
**QUARTERLY ESTIMATES OF
NATIONAL INCOME
AND EXPENDITURE
DECEMBER QUARTER 1977**

Catalogue No. 5206.0

AUSTRALIAN BUREAU OF STATISTICS Canberra

INQUIRIES

If you want to know more about these statistics ring Mr Ross Harvey, Canberra 526713 for information on current price estimates or Mr Robin Green, Canberra 526711 for information on constant price estimates and implicit price deflators, or write to Information Services, ABS, P.O. Box 10, Belconnen, A.C.T. 2616

For copies of this publication contact Information Services, Canberra 526627 or State offices.

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FOREWORD

General

This publication provides estimates of the components of gross domestic product and national expenditure and supporting tables for the December quarter 1977, together with comparative estimates for the nine previous quarters and the four years 1973-74 to 1976-77. Quarterly estimates of the Domestic Production Account were released earlier in a preliminary statement (5205.0).

The definitions and concepts used in this publication are those used in the *Australian National Accounts, National Income and Expenditure, 1975-76* (5204.0) except that in this bulletin the basis of recording income tax in the households income and outlay account has been changed. Income tax is now recorded on a paid basis in the households income and outlay account whereas previously it was recorded on a payable basis.

New series of constant price estimates based on average 1974-75 prices are presented in this bulletin. In the rebasing of the estimates from the former basis of average 1966-67 prices to that of average 1974-75 prices, the opportunity was taken to review the previously used methodology and to draw upon a significantly wider range of price indexes and data on expenditure patterns that has become available in recent years. The differences between the growth rates exhibited by the estimates at average 1974-75 prices and the previously published estimates at average 1966-67 prices are therefore attributable to three sources: the rebasing of constant price series to average 1974-75 prices, the use of new methodologies and new data sources in revaluing the current price estimates, and the revisions that are made to current price estimates as firmer data become available.

Items in this bulletin are briefly described in Appendix A: Explanatory Notes on Tables.

This bulletin contains series of implicit price deflators of selected major aggregates from the domestic production account. These series are shown in Appendix B together with a discussion of the nature of implicit price deflators and factors to be borne in mind in their interpretation.

Interpretation of quarterly estimates

Estimating for a period less than one year presents special problems in that it is often difficult to adhere strictly to definitions of concepts used in annual estimates. The measurement of income for a period is particularly difficult since it is not always possible to match the value of production for a quarter with the cost incurred in that production. This problem occurs, for example, in estimating the income of farm unincorporated enterprises in each quarter, and results in considerable variation of the estimates for this series, and for gross farm product, from quarter to quarter. Difficulties are also experienced in obtaining detailed

data for short periods and in preparing consistent estimates from various sources where different accounting procedures and periods are used.

These problems inevitably affect the consistency and reliability of the current price estimates, and similarly affect the constant price estimates based on the current price estimates. Accordingly these factors as well as the approximations and assumptions necessarily made in the revaluation of flows at constant prices should be borne in mind when interpreting or using the estimates, for example in attempting to draw precise quantitative inferences relating to quarter-to-quarter changes in gross domestic product or its components, or in productivity.

Analysis of trends therefore requires allowance for these uncertainties in estimation. The effects are in some measure indicated by the change in the statistical discrepancy for corresponding periods. Uncertainty in trends arises also from the likelihood of revisions as more information becomes available and from the irregularity of short-term movements. The inclusion of the statistical discrepancy on the expenditure side of the accounts implies nothing in regard to the relative accuracy of the estimates of gross domestic product and national expenditure. As household and other saving are also estimated as balancing items in their respective accounts, care should be exercised in their interpretation.

Estimates of national income and expenditure are necessarily prepared from a wide range of statistical information, some of which is available quickly and some only with a delay of several years. For this reason most figures should be regarded as subject to revision as more complete and more accurate information becomes available. The revisions will be of two main types – those made to the most recent quarters as firmer quarterly or monthly data come to hand and those which are a consequence of revisions to annual totals and are distributed to the quarters approximately in accordance with existing quarterly patterns.

Seasonal adjustment

As most series are affected to some extent by seasonal factors, allowance should be made for normal seasonal variation. In Tables 3, 4, 8, 9, 11, 16, 17 and 28 'seasonally adjusted' values are presented for selected series. Series which show substantial irregularities in the original or adjusted series should be treated with some reserve. As different methods of seasonal adjustment tend to produce different results, it is necessary to bear in mind the methods by which they have been derived and the limitations to which those methods are subject.

The general methods used in the Bureau for making seasonal adjustments are described in *Seasonally Adjusted Indicators, 1977* (1308.0). However, special methods have been used to adjust some of the components of gross farm product which were not amenable to seasonal adjustment by the usual methods.

In the seasonally adjusted estimates, the estimated value of production of wheat, other grain and sugar cane and the quantity of wool production, for any financial year, are distributed equally over the four quarters of the year ended June. One effect of these methods is that changes in the annual production of these commodities first enter into the seasonally adjusted figures in the September quarter. As far as possible the constant price estimates have been adjusted using methods similar to those for the corresponding current price estimates.

Rounding of figures

Although percentage changes are given to one decimal place in the section *Current Trends in Main Aggregates*, this does not imply that they can be regarded as accurate to the last digit shown. The figures after the decimal point are given to avoid distortions which may occur in rounding off the figures to the nearest half or whole number.

The procedures used in preparing this bulletin may occasionally result in rounding differences between figures in this bulletin and corresponding figures in other publications.

Discrepancies between totals and sums of components in the tables are due to rounding.

Related Publications

Other ABS publications which may be of interest include :

Quarterly Estimates of National Income and Expenditure (Preliminary), (5205.0)

Supplement to Quarterly Estimates of National Income and Expenditure, December Quarter, (5207.0)

Australian National Accounts, National Income and Expenditure, (5204.0)

Budget Paper : *National Income and Expenditure*, (5213.0)

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R. J. CAMERON
Australian Statistician

CURRENT TRENDS IN MAIN AGGREGATES DECEMBER QUARTER 1977

NOTE. Except where otherwise stated estimates and percentage changes in these notes refer to seasonally adjusted estimates. Changes in individual quarters should not be interpreted in isolation and without reference to changes over longer periods. The significance of recent quarter to quarter changes in the estimates shown herein should not be overemphasised. These estimates are necessarily subject to the uncertainties discussed in the foreword under *Interpretation of quarterly estimates*, and furthermore some may be substantially revised as firmer data come to hand.

PRODUCT

In the December quarter 1977 the estimate of gross non-farm product at constant prices, based on income data, fell 1.3 per cent after a rise of 0.7 per cent in the September quarter and was 1.5 per cent higher than for December quarter 1976. Expenditure based estimates, excluding the statistical discrepancy, would show a rise of 0.3 per cent in the December quarter 1977 after a fall of 0.4 per cent in the September quarter. The December quarter 1977 movement in gross non-farm product at constant prices was affected by the October industrial dispute in the electricity generation and distribution industry in Victoria.

Gross non-farm product at current prices increased by 0.7 per cent in the December quarter 1977 and was 9.4 per cent higher than the previous December quarter. Gross farm product at current prices fell 3.2 per cent in the December quarter but was 0.6 per cent higher than for December quarter 1976.

Gross domestic product at constant prices fell 1.3 per cent in the December quarter 1977 but was 0.6 per cent higher than for December quarter 1976. Gross domestic product at current prices increased by 0.5 per cent and was 9.0 per cent higher than a year earlier.

In the half year to December 1977 gross non-farm product at constant prices was 0.8 per cent higher than for the half year to June 1977 and 1.6 per cent higher than for the half year to December 1976. In the half year to December 1977 gross domestic product at constant prices remained at the same level as during the previous half year but was 0.8 per cent higher than for the half year to December 1976.

INCOME MOVEMENTS

(NOTE. Income series can be expressed
only at current prices)

In the December quarter, wages, salaries and supplements increased by 0.6 per cent following increases of 2.6 per cent and 2.4 per cent in the June and September quarters respectively. Compared with the previous December quarter wages, salaries and supplements were 9.6 per cent higher.

The gross operating surplus of trading enterprise companies is estimated to have decreased by 1.7 per cent in the December quarter, following a decrease of 3.5 per cent and an increase of 6.7 per cent in the June and September quarters respectively, to be 4.8 per cent higher than in the previous December quarter.

The gross operating surplus of all other trading enterprises rose by 3.0 per cent in the December quarter following a 1.1 per cent increase in the September quarter.

The gross operating surplus of all non-farm trading enterprises rose by 1.8 per cent in the December quarter and was 11.4 per cent above December quarter 1976.

Household income rose 1.1 per cent in the December quarter 1977, following a 2.8 per cent rise in the September quarter. Income tax paid fell 1.8 per cent in the December quarter. Household disposable income increased 1.6 per cent in the December quarter to be 9.3 per cent higher than in the December quarter 1976. The estimates of income tax paid, which replace the former tax payable series, are the same as net general government receipts of income tax from individuals. Thus they reflect changes in PAYE deduction scales at the times that such changes affect general government taxation receipts, whether or not this occurs at the start of or during a financial year. From its commencement during the December quarter 1976, the Medibank levy is included in income tax paid.

FINAL CONSUMPTION EXPENDITURE

Private Final Consumption

Private final consumption expenditure at current prices rose by 3.3 per cent in the December quarter and was 11.7 per cent higher than in December quarter 1976. Private final consumption expenditure at constant prices rose by 1.7 per cent in the December quarter after a rise of 0.8 per cent in the September quarter.

Present estimates indicate that, on a seasonally adjusted basis, the proportion of household disposable income devoted to consumption in the December quarter was 86.1 per cent while household saving which is derived as a balancing item represented 13.9 per cent. Both of these ratios are affected by any deficiencies in the estimation and seasonal adjustment of household income and expenditure. The household consumption ratio in recent quarters is as follows :

<i>Quarters ended</i>	<i>Percentage</i>
1976 Sept.	82.0
Dec.	84.2
1977 Mar.	84.3
June	84.2
Sept.	84.6
Dec.	86.1

Government Final Consumption

Government final consumption expenditure at current prices rose by 3.2 per cent in the December quarter and was 14.0 per cent higher than a year earlier. At constant prices there was a rise of 2.4 per cent in the December quarter and a 4.9 per cent increase over December quarter 1976.

CAPITAL EXPENDITURE

In the December quarter, total gross fixed capital expenditure increased by 3.2 per cent at current prices and rose by 1.9 per cent at constant prices. Private capital expenditure increased by 2.8 per cent at current prices and by 1.6 per cent at constant prices. Although the estimates for the most recent quarters should be regarded as tentative, private capital expenditure on dwellings, at constant prices, in the December quarter is estimated to have fallen by 2.6 per cent following a fall of 3.7 per cent in the September quarter. Private expenditure on other building and construction, at constant prices rose by 1.0 per cent in the December quarter and was 13.1 per cent above the level of December quarter 1976. Private expenditure on other capital equipment at constant prices rose by 4.4 per cent, but was 1.1 per cent below the level of the previous December quarter. Public capital expenditure at current prices showed an increase of 3.8 per cent on the previous quarter and was 13.1 per cent higher than a year earlier. At constant prices public capital expenditure increased by 2.2 per cent and was 4.8 per cent higher than in the previous December quarter.

INCREASE IN STOCKS

There was a substantial fall in non-farm stocks at

constant prices of \$172 million in the December quarter 1977 following substantial increases during the previous five quarters, while farm and miscellaneous stocks at constant prices declined by \$270 million. A factor in the decline in private non-farm stocks in the December quarter 1977 was the impact of the Victorian power strike.

OVERSEAS TRANSACTIONS

In the December quarter exports of goods and services rose by 1.3 per cent at current prices, and by 4.4 per cent at constant prices. Imports of goods and services fell in the December quarter by 1.9 per cent at current prices and by 1.0 per cent at constant prices. Compared with the corresponding quarter of 1976, imports were higher by 10.5 per cent at current prices but were lower by 6.8 per cent at constant prices while exports were higher by 10.3 per cent at current prices and by 4.7 per cent at constant prices.

Other overseas transactions (Table 13) are not shown on a seasonally adjusted basis in this bulletin. On an unadjusted basis, there was a surplus on goods and services of \$171 million, net income paid overseas (on the national accounts basis) was \$247 million and net transfers to overseas was \$64 million. The balance on these current transactions resulted in net lending to overseas of minus \$139 million this quarter compared with a balance of minus \$130 million in December quarter 1976. (The concept of net lending includes additions to overseas monetary reserves). Seasonally adjusted current account items are shown in the bulletin *Balance of Payments* (5302.0).

**TABLES, GRAPHS AND
PERCENTAGE CHANGES IN
MAIN AGGREGATES**

PERCENTAGE CHANGES IN MAIN AGGREGATES AND COMPONENTS

CURRENT PRICES- SEASONALLY ADJUSTED

	CHANGE FROM PRECEDING QUARTER									DEC. QTR
	1975-76			1976-77			1977-78			1977
	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	DEC. QTR 1976
GROSS DOMESTIC PRODUCT	4.2	4.9	4.0	4.4	2.0	3.7	2.0	2.5	0.5	9.0
GROSS FARM PRODUCT	0.1	3.7	..	-1.3	2.4	7.5	3.0	-6.1	-3.2	0.6
GROSS NON-FARM PRODUCT	4.4	5.0	4.3	4.7	2.0	3.5	1.9	2.9	0.7	9.4
FINAL CONSUMPTION EXPENDITURE -										
PRIVATE										
FOOD	4.0	3.2	3.5	3.9	4.7	2.5	3.4	2.1	0.6	8.8
CIGARETTES, TOBACCO AND										
ALCOHOLIC DRINKS	5.9	3.8	3.7	2.5	1.5	1.7	4.9	-0.5	0.6	6.7
CLOTHING, FOOTWEAR AND DRAPERY	2.5	2.0	4.1	2.7	2.9	2.7	1.1	3.7	3.3	11.2
RENT	5.4	4.6	4.3	6.9	5.6	4.7	4.2	4.2	4.6	18.9
OTHER GOODS AND SERVICES	3.6	3.7	3.8	3.4	3.7	3.1	3.1	3.0	3.6	13.5
TOTAL NON-DURABLES	4.1	3.6	3.9	3.9	3.9	3.1	3.4	2.7	2.9	12.6
HOUSEHOLD DURABLES	2.2	2.9	4.8	3.2	2.1	0.1	0.1	1.3	9.5	11.1
PURCHASE OF MOTOR VEHICLES	-0.9	16.0	7.5	-10.9	18.4	-6.8	-4.2	5.8	0.4	-5.2
TOTAL DURABLES	1.2	7.0	5.7	-1.7	7.3	-2.3	-1.3	2.8	6.5	5.5
TOTAL	3.7	4.1	4.1	3.2	4.4	2.4	2.8	2.8	3.3	11.7
GOVERNMENT	6.3	4.6	5.5	5.1	1.2	3.2	2.7	4.2	3.2	14.0
GROSS FIXED CAPITAL EXPENDITURE -										
PRIVATE -										
DWELLINGS	12.6	14.5	8.2	5.4	3.8	-2.0	-0.2	-1.8	-1.6	-5.5
OTHER BUILDING AND CONSTRUCTION	0.8	-1.2	1.2	0.2	-4.6	5.9	-3.4	17.2	3.0	23.5
ALL OTHER	-4.4	13.7	9.2	-5.1	14.5	3.2	-1.7	3.6	5.4	10.8
TOTAL PRIVATE	1.5	10.9	7.4	-0.7	7.4	1.9	-1.5	4.0	2.8	7.3
PUBLIC ENTERPRISES	-0.3	-5.2	21.6	-6.4	4.6	2.8	5.5	3.9	7.4	21.0
GENERAL GOVERNMENT	2.9	-3.8	-2.7	1.2	0.5	6.3	8.1	-8.5	-0.1	5.0
TOTAL	1.5	4.6	7.8	-1.5	5.6	2.9	1.6	1.5	3.2	9.4
EXPORTS OF GOODS AND SERVICES	2.9	5.5	8.9	8.4	-2.5	4.7	0.8	3.3	1.3	10.3
IMPORTS OF GOODS AND SERVICES	6.6	8.8	3.5	5.1	4.4	15.4	-0.2	-2.2	-1.9	10.5
WAGES, SALARIES AND SUPPLEMENTS	3.8	2.5	4.8	4.0	1.3	3.7	2.6	2.4	0.6	9.6
GROSS OPERATING SURPLUS OF										
TRADING ENTERPRISES -										
COMPANIES	3.2	12.3	1.6	7.5	2.4	3.5	-3.5	6.7	-1.7	4.8
OTHER	3.2	5.0	5.1	4.3	4.1	4.4	4.0	1.1	3.0	13.1
NON-FARM ENTERPRISES	4.1	7.9	4.6	6.8	3.2	3.4	1.0	4.8	1.8	11.4

