5	108.4	83.7	87.1	68.8	73.1	71.9	117.1	109.5
Q2	92.9	78.7	82.5	106.8	83.4	89.1	69.3	72.5	73.8	114.2	108.1
Q3	90.2	76.8	82.6	103.7	82.0	89.4	67.3	69.7	73.6	115.1	101.0
Q4	88.9	78.4	82.7	102.5	86.3	91.5	65.8	67.8	71.2	114.2	106.2
2005 Q1	89.7	79.0	80.6	101.0	84.2	89.5	70.5	72.0	68.9	114.4	107.5
Q2	90.0	78.6	80.9	100.9	86.0	89.6	71.4	68.7	69.5	115.0	116.7
Q3	92.0	81.2	81.5	103.3	88.7	89.1	72.8	71.1	71.5	113.1	110.2
Q4	92.8	78.4	80.2	104.8	85.8	87.4	72.3	68.4	70.6	113.0	114.9
2006 Q1	91.4	76.5	80.7	102.1	80.2	86.8	73.1	71.6	72.7	114.0	118.3 <sup>†</sup>
Q2	91.9	80.1	82.4	102.3	86.3	90.2	74.2	71.7	72.2	..	123.4
2003 Jul	91.7	80.9	82.9	104.9	87.1	91.6	69.3	72.6	71.4	..	111.1
Aug	91.5	76.6	79.9	106.1	89.1	87.9	66.8	59.8	69.3	..	80.7
Sep	91.6	79.2	81.6	106.2	86.7	90.0	66.9	69.3	70.5	..	102.3
Oct	92.2	81.9	82.6	107.1	90.6	90.8	67.0	70.2	71.8	..	87.3
Nov	94.0	85.5	81.8	109.9	96.7	89.5	67.2	70.5	71.8	..	102.7
Dec	92.6	74.7	82.4	108.4	79.1	88.2	65.8	68.7	74.7	..	88.2
2004 Jan	94.1	83.0	80.3	109.2	87.2	87.6	68.6	77.4	70.5	..	90.8
Feb	91.3	67.9	80.3	106.0	69.7	85.1	66.4	65.4	73.9	..	127.0
Mar	93.7	86.7	81.0	108.4	94.3	88.5	68.8	76.6	71.2	..	110.5
Apr	92.0	72.3	81.1	105.1	71.4	87.6	69.7	73.6	72.6	..	105.3
May	92.9	83.2	82.7	105.9	88.8	89.2	70.9	75.9	74.1	..	113.4
Jun	92.9	80.6	83.6	106.8	90.1	90.5	69.3	67.9	74.6	..	105.7
Jul	92.9	80.5	83.3	107.0	87.5	90.1	68.9	71.2	74.3	..	110.8
Aug	90.8	71.7	81.6	104.4	74.4	87.6	67.6	68.0	73.7	..	102.1
Sep	90.2	78.1	82.9	103.7	84.2	90.5	67.3	70.0	72.8	..	90.3
Oct	89.0	75.1	81.9	102.3	81.5	90.5	66.5	66.4	70.6	..	102.5
Nov	88.6	79.4	83.8	102.0	88.8	93.5	65.7	66.8	70.9	..	109.1
Dec	88.9	80.8	82.5	102.5	88.7	90.5	65.8	70.3	72.0	..	106.9
2005 Jan	89.9	81.9	81.1	104.5	94.8	90.7	65.0	64.6	68.6	..	103.0
Feb	89.2	76.3	81.2	102.5	79.5	90.7	66.6	72.0	68.7	..	101.8
Mar	89.7	78.7	79.5	101.0	78.2	87.2	70.5	79.4	69.3	..	117.6
Apr	89.0	76.6	81.8	102.4	91.9	90.0	66.2	56.1	71.1	..	107.1
May	89.6	79.9	80.4	101.5	81.7	88.9	69.5	77.6	69.2	..	129.1
Jun	90.0	79.2	80.5	100.9	84.3	89.8	71.4	72.4	68.3	..	114.0
Jul	89.9	77.4	80.5	100.1	82.1	88.9	72.6	71.2	69.4	..	107.3
Aug	92.0	86.2	81.4	103.2	98.1	89.6	73.0	70.2	70.7	..	114.0
Sep	92.0	79.9	82.5	103.3	85.8	88.8	72.8	71.9	74.3	..	109.4
Oct	92.3	78.0	79.6	103.9	86.6	87.9	72.7	66.6	68.6	..	115.0
Nov	92.2	77.2	80.3	103.4	82.2	87.4	73.1	70.5	70.9	..	113.9
Dec	92.8	79.9	80.6	104.8	88.6	86.8	72.3	68.2	72.4	..	115.8
2006 Jan	91.4	73.0	80.2	101.8	71.4	85.6	73.7	75.1	73.0	..	136.1 <sup>†</sup>
Feb	93.1	83.8	80.6	104.6	94.7	87.4	73.5	69.1	71.7	..	103.7
Mar	91.4 <sup>†</sup>	72.8 <sup>†</sup>	81.4 <sup>†</sup>	102.1 <sup>†</sup>	74.5 <sup>†</sup>	87.5 <sup>†</sup>	73.1 <sup>†</sup>	70.5 <sup>†</sup>	73.5 <sup>†</sup>	..	115.1
Apr	92.2 <sup>†</sup>	80.5 <sup>†</sup>	81.2 <sup>†</sup>	102.6 <sup>†</sup>	85.1 <sup>†</sup>	88.4 <sup>†</sup>	74.5 <sup>†</sup>	74.4 <sup>†</sup>	71.6 <sup>†</sup>	..	103.3
May	92.1	79.8	82.8	101.9	84.2	90.7	75.5	73.7	72.4	..	153.6
Jun	91.9	79.9	83.3	102.3	89.6	91.5	74.2	66.9	72.6	..	113.4

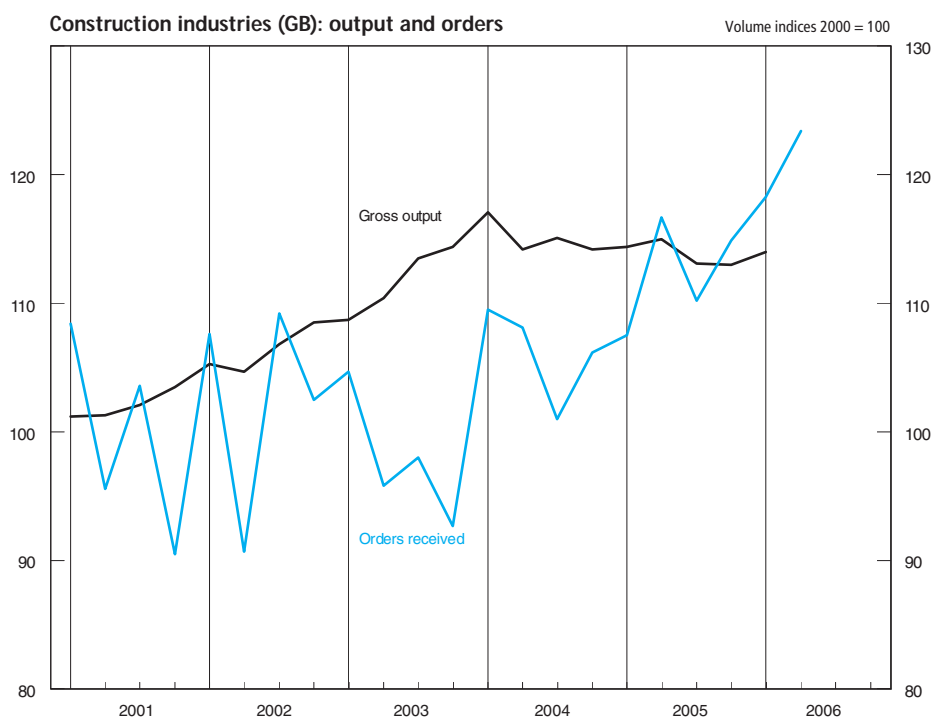
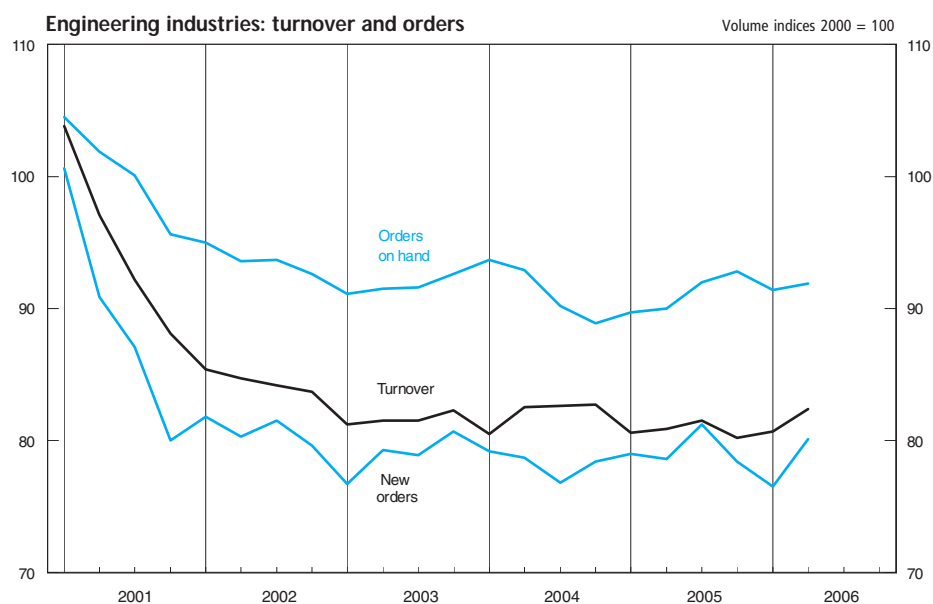
1 The figures shown represent the output of UK-based manufacturers classified to subsections DK and DL of the Standard Industrial Classification (2003).

2 Annual and quarterly indices represent the value at the end of the period in question, rather than the average value for that period.

3 Net of cancellations.

4 This index is based on a gross output series which includes repair and maintenance estimates, unrecorded output by self-employed workers and small firms and output by the direct labour departments of the public sector.

Sources: Office for National Statistics; Enquiries: Columns 1-9 01633 812540; Department of Trade and Industry; Enquiries: Columns 10-11 020 7215 1953



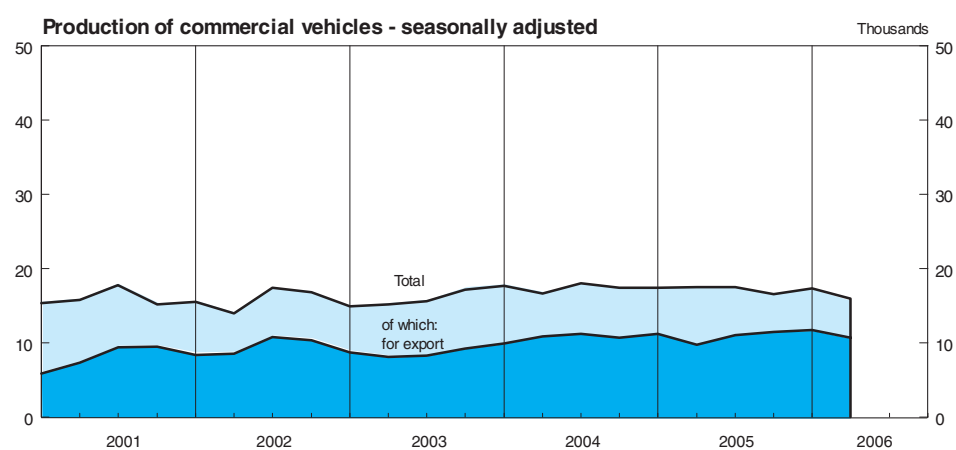
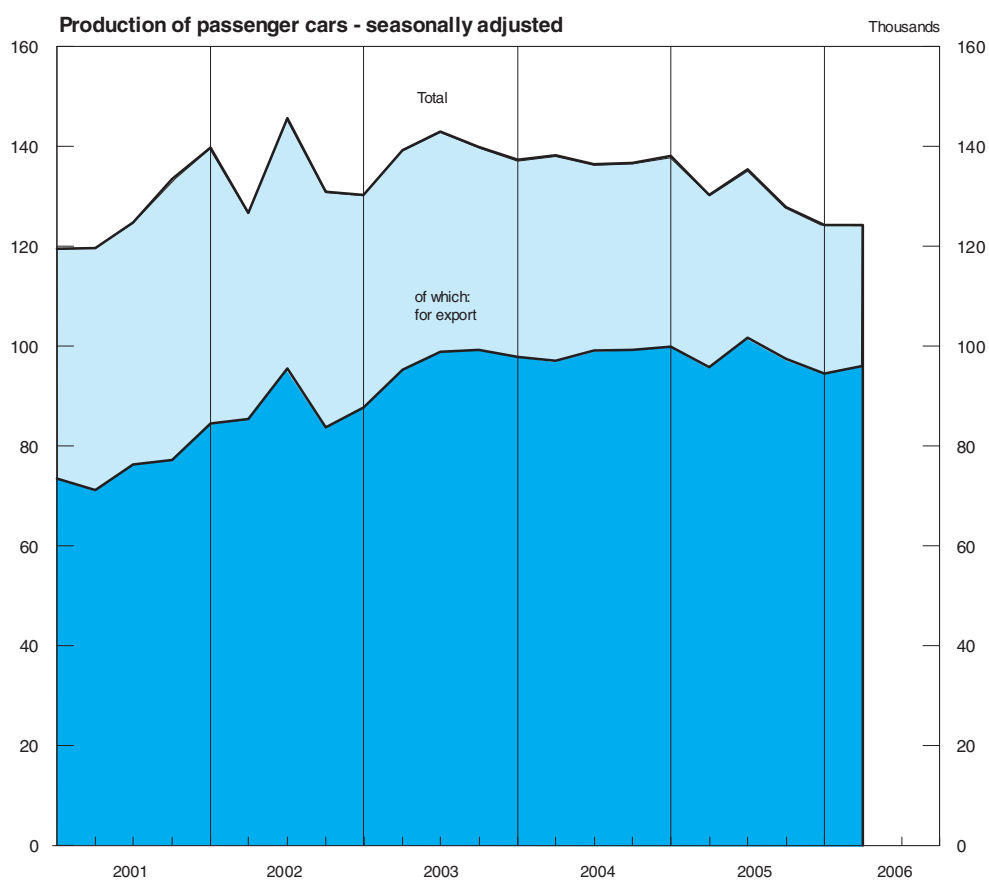
## 5.3 Motor vehicle and steel production

	Passenger cars <sup>1</sup>				Commercial vehicles <sup>1</sup>				Crude steel production (NSA) <sup>2</sup> (thousand tonnes)
	Not seasonally adjusted		Seasonally adjusted		Not seasonally adjusted		Seasonally adjusted		
	Total production (thousands)	of which for export (thousands)	Total production (thousands)	of which for export (thousands)	Total production (thousands)	of which for export (thousands)	Total production (thousands)	of which for export (thousands)	
	FFAA	FFAB	FFAO	FFAP	FFAC	FFAD	FFAQ	FFAR	BCBS
2001	124.4	74.5	124.4	74.5	16.1	8.0	16.1	8.0	13 542.7
2002	135.8	87.3	135.8	87.3	15.9	9.5	15.9	9.5	11 667.1
2003	138.1	95.3	138.1	95.3	15.7	8.6	15.7	8.6	13 128.4
2004	137.2	98.3	137.2	98.3	17.4	10.7	17.5	10.7	13 765.8
2005	133.0	98.7	133.0	98.7	17.2	10.9	17.2	10.8	13 239.0 <sup>†</sup>
2001 Q1	129.0	75.5	119.5	73.5	17.2	6.6	15.4	5.9	3 651.7
Q2	124.1	76.5	119.7	71.1	16.6	7.7	15.8	7.3	3 729.6
Q3	111.9	61.0	124.8	76.3	14.5	7.4	17.9	9.4	3 205.5
Q4	132.4	85.1	133.5	77.2	16.1	10.3	15.2	9.5	2 955.9
2002 Q1	149.9	85.0	139.8	84.5	16.7	8.4	15.6	8.4	3 046.3
Q2	134.1	94.0	126.7	85.4	14.8	9.4	14.0	8.5	3 060.0
Q3	130.6	80.7	145.7	95.5	14.9	9.3	17.4	10.8	2 801.9
Q4	128.7	89.3	131.0	83.7	17.3	10.9	16.8	10.3	2 758.9
2003 Q1	141.4	91.5	130.4	87.7	16.5	9.3	14.9	8.7	3 081.0
Q2	144.4	101.3	139.3	95.3	15.5	8.3	15.2	8.1	3 258.7
Q3	130.4	85.8	143.0	98.9	13.4	6.9	15.6	8.3	3 264.3
Q4	136.2	102.7	139.9	99.3	17.6	9.7	17.2	9.2	3 524.4
2004 Q1	148.5	101.2	137.4	97.8	19.3	10.4	17.7	9.9	3 380.7
Q2	142.7	102.3	138.3	97.1	16.9	11.2	16.7	10.9	3 681.4
Q3	126.3	88.3	136.5	99.1	15.6	9.7	18.0	11.2	3 405.2
Q4	131.4	101.5	136.7	99.2	17.9	11.4	17.4	10.7	3 298.5
2005 Q1	144.3	99.1	138.1	99.9	18.4	11.3	17.4	11.2	3 310.9
Q2	138.7	105.3	130.4	95.8	18.2	10.7	17.5	9.7	3 528.4 <sup>†</sup>
Q3	125.7	91.5	135.5	101.7	14.9	9.2	17.5	11.0	3 106.0
Q4	123.3	98.9	127.8	97.5	17.3	12.2	16.6	11.5	3 293.7
2006 Q1	136.4	100.5	124.3	94.5	19.2	12.6	17.4	11.7	3 551.1
Q2	130.1	102.5	124.3 <sup>†</sup>	96.1 <sup>†</sup>	16.1	10.9	16.0 <sup>†</sup>	10.7 <sup>†</sup>	3 664.7
2003 Jul	146.3	93.1	143.1	97.2	15.2	7.6	17.0	9.0	1 245.8*
Aug	91.4	57.5	143.1	97.4	7.8	3.8	14.7	7.5	977.8
Sep	153.5	106.8	142.7	102.2	17.1	9.2	15.1	8.3	1 040.7
Oct	153.4	113.8	140.2	98.3	16.8	9.5	14.8	8.0	1 198.0*
Nov	142.9	110.5	137.6	100.4	19.0	9.8	17.5	9.6	1 117.8
Dec	112.4	83.8	141.8	99.1	17.0	9.9	19.4	10.0	1 208.6*
2004 Jan	141.3	96.4	141.5	101.9	20.5	9.6	19.8	10.5	1 009.3
Feb	141.1	93.0	133.2	94.0	17.3	10.0	16.4	10.1	1 024.9
Mar	163.0	114.3	137.6	97.6	20.2	11.7	16.9	9.1	1 346.5*
Apr	129.6	95.7	135.6	96.4	15.7	10.1	16.3	10.0	1 155.5
May	143.1	102.3	142.3	98.0	16.9	11.9	17.6	11.9	1 160.7
Jun	155.5	108.9	136.9	96.9	18.2	11.6	16.2	10.7	1 365.2*
Jul	140.5	100.5	142.3	104.5	14.9	10.1	17.3	11.7	1 042.6
Aug	83.2	56.7	131.7	95.0	10.2	5.7	18.2	10.2	1 015.8
Sep	155.3	107.6	135.5	97.8	21.7	13.3	18.6	11.7	1 346.8*
Oct	135.1	107.2	135.6	102.2	18.6	12.2	18.0	11.3	1 091.5
Nov	149.3	114.4	139.3	99.5	20.1	12.3	17.2	10.3	1 001.4
Dec	109.7	82.8	135.2	95.9	14.9	9.7	17.0	10.5	1 205.6*
2005 Jan	136.0	89.2	140.4	98.1	17.7	10.7	17.1	10.9	1 033.5
Feb	143.5	98.3	136.8	99.4	18.0	10.7	17.1	10.6	1 016.8
Mar	153.3	109.9	137.1	102.2	19.6	12.6	17.9	12.0	1 260.6*
Apr	139.8	105.1	137.9	96.6	18.9	11.4	18.6	9.7	1 161.8
May	132.0	99.1	128.8	94.0	17.5	10.7	18.1	10.6	1 152.1 <sup>†</sup>
Jun	144.3	111.7	124.6	96.7	18.3	10.0	15.7	8.9	1 214.5*
Jul	130.2	93.8	131.1	96.6	14.2	8.5	17.3	10.6	966.4
Aug	97.1	71.8	142.8	110.4	10.8	6.8	17.9	11.3	1 180.2*
Sep	149.9	108.9	132.7	98.2	19.7	12.4	17.3	11.2	959.4
Oct	124.8	99.4	126.8	95.6	18.4	12.4	16.7	10.6	986.2
Nov	149.7	119.4	131.2	99.7	20.0	13.8	17.1	12.0	1 279.5*
Dec	95.3	77.9	125.5	97.2	13.6	10.3	16.0	11.8	1 028.0
2006 Jan	119.1	86.5	121.1	92.4	18.2	11.8	17.4	12.0	1 053.5
Feb	131.2	95.2	124.5	94.8	18.2	12.1	17.3	12.0	1 077.3
Mar	159.0	119.7	127.2	96.2	21.3	13.8	17.5	11.2	1 420.3*
Apr	118.6	95.2	127.3	99.0	16.3	11.8	17.3	12.1	1 128.3
May	132.3	105.4	122.4 <sup>†</sup>	95.2 <sup>†</sup>	15.1	10.3	14.7	9.6	1 385.2*
Jun	139.3	106.8	123.2	94.1	17.0	10.6	15.9 <sup>†</sup>	10.4 <sup>†</sup>	1 151.2
Jul	115.6	87.0	119.2	91.4	15.3	10.4	17.7	12.1	1 062.2

1 Annual and quarterly figures are monthly averages.

2 The totals are for 'usable steel' in accordance with the system used by the EC and the International Iron and Steel Institute, but in a change from previous publications, figures are actual production totals based on four- or five-week periods (not seasonally adjusted). The latest month's figure is provisional.

