

# **Economic Indicators**

**Research Paper 95/54**

**1 May 1995**



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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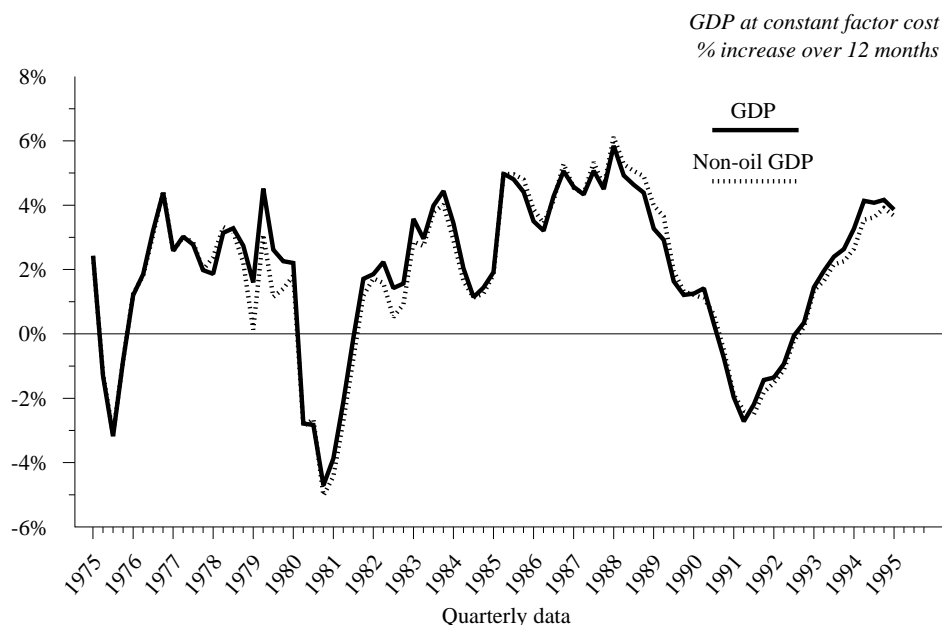
## A. Contacts for further information

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	Tim Edmonds/Nicola Chedgey	2883/3977
EC finance	Mick Hillyard/Jane Dyson	4324/2464
Employment	Nicola Chedgey/Tim Edmonds	3977/2883
Energy	Mahmud Nawaz	2454
Financial services	Bob Twigger/Tim Edmonds	4904/2883
Housing	Adrian Crompton/Bryn Morgan	6789/3851
Incomes	Bob Twigger/Nicola Chedgey	4904/3977
Industries	Nicola Chedgey/Tim Edmonds	3977/2883
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/Bob Twigger	2464/4904
Wages & earnings	Nicola Chedgey/Tim Edmonds	3977/2883

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## B 1. Gross Domestic Product



### Gross Domestic Product (GDP)

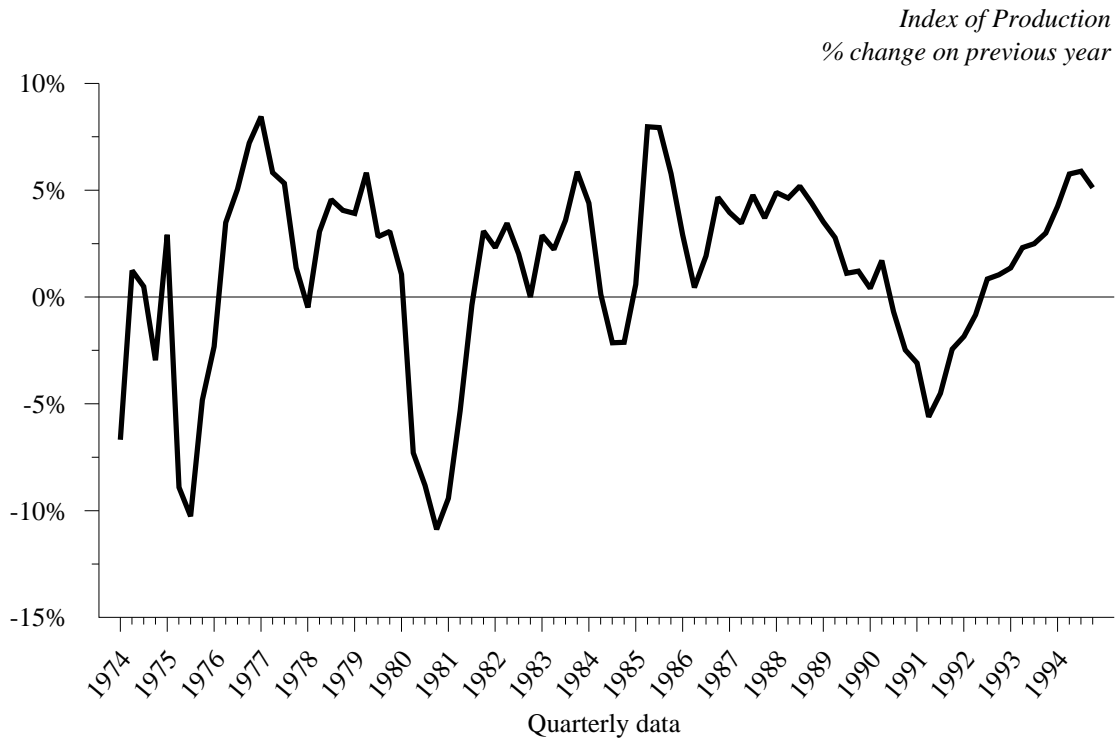
	<b>GDP</b> <i>at constant factor cost 12 month change</i>	<b>Non-Oil GDP</b> <i>at constant factor cost 12 month change</i>	<b>GDP</b> <i>£ billion at current market prices</i>	<b>GDP</b> <i>£ billion at current factor cost</i>
1992	-0.5%	-0.6%	597.1	516.0
1993	2.1%	1.9%	630.8	546.6
1994	3.9%	3.4%	668.1	578.3
1994 Q1	3.3%	2.6%	163.5	141.8
1994 Q2	4.1%	3.5%	165.9	143.4
1994 Q3	4.1%	3.6%	168.0	145.4
1994 Q4	4.2%	3.9%	170.7	147.7
1995 Q1 (prov)	3.9%	3.7%	..	..

Sources: CSO Database; CSO first release (95) 80 dated 25.4.95

- \* Real GDP at factor cost is provisionally estimated to have risen by 0.8% between the fourth quarter of 1994 and first quarter of 1995. It was 3.9% higher than in the first quarter of 1994. In 1994 GDP was 3.9% higher than in 1993.
- \* The latest Treasury summary of economic forecasts suggests that growth will be 3.2% in 1995 and 2.9% in 1996.
- \* 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 7.8% and it is now 4.0% above the previous peak achieved in the second quarter of 1990.

*Next update: 24 May*

**B 2. Industrial Production**



**Industrial Production - Index of Output: seasonally adjusted**

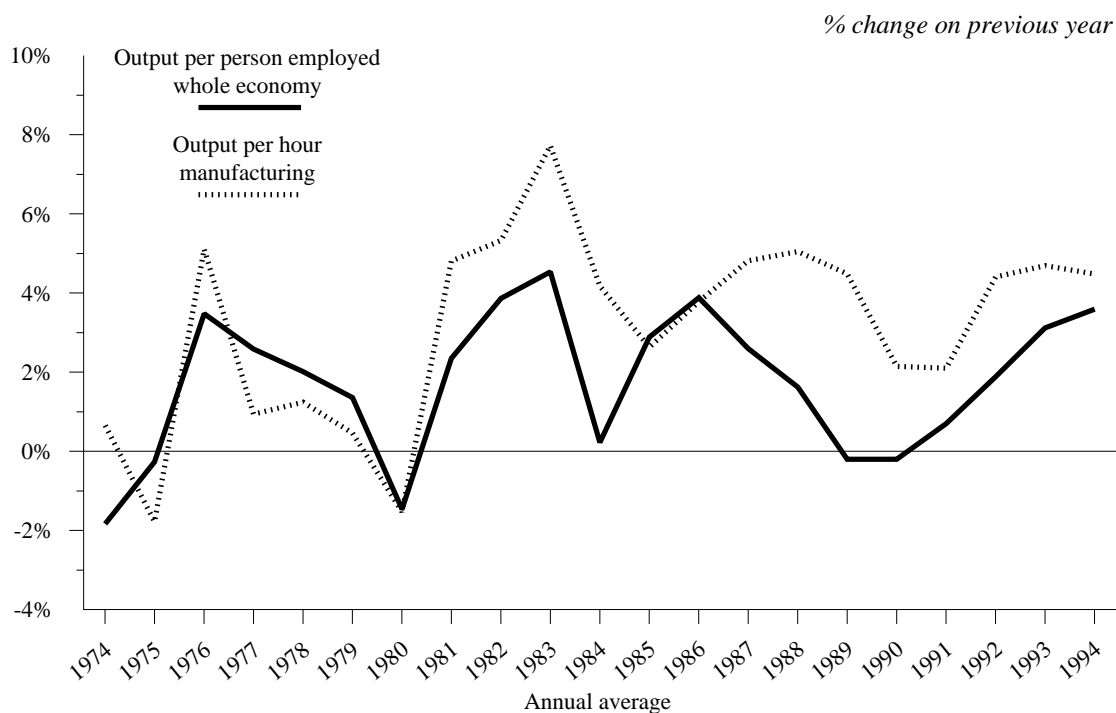
	<b>Total</b> <i>12 month change</i>	<b>Mining &amp; quarrying incl oil &amp; gas</b> <i>12 month change</i>	<b>Manufacturing</b> <i>12 month change</i>	<b>Gas, electricity &amp; water supply</b> <i>12 month change</i>
1992	-0.2%	4.3%	-0.6%	0.0%
1993	2.3%	8.0%	1.3%	5.9%
1994	5.2%	18.3%	4.1%	3.0%
1993 Q4	3.0%	13.3%	1.5%	6.5%
1994 Q1	4.2%	23.1%	2.3%	3.9%
1994 Q2	5.8%	25.3%	3.9%	4.8%
1994 Q3	5.9%	17.3%	4.8%	3.4%
1994 Q4	5.1%	9.4%	5.2%	0.0%
Dec.94-Feb.95	4.3%	8.6%	3.9%	3.4%

Source: CSO database; CSO press notice (95)69 dated 6/4/95

- \* In the three months to February 1995 total industrial production was 0.3% lower than in the previous three months but 4.3% higher than in the same period a year earlier. In February output was 0.3% above its January level.
- \* Compared with the three months to November, overall manufacturing production in the period December to February was unchanged.
- \* Compared with the three months to November, output in the mining and quarrying sector (including extraction of oil and natural gas) in the last three months was 1.2% higher but production in the gas, electricity and water supply industries was 4.4% lower reflecting the milder than average weather. In February oil and gas extraction again reached record levels surpassing the previous record of September 1994.

