

# **Economic Indicators**

**Research Paper 94/121**

**28 November 1994**



This Research Paper summarises some of the main economic indicators currently available for the UK and gives comparisons with other major OECD countries on selected indicators.

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**Economic Policy & Statistics Section**

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## A. Contacts for further information

Members and their staff with questions about the currency of or requesting further information on statistics are encouraged to talk to the statistician specialising in the relevant area. The statisticians dealing with the subjects covered by this Research Paper are shown below. (After 6pm there is a statistician on duty until the rise of the House who can be contacted via the Oriel Room of the Main Library - extn 3666)

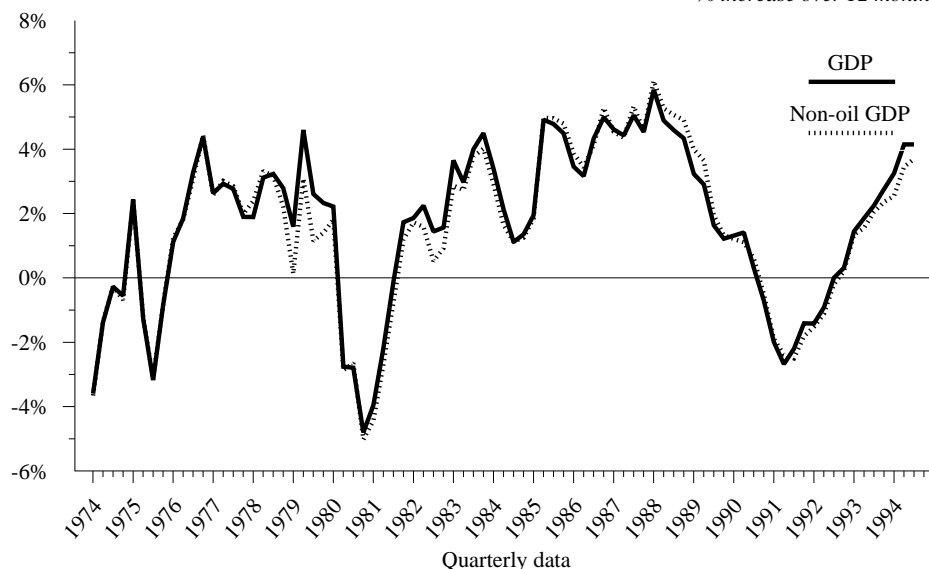
Subject	Statistician	Phone 219-
Balance of payments	Tim Edmonds/Bob Twigger	2883/4904
Construction	Mick Hillyard/Nicola Chedgey	4324/3977
EC finance	Mick Hillyard/Bob Twigger	4324/4904
Employment	Nicola Chedgey/Tim Edmonds	3977/2883
Energy	Mahmud Nawaz	2454
Financial services	Bob Twigger/Tim Edmonds	3977/2883
Housing	Adrian Crompton/Rob Clements	6789/4310
Incomes	Bob Twigger/Tim Edmonds	4904/2883
Industries	Nicola Chedgey/Mick Hillyard	3977/4324
National Accounts-GDP etc	Bob Twigger/Tim Edmonds	4904/2883
Overseas aid	Bob Twigger/Mick Hillyard	4904/4324
Prices	Bob Twigger/Tim Edmonds	4904/2883
Production	Bob Twigger/Tim Edmonds	4904/2883
Public expenditure	Bob Twigger/Tim Edmonds	4904/2883
Taxation	Bob Twigger/Tim Edmonds	4904/2883
Trade	Mick Hillyard/Bob Twigger	4324/4904
Transport	Adrian Crompton/Mahmud Nawaz	6789/2454
Unemployment	Jane Dyson/Mick Hillyard	2464/4324
Wages & earnings	Nicola Chedgey/Tim Edmonds	3977/2883

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## B 1. Gross Domestic Product

*GDP at constant factor cost  
% increase over 12 months*



### Gross Domestic Product (GDP)

	<b>GDP</b> <i>at constant factor cost</i> <i>12 month change</i>	<b>Non-Oil GDP</b> <i>at constant factor cost</i> <i>12 month change</i>	<b>GDP</b> <i>£ billion at current</i> <i>market prices</i>	<b>GDP</b> <i>£ billion at current</i> <i>factor cost</i>
1991	-2.1%	-2.2%	575.3	495.9
1992	-0.5%	-0.6%	597.1	516.0
1993	2.1%	1.9%	630.2	546.7
1993 Q3	2.3%	2.1%	158.6	137.6
1993 Q4	2.8%	2.4%	161.0	139.8
1994 Q1	3.3%	2.5%	163.0	141.3
1994 Q2	4.1%	3.5%	165.5	143.1
1994 Q3 (prov)	4.2%	3.6%	168.6	145.9

Sources: CSO Database; CSO first release (94) 245 dated 18.11.94

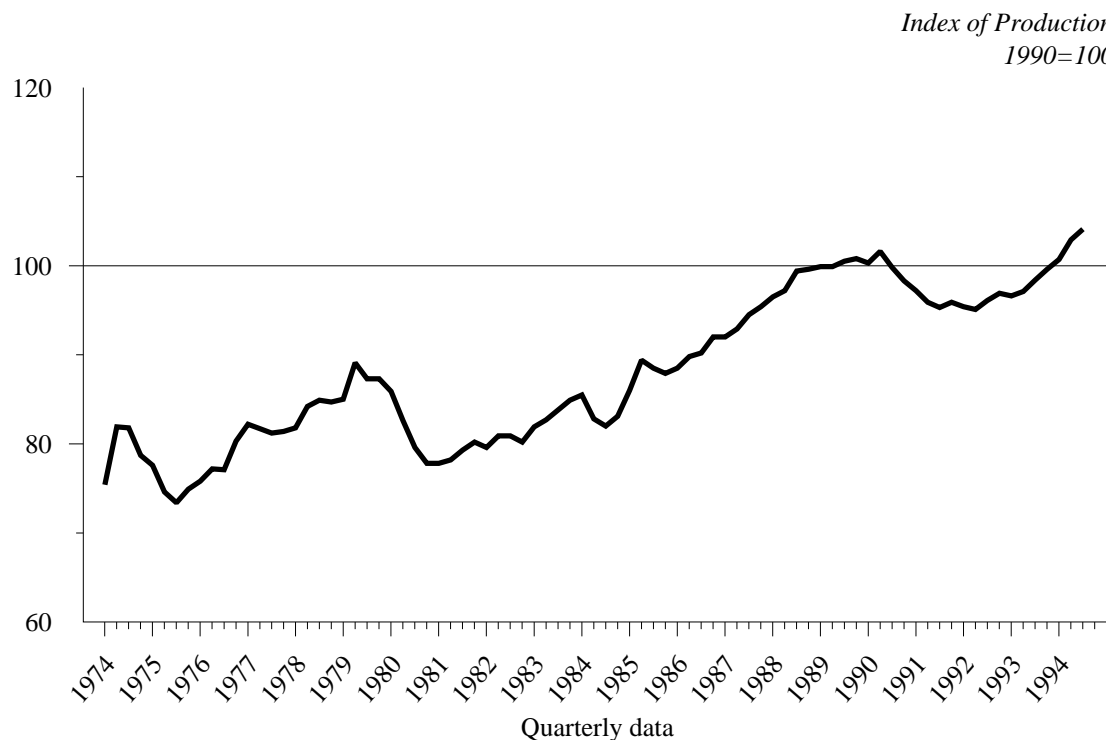
\* Real GDP at factor cost is provisionally estimated to have risen by 0.9% between the second and third quarters of 1994 and to be 4.2% higher than in the third quarter of 1993. In 1993 GDP was 2.1% higher than in 1992.

\* The latest Treasury summary of economic forecasts suggests that growth will be 3.5% in 1994 and 3.0% in 1995.

\* In terms of GDP excluding oil and gas extraction the trough of the recession was in the first quarter of 1992. Since then non-oil output has risen by some 6.2% and it is now 2.4% above the previous peak achieved in the second quarter of 1990.

*Next update: 22 December*

**B 2. Industrial Production**



**Industrial Production - Index Of Output seasonally adjusted**

	<b>Total</b> <i>12 month change</i>	<b>Mining &amp; quarrying incl oil &amp; gas</b> <i>12 month change</i>	<b>Manufacturing</b> <i>12 month change</i>	<b>Gas, electricity &amp; water supply</b> <i>12 month change</i>
1991	-3.9%	2.1%	-5.4%	5.6%
1992	-0.2%	4.3%	-0.6%	0.0%
1993	2.1%	8.0%	1.3%	4.1%
1993 Q2	2.1%	7.8%	1.3%	4.8%
1993 Q3	2.4%	9.7%	1.3%	5.6%
1993 Q4	2.8%	13.2%	1.5%	4.8%
1994 Q1	4.2%	23.1%	2.3%	3.8%
1994 Q2	6.0%	25.8%	3.9%	5.5%
1994 Q3	5.9%	17.8%	5.0%	1.8%

