

Budget 2004 data sources

March 2004



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ISBN: 1-84532-015-8

INTRODUCTION

This document details the data sources for all charts and tables which appear in the Budget 2004, *Prudence for a purpose: A Britain of stability and strength*, HC 301, published on 17 March 2004.

Each entry in this document should be read alongside the respective chart or table in the Budget Report. In particular, users should refer carefully to any footnotes to the charts and tables.

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Note: Four letter source code indicates Office for National Statistics (ONS) data. All data are not seasonally adjusted unless otherwise stated.

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Note: Four letter source code indicates Office for National Statistics (ONS) data. All data are not seasonally adjusted unless otherwise stated.

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Average GDP growth, Source: HM Treasury calculations.

GDP growth volatility, Source: HM Treasury calculations.

The inflation targeters are the **UK, Canada, New Zealand, Australia and Sweden**. The non-targeters are the **US, Japan, France, Germany, Italy, the Netherlands, Portugal, Ireland, Austria, Belgium and Denmark and Greece**. For the inflation targeters, the pre targeting period is the ten-year period before inflation targets were implemented which differs for each of the targeters. For the countries that do not target inflation, the pre targeting period is Q1 1983 - Q4 1992, reflecting the median date of the change in monetary policy regimes in the inflation targeters group.

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Treaty debt (EU countries), per cent of GDP, Source: European Commission autumn forecasts (2003).

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3 MEETING THE PRODUCTIVITY CHALLENGE

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Note: 2002 data is provisional

Source: ONS

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Source: ONS

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Source: Labour Force Survey and Family Expenditure Survey, updating Gregg, P., Hansen, K. and Wadsworth, J., (1999) *The Rise of the Workless Household* in Gregg, P. and Wadsworth, J. (1999) *The State of Working Britain*, Manchester University Press.

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Pensioner family: where male in the family unit is of state pension age or over.

Income decile: household equivalised net income. (Equivalisation takes account of variations in size and composition of households, using the McClements' after housing costs scale.)

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Provisional data on **road traffic**, Source: Department for Transport.

Provisional data on **new homes**, Source: Office of the Deputy Prime Minister.

Climate change levy package: DTI energy model.
Landlord's energy saving allowance: H M Treasury.
Road fuel duty: NETCEN emissions model.
Company car tax reform: Inland Revenue modelling.
Employer provided van benefit: H M Treasury.
Fuel scale charges: Inland Revenue modelling.
Air passenger duty: H M Treasury.
Landfill tax and landfill tax credit scheme: H M Treasury.
Aggregates levy and sustainability fund: H M Treasury.
Green Technology Challenge: H M Treasury.
Capital allowances for flats over shops: H M Treasury.
Contaminated land tax credit: H M Treasury.
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B THE ECONOMY

Note: Four letter source code indicates Office for National Statistics (ONS) data. All data are seasonally adjusted unless otherwise stated.

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Note: Percentage changes on a year earlier.

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Consumer price inflation (Major 7 countries). Source: EcoWin (code: OECD: g7m_cpaltt01_ixobm).

World trade in goods and services, at constant prices. Source: HM Treasury estimates based on unpublished OECD data.

UK export markets, at constant prices. Source: HM Treasury estimates based on unpublished OECD data.

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World trade in goods and services, at constant prices, percentage changes on previous year. Source: HM Treasury estimates based on unpublished OECD data.

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Euro area and New Member States GDP, Source, European Commission, Autumn forecast, 2003.

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Table B2 Contributions to trend output growth**p.221**

Note: Please see footnotes to Table B2 and accompanying text. Table A2 decomposes estimated trend output growth into estimated contributions from growth in output per hour worked, average hours worked, the employment rate and the population of working age. The output series used in these calculations is on a non-oil basis, Source: ONS.

Equivalent series for actual whole economy output, and its components, can be constructed from the following sources:

Output: Gross value added excluding oil and gas extraction, at basic prices, £ million, chained volume measures, (UIZY).

Labour productivity (output per hour worked): Output divided by total actual

weekly hours worked (YBUS), adjusted to a working-age basis by scaling in the ratio of working age employment (YBSE) to total employment (MGRZ).

