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Economic Trends

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Introduction

Economic Trends brings together all the main economic indicators. It contains three regular sections of tables and charts illustrating trends in the UK economy.

'Latest developments' presents the most up-to-date statistical information available during the month. It is important to note that data included in this section may not be wholly consistent with other sections which have gone to press earlier. All data in this section are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

The main section is based on information available to the CSO on the date printed at the foot of this page and shows the movements of the key economic indicators. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base year for convenience of comparison.

The section on cyclical indicators shows the movements of four composite indices over 20 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle, and a short note describes their most recent movements. The March, June, September and December issues carry further graphs showing separately the movements in all of the 27 indicators which make up the composite indices.

In addition, quarterly articles on the national accounts appear in the January, April, July and October issues, and on the balance of payments in the March, June, September and December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology.

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

Notes on the tables

1. Some data, particularly for the latest time period, are provisional and may be subject to revisions in later issues.
2. The statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.
3. Almost all quarterly data are seasonally adjusted; those not seasonally adjusted are indicated by NSA.
4. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.

5. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.

6. 'Billion' denotes one thousand million.

7. There may sometimes be an inconsistency between a table and the corresponding chart, because the data may be received too late to update the chart. In such cases it should be assumed that the table is correct.

8. There is no single correct definition of *money*. Consequently, several definitions of money stock are widely used:

M0 the narrowest measure consists of notes and coin in circulation outside the Bank of England and bankers' operational deposits at the Bank.

M2 comprises notes and coin in circulation with the public *plus* sterling retail deposits held by the UK private sector with UK banks and building societies.

M4 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.

9. Symbols used:

- .. not available
- nil or less than half the final digit shown
- + alongside a heading indicates a series for which measures of variability are given in the table on page 80
- † indicates that the data has 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.

The Editor would welcome readers' suggestions for improvements to *Economic Trends*.

Central Statistical Office, 13 January 1993

New table for *Economic Trends*

Please note that a third table about the Labour Force Survey, table 43, economic activity by age (not seasonally adjusted) is being introduced from this issue. It appears on page 75.

CSO Databank

Virtually all the series in *Economic Trends* and the Quarterly Articles may be obtained as part of the CSO Databank Service on tape or disk. The appropriate four digit identifier is included at the top of the column or start of a row of figures. This enables users to obtain (in computer-readable form) a much more comprehensive and up-to-date set of long run macro-economic time series data than can be included in this publication. The tape format, unlabelled EBCDIC, is the same for all datasets. The disks, either 3½" or 5¼" are written in ASCII text which can be loaded as spreadsheets and viewed using standard spreadsheet packages, such as LOTUS or SMART.

Details of the service offered and the schedule of charges may be obtained from the Databank Manager, CSO Information Systems Branch, Room 52/4, Government Offices, Great George Street, London, SW1P 3AQ (telephone 071-270 6386). CSO does not offer direct on-line access for these data but a list of host bureaux offering such a facility is available on request from CSO.

Latest developments in the economy

Data available at 15 January 1993

DATA PUBLISHED BY CSO

Output

In the three months to October, the output of the production industries was 1.2 per cent higher than the previous quarter, and 0.1 per cent higher than the same period a year earlier. The provisional index of production figure for October is 107.0 (1985=100). The index covers the manufacturing and energy industries, and all figures are seasonally adjusted.

Manufacturing output fell by 0.2 per cent in the three months to October compared with the previous three months, and by 0.14 per cent on the same period a year earlier. Within manufacturing, between the latest three month periods, the output of the metals industry fell by 3.4 per cent, chemicals fell by 0.8 per cent, engineering and allied industries rose by 0.3 per cent, "other manufacturing" rose by 0.3 per cent, "other minerals" fell by 1.6 per cent, food, drink and tobacco fell by 1.4 per cent, and textiles and clothing rose by 1.1 per cent.

The output of the oil and gas extraction industries was 8.6 per cent higher than in the preceding three months, and 1.3 per cent higher than in the same period a year earlier. Other energy and water supply industries rose by 1.9 per cent compared with the previous three months, and by 0.2 per cent on the same quarter last year.

By market sector, between the latest three month periods, the output of the investment goods industries rose by 0.9 per cent, the output of the consumer goods industries fell by 0.7 per cent, and the output of the intermediate goods industries rose by 2.2 per cent.

Producer prices

The input price index for materials and fuel purchased by manufacturing industry rose by 5.2 per cent in the twelve months to December, compared with a rise of 4.3 per cent in the twelve months to November. Between November and December, the unadjusted index rose by 1.7 per cent, and the seasonally adjusted index rose by 0.1 per cent.

The increase over twelve months in the output price index for home sales of manufactured products was 3.5 per cent in December, compared with 3.3 per cent in the year to November. The index rose by 0.2 per cent between November and December.

Retail prices

The general index of retail prices for 8 December was 139.2 (January 1987=100), 0.4 per cent lower than in November and 2.6 per cent higher than in December 1991.

Between November and December there was a fall in mortgage interest rates, and a variety of other price reductions, notably for motor vehicles and alcoholic drinks. There were, however, price increases for food, tobacco and household goods.

The tax and price index for December was 130.16 (January 1987=100), an increase of 1.5 per cent over the previous twelve months.

Retail sales

The provisional, seasonally adjusted estimate of retail sales volume in October was 121.4 (1985=100), little changed from the August and September figures. In the three months August to October, the volume of sales was 0.9 per cent higher than in the previous three months, and 1.6 per cent higher than in the same period a year earlier.

Sales by food retailers rose by 0.2 per cent compared with the previous three months, those by mixed businesses rose by 3.0 per cent, and those of specialist non-food retailers rose by 0.9 per cent.

Based on non-seasonally adjusted data, retail sales value in current prices in October was 4 per cent higher than in October 1991.

Balance of payments

Information on visible trade in November and recent trends in invisibles imply a current account deficit of £1.2 billion, £0.2 billion larger than in October. In the latest three months the implied deficit was £2.8 billion, £0.3 billion larger than in the previous three months.

The visible deficit in November was £1.4 billion, compared with £1.2 billion in October. In the three months to November the visible deficit was £3.5 billion, £0.3 billion more than the preceding three months.

In November the value of exports was £9.2 billion, 0.5 per cent higher than in October. In the three months to November, the value of exports was 2.5 per cent higher than the previous three months, but 4.5 per cent higher than a year earlier. On a volume basis, excluding oil and the erratic items, exports in the three months to November were 4 per cent higher than the previous three months, and 6 per cent higher than a year earlier.

Imports in November were valued at £10.6 billion, 2.5 per cent higher than in October. In the three months to November, the value of imports was 3 per cent higher than in the previous three months and 7 per cent higher than a year earlier. Excluding oil and erratics, import volume in the three months to November was unchanged in the previous three months, and 7.5 per cent higher than a year earlier.

Estimates of invisibles are not available monthly. Based on recent trends and limited information on EC transfers, invisibles in November are projected to be in surplus by £0.2 billion. Revisions to these projections can be substantial.

The CSO has announced that, following publication of the December 1992 figures, there will be a delay in the publication of monthly trade figures while a new statistical

system measuring trade within the European Single Market becomes fully established. For some time it will not be possible to publish monthly figures for the current balance of the balance of payments (given in Tables 1 and 27), for exports, imports and the visible balance (Table 27) or the volume and unit value indices for visible trade (Table 25). Information on the value of trade with countries outside the European community will continue to be available from the CSO on a monthly basis but it is unlikely that any information on trade as a whole in 1993 will be published before the middle of the year and a continuous monthly series may not become available until some time later. A fuller note on this delay in the provision of statistics is available from the CSO Current Account Branch on 071-270 6070.

Public sector borrowing requirement

Provisional estimates put the public sector borrowing requirement at £2.2 billion in November, with privatisation proceeds close to zero.

DATA PUBLISHED BY OTHER DEPARTMENTS

Official reserves

The overall level of the UK's official reserves fell by \$433 million in December, bringing the end of December reserves to \$41,654 million (£27,494 million), compared with \$42,087 million (£27,776 million) at the end of November.

The underlying change in the reserves during December was a fall of \$2,952 million.

The underlying change excludes a number of factors that are included in the total change. Proceeds from this month's tender of UK ECU Treasury Bills and sales into the secondary market amounted to \$928 million and maturing UK ECU Treasury Bills were \$1,207 million. The underlying change also excludes repayments of borrowing under the exchange cover scheme of \$29 million.

Exchange rate

The sterling exchange rate index (1985=100) was 80.1 in December, compared with 78.3 in November.

Unemployment and vacancies

In November, the seasonally adjusted level of claimant unemployment in the UK increased by 41,100 to 2.909 million, 10.3 per cent of the workforce. Over the past six months, unemployment has risen by 32,200 per month on average.

The stock of unfilled vacancies at jobcentres increased by 2,600 to a seasonally adjusted 100,800 in the month to November. Over the three months to November, vacancies have decreased on average by 2,500 a month.

Employment

The number of employees in employment in manufacturing industries in Great Britain stood at 4,375,000 in October, a fall of 13,000 since September. Employment has fallen by 241,000 since October 1991, compared with a fall of 385,000

in the previous year.

The UK workforce in employment (employees in employment, the self-employed, HM Forces and participants in work related government training programmes) stood at 24,953,000 in September 1992, a fall of 399,000 in the quarter. Employment over the year to September fell by 861,000.

Earnings

The underlying increase in average weekly earnings in the year to October was about 5.5 per cent, the same as the increase in the year to September. The actual increase in the year to October, at 6.1 per cent, is above the underlying increase because of arrears of pay in October 1992 were much higher than a year earlier.

In the production industries, the underlying increase in average weekly earnings in the year to October was about 5.75 per cent, 0.25 per cent lower than the increase in the year to September. Within this sector, the underlying increase in manufacturing industries in the year to October was about 6 per cent, the same as the increase in the year to September. The actual seasonally adjusted increases for production and manufacturing in the year to October were 6.5 per cent and 6.3 per cent respectively.

In the service industries, the underlying increase in average weekly earnings in the year to October was about 5.5 per cent, the same as the increase in the year to September which has been revised up 0.25 per cent. The actual increase in the service industries in October was 6.0 per cent.

Productivity

Manufacturing output per head in the three months to October was 1.9 per cent higher than in the three months ending July, and was 5.2 per cent higher than in the same period a year earlier. Output per head in the whole economy was 0.3 per cent higher, in the second quarter of 1992, than in the previous quarter, and 2.1 per cent higher than in the same quarter a year earlier.

Unit wage and salary costs

In the three months ending October 1992, wages and salaries per unit of output in manufacturing were 1.0 per cent above the corresponding period a year earlier. This increase was below the rise in average earnings in manufacturing as there was a rise of 5.2 per cent in productivity over this period. In the second quarter of 1992, wages and salaries per unit of output in the whole economy were 4.2 per cent above the corresponding period a year earlier. This increase was below the rise in average earnings because of the rise of about 2.1 per cent in productivity over this period.

Monetary aggregates

Provisional information suggests that in the 12 months to November, and before seasonal adjustment, M0 increased by 2.9 per cent, and M4 by 4.6 per cent. In November, again before seasonal adjustment, M0 increased by 0.8 per cent, and M4 decreased by 0.2 per cent. After seasonal adjustment, M0 rose by 0.8 per cent, and M4 decreased by 0.2 per cent.

UK NATIONAL ACCOUNTS: THE THIRD QUARTER 1992

This article presents quarterly estimates of national accounts to the third quarter of 1992. All commentary, apart from that on financial flows, and charts are in terms of seasonally adjusted data. Estimates of the components of GDP at constant prices are given here in terms of average 1985 prices. Summary estimates of GDP for the third quarter of 1992 were first issued on 21 December 1992.

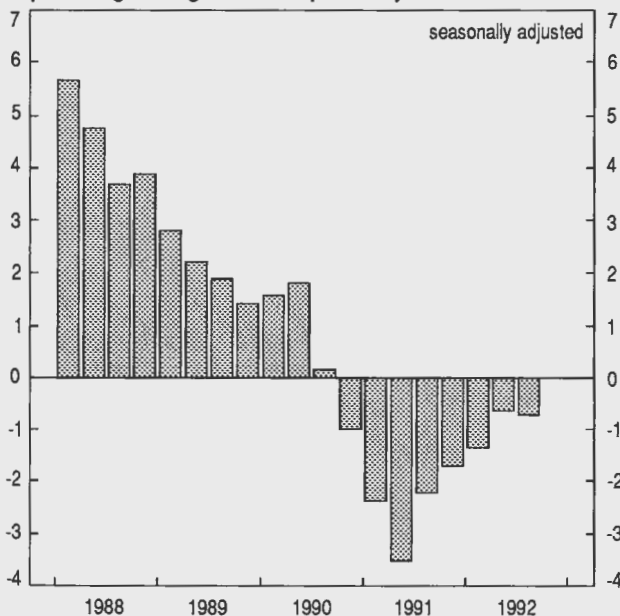
A short description of the United Kingdom national accounts is given as the introduction to the 1992 Edition of *"United Kingdom National Accounts"*, otherwise known as "the CSO Blue Book". More detailed information is available in *"United Kingdom National Accounts: Sources and Methods"* (HMSO 1985) and subsequent changes to sources, methods and definitions are described in the methodological notes to the 1992 CSO Blue Book.

Gross domestic product at current and constant prices

Gross domestic product (GDP) at constant 1985 factor cost increased 0.1 per cent between the second and third quarters of 1992 but was 0.7 per cent lower than in the third quarter of 1991.

Chart 1 shows recent changes in GDP each quarter compared with the same quarter a year earlier. Chart 2 shows changes in GDP, for each quarter on a quarter earlier.

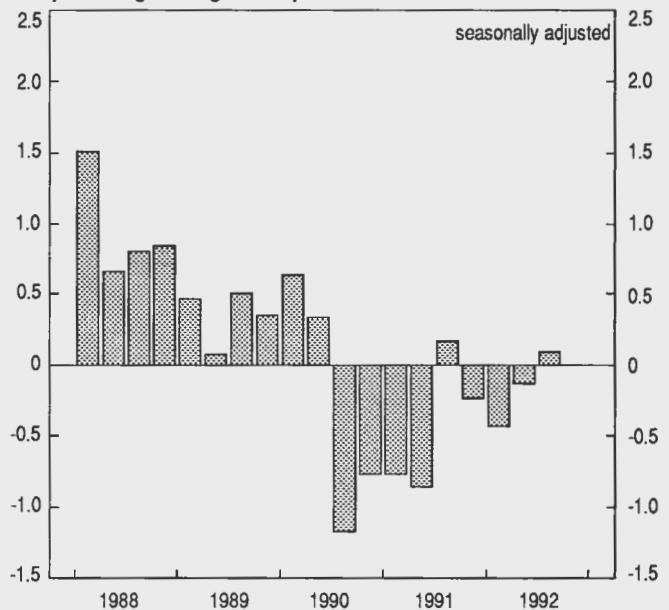
Chart 1
GDP at constant 1985 factor cost
percentage change on same quarter a year earlier



GDP, excluding oil and gas production, decreased 0.2 per cent between the latest two quarters to reach a level 0.7 per cent lower than in the third quarter of last year.

In the third quarter of 1992, GDP at current market prices - also known as "money GDP" - was 0.5 per cent higher than in the second

Chart 2
GDP at constant 1985 factor cost
percentage change on a quarter earlier



quarter of 1992 and 3.2 per cent higher than in the third quarter of last year. GDP at current factor cost increased by 3.8 per cent between the third quarters of 1991 and 1992.

The implied factor cost GDP deflator ("index of total home costs") rose by 4.5 per cent between the third quarters of 1991 and 1992, including an increase of 0.5 per cent between the latest two quarters.

The real income of the United Kingdom, as shown by gross national disposable income at constant market prices, increased 1.1 per cent between the second and third quarters of 1992 but decreased 0.2 per cent between the third quarters of 1991 and 1992.

Estimates of GDP at current and constant prices, of real national disposable income and of the implied GDP deflator are given in index number form in Table A, supplemented by Table A1 of the Appendix.

Revisions to GDP estimates and the main components, since the last set of quarterly estimates appeared in the October 1992 issue of *Economic Trends*, are described later in this article.

Estimates of GDP at constant factor cost are at constant 1985 factor cost, following both UK and recommended international practice of rebasing every five years using the years ending 0 and 5 as the reference year. Since 1985, the relative prices of various goods and services have changed, including a very large reduction in oil prices up to the third quarter of 1990. The implications of this reduction for interpretation of GDP growth assessments are outlined in the Notes at the end of this article.

NATIONAL ACCOUNTS AGGREGATES INDEX NUMBERS : SEASONALLY ADJUSTED¹

1985=100

	Value indices at current prices		Volume indices at 1985 prices			Implied gross domestic product deflator ⁴	
	Gross domestic product at market prices ²	Gross domestic product at factor cost	Gross national disposable income at market prices ³	Gross domestic product at market prices	Gross domestic product at factor cost	At market prices	At factor cost ⁵
1985	DJCL	CAON	DJCR	FNAO	DJDD	DJDT	DJCM
1985	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1986	107.7	106.6	103.9	104.1	103.8	103.5	102.6
1987	118.5	117.1	108.3	109.1	108.6	108.6	107.8
1988	131.9	130.3	113.7	114.0	113.5	115.8	114.8
1989	144.2	143.3	116.3	116.4	115.8	124.0	123.7
1990	154.0	155.7	117.1	117.0	116.6	131.7	133.6
1991	160.8 [†]	161.5 [†]	116.0 [†]	114.4	113.7 [†]	140.6 [†]	142.0 [†]
1989 Q1	140.7	139.8	116.5	115.6	115.4	121.7	121.1
Q2	142.9	141.7	116.7	116.1	115.5	123.1	122.7
Q3	145.5	144.7	116.1	116.7	116.1	124.7	124.7
Q4	147.9	146.9	115.9	117.1	116.5	126.3	126.1
1990 Q1	151.7	151.0	116.5	117.6	117.2	129.0	128.9
Q2	153.3	155.3	117.2	118.2	117.6	129.7	132.0
Q3	155.5	157.9	118.4	116.6	116.2	133.4	135.9
Q4	155.6	158.6	116.2	115.5	115.3	134.8	137.6
1991 Q1	156.7 [†]	159.3 [†]	115.6 [†]	114.9 [†]	114.4 [†]	136.4	139.2 [†]
Q2	160.0	160.0	116.7	114.0	113.5	140.3 [†]	141.0
Q3	162.5	162.6	116.1	114.3	113.6	142.1	143.1
Q4	164.0	164.1	115.6	114.2	113.4	143.6	144.8
1992 Q1	164.5	165.3	114.6	113.4	112.9	145.1	146.4
Q2	166.8	167.8	114.5	113.1	112.7	147.5	148.8
Q3	167.7	168.8	115.8	113.2	112.8	148.1	149.6
Percentage change, latest quarter on previous quarter							
1992 Q3	0.5	0.6	1.1	0.1	0.1 [†]	0.5	0.5
Percentage change, latest quarter on corresponding quarter of previous year							
1992 Q3	3.2	3.8	-0.2	-1.0	-0.7	4.2	4.5

1 These estimates are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown. Estimates at current market prices are affected by the abolition of domestic rates and the introduction of the community charge.

2 "Money GDP".

3 Also known as Real national disposable income (RNDI).

4 Based on sum of expenditure components of GDP at current and constant prices.

5 Also known as the Index of total home costs.

Expenditure at constant 1985 prices (Table A2)

At constant prices, consumers' expenditure was ½ per cent higher in the third quarter of 1992 than in the previous quarter and was ½ per cent up on the same quarter last year. In the third quarter of 1992, general government final consumption was 1 per cent lower than in the second quarter and 1 per cent down on a year earlier. Fixed investment remained broadly unchanged in the third quarter of 1992 compared with the previous quarter and with the same quarter a year earlier. Destocking continued in the third quarter of 1992 but by less than in other recent quarters.

At constant 1985 prices, total domestic expenditure (which is the sum of consumers' expenditure, general government final consumption, fixed investment and stockbuilding) was in the third quarter of 1992, ½ per cent higher than the previous quarter and ½ per cent higher than a year earlier. Net imports of goods and services, worth £4.3 billion at constant 1985 prices in the third quarter of 1992, were up from £4.1 billion in the second quarter of 1992 and £2.6 billion in the third quarter of last year.

Income at current prices (Table A3)

Income from employment grew ½ per cent between the second and third quarters of 1992 to reach a level 3 per cent higher than in the third quarter of 1991.

In the third quarter, the gross trading profits of the corporate sector, were little changed compared with the previous quarter and higher than in the third quarter of last year. Separate comparisons of the gross trading profits of companies and the gross trading surplus of public corporations are affected by privatisations.

Output at constant 1985 prices (Table A4)

The output of the production industries was 1 per cent higher in the third quarter of 1992 than in the previous quarter. Within production, the output of the energy and water industries rose 3 ½ per cent but manufacturing output remained broadly unchanged. The increase in energy and water supply is made up of a 7 per cent increase in oil and gas extraction but other energy and water remained

broadly unchanged. Between the latest two quarters, there was a drop of 1 per cent in the output of the construction industry. Over the same period the total output of the service industries was broadly unchanged with a decrease of 1 per cent in transport and communication.

Between the third quarters of 1991 and 1992, the output of the production industries fell ½ per cent. Within production, the output of the energy and water industries was broadly unchanged but the output of the manufacturing industries fell 1 per cent. Over the same period, construction output fell 4 ½ per cent but the output of service industries remained broadly unchanged. Within the service industries, the output of the distribution, hotels and catering industries was down by ½ per cent and "other service" industries - which includes business and recreational services and the public sector - was broadly unchanged but, over the same period the output of transport and communications industries was up 1 per cent.

Personal income and saving (Table A5)

In the third quarter of 1992, real personal disposable income (RPDI) was 1 ½ per cent higher than in the second quarter and 2 ½ per cent higher than a year earlier.

Total personal income before deductions, at current prices, grew 6 per cent between the third quarters of 1991 and 1992. Within this total, wages and salaries rose by 2 ½ per cent and employers' contributions by 8 per cent reflecting, in part, an increase in redundancy payments by employers. Current grants from general government increased 13 per cent and other personal income, which includes dividends, increased 9 ½ per cent. Between the latest two quarters, total personal income grew 1 per cent.

The saving ratio was 12 ½ per cent in the third quarter of 1992, compared with 11 ½ per cent in the previous quarter and 10 ½ in the third quarter of 1991. The saving ratio over recent years is shown in Chart 3.

Chart 3
Personal sector saving ratio



Consumers' expenditure (Table A6)

At constant prices, consumers' expenditure increased ½ per cent between the second and third quarters of 1992. In the latest quarter, expenditure on durable goods was up 4 ½ per cent while spending on non-durable goods and services remained broadly the same.

Between the third quarters of 1991 and 1992, consumers' expenditure at constant prices grew ½ per cent. Within this total, expenditure on durable goods and on non-durable goods increased ½ per cent. Amongst durable goods, expenditure on vehicles fell by 5 per cent but expenditure on furniture and floor coverings increased 5 ½ per cent. Among non-durable items, spending on clothing was broadly unchanged but footwear increased by 5 ½ per cent and spending on food by 1 ½ per cent. Over the same period, spending on energy products rose by 3 per cent but expenditure on services remained broadly unchanged. Chart 4 shows changes in consumers' expenditure on durable goods and on other goods and services each quarter compared with the same quarter a year ago.

Chart 4
Consumers' expenditure
percentage change on same quarter a year earlier



Industrial and commercial companies (Table A8)

UK trading profits (after deducting stock appreciation) of industrial and commercial companies in the third quarter of 1992 were similar to the previous quarter. In recent years, the sector has been increasing in coverage owing to the privatisation of many public corporations.

In the third quarter of 1992, gross trading profits (after deducting stock appreciation) of North Sea oil companies were virtually the same as in the second quarter but were 3 per cent higher than a year earlier.

The gross trading profits (after deducting stock appreciation) of non-North Sea industrial and commercial companies are estimated at £18.2 billion in the third quarter of 1992, similar to the level in the previous quarter and the third quarter of 1991.

UK industrial and commercial companies' rent and non-trading income from UK sources rose by 1 per cent between the second and third quarters of 1992, and their income from abroad also rose by 1 per cent.

Payments of dividends on ordinary shares (excluding payments by UK subsidiaries to their overseas parent companies, and net of payments to other UK industrial and commercial companies) were £6.2 billion in the third quarter of 1992. This series is erratic, and quarter to quarter movements should be treated with caution.

Payments of UK taxes on income in the third quarter of 1992 were 9 per cent higher than in the second quarter of 1992 but 21 per cent down on a year earlier. Profits due abroad in the third quarter of 1992 were 21 per cent lower than in the second quarter of 1992 and 27 per cent down on a year earlier.

These preliminary estimates suggest that the broad measure of UK industrial and commercial companies' undistributed income (that is, before deducting stock appreciation or net unremitted profits) was £10.5 billion in the third quarter of 1992 compared with £10.3 billion in the second quarter of 1992 and £9.4 billion in the third quarter of 1991.

Public corporations (Table A10)

The gross trading surplus of public corporations (after deducting stock appreciation) was higher in the third quarter of 1992 than in the second quarter. National Health Service Trusts are included in this sector from their establishment in April 1991.

Central government (Table A11)

Total central government receipts were broadly unchanged between the second and third quarters of 1992. Taxes on income and taxes on expenditure remained broadly unchanged. Over the same period, social security contributions decreased by 3 per cent.

Total current expenditure of central government rose by 4 per cent between the second and third quarters of 1992. Within this total, expenditure on final consumption (military defence, health services, etc) remained broadly unchanged but expenditure on subsidies, social security benefits and other grants and debt interest combined, grew by 6 per cent.

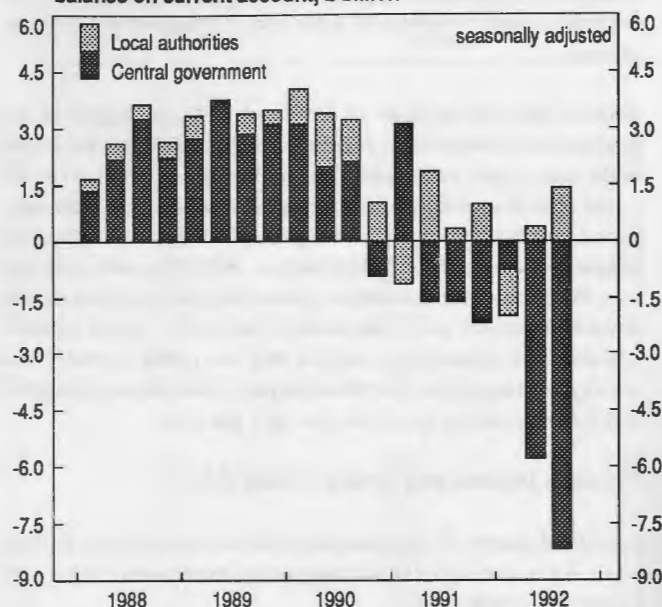
Local authorities (Table A12)

Total current receipts of local authorities were 8 per cent higher in the third quarter of 1992 than in the second quarter of 1992 and 14 per cent higher than in the third quarter of 1991.

Total current expenditure rose 8 per cent between the third quarters of 1991 and 1992. Expenditure on final consumption grew 7 per cent over this period and expenditure on subsidies, grants and debt interest combined increased by 11 per cent. The surplus on the current account was £1.4 billion in the third quarter of 1992 compared with £0.4 billion a year earlier.

The quarterly balances on the current accounts of central government and local authorities over recent years are shown in Chart 5.

Chart 5
Central and local government
balance on current account, £ billion



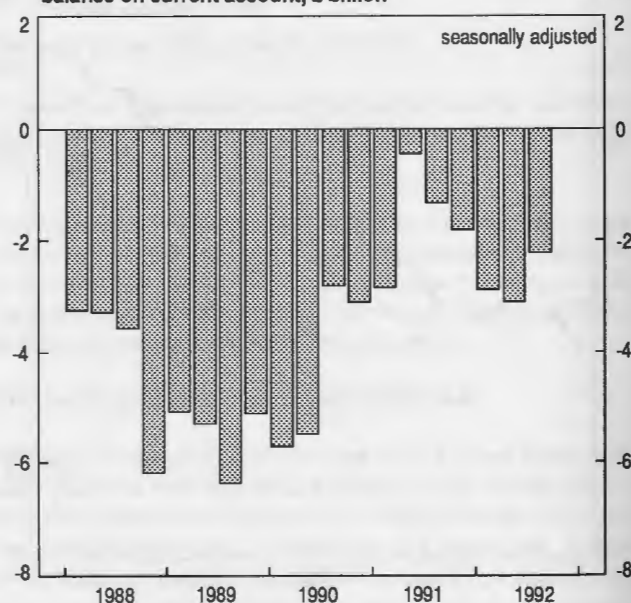
International transactions (Tables A13 and A14)

At current prices, exports of goods remained broadly unchanged in the third quarter of 1992 compared with the third quarter of 1991 but exports of services fell 5 per cent. Property income from abroad fell by 15 per cent over the same period and total UK current account credits, including transfers, decreased by 6 per cent.

At current prices, imports of goods rose by 3 per cent between the third quarters of 1991 and 1992 and imports of services increased by 3 per cent. Over the same period property income paid abroad fell 21 per cent and overall UK current account debits, including transfers, declined 4 per cent.

The quarterly balance of the current account balance over recent years is shown in Chart 6.

Chart 6
International transactions
balance on current account, £ billion



At constant 1985 prices, exports of goods rose 2 per cent in the third quarter of 1992 compared with a year earlier, but exports of services fell by 5 per cent. Over the same period, imports of goods grew 6 per cent and imports of services by 4 per cent.

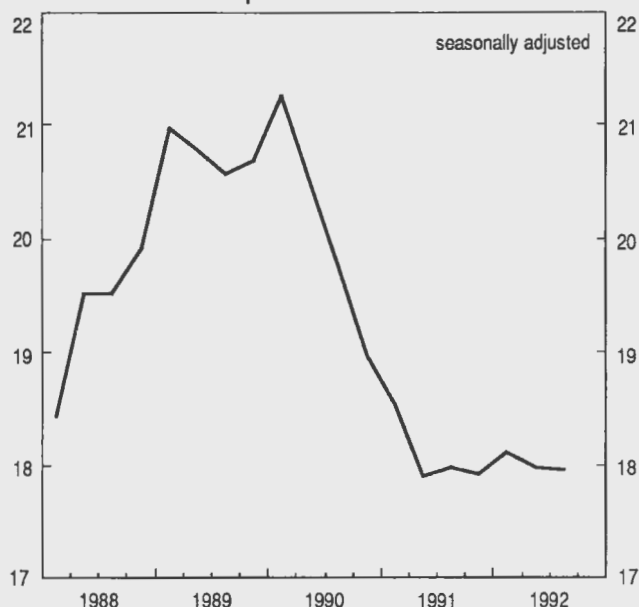
Gross domestic fixed capital formation at 1985 prices (Tables A15 and A16)

Total fixed investment was broadly unchanged in the third quarter of 1992 compared with a year earlier. Fixed investment by the private sector rose by 1 per cent but that by the public sector fell by 5 per cent. The quarterly profile of fixed investment over recent years is shown in Chart 7.

Chart 7

Gross domestic fixed capital formation

£bn at constant 1985 prices



Analysed by asset, vehicles, ships and aircraft increased by 11 per cent and plant and machinery by 3 per cent in the third quarter of 1992 compared with a year earlier. Over the same period, dwellings fell by 1 per cent and other new buildings and works by 5 per cent.

Value of physical increase in stocks and work in progress at 1985 prices (Table A17)

There was destocking in the third quarter of 1992, though to a lesser extent than in the previous seven quarters. This reflects, in particular,

destocking in energy and water supply and wholesaling industries, offset by some stockbuilding in manufacturing industries and retailing industries.

Financial flows (Tables A19 to A25)

During the third quarter of 1992 sterling left the European exchange rate mechanism (ERM). Because of the rapid changes in currency values which followed, some of the figures in the financial accounts are likely to be less reliable than usual. This occurs in particular where net foreign currency flows are estimated from the differences between balance sheet levels.

In the third quarter of 1992, there were very large increases in bank deposits by overseas depositors (mainly in foreign currency), totalling over £22 billion. This was more than matched by increased bank lending to the overseas sector (£27 billion).

The central government financial deficit was nearly £11 billion in the third quarter, following a deficit of nearly £13 billion in the second quarter. In the third quarter, the deficit was financed mainly through the foreign currency loans taken out to support the pound, rather than through gilt-edged securities as in the previous quarter. These loans helped to reduce the fall in official reserves to less than £2 billion. Privatisation proceeds amounted to £3 billion in the third quarter.

Personal sector net deposits with banks and building societies were less than £1 billion in the third quarter, while net lending to the personal sector was the same as in the second quarter, at just under £6 billion.

The sum of the sector balancing items (ignoring sign) for the third quarter was £13 billion. These balancing items represent net errors and omissions in the measurement of all the sector flow accounts.

Revisions (Table A26)

Estimates of GDP are subject to revision as more information becomes available. Table A26 compares latest estimates with those in the quarterly article on UK national accounts in the October 1992 edition of *Economic Trends*.

GDP at constant factor cost has been marginally revised downwards in 1991. Estimates of consumers' expenditure, at current and constant prices, have been revised upwards. Among the income components, income from employment has been revised upwards partly offset by a downward revision to other income.

Rebasing and reclassification

There will be two major changes in the 1993 edition of the CSO Blue Book. In line with international practice, the CSO will be rebasing the majority of its economic time series onto 1990. This will mean that the expenditure components of gross domestic product will be expressed in terms of average 1990 prices. Index numbers in the national accounts and other related series will be shown based on 1990 with new weights calculated according to the contributions of each industry to net output in 1990.

In the 1993 Blue Book, the CSO will also begin its translation to the new Standard Industrial Classification, SIC(92). An article on the SIC in the October 1992 edition of *Economic Trends* explains the need to reclassify and gives a general description of the new classification. In the next year's Blue Book, there will be an approximation for the SIC(92) formed by regrouping classes from the SIC(80). The new classification will be introduced in full with effect from the 1995 Blue Book.

Both of these developments will be described in detail in the February 1993 edition of *Economic Trends*.

NOTES

After indicating for several years that an average of estimates compiled on the expenditure, income and output approaches to the measurement of GDP should be regarded as the definitive estimate, CSO phased out use of individual measures with effect from end 1991. The methodology for deriving the best central is described in CSO's National Accounts *Blue Book* 1992 edition. To aid users who wish to continue to use individual measures, these are given in Table A27.

Interpretation of estimates at market prices

GDP estimates, and those for consumers' expenditure, have been affected since the second quarter of 1989 by the abolition of domestic rates in Great Britain and the introduction of the community charge. In national accounts, domestic rates are classified as a tax on expenditure whereas the community charge is treated as a deduction from income.

Estimates of consumers' expenditure, GDP and GNP aggregates at current market prices for the second quarter of 1989 onwards are therefore lower than they would have been if the community charge had not replaced domestic rates. A fuller description of the change in the series appeared in the August 1989 issue of *Economic Trends* (No 430).

Interpretation of estimates at constant prices

In the interpretation of quarterly and annual national accounts estimates, special attention needs to be paid to the higher margins of error attaching to series estimated at constant prices when the rate of inflation is changing significantly. Movements in exchange rates may also affect the valuation of international transactions.

National accounts estimates at constant prices are made at average 1985 prices and indices calculated in terms of 1985=100. Interpretation of estimates at constant prices should bear in mind that the choice of base year can affect significantly assessment of GDP growth rates where sharp changes in relative prices occur. In this connection it may be noted that the relative price of oil products was much higher in 1985 than today, with the result that GDP estimates at constant 1985 prices give a much larger weight to the recent variations in the UK oil production than would be the case if estimates of GDP at constant prices were made in terms of a more up to date price structure.

National accounts estimates at constant prices will be rebased on 1990 for publication in the UK National Accounts - the CSO's *Blue Book* - 1993 edition. Quarterly data on that basis will be available in September 1993.

Quarterly alignment adjustments

To improve the coherence of the quarterly accounts, some adjustments are made to quarterly estimates of both the expenditure and income analyses of GDP for 1983 onwards. These adjustments, which sum to zero across each of the years 1983 to 1991, are attributed where accurate measurements are most difficult, to the stockbuilding and to gross trading profits of companies. These quarterly adjustments modify the aggregates derived from expenditure or income components so that they better reflect the quarter to quarter paths suggested by output.

The alignment adjustments included in estimates in this article are as follows:

Table B
Quarterly alignment adjustments **£ million**

		Value of physical increase in stocks and work in progress		Gross trading profits of companies
		At current prices	Revalued at 1985 prices	At current prices
1985	Q1	-149	-150	545
	Q2	129	132	248
	Q3	-457	-453	-736
	Q4	477	471	-57
1986	Q1	-1015	-994	-819
	Q2	-9	-6	-868
	Q3	991	967	1096
	Q4	33	33	591
1987	Q1	-140	-128	639
	Q2	85	85	-109
	Q3	-941	-862	-237
	Q4	996	905	-293
1988	Q1	-885	-775	-375
	Q2	-1318	-1146	111
	Q3	1375	1204	-29
	Q4	828	717	293
1989	Q1	40	29	89
	Q2	227	181	122
	Q3	1010	806	46
	Q4	-1277	-1016	-257
1990	Q1	-499	-381	-321
	Q2	10	14	-135
	Q3	-67	-43	248
	Q4	556	410	208
1991	Q1	111	84	199
	Q2	-840	-592	-125
	Q3	-392	-270	-19
	Q4	1121	778	-55
1992	Q1	10	7	-233
	Q2	139	93	48
	Q3	-70	-47	103

Appendix Tables

The tables in the Appendix give series of quarterly figures back to 1989. Where an obelus appears this indicates that the data are new or have been revised, with the period so marked the earliest to have been revised.

The CSO Databank

The data in these tables can be obtained in computer readable form via the CSO Databank. For details see box on page 3.

CORRIGENDUM

Blue Book tables 1.2, 9.4, 9.5 and 17.1 were published with errors in some series. These tables are available on request from:

Liza Murray
National Account and
Economic Assessment Branch
Room 131B/1
Great George Street
London
SW1P 3AQ.

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* The tables show annual figures from 1985 and quarterly figures from 1989

A1 Gross national and domestic product¹

£ million

	At current prices					At 1985 prices			
	At market prices			less Factor cost adjust- ment ²	At factor cost		Gross domestic product at market prices	less Factor cost adjust- ment ⁵	Gross domestic product at factor cost
	Gross domestic product "Money GDP"	Net property income from abroad	Gross national product		Gross domestic product ³	Gross national product ⁴			
	CAOB	AIMD	GIBF	DIAA	CAOM	GIBD	CAOO	DIAS	CAOP
1985	357 268	2 560	359 828	49 367	307 901	310 461	357 268	49 367	307 901
1986	384 890	4 974	389 864	56 760	328 130	333 104	372 042	52 312	319 730
1987	423 500	3 754	427 254	62 901	360 599	364 353	389 946	55 539	334 407
1988	471 342	4 423	475 765	70 215	401 127	405 550	407 131	57 727	349 404
1989	515 317	3 495	518 812	74 181	441 136	444 631	415 730	59 032	356 698
1990	550 350	2 094	552 444	70 898	479 452	481 546	417 909	58 929	358 980
1991	574 530 [†]	441 [†]	574 971 [†]	77 209 [†]	497 321 [†]	497 762 [†]	408 553 [†]	58 383 [†]	350 170 [†]
Seasonally adjusted									
1989 Q1	125 645	1 146	126 791	18 064	107 581	108 727	103 237	14 422	88 815
Q2	127 635	973	128 608	18 545	109 090	110 063	103 675	14 785	88 890
Q3	129 959	770	130 729	18 588	111 371	112 141	104 227	14 890	89 337
Q4	132 078	606	132 684	18 984	113 094	113 700	104 591	14 935	89 656
1990 Q1	135 527	-127	135 400	19 258	116 269	116 142	105 071	14 848	90 223
Q2	136 910	48	136 958	17 393	119 517	119 565	105 563	15 039	90 524
Q3	138 919	1 302	140 221	17 365	121 554	122 856	104 135	14 672	89 463
Q4	138 994	871	139 865	16 882	122 112	122 983	103 140	14 370	88 770
1991 Q1	139 982 [†]	-653 [†]	139 329 [†]	17 367 [†]	122 615 [†]	121 962 [†]	102 600 [†]	14 511 [†]	88 089 [†]
Q2	142 943	230	143 173	19 780	123 163	123 393	101 861	14 527	87 334
Q3	145 115	603	145 718	19 923	125 192	125 795	102 103	14 626	87 477
Q4	146 490	261	146 751	20 139	126 351	126 612	101 989	14 719	87 270
1992 Q1	146 935	278	147 213	19 679	127 256	127 534	101 283	14 388	86 895
Q2	149 005	313	149 318	19 860	129 145	129 458	101 052	14 271	86 781
Q3	149 796	1 726	151 522	19 842	129 954	131 680	101 117	14 256	86 861
Percentage change, latest quarter on previous quarter									
1992 Q3	0.5		1.5	-0.1	0.6	1.7	0.1	-0.1	0.1 [†]
Percentage change, latest quarter on corresponding quarter of previous year									
1992 Q3	3.2		4.0	-0.4	3.8	4.7	-1.0	-2.5	-0.7

1 Estimates are given to the nearest £ million and in case of indices to one decimal place but cannot be regarded as accurate to this degree. Estimates at current market prices are affected by the abolition of domestic rates and the introduction of the community charge.

2 Equals taxes on expenditure less subsidies.

3 The factor cost estimate of GDP is obtained from the market price estimate by subtracting the factor cost adjustment.

4 Gross national product equals Gross domestic product plus Net property income from abroad.

5 Represents Taxes on expenditure less Subsidies both valued at 1985 prices.

A1 Gross national and domestic product¹

continued

1985=100

	Value indices at current prices		Volume indices at 1985 prices			Implied gross domestic product deflator ⁴	
	Gross domestic product at market prices ²	Gross domestic product at factor cost	Gross national disposable income at market prices ³	Gross domestic product at market prices	Gross domestic product at factor cost	At market prices	At factor cost ⁵
1985	DJCL	CAON	DJCR	FNAO	DJDD	DJDT	DJCM
1985	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1986	107.7	106.6	103.9	104.1	103.8	103.5	102.6
1987	118.5	117.1	108.3	109.1	108.6	108.6	107.8
1988	131.9	130.3	113.7	114.0	113.5	115.8	114.8
1989	144.2	143.3	116.3	116.4	115.8	124.0	123.7
1990	154.0	155.7	117.1	117.0	116.6	131.7	133.6
1991	160.8 [†]	161.5 [†]	116.0 [†]	114.4	113.7 [†]	140.6 [†]	142.0 [†]
1989 Q1	140.7	139.8	116.5	115.6	115.4	121.7	121.1
Q2	142.9	141.7	116.7	116.1	115.5	123.1	122.7
Q3	145.5	144.7	116.1	116.7	116.1	124.7	124.7
Q4	147.9	146.9	115.9	117.1	116.5	126.3	126.1
1990 Q1	151.7	151.0	116.5	117.6	117.2	129.0	128.9
Q2	153.3	155.3	117.2	118.2	117.6	129.7	132.0
Q3	155.5	157.9	118.4	116.6	116.2	133.4	135.9
Q4	155.6	158.6	116.2	115.5	115.3	134.8	137.6
1991 Q1	156.7 [†]	159.3 [†]	115.6 [†]	114.9 [†]	114.4 [†]	136.4	139.2 [†]
Q2	160.0	160.0	116.7	114.0	113.5	140.3 [†]	141.0
Q3	162.5	162.6	116.1	114.3	113.6	142.1	143.1
Q4	164.0	164.1	115.6	114.2	113.4	143.6	144.8
1992 Q1	164.5	165.3	114.6	113.4	112.9	145.1	146.4
Q2	166.8	167.8	114.5	113.1	112.7	147.5	148.8
Q3	167.7	168.8	115.8	113.2	112.8	148.1	149.6
Percentage change, latest quarter on previous quarter							
1992 Q3	0.5	0.6	1.1	0.1	0.1 [†]	0.5	0.5
Percentage change, latest quarter on corresponding quarter of previous year							
1992 Q3	3.2	3.8	-0.2	-1.0	-0.7	4.2	4.5

1 These estimates are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.

2 "Money GDP".