PERCENTAGE CHANGES IN MAIN AGGREGATES AND COMPONENTS

AVERAGE 1974-75 PRICES- SEASONALLY ADJUSTED

	CHANGE FROM PRECEDING QUARTER									DEC. QTR
	1975-76			1976-77			1977-78			1977
	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	ON DEC. QTR 1976
GROSS DOMESTIC PRODUCT	0.7	1.0	1.0	2.7	-0.9	0.6	1.3	..	-1.3	0.6
GROSS FARM PRODUCT	-1.9	3.1	3.4	-1.9	2.4	-0.4	-0.8	-11.0	-1.5	-13.4
GROSS NON-FARM PRODUCT	0.9	0.8	1.0	3.3	-1.1	0.6	1.4	0.7	-1.3	1.5
FINAL CONSUMPTION EXPENDITURE -										
PRIVATE	-0.8	0.5	1.0	1.1	2.3	-0.6	..	0.8	1.7	2.0
GOVERNMENT	1.1	2.1	0.9	2.6	0.9	0.1	0.2	2.1	2.4	4.9
GROSS FIXED CAPITAL EXPENDITURE -										
PRIVATE -										
DWELLINGS	8.6	9.6	4.8	2.1	3.9	-5.3	-2.4	-3.7	-2.0	-13.3
OTHER BUILDING AND CONSTRUCTION	-2.5	-6.2	-1.0	-2.7	-6.6	1.9	-3.7	14.2	1.0	13.1
ALL OTHER	-7.4	9.9	4.7	-6.4	12.6	-3.4	-4.2	2.3	4.4	-1.1
TOTAL PRIVATE	-1.8	6.5	3.7	-3.0	5.2	-3.2	-3.5	2.3	1.6	-3.0
PUBLIC	-2.6	-7.6	3.9	-4.7	0.2	1.6	3.8	-2.9	2.2	4.8
TOTAL	-2.1	0.6	3.8	-3.6	3.4	-1.5	-0.8	0.2	1.9	-0.2
EXPORTS OF GOODS AND SERVICES	1.6	2.9	6.3	11.0	-8.0	-1.9	-0.2	2.4	4.4	4.7
IMPORTS OF GOODS AND SERVICES	3.6	5.5	3.3	3.2	1.9	3.9	-2.9	-6.8	-1.0	-6.8

TABLE 1 - DOMESTIC PRODUCTION ACCOUNT

\$ MILLION

	YEAR				QUARTERS ENDED -									
	1973-74	1974-75	1975-76	1976-77	1975-76				1976-77				1977-78	
					SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
FINAL CONSUMPTION EXPENDITURE -														
PRIVATE	29269	35127	41568	47814	9680	10771	10141	10976	11249	12550	11577	12438	12685	14016
GOVERNMENT	6742	9150	11316	13249	2566	2882	2702	3167	3162	3398	3132	3567	3536	3867
GROSS FIXED CAPITAL EXPENDITURE -														
PRIVATE	7954	8694	10254	12014	2357	2527	2403	2967	2835	3197	2805	3177	3172	3439
PUBLIC ENTERPRISES	2020	2833	3168	3539	726	803	659	980	780	907	805	1047	919	1095
GENERAL GOVERNMENT	1960	2829	3478	3616	782	969	727	1001	762	923	762	1170	806	970
INCREASE IN STOCKS	1322	955	110	1010	-461	1037	278	-744	42	674	262	32	17	315
STATISTICAL DISCREPANCY	1264	1056	940	1169	530	553	282	-425	725	368	688	-612	906	268
GROSS NATIONAL EXPENDITURE	50531	60644	70833	82410	16180	19541	17191	17921	19555	22006	20031	20818	22040	23969
EXPORTS OF GOODS AND SERVICES	7754	9926	10886	13066	2516	2687	2687	2997	3239	3246	3233	3348	3444	3572
LESS IMPORTS OF GOODS AND SERVICES	7651	9993	10442	13251	2455	2495	2669	2824	3098	3084	3508	3562	3638	3401
EXPENDITURE ON GROSS DOMESTIC PRODUCT	50633	60576	71279	82224	16242	19734	17209	18094	19696	22158	19757	20603	21846	24140
WAGES, SALARIES AND SUPPLEMENTS	27596	35409	40589	46053	9498	10570	9862	10659	11086	11868	11131	11968	12237	12890
GROSS OPERATING SURPLUS -														
TRADING ENTERPRISES -														
COMPANIES	6713	7203	8341	9920	1925	2381	1766	2269	2431	2980	2030	2499	2652	3087
UNINCORPORATED ENTERPRISES	7545	7477	8294	9681										
DWELLINGS OWNED BY PERSONS	2739	3329	4057	5099	3049	4793	3325	2806	3954	5028	4126	3556	4576	5786
PUBLIC ENTERPRISES	1235	1122	1622	1884										
FINANCIAL ENTERPRISES	864	1041	1710	1989										
LESS IMPUTED BANK SERVICE CHARGE	1378	1625	1861	2154	-55	-55	-12	-29	-64	-27	-17	-57	-76	-110
GROSS DOMESTIC PRODUCT AT FACTOR COST	45314	53956	62752	72472	14417	17689	14941	15705	17407	19829	17270	17966	19389	21653
INDIRECT TAXES LESS SUBSIDIES	5318	6619	8526	9752	1825	2045	2268	2389	2289	2339	2487	2637	2457	2487
GROSS DOMESTIC PRODUCT	50633	60576	71279	82224	16242	19734	17209	18094	19696	22158	19757	20603	21846	24140
GROSS FARM PRODUCT	4327	3685	3780	4034	537	2048	901	294	790	1580	1135	529	895	1756
GROSS NON-FARM PRODUCT	46306	56891	67499	78190	15705	17686	16308	17800	18906	20588	18622	20074	20951	22384

TABLE 2 - EXPENDITURE ON GROSS DOMESTIC PRODUCT AT AVERAGE 1974-75 PRICES

£ MILLION

	YEAR				QUARTERS ENDED -									
	1973-74	1974-75	1975-76	1976-77	1975-76				1976-77				1977-78	
					SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
FINAL CONSUMPTION EXPENDITURE -														
PRIVATE	34288	35127	36000	37186	8898	9415	8607	9080	9089	9878	8894	9325	9314	10072
GOVERNMENT	8370	9150	9833	10367	2379	2494	2347	2613	2542	2666	2450	2709	2626	2800
GROSS FIXED CAPITAL EXPENDITURE -														
PRIVATE	9864	8694	8821	9153	2141	2213	2038	2429	2261	2437	2088	2317	2268	2417
PUBLIC	4894	5662	5790	5527	1394	1574	1188	1634	1239	1440	1195	1653	1275	1505
INCREASE IN STOCKS	1519	955	114	792	-365	493	202	-716	32	630	197	-127	18	351
STATISTICAL DISCREPANCY	1563	1054	865	941	488	485	241	-349	583	288	528	-458	664	192
GROSS NATIONAL EXPENDITURE	60498	60642	61423	63965	14935	17174	14623	14891	15746	17448	15352	15419	16165	17337
EXPORTS OF GOODS AND SERVICES	9036	9927	9990	11020	2427	2516	2420	2627	3006	2810	2571	2633	2772	2940
LESS IMPORTS OF GOODS AND SERVICES	9799	9994	9200	10357	2249	2221	2319	2411	2625	2552	2629	2551	2513	2374
EXPENDITURE ON GROSS DOMESTIC PRODUCT	59735	60575	62213	64629	15111	17470	14725	14907	16128	17706	15294	15501	16424	17903
GROSS FARM PRODUCT	3449	3685	3920	3934	672	1920	934	394	756	1660	1140	378	792	1706
GROSS NON-FARM PRODUCT	56286	56890	58293	60695	14440	15549	13791	14513	15372	16046	14154	15123	15632	16197

TABLE 3 - DOMESTIC PRODUCTION ACCOUNT - SEASONALLY ADJUSTED

8 MILLION

	QUARTERS ENDED -													
	1974-75				1975-76				1976-77				1977-78	
	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
FINAL CONSUMPTION EXPENDITURE -														
PRIVATE	8209	8530	8982	9427	9800	10165	10577	11012	11359	11855	12135	12470	12813	13238
GOVERNMENT	2026	2219	2390	2515	2602	2765	2893	3052	3208	3247	3352	3443	3587	3702
GROSS FIXED CAPITAL EXPENDITURE -														
PRIVATE	2118	2119	2184	2272	2358	2394	2655	2851	2830	3040	3097	3051	3173	3261
PUBLIC ENTERPRISES	576	709	788	755	770	763	728	885	828	866	890	939	976	1048
GENERAL GOVERNMENT	618	675	695	813	874	899	865	842	852	856	910	984	900	899
INCREASE IN STOCKS	654	548	-180	-70	-198	-65	362	-8	52	140	174	655	-27	-411
STATISTICAL DISCREPANCY	314	373	303	119	293	353	136	170	397	130	659	56	521	208
GROSS NATIONAL EXPENDITURE	14515	15173	15161	15831	16499	17279	18216	18805	19526	20133	21217	21598	21942	21945
EXPORTS OF GOODS AND SERVICES	2296	2474	2535	2630	2534	2607	2750	2995	3247	3167	3315	3340	3449	3494
LESS IMPORTS OF GOODS AND SERVICES	2606	2676	2354	2337	2363	2518	2740	2837	2982	3112	3590	3584	3506	3438
EXPENDITURE ON GROSS DOMESTIC PRODUCT	14205	14971	15342	16124	16670	17368	18226	18963	19791	20188	20942	21354	21885	22001
WAGES, SALARIES AND SUPPLEMENTS	8333	8801	8983	9355	9600	9960	10205	10696	11122	11265	11677	11986	12276	12348
GROSS OPERATING SURPLUS -														
TRADING ENTERPRISES -														
COMPANIES	1590	1755	1840	2018	1913	1975	2218	2253	2423	2430	2568	2479	2646	2600
UNINCORPORATED ENTERPRISES														
DWELLINGS OWNED BY PERSONS	2898	2941	3019	3084	3298	3405	3576	3760	3922	4081	4259	4431	4481	4616
PUBLIC ENTERPRISES														
FINANCIAL ENTERPRISES														
LESS IMPUTED BANK SERVICE CHARGE	-162	-163	-143	-116	-47	-39	-28	-35	-59	-10	-34	-61	-72	-92
GROSS DOMESTIC PRODUCT AT FACTOR COST	12659	13334	13699	14341	14764	15301	15971	16674	17408	17816	18470	18835	19331	19472
INDIRECT TAXES LESS SUBSIDIES	1546	1637	1643	1783	1906	2067	2255	2289	2383	2372	2472	2519	2554	2529
GROSS DOMESTIC PRODUCT	14205	14971	15342	16124	16670	17368	18226	18963	19791	20188	20942	21354	21885	22001
GROSS FARM PRODUCT	951	937	896	884	928	929	963	963	950	973	1046	1077	1011	979
GROSS NON-FARM PRODUCT	13254	14034	14446	15240	15742	16439	17263	18000	18841	19215	19896	20277	20874	21022

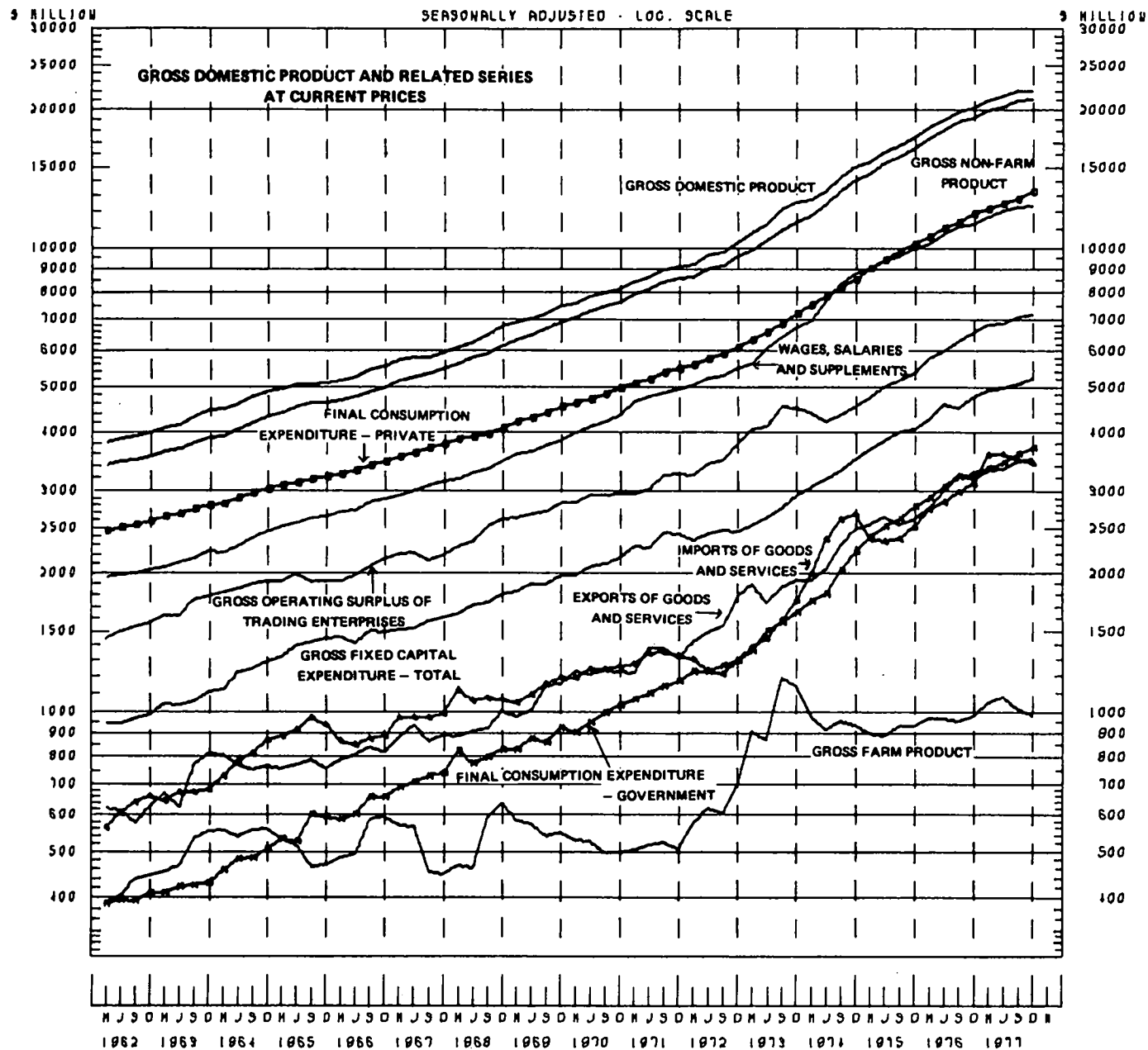


TABLE 4 - EXPENDITURE ON GROSS DOMESTIC PRODUCT AT AVERAGE 1974-75 PRICES - SEASONALLY ADJUSTED

\$ MILLION

	QUARTERS ENDED -											
	1974-75				1975-76				1976-77			
	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE
FINAL CONSUMPTION EXPENDITURE -												
PRIVATE	8661	8668	8832	8977	9003	8935	8977	9069	9168	9375	9321	9318
GOVERNMENT	2212	2280	2266	2391	2408	2434	2486	2504	2573	2595	2597	2603
GROSS FIXED CAPITAL EXPENDITURE -												
PRIVATE	2281	2155	2120	2134	2145	2107	2244	2327	2258	2376	2299	2218
PUBLIC	1275	1410	1468	1493	1521	1482	1366	1419	1352	1355	1377	1430
INCREASE IN STOCKS	696	530	-193	-72	-182	46	323	-77	83	76	115	516
STATISTICAL DISCREPANCY	240	328	234	255	207	242	52	274	301	95	407	170
GROSS NATIONAL EXPENDITURE	15365	15371	14727	15178	15102	15246	15448	15520	15735	15872	16116	16255
EXPORTS OF GOODS AND SERVICES	2431	2425	2476	2605	2397	2436	2507	2664	2958	2720	2669	2663
LESS IMPORTS OF GOODS AND SERVICES	2873	2658	2242	2194	2164	2242	2366	2443	2522	2570	2671	2594
EXPENDITURE ON GROSS DOMESTIC PRODUCT	14923	15138	14961	15589	15335	15440	15589	15741	16171	16022	16114	16324
GROSS FARM PRODUCT	870	902	943	954	977	958	988	992	973	996	992	984
GROSS NON-FARM PRODUCT	14053	14236	14018	14635	14358	14482	14601	14749	15198	15026	15122	15340