Average hours worked: From 1992Q2, calculated as the estimate of total actual weekly hours worked by people of working age divided by working-age employment. Quarterly data prior to 1992Q2 for total actual weekly hours of work for all in employment and total working-age employment in the UK have been obtained from the Experimental LFS-consistent time series produced by the ONS (2003). These two data series were used to derive the average hours worked series prior to 1992Q2.

Employment rate: Total working-age population in employment (YBSE) divided by population of working age (YBTF). Pre-1992Q2 data have been taken from the LFS-consistent time series (see notes to chart A5).

Population of working age: From 1992, UK household population aged 16-59/64, YBTF. Prior to 1992, quarterly data have been obtained from the LFS-consistent time series (2003), Source: ONS.

Table B3 Summary of forecast

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GDP growth, GDP, at market prices, chained volume measures, percentage changes on previous year, Source: ABMI.

CPI inflation, CPI index, Jan 1996=100, not seasonally adjusted, percentage change on a year earlier (Q4 of each year), Source: CJYR.

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Note: Actual output is gross value added excluding oil and gas extraction (UIZY) in real terms. Corresponding trend non-North Sea output series is estimated by HM Treasury.

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CBI: Volume of output balance (last three months). Source: CBI quarterly Industrial Trends.

CIPS: Purchasing Managers Index (PMI) transformed to move around no-change mark of zero, three month average. Source: EcoWin (code gbr04000).

Chart B5 LFS employment, unemployment and participation

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Note: Data before 1992Q2 are taken from Experimental LFS-consistent time series. This is a set of experimental labour force time series covering the period 1971-91. The data cover headline measures of employment, unemployment, economic inactivity and hours worked and are based on data published in Labour Market Trends in September 2003.

Employment, LFS measure, UK millions, Source: MGRZ from 1992Q2.

Unemployment, ILO measure, UK millions, Source: MGSC from 1992Q2.

Participation rate: Economically active (working age) as a per cent of the population of working age, LFS measure, Source: MGSO from 1992Q2.

Employment rate: Employment (working age) as a per cent of the population of working age, LFS measure, Source: MGSU from 1992Q2.

Chart B6 CPI

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RPIX (retail prices excluding mortgage interest payments), index Jan 1987=100, not seasonally adjusted, percentage change on a year earlier, Source: CHMK from 1987Q1.

CPI (Consumer prices index), index Jan 1996=100, not seasonally adjusted, percentage change on a year earlier, Source: CJYR.

Table B5 Household sector expenditure and income

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Note: Percentage changes on previous year unless otherwise stated.

Household consumption, at market prices, chained volume measures – Household's final consumption expenditure *plus* final consumption expenditure of Non Profit Institutions Serving Households, Source: ABJR, HAYO.

Real household disposable income, chained volume measures, Source: NRJR.

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Business: business investment, at market prices, chained volume measures, Source: NPEL.

Private dwellings: private sector investment in new dwellings, at market prices, chained volume measures, Source: DFEA.

General government: general government plus NHS Trusts investment excluding transfer costs of non-produced assets, i.e. does not include general government net purchases of land and existing buildings. All at market prices, chained volume measures. Source: DLWF, DFTI, EQCO, +EQCN.

Chart B7 Business investment**p.235**

Relative price of business investment: Implied business investment deflator/ Implied GDP deflator.

Implied business investment deflator - chained volume business investment (NPEL)/current price business investment (NPEK).

Implied GDP deflator -YBHA/ABMI.

Current price business investment ratio: Current price business investment (NPEK) to current price GDP (YBHA).

Cumulative growth path of real business investment relative to GDP: Business investment at market prices, chained volume measures (NPEL)/GDP, at market prices, chained volume measures (ABMI).

Box B6 Implications of recent movements in the sterling exchange rate**p.236****Chart: Sterling exchange rates**

Sterling Exchange Rate Index (ERI): AGBG.

Euro/sterling: THAP.

Euro/dollar: AUSS.

Table B7 Trade in goods and services**p.237**

Note: Percentage changes on previous year unless otherwise stated. All data refer to trade in goods and services.

Export volumes, at market prices, chained volume measures, IKBK.

Import volumes, at market prices, chained volume measures, IKBL.

Export prices, implied deflator, IKBH/IKBK.

Import prices, implied deflator, IKBI/IKBL.

Terms of trade, export prices divided by import prices.

Goods and services balance, £ billion, IKBJ.