Source: CSO database; CSO press notice (94)234 dated 7/11/94

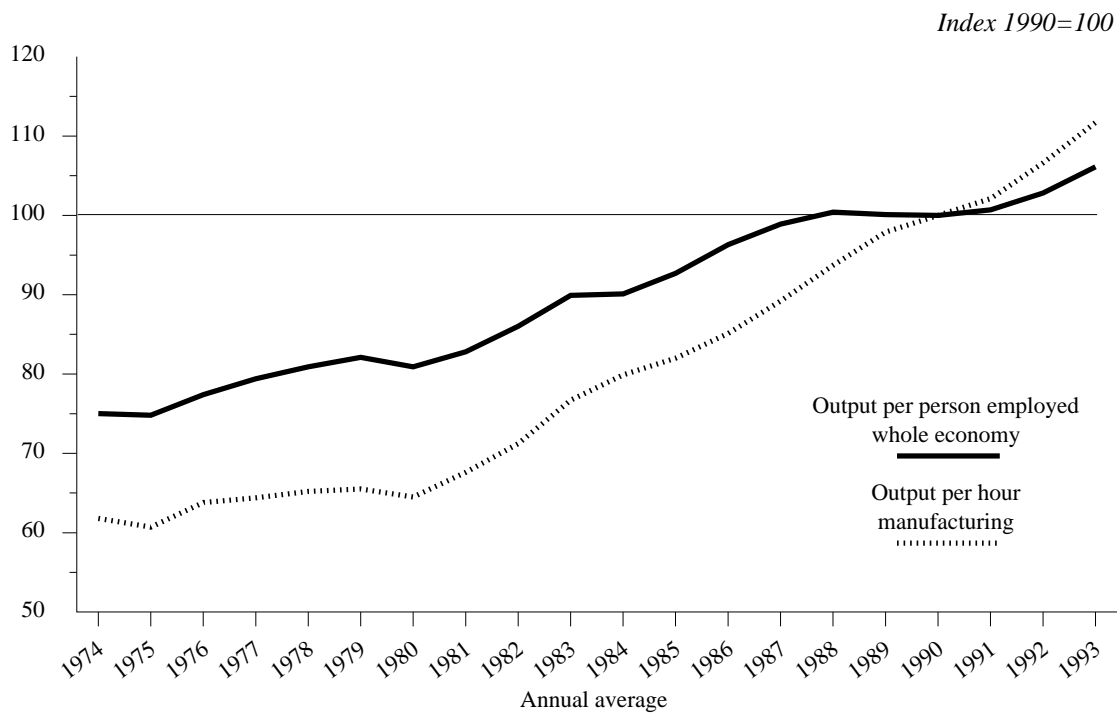
\* In the three months to September 1994 total industrial production was 1.2% higher than in the previous three months and 5.9% higher than in the same period a year earlier. In September output was 1.1% above its August level.

\* Compared with the three months to June, manufacturing production in the period July to September was 1.2% higher. Within manufacturing the chemicals, engineering and food, drink & tobacco sectors are growing most strongly.

\* Compared with the three months to June, output in the mining and quarrying sector (including oil and gas) in the last three months was 0.8% higher and production in the gas, electricity and water supply industries was 1.6% higher.

Next update: 6 December

## B 3. Productivity



### Manufacturing Productivity Index 12 month percentage change

Annual average	Output per head	Output per hour
1989	4.1%	4.5%
1990	1.9%	2.1%
1991	1.2%	2.1%
1992	4.5%	4.4%
1993	3.8%	4.8%
<b>Monthly data</b>		
Sep 1993	2.6%	3.4%
Oct 1993	1.7%	2.1%
Nov 1993	1.9%	2.4%
Dec 1993	2.5%	2.4%
Jan 1994	2.9%	3.1%
Feb 1994	2.6%	2.8%
Mar 1994	2.9%	2.2%
Apr 1994	4.2%	3.5%
May 1994	3.8%	4.1%
Jun 1994	6.0%	5.3%
Jul 1994	5.7%	6.2%
Aug 1994	6.0%	5.9%
Sep 1994	6.2%	5.4%

\* After slowing considerably in 1990 and 1991, growth in manufacturing productivity resumed in 1992 with an increase of over 4%. Following very rapid productivity growth in the Spring of 1993 the rate of increase - on a per hour basis - fell back below 4% in mid-1993. Since June 1994, productivity increases in manufacturing have been over 5%.

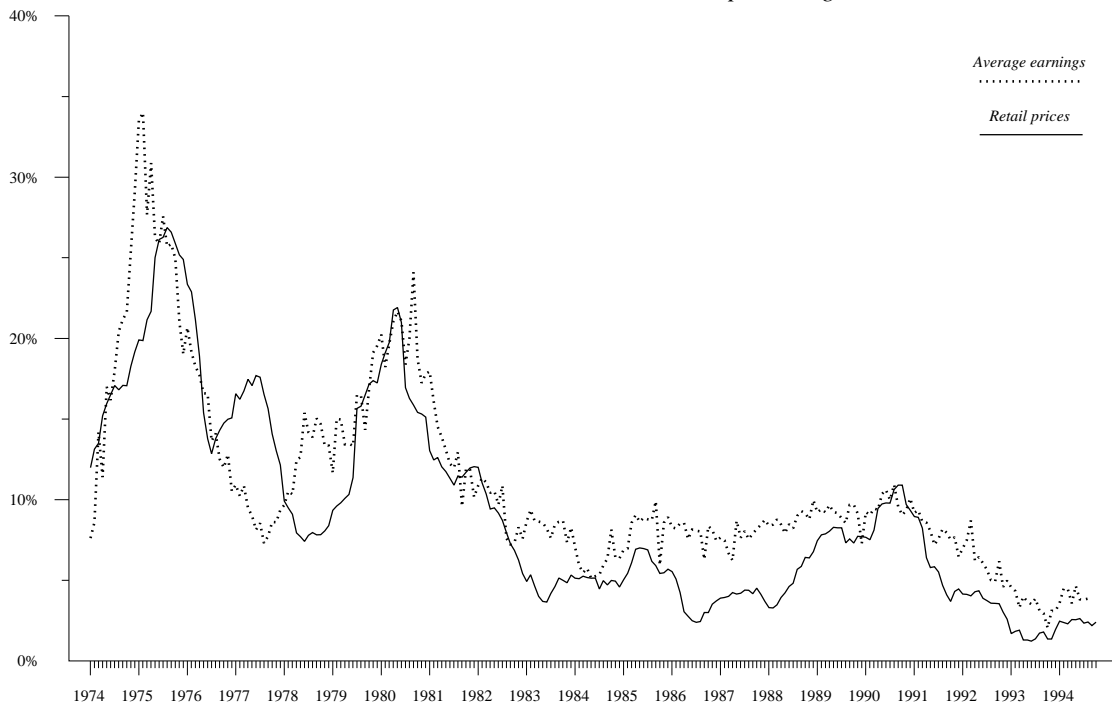
\* Having shown slight falls in the years 1989 and 1990, economy-wide productivity increased by 0.7% in 1991 and 2.1% in 1992. There was a further improvement in 1993 with economy-wide productivity 3.2% higher than in 1992.

Source: CSO Database (series DMOB, DMGI)

Next update: 14 December

C 1. Retail Prices and Average Earnings

percentage increase over 12 months



% increase on previous year

Annual averages	Prices	Earnings
1989	7.8	9.1
1990	9.5	9.8
1991	5.9	8.0
1992	3.7	6.1
1993	1.6	3.5
<b>Monthly data</b>		
Sep 1993	1.8	2.9
Oct 1993	1.4	2.1
Nov 1993	1.4	3.1
Dec 1993	1.9	3.1
Jan 1994	2.5	3.6
Feb 1994	2.4	4.5
Mar 1994	2.3	4.5
Apr 1994	2.6	3.6
May 1994	2.6	4.6
Jun 1994	2.6	3.8
Jul 1994	2.3	3.8
Aug 1994	2.4	3.9
Sep 1994	2.2	3.8
Oct 1994	2.4	n.a.

**Inflation** - consumer prices rose by 2.4% in the year to October 1994, representing a rise from 2.2% in the year to September 1994.

Excluding the effect of mortgage interest payments, the RPI rose by 3.8% in the year to October 1994.

**Earnings** - average gross earnings of employees in Great Britain rose by 3.8% in the year to September 1994. The underlying rate, which takes account of staged agreements and bonuses, is estimated to be 3.75%.

This rise puts the actual level of average earnings of full-time employees at around £328.10 per week or £17,000 per year.

**Forecasts** - an average of independent forecasts in November 1994 predicts the RPI (less mortgage interest payments) to increase by 2.4% in the year ending in the fourth quarter of 1994, lower than the Treasury summer forecast of 2.5%.

The Treasury Forecasting Panel predicts a 2.2% increase in the RPI (excluding mortgage interest payments) in the 12 months to the end of 1994. Independent forecasts predict average earnings to rise by 3.9% in 1994.

Sources: CSO Database series CHAW & DNAB

Next update: Prices 14 December  
Earnings 14 December



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## D 1. Employment



*United Kingdom; seasonally adjusted; thousands*

June	Employees in employment	Self employed	HM Forces	Work related govt training programmes	Workforce in employment
<b>1990</b>	22,893	3,537	303	423	27,155
<b>1991</b>	22,220	3,383	297	353	26,254
<b>1992</b>	21,851	3,196	290	325	25,661
<b>1993</b>	21,493	3,166	271	311	25,241
<b>1994</b>	21,397	3,266	250	319	25,232
.....					
Changes 1993 to 1994					
000s	-96	100	-21	8	-9
%	-0.4%	3.2%	-7.7%	2.6%	-0.0%

*Source: DE Labour Market Statistics 16 November 1994*

- \* Workforce in employment in June 1994 was 9,000 lower than in June 1993 and 247,000 lower than in June 1979.
- \* In June 1994 46% of the workforce in employment were female.
- \* Self employed in June 1994 represented 13% of workforce in employment compared to 10% in June 1983.
- \* In June 1994 11% of male and 46% of female employees were part-time, totalling 6 million employees.