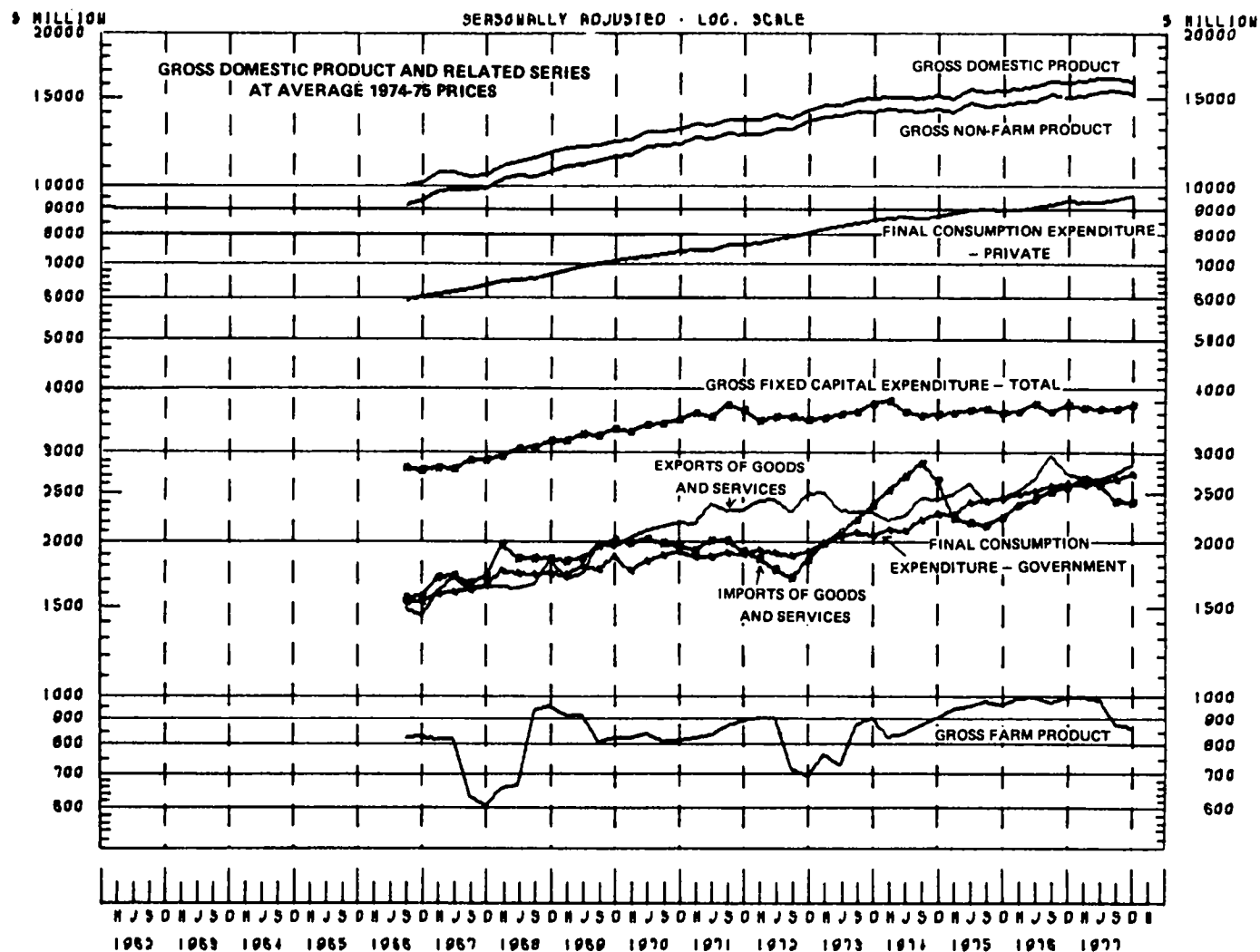


TABLE 5 - NATIONAL CAPITAL ACCOUNT

\$ MILLION

	YEAR				QUARTERS ENDED -									
	1973-74	1974-75	1975-76	1976-77	1975-76				1976-77				1977-78	
					SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
DEPRECIATION ALLOWANCES	3665	4070	4666	5241	1138	1155	1175	1198	1271	1328	1297	1345	1401	1415
OTHER SAVING (A)	1581	1196	2219	2900	823	1072	1047	-723	1551	1927	584	-1167	1661	1429
HOUSEHOLD SAVING	5852	7546	7907	9104	2245	3834	1611	157	3154	3410	2067	474	2956	3495
GENERAL GOVERNMENT SURPLUS ON CURRENT TRANSACTIONS	2927	2821	2611	2713	-414	-323	314	3033	-990	-726	828	3601	-764	-391
FINANCE OF GROSS ACCUMULATION	14021	15634	17401	19958	3792	5798	4147	3664	4986	5938	4781	4253	5254	5948
GROSS FIXED CAPITAL EXPENDITURE - PRIVATE -														
DWELLINGS	2582	2442	3232	4029	698	762	830	942	1025	1033	963	1008	1022	976
OTHER BUILDING AND CONSTRUCTION	1591	1943	1967	1945	494	546	419	508	501	519	430	495	575	640
ALL OTHER	3781	4309	5055	6040	1165	1219	1154	1517	1309	1645	1412	1674	1575	1823
TOTAL PRIVATE	7954	8694	10254	12014	2357	2527	2403	2967	2835	3197	2805	3177	3172	3439
PUBLIC ENTERPRISES	2020	2833	3168	3539	726	803	659	980	780	307	805	1047	919	1095
GENERAL GOVERNMENT	1960	2829	3478	3616	782	969	727	1001	762	923	762	1170	806	970
TOTAL GROSS FIXED CAPITAL EXPENDITURE	11935	14356	16900	19168	3865	4299	3789	4947	4377	5026	4372	5393	4897	5504
INCREASE IN STOCKS - PRIVATE NON-FARM	673	609	-3	1029	-49	-91	249	-112	429	131	105	364	352	-230
FARM AND MISCELLANEOUS	649	346	113	-19	-412	1128	29	-632	-387	243	157	-332	-335	545
STATISTICAL DISCREPANCY	1264	1056	940	1169	530	553	282	-425	725	368	688	-612	906	268
NET LENDING TO OVERSEAS	-496	-733	-549	-1389	-143	-91	-201	-114	-158	-130	-541	-560	-566	-139
GROSS ACCUMULATION	14021	15634	17401	19958	3792	5798	4147	3664	4986	5938	4781	4253	5254	5948

(A) INCREASE IN INCOME TAX PROVISIONS, UNDISTRIBUTED COMPANY INCOME, RETAINED INCOME OF PUBLIC FINANCIAL ENTERPRISES, GENERAL GOVERNMENT GRANTS FOR PRIVATE CAPITAL PURPOSES AND EXTRAORDINARY INSURANCE CLAIMS PAID

TABLE 6 - INCREASE IN STOCKS

£ MILLION

	YEAR				QUARTERS ENDED -									
	1973-74	1974-75	1975-76	1976-77	1975-76				1976-77				1977-78	
					SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
INCREASE IN BOOK VALUE OF STOCKS														
MANUFACTURING -														
METALS, MACHINERY, ETC.	371	559	290	389	47	17	128	98	70	43	150	126	99)
TRANSPORT EQUIPMENT	122	60	93	219	10	12	35	36	76	59	42	42	12)
CHEMICALS, PETROLEUM PRODUCTS	67	181	-11	124	-19	2	11	-5	15	36	57	16	20)
OTHER MANUFACTURING	403	374	166	430	-56	-17	161	78	87	9	136	198	98)
TOTAL MANUFACTURING	963	1174	538	1162	-18	14	335	267	248	147	385	362	229	(A)
WHOLESALE AND RETAIL TRADE	900	1136	1237	1499	410	406	280	141	508	439	280	3.2	440)
OTHER NON-FARM INDUSTRIES	76	116	166	74	54	36	38	38	19	38	5	12	75)
PRIVATE NON-FARM	1939	2426	1941	2735	446	456	653	386	775	594	670	696	744	102
PUBLIC AUTHORITY STOCKS	59	402	1	21)									
FARM STOCKS	713	-52	72	76	-347	965	4	-549	-352	617	162	-330	-307	562
FARM AND MISCELLANEOUS	772	350	73	97	-347	965	4	-549	-352	617	162	-330	-307	562
LESS STOCK VALUATION ADJUSTMENT -														
PRIVATE NON-FARM	1266	1817	1944	1706	495	547	404	498	346	463	565	332	392	332
FARM AND MISCELLANEOUS	123	4	-40	116	65	-163	-25	83	35	74	5	2	28	17
INCREASE IN STOCKS	1322	955	110	1010	-461	1037	279	-744	42	674	262	32	17	315

(A) NOT YET AVAILABLE

TABLE 7 - GROSS FIXED CAPITAL EXPENDITURE AND INCREASE IN STOCKS AT AVERAGE 1974-75 PRICES

£ MILLION

GROSS FIXED CAPITAL EXPENDITURE -														
PRIVATE -														
DWELLINGS	3202	2442	2770	3045	635	667	700	768	809	790	716	730	726	684
OTHER BUILDING AND CONSTRUCTION	2013	1943	1696	1492	449	480	355	412	397	403	326	366	417	455
ALL OTHER	4648	4309	4355	4616	1057	1066	983	1249	1055	1294	1046	1221	1125	1278
TOTAL PRIVATE	9864	8694	8821	9153	2141	2213	2038	2429	2261	2497	2088	2317	2268	2417
PUBLIC	4894	5662	5790	5527	1394	1574	1188	1634	1239	1440	1195	1653	1275	1505
TOTAL	14757	14357	14611	14680	3535	3787	3226	4063	3500	3927	3283	3970	3543	3922
INCREASE IN STOCKS -														
PRIVATE NON-FARM	768	609	-9	764	-14	-40	184	-139	430	117	..	217	371	-200
FARM AND MISCELLANEOUS	752	346	123	26	-351	1033	18	-577	-399	572	197	-344	-353	551
TOTAL	1519	955	114	792	-365	993	202	-716	32	690	197	-127	18	351

TABLE 8 - GROSS FIXED CAPITAL EXPENDITURE AND INCREASE IN STOCKS - SEASONALLY ADJUSTED

18
\$ MILLION

	QUARTERS ENDED -													
	1974-75				1975-76				1976-77				1977-78	
	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
GROSS FIXED CAPITAL EXPENDITURE -														
PRIVATE -														
DWELLINGS	633	611	599	598	673	758	868	939	990	1024	1007	1005	947	971
OTHER BUILDING AND CONSTRUCTION	455	478	510	506	490	434	488	494	495	472	500	483	566	507
ALL OTHER	1030	1030	1075	1168	1195	1142	1239	1413	1345	1540	1590	1563	1620	1707
TOTAL PRIVATE	2118	2119	2184	2272	2358	2394	2655	2851	2830	3040	3097	3051	3173	3261
PUBLIC ENTERPRISES	576	709	788	755	770	758	728	885	828	866	890	939	976	1048
GENERAL GOVERNMENT	618	675	695	813	874	893	865	842	852	870	910	984	900	899
TOTAL	3312	3503	3666	3840	4002	4061	4248	4579	4510	4761	4897	4974	5043	5208
INCREASE IN STOCKS -														
PRIVATE NON-FARM	505	431	-226	-96	-222	-36	303	..	194	184	166	485	122	-165
FARM AND MISCELLANEOUS	149	117	46	26	24	21	59	-3	-142	-44	8	170	-149	-246
TOTAL	654	548	-180	-70	-198	-65	362	-3	52	140	174	655	-27	-411

