QUARTERLY ESTIMATES
of
NATIONAL INCOME and EXPENDITURE

BULLETIN No 6

DECEMBER QUARTER, 1961

COMMONWEALTH BUREAU OF CENSUS AND STATISTICS, CANBERRA, AUSTRALIA.

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CANBERRA, A.C.T. 16TH FEBRUARY, 1962

FOREWORD

This publication provides estimates of national income and expenditure for each quarter of 1959-60 and 1960-61, and for the first two quarters of 1961-62. The definitions used are consistent with those adopted for the corresponding annual figures shown in the parliamentary White Paper "National Income and Expenditure, 1960-61" issued with the Commonwealth Budget in August, 1961. Some of the figures for 1960-61 which were shown in the White Paper have been revised and the revisions are discussed in Appendix II.

Despite the continuity which exists between the annual and the quarterly estimates, there are special considerations which should be borne in mind in the interpretation of the quarterly estimates. These concern the meaning of the items, their seasonal variation, and the data available to measure them.

Estimation for periods shorter than a year requires decisions as to how the concept of income is to be applied to certain of the aggregates. For example, in these estimates farm income for the quarter is represented by the estimated value of produce delivered for sale in the quarter, together with the estimated value of the increase in undelivered stocks of certain commodities (but not wool), from which is deducted estimated costs incurred in connexion with farming operations carried out during the quarter. As with the annual estimates, increases in the number of livestock or in growing crops are not included in farm income. The resulting estimates naturally show considerable variation from quarter to quarter, and in some quarters farm income, estimated in this way, could be a negative item. The meanings of other items in the quarterly estimates are discussed in the appropriate notes in Appendix I, page 39.

In the interpretation of the quarterly estimates the effects of regular seasonal variation should be noted. This is particularly marked in farm income but nearly all other items seem to have some regular seasonal movement. Comparisons should be made between corresponding quarters of successive years, rather than with the previous quarter.

The limitations of the data available for estimating national income and expenditure quarterly lead to inaccuracies of two kinds - those due to the difficulty of preparing estimates from varied sources in a completely consistent manner - owing, for example, to differences in accounting methods or accounting periods; and those due to inaccuracies in the information itself, which result from the limitations of sampling and of other kinds of approximation.

One field in which information is deficient at present is that of company income and non-farm unincorporated business income. It has not been possible, up to the present, to obtain adequate quarterly information on these items of income, or on dividends, interest and rent (other than dwelling rent). These items have been partly estimated by indirect means, and the results must be considered largely conjectural. In Table 1, income of companies, non-farm unincorporated business income and net rent and interest are combined with the surplus of public authority business undertakings and depreciation allowances to form the item "other income and depreciation allowances".

The deficiencies in the available information are reflected in two ways in the data shown in this publication. In the first place, a discrepancy item is shown in Table 1 which is due to inaccuracies of the kinds discussed above. In the annual publication, the corresponding discrepancy is included with personal consumption expenditure, which is derived in part as a balancing item. The discrepancy is relatively larger by quarters and if included in personal consumption expenditure the series would show large fluctuations. The estimates of personal consumption expenditure by quarters, therefore, have been obtained from direct sources of information and have been adjusted to ensure comparability with the annual figures, the remaining discrepancy being shown as a separate item.

In the second place, the figures are subject to revision as later and more complete information becomes available. Notes on revisions made to the previously published figures are given in Appendix II. Revisions may also affect quarterly figures for earlier years not published in this bulletin and comparison with these figures should be made with care.

Special care should be taken in the interpretation of the estimates of personal savings. Partly as a result of the fluctuations of quarterly farm income and other highly seasonal items, the estimates of personal savings vary considerably between quarters. In addition, the estimates of personal savings, being residuals, are affected by inaccuracies in other items, and by revisions made in them, and their movements should be interpreted accordingly.

The figures of "other income and depreciation allowances", shown in Tables 1 and 8, and savings, shown in Tables 8 and 17, have been placed within brackets in order to indicate their tentative nature.

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TABLES

APPENDICES

1. **INCOME AND EXPENDITURE** (Table 1)

Gross national product in the second quarter of 1961-62 is estimated to have fallen by £26 million or 1 per cent. below the level in the same quarter of 1960-61. There were corresponding falls of 1 and 3 per cent., respectively, in the fourth quarter of 1960-61 and in the first quarter of 1961-62.

An estimated fall of £37 million, or 6 per cent., in "other income and depreciation allowances" was mainly responsible for the lower level of gross national product in this quarter. There is little direct evidence at present about trends in the income of companies and unincorporated businesses, which are included in this item. But from that which is available and other indirect evidence it is estimated that their gross income (before deducting depreciation and interest charges) showed a substantial fall compared with the second quarter of last year. There were however continuing increases in several other items (dwelling and other rent and interest, and depreciation allowances). Net payments of indirect taxation were also £16 million lower than in the same quarter of the previous year. These reductions were only partially offset by a rise of £21 million or 9 per cent. in farm income and a small increase of £6 million in wages, salaries and supplements.

The downward movement in the level of imports of goods and services evident in earlier quarters was continued in the second quarter, with a fall of £80 million, or 23 per cent., below the level in the same quarter of the previous year. Reduced imports of yarns and textiles, motor vehicle parts and components, iron and steel, machines and machinery, timber and pulp and paper were responsible for the greater part of the fall. Exports of goods and services continued to rise in the second quarter of 1961-62 and were £60 million, or 23 per cent., higher than in the same quarter of the previous year. Exports of wool, wheat, beef and iron and steel were all substantially higher than a year before.

Gross domestic expenditure in the second quarter of 1961-62 was £166 million, or 8 per cent., lower than in the same quarter of the previous year. In the previous quarter there was a corresponding fall of £163 million, or 9 per cent., and in the fourth quarter of 1960-61 a fall of £86 million, or 5 per cent. Falls of £118 million in investment in non-farm stocks, £54 million, or 15 per cent., in gross private fixed investment and £18 million in investment in farm stocks were responsible for the decrease. The decreases in these items were only partially offset by increases of £32 million, or 3 per cent., in personal consumption expenditure and £21 million, or 6 per cent., in purchase of goods and services by public authorities.

Personal Consumption Expenditure (Table 2)

Personal consumption expenditure in the second quarter of 1961-62 was £32 million, or 3 per cent., higher than in the same quarter of 1960-61. This was the same increase as shown in the previous quarter.

Purchases of "other" durable goods (furniture and domestic hardware) were 3 per cent. lower than in the previous year and expenditure on clothing, footwear and drapery, and electrical goods was also again slightly lower. Purchases of tobacco and cigarettes, beer, wine and spirits, and expenditure on gas and fares were running at about the same level as in the corresponding quarter of the previous year. Expenditure on food, rent and electricity continued to show increases over the level in the same quarter of the previous year. Expenditure on food increased by 3 per cent., on rent by 8 per cent. and on electricity by 8 per cent.

Gross Private Fixed Investment (Tables 3 and 4)

The generally reduced level of gross private fixed investment prevailing in earlier quarters was continued in the second quarter of 1961-62 when the level of gross private fixed investment was £54 million, or 15 per cent., below the level in the same quarter of the previous year. This fall was comparable in magnitude to that of the September quarter when gross private fixed investment was £59 million lower than the level of the year before.

Investment in all classes of assets was lower than a year before. The fall continued to be most pronounced in the case of motor vehicles in which investment in the second quarter of 1961-62 fell by £25 million or 23 per cent., from a peak of £108 million in the second quarter of 1960-61. This decrease was, however, smaller than the corresponding fall of £33 million or 31 per cent. recorded in the previous quarter.