Next update: 12 May

## B 3. Productivity



### Manufacturing Productivity Index 12 month percentage change

Annual average	Output per head	Output per hour
<b>1990</b>	1.9%	2.1%
<b>1991</b>	1.2%	2.1%
<b>1992</b>	4.5%	4.4%
<b>1993</b>	3.8%	4.7%
<b>1994</b>	4.8%	4.5%
<b>Monthly data</b>		
<b>Feb 1994</b>	2.6%	2.8%
<b>Mar 1994</b>	2.7%	2.2%
<b>Apr 1994</b>	4.1%	3.2%
<b>May 1994</b>	3.7%	3.9%
<b>Jun 1994</b>	6.0%	5.5%
<b>Jul 1994</b>	5.7%	6.1%
<b>Aug 1994</b>	6.0%	5.9%
<b>Sep 1994</b>	6.3%	5.4%
<b>Oct 1994</b>	6.9%	6.4%
<b>Nov 1994</b>	5.7%	4.5%
<b>Dec 1994</b>	5.1%	4.5%
<b>Jan 1995</b>	3.1%	2.5%
<b>Feb 1995</b>	3.0%	2.5%

\* After slowing considerably in 1990 and 1991, growth in manufacturing productivity resumed in 1992 with increases of over 4%. Strong productivity growth continued in 1993 and 1994 and was particularly strong in the second half of 1994. However, in January 1995 the rate of growth of manufacturing productivity fell back to around 3% in terms of output per head, and to 2.5% on a per hour basis.

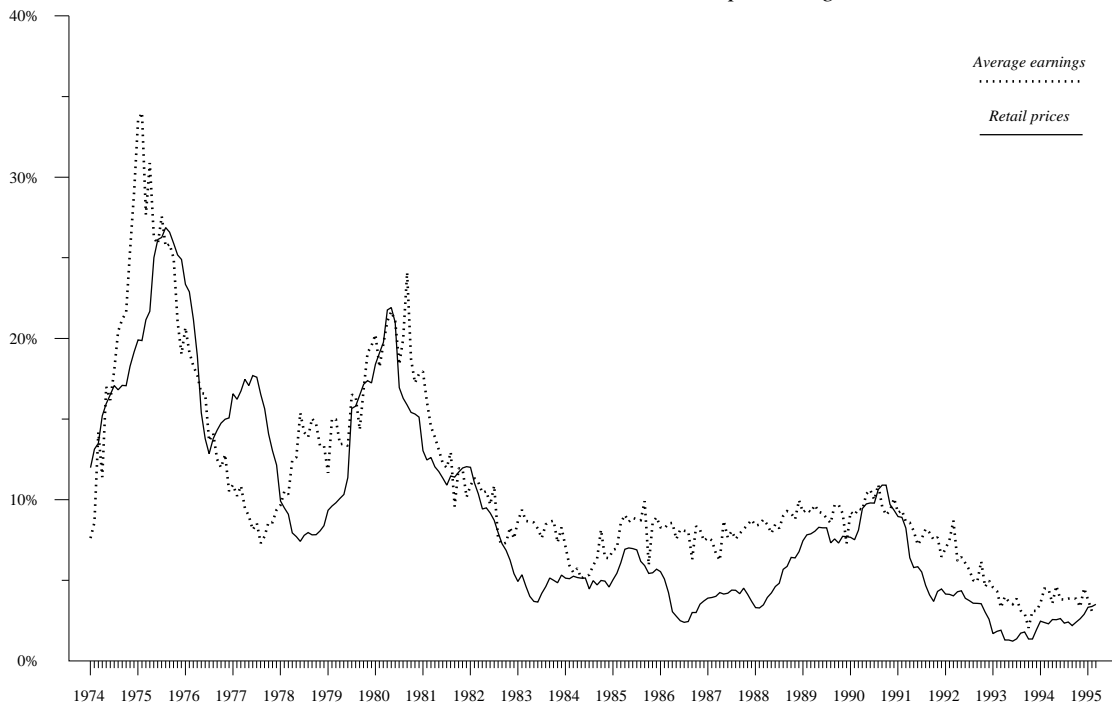
\* Having shown slight falls in the years 1989 and 1990, economy-wide productivity increased by 0.7% in 1991 and 1.9% in 1992. There were further improvements in 1993 and 1994 with increases in economy-wide productivity of 3.1% and 3.6% respectively.

Source: CSO Database (series DMOB, DMGI)

Next update: 17 May

C 1. Retail Prices and Average Earnings

percentage increase over 12 months



% increase on previous year

Annual averages	Prices	Earnings
1990	9.5	9.8
1991	5.9	8.0
1992	3.7	6.1
1993	1.6	3.5
1994	2.5	4.0
<b>Monthly data</b>		
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	3.9
Oct 1994	2.4	3.9
Nov 1994	2.6	3.3
Dec 1994	2.9	4.5
Jan 1995	3.3	3.8
Feb 1995	3.4	3.1
Mar 1995	3.5	..

**Inflation** - consumer prices rose by 3.5% in the year to March 1995, representing a rise from 3.4% in the year to February 1995.

Excluding the effect of mortgage interest payments, the RPI rose by 2.8% in the year to March 1995. Excluding the effects of mortgage interest payments and indirect taxes (RPIY), the RPI rose by 1.9%.

**Earnings** - average gross earnings of employees in Great Britain rose by 3.1% in the year to February 1995. The underlying rate, which takes account of staged agreements and bonuses, is estimated to be 3.5%.

This rise puts the actual level of average earnings of full-time employees at around £335.60 per week or £17,400 per year.

**Forecasts** - an average of independent forecasts in April 1995 predicts the RPI (less mortgage interest payments) to increase by 2.9% in 1995, the same prediction as as the Treasury Forecasting Panel. These are both higher than the Treasury November forecast of 2.5%.

Independent forecasts predict average earnings to rise by 4.4% in 1995.

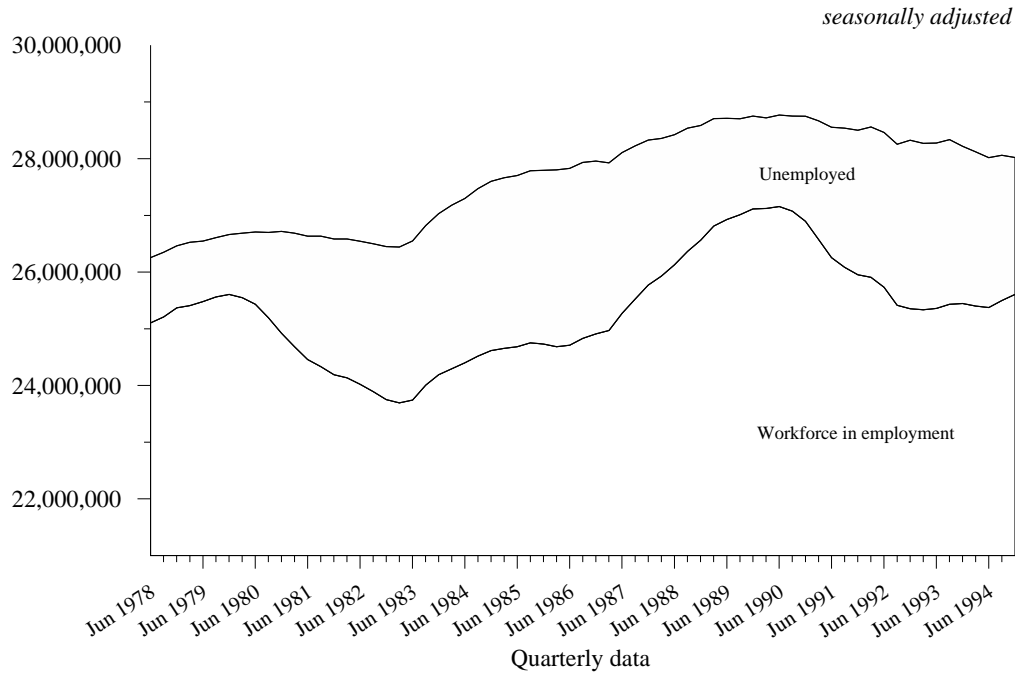
Sources: CSO Database series CHAW & DNAB

Next update: Prices 11 May  
Earnings 17 May



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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>	21,903	3,212	290	325	25,730
<b>1993</b>	21,603	3,172	271	311	25,358
<b>1994</b>	21,545	3,280	250	298	25,373
<b>Changes 1993 to 1994</b>					
<b>000s</b>	-58	108	-21	-13	15
<b>%</b>	-0.3%	3.4%	-7.7%	-4.2%	0.1%

*Source: DE Labour Market Statistics 12 April 1995*

\* Workforce in employment in June 1994 was 15,000 higher than in June 1993 but 106,000 lower than in June 1979. The net increase was entirely due to the 108,000 increase in self-employment; the numbers of employees, those in HM forces and those on government training schemes all fell over the same period.