Sources: Office for National Statistics; Enquiries: Columns 1-8 01633 812810; ISSB Ltd; Enquiries: Column 9 020 7343 3900



## 5.4 Indicators of fixed investment in dwellings

	Fixed investment in dwellings (£ million, chained volume measures, reference year 2003)	Orders received by contractors for new houses (GB) (£ million, 2000 prices)	Housing starts (GB) (not seasonally adjusted) <sup>1</sup>			Housing completions (GB) (not seasonally adjusted) <sup>1</sup>			Mix-adjusted price of new dwellings at mortgage completion stage (NSA) <sup>3</sup> (£)
			Private enterprise (thousands)	Registered social landlords <sup>2</sup> (thousands)	Local authorities (thousands)	Private enterprise (thousands)	Registered social landlords <sup>2</sup> (thousands)	Local authorities (thousands)	
	DFEG	SGAB	FCAB	CTOR	CTOV	FCAD <sup>†</sup>	CTOT	CTOX	WMPS
2001	34 141	7 122	162.8	16.8	0.3	140.0 <sup>†</sup>	20.9	0.3	134 234
2002	36 800	7 805	164.6	16.2	0.2	149.3	19.3	0.2	161 533
2003	38 462	8 219	177.5	16.2	0.3	158.3	17.2	0.3	186 427
2004	41 541	9 472	194.2 <sup>†</sup>	19.1 <sup>†</sup>	0.2	167.0	20.6	0.1	205 818
2005	42 853	9 917	145.6	16.2	0.2	120.0	16.6	0.2	218 342
2001 Q1	8 427	1 767	39.2	5.7	0.2	32.5	5.6	0.1	130 771
Q2	8 435	1 772	43.8	4.2	—	34.4	4.7	0.1	130 774
Q3	8 796	1 822	43.5	3.2	—	35.6	4.6	0.1	135 507
Q4	8 483	1 761	36.3	3.7	0.1	37.5	5.9	0.1	137 368
2002 Q1	8 499	1 916	41.7	5.4	0.1	33.6	5.1	—	143 996
Q2	8 958	1 782	42.5	3.8	0.1	36.9	4.6	0.2	157 646
Q3	9 400	2 031	44.0	3.4	—	36.4	4.7	—	164 293
Q4	9 943	2 075	36.3	3.6	—	42.4	4.9	—	173 254
2003 Q1	9 467	2 095	44.2	5.0	0.1	34.6	4.5	0.1	175 947
Q2	9 536	2 108	46.9	4.4	0.2	39.3	4.1	0.1	187 676
Q3	9 752	1 894	45.8	3.8	—	37.5	4.5	—	188 711
Q4	9 707	2 123	40.6	3.0	0.1	46.8	4.1	0.1	193 373
2004 Q1	10 193	2 346	47.2	6.5	—	33.9 <sup>†</sup>	5.1	—	194 276
Q2	10 430	2 287	52.2 <sup>†</sup>	4.3	0.1	43.3	4.3	0.1	204 679
Q3	10 370	2 488	51.1	3.6	—	43.8	5.3	—	212 505
Q4	10 548	2 351	43.8	4.6	—	46.0	5.8	—	211 812
2005 Q1	10 318	2 293	44.7	7.0 <sup>†</sup>	0.1	35.8	6.4	—	214 704
Q2	10 533	2 612	52.7	4.6	0.1	43.9	5.2	0.1	216 780
Q3	11 024	2 569	48.2	4.6	—	40.3	5.1	—	220 477
Q4	10 978	2 444	..	..	..	..	..	..	221 407
2006 Q1	11 291	2 361 <sup>†</sup>	..	..	..	..	..	..	220 350
Q2	..	2 558	..	..	..	..	..	..	222 217
2004 Jan	..	796	..	..	..	..	..	..	195 238
Feb	..	754	..	..	..	..	..	..	192 165
Mar	..	796	..	..	..	..	..	..	195 426
Apr	..	880	..	..	..	..	..	..	201 796
May	..	697	..	..	..	..	..	..	203 015
Jun	..	710	..	..	..	..	..	..	209 225
Jul	..	758	..	..	..	..	..	..	211 663
Aug	..	889	..	..	..	..	..	..	211 314
Sep	..	841	..	..	..	..	..	..	214 537
Oct	..	742	..	..	..	..	..	..	214 509
Nov	..	805	..	..	..	..	..	..	212 354
Dec	..	803	..	..	..	..	..	..	208 574
2005 Jan	..	669	..	..	..	..	..	..	212 952
Feb	..	795	..	..	..	..	..	..	213 093
Mar	..	828	..	..	..	..	..	..	218 067
Apr	..	905	..	..	..	..	..	..	213 950
May	..	805	..	..	..	..	..	..	217 361
Jun	..	902	..	..	..	..	..	..	219 029
Jul	..	905	..	..	..	..	..	..	221 548
Aug	..	835	..	..	..	..	..	..	220 141
Sep	..	829	..	..	..	..	..	..	219 742
Oct	..	840	..	..	..	..	..	..	223 550
Nov	..	819	..	..	..	..	..	..	217 427
Dec	..	786	..	..	..	..	..	..	223 244
2006 Jan	..	745 <sup>†</sup>	..	..	..	..	..	..	222 234
Feb	..	770	..	..	..	..	..	..	215 685
Mar	..	846	..	..	..	..	..	..	223 132
Apr	..	762	..	..	..	..	..	..	219 768 <sup>†</sup>
May	..	907	..	..	..	..	..	..	223 755
Jun	..	889	..	..	..	..	..	..	223 129

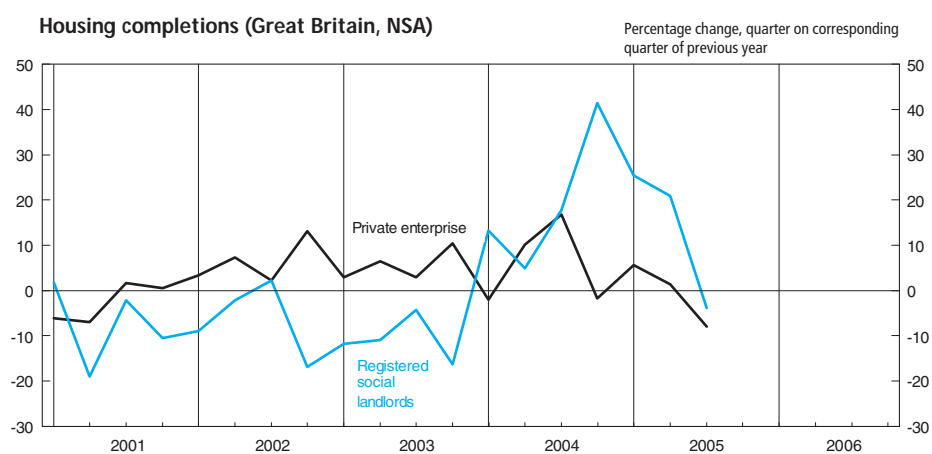
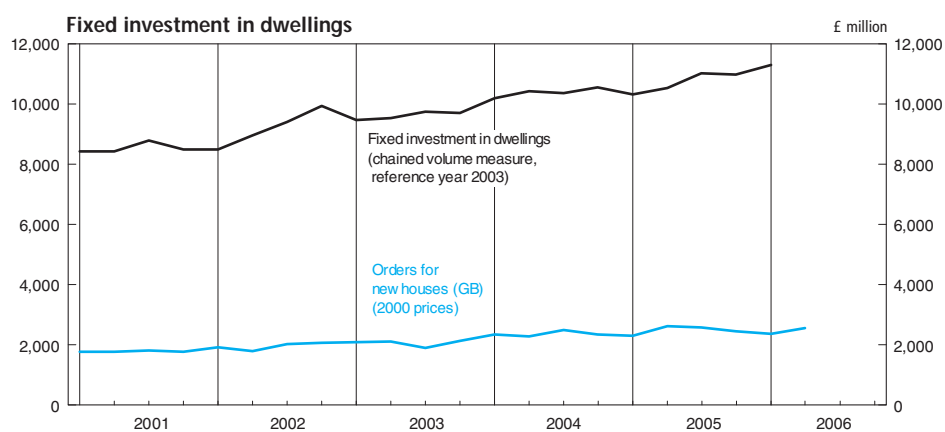
1 Monthly data collection ceased after March 2003. Seasonally adjusted data for Great Britain are no longer updated. Seasonally adjusted data for England are available by visiting the Department for Communities and Local Government (DCLG) website at [www.communities.gov.uk](http://www.communities.gov.uk)

2 Includes registered and non-registered social landlords.

3 Series is based on mortgage lending by all financial institutions rather than building societies only, as previously published. This change has been made necessary because of the mergers, takeovers and conversions to plc status affecting the building society sector. The series is based on the DCLG's survey of mortgage lenders (at completion stage), but now includes

all mortgage lenders rather than building societies only. From February 2002, monthly data have been obtained from the enlarged survey and quarterly data from 2002Q2 are based on monthly prices. From September 2005, figures are based on the new Regulated Mortgage Survey (CML/BankSearch). Prices have been chain-linked to adjust for the structural change arising from the new survey.

Sources: Office for National Statistics;  
Enquiries: Column 1 020 7533 6010;  
Department of Trade and Industry; Column 2 020 7215 1953;  
Department for Communities and Local Government;  
Columns 3-8 0117 372 8055; Column 9 020 7944 3325



# 5.5 Number of property transactions<sup>1,2,3</sup>

Thousands

	Not seasonally adjusted England and Wales	Seasonally adjusted England and Wales <sup>4,5</sup>	Not seasonally adjusted England, Wales and Northern Ireland		Not seasonally adjusted England and Wales	Seasonally adjusted England and Wales <sup>4,5</sup>	Not seasonally adjusted England, Wales and Northern Ireland
	FTAP		FTAR				
2001	1 457		1 497	Jul	152	134	154
2002	1 586		1 627	Aug	166	149	171
2003	1 345		1 397	Sep	139	133	144
2004	1 792		1 838	Oct	147	133	151
2005	1 529		1 577	Nov	127	131	131
				Dec	118	128	122
		FTAQ		2003 Jan	131	125	137
2001 Q1	327	347	337	Feb	103	119	109
Q2	347	358	359	Mar	106	119	113
Q3	396	368	405	Apr	101	112	108
Q4	387	384	396	May	101	105	105
2002 Q1	342	375	351	Jun	103	101	107
Q2	395	404	404	Jul	132	116	135
Q3	457	415	468	Aug	112	105	116
Q4	392	391	404	Sep	114	104	118
2003 Q1	340	363	359	Oct	120	108	124
Q2	306	317	320	Nov	110	118	113
Q3	358	325	369	Dec	111	113	113
Q4	340	339	349	2004 Jan	157	155	160
2004 Q1	447	477	457	Feb	148	172	152
Q2	452	470	463	Mar	142	150	145
Q3	494	446	507	Apr	140	156	143
Q4	398	398	410	May	145	155	148
2005 Q1	300	337	310	Jun	167	159	172
Q2	352	356	363	Jul <sup>6</sup>	175	158	179
Q3	447	404	461	Aug <sup>6</sup>	159	144	163
Q4	430	432	443	Sep	160	145	165
2006 Q1	392	425	403	Oct	148	144	152
Q2	426	442	437	Nov	123	123	127
				Dec	128	132	132
2001 Jan	123	114	127	2005 Jan	100	103	104
Feb	99	117	102	Feb	102	118	105
Mar	105	116	108	Mar	98	116	102
Apr	101	114	105	Apr	109	114	112
May	121	122	126	May	109	117	113
Jun	125	122	128	Jun	134	126	138
Jul	132	121	135	Jul	132	124	136
Aug	140	123	143	Aug	153	133	158
Sep	124	124	127	Sep	163	147	167
Oct	140	126	143	Oct	140	134	144
Nov	137	137	141	Nov	144	145	148
Dec	110	122	112	Dec	146	154	150
2002 Jan	131	124	134	2006 Jan	131	134	134
Feb	108	126	110	Feb	126	145	129
Mar	104	126	106	Mar	136	146	140
Apr	129	135	132	Apr	121	144	124
May	137	138	140	May	144	149 <sup>†</sup>	148
Jun	129	131	132	Jun	160	149 <sup>†</sup>	165
				Jul	150	139	153

1 Figures are based on counts of the relevant administrative form successfully processed each month. For completions up to and including November 2003, this was the Particulars Delivered form; since December 2003 it has been the Land Transaction Return, associated with the introduction of Stamp Duty Land Tax (although in December 2003 most forms processed were still Particulars Delivered forms). The count of Land Transaction Return forms is based on the month when the Stamp Duty Land Tax certificate is issued. Figures for the latest month includes estimates for returns where a certificate has been issued but the form was not captured on the database at the time the count was taken. These figures are therefore subject to revision the following month.

2 Because of the change in administrative arrangements associated with the introduction of Stamp Duty Land Tax, the figures from December 2003 onwards may not be comparable with the earlier series. In particular, Land Transaction Returns in respect of transactions subject to Stamp Duty Land Tax are being submitted more promptly by conveyancers than Particulars Delivered forms in respect of transactions subject to stamp duty. The overhang of particulars delivered forms into the first quarter of 2004 has boosted the total property transactions processed figures in that quarter.

Other reasons for higher figures since the introduction of Stamp Duty Land Tax include some types of transaction requiring a Land Transaction Return which did not require a Particulars Delivered form, and higher numbers of registering commercial transactions.

3 Because of the time lags involved, the series above should be lagged by one month to give a broad representation of transactions completed in the month. However, this relationship was weaker in the second quarter of 2002, because of the operational pressures in the network of Stamp Offices which delayed the processing of a proportion of property transactions.

4 The Jubilee celebrations meant that the late May bank holiday was taken in June 2002. Seasonal features in the data arising from the May bank holiday will therefore not automatically be removed by the process of seasonal adjustment. Caution should therefore be taken when interpreting monthly movements involving May or June 2002 data.

5 The sum of seasonally adjusted components does not exactly match the unadjusted (definitive) annual total.

6 On 19 July 2004 the Inland Revenue ended the arrangement under which a Stamp Duty Land Tax certificate could be issued even though some of the information had not been provided (the 'light touch' process). This is likely to have reduced the transaction count for July and August by a few thousand.

Source: HM Revenue and Customs; Enquiries: 020 7147 2941





## 5.6 Change in inventories

### Chained volume measures<sup>1</sup>

£ million, reference year 2003

	Mining and quarrying	Manufacturing industries				Electricity, gas and water supply	Distributive trades		Other industries <sup>3</sup>	Changes in inventories
		Materials and fuel	Work in progress	Finished goods	Total		Wholesale <sup>2</sup>	Retail <sup>2</sup>		
<i>Level of inventories at end-December 2005</i>	1 030	16 197	15 797	19 429	51 423	1 797	27 132	26 056	46 458	153 896
	FAEA	FBNF	FBNG	FBNH	DHBM	FAEB	FAJX	FBYN	DLWX	CAFU
2001 Q1	61	-678	289	-135	-523	-222	610	-106	1 824	1 643
Q2	-47	-226	295	222	290	182	-32	-136	1 544	1 802
Q3	91	326	235	30	592	80	563	253	165	1 743
Q4	-18	65	-450	43	-342	-24	-254	1 102	-75	389
2002 Q1	46	92	-	613	705	-71	57	698	-388	1 047
Q2	-32	-108	-195	-130	-433	132	854	1 136	-1 272	385
Q3	-22	-141	305	-265	-101	-74	475	-50	283	511
Q4	-29	-339	-259	-590	-1 188	-119	-598	-68	2 348	346
2003 Q1	-28	482	-29	-236	217	77	108	-156	-789	-571
Q2	55	-8	306	-31	267	-33	-370	894	-1 457	-644
Q3	-99	-557	-243	273	-527	-44	291	445	2 198	2 264
Q4	6	-115	-684	-144	-943	-13	378	58	3 448	2 934
2004 Q1	-27	-435	420	-1 177	-1 192	159	270	927	-518	-381
Q2	12	-76	-547	580	-43	-145	436	-128	918	1 050
Q3	-35	355	-199	283	439	39	-582	-362	1 526	1 025
Q4	4	163	-288	18	-107	-45	180	563	2 308	2 903
2005 Q1	4	246	197	57	500	-106	110	-352	1 536	1 692
Q2	-28	-186	151	-125	-160	188	496	-631	654	519
Q3	-19	-219	103	7	-109	133	157	712	234	1 108
Q4	-4	-20	412	117	509	371	215	-141	-1 008	-58
2006 Q1	-69	-73	428	55	410	-250	-651	270	1 907	1 617
Q2	18	-40	-133	128	-45	278	-434	-54	1 175	938

1 Estimates are given to the nearest £ million but cannot be regarded as accurate to this degree.

2 Excluding the motor trades.

3 This series includes a quarterly alignment adjustment. For a description see notes to the *Economic Trends Annual Supplement*. For details of adjustments, see notes section in the Sector and Financial Accounts article in *UK Economic Accounts*.

Sources: Office for National Statistics; Enquiries: Columns 1-8 020 7533 6264; Columns 9-10 020 7533 6031

## 5.7 Inventory ratios

	Manufacturers' inventories <sup>1</sup> to manufacturing production				Retail inventories <sup>1</sup> to retail sales <sup>2</sup>	Total inventories <sup>1,3</sup> to gross value added
	Materials and fuel	Work in progress	Finished goods	Total inventories		
	FAPG	FAPH	FAPF	FAPF	FAPC	FDCA
2001 Q1	89.4	105.7	112.3	102.4	103.5	100
Q2	89.5	105.9	114.8	103.4	96.0	101
Q3	88.3	107.3	113.8	103.0	96.9	102
Q4	90.3	104.8	115.3	103.5	98.0	103
2002 Q1	90.2	102.4	116.9	103.3	97.6	103
Q2	89.3	101.5	115.7	102.3	101.2	103
Q3	87.3	100.5	111.7	99.9	99.3	102
Q4	85.6	99.4	108.2	97.7	96.5	103
2003 Q1	88.2	106.6	107.1	100.4	97.6	102
Q2	88.0	105.9	106.7	100.0	100.6	101
Q3	84.4	103.3	107.3	98.1	100.9	102
Q4	82.9	101.1	105.4	96.3	99.8	103
2004 Q1	80.4	100.9	99.1	93.1	100.6	102
Q2	79.4	98.0	101.2	92.6	98.4	102
Q3	81.7	97.8	103.4	94.2	97.2	103
Q4	82.1	96.1	102.8	93.7	104.8	103
2005 Q1	84.0	91.4	104.0	93.3	96.6	104
Q2	83.5	93.0	103.8	93.5	92.6	104
Q3	82.1	92.0	103.5	92.7	94.4	..
Q4	82.9	89.4	105.3	92.8	92.3	..
2006 Q1	81.7	98.2	104.4	94.6	91.3	..