Expenditure on new dwelling construction was £10 million, or 13 per cent., lower than in the same quarter of the previous year. The corresponding fall last quarter was £13 million, or 16 per cent. Investment in other new building and construction was £8 million, or 14 per cent., lower than a year before. This was slightly larger than the fall of 12 per cent. recorded in the previous quarter. Purchases of farm machinery and equipment were £3 million, or 17 per cent., lower than in the same quarter of the previous year. Investment in other capital equipment fell by £8 million, or 8 per cent., below the level of the corresponding quarter of the previous year compared with a fall of 4 per cent. in the previous quarter.

The analysis by industry of fixed capital expenditure by businesses subject to pay-roll tax shown in Table 4 indicates that expenditure declined in all industries shown except the engineering and metals and vehicle manufacturing industries. The largest falls were in the wholesale and retail trade industry and "other manufacturing" industries.

Investment in Non-Farm Stocks (Table 5)

In the second quarter of 1961-62, the value of non-farm stocks declined by a further £65 million, following a fall of £26 million in the previous quarter. This movement was not only more marked, but also more widespread than in the first quarter, occurring as it did in all industries shown. In the manufacturing sector, the movement was again most pronounced in the engineering and metals, and vehicle manufacturing industries, in which stocks were down by £18 million and £13 million respectively. In wholesale and retail trade, stocks declined by £20 million.

Expenditure by Public Authorities on Goods and Services (Tables 12 and 13)

Public authority payments for goods and services in the second quarter of 1961-62 were £21 million, or 6 per cent., higher than in the same quarter of the previous year. The comparable increase in the previous quarter was £43 million, or 15 per cent. Increased expenditure on public works accounted for £12 million representing more than half the increase. The remainder of the increase was mainly due to increased expenditure on war and defence (up £4 million) and education (up £3 million).

Expenditure by State and local government authorities rose by £14 million of which £9 million represented increased spending on public works. The increase of £7 million in Commonwealth expenditure on goods and services was due principally to rises of £4 million in expenditure on war and defence and £3 million on public works.

Expenditure on Public Works by Public Authority Business Undertakings (Table 13)

Expenditure on public works by public authority business undertakings has in recent quarters been running at higher levels than in the corresponding quarters of previous years. This increase has been substantial in the first two quarters of 1961-62. In the second quarter of 1961-62 expenditure on public works by these undertakings reached £86.9 million, an increase of £9.6 million, or 12 per cent., above the level in the same quarter of 1960-61. As in the previous quarter expenditure by railways, "other transport" undertakings, housing authorities and gas and electricity undertakings was significantly higher than a year ago. Expenditure by "other transport" undertakings was £3.5 million higher, principally on account of purchases of new aircraft and spares and modification of aircraft by Government airlines. Expenditure by housing authorities rose by £1.9 million, by water supply, sewerage and irrigation undertakings £1.6 million, by railways £1.3 million and by gas and electricity undertakings £1.1 million. Capital expenditure by tram and bus and harbour authorities was, as in the previous quarter, lower than the level of a year ago.

Estimates of anticipated expenditure obtained from the larger public authority business undertakings during January indicate that the higher level of capital expenditure evident in the first six months of the year is likely to be maintained in the second six months.

Farm Income (Table 7)

Farm income in the second quarter of 1961-62 is estimated to have been £21 million, or 9 per cent., higher than in the same quarter of the previous year. An increase of £22 million, or 24 per cent., in the value of wheat receivals was the main factor responsible for the increase. The gross value of production of "other pastoral products" was £5 million more than a year before and there were also small increases in the gross value of production of other grain crops and farmyard and dairy products. There was an apparent fall of £6 million in the gross value of wool receivals but this fall results mainly from the faster rate at which wool was received into brokers' stores during the first three months of the year. For the first six months of the year, as a whole, because of the higher wool prices prevailing and slightly higher deliveries, the total value of wool receivals was £23 million, or 9 per cent., higher than in the first six months of 1960-61.

Income of farmers during the second quarter of 1961-62 is estimated to have been £39 million higher than in the same quarter of the previous year. The greater increase compared with farm income is accounted for by a smaller increase in the assets of marketing authorities than in the same quarter of the previous year due principally to a substantially smaller increase in unsold wool held in store by brokers (who are treated as "marketing authorities" for this purpose). Advances to farmers by the Wheat and Barley Boards were also higher than in the same quarter of the previous year.

2. PERSONAL INCOME AND OUTLAY (Table 8)

Personal income in the second quarter of 1961-62 was £46 million, or 3 per cent., higher than in the corresponding quarter of the previous year. The largest increases were £39 million, or 27 per cent., in the income of farmers and £11 million in cash social service benefits. Income from wages, salaries, etc. was only slightly higher than in the same quarter of the previous year. There was a fall of £9 million in "income of unincorporated businesses, rent, interest and dividends".

There was an increase of £32 million in personal consumption expenditure and a small increase in income tax and estate and gift duties paid. In total these were £6 million lower than the increase in personal income and as a result "other personal savings" is estimated to be slightly higher than in the same quarter of the previous year. This item is, however, a residual item and is therefore particularly subject to error.

3. RECEIPTS AND OUTLAY OF PUBLIC AUTHORITIES (Tables 9 - 16)

Total outlay of public authorities in the second quarter of 1961-62 was £35 million, or 7 per cent., greater than in the same quarter of 1960-61. The comparable increase in the previous quarter was £58 million, or 13 per cent. Principal factors in the increase were rises of £21 million in purchases of goods and services and £11 million in cash social service benefits. The increase in cash social service benefits was accounted for mainly by a rise of £7 million in age and invalid pensions. Child endowment, war pensions, hospital, medical and pharmaceutical benefits were all slightly higher than a year ago. Unemployment and sickness benefits were £2 million higher than in the same quarter of the previous year.

Public authority revenue in the second quarter of 1961-62 was running at a lower level than in the previous year, the fall as in the previous quarter being largely confined to Commonwealth Government revenue. Increases of £10 million and £4 million, respectively, in proceeds from income taxes and estate and gift duties were more than offset by reduced revenue from indirect taxation (down £16 million, or 8 per cent.) and the smaller surplus obtained from public authority business undertakings (down £5 million, or 14 per cent.). The fall in indirect taxation was, as in the two previous quarters, due almost entirely to reduced revenue obtained from sales taxes and customs duties. In the second quarter of 1961-62 proceeds from sales tax were £12 million lower than a year before and customs duties yielded £9 million less than in the same quarter of the previous year.

The net increase in indebtedness of public authorities in the second quarter of 1961-62 is estimated to have been £145 million, or £38 million greater, than in the same quarter of the previous year. The greater part of this change was attributable to the Commonwealth Government.

Revenue and Expenditure of Public Authority Business Undertakings (Table 14)

The total surplus earned by public authority business undertakings in the second quarter of 1961-62 was £32.1 million, or £5.1 million less than in the same quarter of 1960-61. In the previous quarter there was a fall of £3.5 million. All groups with the exception of water supply, sewerage and irrigation undertakings showed smaller surpluses than in the same quarter of the previous year. The largest falls were £2.9 million for railways, £1.3 million for harbours, £1.1 million for gas and electricity undertakings and £1.0 million for the Post Office. The rise of £1.8 million for water supply, sewerage and irrigation undertakings was due principally to increases in water and sewerage rates in Sydney and Melbourne the effect of which was evident mainly in the second quarter when the bulk of water and sewerage rates are received.

