

## QUARTERLY ESTIMATES OF NATIONAL INCOME AND EXPENDITURE SEPTEMBER QUARTER 1974 — PRELIMINARY STATEMENT

This statement provides preliminary estimates of gross domestic product and national expenditure to September quarter 1974. It will be followed shortly by the bulletin *Quarterly Estimates of National Income and Expenditure*, September Quarter 1974 (Reference No. 7.5) which will contain detailed supporting tables and may revise some figures.

### The estimates

Changes in individual quarters should not be interpreted in isolation and without reference to changes over longer periods. Estimating for a period of less than one year presents special problems and the estimates are affected by possible inconsistencies in the timing of recording of incomes, expenditures, stocks, exports and imports. The effects are in some measure indicated by the change in the statistical discrepancy. There are also uncertainties inherent in seasonal adjustment. Attention is drawn to the discussion, contained in the bulletin *Quarterly Estimates of National Income and Expenditure*, June quarter 1974, of the factors and qualifications which should be taken into account in the interpretation of the quarterly estimates, especially in relation to seasonal adjustment and implied price changes.

The percentage changes shown on this page and on page 4 refer to seasonally adjusted estimates. Although percentage changes are shown to one decimal place this does not imply that they can be regarded as accurate to the last digit shown. The figures after the decimal point are given to avoid distortions which may occur in rounding figures off to the nearest half or whole number.

In the September quarter gross domestic product at current prices rose by 4.4 per cent and was 13.9 per cent higher than in the previous September quarter, while gross domestic product at constant prices fell by 2.8 per cent and was 3.0 per cent lower than a year earlier. Gross non-farm product at current prices rose by 6.0 per cent but gross non-farm product at constant prices fell for the second successive quarter, a fall of 3.4 per cent in the September quarter following a fall of 1.7 per cent in the June quarter.

The implicit price relationships between current and constant price estimates are affected by changes in the physical composition of the aggregates in question. Changes in composition and uncertainties in seasonal adjustment may have a severely distorting effect on such comparisons.

Gross farm product at current prices fell by 14.4 per cent and was 27.7 per cent lower than the peak reached in the previous September quarter but well above the low levels of 1971-72.

Wages, salaries and supplements increased by 11.3 per cent in the September quarter and were 31.0 per cent higher than in the previous September quarter. The gross operating surplus of companies fell by 17.3 per cent in the September quarter following a fall of 11.6 per cent in the June quarter and was 28.8 per cent lower than a year earlier.

While government final consumption expenditure shows a large increase in the September quarter this follows a fall in the June quarter. It appears that seasonal adjustment factors do not adequately represent the present seasonal pattern of these expenditures and that a comparison of quarterly figures would not correctly indicate the rate of increase. Government final consumption expenditure for the half year ended September 1974 was about 25 per cent higher than for the half year ended September 1973. This would indicate an increase of about 6 per cent per quarter. A difference in the timing of government expenditures would account for some of the variation in the statistical discrepancy.