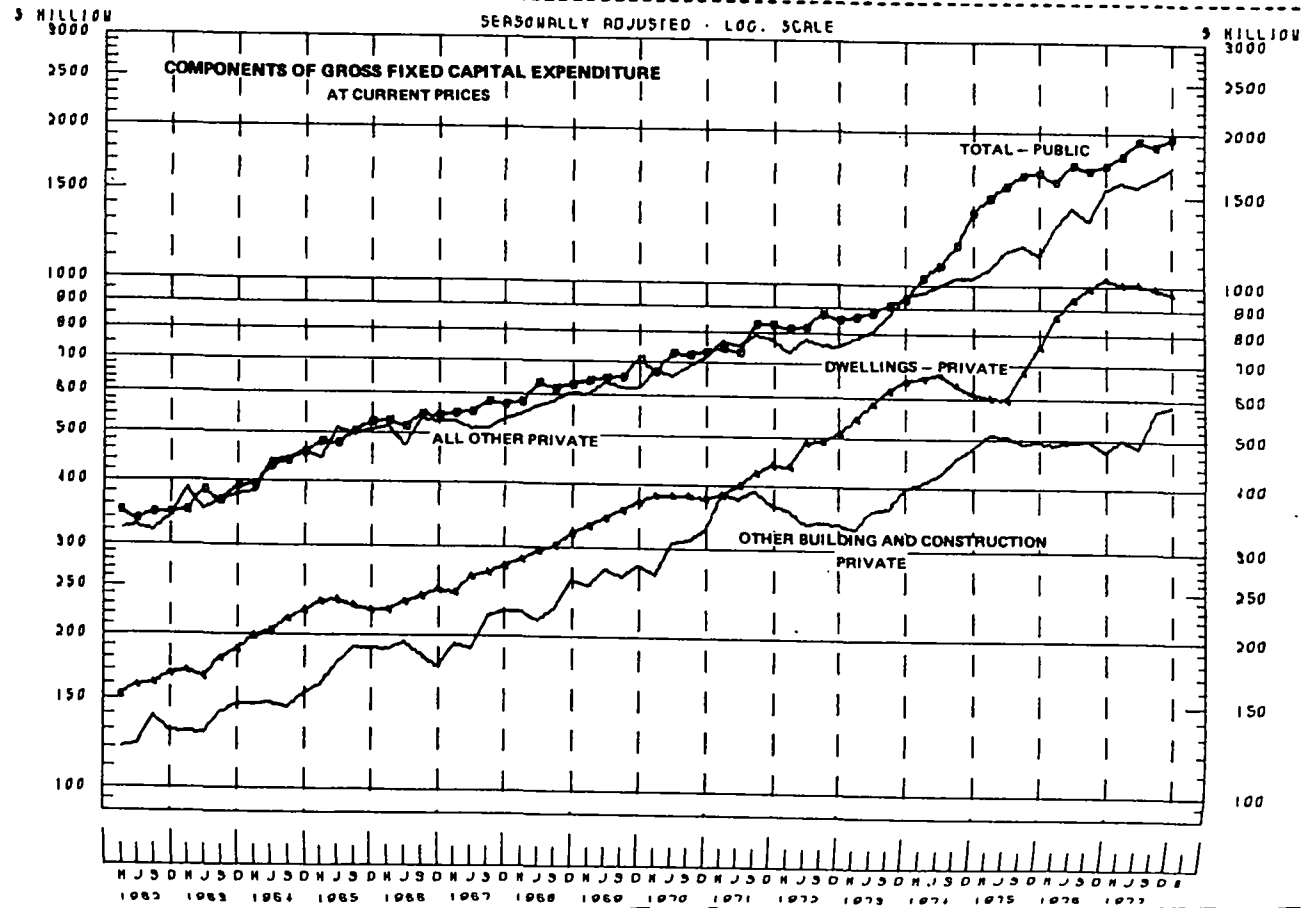


TABLE 9 - GROSS FIXED CAPITAL EXPENDITURE AND INCREASE IN STOCKS AT AVERAGE 1974-75 PRICES - SEASONALLY ADJUSTED

\$ MILLION

	QUARTERS ENDED -													
	1974-75				1975-76				1976-77				1977-78	
	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
GROSS FIXED CAPITAL EXPENDITURE -														
PRIVATE -														
DWELLINGS	672	619	583	564	613	666	730	765	781	788	746	729	701	683
OTHER BUILDING AND CONSTRUCTION	490	487	492	477	446	435	408	404	393	367	374	360	411	415
ALL OTHER	1119	1049	1045	1093	1086	1006	1106	1158	1054	1221	1179	1130	1156	1207
TOTAL PRIVATE	2281	2155	2120	2134	2145	2107	2244	2327	2258	2376	2299	2218	2268	2305
PUBLIC	1275	1410	1468	1493	1521	1482	1366	1419	1352	1355	1377	1430	1389	1420
TOTAL	3556	3565	3588	3627	3666	3589	3610	3746	3610	3731	3676	3646	3657	3725
INCREASE IN STOCKS -														
PRIVATE NON-FARM	544	425	-236	-117	-195	-51	287	-52	174	163	120	307	71	-172
FARM AND MISCELLANEOUS	152	105	43	45	13	97	36	-25	-91	-87	-5	209	-111	-270
TOTAL	696	530	-193	-72	-182	46	323	-77	83	76	115	516	-40	-442

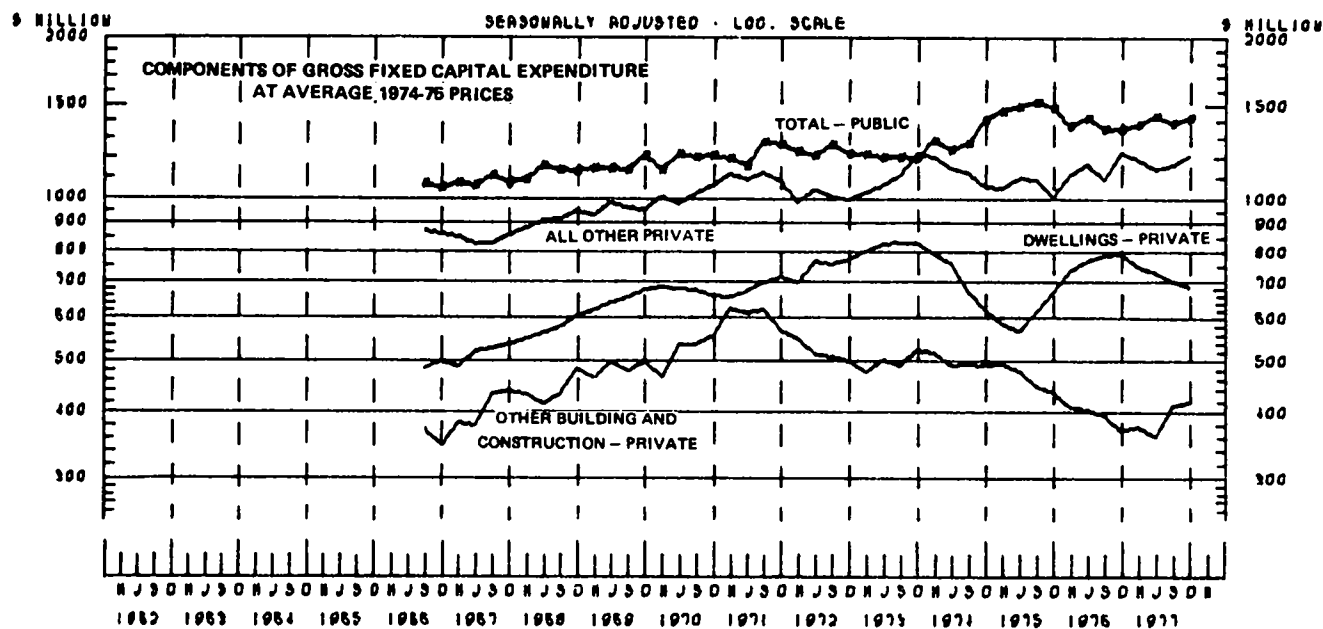


TABLE 10 - PRIVATE FINAL CONSUMPTION EXPENDITURE

\$ MILLION

	YEAR				QUARTERS ENDED -									
					1975-76				1976-77				1977-78	
	1973-74	1974-75	1975-76	1976-77	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
FOOD	5393	6190	7082	8177	1651	1834	1757	1840	1918	2142	1996	2121	2174	2329
CIGARETTES AND TOBACCO	745	877	1075	1183	246	279	270	280	288	301	285	309	287	295
ALCOHOLIC DRINKS	1836	2164	2637	2979	580	719	677	661	679	817	747	736	752	903
CLOTHING, FOOTWEAR AND DRAPERY	2698	3097	3487	3893	801	935	734	967	905	1103	822	1063	994	1231
DWELLING RENT	4038	4889	6014	7409	1396	1472	1540	1606	1717	1814	1899	1979	2062	2156
GAS, ELECTRICITY, FUEL	616	760	914	1069	267	213	197	237	313	254	228	274	356	272
ELECTRICAL GOODS	997	1327	1695	1903	392	430	378	435	469	568	415	451	448	623
OTHER HOUSEHOLD DURABLES	1481	1693	2091	2284	483	628	467	513	528	698	508	550	585	703
FARES	908	1054	1282	1402	366	313	321	342	337	345	351	369	378	378
PURCHASE OF MOTOR VEHICLES	1435	1715	1875	2050	446	428	460	541	493	560	486	511	551	529
POSTAL AND TELEPHONE SERVICES	345	445	648	763	136	150	169	193	185	186	193	194	203	204
OTHER GOODS AND SERVICES	8777	10916	12766	14702	2976	3260	3171	3361	3417	3762	3647	3876	3895	4313
TOTAL	29269	35127	41568	47814	9680	10771	10141	10976	11249	12550	11577	12438	12685	14016

TABLE 11 - PRIVATE FINAL CONSUMPTION EXPENDITURE - SEASONALLY ADJUSTED

\$ MILLION

	QUARTERS ENDED -											
	1974-75				1975-76				1976-77			
	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE
FOOD	1506	1516	1559	1616	1676	1743	1799	1862	1934	2025	2075	2146
CIGARETTES, TOBACCO AND ALCOHOLIC DRINKS	720	727	780	819	863	914	949	984	1009	1024	1041	1092
CLOTHING, FOOTWEAR AND DRAPERY	740	746	787	826	837	858	875	911	936	963	989	1000
DWELLING RENT	1123	1190	1255	1321	1396	1472	1540	1606	1717	1814	1899	1979
HOUSEHOLD DURABLES	698	726	771	832	905	925	952	998	1030	1052	1053	1054
PURCHASE OF MOTOR VEHICLES	412	423	435	445	429	425	493	530	472	559	521	499
OTHER GOODS AND SERVICES	3010	3202	3395	3568	3694	3828	3969	4121	4261	4418	4557	4700
TOTAL	8209	8530	8982	9427	9800	10165	10577	11012	11359	11855	12135	12470

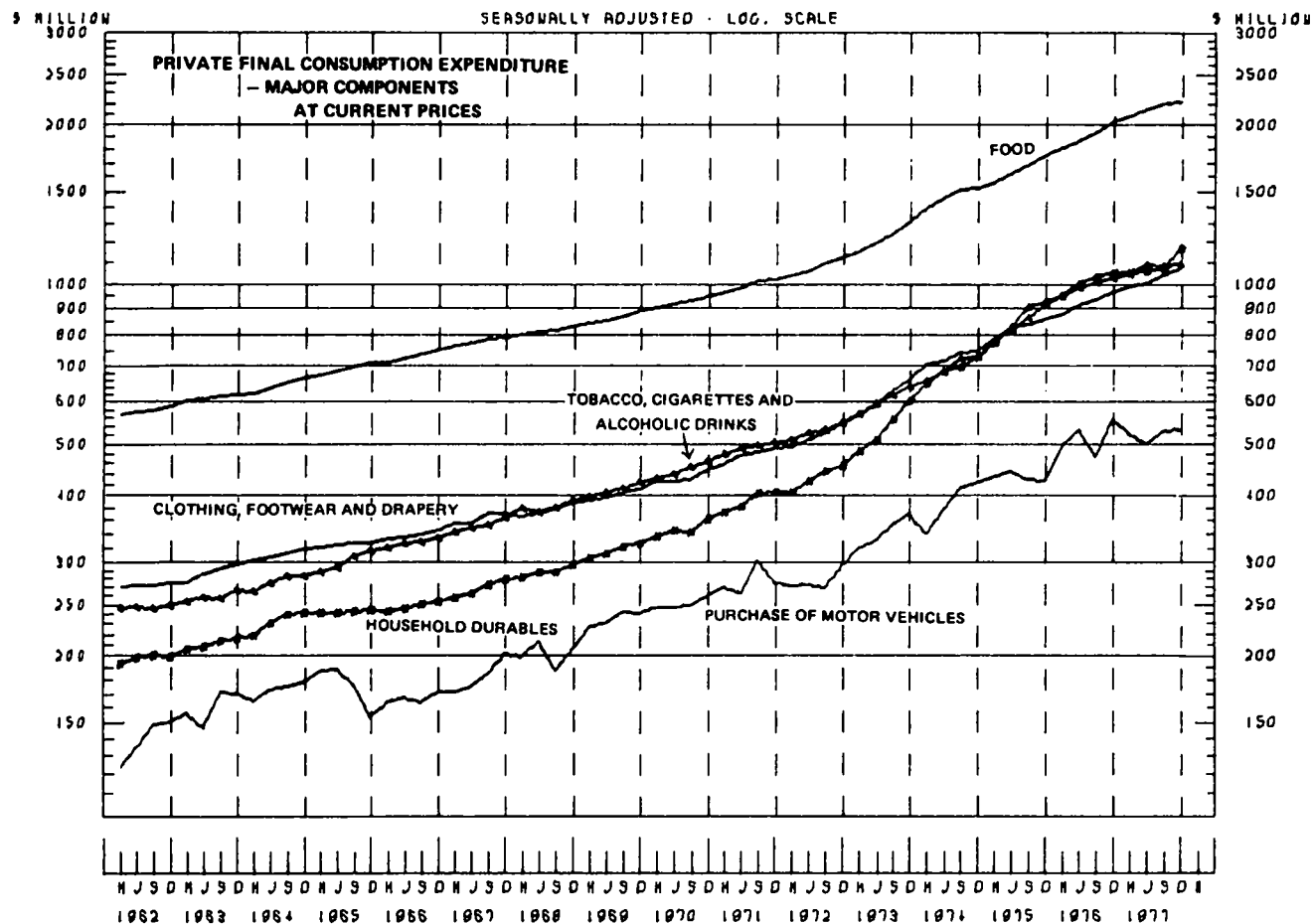


TABLE 12 - NATIONAL INCOME AND OUTLAY ACCOUNT

\$ MILLION

	YEAR				QUARTERS ENDED -									
					1975-76				1976-77				1977-78	
	1973-74	1974-75	1975-76	1976-77	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
WAGES, SALARIES AND SUPPLEMENTS	27596	35409	40589	46053	9498	10570	9862	10659	11086	11868	11131	11968	12237	12890
NET OPERATING SURPLUS	14053	14477	17497	21176	3781	5964	3904	3848	5050	6633	4842	4653	5751	7348
DOMESTIC FACTOR INCOMES	41649	49886	58086	67231	13279	16534	13766	14507	16136	18501	15973	16621	17988	20238
LESS NET INCOME PAID OVERSEAS	317	469	654	776	124	174	158	197	184	205	162	226	218	247
INDIRECT TAXES	5638	6944	8842	10050	1900	2121	2310	2511	2358	2417	2549	2726	2519	2550
LESS SUBSIDIES	320	325	316	298	75	77	42	123	69	78	62	89	62	63
NATIONAL INCOME	46651	56036	65959	76207	14981	14404	15876	16698	18241	20636	18294	19032	20227	22478
LESS NET TRANSFERS TO OVERSEAS	282	196	342	427	81	109	62	90	116	47	104	120	155	64
NATIONAL DISPOSABLE INCOME	46367	55840	65618	75781	14900	18295	15814	16609	18125	20549	18194	18913	20072	22415
FINAL CONSUMPTION EXPENDITURE -														
PRIVATE	29269	35127	41568	47814	9680	10771	10141	10976	11249	12550	11577	12438	12685	14016
GOVERNMENT	6742	9150	11316	13249	2566	2882	2702	3167	3162	3388	3132	3567	3536	3867
SAVING	10356	11563	12735	14718	2654	4643	2972	2466	3714	4611	3485	2908	3852	4533
DISPOSAL OF INCOME	46367	55840	65618	75781	14900	18295	15814	16609	18125	20549	18194	18913	20072	22415

TABLE 13 - OVERSEAS TRANSACTIONS ACCOUNT

\$ MILLION

IMPORTS F.O.B. (A)	5754	7652	7924	10350	1858	1905	2037	2124	2397	2406	2794	2753	2825	2640
TRANSPORTATION AND TRAVEL	1515	1893	2083	2478	499	480	512	591	600	582	607	689	678	637
OTHER GOODS AND SERVICES	382	448	436	423	97	109	120	110	101	95	107	120	135	124
IMPORTS OF GOODS AND SERVICES	7651	9993	10442	13251	2455	2495	2669	2824	3098	3084	3508	3562	3638	3401
PROPERTY INCOME TO OVERSEAS	731	857	929	1063	205	246	217	262	250	278	234	302	279	316
PERSONAL AND GENERAL GOVERNMENT														
TRANSFERS TO OVERSEAS	556	626	701	703	186	208	133	173	178	162	172	192	241	145
NET LENDING TO OVERSEAS	-496	-733	-549	-1389	-143	-31	-201	-114	-158	-130	-541	-560	-566	-139
USE OF CURRENT RECEIPTS	8443	10743	11520	13629	2702	2857	2816	3145	3368	3394	3372	3496	3591	3723
EXPORTS F.O.B. (A)	6688	8490	9408	11399	2157	2293	2324	2634	2857	2804	2799	2940	3012	3086
TRANSPORTATION AND TRAVEL	839	1153	1253	1486	296	327	316	314	342	332	388	364	387	436
OTHER GOODS AND SERVICES	227	284	226	181	63	67	46	49	41	49	47	44	45	50
EXPORTS OF GOODS AND SERVICES	7754	9926	10886	13066	2516	2687	2687	2997	3239	3246	3233	3348	3444	3572
PROPERTY INCOME FROM OVERSEAS	414	388	276	287	81	72	59	65	66	73	72	76	62	70
TRANSFERS FROM OVERSEAS														
PERSONAL	275	355	358	276	105	99	71	84	62	75	67	72	86	82
EXTRAORDINARY INSURANCE CLAIMS	..	74	..	..	..	..	..	..	..	..	..	..	..	..
CURRENT RECEIPTS FROM OVERSEAS	8443	10743	11520	13629	2702	2857	2816	3145	3368	3394	3372	3496	3591	3723

