

Economic trends

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Editor:	Adele Barklem
Production Team:	Ayaz Ahmad Paul Dickman Dermot Rhatigan
Artwork:	DTP, Titchfield

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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.

'Economic Update' is a feature giving an overview of the latest economic statistics. The content and presentation will vary from month to month depending on topicality and coverage of the published statistics. The accompanying table on main economic indicators is wider in coverage than the table on selected monthly indicators appearing in previous editions of *Economic trends*. Data included in this section may not be wholly consistent with other sections which will have gone to press earlier.

Articles on international economic indicators and the final expenditure prices index appear monthly and an article on regional economic indicators appears every February, May, August and November. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology.

Quarterly information on the national accounts and the balance of payments appears in *UK Economic Accounts* which is published every January, April, July and October by The Stationery Office.

The main section is based on information available to the ONS on the date printed in note 1 below 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.

Economic trends is prepared monthly by the Office for National Statistics in collaboration with the statistics divisions of Government Departments and the Bank of England.

Notes on the tables

1. All data in the tables and accompanying charts is current, as far as possible, to 27 May 1999.
2. The four letter identification code at the top of each column of data (eg, DJDD) is ONS's own reference to this series of data on our database. Please quote the relevant code if you contact us requiring any further information about the data.

3. Some data, particularly for the latest time period, is provisional and may be subject to revisions in later issues.

4. The statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.

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

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

7. 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.

8. 'Billion' denotes one thousand million.

9. There is no single correct definition of *money*. The most widely used aggregates are:

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

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.

10. 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 T79

- † 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.

If you have any comments or suggestions about *Economic trends*, please write to Adele Barklem, ONS, Zone D4/16, 1 Drummond Gate, London, SW1V 2QQ or e-mail adele.barklem@ons.gov.uk

Office for National Statistics
June 1999

Articles published in *Economic trends*

Regular articles

International economic indicators. Commentary, figures and charts are published monthly.

Final expenditure prices index. Commentary and figures are published monthly.

Regional economic indicators. Commentary, figures and charts are published every February, May, August and November.

United Kingdom national accounts and balance of payments quarterly figures are published in *UK Economic Accounts* every January, April, July and October.

Other Articles

1998

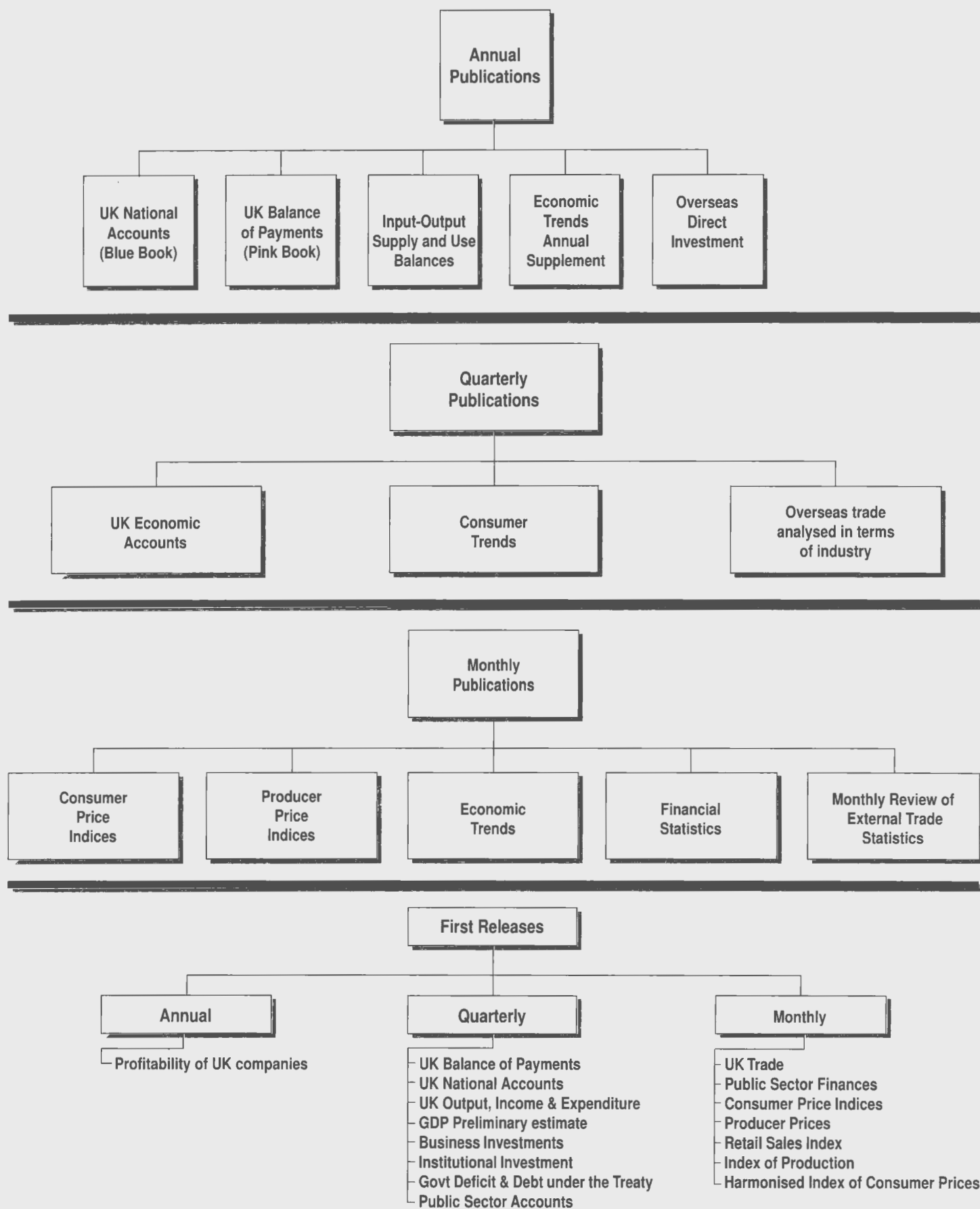
<i>June</i>	Regional accounts 1996: part 2. Rebasing the national accounts.
<i>July</i>	Developing a methodology for measuring illegal activity for the UK National Accounts. New format for public finances.
<i>August</i>	PPI/RPI comparisons. Forthcoming changes to the national accounts. Research and experimental development (R & D) statistics 1996.
<i>September</i>	Development of the corporate services price index: a review of progress. Estimating and presenting short-term trends.
<i>October</i>	Environmental taxes in the United Kingdom. Measuring the output of non-market services. UK results from the Community Innovation Survey.
<i>November</i>	Improving the non-finance balance sheets. Developing the public sector balance sheet.
<i>December</i>	Geographical breakdown of the balance of payments current account. Harmonised index of consumer prices: historical estimates. The development of a Land Registry-based national house price index. Improving the quality of the producer price index.

1999

<i>February</i>	Three year ownership programme on RPI methodology. Ownership of United Kingdom quoted companies at the end of 1997.
<i>March</i>	Regional Accounts 1997: Part 1. The capital stock of the United Kingdom - some new developments in coverage and methodology. An international comparison of taxes and social security contributions 1986-1996. Productivity measurement in the United Kingdom.
<i>April</i>	The effects of taxes and benefits in household income 1997-98
<i>May</i>	The seasonal adjustment of RPIY.

For articles published in earlier issues see the list in issue 509 (March 1996) of *Economic trends*. Copies of articles may be obtained from the National Statistics Library, Room 1.001, Government Buildings, Cardiff Road, Newport, NP10 8XG, telephone 01633 812973. The cost is £5.00 per copy inclusive of postage and handling. A cheque for the appropriate remittance should accompany each order, made payable to 'Office for National Statistics'. Credit card transactions can be made by phone; invoices cannot be issued.

United Kingdom Macro-Economic Statistics Publications



Other publications: - Retail Prices 1914-1990 - Labour Market Trends - National Accounts Concepts, Sources and Methods - Sector Classification Guide for the National Accounts - Share Ownership - Financial Statistics Explanatory Handbook

In brief

Articles

This month we feature one article. Duncan MacGregor provides commentary, tables and charts to illustrate changes in employment in the public and private sectors of the United Kingdom from the 1960s to 1998. The new General government and Public non-financial corporations sectors of the new ESA95 classification are defined and details of changes in coverage since the early 1980s provided (*page 25*).

Regional Accounts 1997, Part 2 due to have been published in this edition, should now be published in the July edition. This is mainly because a new regional breakdown of Household expenditure has had to be produced with the move to ESA95.

Recent economic publications

Quarterly

Consumer Trends: 1998 quarter 4. The Stationery Office, ISBN 0 11 621073 7, price £45.

UK Economic Accounts: 1998 quarter 4. The Stationery Office, ISBN 0 11 621137 7, price £26.

Please note that the 1999 quarter 1 editions of the above titles will be published in August rather than July to ensure consistency with the 1999 edition of *UK National Accounts: the ONS Blue Book*.

Monthly

Consumer Price Indices (MM23), March 1999. The Stationery Office, ISBN 0 11 537954 1, price £180 p.a. (formerly *Retail Prices Index*).

Financial Statistics, May 1999. The Stationery Office, ISBN 0 11 621144 X, price £23.50.

Monthly Review of External Trade Statistics (MM24), February 1999. The Stationery Office, ISBN 0 11 537956 8, price £180 p.a.

All of these publications are available from The Stationery Office Publications Centre, telephone 0870 600 5522 or fax 0870 600 5533.

ECONOMIC UPDATE – JUNE 1999

By Geoff Tily, Macro-Economic Analysis - Office for National Statistics

Address: D4/20, 1 Drummond Gate, London, SW1V 2QQ

Tel: 0171 533 5919

Email: geoff.tily@ons.gov.uk

Overview

Official figures continue to paint a mixed picture of activity in the economy, while private sector surveys suggest a strong recovery in both business optimism and consumer confidence from a trough at the end of 1998. First quarter GDP is now estimated as being broadly unchanged on quarter four. Underlying this, some service industries slowed quite markedly, profits and investment fell, but the rate of decline of manufacturing output has been reduced. Retail sales data show evidence of a pick up in consumer demand from a low point at the end of 1998. Trade data continue to show a slowdown in exports to EU countries with little evidence of a sustained recovery in non-EU exports. Employment continues to grow strongly in the service sector but is falling sharply in the manufacturing industry and the unemployment trend is flat. Earnings growth picked up slightly in the latest months but both consumer and producer prices remain subdued.

Indicators included	
UK Output, Income and expenditure – Q1	Money supply – April
Index of production – March	Consumer credit – April
[CBI Quarterly Industrial Trends – April]	Public sector net borrowing –April
Retail sales – April	Labour market statistics –January –March
British retail consortium – April	Consumer prices – April
UK external trade –March/April	Producer prices – April

GDP Activity

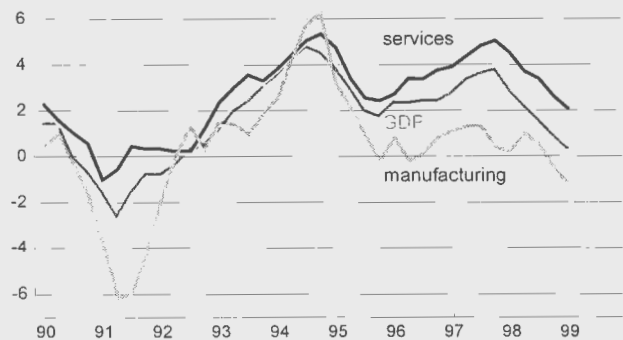
GDP growth at constant market prices in the first quarter of 1999 is now estimated to be broadly unchanged compared with the previous quarter, with annual growth falling to 0.6 per cent compared to 1.1 per cent in quarter four (chart 1).

Chart 1

GDP

seasonally adjusted

year on year percentage
change, quarters

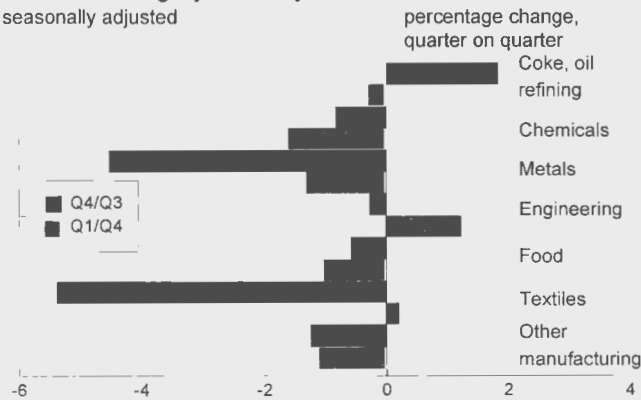


Output breakdown

Underlying the first quarter figure was a further decline in the rate of growth of service industries, which were estimated to have grown by 0.2 per cent compared with 0.5 per cent into quarter four. The corresponding annual rate fell to 2.1 per cent from 2.6 per cent (chart 1). The slowdown in the quarterly rate was most marked in business services and finance, and transport storage and communications, although the latter should be seen in the light of very strong growth into the fourth quarter.

Manufacturing output showed a fall of 0.3 per cent into the first quarter. This reflects a reduction in the rate of decline compared with the fall of 1.3 per cent into the fourth quarter. An industry breakdown shows that the recovery in the quarterly growth rate is largely due to growth in engineering industries and textiles, and a recovery in the rate of decline in metals industries. Other industries continue to show increasing rates of decline (chart 2).

Chart 2
Manufacturing by industry
seasonally adjusted



External surveys of business confidence continue to show improvements in confidence for both services and manufacturing industries on both the domestic and export markets.

The CBI Monthly Trends Enquiry provided evidence of stronger demand in May as balances for both total orders and exports orders improved. However, it must be borne in mind that these balances remain in negative territory. The volume of output balance for the next four months weakened in May, but remained positive with 15 per cent more firms expecting higher output than those expecting output to fall.

Domestic demand

Expenditure data underpinning the first quarter GDP figures show a fall in investment and a moderate recovery in consumption expenditure compared with the fourth quarter. Gross fixed capital formation has been growing at annual rates of between 6.0 and 10.0 per cent since the middle of 1997. Chart 3 shows how this growth slowed sharply into the first quarter, with annual growth falling to 3.1 per cent (quarterly growth falling by 1.7 per cent compared with growth of 2.9 per cent in the fourth quarter).

Growth in household final consumption expenditure picked up to 1.1 per cent in the first quarter compared with growth of only 0.6 per cent in the fourth quarter. This echoes recoveries in consumer confidence from the low point in the fourth quarter. Retail sales data has also picked up from this low point, although the latest data for April is difficult to assess given measurement difficulties arising from the timing of Easter. Chart 4 compares three month on same three months a year ago growth of retail sales data with the BRC like for like figures. We see BRC growth at a lower rate but similar trend movements between the two series.

Chart 3
Gross Fixed Capital Formation
seasonally adjusted

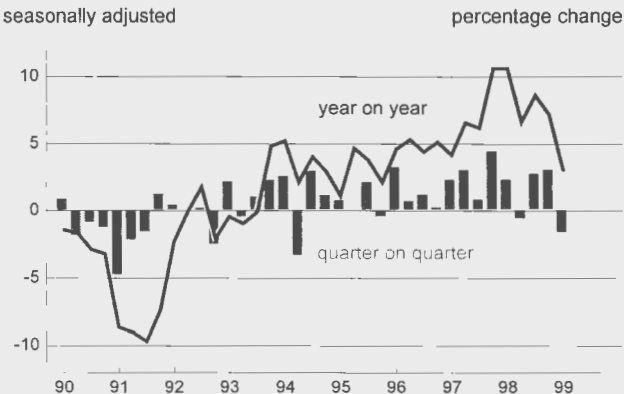
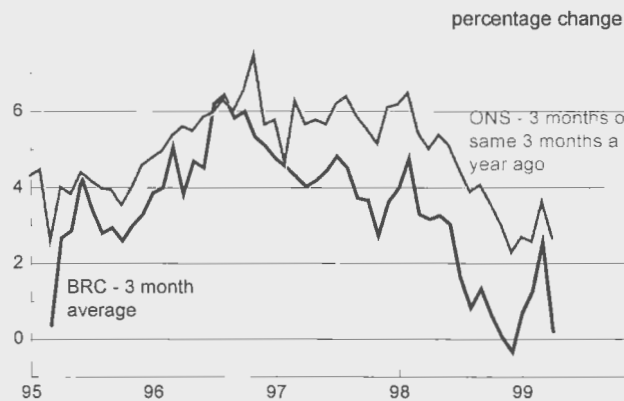


Chart 4
Retail Sales



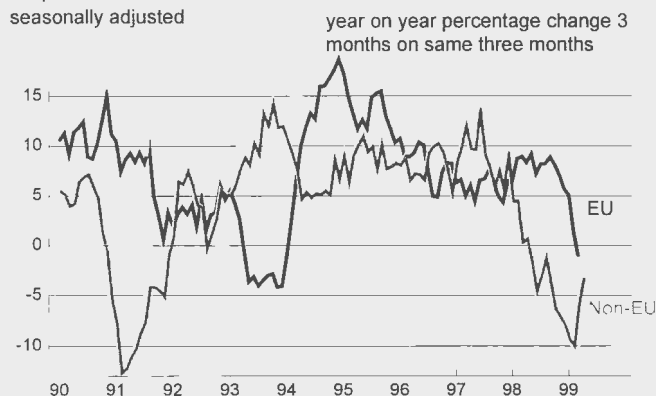
External demand and supply

The March 1999 trade data show the UK's deficit with the rest of the world improving to £1.1 billion compared with the revised deficit of £1.5 billion in March. This improvement was due to a lower deficit with non-EU countries, which was partially offset by a worsening of the position with EU countries.

Data on export volumes, excluding erratics, to non-EU countries fell back in March following an increase in exports to North America in February. The latest data show the annual rate in the three months to April falling at 3.2 per cent, above the equivalent March fall of 5.9 per cent (chart 5). Evidence of a significant recovery in exports to South East Asian countries is not yet seen in these figures.

Chart 5
Exports

seasonally adjusted

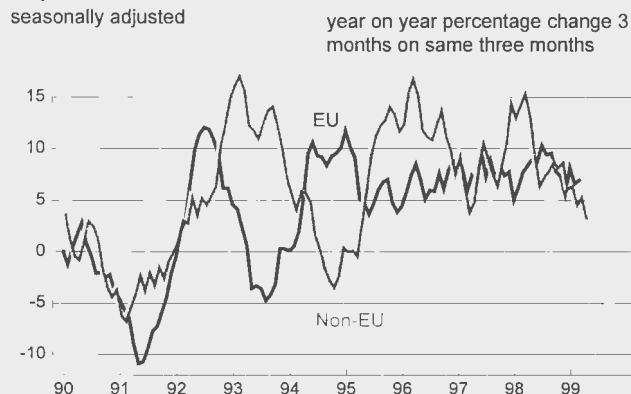


Annual rates of export volumes to EU countries continue to slow sharply, with annual growth showing a decline for the first time since 1994 (chart 5). Volumes excluding oil and erratics fell by 4.1 per cent between the first quarter of 1999 and the last quarter of 1998. These figures reflect the recent slowdown seen in EU economies.

Imports growth from EU countries was at reasonably strong levels, with the annual rates, excluding oil and erratics, at 7.0 per cent in March. Imports from non-EU countries fell sharply into April, leading to a decline in the annual rate to 3.4 per cent compared with 5.4 per cent in March (chart 6).

Chart 6
Imports

seasonally adjusted



Monetary indicators and government finances

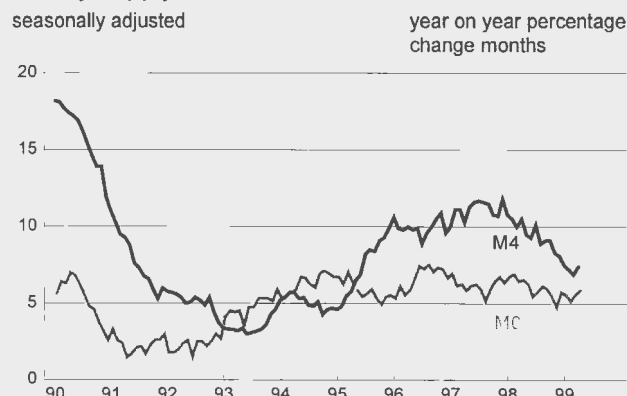
Broad money growth (M4) increased quite sharply to an annual rate of 7.4 per cent in April compared with growth in March of 6.9 per cent (chart 7). This is the first increase in the annual rate since last September, and was partially boosted by an estimated £1.3 billion worth of new deposits into cash Individual Saving Accounts (ISAs). The annual growth of narrow money (M0) in April increased to 5.9 per cent, up from 5.6 per cent in March. Both series are below peak rates and it is too early to say

whether recent movements reflect increased activity in the economy.