	1959-60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
INCOME PAYMENTS AND OTHER CHARGES					
Wages, salaries, etc.	805	854	811	879	3,349
Farm income	136	246	98	- 8	472
Other income and depreciation allowances	577	597	551	538	2,263
Indirect taxes less subsidies	164	189	195	236	784
GROSS NATIONAL PRODUCT	1,682	1,886	1,655	1,645	6,868
Imports of goods and services	273	285	302	325	1,185
TOTAL MARKET SUPPLIES	1,955	2,171	1,957	1,970	8,053
NET EXPENDITURE ON GOODS AND SERVICES					
Personal consumption	1,015	1,124	1,043	1,102	4,284
Public authorities	275	304	276	392	1,247
Financial enterprises	18	19	20	20	77
Gross private fixed investment	292	317	304	347	1,260
Investment in stocks					
Farm	41	85	- 66	- 80	- 20
Non-farm	24	- 9	36	69	120
Discrepancy	56	25	63	- 144	-
GROSS DOMESTIC EXPENDITURE	1,721	1,865	1,676	1,706	6,968
Exports of goods and services	234	306	281	264	1,085
TOTAL MARKET EXPENDITURE	1,955	2,171	1,957	1,970	8,053

AND EXPENDITURE

£ million

1960-61					1961-62	
1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.	2nd Qtr.
883	935	855	898	3,571	886	941
89	241	138	- 1	467	114	262
(633)	(670)	(521)	(500)	(2,324)	(578)	(633)
185	208	204	230	827	163	192
1,790	2,054	1,718	1,627	7,189	1,741	2,028
346	342	353	310	1,351	286	262
2,136	2,396	2,071	1,937	8,540	2,027	2,290
1,091	1,181	1,076	1,117	4,465	1,119	1,213
290	333	305	396	1,324	333	354
20	20	21	21	82	21	21
359	364	298	318	1,339	300	310
8	116	20	- 126	18	- 6	98
90	53	70	-	213	- 26	- 65
45	64	- 3	- 106	-	- 1	34
1,903	2,131	1,787	1,620	7,441	1,740	1,965
233	265	284	317	1,099	287	325
2,136	2,396	2,071	1,937	8,540	2,027	2,290

	1959-60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
Food	258.7	279.0	269.2	273.1	1,080.0
Tobacco and cigarettes	37.5	42.6	38.9	39.7	158.7
Beer, wine and spirits	66.3	79.4	76.5	69.3	291.5
Clothing, footwear and drapery	119.5	149.2	110.6	141.4	520.7
Electrical goods	44.4	54.9	47.9	49.3	196.5
Other durable goods	47.2	56.3	46.6	49.7	199.8
Gas	8.4	6.8	5.9	7.3	28.4
Electricity	19.1	16.8	16.2	17.3	69.4
Postage, telephone and telegraph	7.7	8.5	8.9	9.6	34.7
Fares	25.0	25.3	25.4	25.4	101.1
Rent (incl. imputed rent of owner-occupied dwellings)	91.7	93.4	95.1	98.9	379.1
Other goods and services (a)	289.5	311.8	301.8	321.0	1,224.1
TOTAL	1,015.0	1,124.0	1,043.0	1,102.0	4,284.0

(a) Includes the balancing item in the annual estimates, which is allocated to quarters expenditure.

CONSUMPTION EXPENDITURE

£ million

1960-61					1961-62	
1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.	2nd Qtr.
282.8	303.0	287.5	286.7	1,160.0	295.4	311.4
41.6	44.3	39.5	40.1	165.5	41.5	44.4
70.2	84.3	79.3	70.0	303.8	69.5	84.0
129.6	158.0	113.1	142.1	542.8	128.1	156.3
48.9	54.7	45.4	44.0	193.0	44.7	54.1
52.8	59.5	46.0	46.4	204.7	49.2	57.5
9.0	7.1	6.1	7.6	29.8	9.0	7.2
21.7	18.5	17.5	18.8	76.5	23.3	20.0
9.4	9.6	9.7	10.4	39.1	9.7	10.0
26.0	26.3	26.3	26.3	104.9	26.0	26.5
101.5	104.0	106.4	107.9	419.8	109.9	112.0
297.5	311.7	299.2	316.7	1,225.1	312.7	329.6
1,091.0	1,181.0	1,076.0	1,117.0	4,465.0	1,119.0	1,213.0

in proportion to the total of the directly estimated component of personal consumption

Table 3. GROSS PRIVATE FIXED

	1959-60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
New dwelling construction	68	66	67	73	274
Other new building and construction	46	51	49	57	203
Trucks, utilities, etc.	22	23	21	23	89
Cars, station wagons and motor cycles	64	76	64	70	274
Farm machinery and equipment	13	14	15	15	57
Other capital equipment	79	87	88	109	363
TOTAL	292	317	304	347	1,260

Table 4. FIXED CAPITAL EXPENDITURE BY

	1959-60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
ANALYSIS BY INDUSTRY					
Manufacturing					
Engineering and metals	17.2	18.0	16.0	20.5	71.7
Vehicles	4.6	6.2	5.2	3.8	19.8
Chemicals and oil refining	6.7	8.8	7.2	9.7	32.4
Other manufacturing	22.0	25.9	24.7	29.2	101.8
TOTAL MANUFACTURING	50.5	58.9	53.1	63.2	225.7
Wholesale and retail trade	23.3	26.8	22.3	26.3	98.7
Other industries	31.7	28.0	27.2	35.2	122.1
TOTAL NON-MANUFACTURING	55.0	54.8	49.5	61.5	220.8
TOTAL	105.5	113.7	102.6	124.7	446.5
ANALYSIS BY TYPE OF ASSET					
New building and construction	35.0	39.9	35.3	41.9	152.1
Other capital equipment (including vehicles)	70.5	73.8	67.3	82.8	294.4
TOTAL	105.5	113.7	102.6	124.7	446.5

(a) Excludes gas and electricity undertakings, professional services, rural industries,

INVESTMENT BY TYPE OF ASSET

£ million

1960-61					1961-62	
1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.	2nd Qtr.
79	76	69	68	292	66	66
57	59	52	59	227	50	51
25	23	17	18	83	16	18
80	85	56	56	277	56	65
16	18	11	13	58	14	15
102	103	93	104	402	98	95
359	364	298	318	1,339	300	310

BUSINESSES SUBJECT TO PAY-ROLL TAX (a)

£ million

1960-61					1961-62	
1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.	2nd Qtr.
22.6	21.6	18.5	25.2	87.9	20.8	23.7
4.9	4.4	3.9	4.9	18.1	3.9	4.7
10.2	13.2	10.0	10.9	44.3	11.0	11.6
27.7	30.1	27.8	31.8	117.4	29.1	25.3
65.4	69.3	60.2	72.8	267.7	64.8	65.3
28.6	29.2	21.1	23.5	102.4	24.4	24.4
33.0	30.4	28.3	31.1	122.8	32.1	28.2
61.6	59.6	49.4	54.6	225.2	56.5	52.6
127.0	128.9	109.6	127.4	492.9	121.3	117.9
44.0	46.7	39.5	46.7	176.9	39.7	40.9
83.0	82.2	70.1	80.7	316.0	81.6	77.0
127.0	128.9	109.6	127.4	492.9	121.3	117.9

and all governmental activities other than airlines and banks.