Chart B8 Balance of payments current account

p.238

Current account: current account balance (HBOP) as a per cent of gross domestic product (YBHA), at current market prices.

Goods and services: goods and services balance (IKBJ) as a per cent of gross domestic product (YBHA), at current market prices.

Transfers and income: transfers and income balance (HBOP-IKBJ) as a per cent of gross domestic product (YBHA), at current market prices.

Table B8 Budget and independent forecasts

p.239

Table B8 shows Budget 2004 and independent forecasts for GDP growth, RPIX inflation and the balance of payments current account in 2004 and 2005. Average and range for independent forecasts taken from 'Forecasts for the UK Economy: A Comparison of Independent Forecasts', HM Treasury, March 2004. For corresponding data series for these variables see documentation for Table B9.

Table B9 Summary of economic prospects

p.240

Note: Percentage changes on previous year and seasonally adjusted unless otherwise stated.

Gross domestic product (GDP), at market prices, chained volume measures, ABMI.

Manufacturing output: gross manufacturing value added, index 2000=100, chained volume measures, CKYY.

Domestic demand, at market prices, chained volume measures, YBIM.

Household consumption, at market prices, chained volume measures, ABR+HAYO.

General government consumption, at market prices, chained volume measures, NMRY.

Fixed investment, at market prices, chained volume measures, NPQT.

Change in inventories, chained volume measures (CAFU), as a percent of GDP (ABMI) in the previous year – i.e. contribution to GDP growth, percentage points.

Exports of goods and services, at market prices, chained volume measures, IKBK.

Imports of goods and services, at market prices, chained volume measures, IKBL.

Balance of payments current account, £ billion, HBOP.

Balance of payments current account, per cent of nominal GDP, HBOP/YBHA.

CPI, index Jan 1996=100, not seasonally adjusted, percentage change on a year earlier (Q4 of each year), CJYR.

RPIX, index Jan 1987=100, not seasonally adjusted, percentage change on a year earlier (Q4 of each year), CHMK.

Producer output prices, all manufacturing excluding duty, index 2000=100, percentage change on a year earlier (Q4 of each year), PVNQ.

GDP deflator, at market prices, 2000=100, percentage change on a year earlier, YBGB.

Money GDP, at current market prices, £ billion and percentage change on a year earlier, YBHA.

Note: Table B10 gives an expenditure breakdown of chained volume GDP, in £ billion and percentage changes on previous year unless otherwise stated.

Household consumption, NPSP.

General government consumption, NMRY.

Fixed investment, NPQT.

Change in inventories, CAFU. Note: Table B9 shows change in inventories as a percent of GDP (ABMI) in the previous year.

Domestic demand, YBIM.

Exports of goods and services, IKBK.

Total final expenditure, ABMG.

Imports of goods and service, IKBL.

Statistical discrepancy (expenditure adjustment), GIXS.

Gross domestic product (GDP), ABMI.

C THE PUBLIC FINANCES

Note: Unless otherwise stated, the source for all data in Chapter C charts and tables is the Office for National Statistics (ONS). Four letter source codes indicate ONS series identifiers.

All data are not seasonally adjusted unless otherwise stated.

Table C1 Summary of public sector finances

p.244

Note: Series expressed as a per cent of GDP, £ million, Source: BKTL.

Surplus on current budget, £ million, Source: ANMU.
Cyclically-adjusted surplus on current budget, Source: HM Treasury.
Public sector net debt, £ billion, Source: RUTN.
Core debt, Source: HM Treasury.
Net worth, £ million, Source: CGTY.
Primary balance, £ million, Source: ANNX + ANLO - ANBQ.
Net investment, £ million, Source: -ANNW.
Public sector net borrowing (PSNB), £ million, Source: -ANNX.
Cyclically-adjusted PSNB, Source: HM Treasury.
Central government net cash requirement, £ million, Source: RUUW.
Public sector net cash requirement, £ million, Source: RURQ.
Treaty deficit, £ million, Source: -NNBK - CFZG.
Cyclically-adjusted Treaty deficit, Source: HM Treasury.
Treaty debt ratio, £ million, Source: BKPX + NNLL.
Output gap, Source: HM Treasury.

Chart C1 Public sector net debt and net worth

p.245

Note: Series expressed as a per cent of GDP, £ million, Source: BKTL.