1 Chained volume measures, reference year 2003.

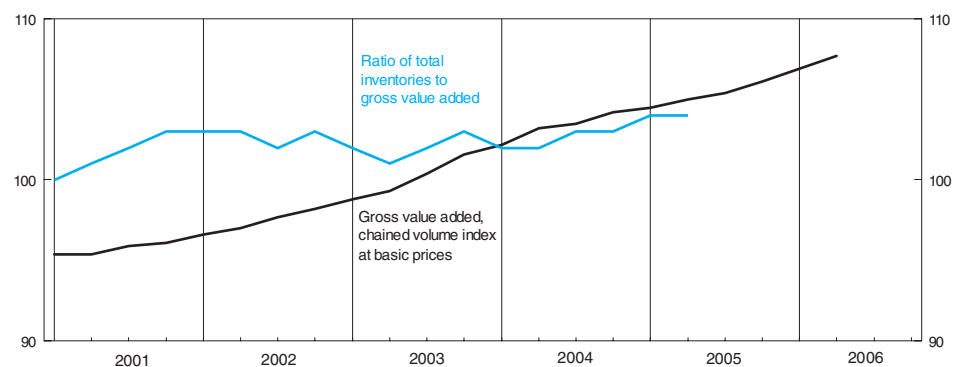
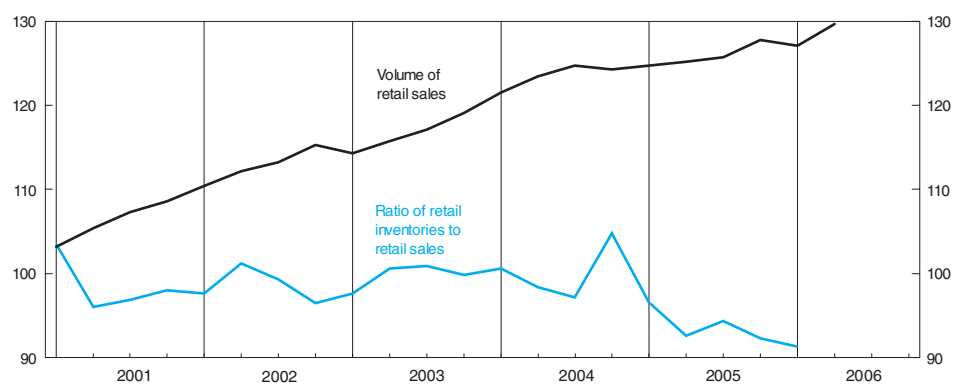
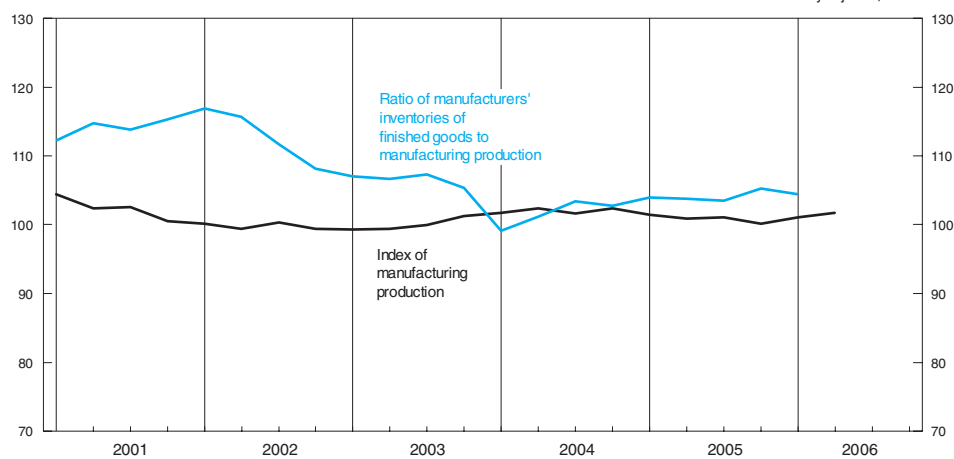
2 Classes 64-65 excluding activity headings 6510 and 6520, retail distribution of motor vehicles and parts, and filling stations.

3 Including quarterly alignment adjustment. For details of adjustments see notes section in the Sector and Financial Accounts article in *UK Economic Accounts*.

Source: Office for National Statistics; Enquiries: Columns 1-6 020 7533 6264

## Inventory ratios

Chained volume measures  
(Indices, 2003 = 100  
seasonally adjusted)



# 5.8 Retail sales, new registrations of cars and credit business (Great Britain)

	Value of retail sales per week: total (average 2000=100) <sup>1</sup>	Volume of retail sales per week (average 2000=100) <sup>1</sup>								Consumer credit (£ million) <sup>3</sup>			
		Predominantly non-food stores								New registrations of cars (NSA, '000s) <sup>2</sup>	of which		
		All retailing	Predominantly food stores+	Total+	Non-specialised stores	Textile, clothing and footwear stores	Household goods stores	Other stores	Non-store retailing and repair+		Total net lending <sup>4</sup>	Credit cards <sup>5</sup>	Other lending <sup>5</sup>
Average weekly sales in 2000 (£ million)	3 984	3 984	1 712	2 045	361	536	533	615	226				
	EAQV	EAPS	EAPT	EAPV	EAPU	EAPX	EAPY	EAPW	EAPZ	BCGT	RLMH	VZQX	VZQY
2001	105.9	106.1	104.1	107.8	106.0	109.4	109.6	105.9	106.0	2 577.5	19 687	6 283	13 489
2002	110.6	112.2	108.2	115.5	110.5	121.0	117.8	111.6	113.3	2 682.0	23 508	7 616	15 933
2003	113.7	116.3	111.9	121.1	113.8	128.9	122.3	117.4	107.0	2 646.2	22 512 <sup>†</sup>	8 914	13 758
2004	118.7	123.2	116.5	129.6	118.0	139.1	130.8	127.0	116.9	2 598.8	25 423	9 982 <sup>†</sup>	15 437
2005	119.9 <sup>†</sup>	125.8 <sup>†</sup>	119.7 <sup>†</sup>	131.8	119.3	143.7 <sup>†</sup>	131.2	129.3 <sup>†</sup>	118.0 <sup>†</sup>	2 443.3	19 603	6 151	13 475
2001 Q1	102.8	103.2	102.7	103.9	104.8	105.0	105.9	100.6	100.4	704.2	3 855	1 354	2 690
Q2	105.5	105.4	103.5	106.9	106.6	107.0	109.7	104.5	105.8	617.7	5 185	1 697	3 451
Q3	107.1	107.3	104.5	109.4	107.5	110.9	110.5	108.3	110.1	725.6	4 532	1 226	3 274
Q4	108.1	108.6	105.4	111.3	107.7	114.0	113.2	109.4	108.5	530.0	6 115	2 006	4 074
2002 Q1	109.5	110.4	106.7	114.1	109.3	118.3	115.7	111.7	105.6	758.7	5 654	1 956	3 802
Q2	110.5	112.2	107.9	115.9	110.1	120.4	117.3	114.1	110.7	650.0	5 280 <sup>†</sup>	1 675	3 565
Q3	111.2	113.2	108.9	116.3	112.7	122.5	118.2	111.2	118.4	744.6	6 520	2 042	4 403
Q4	112.9	115.3	110.8	118.3	113.2	123.9	121.0	114.2	121.1	528.7	6 054	1 943	4 163
2003 Q1	112.3	114.3	110.0	118.8	111.7	126.1	118.2	117.0	107.3	737.6	5 488	2 229	3 343
Q2	113.1	115.7	111.6	120.3	113.3	127.5	122.4	116.2	105.8	642.7	6 096	2 544	3 525
Q3	114.4	117.1	112.6	122.0	115.3	130.7	123.6	117.1	106.1	742.8	5 675	2 172	3 466
Q4	115.9	119.1	113.4	124.9	117.0	132.1	126.3	122.1	109.4	523.1	5 253	1 969	3 424
2004 Q1	117.7	121.5	114.6	128.3	117.1	137.2	128.7	126.8	112.4	762.2	6 590	2 394	4 091
Q2	119.0 <sup>†</sup>	123.4 <sup>†</sup>	116.0 <sup>†</sup>	130.2 <sup>†</sup>	119.8 <sup>†</sup>	139.5 <sup>†</sup>	130.4	127.9 <sup>†</sup>	117.5 <sup>†</sup>	629.8	6 422	2 542 <sup>†</sup>	3 886
Q3	119.6	124.7	117.1	131.8	121.6	139.8	134.3 <sup>†</sup>	128.5	118.1	709.9	6 384	2 578	3 762
Q4	118.9	124.3	117.3	130.7	119.1	140.8	132.9	126.7	119.3	496.9	6 027	2 468	3 698
2005 Q1	119.4	124.7	118.6	130.4	121.7	141.7	131.1	125.2	119.9	697.9	6 396	2 262	4 021
Q2	119.4	125.2	119.0	130.9	118.6	143.7	129.6	128.2	120.6	594.4	5 151	1 569	3 641
Q3	119.6	125.7	119.4	132.1	119.1	143.3	130.6	131.3	115.7	677.1	4 223	1 141	3 007
Q4	120.9	127.8	120.9	134.8	122.1	146.1	135.3	131.9	117.3	473.9	3 833	1 179	2 806
2006 Q1	120.4	127.1	121.2	133.2	122.7	145.9	132.8	128.7	117.4	661.7	3 416	865	2 352
Q2	122.7	129.7	122.2	136.9	125.9	149.8	139.0	130.4	121.0	..	3 198	749	2 632
2004 Jan	117.9	121.1	114.2	128.0	116.1	137.2	127.4	127.6	111.2	199.6	2 239 <sup>†</sup>	642 <sup>†</sup>	1 597 <sup>†</sup>
Feb	117.5	121.1	114.5	127.8	117.6	135.7	128.8	126.1	111.1	92.3	2 200	552	1 648
Mar	117.8	122.1	115.0	128.9	117.5	138.4	129.6	126.8	114.4	470.3	2 217	1 335	882
Apr	118.5	122.6	115.4	129.4	118.8	139.5	129.2	127.0	114.7	191.1	1 772	734	1 038
May	119.0 <sup>†</sup>	123.3 <sup>†</sup>	116.1 <sup>†</sup>	129.9 <sup>†</sup>	120.1 <sup>†</sup>	140.0 <sup>†</sup>	129.9 <sup>†</sup>	127.0 <sup>†</sup>	117.9 <sup>†</sup>	197.6	2 203	753	1 450
Jun	119.3	124.1	116.5	131.0	120.4	139.0	131.7	129.5	119.4	241.1	2 377	973	1 404
Jul	118.7	123.6	115.8	130.8	120.1	136.5	134.3	129.2	117.4	188.2	2 160	947	1 213
Aug	119.5	124.5	117.5	131.4	122.8	141.5	133.2	126.1	115.3	87.3	2 208	918	1 290
Sep	120.3	125.6	117.7	132.8	121.8	141.1	135.2	129.9	121.0	434.4	2 150	821	1 329
Oct	119.7	124.8	117.6	131.4	120.5	142.2	132.6	127.5	118.5	171.8	1 806	697	1 109
Nov	119.8	125.2	117.8	132.0	121.4	141.2	136.0	126.7	119.3	175.6	2 137	865	1 271
Dec	117.6	123.2	116.8	129.0	116.1	139.4	130.8	126.0	120.0	149.5	1 986	733	1 253
2005 Jan	119.7	125.1	119.4	130.4	121.9	140.5	133.3	124.2	120.5	180.0	2 296	933	1 362
Feb	119.1	124.7	118.5	130.1	121.2	142.3	130.5	124.3	123.3	77.5	1 815	677	1 138
Mar	119.3	124.5	118.0	130.7	122.1	142.1	129.8	126.7	116.7	440.4	2 379	856	1 523
Apr	119.4	125.1	118.8	130.5	118.9	143.3	129.1	127.6	123.2	178.9	1 508	201	1 307
May	118.6	124.4	118.7	129.8	116.3	142.3	129.2	127.4	118.3	189.2	1 562	785	777
Jun	120.1	126.0	119.3	132.2	120.2	145.2	130.4	129.4	120.3	226.3	1 982	422	1 560
Jul	119.4	125.2	119.3	131.0	117.6	142.0	129.7	130.6	116.8	175.3	1 346	393	953
Aug	119.6	125.5	118.5	132.3	119.6	143.3	130.4	131.8	117.6	84.2	1 592	446	1 146
Sep	119.8	126.3	120.1	132.9	120.1	144.4	131.6	131.4	113.4	417.6	1 465	407	1 058
Oct	120.1	126.7	120.5	133.1	121.0	143.1	132.2	132.5	115.7	153.9	1 366	520	846
Nov	121.0	127.9	121.2	134.7	122.8	149.8	132.0	131.0	116.5	160.8	1 022	276	746
Dec	121.4	128.7	121.1	136.2	122.4	145.6	140.6	132.2	119.1	159.2	1 357	253	1 105
2006 Jan	119.8	126.6	120.4	132.7	121.8	142.9	134.0	129.2	117.1	154.0	1 374	557	818
Feb	120.4	126.9	121.2	132.9	120.7	146.8	131.7	129.1	115.9	74.8	1 480	419	1 061
Mar	120.9	127.8	121.8	133.8	125.1	147.5	132.7	128.0	118.9	432.9	661	126	535
Apr	121.7	128.7	121.6	135.9	125.8	148.4	138.2	129.1	118.0	..	1 014	214	801
May	122.5	129.6	121.3	137.4	126.7	151.0	138.6	130.7	122.9	..	1 293	210	1 083
Jun	123.7	130.5	123.5	137.3	125.3	150.0	139.9	131.0	122.0	..	833	67	765
Jul	123.4	130.2	124.0	136.6	126.6	152.3	135.1	130.0	118.8	..	1 122	155	967

1 Great Britain only, excluding the motor trades. Information for periods earlier than those shown is available from ONS Newport (tel 01633 812509).

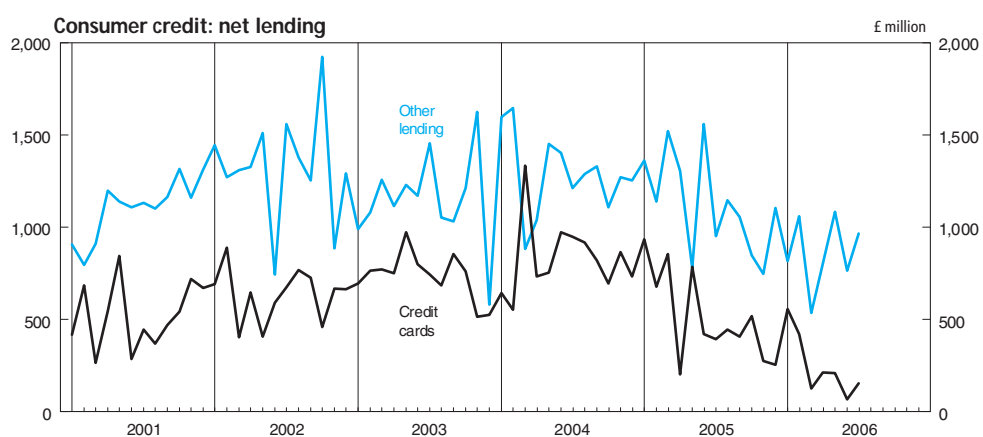
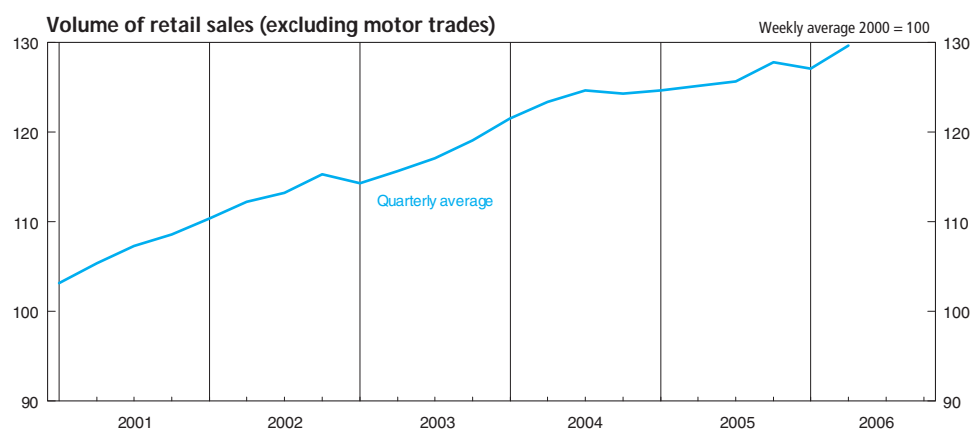
2 Seasonally adjusted data are not published in *Economic Trends*. Data up to 1998 are published in the *Economic Trends Annual Supplement*.

3 Covers all institutions providing finance for consumers, including loans by banks on personal accounts and on bank credit cards and charge cards, by insurance companies, retailers and other specialist lenders, but excluding loans for house purchase.

4 Net lending equals changes in amounts outstanding adjusted to remove distortions arising from revaluations of debt such as write-offs.

5 These figures fall outside the scope of National Statistics.

Sources: Office for National Statistics;  
Enquiries: Columns 1-9 01633 812713; Columns 11-13 01633 812782;  
Department for Transport;  
Enquiries: Column 10 020 7944 3077.



# 5.9 Inland energy consumption: primary fuel input basis

Million tonnes of oil equivalent

Seasonally adjusted and temperature corrected <sup>1</sup> (annualised rates)							
	Coal <sup>2</sup>	Petroleum <sup>3</sup>	Natural gas <sup>4</sup>	Nuclear	Primary electricity <sup>5</sup>		Total
					Wind and natural flow hydro <sup>6</sup>	Net imports <sup>7</sup>	
	FDAI	FDAJ	FDAK	FDAL	FDAM	FDAW	FDAH
2001	42.9	76.4	96.7	20.8	0.4	0.9	238.1
2002	40.1	74.9	98.7	20.0	0.5	0.7	235.0
2003	43.5	74.0	97.7	20.0	0.4	0.2	235.8
2004	41.7	76.4	100.0	18.1	0.6	0.6	237.5
2005	42.7	78.0	95.5	18.4	0.7	0.7	236.1
2001 Q1	45.0	75.6	108.8	19.9	0.3	1.1	250.7
Q2	44.6	73.1	93.1	19.0	0.4	0.9	231.0
Q3	42.0	79.2	84.6	21.8	0.5	0.9	229.0
Q4	39.9	77.6	100.6	22.6	0.5	0.7	241.8
2002 Q1	42.8	77.5	108.2	21.2	0.6	0.6	251.0
Q2	36.8	75.9	95.9	20.0	0.7	1.0	230.2
Q3	39.2	75.8	88.3	19.9	0.5	0.2	224.0
Q4	41.5	70.5	102.6	18.9	0.4	1.1	235.0
2003 Q1	43.9	70.7	108.1	21.0	0.4	0.3	244.4
Q2	44.4	78.0	92.7	20.6	0.4	0.1	236.3
Q3	43.3	72.5	85.6	19.7	0.4	-0.1	221.5
Q4	42.3	74.8	104.5	18.6	0.4	0.4	241.0
2004 Q1	44.3	70.4	111.2	20.2	0.5	0.4	247.0
Q2	39.5	78.3	97.1	17.2	0.5	0.6	233.2
Q3	41.7	76.0	86.7	17.9	0.8	0.7	223.8
Q4	41.4	81.0	105.1	17.3	0.6	0.8	246.3
2005 Q1	46.0	76.6	108.7	19.2	0.7	0.5	251.6
Q2	40.9	80.0	93.2	18.2	0.7	0.7	233.6
Q3	38.5	77.0	82.7	19.4	0.7	0.7	219.0
Q4	45.5	78.5	97.4	16.9	0.7	1.0	240.1
2006 Q1	51.4 <sup>†</sup>	76.4 <sup>†</sup>	96.0 <sup>†</sup>	19.0	0.6	0.6	244.0 <sup>†</sup>
Q2	45.2	80.8	85.9	18.2	0.7	1.0	231.8
2003 Jul	46.5	65.9	82.7	18.1	0.4	—	213.7
Aug	45.4	77.8	82.8	17.7	0.4	0.3	224.4
Sep	37.9	73.9	91.4	23.5	0.3	-0.6	226.4
Oct	42.8	69.9	98.3	18.5	0.4	—	229.9
Nov	43.2	77.1	104.4	17.6	0.4	0.3	243.0
Dec	40.9	77.5	110.7	19.7	0.4	1.0	250.2
2004 Jan	43.1	82.4	109.7	18.6	0.6	0.7	255.2
Feb	45.2	61.6	113.3	19.6	0.5	0.6	240.8
Mar	44.5	67.1	110.7	22.3	0.5	—	245.1
Apr	41.3	80.1	102.1	18.1	0.5	0.5	242.7
May	38.8	85.0	100.0	16.7	0.5	0.4	241.5
Jun	38.3	69.7	89.2	16.8	0.5	0.8	215.3
Jul	38.7	87.6	86.4	19.7	0.6	0.8	233.9
Aug	45.4	65.9	84.5	17.3	0.8	0.7	214.7
Sep	40.8	74.3	89.2	16.8	0.8	0.6	222.6
Oct	40.5	88.3	100.4	18.0	0.8	1.2	249.1
Nov	45.0	71.7	106.1	16.8	0.6	0.7	240.8
Dec	38.7	83.1	108.8	17.0	0.5	0.7	248.9
2005 Jan	45.0	80.8	111.0	21.3	0.8	0.6	259.5
Feb	48.1	67.0	108.1	18.8	0.6	0.3	242.9
Mar	45.0	82.0	106.9	17.4	0.6	0.6	252.5
Apr	42.7	83.1	98.9	17.6	0.6	0.6	243.5
May	37.9	76.7	96.0	19.1	0.8	1.0	231.5
Jun	42.1	80.0	84.6	17.7	0.8	0.6	225.9
Jul	39.1	70.7	80.3	21.2	0.7	0.6	212.6
Aug	40.2	75.3	78.2	21.2	0.7	1.0	216.7
Sep	36.2	84.9	89.7	15.9	0.8	0.4	227.8
Oct	41.0	76.4	96.0	16.6	0.8	0.9	231.7
Nov	51.3	82.0	98.1	17.3	0.7	1.0	250.5
Dec	44.4	77.1	98.3	16.8	0.5	1.0	238.0
2006 Jan	53.1 <sup>†</sup>	73.6 <sup>†</sup>	97.3 <sup>†</sup>	19.8	0.7	0.8	245.2 <sup>†</sup>
Feb	51.9	74.7	95.7	18.5	0.5	0.2	241.7
Mar	49.1	80.9	95.1	18.7	0.6	0.9	245.2
Apr	43.3	80.5	90.6	19.4	0.7	1.2	235.8
May	46.6	82.5	88.6	19.5	0.9	1.2	239.3
Jun	45.5	79.3	78.7	15.7	0.5	0.5	220.2

1 For details of temperature correction see DTI energy statistics website at [www.dti.gov.uk/energy/inform/dukes/dukes2005/01longterm.pdf](http://www.dti.gov.uk/energy/inform/dukes/dukes2005/01longterm.pdf)

2 Includes solid renewable sources (wood, straw and waste), a small amount of renewable primary heat sources (solar, geothermal, etc.) and net foreign trade and stock changes in other solid fuels.