**MAIN AGGREGATES AT CURRENT AND AVERAGE 1966-67 PRICES**  
(£ million)

|                                       | Quarters ended -            |         |         |       |        |         |        |        |         |                                                | Quarters ended -                       |        |        |         |        |        |         |        |  |  |
|---------------------------------------|-----------------------------|---------|---------|-------|--------|---------|--------|--------|---------|------------------------------------------------|----------------------------------------|--------|--------|---------|--------|--------|---------|--------|--|--|
|                                       | Year                        |         | 1972-73 |       |        | 1973-74 |        |        | 1974-75 |                                                | 1972-73                                |        |        | 1973-74 |        |        | 1974-75 |        |  |  |
|                                       | 1972-73                     | 1973-74 | Dec.    | Mar.  | June   | Sept.   | Dec.   | Mar.   | June    | Sept.                                          | Dec.                                   | Mar.   | June   | Sept.   | Dec.   | Mar.   | June    | Sept.  |  |  |
|                                       | AT CURRENT PRICES, ORIGINAL |         |         |       |        |         |        |        |         |                                                | AT CURRENT PRICES, SEASONALLY ADJUSTED |        |        |         |        |        |         |        |  |  |
| Final consumption expenditure -       | 24,453                      | 28,637  | 6,347   | 5,920 | 6,398  | 6,691   | 7,434  | 6,950  | 7,562   | 7,952                                          | 5,979                                  | 6,180  | 6,463  | 6,774   | 6,983  | 7,277  | 7,644   | 8,037  |  |  |
| Private                               | 5,489                       | 6,869   | 1,370   | 1,276 | 1,609  | 1,510   | 1,770  | 1,685  | 1,905   | 2,000                                          | 1,309                                  | 1,385  | 1,508  | 1,564   | 1,692  | 1,827  | 1,787   | 2,071  |  |  |
| Gross fixed capital expenditure -     |                             |         |         |       |        |         |        |        |         |                                                |                                        |        |        |         |        |        |         |        |  |  |
| Private -                             |                             |         |         |       |        |         |        |        |         |                                                |                                        |        |        |         |        |        |         |        |  |  |
| Dwellings                             | 2,078                       | 2,600   | 498     | 508   | 570    | 646     | 645    | 630    | 679     | 625                                            | 500                                    | 532    | 567    | 618     | 649    | 660    | 675     | 597    |  |  |
| Other building and construction       | 1,361                       | 1,594   | 373     | 281   | 371    | 363     | 443    | 349    | 439     | 434                                            | 335                                    | 335    | 353    | 363     | 399    | 416    | 418     | 434    |  |  |
| All other                             | 2,750                       | 3,400   | 710     | 610   | 770    | 753     | 915    | 756    | 976     | 960                                            | 665                                    | 675    | 718    | 787     | 856    | 837    | 910     | 1,004  |  |  |
| Public enterprises                    | 1,741                       | 1,939   | 436     | 398   | 463    | 443     | 476    | 456    | 564     | 523                                            | 428                                    | 427    | 423    | 467     | 467    | 488    | 519     | 546    |  |  |
| General government                    | 1,699                       | 1,953   | 452     | 375   | 514    | 387     | 497    | 439    | 630     | 533                                            | 424                                    | 432    | 437    | 436     | 465    | 505    | 537     | 599    |  |  |
| Increase in stocks -                  |                             |         |         |       |        |         |        |        |         |                                                |                                        |        |        |         |        |        |         |        |  |  |
| Private non-farm                      | 4                           | 962     | -140    | -40   | 54     | 116     | 25     | 434    | 387     | 709                                            | -27                                    | 9      | 36     | 7       | 113    | 474    | 364     | 465    |  |  |
| Farm and miscellaneous                | -260                        | 683     | 285     | -52   | -306   | -86     | 742    | 479    | -451    | -281                                           | -59                                    | 65     | -45    | 145     | 269    | 134    | 18      | 99     |  |  |
| Statistical discrepancy               | 273                         | 915     | 261     | 159   | -283   | 557     | 281    | 90     | -12     | 173                                            | 106                                    | 59     | 62     | 522     | 123    | 9      | 369     | 56     |  |  |
| Gross national expenditure            | 39,589                      | 49,552  | 10,591  | 9,436 | 11,159 | 11,380  | 13,228 | 12,267 | 12,679  | 13,628                                         | 9,659                                  | 10,099 | 10,522 | 11,679  | 12,016 | 12,627 | 13,241  | 13,907 |  |  |