Table 5. **INVESTMENT IN**

	Increase in				
	1959-60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
Manufacturing -					
Engineering and metals	- 1	-	5	28	32
Vehicles	- 2	4	6	12	20
Chemicals and oil refining	4	2	- 4	- 2	-
Other manufacturing	- 1	- 1	9	11	18
TOTAL MANUFACTURING	-	5	16	49	70
Wholesale and retail trade	20	- 7	9	27	49
Wool sold and awaiting shipment	2	- 6	8	- 12	- 8
TOTAL MANUFACTURING AND TRADE	22	- 8	33	64	111
TOTAL ALL INDUSTRIES (a)	24	- 9	36	69	120

(a) Figures of the change in the value of stocks for industries other than manufact- quarters have been made by arbitrary projection and interpolation and are included

Table 6. **IMPORTS AND EXPORTS**

	1959-60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
IMPORTS OF GOODS AND SERVICES					
Imports f.o.b. (a)	219	233	241	253	946
Transportation and travel	40	42	48	54	184
Government transactions	11	9	11	17	48
Other payments	9	9	10	9	37
Import valuation adjustment	- 6	- 8	- 8	- 8	- 30
TOTAL	273	285	302	325	1,185
EXPORTS OF GOODS AND SERVICES					
Exports f.o.b. (a)	201	271	243	222	937
Gold production	4	4	4	4	16
Transportation and travel	22	25	24	25	96
Government transactions	4	4	8	10	26
Other receipts	3	2	2	3	10
TOTAL	234	306	281	264	1,085

(a) Recorded figures adjusted for the purposes of balance of payments estimates.

NON-FARM STOCKS

£ million

value during -

1960-61 1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1961-62 1st Qtr.	2nd Qtr.
14	14	6	10	44	- 8	- 18
2	1	20	- 2	21	- 14	- 13
3	6	- 2	1	8	1	- 5
6	2	19	1	28	- 8	- 6
25	23	43	10	101	- 29	- 42
60	19	24	- 6	97	5	- 20
- 1	7	- 1	- 4	1	-	2
84	49	66	-	199	- 24	- 60
90	53	70	-	213	- 26	- 65

uring and trade are not yet available after 1958-59. Estimates for later years and for in the total investment in non-farm stocks.

OF GOODS AND SERVICES

£ million

1960-61 1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1961-62 1st Qtr.	2nd Qtr.
280	280	284	240	1,084	217	204
53	50	56	56	215	47	43
13	11	13	15	52	19	12
9	10	9	7	35	10	10
- 9	- 9	- 9	- 8	- 35	- 7	- 7
346	342	353	310	1,351	286	262
194	224	244	275	937	248	284
4	4	4	4	16	4	4
27	29	26	26	108	27	28
4	4	7	10	25	4	5
4	4	3	2	13	4	4
233	265	284	317	1,099	287	325

Table 7.

	1959-60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
Gross value of production					
Wool (including skin wool)	157	147	43	43	390
Other pastoral products	71	55	56	66	248
Wheat	-	92	51	-	143
Other grain crops	-	19	23	6	48
Other crops	37	72	72	43	224
Farmyard and dairy (including pigs and dairy cattle)	65	88	73	51	277
TOTAL	330	473	318	209	1,330
Less: Wages, depreciation and other costs, and income accruing to companies	194	227	220	217	858
FARM INCOME	136	246	98	- 8	472
Less: Increase in assets of marketing authorities	92	74	- 120	- 38	8
INCOME OF FARMERS	44	172	218	30	464

INCOME

£ million

1960-61					1961-62	
1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.	2nd Qtr.
111	136	47	47	341	140	130
65	53	51	61	230	60	58
-	92	101	-	193	-	114
-	28	27	9	64	-	29
41	78	80	46	245	37	77
65	84	68	56	273	72	86
282	471	374	219	1,346	309	494
193	230	236	220	879	195	232
89	241	138	- 1	467	114	262
41	95	- 53	- 73	10	62	77
48	146	191	72	457	52	185

Table 8.

	1959-60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
INCOME					
Wages, salaries, etc.	805	854	811	879	3,349
Income of farmers	44	172	218	30	464
Income of other unincorporated businesses and rent, interest, and dividends	252	271	241	217	981
Cash social service benefits	91	97	90	97	375
Private remittances from overseas	7	8	8	8	31
TOTAL	1,199	1,402	1,368	1,231	5,200
OUTLAY					
Consumption expenditure	1,015	1,124	1,043	1,102	4,284
Private remittances to overseas	6	8	5	7	26
Income taxes					
Net tax instalments	39	64	78	92	273
Other	16	7	29	117	169
Estate and gift duties	11	13	13	13	50
Savings through assurance funds	17	18	18	18	71
Other personal savings	95	168	182	- 118	327
TOTAL	1,199	1,402	1,368	1,231	5,200

INCOME AND OUTLAY

£ million

1960-61					1961-62	
1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.	2nd Qtr.
883	935	855	898	3,571	886	941
48	146	191	72	457	52	185
(264)	(303)	(234)	(204)	(1,005)	(251)	(294)
97	102	98	118	415	108	113
8	9	8	9	34	9	8
1,300	1,495	1,386	1,301	5,482	1,306	1,541
1,091	1,181	1,076	1,117	4,465	1,119	1,213
7	7	6	7	27	6	7
46	78	94	103	321	47	80
19	7	24	147	197	26	9
13	12	11	16	52	14	16
18	18	18	19	73	18	18
(106)	(192)	(157)	(-108)	(347)	(76)	(198)
1,300	1,495	1,386	1,301	5,482	1,306	1,541

	1959-60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
RECEIPTS					
Indirect taxes	169	195	201	240	805
Less : Subsidies	5	6	6	4	21
Net indirect taxes	164	189	195	236	784
Income taxes	62	86	164	358	670
Estate and gift duties	11	13	13	13	50
Surplus of public authority business undertakings	29	32	20	8	89
Allowances for depreciation	10	11	12	13	46
Rent and interest received	15	14	16	19	64
Net increase in indebtedness	114	110	-13	-109	102
TOTAL	405	455	407	538	1,805
OUTLAY					
Net purchases of goods and services	275	304	276	392	1,247
Oversea gifts, relief, etc.	1	-	2	1	4
Cash social service benefits	91	97	90	97	375
Capital transfers	1	1	1	1	4
Interest paid	37	53	38	47	175
TOTAL	405	455	407	538	1,805

ALL PUBLIC AUTHORITIES

£ million

1960-61					1961-62	
1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.	2nd Qtr.
196	214	210	237	857	179	198
11	6	6	7	30	16	6
185	208	204	230	827	163	192
75	102	181	448	806	88	112
13	12	11	16	52	14	16
42	37	25	8	112	39	32
11	13	13	14	51	12	14
16	17	17	21	71	18	20
88	107	-5	-175	15	154	145
430	496	446	562	1,934	488	531
290	333	305	396	1,324	333	354
1	1	1	1	4	1	1
97	102	98	118	415	108	113
1	1	1	1	4	1	2
41	59	41	46	187	45	61
430	496	446	562	1,934	488	531

	1959-60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
RECEIPTS					
Indirect taxes	131	152	145	148	576
Less : Subsidies	4	6	6	4	20
Net indirect taxes	127	146	139	144	556
Income taxes on companies	7	15	57	149	228
Income taxes on persons	55	71	107	209	442
Estate and gift duties	4	4	3	5	16
Surplus of public authority business undertakings	3	5	7	3	18
Allowances for depreciation	1	2	2	2	7
Rent and interest received	9	6	6	6	27
Net increase in indebtedness	74	40	-52	-171	-109
TOTAL	280	289	269	347	1,185
OUTLAY					
Net purchases of goods and services	106	108	95	124	433
Oversea gifts, relief, etc.	1	-	2	1	4
Cash social service benefits	90	96	89	96	371
Capital transfers	1	-	1	1	3
Interest paid	9	10	8	-1	26
Grants to State governments	68	70	69	119	326
Net expenditure on A.C.T. and N.T.	5	5	5	7	22
TOTAL	280	289	269	347	1,185

(a) The receipts and expenditure of the Commonwealth Government in respect of the
Net expenditure by the Commonwealth Government is therefore treated here as though

WEALTH GOVERNMENT AUTHORITIES (a)

£ million

1960-61					1961-62	
1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.	2nd Qtr.
153	168	154	139	614	137	151
10	6	6	7	29	15	6
143	162	148	132	585	122	145
10	17	63	198	288	15	23
65	85	118	250	518	73	89
4	5	3	6	18	4	6
9	8	7	6	30	10	6
1	2	2	2	7	1	2
10	7	7	6	30	11	8
44	18	- 55	- 223	- 216	86	51
286	304	293	377	1,260	322	330
99	109	104	125	437	114	116
1	1	1	1	4	1	1
96	101	97	117	411	107	112
1	-	1	1	3	1	1
9	10	8	- 4	23	9	10
74	78	76	130	358	82	84
6	5	6	7	24	8	6
286	304	293	377	1,260	322	330

Australian Capital Territory and the Northern Territory are analysed in Table 11.
it were a transfer to another government.