Consumer borrowing, as measured by gross consumer credit, also picked up in March. The annual growth in the three months to March, at 10.2 per cent, was above the corresponding figure for February of 8.1 per cent.

Chart 7
Money supply

seasonally adjusted



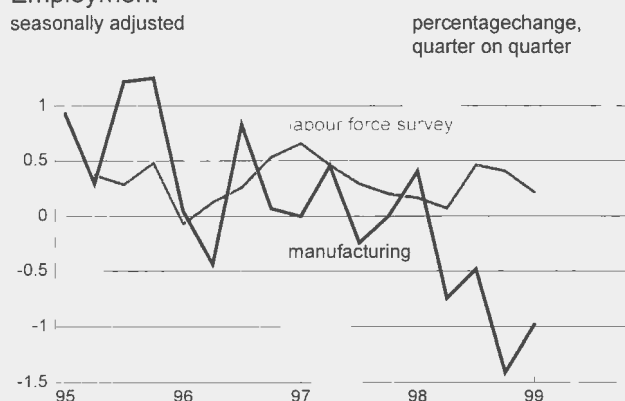
Public sector net borrowing data now reflects the first transactions in the new financial year 1999-2000. Over the year the Chancellor has forecast borrowing of £4.3 billion compared with an estimated repayment of £5.1 billion in 1998-99. The outturn data for April shows net borrowing of £0.5bn compared with £1.3bn in the previous financial year.

Labour Market

The Labour Force Survey (LFS) data continue to show employment rising; with the employment rate in the three months to March at 74.0 per cent, up from a rate of 73.9 per cent in the three months to December. Quarterly growth in the LFS measure of employment (chart 8) picked up substantially in the middle of 1998 and continues to remain relatively strong particularly when contrasted against output performance – although there is now evidence of a deceleration in this growth in the most recent data.

These rises in employment are concentrated in the service industries. Chart 8 shows the contrasting sharply declining quarterly growth in manufacturing employment, where figures show that employment in quarter one was 1.0 per cent lower than in quarter four (3.2 per cent below the same period in 1998). These falls in employment follow reductions in manufacturing output reflecting the reduction in overseas demand and the impact of the strong pound.

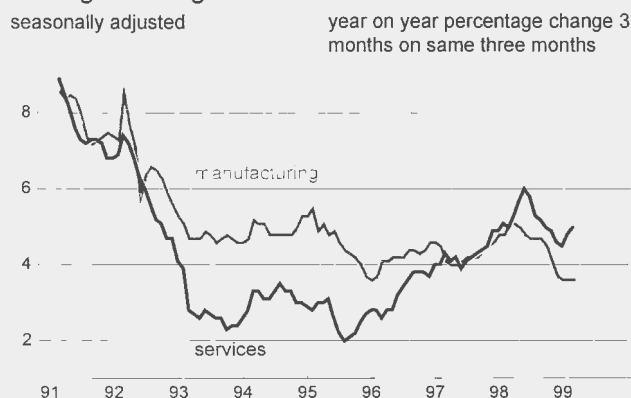
Chart 8
Employment
seasonally adjusted



Unemployment data remains largely flat, although there were some moderate improvements in the latest figures. The ILO rate of 6.2 per cent in the three months to March was unchanged from the previous three months, and down from 6.4 per cent in the same period a year earlier. Revised data for the claimant count shows the unemployment rate falling to 4.5 per cent in March and April having been at 4.6 per cent throughout the second half of 1998.

The latest data for average earnings has recorded a moderate rise over the last two months, with the headline rate increasing to 4.8 per cent in March compared with 4.6 per cent in February. The sectoral breakdown (chart 9) shows that this rise is seen only in the service sector, and furthermore is not evident in the series excluding bonuses; it would thus be premature to suggest that it is a result of increased tightness in the labour market.

Chart 9
Average earnings
seasonally adjusted



Prices

Recent cuts in base rates have led to the lowest headline rate of inflation (1.6%) since November 1993. RPIX fell below the government's target to 2.4 per cent in April compared with 2.7 per cent in March, reflecting falls in food and non-alcoholic drink prices.

The headline producer price series continues to show increases in the annual rate reflecting both rises to the price of petroleum and duty increases. The underlying rate excluding food beverages, tobacco and petroleum in April continued to show a fall over the year at a rate of 0.6 per cent, down slightly from a fall of 0.5 per cent in March. The annual rate of input prices have showed sharp increases over the past two months as recent crude oil price increases fed through into the annual rate. In April input prices fell by 1.3 per cent compared with a fall of 3.8 per cent in March and a fall of 9.0 per cent in December 1998. The underlying figures show a much more moderate recovery in the annual rate of decline with April figures showing a fall of 4.2 per cent compared with a fall of 5.2 per cent in December 1998.

Overall, excluding the effects of oil, there seems to be little evidence of any re-emergence of inflationary pressures in the economy.

Forecasts for the UK Economy

A comparison of independent forecasts, May 1999

The tables below are extracted from HM Treasury's "FORECASTS FOR THE UK ECONOMY" and summarise the average and range of independent forecasts for 1999 and 2000, updated monthly.

	Independent Forecasts for 1999		
	Average	Lowest	Highest
GDP growth (per cent)	0.9	-0.2	1.9
Inflation rate (Q4: per cent)			
- RPI	1.2	0.5	2.6
- RPI excl MIPs	2.2	1.6	3.0
Unemployment (Q4, mn)	1.46	1.20	1.70
Current Account (£ bn)	-6.5	-13.0	2.0
PSNB *(1999-00, £ bn)	3.3	-5.6	9.2

	Independent Forecasts for 2000		
	Average	Lowest	Highest
GDP growth (per cent)	2.0	0.6	2.9
Inflation rate (Q4: per cent)			
- RPI	2.4	-0.1	3.6
- RPI excl MIPs	2.3	0.4	3.1
Unemployment (Q4, mn)	1.53	1.00	1.90
Current Account (£ bn)	-9.1	-22.7	11.4
PSNB* (2000-01, £ bn)	7.8	3.0	17.0

NOTE: "FORECASTS FOR THE UK ECONOMY" gives more detailed forecasts, covering 25 variables and is published monthly by HM Treasury, available on annual subscription, price £75. Subscription enquiries should be addressed to Miss C T Coast-Smith, Public Enquiry Unit, HM Treasury, Room 110/2, Parliament Street, London SW1P 3AG (Tel: 0171-270 4558). It is also available at the Treasury's internet site: <http://www.hm-treasury.gov.uk>.

* PSNB: Public Sector Net Borrowing.

International Economic Indicators – June 1999

by Brian Golden, Macro-Economic Assessment - Office for National Statistics

Address: D4/20, 1 Drummond Gate, London SW1V 2QQ Tel: 0171 533 5923 Email: brian.golden@ons.gov.uk

Overview

Economic growth in the European Union slowed in the fourth quarter of 1998. The US grew strongly in the same period and in the first quarter of 1999. Both OECD exports and imports are falling though OECD trade balances are worsening due to the faster decline in exports. Growth rates for world trade slowed considerably in 1998 up to the third quarter.

EU15

Economic expansion in the European Union slowed in the fourth quarter of 1998, ending a period of firm growth since the second quarter of 1997. The main contributor to this slowdown was exports, though the contributions of consumption and capital investment also fell. These were only partially offset by lower imports and more stockbuilding. Year on year GDP growth fell to 2.2 per cent in quarter four, though overall growth for 1998 was 2.7 per cent.

causing the slowdown in manufacturing. A substantial fall in external demand coincided in quarter four with a less severe, but still significant, fall in domestic demand.

Domestic demand was the main stimulant for economic activity throughout 1998. As in quarter three, consumer demand made the largest contribution to GDP growth in quarter four. Strong growth in retail sales continued to underpin consumer demand. However, retail sales figures for January 1999 indicate a slowdown in the EU15, particularly in France and Germany.

Surveys from the European Commission suggest that consumer confidence has been rising since the middle of 1996 and was high throughout 1998 and into 1999. On the other hand, business confidence has declined steadily since the middle of 1998.

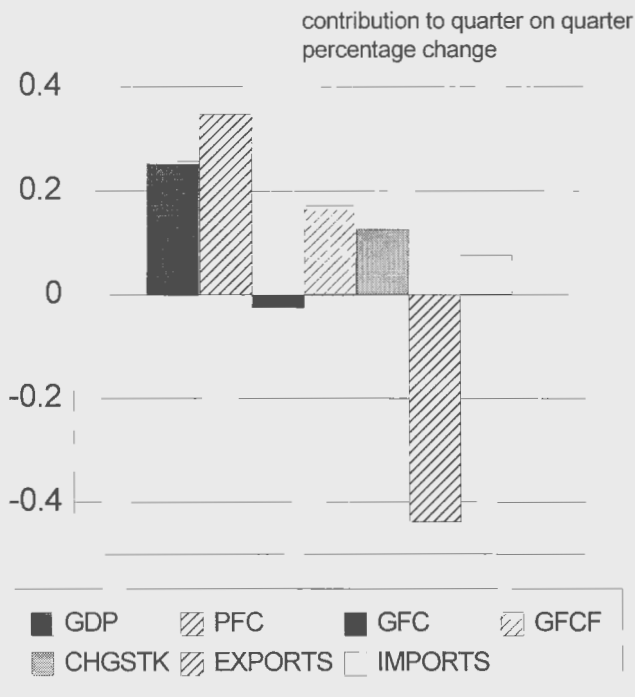
Annual consumer price inflation fell by 0.2 percentage points in the first quarter of 1999 from the previous quarter. Inflation in the EU has decreased throughout the 1990's and by the first quarter of 1999 was lower than for any other quarter over the past four decades. Producer price inflation fell throughout 1998, slipping into deflation from July. By January 1999, producer prices were falling by an annual rate of 1.8 per cent, a rate that was repeated in February.

A falling rate of consumer inflation since 1990 has seen a corresponding moderation in earnings growth. Earnings rose in the fourth quarter of 1998 by an annual rate of 2.9 per cent; 1.5 percentage points above the rate of consumer price inflation.

Having continued to decline since a peak in the first half of 1994 of 11.2 per cent, unemployment fell in 1999 quarter one to 9.6 per cent. Rates of unemployment vary widely between the EU member states though, of the EU's G7 countries, only the UK's rate is well below the EU average.

Chart 1

EU15 - contribution to GDP growth in 1998 Q4



Industrial production slowed considerably in quarter four. Inventories rose in quarter four also, after a sharp fall in quarter three. This suggests that falling consumer demand may be

Germany

The German economy contracted in 1998 quarter four by 0.4 per cent, having grown by 0.9 per cent in the previous quarter. Some of the contributing factors mirrored those of the EU as a whole, though the effects were more severe. External demand fell as exports declined substantially. This was only partially offset by falling imports. However, domestic demand declined by more than for the EU15 with investment and government spending declining more sharply. The decline in private consumption was less severe and in line with the EU 15.

Despite revisions to the index of production since last month, the underlying trend remains one of sharp decline through 1998. This largely reflected declining external demand with export markets contracting by the fourth quarter. Production improved in January 1999 from the previous month but declined in February by an annual rate of 1.4 per cent. Stocks have built up considerably in Germany over the past two years, making a sizeable contribution to GDP growth. This makes current production and GDP growth particularly vulnerable to any downturn in demand.

The annual inflation rate fell to just 0.3 per cent in the first quarter of 1999. This is the lowest rate since quarter two of 1987. This is partly the result of falling commodity prices, particularly oil prices. Following an OPEC agreement, the price of oil rose sharply through late February and March. This may be one of the factors contributing to the rise in annual inflation for March.

Retail sales volumes have recently been quite volatile. The latest figures show that they recovered in February from a fall in January.

The rate of unemployment declined for the fifth consecutive quarter in quarter one. It has declined at a faster pace than that of the EU as a whole and is now lower than the EU15 rate by 0.6 percentage points. This may be related to significant productivity gains and consequent falling unit wage costs in Germany in 1997.

France

The French economy grew strongly in both 1997 and particularly in 1998. External demand made a strong contribution to this growth but export volumes fell in the final quarter of 1998, in line

with the EU15. In line with this fall in external demand, industrial output slowed markedly from the end of 1998 and into 1999. This

coincides also with a sharp deterioration in business confidence since the middle of 1998.

The slowdown in industrial output contrasts with indicators of domestic demand. Private consumption did not fall with exports in quarter four and so continued to contribute strongly to GDP growth, as it has throughout 1998. Strong retail sales volumes have reflected private consumption since the middle of 1997. Volumes were particularly high in the fourth quarter of 1998. These levels were consolidated in the first quarter of 1999. These volumes are, in turn, supported by consumer confidence, which contrasts with that of business. It has risen since the start of 1998 and is now well above its long term trend.

Despite strong retail sales volumes, annual consumer price inflation has fallen to 0.3 per cent in quarter one. This is the lowest annual rate for any quarter over the past four decades. Consumer prices seem to have been depressed by strong deflation in producer prices. Producer prices declined by an annual rate of 2.9 per cent in the first quarter of 1999. This is the fourth consecutive quarter in which the PPI has declined sharply. Consumer price inflation has declined steadily since the middle of 1998 despite strong retail sales growth. The rise in oil prices has not yet become apparent in producer prices.

Unemployment is falling in France at a similar pace to that of the EU15. However, at 11.4 per cent in quarter one, the French unemployment rate still exceeded the EU average, by 1.8 percentage points. The unemployment figures have been revised down for all periods in 1998 by 0.2 percentage points.

Italy

While economic expansion in Italy has not kept pace with that of the EU15 since 1996, the second and third quarters of 1998 provided similarly steady GDP growth. In both quarters, domestic demand made a strong contribution to GDP growth via private consumption. Improvements in trade also helped. In the second quarter, exports rose strongly. However, the trade balance only improved in the third quarter because the fall in imports outweighed that of exports.

Retail sales fell in the third quarter of 1998 but still grew at an annual rate of 2.7 per cent. Volumes recovered in the fourth quarter with the annual rate reaching 4.5 per cent. It should be noted that retail sales volumes do not seem to bear a strong relationship to private final consumption in the Italian data.

Consumer price inflation fell by 0.2 percentage points in the first quarter of 1999 to an annual rate of 1.3 per cent. This is close to the rate for the EU15. The differences in consumer price inflation, between Italy and the EU15 on the one hand, and Germany and France on the other, may be accounted for by earnings growth of the order of 3.0 per cent in the former and 2.0 per cent in the latter. Real wages, the gap between nominal earnings and inflation, seem to be fairly consistent across the EU. However, signs of increasing wage pressures in the first two months of 1999 do not seem to have yet impacted on the CPI in Italy.

The unemployment figures have been revised back to the third quarter of 1997. The figures have all been revised downward, by between 0.2 and 0.4 percentage points. Although the rate fell by 0.2 percentage points between October 1998 and January 1999, unemployment has remained stubbornly close to its peak of 12.2 per cent in the first quarter of 1997, and is high by EU standards.

USA

The US economy expanded strongly in the first quarter of 1999, with annual GDP growth of 4.0 per cent. This continues GDP growth that has been above trend since 1992 and which has been particularly strong in 1997 and 1998. In 1997, both domestic and external demand made strong contributions to GDP growth. However, exports made a negative contribution to quarterly growth for four of the five quarters to 1999 quarter one. This has been compensated for by stronger domestic demand via private consumption and investment.

Private consumption growth matched that of GDP in 1999 quarter one with the positive contribution of investment being fully offset by trade via negative export and positive import growth. The sustained increase in private consumption growth since the start of 1998 from 1997 is backed by very strong growth in retail sales volumes. Annual growth in retail sales was 6.5 per cent in 1998 with 7.9 per cent annual growth in the final quarter and 8.2 per cent for January.

Consumer confidence rose in quarter one, redressing a slight dip towards the end of 1998. It is consistent with rapid growth in retail sales volumes. However, consumer credit fell in quarter one, following rapid growth in the final quarter of 1998. Nevertheless, it remains above the level of 1998 quarter three.

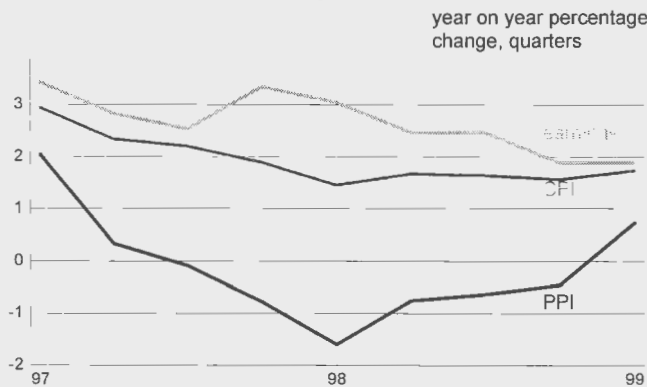
Domestic demand also benefited from strong growth in capital formation throughout 1998 and into 1999. In the first quarter of 1999, investment benefited from strong growth in both construction and plant and machinery. The approach of the year

2000 may be contributing in terms of special construction projects and investment in new computer systems.

The trade deficit widened considerably in the first quarter of 1999. Exports fell from the previous quarter and made no contribution to annual GDP growth to quarter one. On the other hand, imports continue to grow robustly. The devaluation of many of the world's currencies relative to the US dollar over the past two years have made US goods and services relatively expensive, contributing to a widening trade deficit.

Industrial production growth has been much lower since the start of 1998 than in 1997. In 1997, 6.0 per cent growth resulted in a build up of stocks. Since then, production growth has slowed, allowing stock levels to fall. In 1999 quarter one, production growth is slowing.

Chart 2
USA - Prices and earnings growth



Consumer price inflation rose in quarter one to an annual rate of 1.7 per cent. Producer prices also rose, by an annual rate of 0.7 per cent having deflated on annual rates since the middle of 1997. This deflation played a major role in easing inflationary pressures on the CPI over the same period. The CPI may now be creeping up possibly as a response to PPI inflation after a short lag. Moderate earnings growth has barely exceeded consumer price inflation over the past two quarters at annual rates. Higher earnings growth may be another source of inflationary pressure in the near future.

Japan

The Japanese economy contracted by 2.9 per cent in 1998 following slow, but positive, annual growth since 1991. The main sources of contraction were declining exports and, in particular,

capital formation. Investment has declined in every quarter since the start of 1997, despite the Bank of Japan cutting interest rates to almost zero. Problems in the Japanese banking sector may have exacerbated the decline in investment attributable to pessimistic economic expectations. Declining exports are likely to reflect economic contraction in much of South East Asia.

However, there may be some signs of improvement in the first quarter of 1999. Industrial production grew by 0.7 per cent from the previous quarter, the first positive quarterly growth since 1997 quarter one. Retail sales volumes also increased over the quarter, by 0.3 per cent.

Japan has not entered a period of sustained overall consumer price deflation. However, earnings must be putting significant downward pressure on the CPI. Annual consumer prices declined in the first quarter of 1999 by 0.1 per cent as annual earnings fell by 1.2 per cent. Earnings have fallen in each of the five quarters up to 1999 quarter one. As the CPI has not declined along the same lines, Japanese workers have become materially worse off, depressing domestic demand. Earnings in Japan are more related to profits than in the EU, possibly explaining the sustained divergence between earnings and CPI growth.

Producer prices fell at an annual rate of 2.1 per cent in the first quarter of 1999. This is in line with producer price deflation in Europe and the US. It adds to deflationary pressure on consumer prices.

The labour market worsened considerably in 1999 quarter one as employment fell by 1.7 per cent on the previous quarter. Consequently, the annual rate of unemployment increased by 0.1 percentage points in each month of quarter one to reach 4.7 per cent in March. Although low by international standards, this represents a historically high rate for Japan.

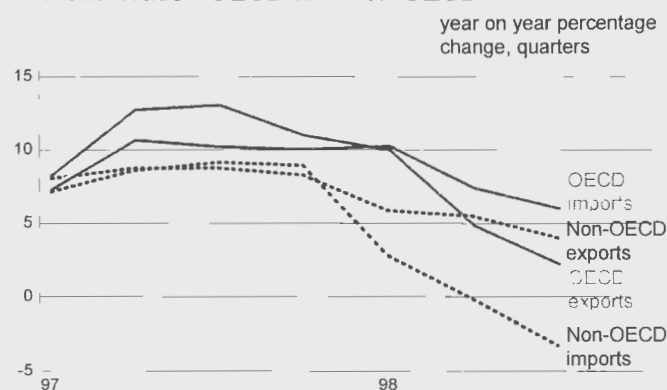
World Trade

Growth in world trade was strong in 1997 but slowed in 1998 with many economies affected by financial turmoil. Growth in total trade was still positive up to the third quarter of 1998 though.