3 Also known as Real national disposable income (RNDI).

4 Based on sum of expenditure components of GDP at current and constant prices.

5 Also known as the Index of total home costs.

A2 Gross domestic product: by category of expenditure¹

£ million

Domestic expenditure on goods and services at market prices															
	Con- sumers' expend- iture ²	General government final consumption			Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress ³	Exports of goods and services	Total final expend- iture	Imports of goods and services	less Imports of goods and services	Statist- ical discrep- ancy (expend- iture)	Gross domestic product at market prices	less Taxes on expend- iture	Sub- sidies	Gross domestic product at factor cost
		Central govern- ment	Local author- ities	Total											
At current prices															
	AIK	ACHC	CSBA	AAXI	DFDC	DHBF	CTGQ	DJAD	DJAK	DJAG	GIXM	CAOB	AAXC	AAXJ	CAOM
1985	218 947	45 879	27 926	73 805	60 353	821	353 926	102 208	456 134	98 866	—	357 268	56 592	7 225	307 901
1986	243 030	48 801	30 580	79 381	64 514	716	387 641	98 319	485 960	101 070	—	384 890	62 947	6 187	328 130
1987	267 523	52 040	33 309	85 349	74 077	1 388	428 337	107 031	535 368	111 868	—	423 500	69 074	6 173	360 599
1988	302 057	55 610	36 119	91 729	89 857	4 782	488 425	107 705	596 130	124 788	—	471 342	76 133	5 918	401 127
1989	330 532	60 527	38 502	99 029	103 262	3 138	535 961	122 049	658 010	142 693	—	515 317	79 963	5 782	441 136
1990	350 411	67 052	42 826	109 878	106 028	-1 462	564 855	133 500	698 355	147 728	-277	550 350	76 967	6 069	479 452
1991	368 043 [†]	74 438 [†]	47 466 [†]	121 904 [†]	95 399 [†]	-5 211 [†]	580 135 [†]	135 019 [†]	715 154 [†]	140 438 [†]	-186 [†]	574 530 [†]	83 291 [†]	6 082 [†]	497 321 [†]
Unadjusted															
1989 Q1	76 746	15 114	9 352	24 466	25 789	1 132	128 133	27 850	155 983	33 159			18 989	1 651	
Q2	80 234	14 503	9 467	23 970	24 196	1 844	130 244	30 069	160 313	36 246			19 414	1 497	
Q3	85 121	15 238	9 668	24 906	25 834	657	136 518	30 788	167 306	37 403			20 667	1 365	
Q4	88 431	15 672	10 015	25 687	27 443	-495	141 066	33 342	174 408	35 885			20 893	1 269	
1990 Q1	82 878	16 397	10 147	26 544	28 376	-21	137 777	32 114	169 891	36 978			20 138	1 532	
Q2	85 017	16 418	10 534	26 952	25 599	374	137 942	33 508	171 450	38 339			18 131	1 482	
Q3	89 616	16 739	10 886	27 625	25 887	536	143 664	32 824	176 488	36 992			19 356	1 320	
Q4	92 900	17 498	11 259	28 757	26 166	-2 351	145 472	35 054	180 526	35 419			19 342	1 735	
1991 Q1	85 820 [†]	17 858 [†]	11 396	29 254 [†]	25 233 [†]	-1 511	138 796 [†]	30 557 [†]	169 353 [†]	33 010 [†]			18 266 [†]	1 625 [†]	
Q2	89 342	18 698	11 820	30 518	22 399	-703 [†]	141 556	34 084	175 640	35 477			20 381	1 423	
Q3	94 612	18 738	11 979 [†]	30 717	23 413	-310	148 432	34 496	182 928	36 531			22 032	1 347	
Q4	98 269	19 144	12 271	31 415	24 354	-2 687	151 351	35 882	187 233	35 420			22 612	1 687	
1992 Q1	90 306	19 617	12 364	31 981	24 314	-914	145 687	32 799	178 486	35 048			20 656	1 779	
Q2	94 024	19 581	12 662	32 243	21 468	-519	147 216	34 601	181 817	37 254			20 663	1 562	
Q3	98 941	19 696	12 728	32 424	22 802	535	154 702	33 919	188 621	37 709			21 996	1 428	
Seasonally adjusted															
	AIIX	ACHP	CSBK	AAXV	DECR	DGAQ	DIGS	DJAZ	DIAB	DJBC			AAXP	AAXW	
1989 Q1	80 182	14 623	9 368	23 991	25 270	1 681	131 124	28 983	160 107	34 462	—	125 645	19 525	1 461	107 581
Q2	82 046	14 832	9 460	24 292	25 674	1 014	133 026	29 932	162 958	35 323	—	127 635	20 055	1 510	109 090
Q3	83 140	15 540	9 728	25 268	25 885	1 363	135 656	30 860	166 516	36 557	—	129 959	20 106	1 518	111 371
Q4	85 164	15 532	9 946	25 478	26 433	-920	136 155	32 274	168 429	36 351	—	132 078	20 277	1 293	113 094
1990 Q1	86 549	15 920	10 169	26 089	27 755	-180	140 213	33 339	173 552	37 979	-46	135 527	20 612	1 354	116 269
Q2	86 942	16 767	10 552	27 319	27 044	-118	141 187	33 746	174 933	37 960	-63	136 910	18 879	1 486	119 517
Q3	87 789	17 029	10 926	27 955	26 168	72	141 984	33 021	175 005	36 008	-78	138 919	18 830	1 465	121 554
Q4	89 131	17 336	11 179	28 515	25 061	-1 236	141 471	33 394	174 865	35 781	-90	138 994	18 646	1 764	122 112
1991 Q1	89 779 [†]	17 493 [†]	11 423	28 916 [†]	24 540 [†]	-1 174 [†]	142 061 [†]	32 299 [†]	174 360 [†]	34 321 [†]	-57 [†]	139 982 [†]	18 844 [†]	1 477 [†]	122 615 [†]
Q2	91 383	19 050	11 848	30 898	23 792	-2 228	143 845	34 095	177 940	34 947	-50	142 943	21 215	1 435	123 163
Q3	92 833	18 918	12 010 [†]	30 928	23 688	-1 351	146 098	34 458	180 556	35 397	-44	145 115	21 445	1 522	125 192
Q4	94 048	18 977	12 185	31 162	23 379	-458	148 131	34 167	182 298	35 773	-35	146 490	21 787	1 648	126 351
1992 Q1	94 565	19 258	12 398	31 656	23 292	-610	148 903	34 399	183 302	36 348	-19	146 935	21 305	1 626	127 256
Q2	95 921	19 866	12 647	32 513	22 905	-416	150 923	34 951	185 874	36 856	-13	149 005	21 431	1 571	129 145
Q3	97 094	19 834	12 801	32 635	22 843	-363	152 209	34 069	186 278	36 473	-9	149 796	21 455	1 613	129 954
Percentage change, latest quarter on previous quarter															
1992 Q3	1.2	-0.2	1.2	0.4	-0.3		0.9	-2.5	0.2	-1.0		0.5	0.1	2.7	0.6
Percentage change, latest quarter on corresponding quarter of previous year															
1992 Q3	4.6	4.8	6.6	5.5	-3.6		4.2	-1.1	3.2	3.0		3.2	0.0	6.0	3.8

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

2 This series is affected by the abolition of domestic rates and the introduction of the community charge.

3 Quarterly alignment adjustment included in this series. For description of adjustment see notes.

A2 Gross domestic product: by category of expenditure¹

continued

£ million

Domestic expenditure on goods and services at market prices														
	General government final consumption				Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress ²	Total	Exports of goods and services	Total final expenditure	Imports of goods and services	Statistical discrepancy (expenditure)	Gross domestic product at market prices	less Factor cost adjustment ³	Gross domestic product at factor cost
	Consumers' expenditure	Central government	Local authorities	Total										
Revalued at 1985 prices														
	CCBH	DJDK	DJDL	DJCZ	DFDM	DHBK	DIEL	DJCV	DJDA	DJCY	GIXS	CAOO	DJCU	CAOP
1985	218 947	45 879	27 926	73 805	60 353	821	353 926	102 208	456 134	98 866	—	357 268	49 367	307 901
1986	232 966	46 684	28 422	75 106	61 813	737	370 652	107 052	477 704	105 662	—	372 042	52 312	319 730
1987	245 823	46 753	29 281	76 034	67 753	1 158	390 768	113 094	503 862	113 916	—	389 946	55 539	334 407
1988	264 096	46 942	29 544	76 486	77 395	4 010	421 987	112 989	534 976	127 845	—	407 131	57 727	349 404
1989	272 917	47 365	29 819	77 184	82 997	2 657	435 755	117 256	553 011	137 281	—	415 730	59 032	356 698
1990	274 744	48 627	31 062	79 689	80 464	-1 110	433 787	123 049	556 836	138 720	-207	417 909	58 929	358 980
1991	269 168 [†]	49 719 [†]	32 108 [†]	81 827 [†]	72 317 [†]	-3 444 [†]	419 868 [†]	123 263 [†]	543 131 [†]	134 447 [†]	-131 [†]	408 553 [†]	58 383 [†]	350 170 [†]
Unadjusted														
1989 Q1	64 793	12 138	7 452	19 590	21 301	815	106 499	27 924	134 423	33 434	—	—	14 066	—
Q2	66 368	11 315	7 412	18 727	19 659	1 457	106 211	28 781	134 992	35 020	—	—	14 018	—
Q3	69 549	11 834	7 434	19 268	20 482	815	110 114	29 164	139 278	35 189	—	—	15 158	—
Q4	72 207	12 078	7 521	19 599	21 555	-430	112 931	31 387	144 318	33 638	—	—	15 790	—
1990 Q1	65 981	12 463	7 588	20 051	21 817	-118	107 731	30 064	137 795	34 402	—	—	14 491	—
Q2	67 123	11 947	7 728	19 675	19 465	347	106 610	31 080	137 690	35 414	—	—	14 303	—
Q3	69 651	11 863	7 810	19 673	19 492	651	109 467	29 820	139 287	34 979	—	—	14 927	—
Q4	71 989	12 354	7 936	20 290	19 690	-1 990	109 979	32 085	142 064	33 925	—	—	15 208	—
1991 Q1	65 209 [†]	12 518 [†]	7 982	20 500 [†]	19 048 [†]	-1 092	103 665 [†]	28 581 [†]	132 246 [†]	32 152 [†]	—	—	14 121 [†]	—
Q2	65 098	12 387	8 026	20 413	16 800	-330 [†]	101 981	30 974	132 955	33 867	—	—	13 868	—
Q3	68 003	12 293	8 022	20 315	17 778	111	106 207	30 914	137 121	34 448	—	—	14 847	—
Q4	70 858	12 521	8 078 [†]	20 599	18 691	-2 133	108 015	32 794	140 809	33 980	—	—	15 547	—
1992 Q1	63 885	12 643	8 115	20 758	18 910	-372	103 181	30 097	133 278	34 173	—	—	13 995	—
Q2	65 072	12 221	8 133	20 354	16 838	-492	101 772	31 394	133 166	35 876	—	—	13 653	—
Q3	68 136	12 093	8 090	20 183	17 924	589	106 832	30 834	137 666	36 251	—	—	14 446	—
Seasonally adjusted														
	CAAB	DAIV	DAIW	DIAT	DECU	DGBA	DIAY	DJDG	DIAU	DJDJ	—	DIAS	—	—
1989 Q1	67 546	11 704	7 410	19 114	20 974	1 281	108 915	28 803	137 718	34 481	—	103 237	14 422	88 815
Q2	68 370	11 636	7 394	19 030	20 773	1 030	109 203	28 703	137 906	34 231	—	103 675	14 785	88 890
Q3	68 274	12 105	7 492	19 597	20 572	1 112	109 555	29 463	139 018	34 791	—	104 227	14 890	89 337
Q4	68 727	11 920	7 523	19 443	20 678	-766	108 082	30 287	138 369	33 778	—	104 591	14 935	89 656
1990 Q1	68 673	12 058	7 550	19 608	21 255	-295	109 241	30 915	140 156	35 049	-36	105 071	14 848	90 223
Q2	69 121	12 268	7 718	19 986	20 511	43	109 661	31 271	140 932	35 321	-48	105 563	15 039	90 524
Q3	68 547	12 114	7 860	19 974	19 734	40	108 295	30 301	138 596	34 403	-58	104 135	14 672	89 463
Q4	68 403	12 187	7 934	20 121	18 964	-898	106 590	30 562	137 152	33 947	-65	103 140	14 370	88 770
1991 Q1	67 960 [†]	12 195 [†]	7 951	20 146 [†]	18 530 [†]	-824 [†]	105 812 [†]	29 921 [†]	135 733 [†]	33 092 [†]	-41 [†]	102 600 [†]	14 511 [†]	88 089 [†]
Q2	67 126	12 731	8 016	20 747	17 902	-1 261	104 514	30 941	135 455	33 559	-35	101 861	14 527	87 334
Q3	67 046	12 485	8 067	20 552	17 976	-807	104 767	31 165	135 932	33 798	-31	102 103	14 626	87 477
Q4	67 036	12 308	8 074 [†]	20 382	17 909	-552	104 775	31 236	136 011	33 998	-24	101 989	14 719	87 270
1992 Q1	66 694	12 330	8 088	20 418	18 115	-290	104 937	31 243	136 180	34 884	-13	101 283	14 388	86 895
Q2	67 017	12 509	8 123	20 632	17 965	-476	105 138	31 711	136 849	35 788	-9	101 052	14 271	86 781
Q3	67 271	12 265	8 119	20 384	17 956	-201	105 410	31 412	136 822	35 699	-6	101 117	14 256	86 861
Percentage change, latest quarter on previous quarter														
1992 Q3	0.4	-2.0	0.0	-1.2	-0.1	—	0.3	-0.9	0.0	-0.2	—	0.1	-0.1	0.1 [†]
Percentage change, latest quarter on corresponding quarter of previous year														
1992 Q3	0.3	-1.8	0.6	-0.8	-0.1	—	0.6	0.8	0.7	5.6	—	-1.0	-2.5	-0.7

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

2 Quarterly alignment adjustment included in this series. For description of adjustment see notes.

3 Represents Taxes on expenditure less Subsidies, both valued at 1985 prices.

A3 Gross domestic product at factor cost: by category of income¹

£ million

	Income from employment ²	Gross trading profits of companies ^{3,4,5,6}	Gross trading surplus of public corporations ^{4,6}	Gross trading surplus of general government enterprises ⁴	Other income ⁷	Total domestic income ⁸	less Stock appreciation	Statistical discrepancy (income)	Gross domestic product at factor cost
At current prices									
	DJAO	CIAC	ADRD	DJAO	DJAP	DJAU	DJAT	GIXQ	CAOM
1985	196 858	51 287	7 120	265	55 109	310 639	2 738	—	307 901
1986	212 374	47 312	8 059	155	62 020	329 920	1 790	—	328 130
1987	229 836	59 177	6 802	—75	69 584	365 324	4 725	—	360 599
1988	255 625	63 375	7 354	—32	81 150	407 472	6 345	—	401 127
1989	282 919	67 142	6 418	199	91 893	448 571	7 435	—	441 136
1990	311 745	65 588	4 342	12	103 725	485 412	6 288	328	479 452
1991	330 598 [†]	60 674	3 119	119	105 686 [†]	500 196 [†]	2 826 [†]	—49 [†]	497 321 [†]
Unadjusted									
1989 Q1	67 718	16 934	1 995	110	22 007	108 764	2 016		
Q2	69 763	16 269	1 497	—53	22 674	110 150	2 082		
Q3	71 449	16 452	1 126	61	23 279	112 367	1 472		
Q4	73 989	17 487	1 800	81	23 933	117 290	1 865		
1990 Q1	74 862	16 406	1 203	32	25 046	117 549	1 736		
Q2	77 477	15 860	1 042	—12	25 935	120 302	1 661		
Q3	78 975	16 492	807	43	26 290	122 607	1 669		
Q4	80 431	16 830	1 290	—51	26 454	124 954	1 222		
1991 Q1	80 729 [†]	14 710	915	—6	26 103 [†]	122 451 [†]	865		
Q2	82 135	14 314	783	—5	26 367	123 594	1 120 [†]		
Q3	83 313	14 248	647	62	26 501	124 771	218		
Q4	84 421	17 402	774	68	26 715	129 380	623		
1992 Q1	85 369	14 690 [†]	494	28	26 898	127 479	1 086		
Q2	85 451	15 492	752 [†]	61 [†]	27 147	128 903	801		
Q3	86 024	15 102	644	98	27 290	129 158	214		
Seasonally adjusted									
	DIAC	CIAD	ADRO		DJBH	DIAD	DJCE		
1989 Q1	68 258	17 478	1 745	110	22 008	109 599	2 018	—	107 581
Q2	69 815	17 037	1 668	—53	22 690	111 157	2 067	—	109 090
Q3	71 371	16 686	1 530	61	23 256	112 904	1 533	—	111 371
Q4	73 475	15 941	1 475	81	23 939	114 911	1 817	—	113 094
1990 Q1	75 419	16 377	930	32	25 067	117 825	1 629	73	116 269
Q2	77 554	16 220	1 254	—12	25 928	120 944	1 514	87	119 517
Q3	78 830	16 981	1 185	43	26 262	123 301	1 836	89	121 554
Q4	79 942	16 010	973	—51	26 468	123 342	1 309	79	122 112
1991 Q1	81 426 [†]	14 917 [†]	928	—6	26 139 [†]	123 404 [†]	786	—3 [†]	122 615 [†]
Q2	82 213	14 877	755	—5	26 321	124 161	982 [†]	—16	123 163
Q3	83 097	15 212	725	62	26 481	125 577	366	—19	125 192
Q4	83 862	15 668	711	68	26 745	127 054	692	—11	126 351
1992 Q1	86 130	14 397	506	28	26 962	128 023	813	46	127 256
Q2	85 516	16 263	721 [†]	61 [†]	27 056	129 617	534	62	129 145
Q3	85 767	16 382	723	98	27 280	130 250	369	73	129 954
Percentage change, latest quarter on previous quarter									
1992 Q3	0.3	0.7	0.3		0.8	0.5			0.6
Percentage change, latest quarter on corresponding quarter of previous year									
1992 Q3	3.2	7.7	—0.3		3.0	3.7			3.8

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

2 Wages and salaries, forces' pay and employers' contributions.

3 Quarterly alignment adjustment included in this series. For description of adjustment see Notes.

4 Before providing for depreciation and stock appreciation.

5 Including financial institutions.

6 Figures reflect privatisations.

7 Income from rent and from self-employment, and the imputed charge for the consumption of non-trading capital.

8 The sum of the factor incomes before deducting Stock appreciation.

A4 Index numbers of output at constant factor cost¹

1985 = 100

Analysis by categories of output

	Production					Service industries ²					Gross domestic product at factor cost ³	Gross domestic product excl. oil and gas extraction
	Agriculture, forestry and fishing	Oil and gas extraction	Other energy and water	Manufacturing	Total ²	Construction	Distribution hotels and catering	Transport and communication	Other services	Total		
1985 Weights	19	62	44	238	344	59	134	70	374	578		
	CKAP	DVIP	DVWA	DVIS	DVIM	DVJO	CKAQ	CKAR	CKAS	CKCE	DJDD	CKJL
1985	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1986	100.1	101.2	110.2	101.3	102.4	104.1	105.5	104.3	103.6	104.1	103.8	103.6
1987	97.0	98.6	111.3	106.6	105.7	112.9	112.5	112.5	108.1	109.6	108.6	108.8
1988	95.5	90.1	112.3	114.1	109.5	125.6	120.1	119.4	112.0	114.8	113.5	114.8
1989	101.0	73.4	112.2	119.0	109.9	133.0	123.3	125.6	114.4	117.8	115.8	118.4
1990	106.3	73.4	110.5	118.4	109.3	134.3	122.2	128.1	116.3	119.1	116.6	119.2
1991	109.1	75.0	116.7	112.2	106.1	122.6	118.3	123.9	115.4	117.1	113.7 [†]	116.1
Seasonally adjusted												
1989 Q1	101	72.2	112.5	118.9	109.7	134.2	123	123	114	117.0	115.4	118.0
Q2	101	66.4	115.9	118.8	109.0	133.9	123	125	114	117.6	115.5	118.5
Q3	102	76.2	110.9	119.1	110.3	131.2	123	127	114	118.0	116.1	118.5
Q4	101	78.6	109.7	119.0	110.5	132.6	123	127	115	118.6	116.5	118.8
1990 Q1	104	75.5	106.0	119.5	109.8	138.0	124	129	116	119.5	117.2	119.7
Q2	106	80.3	109.6	120.3	111.7	135.7	123	129	116	119.3	117.6	119.8
Q3	108	67.6	111.6	118.8	108.6	133.2	122	128	116	118.9	116.2	119.2
Q4	107	70.2	114.8	115.2	107.0	130.3	120	127	117	118.6	115.3	118.1
1991 Q1	108	74.4	115.6 [†]	113.4	106.7	127.1	119	123	116	117.5	114.4 [†]	116.9
Q2	109	68.0	118.9	112.4 [†]	105.2	123.2	118	124	116	117.1	113.5	116.2
Q3	111	77.7	113.8	112.3	106.3	120.9	118	124	115	117.0	113.6	115.8
Q4	109	79.7	118.3	110.8	106.2	119.2	118	125	115	116.8	113.4	115.4
1992 Q1	105	76.1	115.3	111.1	105.3	118.5	116	126 [†]	115	116.8 [†]	112.9	115.1
Q2	106 [†]	72.7 [†]	114.0	111.6	104.9 [†]	116.3 [†]	117	126	115	117.0	112.7	115.2
Q3	106	77.7	114.1	111.4	105.7	115.2	117	125	115	116.9	112.8	115.0
Percentage change, latest quarter on previous quarter												
1992 Q3	0.9	6.9	0.2	-0.2	0.8	-1.0	0.1	-0.9	-0.1	-0.2	0.1	-0.3
Percentage change, latest quarter on corresponding quarter of previous year												
1992 Q3	-3.7	0.0	0.3	-0.8	-0.6	-4.7	-0.7	0.8	-0.1	-0.1	-0.6	-0.8

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

2 Any differences between this column and the data on page 28 arise because the latter may be based on later information.

3 Embraces an implicit statistical discrepancy compared with the sum of the previous columns, because GDP takes account of other information based on incomes and expenditures.

A5 Personal income, expenditure and saving

£ million

	Personal income before tax										Total personal disposable income 2,3,4	Cons-umers' expend-iture 4	Balance: personal saving 3	Saving ratio 5	Cons-umers' expend-iture implied deflator (1985=100) 4	Real personal disposable income at 1985 prices (£mn) 6	Index of real personal disposable income (1985=100)
	Wages, salaries and forces' pay	Employ-ers' contri-butions	Current grants from general government	Other personal income	Total 1	less UK taxes on income (pay-ments)	less Social security contri-butions	less Miscell-aneous current deduc-tions	less Community charge								
	AIJA	AIID	AIIE	AIIF	AIIA	AIIG	AIIH	CFGD	ADBH	AIIJ	AIIK	AAAU	AIIM	CAOV	CFAG	CFAD	
1985	170 364	26 494	46 813	64 815	308 486	37 774	24 210	1 684	-	244 818	218 947	25 871	10.6	100.0	244 818	100.0	
1986	184 581	27 793	50 984	71 345	334 703	40 805	26 165	1 909	-	265 824	243 030	22 794	8.6	104.3	254 849	104.1	
1987	200 413	29 423	52 494	78 920	361 250	43 386	28 642	2 128	-	287 094	267 523	19 571	6.8	108.8	263 807	107.8	
1988	223 753	31 872	54 087	92 901	402 613	48 272	32 106	2 347	-	319 888	302 057	17 831	5.6	114.4	279 686	114.2	
1989	248 568	34 351	56 793	103 864	443 576	53 579	32 902	2 441	586	354 068	330 532	23 536	6.6	121.1	292 350	119.4	
1990	274 903	36 842	62 002	115 732	489 479	61 520	34 651	2 569	8 629	382 110	350 411	31 699	8.3	127.5	299 598	122.4	
1991	289 381†	41 217†	71 874†	117 043†	519 515†	63 730†	36 643	2 585†	8 162	408 395†	368 043†	40 352†	9.7†	136.7	298 679†	122.0†	
Unadjusted																	
1989 Q1	59 463	8 255	13 450	24 283	105 451	12 579	8 274	603	-	83 995	76 746	7 249	8.6	118.4	70 895	115.8	
Q2	61 268	8 495	14 220	25 707	109 690	12 354	8 376	610	195	88 155	80 234	7 921	9.0	120.9	72 902	119.1	
Q3	62 787	8 662	14 351	26 671	112 471	13 701	8 135	635	195	89 805	85 121	4 684	5.2	122.4	73 358	119.9	
Q4	65 050	8 939	14 772	27 203	115 964	14 945	8 117	593	196	92 113	88 431	3 682	4.0	122.5	75 195	122.9	
1990 Q1	66 007	8 855	14 616	27 242	116 720	14 828	8 553	659	196	92 484	82 878	9 606	10.4	125.6	73 613	120.3	
Q2	68 371	9 106	15 417	27 861	120 755	14 281	8 805	665	2 811	94 193	85 017	9 176	9.7	126.7	74 352	121.5	
Q3	69 660	9 315	15 641	30 042	124 658	16 004	8 569	635	2 811	96 639	89 616	7 023	7.3	128.7	75 093	122.7	
Q4	70 865	9 566	16 328	30 587	127 346	16 407	8 724	610	2 811	98 794	92 900	5 894	6.0	129.0	76 540	125.1	
1991 Q1	70 908†	9 821†	16 418†	28 160†	125 307†	16 127†	9 356	654	2 812	96 358†	85 820†	10 538†	10.9†	131.6†	73 198†	119.6†	
Q2	71 963	10 172	17 875	28 891	128 901	14 958	9 200	656†	1 783	102 304	89 342	12 962	12.7	137.2	74 525	121.8	
Q3	72 837	10 476	18 437	29 551	131 301	16 163	8 960	625	1 784	103 769	94 612	9 157	8.8	139.1	74 567	121.8	
Q4	73 673	10 748	19 144	30 441	134 006	16 482	9 127	650	1 783	105 964	98 269	7 695	7.3	138.7	76 389	124.8	
1992 Q1	74 780	10 589	19 343	29 867	134 579	18 269	9 855†	671	1 784	104 000	90 306	13 694	13.2	141.4	73 573	120.2	
Q2	74 745	10 706	20 448	30 848	136 747	14 929	9 386	580	2 046	109 806	94 024	15 782	14.4	144.5	75 994	124.2	
Q3	74 661	11 363	20 635	32 458	139 117	16 390	9 073	595	2 046	111 013	98 941	12 072	10.9	145.2	76 449	124.9	
Seasonally adjusted																	
	AIJB	AIIR	AIIS	AIIT	AIIQ	AIIU	AIIV	CFGE		AIIW	AIIX	AAUU	AIIZ	CAOX	CFAH	CFAF	
1989 Q1	59 916	8 342	13 696	25 054	107 008	12 690	8 318	594	-	85 406	80 182	5 224	6.1	118.7	71 952	117.6	
Q2	61 275	8 540	14 242	25 678	109 735	13 090	8 347	605	195	87 498	82 046	5 452	6.2	120.0	72 918	119.1	
Q3	62 772	8 599	14 312	26 480	112 163	13 610	8 112	634	195	89 612	83 140	6 472	7.2	121.8	73 594	120.2	
Q4	64 605	8 870	14 543	26 652	114 670	14 189	8 125	608	196	91 552	85 164	6 388	7.0	123.9	73 886	120.7	
1990 Q1	66 455	8 964	14 943	28 027	118 389	14 766	8 596	647	196	94 184	86 549	7 635	8.1	126.0	74 741	122.1	
Q2	68 394	9 160	15 374	27 906	120 834	15 292	8 779	658	2 811	93 294	86 942	6 352	6.8	125.8	74 181	121.2	
Q3	69 595	9 235	15 579	29 776	124 185	15 747	8 543	637	2 811	96 447	87 789	8 658	9.0	128.1	75 317	123.1	
Q4	70 459	9 483	16 106	30 023	126 071	15 715	8 733	627	2 811	98 185	89 131	9 054	9.2	130.3	75 359	123.1	
1991 Q1	71 391†	10 035†	16 743†	28 727†	126 896†	15 707†	9 391†	641†	2 812	98 345†	89 779†	8 566†	8.7†	132.1†	74 456†	121.7	
Q2	71 972	10 241	17 706	29 585	129 504	16 242	9 178	654	1 783	101 647	91 383	10 264	10.1	136.1	74 677	122.0†	
Q3	72 764	10 333	18 464	29 274	130 835	15 965	8 936	617	1 784	103 533	92 833	10 700	10.3	138.5	74 786	122.2	
Q4	73 254	10 608	18 961	29 457	132 280	15 816	9 138	673	1 783	104 870	94 048	10 822	10.3	140.3	74 760	122.1	
1992 Q1	75 286	10 844	19 653	30 679	136 462	17 381	9 888	656	1 784	106 753	94 565	12 188	11.4	141.8	75 290	123.0	
Q2	74 750	10 766	20 207	31 267	136 990	16 729	9 368	580	2 046	108 267	95 921	12 346	11.4	143.1	75 643	123.6	
Q3	74 582	11 185	20 826	31 999	138 592	16 240	9 049	593	2 046	110 664	97 094	13 570	12.3	144.3	76 673	125.3	
Percentage change, latest quarter on previous quarter																	
1992 Q3	-0.2	3.9	3.1	2.3	1.2	-2.9	-3.4	2.2	0.0	2.2	1.2			0.8	1.4	1.4	
Percentage change, latest quarter on corresponding quarter of previous year																	
1992 Q3	2.5	8.2	12.8	9.3	5.9	1.7	1.3	-3.9	14.7	6.9	4.6			4.2	2.5	2.5	

1 Before providing for depreciation and stock appreciation.

2 Equals total personal income before tax less payments of taxes on income, social security contributions and other current transfers.

3 Before providing for depreciation, stock appreciation and additions to tax reserves.

4 This series is affected by the abolition of domestic rates and the introduction of the community charge (see notes at the end of the article).

5 Personal saving as a percentage of total personal disposable income.

6 Personal disposable income revalued by the implied consumers' expenditure deflator (1985 = 100).

A6 Consumers' expenditure

£ million

	Durable goods					Other goods								Services			Total consumers' expenditure ¹
	Cars, motor cycles and other vehicles	Furniture and floor coverings	Other durable goods	Total	Food (household expenditure)	Beer	Other alcoholic drink	Tobacco	Clothing other than footwear	Footwear	Energy products	Other goods	Total	Rent, rates and water charges ¹	Other services ²		
At current prices																	
1985	CCDT	CCDU	CCDV	AIIL	CCDW	CCDX	CCDY	CCDZ	CCEA	CCEB	CCEC	CCED	CDGM	CCEE	CCEF	AIIL	
1985	9 853	4 193	6 120	20 166	30 657	8 416	7 235	7 006	12 132	2 780	18 578	23 054	109 858	27 382	61 541	218 947	
1986	11 485	4 514	6 837	22 836	32 561	8 902	7 502	7 471	13 663	2 998	18 243	26 110	117 450	29 987	72 757	243 030	
1987	13 429	5 059	7 750	26 238	34 429	9 398	8 053	7 653	14 599	3 085	18 678	28 893	124 788	32 747	83 750	267 523	
1988	17 384	6 180	8 612	32 176	36 587	10 039	8 715	7 945	15 824	3 210	19 343	32 718	134 381	36 422	99 078	302 057	
1989	19 926	6 434	8 983	35 343	39 264	10 677	9 132	8 175	16 543	3 400	20 518	36 388	144 097	40 239	110 853	330 532	
1990	18 877	6 205	9 164	34 246	41 869	11 745	9 993	8 683	17 196	3 679	22 493	38 641	154 299	38 895	122 971	350 411	
1991	16 039 [†]	6 360	9 482	31 881 [†]	44 072 [†]	12 852 [†]	10 780	9 717 [†]	17 309	3 725	25 065	40 556 [†]	164 076	42 540 [†]	129 546 [†]	368 043 [†]	
Unadjusted																	
1989 Q1	5 424	1 691	2 087	9 202	9 154	2 146	1 677	1 998	3 371	691	5 441	7 970	32 448	9 661	25 435	76 746	
Q2	4 954	1 492	1 877	8 323	9 947	2 682	1 963	2 028	3 770	865	4 827	8 486	34 568	10 046	27 297	80 234	
Q3	6 575	1 477	2 091	10 143	9 836	2 802	2 097	2 043	3 880	862	4 308	8 703	34 531	10 171	30 276	85 121	
Q4	2 973	1 774	2 928	7 675	10 327	3 047	3 395	2 106	5 522	982	5 942	11 229	42 550	10 361	27 845	88 431	
1990 Q1	5 377	1 685	2 139	9 201	9 774	2 260	1 773	2 032	3 522	753	5 881	8 662	34 657	10 579	28 441	82 878	
Q2	4 524	1 453	1 955	7 932	10 716	2 955	2 164	2 174	3 965	938	5 034	9 129	37 075	9 212	30 798	85 017	
Q3	6 251	1 408	2 133	9 792	10 426	3 138	2 323	2 216	4 086	948	4 951	9 227	37 315	9 429	33 080	89 616	
Q4	2 725	1 659	2 937	7 321	10 953	3 392	3 733	2 261	5 623	1 040	6 627	11 623	45 252	9 675	30 652	92 900	
1991 Q1	4 544 [†]	1 685	2 239	8 468 [†]	10 297	2 480 [†]	1 932	2 189	3 545	766	6 816	9 056 [†]	37 081	9 853 [†]	30 418 [†]	85 820 [†]	
Q2	3 428	1 494	1 999	6 921	11 219	3 128	2 372	2 477	3 954	936	5 823	9 585	39 494	10 651	32 276	89 342	
Q3	5 655	1 488	2 155	9 298	11 131 [†]	3 496	2 507	2 506 [†]	4 054	956	5 249	9 724	39 623	10 886	34 805	94 612	
Q4	2 412	1 693	3 089	7 194	11 425	3 748	3 969	2 545	5 756	1 067	7 177	12 191	47 878	11 150	32 047	98 269	
1992 Q1	4 300	1 725	2 203	8 228	10 697	2 662	2 135 [†]	2 453	3 382	736	7 113 [†]	9 389	38 567	11 432	32 079	90 306	
Q2	3 671	1 531 [†]	1 964 [†]	7 166	11 565	3 490	2 569	2 630	3 934 [†]	956 [†]	5 730	10 112	40 986	12 194	33 678	94 024	
Q3	5 647	1 632	2 180	9 459	11 409	3 493	2 683	2 656	4 103	1 020	5 337	10 021	40 722	12 414	36 346	98 941	
Seasonally adjusted																	
1989 Q1	CCEH	CCEI	CCEJ	AIIL	CCEK	CCEL	CCEM	CCEN	CCEO	CCEP	CCEQ	CCER	CDGN	CCES	CCET	AIIL	
1989 Q1	4 908	1 623	2 211	8 742	9 561	2 627	2 249	2 052	4 065	843	4 772	8 776	34 945	9 817	26 678	80 182	
Q2	5 183	1 597	2 248	9 028	9 763	2 665	2 254	2 016	4 129	854	5 356	8 970	36 007	9 864	27 147	82 046	
Q3	4 944	1 589	2 260	8 793	9 833	2 668	2 293	2 031	4 138	849	5 045	9 157	36 014	10 127	28 206	83 140	
Q4	4 891	1 625	2 264	8 780	10 107	2 717	2 336	2 076	4 211	854	5 345	9 485	37 131	10 431	28 822	85 164	
1990 Q1	4 888	1 600	2 257	8 745	10 224	2 788	2 384	2 092	4 252	915	5 221	9 516	37 392	10 713	29 699	86 549	
Q2	4 804	1 557	2 329	8 690	10 477	2 941	2 487	2 157	4 326	923	5 549	9 659	38 519	9 079	30 654	86 942	
Q3	4 668	1 520	2 304	8 492	10 439	2 986	2 542	2 203	4 349	933	5 782	9 696	38 930	9 387	30 980	87 789	
Q4	4 517	1 528	2 274	8 319	10 729	3 030	2 580	2 231	4 269	908	5 941	9 770	39 458	9 716	31 638	89 131	
1991 Q1	4 143 [†]	1 584 [†]	2 369	8 096 [†]	10 776 [†]	3 068 [†]	2 592 [†]	2 263 [†]	4 295 [†]	927 [†]	6 028 [†]	9 945 [†]	39 894	10 002 [†]	31 787 [†]	89 779 [†]	
Q2	3 660	1 612	2 382 [†]	7 654	10 951	3 117	2 716	2 456	4 320	924	6 478	10 123	41 085	10 484	32 160	91 383	
Q3	4 227	1 609	2 335	8 171	11 120	3 326	2 733	2 489	4 324	939	6 122	10 239	41 292	10 845	32 525	92 833	
Q4	4 009	1 555	2 396	7 960	11 225	3 341	2 739	2 509	4 370	935	6 437	10 249	41 805	11 209	33 074	94 048	
1992 Q1	3 897	1 619	2 331	7 847	11 186	3 286	2 857	2 537	4 099	888	6 338	10 276	41 467	11 607	33 644	94 565	
Q2	3 897	1 660	2 336	7 893	11 290	3 462	2 922	2 603	4 295	952	6 302	10 619	42 445	11 995	33 588	95 921	
Q3	4 186	1 737	2 377	8 300	11 406	3 308	2 907	2 635	4 347	984	6 297	10 534	42 418	12 365	34 011	97 094	
Percentage change, latest quarter on previous quarter																	
1992 Q3	7.4	4.6	1.8	5.2	1.0	-4.4	-0.5	1.2	1.2	3.4	-0.1	-0.8	-0.1	3.1	1.3	1.2	
Percentage change, latest quarter on corresponding quarter of previous year																	
1992 Q3	-1.0	8.0	1.8	1.6	2.6	-0.5	6.4	5.9	0.5	4.8	2.9	2.9	2.7	14.0	4.6	4.6	

1 This series is affected by the abolition of domestic rates and the introduction of the community charge (see notes at the end of the article).

2 Including the adjustments for international travel, etc and final expenditure by private non-profit-making bodies.

A6 Consumers' expenditure

continued

£ million

	Durable goods					Other goods									Services			Total consumers' expenditure
	Cars, motor cycles and other vehicles	Furniture and floor coverings	Other durable goods	Total	Food (household expenditure)	Beer	Other alcoholic drink	Tobacco	Clothing other than footwear	Footwear	Energy products	Other goods	Total	Rent, rates and water charges	Other services ¹			
Revalued at 1985 prices																		
1985	CCBJ	CCBK	CCBL	CCBI	CCBM	CCBN	CCBO	CCBP	CCBQ	CCBR	CCBS	CCCK	CCYV	CCCL	CCBV	CCBH		
1985	9 853	4 193	6 120	20 166	30 657	8 416	7 235	7 006	12 132	2 780	18 578	23 054	109 858	27 382	61 541	218 947		
1986	10 735	4 336	7 029	22 100	31 541	8 406	7 293	6 813	13 327	2 893	19 299	25 068	114 640	27 771	68 485	232 996		
1987	11 241	4 736	8 102	24 079	32 324	8 483	7 541	6 763	14 031	2 902	19 767	26 867	118 678	28 155	74 911	245 823		
1988	12 907	5 581	9 000	27 488	33 125	8 540	7 861	6 780	14 717	2 904	20 352	29 325	123 604	28 533	84 471	264 096		
1989	14 011	5 551	9 390	28 952	33 732	8 532	7 845	6 780	14 640	2 926	20 357	31 161	125 973	28 928	89 064	272 917		
1990	13 060	5 066	9 438	27 564	33 337	8 515	7 844	6 714	14 627	2 989	20 616	31 211	125 853	29 342	91 985	274 744		
1991	10 507 [†]	4 893	9 658	25 058 [†]	33 406 [†]	8 259 [†]	7 616	6 549 [†]	14 410	2 895	21 331	30 522 [†]	124 988	29 701 [†]	89 421 [†]	269 168 [†]		
Unadjusted																		
1989 Q1	3 884	1 485	2 196	7 565	8 025	1 758	1 472	1 668	3 081	607	5 549	6 963	29 123	7 194	20 911	64 793		
Q2	3 475	1 289	1 961	6 725	8 611	2 175	1 699	1 690	3 327	750	4 733	7 286	30 271	7 219	22 153	66 368		
Q3	4 650	1 273	2 188	8 111	8 480	2 225	1 785	1 701	3 461	743	4 294	7 408	30 097	7 245	24 096	69 549		
Q4	2 002	1 504	3 045	6 551	8 616	2 374	2 889	1 721	4 771	826	5 781	9 504	36 482	7 270	21 904	72 207		
1990 Q1	3 822	1 415	2 226	7 463	7 907	1 739	1 470	1 653	3 078	628	5 705	7 154	29 334	7 297	21 887	65 981		
Q2	3 145	1 192	2 003	6 340	8 536	2 169	1 705	1 674	3 369	768	4 721	7 395	30 337	7 322	23 124	67 123		
Q3	4 294	1 143	2 196	7 633	8 301	2 235	1 791	1 690	3 516	771	4 436	7 409	30 149	7 348	24 521	69 651		
Q4	1 799	1 316	3 013	6 128	8 593	2 372	2 878	1 697	4 664	822	5 754	9 253	36 033	7 375	22 453	71 989		
1991 Q1	3 094 [†]	1 343	2 336	6 773 [†]	7 855	1 705 [†]	1 447	1 621	3 042	607	6 037	7 020 [†]	29 334	7 395 [†]	21 707 [†]	65 209 [†]		
Q2	2 235	1 146	2 007 [†]	5 388	8 509	2 016	1 668	1 634 [†]	3 265	722	4 959	7 181	29 954	7 416	22 340	65 098		
Q3	3 679	1 139	2 185	7 003	8 463 [†]	2 201	1 740	1 648	3 435	746	4 393	7 218	29 844	7 435	23 721	68 003		
Q4	1 499	1 265	3 130	5 894	8 579	2 337	2 761	1 646	4 668	820	5 942	9 103	35 856	7 455	21 653	70 858		
1992 Q1	2 755	1 307	2 241	6 303	7 891	1 648	1 454 [†]	1 573	2 868	573	5 936 [†]	6 839	28 782	7 470	21 330	63 885		
Q2	2 305	1 138 [†]	2 001	5 444	8 589	2 121	1 718	1 589	3 238 [†]	741	4 725	7 268	29 989	7 486	22 153	65 072		
Q3	3 530	1 225	2 275	7 030	8 571	2 092	1 780	1 606	3 476	803	4 475	7 153	29 956	7 501	23 649	68 136		
Seasonally adjusted																		
1989 Q1	CCBX	CCBY	CCBZ	CCBW	CCCA	CCCB	CCCC	CCCD	CCCE	CCCF	CCCG	CCCM	CCYW	CCCN	CCCJ	CAAB		
1989 Q1	3 497	1 419	2 318	7 234	8 438	2 134	1 964	1 697	3 674	739	4 861	7 655	31 162	7 194	21 956	67 546		
Q2	3 636	1 384	2 358	7 378	8 499	2 160	1 961	1 699	3 656	740	5 252	7 731	31 698	7 219	22 075	68 370		
Q3	3 491	1 364	2 359	7 214	8 388	2 122	1 957	1 691	3 636	725	5 008	7 797	31 324	7 245	22 491	68 274		
Q4	3 387	1 384	2 355	7 126	8 407	2 116	1 963	1 693	3 674	722	5 236	7 978	31 789	7 270	22 542	68 727		
1990 Q1	3 444	1 337	2 339	7 120	8 333	2 118	1 962	1 683	3 673	761	5 027	7 855	31 412	7 297	22 844	68 673		
Q2	3 341	1 281	2 398	7 020	8 387	2 158	1 966	1 682	3 693	756	5 203	7 860	31 705	7 322	23 074	69 121		
Q3	3 199	1 229	2 368	6 796	8 234	2 129	1 960	1 680	3 682	750	5 200	7 791	31 426	7 348	22 977	68 547		
Q4	3 076	1 219	2 333	6 628	8 383	2 110	1 956	1 669	3 579	722	5 186	7 705	31 310	7 375	23 090	68 403		
1991 Q1	2 803 [†]	1 257 [†]	2 454 [†]	6 514 [†]	8 304 [†]	2 083 [†]	1 927 [†]	1 653 [†]	3 639 [†]	732 [†]	5 297 [†]	7 727 [†]	31 362	7 395 [†]	22 689 [†]	67 960 [†]		
Q2	2 394	1 240	2 411	6 045	8 338	2 004	1 915	1 641	3 587	713	5 525	7 630	31 353	7 416	22 312	67 126		
Q3	2 743	1 227	2 365	6 335	8 401	2 094	1 897	1 636	3 600	726	5 145	7 605	31 104	7 435	22 172	67 046		
Q4	2 567	1 169	2 428	6 164	8 363	2 078	1 877	1 619	3 584	724	5 364	7 560	31 169	7 455	22 248	67 036		
1992 Q1	2 474	1 220	2 351	6 045	8 346	2 017	1 944	1 604	3 437	690	5 228	7 519	30 785	7 470	22 394	66 694		
Q2	2 450	1 238	2 410	6 098	8 400	2 109	1 973	1 596	3 561	741	5 205	7 688	31 273	7 486	22 160	67 017		
Q3	2 603	1 297	2 474	6 374	8 517	1 989	1 940	1 594	3 608	767	5 308	7 552	31 275	7 501	22 121	67 271		
Percentage change, latest quarter on previous quarter																		
1992 Q3	6.2	4.8	2.7	4.5	1.4	-5.7	-1.7	-0.1	1.3	3.5	2.0	-1.8	0.0	0.2	-0.2	0.4		
Percentage change, latest quarter on corresponding quarter of previous year																		
1992 Q3	-5.1	5.7	4.6	0.6	1.4	-5.0	2.3	-2.6	0.2	5.6	3.2	-0.7	0.5	0.9	-0.2	0.3		

¹ Including the adjustments for international travel, etc and final expenditure by private non-profit-making bodies.

A7 Appropriation account of companies and financial institutions¹

£ million

	Income						Allocation of income					
	Income arising in the United Kingdom						Dividends and Interest, etc. ⁴		UK taxes on income (payments) ⁶			
	Gross trading profits						Payments of dividends on ordinary and preference shares		Profits due abroad (net of UK tax)		of which: advance corporation tax	
	After deducting stock appreciation ^{2,3}	Stock appreciation	Before deducting stock appreciation ²	Rent and non-trading income	Income from abroad (net of taxes paid abroad)	Total		Other ⁵		Total		Balance: undistributed income ⁷
	CICS	AIAC	CIAC	CICN	CIAL	CIDB	CIKB	CIDV	CIBU	CIDC	CICR	CIDA
1985	49 132	2 155	51 287	27 902	14 813	94 002	7 250	25 414	7 563	16 450	3 865	37 325
1986	45 802	1 510	47 312	30 279	15 027	92 618	8 717	24 482	5 285	14 215	4 217	39 919
1987	55 041	4 136	59 177	33 219	17 486	109 882	11 047	26 472	7 014	15 745	4 869	49 604
1988	58 031	5 344	63 375	37 596	21 361	122 332	14 984	30 436	8 611	17 925	5 693	50 376
1989	60 600	6 542	67 142	51 337	26 542	145 021	18 569	45 983	9 157	22 072	6 782	49 240
1990	60 090	5 498	65 588	60 926	28 055	154 569	20 542	58 722	6 901	21 321	7 661	47 083
1991	58 300	2 374	60 674	58 811 [†]	25 490 [†]	144 975 [†]	22 142 [†]	55 941 [†]	5 575 [†]	17 278 [†]	7 794	44 039 [†]
Unadjusted												
1989 Q1	15 098	1 836	16 934	11 875	6 264	35 073	3 335	10 674	2 132	8 593	2 139	10 339
Q2	14 436	1 833	16 269	12 457	6 770	35 496	5 087	10 589	2 374	2 919	1 243	14 527
Q3	15 175	1 277	16 452	13 170	6 367	35 989	4 783	11 717	1 929	3 954	1 747	13 606
Q4	15 891	1 596	17 487	13 835	7 141	38 463	5 364	13 003	2 722	6 606	1 653	10 768
1990 Q1	14 808	1 598	16 406	14 502	6 046	36 954	3 799	14 730	1 694	7 670	2 624	9 061
Q2	14 456	1 404	15 860	15 013	6 258	37 131	5 065	13 532	1 509	3 262	1 460	13 763
Q3	15 011	1 481	16 492	15 758	8 131	40 381	5 457	15 654	1 915	4 082	1 701	13 273
Q4	15 815	1 015	16 830	15 653	7 620	40 103	6 221	14 806	1 783	6 307	1 876	10 986
1991 Q1	13 990	720	14 710	15 771 [†]	6 140 [†]	36 621 [†]	4 430 [†]	16 093 [†]	1 407 [†]	6 716	2 642	7 975 [†]
Q2	13 361 [†]	953 [†]	14 314	14 777	6 588	35 679	5 218	13 911	1 360	2 295 [†]	1 502	12 895
Q3	14 069	179	14 248	14 260	6 823	35 331	5 679	13 884	1 379	3 073	1 730	11 316
Q4	16 880	522	17 402	14 003	5 939	37 344	6 815	12 053	1 429	5 194	1 920	11 853
1992 Q1	13 688	1 002	14 690 [†]	14 080	6 133	34 903	5 132	13 698	1 611	5 868	2 784	8 594
Q2	14 786	706	15 492	13 392	6 121	35 005	5 940	12 266	1 685	1 931	1 778	13 183
Q3	14 916	186	15 102	13 660	7 153	35 915	5 705	13 938	1 404	2 706	1 949	12 162
Seasonally adjusted												
1989 Q1	CIDE	AIAP	CIAD	CICQ	CIAM	CIDN	CIKI	CIDW	CIBV	CIDO	CIDD	CIDM
Q2	15 668	1 810	17 478	11 786	6 233	35 497	4 572	10 093	2 129	4 852	1 556	13 851
Q3	15 219	1 818	17 037	12 653	6 780	36 470	4 511	11 026	2 479	5 537	1 627	12 917
Q4	15 352	1 334	16 686	13 042	6 351	36 079	4 807	11 702	2 052	6 198	1 840	11 320
Q4	14 361	1 580	15 941	13 856	7 178	36 975	4 679	13 162	2 497	5 485	1 759	11 152
1990 Q1	14 896	1 481	16 377	14 473	6 013	36 863	5 034	13 865	1 726	5 233	1 930	11 005
Q2	14 944	1 276	16 220	15 175	6 268	37 663	4 575	14 152	1 575	5 375	1 913	11 986
Q3	15 353	1 628	16 981	15 605	8 110	40 696	5 433	15 444	1 976	5 523	1 824	12 320
Q4	14 897	1 113	16 010	15 673	7 664	39 347	5 500	15 261	1 624	5 190	1 994	11 772
1991 Q1	14 295 [†]	622	14 917 [†]	15 685 [†]	6 104 [†]	36 706 [†]	5 405 [†]	15 123 [†]	1 453 [†]	4 554 [†]	1 926	10 171 [†]
Q2	14 046	831 [†]	14 877	14 887	6 611	36 375	5 175	14 709	1 394	4 136	1 926	10 961
Q3	14 904	308	15 212	14 209	6 762	36 183	5 714	13 623	1 409	4 112	1 924	11 325
Q4	15 055	613	15 668	14 030	6 013	35 711	5 848	12 486	1 319	4 476	2 018	11 582
1992 Q1	13 648	749	14 397	13 993	6 094	34 484	6 115	12 798	1 678	3 875	2 027	10 018
Q2	15 787	476	16 263	13 551	6 152	35 966	5 943	12 960	1 733	2 987	2 278	12 343
Q3	16 058	324	16 382	13 627	7 077	37 086	5 705	13 489	1 424	3 271	2 264	13 197
Percentage change, latest quarter on previous quarter												
1992 Q3	1.7		0.7	0.6	15.0	3.1	-4.0	4.1	-17.8	9.5	-0.6	
Percentage change, latest quarter on corresponding quarter of previous year												
1992 Q3	7.7		7.7	-4.1	4.7	2.5	-0.2	-1.0	1.1	-20.5	17.7	

1 Figures reflect privatisation of British Telecom with effect from 28 November 1984, British Gas from 3 December 1986, British Airways from 6 February 1987, Royal Ordnance from 22 April 1987, BAA from 16 July 1987, British Steel from 2 December 1988, water companies from 12 December 1989, electricity distribution companies from 11 December 1990, electricity generating companies from 12 March 1991 and Scottish electricity generating companies from 18 June 1991.

2 Quarterly alignment adjustment included in this series. For description of this adjustment, see Notes.

3 Before providing for depreciation.

4 Dividend payments on ordinary and preference shares are net of tax; the advance corporation tax in respect of such payments is included in 'UK taxes on income'. Excludes dividends and debenture interest paid by UK subsidiaries to their overseas parents.

5 Including royalties and licence fees on oil and gas production.

6 Mainly payments of corporation tax (including advance corporation tax), petroleum revenue tax and supplementary petroleum tax.

7 Before providing for depreciation, stock appreciation and additions to reserves.

A8 Appropriation account of Industrial and commercial companies¹

£ million

	Income								Allocation of income				
	Income arising in the United Kingdom								Dividends and interest, etc. ⁴				
	Gross trading profits								Payments of dividends on ordinary and preference shares				
	Net of stock appreciation			Stock appreciation	Before deducting stock appreciation ³	Rent and non-trading income	Income from abroad (net of taxes paid abroad)	Total	Other ⁵	Profits due abroad (net of UK tax)	UK taxes on income (payments) ⁶	Balance: undistributed income ⁷	
	N. Sea oil companies	Other companies	Total ^{2,3}										
	CIDR	CIDS	AIAB	AIAC	AIAD	AIAE	AIAF	AIAG	AIKH	AIAM	AIAN	AIAP	AIAR
1985	18 514	38 961	57 475	2 155	59 630	6 882	8 565	75 077	7 163	12 722	6 403	15 301	33 488
1986	8 421	45 924	54 345	1 510	55 855	7 539	7 840	71 234	8 648	11 886	4 443	12 675	33 582
1987	9 511	53 778	63 289	4 136	67 425	8 021	11 366	86 812	11 123	13 017	6 891	13 386	42 395
1988	6 990	63 910	70 900	5 344	76 244	9 358	13 827	99 429	14 812	15 779	7 777	15 502	45 559
1989	6 763	67 683	74 446	6 542	80 988	12 491	18 124	111 603	19 026	25 232	8 635	19 338	39 372
1990	7 036	70 561	77 597	5 498	83 095	14 939	18 428	116 462	20 671	29 660	7 637	19 027	39 467
1991	6 413	71 357	77 770	2 374	80 144	13 750 [†]	16 270 [†]	110 164 [†]	22 171 [†]	29 088 [†]	6 702 [†]	15 721 [†]	36 482 [†]
Unadjusted													
1989 Q1	1 778	16 570	18 348	1 836	20 184	2 860	4 337	27 381	3 651	5 456	2 006	7 336	8 932
Q2	1 444	16 269	17 713	1 833	19 546	2 997	4 899	27 442	4 801	5 919	2 248	2 704	11 770
Q3	1 532	17 018	18 550	1 277	19 827	3 162	4 048	27 037	5 159	6 556	1 795	3 448	10 079
Q4	2 009	17 826	19 835	1 596	21 431	3 472	4 840	29 743	5 415	7 301	2 586	5 850	8 591
1990 Q1	2 251	17 573	19 824	1 598	21 422	3 559	4 079	29 060	4 223	7 449	1 879	6 774	8 735
Q2	1 286	17 892	19 178	1 404	20 582	3 724	4 040	28 346	4 597	7 131	1 695	3 110	11 813
Q3	1 298	17 867	19 165	1 481	20 646	3 847	5 165	29 658	5 906	7 639	2 098	3 510	10 505
Q4	2 201	17 229	19 430	1 015	20 445	3 809	5 144	29 398	5 945	7 441	1 965	5 633	8 414
1991 Q1	2 041	16 110	18 151	720	18 871	3 676 [†]	3 622 [†]	26 169 [†]	4 761 [†]	8 209 [†]	1 690 [†]	5 988 [†]	5 521 [†]
Q2	1 057	17 204 [†]	18 261 [†]	953 [†]	19 214	3 412	4 406	27 032	4 694	7 022	1 641	2 291	11 384
Q3	1 321	17 587	18 908	1 79	19 087	3 332	4 280	26 699	6 300	7 068	1 660	2 654	9 017
Q4	1 994	20 456	22 450	522	22 972	3 330	3 962	30 264	6 416	6 789	1 711	4 788	10 560
1992 Q1	2 033 [†]	16 755	18 788	1 002	19 790 [†]	3 348	3 951	27 089	5 717	7 320	1 713	5 160	7 179
Q2	1 262	17 724	18 986	706	19 692	3 221	3 913	26 826	5 599	6 582	1 529	1 850	11 266
Q3	1 377	17 239	18 616	186	18 802	3 204	3 948	25 954	6 427	6 598	1 209	2 281	9 439
Seasonally adjusted													
	CIDT	CIDU	AIAT	AIAP	AIAR	AIAS	AIAN	AIAP	AIAR	AIAS	AIAN	AIAP	AIAR
1989 Q1	1 475	17 443	18 918	1 810	20 728	2 827	4 336	27 891	4 640	5 375	1 962	4 192	11 722
Q2	1 753	16 743	18 496	1 818	20 314	3 000	4 897	28 211	4 573	6 055	2 340	4 828	10 415
Q3	1 745	16 982	18 727	1 334	20 061	3 187	4 054	27 302	4 923	6 555	1 924	5 454	8 446
Q4	1 790	16 515	18 305	1 580	19 885	3 477	4 837	28 199	4 890	7 247	2 409	4 864	8 789
1990 Q1	1 881	18 031	19 912	1 481	21 393	3 536	4 081	29 010	5 241	7 207	1 869	4 675	10 018
Q2	1 600	18 066	19 666	1 276	20 942	3 728	4 037	28 707	4 502	7 413	1 746	4 829	10 217
Q3	1 543	17 964	19 507	1 628	21 135	3 871	5 168	30 174	5 491	7 493	2 168	4 903	10 119
Q4	2 012	16 500	18 512	1 113	19 625	3 804	5 142	28 571	5 437	7 547	1 854	4 620	9 113
1991 Q1	1 739	16 717 [†]	18 456 [†]	622	19 078 [†]	3 647 [†]	3 626 [†]	26 351 [†]	5 166 [†]	7 942 [†]	1 685 [†]	4 128 [†]	7 430 [†]
Q2	1 339	17 607	18 946	831 [†]	19 777	3 424	4 402	27 603	5 247	7 289	1 671	3 815	9 581
Q3	1 542	18 201	19 743	308	20 051	3 364	4 279	27 694	5 916	6 953	1 701	3 728	9 396
Q4	1 793	18 832	20 625	613	21 238	3 315	3 963	28 516	5 842	6 904	1 645	4 050	10 075
1992 Q1	1 693 [†]	17 055	18 748	749	19 497	3 323	3 954	26 774	6 323	7 054	1 729	3 461	8 207
Q2	1 595	18 392	19 987	476	20 463	3 218	3 911	27 592	6 162	6 850	1 573	2 698	10 309
Q3	1 587	18 171	19 758	324	20 082	3 263	3 945	27 290	6 160	6 491	1 240	2 945	10 454
Percentage change, latest quarter on previous quarter													
1992 Q3	-0.5	-1.2	-1.9		-1.9	1.4	0.9	-1.1	0.0	-5.2	-21.2	9.2	
Percentage change, latest quarter on corresponding quarter of previous year													
1992 Q3	2.9	-0.2	0.1		0.2	-3.0	-7.8	-1.5	4.1	-6.6	-27.1	-21.0	

1 Figures reflect privatisation of British Telecom with effect from 28 November 1984, British Gas from 3 December 1986, British Airways from 6 February 1987, Royal Ordnance from 22 April 1987, BAA from 16 July 1987, British Steel from 2 December 1988, water companies from 12 December 1989, electricity distribution companies from 11 December 1990, electricity generating companies from 12 March 1991 and Scottish electricity generating companies from 18 June 1991.