Public sector net debt, £ billion, Source: RUTN.
Public sector net worth, £ million, Source: CGTY.

Table C2 Fiscal balances compared with Budget 2003 and the 2003 Pre-Budget Report

p.246

Note: The source of all figures is HM Treasury unless otherwise indicated.

Surplus on current budget, £ million, Source: ANMU
Net borrowing, £ million, Source: -ANNX.

Note: Series expressed as a per cent of GDP, £ million, Source: BKTL.

Net debt, £ billion, Source: RUTN.

Chart C2 Cyclically-adjusted surplus on current budget p.248

Note: Series expressed as a per cent of GDP, £ million, Source: BKTL.

Central case, Source: HM Treasury.

Cautious case, assumes trend output 1 percentage point lower in relation to actual output than in the central case, Source: HM Treasury.

Table C3 Economic assumptions for the public finance projections p.250

Note: Series expressed as percentage changes on previous year.

Output (GDP), at constant 2000 basic prices, £ million, Source: ABMI.

CPI, index 1996=100, Source: CHVJ.

GDP deflator, index 2000=100, Source: YBGB.

RPI (September), index January 1987=100, Source: CHAW.

Rossi (September), Source: HM Treasury.

Money GDP (£ billion), £ million, Source: BKTL.

Table C4 and C5 Current and capital budgets p.252

Note: The figures in Table C5 are expressed as a per cent of GDP, £ million, Source: BKTL.

Current receipts, £ million, Source: ANBT.

Current expenditure, £ million, Source: ANLT.

Depreciation, £ million, Source: ANNZ.

Surplus on current budget, £ million, Source: ANMU.

Gross investment, Source: HM Treasury.

Less asset sales, Source: HM Treasury.

Less depreciation, £ million, Source: -ANNZ.

Net investment, £ million, Source: -ANNW.

Net borrowing, £ million, Source: -ANNX.

Public sector net debt, £ billion, Source: RUTN.

Treaty deficit, £ million, Source: -NNBK - CFZG.

Treaty debt, £ million, Source: BKPX + NNLL.

Table C6 Changes in current receipts since the 2003 Pre-Budget Report p.253

Source: HM Treasury.

Table C7 Changes in current receipts by tax since Budget 2003 and the 2003 Pre-Budget Report p.255

Source: HM Treasury.

Table C8 Current receipts p.256

Income tax (gross of tax credits), £ million, Source: LIPG.

Social security contributions, £ million, Source: AIH-ACJY.

Corporation tax, £ million, Source: ACCD + MDXH.

Tax credits, Source: HM Treasury.
Petroleum revenue tax, £ million, Source: ACCJ.
Capital gains tax, £ million, Source: QYJX.
Inheritance tax, £ million, Source: NMGI.
Stamp duties, £ million, Source: ACCI.
Total Inland Revenue (net of tax credits), Source: HM Treasury.
Value added tax, £million, Source: EYOO
Fuel duties, £ million, Source: ACDD.
Tobacco duties, £ million, Source: ACDE.
Spirits duties, £ million, Source: ACDF.
Wine duties, £ million, Source: ACDH.
Beer and cider duties, £ million, Source: ACDG + ACDI.
Betting and gaming duties, £ million, Source: ACDJ.
Air passenger duty, £ million, Source: ACDP.
Insurance premium tax, £ million, Source: ACDO.
Landfill tax, £ million, Source: DOLC.
Climate change levy, £ million, Source: LSNS.
Aggregates levy, £ million, Source: MDUP.
Customs duties and levies, £ million, Source: ADET.
Total Customs and Excise, £ million, Source: ACAC.
Vehicle excise duties, £ million, Source: GTAX.
Oil royalties, £ million, Source: ACEC.
Business rates, £ million, Source: CUKY + LNFP + CULD + CQQQ + CQTC – CEIP - LNFO
Council tax, £ million, Source: NMIS-CDXW-ADDC
Other taxes and royalties, £ million, Source: LIPJ.
Net taxes and social security contributions, Source: HM Treasury.
Accruals adjustments on taxes, £ million, Source: CYNX + RUTC + DKHE + DBKE + DKHH + ZYBE + ACJY + RUSD + CDXW + CUKY + ADDC – CEIP – LNFO + CQQQ
Less own resources contribution to European Communities (EC) budget, £ million, Source: - FSVL – HCML – ADET – GTBA – GTBB.
Less PC corporation tax payments, £ million, Source: - FCCS.
Tax credits adjustment, Source: HM Treasury.
Interest and dividends, £ million, Source: ANBQ.
Other receipts, £ million, Source: - FJWE – FJWG + ANBP + NMCK – ACEC + ANCW + NMEZ – CQQQ.
Current receipts, £ million, Source: ANBT.
North Sea revenues, Source: HM Treasury.