Many emerging economies had their currencies devalued considerably by financial crises. Also, the economic consequences of these crises have depressed demand in many emerging markets. This has seen trade balances worsen for the OECD area and improve for the other countries taken as a whole.

Chart 3

World Trade - OECD and Non-OECD



Unsurprisingly, both OECD exports and non-OECD imports have fallen. However, total trade has been depressed by the fact that OECD imports and non-OECD exports have fallen also, though not by as much. Many firms in emerging economies may have been so enveloped by the financial turmoil that they are unable to fully capitalise on their devalued currencies by supplying potential demand. Indeed, these devaluations have in many cases made the real value of firms' foreign liabilities soar, driving some into technical insolvency. Also, the production of many export goods rely on imports, which have risen in cost.

Notes

The series presented here are taken from the OECD's Main Economic Indicators and are shown for each of the G7 (except the UK) economies and for the European Union (EU15) countries in aggregate. The definitions and methodologies used conform to SNA 68.

Comparisons of indicators over the same period should be treated with caution, as the length and timing of the economic cycles varies across countries.

Contribution to change in GDP

	GDP	PFC	GFC	GFCF	ChgStk	Exports	Imports	less Imports	IoP	Sales	CPI	PPI	Earnings	Empl	Unempl
Percentage change on a year earlier															
	ILGB	HUDS	HUDT	HUDU	HUDV	HUDW	HUDX	ILGV	ILHP	HYAB	ILAI		ILAR	ILIJ	GADR
1990	3.0	1.7	0.4	0.9	-0.1	1.7	1.6	2.0	1.2	5.7	2.5		6.6	1.6	8.1
1991	1.2	1.4	0.4	0.2	-0.2	0.4	0.9	-0.2	1.8	5.2	2.2		6.8	0.3	8.4
1992	1.0	0.9	0.4	-0.2	-0.1	0.9	0.9	-1.4	0.2	4.4	1.3		5.8	-1.7	9.1
1993	-0.5	-	0.2	-1.4	-0.4	0.4	-0.8	-3.3	-1.2	3.6	1.4		4.2	-2.0	10.7
1994	3.0	1.1	0.2	0.5	0.8	2.5	2.1	5.0	-0.5	3.0	2.2		3.8	-0.2	11.1
1995	2.4	1.1	0.2	0.7	-	2.5	2.1	3.5	-0.2	3.2	4.5		4.1	0.7	10.7
1996	1.8	1.2	0.3	0.4	-0.4	1.7	1.3	0.1	0.7	2.5	0.7		4.1	0.6	10.8
1997	2.7	1.3	-	0.6	0.4	3.2	2.8	4.0	2.9	2.0	0.9		3.0	0.7	10.6
1998	2.7	1.7	0.2	1.0	0.5	1.9	2.5	3.3	3.2	1.7	-0.3		2.9	1.4	9.9
1997 Q1	1.8	0.9	0.1	0.6	-0.3	2.1	1.6	2.3	2.0	2.1	0.3		3.8	0.4	10.8
Q2	2.8	1.4	-	0.5	0.5	3.3	3.0	3.6	3.0	1.7	0.7		2.3	0.7	10.7
Q3	3.0	1.2	-	0.6	0.6	3.8	3.2	4.5	3.0	2.0	1.4		3.0	0.8	10.6
Q4	3.3	1.6	-0.1	0.8	0.7	3.4	3.2	5.3	3.7	2.1	1.3		3.0	0.9	10.4
1998 Q1	3.5	1.7	0.2	1.3	0.6	3.0	3.4	4.9	3.5	1.8	0.8		2.2	1.4	10.2
Q2	2.7	1.5	0.2	0.8	0.7	2.3	2.8	3.9	2.6	2.1	0.3		3.7	1.2	10.0
Q3	2.6	1.8	0.2	1.0	0.4	1.5	2.4	2.9	2.9	1.7	-0.6		2.9	1.4	9.9
Q4	2.2	1.6	0.3	0.8	0.3	0.6	1.5	1.2	3.4	1.4	-1.5		2.9	1.4	9.7
1999 Q1	..	..	..	..	..	..	..	..	..	1.2	..		..	..	9.6
1998 Mar	..	..	..	..	..	..	..	4.6	3.9	1.9	0.8		..	..	10.1
Apr	..	..	..	..	..	..	..	3.7	1.9	2.1	0.5		..	..	10.1
May	..	..	..	..	..	..	..	4.7	2.9	2.1	0.2		..	..	10.0
Jun	..	..	..	..	..	..	..	3.3	2.9	2.0	-		..	..	9.9
Jul	..	..	..	..	..	..	..	3.0	2.9	1.9	-0.2		..	..	9.9
Aug	..	..	..	..	..	..	..	3.1	2.9	1.7	-0.7		..	..	9.9
Sep	..	..	..	..	..	..	..	2.7	2.9	1.6	-0.9		..	..	9.8
Oct	..	..	..	..	..	..	..	2.3	1.9	1.6	-1.2		..	..	9.7
Nov	..	..	..	..	..	..	..	1.7	4.8	1.3	-1.5		..	..	9.7
Dec	..	..	..	..	..	..	..	-0.5	3.8	1.3	-1.7		..	..	9.7
1999 Jan	..	..	..	..	..	..	..	..	0.9	1.2	-1.8		..	..	9.6
Feb	..	..	..	..	..	..	..	..	..	1.1	-1.8		..	..	9.6
Mar	..	..	..	..	..	..	..	..	..	1.2	..		..	..	9.6
Percentage change on previous quarter															
	ILGL	HUDY	HUDZ	HUEA	HUEB	HUEC	HUED	ILHF	ILHZ					ILIT	
1997 Q1	0.5	0.3	-	-0.1	0.3	0.4	0.4	1.2	1.7					-1.0	
Q2	1.3	0.6	-	0.4	0.3	1.3	1.3	1.5	1.3					1.1	
Q3	0.7	0.2	-	0.2	-0.1	1.3	0.7	1.6	0.3					0.7	
Q4	0.7	0.5	-0.1	0.3	0.3	0.4	0.8	0.9	0.4					0.1	
1998 Q1	0.7	0.4	0.2	0.4	0.2	-	0.6	0.8	1.5					-0.5	
Q2	0.6	0.3	-	-0.1	0.3	0.7	0.7	0.5	0.4					0.9	
Q3	0.7	0.5	0.1	0.4	-0.4	0.4	0.3	0.6	0.6					0.9	
Q4	0.3	0.3	-	0.2	0.1	-0.4	-0.1	-0.8	0.9					0.1	
1999 Q1	..	..	..	..	..	..	..	..	..					..
Percentage change on previous month															
								ILKF	ILKP						
1998 Mar								0.5	-						
Apr								0.1	-						
May								0.2	-						
Jun								-0.1	1.9						
Jul								1.3	-						
Aug								-0.6	-0.9						
Sep								-0.6	-						
Oct								0.9	0.9						
Nov								-0.9	0.9						
Dec								-1.4	-0.9						
1999 Jan								..	-						
Feb								..	..				
Mar								..	..				

GDP = Gross Domestic Product at constant market prices
PFC = Private Final Consumption at constant market prices
GFC = Government Final Consumption at constant market prices
GFCF = Gross Fixed Capital Formation at constant market prices
ChgStk = Change in Stocks at constant market prices
Exports = Exports of goods and services
Imports = Imports of goods and services
IoP = Industrial Production

Sales = Retail Sales volume
CPI = Consumer Prices, measurement not uniform among countries
PPI = Producer Prices (manufacturing)
Earnings = Average Wage Earnings (manufacturing), definitions of coverage and treatment vary among countries
Empl = Total Employment not seasonally adjusted
Unempl = Standardised Unemployment rates: percentage of total labour force
Source: OECD - SNA68

2 Germany

Contribution to change in GDP

	GDP	PFC	GFC	GFCF	ChgStk	Exports	Imports	less	IoP	Sales	CPI	PPI	Earnings	Empl ¹	Unempl
Percentage change on a year earlier															
	ILFY	HUBW	HUBX	HUBY	HUBZ	HUCA	HUCB	ILGS	ILHM	HVLL	ILAF	ILAO	ILIG	GABD	
1990	..	..	..	..	..	..	..	5.2	7.8	2.7	1.5	5.0	2.8	4.8	
1991	..	..	..	..	..	..	..	3.3	5.8	4.1	2.1	6.0	1.9	4.2	
1992	1.8	1.4	0.8	0.6	-0.4	-0.4	0.3	-2.6	-2.1	5.0	1.6	5.3	-1.3	4.5	
1993	-1.2	0.2	-0.1	-1.3	-0.2	-1.2	-1.5	-7.5	-4.3	4.5	0.1	5.3	-1.1	7.9	
1994	2.8	0.7	0.4	0.8	0.8	1.9	1.9	3.5	-0.7	2.7	0.7	3.5	-0.4	8.4	
1995	1.3	1.1	0.4	-	-0.1	1.7	1.9	1.0	1.4	1.7	2.2	4.0	-0.1	8.2	
1996	1.3	0.8	0.5	-0.2	-0.4	1.4	0.8	0.7	-0.3	1.4	0.1	3.4	-0.4	8.9	
1997	2.3	0.3	-0.1	-	1.3	3.1	2.3	3.7	-0.5	1.9	0.8	1.1	-0.4	9.9	
1998	2.5	1.1	0.1	0.2	1.4	1.4	1.8	4.5	1.0	1.0	-0.2	1.5	0.5	9.4	
1997 Q1	2.5	0.1	0.2	0.9	1.0	2.2	2.0	2.8	-1.0	1.8	0.3	1.6	-0.6	9.6	
Q2	2.2	0.8	0.1	-0.3	0.6	3.1	2.1	3.5	1.0	1.5	0.7	0.4	-0.5	9.9	
Q3	2.4	-0.2	-0.3	-0.2	1.9	3.9	2.7	3.6	-2.0	2.3	1.1	1.4	-0.4	10.1	
Q4	2.3	0.5	-0.6	-0.2	1.7	3.2	2.3	5.1	-	2.1	1.0	1.0	-0.1	10.1	
1998 Q1	3.4	1.1	0.1	0.9	0.6	2.6	2.0	6.6	2.7	1.2	0.6	0.4	0.2	9.8	
Q2	2.3	0.3	-0.1	-0.1	2.5	2.2	2.4	5.1	-2.6	1.4	0.2	2.1	0.4	9.5	
Q3	2.7	1.4	0.1	0.2	1.6	1.0	1.6	5.1	1.7	0.7	-0.4	1.2	0.7	9.3	
Q4	1.8	1.4	0.3	-0.1	1.1	-	1.0	1.5	2.4	0.4	-1.0	2.2	0.7	9.1	
1999 Q1	..	..	..	..	..	..	..	..	..	0.3	..	..	..	9.0	
1998 Mar	..	..	..	..	..	..	..	6.5	8.3	1.2	0.6	..	..	9.7	
Apr	..	..	..	..	..	..	..	5.5	-5.7	1.5	0.4	..	..	9.6	
May	..	..	..	..	..	..	..	6.8	1.0	1.4	0.3	..	..	9.5	
Jun	..	..	..	..	..	..	..	3.1	-2.9	1.4	-	..	..	9.4	
Jul	..	..	..	..	..	..	..	4.5	2.0	0.9	-	..	..	9.3	
Aug	..	..	..	..	..	..	..	6.7	2.1	0.6	-0.5	..	..	9.3	
Sep	..	..	..	..	..	..	..	4.0	1.0	0.6	-0.6	..	..	9.2	
Oct	..	..	..	..	..	..	..	3.0	-2.0	0.5	-0.8	..	..	9.1	
Nov	..	..	..	..	..	..	..	0.8	5.1	0.5	-1.0	..	..	9.1	
Dec	..	..	..	..	..	..	..	0.8	4.2	0.4	-1.2	..	..	9.2	
1999 Jan	..	..	..	..	..	..	..	1.0	-2.0	0.2	..	..	..	9.0	
Feb	..	..	..	..	..	..	..	-1.4	-	0.2	..	..	..	9.0	
Mar	..	..	..	..	..	..	..	..	..	0.4	..	..	..	9.0	
Percentage change on previous quarter															
	ILGI	HUCC	HUCD	HUCE	HUCF	HUCG	HUCH	ILHC	ILHW				ILIQ		
1997 Q1	0.3	-0.1	0.1	-0.6	1.2	0.5	0.8	1.0	0.6				-1.9		
Q2	1.0	0.7	0.1	0.2	-0.8	0.9	0.2	1.4	3.1				0.9		
Q3	0.5	-0.5	-0.2	0.1	0.6	1.4	0.9	1.3	-3.0				0.6		
Q4	0.5	0.4	-0.5	0.1	0.7	0.3	0.5	1.3	-0.6				0.3		
1998 Q1	1.3	0.5	0.8	0.5	0.1	-0.1	0.5	2.4	3.4				-1.6		
Q2	-	-0.2	-0.1	-0.8	1.0	0.6	0.6	-	-2.3				1.1		
Q3	0.9	0.7	-	0.4	-0.3	0.2	0.1	1.3	1.3				0.9		
Q4	-0.4	0.5	-0.3	-0.2	0.2	-0.7	-0.1	-2.2	-				0.3		
1999 Q1	..	..	..	..	..	..	..	..	..				..
Percentage change on previous month															
								ILKC	ILKM						
1998 Mar								1.1	4.0						
Apr								-0.7	-4.8						
May								0.2	-1.0						
Jun								-0.7	1.0						
Jul								3.3	3.0						
Aug								-1.0	-2.9						
Sep								-2.7	-						
Oct								1.0	-1.0						
Nov								-2.0	5.1						
Dec								1.0	-3.9						
1999 Jan								1.5	-2.0						
Feb								-2.4	3.1						
Mar								..	..				

GDP = Gross Domestic Product at constant market prices
PFC = Private Final Consumption at constant market prices
GFC = Government Final Consumption at constant market prices
GFCF = Gross Fixed Capital Formation at constant market prices
ChgStk = Change in Stocks at constant market prices
Exports = Exports of goods and services
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Sales = Retail Sales volume
CPI = Consumer Prices measurement not uniform among countries
PPI = Producer Prices (manufacturing)
Earnings = Average Earnings (manufacturing), definitions of coverage and treatment vary among countries
Empl = Total Employment not seasonally adjusted
Unempl = Standardised Unemployment rates: percentage of total workforce

Source: OECD - SNA68

1 Excludes members of armed forces

3 France

Contribution to change in GDP

	GDP	PFC	GFC	GFCF	ChgStk	Exports	Imports	less	IoP	Sales	CPI	PPI ¹	Earnings	Empl ²	Unempl
Percentage change on a year earlier															
	ILFZ	HUBK	HUBL	HUBM	HUBN	HUBO	HUBP	ILGT	ILHN	HXAA	ILAG	ILAP	ILIH	GABC	
1990	2.5	1.6	0.4	0.6	0.2	1.3	1.6	1.5	1.9	3.5	-0.9	4.9	0.8	8.9	
1991	0.8	0.8	0.5	-	-0.7	1.0	0.8	-1.2	-0.2	3.2	-1.2	4.7	0.1	9.5	
1992	1.2	0.8	0.6	-0.6	-0.6	1.3	0.3	-1.2	0.3	2.4	-1.1	4.0	-0.7	10.4	
1993	-1.3	0.1	0.6	-1.5	-1.5	-0.1	-1.0	-3.8	0.2	2.1	-2.1	2.5	-1.2	11.7	
1994	2.8	0.8	0.2	0.3	1.7	1.6	1.8	3.9	-0.1	1.7	1.2	1.9	0.1	12.3	
1995	2.1	1.0	-	0.5	0.3	1.8	1.4	2.0	-	1.7	5.2	2.4	0.9	11.7	
1996	1.5	1.2	0.5	-0.1	-0.7	1.5	0.9	0.2	-0.3	2.1	-2.7	2.4	0.2	12.4	
1997	2.3	0.5	0.2	0.1	0.1	3.8	2.4	3.9	1.0	1.1	-0.5	2.8	0.5	12.3	
1998	3.2	2.2	0.2	0.8	0.3	2.1	2.5	4.5	2.6	0.8	-0.9	2.3	1.5	11.7	
1997 Q1	1.1	-0.3	0.3	-0.1	0.1	2.0	0.9	0.5	-1.3	1.5	-2.3	3.0	0.1	12.4	
Q2	2.5	0.4	0.3	-	-0.1	4.5	2.6	3.6	0.7	0.9	-0.9	2.7	0.3	12.4	
Q3	2.6	0.5	0.2	0.2	0.3	4.6	3.2	5.1	1.8	1.3	0.3	2.8	0.7	12.4	
Q4	3.0	1.5	0.2	0.2	-0.1	4.1	2.8	6.2	2.8	1.1	0.7	2.8	1.0	12.2	
1998 Q1	3.8	2.0	0.2	0.8	0.7	3.8	3.6	7.2	2.2	0.8	0.6	2.6	1.3	11.9	
Q2	3.4	2.6	0.2	0.7	0.6	1.9	2.6	5.3	3.1	1.1	-0.3	2.4	1.5	11.7	
Q3	2.9	2.3	0.2	0.8	-	1.8	2.2	3.3	2.3	0.7	-1.3	2.0	1.7	11.7	
Q4	2.8	2.1	0.2	1.0	0.2	0.9	1.5	2.5	2.8	0.4	-2.3	2.0	1.5	11.6	
1999 Q1	..	..	..	..	..	..	..	..	3.4	0.3	-2.9	..	..	11.4	
1998 Mar	..	..	..	..	..	..	..	8.5	-0.5	1.0	0.6	..	..	11.8	
Apr	..	..	..	..	..	..	..	4.2	3.7	1.1	-	..	..	11.7	
May	..	..	..	..	..	..	..	5.9	1.0	1.0	-0.3	..	..	11.7	
Jun	..	..	..	..	..	..	..	6.0	4.9	1.1	-0.7	..	..	11.6	
Jul	..	..	..	..	..	..	..	3.3	2.9	1.0	-1.0	..	..	11.7	
Aug	..	..	..	..	..	..	..	3.3	2.1	0.7	-1.3	..	..	11.7	
Sep	..	..	..	..	..	..	..	3.4	1.9	0.5	-1.6	..	..	11.7	
Oct	..	..	..	..	..	..	..	2.0	2.4	0.5	-2.1	..	..	11.6	
Nov	..	..	..	..	..	..	..	4.4	4.5	0.3	-2.3	..	..	11.6	
Dec	..	..	..	..	..	..	..	1.3	1.6	0.3	-2.5	..	..	11.5	
1999 Jan	..	..	..	..	..	..	..	1.8	0.2	0.3	-2.7	..	..	11.4	
Feb	..	..	..	..	..	..	..	1.0	3.5	0.2	-2.9	..	..	11.4	
Mar	..	..	..	..	..	..	..	..	6.6	0.4	-3.0	..	..	11.4	
Percentage change on previous quarter															
	ILGJ	HUBQ	HUBR	HUBS	HUBT	HUBU	HUBV	ILHD	ILHX				ILIR		
1997 Q1	0.1	0.1	-	-0.3	-0.4	0.6	-0.1	-0.1	0.4				0.1		
Q2	1.2	0.1	-	0.3	0.2	2.0	1.4	3.1	0.1				0.2		
Q3	0.9	0.7	-	0.1	0.1	1.1	1.2	2.2	1.3				0.3		
Q4	0.8	0.6	0.1	0.1	-	0.3	0.3	0.9	1.0				0.4		
1998 Q1	0.8	0.5	0.1	0.3	0.4	0.3	0.8	0.8	-0.2				0.4		
Q2	0.9	0.7	0.1	0.3	0.1	0.2	0.4	1.3	1.0				0.4		
Q3	0.4	0.4	0.1	0.2	-0.5	1.0	0.7	0.3	0.5				0.5		
Q4	0.7	0.4	-	0.3	0.2	-0.6	-0.3	0.1	1.5				0.2		
1999 Q1	..	..	..	..	..	..	..	..	0.4				..		
Percentage change on previous month															
								ILKD	ILKN						
1998 Mar								1.8	-1.7						
Apr								-0.4	3.7						
May								0.6	-1.2						
Jun								0.4	1.3						
Jul								-0.1	0.9						
Aug								-	-1.0						
Sep								-0.2	-0.6						
Oct								0.6	2.7						
Nov								0.1	-0.6						
Dec								-1.2	-0.3						
1999 Jan								0.1	0.5						
Feb								-0.6	-0.2						
Mar								..	1.2						