| Exports of goods and services         | 6,937                       | 7,829   | 1,733   | 1,843 | 1,818  | 1,864   | 1,972  | 1,932  | 2,062   | 2,254                                          | 1,731                                  | 1,870  | 1,797  | 1,862   | 1,966  | 1,961  | 2,039   | 2,255  |  |  |
| less Imports of goods and services    | 5,349                       | 7,628   | 1,303   | 1,148 | 1,447  | 1,656   | 1,732  | 1,939  | 2,301   | 2,652                                          | 1,305                                  | 1,363  | 1,443  | 1,655   | 1,715  | 1,976  | 2,309   | 2,626  |  |  |
| Expenditure on gross domestic product | 41,177                      | 49,754  | 11,021  | 9,930 | 10,530 | 11,588  | 13,467 | 12,260 | 12,439  | 13,230                                         | 10,085                                 | 10,606 | 10,876 | 11,886  | 12,267 | 12,612 | 12,971  | 13,536 |  |  |
| Wages, salaries and supplements       | 22,612                      | 27,683  | 5,784   | 5,442 | 6,081  | 6,300   | 7,026  | 6,724  | 7,633   | 8,253                                          | 5,532                                  | 5,719  | 6,010  | 6,404   | 6,718  | 7,071  | 7,539   | 8,388  |  |  |
| Gross operating surplus               |                             |         |         |       |        |         |        |        |         |                                                |                                        |        |        |         |        |        |         |        |  |  |
| Trading enterprises -                 |                             |         |         |       |        |         |        |        |         |                                                |                                        |        |        |         |        |        |         |        |  |  |
| Companies                             | 5,620                       | 6,079   | 1,601   | 1,243 | 1,424  | 1,656   | 1,758  | 1,346  | 1,319   | 1,180                                          | 1,384                                  | 1,445  | 1,494  | 1,609   | 1,517  | 1,567  | 1,386   | 1,146  |  |  |
| Unincorporated enterprises            | 5,585                       | 7,228   |         |       |        |         |        |        |         |                                                |                                        |        |        |         |        |        |         |        |  |  |
| Dwellings owned by persons            | 2,146                       | 2,505   | 2,678   | 2,212 | 1,921  | 2,596   | 3,422  | 2,867  | 2,067   | 2,439                                          | 2,201                                  | 2,405  | 2,331  | 2,772   | 2,773  | 2,662  | 2,695   | 2,563  |  |  |
| Public enterprises                    | 1,249                       | 1,218   |         |       |        |         |        |        |         |                                                |                                        |        |        |         |        |        |         |        |  |  |
| Financial enterprises                 | 737                         | 906     |         |       |        |         |        |        |         |                                                |                                        |        |        |         |        |        |         |        |  |  |
| less Imputed bank service charge      | 1,025                       | 1,258   | -65     | -72   | -75    | -87     | -80    | -88    | -97     | -120                                           | -67                                    | -70    | -82    | -79     | -82    | -86    | -104    | -112   |  |  |
| Gross domestic product at factor cost | 36,924                      | 44,361  | 9,998   | 8,825 | 9,351  | 10,465  | 12,126 | 10,849 | 10,922  | 11,752                                         | 9,050                                  | 9,499  | 9,752  | 10,706  | 10,926 | 11,214 | 11,516  | 11,985 |  |  |
| Indirect taxes less subsidies         | 4,253                       | 5,393   | 1,023   | 1,105 | 1,179  | 1,123   | 1,341  | 1,411  | 1,517   | 1,478                                          | 1,035                                  | 1,107  | 1,123  | 1,180   | 1,341  | 1,398  | 1,455   | 1,551  |  |  |
| Gross domestic product                | 41,177                      | 49,754  | 11,021  | 9,930 | 10,530 | 11,588  | 13,467 | 12,260 | 12,439  | 13,230                                         | 10,085                                 | 10,606 | 10,876 | 11,886  | 12,267 | 12,612 | 12,971  | 13,536 |  |  |
| Gross farm product                    | 3,064                       | 4,503   | 1,056   | 847   | 534    | 912     | 1,696  | 1,372  | 523     | 626                                            | 726                                    | 929    | 809    | 1,204   | 1,192  | 1,030  | 1,017   | 870    |  |  |
| Gross non-farm product                | 38,113                      | 45,251  | 9,965   | 9,083 | 9,996  | 10,676  | 11,771 | 10,888 | 11,916  | 12,604                                         | 9,359                                  | 9,677  | 10,067 | 10,682  | 11,075 | 11,582 | 11,954  | 12,666 |  |  |
| AT AVERAGE 1966-67 PRICES, ORIGINAL   |                             |         |         |       |        |         |        |        |         | AT AVERAGE 1966-67 PRICES, SEASONALLY ADJUSTED |                                        |        |        |         |        |        |         |        |  |  |