	1959–60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
RECEIPTS					
Indirect taxes	38	43	56	92	229
Less: Subsidies	1	–	–	–	1
Net indirect taxes	37	43	56	92	228
Estate and gift duties	7	9	10	8	34
Surplus of public authority business undertakings	26	27	13	5	71
Allowances for depreciation	9	9	10	11	39
Rent and interest received	6	8	10	13	37
Grants from Commonwealth Government	68	70	69	119	326
Net expenditure by Commonwealth on A.C.T. and N.T.	5	5	5	7	22
Net increase in indebtedness	40	70	39	62	211
TOTAL	198	241	212	317	968
OUTLAY					
Net purchases of goods and services	169	196	181	268	814
Cash social service benefits	1	1	1	1	4
Capital transfers	–	1	–	–	1
Interest	28	43	30	48	149
TOTAL	198	241	212	317	968

(a) Includes receipts and expenditure of the Commonwealth Government in respect of the

AND LOCAL GOVERNMENT AUTHORITIES (a)

£ million

1960-61					1961-62	
1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.	2nd Qtr.
43	46	56	98	243	42	47
1	–	–	–	1	1	–
42	46	56	98	242	41	47
9	7	8	10	34	10	10
33	29	18	2	82	29	26
10	11	11	12	44	11	12
6	10	10	15	41	7	12
74	78	76	130	358	82	84
6	5	6	7	24	8	6
44	89	50	48	231	68	94
224	275	235	322	1,056	256	291
191	224	201	271	887	219	238
1	1	1	1	4	1	1
–	1	–	–	1	–	1
32	49	33	50	164	36	51
224	275	235	322	1,056	256	291

Australian Capital Territory and the Northern Territory. See footnote to Table 10.

	1959-60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
COMMONWEALTH GOVERNMENT					
War and defence	47	48	40	53	188
Public works	32	26	21	26	105
Repatriation	4	5	5	5	19
Immigration	2	3	3	4	12
All other (a)	21	26	26	36	109
TOTAL	106	108	95	124	433
STATE AND LOCAL GOVERNMENTS					
Public works	92	107	104	159	462
Education	29	33	28	40	130
Health, welfare, etc.	21	22	20	23	86
Law, order and public safety	10	11	11	12	44
All other	17	23	18	34	92
TOTAL	169	196	181	268	814
ALL PUBLIC AUTHORITIES					
War and defence	47	48	40	53	188
Public works	124	133	125	185	567
Education	29	34	28	41	132
Health, welfare, etc.	22	24	22	25	93
Law, order and public safety	10	12	11	12	45
Repatriation	4	5	5	5	19
Immigration	2	3	3	4	12
All other	37	45	42	67	191
TOTAL	275	304	276	392	1,247

(a) Includes expenditure on education, health, welfare, etc. and law, order and public

AUTHORITIES ON GOODS AND SERVICES

£ million

1960-61					1961-62	
1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.	2nd Qtr.
46	46	42	59	193	49	50
19	21	21	25	86	27	24
4	5	5	6	20	5	6
3	2	3	4	12	3	2
27	35	33	31	126	30	34
99	109	104	125	437	114	116
104	124	114	157	499	123	133
34	40	31	41	146	38	43
21	23	22	25	91	22	23
11	12	12	13	48	13	13
21	25	22	35	103	23	26
191	224	201	271	887	219	238
46	46	42	59	193	49	50
123	145	135	182	585	150	157
34	41	33	41	149	39	44
23	25	24	26	98	24	25
11	13	12	13	49	13	14
4	5	5	6	20	5	6
3	2	3	4	12	3	2
46	56	51	65	218	50	56
290	333	305	396	1,324	333	354

safety.

Table 13. **EXPENDITURE ON PUBLIC WORKS BY**

	1959-60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
EXPENDITURE BY TYPE OF ASSET					
Dwellings	3.0	3.7	3.4	4.0	14.1
Other new building and construction	38.0	41.9	37.9	50.0	167.8
Transport equipment	16.0	11.2	6.9	9.4	43.5
Other capital equipment	21.6	20.6	18.8	25.1	86.1
TOTAL	78.6	77.4	67.0	88.5	311.5
EXPENDITURE BY FUNCTION					
Post office	9.6	9.4	8.2	12.2	39.4
Railways	7.1	8.8	7.6	12.5	36.0
Trams and buses	0.7	0.6	0.6	1.0	2.9
Other transport	12.6	6.5	2.7	1.3	23.1
Harbours	3.3	3.2	2.8	3.6	12.9
Electricity and gas (a)	26.6	27.9	26.0	33.5	114.0
Water supply, sewerage and irrigation	14.2	15.9	14.6	18.9	63.6
Housing authorities	3.1	3.8	3.4	4.0	14.3
Other	1.4	1.3	1.1	1.5	5.3
TOTAL	78.6	77.4	67.0	88.5	311.5
EXPENDITURE BY AUTHORITY					
Commonwealth	30.2	24.3	17.6	21.8	93.9
State and local	48.4	53.1	49.4	66.7	217.6
TOTAL	78.6	77.4	67.0	88.5	311.5

(a) Includes hydro-electric authorities.

PUBLIC AUTHORITY BUSINESS UNDERTAKINGS

£ million

1960-61					1961-62	
1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.	2nd Qtr.
3.6	4.1	3.3	5.4	16.4	6.6	6.2
37.4	43.1	40.3	52.4	173.2	41.9	45.6
7.9	7.2	6.4	9.0	30.5	12.1	9.6
19.8	22.9	19.2	25.6	87.5	22.7	25.5
68.7	77.3	69.2	92.4	307.6	83.3	86.9
9.6	10.6	9.4	12.1	41.7	11.2	11.1
6.9	9.4	8.2	13.8	38.3	9.5	10.7
0.9	0.7	0.4	0.5	2.5	0.4	0.4
4.3	1.3	2.3	2.4	10.3	8.4	4.8
3.5	3.5	2.6	3.5	13.1	2.7	3.2
22.8	28.1	25.8	32.3	109.0	26.7	29.2
15.7	17.9	16.5	20.8	70.9	16.0	19.5
3.7	4.3	3.3	5.5	16.8	6.6	6.2
1.3	1.5	0.7	1.5	5.0	1.8	1.8
68.7	77.3	69.2	92.4	307.6	83.3	86.9
18.6	18.2	17.8	20.3	74.9	24.0	19.8
50.1	59.1	51.4	72.1	232.7	59.3	67.1
68.7	77.3	69.2	92.4	307.6	83.3	86.9