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Sales = Retail Sales volume
CPI = Consumer Prices, measurement not uniform among countries
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Earnings = Average Wage Earnings (manufacturing), definitions of coverage and treatment vary among countries
Empl = Total Employment not seasonally adjusted
Unempl = Standardised Unemployment rates: percentage of total workforce
IoP = Index of Production

1 Producer prices in intermediate goods
2 Excludes members of armed forces

Source: OECD - SNA68

Contribution to change in GDP

	GDP	PFC	GFC	GFCF	ChgStk	Exports	Imports	IoP	Sales	CPI	PPI	Earnings	Empl	Unempl
Percentage change on a year earlier														
	ILGA	HUCI	HUCJ	HUCK	HUCL	HUCM	HUCN	ILGU	ILHO	HYAA	ILAH	ILAQ	ILII	GABE
1990	2.2	1.5	0.2	0.7	0.1	1.2	1.6	-0.5	-2.2	6.0	4.2	7.3	1.4	9.1
1991	1.1	1.7	0.3	0.2	-0.3	-0.1	0.5	-0.9	3.2	6.5	3.3	9.7	1.3	8.8
1992	0.6	0.7	0.2	-0.4	0.1	1.1	1.1	-1.3	1.8	5.3	1.9	5.4	-1.1	9.0
1993	-1.2	-1.5	0.1	-2.5	-0.6	1.7	-1.7	-2.1	-2.9	4.2	3.7	3.7	-4.1	10.3
1994	2.2	0.9	-0.1	0.1	0.6	2.3	1.6	6.3	-6.0	3.9	3.8	3.3	-1.8	11.4
1995	2.9	1.2	-0.2	1.2	-	2.7	1.9	6.1	-4.9	5.4	7.9	3.1	-0.5	11.9
1996	0.7	0.5	-	0.1	-0.3	-0.1	-0.4	-2.9	-2.4	3.8	1.8	3.1	0.4	12.0
1997	1.5	1.4	-0.1	0.1	1.0	1.6	2.5	2.8	7.0	1.8	1.3	3.6	-	12.0
1998	..	..	..	..	..	..	..	0.8	3.5	1.7	0.1	2.7	0.5	11.8
1997 Q1	-0.9	1.2	-0.2	-0.3	-1.5	-0.8	-0.6	0.1	4.1	2.4	0.9	3.9	-0.1	12.2
Q2	2.0	1.6	-0.2	-0.1	2.2	1.8	3.3	2.4	7.2	1.7	1.1	3.8	0.1	12.1
Q3	2.2	1.7	-0.1	0.2	1.4	3.0	4.0	3.2	8.7	1.6	1.7	3.4	-	11.9
Q4	2.8	1.3	-	0.5	1.8	2.3	3.1	5.3	8.0	1.6	1.5	3.3	-	11.9
1998 Q1	2.5	0.8	0.1	0.7	2.4	3.0	4.5	3.3	2.4	1.7	1.1	2.1	0.6	11.8
Q2	1.2	0.7	0.2	0.4	0.8	1.4	2.3	1.3	4.2	1.7	0.6	3.1	0.1	11.9
Q3	1.2	1.0	0.2	0.4	0.3	-	0.8	0.5	2.7	1.8	-0.2	2.8	0.6	11.9
Q4	..	..	..	..	..	..	..	-1.6	4.5	1.5	-1.1	3.0	0.8	11.8
1999 Q1	..	..	..	..	..	..	..	..	..	1.3	..	..	1.0	..
1998 Mar	..	..	..	..	..	..	..	1.3	2.1	1.7	0.9	2.8	..	11.8
Apr	..	..	..	..	..	..	..	0.7	3.2	1.8	0.9	3.0	..	11.9
May	..	..	..	..	..	..	..	2.9	4.3	1.7	0.6	3.2	..	11.9
Jun	..	..	..	..	..	..	..	0.3	5.1	1.8	0.4	3.0	..	11.9
Jul	..	..	..	..	..	..	..	1.5	3.2	1.8	0.2	2.5	..	11.9
Aug	..	..	..	..	..	..	..	-1.6	3.1	1.9	-0.2	3.0	..	11.9
Sep	..	..	..	..	..	..	..	1.5	2.1	1.8	-0.6	3.0	..	11.9
Oct	..	..	..	..	..	..	..	1.6	4.2	1.7	-0.9	3.0	..	11.9
Nov	..	..	..	..	..	..	..	-0.3	5.3	1.5	-1.2	3.1	..	11.8
Dec	..	..	..	..	..	..	..	-6.3	4.2	1.5	-1.3	3.1	..	11.8
1999 Jan	..	..	..	..	..	..	..	..	..	1.3	-1.6	3.5	..	11.7
Feb	..	..	..	..	..	..	..	..	..	1.2	-1.8	3.3	..	..
Mar	..	..	..	..	..	..	..	..	..	1.4	..	..	..	..
Percentage change on previous quarter														
	ILGK	HUCO	HUCP	HUCQ	HUCR	HUCS	HUCT	ILHE	ILHY				ILIS	
1997 Q1	0.1	0.7	-0.1	-	-	-1.3	-0.8	1.9	7.2				-1.6	
Q2	1.9	0.4	-	0.2	1.7	2.2	2.6	1.8	0.7				1.4	
Q3	0.5	0.2	-	0.2	-0.5	1.5	0.9	0.6	1.1				1.1	
Q4	0.3	-	-	0.2	0.6	-0.2	0.3	0.9	-1.0				-0.8	
1998 Q1	-0.1	0.1	0.1	0.1	0.6	-0.5	0.5	-	1.7				-1.0	
Q2	0.6	0.4	0.1	-0.1	-	0.6	0.4	-0.2	2.5				0.9	
Q3	0.5	0.6	0.1	0.2	-0.9	0.1	-0.5	-0.3	-0.4				1.6	
Q4	..	..	..	..	..	..	..	-1.2	0.7				-0.6	
1999 Q1	..	..	..	..	..	..	..	..	..				-0.8	
Percentage change on previous month														
								ILKE	ILKO					
1998 Mar								-0.9	-1.0					
Apr								-0.2	-					
May								2.5	1.0					
Jun								-2.2	6.2					
Jul								0.8	-4.9					
Aug								-1.6	1.0					
Sep								1.7	-1.0					
Oct								1.3	1.0					
Nov								-1.4	-					
Dec								-6.1	-					
1999 Jan												
Feb												
Mar												

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Source: OECD - SNA68

Contribution to change in GDP

	GDP	PFC	GFC	GFCF	ChgStk	Exports	less Imports	IoP	Sales	CPI	PPI	Earnings	Empl ¹	Unempl
Percentage change on a year earlier														
	ILGC	HUDG	HUDH	HUDI	HUDJ	HUDK	HUDL	ILGW	ILHQ	ILAA	ILAJ	ILAS	ILIK	GADO
1990	1.2	1.1	0.4	-0.2	-0.4	0.7	0.4	-0.2	0.6	5.4	4.9	3.2	1.2	5.6
1991	-0.9	-0.4	0.2	-1.1	-0.2	0.6	-0.1	-2.0	-2.5	4.2	2.1	3.3	-0.9	6.8
1992	2.7	1.9	-	0.8	0.2	0.6	0.8	3.2	3.2	3.1	1.3	2.4	0.7	7.5
1993	2.3	2.0	-	0.8	0.2	0.3	1.0	3.5	4.5	3.0	1.3	2.4	1.4	6.9
1994	3.5	2.2	0.1	1.1	0.6	0.8	1.4	5.4	5.7	2.6	0.6	2.8	2.4	6.1
1995	2.3	1.8	-0.1	0.8	-0.5	1.2	1.1	5.0	3.1	2.7	2.0	2.7	1.4	5.6
1996	3.4	2.2	0.1	1.4	-	1.0	1.2	4.4	4.6	3.0	2.6	3.1	1.5	5.4
1997	3.9	2.3	0.2	1.3	0.5	1.6	1.9	6.0	4.2	2.3	0.4	3.1	2.2	4.9
1998	3.9	3.3	0.2	1.8	-0.1	0.2	1.6	3.7	6.5	1.5	-0.9	2.5	1.5	4.5
1997 Q1	4.1	2.3	0.3	1.3	0.6	1.4	1.8	6.3	4.8	2.9	2.0	3.4	2.5	5.2
Q2	3.6	1.8	0.2	1.2	0.7	1.7	2.0	5.4	3.1	2.3	0.4	2.8	2.4	5.0
Q3	4.1	2.5	0.2	1.4	-	2.0	2.0	5.8	4.8	2.2	-0.1	2.5	2.1	4.9
Q4	3.8	2.5	0.2	1.3	0.5	1.2	2.0	6.6	4.0	1.9	-0.8	3.4	2.0	4.7
1998 Q1	4.2	2.8	0.1	1.8	0.5	0.9	1.9	5.4	5.1	1.4	-1.5	3.1	1.9	4.6
Q2	3.6	3.6	0.2	1.9	-0.5	0.1	1.7	4.6	7.6	1.6	-0.7	2.5	1.5	4.4
Q3	3.5	3.2	0.1	1.5	0.1	-0.3	1.3	2.9	5.6	1.6	-0.6	2.5	1.2	4.5
Q4	4.3	3.6	0.3	1.9	-0.3	0.1	1.5	1.9	7.9	1.5	-0.5	1.9	1.4	4.4
1999 Q1	4.0	3.7	0.4	1.7	-0.6	-	1.4	1.7	..	1.7	0.7	1.9	1.7	4.3
1998 Mar	..	..	..	..	..	..	..	5.1	5.4	1.3	-1.5	2.5	1.6	4.7
Apr	..	..	..	..	..	..	..	4.9	7.0	1.5	-0.9	2.5	1.7	4.3
May	..	..	..	..	..	..	..	5.1	8.2	1.7	-0.7	2.5	1.5	4.4
Jun	..	..	..	..	..	..	..	3.5	7.5	1.7	-0.6	2.5	1.4	4.5
Jul	..	..	..	..	..	..	..	2.7	5.5	1.7	-0.3	1.7	1.1	4.5
Aug	..	..	..	..	..	..	..	3.6	5.1	1.6	-0.7	2.5	1.0	4.5
Sep	..	..	..	..	..	..	..	2.6	6.1	1.5	-0.9	3.3	1.5	4.5
Oct	..	..	..	..	..	..	..	2.4	7.5	1.5	-0.6	1.6	1.4	4.5
Nov	..	..	..	..	..	..	..	1.8	7.8	1.5	-0.6	2.4	1.2	4.4
Dec	..	..	..	..	..	..	..	1.6	8.3	1.5	-0.1	1.6	1.5	4.3
1999 Jan	..	..	..	..	..	..	..	1.5	8.2	1.6	0.9	1.6	1.9	4.3
Feb	..	..	..	..	..	..	..	1.8	..	1.6	0.5	1.6	1.7	4.4
Mar	..	..	..	..	..	..	..	1.6	..	1.8	0.8	2.4	1.6	4.2
Percentage change on previous quarter														
	ILGM	HUDM	HUDN	HUDO	HUDP	HUDQ	HUDR	ILHG	ILIA				ILIU	
1997 Q1	1.0	0.7	-	0.3	0.3	0.3	0.6	1.6	1.8				-0.8	
Q2	1.0	0.3	0.1	0.4	0.3	0.5	0.6	1.4	-0.2				2.0	
Q3	1.0	1.0	-	0.5	-0.4	0.3	0.5	1.8	2.1				0.9	
Q4	0.7	0.5	-	0.1	0.2	0.1	0.2	1.5	0.4				-	
1998 Q1	1.4	1.0	-0.1	0.8	0.3	-0.1	0.6	0.5	2.8				-1.0	
Q2	0.5	1.0	0.2	0.5	-0.7	-0.3	0.4	0.7	2.2				1.6	
Q3	0.9	0.7	-	0.2	0.2	-0.1	0.1	0.2	0.1				0.6	
Q4	1.5	0.8	0.2	0.5	-0.2	0.6	0.5	0.5	2.6				0.2	
1999 Q1	1.1	1.1	-	0.6	-	-0.3	0.5	0.2	..				-0.6	
Percentage change on previous month														
								ILKG	ILKQ				ILLA	
1998 Mar								0.4	0.5				0.6	
Apr								0.5	0.6				0.5	
May								0.5	1.2				0.5	
Jun								-1.0	0.3				0.5	
Jul								-0.1	-0.7				0.4	
Aug								1.4	0.1				-0.4	
Sep								-0.4	0.6				-0.3	
Oct								0.4	1.2				0.5	
Nov								-0.1	0.8				0.1	
Dec								0.1	1.0				0.1	
1999 Jan								-0.1	1.2				-1.0	
Feb								0.2	..				0.2	
Mar								0.1	..				0.5	

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Source: OECD - SNA68

1 Excludes members of armed forces

Contribution to change in GDP

	GDP	PFC	GFC	GFCF	ChgStk	Exports	Imports	less IoP ¹	Sales	CPI	PPI	Earnings ²	Empl	Unempl
Percentage change on a year earlier														
	ILGD	HUCU	HUCV	HUCW	HUCX	HUCY	HUCZ	ILGX	ILHR	ILAB	ILAK	ILAT	ILIL	GADP
1990	5.2	2.6	0.1	2.6	-0.2	0.7	0.8	4.7	5.2	3.1	1.6	5.1	1.9	2.1
1991	3.8	1.5	0.2	1.1	0.3	0.6	-0.3	2.3	2.5	3.3	1.1	3.5	1.9	2.1
1992	1.0	1.2	0.2	-0.5	-0.4	0.5	-	-5.5	-0.2	1.6	-0.9	1.3	1.1	2.1
1993	0.3	0.7	0.2	-0.6	-0.2	0.2	-	-4.7	-2.9	1.2	-1.7	0.4	0.2	2.5
1994	0.7	1.1	0.2	-0.2	-0.2	0.5	0.8	1.3	0.3	0.8	-1.7	2.1	-	2.9
1995	1.4	1.2	0.3	0.4	0.2	0.7	1.4	3.2	0.1	-0.1	-0.7	3.0	0.1	3.1
1996	5.2	1.7	0.2	3.4	0.4	0.8	1.3	2.4	0.7	0.1	-1.8	2.5	0.5	3.4
1997	1.4	0.6	0.1	-0.7	-0.1	1.4	0.1	3.6	-2.0	1.8	0.7	3.0	1.1	3.4
1998	-2.9	-0.7	0.1	-2.7	-0.1	-0.3	-0.9	-6.5	-5.2	0.6	-1.4	-0.6	-0.7	4.1
1997 Q1	3.8	2.7	-	0.6	-0.4	1.5	0.6	5.2	5.4	0.6	-0.9	5.0	1.6	3.3
Q2	0.9	-0.2	0.2	-1.0	-	2.0	0.1	5.8	-4.8	2.1	1.3	2.7	1.4	3.4
Q3	1.7	0.6	0.4	-0.8	0.1	1.4	-	4.0	-3.7	2.1	1.3	2.6	0.7	3.4
Q4	-0.8	-0.6	-0.1	-1.5	-	1.0	-0.4	-0.6	-5.0	2.1	1.1	1.7	0.7	3.5
1998 Q1	-3.6	-2.4	0.2	-2.4	0.2	0.3	-0.6	-3.6	-9.9	2.0	0.4	-	-	3.7
Q2	-1.8	0.5	-	-2.7	-0.1	-0.5	-1.0	-7.9	-2.1	0.4	-1.9	-0.3	-0.8	4.1
Q3	-3.1	-0.5	-	-3.0	-0.3	-0.2	-1.0	-7.9	-3.2	-0.2	-1.9	-1.7	-0.9	4.2
Q4	-3.0	-	0.1	-2.9	-0.3	-0.9	-1.0	-6.3	-4.9	0.5	-2.0	-0.6	-1.0	4.4
1999 Q1	..	..	..	..	..	..	..	-4.5	-4.3	-0.1	-2.1	-1.2	-1.2	4.6
1998 Mar	..	..	..	..	..	..	..	-4.8	-15.5	2.2	0.1	0.2	-0.3	3.8
Apr	..	..	..	..	..	..	..	-6.1	-1.1	0.5	-2.0	-0.3	-0.7	4.1
May	..	..	..	..	..	..	..	-10.5	-2.1	0.5	-1.9	-0.2	-0.5	4.1
Jun	..	..	..	..	..	..	..	-7.2	-3.2	0.1	-1.9	-0.3	-1.1	4.2
Jul	..	..	..	..	..	..	..	-8.5	-3.2	-0.1	-1.9	-2.3	-1.1	4.1
Aug	..	..	..	..	..	..	..	-8.3	-3.2	-0.3	-1.9	-2.8	-0.7	4.3
Sep	..	..	..	..	..	..	..	-7.1	-3.2	-0.2	-2.0	-	-1.0	4.3
Oct	..	..	..	..	..	..	..	-7.4	-6.3	0.2	-2.0	0.4	-1.1	4.3
Nov	..	..	..	..	..	..	..	-5.2	-3.2	0.7	-2.1	1.8	-0.8	4.5
Dec	..	..	..	..	..	..	..	-6.1	-5.3	0.6	-2.0	-4.1	-1.0	4.4
1999 Jan	..	..	..	..	..	..	..	-7.5	-5.3	0.3	-2.2	-2.3	-1.2	4.5
Feb	..	..	..	..	..	..	..	-4.9	-3.2	-0.1	-2.1	0.5	-1.2	4.6
Mar	..	..	..	..	..	..	..	-0.6	-4.3	-0.5	-2.0	-1.6	-1.3	4.7
Percentage change on previous quarter														
	ILGN	HUDA	HUDB	HUDC	HUDD	HUDE	HUDF	ILHH	ILIB				ILIV	
1997 Q1	1.6	2.1	-0.2	-0.2	-0.2	0.3	0.1	1.9	5.0				-0.9	
Q2	-2.5	-3.0	0.2	-0.7	0.3	0.5	-0.2	-0.2	-9.9				2.9	
Q3	1.0	0.9	0.1	-0.1	0.1	-	-0.1	-	0.7				-0.3	
Q4	-0.9	-0.5	-0.2	-0.5	-0.1	0.2	-0.2	-2.2	-0.4				-1.0	
1998 Q1	-1.2	0.2	0.1	-1.1	-0.1	-0.4	-0.1	-1.2	-0.3				-1.5	
Q2	-0.7	-0.1	-	-1.0	-0.1	-0.3	-0.7	-4.7	-2.1				2.1	
Q3	-0.3	-0.1	0.1	-0.4	-0.1	0.3	-	-	-0.3				-0.5	
Q4	-0.8	-	-0.1	-0.4	-	-0.5	-0.2	-0.5	-2.2				-1.0	
1999 Q1	..	..	..	..	..	..	..	0.7	0.3				-1.7	
Percentage change on previous month														
								ILKH	ILKR				ILLB	
1998 Mar								-2.2	-1.1				0.9	
Apr								-1.4	-1.1				1.0	
May								-1.8	-				1.1	
Jun								1.7	-				0.1	
Jul								-0.8	-				-0.5	
Aug								-1.2	-				-0.5	
Sep								3.2	-1.1				-0.3	
Oct								-1.1	-1.1				-	
Nov								-2.1	-				-0.7	
Dec								1.1	-1.1				-0.6	
1999 Jan								0.6	1.1				-1.0	
Feb								-0.8	1.1				-0.7	
Mar								2.1	-2.2				0.8	

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1 Not adjusted for unequal number of working days in a month
2 Figures monthly and seasonally adjusted