Box C2 Forecasting VAT receipts

p.259

Chart: Actual and projected change in the VAT to consumption ratio

Value added tax, £million, Source: EYOO
Consumer expenditure, Source: ABJQ+HAYE

Table C9 Current receipts as a proportion of GDP**p.261**

Note: Series expressed as a per cent of GDP, £ million, Source: BKTL.

Income tax (gross of tax credits), £ million, Source: LIPG.

Social security contributions, £ million, Source: AIIH - ACJY.

Non-North Sea corporation tax, Source: Inland Revenue

Tax credits, Source: HM Treasury.

North Sea revenues, Source: HM Treasury.

Value added tax, £ million, Source: EYOO.

Excise duties, £ million, Source: ACDD + ACDE + ACDF + ACDG + ACDH + ACDI.

Other taxes and royalties, £ million, Source: ACCI + ACDJ + ACDM + ACDO + ACDP - ADDC + CDDZ - CDXW + CEIP + CIQY + CLCJ - CJRY - CUAG + CUCZ - CUKY + CUNW + DOLC + EYNK + FJWE + FJWG + GTAZ + LITN + LNFO - LSNU - MDUR + NMBX + NMGI + NMIS + NMYH + NSFA + NSNP + QYJX

Net taxes and social security contributions, Source: HM Treasury.

Accruals adjustments on taxes, £ million, Source: CYNX + RUTC + DKHE + DBKE + DKHH + ZYBE + ACJY + RUSD + CDXW + CUKY + ADDC - CEIP - LNFO + CQQQ

Less EC transfers, £ million, Source- FSVL - HCML - ADET - GTBA - GTBB.

Tax credits, Source: HM Treasury.

Other receipts, £ million, Source: -FJWE - FJWG + ANBP + NMCK - ACEC + ANCW + NMEZ + ANBQ - FCCS - CQQQ.

Current receipts, £ million, Source: ANBT.

Table C10 Net taxes and social security contributions**p.262**

Note: Series expressed as a per cent of GDP, £ million, Source: BKTL.

Net taxes and social security contributions, Source: HM Treasury.

Chart C3 Tax-GDP ratio**p.262**

Note: Series expressed as a per cent of GDP, £ million, Source: BKTL.

Net taxes and social security contributions, Source: HM Treasury.

Table C11 Total Managed Expenditure 2002-03 to 2005-06**p.266**

Source: HM Treasury (unless otherwise stated).

Departmental Expenditure Limits (DEL), Source: HM Treasury.

Annually Managed Expenditure (AME), Source: HM Treasury.

Total Managed Expenditure (TME), £ million, Source: EBFT.
of which:

Public sector current expenditure, £ million, Source: ANLT.

Public sector net investment, £ million, Source: -ANNW.

Public sector depreciation, £ million, Source: ANNZ.

Chart C4 Total Managed Expenditure p.267

Note: Series expressed as a per cent of GDP, £ million, Source: BKTL.

Total Managed Expenditure, £ million, Source: EBFT.

Table C12 Changes to Total Managed Expenditure since the 2003 Pre-Budget Report p.268

Source: HM Treasury.

Table C13 Departmental Expenditure Limits – resource and capital budgets p.269

Source: HM Treasury.

Table C14 Accounting adjustments p.270

Source: HM Treasury (unless otherwise indicated).

VAT refunds, £ million, Source: ABBA + CJSO + CJSP + CJSQ + CJSR + CJSK + CJSL + CSAD + CSAE.

Central government non-trading capital consumption, £ million, Source: NRLN + NRLT

Table C15 Public sector capital expenditure p.270

Capital Budget DEL, Source: HM Treasury.

Locally financed spending, Source: HM Treasury.

National Lottery, Source: HM Treasury.

Public corporations' own-financed capital expenditure, Source: HM Treasury.