Table 14. **REVENUE, EXPENDITURE AND SURPLUS**

		1959-60				
		1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
Post office						
	Revenue	26.7	30.7	30.9	33.3	121.6
	Expenditure	25.3	27.4	26.1	31.4	110.2
	Surplus	1.4	3.3	4.8	1.9	11.4
Railways						
	Revenue	47.3	48.2	45.6	48.6	189.7
	Expenditure	45.4	47.6	45.3	53.3	191.6
	Surplus	1.9	0.6	0.3	- 4.7	- 1.9
Trams and buses						
	Revenue	7.5	7.4	7.1	8.1	30.1
	Expenditure	8.3	8.1	8.0	8.9	33.3
	Surplus	- 0.8	- 0.7	- 0.9	- 0.8	- 3.2
Other transport						
	Revenue	14.8	17.8	16.8	16.1	65.5
	Expenditure	13.8	16.1	15.7	15.5	61.1
	Surplus	1.0	1.7	1.1	0.6	4.4
Harbours						
	Revenue	4.2	4.3	4.2	4.5	17.2
	Expenditure	2.6	2.7	2.6	2.8	10.7
	Surplus	1.6	1.6	1.6	1.7	6.5
Electricity and gas (a)						
	Revenue	50.7	46.3	44.3	51.4	192.7
	Expenditure	36.1	35.1	35.0	40.2	146.4
	Surplus	14.6	11.2	9.3	11.2	46.3
Water supply, sewerage and irrigation						
	Revenue	15.3	20.3	9.9	5.9	51.4
	Expenditure	7.3	7.3	8.0	8.7	31.3
	Surplus	8.0	13.0	1.9	- 2.8	20.1
Total of above groups						
	Revenue	166.5	175.0	158.8	167.9	668.2
	Expenditure	138.8	144.3	140.7	160.8	584.6
	Surplus	27.7	30.7	18.1	7.1	83.6
SURPLUS of all business undertakings (b)		29.0	32.0	19.3	8.3	88.6

(a) Includes hydro-electric authorities.
(b) Quarterly figures are not available for groups other than those shown above, but in this total.

OF PUBLIC AUTHORITY BUSINESS UNDERTAKINGS

£ million

1960-61					1961-62	
1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.	2nd Qtr.
32.4	34.7	33.4	35.7	136.2	33.4	34.8
24.9	29.1	27.8	31.0	112.8	25.2	30.2
7.5	5.6	5.6	4.7	23.4	8.2	4.6
50.7	51.0	48.9	50.9	201.5	52.4	49.5
47.5	49.4	46.4	56.4	199.7	48.3	50.8
3.2	1.6	2.5	- 5.5	1.8	4.1	- 1.3
7.7	7.8	7.4	8.4	31.3	7.5	7.6
8.6	8.7	8.4	9.4	35.1	8.7	8.7
- 0.9	- 0.9	- 1.0	- 1.0	- 3.8	- 1.2	- 1.1
16.2	16.7	16.2	16.2	65.3	17.0	17.8
14.9	15.4	15.9	16.0	62.2	16.2	16.9
1.3	1.3	0.3	0.2	3.1	0.8	0.9
4.8	5.1	5.2	5.5	20.6	5.2	5.0
2.7	2.9	3.4	4.2	13.2	3.6	4.1
2.1	2.2	1.8	1.3	7.4	1.6	0.9
58.4	53.2	49.1	54.6	215.3	59.7	53.2
40.9	39.8	38.1	44.5	163.3	43.7	40.9
17.5	13.4	11.0	10.1	52.0	16.0	12.3
17.4	20.7	12.4	7.5	58.0	17.7	26.1
7.4	8.1	9.0	11.5	36.0	10.1	11.7
10.0	12.6	3.4	- 4.0	22.0	7.6	14.4
187.6	189.2	172.6	178.8	728.2	192.9	194.0
146.9	153.4	149.0	173.0	622.3	155.8	163.3
40.7	35.8	23.6	5.8	105.9	37.1	30.7
42.0	37.2	25.0	7.4	111.6	38.5	32.1

estimates based on interpolation and projection of available annual figures are included

Table 15. **INDIRECT**

	1959-60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
Sales tax	36	43	42	43	164
Customs duty	19	20	21	24	84
Excise duty	58	70	64	60	252
Pay-roll tax	13	14	14	14	55
Other	43	48	60	99	250
TOTAL	169	195	201	240	805

Table 16. **CASH SOCIAL**

	1959-60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
Age and invalid pensions	35	39	33	40	147
Child endowment	17	15	15	15	62
War pensions	16	16	17	17	66
Hospital, medical and pharmaceutical benefits	14	14	13	15	56
Other	9	13	12	10	44
TOTAL	91	97	90	97	375

TAX REVENUE

£ million

1960-61					1961-62	
1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.	2nd Qtr.
43	48	44	38	173	35	36
27	29	25	21	102	20	20
62	70	65	60	257	61	74
15	16	15	15	61	15	15
49	51	61	103	264	48	53
196	214	210	237	857	179	198

SERVICE BENEFITS

£ million

1960-61					1961-62	
1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.	2nd Qtr.
35	41	38	44	158	40	48
18	15	16	25	74	16	16
21	17	18	17	73	20	18
14	17	15	17	63	18	18
9	12	11	15	47	14	13
97	102	98	118	415	108	113

Table 17. **FUNDS AVAILABLE TO FINANCE**

	1959-60				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year
Personal savings (other than through assurance funds)	95	168	182	- 118	327
Increase in assets of marketing authorities	92	74	- 120	- 38	8
Public authority capital transfers	1	1	1	1	4
Other private savings (a)	270	274	210	147	901
TOTAL PRIVATE SAVINGS	458	517	273	- 8	1,240
Deficit on balance of international payments -					
Financed by change in international reserves	2	- 33	-	35	4
Other	67	44	51	56	218
Less: Net increase in indebtedness of public authorities	114	110	- 13	- 109	102
TOTAL FUNDS AVAILABLE	413	418	337	192	1,360
Less: Discrepancy	56	25	63	- 144	-
GROSS PRIVATE INVESTMENT	357	393	274	336	1,360

(a) Undistributed profits of companies, increase in assurance funds and allowances for

GROSS PRIVATE INVESTMENT

£ million

1960-61					1961-62	
1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.	2nd Qtr.
(106)	(192)	(157)	(-108)	(347)	(76)	(198)
41	95	- 53	- 73	10	62	77
1	1	1	1	4	1	2
(301)	(311)	(171)	(72)	(855)	(258)	(275)
449	599	276	- 108	1,216	397	552
88	48	- 12	- 163	- 39	- 23	- 28
53	57	116	182	408	47	- 2
88	107	- 5	- 175	15	154	145
502	597	385	86	1,570	267	377
45	64	- 3	- 106	-	- 1	34
457	533	388	192	1,570	268	343

depreciation.

NATIONAL INCOME AND EXPENDITURE - 1958-59 TO 1960-61

REVISED ANNUAL ESTIMATES

Table 18. £ million

	1958-59	1959-60	1960-61
INCOME PAYMENTS AND OTHER CHARGES			
Wages, salaries, etc.	3,039	3,349	3,571
Company income	636	746	(710)
Surplus of public authority business undertakings	77	89	112
Income of unincorporated businesses			
Farms	455	472	467
Other unincorporated businesses, professions, etc.	527	563	(555)
Net rent and interest			
Dwellings	182	197	223
Other	134	152	168
NATIONAL INCOME	5,050	5,568	5,806
Indirect taxes less subsidies	706	784	827
Allowances for depreciation	478	516	556
GROSS NATIONAL PRODUCT	6,234	6,868	7,189
Imports of goods and services	1,009	1,185	1,351
TOTAL MARKET SUPPLIES	7,243	8,053	8,540
NET EXPENDITURE ON GOODS AND SERVICES			
Public authorities	1,150	1,247	1,324
Financial enterprises	63	77	82
Gross private investment			
Fixed capital equipment	1,073	1,260	1,339
Non-farm stocks	60	120	213
Farm stocks	85	- 20	18
Personal consumption	3,869	4,284	4,465
GROSS DOMESTIC EXPENDITURE	6,300	6,968	7,441
Exports of goods and services	943	1,085	1,099
TOTAL MARKET EXPENDITURE	7,243	8,053	8,540

APPENDIX I : EXPLANATORY NOTES ON TABLES

The definitions adopted for the quarterly estimates included in this publication are the same as those used for the annual estimates published in "National Income and Expenditure, 1960-61". For a detailed description of individual items and of the definitions of the main aggregates and sectors reference should be made to Appendices A and D of that publication. A brief description of the principal items shown by quarters is given below.