2 Before providing for depreciation.

3 Quarterly alignment adjustment included in this series. For description of adjustment, see Notes.

4 Dividend payments on ordinary and preference shares are net of tax; the advance

corporate tax in respect of such payments is included in 'UK taxes on income'. Excludes dividends and debenture interest paid by UK subsidiaries to their overseas parents.

5 Including royalties and licence fees on oil and gas production.

6 The difference between all companies payments and financial companies and institutions' payments of taxes on income. The former include payments of corporation tax (including advance corporation tax), petroleum revenue tax, and supplementary petroleum tax.

7 Before providing for depreciation, stock appreciation and additions to reserves.

A9 Appropriation account of financial companies and institutions

£ million

	Income						Allocation of income						
	Income arising in the United Kingdom						Dividends and interest, etc.						
	Rent and non-trading income other than from financial companies and institutions				Income from abroad (net of taxes paid abroad)		Dividends and debenture and loan interest payments ³	Other interest payments other than to financial companies and institutions			Profits due abroad (net of UK tax)	UK taxes on income	Balance: undistri- buted income ⁴
	Gross trading profits ^{1,2}	of banks	of building societies	Other	Total	by banks		by building societies	Other				
	AIFB	AIFC	AIFD	AIFE	AIFF	AIFA	AIFG	AIFH	AIFI	AIFJ	AIFK	AIFL	AAAM
1985	-8 343	17 354	13 655	3 206	6 248	32 120	1 454	12 620	11 582	318	1 160	1 149	3 837
1986	-8 543	18 424	14 213	4 090	7 187	35 371	1 978	12 912	11 377	385	842	1 540	6 337
1987	-8 248	19 388	15 478	4 997	6 120	37 735	2 599	12 768	12 215	462	123	2 359	7 209
1988	-12 869	23 840	16 903	6 155	7 534	41 563	3 854	15 808	12 993	834	834	2 423	4 817
1989	-13 846	38 970	21 705	8 350	8 418	63 597	4 910	26 482	17 745	1 336	522	2 734	9 868
1990	-17 507	46 215	25 334	9 780	9 627	73 449	6 653	34 616	20 916	2 090	-736	2 294	7 616
1991	-19 470	43 109 [†]	24 545 [†]	10 510 [†]	9 220 [†]	67 914 [†]	7 344 [†]	29 311 [†]	20 365	2 907 [†]	-1 127 [†]	1 557 [†]	7 557 [†]
Unadjusted													
1989 Q1	-3 250	8 031	5 429	1 925	1 927	14 062	755	5 494	4 681	342	126	1 257	1 407
Q2	-3 277	9 028	5 698	1 934	1 871	15 254	1 637	6 071	4 161	287	126	215	2 757
Q3	-3 375	10 662	5 080	2 181	2 319	16 867	1 009	6 909	4 456	326	134	506	3 527
Q4	-3 944	11 249	5 498	2 310	2 301	17 414	1 509	8 008	4 447	381	136	756	2 177
1990 Q1	-5 016	11 299	5 886	2 280	1 967	16 416	1 023	8 373	5 450	533	-185	896	326
Q2	-4 722	11 458	6 248	2 295	2 218	17 497	2 051	8 719	4 285	526	-186	152	1 950
Q3	-4 154	11 856	6 599	2 569	2 966	19 836	1 365	8 907	5 893	514	-183	572	2 768
Q4	-3 615	11 602	6 601	2 636	2 476	19 700	2 214	8 617	5 288	517	-182	674	2 572
1991 Q1	-4 161	11 747	6 477	2 789 [†]	2 518 [†]	19 370 [†]	1 339 [†]	8 323 [†]	6 110	699 [†]	-283 [†]	728 [†]	2 454 [†]
Q2	-4 900	10 725 [†]	6 176 [†]	2 592	2 182	16 775	2 268	7 563	4 986	724	-281	4	1 511
Q3	-4 839	10 440	5 997	2 536	2 543	16 677	1 314	6 925	5 266	735	-281	419	2 299
Q4	-5 570	10 197	5 895	2 593	1 977	15 092	2 423	6 500	4 003	749	-282	406	1 293
1992 Q1	-5 100 [†]	10 050	5 900	2 614	2 182	15 646	1 187	6 154	5 331 [†]	953	-102	708	1 415
Q2	-4 200	9 537	5 639	2 513	2 208	15 697	2 300	6 124	4 166	953	156	81	1 917
Q3	-3 700	9 452	5 809	2 435	3 205	17 201	1 309	6 108	5 515	926	195	425	2 723
Seasonally adjusted													
	AIFW	AIFU	AIFO	AIFP	AIFN	AIFQ	AIFV	AIFR	AIFY	AIFX	AIFS	AAUM	
1989 Q1	-3 250	8 166	5 378	1 890	1 897	14 081	1 145	5 494	4 173	313	167	660	2 129
Q2	-3 277	9 096	5 723	2 049	1 883	15 474	1 218	6 071	4 557	278	139	709	2 502
Q3	-3 375	10 532	5 083	2 113	2 297	16 650	1 296	6 909	4 364	335	128	744	2 874
Q4	-3 944	11 176	5 521	2 298	2 341	17 392	1 251	8 008	4 651	410	88	621	2 363
1990 Q1	-5 016	11 449	5 855	2 290	1 932	16 510	1 403	8 373	4 846	486	-143	558	987
Q2	-4 722	11 550	6 263	2 379	2 231	17 701	1 594	8 719	4 735	509	-171	546	1 769
Q3	-4 154	11 682	6 595	2 493	2 942	19 558	1 764	8 907	5 724	534	-192	620	2 201
Q4	-3 615	11 534	6 621	2 618	2 522	19 680	1 892	8 617	5 611	561	-230	570	2 659
1991 Q1	-4 161	11 800 [†]	6 445 [†]	2 779 [†]	2 478 [†]	19 341 [†]	2 007 [†]	8 323 [†]	5 440 [†]	636 [†]	-232 [†]	426 [†]	2 741 [†]
Q2	-4 900	10 830	6 195	2 708	2 209	17 042	1 741	7 563	5 626	688	-277	321	1 380
Q3	-4 839	10 355	5 994	2 476	2 483	16 469	1 717	6 925	5 028	778	-292	384	1 929
Q4	-5 570	10 124	5 911	2 547	2 050	15 062	1 879	6 500	4 271	805	-326	426	1 507
1992 Q1	-5 100 [†]	10 122	5 906	2 599	2 140	15 667	1 727	6 154	4 747	865	-51	414	1 811
Q2	-4 200	9 685	5 665	2 521	2 241	15 912	1 670	6 124	4 719	916	160	289	2 034
Q3	-3 700	9 377	5 803	2 415	3 132	17 027	1 590	6 108	5 208	868	184	326	2 743
Percentage change, latest quarter on previous quarter													
1992 Q3	-11.9	-3.2	2.4	-4.2	39.8	7.0	-4.8	-0.3	10.4	-5.2		12.8	
Percentage change, latest quarter on corresponding quarter of previous year													
1992 Q3	-23.5	-9.4	-3.2	-2.5	26.1	3.4	-7.4	-11.8	3.6	11.6		-15.1	

1 Before providing for depreciation and stock appreciation.

2 This represents the contribution of financial companies and institutions to the gross domestic product. It is the difference between bank charges, commissions, etc., on the one hand and management expenses (wages and salaries and payments for current expenses) on the other.

3 Dividend payments on ordinary and preference shares are net of tax; the advance corporation tax in respect of such payments is included in 'UK taxes on income'. Excludes dividends and debenture interest paid by UK subsidiaries to their overseas parents.

4 Before providing for depreciation, stock appreciation and additions to reserves.

A10 Appropriation account of public corporations¹

£ million

	Income							Allocation of income					
	Gross trading surplus				Rent and non-trading income			Payments of interest and dividends, etc.					
	After deducting stock appreciation	Stock appreciation	Before deducting stock appreciation ²	of which: subsidies	of which: rent subsidies	Total	Income from abroad	Total	To general government ³	Other	Total ³	UK taxes on income (payments) ⁴	Balance: undistributed income ⁵
	ADRB	ADRC	ADRD	ADRZ	ADVA	ADRF	ADRG	ADRA	ADRR	ADRJ	ADRP	ADRK	AAAI
1985	7 012	108	7 120	3 112	297	1 892	50	9 062	2 630	933	3 563	106	5 393
1986	7 945	114	8 059	2 135	300	1 477	48	9 584	2 244	897	3 141	328	6 115
1987	6 703	99	6 802	1 887	304	1 320	56	8 178	2 175	793	2 968	77	5 133
1988	7 112	242	7 354	1 575	305	1 514	63	8 931	2 068	717	2 785	116	6 030
1989	6 334	84	6 418	1 649	290	1 954	68	8 440	2 281	747	3 028	120	5 292
1990	4 235	107	4 342	1 223	284	1 777	68	6 187	1 753	622	2 375	176	3 636
1991	3 039	80	3 119	1 686	276	1 404	68	4 591	1 128	594	1 722	472	2 397
Unadjusted													
1989 Q1	2 002	-7	1 995	373	76	415	17	2 427	557	174	731	120	1 576
Q2	1 463	34	1 497	417	71	485	17	1 999	568	172	740	-	1 259
Q3	1 116	10	1 126	488	72	526	17	1 669	440	214	654	-	1 015
Q4	1 753	47	1 800	371	71	528	17	2 345	716	187	903	-	1 442
1990 Q1	1 238	-35	1 203	334	71	472	17	1 692	544	155	699	176	817
Q2	999	43	1 042	255	71	454	17	1 513	417	172	589	-	924
Q3	757	50	807	302	71	409	17	1 233	436	140	576	-	657
Q4	1 241	49	1 290	332	71	442	17	1 749	356	155	511	-	1 238
1991 Q1	864	51	915	368	72	352	17	1 284	413	262	675	472	137
Q2	771	12	783	402	68	329	17	1 129	204	118	322	-	807
Q3	642	5	647	377	68	350	17	1 014	189	112	301	-	713
Q4	762	12	774	539	68	373	17	1 164	322	102	424	-	740
1992 Q1	481	13	494	640 [†]	69	308	17	819	296	198 [†]	494 [†]	220	105 [†]
Q2	752 [†]	-	752 [†]	437	68	290 [†]	17	1 059 [†]	249 [†]	113	362	-	697
Q3	645	-1	644	329	68	357	17	1 018	333	73	406	-	612
Seasonally adjusted													
	ADRM	ADRN	ADRO			ADRQ		ADRL	ADRY	CPJW	ADRX	ADRV	AAUI
1989 Q1	1 752	-7	1 745	373	76	426	17	2 188	528	162	690	30	1 468
Q2	1 631	37	1 668	417	71	486	17	2 171	599	179	778	30	1 363
Q3	1 519	11	1 530	488	72	517	17	2 064	546	205	751	30	1 283
Q4	1 432	43	1 475	371	71	525	17	2 017	608	201	809	30	1 178
1990 Q1	965	-35	930	334	71	485	17	1 432	513	137	650	44	738
Q2	1 208	46	1 254	255	71	452	17	1 723	443	173	616	44	1 063
Q3	1 134	51	1 185	302	71	404	17	1 606	518	142	660	44	902
Q4	928	45	973	332	71	436	17	1 426	279	170	449	44	933
1991 Q1	877	51	928	368	72	358	17	1 303	375 [†]	238 [†]	613 [†]	118	572 [†]
Q2	740	15	755	402	68	328	17	1 100	249	118	367	118	615
Q3	719	6	725	377	68	349	17	1 091	229	123	352	118	621
Q4	703	8	711	539	68	369	17	1 097	275	115	390	118	589
1992 Q1	493	13	506	640 [†]	69	310 [†]	17	833 [†]	276	173	449	55	329
Q2	718 [†]	3	721 [†]	437	68	291	17	1 029	305	113	418	55	556
Q3	723	-	723	329	68	357	17	1 097	374	84	458	55	584
Percentage change, latest quarter on previous quarter													
1992 Q3	0.7		0.3	-24.7		22.7	6.6	22.6	-25.7		9.6		5.0
Percentage change, latest quarter on corresponding quarter of previous year													
1992 Q3	0.6		-0.3	-12.7		2.3	0.5	63.3	-31.7		30.1		-6.0

¹ Figures reflect privatisation of British Telecom with effect from 28 November 1984, British Gas from 3 December 1986, British Airways from 6 February 1987, Royal Ordnance from 22 April 1987, BAA from 16 July 1987, British Steel from 2 December 1988, Regional Water Authorities from 12 December 1989, Girobank from 2 July 1990, electricity distribution companies in England and Wales from 11 December 1990, electricity generating companies in England and Wales from 12 March 1991 and Scottish electricity companies from 18 June 1991. The figures include National Health Service Trusts from their establishment in April 1991.

² Before providing for depreciation.

³ Including royalties and licence fees on oil and gas production.

⁴ Corporation tax, petroleum revenue tax and supplementary petroleum tax.

⁵ Before providing for depreciation, stock appreciation and additions to reserves.

A11 Current account of central government

£ million

Receipts											
	Taxes on income ¹	Taxes on expenditure ^{2,3}	Social security contributions			Gross trading surplus ⁵	Rent, dividends and interest		Miscellaneous current transfers	Imputed charge for consumption of non-trading capital	Total
			National insurance contributions	National health contributions	Redundancy Fund, etc contributions ⁴		Rent and royalties, etc ⁶	Interest and dividends			
	ACGB	ACGC	ACGD	ACGE	ACGF	ACGG	ACGH	ACGY	ACGX	ACGL	ACGA
1985	51 643	42 954	21 548	2 032	630	-175	2 467	8 137	229	983	130 448
1986	52 239	47 696	23 221	2 244	700	-279	1 045	8 254	266	1 076	136 462
1987	55 702	52 297	25 554	2 741	347	-485	1 325	8 692	363	1 179	147 715
1988	61 861	57 407	28 612	3 435	59	-459	975	9 170	394	1 303	162 757
1989	70 400	60 050	28 763	4 139	-	-323	664	10 036	431	1 484	175 644
1990	77 021	71 838	30 363	4 288	-	-545	796	9 699	504	1 623	195 587
1991	75 092 [†]	83 173 [†]	32 094	4 549	-	-457	703	9 557 [†]	411 [†]	1 650	206 772 [†]
Unadjusted											
1989 Q1	20 375	14 161	7 353	921	-	-2	232	2 708	104	352	46 204
Q2	13 761	14 395	7 291	1 085	-	-188	128	2 270	114	365	39 221
Q3	16 260	15 638	7 026	1 109	-	-76	130	2 330	129	378	42 924
Q4	20 004	15 856	7 093	1 024	-	-57	174	2 728	84	389	47 295
1990 Q1	21 643	15 090	7 534	1 019	-	-107	368	2 697	147	393	48 784
Q2	16 067	18 104	7 734	1 071	-	-151	21	2 247	151	402	45 646
Q3	18 513	19 329	7 476	1 093	-	-96	361	2 468	119	410	49 673
Q4	20 798	19 315	7 619	1 105	-	-191	46	2 287	87	418	51 484
1991 Q1	22 105	18 238 [†]	8 259	1 097	-	-147	348	2 575	120	414	53 009 [†]
Q2	15 708 [†]	20 351	8 064	1 136	-	-148	31	2 111 [†]	116 [†]	400	47 769
Q3	17 628	22 002	7 808	1 152	-	-83	272	2 724	79	414	51 996
Q4	19 651	22 582	7 963	1 164	-	-79	52	2 147	96	422	53 998
1992 Q1	22 970	20 626	8 698 [†]	1 157	-	-121	420	3 003	118	416	57 287
Q2	15 108	20 631	8 215	1 171 [†]	-	-90 [†]	26 [†]	1 910	19	376	47 366
Q3	17 439	21 964	7 887	1 186	-	-55	240	2 575	31	390	51 657
Seasonally adjusted											
	ACGN	ACGO	ACGP	ACGQ			ACGT	ACGZ	AUAE		ACGM
1989 Q1	16 316	14 567	7 353	965	-	-2	216	2 550	95	352	42 412
Q2	17 268	15 181	7 291	1 056	-	-188	149	2 448	109	365	43 679
Q3	18 438	15 120	7 026	1 086	-	-76	140	2 323	128	378	44 563
Q4	18 378	15 182	7 093	1 032	-	-57	159	2 715	99	389	44 990
1990 Q1	18 673	15 564	7 534	1 062	-	-107	202	2 504	135	393	45 960
Q2	19 288	18 852	7 734	1 045	-	-151	164	2 443	144	402	49 921
Q3	19 763	18 803	7 476	1 067	-	-96	242	2 377	121	410	50 163
Q4	19 297	18 619	7 619	1 114	-	-191	188	2 375	104	418	49 543
1991 Q1	18 832 [†]	18 816 [†]	8 259	1 132 [†]	-	-147	182	2 263 [†]	107 [†]	414	49 858 [†]
Q2	18 968	21 185	8 064	1 114	-	-148	174	2 401	114	400	52 272
Q3	18 620	21 415	7 808	1 128	-	-83	152	2 608	71	414	52 133
Q4	18 672	21 757	7 963	1 175	-	-79	195	2 285	119	422	52 509
1992 Q1	19 573	21 275	8 698 [†]	1 190	-	-121	253	2 642	103	416	54 029
Q2	18 022	21 399	8 215	1 153	-	-90 [†]	169 [†]	2 368	19	376	51 631
Q3	17 953	21 423	7 887	1 162	-	-55	120	2 675	29	390	51 584
Percentage change, latest quarter on previous quarter											
1992 Q3	-0.4	0.1	-4.0	0.8		-38.9	-29.0	13.0	52.6	3.7	-0.1
Percentage change, latest quarter on corresponding quarter of previous year											
1992 Q3	-3.6	0.0	1.0	3.0		-33.7	-21.1	2.6	-59.2	-5.8	-1.1

1 Tax receipts less tax credits.

2 Includes, from second quarter 1990 accruals of National Non-domestic Rates which are treated as a central government tax.

3 This series is affected from second quarter 1990 by change in the non-domestic rating system (see notes).

4 These include contributions to the Maternity Pay Fund and contributions from employees.

5 Before providing for depreciation and stock appreciation.

6 Including royalties and licence fees on oil and gas production.

7 Includes contributions received towards the UK's cost of the Gulf conflict from 1990 Q3 to 1992 Q1.

A11 Current account of central government

continued

£ million

	Expenditure											
	Final consumption					Current grants to personal sector		Current grants to local authorities ³	Current grants paid abroad (net) ⁷	Debt interest	Total	Balance: current surplus ⁵
	Military defence	National health service	Other	Total	Subsidies	Social security benefits	Other					
	ACHD	ACHE	ACHF	ACHC	ACHG	AUAA	AUAB	ACHJ	-HDKH	ACHL	ACHB	AAAA
1985	17 857	17 212	10 810	45 879	5 939	37 609	5 123	20 438	3 427	15 724	134 139	-3 691
1986	18 608	18 446	11 747	48 801	5 025	40 860	5 736	21 813	2 233	15 946	140 414	-3 952
1987	18 669	20 300	13 071	52 040	5 223	41 961	5 924	23 277	3 277	17 070	148 772	-1 057
1988	19 288	22 362	13 960	55 610	4 888	43 056	6 164	23 452	3 248	17 351	153 769	8 988
1989	20 446	24 250	15 831	60 527	4 774	44 958	6 477	24 200	4 278	17 985	163 199	12 445
1990	22 178	26 610	18 264	67 052	5 404	48 895	7 110	38 333	4 597	17 877	189 268	6 319
1991	24 410	29 812	20 216 [†]	74 438 [†]	5 508 [†]	57 579 [†]	6 388	47 730	1 045 [†]	16 359 [†]	209 047 [†]	-2 275 [†]
Unadjusted												
1989 Q1	5 402	5 921	3 791	15 114	1 379	10 813	1 340	6 440	859	4 977	40 922	5 282
Q2	4 795	6 002	3 706	14 503	1 264	11 239	1 711	5 919	736	3 993	39 365	-144
Q3	4 957	6 121	4 160	15 238	1 122	11 368	1 704	5 801	1 224	5 021	41 478	1 446
Q4	5 292	6 206	4 174	15 672	1 009	11 538	1 722	6 040	1 459	3 994	41 434	5 861
1990 Q1	5 622	6 046	4 729	16 397	1 287	11 471	1 733	7 065	1 125	4 835	43 913	4 871
Q2	5 433	6 900	4 085	16 418	1 347	12 169	1 802	10 779	1 215	3 935	47 665	-2 019
Q3	5 290	6 840	4 609	16 739	1 176	12 371	1 814	10 001	941	4 716	47 758	1 915
Q4	5 833	6 824	4 841	17 498	1 594	12 884	1 761	10 488	1 316	4 391	49 932	1 552
1991 Q1	6 081	6 922	4 855 [†]	17 858 [†]	1 491 [†]	12 989	1 529	8 905	424 [†]	4 490 [†]	47 686 [†]	5 323 [†]
Q2	6 346	7 474	4 878	18 698	1 276	14 168	1 633	14 231	-380	3 978	53 604	-5 835
Q3	5 829	7 749	5 160	18 738	1 199	14 946	1 682	12 060	810	4 083	53 518	-1 522
Q4	6 154	7 667	5 323	19 144	1 542	15 476 [†]	1 544	12 534	191	3 808	54 239	-241
1992 Q1	6 362	7 639	5 616	19 617	1 639	15 336	1 515	11 562	1 455	4 486	55 610	1 677
Q2	5 651 [†]	8 712 [†]	5 218	19 581	1 412	16 232	1 630 [†]	13 742 [†]	1 306	3 477	57 380	-10 014
Q3	5 797	8 660	5 239	19 696	1 292	16 723	1 819	13 939	1 293	4 689	59 451	-7 794
Seasonally adjusted												
1989 Q1	ACHQ	ACHR	ACHS	ACHP	ACHT	AUAC	AUAD	ACHW	-CGIQ	ACHY	ACHO	AAUA
Q2	5 004	5 993	3 626	14 623	1 189	11 010	1 425	6 258	633	4 511	39 649	2 763
Q3	4 945	5 988	3 899	14 832	1 277	11 223	1 692	5 565	769	4 590	39 948	3 731
Q4	5 242	6 079	4 219	15 540	1 275	11 301	1 656	6 072	1 321	4 553	41 718	2 845
1990 Q1	5 255	6 190	4 087	15 532	1 033	11 424	1 704	6 305	1 555	4 331	41 884	3 106
Q2	5 261	6 119	4 540	15 920	1 109	11 725	1 846	6 921	850	4 496	42 867	3 093
Q3	5 557	6 884	4 326	16 767	1 351	12 113	1 773	10 296	1 228	4 398	47 926	1 995
Q4	5 589	6 790	4 650	17 029	1 321	12 291	1 745	10 294	1 036	4 298	48 014	2 149
1991 Q1	5 771	6 817	4 748	17 336	1 623	12 766	1 746	10 822	1 483	4 685	50 461	-918
Q2	5 682 [†]	7 130 [†]	4 681 [†]	17 493 [†]	1 343 [†]	13 302 [†]	1 618 [†]	8 799 [†]	61 [†]	4 121 [†]	46 737 [†]	3 121 [†]
Q3	6 554	7 342	5 154	19 050	1 288	14 092	1 617	13 606	-275	4 495	53 873	-1 601
Q4	6 107	7 644	5 167	18 918	1 374	14 839	1 610	12 367	896	3 745	53 749	-1 616
1992 Q1	6 067	7 696	5 214	18 977	1 503	15 346	1 543	12 958	363	3 998	54 688	-2 179
Q2	5 979	7 875	5 404	19 258	1 486	15 714	1 606	11 464	1 123	4 134	54 785	-756
Q3	5 794	8 545	5 527	19 866	1 421	16 116	1 617	12 972	1 426	3 974	57 392	-5 761
Q4	6 066	8 531	5 237	19 834	1 477	16 595	1 738	14 336	1 434	4 341	59 755	-8 171
Percentage change, latest quarter on previous quarter												
1992 Q3	4.7	-0.2	-5.2	-0.2	3.9	3.0	7.5	10.5	0.6	9.2	4.1	
Percentage change, latest quarter on corresponding quarter of previous year												
1992 Q3	-0.7	11.6	1.4	4.8	7.5	11.8	8.0	15.9	60.0	15.9	11.2	

See footnotes on previous page.

A12 Current account of local authorities

£ million

Receipts										
Current grants from central government										Imputed charge for consumption of non-trading capital
	National non-domestic rates distribution	Other	Total	Rates ¹	Community charge ²	Gross trading surplus ³	Rent	Dividends and interest		Total
	CIOZ	CUKZ	ACHJ	ADAB	ADBH	ADAD	ADAE	ADAF	ADAG	ADAA
1985	—	20 438	20 438	13 638	—	440	3 043	838	1 389	39 786
1986	—	21 813	21 813	15 251	—	434	3 056	801	1 507	42 862
1987	—	23 277	23 277	16 777	—	410	3 022	851	1 625	45 962
1988	—	23 452	23 452	18 726	—	427	3 142	915	1 807	48 469
1989	—	24 200	24 200	19 913	586	522	3 238	1 435	1 964	51 858
1990	10 426	27 907	38 333	5 129	8 629	557	3 383	1 309	2 183	59 523
1991	14 010	33 720	47 730	118	8 162	576	3 601 [†]	971 [†]	2 240	63 398 [†]
Unadjusted										
1989 Q1	—	6 440	6 440	4 828	—	112	811	320	478	12 989
Q2	—	5 919	5 919	5 019	195	135	807	348	483	12 906
Q3	—	5 801	5 801	5 029	195	137	807	370	498	12 837
Q4	—	6 040	6 040	5 037	196	138	813	397	505	13 126
1990 Q1	—	7 065	7 065	5 048	196	139	824	361	528	14 161
Q2	3 187	7 592	10 779	27	2 811	139	851	321	546	15 474
Q3	3 489	6 512	10 001	27	2 811	139	851	323	552	14 704
Q4	3 750	6 738	10 488	27	2 811	140	857	304	557	15 184
1991 Q1	1 708	7 197	8 905	28	2 812	141	868	289 [†]	558	13 601 [†]
Q2	5 279	8 952	14 231	30	1 783	143	909 [†]	244	560	17 900
Q3	3 324	8 736	12 060	30	1 784	145	909	222	560	15 710
Q4	3 699	8 835	12 534	30	1 783	147	915	216	562	16 187
1992 Q1	1 977	9 585	11 562	30	1 784	149	928	214	564	15 231
Q2	3 063	10 679 [†]	13 742 [†]	32 [†]	2 046	151	944	199	566	17 680
Q3	3 785	10 154	13 939	32	2 046	153	944	207	567	17 888
Seasonally adjusted										
	CIPA	CULA	ACHW	ADBB				ADBC		ADBA
1989 Q1	—	6 258	6 258	4 958	—	112	811	318	478	12 935
Q2	—	5 565	5 565	4 874	195	135	807	354	483	12 413
Q3	—	6 072	6 072	4 886	195	137	807	367	498	13 062
Q4	—	6 305	6 305	5 095	196	138	813	396	505	13 448
1990 Q1	—	6 921	6 921	5 048	196	139	824	359	528	14 015
Q2	3 187	7 109	10 296	27	2 811	139	851	326	546	14 996
Q3	3 489	6 805	10 294	27	2 811	139	851	320	552	14 994
Q4	3 750	7 072	10 822	27	2 811	140	857	304	557	15 518
1991 Q1	1 708	7 091 [†]	8 799 [†]	28	2 812	141	868	287 [†]	558	13 493 [†]
Q2	5 279	8 327	13 606	30	1 783	143	909 [†]	249	560	17 280
Q3	3 324	9 043	12 367	30	1 784	145	909	221	560	16 016
Q4	3 699	9 259	12 958	30	1 783	147	915	214	562	16 609
1992 Q1	1 977	9 487	11 464	30	1 784	149	928	212	564	15 131
Q2	3 063	9 909	12 972	32 [†]	2 046	151	944	203	566	16 914
Q3	3 785	10 551	14 336	32	2 046	153	944	206	567	18 284
Percentage change, latest quarter on current quarter										
1992 Q3		6.5	10.5			1.3	0.0	1.5	0.2	8.1
Percentage change, latest quarter on corresponding quarter of previous year										
1992 Q3		16.7	15.9			5.5	3.9	-6.8	1.3	14.2

1 Accruals for the quarter. From April 1990 rates relate to district councils in Northern Ireland.

2 Replaced domestic rates in Scotland from April 1989 and in England and Wales from April 1990.

3 Before providing for depreciation and stock appreciation.

A12 Current account of local authorities

continued

£ million

	Expenditure								Balance: current surplus ³
	Final consumption			Subsidies	Current grants to personal sector	Debt interest	Total	Total receipts	
	Education	Other	Total						
	ADAI	ADAJ	CSBA	ADAK	ADAL	ADAM	ADAH	ADAA	AAAE
1985	13 314	14 612	27 926	1 286	4 081	4 689	37 982	39 786	1 804
1986	14 944	15 636	30 580	1 162	4 388	4 522	40 652	42 862	2 210
1987	16 235	17 074	33 309	950	4 609	4 637	43 505	45 962	2 457
1988	17 714	18 405	36 119	1 030	4 867	4 873	46 889	48 469	1 580
1989	18 578	19 924	38 502	1 008	5 358	5 394	50 262	51 858	1 596
1990	19 849	22 977	42 826	665	5 997	5 552	55 040	59 523	4 483
1991	21 835	25 631 [†]	47 466 [†]	574 [†]	7 907 [†]	5 409	61 356 [†]	63 398 [†]	2 042 [†]
Unadjusted									
1989 Q1	4 601	4 751	9 352	272	1 297	1 430	12 351	12 989	638
Q2	4 635	4 832	9 467	233	1 270	1 333	12 303	12 906	603
Q3	4 605	5 063	9 668	243	1 279	1 206	12 396	12 837	441
Q4	4 737	5 278	10 015	260	1 512	1 425	13 212	13 126	-86
1990 Q1	4 777	5 370	10 147	245	1 412	1 312	13 116	14 161	1 045
Q2	4 986	5 548	10 534	135	1 446	1 381	13 496	15 474	1 978
Q3	4 969	5 917	10 886	144	1 456	1 297	13 783	14 704	921
Q4	5 117	6 142	11 259	141	1 683	1 562	14 645	15 184	539
1991 Q1	5 209	6 187	11 396	134	1 900 [†]	1 245	14 675 [†]	13 601 [†]	-1 074 [†]
Q2	5 500	6 320	11 820	147 [†]	2 074	1 420	15 461	17 900	2 439
Q3	5 484	6 495 [†]	11 979 [†]	148	1 809	1 493	15 429	15 710	281
Q4	5 642	6 629	12 271	145	2 124	1 251	15 791	16 187	396
1992 Q1	5 710 [†]	6 654	12 364	140	2 492	1 446 [†]	16 442	15 231	-1 211
Q2	5 925	6 737	12 662	150	2 586	1 257	16 655	17 680	1 025
Q3	5 800	6 928	12 728	136	2 093	1 441	16 398	17 888	1 490
Seasonally adjusted									
	ADBE	CAUD	CSBK		ADBF	ADBG	ADBD	ADBA	AAUE
1989 Q1	4 589	4 779	9 368	272	1 261	1 410	12 311	12 935	624
Q2	4 567	4 893	9 460	233	1 327	1 363	12 383	12 413	30
Q3	4 684	5 044	9 728	243	1 355	1 198	12 524	13 062	538
Q4	4 738	5 208	9 946	260	1 415	1 423	13 044	13 448	404
1990 Q1	4 769	5 400	10 169	245	1 372	1 307	13 093	14 015	922
Q2	4 931	5 621	10 552	135	1 488	1 396	13 571	14 996	1 425
Q3	5 033	5 893	10 926	144	1 543	1 297	13 910	14 994	1 084
Q4	5 116	6 063	11 179	141	1 594	1 552	14 466	15 518	1 052
1991 Q1	5 207	6 216	11 423	134	1 823 [†]	1 260 [†]	14 640 [†]	13 493 [†]	-1 147 [†]
Q2	5 445	6 403	11 848	147 [†]	1 997	1 442	15 434	17 280	1 846
Q3	5 543	6 467 [†]	12 010 [†]	148	2 015	1 492	15 665	16 016	351
Q4	5 640	6 545	12 185	145	2 072	1 215	15 617	16 609	992
1992 Q1	5 716 [†]	6 682	12 398	140	2 333	1 476	16 347	15 131	-1 216
Q2	5 843	6 804	12 647	150	2 474	1 268	16 539	16 914	375
Q3	5 884	6 917	12 801	136	2 493	1 442	16 872	18 284	1 412
Percentage change, latest quarter on previous quarter									
1992 Q3	0.7	1.7	1.2	-9.3	0.8	13.7	2.0	8.1	
Percentage change, latest quarter on corresponding quarter of previous year									
1992 Q3	6.2	7.0	6.6	-8.1	23.7	-3.4	7.7	14.2	

See footnotes on previous page.

A13 International transactions

£ million

United Kingdom credits								
At current prices							Revalued at 1985 prices	
Exports and property income from abroad				Current transfers			Exports of goods ¹	Exports of services
Exports of goods ¹	Exports of services	Property income from abroad ²	To personal sector	To central government	Total			
	CGJP	CGJZ	CGJS	CGJV	HDKD	CGPZ	CGTG	CGTH
1985	77 991	24 217	52 270	1 775	1 760	158 013	77 991	24 217
1986	72 627	25 692	47 693	1 732	2 138	149 882	81 289	25 763
1987	79 153	27 878	48 000	1 666	2 282	158 979	85 516	27 578
1988	80 346	27 359	56 550	1 715	2 115	168 085	87 027	25 962
1989	92 154	29 895	73 990	1 750	2 143	199 932	90 950	26 306
1990	101 718	31 782	79 337	1 800	2 231	216 868	96 877	26 172
1991	103 413	31 606 [†]	77 664 [†]	1 900	4 899 [†]	219 482 [†]	98 496	24 767 [†]
Unadjusted								
1989 Q1	21 267	6 583	17 102	434	795	46 181	21 769	6 155
Q2	22 710	7 359	18 513	436	669	49 687	22 224	6 557
Q3	21 928	8 860	18 216	439	271	49 714	21 571	7 593
Q4	26 249	7 093	20 159	441	408	54 350	25 386	6 001
1990 Q1	24 745	7 369	19 116	443	708	52 381	23 864	6 200
Q2	25 730	7 778	19 331	448	362	53 649	24 691	6 389
Q3	23 648	9 176	20 111	452	440	53 827	22 365	7 455
Q4	27 595	7 459	20 779	457	721	57 011	25 957	6 128
1991 Q1	23 799	6 758 [†]	19 503 [†]	465	1 496 [†]	52 021 [†]	23 017	5 564 [†]
Q2	26 222	7 862	20 390	471	1 876	56 821	24 817	6 157
Q3	25 092	9 404	19 398	483	710	55 087	23 750	7 164
Q4	28 300	7 582	18 373	481	817	55 553	26 912	5 882
1992 Q1	25 355	7 444	16 907	487	931	51 124	24 214	5 883
Q2	26 663	7 938	15 675	491	673	51 440	25 172	6 222
Q3	24 922	8 997	16 567	496	578	51 560	23 983	6 851
Seasonally adjusted								
	CGKG	CGKS	CGKL		HHAH	CGQA	CGTI	CGSG
1989 Q1	21 710	7 273	17 068	434	795	47 280	22 073	6 730
Q2	22 303	7 629	18 493	436	669	49 530	21 930	6 773
Q3	23 321	7 539	18 227	439	271	49 797	22 902	6 561
Q4	24 820	7 454	20 202	441	408	53 325	24 045	6 242
1990 Q1	25 122	8 217	19 079	443	708	53 569	24 061	6 854
Q2	25 706	8 040	19 317	448	362	53 873	24 692	6 579
Q3	25 276	7 745	20 112	452	440	54 025	23 886	6 415
Q4	25 614	7 780	20 829	457	721	55 401	24 238	6 324
1991 Q1	24 883	7 416 [†]	19 456 [†]	465	1 496 [†]	53 716 [†]	23 904	6 017 [†]
Q2	25 926	8 169	20 396	471	1 876	56 838	24 571	6 370
Q3	26 377	8 081	19 361	483	710	55 012	24 919	6 246
Q4	26 227	7 940	18 451	481	817	53 916	25 102	6 134
1992 Q1	26 125	8 274	16 857	487	931	52 674	24 799	6 444
Q2	26 693	8 258	15 687	491	673	51 802	25 244	6 467
Q3	26 395	7 674	16 511	496	578	51 654	25 455	5 957
Percentage change, latest quarter on previous quarter								
1992 Q3	-1.1	-7.1	5.3	1.0	-14.1	-0.3	0.8	-7.9
Percentage change, latest quarter on corresponding quarter of previous year								
1992 Q3	0.1	-5.0	-14.7	2.7	-18.6	-6.1	2.2	-4.4

1 On a balance of payments basis.

2 Net of foreign taxes.

3 Net of UK taxes.

4 Equal to the current balance in the balance of payments account.

United Kingdom debits								United Kingdom debits		
At current prices								Revalued at 1985 prices		
Total credits	Imports and property income paid abroad			Current transfers			Total	Balance: net investment and capital transfers abroad ⁴	Imports of goods ¹	Imports of services
	Imports of goods ¹	Imports of services	Property income paid abroad ³	From personal sector	From central government					
	CGPZ	CGGL	CGGZ	CGGK	CGGV	CGGJ	CGQB	AIMG	CGTC	CGTD
1985	158 013	81 336	17 530	49 711	1 459	5 187	155 223	2 790	81 336	17 530
1986	149 882	82 186	18 884	42 719	1 656	4 371	149 816	66	87 326	18 336
1987	158 979	90 735	21 133	44 245	1 789	5 559	163 461	-4 482	93 782	20 134
1988	168 085	101 826	22 962	52 128	1 985	5 363	184 264	-16 179	105 871	21 974
1989	199 932	116 837	25 856	70 494	2 050	6 421	221 658	-21 726	114 277	23 004
1990	216 868	120 527	27 201	77 241	2 100	6 828	233 897	-17 029	115 628	23 092
1991	219 482 [†]	113 703	26 735 [†]	77 222 [†]	2 200	5 944 [†]	225 804 [†]	-6 321	112 365	22 082 [†]
Unadjusted										
1989 Q1	46 181	27 687	5 472	15 976	507	1 654	51 296	-5 115	28 216	5 218
Q2	49 687	29 954	6 292	17 399	511	1 405	55 561	-5 873	29 355	5 665
Q3	49 714	29 281	8 122	17 367	514	1 495	56 779	-7 066	28 222	6 967
Q4	54 350	29 915	5 970	19 752	518	1 867	58 022	-3 672	28 484	5 154
1990 Q1	52 381	31 156	5 822	19 249	518	1 833	58 578	-6 197	29 426	4 976
Q2	53 649	31 508	6 831	19 201	523	1 577	59 640	-5 991	29 681	5 733
Q3	53 827	28 689	8 303	18 708	527	1 381	57 608	-3 781	28 087	6 892
Q4	57 011	29 174	6 245	20 083	532	2 037	58 071	-1 060	28 434	5 491
1991 Q1	52 021 [†]	27 516	5 494 [†]	20 120 [†]	543	1 920	55 593 [†]	-3 572 [†]	27 337	4 815 [†]
Q2	56 821	28 777	6 700	20 117	548	1 496	57 638	-817	28 327	5 540
Q3	55 087	28 280	8 251	18 701	552	1 520	57 304	-2 217	27 951	6 497
Q4	55 553	29 130	6 290	18 284	557	1 008 [†]	55 269	285	28 750	5 230
1992 Q1	51 124	28 976	6 072	16 592	557	2 386	54 583	-3 459	29 057	5 116
Q2	51 440	30 369	6 885	15 363	561	1 979	55 157	-3 717	30 178	5 698
Q3	51 560	29 102	8 607	15 025	564	1 871	55 169	-3 609	29 591	6 660
Seasonally adjusted										
	CGQA	CGHK	CGHU	CGHJ		CGHI	CGQC	AIMF	CGTE	CGTF
1989 Q1	47 280	28 081	6 381	15 922	507	1 428	52 319	-5 039	28 629	5 852
Q2	49 530	28 995	6 328	17 520	511	1 438	54 792	-5 262	28 558	5 673
Q3	49 797	30 074	6 483	17 457	514	1 592	56 120	-6 323	28 902	5 889
Q4	53 325	29 687	6 664	19 595	518	1 963	58 427	-5 102	28 188	5 590
1990 Q1	53 569	31 204	6 775	19 206	518	1 558	59 261	-5 692	29 411	5 638
Q2	53 873	31 113	6 847	19 269	523	1 590	59 342	-5 469	29 548	5 773
Q3	54 025	29 335	6 673	18 810	527	1 476	56 821	-2 796	28 674	5 729
Q4	55 401	28 875	6 906	19 956	532	2 204	58 473	-3 072	27 995	5 952
1991 Q1	53 716 [†]	27 923	6 398 [†]	20 109 [†]	543	1 557	56 530 [†]	-2 814 [†]	27 626	5 466 [†]
Q2	56 838	28 160	6 787	20 166	548	1 601	57 262	-424	27 991	5 568
Q3	55 012	28 762	6 635	18 758	552	1 606	56 313	-1 301	28 427	5 371
Q4	53 916	28 858	6 915	18 189	557	1 180 [†]	55 699	-1 782	28 321	5 677
1992 Q1	52 674	29 175	7 173	16 579	557	2 054	55 538	-2 864	29 106	5 778
Q2	51 802	29 881	6 975	15 374	561	2 099	54 890	-3 088	30 072	5 716
Q3	51 654	29 641	6 832	14 785	564	2 012	53 834	-2 180	30 126	5 573
Percentage change, latest quarter on previous quarter										
1992 Q3	-0.3	-0.8	-2.1	-3.8	0.5	-4.1	-1.9		0.2	-2.5
Percentage change, latest quarter on corresponding quarter of previous year										
1992 Q3	-6.1	3.1	3.0	-21.2	2.2	25.3	-4.4		6.0	3.8

See footnotes on previous page.

A14 Summary capital account

£ million

	Total receipts			Total expenditure				Financial surplus or deficit by sector ¹						
	Saving ²	Capital transfers	Residual error	Total	Gross domestic fixed capital formation	Increase in book value of stocks and work in progress ³	Net investment abroad ⁴	Total investment	Personal sector	Industrial and commercial companies	Financial companies and institutions	Public corporations ⁵	Central government ⁵	Local authorities ⁵
1985	GIGV	AAAZ	DJAS	GIHN	DFDC	DHHY	-AABI	GIHN	AABH	AABG	AABF	AABD	AABA	AABB
	66 702	-	-	66 702	60 353	3 559	2 790	66 702	10 202	2 467	388	-8	-8 347	-1 912
1986	67 086	-	-	67 086	64 514	2 506	66	67 086	3 932	1 472	2 367	1 374	-7 654	-1 425
1987	75 708	-	-	75 708	74 077	6 113	-4 482	75 708	-3 260	179	2 890	1 360	-4 317	-1 334
1988	84 805	-	-	84 805	89 857	11 127	-16 179	84 805	-13 518	-7 651	-1 812	1 958	5 663	-819
1989	92 109	-	-	92 109	103 262	10 573	-21 726	92 109	-6 454	-22 707	1 890	793	6 274	-1 522
1990	93 220	-	605	93 825	106 028	4 826	-17 029	93 825	3 999	-19 935	753	4 626	-6 491	-586
1991	86 555 [†]	-	137 [†]	86 692 [†]	95 399 [†]	-2 385 [†]	-6 321	86 692 [†]	18 074 [†]	-10 977 [†]	1 452 [†]	681 [†]	-14 187 [†]	-1 502 [†]
Unadjusted														
1989 Q1	25 084	-	-1 262	23 822	25 789	3 148	-5 115	23 822	-279	-6 274	-646	331	3 867	-852
Q2	24 166	-	-1 918	22 249	24 196	3 926	-5 873	22 249	-16	-4 413	1 378	89	-1 913	919
Q3	21 192	-	-294	20 897	25 834	2 129	-7 066	20 897	-2 281	-5 334	1 520	-82	-238	-356
Q4	21 667	-	3 474	25 141	27 443	1 370	-3 672	25 141	-3 878	-6 686	-362	455	4 558	-1 233
1990 Q1	25 400	-	-1 506	23 894	28 376	1 715	-6 197	23 894	2 833	-7 069	-996	3 046	-741	-1 764
Q2	23 822	-	-2 179	21 643	25 599	2 035	-5 991	21 643	1 880	-3 854	274	580	-4 144	1 452
Q3	23 789	-	522	24 311	25 887	2 205	-3 781	24 311	-88	-4 865	1 234	653	-1 410	173
Q4	20 209	-	3 768	23 977	26 166	-1 129	-1 060	23 977	-626	-4 147	241	347	-196	-447
1991 Q1	22 899 [†]	-	-1 884 [†]	21 015 [†]	25 233 [†]	-646	-3 572 [†]	21 015 [†]	5 601 [†]	-7 180 [†]	1 027 [†]	87 [†]	1 267 [†]	-2 490 [†]
Q2	23 268	-	-1 269	21 999	22 399	417 [†]	-817	21 999	7 310	-780	-108	210	-8 196	2 016
Q3	19 945	-	1 159	21 104	23 413	-92	-2 217	21 104	3 177	-2 756	954	127	-4 373	-505
Q4	20 443	-	2 131	22 574	24 354	-2 064	284	22 574	1 986	-261	-421	257	-2 885	-523
1992 Q1	22 859	-	-1 832	21 027	24 314	172	-3 459	21 027	9 263	-5 226	232	-511	-2 376	-3 009
Q2	20 673	-	-2 640	18 033	21 468	282	-3 717	18 033	10 743	-685	683	143	-12 628	667
Q3	18 542	-	1 400	19 942	22 802	749	-3 609	19 942	6 590	-3 234	1 568	-6	-10 672	745
Seasonally adjusted														
1989 Q1	CJBJ	-	DJDS	CJBL	DECR	CJBQ	-AAVI	CJBL	AAVH	AAVG	AAVF	AAVD	AAVA	AAVB
	23 930	-	-	23 930	25 270	3 699	-5 039	23 930	-2 890	-3 999	-253	341	1 722	40
Q2	23 493	-	-	23 493	25 674	3 081	-5 262	23 493	-2 515	-5 453	967	72	1 811	-144
Q3	22 458	-	-	22 458	25 885	2 896	-6 323	22 458	-89	-8 090	786	273	1 356	-559
Q4	22 228	-	-	22 228	26 433	897	-5 102	22 228	-960	-5 165	390	107	1 385	-859
1990 Q1	23 393	-	119	23 512	27 755	1 449	-5 692	23 512	-211	-5 502	-583	3 015	-1 863	-667
Q2	22 821	-	150	22 971	27 044	1 396	-5 469	22 971	-827	-5 262	-121	675	-371	287
Q3	25 113	-	167	25 280	26 168	1 908	-2 796	25 280	1 870	-5 245	595	958	-1 062	-79
Q4	21 893	-	169	22 062	25 061	73	-3 072	22 062	3 167	-3 926	862	-22	-3 195	-127
1991 Q1	21 283 [†]	-	54 [†]	21 338 [†]	24 540 [†]	-388 [†]	-2 814 [†]	21 338 [†]	3 016 [†]	-5 599 [†]	1 073 [†]	675 [†]	-221 [†]	-1 813 [†]
Q2	22 085	-	34	22 122	23 792	-1 246	-424	22 122	4 511	-1 281	-304	-76	-4 310	999
Q3	21 381	-	25	21 402	23 688	-985	-1 301	21 402	4 997	-1 720	510	12	-4 421	-700
Q4	21 806	-	24	21 830	23 379	234	-1 783	21 830	5 550	-2 377	173	70	-5 235	12
1992 Q1	20 563	-	65	20 631	23 292	203	-2 864	20 631	7 128	-4 251	409	-147	-4 032	-2 039
Q2	19 859	-	75	19 935	22 905	118	-3 088	19 935	7 010	-1 729	747	-29	-8 802	-361
Q3	20 592	-	82	20 669	22 843	6	-2 180	20 669	8 456	-1 718	1 488	48	-10 998	467

1 This balance is equal to savings plus capital transfers less gross domestic formation.

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

3 Equal to stock appreciation plus value of physical increase in stocks and work in progress.

4 Equals, apart from the change in sign, the financial surplus or deficit of the overseas sector.

5 Excluding financial transactions on the writing-off of debt.

6 Gross and net fixed capital formation by the personal sector excludes that by Life assurance and pension funds: this is included with that of financial companies and institutions.