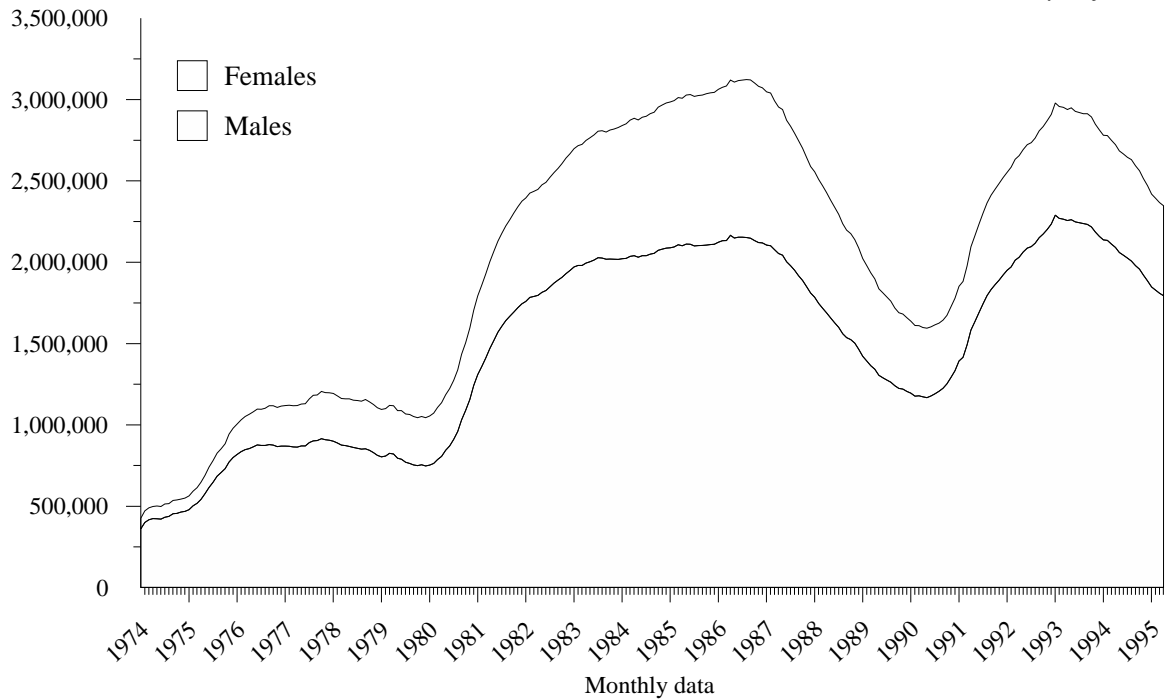
\* In June 1994 46% of the workforce in employment were female.

\* Self employed in June 1994 represented 13% of workforce in employment compared to 10% in June 1983.

\* In June 1994 11% of male and 47% of female employees were part-time, totalling 6 million employees.

D 2. Unemployment: National

Unemployed claimants: UK  
seasonally adjusted



*Seasonally adjusted*

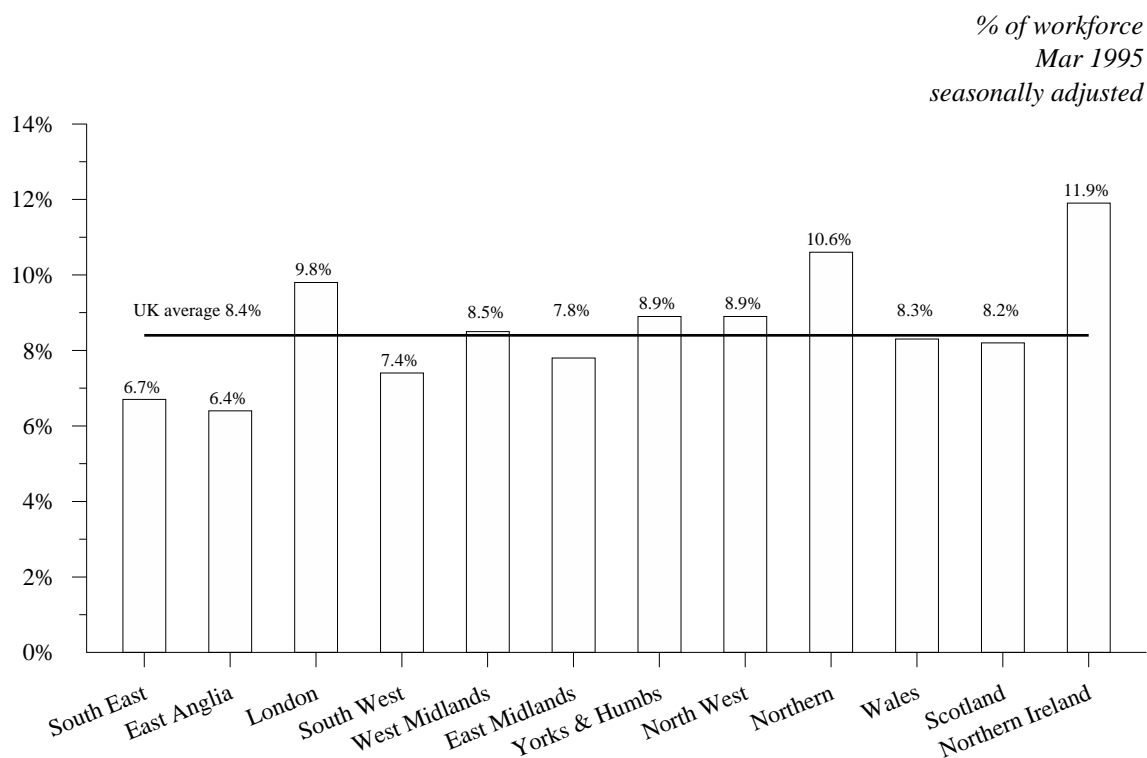
Unemployed Claimants UK

Annual averages	Number	% of workforce	
1990	1,660,800	5.8	<b>Unemployment - fell by 13.8% in the year to March 1995. The March 1995 total is</b> 13% lower than April 1992 17% lower than in June 1987 16% lower than in June 1983 116% higher than in May 1979
1991	2,286,100	8.1	
1992	2,765,000	9.8	
1993	2,900,600	10.3	
1994	2,619,200	9.3	
(all figures adjusted for seasonality and discontinuities)			
Monthly data			
Mar 1994	2,721,900	9.7	<b>% Rates - as a proportion of the workforce the March totals give unemployment rates of:</b> 11.3% for males 4.5% for females 8.4% overall  <b>Forecasts - an average of independent forecasters predicts that unemployment will fall to around 2.17 million by the 4th quarter of 1995.</b>
Apr 1994	2,684,800	9.6	
May 1994	2,665,400	9.5	
Jun 1994	2,645,300	9.4	
Jul 1994	2,630,100	9.4	
Aug 1994	2,592,700	9.3	
Sep 1994	2,562,100	9.1	
Oct 1994	2,514,500	9.0	
Nov 1994	2,470,300	8.8	
Dec 1994	2,418,500	8.6	
Jan 1995	2,392,100	8.5	
Feb 1995	2,366,700	8.5	
Mar 1995	2,346,200	8.4	

Source: NOMIS Database

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## D 3. Unemployment: Regional



### *% change Mar 1994 to 1995*

Region	%
South East	-19
East Anglia	-14
London	-11
South West	-15
West Midlands	-17
East Midlands	-13
Yorks & Humbs	-10
North West	-14
Northern	-8
Wales	-14
Scotland	-12
Northern Ireland	-10
<b>United Kingdom</b>	<b>-14</b>

**% Rates** - as a proportion of the workforce March unemployment rates are higher than the national average of 8.4% in six regions:

London	9.8%
West Midlands	8.5%
Yorks & Humberside	8.9%
North West	8.9%
Northern	10.6%
Northern Ireland	11.9%