(A) RECORDED FIGURES, ADJUSTED FOR THE PURPOSE OF BALANCE OF PAYMENTS ESTIMATES

TABLE 14 - HOUSEHOLDS INCOME AND OUTLAY ACCOUNT (A)

3 MILLION

	YEAR				QUARTERS ENDED -									
	1973-74	1974-75	1975-76	1976-77	1975-76				1976-77				1977-78	
					SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
WAGES, SALARIES AND SUPPLEMENTS	27596	35409	40589	46053	9498	10570	9462	10659	11086	11888	11131	11968	12237	12890
INCOME OF FARM UNINCORPORATED ENTERPRISES	2802	1944	1855	1977	104	1519	419	-147	306	1050	612	9	381	1184
INCOME OF OTHER UNINCORPORATED ENTERPRISES AND FROM DWELLINGS AND INTEREST AND DIVIDENDS	7775	9343	10974	13584	2380	2379	2455	3260	2433	3629	3076	3952	3452	4150
THIRD PARTY INSURANCE TRANSFERS	119	182	190	208	47	47	47	49	50	51	53	54	55	57
TRANSFERS FROM OVERSEAS	275	355	358	276	105	99	71	84	62	75	67	72	86	82
TRANSFERS FROM GENERAL GOVERNMENT -														
CASH BENEFITS TO RESIDENTS	3258	4531	6343	7664	1445	1646	1536	1715	1945	1819	1948	1952	2176	2040
UNFUNDED EMPLOYEE RETIREMENT BENEFITS	65	88	106	121	24	24	24	34	32	34	26	30	37	36
RECEIPTS	41890	51852	60415	69883	13603	16784	14415	15614	16414	18525	16907	18037	18434	20439
PRIVATE FINAL CONSUMPTION	29269	35127	41568	47814	9680	10771	10141	10976	11249	12550	11577	12438	12685	14016
CONSUMER DEBT INTEREST	463	615	731	866	176	181	183	191	199	211	223	233	244	255
INCOME TAX PAID	5485	7709	9213	11046	1259	1685	2246	4023	1548	2034	2787	4617	2252	2368
OTHER DIRECT TAXES, FEES, FINES, ETC.	559	590	684	762	164	168	166	185	188	189	187	198	208	221
TRANSFERS OVERSEAS	261	266	313	290	79	85	69	80	77	71	65	77	90	84
SAVING (B)	5852	7546	7907	9104	2245	3394	1611	157	3154	3410	2067	474	2956	3495
DISBURSEMENTS	41890	51852	60415	69883	13603	16784	14415	15614	16414	18525	16907	18037	18434	20439

(A) INCLUDES UNINCORPORATED ENTERPRISES

(B) SAVING IS DERIVED AS A BALANCING ITEM

TABLE 15 - HOUSEHOLD DISPOSABLE INCOME

3 MILLION

HOUSEHOLD INCOME	41890	51852	60415	69883	13603	16784	14415	15614	16414	18525	16907	18037	18434	20439
LESS INCOME TAX AND OTHER DIRECT TAXES, FEES, FINES, ETC.	6045	8298	9897	11809	1423	1853	2411	4210	1735	2284	2975	4815	2460	2589
CONSUMER DEBT INTEREST	463	615	731	866	176	181	183	191	199	211	223	233	244	255
TRANSFERS OVERSEAS	261	266	313	290	79	85	69	80	77	71	65	77	90	84
HOUSEHOLD DISPOSABLE INCOME	35121	42673	49475	56918	11925	14665	11752	11133	14403	15960	13644	12912	15641	17511

TABLE 16 - HOUSEHOLDS INCOME AND OUTLAY ACCOUNT (A) - SEASONALLY ADJUSTED

\$ MILLION

	QUARTERS ENDED -											
	1974-75				1975-76				1976-77			
	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE
WAGES, SALARIES AND SUPPLEMENTS	8333	8801	8983	9355	9600	9960	10205	10696	11122	11265	11677	11986
INCOME OF FARM UNINCORPORATED ENTERPRISES	545	497	461	431	472	432	465	476	438	474	526	547
INCOME OF OTHER UNINCORPORATED ENTERPRISES AND FROM DWELLINGS AND INTEREST AND DIVIDENDS	2179	2275	2401	2494	2574	2728	2808	2898	3150	3419	3464	3546
THIRD PARTY INSURANCE TRANSFERS	42	45	47	48	47	47	47	49	50	51	53	54
TRANSFERS FROM OVERSEAS	71	82	94	106	104	97	75	83	61	72	71	71
TRANSFERS FROM GENERAL GOVERNMENT -												
CASH BENEFITS TO RESIDENTS	994	1073	1166	1304	1475	1596	1614	1678	1895	1895	1889	2005
UNFUNDED EMPLOYEE RETIREMENT BENEFITS	22	25	20	21	24	24	24	34	32	34	26	30
RECEIPTS	12186	12799	13172	13759	14296	14834	15258	15914	16748	17211	17706	18239
PRIVATE FINAL CONSUMPTION	8209	8530	8982	9427	9800	10165	10577	11012	11359	11855	12135	12470
CONSUMER DEBT INTEREST	146	149	156	164	173	180	185	193	197	210	225	235
INCOME TAX PAID	1851	2032	1821	1846	1969	2074	2402	2533	2441	2667	2823	2931
OTHER DIRECT TAXES, FEES, FINES, ETC.	150	141	145	154	161	168	173	183	184	189	195	194
TRANSFERS OVERSEAS	64	60	68	73	78	84	73	78	75	71	71	74
SAVING (B)	1766	1887	2000	2095	2116	2213	1848	1916	2492	2214	2257	2335
DISBURSEMENTS	12186	12799	13172	13759	14296	14884	15258	15914	16748	17211	17706	18239

(A) INCLUDES UNINCORPORATED ENTERPRISES

(B) SAVING IS DERIVED AS A BALANCING ITEM

TABLE 17 - HOUSEHOLD DISPOSABLE INCOME - SEASONALLY ADJUSTED

\$ MILLION

HOUSEHOLD INCOME	12186	12799	13172	13759	14296	14884	15258	15914	16748	17211	17706	18239
LESS INCOME TAX AND OTHER DIRECT TAXES, FEES, FINES, ETC.	2001	2173	1966	2000	2130	2242	2575	2715	2625	2856	3018	3125
CONSUMER DEBT INTEREST	146	149	156	164	173	180	185	193	197	210	225	235
TRANSFERS OVERSEAS	64	60	68	73	78	84	73	78	75	71	71	74
HOUSEHOLD DISPOSABLE INCOME	9975	10417	10982	11522	11916	12378	12425	12928	11385	14074	14392	14805

TABLE 18 - INCOME OF FARM UNINCORPORATED ENTERPRISES

£ MILLION

	YEAR				QUARTERS ENDED -									
	1973-74	1974-75	1975-76	1976-77	1975-76				1976-77				1977-78	
					SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
GROSS VALUE OF PRODUCTION (ALL FARMS) -														
WHEAT	1312	1256	1249	1056	..	889	360	..	..	584	472	..	..	735
OTHER GRAIN CROPS	403	444	549	526	..	326	105	118	..	279	123	124	..	261
SUGAR CANE	219	491	436	472	243	193	..	..	315	157	..	..	352	138
OTHER CROPS	925	1015	1015	1139	101	233	396	245	113	264	453	309	115	266
LIVESTOCK SLAUGHTERINGS	1696	1019	1246	1682	276	308	320	342	410	378	424	470	488	436
WOOL (INCLUDING SKIN WOOL)	1229	953	1000	1169	274	348	171	167	351	442	216	160	387	465
OTHER LIVESTOCK PRODUCTS	628	700	680	707	166	224	169	121	164	232	180	131	170	225
TOTAL	6412	5878	6175	6751	1060	2561	1521	1033	1353	2336	1868	1194	1462	2526
LESS STOCK VALUATION ADJUSTMENT	121	-15	-77	89	63	-186	-38	84	38	54	-1	-2	23	7
LESS PRODUCTION COSTS OTHER THAN WAGES AND DEPRECIATION (A)	2231	2548	2869	3053	530	781	768	790	615	794	842	832	632	859
GROSS FARM PRODUCT AT FACTOR COST	4060	3345	3383	3609	467	1966	791	159	700	1438	1027	394	807	1668
LESS WAGES, DEPRECIATION, NET RENT AND INTEREST PAID (B)	1166	1389	1475	1585	363	447	372	346	394	438	415	385	426	476
FARM INCOME OF COMPANIES	92	12	53	47	363	447	372	346	394	438	415	385	426	476
INCOME OF FARM UNINCORPORATED ENTERPRISES	2802	1944	1855	1977	104	1519	419	-187	306	1050	612	9	381	1184
LESS INCREASE IN ASSETS WITH MARKETING ORGANISATIONS	486	140	1	-468	-161	732	-388	-182	-55	172	-483	-102	73	216
REALISED INCOME OF FARM UNINCORPORATED ENTERPRISES	2316	1804	1854	2445	265	787	807	-5	361	878	1095	111	308	966

(A) INCLUDES MARKETING COSTS, COSTS OF SEED AND FOODER, INDIRECT TAXES BUT EXCLUDES RENT AND INTEREST.
 (B) AND THIRD PARTY INSURANCE TRANSFERS.

TABLE 19 - GENERAL GOVERNMENT INCOME AND OUTLAY ACCOUNT

\$ MILLION

	YEAR				QUARTERS ENDED -									
					1975-76				1976-77				1977-78	
	1973-74	1974-75	1975-76	1976-77	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
INDIRECT TAXES	5638	6944	8842	10050	1900	2121	2310	2511	2358	2417	2549	2726	2519	2550
DIRECT TAXES (PAID) ON INCOME	7498	10141	11813	13941	1779	2165	2362	5507	1606	2142	3633	6561	2326	2977
OTHER DIRECT TAXES, FEES, FINES, ETC.	559	590	684	762	164	168	166	186	188	139	187	198	208	221
INTEREST, ETC. RECEIVED	419	541	585	746	117	140	127	202	158	176	163	248	182	231
INCOME FROM PUBLIC ENTERPRISES	677	543	873	1169	236	311	157	171	501	330	186	152	571	348
RECEIPTS	14792	18758	22798	26668	4195	4904	5121	8578	4810	5253	6719	9885	5805	6327
FINAL CONSUMPTION EXPENDITURE	6742	9150	11316	13249	2566	2882	2702	3167	3162	3388	3132	3567	3536	3867
SUBSIDIES	320	325	316	298	75	77	42	123	69	78	62	89	62	63
INTEREST, ETC. PAID	1073	1292	1462	2032	308	401	394	359	456	534	573	469	566	599
TRANSFERS OVERSEAS	295	360	388	413	107	123	65	93	101	91	106	115	151	61
TRANSFERS TO PERSONS -														
CASH BENEFITS TO RESIDENTS	3258	4531	6343	7664	1445	1646	1536	1715	1945	1819	1948	1952	2176	2040
UNFUNDED EMPLOYEE RETIREMENT BENEFITS	65	88	106	121	24	24	24	34	32	34	26	30	37	36
GRANTS FOR PRIVATE CAPITAL PURPOSES	113	191	257	179	83	75	45	55	36	36	45	62	42	51
SURPLUS ON CURRENT TRANSACTIONS	2927	2821	2611	2713	-414	-323	314	3033	-990	-726	828	3601	-764	-391
DISBURSEMENTS	14792	18758	22798	26668	4195	4904	5121	8578	4810	5253	6719	9885	5805	6327

TABLE 20 - GENERAL GOVERNMENT INCOME AND OUTLAY ACCOUNT - FEDERAL AUTHORITIES

\$ MILLION

	YEAR				QUARTERS ENDED -									
	1973-74	1974-75	1975-76	1976-77	1975-76				1976-77				1977-78	
					SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
INDIRECT TAXES	3248	3936	4985	5677	1042	1274	1328	1341	1365	1433	1475	1405	1411	1496
ADJUSTMENT TO PAYABLE BASIS	-10	-59	20	-30	20	..	..	..	-30	..	..	..	..	..
DIRECT TAXES (PAID) ON INCOME	7498	10141	11813	13941	1779	2165	2362	5507	1606	2142	3633	6561	2326	2977
OTHER DIRECT TAXES, FEES, FINES, ETC.	171	134	139	152	33	32	31	43	36	37	37	43	40	47
INTEREST, ETC. RECEIVED	87	88	116	147	28	27	14	47	25	36	29	57	36	51
INCOME FROM PUBLIC ENTERPRISES	284	246	435	656	58	129	86	162	266	118	119	154	320	135
RECEIPTS	11277	14486	17507	20542	2960	3627	3821	7100	3267	3764	5292	8219	4133	4706
FINAL CONSUMPTION EXPENDITURE														
PAYMENTS BASIS	2734	3550	4156	4751	1018	1059	961	1119	1151	1170	1147	1283	1275	1394
OVERSEAS ADJUSTMENT - DEFENCE	100	-19	-103	-178	-6	-19	-16	-62	-20	-32	-48	-78	-12	-13
SUBSIDIES PAID	300	284	271	249	61	53	32	115	58	65	49	77	48	48
ADJUSTMENT OF SUBSIDIES TO PAYABLE BASIS	-12	..	..	..	..	..	..	..	..	..	..	..	..	..
INTEREST, ETC. PAID	6	109	117	433	33	69	70	-55	124	169	178	-38	174	178
TRANSFERS OVERSEAS	295	360	388	413	107	123	65	93	101	91	106	115	151	61
TRANSFERS TO PERSONS - CASH BENEFITS TO RESIDENTS	3071	4312	6074	7350	1375	1586	1462	1651	1860	1758	1868	1865	2083	1968
UNFUNDED EMPLOYEE RETIREMENT BENEFITS	65	88	106	121	24	24	24	34	32	34	26	30	37	36
GRANTS FOR PRIVATE CAPITAL PURPOSES	69	122	179	112	55	58	38	28	20	17	29	46	24	27
GRANTS TO STATES & LOCAL GOVT.	2538	3785	5528	6138	1254	1404	1318	1553	1327	1728	1684	1400	1855	1902
SURPLUS ON CURRENT TRANSACTIONS	2112	1896	793	1154	-962	-740	-131	2626	-1385	-1235	254	3519	-1500	-895
DISBURSEMENTS	11277	14486	17507	20542	2960	3627	3821	7100	3267	3764	5292	8219	4133	4706

TABLE 21 - GENERAL GOVERNMENT INCOME AND OUTLAY ACCOUNT - STATE AND LOCAL AUTHORITIES

\$ MILLION

	YEAR				QUARTERS ENDED -									
	1973-74	1974-75	1975-76	1976-77	1975-76				1976-77				1977-78	
					SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
INDIRECT TAXES	2401	3067	3837	4403	838	848	982	1170	1023	984	1074	1322	1107	1053
DIRECT TAXES, FEES, FINES, ETC.	389	456	545	610	131	136	135	144	152	152	151	155	168	174
INTEREST, ETC. RECEIVED	332	452	469	599	89	112	113	156	133	140	135	191	146	180
INCOME FROM PUBLIC ENTERPRISES	394	297	439	513	178	182	71	9	235	212	67	-1	251	213
GRANTS FROM COMMONWEALTH GOVERNMENT	2538	3785	5528	6138	1254	1404	1318	1553	1327	1728	1684	1400	1855	1902
RECEIPTS	6053	8057	10818	12263	2489	2681	2618	3030	2870	3217	3110	3067	3527	3523
FINAL CONSUMPTION EXPENDITURE	3908	5619	7263	8676	1554	1841	1757	2110	2031	2250	2033	2362	2273	2486
SUBSIDIES PAID	32	41	45	49	13	13	10	8	12	13	13	13	14	15
INTEREST, ETC. PAID	1066	1184	1345	1599	275	332	324	414	332	365	395	507	392	421
TRANSFERS OVERSEAS	..	..	..	..	..	..	..	..	..	..	..	..	..	..
TRANSFERS TO PERSONS -														
CASH BENEFITS TO RESIDENTS	188	219	269	313	70	61	74	64	86	61	79	87	93	72
GRANTS FOR PRIVATE CAPITAL PURPOSES	43	69	79	67	28	17	7	28	16	19	16	16	18	24
SURPLUS ON CURRENT TRANSACTIONS	815	925	1818	1559	548	418	446	407	394	509	574	82	737	505
DISBURSEMENTS	6053	8057	10818	12263	2489	2681	2618	3030	2870	3217	3110	3067	3527	3523

TABLE 22 - TAXES, FEES, FINES, ETC.