*Next update: 14 December*

**D 2. Unemployment: National**



<i>Seasonally adjusted</i>		
<b>Unemployed Claimants UK</b>		
<b>Annual averages</b>	<b>Number</b>	<b>% of workforce</b>
<b>1989</b>	1,784,400	6.3
<b>1990</b>	1,660,800	5.8
<b>1991</b>	2,286,100	8.1
<b>1992</b>	2,765,000	9.8
<b>1993</b>	2,900,600	10.3

**Unemployment - fell by 12% in the year to October 1994. The October 1994 total is**

- 11.3% lower than in June 1987
- 10.3% lower than in June 1983
- 131.5% higher than in May 1979

(all figures adjusted for seasonality and discontinuities)

<b>Monthly data</b>		
	<b>Number</b>	<b>% of workforce</b>
<b>Oct 1993</b>	2,850,900	10.1
<b>Nov 1993</b>	2,812,900	10.0
<b>Dec 1993</b>	2,770,800	9.8
<b>Jan 1994</b>	2,790,600	9.9
<b>Feb 1994</b>	2,752,900	9.8
<b>Mar 1994</b>	2,719,300	9.7
<b>Apr 1994</b>	2,681,500	9.5
<b>May 1994</b>	2,661,100	9.4
<b>Jun 1994</b>	2,643,300	9.4
<b>Jul 1994</b>	2,630,100	9.3
<b>Aug 1994</b>	2,594,000	9.2
<b>Sep 1994</b>	2,562,400	9.1
<b>Oct 1994</b>	2,516,600	8.9

**% Rates - as a proportion of the workforce the October totals give unemployment rates of:**

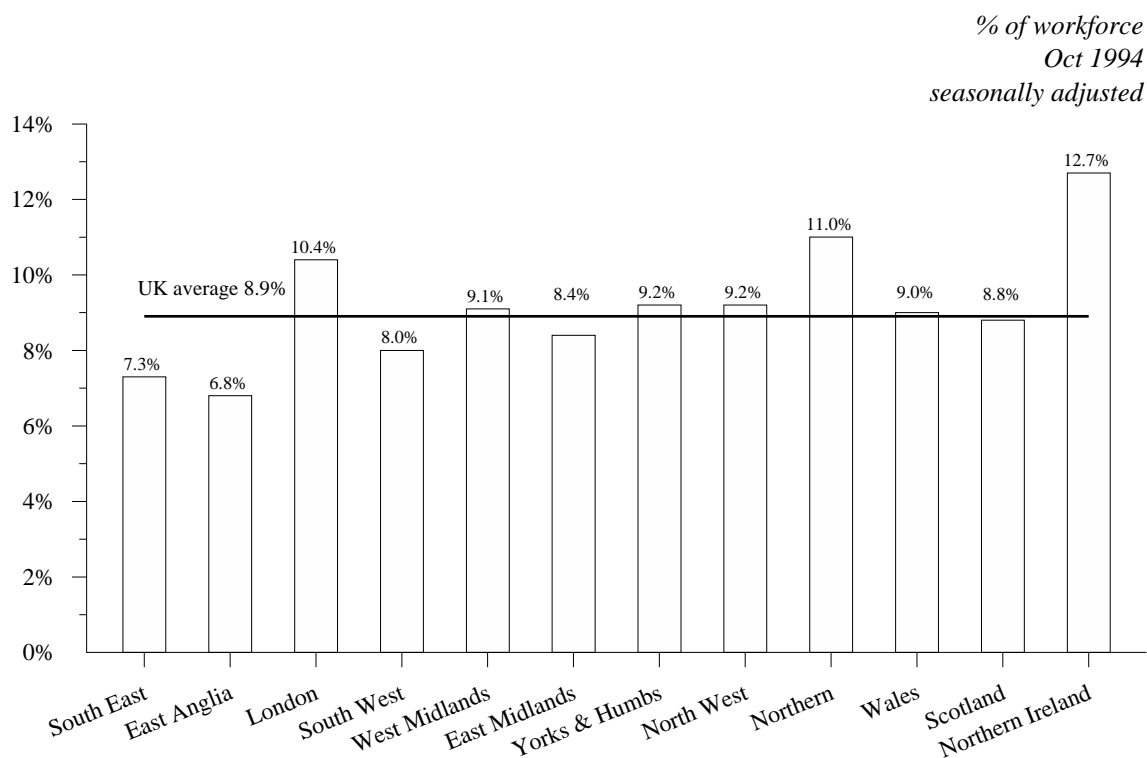
- 12.1% for males
- 4.9% for females
- 8.9 % overall

**Forecasts - an average of independent forecasters predicts that unemployment will fall to around 2.32 million by the 4th quarter of 1994.**

Source: NOMIS Database

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## D 3. Unemployment: Regional



### *% change Oct 1993 to 1994*

Region	%
South East	-18
East Anglia	-14
London	-10
South West	-14
West Midlands	-15
East Midlands	-9
Yorks & Humbs	-9
North West	-12
Northern	-8
Wales	-11
Scotland	-8
Northern Ireland	-8
<b>United Kingdom</b>	<b>-12</b>

**% Rates** - as a proportion of the workforce October unemployment rates are higher than the national average of 8.9% in 7 regions:

London	10.4%
West Midlands	9.1%
Yorks & Humberside	9.2%
North West	9.2%
Northern	11.0%
Wales	9.0%
Northern Ireland	12.7%

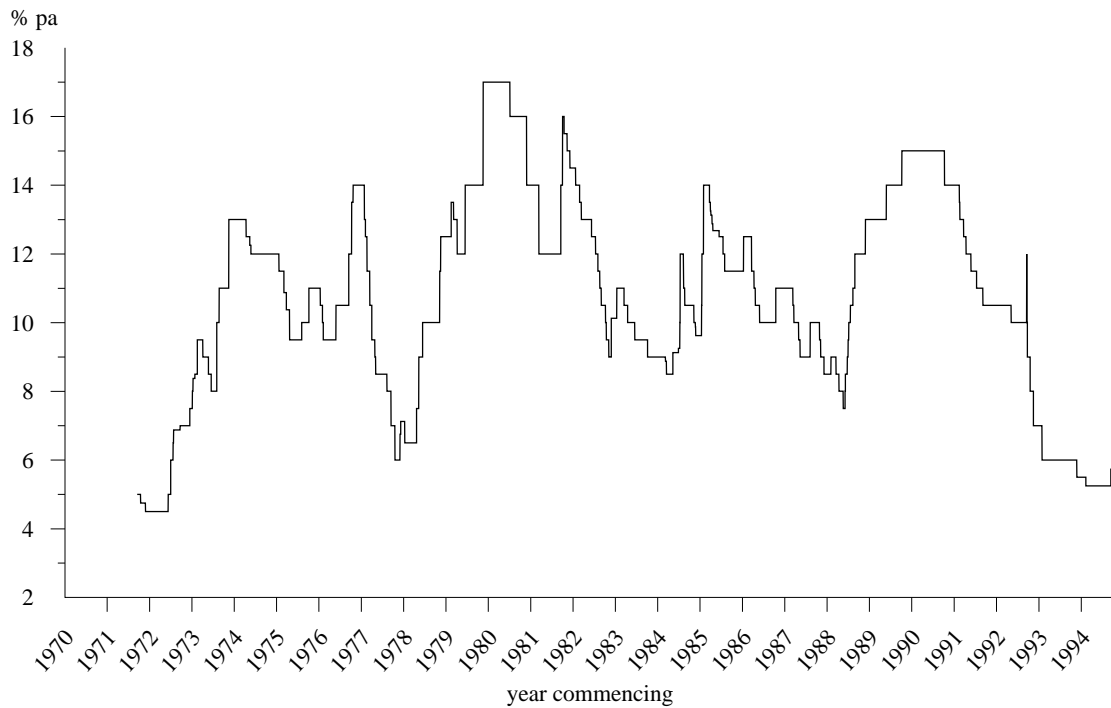
**Rates of change** - Following recent falls unemployment levels are now lower than 12 months ago in every region of the United Kingdom. In the South East, East Anglia, the South West, the West Midlands and the North West unemployment has fallen by more than 10% over the last year.

Source: NOMIS Database

Next update: 14 December

E 1. Interest Rates

Base Rates



per cent per annum

Date Of Change	New Rate	Date Of Change	New Rate
1988 Jul 5	10.00	1991 May 24	11.50
Jul 19	10.50	Jul 12	11.00
Aug 8	10.50 - 11.00	Sep 4	10.50
Aug 9	11.00		
Aug 25	11.00 - 11.50	1992 May 5	10.00
Aug 26	12.00	Sep 16	12.00
Nov 25	13.00	Sep 17	10.00
		Sep 22	9.00
1989 May 24	14.00	Oct 16	8.00
Oct 5	15.00	Nov 13	7.00
1990 Oct 8	14.00	1993 Jan 26	6.00
		Nov 23	5.50
1991 Feb 13	13.50		
Feb 27	13.00	1994 Feb 8	5.25
Mar 22	12.50	Sep 12	5.75
Apr 12	12.00		