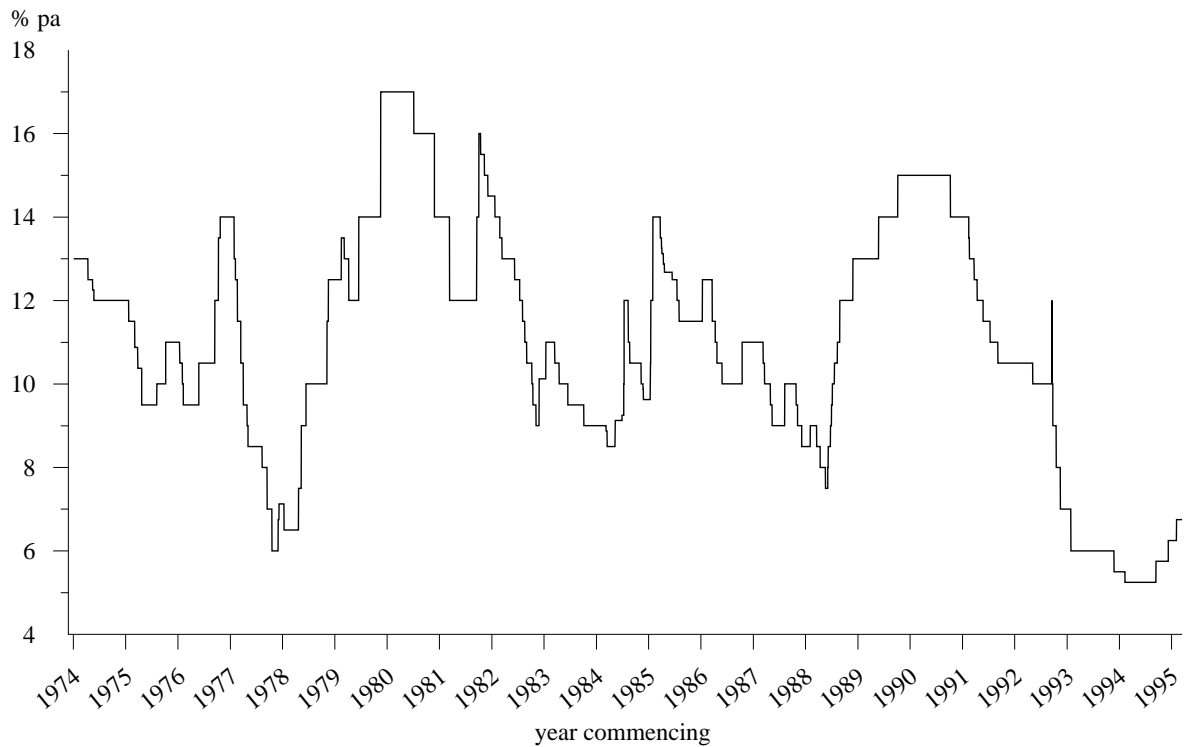
**Rates of change** - Following recent falls unemployment levels are now lower than 12 months ago in every region of the United Kingdom. In the South East and the West Midlands unemployment has fallen by more than 15% over the last year.

*Source: NOMIS Database*

*Next update: 17 May*

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 Jul 12	11.00
Jul 19	10.50	Sep 4	10.50
Aug 8	10.50 - 11.00	1992 May 5	10.00
Aug 9	11.00	Sep 16	12.00
Aug 25	11.00 - 11.50	Sep 17	10.00
Aug 26	12.00	Sep 22	9.00
Nov 25	13.00	Oct 16	8.00
1989 May 24	14.00	Nov 13	7.00
Oct 5	15.00	1993 Jan 26	6.00
1990 Oct 8	14.00	Nov 23	5.50
1991 Feb 13	13.50	1994 Feb 8	5.25
Feb 27	13.00	Sep 12	5.75
Mar 22	12.50	Dec 7	6.25
Apr 12	12.00	1995 Feb 2	6.75
May 24	11.50		

\* The first rise in UK base rates this year, up to 6.75% p.a., was in response to the continued fast rate of growth of the economy and followed a general increase in interest rates in other European economies.

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

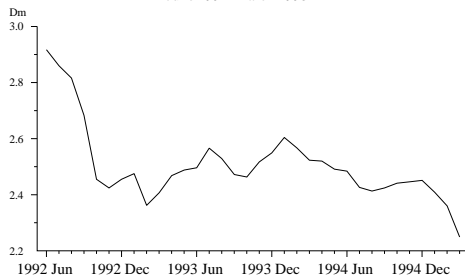
# Research Paper 95/54

## E 2. Exchange Rates

*Sterling Exchange Rate Index  
1990=100*



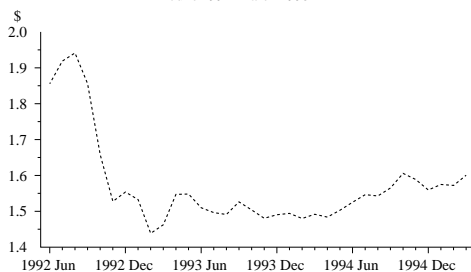
**Sterling-Deutchmark Exchange Rate**  
June 1992-March 1995



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

\* The London sterling closing rates at 27th April 1995 were as follows; DM 2.218; US\$ 1.6178; Yen 135.256.

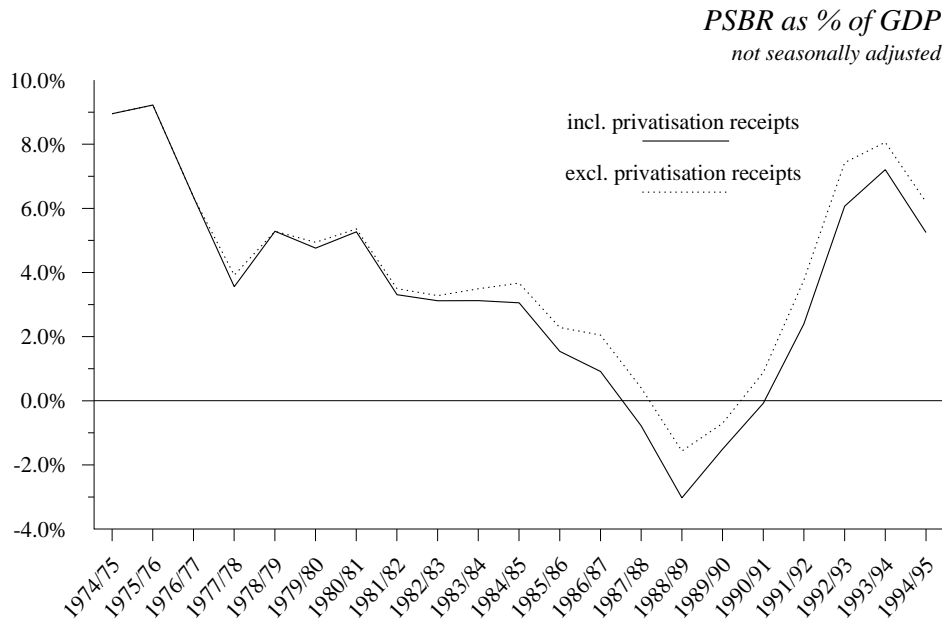
**Sterling US Dollar Exchange Rate**  
June 1992-March 1995



\* Some semblance of stability returned to the currency markets this month. In Europe, following the devaluations of the Spanish peseta and of the Portugese escudo, and a reduction in German interest rates, tensions within the ERM have eased. The perceived weakness of the US dollar against the Yen has prompted some talk amongst G7 Ministers to move towards more concerted mangement of currencies.

Source: CSO Database Series AJFH, AJFA, AJHX; Financial Times

**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>
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	45.4	7.2%	51.4	8.1%
1994/95	35.6	5.2%	42.0	6.2%

Note (i) Adjusted GDP (average measure)

Source: CSO database Series ABEN, ABII, CAOB

\* The PSBR for the whole of 1994-95 was £35.6 billion (5.2% of GDP) compared to £45.4 billion (7.2% of GDP) in 1993-94. The PSBR excluding privatisation receipts was £42 billion (6.2% of GDP) in 1994-95 compared to £50.9 billion (8.1% of GDP) in 1993-94.

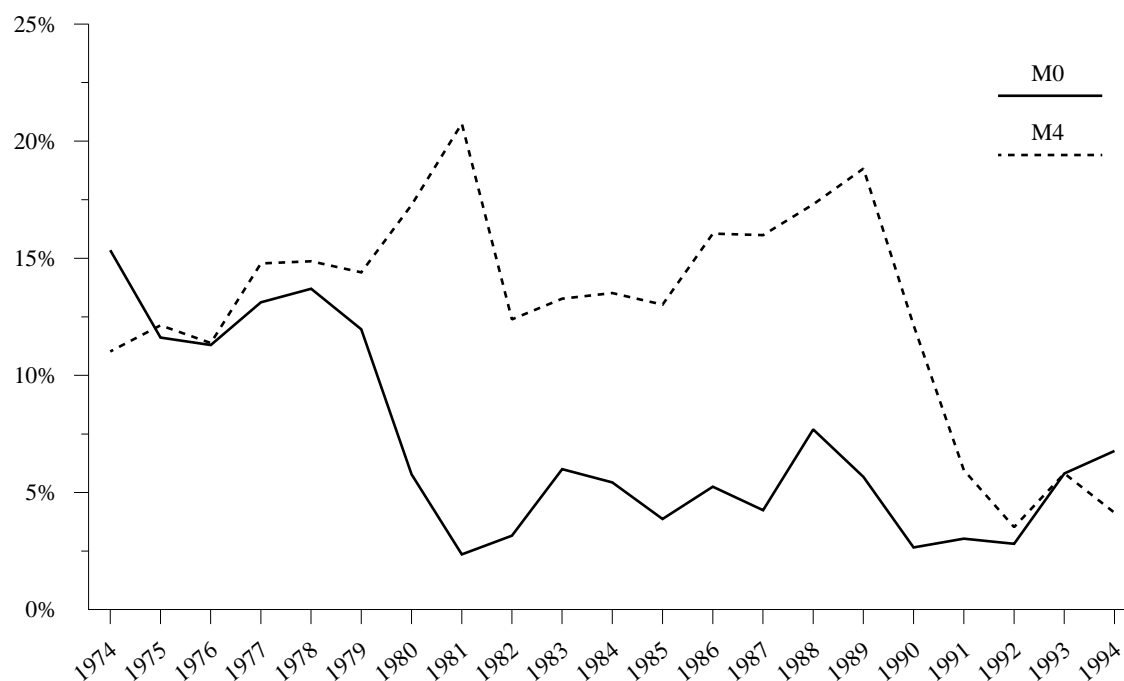
\* The 1994-95 total exceeded the forecast made by the Treasury at the time of the 1994 Autumn Budget when a PSBR of £34.4 billion was predicted.