Other capital spending in AME, Source: HM Treasury.

AME margin, Source: HM Treasury.

Public sector gross investment, £ million, Source: ANNZ - ANNW.

Less depreciation, £ million, Source: - ANNZ.

Public sector net investment, £ million, Source: - ANNW.

Proceeds from the sale of fixed assets, Source: HM Treasury.

Table C16 Loans and sales of assets p.271

Central government, Source: HM Treasury.

Local authorities, Source: HM Treasury.

Total sales of fixed assets, Source: HM Treasury.

Total loans and sales of financial assets, £ million, Source: -(ANRH + ANRS + ADDU + LSIB).

Total loans and sales of assets, Source: HM Treasury.

Table C17 Departmental estimate of capital spending by the private sector (signed deals) p.272

Source: HM Treasury.

Table C18 Estimated aggregated capital value of projects at preferred bidder stage p.273

Source: HM Treasury.

Table C19 Estimated payments under PFI contracts – April 2004 (signed deals) p.273

Source: HM Treasury.

Table C20 Public sector net cash requirement p.274

Source: ONS.

Table C21 Financing requirement forecast p.275

Source: HM Treasury.

Table C22 General government transactions by economic category p.276

Taxes on income and wealth, £ million, Source: NMZJ.

Taxes on production and imports, £ million, Source: NMYE.

Other current taxes, £ million, Source: NVCM.

Taxes on capital, £ million, Source: NMGI.

Social contributions, £ million, Source: AIIH.

Gross operating surplus, £ million, Source: NMXV.

Rent and other current transfers, £ million, Source: ANCU.

Interest and dividends from private sector and abroad, £ million, Source: ANSC.

Interest and dividends from public sector, £ million, Source: ANSD.

Total current receipts, £ million, Source: ANBY.

Current expenditure on goods and services, £ million, Source: GZSN.

Subsidies, £ million, Source: NMRL.

Net social benefits, £ million, Source: GZSL.

Net current grants abroad, £ million, Source: GZSI.

Other current grants, £ million, Source: NNAI.

Interest and dividends paid, £ million, Source: NMYX.

AME margin, Source: HM Treasury.

Total current expenditure, £ million, Source: ANLR.

Depreciation, £ million, Source: NMXO.

Surplus on current budget, £ million, Source: ANLW.

Gross domestic fixed capital formation, £ million, Source: ANSE.

Less depreciation, £ million, Source: -NMXO.

Increase in inventories, £ million, Source: ANSF.

Capital grants (net) within public sector, £ million, Source: -ANSG

Capital grants to private sector, £ million, Source: ANSM.

Capital grants from private sector, £ million, Source: -ANSN.

AME margin, Source: HM Treasury.

Net investment, £ million, Source: -ANNV.

Net borrowing, £ million, Source: -NNBK.
Central government net borrowing, £ million, Source: -NMFJ.
Local authority net borrowing, £ million, Source: -NMOE.
Central government gross debt, £ million, Source: BKPX + NNLL -MDYJ
Local government gross debt, £ million, Source: MDYJ

Table C23 Public sector transactions by sub-sector and economic category **p.277**

Source: ONS.

Table C24 Historical series of public sector balances, receipts and debt **p.281**

Note: Series expressed as a per cent of GDP, £ million, Source: BKTL.

Public sector current budget, £ million, Source: ANMU.
Cyclically adjusted surplus on current budget, Source: HM Treasury.
Public sector net borrowing, £ million, Source: -ANNX.
Cyclically-adjusted net borrowing, Source: HM Treasury.
Public sector net cash requirement, £ million, Source: RURQ.
Net taxes and social security contributions, Source: HM Treasury.
Public sector current receipts, £ million, Source: ANBT.
Public sector net debt, £ billion, Source: RUTN.
Public sector net worth, £ million, Source: CGTY.

Table C25 Historical series of government expenditure **p.282**

Note: Series expressed both in £ billion (2002-03 prices) and as a per cent of GDP, £ million, Source: BKTL.

Public sector current expenditure, £ million, Source: ANLT.
Public sector net investment, £million, Source: -ANNW.
Public sector gross investment, £ million, Source: ANNZ-ANNW.
Total Managed Expenditure, £ million, Source: EBFT.
GDP deflator, Source: YBGB adjusted to 2002-03 = 100.