| Final consumption expenditure -       |                             |         |         |       |        |         |        |        |         |                                                |                                        |        |        |         |        |        |         |        |  |  |
| Private                               | 18,802                      | 19,811  | 4,939   | 4,528 | 4,804  | 4,845   | 5,225  | 4,756  | 4,985   | 4,952                                          | 4,662                                  | 4,740  | 4,840  | 4,895   | 4,919  | 4,993  | 5,027   | 4,992  |  |  |
| Government                            | 3,476                       | 3,726   | 862     | 827   | 980    | 902     | 972    | 903    | 949     | 940                                            | 842                                    | 880    | 918    | 929     | 951    | 960    | 890     | 968    |  |  |
| Gross fixed capital expenditure -     |                             |         |         |       |        |         |        |        |         |                                                |                                        |        |        |         |        |        |         |        |  |  |
| Private -                             |                             |         |         |       |        |         |        |        |         |                                                |                                        |        |        |         |        |        |         |        |  |  |
| Dwellings                             | 1,544                       | 1,610   | 378     | 375   | 404    | 434     | 413    | 381    | 383     | 331                                            | 380                                    | 393    | 402    | 415     | 415    | 398    | 381     | 316    |  |  |
| Other building and construction       | 990                         | 1,015   | 276     | 203   | 259    | 244     | 291    | 224    | 255     | 235                                            | 248                                    | 240    | 247    | 245     | 263    | 264    | 243     | 235    |  |  |
| All other                             | 2,119                       | 2,462   | 545     | 471   | 591    | 560     | 679    | 554    | 670     | 631                                            | 512                                    | 521    | 550    | 587     | 636    | 612    | 623     | 661    |  |  |
| Public                                | 2,504                       | 2,506   | 652     | 553   | 688    | 564     | 640    | 581    | 721     | 607                                            | 626                                    | 615    | 609    | 607     | 613    | 645    | 641     | 652    |  |  |
| Increase in stocks -                  |                             |         |         |       |        |         |        |        |         |                                                |                                        |        |        |         |        |        |         |        |  |  |
| Private non-farm                      | -1                          | 698     | -113    | -34   | 27     | 103     | 24     | 317    | 255     | 465                                            |                                        |        |        |         |        |        |         |        |  |  |
| Farm and miscellaneous                | -198                        | 388     | 212     | -18   | -184   | -112    | 443    | 300    | -243    | -126                                           | -25                                    | 71     | 125    | 349     | 320    | 494    | 560     | 372    |  |  |
| Statistical discrepancy               | 217                         | 631     | 197     | 120   | -204   | 369     | 190    | 59     | -7      | 103                                            |                                        |        |        |         |        |        |         |        |  |  |
| Gross national expenditure            | 29,451                      | 32,848  | 7,948   | 7,025 | 7,664  | 7,930   | 8,073  | 7,968  | 8,136   | 8,136                                          | 7,246                                  | 7,459  | 7,691  | 8,027   | 8,118  | 8,366  | 8,365   | 8,195  |  |  |
| Exports of goods and services         | 5,796                       | 5,470   | 1,490   | 1,498 | 1,409  | 1,375   | 1,419  | 1,325  | 1,351   | 1,394                                          | 1,480                                  | 1,506  | 1,395  | 1,393   | 1,408  | 1,332  | 1,338   | 1,413  |  |  |
| less Imports of goods and services    | 4,951                       | 6,389   | 1,185   | 1,258 | 1,366  | 1,469   | 1,534  | 1,627  | 1,759   | 1,916                                          | 1,196                                  | 1,266  | 1,362  | 1,464   | 1,532  | 1,650  | 1,762   | 1,891  |  |  |
| Expenditure on gross domestic product | 30,297                      | 31,929  | 8,233   | 7,265 | 7,407  | 7,837   | 8,761  | 7,771  | 7,560   | 7,614                                          | 7,530                                  | 7,693  | 7,724  | 7,956   | 7,995  | 8,048  | 7,941   | 7,717  |  |  |
| Gross farm product                    | 2,407                       | 2,506   | 888     | 605   | 357    | 512     | 958    | 737    | 299     | 466                                            | 587                                    | 629    | 598    | 685     | 641    | 581    | 600     | 622    |  |  |
| Gross non-farm product                | 27,890                      | 29,423  | 7,365   | 6,660 | 7,051  | 7,325   | 7,803  | 7,034  | 7,261   | 7,148                                          | 6,943                                  | 7,069  | 7,127  | 7,271   | 7,354  | 7,467  | 7,341   | 7,095  |  |  |