There is less information available about the items of national income and expenditure by quarters than by years, and it has not been possible to show by quarters the full range of detail included in the annual publication. In particular, there is no direct information available by quarters for most components of business income. This has necessitated some changes in the form of presentation of the national income data. In the first place, sector accounts are not shown for the trading and financial enterprises, and hence there is not a complete set of social accounting tables on a quarterly basis. Secondly, reliable estimates of depreciation allowances are not available by quarters and therefore quarterly estimates of national income are not shown. Thirdly, separate figures are not shown for the major components of business income, such as company income, income of unincorporated businesses, etc. In Table 1 and Table 8, where estimates of business income are shown, they consist of several items, most of which have been estimated from indirect data. In Table 1, for example, the item "other income and depreciation allowances" includes income of companies, unincorporated businesses (other than farms), net rent and interest paid by trading enterprises, and depreciation allowances and is largely estimated from indirect data.

For a number of items, however, additional particulars are shown by quarters where the results of new surveys introduced for this publication enable a dissection to be made of the annual data. These relate to investment in non-farm stocks, expenditure on fixed capital equipment, and the transactions of public authority business undertakings. Additional detail is also being compiled on tax revenue and cash social service benefits.

Some other differences of detail between this publication and the annual publication are as follows:-

(1) In the annual publication, the two sides of the national income and expenditure table balance and, in principle, they should balance also by quarters. However, owing to imperfections in the data available there is a difference each quarter between the sum of the estimates of income items and the estimates of the expenditure items and this is shown as a discrepancy. There is no single major reason for this discrepancy and it arises both from errors of measurement, such as sampling errors, and from inconsistencies in the data available to estimate the items of income and expenditure. For example, the accounts of the Commonwealth and State governments are prepared on a cash basis whereas most other items of income and expenditure are measured on an accrual basis. Since governmental cash outlay is higher in the last quarter of each year, this may be one source of discrepancy, and it is chiefly to offset this that the discrepancy item is shown on the expenditure side of the table. This does not mean that the estimates of the income items are, in general, more reliable than those of the expenditure items.

(2) Table 3 includes an item of private investment expenditure on farm machinery and equipment. The figures are derived from a quarterly survey of the major producers and distributors of this equipment.

(3) Table 17, although broadly comparable with the table "Private Investment Account" shown in the annual publication, shows less detail owing to the absence of complete particulars by quarters. The item "other private savings" includes undistributed profits of companies, increase in assurance funds and allowances for depreciation.

NOTES ON MAJOR ITEMS

Table 1. Wages, salaries, etc. Includes supplements to wages, an allowance for income received in kind, and pay and allowances of members of the forces. Supplements consist of employers' contributions to pension and superannuation funds, direct payments of pension and retiring allowances, and amounts paid as workers' compensation for injuries.

Farm income. See notes on Table 7.

Other income and depreciation allowances. Includes income of companies (other than banks), unincorporated businesses, professions, etc. (other than farms), surplus of public authority business undertakings and net rent and interest paid out of the profits of trading enterprises. Net rent and interest includes the net rental value of dwellings, both tenanted and owner-occupied (for which rent is imputed).

Indirect taxes less subsidies. See notes on Table 15.

Imports and exports of goods and services. See notes on Table 6.

Personal consumption expenditure. Total expenditure by persons in satisfying consumption needs. Excludes purchases of dwellings and new motor vehicles, and gifts to other persons. For details see Table 2.

Net expenditure by public authorities. See notes on Tables 9, 10 and 11.

Net expenditure by financial enterprises. The total operating expenditure of banks less bank charges. See Note on item 20, "National Income and Expenditure, 1960-61", for an explanation of the treatment of financial enterprises.

Gross private fixed investment. Includes private dwelling construction and total non-government expenditure on motor vehicles. For details see Table 3.

Farm stocks. The change in the value of stocks of marketing authorities including the Wheat Board and Barley Board, unsold stocks in the hands of woolselling brokers, and stocks on farms of wheat, barley, oats, other grains and hay.

Table 2. Food includes value of food in purchased meals. Figures for clothing, footwear and drapery, electrical goods and other durable goods are derived from the results of the quarterly retail sales surveys, adjusted to include the Australian Capital Territory and the Northern Territory, except that "other durable goods" excludes estimated business expenditure on hardware, etc. Fares includes expenditure on fares on railways, tramways, buses, ferries and airways. Rent includes the gross rent paid for tenanted dwellings and the imputed gross rental value of owner-occupied dwellings. "Other goods and services" covers all other expenditure on personal

consumption. The latter item is estimated partly as a balancing item in the annual publication. A direct estimate is made by quarters and the small difference between the sum of these estimates for each year and the annual figure is distributed to each quarter according to the trend of the direct estimate.

<u>Table 3</u>. Private dwelling construction excludes housing authority construction for rental purposes. Farm machinery and equipment includes only expenditure on machinery and equipment items designed primarily for farming use. It excludes expenditure on motor vehicles, wire, and other items purchased by farmers.

<u>Table 4.</u> The estimates in this table relate to capital expenditure by private businesses subject to payroll tax, excluding professional services and businesses in rural and gas and electricity industries, but including government airlines and banks. For a full account of the industrial field covered by these estimates reference should be made to "Capital and Maintenance Expenditure by Private Businesses in Australia", which is issued half-yearly. Capital expenditure includes expenditure on new buildings and other structures, alterations and additions to existing buildings and other structures, as well as machinery, vehicles and other capital equipment. It excludes land, existing buildings and other structures acquired, and second-hand equipment (unless purchased from oversea suppliers). In deriving the estimates needed for Table 3, several adjustments are made to the figures of expenditure by businesses subject to payroll tax. The principal adjustments are the addition of an estimate of the expenditure by other businesses and, in the case of expenditure on other capital equipment, the deduction of estimated business expenditure on vehicles.

<u>Table 5.</u> The figures show the change in the book value of stocks held by private businesses other than farms. They include materials, work-in-progress, and finished goods, and are on a basis comparable with that used in annual balance sheets. The estimates have been compiled from a number of sources: figures for trading and manufacturing businesses for the latest quarters are based on returns from a small sub-sample of the firms included in a half-yearly survey of stocks held by manufacturing and trading firms. The latter survey is conducted for the half-years ending March and September, but the September return also asks for the value of stocks at the end of June. More complete information is available on an annual basis. In about February, preliminary figures for the value of stocks at the end of the previous June become available from both the factory census and the September quarter survey of retail establishments. Finally, about sixteen months later, figures become available in the main income taxation tabulations. Revisions can be expected as the various sources come to hand, as preliminary figures are finalised, and also, for the most recent quarters, if stocks are revalued at balancing dates.

Quarterly figures are not available for industries other than manufacturing and trade, but estimates for other industries based on interpolation and projection of available annual figures are included in the total for all industries.

<u>Table 6.</u> The items in this table are as estimated for purposes of the balance of payments estimates published by the Bureau.