3 Excludes non-energy use.

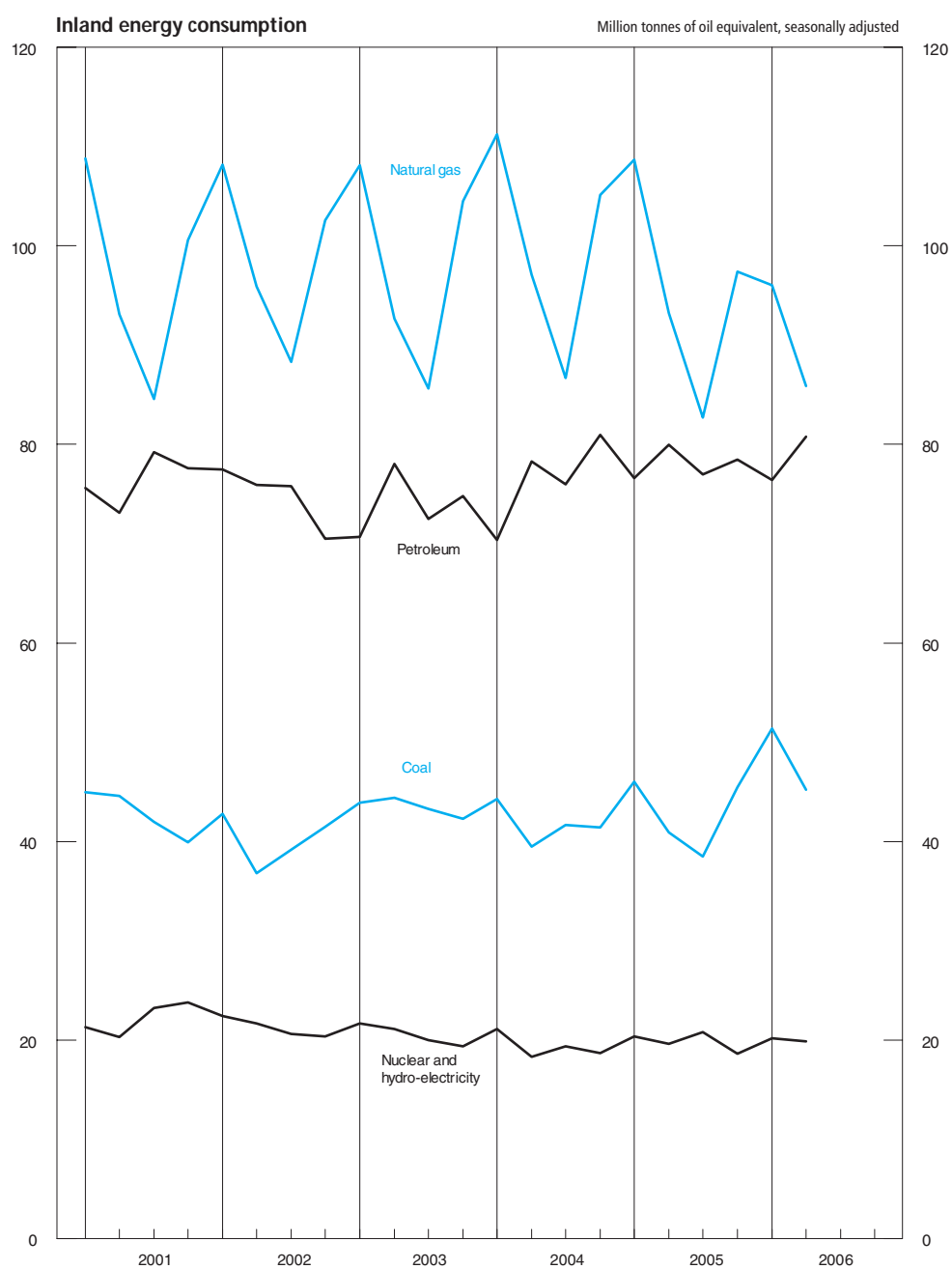
4 Includes gas used during production, colliery methane, landfill gas and sewage gas. Excludes gas flared or re-injected and non-energy use of gas.

5 Not temperature corrected.

6 Includes generation by solar photovoltaics (PV). Excludes generation from pumped storage stations.

7 Not seasonally adjusted.

Source: Department of Trade and Industry; Enquiries: 020 7215 2698





# 6.1 Sterling exchange rates and UK reserves<sup>1</sup>

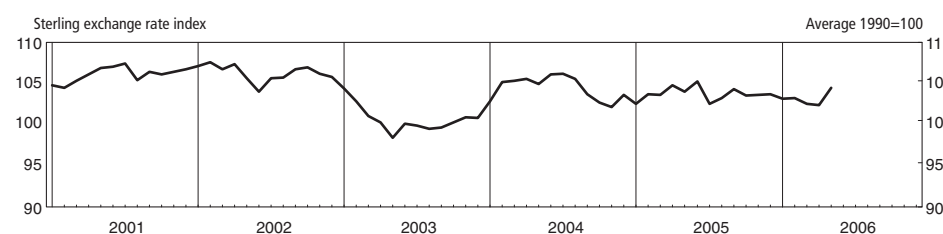
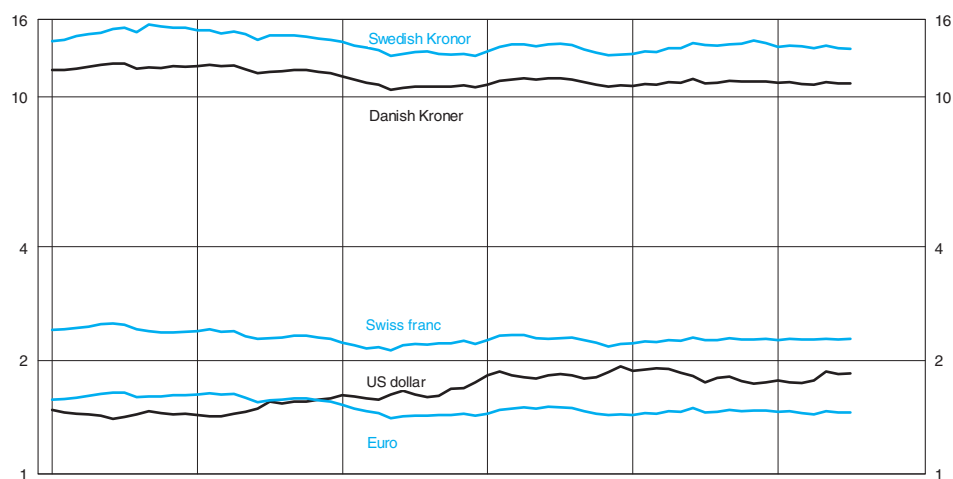
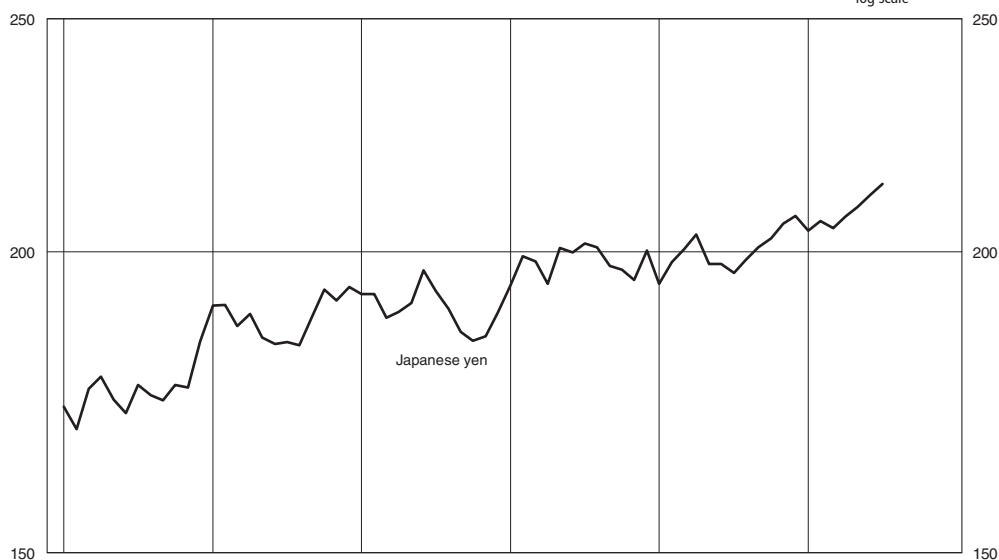
Not seasonally adjusted

	Sterling exchange rate against major currencies <sup>2</sup>								UK inter- national reserves <sup>4</sup> at end of period (£ million)	Sterling exchange rate index 1990 = 100
	Japanese yen	US dollar	Swiss franc	Euro <sup>3</sup>	Danish kroner	Norwegian kroner	Swedish kronor	Hong Kong dollar		
	AJFO	AUSS	AJFD	THAP	AJFK	AJFJ	AJFI	AJFU	THFE	AGBG
2001	174.90	1.4400	2.430	1.6087	11.987	12.944	14.886	11.2335	27 773	105.8
2002	187.84	1.5026	2.334	1.5909	11.821	11.953	14.570	11.7265	26 566	106.0
2003	189.34	1.6346	2.197	1.4456	10.742	11.562	13.189	12.7337	25 724	100.2
2004	198.10	1.8320	2.276	1.4739	10.965	12.342	13.453	14.2707	25 908	104.1
2005	200.14	1.8197 <sup>†</sup>	2.265	1.4629	10.901	11.718	13.577	14.1477	28 018	103.3
2001 Q1	172.26	1.4584	2.424	1.5814	11.7988	12.965	14.230	11.3765	30 457	104.5
Q2	174.19	1.4208	2.487	1.6280	12.1436	13.039	14.847	11.0866	30 632	106.4
Q3	174.67	1.4380	2.432	1.6152	12.0231	12.928	15.203	11.2092	29 662	106.1
Q4	178.45	1.4428	2.375	1.6111	11.9887	12.845	15.264	11.2548	27 773	106.1
2002 Q1	188.79	1.4260	2.396	1.6263	12.0863	12.700	14.895	11.1230	28 053	106.9
Q2	185.29	1.4630	2.329	1.5923	11.8379	11.956	14.564	11.4015	28 623	105.3
Q3	184.85	1.5495	2.305	1.5747	11.6973	11.662	14.538	12.0871	27 950	105.7
Q4	192.42	1.5720	2.304	1.5716	11.6733	11.494	14.285	12.2547	26 566	106.0
2003 Q1	190.67	1.6017	2.189	1.4937	11.0987	11.313	13.709	12.5030	26 388	102.3
Q2	191.90	1.6194	2.163	1.4256	10.5851	11.344	13.032	12.6352	25 199	99.1
Q3	189.14	1.6108	2.209	1.4300	10.6264	11.794	13.103	12.5605	26 954	99.2
Q4	185.64	1.7065	2.228	1.4334	10.6591	11.796	12.913	13.2305	25 724	100.2
2004 Q1	197.07	1.8391	2.306	1.4708	10.9571	12.703	13.507	14.2983	25 266	104.1
Q2	198.21	1.8052	2.305	1.4992	11.1529	12.387	13.712	14.0831	25 178	105.2
Q3	199.95	1.8189	2.285	1.4877	11.0633	12.478	13.627	14.1861	25 382	104.8
Q4	197.18	1.8648	2.206	1.4388	10.6958	11.798	12.966	14.5080	25 908	102.4
2005 Q1	197.53	1.8904	2.234	1.4424	10.7362	11.889	13.092	14.7449	25 801	102.9
Q2	199.56	1.8559	2.276	1.4744	10.9788	11.863	13.572	14.4506	26 844	104.3
Q3	198.44	1.7844 <sup>†</sup>	2.273	1.4635	10.9160	11.534	13.709	13.8685	26 728	102.9
Q4	205.02	1.7481	2.275	1.4706	10.9687	11.584	13.935	13.5546	28 018	103.2
2006 Q1	204.86	1.7528	2.272	1.4570	10.8723	11.697	13.623	13.5963	28 097	102.5
Q2	208.95	1.8272	2.272	1.4540	10.8441	11.385	13.515	14.2001	26 415	..
2003 Jul	192.72	1.6242	2.209	1.4277	10.613	11.828	13.130	12.6671	25 785	99.4
Aug	189.42	1.5950	2.200	1.4286	10.617	11.800	13.186	12.4395	26 550	99.0
Sep	185.29	1.6131	2.219	1.4338	10.649	11.755	12.994	12.5590	26 954	99.2
Oct	183.76	1.6787	2.220	1.4334	10.651	11.807	12.917	12.9962	26 131	99.8
Nov	184.47	1.6901	2.250	1.4426	10.729	11.832	12.973	13.1201	26 617	100.4
Dec	188.70	1.7507	2.214	1.4246	10.602	11.749	12.850	13.5923	25 724	100.3
2004 Jan	193.82	1.8234	2.262	1.4447	10.760	12.425	13.203	14.1598	25 329	102.4
Feb	199.16	1.8673	2.324	1.4774	11.008	12.983	13.566	14.5165	24 689	104.8
Mar	198.22	1.8267	2.332	1.4890	11.092	12.701	13.752	14.2349	25 266	105.0
Apr	194.04	1.8005	2.337	1.5022	11.182	12.458	13.775	14.0381	25 377	105.2
May	200.69	1.7876	2.293	1.4894	11.082	12.222	13.594	13.9374	24 819	104.6
Jun	199.91	1.8275	2.285	1.5050	11.189	12.482	13.767	14.2499	25 178	105.8
Jul	201.66	1.8429	2.294	1.5023	11.170	12.730	13.818	14.3740	24 579	105.9
Aug	200.87	1.8216	2.297	1.4933	11.105	12.437	13.725	14.2077	25 189	105.2
Sep	197.32	1.7922	2.265	1.4676	10.916	12.268	13.337	13.9777	25 382	103.3
Oct	196.54	1.8065	2.229	1.4455	10.751	11.895	13.093	14.0707	25 557	102.2
Nov	194.76	1.8603	2.177	1.4311	10.635	11.658	12.877	14.4662	25 757	101.7
Dec	200.23	1.9275	2.212	1.4401	10.705	11.841	12.928	14.9890	25 908	103.2
2005 Jan	193.97	1.8764	2.217	1.4331	10.664	11.783	12.979	14.6292	25 840	102.1
Feb	198.10	1.8871	2.248	1.4499	10.791	12.064	13.172	14.7185	26 080	103.3
Mar	200.51	1.9078	2.237	1.4440	10.753	11.821	13.126	14.8801	25 801	103.2
Apr	203.34	1.8960	2.267	1.4652	10.916	11.980	13.433	14.7865	26 103	104.4
May	197.70	1.8538	2.258	1.4611	10.877	11.805	13.428	14.4439	26 595	103.6
Jun	197.64	1.8179	2.302	1.4952	11.132	11.805	13.854	14.1362	26 844	104.9
Jul	195.99	1.7509	2.267	1.4547	10.850	11.523	13.717	13.6141	25 950	102.1
Aug	198.48	1.7943	2.266	1.4592	10.885	11.551	13.631	13.9444	25 437	102.8
Sep	200.86	1.8081	2.287	1.4761	11.009	11.527	13.779	14.0356	26 728	103.9
Oct	202.62	1.7640	2.273	1.4674	11.950	11.490	13.835	13.6823	26 435	103.1
Nov	205.41	1.7341	2.274	1.4719	10.980	11.522	14.080	13.4469	27 482	103.2
Dec	207.02	1.7462	2.279	1.4725	10.976	11.740	13.889	13.5390	28 018	103.3
2006 Jan	204.09	1.7678	2.259	1.4582	10.880	11.724	13.568	13.7079	27 602	102.7
Feb	205.95	1.7470	2.281	1.4637	10.926	11.801	13.672	13.5566	27 672	102.8
Mar	204.53	1.7435	2.276	1.4500	10.819	11.567	13.629	13.5288	28 097	102.1
Apr	206.83	1.7685	2.268	1.4402	10.746	11.300	13.442	13.7172	28 200	101.9
May	208.79	1.8702	2.278	1.4637	10.914	11.413	13.654	14.5016	28 655	104.1
Jun	211.22	1.8428	2.271	1.4560	10.857	11.443	13.449	14.3075	26 415	..
Jul	213.39	1.8447	2.282	1.4540	10.848	11.547	13.399	14.3403	..	..

<sup>1</sup> These figures fall outside the scope of National Statistics.<sup>2</sup> Average of daily telegraphic transfer rates in London.<sup>3</sup> Before January 1999, a synthetic Euro has been calculated by geometrically averaging the bilateral exchange rates of the 11 Euro-area countries using "internal weights" based on each country's share of the extra Euro-area trade.<sup>4</sup> International reserves data are all valued at end-period market prices and exchange rates. They additionally include other reserve assets such as re-pos (sale and purchase agreements) and derivatives. Full details are shown in Table 1.21 of *Financial Statistics*.