Source: Bank of England

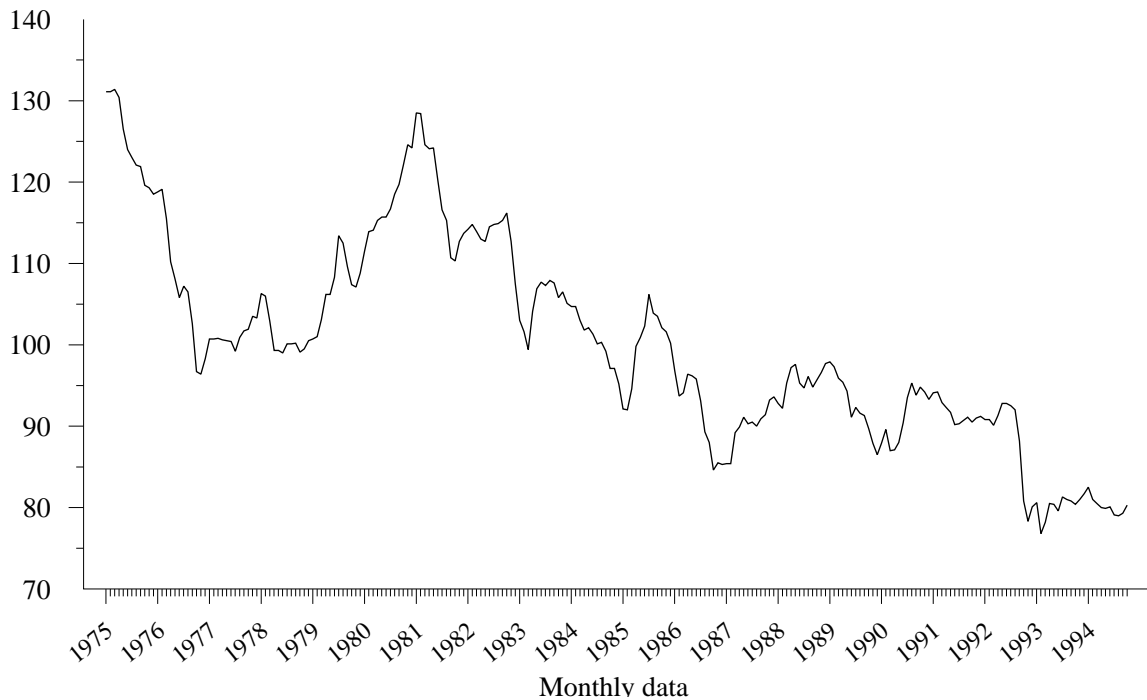
\* The rise in the UK base rate to 5.75% p.a. followed interest rate rises in the Summer in Japan, Germany and the US. These rises were in response to market expectations of rising inflation as the world economy recovers from the recession.

\* A rate of 15.0% p.a. was announced on 16th September 1992 but was cancelled before becoming effective.

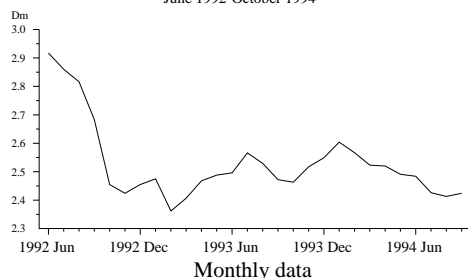
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## E 2. Exchange Rates

*Sterling Exchange Rate Index  
1985=100*



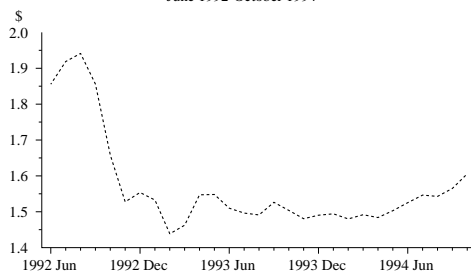
**Sterling-Deutschmark Exchange Rate**  
June 1992-October 1994



\* The graphs opposite show the average sterling monthly exchange rates against the deutschemark and the US dollar since June 1992.

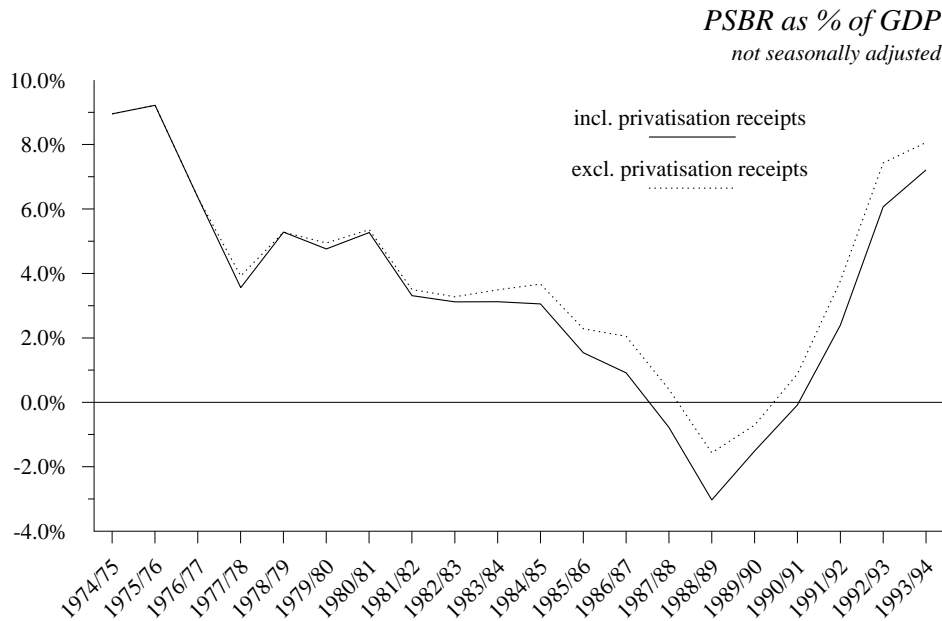
\* The London sterling closing rates for 22nd November 1994 were as follows; DM 2.44; US\$ 1.569; Yen 154.046

**Sterling US Dollar Exchange Rate**  
June 1992-October 1994



\* The main feature of the currency markets throughout the summer has been the continual weakness of the US\$. Despite repeated concerted action by Central Banks to alter market sentiment, the financial markets are concerned about both US inflation and about the use of a weak \$ as a 'tool' to improve US trade performance, particularly with Japan. The main beneficiaries of the weak dollar have been the Yen (the dollar is currently at all time record lows against the Yen) and the deutschemark.

E 3. PSBR



**Public Sector Borrowing Requirement (£ billion), not seasonally adjusted**

	<b>Total PSBR</b>	<b>As % of GDP(i)</b>	<b>PSBR excl. privatisation receipts</b>	<b>As % of GDP(i)</b>
1989/90	-8.0	-1.5%	-3.7	-0.7%
1990/91	-0.5	-0.1%	4.9	0.9%
1991/92	13.9	2.4%	21.8	3.8%
1992/93	36.5	6.1%	44.7	7.4%
1993/94	45.9	7.2%	51.3	8.1%

Note (i) Adjusted GDP (average measure)

Source: CSO database Series ABEN, ABII, CAOB

\* The PSBR for the whole of 1993-94 was £45.9 billion (7.2% of GDP) compared to £36.5 billion (6.1% of GDP) in 1992-93. The PSBR excluding privatisation receipts was £51.3 billion (8.1% of GDP) in 1993-94 compared to £44.7 billion (7.4% of GDP) in 1992-93.

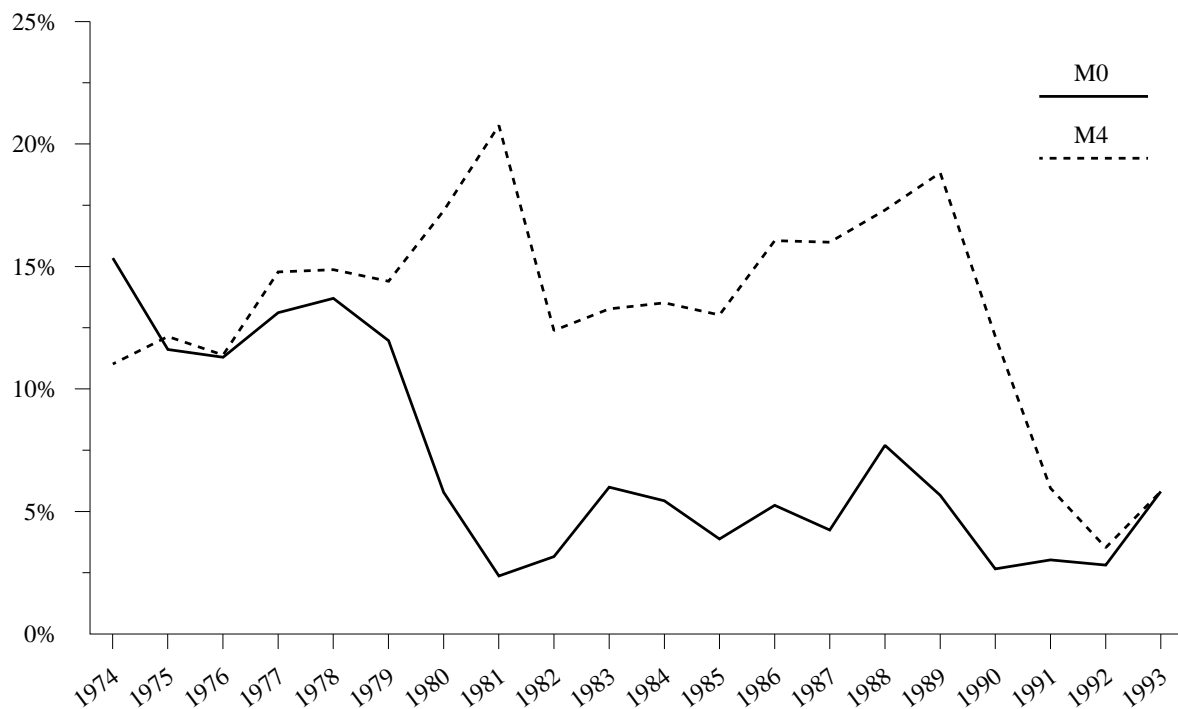
\* The Treasury 1994 Summer Economic Forecast suggests a PSBR for 1994-95 of £36.1 billion.

\* The PSBR for the first seven months of the 1994-95 financial year stood at £19.2 billion, compared with £26.4 billion in the equivalent period in 1993/94.