Next update: 17 May

# Research Paper 95/54

## E 4. Money Supply

% change on previous year



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

£ million (a)	MO		M4	
	amount outstanding	annual % change	amount outstanding	annual % change
<b>1994 April</b>	21,030	5.9%	554,890	5.6%
<b>1994 May</b>	21,128	6.9%	556,744	5.5%
<b>1994 June</b>	21,233	6.8%	558,261	5.6%
<b>1994 July</b>	21,371	6.5%	558,851	5.0%
<b>1994 August</b>	21,406	6.3%	560,909	5.0%
<b>1994 September</b>	21,629	7.2%	563,197	5.2%
<b>1994 October</b>	21,731	7.3%	563,120	4.3%
<b>1994 November</b>	21,761	7.1%	567,145	4.6%
<b>1994 December</b>	21,930	6.7%	569,215	4.2%
<b>1995 January</b>	21,905	6.5%	571,226	4.1%
<b>1995 February</b>	22,020	6.2%	574,536	4.3%

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

Source: Bank of England "Financial Statistics" April 1995

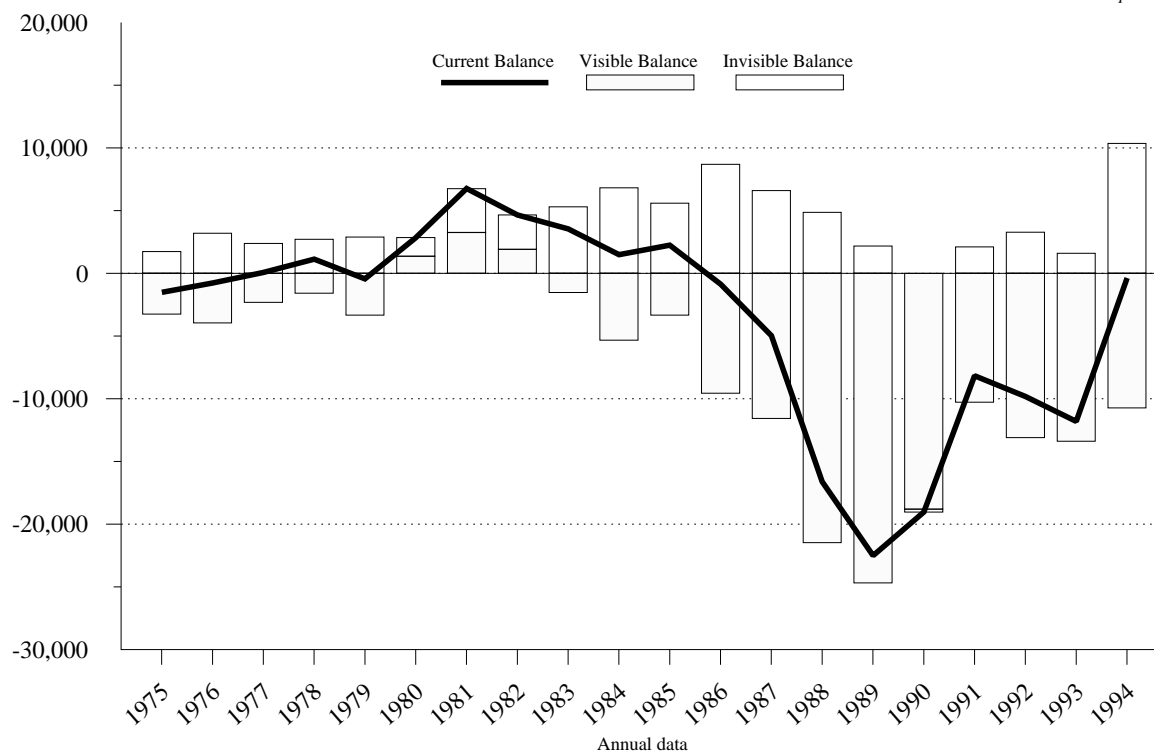
\* M0 comprises notes and coin in circulation outside the Bank of England *plus* bankers' operational deposits with the Bank. M4 is a broad measure of money consisting of the private sector's holdings of cash, and sterling deposits held by the private sector at both banks and building societies.

\* 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 1994 Budget.

Next update: 19 May

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>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>	121,300	134,694	-13,394	1,594	-11,800
<b>1994</b>	134,997	145,727	-10,730	10,359	-371
<b>1993 Q4</b>	31,022	34,327	-3,305	953	-2,352
<b>1994 Q1</b>	31,755	35,100	-3,345	1,906	-1,439
<b>1994 Q2</b>	33,206	35,626	-2,420	1,684	-736
<b>1994 Q3</b>	34,655	36,529	-1,874	3,196	1,322
<b>1994 Q4</b>	35,381	38,472	-3,091	3,573	482

\* **Visible balance** - This was in deficit by £3.1 billion in the final three months of 1994, compared to £1.9 billion in the previous three months and £3.3 billion in the final three months of 1993. The deficit for 1994 as a whole was £10.7 compared to £13.4 billion in 1993.

\* **Invisible balance** - The invisible surplus improved significantly in 1994 to £10.4 billion. A slightly lower surplus on services and a slightly higher deficit on transfers were more than offset by a large rise in net investment income (£11.2 billion in 1994 compared to £1.6 billion in 1993).

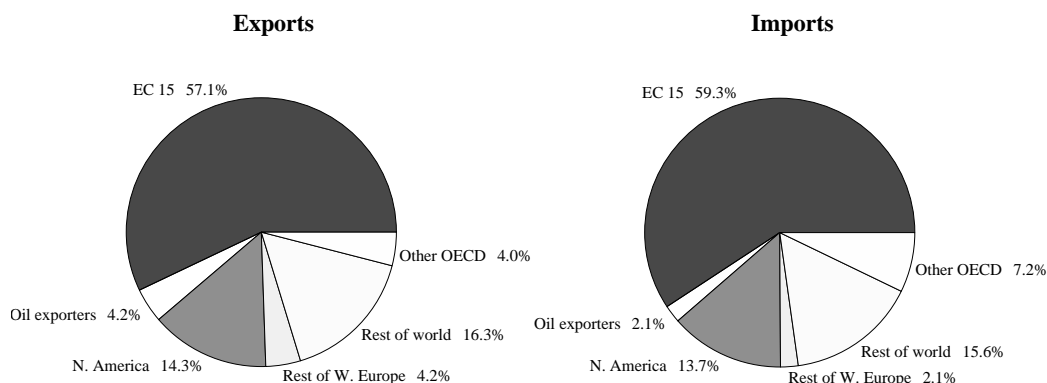
\* **Current balance** - This was in surplus by £0.5 billion in the fourth quarter of 1994 compared to a revised estimate of £1.3 billion in the third quarter. The current account for 1994 was in deficit by £0.4 billion, compared with a deficit of £11.8 billion in 1993. The latest Treasury summary of economic forecasts suggests a surplus of £0.8 billion in 1995 and £0.7 billion in 1996.

*Next update: 11 May*



## F 2. Visible Trade

Shares of visible trade by area:1994  
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)
<b>1991</b>	101.2	94.7	-10,284	-11,492	-13,570
<b>1992</b>	103.7	100.9	-13,104	-14,652	-16,036
<b>1993</b>	106.9	104.6	-13,394	-15,851	-17,518
<b>1994</b>	118.2	110.6	-10,730	-14,888	-15,654
<b>1993 Q4</b>	109.3	107.5	-3,305	-4,034	-4,211
<b>1994 Q1</b>	112.1	110.0	-3,345	-4,297	-4,551
<b>1994 Q2</b>	116.6	108.0	-2,420	-3,604	-3,941
<b>1994 Q3</b>	120.7	108.9	-1,874	-2,827	-3,090
<b>1994 Q4</b>	123.5	115.5	-3,091	-4,160	-4,072
<b>Nov.'94-Jan.'95</b>	122.4	116.6	-3,536	-4,688	-4,671

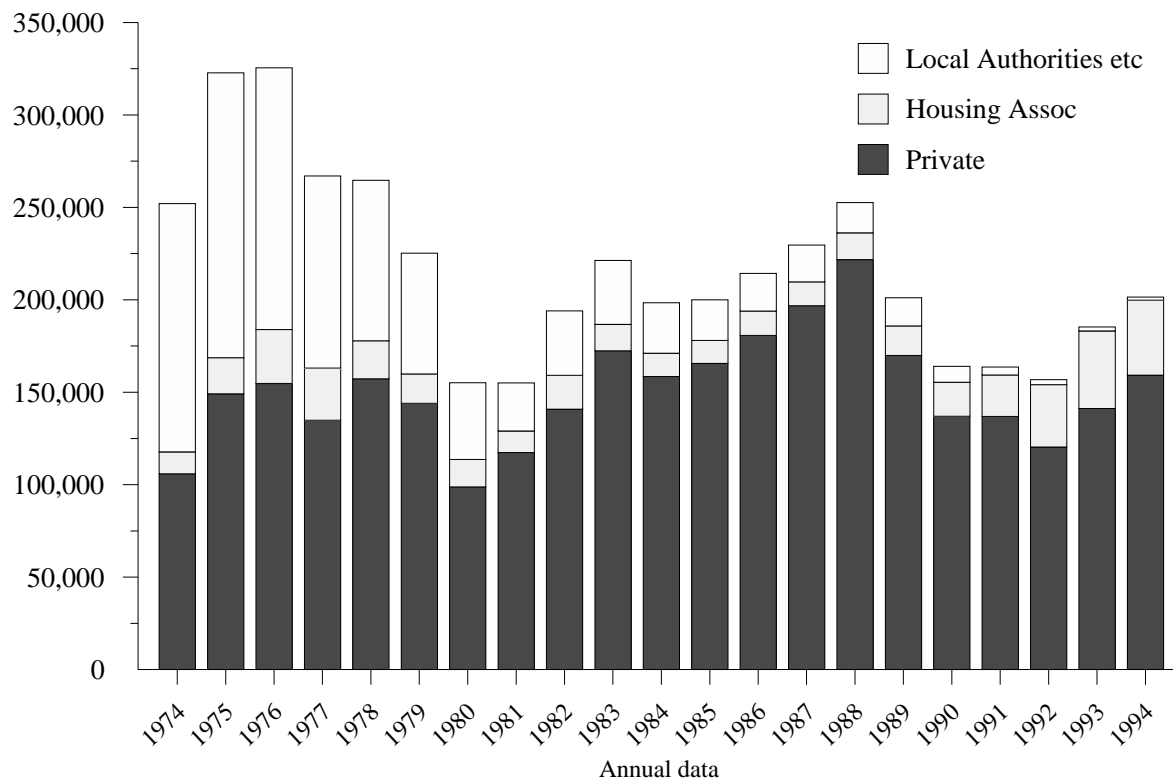
Note: (a) ships, aircraft, precious stones and silver.