\$ MILLION

	YEAR				QUARTERS ENDED -									
	1973-74	1974-75	1975-76	1976-77	1975-76				1976-77				1977-78	
					SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
INCOME TAXES -														
COMPANIES	2013	2432	2600	2895	520	480	117	1484	58	47	846	1944	74	609
PERSONS -														
NET TAX INSTALMENTS	4238	6071	7020	8529	1086	1638	1992	2304	1452	2040	2340	2696	2136	2305
OTHER	1247	1637	2193	2518	173	47	254	1719	95	54	447	1921	116	63
TOTAL	7498	10141	11813	13941	1779	2165	2362	5507	1606	2142	3633	6561	2326	2977
ESTATE AND GIFT DUTIES	261	278	314	339	77	77	77	83	87	85	83	85	89	95
CUSTOMS DUTY	604	840	1044	1274	220	267	267	290	310	328	326	309	313	298
EXCISE DUTY	1555	1729	2331	2485	482	524	614	607	604	624	640	617	632	698
SALES TAX	969	1154	1408	1650	302	327	383	397	371	404	443	433	421	423
PAYROLL TAX (A)	677	1017	1187	1343	288	283	305	311	342	327	342	333	373	342
RADIO AND TELEVISION LICENCES	69	19	..	..	..	..	..	..	..	..	..	..	..	..
LAND TAX	118	168	200	219	59	54	34	49	59	58	51	51	58	57
LOCAL GOVERNMENT RATES	553	697	871	979	142	153	248	329	198	146	256	379	216	169
LIQUOR TAXES	59	77	98	124	19	19	19	41	27	23	29	45	15	32
TAXES ON GAMBLING	209	282	349	397	71	98	78	112	86	108	77	124	96	119
TAXES ON OWNERSHIP AND OPERATION														
OF MOTOR VEHICLES	378	450	546	646	128	134	134	150	155	159	158	175	187	187
STAMP DUTIES N.E.I.	436	393	555	674	116	122	139	179	154	154	162	204	161	154
UNFUNDED EMPLOYEE RETIREMENT														
CONTRIBUTIONS	27	35	40	52	10	10	8	11	11	14	13	15	13	18
OTHER TAXES, FEES, FINES, ETC.	293	455	562	661	132	131	159	141	170	174	159	159	153	179
TOTAL	13706	17734	21319	24783	3824	4454	4435	8206	4180	4745	6369	9489	5052	5747

(A) EXCLUDES PAYROLL TAX RECEIVED BY STATES FROM STATE AUTHORITIES OTHER THAN PUBLIC ENTERPRISES

TABLE 23 - GENERAL GOVERNMENT CASH BENEFITS TO PERSONS

\$ MILLION

HOSPITAL, MEDICAL AND PHARMACEUTICAL BENEFITS	644	809	1361	1115	296	358	317	390	373	276	236	230	256	228
AGE AND INVALID PENSIONS	1372	1919	2537	2495	566	664	609	697	6739	700	606	750	6904	819
FAMILY ALLOWANCE	225	225	265	1027	63	81	52	68	238	263	274	252	277	259
WAR AND SERVICE PENSIONS	356	470	560	655	140	140	137	144	153	166	153	183	174	226
OTHER	668	1119	1638	1897	385	408	425	421	448	418	487	545	574	517
TOTAL	3265	4542	6361	7689	1450	1651	1541	1720	1951	1825	1955	1958	2185	2049

(A) IN THIS QUARTER THERE WERE SEVEN PAY PERIODS INSTEAD OF SIX

TABLE 24 - GENERAL GOVERNMENT INCOME FROM PUBLIC ENTERPRISES

£ MILLION

		YEAR				QUARTERS ENDED -									
						1975-76				1976-77				1977-78	
		1973-74	1974-75	1975-76	1976-77	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
RAILWAYS AND URBAN TRANSIT	REVENUE	794	926	1056	1179	243	275	256	282	289	238	295	307	320	328
	EXPENDITURE	1051	1339	1530	1746	357	367	362	444	410	416	435	484	483	491
	INCOME	-257	-414	-474	-567	-114	-91	-107	-162	-121	-128	-140	-178	-163	-163
OTHER TRANSPORT AND COMMUNICATION	REVENUE	1930	2385	3142	3667	684	815	790	854	911	913	916	927	1012	1019
	EXPENDITURE	1650	2097	2619	3038	614	641	693	671	718	760	780	761	798	845
	INCOME	279	288	523	629	69	174	97	183	193	154	136	147	214	175
ELECTRICITY AND GAS (A)	REVENUE	1256	1527	1800	2108	460	427	424	489	544	498	494	572	636	574
	EXPENDITURE	942	1194	1401	1638	326	344	341	389	383	406	394	444	450	481
	INCOME	313	333	399	478	133	83	83	100	161	90	100	127	187	93
WATER SUPPLY AND SEWERAGE	REVENUE	471	543	701	801	185	238	153	126	217	288	160	136	239	342
	EXPENDITURE	255	306	392	461	82	94	101	114	100	107	119	134	118	140
	INCOME	216	237	310	340	102	144	52	12	117	181	41	2	121	203
RENTAL HOUSING	REVENUE	125	144	192	242	43	46	50	53	58	60	61	63	68	85
	EXPENDITURE	89	116	148	180	25	43	38	43	35	47	42	56	45	70
	INCOME	36	28	44	62	18	4	12	10	23	13	19	7	23	15
INCOME OF ALL PUBLIC TRADING ENTERPRISES (B)		653	527	855	1050	229	310	153	163	408	329	181	132	408	346
INCOME OF PUBLIC FINANCIAL ENTERPRISES PAID TO GENERAL GOVERNMENT		25	16	18	119	7	1	3	8	93	1	5	20	163	2
INCOME FROM PUBLIC ENTERPRISES		677	543	873	1169	236	311	157	171	501	330	186	152	571	348

(A) INCLUDES HYDRO-ELECTRICITY AUTHORITIES

(B) INCLUDES MISCELLANEOUS PUBLIC TRADING ENTERPRISES NOT SHOWN ABOVE

TABLE 25 - GOVERNMENT FINAL CONSUMPTION EXPENDITURE

£ MILLION

	YEAR				QUARTERS ENDED -									
	1973-74	1974-75	1975-76	1976-77	1975-76				1976-77				1977-78	
					SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
FEDERAL AUTHORITIES														
DEFENCE	1222	1444	1680	1999	405	451	337	487	426	492	478	602	473	555
OVERSEAS ADJUSTMENT - DEFENCE	100	-19	-103	-178	-6	-19	-16	-62	-20	-32	-48	-78	-12	-13
EDUCATION	109	168	199	232	51	54	47	48	62	58	60	52	75	77
HEALTH, SOCIAL SECURITY AND WELFARE	302	451	614	699	145	147	160	163	172	166	179	183	209	209
ECONOMIC SERVICES	309	393	410	460	117	98	110	85	118	107	115	119	127	134
ALL OTHER (A)	791	1095	1253	1361	300	310	307	337	372	347	314	327	391	419
TOTAL	2834	3531	4053	4573	1012	1041	944	1057	1131	1139	1099	1205	1263	1381
STATE AND LOCAL AUTHORITIES														
LAW, ORDER AND PUBLIC SAFETY	399	551	670	785	145	162	178	186	180	190	193	222	202	213
EDUCATION	1778	2574	3183	3825	713	809	743	918	896	1048	858	1023	1009	1116
HEALTH, SOCIAL SECURITY AND WELFARE	891	1344	1997	2416	365	508	497	627	556	594	596	670	629	692
ECONOMIC SERVICES	318	417	499	579	122	129	110	138	141	150	127	162	149	163
ALL OTHER	522	734	914	1071	209	234	230	241	258	268	261	285	284	302
TOTAL	3908	5619	7263	8676	1554	1841	1757	2110	2031	2250	2033	2362	2273	2486
ALL PUBLIC AUTHORITIES														
DEFENCE (INCLUDING ADJUSTMENT)	1322	1425	1577	1821	400	433	320	424	406	460	430	524	461	542
LAW, ORDER AND PUBLIC SAFETY	447	624	768	898	167	186	201	214	208	216	223	251	235	246
EDUCATION	1888	2741	3383	4057	764	863	790	966	958	1106	918	1075	1084	1193
HEALTH, SOCIAL SECURITY AND WELFARE	1193	1795	2611	3115	510	654	657	790	728	760	774	853	838	901
ECONOMIC SERVICES	627	810	908	1039	239	227	220	223	259	257	242	281	276	297
ALL OTHER	1266	1755	2070	2320	486	519	514	550	602	590	545	583	641	688
TOTAL	6742	9150	11316	13249	2566	2882	2702	3167	3162	3348	3132	3567	3536	3867

(A) INCLUDES EXPENDITURE ON LAW, ORDER AND PUBLIC SAFETY, RADIO AND TELEVISION BROADCASTING SERVICES ETC.

TABLE 26 - GROSS FIXED CAPITAL EXPENDITURE - PUBLIC AUTHORITIES

\$ MILLION

	YEAR				QUARTERS ENDED -									
	1973-74	1974-75	1975-76	1976-77	1975-76				1976-77				1977-78	
					SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.
GENERAL GOVERNMENT -														
FEDERAL	256	373	510	454	106	170	99	135	127	116	94	117	111	97
STATE AND LOCAL	1704	2456	2968	3162	677	799	627	865	635	806	668	1053	695	873
TOTAL	1960	2829	3478	3616	782	969	727	1001	762	923	762	1170	806	970
PUBLIC ENTERPRISES -														
FEDERAL	767	1008	1101	1205	246	291	227	337	278	318	292	318	324	411
STATE AND LOCAL	1254	1826	2066	2334	480	512	432	643	503	589	514	729	595	684
TOTAL	2020	2833	3168	3539	726	803	659	980	780	907	805	1047	919	1095
PUBLIC AUTHORITIES -														
FEDERAL	1023	1381	1612	1659	352	461	327	472	405	434	386	435	435	508
STATE AND LOCAL	2958	4281	5034	5496	1157	1311	1059	1508	1138	1395	1182	1782	1290	1557
TOTAL	3980	5662	6646	7155	1508	1772	1386	1980	1542	1829	1567	2216	1725	2065

TABLE 27 - GROSS FIXED CAPITAL EXPENDITURE - PUBLIC ENTERPRISES

\$ MILLION

EXPENDITURE BY PURPOSE -														
WATER SUPPLY AND SEWERAGE	483	628	723	803	163	192	139	230	191	209	159	244	178	210
ELECTRICITY AND GAS	393	492	594	724	115	130	145	203	157	182	181	204	204	234
RAILWAYS AND URBAN TRANSIT	157	251	352	394	72	83	74	123	75	97	82	139	86	112
OTHER TRANSPORT AND COMMUNICATION	759	983	1028	1098	235	268	216	309	248	289	264	297	302	384
HOUSING	100	265	243	259	91	72	31	49	47	61	54	97	82	76
OTHER PURPOSES	130	214	227	262	50	58	53	66	63	69	66	64	66	78
TOTAL	2020	2833	3168	3539	726	803	659	980	780	907	805	1047	919	1095

TABLE 28 - SELECTED INCOME AGGREGATES

\$ MILLION

	QUARTERS ENDED -											
	1974-75				1975-76				1976-77			
	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE	SEPT.	DEC.	MAR.	JUNE
ORIGINAL												
NON-FARM -												
WAGES, SALARIES AND SUPPLEMENTS	8054	9123	8377	9251	9342	10363	9706	10519	10915	11662	10951	11815
GROSS OPERATING SURPLUS (A)	3861	4593	3655	4281	4663	5415	4456	5056	5856	6706	5309	5814
INDIRECT TAXES LESS SUBSIDIES	1422	1551	1566	1741	1755	1963	2158	2254	2199	2247	2379	2502
SEASONALLY ADJUSTED												
NON-FARM -												
WAGES, SALARIES AND SUPPLEMENTS	8187	8647	8834	9200	9439	9788	10048	10527	11094	11496	11801	12087
GROSS OPERATING SURPLUS (A)	3751	3998	4198	4468	4532	4717	5092	5324	5684	5865	6064	6123
INDIRECT TAXES LESS SUBSIDIES	1478	1552	1557	1688	1818	1973	2151	2184	2269	2266	2370	2414

(A) TRADING ENTERPRISES

APPENDIX A : EXPLANATORY NOTES ON TABLES

It is to be noted that less information is available for the components of domestic product and national expenditure by quarters than by years, and it has not been possible to show by quarters the full range of detail released in the annual publication. This has necessitated some differences in the form of presentation compared with the annual estimates, e.g. income and outlay accounts for corporate trading and financial enterprises are not shown and some items shown separately in annual tables are combined in these quarterly tables.

PRINCIPAL AGGREGATES

The principal aggregates are defined below and their relationship may be illustrated diagrammatically as follows :

NATIONAL TURNOVER OF GOODS AND SERVICES

IMPORTS OF GOODS AND SERVICES	IMPORTS OF GOODS AND SERVICES	IMPORTS OF GOODS AND SERVICES	IMPORTS OF GOODS AND SERVICES	IMPORTS OF GOODS AND SERVICES	IMPORTS OF GOODS AND SERVICES	EXPORTS OF GOODS AND SERVICES
			NET INCOME PAID OVERSEAS	NET INCOME PAID OVERSEAS	NET INCOME PAID OVERSEAS	
				NET TRANSFERS OVERSEAS	NET TRANSFERS OVERSEAS	
					NET LENDING TO OVERSEAS	
GROSS DOMESTIC PRODUCT	GROSS DOMESTIC PRODUCT AT FACTOR COST	DOMESTIC FACTOR INCOMES	NATIONAL INCOME	NATIONAL DISPOSABLE INCOME	GROSS NATIONAL EXPENDITURE	GROSS NATIONAL EXPENDITURE
	INDIRECT TAXES LESS SUBSIDIES	INDIRECT TAXES LESS SUBSIDIES	DEPRECIATION ALLOWANCES	DEPRECIATION ALLOWANCES		

Gross domestic product. The total market value of goods and services produced in Australia within a given period after deduction of the costs of goods and services used up in the process of production but before deducting allowances for the consumption of fixed capital. **Gross farm product** is that part of gross domestic product which derives from production in agriculture and services to agriculture. **Gross non-farm product** arises from production in all other industries.