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**E 4. Money Supply**

*% change on previous year*



**Money Stock - Amounts outstanding & change on previous 12 months (seasonally adjusted)**

£ million (a)	MO	MO	M4	M4
	amount outstanding	% change	amount outstanding	% change
<b>1993 November</b>	20,294	5.0	542,241	4.5
<b>1993 December</b>	20,496	5.9	546,784	4.8
<b>1994 January</b>	20,511	5.1	549,023	5.0
<b>1994 February</b>	20,701	5.4	551,558	5.3
<b>1994 March</b>	20,764	5.6	554,184	5.6
<b>1994 April</b>	21,033	6.0	555,289	5.4
<b>1994 May</b>	20,139	6.9	556,970	5.1
<b>1994 June</b>	20,241	6.9	558,306	5.4
<b>1994 July</b>	20,375	6.5	558,679	4.7
<b>1994 Aug</b>	21,399	6.3	560,599	4.7
<b>1994 Sep</b>	21,637	7.2	562,303	4.8

Note: (a) Monthly average for MO and amount outstanding at end of period for M4.

Source: Bank of England "Financial Statistics" November 1994

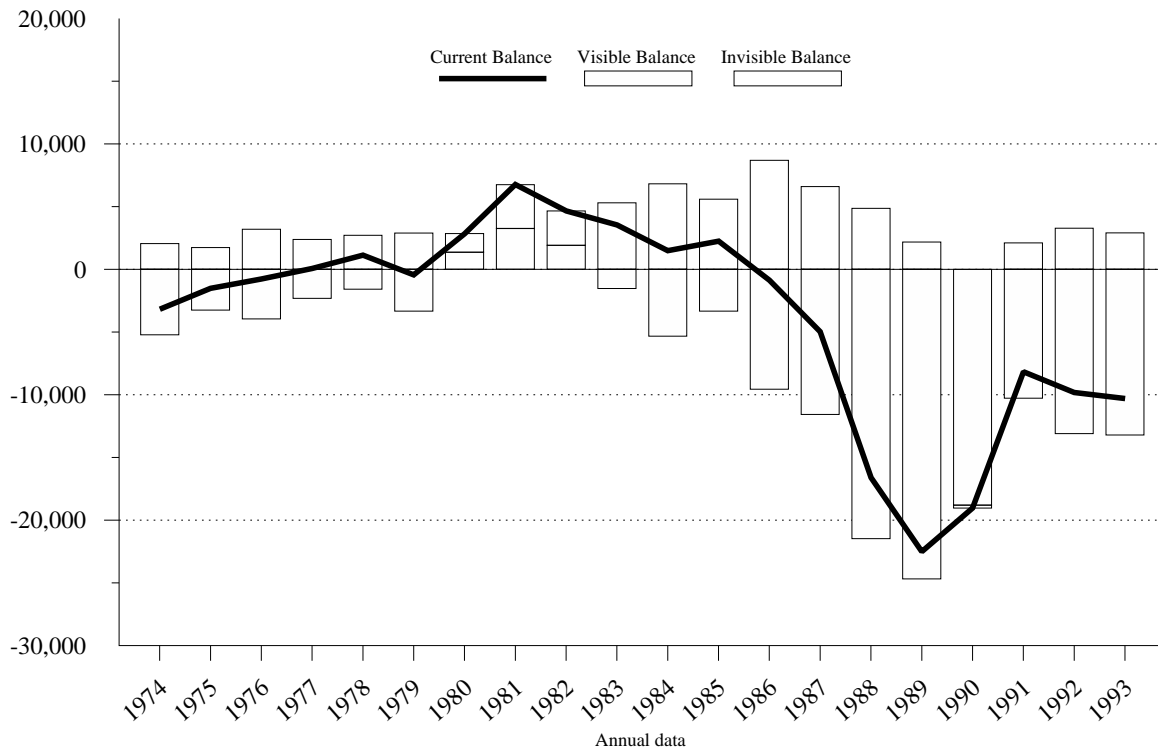
\* M0 comprises notes and coin in circulation outside the Bank of England plus bankers' operational deposits with the Bank. M4 is a broad measure of money consisting of the private sector's holdings of cash, and sterling deposits held by the private sector at both banks and building societies.

\* The Medium Term Financial Strategy (MTFS) announced in the March 1993 Budget set a monitoring target of 0 to 4 per cent for the growth of M0 and 3 to 9 per cent for the growth of M4. These targets were unchanged in the November 1993 Budget.

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F 1. International Trade

£ million at current prices



**UK Balance of Payments Current Account**  
*£ million seasonally adjusted BoP basis*

	Exports	Imports	Visible Balance	Invisible Balance	Current Balance
<b>1989</b>	92,154	116,837	-24,683	2,171	-22,512
<b>1990</b>	101,718	120,527	-18,809	-226	-19,035
<b>1991</b>	103,413	113,697	-10,284	2,108	-8,176
<b>1992</b>	107,343	120,447	-13,104	3,273	-9,831
<b>1993</b>	121,414	134,623	-13,209	2,898	-10,311
<b>1993 Q2</b>	29,514	33,066	-3,552	241	-3,311
<b>1993 Q3</b>	30,634	33,810	-3,176	1,278	-1,898
<b>1993 Q4</b>	31,095	34,270	-3,175	1,210	-1,965
<b>1994 Q1</b>	31,949	34,932	-2,983	1,695	-1,288
<b>1994 Q2</b>	33,170	35,595	-2,425	1,705	-720

Source: CSO database; CSO first release (94) 236 dated 9.11.94

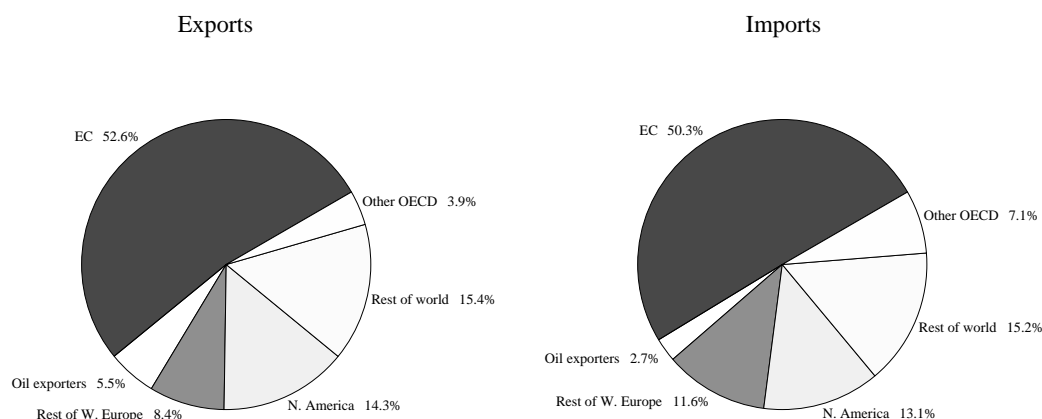
- \* **Visible balance** - in deficit by £2.0 billion in the three months to August 1994, compared to £2.9 billion in the three months to May 1994 and £3.0 billion in the three months to August 1993. The value of exports in the three months to August 1994 was 13% higher than in the same period a year before. The value of imports rose by 8½% over the same period.
- \* **Invisible balance** - latest figures suggest a surplus of £1.7 billion in the second quarter of 1994 the same as in the first quarter. An improvement in net receipts of investment income was offset by a decline in net earnings on services .
- \* **Current balance** - latest figures suggest a deficit of £10.3 billion in 1993 compared with £9.8 billion in 1992. The latest Treasury summary of economic forecasts suggests a deficit of £5.3 billion in 1994 and £6.1 billion in 1995. Mainly as a result of an improved visible balance, the deficit in the second quarter fell to some £0.7 billion. This is the lowest quarterly deficit since the first quarter of 1987.

Next update: 8 December



## F 2. Visible Trade

Shares of visible trade by area: 1993  
BoP basis



Export and import volume indices and visible trade balances  
seasonally adjusted; BoP basis

	Volume Index 1990=100		Trade Balances £ million		
	Exports	Imports	Total visible balance	Excluding oil	Excluding oil and erratic items (a)
1989	94.2	99.9	-24,683	-25,946	-27,641
1990	100.0	100.0	-18,809	-20,338	-21,157
1991	101.2	94.7	-10,284	-11,492	-13,570
1992	103.7	100.9	-13,104	-14,652	-16,036
1993	107.0	104.6	-13,209	-15,671	-17,342
1993 Q3	107.2	104.1	-3,176	-3,882	-4,181
1993 Q4	109.6	107.1	-3,175	-3,888	-4,113
1994 Q1	113.8	109.5	-2,983	-3,870	-4,177
1994 Q2	117.5	107.8	-2,425	-3,701	-4,102
1994 Jun-Aug	118.9	107.2	-1,966	-3,126	-3,643