7 World trade in goods¹

	Export of manufactures			Import of manufactures			Export of goods			Import of goods			Total trade	
	Total	OECD	Other	Total	OECD	Other	Total	OECD	Other	Total	OECD	Other	manufactures	goods
Percentage change on a year earlier														
	ILIZ	ILJA	ILJB	ILJC	ILJD	ILJE	ILJF	ILJG	ILJH	ILJI	ILJJ	ILJK	ILJL	ILJM
1990	5.9	5.9	5.5	5.5	5.5	5.4	4.5	5.6	1.6	4.5	5.2	2.8	5.7	4.5
1991	3.8	2.5	9.6	5.2	3.5	10.0	4.0	3.5	5.2	4.5	3.2	8.1	4.5	4.2
1992	4.5	3.7	7.7	5.1	4.5	6.7	4.5	3.8	6.1	5.0	4.3	6.7	4.8	4.7
1993	4.2	1.9	13.1	3.3	1.1	9.3	4.2	2.5	8.5	3.7	1.4	9.6	3.8	3.9
1994	11.2	10.2	14.7	12.3	12.8	11.1	10.1	9.2	12.2	10.6	10.7	10.3	11.7	10.3
1995	9.9	9.8	10.2	9.8	9.3	11.2	8.7	8.7	8.8	8.3	7.3	10.7	9.9	8.5
1996	5.6	6.4	3.0	5.6	7.0	2.2	5.0	6.0	2.7	5.1	6.1	2.6	5.6	5.0
1997	..	..	..	..	..	..	..	..	..	..	..	..	..	..
1995 Q1	13.5	13.5	13.6	13.8	14.0	13.1	11.6	12.1	10.1	12.0	11.6	12.9	13.6	11.8
Q2	10.7	10.9	9.9	12.1	11.4	14.0	9.2	9.7	7.9	10.8	9.6	13.9	11.4	10.0
Q3	9.3	9.8	7.5	10.4	9.4	13.1	8.0	8.5	6.8	9.1	7.7	12.9	9.9	8.6
Q4	7.4	7.7	6.4	7.6	6.6	10.4	6.6	6.6	6.7	6.2	4.9	9.9	7.5	6.4
1996 Q1	6.4	6.8	5.1	7.8	7.7	8.2	6.1	6.0	6.4	6.8	6.5	7.4	7.1	6.4
Q2	6.1	6.6	4.2	6.3	6.4	6.0	6.1	6.0	6.3	5.6	5.9	5.0	6.2	5.9
Q3	7.4	8.1	4.6	7.9	8.7	5.6	7.3	7.7	6.5	6.9	7.8	4.5	7.6	7.1
Q4	9.0	9.8	6.2	8.4	8.9	7.0	8.6	9.2	7.0	7.9	8.6	6.0	8.7	8.3
1997 Q1	9.1	9.3	8.5	8.2	8.3	7.9	8.3	8.4	8.0	7.3	7.4	7.1	8.7	7.8
Q2	13.2	14.0	10.2	12.0	13.0	9.2	11.7	12.8	8.7	10.2	10.8	8.6	12.6	10.9
Q3	14.2	15.2	10.6	11.8	12.5	9.6	12.0	13.1	8.8	10.0	10.3	9.2	13.0	11.0
Q4	12.2	12.8	9.9	11.4	12.1	9.4	10.3	11.1	8.3	9.8	10.1	8.9	11.8	10.1
1998 Q1	10.1	11.0	6.5	9.5	12.0	2.8	8.9	10.1	5.9	8.3	10.3	2.8	9.8	8.6
Q2	5.5	5.5	5.5	6.3	8.7	-0.5	5.1	4.9	5.5	5.4	7.5	-0.2	5.9	5.2
Q3	3.1	3.0	3.8	4.4	7.3	-3.7	2.7	2.3	4.0	3.5	6.0	-3.3	3.7	3.1
Q4	..	2.5	..	..	6.9	..	..	1.6	..	..	5.5	..	..	..
Percentage change on previous quarter														
	ILJN	ILJO	ILJP	ILJQ	ILJR	ILJS	ILJT	ILJU	ILJV	ILJW	ILJX	ILJY	ILJZ	ILKA
1995 Q1	3.2	3.5	1.9	2.1	1.6	3.4	2.5	2.8	1.7	1.6	1.0	3.4	2.6	2.1
Q2	1.4	1.3	1.9	2.3	1.9	3.3	1.1	0.9	1.6	2.2	1.8	3.3	1.8	1.7
Q3	1.0	0.9	1.4	1.2	0.9	2.2	1.2	1.1	1.6	1.2	0.9	2.1	1.1	1.2
Q4	1.7	1.8	1.0	1.9	2.2	1.1	1.6	1.6	1.6	1.1	1.2	0.9	1.8	1.4
1996 Q1	2.2	2.6	0.6	2.3	2.6	1.3	2.0	2.3	1.3	2.1	2.5	1.0	2.2	2.1
Q2	1.1	1.1	1.0	0.8	0.7	1.2	1.1	1.0	1.6	1.1	1.2	0.9	1.0	1.1
Q3	2.3	2.4	1.8	2.7	3.0	1.8	2.4	2.6	1.8	2.4	2.6	1.6	2.5	2.4
Q4	3.2	3.4	2.6	2.4	2.3	2.4	2.9	3.1	2.1	2.1	2.0	2.3	2.8	2.5
1997 Q1	2.3	2.1	2.8	2.1	2.0	2.2	1.7	1.5	2.3	1.6	1.4	2.1	2.2	1.6
Q2	4.9	5.5	2.7	4.3	5.0	2.4	4.3	5.1	2.2	3.8	4.4	2.3	4.6	4.1
Q3	3.2	3.5	2.2	2.5	2.6	2.2	2.6	2.9	1.9	2.2	2.2	2.1	2.9	2.4
Q4	1.4	1.2	2.0	2.0	2.0	2.2	1.4	1.2	1.7	1.9	1.8	2.1	1.7	1.6
1998 Q1	0.3	0.5	-0.4	0.3	1.9	-4.0	0.4	0.6	-	0.2	1.6	-3.6	0.3	0.3
Q2	0.5	0.2	1.7	1.3	2.0	-0.9	0.6	0.2	1.9	1.0	1.6	-0.7	0.9	0.8
Q3	0.9	1.0	0.5	0.6	1.2	-1.0	0.3	0.3	0.5	0.4	0.8	-1.0	0.8	0.4
Q4	..	0.7	..	..	1.6	..	..	0.5	..	..	1.3	..	..	..

¹ Data used in the World and OECD aggregates refer to Germany after unification

Source: OECD - SNA68

Final Expenditure Prices Index (Experimental) - April 1999

Contact: David Wall

Tel: 0171 533 5823/5825; e-mail: david.wall@ons.gov.uk

Note that further development work, including the adjustment of the Index of Government Prices for productivity change, is ongoing and the FEPI will be available only as an experimental index until this work has been completed.

Summary

The Final Expenditure Price Index (FEPI) for April 1999 shows an annual rate of 2.0 per cent, down from 2.1 per cent in March. The Index of Consumer Prices (ICP) was unchanged at 2.0 per cent, the Index of Investment Prices (IIP) was up from 1.4 per cent to 1.5 per cent, while the Index of Government Prices (IGP) was unchanged at 2.6 per cent.

The FEPI annual percentage change

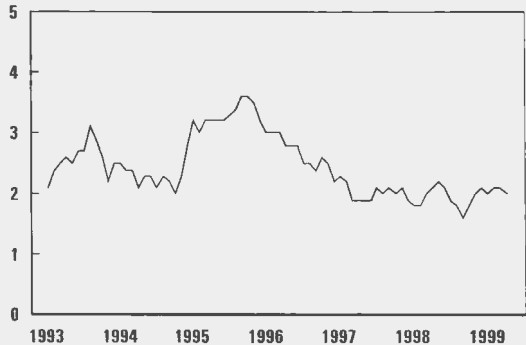


Table A

Final Expenditure Prices Index and components (January 1992=100 and annual percentage change)

		Index of Consumer Prices (ICP)		Index of Investment Prices (IIP)		Index of Government Prices (IGP)		Final Expenditure Prices Index (FEPI)	
		Index	Annual percentage change	Index	Annual percentage change	Index	Annual percentage change	Index	Annual percentage change
1998	Nov	120.3	2.0	112.8	1.5	118.0	2.1	118.3	2.0
	Dec	120.6	2.1	112.7	1.4	118.3	2.3	118.5	2.1
1999	Jan	120.0	2.0	112.9	1.4	119.0	2.4	118.3	2.0
	Feb	120.4	1.8	113.0r	1.5r	119.2r	2.8	118.7r	2.1r
	Mar	121.1	2.0	113.3r	1.4r	119.3r	2.6r	119.1	2.1
	Apr	121.7	2.0	113.6	1.5	119.3	2.6	119.5	2.0

The Index of Consumer Prices (ICP)

Consumer price inflation, as measured by the ICP was unchanged between March and April at 2.0 per cent.

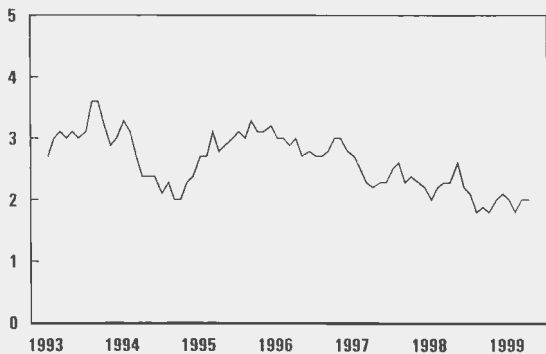
Upward pressure came from:

- Alcoholic drink , whose 12-month rate rose from 2.7 per cent to 2.8 per cent.
- Transport and communication, whose 12-month rate rose from 1.5 per cent to 1.6 per cent, as second hand car prices rose slightly and increases in petrol prices reflected the higher crude oil prices.

Downward pressure came from:

- Food, whose 12-month rate fell from 2.9 per cent to 2.1 per cent. Seasonal food, especially salad vegetables, were over supplied and experienced poor demand.
- Household goods and services, whose 12-month rate fell from 1.2 per cent to 1.0 per cent, as there was greater discounting on furniture this year than last year.

The ICP annual percentage change



The Index of Investment Prices (IIP)

Investment price inflation, as measured by the IIP, was 1.5 per cent over the 12 months to April, up from 1.4 in March.

Downward pressure on the 12-month rate came mainly from:

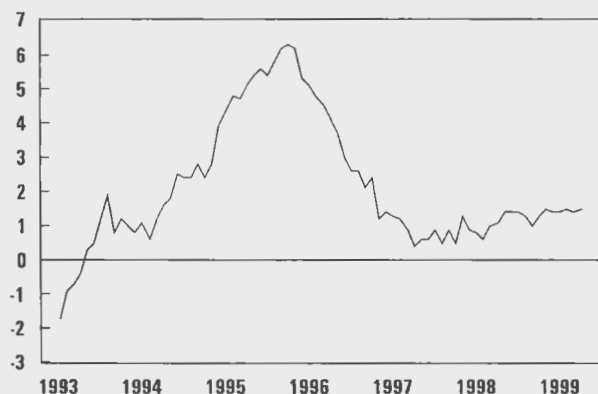
- Transfer costs of land and buildings, whose 12-month rate fell from a revised 10.9 per cent in March to 9.4 per cent in April.

- New buildings and works, where the 12-month rate fell from 4.2 per cent in March to 4.1 per cent in April.

Upward pressure came from:

- Plant and machinery, where the 12-month rate rose from -4.6 per cent in March to -4.3 per cent in April.

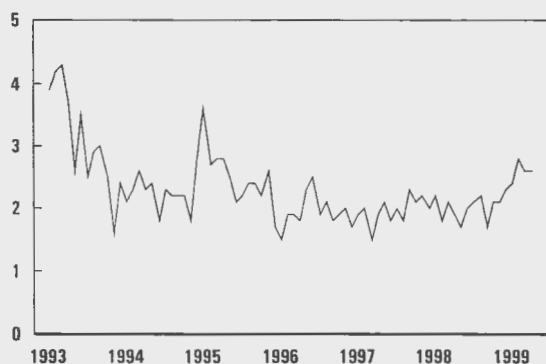
The IIP annual percentage change



The Index of Government Prices (IGP)

The IGP inflation rate was unchanged between March and April at 2.6 per cent.

The IGP annual percentage change



Comparison between the FEPI and other inflation measures

Table B

Measures of Inflation (annual percentage changes)

		FEPI	RPIX	HICP	PPI
1998	Nov	2.0	2.5	1.4	0.1
	Dec	2.1	2.6	1.5	-0.1
1999	Jan	2.0	2.6	1.6	-0.1
	Feb	2.1	2.4	1.5	0.2
	Mar	2.1	2.7	1.7	0.5
	Apr	2.0	2.4	1.5	0.0

NOTES

1. The headline measure of inflation is the Retail Prices Index (RPI). The RPI should be used as the main indicator of inflation affecting average households.

2. The Final Expenditure Prices Index (FEPI) is a measure of the change in the prices paid by UK consumers, business and Government for final purchases of goods and services. Intermediate purchases by business are excluded. The FEPI is made up of three components:

- The Index of Consumer Prices (ICP)
- The Index of Investment Prices (IIP)
- The Index of Government Prices (IGP).

3. The ICP measures inflation affecting all consumers in the UK. The price indicators used in the ICP are taken mainly from the Retail Prices Index (RPI).

4. The IIP is a measure of the change in the prices paid for capital goods by business and by Government. It also covers new construction projects and dwellings built for consumers, business and government. The price indicators used are mainly Producer Price Indices (PPIs), Construction Output Price Indices and an average house price indicator.

5. The IGP measures inflation affecting Government. It covers expenditure by Central and Local Government on pay and on procurement. The price indicators used are mainly Average Earnings Indices (to reflect labour costs), PPIs and RPIs (to reflect the cost of goods consumed by Government).

6. Care should be taken when interpreting monthly movements in the IGP. This index is particularly volatile on a month-to-month basis, so a fall one month is often offset by a rise the next and vice-versa. The data are of greatest value if trends rather than individual monthly movements are observed.

7. An article describing the development and composition of the FEPI is included in *Economic Trends*, No 526, September 1997. Longer runs of the FEPI back to January 1992, are available in computer readable form from the ONS Sales Office (telephone 0171 533 5670) or on paper from David Wall.

1 Final Expenditure Prices Index (Experimental)

	Index of Consumer Prices ICP	Index of Investment Prices IIP	Index of Government Prices IGP	Final Expenditure Prices Index FEPI	Annual percentage changes			
					ICP	IIP	IGP	FEPI
January 1992=100								
Weights								
1997	605	165	230	1000				
1998	605	169	226	1000				
1999	609	182	209	1000				
	CUSE	CUSK	CUSO	CUSP	CGAZ	CGBF	CGBJ	CGBK
1997 Apr	116.6	110.7	114.1	114.8	2.2	0.4	1.9	1.9
May	117.0	110.8	114.7	115.2	2.3	0.6	2.1	1.9
Jun	117.2	110.8	114.8	115.3	2.3	0.6	1.8	1.9
Jul	116.7	111.1	114.6	115.1	2.5	0.9	2.0	2.1
Aug	117.5	111.2	114.6	115.5	2.6	0.5	1.8	2.0
Sep	117.9	111.4	114.9	115.9	2.3	0.9	2.3	2.1
Oct	118.0	111.2	115.1	115.9	2.4	0.5	2.1	2.0
Nov	117.9	111.1	115.6	116.0	2.3	1.3	2.2	2.1
Dec	118.1	111.1	115.6	116.1	2.2	0.9	2.0	1.9
1998 Jan	117.6	111.3	116.2	116.0	2.0	0.8	2.2	1.8
Feb	118.3	111.3	115.9	116.3	2.2	0.6	1.8	1.8
Mar	118.7	111.7	116.3	116.7	2.3	1.0	2.1	2.0
Apr	119.3	111.9	116.3	117.2	2.3	1.1	1.9	2.1
May	120.0	112.4	116.7	117.7	2.6	1.4	1.7	2.2
Jun	119.8	112.4	117.1	117.7	2.2	1.4	2.0	2.1
Jul	119.2	112.7	117.0	117.3	2.1	1.4	2.1	1.9
Aug	119.6	112.7	117.1	117.6	1.8	1.3	2.2	1.8
Sep	120.1	112.5	116.9	117.8	1.9	1.0	1.7	1.6
Oct	120.1	112.6	117.5	118.0	1.8	1.3	2.1	1.8
Nov	120.3	112.8	118.0	118.3	2.0	1.5	2.1	2.0
Dec	120.6	112.7	118.3	118.5	2.1	1.4	2.3	2.1
1999 Jan	120.0	112.9	119.0	118.3	2.0	1.4	2.4	2.0
Feb	120.4	113.0r	119.2r	118.7r	1.8	1.5r	2.8	2.1r
Mar	121.1	113.3r	119.3r	119.1	2.0	1.4r	2.6r	2.1
Apr	121.7	113.6	119.3	119.5	2.0	1.5	2.6	2.0

The symbol r denotes revisions to previous months' data

2 FEPI - Index of Consumer Prices (Experimental)

	Food	Alcoholic Drink	Tobacco	Clothing and Footwear	Housing	Fuel and Power	Household Goods and Services	Transport and Communication	Recreation, Entertainment and Education	Other Goods and Services	Index of Consumer Prices ICP
January 1992=100											
Weights											
1997	126	68	30	67	90	39	71	189	119	201	1000
1998	127	68	29	67	87	39	71	188	118	205	1000
1999	119	66	27	70	85	34	75	192	114	218	1000
	CURU	CURV	CURW	CURX	CURY	CURZ	CUSA	CUSB	CUSC	CUSD	CUSE
1997 Apr	110.2	119.7	148.3	105.5	125.8	104.2	111.1	118.0	110.3	122.4	116.6
May	110.9	120.4	148.9	106.0	126.0	103.7	111.6	118.1	110.5	123.0	117.0
Jun	111.8	120.6	149.2	105.4	126.2	103.3	111.4	118.5	110.5	123.3	117.2
Jul	111.3	121.1	149.3	100.3	126.2	102.8	109.6	119.4	110.3	123.4	116.7
Aug	112.6	121.3	151.2	102.3	126.4	102.8	110.8	120.0	110.2	124.0	117.5
Sep	112.2	121.4	151.5	106.3	126.6	100.0	111.6	120.4	110.7	124.4	117.9
Oct	112.2	121.7	151.7	106.0	126.8	100.0	111.4	120.3	110.8	124.8	118.0
Nov	111.6	121.1	151.8	107.2	126.9	99.6	112.3	120.0	110.7	124.8	117.9
Dec	111.7	120.6	155.1	106.7	127.0	99.1	113.2	120.0	110.7	125.2	118.1
1998 Jan	111.7	122.1	159.3	99.7	127.3	98.4	109.8	120.6	110.3	125.4	117.6
Feb	111.7	123.1	159.5	102.0	127.4	98.7	111.5	120.8	110.5	126.4	118.3
Mar	111.5	123.5	159.5	104.1	127.6	98.9	113.1	120.8	110.4	126.9	118.7
Apr	111.8	123.6	162.1	105.0	129.9	98.9	112.1	122.1	110.8	127.6	119.3
May	113.5	124.5	162.6	106.0	130.1	98.3	113.3	122.3	111.1	128.1	120.0
Jun	113.1	124.4	162.8	105.7	130.2	97.6	112.7	122.2	110.7	128.4	119.8
Jul	112.8	124.9	163.0	99.3	130.4	97.3	111.4	122.0	110.4	128.6	119.2
Aug	114.1	125.2	163.1	101.2	130.6	97.2	112.2	121.9	110.4	128.8	119.6
Sep	113.7	125.3	163.2	105.8	130.8	97.3	112.9	121.9	111.0	128.7	120.1
Oct	113.9	125.6	163.4	104.7	131.1	97.5	112.4	121.5	111.2	129.5	120.1
Nov	113.8	125.2	163.4	105.3	131.3	97.4	113.6	121.1	111.2	130.2	120.3
Dec	114.7	125.1	168.2	104.7	131.4	97.2	115.7	120.5	111.0	130.6	120.6
1999 Jan	115.1	126.5	172.0	97.6	131.5	97.3	111.3	121.2	110.7	130.6	120.0
Feb	115.4	126.8	172.1	100.0	131.5	97.2	112.8	121.2	110.6	131.0	120.4
Mar	114.7	126.8	178.2	101.6	131.4	97.5	114.5	122.6	110.7	131.3r	121.1
Apr	114.1	127.0	180.7	102.0	133.5	97.3	113.2	124.1	111.1	132.3	121.7
Annual Percentage Changes											
	Food	Alcoholic Drink	Tobacco	Clothing and Footwear	Housing	Fuel and Power	Household Goods and Services	Transport and Communication	Recreation Entertainment and Education	Other Goods and Services	Index of Consumer Prices ICP
	CGAP	CGAQ	CGAR	CGAS	CGAT	CGAU	CGAV	CGAW	CGAX	CGAY	CGAZ
1997 Apr	-0.9	2.5	6.9	1.2	4.1	-1.4	1.3	3.6	0.9	3.4	2.2
May	-1.1	2.7	6.7	1.5	4.1	-1.8	1.0	3.3	1.1	3.6	2.3
Jun	-0.3	2.4	6.7	1.1	4.0	-2.4	0.7	3.6	1.1	3.7	2.3
Jul	0.5	2.3	6.9	1.1	3.5	-2.9	0.7	4.5	1.3	3.8	2.5
Aug	0.7	2.5	8.2	1.8	3.6	-2.7	0.6	4.3	0.9	3.9	2.6
Sep	1.3	2.4	8.1	0.9	3.7	-5.5	0.7	3.5	1.0	3.8	2.3
Oct	1.9	2.4	8.2	0.5	3.8	-5.3	0.9	3.4	0.9	3.7	2.4
Nov	1.7	2.1	8.4	0.6	3.7	-5.1	0.8	3.4	0.5	3.7	2.3
Dec	1.8	2.2	8.6	0.1	3.7	-5.4	0.8	2.8	0.5	3.7	2.2
1998 Jan	1.0	3.0	9.4	-0.8	3.2	-5.6	0.9	2.6	0.4	3.9	2.0
Feb	1.3	3.2	9.1	-	3.1	-5.4	1.6	2.3	0.4	4.3	2.2
Mar	1.5	3.6	8.8	0.1	3.0	-5.3	1.3	2.4	0.5	4.4	2.3
Apr	1.5	3.3	9.3	-0.5	3.3	-5.1	0.9	3.5	0.5	4.2	2.3
May	2.3	3.4	9.2	-	3.3	-5.2	1.5	3.6	0.5	4.1	2.6
Jun	1.2	3.2	9.1	0.3	3.2	-5.5	1.2	3.1	0.2	4.1	2.2
Jul	1.3	3.1	9.2	-1.0	3.3	-5.4	1.6	2.2	0.1	4.2	2.1
Aug	1.3	3.2	7.9	-1.1	3.3	-5.4	1.3	1.6	0.2	3.9	1.8
Sep	1.3	3.2	7.7	-0.5	3.3	-2.7	1.2	1.2	0.3	3.5	1.9
Oct	1.5	3.2	7.7	-1.2	3.4	-2.5	0.9	1.0	0.4	3.8	1.8
Nov	2.0	3.4	7.6	-1.8	3.5	-2.2	1.2	0.9	0.5	4.3	2.0
Dec	2.7	3.7	8.4	-1.9	3.5	-1.9	2.2	0.4	0.3	4.3	2.1
1999 Jan	3.0	3.6	8.0	-2.1	3.3	-1.1	1.4	0.5	0.4	4.1	2.0
Feb	3.3	3.0	7.9	-2.0	3.2	-1.5	1.2	0.3	0.1	3.6	1.8
Mar	2.9	2.7	11.7	-2.4	3.0	-1.4	1.2	1.5	0.3	3.5r	2.0
Apr	2.1	2.8	11.5	-2.9	2.8	-1.6	1.0	1.6	0.3	3.7	2.0