Gross domestic product at factor cost. That part of the cost of producing the gross domestic product which consists of gross payments to factors of production (labour, land, capital and enterprise). It represents the value added by these factors in the process of production and is equivalent to gross domestic product less indirect taxes plus subsidies.

Domestic factor incomes. That part of the value added within a given period by factors of production (labour, land, capital and enterprise) which accrues as income to their suppliers after allowing for the depreciation of fixed capital. It is equivalent to gross domestic product at factor cost less depreciation allowances.

National income. The net income accruing within a given period to Australian residents from their services in supplying factors of production (labour, land, capital and enterprise) in Australia or overseas plus indirect taxes less subsidies. It is equivalent to domestic factor incomes plus indirect taxes less subsidies and net income paid overseas.

National disposable income. The net income accruing within a given period to Australian residents from their services in supplying factors of production, from net indirect taxes and from re-distributive transfers. It is equivalent to national income less net transfers overseas.

National turnover of goods and services. The total flow within a given period of final goods and services (i.e. excluding goods and services used up during the period in the process of production), entering the Australian economy from production and imports. This value is equivalent to gross domestic product plus imports of goods and services or, alternatively, to gross national expenditure plus exports of goods and services.

Gross national expenditure. The total expenditure within a given period on final goods and services (i.e. excluding goods and services used up during the period in the process of production) bought by Australian residents. It is equivalent to the gross domestic product plus imports of goods and services less exports of goods and services.

For definitions of other items involved in the relationship of the principal aggregates refer to notes below on the tables indicated : **Imports of goods and services, Exports of goods and services, Net lending to overseas** (Table 13); **Net income paid overseas, Net transfers overseas** (Table 12); **Indirect taxes less subsidies** (Table 1); **Depreciation allowances** (Table 5).

Table 1 : DOMESTIC PRODUCTION ACCOUNT

Final consumption expenditure.

Private. Expenditure on goods and services for consumption by persons and private non-profit organisations serving households. Includes personal expenditure on motor vehicles and other durable goods and the imputed rent of owner-occupied dwellings, but excludes purchases of dwellings. Also excludes consumer debt interest, but includes the imputed service charge in respect of instalment credit operations.

Government. Expenditure by public authorities, other than those classified as public enterprises, on wages, salaries and supplements and goods and services other than expenditure which results in the creation or the acquisition of fixed tangible assets or an increase in stocks. Charges for goods sold and services rendered are offset against purchases. Net expenditure overseas by general government bodies and purchases from public enterprises are included. All expenditure on defence is classified as final consumption expenditure. Net expenditure overseas on major items of defence equipment is included in the period in which the equipment is delivered. The adjustment made for the difference in any period between deliveries of major items of defence equipment procured overseas and payments for such equipment is shown explicitly in Tables 20 and 25. For a purpose classification of general government final consumption expenditure see Table 25.

Gross fixed capital expenditure.

Private. Expenditure on fixed assets. The components – dwellings, other new building and construction, all other (plant, machinery, vehicles, etc.) – are shown in Table 5.

Public authorities (public enterprises and general government). Expenditure on fixed assets whether for additions or replacements, other than for defence purposes. Because it has been impossible to make a satisfactory dissection, all expenditure on roads, including maintenance, is classified as capital expenditure.

Increase in stocks. See notes to Table 6.

Statistical discrepancy.

The difference between the sum of the direct estimates of gross domestic product and imports of goods and services on the one hand and the sum of the estimates of components of gross national expenditure and exports of goods and services on the other hand. Conceptually these two totals are the same. Inclusion of the discrepancy on the expenditure side of the domestic production account implies nothing as to the relative accuracy of the estimates of gross domestic product and gross national expenditure. Similarly, its inclusion on the expenditure side in the national capital account does not imply that the capital expenditure estimates are less accurate than the estimates on the receipts side of the account.

Imports and exports of goods and services. See notes to Table 13.

Wages, salaries and supplements.

Payments in the nature of wages and salaries as defined for pay-roll tax, including allowances for income in kind (board and quarters, etc.), together with supplements to wages and pay and allowances of members of the forces. In addition to wages and salaries paid by employers subject to pay-roll tax, this item includes wages and salaries paid by employers not subject to pay-roll tax, based mainly on estimates of employment and average earnings. Supplements consist of

employers' contributions to pension and superannuation funds, direct payments of pensions and retiring allowances by employers and amounts paid as workers' compensation for injuries. Pay and allowances of members of the forces consist of active pay, field, subsistence, and dependants' allowances and the value to the members of the forces of food, clothing, normal medical attention, etc., supplied in kind and deferred pay (but not war gratuities which are included in cash benefits to persons). To be consistent with the definition of the workforce, payments to trainee teachers are excluded from estimates of wages, salaries and supplements.

Gross operating surplus.

The operating surplus before deduction of depreciation provisions, dividends, interest, royalties and land rent, and direct taxes payable, but after deducting stock valuation adjustment, of all enterprises, trading and financial, from operations in Australia. It is the excess of gross output over the sum of intermediate consumption, wages, salaries and supplements and indirect taxes less subsidies. Gross operating surplus includes third party motor vehicle and public risk insurance claims paid to persons in respect of policies taken out by enterprises. The gross operating surplus of financial enterprises includes an imputed bank service charge which represents a reclassification of a part of interest receipts. The imputed bank service charge is not allocated among customers (which would have the effect of reducing their respective operating surpluses), but is shown in the production account as a negative adjustment to operating surpluses generally. Financial enterprises comprise banks, insurance offices, superannuation funds and other enterprises primarily engaged in incurring liabilities and acquiring financial assets in the market. Trading enterprises include companies, public enterprises, partnerships and sole proprietors engaged in the production of goods and services for sale, but exclude financial enterprises. All dwellings are included whether let or occupied by the owner. Public trading enterprises are government-owned enterprises which attempt to cover all, or a substantial part, of their costs through charges made to the public for the sale of goods and services.

Indirect taxes less subsidies.

Indirect taxes are taxes assessed on producers, i.e. enterprises and general government, in respect of the production, sale, purchase or use of goods and services, which are charged to the expenses of production. When indirect taxes are not paid in the same period as the taxed goods are produced an adjustment should be made to record them on a 'tax payable' basis. This has been done for wheat export charges levied on the Australian Wheat Board but expected to be refunded at a later date and to correct for an abnormally large difference between sales tax collected and estimated sales tax payable in the June and September quarters of 1975. The combined adjustments are shown in the general government income and outlay account of Federal authorities (Table 20). Subsidies include all grants made by general government to enterprises which are credited to their production accounts. Some subsidies to primary producers are not paid in the same year as that in which the subsidised goods are produced. In these cases the subsidies are estimated on a payable basis and shown on that basis in the domestic production account and general government income and outlay account. The adjustment made for the difference in any period between the actual cash payment and the amount payable is shown in the general government income and outlay account of Federal authorities (Table 20).

Table 2 : EXPENDITURE ON GROSS DOMESTIC PRODUCT AT AVERAGE 1974-75 PRICES

This table shows estimates, at constant (average 1974-75) prices, of gross domestic product and its farm and non-farm components, exports and imports of goods and services, and gross national expenditure and its principal components.

For a description of the concepts, sources and methods used in the preparation of these estimates, reference should be made to Part 1 of Section C and Appendix B of *Australian National Accounts, National Income and Expenditure* (5204.0). The estimates of gross domestic product at constant prices in this publication have been made by revaluing expenditure components. Those of gross farm product at constant prices have been made by deducting estimates, at constant prices, of production costs other than wages, depreciation and indirect taxes from farm gross value of production at constant market prices. The estimates of gross non-farm product are then obtained as the difference between gross domestic product and gross farm product.

Table 3 : DOMESTIC PRODUCTION ACCOUNT – SEASONALLY ADJUSTED and Table 4 : EXPENDITURE ON GROSS DOMESTIC PRODUCT AT AVERAGE 1974-75 PRICES – SEASONALLY ADJUSTED

For a commentary on seasonal adjustment methods see Foreword. For a general description, reference should be made to *Seasonally Adjusted Indicators* (1308.0).

Table 5 : NATIONAL CAPITAL ACCOUNT

Depreciation allowances are financial provisions made for depreciation and represent, in the main, amounts allowed under income tax legislation, but include also the estimated depreciation on tenanted and owner-occupied dwellings and provisions made by public enterprises. Quarterly figures for companies are estimated from the quarterly Survey of Profit,

for public enterprises from a survey of revenue and expenditure and for dwellings and unincorporated enterprises by interpolation and projection from trends in annual estimates.

Household saving, general government surplus and net lending to overseas are derived as balancing items in the income and outlay accounts of the household and general government sectors and the overseas transactions account respectively in Tables 14, 19 and 13. However, it should be noted that the national accounts estimates of net lending to overseas differ from the balance of payments estimates of the balance on current account by excluding undistributed income.

The quarterly statistical discrepancy is derived from Table 1. Other saving, representing increase in income tax provisions, undistributed company income, retained income of public financial enterprises, general government grants for private capital purposes and extraordinary insurance claims paid, is derived as a balancing item in this table.

Table 6 : INCREASE IN STOCKS

Stocks includes materials, work-in-progress and finished goods. Estimates for the most recent quarter are based upon preliminary results of a quarterly survey of stocks. These figures are revised when final figures from the sample survey are prepared. When annual data (from the census of manufacturing establishments, survey of retail establishments etc.) become available, there could be further consequential changes.

Stocks of **wholesale and retail trade** includes sugar held in bulk terminals.

Farm stocks includes stocks in the hands of Wheat and Barley Boards, unsold stocks of wool in the hands of wool-selling brokers as well as stocks of wheat, barley, oats, other grains, hay, seed and fertiliser held on farms. Livestock and growing crops are not included.

Farm and miscellaneous stocks. The sum of farm stocks and public authority stocks.

Increase in book value of stocks. Changes in the book value of non-farm stocks held by private trading enterprises and public authorities and farm stocks held by farmers and marketing authorities.

Stock valuation adjustment. The difference between the increase in stocks and the increase in the book value of stocks.

Increase in stocks. The difference between the beginning and end-of-quarter estimates of the value of stock levels, both revalued at average current-quarter prices by means of appropriate price indexes.

Table 7 : GROSS FIXED CAPITAL EXPENDITURE AND INCREASE IN STOCKS AT AVERAGE 1974-75 PRICES

This table shows estimates, at constant (average 1974-75) prices, of gross fixed capital expenditure classified by major asset group and a dissection of the increase in stocks into two parts, private non-farm stocks and farm and miscellaneous stocks.

Tables 8 and 9 : GROSS FIXED CAPITAL EXPENDITURE AND INCREASE IN STOCKS – SEASONALLY ADJUSTED

For a commentary on seasonal adjustment methods see Foreword. For a general description, reference should be made to *Seasonally Adjusted Indicators* (1308.0).

Table 10 : PRIVATE FINAL CONSUMPTION EXPENDITURE

In general, estimates of expenditure on goods are derived from quarterly surveys of retail sales and estimates of expenditure on services from public authority accounts and returns from authorities etc. **Food** includes the estimated cost of food in purchased meals but excludes food consumed in hospitals and nursing homes. **Rent** includes the gross rent paid for tenanted dwellings and the imputed gross rental value of owner-occupied dwellings. **Fares** includes expenditure on fares on railways, tramways, buses, ferries, airways, taxis and ships. **Purchase of motor vehicles** is the estimated expenditure by persons on new motor vehicles, second-hand motor vehicles purchased from private business enterprises and public authorities and net dealers' margins on purchases and sales of motor vehicles between persons. Other goods and services covers all other expenditure on private final consumption; greater detail is shown for years in *Australian National Accounts, National Income and Expenditure* (5204.0).

Table 11 : PRIVATE FINAL CONSUMPTION EXPENDITURE – SEASONALLY ADJUSTED

For a commentary on seasonal adjustment methods see Foreword. For a general description, reference should be made to *Seasonally Adjusted Indicators* (1308.0).

Table 12 : NATIONAL INCOME AND OUTLAY ACCOUNT

Wages, salaries and supplements. Refer to notes on Table 1.

Net operating surplus is, in principle, the operating surplus after providing for the consumption of fixed capital, and is estimated by deducting depreciation allowances from gross operating surplus.

Net income paid overseas. Payments of dividends and interest etc. to overseas less receipts of dividends and interest etc. from overseas.

Indirect taxes less subsidies. Refer to notes on Table 1.

Net transfers to overseas. Transfers to overseas less transfers from overseas. Refer to notes on Table 13.

Saving. Refer to notes on Table 5.

Table 13 : OVERSEAS TRANSACTIONS ACCOUNT

Most of the items in this table are derived from the Bureau's quarterly publication *Balance of Payments* (5302.0). However, it should be noted that the national accounts estimates differ from the balance of payments estimates by excluding undistributed income and consequently net lending to overseas, which is the balance on current transactions, differs from the balance on current account shown in the balance of payments statistics.

Imports of goods and services

Imports f.o.b. is the recorded trade figure adjusted for the purposes of balance of payments estimates. For a detailed description of these adjustments see *Balance of Payments* (5303.0).

Transportation and travel includes freight payable to foreign carriers on goods imported or transported between Australian ports, fares payable to overseas shipping and airline companies, overseas expenditure of Australian carriers, net premiums payable overseas on marine insurance, and the expenditure of Australian residents visiting overseas.

Other goods and services includes government transactions in respect of representation abroad, defence expenditure, and miscellaneous expenditure overseas. Also included are film rentals, commission and brokerage payable overseas and the value of repair on goods previously exported for repair and return.

Property income to overseas includes interest, royalties and dividends paid and profits remitted overseas. Excludes undistributed income.

Transfers to overseas includes personal transfers, emigrants' funds, private donations for charitable, missionary, etc. purposes, the value of goods exported as gifts and general government grants to overseas. These latter include grants for international aid projects, the grant to Papua New Guinea and certain other expenditure in that territory, as well as contributions to United Nations and other international organisations.

Net lending to overseas. See the introduction to the notes to this table.

Exports of goods and services

Exports f.o.b. is the recorded trade figure adjusted for balance of payments purposes.

Transportation and travel includes expenditure of overseas carriers in Australian ports, overseas earnings of Australian shipping and airline companies, and the expenditure of overseas residents visiting Australia.

Other goods and services includes services provided by the Australian government, expenditure of foreign governments in Australia, foreign business expenditure in Australia and Australian gold production less net industrial usage.

Property income from overseas includes interest, etc., dividends and profits received. Excludes undistributed income.

Personal transfers from overseas includes gifts, immigrants' funds, legacies, etc..

Extraordinary insurance claims from overseas are in respect of claims arising out of the Darwin cyclone of 25 December 1974.

Table 14 : HOUSEHOLDS (INCLUDING UNINCORPORATED ENTERPRISES) INCOME AND OUTLAY ACCOUNT

Some items in this table have been described in notes to other tables. **Income of other unincorporated enterprises and from dwellings and interest and dividends** is a combination of several items shown separately in *Australian National Accounts, National Income and Expenditure*. It includes the net income (after payment of interest) of sole proprietors and partners engaged in private business or professions, the imputed net income from owner-occupied dwellings, the imputed receipt of interest from life offices and superannuation funds, and other interest and dividends. **Third party insurance transfers** comprises third party motor vehicle and public risk insurance claims paid to persons in respect of policies taken out by enterprises. The components of **cash benefits from general government** are shown in Table 23.

Table 15 : HOUSEHOLD DISPOSABLE INCOME

Household income is the total income whether in cash or kind, received by persons normally resident in Australia in return for productive activity (such as wages and supplements, incomes of unincorporated enterprises etc.) and transfer incomes (such as cash social service benefits, interest etc.). It includes the imputed interest of life offices and superannuation funds, which is the benefit accruing to policy holders and members from investment income of the funds. However, it excludes any income which might be said to accrue to persons in the form of undistributed company income. It also includes any property income received by non-profit organisations such as private schools, churches, charitable organisations, etc..