<u>Imports of goods and services</u>. Imports f.o.b. include the value at oversea ports of all recorded imports other than imports of gold, film imported on a rental basis, and imports by diplomatic missions. They also include estimated payments for items such as naval ships, merchant vessels, and aircraft for use on oversea routes, for which customs entries are not required. Transportation and travel include freight on imports, fares paid in Australia to oversea shipping companies, marine

insurance payments, expenditure of Australian ships in oversea ports and expenditure by Australian residents for travel overseas. Government transactions include diplomatic and consular expenditure abroad, defence expenditure overseas, and contributions to international agencies, but exclude imports of merchandise by governments and gifts to oversea governments, etc. An adjustment is also included to allow for the estimated excess of the value of imports as recorded in statistics of oversea trade (based on value for duty) and the actual selling prices to purchasers as shown on invoices. This adjustment is described more fully in "The Australian Balance of Payments" published by the Bureau of Census and Statistics.

Exports of goods and services. Exports f.o.b. include the value at Australian ports of all exports other than government exports to Australian armed forces overseas. Gold production is the value of Australian mine production less the value of gold used in industry and including recoveries from scrap. Transportation and travel includes oversea freight earnings of Australian ships, expenditure by oversea ships and crews in Australian ports and expenditure by non-residents on travel in Australia. Government transactions include diplomatic and consular expenditure in Australia, recoveries from other administrations, etc.

Table 7. Farm income is the estimated gross value of production less estimated costs incurred each quarter of those engaged in rural industries, other than companies. Gross value of production is the estimated value of produce delivered for sale during the quarter, together with the estimated value of changes in undelivered stocks other than wool. The gross value of production of wheat includes estimated payments to be made from the Wheat Prices Stabilisation Fund. Costs include marketing costs, costs of seed, fodder and other materials used, wages, indirect (but not direct) taxes, rent and interest and all other costs of production. Farm income includes additions to stocks, other than livestock, in the hands of farmers or marketing authorities. Increases in the assets of marketing authorities are deducted from farm income to give the income of farmers (shown in Table 8).

Table 8. Some of the items shown in this table are described in comments on other tables. The principal additional items in this table are income of other unincorporated businesses and rent, interest and dividends, and private remittances from and to overseas. Income of other unincorporated businesses and rent, interest and dividends is a combination of several items shown separately in the annual publication, but for which reliable estimates by quarters are not available. Income of other unincorporated businesses includes the net income or earnings of all persons other than farmers engaged in private businesses or the professions whether as sole proprietors or partners. Interest and rent paid are deducted. Rent, interest and dividends are the net receipts by persons from all sources, including the net rent received from tenanted dwellings, and imputed to owner-occupied dwellings. Private remittances include personal remittances, legacies, funds and personal effects brought in or taken out by migrants.

Tables 9, 10 and 11. (Some items in these tables are partly estimated.)

Income Taxes. Total income tax paid by persons and companies to the Commonwealth Government. Income tax paid by persons is shown separately in Table 8.

Indirect Taxes. See notes on Table 15.

Subsidies. Includes subsidies for dairy products, shipping and air services, merchant ship construction, oil drilling, and payment from Wheat Prices Stabilisation Fund.

Surplus of Public Authority Business Undertakings. See notes on Table 14.

Allowances for Depreciation. Depreciation provisions of public authority business undertakings are on the same basis as those shown in the published accounts of these authorities. No provision is included for railways, other than in New South Wales, or the post office, or for other business undertakings whose transactions are recorded on a cash basis in Commonwealth or State accounts.

Rent and Interest Received. Rent and interest received by public authorities includes the net surplus of governmental housing authorities, profits received from the Reserve Bank, interest on advances to the public and proceeds from the leasing or rent of Crown land and government buildings.

Net Increase in Indebtedness. A balancing item equal to the excess of outlay over revenue.

Net Purchases of Goods and Services. The net expenditure by public authorities on wages, salaries, etc. and purchases of goods. Includes capital expenditure of public authority business undertakings, and current and capital expenditure of Commonwealth, State and local government bodies. A detailed classification of this item is shown in Table 12.

Oversea Gifts. Includes all transfers to or from overseas on public account which are not payments for goods or services or payments of income.

Cash Social Service Benefits. See notes on Table 16.

Capital Transfers. Capital transfers to persons and business undertakings, including homes for the aged and losses of a capital nature on war service land settlement.

Interest. Interest paid by public authorities. Includes principally interest paid on Commonwealth, State, local and semi-government securities.

Table 12. The classification of net purchases of goods and services by public authorities is an abridgement of that shown in the annual publication. "Other" includes increase in stocks, and expenditure on cultural and recreational facilities, development and conservation of national resources, and civil aviation. Includes the estimated expenditure by local authorities. A full description of the annual classification is given in Appendix D of "National Income and Expenditure, 1960-61".

Table 13. Expenditure on public works by public authority business undertakings includes capital expenditure on new building and construction and new plant and machinery. Maintenance expenditure and the purchase of existing assets are excluded. Expenditure by housing authorities is the estimated expenditure on construction of dwellings for rental purposes. In addition to the expenditure shown in this table public works expenditure on some of the functions is carried out by public authorities other than business undertakings.

Table 14. Revenue, expenditure and surplus is broadly as shown in the commercial accounts published by the authorities. Expenditure includes depreciation provisions except in the case of those authorities whose transactions are shown on a cash basis in the public accounts. Interest payments are included in the surplus, not in expenditure. Quarterly figures of revenue, expenditure and surplus are not available for some undertakings (which account for about 10 per cent. of the total surplus) but an arbitrary estimate is included for these undertakings in deriving the total surplus.

Table 15. Other indirect taxes include local authority rates, motor registration fees, land tax, entertainment tax, etc.

Table 16. Direct payments in cash or its equivalent, not made in return for current productive services. "Other" includes widows' pensions, maternity allowances, funeral benefits, attendance money for waterside workers, etc.

Table 17. Most of the items in this table are shown in other tables. Personal savings is derived as a balancing item from Table 8, and the net increase in indebtedness of public authorities from Table 9. The increase in assets of marketing authorities is shown in Table 7, gross private investment in Table 1, and public authority capital transfers in Table 9. Other private savings which includes undistributed profits of companies, increase in assurance funds and allowances for depreciation, is estimated as the balancing item in the case of quarterly figures in this table. The deficit on balance of international payments on current account is the excess of payments to the rest of the world on current account over receipts from the rest of the world.

APPENDIX II : REVISIONS TO FIGURES PUBLISHED IN "QUARTERLY ESTIMATES OF NATIONAL INCOME AND EXPENDITURE" NO. 5, SEPTEMBER QUARTER, 1961

Company income. This item has been revised for the year 1960-61 and for quarters using preliminary figures available from the recently instituted quarterly survey of company profit.

Investment in non-farm stocks held by wholesale and retail traders in 1960-61 has been revised on the basis of preliminary results of the September retail trade survey, and of more complete information which has become available from the September collection of the half-yearly Business Survey of stocks. Results of the latter Survey have also been used to revise figures for all industries in the first quarter of 1961-62.

Personal consumption expenditure, being the balancing item in the annual estimates, has been revised for the year 1960-61, as a consequence of the revision to the estimates of company income and of investment in non-farm stocks. Figures for the first quarter of 1961-62 have been revised on the basis of final figures published in "Retail Sales of Goods: Australia, September Quarter, 1961". In addition a number of small amendments have been made to some items for 1959-60 on the basis of more complete information which has only recently become available.

Minor revisions have also been made to a number of items for the first quarter of 1961-62, following the receipt of later and more complete information.

NOTE:- ANNUAL TOTALS HAVE BEEN CONVERTED TO QUARTERLY AVERAGES TO FACILITATE COMPARISON WITH CURRENT FIGURES.

1961-62 ———
1960-61 – – –
1959-60 ·–·–·