The symbol r denotes revisions to previous months' data

3 FEPI - Index of Investment Prices (Experimental)

	Plant and Machinery	Vehicles, etc	New Buildings and Works	Transfer Costs of Land and Buildings	New Dwellings	Index of Investment Prices IIP
January 1992=100						
Weights						
1997	390	103	267	33	207	1000
1998	387	103	277	37	196	1000
1999	413	106	256	40	185	1000
	CUSG	CUSH	CUSF	CUSI	CUSJ	CUSK
1997 Apr	109.8	118.5	109.5	142.8	106.9	110.7
May	109.4	118.5	109.4	144.8	107.6	110.8
Jun	108.8	118.3	109.4	144.9	108.6	110.8
Jul	108.0	118.1	110.2	150.8	109.8	111.1
Aug	107.2	118.4	111.1	151.9	110.5	111.2
Sep	107.1	118.6	111.5	153.4	110.6	111.4
Oct	106.6	118.4	112.0	152.2	110.4	111.2
Nov	105.9	118.1	112.4	153.1	110.5	111.1
Dec	105.8	118.5	112.8	152.2	110.5	111.1
1998 Jan	105.6	119.1	113.3	151.7	110.6	111.3
Feb	105.0	118.8	113.8	153.6	111.2	111.3
Mar	104.5	119.5	114.3	154.9	113.1	111.7
Apr	103.7	119.3	114.6	159.6	115.0	111.9
May	103.8	120.4	115.0	160.3	115.9	112.4
Jun	102.9	120.1	115.3	161.0	117.7	112.4
Jul	102.2	120.4	115.8	165.4	118.9	112.7
Aug	101.5	121.2	116.1	165.1	119.5	112.7
Sep	100.5	120.9	116.5	165.9	120.0	112.5
Oct	100.3	121.3	117.1	166.1	120.2	112.6
Nov	100.3	122.4	117.7	165.6	119.7	112.8
Dec	99.8r	123.0	118.2	164.8	119.1	112.7
1999 Jan	100.2	122.8r	118.5	167.4r	118.8	112.9
Feb	100.1r	123.4r	118.8	169.2r	119.0r	113.0r
Mar	99.7r	123.4r	119.1	171.8r	120.8r	113.3r
Apr	99.2	123.4	119.3	174.6	122.8	113.6

Annual Percentage Changes

	Plant and Machinery	Vehicles, etc	New Buildings and Works	Transfer Costs of Land and Buildings	New Dwellings	Index of Investment Prices IIP
	CGBB	CGBC	CGBA	CGBD	CGBE	CGBF
1997 Apr	-5.9	-0.6	4.1	5.2	6.8	0.4
May	-5.2	-0.5	3.5	6.6	7.1	0.6
Jun	-5.1	-0.5	3.1	6.9	7.4	0.6
Jul	-4.8	-0.8	3.5	9.2	7.6	0.9
Aug	-6.0	-1.0	3.9	9.1	7.6	0.5
Sep	-5.3	-0.9	3.9	10.1	7.7	0.9
Oct	-5.7	-0.7	4.0	8.0	7.4	0.5
Nov	-4.2	0.4	4.0	8.7	7.3	1.3
Dec	-4.7	0.9	4.0	7.9	6.5	0.9
1998 Jan	-5.0	0.8	4.1	8.9	6.0	0.8
Feb	-5.6	0.1	4.3	8.3	6.5	0.6
Mar	-5.1	0.5	4.5	8.9	7.1	1.0
Apr	-5.6	0.7	4.7	11.8	7.6	1.1
May	-5.1	1.6	5.1	10.7	7.7	1.4
Jun	-5.4	1.5	5.4	11.1	8.4	1.4
Jul	-5.4	1.9	5.1	9.7	8.3	1.4
Aug	-5.3	2.4	4.5	8.7	8.1	1.3
Sep	-6.2	1.9	4.5	8.1	8.5	1.0
Oct	-5.9	2.4	4.6	9.1	8.9	1.3
Nov	-5.3	3.6	4.7	8.2	8.3	1.5
Dec	-5.7r	3.8	4.8	8.3	7.8	1.4
1999 Jan	-5.1	3.1r	4.6	10.3r	7.4	1.4
Feb	-4.7r	3.9r	4.4	10.2r	7.0r	1.5r
Mar	-4.6r	3.3r	4.2	10.9r	6.8r	1.4r
Apr	-4.3	3.4	4.1	9.4	6.8	1.5

The symbol r denotes revisions to previous months' data

4 FEPI - Index of Government Prices (Experimental)

					Annual percentage changes			
	Local Government Total	Central Government Total	Education Grants	Index of Government Prices IGP	Local Government Total	Central Government Total	Education Grants	Index of Government Prices IGP
January 1992=100								
Weights								
1997	347	589	64	1000				
1998	342	591	67	1000				
1999	350	567	83	1000				
	CUSL	CUSM	CUSN	CUSO	CGBG	CGBH	CGBI	CGBJ
1997 Apr	115.7	112.9	115.5	114.1	2.6	1.3	1.9	1.9
May	117.0	113.2	116.5	114.7	2.4	2.0	1.9	2.1
Jun	117.6	112.9	116.5	114.8	2.4	1.3	1.9	1.8
Jul	117.0	112.7	118.5	114.6	2.4	1.6	3.5	2.0
Aug	117.2	112.7	118.5	114.6	2.7	1.1	3.4	1.8
Sep	117.2	113.2	118.6	114.9	2.7	2.1	3.5	2.3
Oct	117.5	113.4	118.6	115.1	2.6	1.7	3.5	2.1
Nov	118.4	113.6	118.6	115.6	2.8	1.8	3.3	2.2
Dec	117.8	113.9	118.7	115.6	2.5	1.4	3.3	2.0
1998 Jan	118.3	114.6	119.8	116.2	2.5	1.8	3.7	2.2
Feb	118.2	114.1	119.8	115.9	2.3	1.2	3.7	1.8
Mar	118.9	114.4	119.7	116.3	2.5	1.6	3.6	2.1
Apr	118.6	114.7	119.8	116.3	2.5	1.6	3.7	1.9
May	120.1	114.3	120.7	116.7	2.6	1.0	3.6	1.7
Jun	120.7	114.7	120.6	117.1	2.6	1.6	3.5	2.0
Jul	120.4	114.6	121.1	117.0	2.9	1.7	2.2	2.1
Aug	119.6	115.3	121.1	117.1	2.0	2.3	2.2	2.2
Sep	119.6	114.9	121.1	116.9	2.0	1.5	2.1	1.7
Oct	120.2	115.5	121.1	117.5	2.3	1.9	2.1	2.1
Nov	121.1	115.9	121.2	118.0	2.3	2.0	2.2	2.1
Dec	120.5	116.7	121.2	118.3	2.3	2.5	2.1	2.3
1999 Jan	121.0	117.5	122.0	119.0	2.3	2.5	1.8	2.4
Feb	120.9	117.8	123.0r	119.2r	2.3	3.2	2.7r	2.8
Mar	121.0r	117.9r	123.0r	119.3r	1.8r	3.1r	2.8r	2.6r
Apr	121.2	117.8	123.0	119.3	2.2	2.7	2.7	2.6

The symbol r denotes revisions to previous months' data

Employment in the Public and Private Sectors



Duncan MacGregor
Employment, Earnings and Productivity Division
Office for National Statistics
 Room 249
 P.O. Box 12
 RUNCORN
 Cheshire WA7 2GJ
 Tel: 01928 792560 Fax: 01928 792145
 E-mail: duncan.macgregor@ons.gov.uk

Introduction

This article presents data (updated to June 1998) on employment in the public and private sectors. A similar article that presented data to June 1997 was published in the March 1998 edition of *Economic Trends*. It shows the relative overall size of the two sectors (Table A) and gives a more detailed analysis of employment in the public sector. Table B compares UK Workforce jobs (formerly workforce in employment) over ten years. Table C gives sector information by industry group (based on the Standard Industrial Classification (SIC) 1992). Table D gives information by public sector major category and also includes data on a full-time equivalent basis as well as by headcount. Information relating to the European System of Accounts (ESA 95) can be found in the appendix of the article. Please note all figures shown are unadjusted for seasonal variation.

Analysis by Sector (Table A and Chart 1)

The total Workforce jobs increased by 257,000 between 1997 and 1998.

In 1998, 82 per cent (22.5 million) of the Workforce jobs were in the private sector (this included 3.5 million Self-employment jobs). This is 275,000 higher than the previous year. In 1998, there were 5 million employees in the public sector. This shows a decrease of 18,000 (-0.4 per cent) on the previous year and compares with decreases of 121,000 in 1996 and 79,000 in 1997.

General government fell by 26,000 (-0.7 per cent) between 1997 and 1998. This included decreases of: 11,000 (-1.2 per cent) in Central government; and 15,000 (-0.6 per cent) in Local government

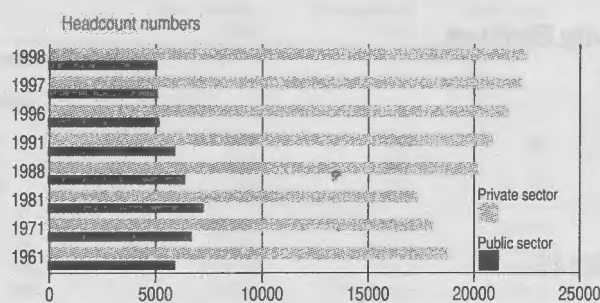
TABLE A

Analysis of UK Workforce jobs by sector: headcount, midyear 1961, 1971, 1981, 1988, 1991 & 1996-98

		Thousands							
		1961	1971	1981	1988	1991	1996	1997	1998
Total workforce jobs	DYDA	24,685	24,669	24,500	26,461	26,685	26,708	27,210	27,467
Private sector	DYBI	18,826	18,042	17,315	20,146	20,837	21,609	22,190	22,465
Government-supported trainees	DYDZ	..	..	..	343	353	181	159	115
Public sector	FHCE	5,859	6,627	7,185	6,315	5,848	5,099	5,020	5,002
Public non-financial corporations	DYBH	2,200	2,009	1,867	912	723	1,544	1,531	1,539
National Health Service Trusts	CGXN	..	..	..	..	124	1,102	1,121	1,122
Other	FHCC	2,200	2,009	1,867	912	599	442	410	417
General government	FHCA	3,659	4,618	5,318	5,403	5,125	3,555	3,489	3,463
Central government	FHBT	1,790	1,966	2,419	2,322	2,178	931	896	885
HM Forces	BCAH	474	368	334	316	297	221	210	210
National Health Service	FHBR	575	785	1,207	1,228	1,098	84	78	77
Other	FHBS	741	813	878	778	783	626	608	598
Local government	DYBG	1,869	2,652	2,899	3,081	2,947	2,624	2,593	2,578
Education	FHBU	785	1,297	1,454	1,504	1,416	1,191	1,193	1,204
Social services	FHBV	170	276	350	405	414	406	403	395
Police	FHBW	108	152	186	194	202	207	206	207
Construction	FHBX	103	124	143	125	106	76	65	59
Other	FHBY	703	803	766	764	809	744	726	713
Community Programme	CUKE	..	..	..	89	..	..	..	..

Chart 1

Employment by sector midyear 1961, 1971, 1981, 1988, 1991, 1996-1998



employment. This year saw an increase of 11,000 (+0.9 per cent) in Education between 1997 and 1998; Nationalised Industries increased by 7,000 (+2.4 per cent) the first annual increase since 1979.

Since 1988, employment by public non-financial corporations (excluding NHS Trusts), has fallen by around 495,000 (-54 per cent) to 417,000 in 1998. General government has fallen by 1.9 million (-36 per cent) over the same period. There was a decrease in local government employment of 503,000 (-16 per cent), particularly in education which fell by 300,000 (-20 per cent).

Table B

UK employment: midyear 1988

	Total employed	Thousands					
		Male			Female		
		Total	Full-time	Part-time	Total	Full-time	Part-time
Workforce jobs	26,461	15,108	..	..	11,354	..	..
Self-employment jobs	3,547	2,635	..	..	913	..	..
HM Forces	316	300	..	..	16	..	..
Government supported trainees	343	205	..	..	138	..	..
Employee jobs	22,256	11,969	..	..	10,287	..	..
Education	1,810	570	..	..	1,240	..	..
Health, social work & other services provided to the public	2,461	569	..	..	1,892	..	..
Public administration, defence & compulsory social security	1,477	831	..	..	646	..	..
Production, transport & utilities	7,698	5,726	..	..	1,971	..	..
Other	8,810	4,273	..	..	4,537	..	..

UK employment: midyear 1998

	Total employed	Thousands					
		Male			Female		
		Total	Full-time	Part-time	Total	Full-time	Part-time
Workforce jobs	27,467	14,809	..	..	12,659	..	..
Self-employment jobs	3,462	2,506	..	..	957	..	..
HM Forces	210	194	..	..	16	..	..
Government supported trainees	115	71	..	..	44	..	..
Employee jobs	23,680	12,038	10,549	1,489	11,642	6,329	5,313
Education	1,886	536	394	142	1,350	615	735
Health, social work & other services provided to the public	2,770	612	455	156	2,158	1,086	1,072
Public administration, defence & compulsory social security	1,331	692	651	41	639	462	177
Production, construction, transport & utilities	6,849	5,046	4,882	164	1,803	1,413	390
Other	10,845	5,153	4,167	986	5,692	2,753	2,940

Analysis of the UK Workforce jobs (Table B)

Since 1988 total Workforce jobs has increased by over 1 million (+3.8 per cent); Self-employment jobs decreased by 85,000 (-2.4 per cent); HM Forces and Government-supported trainees totals have decreased by 106,000 (-34 per cent) and 228,000 (-67 per cent) respectively. Within Employee jobs; Production, construction, transport & utilities fell by 849,000 (-11 per cent), whereas Health, social work and other services provided to the public increased by 309,000 (+13 per cent).

Analysis by Industry Group (Table C and Chart 2)

Chart 2 shows the distribution of public sector employee jobs by industry group. This is expanded further in table C which shows the split between the public and private sector for certain industries. Public sector is defined here as including central government, local authorities and public non-financial corporations.

Public sector Education has retained a constant share of total public sector employment: 25 per cent in both 1988 and 1998. However, the public element within the education sector dropped from 83 per cent to 64 per cent of total education employment between 1988 and 1998.

In 1998, 33 per cent of all public sector employees worked in Health, social work and other services provided to the public, compared with 27 per cent in 1988. The public sector share of total employment in these industries dropped from 66 per cent to 58 per cent in 1998.

In 1998, employment in Public administration, defence and compulsory social security was 28 per cent of total public sector employment; compared with 25 per cent in 1988. Total numbers have fallen by 146,000 over the same period.

In 1998, total employment in industries covering Production, construction, transport and utilities decreased by 849,000 (-11 per cent) to 6.8 million. As a proportion of the total public sector the number of employees fell from 17 per cent in 1988 to 9.9 per cent in 1998, largely because of privatisations.

Availability of Other Data

Other employment data published by the ONS can be found in *Labour Market Trends*; *United Kingdom National Accounts*, the *ONS Blue Book*; *Monthly Digest of Statistics* and *Annual Abstract of Statistics*. Data underlying the figures for general government are produced quarterly and are available on request.