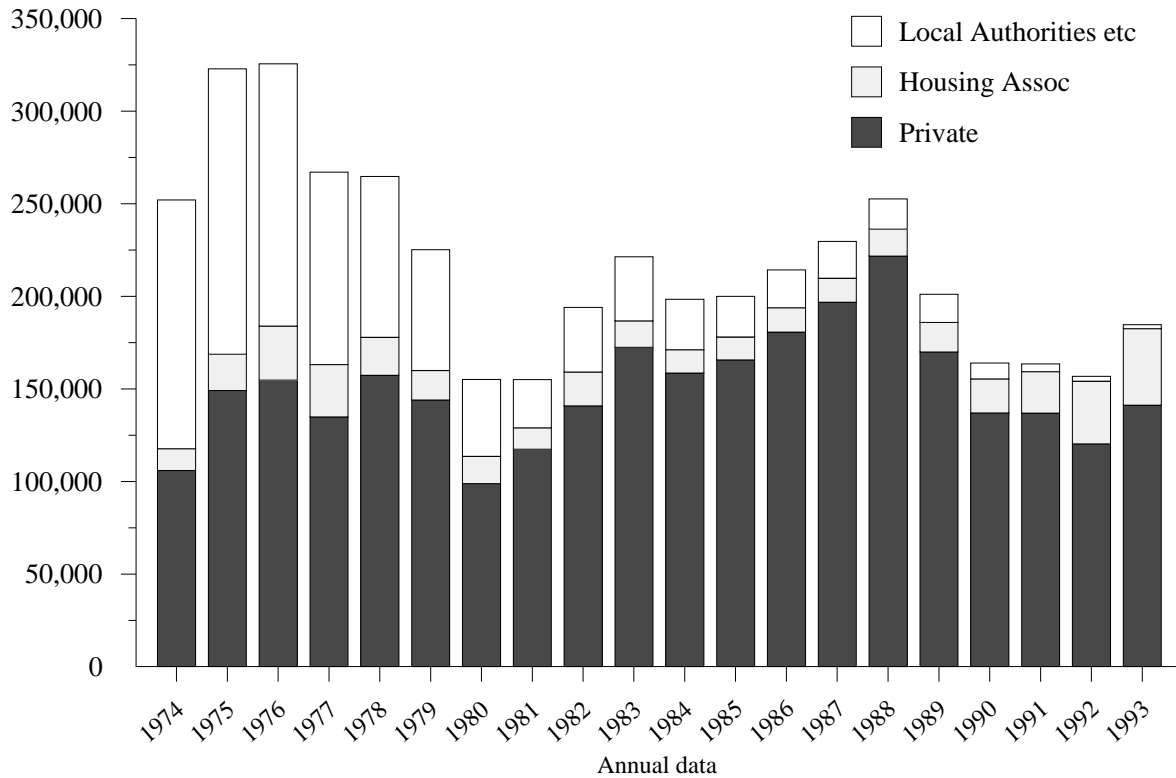
Note: (a) ships, aircraft, precious stones and silver.

Source: CSO database, CSO First Release (94) 236 dated 9.11.94

- \* The European Community now supplies and receives around half of all UK imports and exports.
- \* Export volumes in the three months to August 1994 were 11% higher than in the corresponding period a year earlier and 3% higher than in the three months to May 1994.
- \* Import volumes in the three months to August 1994 were 4% higher than in the corresponding period a year earlier and 2% lower than in the three months to May 1994.
- \* Excluding the effect of trade in oil and erratic items the visible trade deficit in 1993 was £17.3 billion compared with £16.0 billion in 1992. Much of the improvement in the trade balance in the last year reflects a larger surplus on trade in oil.

Next update: 8 December

**G 1. Housing Starts**



**New Dwellings Started - Great Britain  
(thousands)**

	Private	Housing Assocs	Local Auth's etc	Total
<b>1989</b>	169.9	16.0	15.2	<b>201.1</b>
<b>1990</b>	137.0	18.4	8.6	<b>164.0</b>
<b>1991</b>	136.9	22.4	4.2	<b>163.6</b>
<b>1992</b>	120.3	33.8	2.7	<b>156.8</b>
<b>1993</b>	141.2	41.3	2.2	<b>184.6</b>
<i>seasonally adjusted</i>				
<b>1994 Q2</b>	39.2	11.2	0.3	<b>50.7</b>
<b>1994 Q3</b>	39.7	11.0	0.6	<b>51.3</b>
<b>July 94</b>	13.5	4.1	0.2	<b>17.8</b>
<b>Aug 94</b>	12.8	3.4	0.2	<b>16.4</b>
<b>Sep 94</b>	13.4	3.5	0.2	<b>17.1</b>

\* Seasonally adjusted total starts in July - Sep 1994 were 1% higher than in the previous three months, and 13% higher than July - Sep 1993.

\* Overall starts in 1993 were 18% below their level in 1979 but 18% higher than in 1992.

\* Local authorities started only 2,200 dwellings in 1993 - 1.2% of the total.

\* Housing association starts rose by 22% (7,500) in 1993; private starts rose by 17% (20,900).

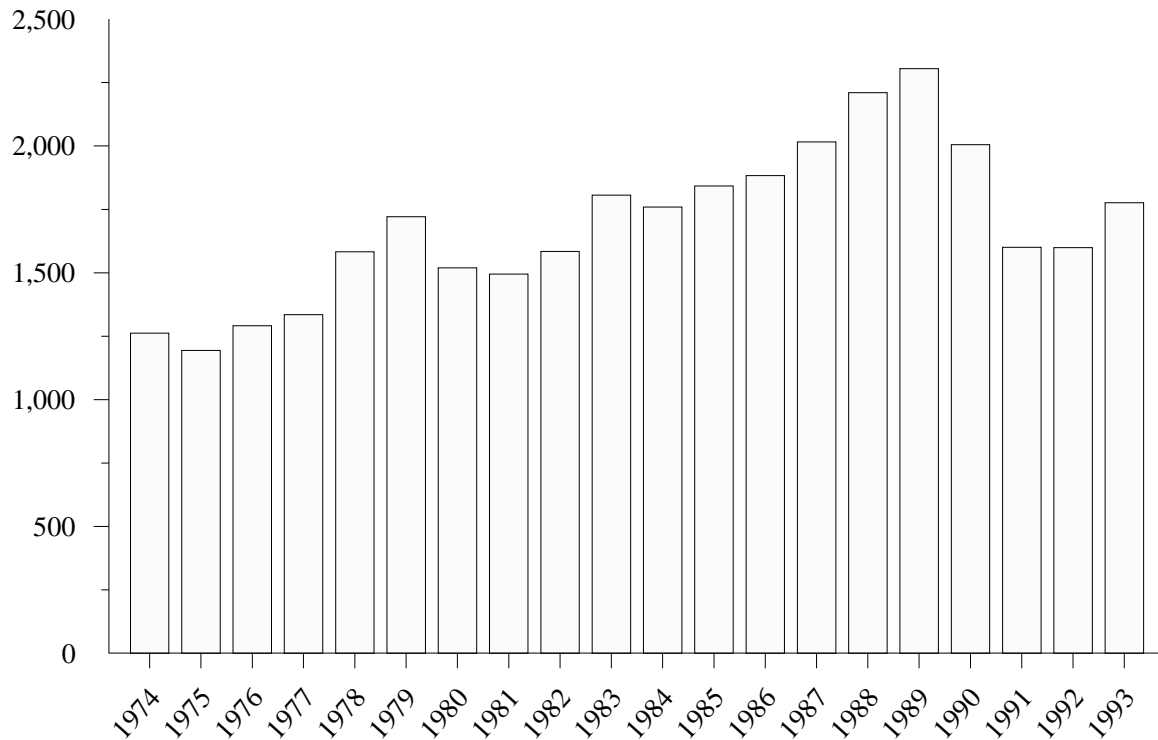
Sources: CSO Database series FCAB, CTOR, CTOV

Next update: 5 December

# Research Paper 94/121

## G 2. New Registrations of Cars

thousands



### New Registrations of Cars

seasonally adjusted

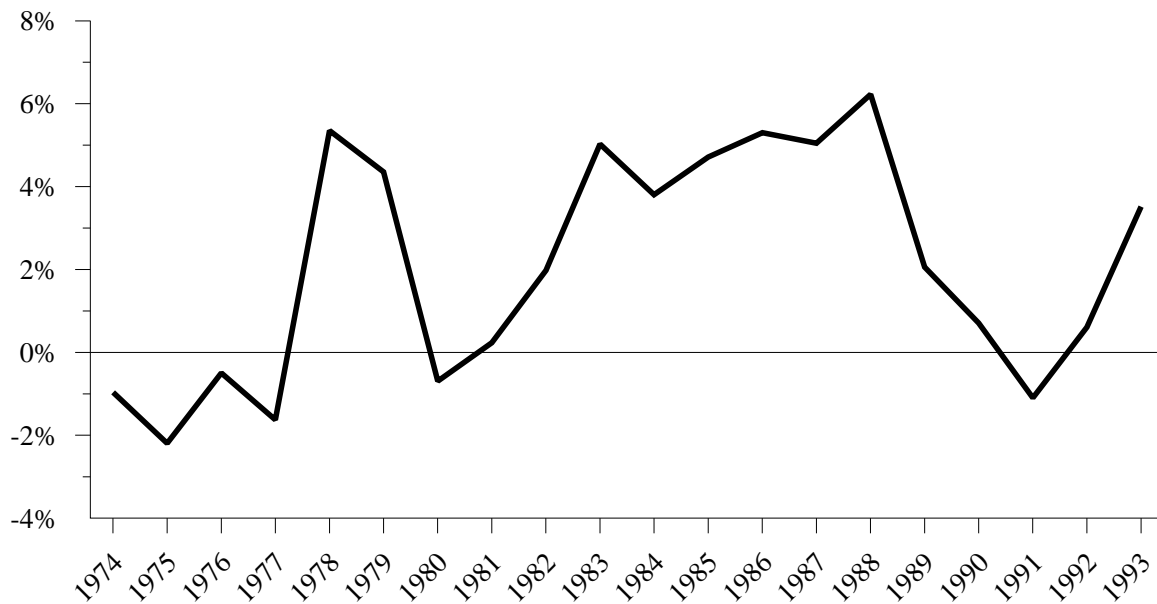
	Number thousands	Change over 12 months	
<b>1989</b>	2,304	4%	* Latest figures show 151,000 new registrations of cars in October 1994 - 4% lower than in October 1993.
<b>1990</b>	2,005	-13%	* Latest annual figure for 1993 shows 1.8 million new registrations of cars - 11% higher than 1992.
<b>1991</b>	1,600	-20%	
<b>1992</b>	1,599	0%	* 56% of cars registered in October 1994 were imported.
<b>1993</b>	1,776	11%	* 23% of cars registered in October 1994 were diesel and 53% were registered at company addresses.
<b>June 1994</b>	166	17.1%	
<b>July 1994</b>	153	-0.1%	
<b>Aug 1994</b>	160	2.1%	
<b>Sep 1994</b>	164	8.0%	
<b>Oct 1994</b>	151	-4.3%	

Source: Department of Transport Statistical  
Bulletin (94) 27

Next update: 5 January

**G 3. Retail Sales**

*All Retailers Volume Index 1990 = 100  
seasonally adjusted  
% change on previous year*



**Retail Sales Volume Index: All Retailers**

	<b>Index Number 1990=100</b>	<b>12 Month Change</b>
1989	99.3	2.1%
1990	100.0	0.7%
1991	98.9	-1.1%
1992	99.5	0.6%
1993	103.0	3.5%
1994 Apr	106.2	4.3%
May	106.2	4.1%
June	106.4	3.1%
Jul	107.0	3.8%
Aug	106.9	3.2%
Sep	107.3	3.5%
Oct	107.4	3.1%

\* Retail sales volume index increased by 3.5% in 1993 over 1992.