Source: CSO database, CSO First Release (95) 72 dated 13.4.95

- \* The enlarged European Community now supplies and receives over half of all UK imports and exports.
- \* Export volumes in the three months to January 1995 were 11.4% higher than in the corresponding period a year earlier and 0.2% higher than in the previous three months.
- \* Import volumes in the three months to January 1995 were 7.6% higher than in the corresponding period a year earlier and 5.9% higher than in the previous three months.
- \* The trade deficit for the three months to January 1995 was £3.5 billion compared with £1.9 billion in the previous three months and £3.3 billion in the same period a year earlier. The latest estimates suggest that since mid-1994 the trend has been for the visible deficit to increase.

Next update: 11 May

**G 1. Housing Starts**



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

	Private	Housing Assocs	Local Auth's etc	Total
<b>1990</b>	137.0	18.4	8.6	<b>164.0</b>
<b>1991</b>	136.9	22.4	4.3	<b>163.5</b>
<b>1992</b>	120.3	33.8	2.7	<b>156.8</b>
<b>1993</b>	141.2	41.9	2.2	<b>185.3</b>
<b>1994</b>	159.2	40.6	1.7	<b>201.4</b>
<i>seasonally adjusted</i>				
<b>1994 Q3</b>	40.8	9.7	0.4	<b>50.9</b>
<b>1994 Q4</b>	40.7	8.2	0.6	<b>49.5</b>
<b>Dec 94</b>	13.2	2.7	0.2	<b>16.1</b>
<b>Jan 95</b>	11.8	2.5	0.1	<b>14.4</b>
<b>Feb 95</b>	12.5	2.9	0.2	<b>15.6</b>

\* Seasonally adjusted total starts in Dec 1994 - Feb 1995 were 8% lower than in the previous three months, and 4% lower than Dec 1993 - Feb 1994.

\* Overall starts in 1994 were 11% below their level in 1979 but 9% higher than in 1993.

\* Local authorities started only 1,700 dwellings in 1994 - 0.8% of the total.

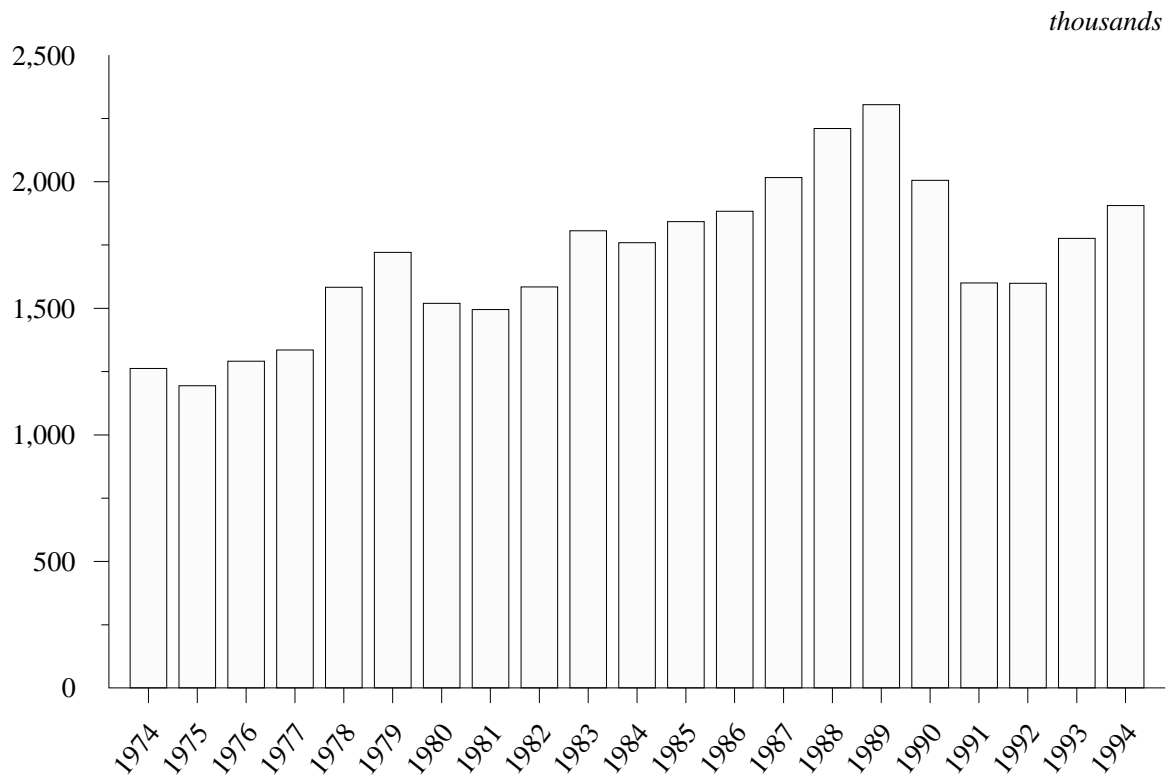
\* Housing association starts fell by 3% in 1994; private starts rose by 13%.

Sources: CSO Database series FCAB, CTOR, CTOV

Next update: 11 May

# Research Paper 95/54

## G 2. New Registrations of Cars



### New Registrations of Cars

*seasonally adjusted*

	Number thousands	Change over 12 months
<b>1990</b>	2,005	-13.0%
<b>1991</b>	1,600	-20.2%
<b>1992</b>	1,599	-0.1%
<b>1993</b>	1,776	11.1%
<b>1994</b>	1,906	7.3%
<b>Nov 1994</b>	159	-1%
<b>Dec 1994</b>	154	0%
<b>Jan 1995</b>	156	-4%
<b>Feb 1995</b>	165	2%
<b>Mar 1995</b>	158	-2%

\* Latest seasonally adjusted figures show 158,000 new registrations of cars in March 1995 - 2% lower than in March 1994.

\* Latest annual figure for 1994 shows 1.9 million new registrations of cars - 7% higher than 1993.

\* 57% of cars registered in March 1995 were imported.

\* 22% of cars registered in March 1995 were diesel and 56% were registered at company addresses.

*Next update: 25 May*

*Source: Department of Transport Statistical Bulletin 95(20)*

G 3. Retail Sales

Retail Sales (Volume) Index (1990=100)  
% increase on previous year



**Retail Sales Volume Index: All Retailers**

	Index Number 1990=100	12 Month Change
1990	100.0	0.7%
1991	98.9	-1.1%
1992	99.5	0.6%
1993	103.0	3.5%
1994	106.7	3.6%
1994 Sep	107.3	3.4%
Oct	107.2	2.9%
Nov	107.1	2.3%
Dec	107.6	3.5%
1995 Jan	106.3	-0.1%
Feb	107.7	2.6%
Mar	107.6	1.8%

\* Retail sales volume index increased by 3.6% in 1994 over 1993.

\* Sales in the most recent 3 month period were 1.5% up on the same period last year.

\* In the year to March 1995 the retail sales volume index rose by 1.8%.

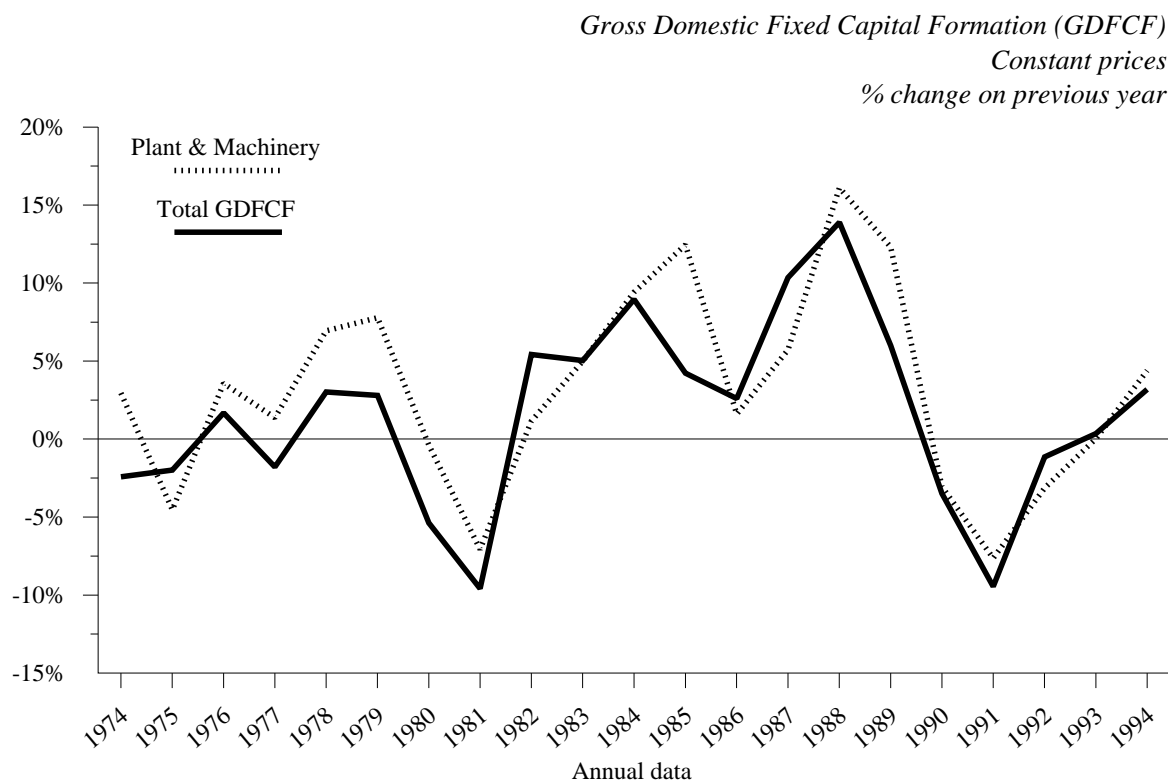
Note: weekly average, seasonally adjusted

Source: CSO database series FAAM.