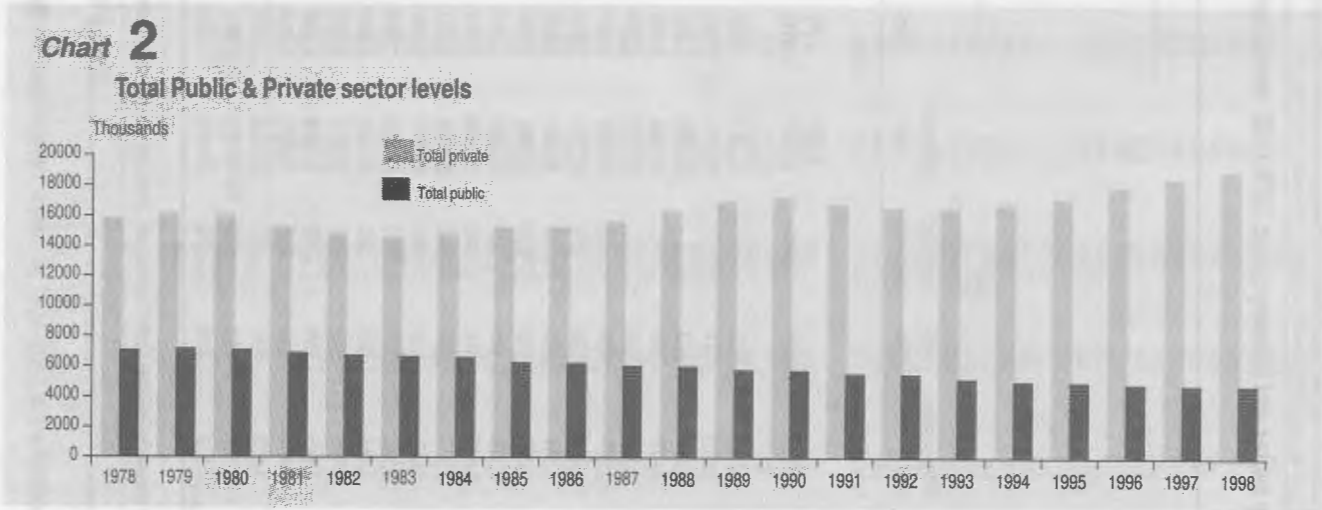


TABLE C

UK employment by sector and industry group 1978-1998: headcount, midyear

Thousands																		
SIC 1992					Employee jobs													
Workforce jobs	Employment jobs	HM Forces	Self-Government-supported trainees	Employee jobs	Education			Health, social work & other services provided to the public			Public administration, defence & compulsory social security	Production, construction, transport & utilities *			Other *		Total Public Sector	
					Total	Private	Public	Total	Private	Public	Public Total	Total	Private	Public	Total Public & Private			
	CGYL	CGYM	CGYN	CGYO	01-99 CGYP	80 CGYQ	CGYR	CGYS	85 & 91 CGYT	CGYU	CGYV	75 CGYW	10 - 45 60 - 64 CGYX	CGYY	CGYZ	01 - 05, 50 - 55 65 - 74, 90 & 92 - 99 CGZA	CGZD	CGZE
1978	25,128	2,023	318	..	22,787	1,593	81	1,512	1,771	317	1454	1,646	10,185	7,969	2216	7,591	15,748	7,039
1979	25,504	2,020	314	..	23,170	1,630	91	1,539	1,831	335	1496	1,642	10,209	7,988	2221	7,858	16,035	7,135
1980	25,456	2,145	323	..	22,988	1,612	111	1,501	1,891	371	1520	1,596	9,921	7,731	2190	7,968	15,924	7,064
1981	24,500	2,276	334	..	21,890	1,586	132	1,454	1,938	381	1557	1,559	9,054	7,044	2010	7,754	15,039	6,851
1982	24,061	2,326	324	..	21,412	1,579	145	1,434	1,972	393	1579	1,525	8,582	6,694	1888	7,753	14,715	6,697
1983	23,778	2,375	322	16	21,065	1,587	153	1,434	2,001	414	1587	1,523	8,179	6,386	1793	7,775	14,435	6,630
1984	24,674	2,937	326	175	21,236	1,612	182	1,430	2,055	464	1591	1,507	8,030	6,305	1725	8,032	14,662	6,574
1985	24,974	3,051	326	176	21,421	1,639	210	1,429	2,149	550	1599	1,479	7,933	6,557	1376	8,222	15,178	6,243
1986	25,025	3,092	322	226	21,385	1,686	234	1,452	2,222	620	1602	1,473	7,703	6,391	1312	8,301	15,173	6,212
1987	25,538	3,326	319	311	21,582	1,747	261	1,486	2,315	705	1610	1,492	7,605	6,492	1113	8,423	15,542	6,040
1988	26,461	3,547	316	343	22,256	1,810	306	1,504	2,461	828	1633	1,477	7,698	6,661	1037	8,810	16,257	5,999
1989	27,306	3,877	308	462	22,659	1,853	411	1,442	2,447	810	1637	1,401	7,746	6,796	950	9,211	16,883	5,776
1990	27,573	3,928	303	423	22,918	1,880	449	1,431	2,462	824	1638	1,442	7,649	6,750	899	9,486	17,169	5,749
1991	26,685	3,766	297	353	22,268	1,868	452	1,416	2,519	883	1636	1,462	7,104	6,399	705	9,315	16,717	5,551
1992	25,985	3,441	290	325	21,929	1,846	456	1,390	2,606	965	1641	1,464	6,732	6,073	659	9,282	16,437	5,492
1993	25,638	3,445	271	311	21,611	1,829	628	1,201	2,644	1,041	1603	1,460	6,386	5,766	620	9,292	16,405	5,206
1994	25,795	3,545	250	302	21,698	1,853	677	1,176	2,662	1,077	1585	1,441	6,363	5,814	549	9,379	16,656	5,042
1995	26,085	3,604	230	225	22,025	1,864	676	1,188	2,700	1,102	1598	1,404	6,404	5,864	540	9,652	17,035	4,990
1996	26,708	3,599	221	181	22,706	1,883	692	1,191	2,712	1,120	1592	1,406	6,541	6,023	518	10,164	17,828	4,878
1997	27,210	3,587	210	159	23,253	1,888	695	1,193	2,738	1,136	1602	1,358	6,703	6,228	475	10,567	18,443	4,810
1998	27,467	3,462	210	115	23,680	1,886	682	1,204	2,770	1,176	1594	1,331	6,849	6,373	476	10,845	18,888	4,792

* Employee jobs include more small private sector businesses, particularly in the construction and business services sectors, from 1996 onwards. An article referring to this subject was published in the July 1998 edition of *Labour Market Trends* (pp387-389)

Table D

UK public sector employment 1961-1998 by major categories: headcount and full time equivalents, midyear¹

Thousands

Headcount	General government																	Total public sector FHCE	of which: Civil Service ⁶ CGXU
	Central government				Local government							Public non-financial corporations ²							
	HM Forces CGYN	National Health Service FHBR	Other central government FHBS	Total central government FHBT	Education FHBU	Social services FHBV	Con- struction FHBW	Police (incl. civilians) FHBX	Other local government FHBV	Local authorities community programme CUKE	Total local government DYBG	Total general government FHCA	Nation- alised industries FHCB	NHS Trusts CGXN	Other public (nf) corpora- tions FHCC	Total public (nf) corpora- tions DYBH			
1961	474	575	741	1,790	785	170	103	108	703		1,869	3,659	2,152	..	48	2,200	5,859	672	
1971	368	785	813	1,966	1,297	276	124	152	803		2,652	4,618	1,856	..	153	2,009	6,627	714	
1972	336	821	813	1,970	1,365	295	128	159	824		2,771	4,741	1,769	..	160	1,929	6,670	703	
1973	320	848	815	1,983	1,436	315	130	162	848		2,891	4,874	1,731	..	159	1,890	6,764	709	
1974	319	911	884	2,114	1,453	272	135	160	762		2,782	4,896	1,777	..	208	1,985	6,881	706	
1975	332	1,042	923	2,297	1,508	309	164	171	765		2,917	5,214	1,816	..	219	2,035	7,249	717	
1976	335	1,092	936	2,363	1,521	319	165	175	776		2,956	5,319	1,752	..	228	1,980	7,299	763	
1977	323	1,099	932	2,354	1,506	322	155	172	766		2,921	5,275	1,866	..	223	2,089	7,364	762	
1978	318	1,120	926	2,364	1,512	334	155	170	761		2,932	5,296	1,844	..	217	2,061	7,357	751	
1979	314	1,152	921	2,387	1,539	344	156	176	782		2,997	5,384	1,849	..	216	2,065	7,449	739	
1980	323	1,174	896	2393	1,501	346	152	181	776		2,956	5,349	1,816	..	222	2,038	7,387	715	
1981	334	1,207	878	2,19	1,454	350	143	186	766		2,899	5,318	1,657	..	210	1,867	7,185	698	
1982	324	1,227	849	2,400	1,434	352	132	186	761		2,865	5,265	1,554	..	202	1,756	7,021	672	
1983	322	1,227	835	2,384	1,433	360	130	187	768	27	2,905	5,289	1,465	..	198	1,663	6,952	654	
1984	326	1,223	810	2,359	1,430	368	126	187	773	58	2,942	5,301	1,410	..	189	1,599	6,900	630	
1985	326	1,223	811	2,360	1,429	376	125	187	774	67	2,958	5,318	1,131	..	120	1,251	6,569	608	
1986	322	1,215	800	2,337	1,452	387	125	188	770	88	3,010	5,347	1,058	..	129	1,187	6,534	610	
1987	319	1,212	781	2,312	1,486	398	128	191	763	96	3,062	5,374	864	..	121	985	6,359	599	
1988	316	1,228	778	2,322	1,504	405	125	194	764	89 ⁴	3,081	5,403	791	..	121	912	6,315	593	
1989	308	1,226	781	2,315	1,442 ³	411	119	195	771		2,938	5,253	719	..	112	831	6,084	586	
1990	303	1,221	776	2,300	1,431	417	114	199	806		2,967	5,267	675	..	110	785	6,052	579	
1991	297	1,098	783	2,178	1,416	414	106	202	809		2,947	5,125	497	124	102	723	5,848	576	
1992	290	917	801	2,008	1,390	410	97	204	797		2,898	4,906	457	314	105	876	5,782	592	
1993	271	543	792	1,606	1,201 ⁵	398	90	207	783		2,679	4,285	437	662	93	1,192	5,477	579	
1994	250	177	758	1,185	1,176	408	87	206	768		2,645	3,830	382	1,000	80	1,462	5,292	553	
1995	230	97	708	1,035	1,188	412	83	207	749		2,639	3,674	344	1,089	113	1,546	5,220	532	
1996	221	84	626	931	1,191	406	76	207	744		2,624	3,555	323	1,102	119	1,544	5,099	512	
1997	210	78	608	896	1,193	403	65	206	726		2,593	3,489	295	1,121	115	1,531	5,020	493	
1998	210	77	598	885	1,204	395	59	207	713		2,578	3,463	302	1,122	115	1,539	5,002	484	
Full-time equivalents	CGYN	CGXY	CGXZ	CGYA	CULZ	CUMB	CGYB	CUMD	CGYC	CGYD	CGYE	CGYF	CGYG	CUMP	CGYH	CGYI	CGYJ	CGYK	
1977	327	947	866	2,140	1,099	222	152	168	683		2,324	4,464	1,835		223	2,058	6,522	749	
1978	318	957	885	2,160	1,105	228	152	165	675		2,325	4,485	1,843		217	2,060	6,545	739	
1979	314	977	897	2,188	1,110	235	150	172	701		2,368	4,556	1,818		216	2,034	6,590	727	
1980	323	1,001	872	2,196	1,087	235	146	176	699		2,343	4,539	1,785		222	2,007	6,546	703	
1981	334	1,038	853	2,225	1,058	240	136	180	692		2,306	4,531	1,656		206	1,862	6,393	687	
1982	324	1,047	827	2,198	1,041	241	131	180	681		2,274	4,472	1,538		198	1,736	6,208	662	
1983	322	1,046	812	2,180	1,034	246	130	182	686	23	2,301	4,481	1,444		197	1,641	6,122	645	
1984	326	1,032	787	2,145	1,027	251	126	182	689	45	2,320	4,465	1,390		188	1,578	6,043	622	
1985	326	1,028	788	2,142	1,021	256	125	182	689	52	2,325	4,467	1,118		118	1,236	5,703	599	
1986	322	1,016	776	2,114	1,029	263	125	184	675	76	2,352	4,466	1,043		127	1,170	5,636	600	
1987	319	1,018	756	2,093	1,043	271	128	186	677	72	2,377	4,470	850		119	969	5,439	587	
1988	316	1,013	751	2,080	1,046	277	125	189	674	67	2,378	4,458	775		119	894	5,352	580	
1989	308	1,013	763	2,084	992	283	119	191	681		2,266	4,350	703		110	813	5,163	571	
1990	303	1,008	765	2,076	990	288	114	194	692		2,278	4,354	659		108	767	5,121	562	
1991	297	904	766	1,967	982	287	105	197	720		2,291	4,258	482	102	100	684	4,942	564	
1992	290	750	783	1,823	970	286	97	199	706		2,258	4,081	442	256	103	801	4,882	573	
1993	271	424	772	1,467	840	279	90	201	695		2,105	3,572	423	540	91	1,054	4,626	559	
1994	250	158	733	1,141	818	288	86	201	685		2,078	3,219	367	794	78	1,239	4,458	534	
1995	230	69	681	980	806	295	82	201	664		2,048	3,028	330	876	111	1,317	4,345	512	
1996	221	65	605	891	817	288	75	202	632		2,014	2,905	309	884	117	1,310	4,215	492	
1997	210	65	587	862	815	284	62	201	613		1,975	2,837	281	903	113	1,297	4,134	472	
1998	210	64	577	851	819	277	57	202	598		1,953	2,804	288	905	113	1,306	4,110	463	

¹ The Appendix gives details of the definitions and coverage of sectors and success of the statistics and the many changes in them between 1981 and 1994 (except in the case of the Civil Service which is documented back to 1969).

² Details of transfers of public non-financial corporations to the private sector, including the numbers of employees involved, are given in Appendix.

³ Polytechnics were transferred to the private sector in April 1989.

⁴ Community Programme employees were transferred to the Employment Training Scheme during the third quarter of 1988.

⁵ FE colleges and 6th-form school employees were transferred to the private sector from April 1993.

⁶ Great Britain only.

APPENDIX: DEFINITION OF THE SECTORS

European System of Accounts (ESA95)

The European System of Accounts which forms the basis for the UK economic accounts, consists of a coherent, consistent and integrated set of accounts based on a set of internationally agreed concepts, definitions, classifications and accounting rules. The accounts are compiled for a succession of time periods and cover economic activities, the economy's productive assets and the wealth of its inhabitants.

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*, and in *United Kingdom National Accounts: Concepts, Sources and Methods*. 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 and grant-funded education establishments may be subject to more substantial revision because they are estimated from a variety of sources.

ESA 95 Classification		Previous classification system	
S.11	Non-financial corporations	200.00	Industrial & commercial companies and Public corporations
S.11001	Public non-financial corporations	230/311	Public corporations
S.13	General government	300.00	General government
S.1311	Central government	310.00	Central government
		312.00	Non-trading
		313.00	Social security funds
S.1313	Local government	320.00	Local Authorities
		321.00	Trading
		322.00	Non-trading
S.1314	Social security funds	N/A	Social security funds are classified to central government under ESA 95 as UK funds do not meet the criteria for S.1314

Please note this is not a complete list of the new and old classification systems.

General Government

This sector includes all institutional units which are non-market producers whose output is intended for individual and collective consumption, and are mainly financed by compulsory payments made by units belonging to other sectors. It also includes all institutional units principally engaged in the redistribution of the national income and wealth.

Central Government

This sub-sector of general government includes all administrative departments of the State and other central agencies whose competence extends normally over the whole economic territory. In the UK the administration of social security funds is an integral part of central government concerning both its funding and decision-making, and so cannot be separately classified as social security funds.

Some trading bodies that were classified as central government under the previous system are now public non-financial corporations because they are market producers, manage their own finances, and have sufficient autonomy to be classified as institutional units. ECGD (Export Credit Guarantee Department) is also a market producer but its finances are not sufficiently independent of central government for it to be regarded as an institutional unit in its own right; it is therefore within the central government sector.

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, locally engaged staff overseas nor employees of grant aided bodies - other than those in HSE and ACAS) as well as those employed in the executive agencies. Apart from some public corporations (e.g. Royal Mint) the Civil Service is included in "Other Central Government" along with the Northern Ireland Civil Service and a number of smaller bodies, e.g. the British Library.

Further analysis of Civil Service manpower figures at 1st April 1998 can be found in the publication *Civil Service Statistics 1998(c)*.

Local government

This sector consists of all local government authorities which both have power to raise funds by means of rates, levies and council tax etc. and which are obliged to make annual returns of income and expenditure under successive local government acts. 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 and

construction departments) and includes trading activities of local authorities, such as housing, theatres etc. Under the Schools Standards and Framework Act 1998, all existing types of schools, including Grant-maintained schools, will be replaced on 1 September 1999 by new categories of Community, Foundation, Voluntary Controlled and Voluntary Aided schools. For GM schools, this means that, like other state schools, they will be maintained by their Local Education Authorities.

Polytechnics and HE colleges were transferred from local authority control from April 1989 as were FE and 6th-form colleges from April 1993. These are all now regarded as part of the private sector (non-profit making bodies).

Public non-financial corporations

Public corporations are public trading bodies which have substantial degrees of financial independence from the public authority which created them. They are publicly controlled to the extent that the public authority, i.e. central or local government, usually appoints the whole or a majority of the board of management. 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 bodies controlled by central government are classified as being public corporations rather than central government such as the Royal Mint.

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

Public Sector

Comprises general government and public non-financial corporations.

Private Sector

Private non-financial corporations, financial corporations including the Bank of England, households and the Non-profit institutions serving households.

Classification by Industry

Industries are classified according to the "Standard Industrial Classification of Economic Activities 1992"

Sources of the Statistics

The figures for total Workforce jobs and Government-supported trainees, together with the industrial analyses of employee jobs and the self-employment jobs are aggregated from those compiled by the Employment, Earnings & Productivity Division (BSG) and Labour Market Division (SESAG) of the Office for National Statistics; the Department of Economic Development, Northern Ireland and DfEE.

Estimates of employment in central government are obtained from a number of sources. HM Forces and National Health Services figures are

obtained from the EEPD within the Office for National Statistics. Other Central government consists largely of those employed in the Civil Service. These numbers are obtained from the Personnel Management & Conditions of Service Division of the Cabinet Office. The remainder of central government employees are derived from the Cabinet Office Public Bodies publication.

Public non-financial corporations data are derived from the ONS Inter Departmental Business Register (IDBR) and other regular surveys carried out by both the Business Statistics Group (responsible for Annual Employment and Short-term Employment Surveys).

Local government data is supplied by the Local Government Management Board through the Joint Staffing Watch surveys. Police data are obtained from the Home Office and Education figures are produced by the EEPD within the ONS.

Full-time equivalent employment

To provide a more refined 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. In the case of the Civil Service from 1939 to 1995; part-time staff working 10 hours or more per week were each counted as half a member of staff in arriving at a full-time equivalent figure. From 1 April 1995 the method of counting part-time staff was changed in order to reflect more accurately the resources used. This change was made in recognition of the increase, over recent years, in the number of staff working part-time who are now included in the FTE total as a proportion of a full-time employee according to the proportion of full-time hours worked.

Part-time staff working fewer than 10 hours per week are now included in Headcount and FTE totals. Figures for earlier years were re-estimated on the basis of the new methodology to enable comparisons over time.

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 1998

Definitions, Coverage and Consistency of Statistics

Central Government

- The Victoria & Albert and Science museums were accorded trustee status on 1 April 1984, reducing civil service numbers by some 1,100.
- 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 1,100 employees.
- On 2 January 1985, Royal Ordnance Factories became a Companies Act company, reducing civil service numbers by approximately 19,000.
- United Kingdom Atomic Energy Authority was reclassified as a public corporation from 1 April 1986.
- The Devonport and Rosyth dockyards were contracted out on 6 April 1987, reducing civil service manpower by around 16,500.
- National Rivers Authority, set up on 10 July 1989, increased central government employment at mid 1990 by 6,600.
- 3,300 staff in the Department of Health Special Hospitals were excluded from early 1990.
- National Health Service Trusts were classified to the public corporation sector as from their establishment on 1 April 1991.
- The Projects Division of Property Services Agency (Services) was sold to Tarmac in December 1992 and about 3,400 staff are excluded from that date.
- On 1 April 1993 commercial management was introduced at the Ministry of Defence Atomic Weapons Research Establishment (AWRE), about 6,300 staff excluded from that date.
- The sale of Building Management businesses of PSA during 1993-94 resulted in 8,500 staff being transferred to the private sector.
- On 24 February 1994 the Directorate of Telecommunications Bureau (HO) was privatised and 500 staff were transferred to the private sector.
- On 1 April 1994 Security & Intelligence Services staff were placed under the Cabinet Office. Previously they had been included in the MoD (4,900 staff) and the Foreign & Commonwealth Office (1,630).
- During July 1994 some 1,000 Inland Revenue IT staff were transferred to EDS, a private sector company.
- On 1 September 1994 the Public Trust Office was established.
- On 1 April 1995 the Meat Hygiene Service Executive was formed with about 800 staff transferring from Local Authorities.
- On 1 April 1995 the Defence Evaluation and Research Agency was formed.
- On 3 April 1995 the Court Service and the Scottish Court Service were established.
- On 5 July 1995 Employment (ED) Group abolished:
 - Employment Main (Over 4,200 staff) and Employment Service Agency (approx. 40,400) merged with DFE (2,000 staff) to become the Department for Education and Employment (DfEE) total staff approx. 47,000.
 - Health and Safety Executive (HSE) went to Department of the Environment (DoE) (4,300 staff).
 - Advisory Conciliation and Arbitration Service (ACAS) went to DTI (600 staff).
 - Labour Market Statistics Group went to CSO (now called ONS) (190 staff).
 - Industrial Relations Division of ED moved to DTI (750 staff).
- On 30 September 1995 National Physical Laboratory was privatised (533 staff).
- On 1 October 1995 the Central Veterinary Laboratory became Veterinary Laboratories Agency, 400 staff transferred from MAFF.
- On 1 November 1995 the National Engineering Laboratory was privatised (217 staff transferred to private sector).
- On 1 January 1996 responsibility for the Security Facilities Agency (1,200 staff) and the Buying Agency (120 staff) transferred from DoE to the Cabinet Office (Office of Public Service).