A14 Summary capital account

continued

£ million

Receipts												
Saving ²							Capital transfers (net)					
	Personal sector ⁵	Industrial and commercial companies	Financial companies and institutions	Public corporations	Central government	Local authorities	Personal sector	Industrial and commercial companies	Financial companies and institutions	Public corporations ⁵	Central government ⁵	Local authorities ⁵
	AAAU	AAAQ	AAAM	AAAI	AAAA	AAAE	AAAV	AAAR	AAAN	AAAJ	AAAB	AAAF
1985	25 871	33 488	3 837	5 393	-3 691	1 804	422	112	-118	634	-1 080	30
1986	22 794	33 582	6 337	6 115	-3 952	2 210	-150	-45	-196	456	-588	523
1987	19 571	42 395	7 209	5 133	-1 057	2 457	-268	-284	-190	714	-400	428
1988	17 831	45 559	4 817	6 030	8 988	1 580	-1 246	122	-141	805	62	398
1989	23 536	39 372	9 868	5 292	12 445	1 596	-759	-525	-151	1 305	-1 383	1 513
1990	31 699	39 467	7 616	3 636	6 319	4 483	-175	-479	-100	5 818	-6 239	1 175
1991	40 352 [†]	36 482 [†]	7 557 [†]	2 397	-2 275 [†]	2 042 [†]	1 324 [†]	-392	-100	2 300 [†]	-4 719 [†]	1 587 [†]
Unadjusted												
1989 Q1	7 249	8 932	1 407	1 576	5 282	638	-334	-258	-38	330	179	121
Q2	7 921	11 770	2 757	1 259	-144	603	-33	-46	-37	230	-945	831
Q3	4 684	10 079	3 527	1 015	1 446	441	144	-56	-38	368	-595	177
Q4	3 682	8 591	2 177	1 442	5 861	-86	-536	-165	-38	377	-22	384
1990 Q1	9 606	8 735	326	817	4 871	1 045	-43	-176	-25	3 392	-3 377	229
Q2	9 176	11 813	1 950	924	-2 019	1 978	140	-54	-25	667	-1 040	312
Q3	7 023	10 505	2 768	657	1 915	921	233	-75	-25	1 393	-1 829	303
Q4	5 894	8 414	2 572	1 238	1 552	539	-505	-174	-25	366	7	331
1991 Q1	10 538 [†]	5 521 [†]	2 454 [†]	137	5 323 [†]	-1 074 [†]	152	-163	-25	1 214 [†]	-1 626 [†]	448
Q2	12 962	11 384	1 511	807	-5 835	2 439	383	-42	-25	309	-1 075	450
Q3	9 157	9 017	2 299	713	-1 522	281	563 [†]	-33	-25	340	-1 175	330 [†]
Q4	7 695	10 560	1 293	740	-241	396	226	-154	-25	437	-843	359
1992 Q1	13 694	7 179	1 415	105 [†]	1 677	-1 211	472	-111	-25	641	-1 582	605
Q2	15 782	11 266	1 917	697	-10 014	1 025	470	21 [†]	-25	313	-1 217	438
Q3	12 072	9 439	2 723	612	-7 794	1 490	733	5	-25	438	-1 422	271
Seasonally adjusted												
	AAUU	AAUQ	AAUM	AAUI	AAUA	AAUE	AAUV	AAUR	AAUN	AAUJ	AAUB	AAUF
1989 Q1	5 224	11 722	2 129	1 468	2 763	624	-280	-126	-38	256	33	155
Q2	5 452	10 415	2 502	1 363	3 731	30	-193	-107	-37	301	-774	810
Q3	6 472	8 446	2 874	1 283	2 845	538	-120	-141	-38	376	-240	163
Q4	6 388	8 789	2 363	1 178	3 106	404	-166	-151	-38	372	-402	385
1990 Q1	7 635	10 018	987	738	3 093	922	-37	-100	-25	3 310	-3 411	263
Q2	6 352	10 217	1 769	1 063	1 995	1 425	-40	-109	-25	756	-875	293
Q3	8 658	10 119	2 201	902	2 149	1 084	-19	-140	-25	1 395	-1 499	288
Q4	9 054	9 113	2 659	933	-918	1 052	-79	-130	-25	357	-454	331
1991 Q1	8 566 [†]	7 430 [†]	2 741 [†]	572 [†]	3 121 [†]	-1 147 [†]	133 [†]	-95 [†]	-25	1 150 [†]	-1 644 [†]	481
Q2	10 264	9 581	1 380	615	-1 601	1 846	263	-95	-25	382	-955	430
Q3	10 700	9 396	1 929	621	-1 616	351	375	-84	-25	337	-913	310 [†]
Q4	10 822	10 075	1 507	589	-2 179	992	553	-118	-25	431	-1 207	366
1992 Q1	12 188	8 207	1 811	329	-756	-1 216	318	-71	-25	526	-1 490	742
Q2	12 346	10 309	2 034	556	-5 761	375	346	-12	-25	396	-1 152	447
Q3	13 570	10 454	2 743	584	-8 171	1 412	574	-20	-25	443	-1 243	271

See footnotes on previous page.

A14 Summary capital account

continued

£ million

Expenditure											
Gross domestic fixed capital formation							Increase in book value of stocks and work in progress				
	Personal sector ⁶	Industrial and commercial companies	Financial companies and institutions	Public corporations	Central government	Local authorities	Personal sector	Industrial and commercial companies	Financial companies and institutions	Public corporations	Central government
	AAAW	AAAS	AAAO	AAAK	AAAC	AAAG	AAAX	AAAT	AAAP	AAAL	AAAD
1985	15 661	28 558	3 331	5 931	3 126	3 746	430	2 575	—	104	450
1986	18 191	29 492	3 774	5 548	3 351	4 158	521	2 573	—	-351	-237
1987	21 756	36 006	4 129	4 609	3 358	4 219	807	5 926	—	-122	-498
1988	28 745	43 499	6 488	4 619	3 709	2 797	1 358	9 833	—	258	-322
1989	27 993	52 347	7 827	5 513	4 951	4 631	1 238	9 207	—	291	-163
1990	26 758	54 863	6 763	4 985	6 415	6 244	767	4 060	—	-157	156
1991	23 509 [†]	49 784 [†]	6 005 [†]	3 928	7 042	5 131	93 [†]	-2 717 [†]	—	88	151
Unadjusted											
1989 Q1	6 948	12 035	2 015	1 526	1 654	1 611	246	2 913	—	49	-60
Q2	7 475	12 792	1 342	1 200	872	515	429	3 345	—	200	-48
Q3	6 889	13 471	1 969	1 392	1 139	974	220	1 886	—	73	-50
Q4	6 681	14 049	2 501	1 395	1 286	1 531	343	1 063	—	-31	-5
1990 Q1	6 593	13 816	1 297	1 399	2 233	3 038	137	1 812	—	-236	2
Q2	7 152	13 910	1 651	981	1 067	838	284	1 703	—	30	18
Q3	7 118	13 496	1 509	1 275	1 438	1 051	226	1 799	—	122	58
Q4	5 895	13 641	2 306	1 330	1 677	1 317	120	-1 254	—	-73	78
1991 Q1	5 245 [†]	13 000 [†]	1 402 [†]	1 360	2 362	1 864	-156	-462	—	-96	68
Q2	5 906	11 951	1 594	846	1 229	873	129 [†]	171 [†]	—	60	57
Q3	6 459	11 969	1 320	878	1 671	1 116	84	-229	—	48	5
Q4	5 899	12 864	1 689	844	1 780	1 278	36	-2 197	—	76	21
1992 Q1	4 906	12 050	1 158	1 319	2 478 [†]	2 403 [†]	-3	244	—	-62	-7 [†]
Q2	5 543	11 741	1 209	785 [†]	1 394	796	-34	231	—	82 [†]	3
Q3	6 090	12 061	1 130	1 030	1 475	1 016	125	617	—	26	-19
Seasonally adjusted											
	AAUW	AAUS	AAUO	AAUK	AAUC	AAUG	AAUX	AAUT		AAUL	
1989 Q1	7 435	12 413	2 344	1 205	1 134	739	399	3 182	—	178	-60
Q2	7 489	13 060	1 498	1 449	1 194	984	285	2 701	—	143	-48
Q3	6 223	13 614	2 050	1 439	1 299	1 260	218	2 781	—	-53	-50
Q4	6 846	13 260	1 935	1 420	1 324	1 648	336	543	—	23	-5
1990 Q1	7 570	14 084	1 545	1 161	1 543	1 852	239	1 336	—	-128	2
Q2	6 920	14 180	1 865	1 175	1 473	1 431	219	1 190	—	-31	18
Q3	6 527	13 619	1 581	1 336	1 654	1 451	242	1 605	—	3	58
Q4	5 741	12 980	1 772	1 313	1 745	1 510	67	-71	—	-1	78
1991 Q1	5 716 [†]	13 261 [†]	1 643 [†]	1 143	1 630	1 147	-33	-327 [†]	—	-96	68
Q2	5 958	12 191	1 659	1 010	1 697	1 277 [†]	58 [†]	-1 424	—	63	57
Q3	6 063	12 086	1 394	897	1 887	1 361	15	-1 054	—	49	5
Q4	5 772	12 246	1 309	878	1 828	1 346	53	88	—	72	21
1992 Q1	5 321	12 172	1 377	1 064 [†]	1 793 [†]	1 565	57	215	—	-62	-7 [†]
Q2	5 697	11 981	1 262	896	1 886	1 183	-15	45	—	85 [†]	3
Q3	5 659	12 183	1 230	952	1 603	1 216	29	-31	—	27	-19

See footnotes on previous page.

A15 Gross domestic fixed capital formation by sector and type of asset

£ million

	Private sector ¹	General government ¹	Public corporations ¹	Total	Vehicles, ships and aircraft	Plant and machinery	Dwellings		Other new building and works ²
							Private	Public	
At current prices									
	DFDG	AAYE	AAAK	DFDC	DFEJ	DFCX	DFDF	DFDH	DFCT
1985	47 550	6 872	5 931	60 353	6 439	23 870	9 318	2 536	18 190
1986	51 457	7 509	5 548	64 514	6 222	24 690	11 008	2 614	19 980
1987	61 891	7 577	4 609	74 077	7 805	27 073	12 358	2 916	23 925
1988	78 732	6 506	4 619	89 857	8 849	31 504	16 440	2 914	30 150
1989	88 167	9 582	5 513	103 262	10 324	36 382	17 140	3 846	35 570
1990	88 384	12 659	4 985	106 028	9 969	37 162	15 679	4 227	38 991
1991	79 298 [†]	12 173	3 928	95 399 [†]	8 463 [†]	33 783 [†]	13 811 [†]	2 839	36 503 [†]
Unadjusted									
1989 Q1	20 998	3 265	1 526	25 789	2 740	9 139	3 634	1 197	9 079
Q2	21 609	1 387	1 200	24 196	2 383	8 723	4 437	649	8 004
Q3	22 329	2 113	1 392	25 834	2 663	8 777	4 632	855	8 907
Q4	23 231	2 817	1 395	27 443	2 538	9 743	4 437	1 145	9 580
1990 Q1	21 706	5 271	1 399	28 376	2 940	9 929	3 285	2 032	10 190
Q2	22 713	1 905	981	25 599	2 353	8 905	4 675	627	9 039
Q3	22 123	2 489	1 275	25 887	2 371	8 932	4 283	757	9 544
Q4	21 842	2 994	1 330	26 166	2 305	9 396	3 436	811	10 218
1991 Q1	19 647 [†]	4 226	1 360	25 233 [†]	2 205 [†]	8 910 [†]	2 611 [†]	1 122	10 385 [†]
Q2	19 451	2 102	846	22 399	2 141	7 825	3 649	511	8 273
Q3	19 748	2 787	878	23 413	1 724	8 070	3 981	562	9 076
Q4	20 452	3 058	844	24 354	2 393	8 978	3 570	644	8 769
1992 Q1	18 114	4 881 [†]	1 319	24 314	2 332	8 778	2 799	1 089 [†]	9 316
Q2	18 493	2 190	785 [†]	21 468	2 034	7 955	3 551	430	7 498
Q3	19 281	2 491	1 030	22 802	2 116	8 495	3 926	550	7 715
Percentage change, latest quarter on previous quarter									
1992 Q3	4.3	13.7	31.2	6.2	4.0	6.8	10.6	27.9	2.9
Percentage change, latest quarter on corresponding quarter of previous year									
1992 Q3	-2.4	-10.6	17.3	-2.6	22.7	5.3	-1.4	-2.1	-15.0

1 Including purchases less sales of land and existing buildings.

2 Including transfer costs of land and buildings.

A15 Gross domestic fixed capital formation by sector and type of asset

continued

£ million

	Private sector ¹	General government ¹	Public corporations ¹	Total	Vehicles, ships and aircraft	Plant and machinery	Dwellings		Other new building and works ²
							Private	Public	
Revalued at 1985 prices									
	DFDQ	DFDS	DFCZ	DFDM	DFEH	DFCY	DFDP	DFDR	DFCU
1985	47 550	6 872	5 931	60 353	6 439	23 870	9 318	2 536	18 190
1986	48 937	7 460	5 416	61 813	5 769	24 250	10 365	2 536	18 893
1987	55 807	7 470	4 476	67 753	6 648	25 943	10 734	2 741	21 687
1988	66 361	6 649	4 385	77 395	7 113	29 855	12 999	2 549	24 879
1989	70 046	8 292	4 659	82 997	7 777	33 591	12 290	3 006	26 333
1990	66 647	9 834	3 983	80 464	7 022	32 739	10 506	3 088	27 109
1991	59 556 [†]	9 546	3 215	72 317 [†]	5 681 [†]	29 345 [†]	8 767 [†]	2 078	26 446 [†]
Unadjusted									
1989 Q1	17 012	2 943	1 346	21 301	2 112	8 522	2 636	975	7 056
Q2	17 359	1 282	1 018	19 659	1 800	8 132	3 236	514	5 977
Q3	17 518	1 802	1 162	20 482	1 982	8 063	3 310	658	6 469
Q4	18 157	2 265	1 133	21 555	1 883	8 874	3 108	859	6 831
1990 Q1	16 548	4 125	1 144	21 817	2 117	8 877	2 197	1 502	7 124
Q2	17 201	1 469	795	19 465	1 676	7 841	3 212	456	6 280
Q3	16 555	1 934	1 003	19 492	1 659	7 798	2 882	547	6 606
Q4	16 343	2 306	1 041	19 690	1 570	8 223	2 215	583	7 099
1991 Q1	14 693 [†]	3 261	1 094	19 048 [†]	1 495 [†]	7 735 [†]	1 666 [†]	807	7 345 [†]
Q2	14 461	1 650	689 [†]	16 800	1 458	6 773	2 271	371	5 927
Q3	14 843	2 206	729	17 778	1 123	7 014	2 589	416	6 636
Q4	15 559	2 429	703	18 691	1 605	7 823	2 241	484	6 538
1992 Q1	13 952	3 882 [†]	1 076	18 910	1 517	7 650	1 742	831 [†]	7 170
Q2	14 387	1 793	658	16 838	1 319	6 930	2 247	334	6 008
Q3	14 996	2 066	862	17 924	1 385	7 359	2 507	430	6 243
Seasonally adjusted									
	DFEB	DFED	DFDA	DECU	DEBP	DEBO	DFAA	DFEC	DFCV
1989 Q1	18 123	1 774	1 077	20 974	1 874	8 331	3 480	621	6 668
Q2	17 601	1 951	1 221	20 773	1 946	8 753	2 882	724	6 468
Q3	17 198	2 167	1 207	20 572	1 991	8 330	2 904	773	6 574
Q4	17 124	2 400	1 154	20 678	1 966	8 177	3 024	888	6 623
1990 Q1	17 590	2 712	954	21 255	2 012	8 609	2 938	1 034	6 662
Q2	17 347	2 220	944	20 511	1 766	8 413	2 862	689	6 781
Q3	16 282	2 394	1 057	19 734	1 680	8 047	2 535	704	6 768
Q4	15 428	2 508	1 028	18 964	1 564	7 670	2 171	661	6 898
1991 Q1	15 473 [†]	2 139	918	18 530 [†]	1 367 [†]	7 538 [†]	2 265 [†]	529	6 831 [†]
Q2	14 757	2 328 [†]	817 [†]	17 902	1 524	7 332	2 021	530	6 495
Q3	14 663	2 562	751	17 976	1 200	7 299	2 273	506	6 698
Q4	14 663	2 517	729	17 909	1 590	7 176	2 208	513	6 422
1992 Q1	14 583	2 664	868	18 115	1 359	7 426	2 293	545 [†]	6 492
Q2	14 706	2 510	749	17 965	1 369	7 369	2 024	466	6 737
Q3	14 819	2 336	801	17 956	1 327	7 514	2 233	523	6 359
Percentage change, latest quarter on previous quarter									
1992 Q3	0.8	-6.9	6.9	-0.1	-3.1	2.0	10.3	12.2	-5.6
Percentage change, latest quarter on corresponding quarter of previous year									
1992 Q3	1.1	-8.8	6.7	-0.1	10.6	2.9	-1.8	3.4	-5.1

See footnotes on previous page.

A16 Gross domestic fixed capital formation¹

£ million

	Analysis by industry (including leased assets) ^{2,3}							By type of asset				
	Manufacturing (Divisions 2 to 4)											
	Energy and water supply (Division 1)	Mineral extraction, metal, mineral products and chemicals (Division 2)	Metal goods, engineering and vehicle industries (Division 3)	Other manufac- turing industries (Division 4)	Total	Other industries (Divisions 0, 5 to 9)	Total (Divisions 0 to 9)	Vehicles, ships and aircraft	Plant and machinery	Dwellings	Other new buildings and works ⁴	Total gross domestic fixed capital formation
At current prices												
	DFQG	DEHA	DEHB	DEHC	DFDD	DEHF	DFQI	DFEJ	DFCX	DFDK	DFCT	DFDC
1985	6 793	2 906	3 695	3 517	10 118	28 616	45 527	6 439	23 870	11 854	18 190	60 353
1986	6 802	2 365	3 636	3 730	9 731	30 893	47 426	6 222	24 690	13 622	19 980	64 514
1987	6 247	2 843	3 646	4 325	10 814	37 691	54 752	7 805	27 073	15 274	23 925	74 077
1988	6 782	3 156	4 017	5 108	12 281	45 984	65 047	8 849	31 504	19 354	30 150	89 857
1989	7 962	3 848	5 169	5 264	14 281	55 652	77 895	10 324	36 382	20 986	35 570	103 262
1990	9 624	4 247	5 144	4 937	14 328	57 915	81 867	9 969	37 162	19 906	38 991	106 028
1991	11 865 [†]	3 547 [†]	4 899 [†]	4 599 [†]	13 045 [†]	49 676 [†]	74 586 [†]	8 463 [†]	33 783 [†]	16 650 [†]	36 503 [†]	95 399 [†]
Unadjusted												
1989 Q1	2 072	834	1 146	1 160	3 140	14 707	19 919	2 740	9 139	4 831	9 079	25 789
Q2	1 684	864	1 222	1 403	3 489	12 820	17 993	2 383	8 723	5 086	8 004	24 196
Q3	2 084	946	1 396	1 309	3 651	13 479	19 214	2 663	8 777	5 487	8 907	25 834
Q4	2 122	1 204	1 405	1 392	4 001	14 646	20 769	2 538	9 743	5 582	9 580	27 443
1990 Q1	2 530	993	1 374	1 226	3 593	15 948	22 071	2 940	9 929	5 317	10 190	28 376
Q2	2 163	1 034	1 236	1 220	3 490	13 556	19 209	2 353	8 905	5 302	9 039	25 599
Q3	2 454	1 046	1 237	1 211	3 494	13 808	19 756	2 371	8 932	5 040	9 544	25 887
Q4	2 477	1 174	1 297	1 280	3 751	14 603	20 831	2 305	9 396	4 247	10 218	26 166
1991 Q1	2 860 [†]	817 [†]	1 112 [†]	1 164 [†]	3 093 [†]	14 561 [†]	20 514 [†]	2 205 [†]	8 910 [†]	3 733 [†]	10 385 [†]	25 233 [†]
Q2	2 756	902	1 186	1 042	3 130	11 321	17 207	2 141	7 825	4 160	8 273	22 399
Q3	3 099	870	1 192	1 203	3 265	11 360	17 724	1 724	8 070	4 543	9 076	23 413
Q4	3 150	958	1 409	1 190	3 557	12 434	19 141	2 393	8 978	4 214	8 769	24 354
1992 Q1	3 130	719	1 079	1 007	2 805	13 789	19 724	2 332	8 778	3 888	9 316	24 314
Q2	3 142	778	1 033	1 194	3 005	10 646	16 793	2 034	7 955	3 981	7 498	21 468
Q3	3 127	782	1 081	1 313	3 176	11 063	17 366	2 116	8 495	4 476	7 715	22 802
Percentage change, latest quarter on previous quarter												
1992 Q3	-0.5	0.5	4.6	10.0	5.7	3.9	3.4	4.0	6.8	12.4	2.9	6.2
Percentage change, latest quarter on corresponding quarter of previous year												
1992 Q3	0.9	-10.1	-9.3	9.1	-2.7	-2.6	-2.0	22.7	5.3	-1.5	-15.0	-2.6

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

2 The industry analysis of Gross domestic fixed capital formation includes vehicles, ships and aircraft, plant and machinery as well as new buildings and works other than dwellings. It excludes fixed investment in dwellings and the transfer costs of land and existing buildings.

3 The numbered Divisions referred to are those of the Standard Industrial Classification, Revised 1980.

4 Including transfer costs of land and existing buildings.

A16 Gross domestic fixed capital formation¹

continued

£ million

	Analysis by industry (including leased assets) ^{2,3}						By type of asset					
	Manufacturing (Divisions 2 to 4)					Total (Divisions 0, 5 to 9)	Vehicles, ships and aircraft	Plant and machinery	Dwellings	Other new buildings and works ⁴	Total gross domestic fixed capital formation	
	Energy and water supply (Division 1)	Mineral extraction, metal, mineral products and chemicals (Division 2)	Metal goods, engineering and vehicle industries (Division 3)	Other manufac- turing industries (Division 4)	Total (Divisions 0 to 9)							
Revalued at 1985 prices												
	DFQK	DEGU	DEGV	DEGW	DFDN	DEGZ	DFQL	DFEH	DFCY	DFDV	DFCU	DFDM
1985	6 793	2 906	3 695	3 517	10 118	28 616	45 527	6 439	23 870	11 854	18 190	60 353
1986	6 591	2 288	3 534	3 601	9 423	29 830	45 844	5 769	24 250	12 901	18 893	61 813
1987	5 903	2 645	3 423	3 980	10 048	35 040	50 991	6 648	25 943	13 475	21 687	67 753
1988	6 037	2 867	3 739	4 592	11 198	41 016	58 251	7 113	29 855	15 548	24 879	77 395
1989	6 513	3 295	4 578	4 522	12 395	46 205	65 113	7 777	33 591	15 296	26 333	82 997
1990	7 413	3 432	4 320	4 007	11 759	45 361	64 533	7 022	32 739	13 594	27 109	80 464
1991	9 238 [†]	2 815 [†]	4 105 [†]	3 735 [†]	10 655 [†]	39 333 [†]	59 226 [†]	5 681 [†]	29 345 [†]	10 845 [†]	26 446 [†]	72 317 [†]
Unadjusted												
1989 Q1	1 763	738	1 048	1 027	2 813	12 455	17 031	2 112	8 522	3 611	7 056	21 301
Q2	1 387	747	1 092	1 210	3 049	10 807	15 243	1 800	8 132	3 750	5 977	19 659
Q3	1 687	809	1 228	1 119	3 156	11 028	15 871	1 982	8 063	3 968	6 469	20 482
Q4	1 676	1 001	1 210	1 166	3 377	11 915	16 968	1 883	8 874	3 967	6 831	21 555
1990 Q1	1 984	821	1 173	1 013	3 007	12 565	17 556	2 117	8 877	3 699	7 124	21 817
Q2	1 665	837	1 030	986	2 853	10 677	15 195	1 676	7 841	3 668	6 280	19 465
Q3	1 877	837	1 031	973	2 841	10 761	15 479	1 659	7 798	3 429	6 606	19 492
Q4	1 887	937	1 086	1 035	3 058	11 358	16 303	1 570	8 223	2 798	7 099	19 690
1991 Q1	2 216 [†]	649 [†]	938 [†]	958 [†]	2 545 [†]	11 280 [†]	16 041 [†]	1 495 [†]	7 735 [†]	2 473 [†]	7 345 [†]	19 048 [†]
Q2	2 128	715	987	844	2 546	8 924	13 598	1 458	6 773	2 642	5 927	16 800
Q3	2 417	687	993	971	2 651	9 096	14 164	1 123	7 014	3 005	6 636	17 778
Q4	2 477	764	1 187	962	2 913	10 033	15 423	1 605	7 823	2 725	6 538	18 691
1992 Q1	2 465	572	921	821	2 314	11 118	15 897	1 517	7 650	2 573	7 170	18 910
Q2	2 520	614	883	967	2 464	8 812	13 796	1 319	6 930	2 581	6 008	16 838
Q3	2 524	616	919	1 060	2 595	9 228	14 347	1 385	7 359	2 937	6 243	17 924
Seasonally adjusted												
	GIYZ	GIZA	GIZB	GIZC	DECV	GIZF	DDFJ	DEBP	DEBO	DFEG	DFCV	DECU
1989 Q1	1 585	753	1 085	1 081	2 919	11 649	16 153	1 874	8 331	4 101	6 668	20 974
Q2	1 500	812	1 186	1 244	3 242	11 749	16 491	1 946	8 753	3 606	6 468	20 773
Q3	1 709	844	1 203	1 110	3 157	11 433	16 299	1 991	8 330	3 677	6 574	20 572
Q4	1 719	886	1 104	1 087	3 077	11 374	16 170	1 966	8 177	3 912	6 623	20 678
1990 Q1	1 836	870	1 223	1 081	3 174	11 658	16 668	2 012	8 609	3 972	6 662	21 255
Q2	1 825	879	1 093	1 047	3 019	11 507	16 351	1 766	8 413	3 551	6 781	20 511
Q3	1 876	874	1 002	938	2 814	11 260	15 950	1 680	8 047	3 239	6 768	19 734
Q4	1 876	809	1 002	941	2 752	10 936	15 564	1 564	7 670	2 832	6 898	18 964
1991 Q1	2 063 [†]	705 [†]	982 [†]	1 025 [†]	2 712 [†]	10 376 [†]	15 151 [†]	1 367 [†]	7 538 [†]	2 794 [†]	6 831 [†]	18 530 [†]
Q2	2 293	751	1 048	864	2 663	9 831	14 787	1 524	7 332	2 551	6 495	17 902
Q3	2 389	703	974	937	2 614	9 622	14 625	1 200	7 299	2 779	6 698	17 976
Q4	2 493	656	1 101	909	2 666	9 504	14 663	1 590	7 176	2 721	6 422	17 909
1992 Q1	2 307	641	971	875	2 487	10 001	14 795	1 359	7 426	2 838	6 492	18 115
Q2	2 687	642	935	999	2 576	9 748	15 011	1 369	7 369	2 490	6 737	17 965
Q3	2 506	629	919	1 037	2 585	9 506	14 597	1 327	7 514	2 756	6 359	17 956
Percentage change, latest quarter on previous quarter												
1992 Q3	-6.7	-2.0	-1.7	3.8	0.3	-2.5	-2.8	-3.1	2.0	10.7	-5.6	-0.1
Percentage change, latest quarter on corresponding quarter of previous year												
1992 Q3	4.9	-10.5	-5.6	10.7	-1.1	-1.2	-0.2	10.6	2.9	-0.8	-5.1	-0.1

See footnotes on previous page.

A17 Value of physical increase in stocks and work in progress

£ million

	At current prices						Revalued at 1985 prices ¹					
	Energy and water supply (Division 1)	Manufacturing ²	Distributive trades				Energy and water supply (Division 1)	Manufacturing ²	Distributive trades			
			Wholesale (Classes 61 to 63) ³	Retail (Classes 64 to 65) ⁴	Other industries ⁵	All industries			Wholesale (Classes 61 to 63) ³	Retail (Classes 64 to 65) ⁴	Other industries ⁵	All industries
Value of stocks held at end-December 1991 ⁷	5142	50311	18259	15049	32007	120768	5811	38098	14643	11926	25039	95517
	DHBU	DHBA	DHBG	DHBE	DHBW	DHBF	DHBS	DHBH	DHBL	DHBJ	DHBV	DHBK
1985	9	-443	-85	267	1 073	821	9	-443	-85	267	1 073	821
1986	-282	-419	238	723	456	716	-216	-403	265	709	382	737
1987	-185	-262	586	764	485	1 388	-210	-221	535	722	332	1 158
1988	-19	979	970	795	2 057	4 782	-108	887	844	727	1 660	4 010
1989	310	-134	738	350	1 874	3 138	252	-22	674	299	1 454	2 657
1990	-495	-1 953	-464	157	1 293	-1 462	-506	-1 495	-388	136	1 143	-1 110
1991	175	-3 920	-948	-610	92 [†]	-5 211 [†]	253 [†]	-2 782	-693	-491	269 [†]	-3 444 [†]
Unadjusted												
1989 Q1	115	497	349	-350	521	1 132	48	430	313	-308	332	815
Q2	13	640	-66	412	845	1 844	-31	540	-46	366	628	1 457
Q3	214	-329	654	138	-20	657	282	-209	598	117	27	815
Q4	-32	-942	-199	150	528	-495	-47	-783	-191	124	467	-430
1990 Q1	-295	134	321	-327	146	-21	-373	69	261	-270	195	-118
Q2	-140	195	-351	39	631	374	-94	187	-296	42	508	347
Q3	274	-633	234	252	409	536	367	-428	208	210	294	651
Q4	-334	-1 649	-668	193	107	-2 351	-406	-1 323	-561	154	146	-1 990
1991 Q1	-72	-388	-90	-737	-224	-1 511	-60	-285	-64	-577	-106	-1 092
Q2	175	-695	-429	-127	373 [†]	-703 [†]	271 [†]	-444	-328	-97	268 [†]	-330 [†]
Q3	236	-948	145	250	7	-310	266	-551	127	200	69	111
Q4	-164	-1 889	-574	4	-64	-2 687	-224	-1 502	-428	-17	38	-2 133
1992 Q1	-43 [†]	-355	-129	62 [†]	-449	-914	104	-295	-93	77 [†]	-165	-372
Q2	-69	401 [†]	-448 [†]	-466	63	-519	-300	346 [†]	-391 [†]	-357	210	-492
Q3	238	-333	248	387	-5	535	156	-167	205	315	80	589

1 For years up to and including 1982, the totals differ from the sum of the components because of the method used to rebase on 1985 prices.

2 Further details are given in the *Monthly Digest of Statistics*.

3 Excluding wholesale distribution of motor vehicles, parts and accessories.

4 Excluding retail distribution of motor vehicles and parts, and filling stations.

5 Quarterly alignment adjustment is included in this series. For description of this adjustment, see notes.

6 Differences between totals and the sum of constituent parts of manufacturing are due to rounding.

7 Book values of stocks on left hand side, constant 1985 prices on right.

8 First and second quarter 1989 estimates include adjustments (+£300m and -£300m respectively) to offset distortion to total stocks estimates otherwise caused by Easter falling in March 1989.

A17 Value of physical increase in stocks and work in progress

continued

£ million

Revalued at 1985 prices¹

	Manufacturing (Divisions 2 to 4) ^{2,6}					Distributive trades			
	Energy and water supply (Division 1)	Materials and fuel	Work in progress	Finished goods	Total	Wholesale (Classes 61 to 63) ³	Retail (Classes 64 to 65) ⁴	Other industries ^{5,8}	All industries
Value of stocks held at end-December 1991	5811	12178	13480	12434	38098	14643	11926	25039	95517
	DHBS	DHCU*	DHCW	DHCX	DHBH	DHBL	DHBJ	DHBV	DHBK
1985	9	139	-667	86	-443	-85	267	1 073	821
1986	-216	-106	-123	-174	-403	265	709	382	737
1987	-210	103	-220	-108	-221	535	722	332	1 158
1988	-108	315	145	427	887	844	727	1 660	4 010
1989	252	-31	-439	448	-22	674	299	1 454	2 657
1990	-506	-195	-1 181	-119	-1 495	-388	136	1 143	-1 110
1991	253†	-841	-929	-1 011	-2 782	-693	-491	269†	-3 444†
Seasonally adjusted									
	DHBQ	DGAX	DGAY	DGAW	DHBM	DHBO	DHBN	DHBR	DGBA
1989 Q1	254	73	-135	190	129	286	-20	632	1 281
Q2	-64	1	-23	178	156	131	327	480	1 030
Q3	-9	60	-48	99	111	226	-5	789	1 112
Q4	71	-165	-233	-19	-418	31	-3	-447	-766
1990 Q1	-194	-64	-23	-155	-242	276	59	-194	-295
Q2	-139	98	-268	50	-120	-125	-17	444	43
Q3	55	-93	-300	286	-107	-193	72	213	40
Q4	-228	-136	-590	-300	-1 026	-346	22	680	-898
1991 Q1	97†	-340	-172	-143	-654	-19	-244	-4†	-824†
Q2	257	-234	-324	-185	-743	-195	-168	-412	-1 261
Q3	-45	10	-205	-159	-355	-233	68	-242	-807
Q4	-56	-277	-228	-524	-1 030	-246	-147	927	-552
1992 Q1	319	-210	-550	63	-696	-105	268†	-76	-290
Q2	-323	-2†	-1†	74†	70†	-237†	-197	211	-476
Q3	-131	-21	-216	281	44	-172	67	-9	-201

See footnotes on previous page.

A18 Financial accounts: summary¹

Third quarter 1992

£ million

	Private sector			Public sector			
	Companies and financial institutions						
	Personal sector	Industrial and commercial companies	Financial companies and institutions	Public corporations	Central government	Local authorities	Overseas sector
CURRENT TRANSACTIONS							
Factor incomes:							
Income from employment	86 024	—	—	—	—	—	—
Gross profits and other trading income	13 741	18 802	-3 700	644	-55	153	—
Rent	9 974	1 199	173	140	11	944	—
Imputed charge for capital consumption	151	—	—	—	390	567	—
Inter-sector transfers:							
Net earnings on direct investment overseas	..	2 176	177	—	—	—	..
Dividends and interest (net receipts)	..	-10 165	..	-172	-2 114	-1 234	..
Taxes on income	-14 733	-2 281	-425	—	17 439	—	—
Social security contributions	-9 073	—	—	—	9 073	—	—
Social security benefits	16 723	—	—	—	-16 879	—	156
Other current grants by government (net receipts)	3 912	—	—	—	-16 895	11 846	1 137
Other current transfers (net receipts)	-27	-63	-9	—	31	—	68
Community charge	-2 046	—	—	—	—	2 046	—
Royalties and licence fees on oil & gas production	—	-229	—	—	229	—	—
Factor cost adjustment (Taxes less subsidies)	—	—	—	—	20 672	-104	—
Expenditure (at market prices)							
Consumption	-98 941	—	—	—	-19 696	-12 728	—
Net exports of goods and services	—	—	—	—	—	—	3 790
Balance = Saving²	12 072	9 439	2 723	612	-7 794	1 490	3 609
CAPITAL TRANSACTIONS							
Gross domestic fixed capital formation	-6 090	-12 061	-1 130	-1 030	-1 475	-1 016	—
Increase in value of stocks and work in progress	-125	-617	—	-26	19	—	—
Capital transfers (net receipts)	733	5	-25	438	-1 422	271	—
Balance: Financial surplus or deficit³	6 590	-3 234	1 568	-6	-10 672	745	3 609
FINANCIAL TRANSACTIONS⁴							
British government securities	-364	159	4 013	10	-2 561	—	-1 257
Official reserves	—	—	—	—	-1 657	—	1 657
Other public sector debt	946	-1 703	-543	124	-4 785	676	5 297
Deposits with banks	—	—	—	—	—	—	—
Sterling	-1 407	-394	-4 339	102	-64	480	5 622
Foreign Currency	99	319	-17 150	11	-8	-3	16 732
Deposits with building societies	2 052	-187	-2 946	—	—	—	1 081
Bank lending	-378	1 406	25 744	—	—	—	-26 772
Other lending	-5 322	-225	5 606	—	26	-4	-81
Company Securities	-2 340	-2 383	4 647	-1	-3 152	-2	3 231
Other financial transactions	8 759	696	-8 714	-713	1 000	-750	-278
Total financial transactions	2 045	-2 312	6 318	-467	-11 213	397	5 232
BALANCING ITEM⁴	4 545	-922	-4 750	461	541	348	-1 623
MEMO: Residual error			1 400				

¹ Unadjusted

² Before providing for depreciation, stock appreciation & additions to tax reserves.

³ The entries in this row sum, with changed sign, to the Residual error in table A27

⁴ Acquisition of assets or reduction in liabilities is shown **positive**; sale of assets or increase in liabilities **negative**.

A19 Financial account: personal sector¹

£ million

	Financial surplus or deficit	British government securities	Other public sector debt	Deposits with banks		Deposits with building societies	Bank lending	Other lending	Company securities ²	Other financial transactions	Total financial transactions	Balancing item
				Sterling	Foreign currency							
	AABH	AAPC	DEML	ATVG	AAPK	AAPL	AAQJ	AQVN	AQVP	ATVH	AAQA	AAQB
1985	10 202	1 270	2 272	4 894	245	13 315	-6 655	-19 786	-3 569	20 391	12 377	-2 175
1986	3 932	1 402	2 614	8 204	32	11 856	-5 252	-27 959	-4 330	22 278	8 845	-4 913
1987	-3 260	1 668	1 937	7 775	214	13 577	-8 904	-30 239	-1 948	21 989	6 069	-9 329
1988	-13 518	-1 794	1 989	16 593	255	20 238	-13 272	-40 876	-11 569	22 880	-5 556	-7 962
1989	-6 454	-2 212	-632	21 135	365	17 580	-13 475	-35 352	-19 776	30 422	-1 945	-4 509
1990	3 999	-1 023	526	16 521	674	17 959	-8 479	-33 089	-8 416	27 857	12 530	-8 531
1991	18 074 [†]	415	2 545	6 143	10	17 345	-1 964	-26 429	-3 094	29 666	24 637 [†]	-6 563 [†]
Unadjusted												
1989 Q1	-279	67	-363	4 588	63	4 946	-3 522	-7 487	-7 794	6 777	-2 725	2 446
Q2	-16	-57	148	6 612	318	3 432	-4 120	-8 968	-4 309	7 265	321	-337
Q3	-2 281	-936	-710	5 529	-176	4 466	-3 441	-9 756	-3 684	10 345	1 637	-3 918
Q4	-3 878	-1 286	293	4 406	160	4 736	-2 392	-9 141	-3 989	6 035	-1 178	-2 700
1990 Q1	2 833	-511	-809	4 972	175	4 095	-2 375	-7 890	-1 264	5 356	1 749	1 084
Q2	1 880	-757	586	7 411	78	4 270	-2 107	-8 836	-1 405	9 164	8 404	-6 524
Q3	-88	684	360	2 680	267	4 616	-2 245	-9 016	-3 746	6 396	-4	-84
Q4	-626	-439	389	1 458	154	4 978	-1 752	-7 347	-2 001	6 941	2 381	-3 007
1991 Q1	5 601 [†]	-345	492	2 782	-98	6 191	-330	-6 642	-1 026	5 547	6 571 [†]	-970 [†]
Q2	7 310	-157	971	4 294	1	4 679	-1 415	-7 276	-1 444	9 191	8 844	-1 534
Q3	3 177	1 672	239	947	-281	3 873	-608	-7 185	2 079	7 679	8 415	-5 238
Q4	1 986	-755	843	-1 880	388	2 602	389	-5 326	-2 703	7 249	807	1 179
1992 Q1	9 263	1 142	1 123	4 051	-28	4 691	462	-4 281	-708	6 154	12 606	-3 343
Q2	10 743	1 596	1 856	2 845	127	2 241	-876	-5 094	3 633	7 807	14 135	-3 392
Q3	6 590	-364	946	-1 407	99	2 052	-378	-5 322	-2 340	8 759	2 045	4 545

1 Sign convention: net financial surpluses, purchases of assets and reductions in liabilities are shown with a positive sign. Net financial deficits, sales of assets and increases in liabilities are shown with a negative sign.

2 Includes overseas securities and unit trust units.

A20 Financial account: industrial and commercial companies¹

£ million

	Financial surplus or deficit	British government securities	Other public sector debt	Deposits with banks		Deposits with building societies	Bank lending	Other lending	Company securities ²	Other financial transactions	Total financial transactions	Balancing item
				Sterling	Foreign currency							
1985	AABG	AAOC	DEMM	ATTL	RCIP	AANL	AAOO	AQVW	AQVY	ATTM	AAOA	AAOB
1986	2 467	-410	-110	3 048	1 283	494	-6 913	-2 269	80	2 632	-2 165	4 632
1987	1 472	-210	-850	8 345	3 054	453 [†]	-8 971	-1 200	-1 050	-148	-577	2 049
1988	179	250	2 662	8 731	-260	-234	-15 294	-1 510	-7 760	6 125	-7 290	7 469
1989	-7 651	-355	-1 191	5 330	446	-398	-30 863	-2 975	9 958	3 286	-16 762	9 111
1990	-22 707	-140	2 221	7 341	3 110	1 044	-35 946	-5 697	10 536	-4 077	-21 608	-1 099
1991	-19 935	866	198	964	3 986	1 880	-19 599	-3 668	-5 012	-7 545	-27 930	7 995
1992	-10 977 [†]	487	-1 067	4 814	-1 234	1 707	1 886	-785	-10 997	-9 818	-15 007 [†]	4 030 [†]
Unadjusted												
1989 Q1	-6 274	-115	2 120	748	-1 111	24 [†]	-10 454	-1 569	2 555	-1 497	-9 299	3 025
Q2	-4 413	-35	613	2 717	2 189	200	-7 175	-1 282	949	-1 537	-3 361	-1 052
Q3	-5 334	-140	782	1 772	547	261	-14 009	-1 047	4 477	-906	-8 263	2 929
Q4	-6 686	150	-1 294	2 104	1 485	559	-4 308	-1 799	2 555	-137	-685	-6 001
1990 Q1	-7 069	90	-438	452	1 618	460	-7 919	-1 345	-3 770	880	-9 972	2 903
Q2	-3 854	350	940	1 043	1 919	600	-4 749	-844	1 874	-7 240	-6 107	2 253
Q3	-4 865	465	-293	308	2 510	816	-3 354	-564	-2 479	647	-1 944	-2 921
Q4	-4 147	-39	-11	-839	-2 061	4	-3 577	-915	-637	-1 832	-9 907	5 760
1991 Q1	-7 180 [†]	86	-1 026	-2 843	188	733	-3 020	-344	-578	392	-6 412 [†]	-768 [†]
Q2	-780	1 065	347	4 292	-595	387	3 728	-354	-4 231	-1 265	3 374	-4 154
Q3	-2 756	-357	881	83	416	-216	-703	225	-2 434	-4 893	-6 998	4 242
Q4	-261	-307	-1 269	3 282	-1 243	803	1 881	-312	-3 754	-4 052	-4 971	4 710
1992 Q1	-5 226	-50	296	-2 547	-124	213	-1 701	-387	-908	-4 061	-9 269	4 043
Q2	-685	-1 231	-392	2 983	-979	384	2 777	24	-1 758	-2 574	-766	81
Q3	-3 234	159	-1 703	-394	319	-187	1 406	-225	-2 383	696	-2 312	-922

1 Sign convention: net financial surpluses, purchases of assets and reductions in liabilities are shown with a positive sign. Net financial deficits, sales of assets and increases in liabilities are shown with a negative sign.

2 Includes overseas securities.

A21 Financial account: financial companies and institutions¹

£ million

	Financial surplus or deficit	British government securities	Other public sector debt	Deposits with banks		Deposits with building societies	Bank lending	Other lending	Company securities ²	Other financial transactions	Total financial transactions	Balancing item
				Sterling	Foreign currency							
	AABF	AQXQ	DEMN	ATTP	AQRQ	CJKY	AQUN	ATTQ	ATTR	ATTS	CJLR	AATA
1985	388	5 771	-2 484	-12 854	-26 334	-13 794	35 941	22 577	18 293	-23 494	3 622	-3 234
1986	2 367	3 354	-1 915	-24 445	-64 511	-12 832	67 874	29 629	27 579	-20 619	4 114	-1 747
1987	2 890	-1 922	1 981	-27 482	-43 681	-14 304	75 794	32 310	-1 332	-19 363	2 001	889
1988	-1 812	-3 746	-2 973	-38 641	-21 059	-20 395	64 019	44 082	8 947	-22 379	7 855	-9 667
1989	1 890	-14 075	1 178	-40 797	-35 790	-20 378	78 405	40 065	35 651	-46 254	-1 995	3 885
1990	753	-2 984	3 650	-29 254	-39 712	-21 146	69 124	37 218	21 291	-31 186	7 001	-6 248
1991	1 452 [†]	2 051	-1 629	-27	15 957	-20 820	-32 338	27 536	46 401	-37 323	-192 [†]	1 644 [†]
Unadjusted												
1989 Q1	-646	-6 185	-1 469	-9 517	-18 800	-5 180	29 945	8 765	9 797	-7 636	-280	-366
Q2	1 378	-4 503	2 212	-12 379	3 053	-4 474	10 630	10 291	11 552	-14 552	1 830	-452
Q3	1 520	-3 872	3 331	-12 401	-13 177	-5 033	25 987	10 254	5 440	-15 244	-4 715	6 235
Q4	-362	485	-2 896	-6 500	-6 866	-5 691	11 843	10 755	8 862	-8 822	1 170	-1 532
1990 Q1	-996	-2 234	1 090	-10 158	-8 743	-4 835	19 850	9 778	2 313	-6 669	392	-1 388
Q2	274	378	2 620	-8 246	1 854	-5 206	8 238	9 621	1 754	-9 880	1 133	-859
Q3	1 234	-1 565	-606	-5 137	-20 450	-5 734	30 080	9 559	3 175	-8 326	996	238
Q4	241	437	546	-5 713	-12 373	-5 371	10 956	8 260	14 049	-6 311	4 480	-4 239
1991 Q1	1 027 [†]	-1 149	-883	264	2 217	-7 758	-1 156	7 193	8 802	-6 735	795 [†]	232 [†]
Q2	-108	-725	2 591	-3 226	16 245	-4 864	-18 213	7 629	12 912	-7 551	4 798	-4 906
Q3	954	2 034	-1 677	1 610	-2 590	-4 438	-2 452	7 025	10 443	-7 828	2 127	-1 173
Q4	-421	1 891	-1 660	1 325	85	-3 760	-10 517	5 689	14 244	-15 209	-7 912	7 491
1992 Q1	232	186	-968	-2 607	13 687	-5 923	-2 264	4 842	7 299	-6 366	7 886	-7 654
Q2	683	8 358	-1 727	-5 365	2 398	-2 793	-576	5 056	3 304	-10 920	-2 265	2 948
Q3	1 568	4 013	-543	-4 339	-17 150	-2 946	25 744	5 606	4 647	-8 714	6 318	-4 750

1 Sign convention: net financial surpluses, purchases of assets and reductions in liabilities are shown with a positive sign. Net financial deficits, sales of assets and increases in liabilities are shown with a negative sign.

2 Includes overseas securities and unit trust units.

A22 Financial account: public corporations¹

£ million

	Financial surplus or deficit	British government securities	Other public sector debt	Deposits with banks		Other lending	Company securities	Other financial transactions	Total financial transactions	Balancing item
				Sterling	Foreign currency					
	AABD	AAFC	DEMO	ATTV	AAFN	AQWY	AAFT	ATTW	AAFX	AAFY
1985	-8	-	177	159	42	-67	-21	31	321	-329
1986	1 374	132	-383	907	53	56	-54	-259	452	922
1987	1 360	29	815	379	90	-6	-144	35	1 198	162
1988	1 958	-4	923	985	2	-8	-87	-364	1 447	511
1989	793	-10	470	-213	-42	259	-9	802	1 257	-464
1990	4 626	63	4 768	47	33	-328	-79	-101	4 403	223
1991	681 [†]	-48	243	647	-74	14	-18	-256	508 [†]	173 [†]
Unadjusted										
1989 Q1	331	-	394	385	-5	-131	2	-209	436	-105
Q2	89	-	926	-643	-12	1	-13	-172	87	2
Q3	-82	-	-665	-151	-16	392	1	227	-212	130
Q4	455	-10	-185	196	-9	-3	1	956	946	-491
1990 Q1	3 046	50	3 865	518	20	-332	13	-1 153	2 981	65
Q2	580	10	255	-379	-14	1	-35	571	409	171
Q3	653	-	827	-184	15	2	-56	-86	518	135
Q4	347	3	-179	92	12	1	-1	567	495	-148
1991 Q1	87 [†]	-48	-60	658	-22	5	-5	-53	475 [†]	-388 [†]
Q2	210	-	-69	-195	23	6	-1	-76	-312	522
Q3	127	-	-103	310	-47	4	-11	-254	-101	228
Q4	257	-	475	-126	-28	-1	-1	127	446	-189
1992 Q1	-511	-	-759	177	-21	3	-1	-85	-686	175
Q2	143	-37	-46	-86	19	2	-1	76	-73	216
Q3	-6	10	124	102	11	-	-1	-713	-467	461

¹ Sign convention: net financial surpluses, purchases of assets and reductions in liabilities are shown with a positive sign. Net financial deficits, sales of assets and increases in liabilities are shown with a negative sign.

A23 Financial account: central government¹

£ million

	Financial surplus or deficit	British government securities	Official reserves	Other Public Sector Debt	Deposits with banks			Company securities	Other financial transactions	Total financial transactions	Balancing item
					Sterling	Foreign currency	Other lending				
	AABA	AACD	-AIPA	DEMP	AACQ	AACR	AQXF	AACV	ATTZ	AADA	AADB
1985	-8 347	-9 555	1 758	1 760	-63	-138	293	-2 345	274	-8 016	-331
1986	-7 654	-6 876	2 891	1 138	303	-10	580	-3 809	-1 889	-7 672	18
1987	-4 317	-4 609	12 012	-6 411	-141	74	-38	-5 930	676	-4 367	50
1988	5 663	5 032	2 761	2 423	452	-99	514	-6 194	6	4 895	768
1989	6 274	18 327	-5 440	-3 515	286	-2	1 081	-4 657	-107	5 973	301
1990	-6 491	7 330	79	-6 763	443	24	473	-4 462	-3 088	-5 964	-527
1991	-14 187 [†]	-9 178	2 683	309	-444	64	96	-9 019	1 737	-13 772 [†]	-415 [†]
Unadjusted											
1989 Q1	3 867	6 608	-502	160	-402	26	473	-928	-1 517	3 918	-51
Q2	-1 913	5 611	-2 134	-4 251	-63	-22	112	-1 807	-37	-2 591	678
Q3	-238	4 340	-358	-2 549	57	-7	325	-1 177	121	752 [†]	-990 [†]
Q4	4 558	1 768	-2 446	3 125	694	1	171	-745	1 326	3 894	664
1990 Q1	-741	4 073	-128	-1 700	-634	-8	144	-674	-1 630	-557	-184
Q2	-4 144	904	77	-5 233	27	-4	150	14	-755	-4 820	676
Q3	-1 410	918	434	-1 365	-54	35	125	-1 765	364	-1 308	-102
Q4	-196	1 435	-304	1 535	1 104	1	54	-2 037	-1 067	721	-917
1991 Q1	1 267 [†]	-302	2 147	2 466	-923	23	-268	-1 782	-850	511	756
Q2	-8 196	-2 536	847	-4 873	41	41	93	-2 498	665	-8 220	24
Q3	-4 373	-4 158	-152	478	188	-24	126	-1 426	1 566	-3 402	-971
Q4	-2 885	-2 182	-179	2 238	250	24	145	-3 313	356	-2 661	-224
1992 Q1	-2 376	-3 121	315	1 228	-165	4	125	-1 194	535	-2 273	-103
Q2	-12 628	-10 221	342	-438	-122	-8	-57	-1 811	412	-11 903	-725
Q3	-10 672	-2 561	-1 657	-4 785	-84	-8	26	-3 152	1 000	-11 213	541

¹ Sign convention: net financial surpluses, purchases of assets and reductions in liabilities are shown with a positive sign. Net financial deficits, sales of assets and increases in liabilities are shown with a negative sign.