Next update: 18 May

# Research Paper 95/54

## G 4. Investment



**GDFCF (£ million) at 1990 prices, seasonally adjusted**

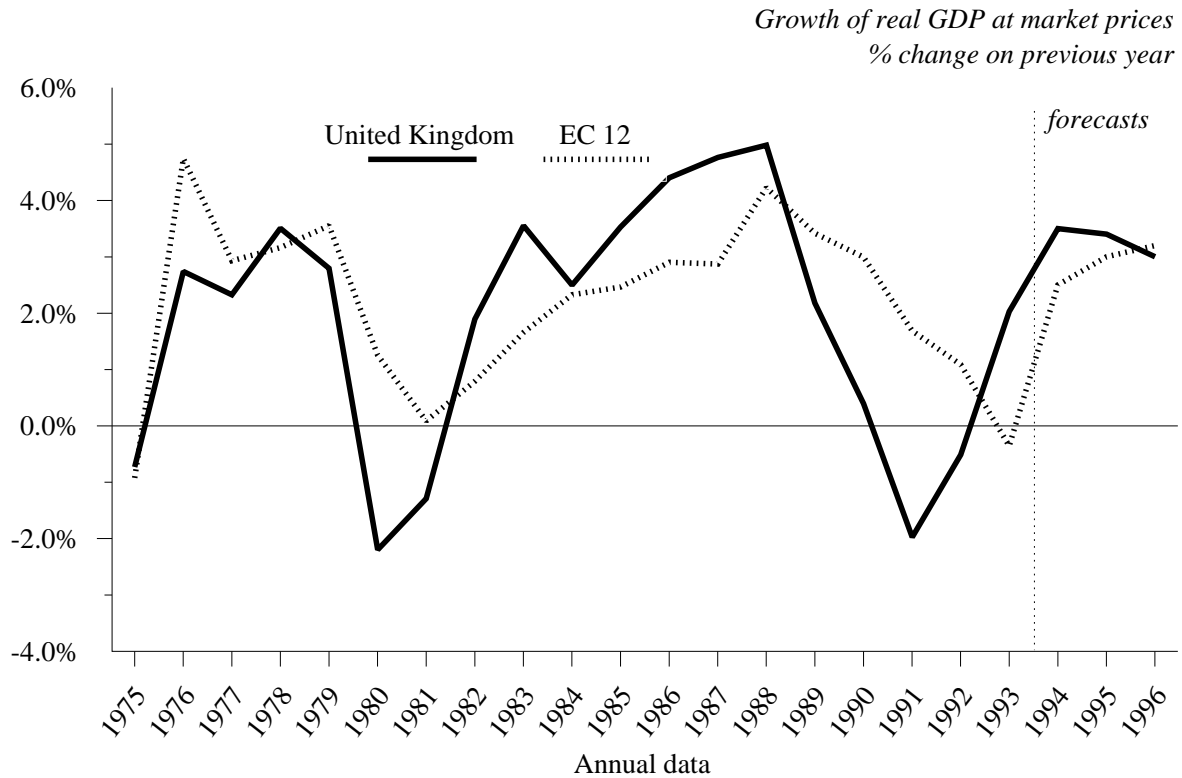
	Vehicles, Ships & Aircraft	Plant & Machinery	Other New Building Work (i)	Dwellings	Total
<b>1990</b>	10,266	36,762	39,110	21,439	107,577
<b>1991</b>	8,008	33,955	37,521	17,919	97,403
<b>1992</b>	7,960	32,888	37,152	18,280	96,280
<b>1993</b>	8,611	32,895	35,867	19,238	96,611
<b>1994</b>	8,986	34,338	36,213	20,142	99,679
<b>1993 Q 4</b>	2,182	8,237	9,155	5,008	24,582
<b>1994 Q 1</b>	2,175	8,322	9,385	5,180	25,062
<b>1994 Q 2</b>	2,223	8,559	8,922	5,037	24,741
<b>1994 Q 3</b>	2,227	8,630	8,984	4,826	24,667
<b>1994 Q 4</b>	2,361	8,827	8,922	5,099	25,209

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

*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 1994 by 3.2% compared with 1993, but is still 11% lower than the peak in 1989. Investment in other new building work rose by 1% in 1994; all other components of GDFCF increased by over 4%.
- \* In the fourth quarter of 1994 GDFCF was 2.6% higher than in the same period in 1993, and 2.2% higher than in the third quarter of 1994. Investment in vehicles, ships & aircraft, plant & machinery and dwellings rose in the fourth quarter of 1994 by 8.2%, 7.2% and 1.8% respectively but there was a fall of 2.5% in investment in other new buildings and works compared with the previous quarter.

H 1. International Comparisons: Growth



Annual Growth of GDP at Constant Market Prices

	1991	1992	1993	1994	1995	1996
				<i>estimate</i>	<i>forecast</i>	<i>forecast</i>
United States	-0.6%	2.3%	3.1%	3.9%	3.1%	2.0%
Japan	4.3%	1.1%	0.1%	1.0%	2.5%	3.4%
Germany (a)	5.0%	2.2%	-1.1%	2.8%	2.8%	3.5%
France	0.8%	1.2%	-1.0%	2.2%	3.1%	3.2%
Italy	1.2%	0.7%	-0.7%	2.2%	2.7%	2.9%
United Kingdom	-2.0%	-0.5%	2.0%	3.5%	3.4%	3.0%
Canada	-1.8%	0.6%	2.2%	4.1%	4.2%	3.9%
OECD	1.0%	1.6%	1.3%	2.8%	3.0%	2.9%
European Community (12)	1.7%	1.1%	-0.3%	2.5%	3.0%	3.2%

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

Source OECD Economic Outlook December 1994 table A1

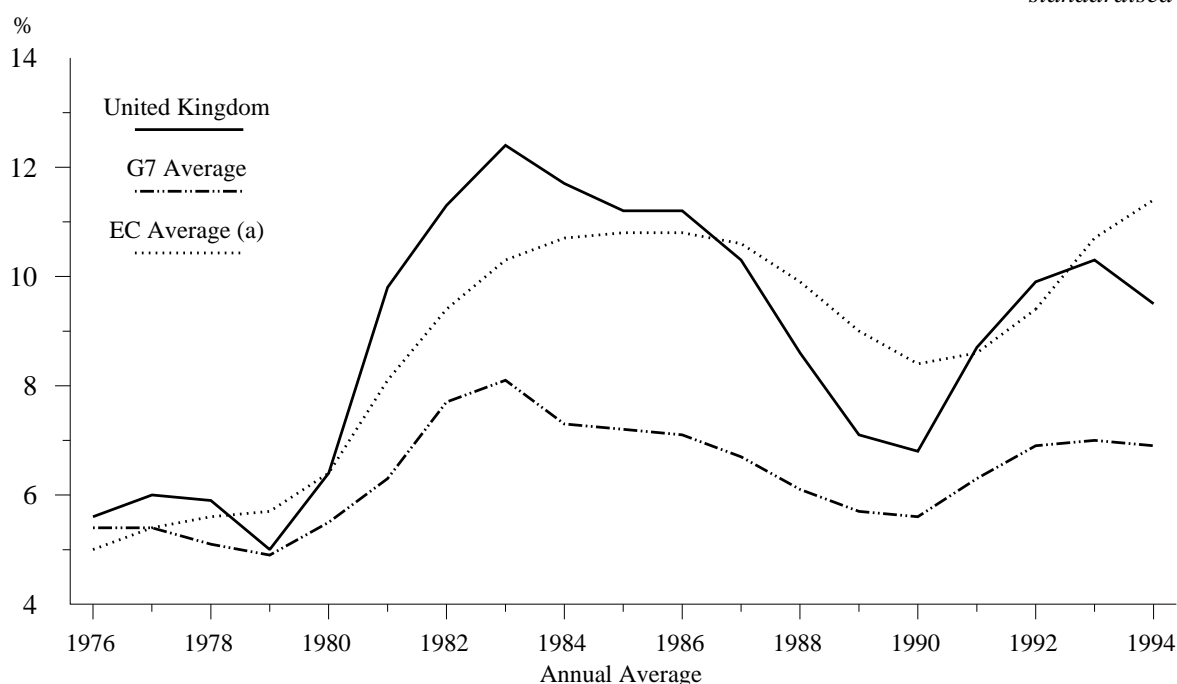
\* The table and graph above reflect projections in the December edition of the OECD's *Economic Outlook*. Actual UK growth in 1994, based on GDP at constant market prices, was 3.8%.