Source: Bank of England; Enquiries: 020 7601 4342

## Sterling exchange rates

Relates to the £  
log scale

## 6.2 Monetary aggregates<sup>1,2</sup>

	M0 <sup>3</sup>					M4				
	Amount outstanding <sup>4,5</sup> (NSA)		Amount outstanding <sup>5</sup>		Velocity of circulation ratio	Amount outstanding <sup>5</sup> (NSA)		Amount outstanding <sup>5</sup>		Velocity of circulation ratio
	£ million	Annual percentage change	£ million+	Annual percentage change		£ million	Annual percentage change	£ million+	Annual percentage change	
	AVAD	VQNB	AVAE	VQMX	AVAM	AUYM	VQLC	AUYN <sup>†</sup>	VQJW	AUYU
2001	37 319	8.0	35 000	7.0	29.77	942 594	6.7	943 731 <sup>†</sup>	7.7	1.09
2002	39 540	6.0	37 237	7.9	29.00	1 008 751	7.3	1 009 490	6.3	1.08
2003	42 317	7.0	40 000	7.4	28.60	1 081 299	7.3	1 081 607	7.2	1.07
2004	44 466	5.1	42 284	6.0	28.58	1 179 208	9.3	1 179 066	8.6	1.04
2005	47 093	5.9	44 274	5.1	28.29	1 328 332	12.8	1 327 973	11.4	0.98
							VQRY			
2001 Q1	32 489	8.4	33 114	7.1	29.99	905 746	8.2	905 543 <sup>†</sup>	8.3	1.10
Q2	32 896	6.5	33 283	6.8	30.00	921 500	7.6	917 557	7.6	1.09
Q3	33 797	6.2	33 940	6.8	29.70	937 099	8.4	939 977	8.4	1.08
Q4	37 319	8.0	35 000	7.4	29.38	942 594	6.7	943 731	6.6	1.07
2002 Q1	35 157	8.2	35 544	7.5	29.13	955 216	5.7	955 602	5.8	1.09
Q2	36 225	10.1	36 639	8.9	29.12	975 727	6.1	970 975	6.1	1.09
Q3	36 511	8.0	36 672	8.2	28.95	989 433	5.9	992 875	5.9	1.08
Q4	39 540	6.0	37 237	7.1	28.78	1 008 751	7.3	1 009 490	7.3	1.07
2003 Q1	37 184	5.8	37 881	6.2	28.87	1 020 661	7.2	1 021 638	7.2	1.07
Q2	38 403	6.0	38 902	7.7	28.48	1 048 158	7.9	1 042 615	7.9	1.07
Q3	39 348	7.8	39 515	7.9	28.53	1 051 176	6.6	1 055 225	6.6	1.08
Q4	42 317	7.0	40 000	7.6	28.53	1 081 299	7.3	1 081 607	7.2	1.07
2004 Q1	39 812	7.1	40 562	7.2	28.52	1 101 926	7.8	1 103 440	7.9	1.05
Q2	41 109	7.0	41 408	5.8	28.65	1 133 432	8.0	1 127 001	8.0	1.05
Q3	41 748	6.1	41 810	5.5	28.57	1 148 480	9.0	1 153 444	9.1	1.04
Q4	44 466	5.1	42 284	5.5	28.58	1 179 208	9.3	1 179 066	9.2	1.03
2005 Q1	42 395	6.5	42 634	5.5	28.33	1 216 910	10.6	1 218 850	10.6	1.01
Q2	42 656	3.8	42 967	4.3	28.47	1 250 522	10.6	1 243 164	10.5	0.99
Q3	43 969	5.3	44 076	5.4	28.11	1 277 128	11.5	1 283 027	11.6	0.97
Q4	47 093	5.9	44 274	5.2	28.26	1 328 332	12.8	1 327 973	12.8	0.96
2006 Q1	44 669	5.4	45 501	6.5	27.98	1 365 615	12.4	1 367 732	12.4	0.94
Q2	..	..	..	..	..	1 420 964	13.7	1 412 582	13.7	..
							VQLC			
2003 Jul	38 938	8.0	39 181	8.0	..	1 036 753	7.3	1 039 107 <sup>†</sup>	7.2	..
Aug	39 579	7.9	39 392	7.9	..	1 040 309	6.2	1 039 737	6.3	..
Sep	39 348	7.8	39 515	7.8	..	1 051 176	6.6	1 051 529	6.6	..
Oct	39 416	7.3	39 711	7.2	..	1 055 028	6.4	1 054 375	6.3	..
Nov	40 149	8.0	40 065	8.2	..	1 070 564	7.1	1 067 685	7.1	..
Dec	42 317	7.0	40 000	7.4	..	1 081 299	7.3	1 079 454	7.3	..
2004 Jan	40 222	8.0	40 230	7.7	..	1 080 319	8.7	1 089 642	8.7	..
Feb	39 448	6.8	40 248	6.8	..	1 087 910	8.4	1 095 824	8.4	..
Mar	39 812	7.1	40 562	7.1	..	1 101 926	7.9	1 099 495	7.9	..
Apr	40 799	5.7	40 758	5.7	..	1 109 179	7.6	1 106 028	7.4	..
May	40 668	4.7	41 044	5.3	..	1 121 193	8.2	1 118 716	8.2	..
Jun	41 109	7.0	41 408	6.4	..	1 133 432	8.0	1 124 205	8.0	..
Jul	41 115	5.6	41 349	5.5	..	1 133 334	9.2	1 134 054	9.0	..
Aug	41 489	4.8	41 389	5.1	..	1 143 250	9.8	1 144 704	10.0	..
Sep	41 748	6.1	41 810	5.8	..	1 148 480	9.0	1 149 038	9.1	..
Oct	41 721	5.8	42 026	5.8	..	1 158 430	9.6	1 159 036	9.7	..
Nov	42 222	5.2	42 082	5.0	..	1 166 766	8.9	1 165 116	9.0 <sup>†</sup>	..
Dec	44 466	5.1	42 284	5.7	..	1 179 208	9.3	1 173 933	9.0	..
2005 Jan	42 700	6.2	42 488	5.6	..	1 177 469	9.2	1 189 282	9.4	..
Feb	41 757	5.9	42 608	5.9	..	1 189 105	9.5	1 199 580	9.7	..
Mar	42 395	6.5	42 634	5.1	..	1 216 910	10.6	1 213 598	10.6	..
Apr	42 188	3.4	42 692	4.7	..	1 223 634	10.5	1 221 057	10.6	..
May	42 426	4.3	42 797	4.3	..	1 242 127	11.1	1 240 892	11.3	..
Jun	42 656	3.8	42 967	3.8	..	1 250 522	10.6	1 239 332	10.5	..
Jul	43 127	4.9	43 351	4.8	..	1 256 355	11.1	1 256 631	11.1	..
Aug	44 078	6.2	43 913	6.1	..	1 255 440	10.0	1 257 712	10.1	..
Sep	43 969	5.3	44 076	5.4	..	1 277 128	11.5	1 276 283	11.4	..
Oct	43 926	5.3	44 236	5.3	..	1 288 383	11.5	1 291 692	11.8	..
Nov	44 644	5.7	44 412	5.5	..	1 308 227	12.3	1 307 077	12.4	..
Dec	47 093	5.9	44 274	4.7	..	1 328 332	12.8	1 322 811	12.8	..
2006 Jan	45 567	6.7	45 274	6.6	..	1 319 981	12.2	1 332 517	12.2	..
Feb	44 367	6.2	45 251	6.2	..	1 335 378	12.4	1 346 835	12.4	..
Mar	44 669	5.4	45 501	6.7	..	1 365 615	12.4	1 359 457	12.2	..
Apr	45 939	8.9	45 878	7.5	..	1 379 504 <sup>†</sup>	13.0	1 376 785	13.0	..
May	..	..	..	..	..	1 386 746	11.7	1 385 569	11.7	..
Jun	..	..	..	..	..	1 420 964	13.7	1 406 039	13.5	..

1 A fuller range of monetary aggregates is published monthly in *Financial Statistics*.

2 These figures fall outside the scope of National Statistics.

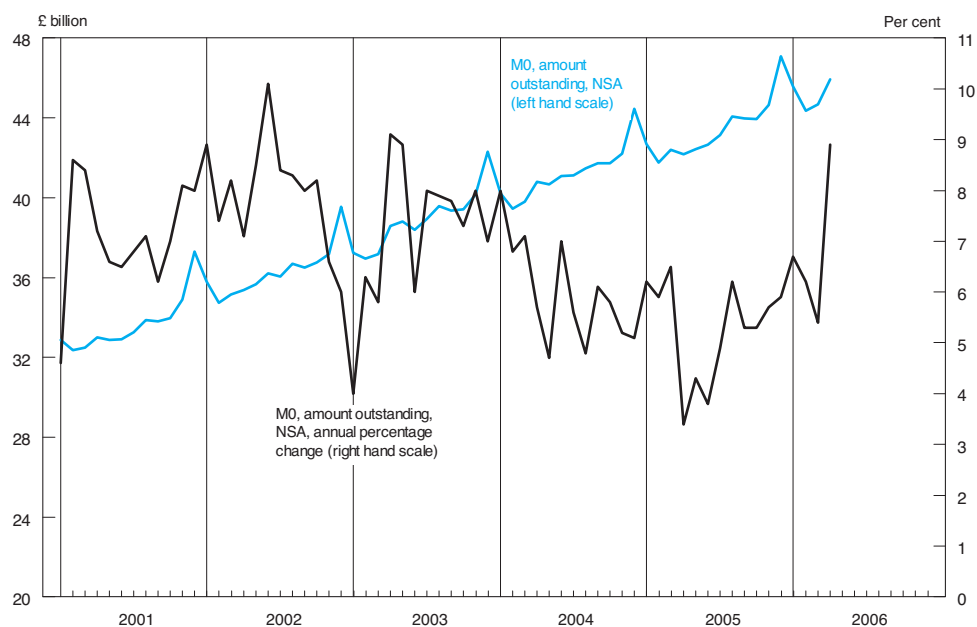
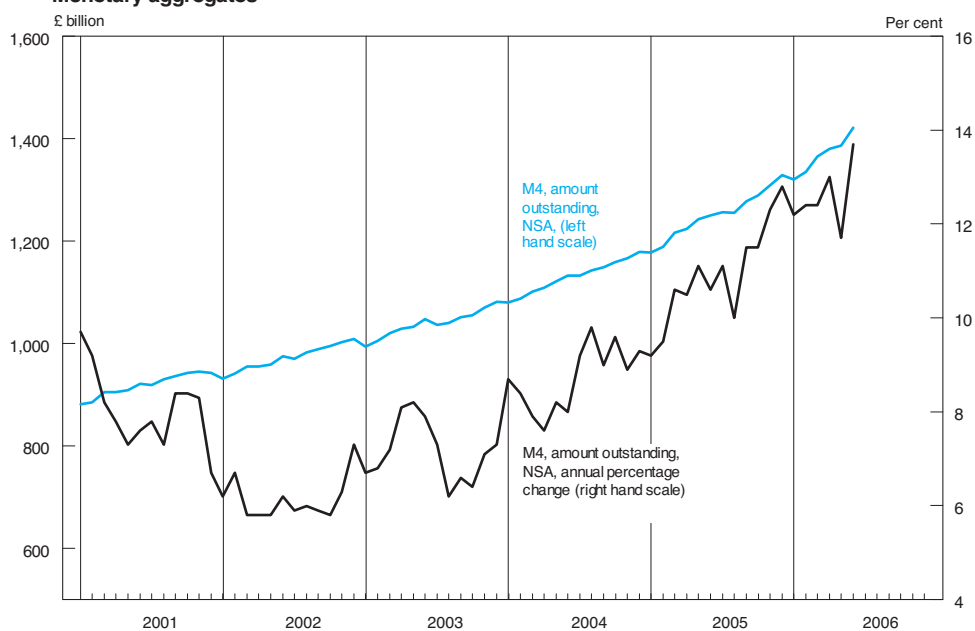
3 The Bank of England ceased publication of data on M0 after April 2006 following the implementation of reforms to its money market operations.

4 The monthly figures for M0 give the average of the amounts outstanding each Wednesday during the calendar month.

5 At end period.

Source: Bank of England; Enquiries: 020 7601 5467

## Monetary aggregates



# 6.3 Counterparts to changes in money stock M4<sup>1,2</sup>

£ million, not seasonally adjusted

	Purchases by the M4 private sector <sup>4</sup> of:			External and foreign currency financing of public sector		Public sector contribution M4	UK banks and building societies				
	Public sector net cash requirement <sup>3</sup>	Central government debt	Other public sector debt	Purchase of British government stocks by overseas sector	Other		Sterling lending to the M4 private sector	External and foreign currency transactions	Net non-deposit sterling liabilities	External and foreign currency counterparts	M4
	1	2	3	4	5	6	7	8	9	10	11
	ABEN	RCMD	AVBV	AVBZ	AQGA	AVBF	AVBS	AVBW	AVBX	VQLP	AUZI
2001	-2 750	7 526	191	318	4 194	8 842	82 574	-21 607	-10 815	-17 732	58 994
2002	18 316	-9 148	-110	-897	1 588	11 543	107 553	-25 113	-25 149	-22 627	68 834
2003	38 829	-31 962	-473	10 378	-3 067	-7 048	127 820	-27 161	-20 341	-40 603 <sup>†</sup>	73 271
2004	41 366	-30 783	-1 147	2 235	-158	7 042	156 084	4 380	-67 477	1 987	100 030
2005	41 303	-11 274	-279	30 793	84	-957	154 958	31 302	-34 439	594	150 864
2001 Q1	-12 408	3 243	-268	-2 356	3 734	-3 343	30 987	-7 719	1 254	-1 629	21 178
Q2	6 421	2 972	233	4 549	1 000	6 078	21 177	-7 262	-4 325	-10 811	15 669
Q3	-6 103	4 439	95	-2 931	1 287	2 648	15 809	7 221	-8 836	11 438	16 842
Q4	9 340	-3 128	131	1 056	-1 827	3 459	14 601	-13 847	1 092	-16 730	5 305
2002 Q1	-6 179	2 873	-260	-1 045	2 398	-124	24 577	-7 089	-3 172	-3 646	14 192
Q2	7 087	-4 266	101	-266	-1 001	2 188	24 515	1 613	-8 069	879	20 247
Q3	399	-2 120	93	-1 960	208	540	34 146	-8 547	-11 077	-6 379	15 063
Q4	17 009	-5 635	-44	2 374	-17	8 939	24 315	-11 090	-2 831	-13 481	19 332
2003 Q1	-318	-4 248	31	1 934	430	-6 038	21 776	2 357	-4 432	854	13 663
Q2	16 293	-8 454	-210	2 855	-2 099	2 676	34 669	-1 532	-6 969	-6 485	28 845
Q3	5 852	-10 522	-184	980	-1 222	-7 056	30 472	-2 300	-17 743	-4 501	3 373
Q4	17 002	-8 738	-110	4 609	-176	3 370	40 903	-25 686	8 803	-30 471 <sup>†</sup>	27 390
2004 Q1	259	-11 970	-499	978	1 670	-11 519	34 788	30 397	-33 204	31 089	20 463
Q2	11 692	-1 846	-343	2 204	-136	7 162	37 493	4 568	-16 199	2 227	33 024
Q3	7 216	-11 055	-26	125	-1 441	-5 431	51 904	-15 857	-16 348	-17 423	14 268
Q4	22 199	-5 912	-279	-1 072	-251	16 830	31 899	-14 728	-1 726	-13 906	32 275
2005 Q1	-2 597	-4 916	-321	8 136	1 411	-14 558	31 595	18 232	2 046	11 507	37 315
Q2	16 312	-5 907	-152	5 424	-306	4 523	34 880	17 534	-21 074	11 805	35 864
Q3	8 242	1 171	174	12 628	-815	-3 856	52 484	-8 218	-13 694	-21 661	26 715
Q4	19 346	-1 622	20	4 605	-206	12 934	35 999	3 754	-1 717	-1 057	50 970
2006 Q1	-3 671 <sup>†</sup>	-10 467 <sup>†</sup>	3 <sup>†</sup>	5 790	1 108	-18 818	53 172	28 496	-25 246	23 813	37 603
Q2	19 235	-11 176	16	8 109	305	270	80 964	-38 611	13 304	-46 416	55 927
2003 Jul	-6 066	-2 472	-235	-1 339	880	-6 555	7 695	-900	-11 353	1 319	-11 112
Aug	3 454	-5 675	53	228	-771	-3 166	5 269	-9 972	11 432	-10 971	3 563
Sep	8 464	-2 375	-3	2 091	-1 331	2 665	17 507	8 572	-17 823	5 151	10 921
Oct	-1 576	-5 271	-96	-1 161	3 016	-2 766	23 364	-21 906	5 433	-17 729	4 125
Nov	5 551	1 071	-41	7 050	-49	-518	9 725	8 850	-2 980	1 751	15 077
Dec	13 026	-4 538	28	-1 280	-3 143	6 654	7 815	-12 630	6 350	-14 492	8 188
2004 Jan	-14 375	493	-292	-786	3 019	-10 368	20 704	7 285	-18 931	11 090	-1 311
Feb	-68	-4 662	237	1 267	225	-5 536	4 735	12 057	-3 581	11 015	7 675
Mar	14 701	-7 801	-444	497	-1 574	4 386	9 349	11 055	-10 691	8 984	14 099
Apr	-2 239	-2 121	-158	-1 908	80	-2 530	10 447	6 561	-7 175	8 548	7 303
May	3 207	-1 617	-26	1 168	-68	328	8 540	3 210	325	1 974	12 402
Jun	10 724	1 892	-159	2 944	-148	9 364	18 506	-5 203	-9 349	-8 295	13 319
Jul	-6 886	-4 326	139	-947	-117	-10 243	14 255	940	-5 114	1 770	-162
Aug	3 256	2 294	-106	3 248	409	2 605	15 576	-6 240	-1 700	-9 080	10 240
Sep	10 845	-9 023	-58	-2 176	-1 733	2 208	22 074	-10 557	-9 534	-10 114	4 190
Oct	-1 486	-2 332	-118	1 345	-56	-5 337	15 016	-5 602	5 877	-7 002	9 954
Nov	9 024	190	-43	-1 944	286	11 401	2 124	-1 068	-2 775	1 161	9 682
Dec	14 661	-3 770	-118	-473	-480	10 766	14 759	-8 058	-4 828	-8 065	12 639
2005 Jan	-16 853	-4 621	24	802	1 714	-20 539	16 638	-3 751	6 055	-2 840	-1 597
Feb	627	2 044	-138	2 651	-406	-523	4 563	14 821	-7 219	11 764	11 641
Mar	13 629	-2 339	-207	4 683	103	6 504	10 394	7 162	3 210	2 583	27 271
Apr	-1 086	1 402	-250	1 938	-37	-1 909	8 592	2 511	-2 466	536	6 727
May	5 121	-4 114	210	-680	-129	1 768	14 765	18 834	-14 632	19 386	20 735
Jun	12 278	-3 194	-113	4 166	-139	4 664	11 524	-3 811	-3 976	-8 116	8 401
Jul	-8 454	1 094	87	2 732	-551	-10 556	18 439	-1 503	-544	-4 785	5 837
Aug	4 743	2 746	127	4 017	-150	3 449	5 005	-13 272	3 910	-17 439	-909
Sep	11 952	-2 669	-39	5 879	-114	3 250	29 040	6 557	-17 060	564	21 787
Oct	-4 861	688	-226	3 247	-187	-7 833	12 284	1 598	5 211	-1 836	11 260
Nov	8 960	-2 966	225	261	-210	5 749	660	14 536	-1 344	14 065	19 600
Dec	15 247	656	20	1 097	191	15 018	23 056	-12 381	-5 584	-13 286	20 110
2006 Jan	-21 357 <sup>†</sup>	1 196	134 <sup>†</sup>	1 347	1 098	-20 275	8 838	22 139	-19 047	21 890	-8 346
Feb	1 789	-6 312	214	2 013	26	-6 295	16 670	-2 721	7 748	-4 707	15 401
Mar	15 897	-5 352 <sup>†</sup>	-346	2 430	-17	7 753	27 664 <sup>†</sup>	9 078	-13 947	6 630	30 548
Apr	-1 501	4 321	303	4 784 <sup>†</sup>	-193 <sup>†</sup>	-1 853 <sup>†</sup>	26 826 <sup>†</sup>	-6 340 <sup>†</sup>	-4 739 <sup>†</sup>	-11 316 <sup>†</sup>	13 894 <sup>†</sup>
May	7 498	-9 271	-104	-1 256	728	107	16 133	-28 676	20 246	-26 692	7 810
Jun	13 238	-6 226	-184	4 581	-231	2 016	38 006	-3 595	-2 203	-8 408	34 223

For most periods the relationships between the columns are as follows:

6=1+2+3+4+5; 10=4+5+8; 11=1+2+3+7+9+10

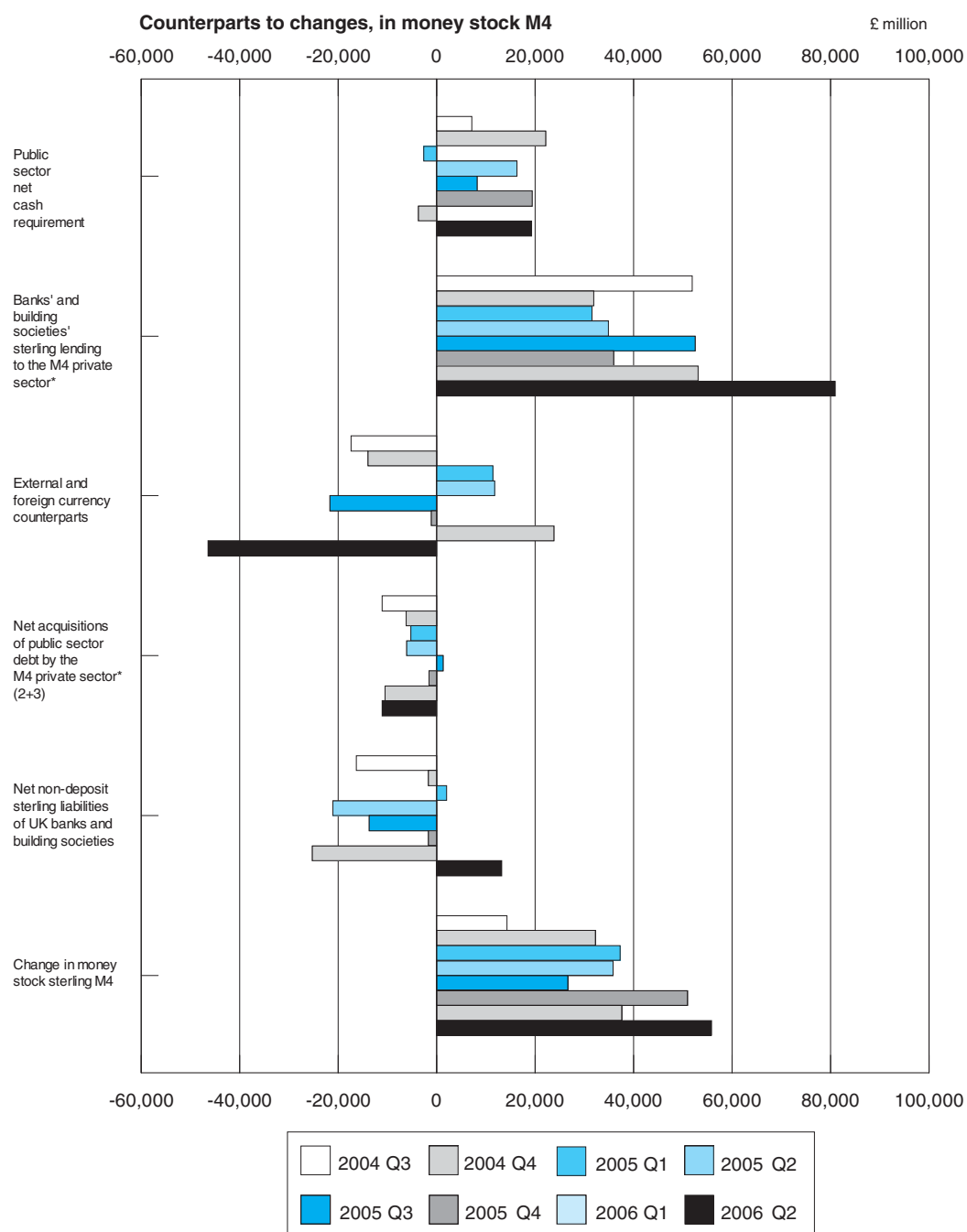
1 A wider range of figures is published monthly in *Financial Statistics*.