A24 Financial account: local authorities¹

£ million

	Financial surplus or deficit	British government securities	Other public sector debt	Deposits with banks			Company securities	Other financial transactions	Total financial transactions	Balancing item
				Sterling	Foreign currency	Other lending				
	AABB	AAEC	DEMQ	ATVB	AAEM	ATTY	ADNR	DEME	AAES	AAET
1985	-1 912	4	-2 265	668	8	-619	10	-212	-2 406	494
1986	-1 425	7	-1 861	1 184	16	-699	49	-724	-2 028	603
1987	-1 334	22	-2 694	1 871	-3	-664	163	-640	-1 945	611
1988	-819	27	-2 282	1 640	8	-483	113	-298	-1 275	456
1989	-1 522	4	-457	-153	21	-292	149	-213	-941	-581
1990	-586	-9	-2 557	-1 341	3	-252	81	2 944	-1 131	545
1991	-1 502 [†]	-9	146	-2 032	17	-228	-9	255	-1 860 [†]	358 [†]
Unadjusted										
1989 Q1	-852	-17	-1 247	173	17	-85	31	635	-493	-359
Q2	919	24	131	500	-	-47	69	665	1 342	-423
Q3	-356	-7	-	-227	10	-58	14	198	-70	-286
Q4	-1 233	4	659	-599	-6	-102	35	-1 711	-1 720	487
1990 Q1	-1 764	9	-1 447	-412	40	-254	20	674	-1 370	-394
Q2	1 452	-2	-507	-996	14	1	-20	2 845	1 335	117
Q3	173	-7	-408	300	-34	6	79	-10	-74	247
Q4	-447	-9	-195	-233	-17	-5	2	-565	-1 022	575
1991 Q1	-2 490 [†]	-15	-1 214	-133	4	-28	-55	-1 261	-2 702 [†]	212 [†]
Q2	2 016	6	386	-686	32	-41	-8	2 551	2 240	-224
Q3	-505	-4	530	-769	-20	-88	18	-617	-950	445
Q4	-523	4	444	-444	1	-71	36	-418	-448	-75
1992 Q1	-3 009	4	-1 298	113	18	-94	-8	-2 000	-3 265	256
Q2	667	-3	263	-393	-1	-39	-11	1 014	830	-163
Q3	745	-	676	480	-3	-4	-2	-750	397	348

¹ Sign convention: net financial surpluses, purchases of assets and reductions in liabilities are shown with a positive sign. Net financial deficits, sales of assets and increases in liabilities are shown with a negative sign.

A25 Financial account: overseas sector¹

£ million

	Financial surplus or deficit	British government securities	Official reserves	Other public sector debt	Deposits with banks		Deposits with building societies	Bank lending	Other lending	Company securities ²	Other financial transactions	Total financial transactions	Balancing item
					Sterling	Foreign currency							
	AABI	AARC	AIPA	DEMR	ATVD	AONU	AASI	AASF	AART	AQXL	ATVE	AARZ	AASA
1985	-2 790	2 920	-1 758	650	4 148	24 894	-15	-22 373	-129	-12 448	378	-3 733	943
1986	-66	2 191	-2 891	1 257	5 502	61 366	523	-53 651	-407	-18 385	1 361	-3 134	3 068
1987	4 482	4 562	-12 012	1 710	8 867	43 566	961	-51 596	147	16 951	-8 822	4 334	148
1988	16 179	840	-2 761	1 111	13 641	20 447	555	-19 884	-254	-1 168	-3 131	9 396	6 783
1989	21 726	-1 894	5 440	735	12 401	32 338	1 754	-28 984	-64	-21 894	19 427	19 259	2 467
1990	17 029	-4 243	-79	178	12 620	34 992	1 307	-41 046	-354	-3 403	11 119	11 091	5 938
1991	6 321	6 282	-2 663	-547	-9 101	-14 740	1 768	32 416	-204	-23 264	15 739	5 686 [†]	636 [†]
Unadjusted													
1989 Q1	5 115	-358	502	405	4 025	19 810	210	-15 969	34	-3 663	3 447	8 443	-3 328
Q2	5 873	-1 040	2 134	221	3 256	-5 526	842	665	-107	-6 441	8 368	2 372	3 501 [†]
Q3	7 066	615	358	-189	5 421	12 819	306	-8 537	-110	-5 071	5 259	10 871	-3 805
Q4	3 672	-1 111	2 446	298	-301	5 235	396	-5 143	119	-6 719	2 353	-2 427	6 099
1990 Q1	6 197	-1 477	128	-561	5 262	6 898	280	-9 556	-101	3 362	2 542	6 777	-580
Q2	5 991	-883	-77	1 339	1 140	-3 847	336	-1 382	-93	-2 182	5 295	-354	6 345
Q3	3 781	-495	-434	1 485	2 087	17 657	302	-24 481	-112	4 792	1 015	1 816	1 965
Q4	1 060	-1 388	304	-2 085	4 131	14 284	389	-5 627	-48	-9 375	2 267	2 852	-1 792
1991 Q1	3 572 [†]	1 773	-2 147	225	195	-2 312	834	4 506	84	-5 356	2 960	762 [†]	2 810
Q2	817	2 347	-847	647	-4 520	-15 747	-202	15 900	-57	-4 730	-3 515	-10 724	11 541
Q3	2 217	813	152	-348	-2 369	2 546	781	3 763	-107	-8 669	4 347	909	1 308
Q4	-284	1 349	179	-1 071	-2 407	773	355	8 247	-124	-4 509	11 947	14 739	-15 023
1992 Q1	3 459	1 839	-315	378	978	-13 536	1 019	3 503	-208	-4 480	5 823	-4 999	8 458
Q2	3 717	1 538	-342	484	138	-1 556	168	-1 325	108	-3 356	4 185	42	3 675
Q3	3 609	-1 257	1 657	5 297	5 622	16 732	1 081	-26 772	-81	3 231	-278	5 232	-1 623

1 Sign convention: net financial surpluses, purchases of assets and reductions in liabilities are shown with a positive sign. Net financial deficits, sales of assets and increases in liabilities are shown with a negative sign.

2 Includes overseas securities.

A26 REVISIONS ANALYSIS

Revisions since Economic Trends Article, October 1992

£ million

		1991
Expenditure components at current prices		
Consumers' expenditure	AIK	190
General government final consumption	AAXI	5
Gross domestic fixed capital formation	DFDC	-43
Value of physical increase in stocks and work in progress	DHBF	92
Exports	DJAD	-96
less Imports ¹	DJAG	23
less Taxes on expenditure ¹	CTGV	64
Subsidies	AAXJ	204
Statistical discrepancy (expenditure adjustment)	GIXM	259
Expenditure components at constant 1985 prices		
Consumers' expenditure	CCBH	135
General government final consumption	DJCZ	-106
Gross domestic fixed capital formation	DFDM	-145
Value of physical increase in stocks and work in progress	DHBK	63
Exports	DJCV	-123
less Imports ¹	DJCY	19
less Adjustment to factor cost ¹	DJCU	121
Statistical discrepancy (expenditure adjustment)	GIXS	183
Income components at current prices		
Income from employment	DJAO	790
Gross trading profits of companies	CIAC	-
Gross trading surplus of public corporations	ADRD	-
Gross trading surplus of general government enterprises	DJAO	-
Other income	DJAP	-403
Total domestic income	DJAU	387
less Stock appreciation ¹	DJAT	1
Statistical discrepancy (income adjustment)	GIXQ	-66
Output components index at constant factor cost²		
Agriculture, forestry and fishing	CKAP	-
Oil and gas extraction	DVIP	-
Other energy and water supply	DVWA	-
Manufacturing	DVIS	-
Construction	DVJO	-
Distribution, hotels and catering	CKAQ	-
Transport and communication	CKAR	-
Other services	CKAS	-
GDP at current factor cost	CAOM	320
GDP at current market prices	CAOB	384
GNP at current factor cost	GTBD	433
GNP at current market prices	GIBF	497
GDP at 1985 factor cost	CAOP	-133
GDP at 1985 market prices	CAOO	-12
GNP at 1985 factor cost	GIXY	-25
GNP at 1985 market prices	GIXX	96

1 Estimates of imports of goods and services and taxes on expenditure (which is the main part of the adjustment to factor cost) are deducted in arriving at gross domestic product at factor cost. The effect of revisions to these estimates on the total therefore involves reversing the sign. A similar situation applies in the case of stock appreciation and the income components of gross domestic product.

2 Change in index numbers.

A27 Gross domestic product at factor cost: individual measures

	£ million				Index numbers (1985=100)				
	Expenditure-based estimate at 1985 prices	At current prices		Residual error ¹	Value indices at current prices		Volume indices at 1985 prices		
		Expenditure-based estimate	Income-based estimate		Expenditure-based estimate	Income-based estimate	Expenditure-based estimate	Income-based estimate ²	Output-based estimate
	DJCW	DJAE	DJAL	DJAS	DJCN	DJCO	DJDE	DIAR	DIGW
1985	307 901	307 901	307 901	—	100.0	100.0	100.0	100.0	100.0
1986	319 730	328 130	328 130	—	106.6	106.6	103.8	103.8	103.5
1987	334 407	360 599	360 599	—	117.1	117.1	108.6	108.6	108.2
1988	349 404	401 127	401 127	—	130.3	130.3	113.5	113.5	113.2
1989	356 698	441 136	441 136	—	143.3	143.3	115.8	115.8	115.6
1990	359 187	479 729	479 124	605	155.8	155.6	116.7	116.5	116.4
1991	350 301 [†]	497 507 [†]	497 370 [†]	137 [†]	161.6	161.5 [†]	113.8 [†]	113.7 [†]	113.5
Seasonally adjusted									
	DJDH	DJBA	DJBE	DJDS					
1989 Q1	88 815	107 581	107 581	—	139.8	139.8	115.4	115.4	115.2
Q2	88 890	109 090	109 090	—	141.7	141.7	115.5	115.5	115.3
Q3	89 337	111 371	111 371	—	144.7	144.7	116.1	116.1	115.9
Q4	89 656	113 094	113 094	—	146.9	146.9	116.5	116.5	116.3
1990 Q1	90 259	116 315	116 196	119	151.1	151.0	117.3	117.1	117.0
Q2	90 572	119 580	119 430	150	155.3	155.2	117.7	117.5	117.4
Q3	89 521	121 632	121 465	167	158.0	157.8	116.3	116.1	116.0
Q4	88 835	122 202	122 033	169	158.8	158.5	115.4	115.2	115.1
1991 Q1	88 130 [†]	122 672 [†]	122 618 [†]	54 [†]	159.4 [†]	159.3 [†]	114.5 [†]	114.4	114.2
Q2	87 369	123 213	123 179	34	160.1	160.0	113.5	113.5	113.2
Q3	87 508	125 236	125 211	25	162.7	162.7	113.7	113.7	113.4
Q4	87 294	126 386	126 362	24	164.2	164.2	113.4	113.4 [†]	113.1
1992 Q1	86 908	127 275	127 210	65	165.3	165.3	112.9	112.8	112.7
Q2	86 790	129 158	129 083	75	167.8	167.7	112.8	112.7	112.6
Q3	86 867	129 963	129 881	82	168.8	168.7	112.9	112.8	112.7
Percentage change, latest quarter on previous quarter									
1992 Q3	0.1	0.6	0.6		0.6	0.6	0.1	0.1	0.1
Percentage change, latest quarter on corresponding quarter of previous year									
1992 Q3	-0.7	3.8	3.7		3.8	3.7	-0.7	-0.8	-0.6

¹ The Residual error is, by convention, the amount by which the expenditure-based approach to measuring GDP exceeds the income-based estimate. It is also the sum of two components: Statistical discrepancy (expenditure) with sign reversed, and the Statistical discrepancy (income) with natural sign.

² Income data deflated by the implied GDP deflator at factor cost, based on expenditure data.

Employment in the public and private sectors

CENTRAL STATISTICAL OFFICE

Workforce in Employment⁽¹⁾

1. The latest estimates of the total workforce in employment show a decrease of 0.7 million between mid-1991 and mid-1992, to a total of 25.4 million. This is the second successive annual decrease, following a continual rise between 1983 and 1990. Between mid-1991 and mid-1992 employment in the public sector fell by 81 thousand, and there was a fall of 19 thousand in the numbers on work-related government training programmes over the same period.

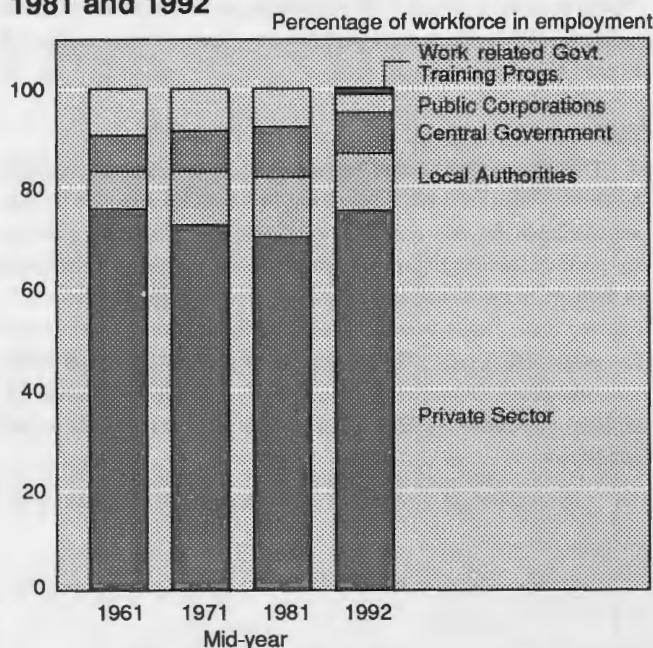
Analysis by Sector (Tables A,C and Charts 1,2)

2. Of the estimated workforce in employment of 25.4 million at mid-1992, some 19.2 million (75.6%) were employed in the private sector. Of the remainder, 5.8 million (22.8%) were employed in the public sector, and 0.3 million (1.2%) on work-related government training programmes. Those working in the public sector included 2.9 million (11.4%) employed by local authorities, 2.0 million (7.9%) by central government, and 0.9 million (3.5%) by public corporations.

3. Between mid-1980 and mid-1992, the public sector share of the total workforce in employment fell from 29.2% to 22.8%, in large part reflecting the impact of privatisations and reclassifications. Over this period, central government employment fell from 9.4% to 7.9% of total employment, while local authority employment fell from 11.7% to 11.4% and public corporations from 8.0% to 3.5%. An analysis of total employment by the main industry groups and

Chart 1

Employment by sector at mid year 1961, 1971, 1981 and 1992



splits between those in the private and public sectors for the years 1961 to 1992 is shown in Table C.

Analysis of workforce in employment by sector

TABLE A

	Mid-year (000's)						
	1961	1971	1976	1981	1990	1991	1992
Total workforce in employment	24457	24533	24844	24345	26924	26028	25370
Private sector	18598	17906	17544	17160	20430	19799	19241
Work related gov't training programmes	0	0	0	0	423	353	334
Public sector	5859	6627	7300	7185	6071	5876	5795
Public corporations	2200	2009	1980	1867	797	747	880
National Health Service Trusts	0	0	0	0	0	124	309
Other	2200	2009	1980	1867	797	623	571
General government	3659	4618	5320	5318	5274	5129	4915
Central government	1790	1966	2364	2419	2305	2183	2014
HM Forces	474	368	336	334	303	297	290
National Health Service*	575	785	1092	1207	1221	1098	924
Other	741	813	936	878	781	788	800
Local authorities	1869	2652	2956	2399	2969	2946	2901
Education	785	1297	1521	1454	1431	1414	1392
Social services	170	276	319	350	417	414	410
Police	108	152	175	186	199	202	204
Construction	103	124	165	143	114	106	97
Other	703	803	776	766	808	810	798
Memorandum item :							
Grant funded educational establishments**	n/a	n/a	n/a	n/a	379	392	416

* Figures include Agency nurses temporarily employed in the NHS.

** Universities; Polytechnics; Higher Education Colleges and Grant Maintained Schools. All are classified to the Private non-profit sector serving households in the National Accounts.

Note : from 1990, figures for "premises related" staff in grant maintained schools (cleaners, caretakers etc) included within this total have been estimated (3 thousand in 1992).

(1) Figures on total employment have been provided by the Employment Department.

4. Chart 2 illustrates the proportions of public sector employment by the main industry groups at mid-1992. Local authority education accounted for nearly a quarter of public sector employment and the NHS (including trusts) also accounted for a quarter.

Analysis of Public Sector Employment by Sex and Industry (Table B)

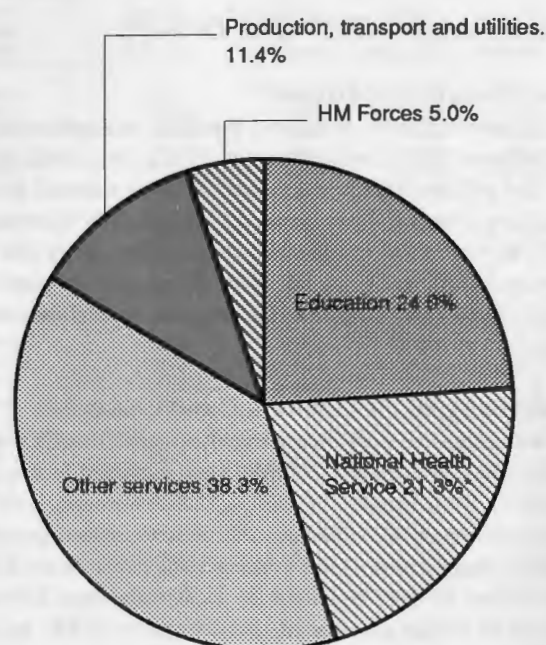
5. Women continued to make-up the vast majority of those who worked in the National Health Service (79%), while local authority education and social services increasingly employed more women than men (63% and 81% respectively). Conversely, 93% of HM Forces were male as were 86% of those employed in the nationalised industries. 48% of the female workforce worked part-time, compared to only 6% of the male.

Full-time Equivalent Employment (Table D)

7. The figures for overall employment in this article are on a headcount basis (this is the only basis on which comparable figures are available for the economy as a whole). Part-time workers continue to form an important part of the government sector, most noticeably in the health and education services. Figures on a full-time equivalent basis are available for public sector employment and for the period from 1977. Between their peak in 1979 and 1992, numbers of full-time equivalents declined by 25% (6.6 million to 4.9 million), compared to a 22% decline in total numbers of public sector employees.

Chart 2

Analysis of public sector employment by Industry group, mid-1992



*Including NHS Trusts

United Kingdom public sector employment: mid 1992

TABLE B

Thousands							
	Total number employed	Male			Female		
		Total	Full-time	Part-time	Total	Full-time	Part-time
Total public sector	5795	2623	2459	164	3172	1660	1512
Public corporations	880	551	528	23	392	186	143
Nationalised industries	477	409	399	10	68	53	15
NHS Trusts	309	73	60	13	236	111	125
Other	94	69	69	0	25	22	3
General government	4915	2072	1931	141	2843	1474	1369
Central government	2014	879	851	28	1135	706	429
HM Forces	290	270	270	0	20	20	0
National Health Service*	924	198	170	28	726	381	345
Other	800	411	409	2	389	305	84
Local authorities	2901	1193	1080	113	1708	768	940
Education	1392	348	268	80	1044	425	619
Social services	410	63	51	12	347	136	211
Police	204	171	167	4	33	27	6
Construction	97	89	89	0	8	7	1
Other	798	522	505	17	276	173	103
Memorandum item :							
Grant funded educ. establishments**	416	133	93	40	283	124	159

* Excluding NHS Trusts shown in row 4

** Universities ; Polytechnics : Higher Education Colleges and Grant Maintained Schools. All are classified to the Private non-profit sector serving households in the National Accounts. Figures for grant maintained schools included in this item have been estimated (see Note to Table A).

TABLE C
UK employment by sector and industry group - 1961-1992

Thousands

Mid-year	Workforce in Employment	Total Private Sector	WRGTPs	Total Public Sector	HM Forces	Agriculture/ Forestry/ Fisheries			Production Industries			Transport & Communications			Other		
						Total	Private	Public	Total	Private	Public	Total	Private	Public	Total	Private	Public
1961	24457	18597		5860	474	1098	1082	16	11411	10026	1385	1724	614	1110	9749	6874	2875
1962	24632	18711		5921	442	1066	1050	16	11363	9989	1374	1734	616	1118	10027	7056	2971
1963	24661	18729		5932	427	1058	1043	15	11250	9915	1335	1716	617	1099	10210	7154	3056
1964	24950	18989		5961	424	1013	998	15	11406	10100	1306	1703	633	1070	10404	7258	3146
1965	25204	19209		5995	423	950	935	15	11543	10252	1291	1694	653	1041	10593	7368	3225
1966	25355	19292		6063	417	914	899	15	11567	10326	1241	1669	650	1019	10788	7417	3371
1967	24992	18568		6424	417	881	866	15	11222	9775	1447	1669	651	1018	10803	7276	3527
1968	24841	18419		6422	400	852	838	14	11058	9703	1355	1651	648	1003	10880	7230	3650
1969	24857	18421		6436	380	815	803	12	11082	9776	1306	1623	566	1057	10957	7276	3681
1970	24753	18238		6515	372	782	770	12	10920	9646	1274	1640	583	1057	11038	7238	3800
1971	24533	17906		6627	368	764	752	12	10543	9296	1247	1621	570	1051	11237	7288	3949
1972	24510	17805		6705	371	734	723	11	10309	9124	1185	1599	583	1016	11497	7375	4122
1973	25076	18272		6804	361	736	725	11	10466	9322	1144	1583	584	999	11930	7641	4289
1974	25148	18241		6907	345	700	690	10	10439	9270	1169	1570	602	968	12094	7679	4415
1975	25056	17803		7253	336	687	677	10	9998	8812	1186	1582	542	1040	12453	7772	4681
1976	24844	17544		7300	336	685	675	10	9712	8552	1160	1539	533	1006	12572	7784	4788
1977	24865	17497		7368	327	683	673	10	9684	8394	1290	1533	558	975	12638	7872	4766
1978	25014	17657		7357	318	680	670	10	9665	8378	1287	1550	583	967	12801	8026	4775
1979	25393	17944		7449	314	666	656	10	9707	8428	1279	1567	591	976	13139	8269	4870
1980	25327	17940		7387	323	654	644	10	9427	8193	1234	1580	602	978	13343	8501	4842
1981	24345	17160		7185	334	639	629	10	8607	7533	1074	1526	573	953	13239	8425	4814
1982	23907	16886		7021	324	633	624	9	8166	7156	1010	1477	572	905	13307	8534	4773
1983	23624	16656	16	6952	322	622	614	8	7787	6839	948	1438	570	868	13439	8633	4806
1984	24235	17149	175	6911	326	615	607	8	7720	6817	903	1459	601	858	13940	9124	4816
1985	24539	17784	176	6579	326	616	608	8	7665	6832	833	1432	854	578	14324	9490	4834
1986	24568	17796	226	6546	322	603	595	8	7471	6697	774	1411	838	573	14535	9666	4869
1987	25083	18402	311	6370	319	591	584	7	7472	6874	598	1443	935	508	14947	10009	4938
1988	25914	19244	343	6327	316	581	574	7	7595	7034	561	1460	991	469	15619	10645	4974
1989	26684	20123	462	6099	308	567	560	7	7755	7274	481	1526	1064	462	16066	11225	4841
1990	26924	20430	423	6071	303	568	561	7	7670	7253	417	1557	1073	484	16410	11550	4860
1991	26028	19799	353	5876	297	561	555	6	7156	6907	249	1504	1026	478	16158	11312	4846
1992	25370	19241	334	5795	290	553	547	6	6729	6515	214	1488	1038	450	15977	11142	4835

TABLE D
UK public sector employment 1961-1992 by major categories¹

Thousands

Mid-year	General government											Public corporations ³							Total of which: public sector	Civil Service
	Central government				Local authorities							Total general government	Nation- alised industries	NHS Trusts	Other public corpora- tions	Total public corpora- tions				
	HM Forces	National Health Service	Other central govern- ment	Total central govern- ment	Education	Social services	Con- struction	Police (incl. civilians)	Other local authori- ties	Local authorities community programme	Total local authori- ties									
Headcount																				
1961	474	575	741	1790	785	170	103	108	703		1869	3659	2152		48	220	5860	672		
1971	368	785	813	1966	1297	276	124	152	803		2652	4618	1856		153	1209	6627	727		
1972	371	821	813	2005	1365	295	128	159	824		2771	4776	1769		160	1929	6705	702		
1973	361	848	815	2024	1436	315	130	162	848		2890	4914	1731		159	1890	6804	706		
1974	345	911	884	2140	1453	272	135	160	762		2782	4922	1777		208	1985	6907	705		
1975	336	1042	923	2301	1508	309	164	171	765		2917	5218	1816		219	2035	7253	723		
1976	336	1092	936	2364	1521	319	165	175	776		2956	5320	1752		228	1980	7300	760		
1977	327	1099	932	2358	1506	322	155	172	766		2921	5279	1866		223	2089	7368	755		
1978	318	1120	926	2364	1512	334	155	170	761		2932	5296	1844		217	2061	7357	745		
1979	314	1152	921	2387	1539	344	156	176	782		2997	5384	1849		216	2065	7449	738		
1980	323	1174	896 ₂	2393 ₂	1501	346	152	181	776		2956	5349	1816		222	2038	7387	714		
1981	334	1207	878	2419	1454	350	143	186	766		2899	5318	1657		210	1867	7185	698		
1982	324	1227	849	2400	1434	352	132	186	761	-	2865	5265	1554		202	1756	7021	671		
1983	322	1227	835	2384	1434	360	130	187	768	27	2906	5290	1465		198	1662	6952	654		
1984	326	1223	810	2359	1430	368	126	187	773	58	2942	5301	1416		195	1610	6911	630		
1985	326	1223	811	2360	1429	376	125	187	774	67	2958	5318	1137		125	1261	6579	608		
1986	322	1215	800	2337	1452	387	125	188	770	88	3010	5347	1065		134	1199	6546	610		
1987	319	1212	781	2312	1486	398	128	191 ²⁷	763	96	3062	5374	870		126	996	6370	599		
1988	316	1228	778	2322	1504	405	125	194	764	89	3081	5403	798		126	924	6327	593		
1989	308	1226	781	2315	1444 ₄	411	119	195	771	-	2940	5255	727		117	844	6099	585		
1990	303	1221	781	2305	1431	417	114	199	808	- ⁵	2969	5274	682		115	797	6071	580		
1991	297	1098	788	2183	1414	414	106	202	810	-	2946	5129	516	124	107	747	5876	581		
1992	290	924	800	2014	1392	410	97	204	798	-	2901	4915	477	309	94	880	5795	591		
Full-time equivalents																				
1977	327	947	866	2140	1099	222	152	168	683		2324	4464	1835		223	2058	6522	740		
1978	318	957	885	2140	1105	228	152	165	675		2325	4465	1843		217	2060	6525	731		
1979	314	977	897	2188	1110	235	150	172	701		2368	4556	1818		216	2034	6590	724		
1980	323	1001	872	2196	1087	235	146	176	699		2343	4539	1785		222	2007	6546	700		
1981	334	1038	853	2225	1058	240	136	180	692		2306	4531	1656		206	1862	6393	684		
1982	324	1047	827	2198	1041	241	131	180	681	-	2274	4472	1538		198	1736	6208	659		
1983	322	1047	812	2181	1034	246	130	182	686	23	2301	4482	1444		197	1641	6123	643		
1984	326	1036	787	2149	1027	251	126	182	689	45	2320	4469	1396		193	1589	6058	619		
1985	326	1030	788	2144	1021	256	125	182	689	52	2325	4469	1124		123	1247	5716	596		
1986	322	1018	776	2116	1029	263	125	184	675	76	2352	4468	1049		132	1182	5650	597		
1987	319	1016	756	2091	1043	271	128	186	677	72	2377	4468	856		124	980	5448	584		
1988	316	1017	751	2084	1046 ₄	277	125	190	674	67	2379	4463	781		124	905	5368	577		
1989	308	1013	763	2084	992	282	119	191	681	-	2265	4349	709		115	824	5173	567		
1990	303	1008	765	2076	990	288	114	194	694	-	2280	4356	665		113	778	5135	559		
1991	297	904	766	1967	982	287	105	197	721	-	2292	4259	501	102	105	707	4966	558		
1992	290	755	783	1828	969	285	97	199	709	-	2259	4087	477	252	93	822	4909	567		

1 The Appendix gives details of the definitions and coverage of the sectors and sources of the statistics and many changes in them between 1981 and 1992 except in the case of the Civil Service which is documented back to 1969.

2 The establishment of HMSO from 1 April 1980 as a trading body implies the transfer of about 6,000 to public corporations.

3 Details of transfers of public corporations to the private sector, including the numbers of employees involved, are given in the Appendix.

4 Polytechnics were transferred to the private sector in April 1989, reducing local authorities by around 60,000.

5 Community Programme employees were transferred to the Employment Training Scheme during third quarter of 1988.

APPENDIX

DEFINITION OF THE SECTORS

The United Kingdom national accounts divide the economy into institutional sectors so as to display the relationships between the different parts of the economy and the different forms of economic activity in a way which aggregate statistics cannot do. The sectors bring together those institutional units which are likely to play similar roles in economic activity and which may be expected to react in a broadly similar fashion to various market, fiscal and monetary forces.

The sectors used in this article are the same as in the national accounts. Full definitions of the sectors are given in "Sector Classification for the National Accounts" (a), and in "United Kingdom" National Accounts: Sources and Methods" (b). They are explained more briefly below.

Some of the estimates for the latest year are provisional and are subject to minor changes as final information becomes available. The figures for NHS Trusts may be subject to more substantial revision because they are estimated from a variety of sources. The final figures will be based on a single consistent source of data.

General Government

Central Government

The central government sector can be regarded as embracing all bodies for whose activities a Minister of the Crown, or other responsible persons, is accountable to Parliament. Besides the various departments of the government of the United Kingdom and the Northern Ireland government (including HM Forces), it also includes a number of publicly constituted bodies, which, while not government bodies in the ordinary sense, are financially dependent upon and effectively controlled in major matters by the government. Examples of these bodies administering public policy but without the substantial degree of financial independence which characterise the public corporations include:

- Regional and District Health Authorities of the National Health Service.
- National Research Councils.
- Royal Commissions.
- National Museums and Art Galleries.

Also included are certain productive or trading enterprises financed directly from the accounts of the central government, such as the Forestry Commission and Remploy Ltd. Consistent data for years since 1961 appears in the "Economic Trends Annual Supplement".

Civil Service

The Civil Service comprises the Home Civil Service and the Diplomatic Service (but not the Northern Ireland Civil Service and the Overseas Civil Service) as well as those employed in the newly set-up government agencies. Apart from some public corporations (Royal Mint and HM Stationery Office) the Civil Service is included in "Other Central Government" along with the Northern Ireland Civil Service and a number of smaller bodies including Research Councils, Remploy Ltd, British Council and British Library. Further analysis of Civil Service manpower figures at 1st April 1992 can be found in the booklet "Civil Service Statistics"(c).

Local Authorities

This sector consists of all local government authorities which have power to raise funds by means of rates, levies or community charge. It includes all levels of administrative authorities (including parish councils) and also local authorities with special functions. It includes magistrates courts, the probation service in England and Wales and police forces and their civilian staffs. It embraces all

functions of such authorities (including, for example, their education services, except in Northern Ireland, and construction departments) and includes trading activities of local authorities, such as housing, theatres etc. Municipal bus companies (from 1986) and airport companies (from 1987) are regarded as public corporations. Grant maintained schools are regarded as part of the private sector (from 1989). Polytechnics and HE colleges were transformed from local authority control from September 1989 and are also regarded as part of the private sector.

Public Corporations

Public corporations are public trading bodies which have substantial degrees of financial independence from the central government. They are publicly controlled to the extent that the Sovereign, Parliament or a Minister appoints, directly or indirectly, the whole or the majority of the board of management. They are free, however, to manage their affairs without detailed control by Parliament; in particular they have power to borrow, within limits laid down by Parliament, and to maintain their own reserves. Some public corporations are currently designated as "nationalised industries" and are noted as such in the list below. Subsidiaries of public corporations are part of this sector if their accounts are consolidated with those of the parent corporation.

Some central government bodies like the Royal Mint and HMSO are included in this sector and not under central government.

From 1st April 1991 NHS trust hospitals are also included in this sector.

Public Sector

This is defined as the sum of general government and the public corporations.

Private Sector

This covers employment in companies in the corporate sector other than public corporations and in the personal sector (including unincorporated businesses and private non-profit making bodies serving persons). Bodies serving industry, supported by the government but not wholly dependent on government funds nor subject to detailed financial control, are treated as part of the company sector. Unincorporated businesses are those of sole traders and partnerships of individuals. All self-employed (whether or not they have any employees) including general practitioners are included in this sector, as are private non-profit making bodies. These include universities, Polytechnics and Higher Education colleges in England (from 1st April 1989); and from 1st September 1989, those employed by grant maintained schools.

CLASSIFICATION BY INDUSTRY

Industries are classified according to the "Standard Industrial Classification (Revised 1980)"(SIC).

SOURCES OF THE STATISTICS

The figures for total workforce in employment and work related government training programmes, together with the industrial analyses of employees in employment and the self-employed are aggregated from those compiled by the Department of Employment and the Department of Economic Development, Northern Ireland. The figures are consistent with those published in the December 1992 issue of "Employment Gazette".

Estimates of employment in central government and the public corporations are, for the most part, derived from the central records of the organisations concerned. Efforts are made to ensure, as far as possible, that the figures derived from different sources are consistent. For example, in order to be consistent with the data for total employees, the estimates seek to count jobs rather than persons so that those with two or more jobs are counted twice or more. Also, with the exception of Table D, no adjustment is made for differences in hours worked or the extent of part-time working.

However, the absence of a common source leaves scope for error, which will also affect the estimates for the private sector where figures are derived by subtracting the estimates of employment in central government, local authorities and public corporations from the industry totals. This is one reason why too much emphasis should not be placed on relatively small changes in employment from one year to another.

Up to and including 1974 the figures for employment by local authorities in Great Britain were based on figures collected and compiled by the Department of Employment with the co-operation of the local authorities in England, Wales and Scotland. Additions were made for Northern Ireland, and to include the staffs of magistrates courts and the probation service, employees of parish councils and certain other local bodies, and the civilian employees of police forces, none of whom were included in the Department of Employment's survey of local authorities. (These groups are of course included, but not separately identified, in the Department of Employment's mid year figures of the total employees in employment). From 1975, figures from the Joint Staffing Watch surveys undertaken on behalf of central and local governments by the Local Authorities Conditions of Service Advisory Board form the basis of the figures for local authorities in England and Wales (d). This survey covers all the services for which local authorities in England and Wales are responsible, including most of the bodies for which separate estimates had previously to be made. From 1976, the figures for Scotland are taken from a similar survey undertaken on behalf of central and local government by the National Joint Council for Local Authority Services (Scottish Councils)(d).

Information is not available from every source concerning:

- i) disaggregation below United Kingdom level or
- ii) number of males, females, full-time and part-time workers; best estimates are used for missing data.

FULL-TIME EQUIVALENT EMPLOYMENT

To provide a more appropriate measure of manpower inputs, many of the institutions in the public sector count their part-time workers in terms of full-time equivalents. This analysis appears in Table D. Measuring full-time equivalents is a somewhat imprecise process, with each institution having its own convention for making the calculation. The most detailed calculation is made for the National Health Service, where a full-time equivalent is recorded for each individual. This is based on the employee's contracted hours and the standard hours for the grade. For example, if an individual contracts to work for 36 hours a week when the standard full-time equivalent is 40 hours, the individual's full-time equivalent is 0.9. This system, however, does not take account of the overtime or short time worked in particular periods, and no employees should therefore have full-time equivalents of more than 1. Consequently, any change in the length of the standard working week affects the number of full-time equivalents, even if the number of part-time hours worked is unchanged. Full-time equivalent figures for the National Health Service for years before 1983 relate to 30 September each year; since 1983, they are largely based on 30 June data.

The full-time equivalents for local authorities are derived by applying factors to the numbers of part-time workers in three groups based on average hours worked in each group nationally.

The groups and factors for England and Wales are:

Non-manual Employees

Further education	0.11
Other	0.53
Manual workers	0.41

In other parts of the public sector, part-timers have been taken as half-units.

MAJOR SECTOR CHANGES: 1983 TO 1992

Definitions, Coverage and Consistency of Statistics

Central Government

United Kingdom Atomic Energy Authority was reclassified as a public corporation from 1 April 1986.

National Rivers Authority, set up on 10 July 1989, increased central government employment at mid 1990 by 6,600.

National Health Service Trusts were classified to the public corporation sector as from their establishment on 1 April 1991.

Civil Service

On 1 April 1971 responsibilities for Road Traffic Licensing were transferred from local authorities to the civil service (about 1000 staff were involved).

Civil Aviation Authority set up on 1 April 1972 reducing civil service numbers by around 7400. In March 1973 the Atomic Weapons Research Establishment (AWRE) joined the Ministry of Defence, affecting around 5600 personnel.

Employment Services Agency was established as a statutory body on 1 October 1974, removing some 12700 from the civil service.

As a result of the Employment Protection Act (1975), 20900 staff of the Manpower Services Commission were reclassified to the civil service on 1 January 1976.

On 1 October 1980, certain Property Services Agency staff were excluded from the civil service figures, affecting around 1300 staff.

The Victoria & Albert and Science museums were accorded trustee status on 1 April 1984, reducing civil service numbers by some 1100.

The Directorate of Historic Monuments and Ancient Buildings was transferred from the Department of the Environment to a new commission outside the civil service manpower count on 1 April 1984, involving around 1100 employees.

On 2 January 1985, Royal Ordnance Factories became a Companies Act company, reducing civil service numbers by approximately 19000.

The Devonport and Rosyth Dockyards were contractorised on 6 April 1987, reducing civil service manpower by around 16,500.

3300 staff in the Department of Health Special Hospitals were excluded from early 1990.

LOCAL AUTHORITIES

Polytechnics and higher education institutions in England were transferred from the sector to the private sector in April 1989, reducing the numbers by 60,000 (39,000 FTE).

Schools opting-out of local authority control (ie grant-maintained schools) are classified to the private sector. Opting-out commenced in September 1989. There were approximately 3,000 and 10,000 teachers (on a full-time equivalent basis) at mid-1991 and mid-1992 respectively, in grant-maintained schools.

Public Corporations

The public corporations in existence during the whole or part of the period covered by this article are listed below.

A. Corporations in existence at 30 June 1992.

NAME OF CORPORATION	COMMENCING OR VESTING DATE
Audit Commission	April 1983
Bank of England	March 1946
British Broadcasting Corporation	1927
British Coal Corporation (1,2)	January 1947
British Railways Board (1,2)	January 1963
British Waterways Board (1,2)	January 1963
Calendonian Macbrayne Ltd (1,2)	April 1990
Channel 4 Television Company Ltd (6)	December 1980
Civil Aviation Authority (1)	April 1972
Commonwealth Development Corporation	February 1948
Covent Garden Market Authority	October 1961
Crown Agents and Crown Agents Holding and Realisation Board	January 1980
Development Board for Rural Wales (2)	April 1977
English Industrial Estates Corporation	April 1986
Her Majesty's Stationery Office	April 1980
Highlands and Islands Enterprise (2)	November 1965
Land Authority for Wales	April 1976
Local Authority Airport Companies (4)	April 1987
Local Authority Bus Companies (4)	October 1986
London Regional Transport (1,2)	January 1970
National Health Service Trusts	From April 1991
New Town Development Corporations and Commission	From December 1946
Northern Ireland Electricity Service	January 1974
Northern Ireland Housing Executive (2)	May 1971
Northern Ireland Transport Holding Company (2)	April 1968
Nuclear Electric plc (1,2)	April 1989
Oil and Pipelines Agency (2)	December 1985
Passenger Transport Executive	From October 1969
Post Office (1)	April 1961
Royal Mint	April 1973
Scottish Enterprise (2)	December 1975
Scottish Homes (2)	1937
Scottish Transport Group (1, 2, 6)	January 1969
Scottish Nuclear plc (1,2)	April 1989
Trust Ports (Northern Ireland) (4)	April 1974
United Kingdom Atomic Energy Authority (5)	April 1986
Urban Development Corporations	From March 1981
Welsh Development Agency	January 1976
Welsh Fourth Channel Authority	January 1981

B. Corporations succeeded by other corporations 1983-92

London Transport Executive was renamed London Regional Transport from 29 June 1984.

British National Oil Corporation was dissolved on 27 March 1986, and its functions transferred to the Oil and Pipelines Agency.

National Coal Board was renamed British Coal Corporation from 5 March 1987.

Nuclear Electric plc was part of the former Central Electricity Generating Board.

Scottish Special Housing Association became Scottish Homes from 1 April 1989.

Calendonian Macbrayne Ltd was formerly part of the Scottish Transport Group.

Independent Broadcasting Authority became the Independent Television Commission from 1 January 1991

Highlands and Islands Development Board became Highlands and Islands Enterprise from 1 April 1991.

Scottish Development Agency became Scottish Enterprise from 1 April 1991.

Scottish Nuclear plc was part of the former South of Scotland Electricity Board.

C. Corporations transferred to private sector 1982-92 (Numbers of employees at time of privatisation shown in brackets)

National Freight Company (1) (28,000)	February 1982
Britoil (1) (14,000)	October 1982
Associated British Ports (1) (formerly British Transport Docks Board until December 1982)	February 1983
Enterprise Oil (1) (separated from British Gas Corporation in September 1983) (1)	June 1984
British Telecom plc (1) (250,000)	November 1984
British Shipbuilders (1) (Warship yards) and other companies (1)	Various dates from July 1984
British Gas Corporation (1) (89,000)	December 1986
British Airways plc (1) (36,000)	February 1987
Royal Ordnance plc	April 1987
BAA plc (1) (7,200)	July 1987
National Bus Company subsidiaries (1)	Various dates between July 1986 and April 1988
British Steel plc (1) (53,000)	December 1988
Twelve local Authority bus companies	from September 1988
General Practice finance Corporation	March 1989
Regional Water Authorities (1) and Water Authorities Association (40,000)	December 1989
Scottish Transport Group Subsidiaries	Various dates from April 1990
Liverpool Airport	June 1990
Girobank (6,700)	July 1990
Area Electricity Boards and National Grid company (119,000)	December 1990
National Power and Powergen (26,400)	March 1991
Scottish Hydroelectric (formerly the North of Scotland Hydro Electric Board) (3,500)	June 1991
Scottish Power (formerly the South of Scotland Electricity Board) (9,800)	June 1991
British Technology Group	April 1992

D. Corporations dissolved and not succeeded:

Northern Ireland Development Agency was abolished in June 1983 and its functions transferred to the Industrial Development Board for Northern Ireland (a central government body).

National Film Finance Corporation abolished in December 1985, and replaced in the private sector by the British Screen Finance Consortium.

National Dock Labour Board in July 1989
Crown Suppliers (3) in March 1991
Pilotage Commission in April 1991

E. Other changes.

The Housing Corporation is reclassified as a central government trading body from 1974.

Trust Ports (Great Britain) were reclassified to the private sector in April 1985.

The Independent Television Commission (other than Channel 4) was reclassified to the Central Government sector from October 1991.

Footnotes:

- (1) Nationalised Industry.
- (2) Corporations which succeeded corporations existing previously.
- (3) Prior to January 1984 known as Property Services Agency (Supplies).
- (4) Functions of these bodies were previously included in the local authority sector.
- (5) Functions of these bodies were previously included in the central government sector.
- (6) Channel 4 Television Company Ltd is part of the Independent Television Commission.

References:

- (a) "Sector Classification for the National Accounts No 8" Available from HMSO Books (PC 13a/1), Publications Centre, PO Box 276, London SW8 5DT. Price £11.00
- (b) "United Kingdom National Accounts: *Sources and Methods*" (HMSO 1985, price £14.95 net)
- (c) "Civil Service Statistics 1992 edition" was published by HMSO in November 1992.
- (d) See, for example, "Manpower in the Local Authorities" *Department of Employment Gazette*, August 1979 (HMSO)

INTERNATIONAL ECONOMIC INDICATORS

INTRODUCTION

This comparison is the first of what will be a regular monthly feature. It is a collection of some of the most important series from the Organisation for Economic Co-operation and Development (OECD) Main Economic Indicators. The series shown are for each of the G7 economies (United Kingdom, Germany, France, Italy, United States, Japan and Canada) and for the European Communities (EC) and OECD countries in aggregate. It will inevitably not be a presentation of the most up to date statistics of each economy except for the United Kingdom where the data is that most recently published. The coverage and presentation may vary from month to month.

2. The length and periodicity of the series have been chosen to show their movement over a reasonably long time period as well as the most recent past. No attempt is made to make cross country comparisons across cycles. Further, because the length and timing of these varies across countries, comparisons of indicators over the same time period should be treated with caution.

COMMENTARY

3. USA Gross Domestic Product continued to grow in the third quarter of 1992, rising by 1 percent.

It rose also in France. In the United Kingdom it was flat. However in Germany and Japan it fell by 1¼ percent and ½ percent respectively.

4. For the aggregate of OECD countries the average consumer price inflation in the year to October 1992 was 4¼ percent. For EC countries as a whole it was a little lower at 4 percent. France, the UK and Germany experienced lower increases of 2½ percent, 3½ percent and 3¾ percent respectively.

5. Producer price inflation for the OECD economies on average has risen slightly in recent months but remained low, at just over 2 percent, in September of last year. The EC average was lower than this at 1¼ percent.

6. The 'standardised' unemployment rate in the OECD as a whole averaged 7.5 percent in September. In the same month the United States rate was slightly below this. The rate in Japan was low at 2.2 percent. The EC rate was 9.5 percent. Within the EC, Germany had the lowest rate at 4.7 percent. France and the UK had higher rates of 10.3 percent and 10.2 percent respectively.

1 Gross domestic product at constant market prices: index numbers

1985 = 100

	United Kingdom	Germany ^{1,2}	France	Italy	EC	United States	Japan ¹	Canada	Major 7	OECD
	FNAO	GABI	GABH	GABJ	GAEK	GAEH	GAEI	GAEG	GAEO	GA EJ
1980	90.5	94.4	92.7	93.3	93.0	88.2	82.9	86.7	88.7	88.8
1985	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1986	104.1	102.2	102.5	102.9	102.8	102.9	102.6	103.3	102.9	102.9
1987	109.1	103.6	104.8	106.1	105.8	106.1	107.1	107.6	106.2	106.3
1988	114.0	107.2	109.5	110.5	110.2	110.3	113.8	113.0	110.9	110.9
1989	116.4	111.5	114.0	113.7	114.1	113.0	119.3	115.6	114.5	114.5
1990	117.0	117.2	116.6	116.2	117.2	114.0	125.5	115.0	116.8	117.2
1991	114.4	121.4	118.0	117.9	118.5	112.6	131.0	113.1	117.5	117.8
1990 Q1	117.6	115.0	116.5	115.7	116.8	114.3	122.6	116.2	116.4	116.9
Q2	118.2	116.2	116.3	115.7	117.0	114.6	124.6	115.6	116.9	117.4
Q3	116.6	118.2	117.0	116.8	117.5	114.1	125.9	114.9	117.1	117.5
Q4	115.5	119.2	116.7	116.7	117.6	112.9	127.1	113.6	116.7	117.2
1991 Q1	114.9	121.7	116.8	117.2	118.2	112.1	129.1	111.9	116.7	117.3
Q2	114.0	121.6	117.5	117.8	118.4	112.6	129.9	113.4	117.2	117.7
Q3	114.3	121.4	118.7	118.1	118.8	112.9	130.5	113.5	117.6	118.1
Q4	114.2	120.8	118.9	118.6	118.9	113.1	131.1	113.5	117.8	118.3
1992 Q1	113.4	123.1	119.9	119.3	119.7	113.9	132.5	113.8	118.7	119.2
Q2	113.1	122.9	120.2	119.5	119.7	114.3	132.5	113.9	118.9	119.5
Q3	113.2	121.3	120.7	..	..	115.4	132.0	114.3	..	..
Percentage change, latest quarter on corresponding quarter of previous year										
1992 Q2	-0.8	1.1	2.3	1.4	1.1	1.5	2.0	0.4	1.5	1.5
Q3	-1.0	-0.1	1.7	..	..	2.2	1.1	0.7	..	..
Percentage change, latest quarter on previous quarter										
1992 Q2	-0.3	-0.2	0.3	0.2	0.0	0.4	0.0	0.1	0.2	0.3
Q3	0.1	-1.3	0.4	..	..	1.0	-0.4	0.4	..	..

1 GNP

2 Western Germany (Federal Republic of Germany before unification)

2 Consumer prices¹ Percentage change on year earlier

	United Kingdom	Germany ²	France	Italy	EC	United States	Japan	Canada	Major 7	OECD
1980	18.0	5.5	13.6	21.0	13.7	13.5	8.0	10.1	12.6	13.5
1985	6.1	2.2	5.8	8.6	6.2	3.5	2.0	4.0	4.0	4.9
1986	3.4	-0.1	2.7	6.1	3.7	1.9	0.4	4.2	2.1	3.0
1987	4.2	0.2	3.1	4.6	3.4	3.6	-0.2	4.3	2.9	3.6
1988	4.9	1.3	2.6	5.0	3.6	4.1	0.5	4.0	3.3	4.3
1989	7.8	2.8	3.7	6.6	5.2	4.8	2.3	5.0	4.6	5.4
1990	9.5	2.7	3.4	6.0	5.6	5.5	3.1	4.8	4.9	5.8
1991	5.9	3.5	3.2	6.5	5.1	4.2	3.3	5.6	4.4	5.2
1991 Q1	8.7	2.7	3.4	6.7	5.6	5.3	3.8	6.4	5.0	5.8
Q2	6.0	3.1	3.2	6.7	5.1	4.9	3.4	6.2	4.6	5.4
Q3	4.8	4.2	3.0	6.3	5.0	3.8	3.2	5.7	4.1	5.0
Q4	4.2	4.0	2.9	6.1	4.7	3.0	2.8	4.1	3.4	4.4
1992 Q1	4.1	4.3	3.0	5.6	4.7	2.9	1.8	1.7	3.2	4.4
Q2	4.2	4.5	3.1	5.5	4.7	3.1	2.3	1.4	3.3	4.5
Q3	3.6	3.4	2.7	5.3	4.1	3.1	1.6	1.3	3.0	4.2
1991 Sep	4.1	3.9	2.6	6.2	4.6	3.3	2.7	5.4	3.6	4.5
Oct	3.7	3.5	2.5	6.1	4.4	2.9	2.6	4.4	3.2	4.3
Nov	4.3	4.2	3.0	6.2	4.8	3.0	3.1	4.2	3.4	4.5
Dec	4.5	4.2	3.1	6.0	4.8	3.1	2.7	3.8	3.4	4.5
1992 Jan	4.1	4.0	3.0	6.1	4.6	2.6	1.7	1.5	2.9	4.2
Feb	4.1	4.3	3.0	5.3	4.6	2.8	1.9	1.6	3.1	4.3
Mar	4.0	4.8	3.2	5.5	4.8	3.2	1.8	1.6	3.3	4.5
Apr	4.3	4.6	3.1	5.4	4.8	3.2	2.4	1.7	3.4	4.6
May	4.3	4.6	3.2	5.6	4.9	3.0	2.0	1.4	3.2	4.5
Jun	3.9	4.3	3.0	5.4	4.6	3.1	2.2	1.1	3.2	4.4
Jul	3.7	3.3	2.9	5.4	4.2	3.2	1.5	1.3	3.1	4.2
Aug	3.6	3.5	2.7	5.2	4.1	3.1	1.6	1.2	3.0	4.2
Sep	3.6	3.6	2.6	5.1	4.1	3.1	2.0	1.3	3.0	4.3
Oct	3.6	3.7	2.5	4.8	4.0	3.2	0.9	1.6	2.9	4.2
Nov	3.0	3.7	..	..	..	..	..	..	..	..