Household disposable income is household income less income tax paid by persons, estate and gift duties, and all other taxes, fees for services of a regulatory character, fines and gifts paid by persons to general government, consumer debt interest and transfers to overseas.

Table 16 : HOUSEHOLDS INCOME AND OUTLAY ACCOUNT – SEASONALLY ADJUSTED and Table 17 : HOUSEHOLD DISPOSABLE INCOME – SEASONALLY ADJUSTED

For a commentary on seasonal adjustment methods see Foreword. For a general description, reference should be made to *Seasonally Adjusted Indicators* (1308.0). Seasonally adjusted **saving** is derived as a balancing item and is affected by any deficiencies in the estimation and seasonal adjustment of household income and expenditure.

Table 18 : INCOME OF FARM UNINCORPORATED ENTERPRISES

Gross value of production is the estimated value of sales during the quarter at wholesale prices realised in the principal markets, together with the imputed value of production consumed on farms and the addition to unsold stocks held on the farm or by marketing boards, etc..

Stock valuation adjustment here refers to the stock valuation adjustment in respect of farm stocks.

Production costs comprise marketing costs, costs of seed, fodder and other materials used, wages and salaries, depreciation, indirect taxes and all other costs other than net rent and interest paid.

Gross farm product at factor cost equals the estimated gross value of production (after stock valuation adjustment) less estimated production costs other than wages paid and depreciation, for all enterprises engaged in rural production.

Income of farm unincorporated enterprises is the estimated gross value of production (after stock valuation adjustment) less all estimated costs of those engaged in rural industries and less company income.

Tables 19, 20 and 21 : GENERAL GOVERNMENT INCOME AND OUTLAY ACCOUNT

Indirect taxes are taxes assessed on producers and charged to their expenses of production.

Direct taxes are taxes paid by persons and taxes paid by enterprises that are not charged to their expenses of production. **Direct taxes (paid) on income** consists of cash receipts by the Australian government in the form of taxes on the incomes of companies and persons. The difference between taxes payable and cash receipts by the Australian government is included in other saving in Table 5. **Other direct taxes, fees, fines, etc.** include estate and gift duties and all other taxes, fees for services of a regulatory character and fines and gifts paid by persons to public authorities.

Interest, etc. received includes interest on bank balances, interest on advances to the public, royalties and miscellaneous rents (mainly agricultural and mining rents). Receipts of interest by housing authorities and other public trading enterprises are included.

Income from public enterprises consists of that part of the income of public financial enterprises actually transferred to general government plus the whole of the income of public trading enterprises. The income of public trading enterprises is measured by their net operating surplus, and so includes any payments of interest by public trading enterprises.

Final consumption expenditure. See notes to Table 1.

Interest paid. Mainly interest on Australian government, local authority and public corporation securities, including interest paid on behalf of public trading enterprises.

Transfers overseas. See notes to Table 13.

Grants for private capital purposes. Grants to meet private capital expenditure e.g. Commonwealth Home Savings Grants, grants for converting business machines to decimal currency operations, constructing libraries and science laboratories in private schools, and houses for aged persons, and compensation to primary industry marketing authorities for losses on overseas debts resulting from sterling devaluation.

Surplus on current account is a balancing item equal to the excess of income over current outlay.

Table 22 : TAXES, FEES, FINES ETC.

Taxes on ownership and operation of motor vehicles includes registration fees and tax, drivers' licences, road transport taxes, road maintenance contributions, third party insurance surcharges and duties and stamp duty on registration. **Racing, lotteries and poker machines** includes profits from State lotteries. **Other** includes special industry taxes such as stevedoring industry charge, wool tax, poultry industry levy etc., export charges, other miscellaneous taxes, fees, fines, gifts, etc.. Greater detail is shown for annual figures in *Public Authority Finance : Taxation* (5506.0).

Table 23 : GENERAL GOVERNMENT CASH BENEFITS TO PERSONS

Direct payments in cash or its equivalent which are not made in return for current productive services. **Other** includes widows' pensions, maternity allowances, unemployment and sickness benefits, funeral benefits, payments to trainee teachers, attendance money for waterside workers, etc., as well as certain fare concessions and emergency assistance to wool-growers. Home savings grants are included in grants for private capital purposes (see Tables 19 and 20).

Table 24 : GENERAL GOVERNMENT INCOME FROM PUBLIC ENTERPRISES

Revenue, expenditure and income of public trading enterprises for which information is not available quarterly are estimated and included in estimated income of all public trading enterprises. Expenditure includes depreciation provisions except in the case of those enterprises whose transactions are shown on a cash basis in the public accounts. Other transport and communication includes airlines, sea transport, post office, overseas telecommunications and natural gas pipelines.

Table 25 : GOVERNMENT FINAL CONSUMPTION EXPENDITURE

See notes to Table 1. The purpose categories are defined in *Public Authority Finance : Federal Authorities* (5502.0).

Table 26 : GROSS FIXED CAPITAL EXPENDITURE – PUBLIC AUTHORITIES

Includes capital expenditure on new buildings and construction and new plant and machinery. Excluded are maintenance expenditure and the purchase of existing assets.

Table 27 : GROSS FIXED CAPITAL EXPENDITURE – PUBLIC ENTERPRISES

Housing includes the estimated expenditure on the construction of dwellings for rental purposes by housing authorities less the book value of dwellings sold to former tenants, and some capital expenditure on new dwellings by other public enterprises. **Economic services** includes the grain elevator boards, abattoirs and forestry undertakings (including saw mills). **Transport and communication – other** includes airlines, sea transport, post office, overseas telecommunications and natural gas pipelines. **Other purposes** includes government banks and insurance offices, hostels, and housing authorities' expenditure excluding houses and flats.

Table 28 : SELECTED INCOME AGGREGATES

This table shows the following income components of gross non-farm product in both original and seasonally adjusted terms; wages, salaries and supplements, gross operating surplus of trading enterprises and indirect taxes less subsidies. For definitions of these aggregates see notes to Table 1. For a commentary on seasonal adjustment methods see Foreword. For a general description of the seasonal adjustment methods reference should be made to *Seasonally Adjusted Indicators* (1308.0).

APPENDIX B

IMPLICIT PRICE DEFLATORS

1. Implicit price deflators are obtained by dividing aggregate flows of goods and services measured at current prices by the corresponding estimates at constant prices. Thus they are derived measures (hence the term "implicit") and are not direct measures of price changes by which current price estimates are converted to estimates at constant prices. A description of the methods used to obtain estimates at constant prices is given in Part 1, Section C and Appendix B of *Australian National Accounts, National Income and Expenditure* (5204.0). When calculated from the major national accounting aggregates, such as expenditure on gross domestic product, implicit price deflators relate to a generally broader scope of goods and services in the economy than that represented by any of the individual retail and wholesale price indexes that are published by the Australian Bureau of Statistics. However, the usefulness of implicit price deflators as indicators of price change is greatly limited by the factors outlined in the following paragraphs.

2. As a consequence of the way in which they are derived, implicit price deflators, when used as indicators of price change, are susceptible to inadequacies in both the current price national accounts estimates and the data available for the derivation of the constant price estimates. One source of difficulty arises when the current price value is a measure of cash flow. This occurs especially in components of government final consumption expenditure. In some such cases the constant price estimates and the current price estimates are not on wholly consistent bases. For example, the current price estimates of defence expenditure include payments of wages and salaries to enlisted and civilian personnel, and there is some unevenness in these payments because of factors such as payments of retrospective wage adjustments and the payment of loadings. In estimating the expenditure on defence at constant prices, expenditure on the pay of personnel is revalued using data on the changes in numbers of personnel (by category). Therefore the implicit price deflator of defence expenditure will reflect not only changes in wage rates and prices of materials and equipment, but also retrospective wage payments and loadings paid in particular periods. The movements in the implicit price deflator of defence expenditure in turn affect movements in the implicit price deflator of government final consumption expenditure.

3. A further problem associated with the use of implicit price deflators arises from the fact that they are subject to revision because of revisions in the relevant current price and/or constant price estimates. Quarterly estimates as first published are sometimes revised substantially when firmer data become available. Annual estimates are also subject to revision.

4. Implicit price deflators provide an estimate of the price change between the base period of the relevant constant price estimate (1974-75 in this publication) and another period, and use the quantity weights of the other period.¹ Because the weights change from period to period, implicit price deflators do not compare the price of a constant basket of goods and services between any two periods except in comparing the base period with any other period. Therefore a change in an implicit price deflator between any two periods, neither of which is the base period, represents a combination of actual price changes between the two periods and the effects of relative changes between those periods in the underlying quantity weights, or physical composition, of the aggregate from which the deflator is derived. It is possible for changes in the physical composition of the relevant aggregate to produce an increase in the implicit price deflator between two non-base periods when all component prices have decreased, or conversely, a decrease in the deflator when all component prices have increased. While this may be an extreme case, significant aberrations do in practice occur from time to time.

5. The limitations outlined in the preceding paragraphs mean that the movement in an individual implicit price deflator between two periods should not be taken as a measure of price change in isolation from other relevant information that is available. For instance, the change in an implicit price deflator between two periods can be considered in the context of movements of the implicit price deflator around the time periods in question. This is particularly important with respect to quarter-on-previous-quarter changes. In general, annual changes in implicit price deflators are more reliable than quarterly changes as indicators of price change. (See also the next paragraph.) Other available data of particular relevance are the fixed weighted price indexes published by the Australian Bureau of Statistics, which are specifically constructed to measure price change. Information on changes in wage rates and exchange rates may also assist in interpretation.

6. Implicit price deflators calculated from the quarterly national accounting aggregates may be particularly affected by changes in the physical composition of those aggregates. Much of the quarter-to-quarter change in the physical composition of aggregates is seasonal. Therefore implicit price deflators derived from seasonally adjusted quarterly data are normally more reliable than those calculated from unadjusted data. However, seasonally adjusting the series may not completely eliminate the impact of seasonal changes on the derived implicit price deflators. Irregular shifts in physical composition can also have a significant impact on quarterly implicit price deflators.

¹ The implicit price deflator has the form of a Paasche-type price index. The individual retail and wholesale price indexes that are published by the Australian Bureau of Statistics are fixed weighted, or Laspeyres-type, price indexes.

7. The implicit price deflator of gross national expenditure is an indicator of the overall movement in the prices of all final goods and services *purchased* by Australian residents, including imported goods. While the increase in stocks is an integral part of gross national expenditure and is definitionally a part of total demand, it can also be viewed as the difference between the supply and disposal of goods and services. As the increase in stocks is also extremely volatile in its composition and includes increases and decreases in stocks intended for export, the implicit price deflator of the major components of gross national expenditure (i.e. excluding increase in stocks and discrepancy) is less subject to the effects of compositional change. For these reasons the implicit price deflator of the major components of gross national expenditure may be considered more useful than the implicit price deflator of total gross national expenditure.

8. The implicit price deflator of gross domestic

product is an indicator of the overall movement in the prices of goods and services *produced* in Australia for use in Australia or export.

9. The following table shows the implicit price deflators derived from selected national accounting aggregates contained in this publication. The volatility of recent changes in the implicit price deflators of both government final consumption expenditure and public fixed capital expenditure provides an example of the effect of the factors discussed above. For instance, substantial purchases of civilian aircraft for use by government owned airlines are made from time to time. In the quarters in which these purchases are recorded, the composition of public fixed capital expenditure differs significantly from that of other quarters and can lead to irregular movements in the corresponding implicit price deflator series. A movement of this nature occurred in the September quarter 1977.

IMPLICIT PRICE DEFLATORS
(Quarterly figures are derived from seasonally adjusted data)

Implicit price deflator of –	Quarters ended –										
	Year										
	1974-75	1975-76	1976-77	1975-76		1976-77		1977-78			
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.
IMPLICIT PRICE DEFLATORS (1974-75 = 100.0)											
Final consumption expenditure –											
Private	100.0	115.5	128.6	117.8	121.4	123.9	126.5	130.2	133.8	136.4	138.5
Government	100.0	115.1	127.8	116.4	121.7	124.7	125.1	129.1	132.3	134.9	136.0
Gross fixed capital expenditure –											
Private –											
Dwellings	100.0	116.7	132.3	118.9	122.7	126.8	130.5	135.0	138.0	140.8	142.2
Other building and construction	100.0	116.0	130.3	119.6	122.3	126.0	128.6	133.7	134.2	137.7	140.5
All other	100.0	116.1	130.9	117.5	122.5	124.1	126.1	134.9	138.3	140.1	141.4
Total private	100.0	116.2	131.3	118.3	122.5	125.3	127.9	134.7	137.6	139.9	141.5
Public	100.0	114.8	129.5	116.6	121.8	124.3	127.0	130.7	134.5	135.0	137.1
Total of the (above) major components of gross national expenditure	100.0	115.5	128.9	117.5	121.7	124.3	126.5	130.7	134.2	136.5	138.4
Gross national expenditure	100.0	115.3	128.8	117.9	121.2	124.1	126.8	131.6	132.9	137.0	140.1
Exports of goods and services	100.0	109.0	118.6	109.7	112.4	109.8	116.4	124.2	125.4	126.4	122.6
Imports of goods and services	100.0	113.5	128.0	115.8	116.1	118.2	121.1	134.4	138.2	145.0	143.5
Expenditure on gross domestic product	100.0	114.6	127.2	116.9	120.5	122.4	126.0	130.0	130.8	134.0	136.5
Gross farm product	100.0	96.4	102.6	97.5	97.1	97.6	97.7	105.4	109.5	115.4	113.4
Gross non-farm product	100.0	115.8	128.8	118.2	122.0	124.0	127.9	131.6	132.2	135.1	137.8

PERCENTAGE CHANGES

	From preceding year											Dec. qtr 1977 on Dec. qtr 1976
	From preceding quarter											
Final consumption expenditure –												
Private	17.1	15.5	11.3	3.6	3.1	2.1	2.1	2.9	2.8	1.9	1.5	9.5
Government	24.2	15.1	11.0	2.4	4.6	2.5	0.3	3.2	2.5	2.0	0.8	8.7
Gross fixed capital expenditure –												
Private –												
Dwellings	24.1	16.7	13.4	4.5	3.2	3.3	2.9	3.4	2.2	2.0	1.0	9.0
Other building and construction	26.6	16.0	12.3	5.3	2.3	3.0	2.1	4.0	0.4	2.6	2.0	9.3
All other	23.0	16.1	12.7	3.5	4.3	1.3	1.6	7.0	2.5	1.3	0.9	12.1
Total private	24.1	16.2	13.0	4.1	3.6	2.3	2.1	5.3	2.2	1.7	1.1	10.6
Public	23.0	14.8	12.8	3.6	4.5	2.1	2.2	2.9	2.9	0.4	1.6	8.0
Total of the (above) major components of gross national expenditure	19.8	15.5	11.6	3.4	3.6	2.1	1.8	3.3	2.7	1.7	1.4	9.4
Gross national expenditure	19.8	15.3	11.7	4.1	2.8	2.4	2.2	3.8	1.0	3.1	2.3	10.5
Exports of goods and services	16.6	9.0	8.8	2.5	2.5	-2.3	6.0	6.7	1.0	0.8	-3.0	5.3
Imports of goods and services	28.0	13.5	12.8	3.1	0.3	1.8	2.5	11.0	2.8	4.9	-1.0	18.5
Expenditure on gross domestic product	17.9	14.6	11.0	4.0	3.1	1.6	2.9	3.2	0.6	2.4	1.9	8.3
Gross farm product	-20.3	-3.6	6.4	0.5	-0.4	0.5	0.1	7.9	3.9	5.4	-1.7	16.1
Gross non-farm product	21.5	15.8	11.2	4.2	3.2	1.6	3.1	2.9	0.5	2.2	2.0	7.7