\* Sales in the most recent 3 month period were 3.7% up on the same period last year.

\* In the year to October 1994 the retail sales volume index rose by 3.1%.

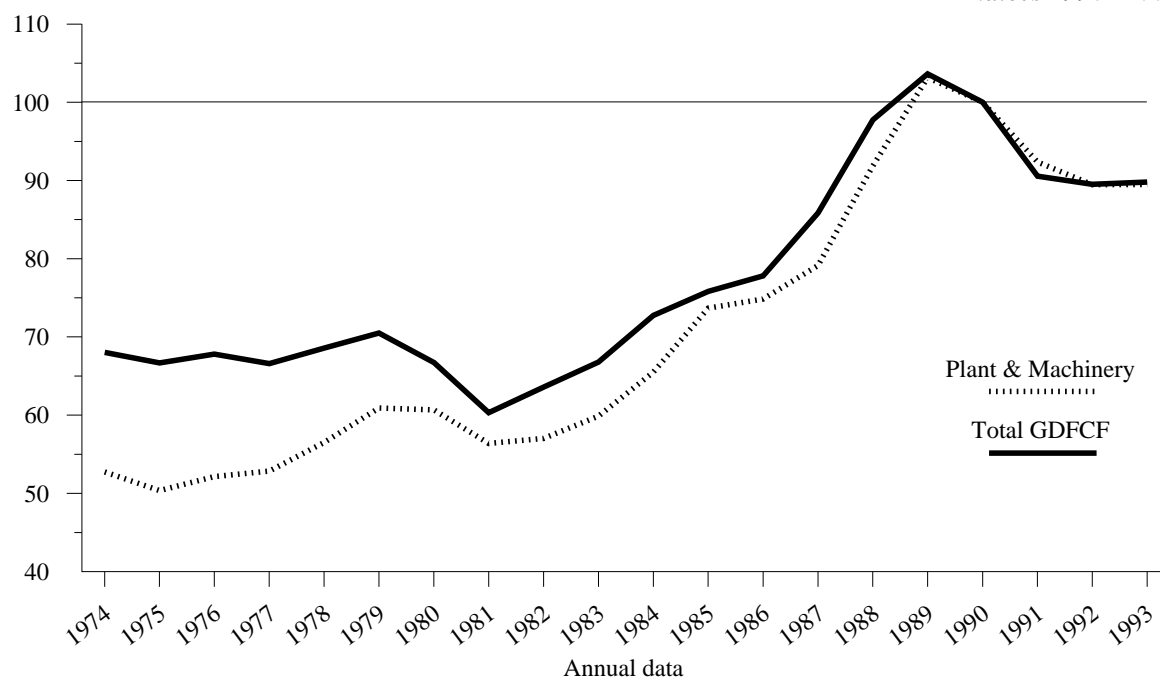
Note: weekly average, seasonally adjusted

Source: CSO database series FAAM.

Next update: 15 December

## G 4. Investment

Gross Domestic Fixed Capital Formation (GDFCF)  
Constant prices  
Indices 1990=100



GDFCF (£ million) at 1990 prices, seasonally adjusted

	Vehicles, Ships & Aircraft	Plant & Machinery	Other New Building Work (i)	Dwellings	Total
1989	11,231	37,925	37,525	24,789	111,470
1990	10,266	36,762	39,110	21,439	107,577
1991	8,008	33,955	37,521	17,919	97,403
1992	7,960	32,888	37,152	18,280	96,280
1993	8,611	32,895	35,867	19,238	96,611
1993 Q 1	2,285	8,282	9,150	4,612	24,329
1993 Q 2	1,880	8,205	8,766	4,796	23,647
1993 Q 3	2,264	8,171	8,796	4,822	24,053
1993 Q 4	2,182	8,237	9,155	5,008	24,582
1994 Q 1	2,307	8,292	9,343	5,138	25,141 (ii)
1994 Q 2	2,522	8,402	8,843	5,147	24,833 (ii)

Note (i) including transfer of costs of land and buildings

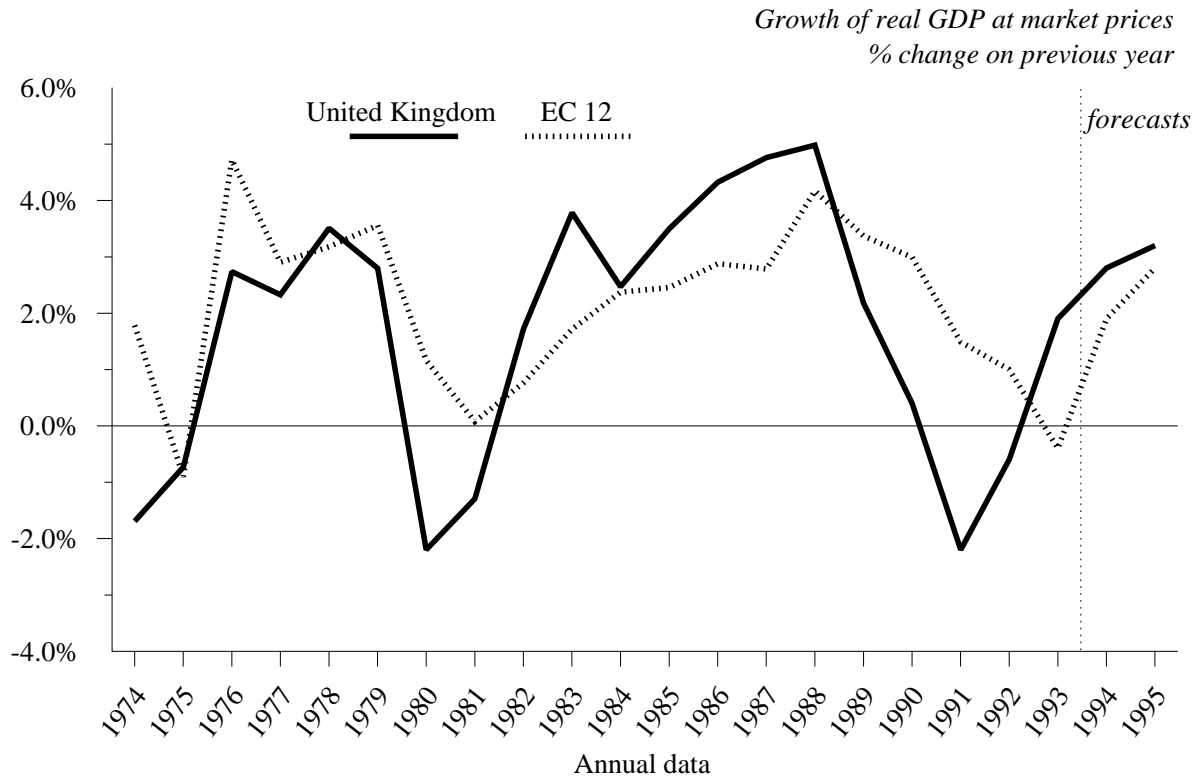
(ii) revised total ; revisions for components not yet published

Source: CSO Database Serus DEBP, DEBO, DFCV, DFEA, DFEC, DECU

- \* GDFCF is expenditure on fixed assets (buildings, vehicles etc.) either for replacing or adding to the stock of existing assets.
- \* Total GDFCF at 1990 prices rose in 1993 by 0.3% compared with 1992. Investment in other new building work fell by 3.5%; all other components of GDFCF increased.
- \* In the second quarter of 1994 GDFCF was 5.0% higher than in the same period in 1993; provisional estimates for the third quarter of 1994 show GDFCF to be £24,595m at 1990 prices - 2.3% higher than in 1993 Q3.

Next update: 22 December

H 1. International Comparisons: Growth



Annual Growth of Real GDP

	1990	1991	1992	1993	1994	1995
United States	1.2%	-0.7%	2.6%	3.0%	<i>forecast</i> 4.0%	<i>forecast</i> 3.0%
Japan	4.8%	4.3%	1.1%	0.1%	0.8%	2.7%
Germany (a)	5.7%	4.5%	2.1%	-1.3%	1.8%	2.6%
France	2.5%	0.8%	1.2%	-0.9%	1.8%	2.9%
Italy	2.1%	1.2%	0.7%	-0.7%	1.5%	2.6%
United Kingdom	0.4%	-2.2%	-0.6%	1.9%	2.8%	3.2%
Canada	-0.2%	-1.7%	0.7%	2.4%	3.7%	4.3%
OECD	2.5%	0.8%	1.7%	1.2%	2.6%	2.9%
European Community	3.0%	1.5%	1.0%	-0.4%	1.9%	2.8%

Notes: (a) Growth rates include the former east Germany from 1992

Source OECD Economic Outlook June 1994 table A1

\* The table and graph above reflect projections in the June edition of the OECD's *Economic Outlook*.