1 Components and coverage not uniform across countries

2 Western Germany (Federal Republic of Germany before unification)

3 Standardised unemployment rates: percentage of total labour force¹

	United Kingdom	Germany ²	France	Italy	EC ³	United States	Japan	Canada	Major 7	OECD
	GABF	GABD	GABC	GABE	GADR	GADO	GADP	GADN	GAEQ	GADQ
1980	6.4	2.9	6.3	7.5	6.4	7.0	2.0	7.4	5.5	5.8
1985	11.2	7.1	10.2	9.6	10.8	7.1	2.6	10.4	7.2	7.8
1986	11.2	6.4	10.4	10.5	10.8	6.9	2.8	9.5	7.1	7.7
1987	10.3	6.2	10.5	10.9	10.6	6.1	2.8	8.8	6.7	7.3
1988	8.6	6.2	10.0	11.0	9.9	5.4	2.5	7.7	6.1	6.7
1989	7.1	5.5	9.4	10.9	9.0	5.2	2.3	7.5	5.7	6.2
1990	6.8	4.9	9.0	10.3	8.4	5.4	2.1	8.1	5.6	6.1
1991	8.7	4.3	9.5	9.9	8.7	6.6	2.1	10.2	6.3	6.8
1991 Q1	7.8	4.4	9.1	9.9	8.4	6.4	2.0	10.1	6.1	6.5
Q2	8.6	4.3	9.4	10.0	8.6	6.7	2.1	10.3	6.3	6.8
Q3	9.1	4.3	9.7	9.6	8.8	6.7	2.1	10.3	6.4	6.9
Q4	9.3	4.3	9.9	9.9	8.9	6.9	2.1	10.3	6.5	7.0
1992 Q1	9.5	4.3	10.1	9.9	9.1	7.1	2.0	10.6	6.6	7.2
Q2	9.7	4.5	10.3	9.9	9.2	7.4	2.1	11.2	6.8	7.4
Q3	10.0	4.7	10.3	9.9	9.4	7.5	2.2	11.5	6.9	7.5
1991 Oct	9.2	4.3	9.9	9.9	8.9	6.8	2.1	10.2	6.4	7.0
Nov	9.3	4.3	10.0	..	8.9	6.8	2.1	10.3	6.4	7.0
Dec	9.4	4.3	10.0	..	9.0	7.0	2.1	10.3	6.5	7.1
1992 Jan	9.5	4.3	10.1	9.9	9.0	7.0	2.1	10.3	6.6	7.1
Feb	9.6	4.3	10.2	..	9.1	7.2	2.0	10.5	6.6	7.2
Mar	9.5	4.4	10.1	..	9.1	7.2	2.0	11.0	6.7	7.2
Apr	9.6	4.5	10.3	9.9	9.2	7.1	2.0	11.0	6.7	7.2
May	9.7	4.5	10.3	..	9.2	7.4	2.1	11.1	6.8	7.4
Jun	9.7	4.6	10.3	..	9.3	7.7	2.1	11.5	7.0	7.6
Jul	9.9	4.6	10.3	9.9	9.3	7.6	2.2	11.6	6.9	7.5
Aug	10.1	4.7	10.2	..	9.4	7.5	2.2	11.6	6.9	7.5
Sep	10.2	4.7	10.3	..	9.5	7.4	2.2	11.3	6.9	7.5
Oct	10.2	4.9	10.4	..	..	7.3	2.3	11.2	6.9	..

1 Uses an ILO based measure of those without work, currently available for work, actively seeking work or waiting to start a job already obtained

2 Western Germany (Federal Republic of Germany before unification)

3 Excludes Denmark, Greece and Luxembourg

4 Balance of payments current account as percentage of GDP

	United Kingdom	Germany ^{1,2}	France	Italy	United States ¹	Japan ¹	Canada
1980	1.2	-1.9	-0.6	-2.3	0.1	-1.0	-0.4
1985	0.8	2.6	-0.1	-0.9	-2.9	3.6	-0.4
1986	-	4.4	0.3	0.4	-3.1	4.3	-2.0
1987	-1.1	4.1	-0.6	-0.2	-3.2	3.6	-1.7
1988	-3.4	4.2	-0.5	-0.7	-2.6	2.7	-1.7
1989	-4.2	4.8	-0.5	-1.2	-2.0	2.0	-3.2
1990	-3.1	3.1	-0.8	-1.3	-1.7	1.2	-3.8
1991	-1.1	-1.2	-0.5	..	-0.1	2.1	-4.3
1990 Q3	-2.7	2.4	-0.8	0.3	-1.7	1.0	-2.5
Q4	-0.8	1.8	-1.0	-1.2	-1.7	1.0	-3.5
1991 Q1	-2.6	-1.4	-1.7	-2.5	0.9	1.2	-5.3
Q2	-0.6	-1.5	-0.3	..	0.2	2.3	-3.7
Q3	-1.5	-1.6	-0.1	..	-0.8	2.3	-3.5
Q4	0.2	-0.5	-	..	-0.5	2.7	-4.9
1992 Q1	-2.4	-1.3	-0.6	..	-0.4	3.0	-5.6
Q2	-2.5	-1.4	..	..	-1.2	3.2	-3.8
Q3	-2.4	-2.0	..	..	..	..	..

1 Balance as percentage of GNP

2 Western Germany (Federal Republic of Germany before unification)

5 Total industrial production: index numbers

1985 = 100

	United Kingdom	Germany ¹	France	Italy	EC	United States	Japan ²	Canada ³	Major 7	OECD ⁴
	DVIM	HFGA	HFFZ	HFGB	GACY	HFGD	HFGC	HFFY	GAES	GACX
1980	92.6	97.3	101.9	103.6	97.2	89.1	84.4	86.2	91.0	91.1
1985	100.0	100.3	100.0	100.0	100.1	100.0	100.0	100.0	100.0	100.0
1986	102.4	102.3	100.9	103.6	102.3	101.0	99.8	99.3	101.1	101.2
1987	105.7	102.6	102.8	107.6	104.7	105.9	103.3	104.1	104.8	104.9
1988	109.5	106.3	107.6	114.1	109.0	111.6	112.8	109.6	110.9	110.7
1989	109.9	111.4	112.0	117.6	113.1	114.5	119.6	109.2	114.6	114.6
1990	109.3	117.2	114.1	117.6	115.2	115.7	125.3	104.6	116.8	116.7
1991	106.1	120.7	114.3	115.4	115.1	113.4	128.2	100.3	116.1	116.1
1991 Q1	106.7	121.4	113.5	117.0	115.2	112.0	128.9	99.4	115.8	115.8
Q2	105.2	121.6	114.1	114.7	114.9	112.7	128.2	100.4	115.8	115.8
Q3	106.3	120.9	115.4	114.3	114.9	114.6	128.5	101.2	116.8	116.6
Q4	106.2	119.0	114.2	115.6	114.9	114.4	127.3	100.3	116.2	116.2
1992 Q1	105.3	122.2	113.7	118.6	116.0	113.5	123.9	100.1	115.7	115.8
Q2	104.9	119.9	114.2	115.2	114.4	114.9	121.0	100.6	115.2	115.3
Q3	105.7	118.5	..	112.3	113.6	115.5	..	101.3	114.9	115.2
1991 Oct	106.5	120.3	114.1	113.9	115.5	114.8	128.0	101.1	116.7	116.8
Nov	106.2	120.8	113.5	120.2	116.0	114.5	127.9	100.6	117.0	116.8
Dec	105.8	115.8	112.6	112.8	113.2	113.8	126.0	99.2	115.0	115.1
1992 Jan	104.7	122.1	113.7	116.9	115.5	112.9	125.5	99.5	115.6	115.7
Feb	106.1	123.2	113.3	119.6	116.8	113.6	124.7	100.4	116.1	116.2
Mar	105.1	121.3	112.8	119.2	115.8	114.0	121.6	100.5	115.4	115.6
Apr	105.6	120.4	114.5	112.6	114.4	114.5	121.5	100.8	115.1	115.3
May	104.5	120.5	112.7	117.7	114.6	115.4	119.4	100.4	115.3	115.3
Jun	104.5	118.8	113.0	115.4	114.1	114.9	122.0	100.4	115.3	115.4
Jul	105.6	118.5	113.1	116.1	114.6	115.9	122.9	100.1	115.9	116.2
Aug	105.5	118.5	113.1	110.6	112.8	115.5	118.2	102.0	114.5	114.6
Sep	105.9	118.5	113.3	110.2	113.5	115.1	..	101.8	114.4	114.7
Oct	107.0	115.7	..	..	..	115.5	..	..	..	..

Percentage change: average of latest three months on that of corresponding period of previous year

1992 Aug	-1.3	-3.1	-0.9	-1.1	-1.5	1.1	-5.6	-0.2	-1.3	-1.1
Sep	-0.5	-2.0	-0.8	-1.8	-1.1	0.8	..	0.1	-1.6	-1.3
Oct	0.1	-2.2	..	..	..	0.6	..	..	..	..

Percentage change: average of latest three months on previous three months

1992 Aug	0.1	-1.8	-0.2	-2.1	-1.0	0.7	0.2	0.3	0.0	0.0
Sep	0.8	-1.2	-0.2	-2.5	-0.6	0.5	..	0.8	-0.3	-0.1
Oct	1.2	-1.4	..	..	..	0.0	..	..	..	..

1 Western Germany (Federal Republic of Germany before unification)

2 Not adjusted for unequal number of working days in a month

3 GDP in industry at factor cost and 1986 prices

4 Some countries excluded from area total

6 Producer prices (manufacturing) Percentage change on a year earlier

	United Kingdom	Germany ¹	France ²	Italy	EC	United States	Japan	Canada	Major 7	OECD
1980	14.1	7.1	9.2	..	..	13.5	14.7	13.3	..	..
1985	5.3	1.9	4.4	7.8	5.0	0.9	-0.8	2.8	1.9	3.0
1986	4.3	-2.4	-2.8	0.2	-0.8	-1.4	-4.7	0.9	-1.5	-1.1
1987	3.8	-0.4	0.6	3.0	1.3	2.1	-2.9	2.8	1.1	1.5
1988	4.5	1.6	5.1	3.5	3.5	2.5	-0.2	4.2	2.5	3.5
1989	5.1	3.4	5.4	5.9	5.0	5.1	2.1	2.1	4.3	5.4
1990	5.9	1.5	-1.1	4.2	2.4	5.0	1.6	0.3	3.4	3.9
1991	5.6	2.0	-1.3	3.3	2.2	2.1	1.7	-1.1	2.0	2.6
1991 Q1	6.1	2.9	0.7	4.2	3.1	3.5	2.7	1.2	3.2	3.7
Q2	5.9	2.0	-0.7	3.8	2.6	3.5	2.3	-0.5	2.8	3.4
Q3	5.6	2.3	-1.5	3.1	2.1	1.9	1.7	-1.6	1.9	2.5
Q4	5.0	1.6	-3.6	2.0	1.1	-0.3	0.0	-3.2	0.2	0.9
1992 Q1	4.5	1.7	-3.0	1.4	1.1	0.4	-0.6	-2.3	0.3	1.4
Q2	3.6	2.4	-1.1	2.1	1.8	1.3	-0.7	-0.2	1.1	2.0
Q3	3.4	1.4	-0.9	1.9	1.4	1.5	-0.8	1.6	1.1	2.1
1991 Nov	5.1	1.7		2.3	1.2	-0.4	-0.1	-3.3	0.1	0.8
Dec	4.8	1.8		1.9	1.1	-0.1	-0.1	-3.5	0.2	0.9
1992 Jan	4.5	1.1		1.3	0.9	-0.4	-0.6	-3.6	-0.2	0.9
Feb	4.4	1.6		1.5	1.1	0.6	-0.6	-2.2	0.4	1.5
Mar	4.5	2.3		1.4	1.3	1.1	-0.7	-1.4	0.7	1.8
Apr	3.8	2.2		1.8	1.8	1.1	-0.7	-0.9	0.9	1.9
May	3.5	2.5		2.1	1.8	1.1	-0.7	0.0	1.0	2.0
Jun	3.6	2.5		2.1	1.8	1.6	-0.7	0.4	1.2	2.1
Jul	3.6	1.6		1.9	1.5	1.7	-0.7	0.8	1.2	2.1
Aug	3.4	1.5		1.9	1.3	1.5	-0.8	1.6	1.1	2.1
Sep	3.4	1.2		1.9	1.2	1.6	-0.7	2.2	1.2	2.1
Oct	3.3	1.0		..	..	1.7	-0.8	2.9	..	..
Nov	3.3	..		..	..	..	..	..	..	..
Dec	3.5	..		..	..	..	..	..	..	..

1 Western Germany (Federal Republic of Germany before unification).

2 Producer prices in intermediate goods

7 Total employment: index numbers¹

1985 = 100

	United Kingdom	Germany ^{2,3}	France ³	Italy	EC	United States ³	Japan	Canada ³	Major 7	OECD
	DMBC	GAAR	GAU	GAAS	GADW	GADT	GADU	GADS	GAEU	GADV
1980	104.0	102	101	100	..	93	95	95	..	..
1985	100.0	100	100	100	100	100	100	100	100	100
1986	100.0	101	100	101	101	102	101	103	101	101
1987	102.0	102	101	100	102	105	102	106	103	103
1988	105.0	103	101	102	104	107	104	109	105	105
1989	108.0	104	103	101	106	109	106	111	107	107
1990	109.0	107	104	103	107	110	108	112	108	109
1991	105.4	109	104	104	107	109	110	110	108	108
1991 Q1	106.9	108	104	103	107	108	107	107	107	107
Q2	105.8	109	104	104	108	109	111	111	109	109
Q3	104.9	109	105	105	108	110	111	113	109	109
Q4	104.0	110	104	104	107	109	110	109	108	108
1992 Q1	103.5	108	104	103	106	108	109	106	107	107
Q2	103.0	109	104	105	107	110	112	109	109	109
Q3	101.7	110	..	104	..	111	112	112	110	109
1991 Nov	..	110	-	-	107	109	110	109	108	109
Dec	..	110	104	-	107	109	110	108	108	108
1992 Jan	..	108	-	103	106	107	108	106	107	107
Feb	..	108	-	-	106	108	109	106	107	107
Mar	..	109	104	-	106	108	109	106	107	107
Apr	..	109	-	105	107	109	111	106	108	108
May	..	109	-	-	107	110	112	110	109	109
Jun	..	109	104	-	107	111	112	112	109	109
Jul	..	109	..	104	..	112	112	113	110	110
Aug	..	109	..	..	..	111	111	113	110	109
Sep	..	110	..	..	..	110	112	110	109	109
Percentage change, latest quarter on that of corresponding period of previous year										
1992 Q2	-3.3	5.1	1.6	3.3	1.9	0.3	5.8	-1.5	1.9	1.9
Q3	-4.6	4.8	..	3.3	..	0.0	5.4	-2.1	1.9	1.6
Percentage change latest quarter on previous quarter										
1992 Q2	-2.2	0.3	-0.3	0.0	-0.9	0.0	0.6	-2.1	-0.3	-0.3
Q3	-2.1	-0.3	..	-0.3	..	0.3	0.3	-1.8	0.0	-0.3

1 Not seasonally adjusted except for the United Kingdom

2 Western Germany (Federal Republic of Germany before unification)

3 Excludes members of armed forces

8 Average wage earnings in manufacturing¹ Percentage change on a year earlier

	United Kingdom ²	Germany ³	France	Italy	EC	United States	Japan	Canada	Major 7	OECD
1980	17.8	6.5	15.2	18.7	12.1	8.6	7.5	10.9	10.4	9.1
1985	9.1	4.2	5.7	11.2	7.5	4.2	3.1	4.2	5.3	5.3
1986	7.7	4.0	3.9	4.8	5.0	2.0	1.4	3.0	3.0	4.0
1987	8.0	3.8	3.2	6.5	5.7	2.0	1.7	2.9	2.9	2.9
1988	8.5	4.6	3.1	6.1	5.4	2.9	4.6	3.8	4.7	4.7
1989	8.7	3.5	3.8	6.1	6.0	2.8	5.8	5.5	4.5	5.4
1990	9.4	5.1	4.5	7.2	7.3	3.6	5.4	5.2	5.2	5.9
1991	8.2	5.7	4.3	9.8	7.5	2.6	3.6	4.9	4.9	4.8
1991 Q1	8.8	6.7	4.7	8.1	7.0	3.6	3.8	5.8	5.3	5.2
Q2	8.5	6.5	4.2	9.8	7.6	3.5	4.3	4.9	5.0	4.9
Q3	7.8	6.4	4.3	10.7	8.2	3.5	3.3	4.9	4.8	4.7
Q4	7.7	6.3	4.1	10.6	7.2	3.5	3.2	4.0	4.5	4.5
1992 Q1	8.6	..	3.6	9.2	7.2	2.6	2.5	3.9	4.2	4.9
Q2	6.0	..	3.8	6.0	5.6	2.6	2.4	3.9	4.0	4.7
Q3	6.2	..	3.5	3.8	..	1.7	..	3.1	..	..
1992 Jan	7.6	..	3.6	9.4	6.5	1.7	4.6	4.0	5.0	5.7
Feb	7.8	..	..	9.1	7.2	3.5	1.2	3.9	4.2	4.1
Mar	10.3	..	..	9.1	8.0	2.6	1.7	3.9	4.2	4.9
Apr	5.0	..	3.8	8.8	6.4	3.4	1.3	3.9	4.2	4.0
May	6.9	..	..	4.6	5.6	2.6	1.1	3.9	3.3	4.0
Jun	5.9	..	..	4.7	5.6	2.6	3.8	3.1	3.6	4.3
Jul	6.2	..	3.5	4.0	..	1.7	2.3	3.1	2.8	..
Aug	6.5	..	..	3.5	..	2.6	-1.5	3.9	2.4	..
Sep	5.8	..	..	3.7	..	2.5	..	3.1	..	..
Oct	..	..	..	4.1	..	1.7	..	..	..	..

1 Definitions of coverage and treatment vary among countries

2 Figures for the United Kingdom are weekly earnings; others are hourly

3 Western Germany (Federal Republic of Germany before unification)

9 Retail Sales (volume): index numbers

1985 = 100

	United Kingdom	Germany ¹	France	Italy	EC	United States	Japan	Canada	Major 7	OECD
	FAAM	GADD	GADC	GADE	GADH	GADA	GADB	GACZ	GAEW	GADG
1980	85.8	103	101	83	95	83	103	84	90	90
1985	100.0	100	100	100	100	100	100	100	100	100
1986	105.3	104	102	108	105	106	102	105	105	104
1987	110.7	107	105	114	109	108	107	110	108	108
1988	117.7	111	108	111	112	112	112	115	112	112
1989	119.9	114	110	119	116	115	116	115	115	115
1990	120.4	124	110	115	119	115	122	112	117	117
1991	119.5	131	110	115	121	114	123	100	116	116
1991 Q3	119.7	130	110	116	121	114	124	100	117	117
Q4	119.6	128	111	123	122	113	121	101	116	117
1992 Q1	119.5	130	109	..	120	116	122	100	117	117
Q2	120.0	126	109	..	118	116	120	101	116	116
Q3	120.7	127	109	..	..	117	..	102	..	..
1991 Oct	119.2	130	113	121	123	114	122	100	117	117
Nov	120.4	128	110	121	122	113	122	101	116	116
Dec	119.3	127	109	126	122	113	120	101	116	116
1992 Jan	119.7	132	111	..	122	116	124	101	118	118
Feb	120.1	129	111	..	122	117	125	101	118	118
Mar	118.9	127	103	..	117	115	118	100	115	115
Apr	119.7	128	113	..	118	116	121	101	116	116
May	120.0	127	108	..	117	116	120	100	116	116
Jun	120.3	125	107	..	119	116	120	101	116	116
Jul	119.9	127	110	..	119	117	122	101	117	117
Aug	121.0	126	109	..	119	117	..	102	117	117
Sep	121.2	128	110	..	..	118	..	102	..	..
Oct	121.4	..	113	..	..	119	..	..	..	..
Nov	121.3	..	..	..	..	..	..	..	..	..
Percentage change average of latest three months on that of corresponding period of previous year										
1992 Aug	0.5	-4.1	-1.2	..	-2.5	2.3	..	0.7	-0.3	-0.3
Sep	0.8	-2.3	0.0	..	..	2.9	..	1.0	..	..
Oct	1.6	..	1.2	..	..	3.5	..	..	..	..
Nov	1.4	..	..	..	..	..	..	..	..	..
Percentage change average of latest three months on previous three months										
1992 Aug	0.7	-1.0	0.6	..	1.4	0.9	..	1.0	0.9	0.9
Sep	0.6	0.3	0.3	..	..	1.1	..	1.0	..	..
Oct	0.9	..	2.2	..	..	1.4	..	..	..	..
Nov	0.7	..	..	..	..	..	..	..	..	..

1 Western Germany (Federal Republic of Germany before unification)

10 Short Term Interest Rates: percent per annum¹

	UK	Germany	France	Italy	EC(9)	United States	Japan	Canada	OECD
	GACQ	GACO	GACN	GACP		HFSR	HFSS	HFST	
1980	16.63	9.54	12.21	17.15		13.07	10.88	12.80	
1985	12.24	5.45	9.94	15.26		8.05	6.63	8.59	
1986	10.94	4.64	7.70	13.41		6.52	5.11	8.08	
1987	9.71	4.03	8.27	11.33		6.86	4.20	7.80	
1988	10.31	4.33	7.94	10.82		7.73	4.50	9.46	
1989	13.89	7.12	9.40	12.61		9.08	5.34	12.05	
1990	14.77	8.49	10.32	12.06		8.15	7.70	12.73	
1991	11.48	9.25	9.61	12.02		5.83	7.33	8.84	
1991 Q1	13.21	9.17	9.83	13.22		6.71	8.07	10.31	
Q2	11.57	9.11	9.43	11.85		6.01	7.81	8.78	
Q3	10.59	9.24	9.54	11.40		5.70	7.24	8.58	
Q4	10.56	9.46	9.66	11.62		4.91	6.22	7.69	
1992 Q1	10.55	9.61	10.05	12.41		4.12	5.14	7.35	
Q2	10.22	9.76	10.04	12.93		3.89	4.68	6.42	
Q3	10.16	9.72	10.55	17.34		3.27	4.06	5.18	
1991 Jul	11.09	9.15	9.59	11.26		5.98	7.58	8.74	
Aug	10.40	9.31	9.60	11.51		5.65	7.32	8.50	
Sep	10.29	9.27	9.43	11.43		5.47	6.82	8.50	
Oct	10.40	9.38	9.33	11.31		5.33	6.41	8.03	
Nov	10.48	9.43	9.54	11.30		4.94	6.20	7.64	
Dec	10.79	9.58	10.11	12.25		4.47	6.04	7.41	
1992 Jan	10.65	9.53	9.98	12.36		4.05	5.27	7.28	
Feb	10.37	9.61	10.05	12.42		4.07	5.17	7.30	
Mar	10.62	9.70	10.12	12.45		4.25	4.97	7.48	
Apr	10.62	9.75	10.04	12.53		4.00	4.72	6.95	
May	10.06	9.79	9.97	12.69		3.82	4.70	6.43	
Jun	9.98	9.75	10.11	13.58		3.86	4.61	5.89	
Jul	10.15	9.78	10.22	15.86		3.37	4.34	5.45	
Aug	10.35	9.88	10.39	15.96		3.31	3.96	5.02	

1 Annual and quarterly data are averages of monthly figures

11 gdp @ current prices

	UK	ger	fra	jap	uk cbal	japgdp	f cbal	.l cbal
	AIMG	GABU	GABX	HFOR	CAOB	GAEM	GACV	HFPF
1980	2 843	14 774	28 083	-10 746	231 772	240 099	-17 617	-8 792
1985	2 790	18 375	47 001	49 169	357 268	321 556	-2 960	-7 102
1986	66	19 388	50 693	85 845	384 890	335 838	12 716	3 802
1987	-4 482	20 038	53 366	87 015	423 500	350 479	-29 986	-2 255
1988	-16 179	21 062	57 351	79 631	471 342	373 731	-28 802	-7 819
1989	-21 726	22 484	61 591	57 157	515 317	399 046	-29 833	-14 568
1990	-17 029	24 427	64 920	35 761	550 350	428 667	-52 738	-17 475
1991	-6 321	26 360	67 417	72 343	574 530	456 113	-33 369	..
1988 Q1	-3 631	5 136	13 982	18 421	112 795	..	-4 597	-6 766
Q2	-3 616	5 221	14 183	18 567	115 781	..	-4 247	949
Q3	-3 957	5 299	14 454	19 052	119 584	..	-5 688	184
Q4	-4 975	5 406	14 732	23 591	123 182	..	-14 270	-2 186
1989 Q1	-5 115	5 546	15 062	16 064	125 645	..	-4 970	-11 027
Q2	-5 874	5 559	15 269	14 283	127 635	..	-7 755	-1 656
Q3	-7 065	5 633	15 464	14 957	129 959	..	-3 160	78
Q4	-3 672	5 746	15 796	11 853	132 078	..	-13 948	-1 963
1990 Q1	-6 197	5 931	16 010	12 305	135 527	104 013	-8 288	-11 473
Q2	-5 991	6 019	16 207	7 892	136 910	107 036	-14 788	-2 691
Q3	-3 781	6 202	16 359	7 400	138 919	107 392	-13 545	842
Q4	-1 060	6 275	16 343	8 164	138 994	109 856	-16 117	-4 153
1991 Q1	-3 572	6 474	16 529	10 260	139 982	112 405	-27 341	-8 731
Q2	-817	6 593	16 740	18 664	142 943	113 717	-5 309	..
Q3	-2 217	6 638	16 979	19 349	145 115	113 979	-1 197	..
Q4	284	6 655	17 170	24 070	146 490	115 640	478	..
1992 Q1	-3 459	6 874	17 447	27 443	146 935	116 854	-11 243	..
Q2	-3 717	6 946	17 589	28 599	149 005	117 943	..	..
Q3	-3 609	6 954	..	28 808	149 796	..	..	..

Chart I: Gross Domestic Product

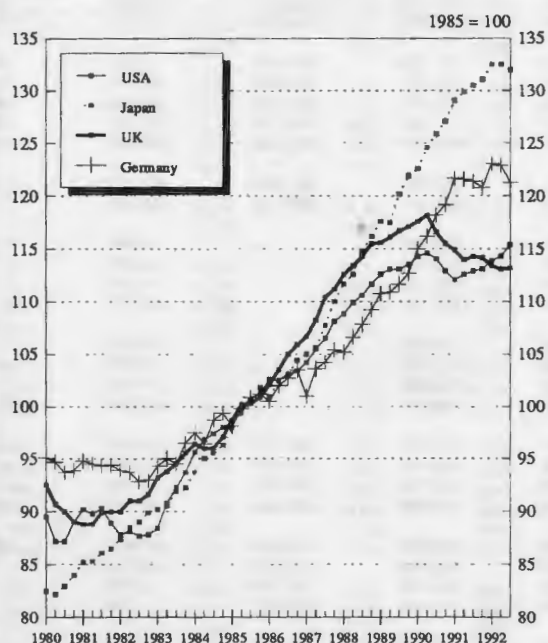


Chart II: Consumer price inflation

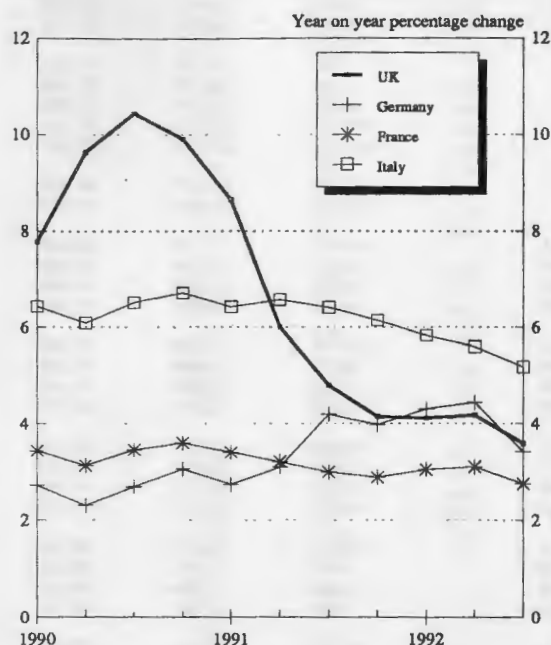


Chart III: Standardised unemployment

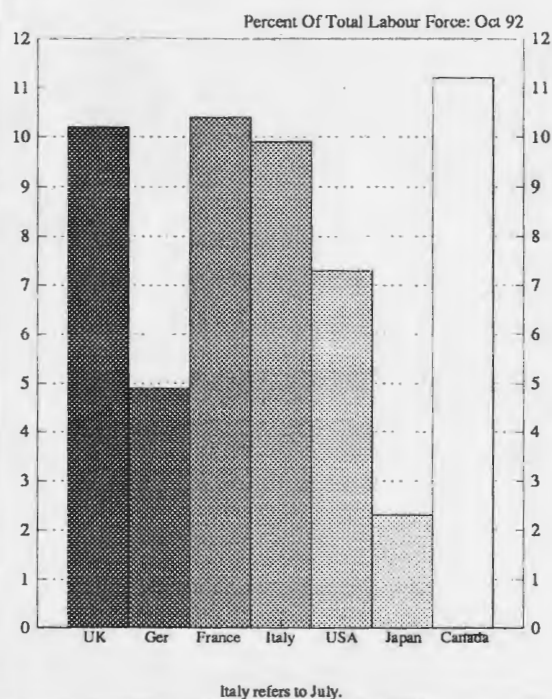


Chart IV: Current account balance - percentage of GDP at market prices

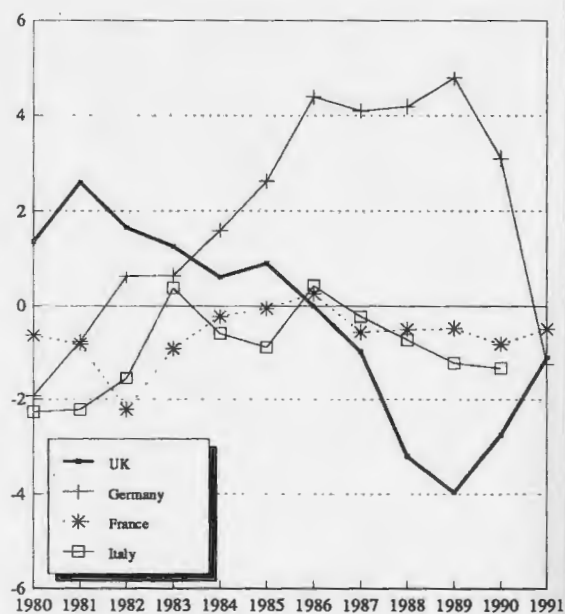


Chart V: Industrial Production

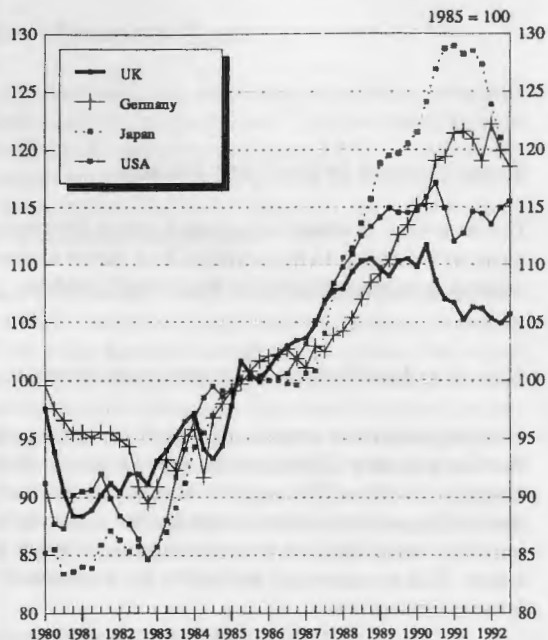


Chart VI: Producer price inflation

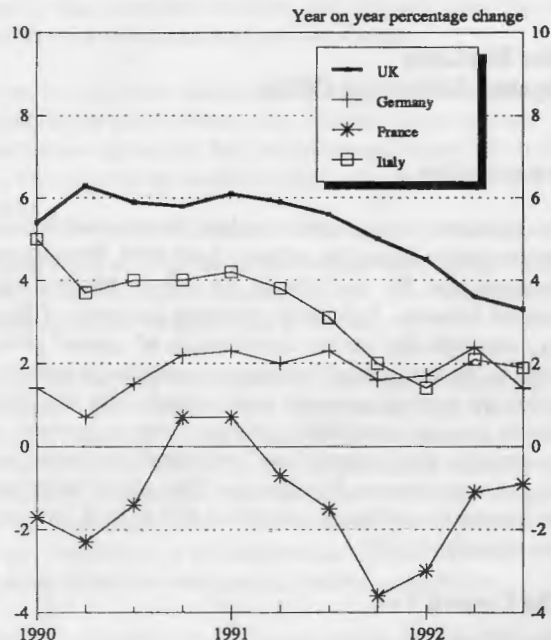


Chart VII: Employment

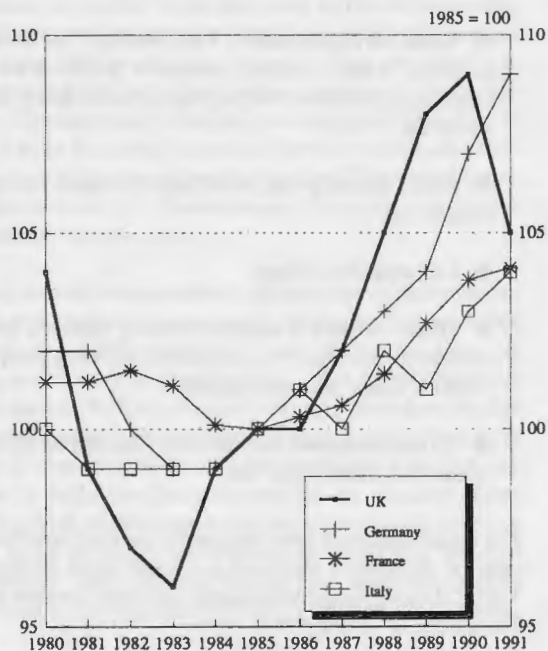
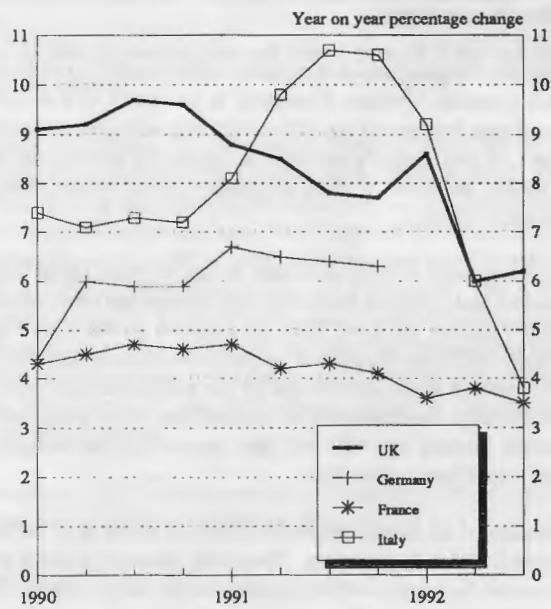


Chart VIII: Wage earnings (manufacturing)



A technical note on the treatment of the Council Tax in the National Accounts

Iain MacLeay
Central Statistical Office

Introduction

The community charge within England, Scotland and Wales is to be replaced by the council tax as from 1 April 1993. This technical note discusses how the new council tax will be handled within the national accounts. It starts by describing the nature of the council tax, considers the current classification of general government receipts, the treatment of domestic rates and the community charge within the national accounts and concludes that the council tax should join the community charge within a category entitled "community charge/council tax" and should be treated as a non-discretionary payment from income. The article further notes that the introduction of the new council tax will, in itself, have no impact on estimates of GDP.

The Council Tax

Under the council tax each household in Great Britain will receive a single bill based on the value of the property and the number of adults living in it. The council tax will comprise both a personal as well as a property element. Where there are two or more adults living in the property, the council tax set will normally have to be paid in full. Single adult households will receive a personal discount, expressed as a 25 per cent reduction of the basic bill. Certain adults will be disregarded for the purpose of determining the number of adults in a household.

Liability for payment of council tax will normally go with residence in a property. Where a property is occupied as a sole or main residence, the council tax will usually be paid by someone who lives there. If that property is owner-occupied, the owner will be liable; if rented, the tenant. If there are joint owners or renters, then any can be asked to pay.

Each property will be allocated to one of eight broad tax bands. Houses and flats will be placed in an appropriate band, according to their value on 1st April 1991, as assessed by the Inland Revenue Valuation Office. Regular or frequent revaluations are not expected. The amount of the council tax set for each household will, among other things, be determined by the band into which the property falls. Actual council tax bills will also depend on the budgets set by individual local authorities.

Owners of an empty property or second home will be liable for council tax on the property. They will, however, benefit from two personal discounts on that property, so the tax payable will be half the council tax set. There will also be complete exemption from liability in certain cases.

People on low incomes will be protected by rebate arrangements from making a disproportionate contribution to the new council tax. Rebates may meet up to 100 per cent of the council tax: there will be no minimum contribution. Transitional relief will be available to households who face large increases in their bills for council tax, before allowing for council tax benefit, compared with their bills for the community charge.

Domestic rates in Northern Ireland

Domestic rates continue to be levied within Northern Ireland and these will continue to be classified as a tax on expenditure in the national accounts published in the United Kingdom.

Current classification of government receipts

General government consists of central government and local authorities and each of these can be subdivided into trading and non trading subsectors. The majority of government receipts are from non trading activities, these are subdivided in the national accounts into broad categories, the two most relevant of which are described below. (It is not necessary to describe the treatment of government interest receipts here.)

One category of government receipts consists of taxes and other similar unrequited transfers which are currently subdivided in the United Kingdom accounts into the following:

- **Taxes on income:** Income tax, Corporation tax, Petroleum Revenue Tax, etc.
- **Taxes on expenditure:** Value Added Tax, excise duties on alcoholic drink, tobacco, petroleum products and gambling, vehicle excise duties, car tax, stamp duties, local rates, customs duties etc.
- **Social security contributions:** National Insurance contributions etc.
- **Community charge**
- **Other current transfers:** Driving licences, public service vehicle licences, heavy goods vehicle licences, passport fees, gun licences, court fines and penalties.
- **Taxes on capital:** Death duties, Capital Transfer Tax, Capital Gains Tax, Inheritance Tax.

The classification of taxes and social security contributions in the national accounts is discussed in greater depth in sections 9.25 to 9.30 of "United Kingdom National Accounts: Sources and Methods: Third Edition", CSO, 1985.

A further category includes receipts from sales of goods and services, which are netted off in the estimation of government expenditure on goods and services. Examples of charges netted off in this way are entrance charges to swimming pools and leisure centres, charges for welfare services such as "meals on wheels", prescription charges, charges for pay and amenity beds in hospitals, sales of fixed assets etc. These charges are in all cases made in direct exchange for the provision of specific goods and services which purchasers have discretion whether to purchase or not, that is, they are required on an

individual basis. These receipts are seen as reducing the cost of government expenditure, rather than as general purpose finance. Such charges, when incurred by households, are included in consumers' expenditure and are taken to be met out of peoples' discretionary income.

Classification of Domestic Rates

Rates, including domestic rates, are treated in the United Kingdom national accounts as a tax on expenditure. Taxes on expenditure are defined in the United Kingdom system as taxes which enter into the costs of production and distribution. Taxes on final buyers associated with the purchase, possession or use of particular goods and services are also treated as taxes on expenditure.

Domestic rates were levied in each local authority area in a direct relationship with the estimated rental value of domestic properties occupied. They could therefore be regarded as a tax on the cost of consuming housing services, including housing services in both the rented and owner occupied sectors (in the case of the latter, the cost of these housing services is represented in the national accounts as consumers' expenditure on imputed rent, in line with international convention). Domestic rates were therefore classified as a tax on expenditure, they were not considered to be a tax on rental income because rates were levied on the basis of occupancy not of ownership.

Classification of the Community Charge

Community charge is treated in the United Kingdom national accounts as a compulsory unrequited payment from the personal sector to the government. The community charge, which fell on individuals rather than the household collectively, might be seen as a contribution towards the cost of local services. It could be argued that individuals can choose where they live and therefore, within certain limits, how much they pay and what local services are available to them. Within each area, however, there is no direct link between the charge levied on individuals and the quantity of services they receive. The community charge is not considered therefore to be the receipt from the sale of goods and services which should be netted off in the calculation of local authorities' final expenditure. Within the national accounts, the community charge is treated as an unrequited transfer akin to a tax.

Although akin to a tax, the community charge does not fall satisfactorily into the standard categories of taxes and similar revenue which were used prior to 1990; these were taxes on income, taxes on expenditure, social security contributions, other current transfers and taxes on capital. The Central Statistical Office therefore decided that the community charge should appear as a separate category in its own right. It was also decided that the community charge should be treated as a deduction from income, in the personal sector account, along with other compulsory payments such as taxes on income and social security contributions, in calculating personal disposable income. The reasons for this decision were outlined in an article published in the August 1989 edition of Economic Trends.

Classification of the Council Tax

This section examines the possible classification of council tax in the national accounts and concludes it too should be treated as a compulsory unrequited payment to government.

The council tax has some similarities to domestic rates in as much as the liability falls on the occupier of a dwelling and also that the amount of the occupiers' liability is related to the value of the

dwelling. However, whereas the liability to domestic rates was based on the rental value of the dwelling (that is, to the value of housing services consumed), the amount of council tax due will be related to the capital value of the dwelling. The link between the amount of council tax paid and the value of housing or other services consumed is thus more tenuous than with domestic rates and its treatment as a tax on expenditure less appropriate.

But, despite its link to the value of the dwelling, the council tax is not a recurrent tax on capital because the liability for council tax, as mentioned above, generally falls on the occupier and not on the owner of the property: the occupier is not necessarily the owner of the capital.

The council tax is not a tax on income within the existing United Kingdom system of classification because the amounts levied are not directly related to the individual's income.

The council tax has little in common with the minor items, such as driving licence fees, passport fees, gun licence fees, fines and penalties etc. classified to miscellaneous current transfers in the government accounts. This category comprises fees related to the cost of regulating certain activities which are not devices to raise revenue for general purposes. It is therefore not appropriate to classify the council tax as a miscellaneous current transfer. The council tax is clearly also not a social security contribution.

Thus, like the community charge, the council tax does not fit easily into any of the standard categories. The Central Statistical Office has therefore decided that it should appear in the national accounts alongside the community charge as part of a category entitled "community charge/council tax". The council tax will also appear as a deduction from income in the personal sector account. This conclusion has some benefit, in that it causes no further discontinuity in estimates of GDP at market prices, in contrast to the discontinuity caused when the community charge replaced domestic rates.

Impact of the introduction of the Council Tax on the national accounts

The council tax replaces the community charge in Great Britain in April 1993, while domestic rates remain in Northern Ireland. The council tax will be classified in the same way as the community charge within the national accounts. The change from the community charge to the council tax will, in itself, therefore have no effect on the estimates of GDP at either market prices or factor cost. There will also be no discontinuity to the overall implied GDP deflators or that for consumers' expenditure. As both the community charge and the council tax will be treated in the same manner within the personal sector account, there will also be no change caused to this element of the national accounts.

The current estimates for the community charge and domestic rates in the national accounts are shown for information:

TABLE A

Value of domestic rates and community charge within the national accounts:

	£ million			
	1988	1989	1990	1991
Domestic rates	8431	8949	2361	169
Community charge	-	586	8629	8162

Treatment of the Council Tax in the Retail Prices Index

The Retail Prices Index (RPI) Advisory Committee has been convened to consider the treatment of the council tax within the RPI. The recommendations of this committee to the Chancellor of the Exchequer are likely to be published in January 1993.

Non Domestic Rates

The introduction of the council tax has no effect on the treatment in the national accounts of non domestic rates. The system for calculating non domestic rates was changed on 1 April 1989 in Scotland and 1 April 1990 in England and Wales. These changes were discussed in the technical note in the August 1989 edition of Economic Trends. Non domestic rates remain a central government

tax for the whole of Great Britain due to the "uniform business rates" used. Non domestic rates in Northern Ireland will continue to be treated as a local authority tax since they are determined by the local authority.

Conclusion

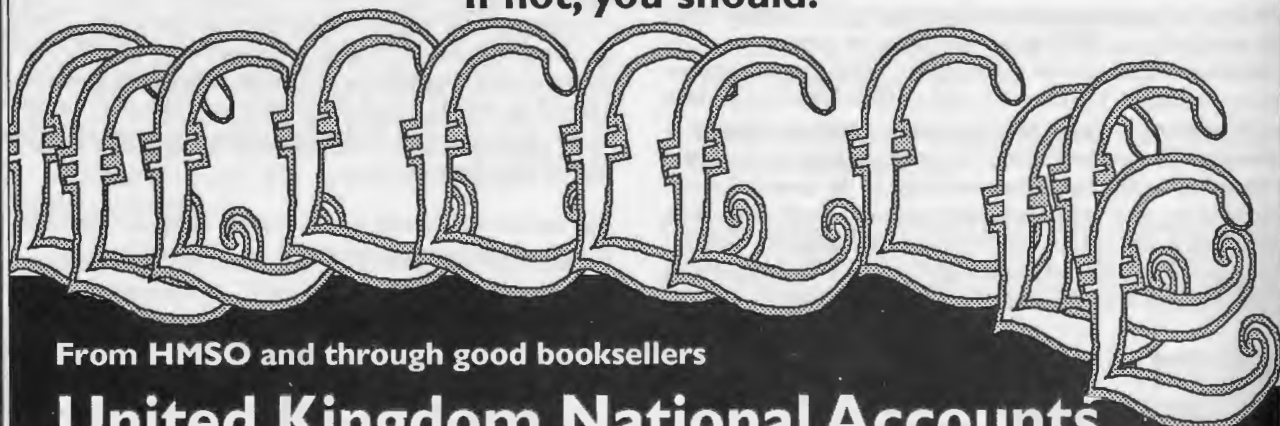
Council tax receipts will be treated within the national accounts as a deduction from income and classified alongside community charge in a category of non-discretionary deductions from income to be called "community charge/council tax". The change from the community charge to the council tax will, in itself, have no effect on the sector accounts and also will require no revision or adjustment to long run data series.

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THE EFFECTS OF TAXES AND BENEFITS ON HOUSEHOLD INCOME, 1990

The main points are:

(1) The effect of government expenditure and taxation is to reduce the differences in income amongst households. In 1990 taxes and benefits (including NI pensions) increased the share of total income of the bottom fifth of households from 2.0 per cent of original income to 6.3 per cent of post-tax income (Table C). Cash benefits play the largest part in reducing income differences.

(2) The joint impact of taxes and benefits is greatest for retired households and for those non-retired households containing no economically active people.

Introduction

The aim of this article is to examine how the distribution of income amongst households in the UK is modified by government expenditure and taxation. In 1990 the government raised and spent £214 billion. In this study, the revenue raised is related to the individual households paying the taxes and the expenditure is related to those households which benefit, wherever this is possible. However, some outlays and revenue of government cannot readily be allocated to households, for example there is no clear conceptual basis for determining the benefit to each household of expenditure on defence. Over two thirds of government revenue and about half of government spending in 1990 is directly allocated to households (see Table 1, Appendix 1). One of the consequences of redistribution is to reduce the differences in income amongst households.

The stages of redistribution of incomes used in this analysis are shown in Chart 1. Household members receive income from their employment (wages and salaries, self-employment income); from occupational pensions; from their investments and from other income. Total income from these sources constitutes original income. The flow chart shows the various ways in which government then raises revenue through taxation on households and distributes benefits to them both in cash and in kind.

The main data source for this analysis is the Family Expenditure Survey (FES) which covers about 7,000 households per year. The unit of analysis is the household rather than the individual. Being a sample survey its results are subject to the usual sampling errors - these errors are larger for the household groups with smaller sample numbers (see Appendix 2).

The article aims to present the most meaningful figures for 1990. The figures cannot be easily compared with earlier articles in this series because the FES changes each year and no special effort has been made to ensure fully consistent time series.

This year, as a special topic, the benefit of company cars in original income is assessed (see Part II). The treatment of company cars in the analysis is a good example of the difficulties in making comparisons over time. By including the benefit derived from company cars as part of income, this year's analysis treats cars consistently across income and taxation. Previous years' results cannot easily be reworked on a similar basis as the data were not collected in the FES.

The contents are as follows:

Part I	Results for 1990 for all households, and for retired and non-retired households separately.
Part II	Company car benefit.
Appendix 1	Detailed results for 1990, with fine breakdown of income components for quintile and decile groups and results for different types of household.
Appendix 2	Methodology and definitions.
Appendix 3	Detailed tables for 1990 ranked using unadjusted disposable income.
Appendix 4	Trends in income distribution, 1977-1990.

MAIN ARTICLE

Basic Results

The results with households ranked by disposable income are given in Table A. This shows that there is a relatively strong relationship between the disposable income of a household and its size. The lowest quintile group has a high proportion of retired households. In contrast, in the top quintile group there are more households with 3 or more adults and few retired households. Further details of the distribution ranked by unadjusted disposable income are shown in Appendix 3.