2 These figures fall outside the scope of National Statistics.

3 Formerly the public sector borrowing requirement.

4 Comprises all UK residents other than the public sector, banks and building societies.

Source: Bank of England; Enquiries: 020 7601 5467



\*Private sector other than banks and building societies

## 6.4 Public sector receipts and expenditure

£ million, not seasonally adjusted

	Public sector current expenditure							Public sector current receipts									
	Current expenditure on goods and services	Subsidies	Net social benefits	Net current grants abroad	Other current grants	Interest paid to private sector and RoW	Total current expenditure	Operating surplus	Taxes on production	Taxes on income and wealth	Taxes on capital	Other current taxes	Compulsory social contributions	Interest /dividends from private/RoW	Rent and other current transfers	Total current receipts	
2002	GZSN <sup>†</sup>	NMRL <sup>†</sup>	ANLY <sup>†</sup>	GZSI <sup>†</sup>	NNAI	ANLO	ANLT	ANBP <sup>†</sup>	NMYE	ANSO <sup>†</sup>	NMGI	MJBC <sup>†</sup>	ANBO	ANBQ <sup>†</sup>	ANBS <sup>†</sup>	ANBT	
2003	212 464	5 626	121 197	-539	27 351	21 534	387 633	16 946	138 365	142 781	2 381	22 788	63 410	4 457	2 514	393 642	
2004	232 699	6 745	129 112	-850	30 275	22 643	420 624	18 072	145 970	144 140	2 416	25 174	71 540	4 488	2 242	414 042	
2005	250 708	6 460	136 518	-424	32 550	23 579	449 391	18 334	154 628	154 656	2 881	26 881	78 709	5 377	2 072	443 538	
	267 530	6 175	142 365	-519	32 845	26 309	474 705	20 252	158 024	173 214	3 154	28 276	85 031	6 078	1 997	476 026	
2002 Q1	51 816 <sup>†</sup>	1 040 <sup>†</sup>	29 233 <sup>†</sup>	12	7 516	5 236	94 853	4 284 <sup>†</sup>	32 611	45 799 <sup>†</sup>	556	5 494 <sup>†</sup>	17 103	1 071 <sup>†</sup>	717 <sup>†</sup>	107 635	
Q2	53 001	1 356	29 542	-126	6 510	5 437	95 720	4 289	33 940	28 564	607	5 679	15 142	1 080	520	89 821	
Q3	53 530	1 398	30 116	-375	7 130	4 631	96 430	4 297	35 825	35 520	619	5 825	15 278	1 119	757	99 240	
Q4	54 117	1 832	32 306	-50	6 195	6 230	100 630	4 076	35 989	32 898	599	5 790	15 887	1 187	520	96 946	
2003 Q1	56 739	1 457	30 672	-75	7 720	5 321	101 834	4 520	34 073	46 246	545	5 898	17 222	1 155	677	110 336	
Q2	58 158	2 327	31 166	-185	7 701	5 792 <sup>†</sup>	104 959	4 443	36 517	29 407	606	6 355	17 670	1 081	520	96 599	
Q3	58 449	1 457	32 419	-293 <sup>†</sup>	7 054	5 349	104 435	4 460	36 564	36 132	631	6 469	18 245	1 088	524	104 113	
Q4	59 353	1 504	34 855	-297	7 800	6 181	109 396	4 649	38 816	32 355	634	6 452	18 403	1 164	521	102 994	
2004 Q1	61 166	1 428	32 433	-220	8 510	5 455	108 772	4 815	36 920	47 611	650	6 472	20 830	1 173	516	118 987	
Q2	62 020	1 682	33 593	-187	7 660	5 662	110 430	4 399	38 439	31 628	731	6 730	18 663	1 347	531	102 468	
Q3	63 028	1 451	34 067	-35	8 751	5 808	113 070	4 456	38 809	39 214	759	6 880	19 105	1 404	510	111 137	
Q4	64 494	1 899	36 425	18	7 629	6 654	117 119	4 664	40 460	36 203	741	6 799	20 111	1 453	515	110 946	
2005 Q1	65 492	1 740	33 451	-372	9 612	6 424	116 347	4 852	37 286	54 147	713	6 816	22 330	1 431	506	128 081	
Q2	65 817	1 360	35 122	-23	7 247	6 483	116 006	4 819	39 262	35 554	804	7 112	20 555	1 538	499	110 143	
Q3	67 461	1 536	35 636	-150	8 153	6 316	118 952	5 298	40 497	44 099	844	7 427	20 832	1 550	497	121 044	
Q4	68 760	1 539	38 156	26	7 833	7 086	123 400	5 283	40 979	39 414	793	6 921	21 314	1 559	495	116 758	
2006 Q1	70 181	1 647	34 724	-44	9 913	6 583	123 004	5 119	38 833	60 787	837	7 299	23 908	1 482	495	138 760	

Source: Office for National Statistics; Enquiries: 020 7533 5987

## 6.5 Public sector key fiscal indicators<sup>1</sup>

£ million<sup>2</sup>, not seasonally adjusted

	Surplus on current budget <sup>3</sup>		Net investment <sup>4</sup>		Net borrowing <sup>5</sup>		Net cash requirement		Public sector net debt	
	General government	Public sector	General government	Public sector	General government	Public sector	General government	Public sector	£ billion <sup>6</sup>	Percentage of GDP <sup>7</sup>
2002	ANLW	ANMU	-ANNV	-ANNW	NNBK	-ANNX	RUUS	RURO	RUTN	RUTO
2003	-6 571†	-8 180†	10 716†	10 173†	-17 287†	18 353†	16 421	19 310	349.0	32.4
2004	-18 330	-21 457	17 954	15 620	-36 284	37 077	38 214	38 521	380.2	33.2
2005	-18 848	-21 611	18 910	16 126	-37 758	37 737	41 321	42 324	421.9†	35.1
2006	-15 974	-15 566	21 718	21 443	-37 692	37 009	41 866	40 897	461.6†	36.9
2002 Q1	9 498†	9 330†	4 617†	4 718†	4 881†	-4 612†	-6 383	-6 119	314.6	30.4
Q2	-8 996	-9 395	1 201	715	-10 197	10 110	7 126	7 045	321.5	30.7
Q3	-412	-742	2 887	2 430	-3 299	3 172	-145	1 329	325.5	30.6
Q4	-6 661	-7 373	2 011	2 310	-8 672	9 683	15 823	17 055	349.0	32.4
2003 Q1	5 932	4 793	6 898	6 620	-966	1 827	-1 305	-208	346.3	31.7
Q2	-11 189	-12 010	3 027	2 200	-14 216	14 210	16 404	16 266	354.8	32.0
Q3	-3 491	-4 054	3 903	3 337	-7 394	7 391	6 036	5 903	360.1	32.0
Q4	-9 582	-10 186	4 126	3 463	-13 708	13 649	17 079	16 560	380.2	33.2
2004 Q1	7 315	6 385	6 481	5 596	834	-789	486	1 003	381.1	32.8
Q2	-11 096	-11 858	3 633	2 835	-14 729	14 693	11 577	11 690	393.9	33.5
Q3	-5 286	-5 939	4 052	3 345	-9 338	9 284	6 968	7 370	399.6	33.6
Q4	-9 781	-10 199	4 744	4 350	-14 525	14 549	22 290	22 261	421.9	35.1
2005 Q1	8 064	7 618	8 506	8 613	-442	995	-2 098	-2 750	419.6	34.6
Q2	-9 770	-10 050	2 902	2 447	-12 672	12 497	15 948	16 246	434.1	35.4
Q3	-2 793	-2 162	4 922	4 915	-7 715	7 077	8 458	8 156	441.6†	35.6
Q4	-11 475	-10 972	5 388	5 468	-16 863	16 440	19 558	19 245	461.6	36.9
2006 Q1	11 225	11 345	9 459	9 450	1 766	-1 895	-3 896	-3 459†	457.2	36.1
Q2	-12 933	-12 798	3 860	3 435	-16 602	16 233	19 407	19 207	478.7	37.6

1 National accounts entities as defined under the European System of Accounts 1995 (ESA95).

2 Unless otherwise stated.

3 Net saving, plus capital taxes.

4 Gross capital formation, plus payments less receipts of investment grants, less depreciation.

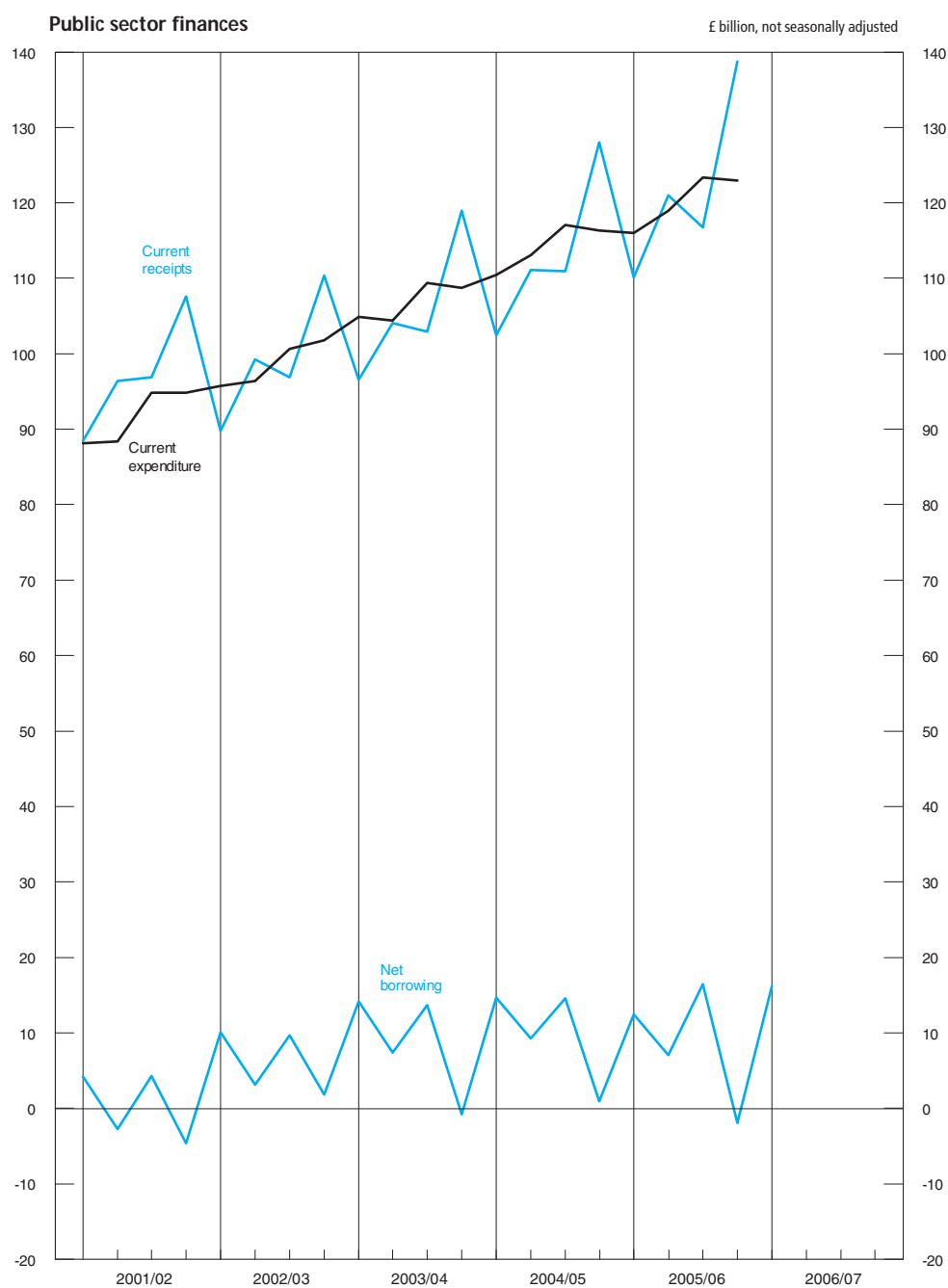
5 Net borrowing equals net investment minus surplus on current budget.

6 Net amount outstanding at end of period.

7 Net debt at end of the month, gross domestic product at market prices for 12 months centred on the end of the month.

Source: Office for National Statistics; Enquiries 020 7533 5984





# 6.6 Consumer credit and other household sector borrowing

£ million

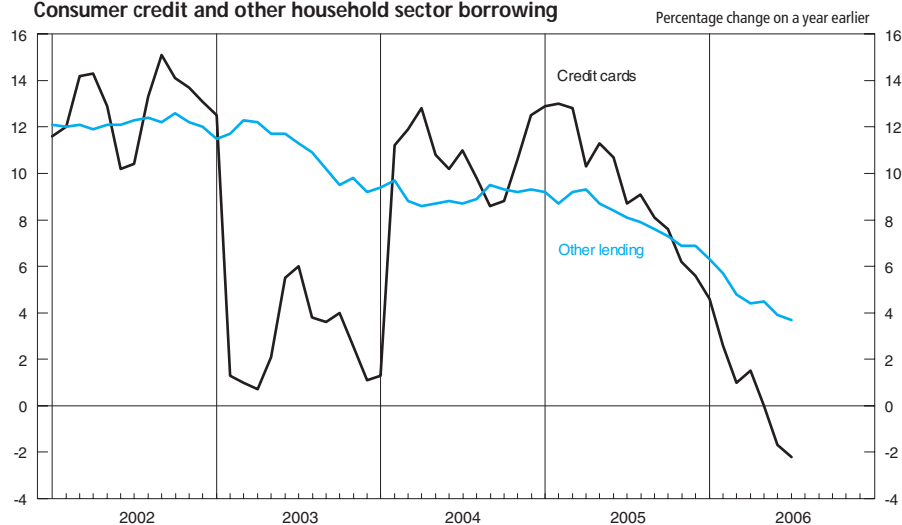
Consumer credit									
Amounts outstanding	Total net lending	of which		Banks	Building societies	Other specialist lenders	Retailers	Insurance companies	Loans secured on dwellings (NSA) <sup>2</sup>
		Credit cards <sup>1</sup>	Other lending <sup>1</sup>						
	VZRI	VZRJ	VZRK	VRVV	VZRG	VZRH	RLBO	VZQZ	AMWT
2001 Q1	136 931	38 010	98 979	95 843	411	36 966	2 523	1 229	547 283
Q2	141 444	39 417	102 048	100 376	423	36 728	2 510	1 221	561 325
Q3	144 885	39 999	104 873	103 411	446	37 414	2 523	1 206	577 278
Q4	150 250	41 758	108 447	107 704	435	38 462	2 478	1 178	591 350
2002 Q1	154 229	43 400	110 890	110 956	462	39 198	2 504	1 183	606 381
Q2	157 727	43 430	114 310	113 115	458	40 178	2 575	1 193	625 858
Q3	163 976	45 953	117 962	118 382	520	41 465	2 562	1 196	652 603
Q4	168 718	47 241	121 475	120 975	606	43 396	2 531	1 182	675 172
2003 Q1	168 645	43 805	124 839	116 676	622	47 881	2 520	1 033	695 626
Q2	173 825	45 799	127 997	119 480	668	50 263	2 222	933	718 292
Q3	177 627 <sup>†</sup>	47 614	129 947	121 820 <sup>†</sup>	732	52 251	2 170	824	746 306
Q4	180 254	47 761	132 592	122 775	762	53 883	2 141	701	774 592
2004 Q1	184 724	48 961 <sup>†</sup>	135 745	127 075	750	54 222	2 070	669	799 585
Q2	189 698	50 489	139 194	130 681	777	55 358	2 043	655	826 811
Q3	193 966	51 703	142 266	133 770	836	56 858	1 992	610	854 432
Q4	198 545	53 715	144 912	137 205	904	57 950	1 932	573	877 516
2005 Q1	203 422	55 172	148 214	140 313	947	59 764	1 863	565	893 251
Q2	206 803	55 906	150 917	141 597	978	61 756	1 815	556	917 114
Q3	208 924	55 916	152 954	141 793	1 066	63 795	1 775	538	942 546
Q4	211 374	56 672	154 800	142 473	1 110	65 563	1 746	520	967 183
2006 Q1	211 042	55 687	155 245	141 429	1 158	66 238	1 698	507	988 753
Q2	211 565	54 992	156 638 <sup>†</sup>	141 877	1 178	66 325 <sup>†</sup>	1 644	492	..
2003 Jan	169 686 <sup>†</sup>	47 462 <sup>†</sup>	122 224 <sup>†</sup>	121 323 <sup>†</sup>	599	44 292	2 542	1 143	..
Feb	166 802	43 580	123 222	119 762	613	42 614	2 538	1 089	..
Mar	168 474	43 707	124 767	116 309	630	47 717	2 510	1 033	..
Apr	169 826	44 131	125 695	116 815	654	49 535	2 486	990	..
May	171 780	45 046	126 734	117 937	653	49 795	2 470 <sup>†</sup>	959	..
Jun	173 597	45 681	127 916	119 230	681 <sup>†</sup>	50 611	2 216	933	..
Jul	175 288	46 362	128 927	120 685	693	50 744	2 201	904	..
Aug	176 664	46 921	129 742	121 644	709	50 704	2 200	868	..
Sep	177 550	47 609	129 941	121 687	721	52 135	2 161	824	..
Oct	178 987	47 986	131 001	121 913	727	53 595	2 152	776	..
Nov	180 068	47 867	132 201	122 666	725	53 886	2 154	732	..
Dec	180 156	47 575	132 582	122 590	736	53 778	2 134	701	..
2004 Jan	181 790	48 063	133 727	125 306	746	53 137	2 088	681	..
Feb	183 627	48 480	135 147	126 661	749	53 453	2 038	672	..
Mar	184 686	48 916	135 770	126 965	759	54 100	2 063	669	..
Apr	186 330	49 771	136 559	128 427	770	55 011	2 061	668	..
May	187 654	49 892	137 762	129 116	785	55 269	2 038	664	..
Jun	189 588	50 363	139 224	130 709	788	55 672	2 038	655	..
Jul	191 646	51 443	140 203	132 085	800	55 802	2 025	642	..
Aug	192 777	51 501	141 276	132 403	808	56 218	1 995	626	..
Sep	193 990	51 686	142 304	133 822	821	56 820	1 985	610	..
Oct	195 352	52 232	143 120	135 271	832	57 152	1 967	595	..
Nov	197 320	52 962	144 358	136 272	848	57 698	1 947	582	..
Dec	198 469	53 521	144 947	136 985	879	57 761	1 925	573	..
2005 Jan	200 341	54 272	146 069	138 248	897	58 785	1 904	568	..
Feb	201 739	54 772	146 968	138 908	912	59 165	1 879	566	..
Mar	203 439	55 188	148 251	140 343	959	59 704	1 858	565	..
Apr	204 192	54 916	149 276	140 619	941	60 867	1 832	563	..
May	205 287	55 527	149 760	141 049	963	61 057	1 819	560	..
Jun	206 718	55 762	150 956	141 734	990	62 015	1 811	556	..
Jul	207 535	55 944	151 591	141 924	1 027	62 044	1 792	550	..
Aug	208 600	56 178	152 421	142 114	1 047	62 314	1 791	544	..
Sep	209 016	55 876	153 140	141 743	1 052	63 804	1 769	538	..
Oct	209 828	56 192	153 637	141 437	1 072	65 289	1 760	532	..
Nov	210 538	56 237	154 302	141 723	1 083	65 504	1 746	526	..
Dec	211 375	56 495	154 880	142 365	1 082	65 343	1 738	520	..
2006 Jan	212 113	56 792	155 321	142 910	1 101	66 106	1 723	515	..
Feb	211 538	56 176	155 362	141 989	1 127	66 034	1 705	511	..
Mar	211 146	55 762	155 384	141 355	1 177	66 216	1 694	507	..
Apr	211 518	55 737	155 781	141 988	1 157	66 954 <sup>†</sup>	1 682	503	..
May	211 937	55 500	156 437	142 260	1 180	66 530	1 668	498	..
Jun	211 606	54 812	156 794	141 987	1 194	66 537	1 642	492	..
Jul	211 857	54 696	157 161	142 223	1 214	65 828	1 629	486	..