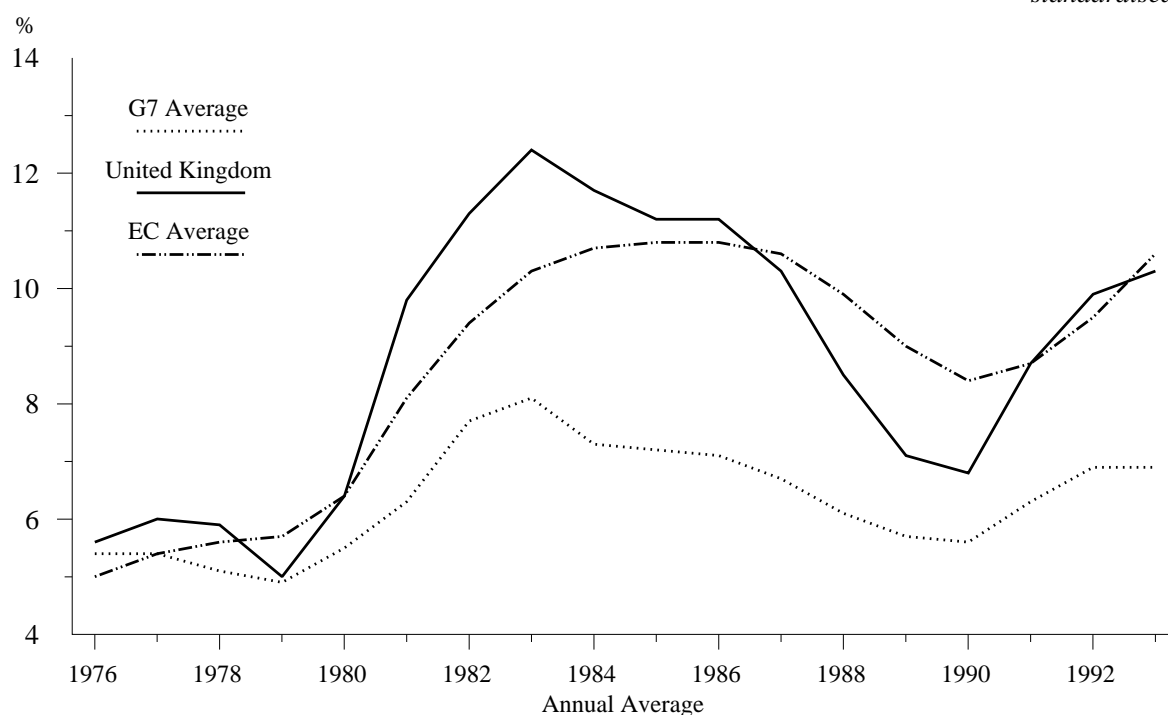
\* The latest Treasury forecasts, published in June 1994, suggest that UK GDP will grow by 2¾% in 1994. The latest Treasury summary of independent economic forecasts suggests that growth in the UK will be 3.5% in 1994 and 3.0% in 1995.

Next update: mid-December

# Research Paper 94/121

## H 2. International Comparisons - Unemployment

*% of labour force  
standardised*



Unemployed as % of labour force  
Standardised and seasonally adjusted

	1993	1993 Q4	1994 Q1	1994 Q2
Canada	11.1	11.0	11.0	10.6
USA	6.7	6.5	6.5	6.1
Japan	2.5	2.8	2.8	2.8
Belgium	9.6	10.1	10.2	10.3
France	11.7	12.3	12.5	12.6
W Germany	5.8	6.3	6.4	6.6
Ireland	15.8	15.8	15.5	15.1
Italy	10.2	10.7	11.7	12.5
Netherlands	8.3	9.2	10.1	9.4
Portugal	5.5	5.9	6.6	7.1
Spain	22.4	23.4	23.9	24.1
UK	10.3	10.0	9.9	9.6
EC	10.7	11.1	11.4	11.6
G7	6.9	7.0	7.1	6.9
OECD	7.8	7.9	8.1	7.9

\* UK unemployment is lower than the EC average but higher than the G7 & OECD averages.

\* In 1994 Q2 Germany (former West Germany only) had the lowest unemployment rate in the EC (6.6% of the workforce). Portugal's unemployment rate was only fractionally higher (7.1%).

\* Spain had the highest unemployment rate (24.1%).

\* The UK, Canada, the USA, the Netherlands and Ireland are the only countries where the unemployment rate is falling.

Sources: OECD Current Economic Indicators

Next update: late December

H 3. International Comparisons - Prices



Consumer Price Index - percentage change over 12 months

	1991	1992	1993	Jul 94	Aug 94	Sep 94
<b>United States</b>	4.2	3.1	2.9	2.8	2.9	3.0
<b>Japan</b>	3.3	1.7	1.3	-0.2	0.0	0.1
<b>Germany (West)</b>	3.5	4.0	4.1	2.9	3.0	3.0
<b>France</b>	3.0	2.3	2.1	1.7	1.7	1.6
<b>Italy</b>	6.4	5.1	4.4	3.8	3.8	3.9
<b>United Kingdom</b>	5.9	3.7	1.6	2.3	2.4	2.2
<b>Canada</b>	5.6	1.5	1.8	0.2	0.2	0.2
<b>European Community</b>	5.0	4.3	3.4	3.1	3.1	3.0

Source: Eurostat

\* UK inflation rate in September 1994 (2.2% pa) was lower than the German rate (3.0% pa), the US rate (3.0% pa), the Italian rate (3.9% pa), and the EC average (3.0% pa).

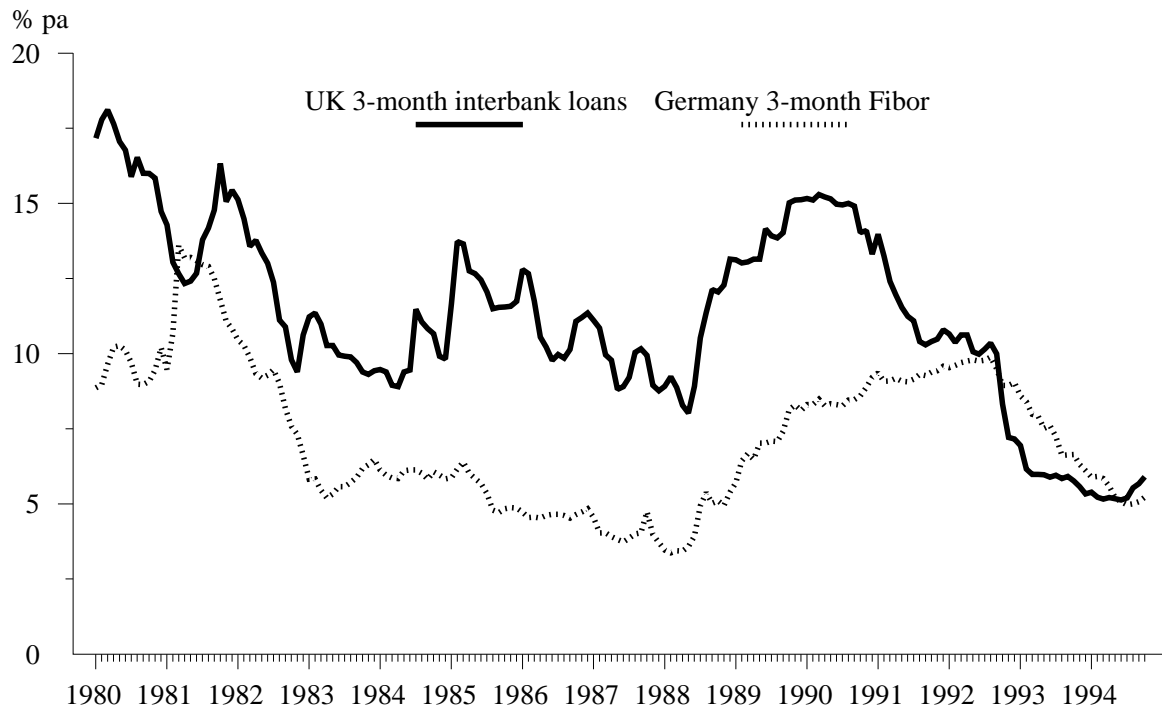
\* The highest rate amongst G7 countries was 3.9% pa in Italy. The UK inflation rate is higher than that in France (1.6% pa), Canada (0.2% pa) and Japan (0.1% pa).

Next update: mid December



H 4. International Comparisons - Interest Rates

*Short-term Interest Rates*  
per cent per annum



Short-Term Interest Rates as at 24 Nov 1994

	3-month rate (% pa)
London	6
New York	5 <sup>7</sup> / <sub>8</sub>
Frankfurt	5.15
Tokyo	2 <sup>5</sup> / <sub>16</sub>
Paris	5 <sup>9</sup> / <sub>16</sub>
Milan	8 <sup>11</sup> / <sub>16</sub>
Brussels	5 <sup>3</sup> / <sub>16</sub>

\* Since 1990, the UK short-term rate has converged towards the German rate. The UK rate is now higher than the German rate, having been lower between October 1992 and May 1994.

\* The latest three-month interest rates as at 24 November are shown in the table opposite.

Source: *Financial Times* 25 November 1994

**Research Paper 94/121**  
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