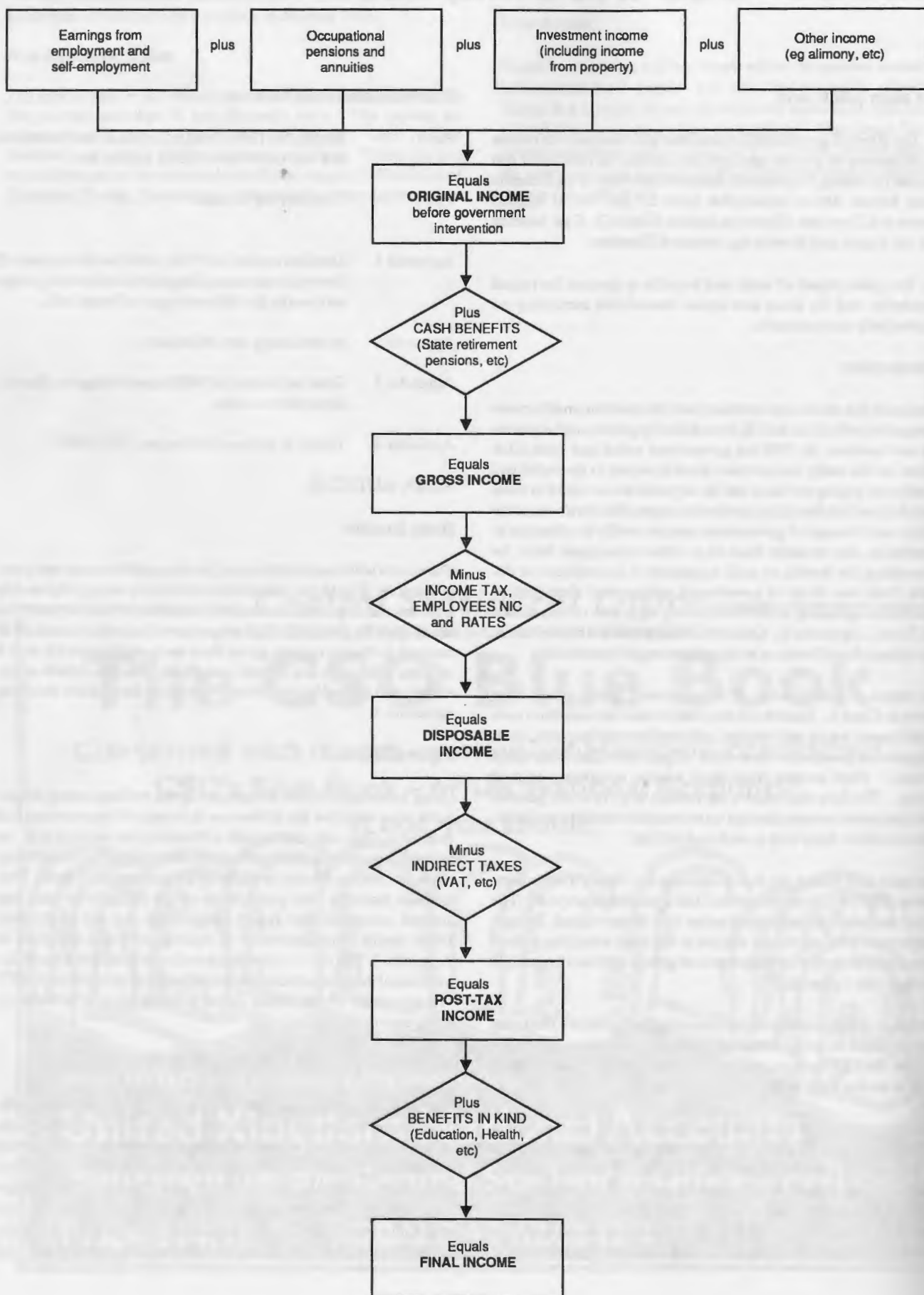
Equivalisation

Using household income for comparing the welfare among households does not allow for differences in household composition and thus need. One way to take such differences into account is to use income per capita but such a measure does not allow for the differing needs of children relative to adults or for economies of scale. This analysis therefore uses equivalence scales designed to take into account household size, family composition and age of children. Fuller details of the derivation of equivalised scales are given in Appendix 2. The use of equivalence scales in comparing the redistribution of income has been used in this series of articles since 1987. The remainder of this article refers to distribution of households using equivalised scales.

RESULTS FOR ALL HOUSEHOLDS

The level of original income varies widely between households. Table B shows this and other income measures for quintile groups ranked by equivalised disposable income (the lowest quintile group contains the 20 per cent of households with the lowest equivalised disposable incomes). In the lowest quintile group the average number of economically active people is 0.4 and hence the average original income is low (£1,530 per annum). In the highest quintile group, there are an average of 1.6 economically active people and

Stages of redistribution



Summary of the effects of taxes and benefits by quintile groups of unadjusted disposable income, 1990

TABLE A

	Quintile groups of households ranked by unadjusted disposable income					All households
	Bottom	2nd	3rd	4th	Top	
Average per household (£ per year)¹						
Original income	950	4 480	11 920	19 190	38 170	14 940
plus cash benefits.. .. .	3 150	3 430	1 850	1 300	910	2 130
Gross income.. .. .	4 100	7 910	13 760	20 490	39 080	17 070
less direct taxes ² and employees' NIC ..	690	1 270	2 640	4 180	8 520	3 460
Disposable income	3 410	6 640	11 120	16 310	30 560	13 610
less indirect taxes	830	1 600	2 590	3 260	4 610	2 580
Post-tax income	2 580	5 040	8 530	13 050	25 940	11 030
plus benefits in kind	1 590	2 130	2 130	2 220	2 270	2 070
Final income.. .. .	4 170	7 180	10 650	15 260	28 210	13 100
Average per household (number)						
Children ³	0.2	0.6	0.8	0.8	0.8	0.6
Adults	1.2	1.7	1.9	2.1	2.4	1.9
Persons	1.4	2.2	2.7	2.9	3.2	2.5
People in full-time education	0.1	0.4	0.6	0.7	0.7	0.5
Economically active people	0.2	0.6	1.3	1.7	2.1	1.2
Retired people	0.8	0.7	0.3	0.2	0.1	0.4
Composition (Percentages)						
Household type						
Retired	67	40	15	7	3	26
Non-retired						
1 adult	17	16	15	10	4	12
2 adults	4	15	26	29	30	21
1 adult with children ⁴	9	11	3	1	1	5
2 adults with children	3	15	31	34	31	23
3 or more adults ⁵	-	4	11	18	31	13
Total	100	100	100	100	100	100

1 The monetary values in the tables in the main body of the article are rounded to the nearest £10.

2 These are income tax (which is after tax relief at source on mortgage interest and life assurance premiums) and gross domestic rates/Community charge.

3 Children are defined as persons aged under 16 or aged between 16 and 18, unmarried and receiving non-advanced further education.

4 This group is smaller than the category of "one parent families" because some of these families will be contained in the larger household types.

5 With or without children.

average original income is £35,190. In the lowest quintile group, half of the households are retired - defined as households where at least half the total gross income comes from retired people - and the majority of these have virtually no original income since the state retirement pension (including any graduated or additional pension) is a cash benefit.

Chart 2 illustrates the declining importance of cash benefits in gross income as income rises.

Chart 3 shows how the dispersion of incomes is reduced at each stage of the tax-benefit system, so that the average final income for each quintile group ranges from £5,550 to £25,180, a ratio of about 1:5 compared with the ratio for original incomes of about 1:23.

An alternative way to illustrate the extent of income redistribution is to examine how income shares are modified by the tax-benefit

system (Table C). For example, households in the highest quintile group (when ranked by equivalised disposable income) receive over 50 per cent of all original income. After taking into account cash benefits, this same group's share falls to 44 per cent. At the other end of the scale, the share of the lowest quintile group rises from 2.0 per cent to 6.7 per cent. A further, but comparatively smaller, compression of the income distribution occurs at the stage of disposable income, but this is reversed after indirect taxes are taken into account. This table is calculated using equivalised incomes, and hence 'final income' has not been included. The McClements equivalence scales, which were estimated using household spending patterns, are arguably inappropriate for equivalising non-spendable amounts of income eg benefits from education.

The Gini coefficient is the most widely used summary measure of the inequality of the distribution of income (see paragraph 41 of Appendix 2). It takes values between 0 and 100 per cent - the higher

Summary of the effects of taxes and benefits by quintile groups of equivalised disposable income, 1990

TABLE B

	Quintile groups of households ranked by equivalised disposable income					All
	Bottom	2nd	3rd	4th	Top	households
Average per household (£ per year)¹						
Original income	1 530	5 330	12 740	19 930	35 190	14 940
plus cash benefits	3 580	3 160	2 040	1 190	670	2 130
Gross income	5 110	8 490	14 770	21 120	35 860	17 070
less direct taxes ² and employees' NIC..	830	1 390	2 770	4 400	7 930	3 460
Disposable income.. .. .	4 280	7 100	12 000	16 720	27 940	13 610
less indirect taxes.. .. .	1 200	1 720	2 630	3 270	4 070	2 580
Post-tax income	3 080	5 380	9 370	13 450	23 860	11 030
plus benefits in kind	2 470	2 330	2 330	1 890	1 320	2 070
Final income	5 550	7 710	11 700	15 330	25 180	13 100
Average per household (number)						
Children ³	0.7	0.6	0.8	0.6	0.4	0.6
Adults.. .. .	1.6	1.7	2.0	2.1	1.9	1.9
Persons	2.3	2.4	2.8	2.6	2.3	2.5
People in full-time education.. .. .	0.5	0.5	0.7	0.5	0.3	0.5
Economically active people.. .. .	0.4	0.7	1.4	1.7	1.6	1.2
Retired people.. .. .	0.7	0.7	0.4	0.2	0.1	0.4
Composition (Percentages)						
Household type						
Retired	51	44	18	10	8	26
Non-retired						
1 adult.. .. .	9	8	9	13	22	12
2 adults	7	11	18	29	39	21
1 adult with children ⁴	12	7	3	2	1	5
2 adults with children.. .. .	15	20	34	26	19	23
3 or more adults ⁵	6	10	17	20	12	13
Total.. .. .	100	100	100	100	100	100

1 All the tables in Part 1 of this article show unequivalised income:equivalised income has only been used in the ranking process to produce the quintile groups (and to produce the percentage shares and Gini coefficients).

2 These are income tax (which is after tax relief at source on mortgage interest and life assurance premiums) and gross domestic rates/Community charge.

3 Children are defined as persons aged under 16 or aged between 16 and 18, unmarried and receiving non-advanced further education.

4 This group is smaller than the category of "one parent families" because some of these families will be contained in the larger household types.

5 With or without children.

values indicating greater inequality. In this article, Gini coefficients are now calculated using equivalised incomes (using the same equivalence scale that is applied to equalise disposable income). The fall from 52 per cent to 38 per cent shown in Table C shows that cash benefits contribute the most to the reduction in income inequality.

Attention has already been drawn to the preponderance of retired households in the lower ranges of the distribution of original income; nearly half of the households in the bottom two quintile groups are retired (Table B). The income pattern of the retired is very different from that of households whose head is of working age, as is their expenditure pattern (which is reflected in their indirect tax payments). For this reason, in the detailed examination of each stage of the tax-benefit system which follows, retired and non-retired households are analysed separately.

RESULTS FOR NON-RETIRED HOUSEHOLDS

Original income

The distribution of original income amongst non-retired households is more equal than among all households, ranging from an average of £3,680 per annum in the lowest quintile group to £39,140 in the highest (Table D), a ratio of 1:11 compared to the ratio of 1:23 for the distribution over all households. There is a relatively strong relationship between the original income of a household and the number of economically active people it contains and Table K (at the end of this section) gives a breakdown by the number of economically active people per household.

CHART 2

Sources of gross income, by quintile groups of equivalised disposable income, 1990

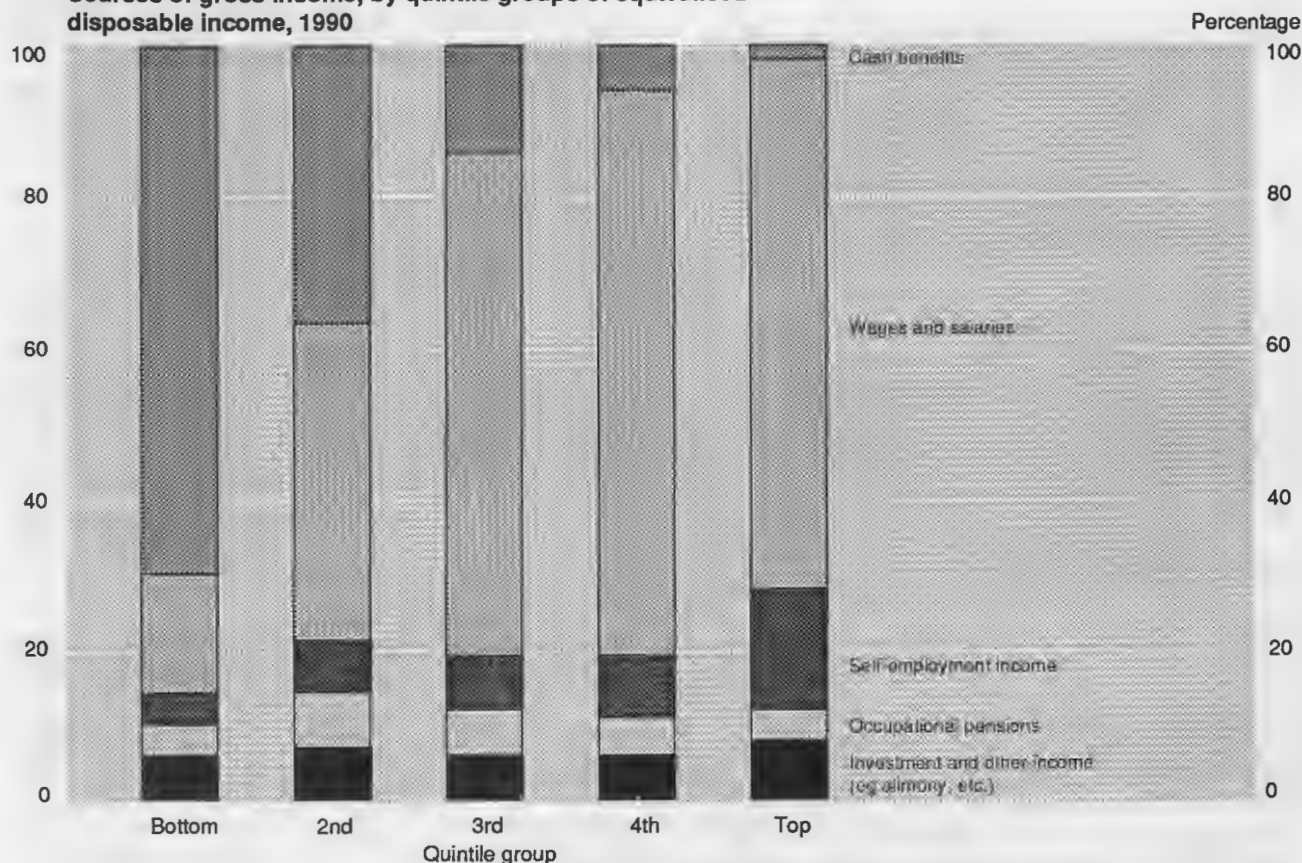
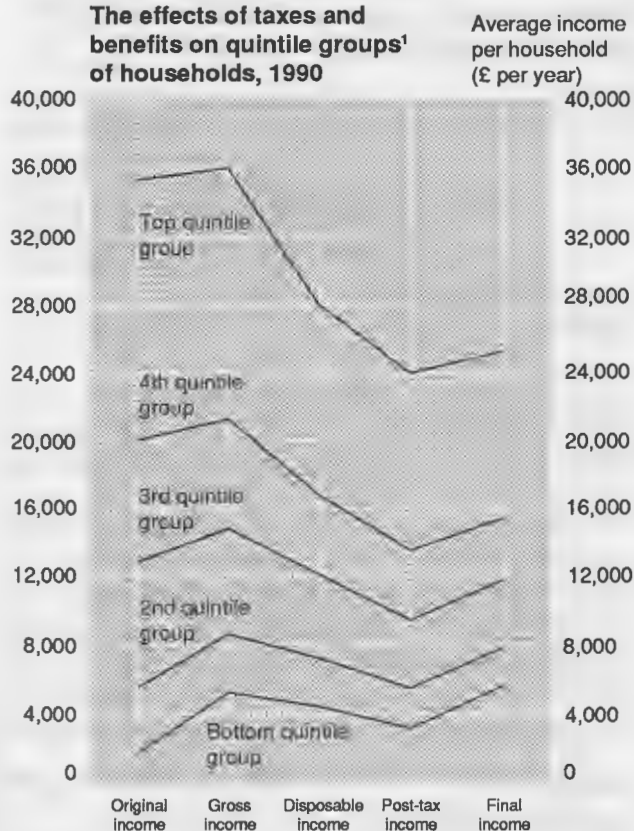


CHART 3

The effects of taxes and benefits on quintile groups¹ of households, 1990



1. Households are ranked throughout by their equivalised disposable incomes

Percentage shares of total household income and Gini coefficients¹, 1990

TABLE C

	Percentage shares of total equivalised income for households ranked by equivalised disposable income			
	Original income	Gross income	Disposable income	Post-tax income
Quintile group				
Bottom..	2.0	6.7	7.0	6.3
2nd	7	10	11	10
3rd	15	16	16	15
4th	25	23	23	23
Top	51	44	43	45
All households	100	100	100	100
Decile group				
Bottom..	0.8	2.9	2.9	2.4
Top	33	28	28	30
Gini coefficient (percent) ..	52	38	36	40

1 This is a measure of the dispersion of each definition of income. Unlike the percentage shares analysis where the household incomes are ranked only once, the Gini coefficient calculation needs a separate ranking for each income definition. For example, the coefficient for original income is produced by first equivalising the original income of all the households, then this distribution is ranked and this ranked distribution is used to calculate the coefficient.

Summary of the effects of taxes and benefits on NON-RETIRED households, 1990

TABLE D

	Quintile groups of NON-RETIRED households ranked by equivalised disposable income					All non- retired house- holds
	Bottom	2nd	3rd	4th	Top	
Average per household (£ per year)						
Original income.. .. .	3 680	11 580	17 180	23 060	39 140	18 930
plus cash benefits.. .. .	3 280	1 900	1 240	710	450	1 520
Gross income.. .. .	6 960	13 490	18 420	23 780	39 600	20 450
less direct taxes ¹ & employees' NIC	1 160	2 490	3 760	5 010	8 830	4 250
Disposable income	5 800	10 990	14 670	18 760	30 760	16 200
less indirect taxes	1 770	2 710	3 090	3 550	4 260	3 080
Post-tax income.. .. .	4 020	8 290	11 580	15 220	26 500	13 120
plus benefits in kind.. .. .	3 060	2 760	2 130	1 780	1 280	2 200
Final income.. .. .	7 080	11 040	13 710	17 000	27 780	15 320
Average per household (number)						
Children ²	1.3	1.1	0.8	0.6	0.4	0.8
Adults.. .. .	1.8	2.1	2.1	2.1	1.9	2.0
Persons.. .. .	3.1	3.2	2.9	2.7	2.3	2.8
People in full-time education	1.0	0.9	0.6	0.5	0.3	0.7
Economically active people	0.9	1.6	1.8	1.9	1.8	1.6
Retired people	0.1	0.1	0.1	0.1	-	0.1

1 These are income tax (which is after tax relief at source on mortgage interest and life assurance premiums) and gross domestic rates.

2 Children are defined as persons aged under 16 or aged between 16 and 18, unmarried and receiving non-advanced further education.

Cash benefits

Cash benefits are of two types: contributory (paid from the National Insurance Fund to which individuals and their employers make contributions while working), and non-contributory (Table E). For non-retired households, non-contributory benefits form the most important source of cash benefit income. An important item, child benefit, is concentrated towards the bottom of the income distribution, in proportion to the number of children per household (Table D). The other non-contributory benefits are mainly income-related, in particular Income Support (formerly Supplementary Benefit) and so payments are concentrated in the lowest quintile group, although the presence of some individuals with low incomes in high income households means that some payments are recorded further up the income distribution. Most contributory benefits, for which contribution records rather than income are the criteria for payment, are highest for the second quintile group. On average, cash benefits formed over 7 per cent of the gross income of non-retired households; their payment resulted in a significant reduction in income inequality.

Income tax, NI contributions and community charge

Both income tax payments and employees' National Insurance contributions are closely related to the size of original income. The payments by households of employees' National Insurance contributions in particular vary with the number of persons in employment and with their earnings. However, since National Insurance contributions are only levied on the first £350 of weekly earnings (the ceiling in operation during most of 1990), households in the top

Average value of cash benefits for each quintile group of NON-RETIRED households, 1990

TABLE E

	Quintile groups of NON-RETIRED households ranked by equivalised disposable income					All non-retired households
	Bottom	2nd	3rd	4th	Top	
Average per household (£ per year)						
Contributory						
Retirement pension	160	360	340	180	130	230
Sickness/ injury related	300	280	200	100	70	190
Unemployment benefit	90	30	30	10	10	30
Other	100	70	60	50	40	60
Total contributory	650	740	620	340	240	520
Non-contributory						
Income support	1160	240	80	30	10	300
Child benefit	510	440	290	220	140	320
Housing benefit	640	170	50	20	10	180
Sickness/ disablement related	130	160	120	50	30	100
Other	190	160	80	60	10	100
Total non-contributory	2 630	1160	620	380	220	1000
Total cash benefits	3 280	1900	1240	710	450	1520
Cash benefits as a percentage of gross income						
	47	14	7	3	1	7

Income tax, employees' NIC and domestic rates/Community charge as percentages of gross income for each quintile group of NON-RETIRED households, 1990

TABLE F

	Quintile groups of NON-RETIRED households ranked by equivalised disposable income					All non-retired households
	Bottom	2nd	3rd	4th	Top	
Percentages						
Income tax ¹	5.3	8.8	11.4	12.9	16.8	13.1
Employees NIC	2.4	4.4	4.8	4.8	3.5	4.1
Gross domestic rates/ Community charge	9.0	5.3	4.2	3.3	2.0	3.6
Total	16.7	18.5	20.4	21.1	22.3	20.8

¹ After tax relief at source on mortgage interest and life assurance premiums.

quintile group pay rather less in contributions as a percentage of gross income than the middle 60 per cent of households (Table F).

In 1990 over one-third of working age individuals had insufficient income to pay income tax, and marginal tax rates for taxpayers were 25 per cent or 40 per cent. The analysis of households when ranked by equivalised disposable income shows average rates were 5.3 per cent in the lowest quintile, rising steadily to 16.8 per cent in the top quintile. This pattern arises chiefly because the quintile groups are based on (after tax) equivalised disposable income, which means that even the lowest quintile contains individuals who are liable for income tax.

The community charge succeeded domestic rates from the second quarter of 1990 for households in England and Wales. Both community charge and rates (which used to be treated in these articles as an indirect tax) are included here with income tax and NICs in line with the treatment of community charge in the National Accounts. Rebates on these local taxes, which are designed to attenuate the regressive impact of rates at the lower end of the income distribution, are treated as cash benefits. The treatment of community charge/rates in Table F may be misleading in overstating their regressive impact.

Indirect taxes as a percentage of (a) disposable income and (b) expenditure on goods and services for each quintile group of NON-RETIRED households, 1990

TABLE G

				Quintile groups of NON-RETIRED households ranked by equivalised disposable income					All non-retired households
				Bottom	2nd	3rd	4th	Top	
(a) Percentages of disposable income									
VAT .. .. .	..	..	..	10.3	9.1	8.1	7.6	6.0	7.5
Duty on beer and cider ..	..	..	..	1.1	0.9	0.9	0.8	0.5	0.7
Duty on wines and spirits ..	..	..	..	0.8	0.8	0.7	0.8	0.7	0.7
Duty on tobacco ....	..	..	..	5.5	3.1	2.0	1.3	0.6	1.7
Duty on hydrocarbon oils ..	..	..	..	1.9	1.8	1.6	1.5	0.9	1.4
Car tax and vehicle excise duty..	..	..	..	1.3	1.4	1.1	1.1	0.7	1.0
Other taxes on final goods and services	..	..	..	2.3	1.7	1.4	1.2	1.0	1.3
Intermediate taxes ..	..	..	..	7.5	5.8	5.0	4.7	3.6	4.7
Total indirect taxes ..	..	..	..	30.6	24.6	21.1	18.9	13.9	19.0
(b) Percentages of expenditure on goods and services¹									
VAT .. .. .	..	..	..	7.1	7.7	7.9	7.9	8.1	7.9
Duty on beer and cider ..	..	..	..	0.8	0.8	0.9	0.8	0.6	0.8
Duty on wines and spirits ..	..	..	..	0.5	0.6	0.7	0.8	0.9	0.7
Duty on tobacco ....	..	..	..	3.8	2.6	2.0	1.4	0.8	1.8
Duty on hydrocarbon oils ..	..	..	..	1.3	1.5	1.6	1.5	1.2	1.4
Car tax and vehicle excise duty..	..	..	..	0.9	1.2	1.1	1.1	0.9	1.0
Other taxes on final goods and services	..	..	..	1.6	1.4	1.4	1.2	1.3	1.4
Intermediate taxes ..	..	..	..	5.1	5.0	4.9	4.9	4.8	4.9
Total indirect taxes ..	..	..	..	21.0	20.9	20.6	19.7	18.7	19.9

¹ Excludes savings, investments, superannuation contributions, and mortgage payments but includes imputed rent of owner occupiers (see paragraph 29 of Appendix 2 for the full definition of expenditure).

Indirect taxes

The estimates of households' payments of indirect taxes are derived from figures for their expenditure recorded in the FES. Because the data on expenditure and incomes in the FES are compiled in different ways, they may not be fully compatible (see Appendix 2, paragraph 5).

In total, indirect taxes expressed as a proportion of disposable income fall as disposable income rises (upper part of Table G), ranging from 31 per cent in the bottom quintile group to 14 per cent in the highest, though the highest quintile pay most in indirect taxes in absolute terms. However, individual taxes have different effects.

VAT, tobacco duty, beer duty and intermediate taxes (see box below) all fall as a percentage of disposable income as income rises. The fall in tobacco duty payments as a percentage of income is particularly marked. For expenditure items relating to motoring (ie car tax and duty on hydrocarbon oils), the tax as a proportion of income is similar for the bottom four quintile groups but much lower for the top group.

INTERMEDIATE TAXES

Some indirect taxes, such as VAT and excise duties on petrol, alcohol, tobacco, etc have a direct effect on the final price of goods and services. However, the producers of these goods and services also incur costs such as employers' National Insurance contributions, non-domestic rates, and duty on hydrocarbon oils, part of which they may pass on to households in the price of their products. These are called intermediate taxes.

The incidence assumptions used for these taxes are more difficult and contentious than those used for other taxes, so the figures must be regarded as very rough estimates.

Although some indirect taxes are less regressive than others, Table G (upper part) shows that the impact of virtually all the indirect taxes declines for the top quintile group compared with the fourth quintile group. This is so partly because higher income households tend to save a larger proportion of their income than households with smaller incomes.

Table G also shows estimates of indirect tax payments expressed as a percentage of *expenditure* (in the lower part of the table), as these figures are more consistent. Indirect taxes in total form a virtually constant proportion of expenditure on goods and services over all income groups. However, VAT payments actually rise as a proportion of expenditure as income goes up. This is largely due to the effects of zero-rating some items such as food and domestic fuel and power, which make up a higher proportion of the spending of the lower income groups. The apparent paradox of indirect taxes being regressive against disposable income but neutral against expenditure can be explained, at least in part, as follows: as income rises, there is a tendency for an increasing proportion of disposable income not to be spent on goods and services but to be channelled into savings, investments and mortgage payments.

Benefits in kind

Government current expenditure in providing certain goods and services to households either free at the time of use or at subsidised prices is allocated to individual households in order to arrive at final income. The imputed value of these benefits is based on estimated costs of providing them. The largest two items for which such imputations are made are the health and education services, which together accounted for 23 per cent of total general government

expenditure in 1990. Other items for which imputations are made are school meals and welfare milk, the housing subsidy and travel subsidies, together accounting for a further 1.6 per cent of general government expenditure.

Education benefit to individual households is imputed by reference to the number of pupils and students in the state sector in the households (students living away from home are not included as part of their parents' household), and to the type of education they are receiving, though no allowance is made for differing costs between local authorities. No benefit is allocated for pupils at private schools. The bottom quintile group contains the highest number of children and consequently the highest number of those in full-time education (Table D). This is the main reason for this quintile group being allocated the highest average imputed benefit (Table H). In addition, the majority of student-only households, for whom the costs of education are greatest, are in this quintile group. Similarly the impact of expenditure on school meals and welfare milk is greatest in the lower income groups where children are more likely to take school meals and have them provided free of charge.

Average value of benefits in kind for each quintile group of NON-RETIRED households, 1990

TABLE H

	Quintile groups of NON-RETIRED households ranked by equivalised disposable income					All non-retired households
	Bottom	2nd	3rd	4th	Top	
Average per household (£ per year)						
Education	1 710	1 520	1 040	790	450	1 100
National health service	1 070	1 090	990	910	750	960
Housing subsidy ¹ ..	140	80	40	20	10	60
Travel subsidies ..	30	40	40	60	60	40
School meals and welfare milk	110	40	20	10	-	30
Total	3 060	2 760	2 130	1 780	1 280	2 200
Benefits in kind as a percentage of post-tax income						
	76	33	18	12	5	17

¹ Does not include tax relief at source on mortgage payments. These are taken into account in the income tax payments shown in Table F.

Data are available on the average cost to the Exchequer of providing the various types of health care - hospital inpatient/outpatient care, GP consultations, dental services etc - and it is possible to estimate the use made of each service on average by individuals of different ages and sex. Using this information, an imputed benefit from the state health service can be allocated to each individual in the FES sample; no allowance is made for the use of private health care services. These benefits are then aggregated for members of the household to yield figures on a household basis, so that not only the sex and age composition but also the size of the household determines the attribution of health service benefits.

Age and sex are by no means the only possible determinants on which to base the allocation, but age is certainly a very important factor. Data availability also limits the choice of determinants - the

Percentage shares of total household income and Gini coefficients¹ for NON-RETIRED households, 1990

TABLE J

Percentage shares of total equivalised income for NON-RETIRED households ranked by equivalised disposable income				
	Original income	Gross income	Disposable income	Post-tax income
Quintile group				
Bottom ..	3.4	6.5	6.8	5.8
2nd ..	11	12	12	11
3rd ..	17	17	17	16
4th ..	24	23	23	23
Top ..	45	43	42	44
All non-retired households	100	100	100	100
Decile group				
Bottom ..	1.0	2.6	2.7	2.1
Top ..	29	27	27	29
Gini coefficient (percent) ..	43	36	35	39

¹ This is a measure of the dispersion of each definition of income. Unlike the percentage shares analysis where the household incomes are ranked only once, the Gini coefficient calculation needs a separate ranking for each income definition. For example, the coefficient for original income is produced by first equivalising the original income of all the households, then this distribution is ranked and this ranked distribution is used to calculate the coefficient.

FES collects little information on health or use of health services. Table H indicates that these benefits are highest for bottom two quintile groups and then decline steadily as income goes up.

Housing subsidy is the sum of Exchequer subsidy and local authority determined rate fund contributions to the housing revenue account. Thus housing subsidy as defined here has been spread between public sector tenants, and since such households tend to be concentrated in the lower half of the income distribution this is where the subsidy is highest. In these articles, tax relief on mortgage interest is treated as an adjustment to income tax, not as part of the housing subsidy analysed in Table H.

Travel subsidies cover the passenger element of the grants made to various public operations covering both buses and railways. The use of public transport by non-retired households is partly related to the need to travel to work and thus to the number of economically active people in a household and so the combined effect of these travel subsidies increases over the income distribution.

Table H shows that taken together the absolute values of these benefits in kind clearly decline as household income increases. As a proportion of post-tax income, benefits decrease from 76 per cent in the lowest quintile group to 5 per cent in the highest quintile group, indicating that this expenditure contributes to the reduction in income inequality.

Summary

The overall effect of the various stages of the tax-benefits system on non-retired households is summarised in Table J. Households in the highest quintile group receive 45 per cent of all (equivalised) original income, compared with 3.4 per cent received by the lowest quintile group. However, after direct taxes and benefits are taken

Average incomes, taxes and benefits by the number of economically active people per NON-RETIRED household, 1990

TABLE K

	Number of economically active people ¹ per household				All non-retired households
	None	One	Two	Three or more	
<i>Number of households in the sample</i>	484	1 946	2 169	592	5 191
Average per household (£ per year)					
Original income	1 590	14 680	23 290	31 110	18 930
plus cash benefits	4 490	1 600	900	1 080	1 520
Gross income	6 080	16 280	24 190	32 180	20 450
less direct taxes ² & employees' NIC..	610	3 420	5 110	6 840	4 250
Disposable income	5 480	12 870	19 080	25 340	16 200
less indirect taxes	1 330	2 510	3 450	5 010	3 080
Post-tax income	4 150	10 360	15 630	20 340	13 120
plus benefits in kind.. .. .	2 970	1 820	2 190	2 870	2 200
Final income	7 120	12 180	17 820	23 210	15 320
Gini coefficients (percent)					
Equivalised original income	85	47	33	28	43
Equivalised gross income	26	40	31	26	36
Equivalised disposable income	26	39	29	25	35
Equivalised post-tax income.. .. .	33	44	33	29	39

¹ Economically active people comprise employees, the self employed and others not in employment but who are seeking or intending, when able, to seek work.

² These are income tax (which is after tax relief at source on mortgage interest and life assurance premiums) and gross domestic rates/Community charge.

into account, the share of the lowest quintile group rises to 6.8 per cent and that of the highest falls to 42 per cent. Cash benefits are the major factor underlying these changes, causing the Gini coefficient to fall from 43 per cent based on original income to 36 per cent based on gross income. Income tax, employees' National Insurance contributions and rates produced a further reduction in inequality, but payment of indirect taxes increases inequality.

Economic activity

As already mentioned, the size of original income is largely determined by the number of economically active people in the household - even though someone may be defined as economically active if they have been out of work for up to a year as long as they are seeking work. This relationship between income and economic activity amongst non-retired households is explored further in Table K, in

which households are classified according to the number of economically active people they contain.

Original income ranges from an average of £1,590 per annum in households where there are no economically active people to an average of £31,110 for households where there are three or more. Cash benefits are concentrated in households where no-one is economically active and here they form 74 per cent of gross income; but they remain important, at 10 per cent of gross income, for those where one household member is economically active. This latter group will contain a number of households where no-one is currently in work.

Not only does average original income differ widely between the four households groups in Table K, but there is also a considerable difference in the degree of variation of income within the groups. As

Effects of taxes and benefits on RETIRED households, 1990

TABLE L

					Quintile groups of RETIRED households ranked by equivalised disposable income					All retired house- holds
					Bottom	2nd	3rd	4th	Top	
Average per household (£ per year)										
Original income					510	790	1 210	3 670	12 760	3 790
plus cash benefits										
Contributory										
Retirement pension					2 770	3 030	2 810	2 990	2 760	2 870
Sickness/ injury related					20	70	130	220	300	150
Unemployment benefit					-	-	20	-	10	10
Other					40	30	50	60	100	60
Non-contributory										
Income support					160	100	80	110	70	100
Child benefit					10	-	-	-	-	-
Housing benefit					270	630	740	320	70	410
Sickness/ disablement related					40	50	160	400	240	180
Other					30	30	40	20	100	50
Gross income					3 850	4 740	5 250	7 810	16 410	7 610
less income tax ¹					100	70	120	470	2 410	640
less employees' NIC.. .. .					-	-	-	10	30	10
less domestic rates/community charge(gross)					580	570	540	630	720	610
Disposable income					3 160	4 100	4 590	6 700	13 250	6 360
less indirect taxes										
VAT					250	250	260	470	970	440
Tobacco duty					80	90	100	120	60	90
Other taxes on final goods & services					210	200	210	370	570	310
Intermediate taxes					270	240	240	370	620	350
Post-tax income					2 350	3 320	3 780	5 380	11 030	5 170
plus benefits in kind										
Education					40	20	40	10	20	30
National health service					1 630	1 550	1 470	1 500	1 420	1 520
Housing subsidy ²					50	140	150	80	20	90
Travel subsidies					60	70	60	60	70	60
Final income					4 130	5 090	5 500	7 030	12 560	6 860

¹ After tax relief at source on mortgage interest and life assurance premiums.

² Does not include tax relief at source on mortgage payments, which is included in the income tax payments shown above.

measured by the Gini coefficient, variability in original income is very high amongst households where no-one is economically active but where two or more persons are economically active the variability is considerably less. Equally, the tax-benefit system has the effect of substantially reducing inequality between the different types of households within the economically inactive group. This results largely from the diverse nature of the economically inactive group, which ranges from single parents with young children, single full-time students, the disabled, and households where no member has been able to find work during the 12 months prior to interview, to a small number of households where income from other sources such as investments means that they have no need to work.

RESULTS FOR RETIRED HOUSEHOLDS

Retired households have quite distinct income and expenditure patterns and so the tax-benefit system affects them in a different way from non-retired households (Table L). Few retired households have substantial original income; those who do are concentrated in the top two quintile groups and are receiving occupational pensions. The majority of retired households are dependent on cash benefits, in the form of state retirement pensions and income-related benefits such as Housing Benefits and Income Support to pensioners.

Cash benefits form a very high proportion of gross income for all but the better-off retired households. However, unlike non-retired households, the bulk of these cash benefits are paid from the National Insurance Fund into which the recipients will have made contributions throughout their working lives.

People over pensionable age do not pay National Insurance contributions so the small payments recorded are made by non-retired people living in households defined as retired (see Appendix 2 paragraph 8 for details of definition). All households except those in the highest quintile group of retired households pay very little income tax, because their income is unlikely to exceed their tax allowances unless they have significant income from investments or occupational pensions in addition to their state retirement pension. The largest indirect tax payment made by retired households is VAT, and the top quintile group pays more than twice as much as the average for all retired households.

Retired households derive significant benefits from health services and, to a lesser extent, the housing subsidy and travel subsidies, though of course virtually none from the education service. Health benefit is spread fairly evenly within the group of retired households, as a result primarily of the attribution method used, but housing subsidy is substantially higher for the middle three quintile groups since they have the highest concentration of public sector tenants. The benefits received by retired households from travel subsidies are mainly for bus travel, particularly in the form of concessionary fares, passes, etc, for senior citizens, and since these are not usually means-tested but depend instead on what sort of scheme is being operated by their local authority, there is no particular relationship with income.

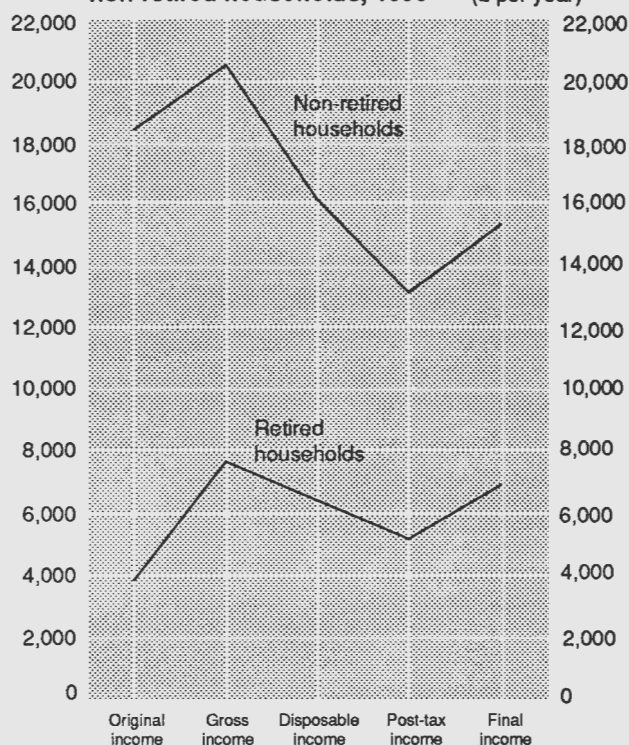
Table M shows the extent to which income inequality amongst retired households is reduced by the tax-benefit system. Cash benefits play by far the largest part in bringing about this reduction and income tax payments make a further, though much smaller, contribution. Payments of indirect taxes result in an increase in inequality.

A comparison of Table M with Table J shows that although the distribution of original income amongst retired households is much more unequal than that within the non-retired household group, the

CHART 4

The effects of taxes and benefits on retired and non-retired households, 1990

Average income per household (£ per year)



Percentage shares of total household income and Gini coefficients¹ for RETIRED households, 1990

TABLE M

		Percentage shares of total equivalised income for RETIRED households ranked by equivalised disposable income			
		Original income	Gross income	Disposable income	Post-tax income
Quintile group					
Bottom	..	2.7	10.3	10.1	9.3
2nd	..	4	13	13	13
3rd	..	7	15	16	16
4th	..	19	20	20	20
Top	..	68	42	41	41
All households		100	100	100	100
Decile group					
Bottom	..	1.4	4.7	4.5	3.9
Top	..	48	27	26	27
Gini coefficient (percent)					
..	..	69	31	29	33

¹ This is a measure of the dispersion of each definition of income. Unlike the percentage shares analysis where the household incomes are ranked only once, the Gini coefficient calculation needs a separate ranking for each income definition. For example, the coefficient for original income is produced by first equivalising the original income of all the households, then this distribution is ranked and this ranked distribution is used to calculate the coefficient.

Company car benefits and other original income for each quintile group of equivalised disposable income, 1990

TABLE N

						Quintile groups of households ranked by equivalised disposable income					All households
						Bottom	2nd	3rd	4th	Top	
Average per household (£ per year)											
Company car benefit	..	..	..	..	..	4	17	82	225	681	202
Other original income	..	..	..	..	..	1 530	5 314	12 654	19 703	34 505	14 741
Total original income	..	..	..	..	..	1 534	5 331	12 736	19 928	35 186	14 943
% Company car benefit	..	..	..	..	..	0.3	0.3	0.6	1.1	1.9	1.4
Average per household (Numbers)											
With car benefit	..	..	..	..	..	2	12	51	141	341	547
No car benefit	..	..	..	..	..	1 407	1 397	1 359	1 268	1 068	6 499
All households in sample	..	..	..	..	..	1 409	1 409	1 410	1 409	1 409	7 046
% Recipients	..	..	..	..	..	0.1	0.9	3.6	10.0	24.2	7.8

distribution of post-tax income is more equal amongst the retired than amongst the non-retired. Chart 4 illustrates the different impact which the tax-benefits system has on retired and non-retired households.

**PART II
COMPANY CAR BENEFIT**

This year's article represents an important departure in that for the first time original income includes company car benefit, that is, the imputed value of the availability of a company owned car for private use by a household member.

Company car benefit is the most important of a range of benefits in kind, or "fringe benefits", which together with a salary form the remuneration package for many employees.

The growth of fringe benefits in the post war period is usually seen as a reaction to the income tax regime. Employers reward staff with fringe benefits rather than cash because fringe benefits are considered more tax efficient.

The provision of company cars has increased rapidly since the early 1970s. Around that time only directors and the highly paid were liable for taxation on the benefit and even for them it was "tax efficient".

Company car benefit and other original income for each quintile group of NON-RETIRED households, 1990

TABLE P

					Quintile groups of NON-RETIRED households ranked by equivalised disposable income					All non-retired households
					Bottom	2nd	3rd	4th	5th	
Average per household (£ per year)										
Company car benefit					16	43	172	302	833	273
Other original income					3 664	11 539	17 008	22 761	38 309	18 656
Total original income					3 680	11 582	17 180	23 063	39 142	18 929
% Company car benefit.. ..					0.4	0.4	1.0	1.3	2.1	1.4
Average per household (Numbers)										
With car benefit					7	21	79	133	305	545
No car benefit					1 031	1 017	960	905	733	4 646
All households in sample					1 038	1 038	1 039	1 038	1 038	5 191
% Recipients					0.7	2.0	7.6	12.8	29.4	10.5

The effect of including company car benefit in the analysis of the percentage shares of total household income and Gini coefficients¹, 1990

TABLE Q

	Percentage shares of total equivalised income for households ranked by equivalised disposable income (Figures in bold show estimates excluding company car benefits)							
	Original income		Gross income		Disposable income		Post-tax income	
Quintile group								
Bottom.. .. .	2.0	2.0	6.7	6.7	7.0	7.1	6.3	6.4
2nd.. .. .	7	7	10	10	11	11	10	10
3rd.. .. .	15	16	16	16	16	16	15	16
4th.. .. .	25	25	23	23	23	23	23	23
Top.. .. .	51	50	44	44	43	43	45	45
All households	100	100	100	100	100	100	100	100
Decile group								
Bottom.. .. .	0.8	0.8	2.9	2.9	2.9	2.9	2.4	2.4
Top.. .. .	33	32	28	28	28	27	30	29
Gini coefficient (percent)	51.6	51.3	38.3	38.0	36.5	36.0	40.3	39.8

1 This is a measure of the dispersion of each definition of income. Unlike the percentage shares analysis where the household incomes are ranked only once, the Gini coefficient calculation needs a separate ranking for each income definition. For example, the coefficient for original income is produced by first equivalising the original income of all the households, then this distribution is ranked and this ranked distribution is used to calculate the coefficient.

In recent years the tax charge on company cars has increased considerably. In the 1988 budget, rates for assessing this benefit for taxation were doubled and they were further increased by 30 per cent in the 1989 budget, 20 per cent in the 1990 budget and again by 20

per cent in the 1991 budget. In addition, the earnings limit at which company cars become taxable for employees - the P11D limit - has remained unchanged since 1979/80 at £8,500 per annum. As a result of these changes, the taxable benefit of the private use of company

Migration of households between decile groups due to the inclusion of company car benefit in the analysis, 1990

TABLE R

	Decile groups of households ranked by equivalised disposable income EXCLUDING company car benefit										
	Bottom	2nd	3rd	4th	5th	6th	7th	8th	9th	Top	Total
Decile groups of households ranked by equivalised disposable income INCLUDING company car benefit											
Bottom	702	3	-	-	-	-	-	-	-	-	705
2nd	1	696	7	-	-	-	-	-	-	-	704
3rd	2	1	693	9	-	-	-	-	-	-	705
4th	-	3	4	684	13	-	-	-	-	-	704
5th	-	-	-	10	672	23	-	-	-	-	705
6th	-	1	1	1	20	646	36	-	-	-	705
7th	-	-	-	-	-	36	624	44	-	-	704
8th	-	-	-	-	-	-	42	632	31	-	705
9th	-	-	-	-	-	-	2	29	634	39	704
Top	-	-	-	-	-	-	-	-	39	666	705
Total	705	704	705	704	705	705	704	705	704	705	7 046
Total "movers"	3	8	12	20	33	59	80	73	70	39	397
Total "non-movers"	702	696	693	684	672	646	624	632	634	666	6 649

Average receipts of company car benefit by quintile groups of households ranked by equivalised disposable income within household type, 1990

TABLE S

	Quintile groups of households ranked by equivalised disposable income within household type					All groups
	Bottom	2nd	3rd	4th	Top	
Average per household (£ per year)						
Household type						
1 adult retired	-	-	-	-	-	-
2 or more adults retired	-	-	-	13	11	5
1 adult non-retired	-	25	8	154	470	131
2 adults non-retired	6	57	127	360	1 138	338
3 or more adults non-retired	14	28	176	236	824	255
1 adult with children	-	-	-	-	87	17
2 adults with 1 child	107	80	171	248	1 045	331
2 adults 2 children	41	57	233	534	1 016	376
2 adults with 3 or more children.. ..	-	40	93	219	1 075	286
3 or more adults with children	-	-	288	380	991	332

cars (including the benefit of fuel provided free) increased from £170m in 1978/9 to £3.48bn in 1989/90.

Although the private use of company cars has been widespread for many years, the benefit has not previously been included as part of original income in this series of analyses. The main reason for this has been the lack of consensus on its valuation. However, with the rapid increase in the level of assessment of this benefit for income tax, an anomaly developed whereby the tax on the benefit was recorded in the analysis but not the corresponding income. In the 1990 FES the coverage of company cars was extended and so for the first time it is possible to make a reasonable estimate of this income. The estimates of the benefit in the article are based on the taxable income from this benefit in accordance with the scale charges used for tax purposes.

In this analysis the benefit is allocated to all recipients regardless of their income even though for those earning less than £8,500 per year the benefit is not taxable. (It is estimated that less than 5% of those with company cars fall below this earnings limit in 1990.)

As might be expected, company car benefits are strongly concentrated at the top of the income distribution of households. Nevertheless, the effect of including company car benefit on Gini coefficients is very slight (see Table Q). The reason for this is that, while the distribution of company car benefits is very unequal, it is highly

correlated with other forms of original income which on aggregate are also very unequal. In addition, while large in absolute terms, company car benefit is relatively small compared with all other forms of income, being only about 1.5 per cent of total original income (see Tables N and P).

Although the impact on inequality as measured by Gini coefficients is slight, the impact of including company car benefit is large for individual households. Only about one in 13 households are recipients of this benefit and they receive on average £2,600 per year. The effect of including this income is for recipient households to move much higher in the distribution displacing non-recipient households. An idea of the impact of this re-ranking of the distribution of households may be gauged from Table R. About 6% of households have moved at least one decile group as a result of this re-ranking. The migration of households is particularly marked toward the top end of the distribution because of the concentration of recipient households there.

The effect of including this benefit in the analysis for 1990 means that the time series figures in Appendix 4 should be treated with special caution. In fact, the extension of the coverage to include company car benefit is a good illustration of the difficulty of using the annual analyses, which are essentially free-standing, to make comparisons over time.

INTRASTAT

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This article is an updated version of a paper presented at the Statistics Users Conference on 7 December

Introduction

The method which has been used to compile visible trade statistics for centuries was discontinued at the beginning of this year within the European Community (EC). It is being replaced by a brand new, but basically simple system. An unavoidable consequence is that the press and analysts will be about to lose one of their regular statistics for several months; it will be the middle of the year before the first estimates for 1993 are accurate enough to publish.

This article describes these fundamental changes and explains their implications.

The Former System

The former system produced the trade statistics as a by-product of an administrative system. With only very limited exceptions, the visible trade (import and export) statistics were derived from information declared on Customs documents - an essential feature of the control of goods at borders.

All developed countries use similar systems based on border formalities. Within the EC, Member States had to use common systems and documents as laid down in EC Council and Commission Regulations.

Because they were a by-product of an administrative system¹ designed to collect revenue the statistics were of very high quality. The checks were more vigorous for imports than for exports because there were more revenue implications.

Routine border formalities at EC internal frontiers disappeared at the end of 1992 when the single market was completed. There will therefore be no Customs documents for intra EC trade. A new system for use by all Member States has been prescribed in European legislation. The former system is continuing to be used to measure trade with countries outside the EC.

The New System

The new system² developed by the Community is known as INTRASTAT and comes complete with its own Community logo.



¹ The production of the UK trade statistics is a substantial task: there are some one million items of trade each month.

² The framework of the new system is specified in European Council Regulation 3330/91. Details of the system are specified in three Commission Regulations. Regulation 2256/92 deals with statistical thresholds, Regulation 3046/92 with detailed implementing provisions and regulation 3590/92 with statistical information media. Although these Regulations are directly applicable in Member States some UK national legislation has been enacted under the

The basis of INTRASTAT is a link with the VAT procedures on goods traded between Member States. This link with an administrative revenue collecting system will provide a mechanism for ensuring that the statistics are as complete and accurate as possible.

INTRASTAT is a simple system. Its main features are:

- all VAT registered businesses are required to complete two additional boxes on their, usually quarterly, VAT returns. These record the total values of goods exported to and imported from other Member states³. (In practice in the UK traders have been completing the boxes since the beginning of 1992 to provide essential data to start the new system).
- that larger traders above thresholds are completing more detailed "supplementary" returns at least monthly from January 1993
- that smaller traders below these thresholds are not providing any further statistical information: global estimates will be made from the boxes on their VAT returns
- that the smallest businesses falling below the turnover limit requiring registration for VAT are completely excluded from the system.