1 Since January 1999, a more accurate breakdown between credit card and other lending has been available. Credit card lending by other specialist lenders can now be separately identified and is included within the credit card component. Data from January 1999 onwards are therefore not directly comparable with earlier periods.

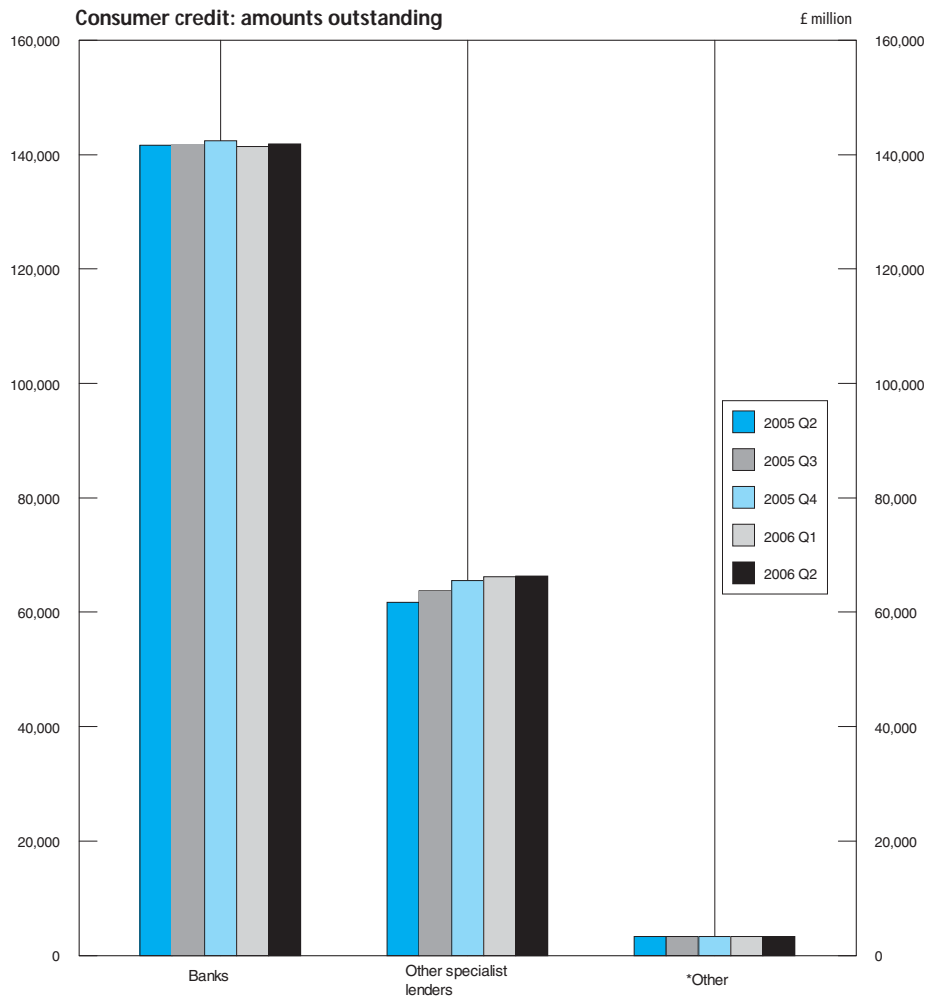
2 These figures fall outside the scope of National Statistics.

Source: Office for National Statistics; Enquiries: Columns 1-8 01633 812782

Consumer credit and other household sector borrowing



Consumer credit: amounts outstanding



\* Other is the sum of retailers, insurance companies and building societies

# 6.7 Analysis of bank lending to UK residents<sup>1,2</sup>

£ million, not seasonally adjusted

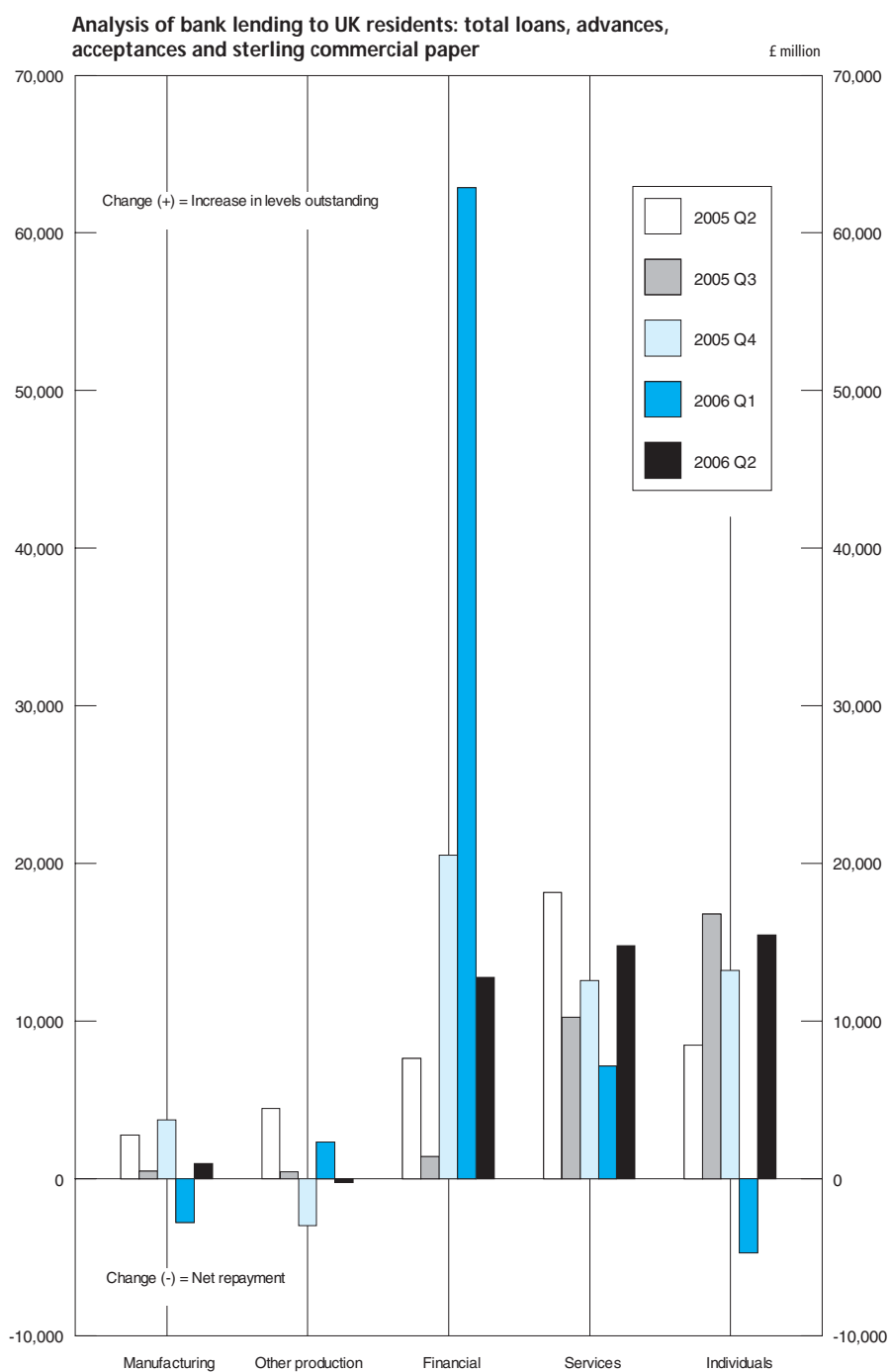
	Manufacturing <sup>3</sup>	Other production	Financial	Services	Individuals	Total loans, advances and acceptances
<b>Total loans, advances, acceptances and sterling commercial paper</b>						
<b>Amounts outstanding</b>						
	TBSF	BCEX	BCFH	BCFR	TBTW	TBSA
2005 Q2	43 892	40 642	497 342	296 820	674 527	1 553 222
Q3	44 538	41 118	501 621	307 164	689 722	1 584 162
Q4	48 568	38 311	527 289	318 441	702 175	1 634 785
2006 Q1	45 781 <sup>†</sup>	40 618	590 860 <sup>†</sup>	325 669 <sup>†</sup>	694 440 <sup>†</sup>	1 697 367 <sup>†</sup>
Q2	46 245	40 215	593 914	339 566	706 910	1 726 849
<b>Of which in sterling</b>						
	TBUF	BCEY	BCFI	BCFS	TBWW	TBUA
2005 Q2	30 466	36 853	250 928	277 027	673 685	1 268 959
Q3	31 060	37 571	260 562	284 904	688 579	1 302 676
Q4	31 509	34 754	272 689	294 993	701 220	1 335 165
2006 Q1	31 057 <sup>†</sup>	37 047	292 021 <sup>†</sup>	299 428 <sup>†</sup>	693 055 <sup>†</sup>	1 352 609 <sup>†</sup>
Q2	32 223	36 408	306 681	314 607	705 450	1 395 369
<b>Changes in sterling</b>						
	TBWF	BCEZ	BCFJ	BCFT	TBXW	TBWA
2005 Q2	1 285	3 933	11 816	17 077	8 498	42 610
Q3	594	718	9 634	7 985	16 492	35 424
Q4	450	-2 927	11 872	11 793	13 481	34 668
2006 Q1	-453 <sup>†</sup>	2 294	19 332 <sup>†</sup>	4 396 <sup>†</sup>	-5 165 <sup>†</sup>	20 405 <sup>†</sup>
Q2	1 166	-640	13 737	15 179	15 330	44 772
<b>Changes in foreign currencies</b>						
	TBYF	BCFA	BCFK	BCFU	TBZW	TBYA
2005 Q2	1 488	517	-4 193	1 096	-42	-1 133
Q3	-116	-288	-8 251	2 249	292	-6 115
Q4	3 269	-65	8 652	787	-270	12 373
2006 Q1	-2 357 <sup>†</sup>	20	43 530 <sup>†</sup>	2 731	423	44 347
Q2	-198	391	-957	-388	128	-1 024
<b>Facilities granted</b>						
<b>Amounts outstanding</b>						
	TCAF	BCFB	BCFL	BCFV	TCBW	TCAA
2005 Q2	85 567	73 990	556 131	413 779	762 253	1 891 719
Q3	83 697	75 025	565 990	422 977	782 659	1 930 349
Q4	87 320	75 902	593 097	438 985	792 984	1 988 288
2006 Q1	86 030 <sup>†</sup>	74 670 <sup>†</sup>	664 340 <sup>†</sup>	447 750 <sup>†</sup>	792 780 <sup>†</sup>	2 065 569 <sup>†</sup>
Q2	85 602	78 963	670 214	467 925	809 673	2 112 378
<b>Of which in sterling</b>						
	TCCF	BCFC	BCFM	BCFW	TCDW	TCCA
2005 Q2	53 016	57 655	286 953	369 369	761 236	1 528 229
Q3	51 639	58 229	300 707	375 208	781 324	1 567 107
Q4	52 314	57 978	311 539	388 423	791 769	1 602 021
2006 Q1	52 797 <sup>†</sup>	57 610	333 404 <sup>†</sup>	393 624 <sup>†</sup>	791 141 <sup>†</sup>	1 628 576 <sup>†</sup>
Q2	52 659	61 251	347 722	414 138	807 952	1 683 723
<b>Changes in sterling</b>						
	TCEF	BCFD	BCFN	BCFX	TCFW	TCEA
2005 Q2	80	3 381	12 278	20 226	8 978	44 943
Q3	-1 377	573	13 754	5 948	21 687	40 584
Q4	675	-361	10 577	14 918	11 284	37 093
2006 Q1	483 <sup>†</sup>	-367 <sup>†</sup>	21 865 <sup>†</sup>	5 162 <sup>†</sup>	2 373 <sup>†</sup>	29 516 <sup>†</sup>
Q2	-137	3 641	13 395	20 514	19 746	57 159
<b>Changes in foreign currencies</b>						
	TCGF	BCFE	BCFO	BCFY	TCHW	TCGA
2005 Q2	3 023	194	644	1 884	-35	5 710
Q3	-898	245	-7 052	2 812	306	-4 587
Q4	2 219	711	10 822	1 775	-207	15 320
2006 Q1	-1 685 <sup>†</sup>	-722 <sup>†</sup>	48 807 <sup>†</sup>	3 681 <sup>†</sup>	417	50 500 <sup>†</sup>
Q2	1 116	1 526	3 773	1 954	146	8 515

1 Comprises loans, advances (including under reverse repos), finance leasing, acceptances, facilities and holdings of sterling commercial paper issued by UK residents, provided by reporting banks to their UK resident non-bank and non-building society customers. This analysis is based on the 1992 Standard Industrial Classification and excludes lending to residents in the Channel Islands and the Isle of Man who are classified as non-residents for statistical purposes from end-September 1997. Holdings of investments and bills and adjustments for transit items are no longer included. For a more detailed breakdown of these data see *Financial Statistics* Table 4.5B.

2 These figures fall outside the scope of National Statistics.

3 Includes lending under the DTI special scheme for domestic shipbuilding.

Source: Bank of England; Enquiries: 020 7601 5360



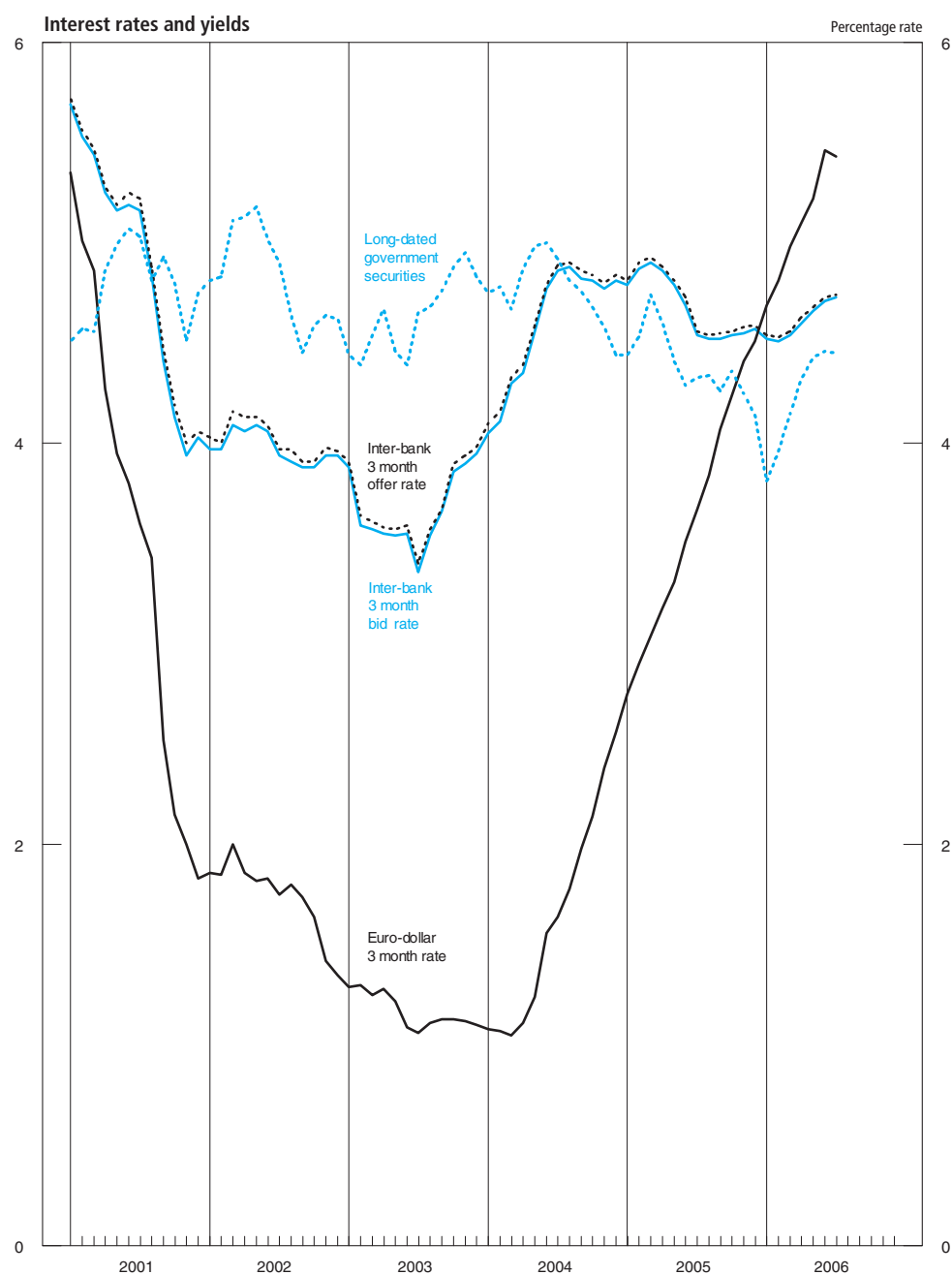
# 6.8 Interest rates and yields<sup>1</sup>