- During January 1996 a further 800 Inland Revenue IT staff were transferred to EDS, a private sector company.
- 1 February 1996 Pay and Personnel agency was formed (MoD) from the remainder of staff (approx. 1,000 staff) in the Defence Accounts Agency. The DAA ceased to exist.
- 31 March 1996 Transport Research Laboratory privatised (approx. 450 staff).
- 31 March 1996 Laboratory of the Government Chemist privatised (270 staff).
- On 1 April 1996 the following changes occurred:
 - HM Inspectorate of Pollution (DoE) (340 staff) transferred to the Environment Protection Agency (Non-Departmental Public Body).
 - The Metropolitan Police Forensic Science Laboratory (360 staff) merged with Forensic Science Service (executive agency of the Home Office).
 - The CSO (approx. 1,400 staff) and OCPS (approx. 2,000 staff) merged to form the Office for National Statistics
 - About 900 Regional Health Authority staff were transferred to the Department of Health.
- In the second quarter of 1996 the Environment Agency was set up when parts of Department of the Environment, Local Authorities and the National Rivers Authority were merged into one body to concentrate on the protection of the environment.
- On 1 August 1996 Chessington Computer Centre was sold to a consortium made up of a management and employee buyout team, Integris UK and Close Brothers (370 staff).
- On 30 September 1996 HM Stationery Office was sold to National Publishing Group, 2,600 staff.
- On 30 September 1996 Teachers Pension Agency (an executive agency of the DfEE) transferred to Capita Managed Services Ltd. (380 staff)
- On the 1 October 1996 Employment Service transferred 3,450 non-industrial staff to Benefits Agency due to the introduction of Job Seekers allowance.
- The following new agencies of the MoD were formed:
 - on the 1 October 1996, the Defence Intelligence and Security agency (100 staff)
 - on 2 December 1996, The Army Personnel Centre (1,530 staff)
 - on 9 December 1996, RAF Logistics Support Services (740 staff)
 - on 11 December 1996, Ship Support Agency (2,230 staff)
 - on 11 December 1996, Naval Bases and Supplies Agency (9,240 staff)
- The largest reductions in the three months to 1 January 1997 occurred in :
 - DfEE (1,400 down) mainly reflecting the introduction of an early severance scheme
 - the Benefits Agency (1,060 down) reflecting their policy of not replacing staff who leave.
- The largest increases in the three months to 1 January 1997 occurred in :
 - at the Child Support Agency (280 up) due to changes in the Child Support act.
- An increase of 110 staff at MAFF, special units were set up in London and the Regional Offices in a response to dealing with BSE.
- On 19 March 1997 about 600 staff of the Building Research Establishment, an executive agency of the Department of the Environment, transferred to the private sector.
- Department of Environment (810 down) reflecting the sale of the Building Research Establishment (BRE) agency (630 staff) to the BRE Management Bid team on 19 March 1997, and a voluntary early retirement scheme.
- On 1 April 1997 about 1,200 staff of ADAS, an executive agency of the Ministry of Agriculture, Fisheries and Food, transferred to the private sector.
- On 1 April 1997 about 600 staff of Paymaster, an executive agency of HM Treasury were transferred to EDS, a private sector company.

- In the three months to the first of April 1997 the following reductions occurred:
 - the Benefits Agency (1,860 down), reflecting their "Change Programme" policy of working practices.
 - Paymaster, an executive agency of HM Treasury with 560 staff, which was sold to EDS on 1 April 1997
 - 26 staff resulted from the exclusion of the Crown Estates Office, none of whose staff are now classified as civil servants.
- The largest increase in permanent staff in the three months to 1 April 1997 was at the Child Support Agency (390 up), due to changes in the Child Support Act.
- On 24 April 1997 about 1,440 staff of the Ministry of Defence Support Services Division transferred to Cinven, a private sector company.
- On 1 June 1997 a new agency of the MoD was formed - Specialist Procurement Services Agency (820 staff)
- In the three months to 1 July 1997 the largest reductions/transfers in permanent staff occurred in:
 - the Benefits Agency (920 down), reflecting organisational changes.
 - the DfEE (620 down) mainly due to transfer of 590 to DETR on 16 June.
 - the DTI (610 down) due to transfer to DETR again on 16 June.
- To the 1 July 1997 the Prison Service staff numbers increased by 530 and the Scottish Prison Service by 310 staff in response to the increasing prison population.
- In the three months to October 1997 the following reductions occurred:
 - the Benefits Agency (860 down)
 - the MoD (480 down)
 - the Inland Revenue (410 down)
- On the 31 December 1997 Armed Forces Personnel Administration contracted out some 650 staff to EDS.
- In the three months to January 1998 the following reductions occurred:
 - the Benefits Agency (1,700 down)
 - the MoD (790 down)
 - Customs & Excise (400 down)
- To the 1 January 1998 the prison service increased by 200 staff

- In the three months to April 1998 the following reductions occurred:
 - the Benefits Agency (2,200 down)
 - the MoD (1,500 down)
 - the Home Office (1,100 down)

- The main transfers of staff and functions out of the Civil Service in the three months to April 1998 were:

In March 1998 the Fleet Maintenance and Repair function of the Naval Bases and Supplies Agency (MoD) was transferred to Fleet Support Ltd. (1,140 staff).

On 1 April 1998 the Historic Royal Palaces Agency (Dept. for Culture, Media and Sport), became an Executive Non-Departmental Public Body (450 staff).

On 1 April 1998 Marine Safety and Coastguard Agencies merged to form Maritime and Coastguard Agency (941 staff).

On 1 April 1998 the National Criminal Intelligence Service (Home Office) became a Service Authority (similar to a police authority) outside the Civil Service (564 staff).

On 1 April 1998 the Police Information & Technology Organisation (Home Office) became an Executive Non-Departmental Public Body (325 staff).

The largest increases in numbers of permanent staff leading up to April 1998 were 600 staff in HM Prison Service, in response to the increasing prison population. In the same period 260 additional staff were employed by the Driver and Vehicle Licensing Agency to support the introduction of the photocard licence.

On 1 April 1998 Defence Communication Services Agency (MoD) launched (517 staff)

Local Authorities

Polytechnics and higher education institutions in England were transferred from the local authority sector in April 1989, reducing the numbers by 60,000 (3,900 FTE).

Schools opting-out of local authority control (i.e. grant maintained schools) are classified to central government not the private sector as first stated. Opting-out began in September 1989. There were approximately 10,000 and 23,000 teachers (on a full-time equivalent basis) at mid-1992 and mid-1993 respectively, in grant maintained schools.

Both further education (FE) and 6th form college funding transferred from local authority control on 1 April 1993. This involved approximately 119,000 academic and non-academic staff (on a full-time equivalent basis) being transferred to the private sector at mid-1993.

Public non-financial corporations

The public corporations in existence at 1 January 1998 are listed below.

Name of corporation	Commencing or vesting date	
Air Travel Trust		Local Authority Airports
Audit Commission	April 1983	Local Authority Bus Companies
British Broadcasting Corporation (BBC)	1927	London Regional Transport ¹
British Coal Corporation ¹	January 1947	Medicines Control Agency ^{3b}
British Nuclear Fuels plc (BNFL)	April 1992	Meteorological Office ^{3b}
British Railways Board	January 1963	National Health Service Trusts
British Shipbuilders		New Towns Commission ²
British Waterways Board	January 1963	Northern Ireland Housing Executive
Buying Agency, The ^{3a}	January 1995	Northern Ireland Transport Holding Company
Caledonian MacBrayne Ltd ²	April 1990	Northern Ireland Driver Vehicle Testing Agency
Central Office of Information ^{3b}	April 1995	North of Scotland Water Authority
Channel 4 Television Company Ltd ²	December 1980	Oil and Pipelines Agency
Civil Aviation Authority (CAA)	April 1972	Passenger Transport Executives
Commonwealth Development Corporation	February 1948	
Companies House ^{3b}	April 1995	Patent Office ^{3b}
Covent Garden Market Authority	October 1961	Post Office
Crown Agents and Crown Agents Holding and Realisation Board	January 1980	Queen Elizabeth II Conference Centre ^{3c}
Crown Estate Commissioners	April 1995	Railsale
Deeds of Assumption	March 1996 (new institution)	Registers of Scotland ^{3b}
Defence Evaluation Research Agency	April 1996 (reclassified from central gov't)	Remploy ^{3b}
Development Board for Rural Wales	April 1977	Royal Mint
Driver Vehicle Testing Agency	April 1996 (reclassified from central gov't)	Scottish Enterprise ¹
Driving Standards Agency ^{3c}	April 1997	Scottish Homes ¹
East of Scotland Water Authority	April 1996 (reclassified from LA)	Sianel Pedwar Cymru (S4C)
English Partnerships ¹	April 1986	Trust Ports Northern Ireland
Fire Service College ^{3b}	April 1995	United Kingdom Atomic Energy Authority
Forest Enterprise Agency ^{3b}	April 1995	United Kingdom Nirex Ltd
Highlands and Islands Airports ²	April 1995	Urban Development Corporations
Highlands and Islands Enterprise ¹	November 1965	Vehicle Inspectorate ^{3b}
Horserace Totalisator Board ^{3b}	April 1995	Welsh Development Agency
Housing Action Trusts	from July 1991	West of Scotland Water Authority
Hydrographic Office ^{3b}	April 1995	
Kingston Communications	December 1987	
Land Registry, Her Majesty's ^{3b}	April 1995	
Langanside Corporation	April 1989	
Land Authority for Wales	April 1976	

¹ Name changed. British Coal Corporation was formerly the National Coal Board with name change in March 1987; London Regional Transport was formerly London Transport Executive; Highlands and Islands Enterprise was formerly Highlands and Islands Development Board; Scottish Enterprise was formerly Scottish Development Agency; English Partnerships also known as the Urban Regeneration Agency; Scottish Homes was formerly Scottish Special Housing Association and Housing corporation (Scotland).

² Caledonian MacBrayne Ltd, was part of the former Scottish Transport Group; Channel Four Television Company Ltd was part of the Independent Television Commission; Highlands and Islands Airports were part of the Civil Aviation Authority; New Town Commission formerly Commission for the New Towns which took over activities from New Town Development Corporations.

^{3a} Non ESA95 change: reclassified from central government in 1995q1.

^{3b} As described for 3a but for 1995q2.

^{3c} As described for 3a but for 1997q2

⁴ Began in April 1971, reclassified from a private NFC to a public NFC from April 1992

Publicly owned institutions not classified to the public sector for statistical purposes

Institution	Classified to
Bank of England Banking Department	financial institutions
British Nuclear Fuels Ltd ¹	industrial and commercial companies
Girobank ²	financial institutions
International Military Services ³	industrial and commercial companies

¹ Until April 1992

² Until 1990

³ Ceased Trading July 1991

Corporations reclassified to the private sector since end 1983

Enterprise Oil Ltd	June 1984
British Shipbuilders (warship yards) and other companies	from July 1984
British Telecom	November 1984
Trust Ports in Great Britain	end-March 1985
British Gas plc	December 1986
British Airways plc	February 1987
Royal Ordnance plc	April 1987
BAA plc	July 1987
National Bus Company subsidiaries	by April 1988
Local Authority bus companies	on various dates from October 1988
British Steel	in December 1988
General Practice Finance Corporation	March 1989
Harland & Wolff	1989q3
Regional Water Authorities in England, Welsh Water Authority and Water Authorities Association	December 1989
Local Authority Airports	various dates from June 1990
Girobank plc	July 1990
Scottish Transport Group subsidiary bus companies	August 1990 to October 1991
Regional Electricity Companies and National Grid Company	December 1990
National Power plc and PowerGen plc	March 1991
Scottish Hydroelectric plc and Scottish power plc	June 1991
British Technology Group	April 1992
Northern Ireland Electricity Service	June 1993

Lancaster City Bus Company	1993q3
Meldon Quarry Ltd.	February 1994
Special Trains Unit	March 1995
Swindon Electronics Services Centre Ltd.	April 1995
Chart Leacon Rail Maintenance Ltd.	June 1995
Doncaster Rail Maintenance Ltd.	June 1995
Glasgow Rail Maintenance Ltd.	June 1995
Wolverton Rail Maintenance Ltd.	June 1995
Eastleigh Rail Maintenance Ltd.	June 1995
Ilford Rail Maintenance Ltd.	June 1995
Baileyfield Switch & Crossings Works	July 1995
DCU Birmingham Ltd.	July 1995
IDG Glasgow Ltd.	August 1995
Mainline Swindon Ltd.	August 1995
Ditton Timber Treatment Works	September 1995
Red Star Parcels Ltd.	September 1995
BPE Mechanical & Electrical Engineering Consultancy Ltd.	September 1995
Civil Engineering Design Group, York Ltd.	September 1995
OBS Services Ltd.	October 1995
Quality & Safety Services Ltd.	November 1995
Railways Occupational Health Ltd.	November 1995
CEDAC London Ltd.	December 1995
British Rail Telecommunications plc	December 1995
Powertrack Engineering Co. Ltd.	December 1995
Rail express systems Ltd.	December 1995
Signalling Control UK Ltd.	December 1995
Angel Train Contracts Ltd	January 1996
Interlogic Control Engineering Ltd	January 1996
Porterbrook Leasing Ltd	January 1996
Central Track Renewals	February 1996
Eversholt Leasing Ltd.	February 1996
Great Western Trains Co. Ltd.	February 1996
Loadhaul Ltd.	February 1996
Mainline Freight Ltd.	February 1996
Scotland Track Renewals Co.Ltd	February 1996
Scotland Infrastructure Maintenance Co. Ltd.	February 1996
South West Trains Ltd	February 1996
Transrail Freight Ltd.	February 1996
Western Infrastructure Maintenance Co. Ltd.	February 1996
Castleton Long Welded Rail & Track Works	March 1996
College of Railway Technology	March 1996
Eastern Track Renewal Company Ltd	March 1996
The Engineering Link Ltd	March 1996
Interfleet Technology Ltd	March 1996
Laboratory of the Government Chemist	March 1996
Trainload	1996 q1
Fastline Rail Services Ltd.	1996q1
Central Infrastructure Maintenance Co. Ltd.	April 1996

Eastern Infrastructure Maintenance Co. Ltd.	April 1996	Burnley & Pendle Transport	February 1997
Network Train Engineering Services Ltd.	April 1996	BBC Transmissions	1997q1
South East Infrastructure Maintenance Co. Ltd.	April 1996	Birmingham Airport Limited	1997q1
Southern Track Renewals Co. Ltd.	April 1996	Northern Call Centre Company Ltd	1997q1
European Passenger Services	May 1996	Scottish Call Centre Company Ltd	1997q1
Natural Resources Institute	May 1996	British Rail International Ltd	March 1997
Union Railways Ltd.	May 1996	Central Trains Ltd	March 1997
Railtrack plc	June 1996	North West Regional Railways Ltd	March 1997
British Energy plc	1996q2	North London Railways Ltd	March 1997
BR Projects Ltd	June 1996	Regional Railways North East Ltd	March 1997
Connex South Central Ltd.	1996q2	Thameslink Rail Ltd	March 1997
Freightliner (1995) Ltd.	May 1996	Railpart (UK) Ltd	March 1997
Gatwick Express Ltd.	April 1996	Railfreight Distribution	March 1997
InterCity East Coast	April 1996	Crown Agents Foundation/	
Midland Main Line Ltd	April 1996	Crown Agents Services Ltd	1997q1
South West Infrastructure Maintenance Co. Ltd.	April 1996	Crown Agents Financial services Ltd	1997q1
LTS Rail Ltd	May 1996	Crown Agents Asset Management Ltd	1997q1
Network South Central Ltd.	May 1996	Crown Agents International Ltd	1997q1
Northern Track Renewals Co. Ltd.	May 1996	Greenshields, Cowie & Co Ltd	1997q1
The Chiltern Railway Company Ltd	June 1996	Resource (Science & Technology Expertise) Ltd	1997q1
Northern Infrastructure Maintenance Co. Ltd.	June 1996	DeCTA (previously	
Western Track Renewals	July 1996	The Developing Countries Trade Agency)	1997q1
AEA Technology (part of UKAEA)	September 1996	British Arabian Technical Co-operation Ltd	1997q1
Occupational and Health Safety Agency	September 1996	Four Millbank Holdings Ltd	1997q1
Trentham Leisure	September 1996	Four Millbank Nominees Ltd	1997q1
Cardiff Railway Co. Ltd.	October 1996	The Knight Line Ltd	1997q1
Island Line Ltd.	October 1996	Trade Supervision Ltd	1997q1
South Wales and West Railways Ltd.	October 1996	Greenshield Shipping Services Ltd	1997q1
Thames Trains Ltd	October 1996	Pheonix Travel (Greenshields Ltd)	1997q1
Great Yarmouth Transport	1996q3	Great Peter Nominees Ltd	1997q1
South Eastern Train Co. Ltd.	October 1996	Northern Call Centre Co. Ltd.	June 1997
Atomic Energy Authority Technology	1996q3	Scotland Call Centre Co. Ltd.	June 1997
The Stationery Office (formerly HMSO)	1996q3	Defence Evaluation & Research Agency	
Hyndburn Transport	1996q4	(Support Services Division)	1997q2
British Coal Enterprise	1996q4	Paymaster	1997q2
Scientifics Ltd.	December 1996	ADAS	1997q2
British Rail Research	December 1996	Building Research Establishment	April 1997
Anglia Railways Train Services Ltd.	January 1997	Docklands Light Railways	1997q2
BR Business Systems	January 1997	Magnox Electric	1998q1 (now a wholly owned subsidiary of BNFL)
Great Eastern Railway Ltd.	January 1997		
Cross-Country Trains Ltd.	January 1997		
London Call Centre Ltd.	January 1997	Kingston-SCL Ltd	1998q2
Merseyrail Electrics	January 1997		
National Railway Supplies Ltd.	January 1997		
Nationwide Fire Services	January 1997		
West Anglia Great Northern Railways Ltd.	January 1997		
InterCity West Coast Ltd	February 1997		
Rail Operational Research Ltd.	February 1997		
Railtest Ltd	February 1997		
ScotRail Railways Ltd	February 1997		

Corporations dissolved

- National Film Finance Corporation abolished in December 1985, and replaced in the private sector by the British Screen Finance Consortium
- National Oil Corporation, in March 1986, being replaced by the Oil and Pipelines Agency

- National Dock Labour Board in July 1989
- Electricity Council in March 1990, being replaced in the private sector by the Electricity Association
- Crown Suppliers in March 1991
- Pilotage Commission in April 1991
- Six Local Authority Bus Companies from April 1989 to November 1994
- East Kilbride and Glenthroes New Town Development Corporations in December 1995
- Scottish Nuclear plc in March 1996
- Nuclear Electric plc in March 1996
- Cumbernauld, Irvine and Livingstone New Town Development Corporations were wound up in December 1996

Other changes

The Housing Corporation was reclassified in the 1987 Blue Book as a central government trading body and the data were revised back to 1974. The Independent Television Commission (other than Channel Four) was reclassified to the central government sector from October 1991. The Urban Regeneration Agency was established from November 1993, and incorporated the former English Industrial Estates Corporation from April 1994, trading as English Partnership. Letchworth Garden City Corporation became Letchworth Garden City Heritage Foundation, a private charity from October 1995.

Parts of British Coal and British Railways Board have been sold since 1994. British Energy assumed most of the activities of Nuclear Electric plc and Scottish Nuclear plc when privatised in April 1996.

For statistical purposes with in the National Accounts, the income and expenditure transactions of the Bank of England Banking Department have been reclassified from the 1993 *Blue Book* to the financial sector. Data have been revised back to 1984. This also applies to Girobank, until its privatisation in July 1990.

From the 1993 *Blue Book* the fossil fuel level on electricity distribution is now separately identified as a capital grant within the public corporation accounts. Until this Blue Book income generated was included in gross trading surplus.

Availability of Quarterly Data

Quarterly data underlying the figures for general government are available on request from Duncan MacGregor, Office for National Statistics, EEPD, Room 249, PO Box 12, Runcorn, WA7 2GJ. Telephone: 01928 792560; Fax: 01928 792145

References

Civil Service Statistics 1998 published on the Internet (www.cabinet-office.gov.uk/cseg/index/statistics.htm), Personnel Statistics Branch, Personnel Management and Conditions of Service Division, Cabinet Office, Horse Guards Road, LONDON SW1P 3AL. Tel 0207 270 4775, Fax 0207 270 5221, E-mail: psb@gtnet.gov.uk

Public Bodies 1998, The Stationery Office, price £24.95
Cabinet Office, Central Secretariat, Horse Guards Road, LONDON SW1P 3AL Tel 0207 270 1873, Fax 0207 270 1874, www.official-documents.co.uk/document/caboff/bodies98

United Kingdom Sector Classification for the National Accounts 1998 edition (ESA 95), The Stationery Office, price £25.

United Kingdom National Accounts Concepts, Sources and Methods 1998 edition (ESA 95), The Stationery Office, price £75.

For more information about National Statistics publications, telephone 01633 812078 or fax 01633 812762.

The ONS can also be contacted via the Internet: www.ons.gov.uk