The following data⁴ are being collected on the detailed monthly returns due ten working days after the end of the period:

- (a) 8-digit commodity code (from the EC combined nomenclature)
- (b) value for VAT purposes
- (c) delivery terms (ex works, fob, cif, fully delivered etc)
- (d) nature of transaction (sale, lease, etc)
- (e) quantity (net mass in kilogrammes and sometimes supplementary units)
- (f) member state of consignment (imports) or destination (exports)
- (g) presumed mode of transport
- (h) country of origin for imports.⁵

European Communities Act to complete the UK statutory base.

³ In the jargon of the Single Market exports are called despatches and imports arrivals. This article uses the normal statistical terms exports and imports.

⁴ The Council Regulation prohibits the collection of other data on a statutory basis within the system

⁵ This question is voluntary in the UK because it can only be mandatory in certain cases, considered too complex to explain in statistical inquiry.

In addition, on a sample basis, information on transport costs is being collected so that the values for VAT purposes can be converted to a standard definition.

The totals of the values reported on these monthly returns should be reconcilable with the amounts reported in the new boxes on the VAT returns. These checks will be simple and straightforward for most traders and most trade. However for some movements of goods, such as excise goods or those for processing, where the VAT and statistical treatments differ, some extra information will be sought. The checks will be an important control on the quality of data supplied by traders.

Differences Between The Systems

Both providers and users of the statistics will see major changes in the new system. The following are the main differences:

- (a) Movements of goods through EC borders are speeded up with the abolition of most frontier controls.
- (b) The burden of providing the trade statistics is sharply reduced. The cut falls into three parts. First, because of the thresholds in the system, most (three-quarters) traders do not have to provide detailed information about their trade. Second, those who do have to provide detailed data have to supply slightly less information. And third, the information does not have to be supplied on a consignment basis as goods pass through Customs controls but can be submitted at a more convenient time and be aggregated within months; this will largely eliminate delays at internal community frontiers. Traders will however face extra implementation costs while they adapt to the new system. A Business Benefit Analysis suggests that the package of single market simplifications associated with the elimination of frontier controls will cut industries associated costs by 90% and enable them to recoup implementation costs within the first year.
- (c) The commodity codes are cut from 9 digits to 8 digits by eliminating the national 9th digit. Some former 9 digit codes have been added to the 8 digit nomenclature, with some little-used headings removed to make room for them.
- (d) Most transport data is no longer collected. Only presumed mode of transport is in the list of data.
- (e) Results will be available later. Allowing time for traders' monthly returns to arrive will delay results by at least 2-3 weeks, with much longer delays initially.
- (f) Results will be revised. Late or amended returns from traders will make revisions necessary.
- (g) Estimates will be made at the **detailed** commodity level and by partner Member State for trade not covered by statistical returns because of the application of thresholds (an explanation is given in the next section).
- (h) There is a risk that **detailed** data reported by traders will be less accurate. Without the checks inherent in the former frontier controls there are fewer opportunities to find and correct errors. However a programme of regular inspection visits will help to keep such errors to a minimum. The VAT link is designed to ensure that the **totals** remain accurate.

Thresholds

An important feature of the INTRASTAT system is the use of thresholds. The legislation provides for the use of two thresholds with a middle tranche of traders providing simplified monthly information. However the UK is adopting a single relatively high threshold.

In accordance with the Commission Regulation the UK has adopted a threshold of £135,000 per annum for both exports and imports. Thus a trader has to report detailed monthly export data listed in paragraph 10 on supplementary returns when his intra EC exports exceed £135,000 per annum and similarly for imports. This puts about 24% of existing traders above the threshold. The distribution of trade is, however, very concentrated and these traders account for nearly 97% of intra EC trade.

The decision on the appropriate level of the threshold has had to meet competing objectives. On the one hand, the resulting statistics have to be sufficiently accurate to meet the needs of users in Government and industry. On the other, it is necessary to keep administrative costs (including those borne by businesses) to a minimum. The UK threshold strikes a sensible compromise by keeping those administrative costs to a reasonable level but without seriously weakening the quality of the detailed statistics. It will also mean that we have a manageable number of traders in the system with sufficient resources to ensure that they provide accurate returns promptly.

The Commission Regulation requires all Member States to set thresholds so that the results will meet certain quality requirements. This is a relatively simple concept but the details of the Regulation are complex. Trade in 90% of the most used 8 digit commodity headings must be estimated within 5% of its true value. In addition the growth rate of trade in these headings between years must be estimated within specified limits. There are similar requirements on the estimation of the level and growth of trade by partner country.

The UK thresholds are close to the maximum permitted by the quality requirements. They are higher than those adopted in the other major Member States. This is mainly because the others want a different balance between administrative costs and theoretical quality. However the pattern of our trade is also different probably because of the additional transport costs caused by the English Channel.

Estimates will be made of the distribution of trade by traders below the threshold (ie those that only report their trade totals on their VAT returns) by commodity and partner country. The CSO have already published⁶ summaries of studies showing the effect of thresholds on the detailed statistics.

Valuation

The main data collection is based on VAT values. These will usually be different from the conventional free on board (fob) and cost, insurance and freight (cif) used in the valuation of visible trade.

However the INTRASTAT data is being adjusted at a detailed level to the normal fob and cif valuations. The adjustments are designed to produce accurate estimates of total trade and will be only approximate at the level of individual commodities.

Implementation

As detailed above the INTRASTAT system is a simple one which will produce quality statistics at reduced cost. However, because it is so radically different from the present system it will take some

⁶Business Bulletin Statistical Changes in 1992 (Issue 6/91 published 1 February 1991, issue 54/91 published 21 August 1991 and issue 79/92 published 20 November 1992).

months for it to become fully effective. This section deals with implementation in the UK and describes some of the short-term problems.

The UK has put a lot of effort into ensuring that implementation of the new INTRASTAT will go as smoothly as possible. Although much of the European legislation appeared late traders have been given as much advance information about the changes as possible. Almost all traders above the threshold have received individual visits to explain the new system and all will have done very shortly. Customs are encouraging software specialists to develop software for traders to use and a variety of facilities have been developed to encourage the electronic submission of data.

A variety of technical and legal problems have prevented the former and new systems being run in parallel. Therefore the sudden switch to INTRASTAT without a run-in period on 1 January was bound to cause difficulties.

The most difficult area is going to be the checking of returns and making allowance for missing, partial and inaccurate returns. We already know which traders are above the thresholds. Using past information from Customs documents and the two new boxes on VAT returns it has been possible to build up histories for each of these traders. Thus we have a fairly accurate idea of the returns to be expected. Right from the beginning we are therefore testing the validity of returns and raising queries with traders. The best checks however will be between the statistical supplementary returns and VAT returns covering the same period. With VAT returns generally covering three monthly periods these checks cannot be started for a few months.

It is therefore almost certain that the first data will not be ready to publish until June. The CSO plan to issue an aggregate estimate for the first quarter in the balance of payments press notice in June.

Assuming that the data received from traders is reasonably accurate and timely it would then be possible to start to publish detailed monthly figures soon afterwards. Again assuming that response is reasonable these initial delays can be reduced as experience with operating the system builds up. The figures for the first few months of 1993, in particular, may well still be subject to quite substantial revisions after first publication.

Three further factors, are also relevant to the interpretation of the figures particularly over the next few months. First, seasonal adjustment will be more uncertain because of the changes making trends hard to assess. Second, there is a risk of distortion to the figures for December 1992 and January 1993 if the movement or recording of trade is altered by the impending changes.⁷ Third, the recording of third country trade could also be upset if traders use incorrect documentation. As the new data is published it will be accompanied with more detailed advice on these points.

Users of the detailed commodity level statistics will clearly need to be careful when using the new data. Thresholds, valuation, coding errors and non-response could all cause a degree of discontinuity in the series. While the effects should usually be of limited size users will need to be aware of the risk. Feedback on the plausibility of results will be useful to us.

Detailed monthly data will continue to be made available through the Marketing Agents appointed by Customs. CSO will also continue to publish the data. The Business Monitor MM20 Overseas Trade Statistics will be split to cover third country and intra-EC statistics separately. For third countries the publication will be

monthly and be similar to the present publication except that only 8-digit commodity detail will be shown. For intra-EC trade, at least during 1993, the publication will include quarterly data at the same 8-digit commodity detail level.

The Future

The Commission see INTRASTAT as a transitional system. This is because the method of collecting VAT is due to be reviewed probably by the end of 1996. For the next few years VAT will continue to be levied in the Member State in which the goods are consumed (destination basis). This means that VAT is levied at a zero rate on intra EC exports so that the correct rate can be levied in the destination Member State on arrival. The Commission believe that the aims of the single market will not be fully realised until a seller is able to charge and account for VAT in the same way when he sells to a domestic customer and to a customer elsewhere in the Community. (This is known as the origin basis because VAT on an intra EC export would be levied at the rate in the Member State where the goods originate). If the system of VAT does change then, because of the link, there will have to be some consequential changes to INTRASTAT. It is the UK's view however that the main elements of the INTRASTAT system could continue.

Conclusion

A new system for compiling the statistics of intra EC trade was introduced on 1 January 1993. The new INTRASTAT system links the compilation of the statistics to the collection of VAT on movements of goods between Member States.

The link should ensure that the totals of this trade are measured accurately. However the statistics will inevitably be somewhat less timely and, at the detailed level, less comprehensive and accurate than at present. With the development of the PRODCOM system (a European wide system for collecting production statistics) using the same product classification system it will be possible to link trade and production data much more closely than before. There will be major reductions in the costs and burdens involved in compiling the statistics.

Implementation will cause delays and disruption to the series. It will be the middle of 1993 before a further reliable estimate of our trade with the Community is available.

The UK Government needs comprehensive, accurate and timely trade statistics. Every effort is being made to ensure that the delays and disruptions involved in the switch to INTRASTAT are kept to a minimum.

The introduction of the INTRASTAT system will involve a delay in the availability of statistics on UK trade with other EC Member States. This is due to the need to establish the system and ensure that the statistics are of a high quality before being released. Further information on this delay is given in the special note to editors issued with the monthly Balance of Payments-Current Account press notices issued by the CSO, or can be obtained from Current Account Branch of the CSO. Tel: 071-270 6073 or 071-270 6064.

⁷This happened at the end of 1987 when the present Customs documents were introduced.

IMPROVING MACRO-ECONOMIC STATISTICS

David Wroe, Central Statistical Office

The following paper was presented at the Statistics Users Conference held at the Royal Statistical Society on 7th December 1992.

Over the past few years considerable efforts and extra resources have been put into improving official statistics on the UK economy. This paper looks first at the measures taken to improve the quality of macro-economic statistics, such as gdp and the balance of payments, and the results achieved so far. It then turns to EC and other international developments.

Measures to improve macro-economic statistics

Concerns about the quality of UK macro-economic statistics intensified in 1987 and 1988 as attention focussed first on an apparently worsening balance of payments position and then on the rate at which the economy was growing, with fears of possible overheating. The generally positive and relatively large balancing items in the balance of payments accounts (Table 1) raised the question of whether the balance on current account presented an unduly adverse picture of the UK's overseas performance. Also as Chart 1 shows, the statistics on gross domestic product left room for considerable doubt about growth in the economy over the previous year.

An efficiency scrutiny announced on 22 June 1988 was given the following terms of reference:

To examine the present inter-departmental arrangements for the production of government economic statistics and to make recommendations for achieving cost-effective improvements where necessary.

The Pickford Review, as it came to be called after the name of leader of the review team, Stephen Pickford, completed its report in November 1988. It found that concern about the quality of economic statistics focused on three main areas:

- (i) wide discrepancies between the three measures of gdp;
- (ii) large and growing balancing items;
- (iii) frequent and major revisions to statistics.

The review team made numerous recommendations most of which have since been implemented. In particular, they recommended that the Business Statistics Office, some other parts of DTT's Statistical Divisions, and responsibility for the Retail Prices Index and the Family Expenditure Survey should be brought into an enlarged CSO. The CSO would also become a Next Steps Agency. Following further consideration it was also decided that the CSO, which had previously formed part of the Cabinet Office, should become a separate department under the Chancellor of the Exchequer. The Pickford report recommended too various changes in the arrangements for collecting and analysing statistics. One of these was the major recommendation to strengthen the monthly sales inquiries which are used in the Index of Production. These had previously been voluntary inquiries, with, as a consequence, inadequate coverage. Following the Pickford Review they were put on a statutory basis. Greater reliance on powers available in the

Statistics of Trade Act is a prominent feature also of the changes introduced in the subsequent initiatives to improve the quality of economic statistics.

Two further packages of improvements were announced by successive Chancellors, John Major and Norman Lamont in May 1990 and November 1991 respectively. Each added about 2 million to the CSO's annual running costs and each increased staff numbers by about 90, mostly in Newport. The first of the "Chancellor's Initiatives", as they are known, concentrated on improving statistics on services, companies and the balance of payments. The further programme announced in November 1991, Chancellor's Initiative Phase II, built on the earlier measures and sought also to strengthen some of the key components which were not covered in the first phase, including estimates of retail sales and consumers' expenditure.

The Chancellor's Initiatives like some of the Pickford recommendations had a number of general features, responding to the concerns about economic statistics identified in the Pickford Report. Those features include:

- (a) More use of statutory powers
- (b) More reliance on monthly and quarterly inquiries
- (c) Better coverage of services
- (d) Better coverage of financial transactions and balance of payments
- (e) Reductions in some inquiries to minimise the form filling burden.

Phase II, like the recommendations of the Pickford Review, also involved the transfer to the CSO of responsibility for statistical work carried out primarily for national accounts purposes, in this case transfer from the Bank of England of responsibility for statistics on the activities of most nonbank financial institutions. More details of the measures included in the two initiatives are set out in articles in *Economic Trends* February 1991 and February 1992. The second article also gives a summary of the improvements resulting by that time from Phase I initiatives. A particularly striking improvement was the reduction of just under £17 billion in total in the balancing items in the balance of payments accounts for the years 1985 to 1989, with a corresponding improvement in the personal sector accounts. These resulted from the 1989 Share Register Survey which under Phase I was established as an annual inquiry.

The greater use of statutory powers in monthly and quarterly inquiries, combined with expansion of such inquiries, has helped to make early estimates more reliable and thus reduce the need for subsequent revisions. Inquiries which have been modified in this way include those on retail sales, fixed capital formation, stockbuilding and direct investment overseas. New quarterly inquiries have also been introduced on company profits, overseas service earnings, and the turnover of service sectors. All of these inquiries are intended to cut down the need for revisions by improving the early estimates. Other measures, such as the Share Register Survey mentioned above, expanded inquiries on company finance, reviews of the sector classifications used in various financial statistics and better statistics on insurance and pension funds, are all helping to improve the accuracy of the flow of funds accounts and balance sheet statistics.

Performance on revisions and balancing items

The improvement which these measures have helped to bring about so far can be judged from the charts appended to this paper. Charts 2-7 relate to size of revisions to important aggregates. As may be expected at this stage, improvements to data are more easily detected in the charts showing revisions over a relatively short time eg in the revisions over three months to the estimates of quarter to quarter growth in industrial production. The need to improve the reliability of some of the early estimates has itself added to the revisions shown by charts such as that relating to growth in gdp and the magnitude of revisions over three years. It is necessary to wait another couple of years or so to see whether the measures taken succeed on that criterion!

Another aspect of revisions which is important is whether they show bias upwards or downwards. Because of possible serial correlation in revisions bias is not easy to test for, but an attempt to do so is undertaken in an article in the May 1992 issue of *Economic Trends*. The main finding was in line with the results of earlier studies which suggested that growth in gdp had been understated in the expansionary phases of the business cycle.

The steps taken have led to much smaller balancing items in the various sector accounts, as illustrated in Charts 8-11. Especially big improvements were brought about as a result of the efforts made to improve sector classifications of various asset holdings in the work leading up to the publication of this year's Blue and Pink Books.

The charts referred to above relate very closely to performance targets on revisions and balancing items which were set as part of the process of establishing the CSO as a Next Steps Agency. These targets are listed in Annex E of the Framework Document which specifies the basis on which the Director is required to manage the office. The targets relevant to the national accounts are in three groups reflecting the three main concerns identified in the Pickford Review. The paragraphs above cover in broad terms the concerns about revisions and balancing items. The other main concern was the discrepancy between different measures of gdp.

Development in estimating gdp etc

Improvement to data sources generally can be expected to reduce the inconsistencies between the available information on output, expenditure and incomes. More precisely there should, within the national accounts framework of definitions, be consistency between the aggregates of incomes, final expenditure and value added. The improvements to data sources combined with more probing of the quality of different series have indeed helped to reduce these discrepancies. However it is unrealistic to expect that all discrepancies will be removed. All series are subject to either or both sampling and nonsampling errors (which are incidentally being explored in a systematic manner). Clearly one option is to put together the various components eg of gross domestic product and to leave the discrepancies to speak for themselves. This however does not remove the need to say what is the best estimate of gdp in for example the latest quarter; and, having said what is the CSO's best estimate, how are economic analysts to make sense of the results if the component details, including the income and expenditure breakdowns, are inconsistent with that best estimate of gdp? Rather, the view taken is that it is incumbent on the CSO:

- (i) to provide its best estimates with as much detail as possible on a consistent basis;
- (ii) to explain how the estimates have been derived.

In line with this approach the long held view that the output indicators, including the index of industrial production, provide the best indicators of short-term, ie quarter to quarter, changes has been adopted as the basis for estimating quarterly changes in gross domestic product, with "alignment adjustments" introduced as necessary in the most weakly estimated components of the income and expenditure breakdowns to ensure adequate consistency. These alignment adjustments are published with each set of quarterly tables.

Particularly because of possible changes in production processes affecting the composition of inputs and outputs, the available indicators of output-in most cases indicators of gross output-are not reliable guides to longer term changes in gross domestic product. The annual levels of gdp are therefore better assessed, when adequate information is available, from the income and expenditure estimates. In practice these estimates settle down only after several years. The measures described above will, help considerably to reduce this interval, but even so there will be some revisions as more complete information on overseas earnings, annual profits, capital expenditure and so on becomes available. The 1992 *Blue Book*, published earlier this autumn, contains fully reconciled information on incomes, expenditure and value added for 1989. This reconciliation has been achieved by bringing together the available information, including information on value added from the Annual Census of Production etc, in an input-output use matrix. This process helped to identify the decisions which had to be made about alternative sources of data, and ensured that the resulting decisions were made consistently down to a fairly detailed level. Such an input-output analysis will be made annually in future, eg for 1990 in the 1993 *Blue Book*, and it is hoped eventually to advance the analysis by one year. Details of 1989 results are given in the 1992 *Blue Book* and in an article in the September 1992 issue of *Economic Trends*.

Another major initiative which will help to improve the coherence of official statistics on the economy is the development of an Interdepartmental Business Register (IDBR) jointly with the Employment Department. For example, statistics on output are currently derived from inquiries based on one register and statistics on employment are collected using a different register. For some industries there are known to be substantial differences between the activity classified to that industry in the two registers, thus distorting statistics on productivity. Other register differences are believed to affect the comparisons between Inland Revenue figures on company profits and CSO estimates of value added. The development of the IDBR will help considerably in efforts to understand and wherever possible eliminate such discrepancies.

A rather different approach to evaluating inconsistent sources of data and producing reconciled estimates involves a more mathematical treatment of errors. It starts from establishing measures of reliability for the various estimates in the national accounts, including components of gdp and the capital and financial accounts, and then considering (a) whether the discrepancies apparent from the statistics, eg the balancing item in the balance of payments account, are consistent with the claimed reliability and (b) what are the minimum adjustments to each estimate required to achieve fully reconciled accounts. Such a reconciled set of estimates and an account of the methodology involved will be available in the November issue of *Economic Trends*.

The national accounts estimates at constant prices are based on 1985 prices at present. Next year the accounts will be rebased to 1990 prices, following the established practice of changing the base year every five years. The procedures the CSO proposes to follow and the moves towards the new industrial classification referred to below,

will be described in articles in forthcoming issues of *Economic Trends*. The practice of quinquennial rebasing is followed fairly widely throughout the world, but a number of countries have moved to a system of "chain linking" growth rates from year to year, with the annual growth rates based on more up-to-date prices. The CSO is examining the feasibility and desirability of moving the UK national accounts in this direction. Several other major developments in UK national accounting are associated closely with EC initiatives which form the subject of the next section of this paper.

EC and other developments

Developments in the European Community are having an increasing impact on the shape and development of statistical work in member countries. There are several which particularly impinge on statistics on the economy and on business, placing much more emphasis on the need for comparable statistics:

- (i) Use of GNP as fourth resource
- (ii) Intrastat
- (iii) Harmonised industrial classification in NACE (Rev 1)
- (iv) Prodcom
- (v) Regulation on service statistics

The terms of the Treaty of Maastricht would also produce a big impetus towards harmonising statistics on consumer prices, government deficits etc.

The move to a single market in the Community from 1 January 1993 will sweep away the existing arrangements for collecting statistics on merchandise trade between EC member states. Goods will move from one member state to another without routine border formalities. To remedy the loss of essential information for balance of payments and other purposes, Intrastat, a new system of reporting, is being linked to the VAT system. Traders are being asked to report as part of their VAT returns to Customs and Excise the total value of their exports and imports to and from other EC member states during the relevant period. Those with trade above particular levels then being asked to report the detailed commodity breakdown of their trade monthly. This change is clearly a radical one and it will take some time to establish that it is working well. Partly also because it was not considered feasible for all traders to report trade in detail under both the old and new systems simultaneously, there will be some delay before monthly figures start to become available from the Intrastat system. It is hoped however the statistics on trade in the first quarter of 1993, at both current and constant prices, will be available in time for the quarterly balance of payments accounts and gdp statistics to be published in June 1993.

From January 1993 EC Member States will be obliged to adopt an industrial classification based on the EC Harmonised Industrial Classification NACE(Rev 1). The new UK classification compatible with it, SIC(92), is to be published in November 1992. From the 1993 *Blue Book* the industrial classification used in the national accounts and related statistics such as the Index of Production will move towards the new classification. In the 1993 *Blue Book* existing "activity headings" will be regrouped to approximate to the new classification. The full reclassification will be completed later, it is hoped in 1995, when detailed information from PRODCOM, the new EC system of statistics on industrial products, is available to help in the reclassification. In line with most Member States' statistical systems, EC Regulations have so far given more attention to manufacturing than to service production, but the ground is being prepared for the development at the EC level of statistics on the service sector. Like the improvements already being made in UK statistics on service output, such development will help to improve further the quality of macro-economic statistics.

The next few years will see too the completion and implementation of a revised UN System of National Accounts. This will seek among other things to address the difficult issue of the appropriate treatment of the banking sector. Publication of the new SNA will lead in turn to a review of the EC's System of Economic Accounts (ESA). These developments and others such as the use of GNP in calculating contributions to the EC budget will almost certainly add further to the close interest in national accounting methodology shown by many users and will strengthen the drive towards adherence to carefully considered, international standards.

Table 1

Balance of Payments 1980-86 as published in September 1987

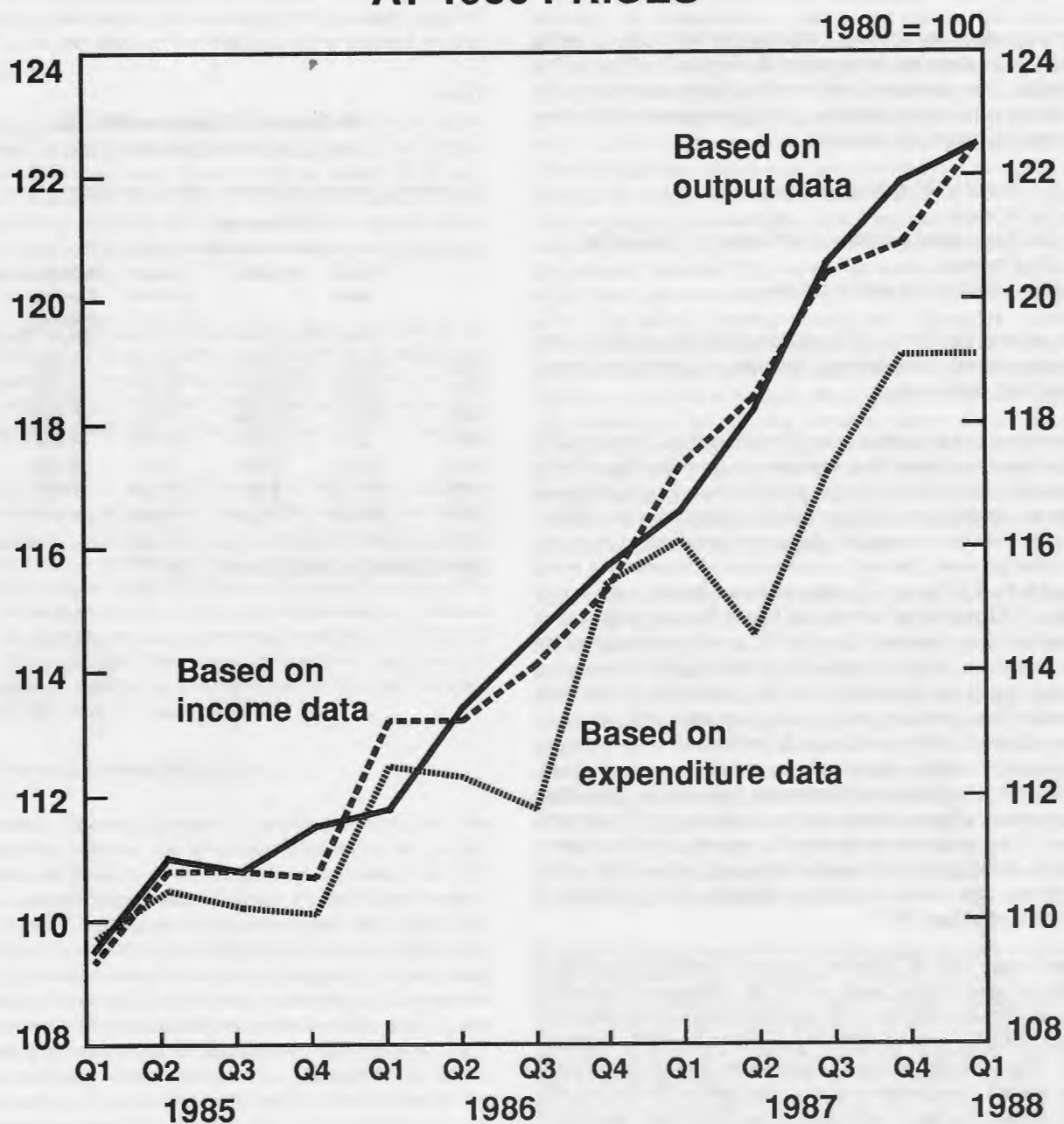
£ million

	Balance on				
	Visible trade	Invisibles	Current Account	Identified financial transactions	Balancing item
1980	1 361	1 555	2 916	-2 706	-210
1981	3 360	2 952	6 312	-6 246	-66
1982	2 331	1 704	4 035	-2 262	-1 773
1983	-835	4 173	3 338	-4 742	1 404
1984	-4 384	5 858	1 474	-6 916	5 442
1985	-2 178	5 097	2 919	-7 421	4 502
1986	-8 463	7 483	-980	-10 747	11 727

Source: *Economic Trends*, September 1987

Chart 1

GROSS DOMESTIC PRODUCT AT 1980 PRICES



Source: Economic Trends July 1988

Chart 6

CURRENT BALANCE (LONG TERM)

revisions as per cent of GDP at factor cost

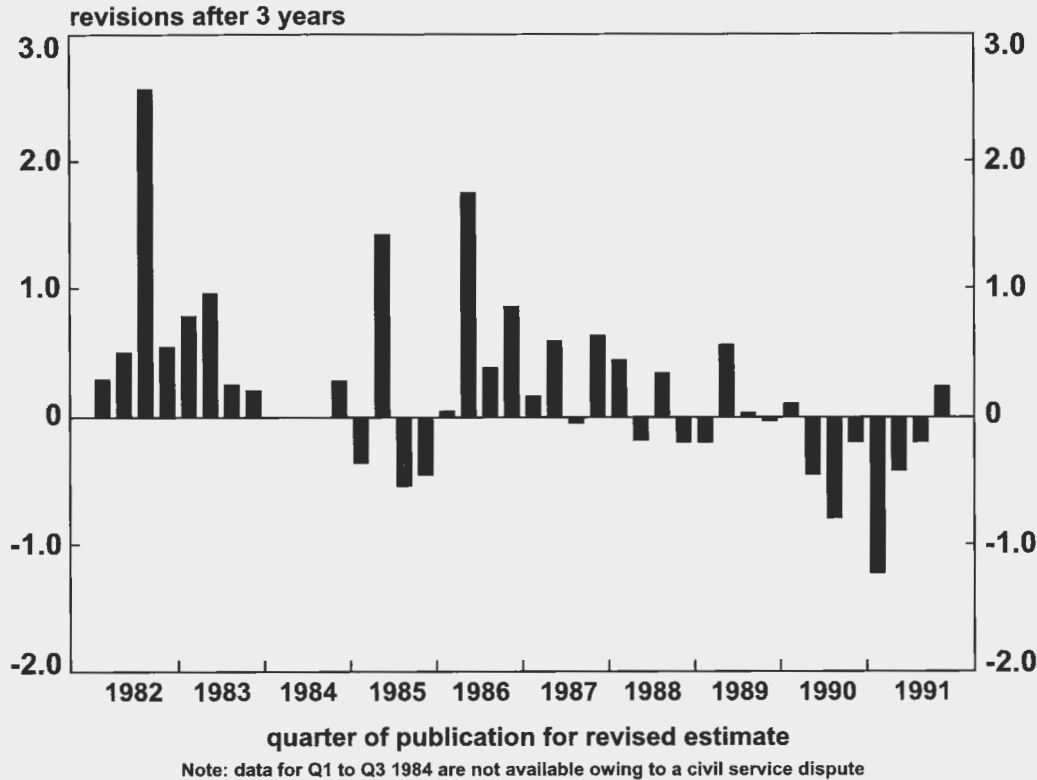
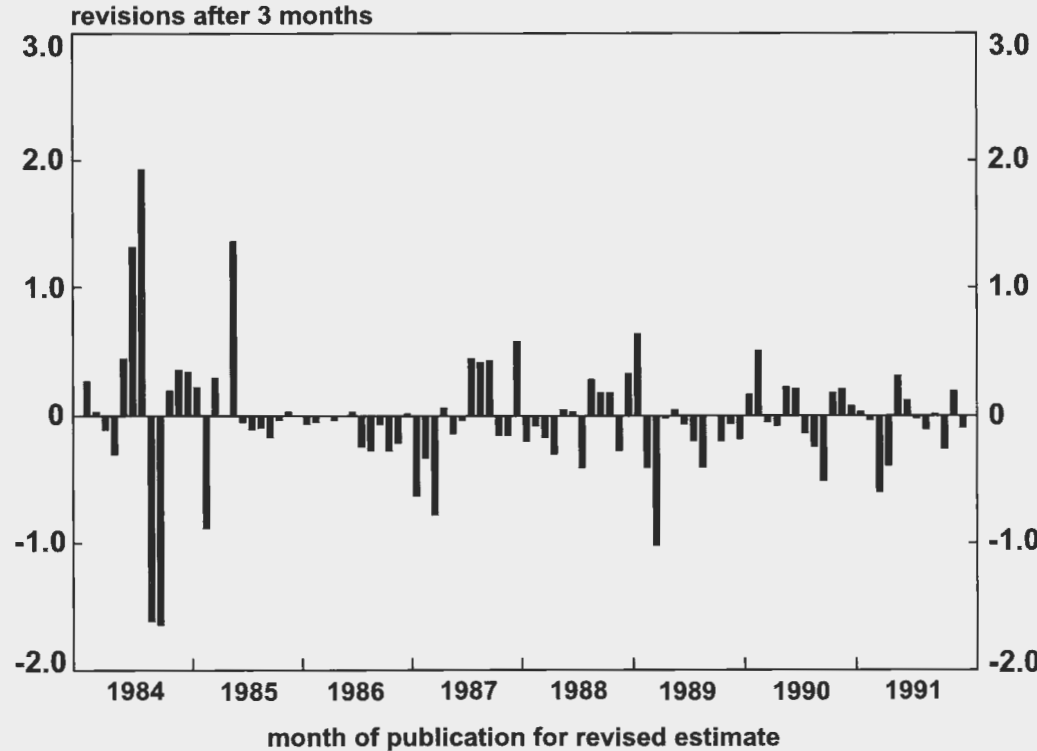


Chart 7

PUBLIC SECTOR BORROWING REQUIREMENT

revisions as per cent of GDP at market prices



INDEX OF PRODUCTION

3 month on 3 month per cent change

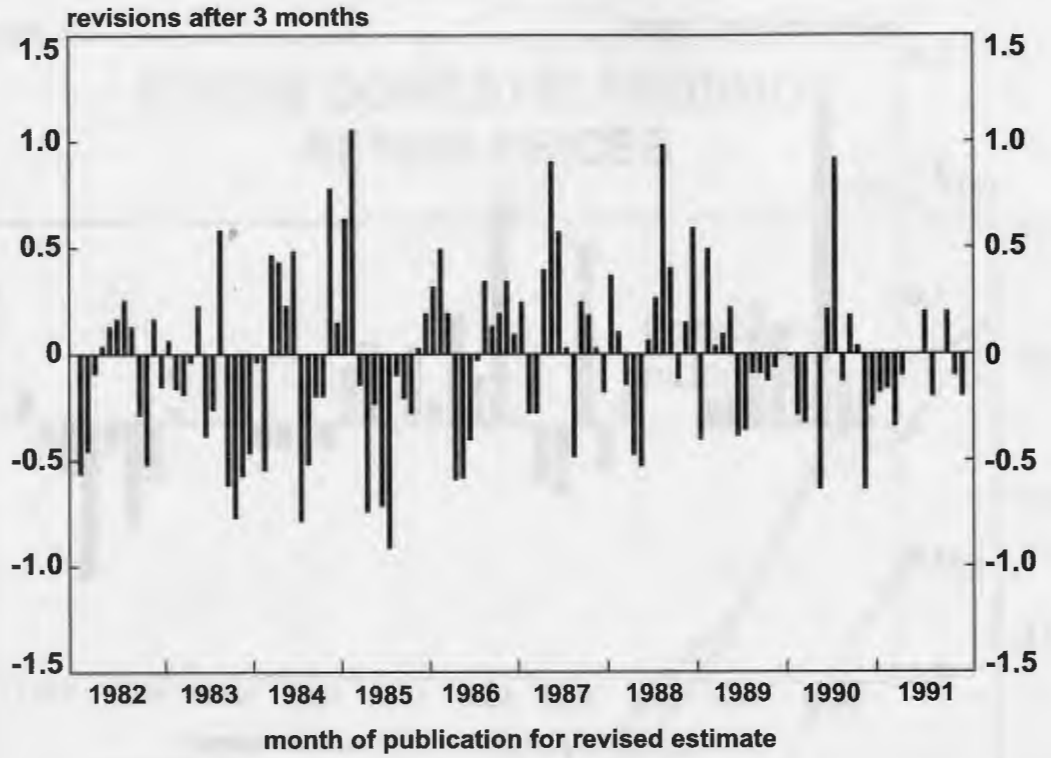


Chart 3

RETAIL SALES

3 month on 3 month per cent change

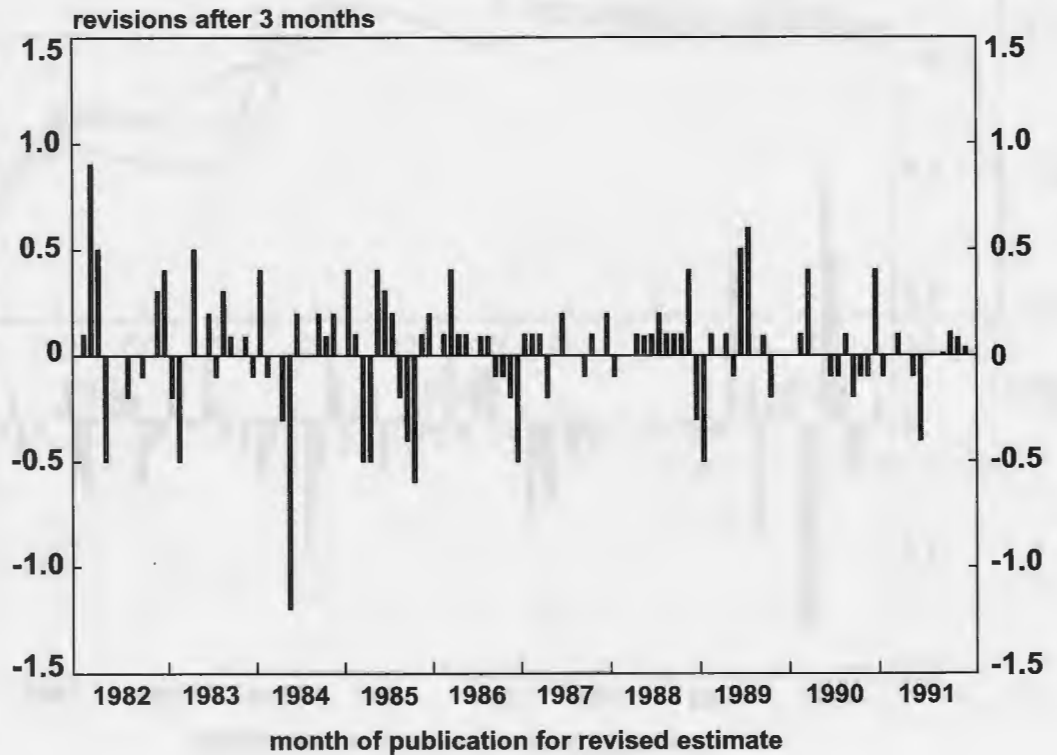


Chart 4

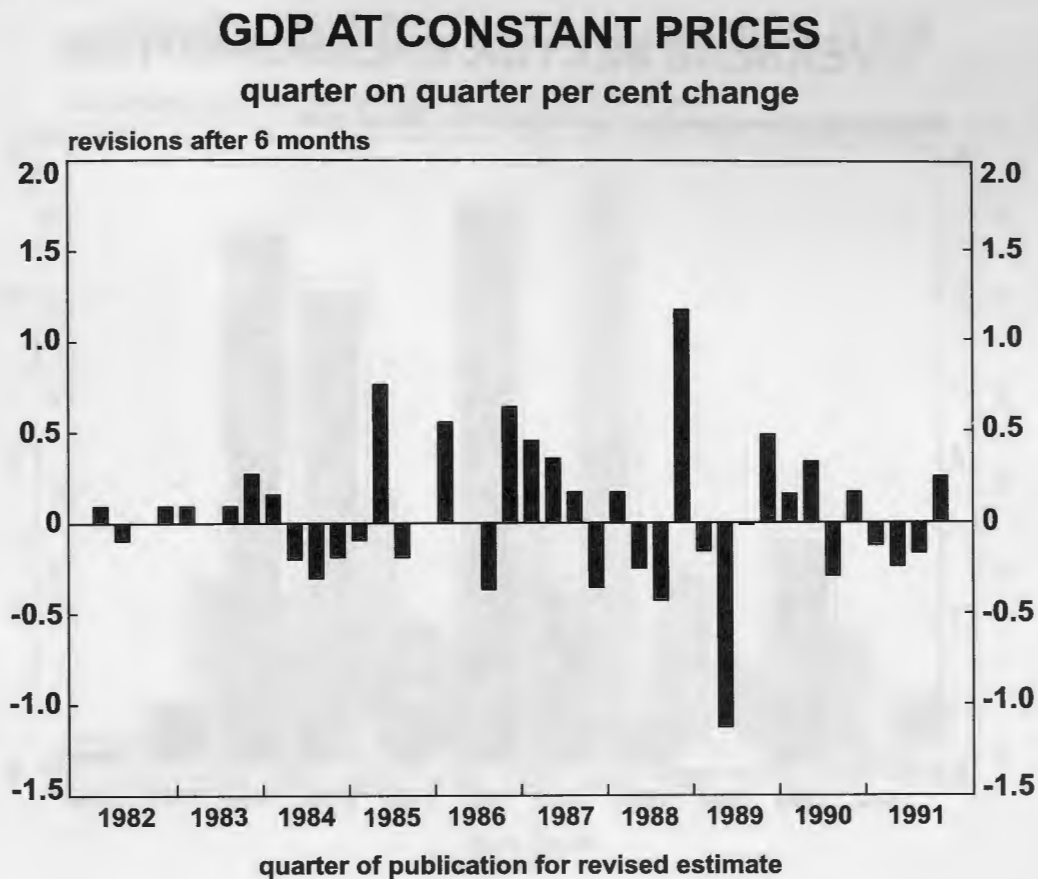


Chart 5

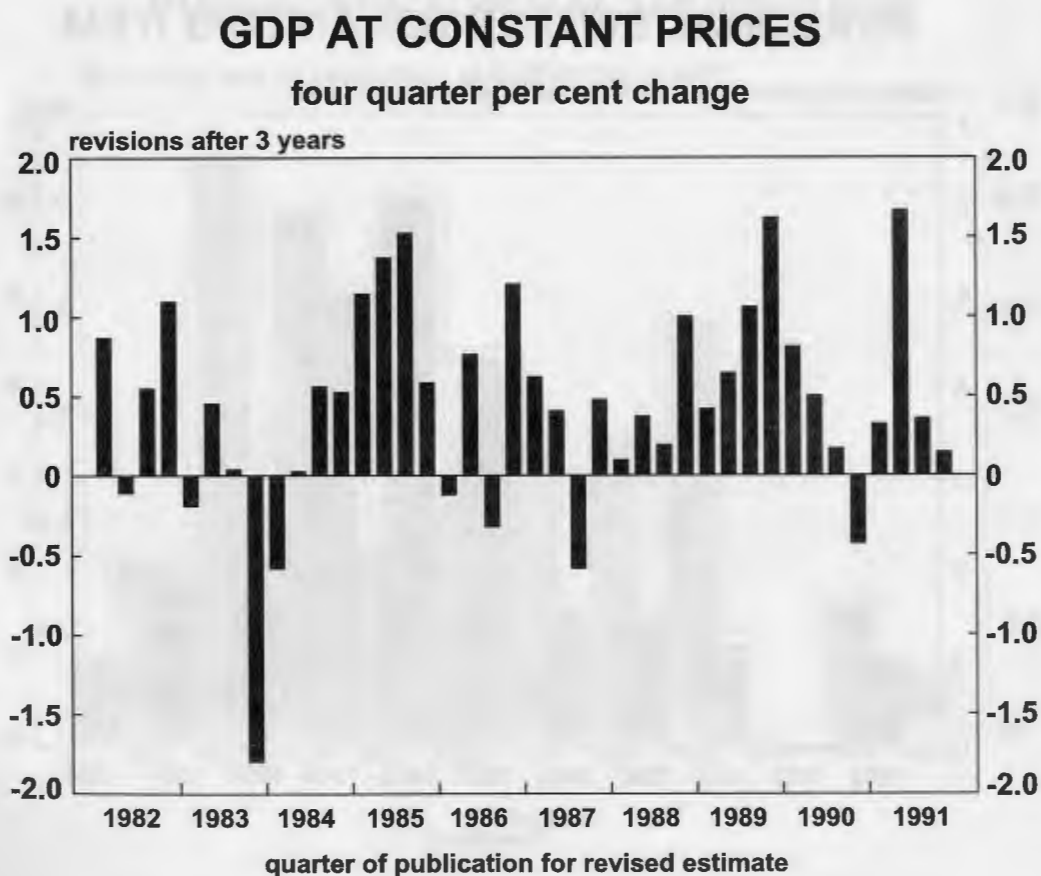


Chart 8

OVERSEAS SECTOR BALANCING ITEM

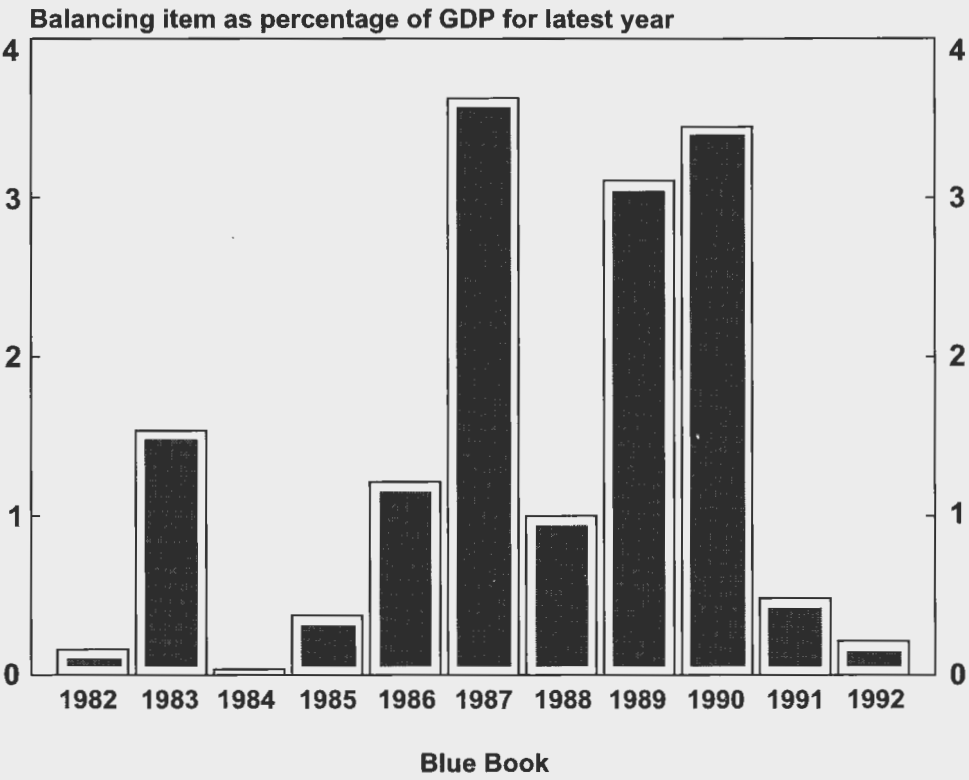
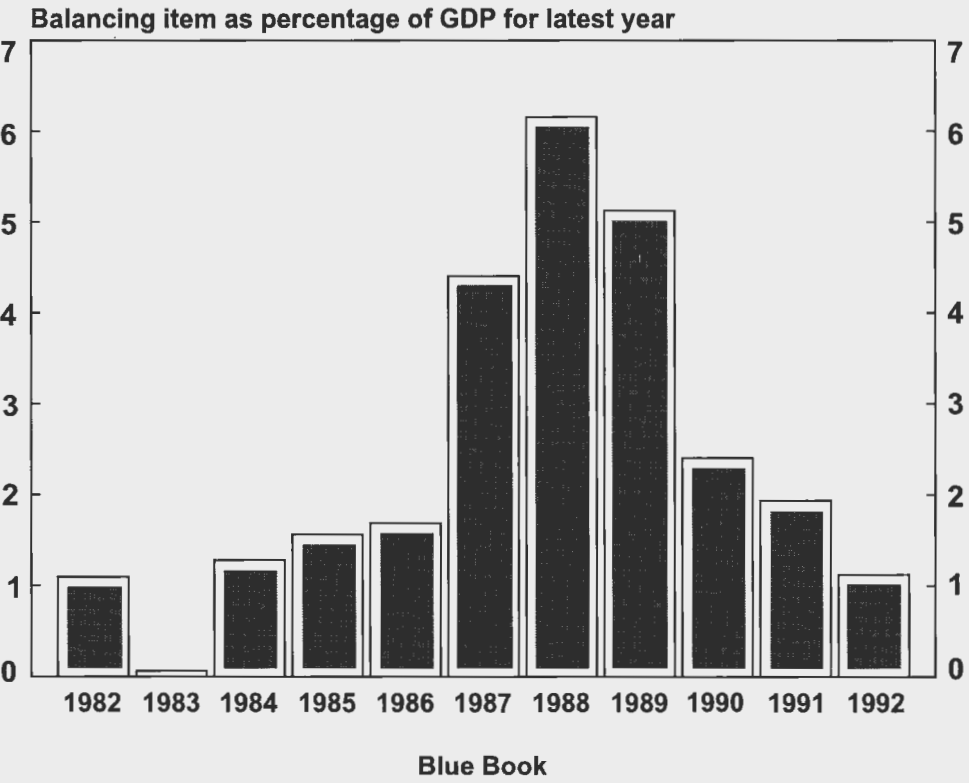


Chart 9

PERSONAL SECTOR BALANCING ITEM



COMPANY SECTOR BALANCING ITEM

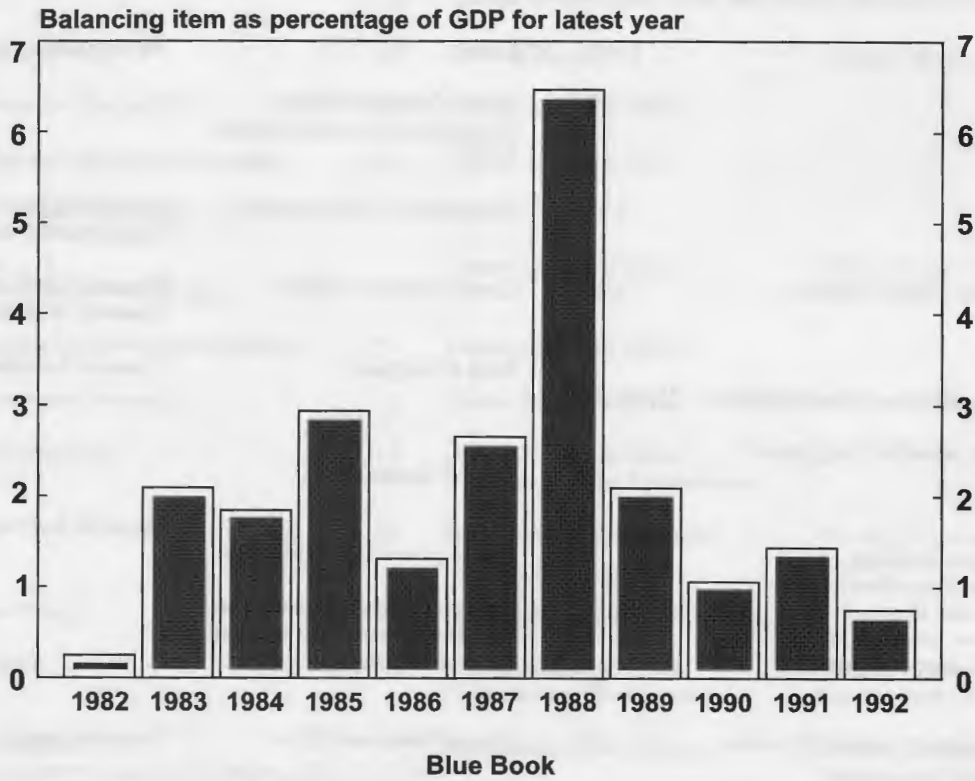


Chart 11

PUBLIC SECTOR BALANCING ITEM