Percentage rate

	Last Friday					Selected retail banks: base rate	Last working day		
	Treasury bill yield <sup>2</sup>	Inter-bank 3 months bid rate <sup>3</sup>	Inter-bank 3 months offer rate <sup>3</sup>	Sterling certificates of deposit 3 months bid rate	Sterling certificates of deposit 3 months offer rate		3 month US Treasury bills rate	3 month Euro-dollar rate	British government securities: long-dated <sup>4</sup> - 20 years
	AJRP	HSAJ	HSAK	HSAL	HSAM	ZCMG	LUST	AJIB	AJLX
2002	3.92	3.94	3.96	3.90	3.94	..	1.20	1.35	4.83
2003	3.90	3.95	3.98	3.95	3.98	..	0.93	1.10	4.64
2004	4.75	4.81	4.84	4.78	4.82	..	2.18	2.56	4.77
2005	4.48	4.57	4.59	4.57	4.61	..	3.92	4.51	4.39
2002 Jan	3.90	3.97	4.03	3.97	3.99	4.00	1.73	1.86	4.81
Feb	3.91	3.97	4.00	3.91	3.95	4.00	1.76	1.85	4.83
Mar	4.04	4.09	4.16	4.09	4.11	4.00	1.76	2.00	5.11
Apr	3.98	4.06	4.13	4.05	4.06	4.00	1.74	1.86	5.13
May	4.04	4.09	4.13	4.09	4.11	4.00	1.71	1.82	5.18
Jun	3.97	4.06	4.09	4.05	4.07	4.00	1.67	1.83	5.02
Jul	3.75	3.94	3.97	3.92	3.94	4.00	1.68	1.75	4.90
Aug	3.86	3.91	3.97	3.91	3.93	4.00	1.66	1.80	4.64
Sep	3.81	3.88	3.91	3.85	3.86	4.00	1.54	1.74	4.45
Oct	3.73	3.88	3.91	3.85	3.87	4.00	1.42	1.64	4.59
Nov	3.86	3.94	3.98	3.94	3.95	4.00	1.21	1.42	4.64
Dec	3.92	3.94	3.96	3.90	3.94	4.00	1.20	1.35	4.62
2003 Jan	3.79	3.88	3.91	3.88	3.89	4.00	1.16	1.29	4.44
Feb	3.49	3.59	3.64	3.60	3.62	3.75	1.18	1.30	4.39
Mar	3.51	3.57	3.61	3.57	3.59	3.75	1.12	1.25	4.54
Apr	3.47	3.55	3.58	3.54	3.56	3.75	1.11	1.28	4.67
May	3.44	3.54	3.57	3.55	3.55	3.75	1.09	1.22	4.46
Jun	3.50	3.55	3.59	3.55	3.56	3.75	0.89	1.09	4.39
Jul	3.32	3.36	3.40	3.36	3.38	3.50	0.94	1.06	4.65
Aug	3.53	3.54	3.57	3.54	3.56	3.50	0.97	1.11	4.68
Sep	3.59	3.66	3.67	3.63	3.65	3.50	0.94	1.13	4.76
Oct	3.81	3.86	3.90	3.85	3.87	3.50	0.94	1.13	4.88
Nov	3.86	3.90	3.94	3.90	3.92	3.75	0.92	1.12	4.95
Dec	3.90	3.95	3.98	3.95	3.98	3.75	0.93	1.10	4.83
2004 Jan	4.00	4.05	4.10	4.06	4.08	3.75	0.90	1.08	4.75
Feb	4.11	4.11	4.16	4.12	4.14	4.00	0.94	1.07	4.78
Mar	4.24	4.30	4.33	4.30	4.32	4.00	0.93	1.05	4.67
Apr	4.31	4.35	4.39	4.35	4.37	4.00	0.96	1.11	4.87
May	4.54	4.56	4.59	4.55	4.59	4.25	1.06	1.24	4.98
Jun	4.65	4.77	4.79	4.74	4.78	4.50	1.31	1.56	5.00
Jul	4.80	4.86	4.89	4.87	4.88	4.50	1.42	1.64	4.92
Aug	4.77	4.88	4.90	4.88	4.90	4.75	1.57	1.78	4.81
Sep	4.73	4.82	4.86	4.83	4.85	4.75	1.68	1.98	4.76
Oct	4.73	4.81	4.84	4.82	4.84	4.75	1.87	2.14	4.68
Nov	4.69	4.77	4.80	4.76	4.80	4.75	2.20	2.38	4.58
Dec	4.75	4.81	4.84	4.78	4.82	4.75	2.18	2.56	4.44
2005 Jan	4.71	4.79	4.81	4.77	4.81	4.75	2.48	2.75	4.44
Feb	4.79	4.87	4.90	4.86	4.90	4.75	2.72	2.90	4.53
Mar	4.82	4.90	4.93	4.88	4.92	4.75	2.73	3.04	4.74
Apr	4.75	4.86	4.88	4.85	4.89	4.75	2.84	3.18	4.60
May	4.70	4.79	4.81	4.78	4.82	4.75	2.93	3.31	4.41
Jun	4.57	4.69	4.73	4.69	4.73	4.75	3.06	3.51	4.29
Jul	4.48	4.54	4.56	4.53	4.57	4.75 <sup>†</sup>	3.35	3.67	4.33
Aug	4.43	4.52	4.54	4.51	4.55	4.75 <sup>†</sup>	3.44	3.84	4.34
Sep	4.45	4.52	4.55	4.52	4.56	4.50	3.47	4.07	4.26
Oct	4.47	4.54	4.56	4.53	4.57	4.50	3.89	4.24	4.36
Nov	4.46	4.55	4.58	4.54	4.58	4.50	3.86	4.41	4.25
Dec	4.48	4.57	4.59	4.57	4.61	4.50	3.92	4.51	4.14
2006 Jan	4.45	4.52	4.54	4.51	4.55	4.50	4.37	4.69	3.81
Feb	4.44	4.51	4.53	4.49	4.53	4.50	4.51	4.81	3.96
Mar	4.47	4.54	4.56	4.53	4.57	4.50	4.52	4.98	4.15
Apr	4.50	4.60	4.63	4.59	4.63	4.50	4.66	5.10	4.32
May	4.56	4.66	4.68	4.65	4.68	4.50	4.74	5.22	4.43
Jun	4.59	4.71	4.73	4.71	4.73	4.50	4.88	5.46	4.46
Jul	4.63	4.73	4.74	4.71	4.74	4.50	4.97	5.43	4.45

<sup>1</sup> These figures fall outside the scope of National Statistics.<sup>2</sup> Average discount rate expressed as the rate at which interest is earned during the life of the bills.<sup>3</sup> Spread of rates over the day in the inter-bank sterling market; from June 1982 rates are the spread at 10.30 am.<sup>4</sup> Averages of Wednesdays until February 1980; from March 1980 figures are the average of all observations (three a week); from January 1982 average of working days. Calculated gross redemption yields - see *Financial Statistics Explanatory Handbook*.

Source: Bank of England; Enquiries: 020 7601 4342



# 6.9 A selection of asset prices

Not seasonally adjusted

	Producer price indices (2000 = 100)		Housing: DCLG all lenders mix-adjusted house price index (February 2002 = 100)			Average price of agricultural land in England (1995 = 100) <sup>2,3</sup>
	Plant and machinery bought as fixed assets by motor vehicle industry	Manufactured output: motor vehicle industry	New dwellings <sup>1</sup>	Second-hand dwellings <sup>1</sup>	All dwellings <sup>1</sup>	
2001	PVJL	PQIR	WMPN	WMPP	WMPQ	BAJI
2002	102.0	95.4	90.3	95.7	95.1	155
2003	100.2	95.2	108.7	111.6	111.2	144
2004	99.5	94.6	126.4	129.0	128.7	147
2005	98.9	96.1	138.6	144.6	143.9	162
2006	99.4	97.3	147.6	152.4	151.8	..
2001 Q1	102.9	95.4	90.8	92.1	92.1	156
Q2	103.1	95.5	90.8	96.0	95.4	148
Q3	101.2	95.4	94.1	99.4	98.8	160
Q4	101.1	95.4	95.4	96.9	96.8	154
2002 Q1	101.0	95.6	100.0	100.0	100.0	130
Q2	100.5	95.5	106.5	108.4	108.2	139
Q3	100.0	94.9	111.0	116.1	115.5	152
Q4	99.2	94.9	117.1	121.8	121.3	148
2003 Q1	99.1	94.6	119.3	124.0	123.4	136
Q2	99.7	94.1	127.2	127.3	127.2	148
Q3	99.9	94.5	127.9	131.1	130.7	179
Q4	99.5	95.1	131.8	133.7	133.4	141
2004 Q1	98.8	95.5	130.8	135.2	134.6	155
Q2	99.3	96.2	137.8	143.1	142.5	155
Q3	98.9	96.3	143.1	149.6	148.9	175
Q4	98.8	96.5	142.6	150.7	149.8	170
2005 Q1	99.2	96.9	145.1	150.1	149.5	211
Q2	99.0	97.0	146.5	151.6	150.9	189
Q3	99.7	97.5	149.0	154.5	153.8	..
Q4	99.8	97.8	149.6	153.7	153.1	..
2006 Q1	99.4	98.0	154.1	155.1	154.8	..
Q2	99.0p <sup>†</sup>	98.4p	155.4	159.4	158.9	..
2004 Jan	98.8	95.0	131.5	136.0	135.4	..
Feb	98.2	95.4	129.4	134.7	134.1	..
Mar	99.3	96.2	131.6	134.8	134.4	..
Apr	99.1	96.3	135.9	141.1	140.5	..
May	99.5	96.3	136.7	142.9	142.2	..
Jun	99.2	95.9	140.9	145.3	144.7	..
Jul	98.8	96.2	142.5	148.5	147.8	..
Aug	98.9	96.3	142.3	150.4	149.5	..
Sep	99.1	96.3	144.5	149.9	149.2	..
Oct	98.9	96.5	144.4	151.1	150.3	..
Nov	99.1	96.5	143.0	150.9	150.1	..
Dec	98.4	96.5	140.4	150.1	149.0	..
2005 Jan	98.9	96.6	143.9	149.6	148.9	..
Feb	99.4	96.9	144.0	148.7	148.1	..
Mar	99.2	97.1	147.4	151.9	151.3	..
Apr	98.8	96.9	144.6	150.8	150.1	..
May	99.3	97.1	146.9	151.3	150.8	..
Jun	98.9	97.1	148.0	152.6	152.0	..
Jul	99.9	97.4	149.7	154.3	153.7	..
Aug	99.4	97.4	148.8	154.4	153.7	..
Sep	99.7	97.6	148.5	154.8	154.0	..
Oct	100.2	97.8	151.1	153.0	152.7	..
Nov	99.8	97.7	146.9	154.2	153.4	..
Dec	99.5	97.8	150.9	153.8	153.3	..
2006 Jan	99.3	97.9	155.5	155.3	155.1	..
Feb	99.5	97.9	150.9	153.6	153.2	..
Mar	99.5	98.1	156.1	156.5	156.2	..
Apr	99.3p <sup>†</sup>	98.5	153.7 <sup>†</sup>	158.1 <sup>†</sup>	157.6 <sup>†</sup>	..
May	98.7p <sup>†</sup>	98.4	156.5	159.7	159.2	..
Jun	99.1p	98.4p	156.1	160.4	159.9	..
Jul	99.3p	98.5p	..	..	..	..

1 Series are based on mortgage lending by all financial institutions rather than building societies only, as previously published. This change was made necessary because of the mergers, takeovers and conversions to plc status affecting the building society sector. The series are based on the Department for Communities and Local Government's 5% survey of mortgage lenders (at completion stage), but now include all mortgage lenders rather than building societies only. From February 2002, monthly data have been obtained from the enlarged survey and from 2002Q2, quarterly data are based on monthly indices. From September 2005, figures are based on the new Regulated Mortgage Survey (CML/BankSearch).

2 Because of some changes in coverage, the revised series from 1993Q1 is not directly comparable with the old series. From this date, prices of all

sales of agricultural land exclude some transfers in order to come closer to estimates of market determined prices. However, the new series does not exactly represent competitive open market values. Sales are now analysed and recorded on the basis of when the transactions actually took place. For further information, visit the DEFRA website at [www.statistics.defra.gov.uk/esg/default.htm](http://www.statistics.defra.gov.uk/esg/default.htm). Data before 1993 remain on the previous basis.

3 Figures from 2001 onwards are provisional.

Sources: Office for National Statistics, Enquiries: Columns 1-2 01633 812106; Department for Communities and Local Government; Enquiries: Columns 3-5 020 7944 3325; Department for Environment, Food and Rural Affairs; Enquiries: Column 6 01904 455326



# Measures of variability of selected economic time series<sup>1</sup>

	Table number(s)	Identifier	Period covered	Average percentage changes				MCD or QCD	$\bar{I} / \bar{C}$ for MCD (or QCD) span
				$\bar{C}I$	$\bar{I}$	$\bar{C}$	$\bar{I} / \bar{C}$		
Quarterly series									
National income and components: chained volume measures, reference year 2002									
Gross value added (GVA) at basic prices	2.1	CGCE	Q1 1990 to Q1 2006	0.6	0.1	0.6	0.2	1	0.2
Households' final consumption expenditure	2.5	NPSP	Q1 1990 to Q1 2006	0.8	0.3	0.7	0.4	1	0.4
Gross fixed capital formation	2.2, 2.7	NPQT	Q1 1990 to Q1 2006	1.7	0.8	1.3	0.6	1	0.6
Exports of goods and services	2.2	IKBK	Q1 1990 to Q1 2006	2.1	1.1	1.5	0.7	1	0.7
Imports of goods and services	2.2	IKBL	Q1 1990 to Q1 2006	2.0	0.9	1.7	0.5	1	0.5
Real households' disposable income	2.5	NRJR	Q1 1990 to Q1 2006	0.9	0.7	0.7	1.0	1	1.0
Current prices									
Gross operating surplus of private non-financial corporations	2.11	CAER	Q1 1990 to Q1 2006	2.4	1.7	1.5	1.1	2	0.4
Other quarterly series									
Construction output <sup>2</sup>	5.2	SFZX	Q1 1990 to Q1 2006	1.2	0.7	0.8	0.9	1	0.9
Households' saving ratio <sup>3</sup>	2.5	NRJS	Q1 1990 to Q1 2006	0.9	0.6	0.5	1.3	2	0.5
Monthly series									
Retail sales (volume per week) <sup>2</sup>									
Predominantly food stores	5.8	EAPT	Jan 1990 to Mar 2006	0.6	0.6	0.2	2.4	3	0.8
Predominantly non-food stores	5.8	EAPV	Jan 1990 to Mar 2006	1.0	0.9	0.4	2.5	3	0.8
Non-store retailing and repair	5.8	EAPZ	Jan 1990 to Mar 2006	2.1	2.0	0.5	3.6	4	0.9
Index of industrial production									
Production industries	5.1	CKYW	Jan 1990 to Mar 2006	0.6	0.6	0.2	3.1	4	0.8
Manufacturing industries	5.1	CKYY	Jan 1990 to Mar 2006	0.6	0.6	0.2	2.7	3	0.9
Average earnings: whole economy <sup>2</sup>	4.6	LNMQ	Jan 1990 to Mar 2006	0.5	0.3	0.4	0.7	1	0.7
Exports of goods <sup>4</sup>	2.13	BOKG	Jan 1990 to Mar 2006	2.9	2.7	0.8	3.4	3	1.0
Imports of goods <sup>4</sup>	2.13	BOKH	Jan 1990 to Mar 2006	2.3	2.1	0.8	2.8	3	0.8
Money stock - M0 <sup>5</sup>	6.2	AVAE	Jan 1990 to Mar 2006	0.6	0.3	0.5	0.6	1	0.6
Money stock - M4 <sup>5</sup>	6.2	AUYN	Jan 1990 to Mar 2006	0.7	0.3	0.6	0.5	1	0.5

1 For a fuller description of these measures see article 'Measuring variability in economic time series' in *Economic Trends*, No 226, August 1972.

The following are brief definitions of the measures.

$\bar{C}I$  is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign in the seasonally adjusted series.

$\bar{C}$  is the same for the trend component.

$\bar{I}$  is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes 3 and 5.

$\bar{I} / \bar{C}$  is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.

The average changes  $\bar{I}$  and  $\bar{C}$  can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which  $\bar{I} / \bar{C}$  is less than 1 and therefore represents the minimum period over which changes in the trend, on average, exceed the irregular movement.

MCD cannot exceed 6 even if  $\bar{I} / \bar{C}$  exceeds 1 for 6-month periods.

2 Series relate to Great Britain.

3 The figures in the tables were obtained from an additive analysis of the households' saving ratio so  $\bar{C}I$ ,  $\bar{I}$  and  $\bar{C}$  are differences in percentage points.

4 The figures have been updated as described in an article in *Economic Trends*, No 320, June 1980.

5 As the irregular component for M0 and M4 is obtained by subtraction of the trend rather than by division, the figures for  $\bar{C}I$ ,  $\bar{I}$  and  $\bar{C}$  are expressed as percentages of the trend level in the preceding month.

Source: Office for National Statistics; Enquiries: 020 7533 6294

# Index of sources

## Abbreviations

DCLG – Department for Communities and Local Government

DEFRA – Department for Environment, Food and Rural Affairs.

	Table	Source	Further statistics (where available)
Asset prices	6.9	Office for National Statistics DEFRA DCLG	
Average earnings	1.1, 4.6	Office for National Statistics	First Release Labour Market Trends Monthly Digest of Statistics
Balance of payments (current account)	2.13	Office for National Statistics	First Release Financial Statistics UK Economic Accounts
Banking		Bank of England	Financial Statistics
Banking loans, advances and acceptances	6.7		
British government securities (long dated) 20 years yield	6.8	Bank of England	
Capital account summary, analysis by sector	2.10	Office for National Statistics	
Cars (see also Motor Vehicles)			
Production	1.1, 5.3	Office for National Statistics	News Release
Registration	5.8	Department of Transport	
Change in inventories			
By industry	5.6	Office for National Statistics	First Release
Manufacturing	1.1		Monthly Digest of Statistics
Ratios	5.7		
Total	2.2		
Claimant count (see Unemployment)			
Coal (see also Energy)	5.9	Department of Trade and Industry	Energy Trends
Consumer prices index	1.1, 3.1	Office for National Statistics	First Release Focus on consumer price indices Labour Market Trends
Commercial vehicles, production (see also Motor vehicles)	5.3	Office for National Statistics	News Release
Construction industry			
Index of output (see also Industrial production)	1.1, 2.8	Office for National Statistics	
Orders received	5.2, 5.4	Department of Trade and Industry	Construction Statistics
Output	5.2	Department of Trade and Industry	
Corporations		Office for National Statistics	
Financial corporations			Financial Statistics UK Economic Accounts
Capital transfers	2.10		
Gross saving	2.10		
In relation to gross domestic product	2.3		Monthly Digest of Statistics
Non-financial corporations			First Release
Allocation of primary income account	2.11		Financial Statistics
Capital account, net lending/net borrowing	2.12		UK Economic Accounts
Gross operating surplus	2.11		
Gross saving	2.10		
Property income received/paid	2.11		
Resources	2.11, 2.12		
Secondary distribution of income account	2.12		
Uses	2.11, 2.12	Office for National Statistics	
Consumer credit	5.8, 6.6	Office for National Statistics	Consumer Trends Financial Statistics
Counterparts to changes in money stock M4	6.3	Bank of England	Financial Statistics Press Notice

Credit business (see also Hire purchase)	5.8	Office for National Statistics	Financial Statistics
Current balance (see also Balance of payments)	2.13	Office for National Statistics	First Release Financial Statistics UK Economic Accounts
Dwellings (see also Housing)	5.4	Office for National Statistics DCLG	
Earnings (average)	1.1, 4.6	Office for National Statistics	First Release Labour Market Trends Monthly Digest of Statistics
Economic activity (Labour Force Survey)	4.1, 4.2, 4.3	Office for National Statistics	First Release Labour Market Trends
Electricity (see also Energy)	5.9	Department of Trade and Industry	Energy Trends
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Energy	5.9	Department of Trade and Industry	Energy Trends UK Energy Statistics
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Output index for energy and water supply	5.1		Monthly Digest of Statistics
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Engineering industries		Office for National Statistics	News Release
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Exchange rates	1.1, 6.1	Bank of England	First Release Financial Statistics
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Price index	1.1, 2.14		First Release UK Economic Accounts
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Fixed investment in dwellings	2.7, 5.4	Office for National Statistics	
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[www.statistics.gov.uk/products/p1140.asp](http://www.statistics.gov.uk/products/p1140.asp).

*United Kingdom National Accounts: the Blue Book 2006.* Palgrave Macmillan, ISBN 1 4039 9388 2. Price £45. [www.statistics.gov.uk/products/p1143.asp](http://www.statistics.gov.uk/products/p1143.asp).

*United Kingdom Input Output analyses 2006.* [www.statistics.gov.uk/products/p7640.asp](http://www.statistics.gov.uk/products/p7640.asp).

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*Consumer Trends 2006 quarter 1*

[www.statistics.gov.uk/products/p242.asp](http://www.statistics.gov.uk/products/p242.asp)

*United Kingdom Economic Accounts: 2006 quarter 1.* Palgrave Macmillan, ISBN 0 230 00324 9. Price £32.

[www.statistics.gov.uk/products/p1904.asp](http://www.statistics.gov.uk/products/p1904.asp)

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## First releases

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- Index of Production
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*Financial Statistics: August 2006.* Palgrave Macmillan, ISBN 0 230 00285 4. Price £42.50

*Focus on Consumer Price Indices: July 2006* [www.statistics.gov.uk/products/p867.asp](http://www.statistics.gov.uk/products/p867.asp)

*Monthly review of External Trade Statistics (MM24): June 2006*

[www.statistics.gov.uk/products/p613.asp](http://www.statistics.gov.uk/products/p613.asp)

## Other publications

- Retail Prices 1914–1990
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