\* The latest Treasury forecasts, published in November 1994, suggest that UK GDP at constant factor cost will grow by 3¼% in 1995. The latest Treasury summary of independent economic forecasts suggests that growth in the UK will be 3.2% in 1995 and 2.9% in 1996 compared to an outturn of 3.9% in 1994.

Next update: mid-June

## H 2. International Comparisons - Unemployment

*% of labour force  
standardised*



(a) EC 15 from 1992 onwards

	Unemployed as % of labour force Standardised and seasonally adjusted			
	1993	1994 Q2	1994 Q3	1994 Q4
Canada	11.2	10.6	10.1	9.7
USA	6.7	6.1	5.9	5.5
Japan	2.5	2.8	3.0	2.9
Belgium	9.6	9.7	9.8	9.8
Finland	17.7	18.5	18.0	17.3
France	11.7	12.5	12.5	12.4
W Germany	6.1	6.9	6.9	6.8
Ireland	15.6	14.8	14.7	14.6
Italy	10.2	12.5	11.8	..
Netherlands	6.2	7.0	7.1	7.2
Portugal	5.5	7.1	6.8	6.8
Spain	22.4	24.1	23.9	23.5
Sweden	8.2	7.7	8.6	7.3
UK	10.3	9.8	9.6	9.0
EU (a)	10.6	11.5	11.4	11.1
G7	7.0	7.0	6.8	6.6
OECD (b)	7.8	7.9	7.7	7.5

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

\* In 1994 Q4 Portugal and West Germany had the lowest unemployment rates in the EC12 (6.8% of the workforce).

\* In 1994 Q4 Spain had the highest unemployment rate (23.5%).

\* Over 1994 as a whole the UK, Canada, the USA, Finland, Sweden and Ireland are the only countries (for which there is a full year's figures) where the unemployment rate is falling.

\* Unemployment in the new EU member states in 1994 Q4 was 17.3% in Finland and 7.3% in Sweden (standardised rates for Austria are not available).

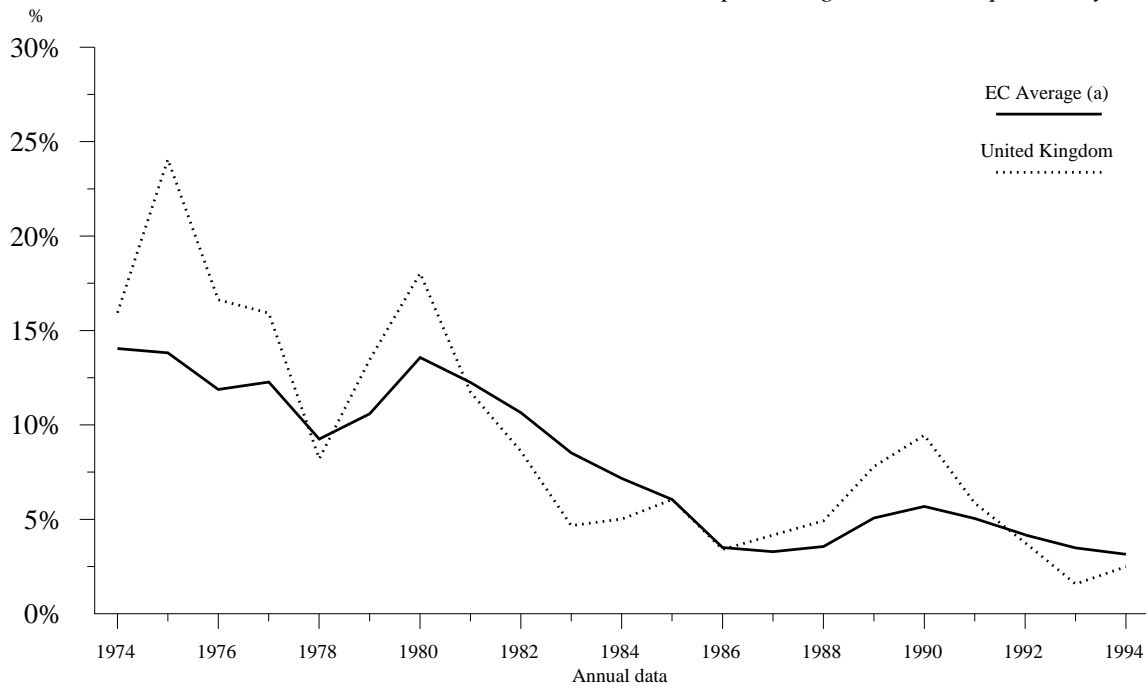
Notes: (a) Average of the eleven countries shown (excludes Denmark, Greece, Luxembourg and Austria).

(b) Average of eighteen countries.

Source: OECD Current Economic Indicators

H 3. International Comparisons - Prices

Consumer Price Index  
percentage increase on previous year



(a) EC 15 from 1992 onwards

Consumer Price Index - percentage change over 12 months

	1992	1993	1994	Dec 94	Jan 95	Feb 95
<b>United States</b>	3.1	2.9	2.6	2.7	2.8	2.5
<b>Japan</b>	1.7	1.3	0.6	0.7	0.6	0.2
<b>Germany (West)</b>	4.0	4.2	3.0	2.7	2.3	2.4
<b>France</b>	2.3	2.1	1.8	1.6	1.7	1.7
<b>Italy</b>	5.1	4.4	4.0	4.0	3.9	4.3
<b>United Kingdom</b>	3.7	1.6	2.5	2.9	3.3	na
<b>Canada</b>	1.5	1.8	0.2	0.2	0.6	na
<b>EU 15</b>	4.2	3.1	3.1	3.0	3.0	3.1

Source: Eurostat

\* The UK inflation rate in January 1995 (3.3% pa) was the second highest among G7 countries; only Italy had a higher level of inflation (3.9% pa). The UK rate was also slightly above the EU15 average (3.0% pa).

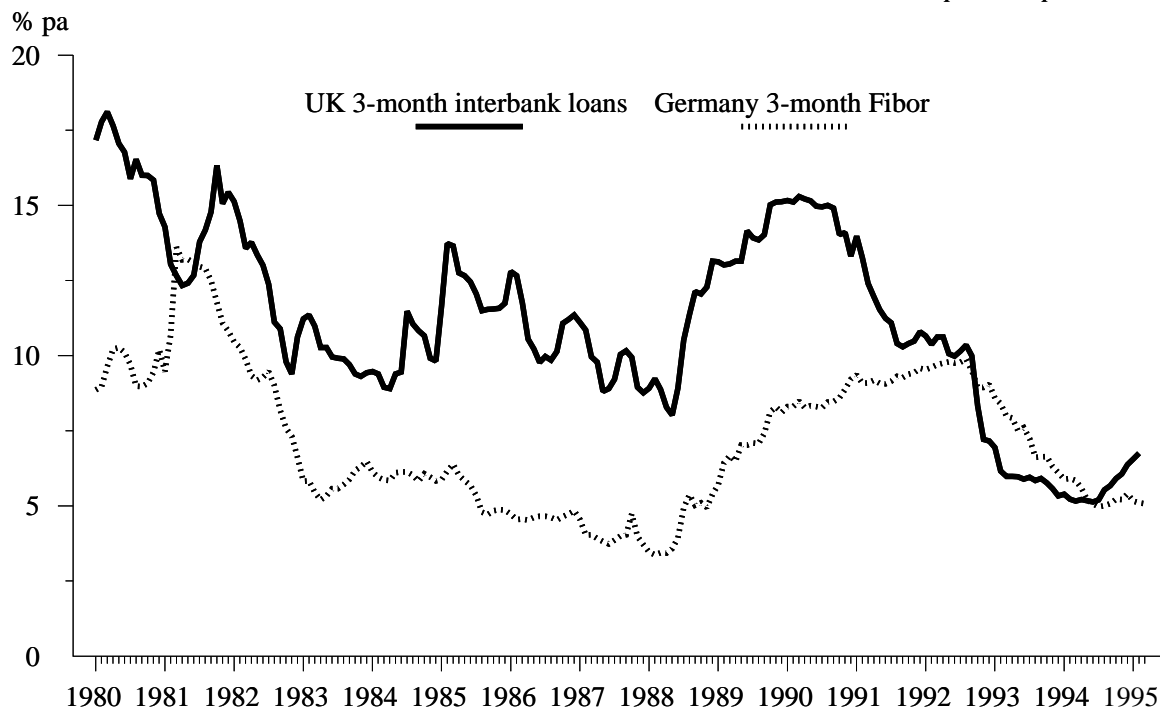
\* In January 1995 Greece had the highest inflation rate out of the fifteen EU countries (11.1% pa). The countries with the lowest inflation rates were Belgium (1.9% pa), Finland (1.8% pa) and France (1.7% pa).

Next update: mid May



**H 4. International Comparisons - Interest Rates**

*Short-term Interest Rates  
per cent per annum*



**Short-Term Interest Rates as at 27 Apr 1995**

	3-month rate (% pa)
London	$6\frac{15}{16}$
New York	$6\frac{1}{8}$
Frankfurt	$4\frac{1}{2}$
Tokyo	$1\frac{3}{8}$
Paris	$7\frac{7}{8}$
Milan	$10\frac{11}{16}$
Brussels	$5\frac{5}{16}$

\* 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 27 April are shown in the table opposite.

Source: *Financial Times* 28 April 1995

Recent papers on related subjects have been:

**Economic policy & taxation**

Research Paper

94/80	The Competitive Economy	20.06.94
94/120	The economic background to the November 1994 budget	28.11.94
95/7	A Minimum Wage	17.01.95
95/20	Economic & Monetary Union	14.02.95
95/49	Unemployment by Constituency: March 1995	12.04.95