## PERCENTAGE CHANGE IN MAIN AGGREGATES

|                                                | Change from preceding quarter |      |       |         |      |        |         |       | Sept. qtr<br>1974 |
|------------------------------------------------|-------------------------------|------|-------|---------|------|--------|---------|-------|-------------------|
|                                                | 1972-73                       |      |       | 1973-74 |      |        | 1974-75 |       | Sept. qtr<br>1973 |
|                                                | Dec.                          | Mar. | June  | Sept.   | Dec. | Mar.   | June    | Sept. |                   |
| AT CURRENT PRICES, SEASONALLY ADJUSTED         |                               |      |       |         |      |        |         |       |                   |
| <b>Product</b>                                 |                               |      |       |         |      |        |         |       |                   |
| Gross domestic product                         | 4.0                           | 5.2  | 2.5   | 9.3     | 3.2  | 2.8    | 2.8     | 4.4   | 13.9              |
| Gross farm product                             | 14.1                          | 27.9 | -12.9 | 48.7    | -1.0 | -13.6  | -1.3    | -14.4 | -27.7             |
| Gross non-farm product                         | 3.3                           | 3.4  | 4.0   | 6.1     | 3.7  | 4.6    | 3.2     | 6.0   | 18.6              |
| <b>Expenditure</b>                             |                               |      |       |         |      |        |         |       |                   |
| Final consumption expenditure -                |                               |      |       |         |      |        |         |       |                   |
| Private                                        | 2.3                           | 3.4  | 4.6   | 4.8     | 3.1  | 4.2    | 5.0     | 5.1   | 18.6              |
| Government                                     | 2.3                           | 5.8  | 8.9   | 3.7     | 8.2  | 8.0    | -2.2    | 15.9  | 32.4              |
| Gross fixed capital expenditure -              |                               |      |       |         |      |        |         |       |                   |
| Private -                                      |                               |      |       |         |      |        |         |       |                   |
| Dwellings                                      | 4.2                           | 6.4  | 6.6   | 9.0     | 5.0  | 1.7    | 2.3     | -11.6 | -3.4              |
| Other building and construction                | -0.6                          | ..   | 5.4   | 2.8     | 9.9  | 4.3    | 0.5     | 3.8   | 19.6              |
| All other                                      | -3.5                          | 1.5  | 6.4   | 9.6     | 8.8  | -2.2   | 8.7     | 10.3  | 27.6              |
| Total                                          | -0.4                          | 2.8  | 6.2   | 7.9     | 7.7  | 0.5    | 4.7     | 1.6   | 15.1              |
| Public enterprises                             | -7.6                          | -0.2 | -0.9  | 9.5     | 0.9  | (a)4.5 | 6.4     | 5.2   | 17.9              |
| General government                             | 5.0                           | 1.9  | 1.2   | -0.2    | 6.7  | 8.6    | 6.3     | 11.5  | 37.4              |
| Total                                          | -0.9                          | 2.1  | 4.0   | 6.8     | 6.3  | 2.5    | 5.3     | 4.0   | 19.2              |
| <b>Exports and imports</b>                     |                               |      |       |         |      |        |         |       |                   |
| Exports of goods and services                  | 12.5                          | 8.0  | -1.9  | 3.6     | 5.6  | -0.3   | 4.0     | 10.6  | 21.1              |
| Imports of goods and services                  | 4.8                           | 4.5  | 5.9   | 14.6    | 3.7  | 15.2   | 16.9    | 13.7  | 58.7              |
| <b>Income</b>                                  |                               |      |       |         |      |        |         |       |                   |
| Wages, salaries and supplements                | 2.7                           | 3.4  | 5.1   | 6.6     | 4.9  | 5.3    | 6.6     | 11.3  | 31.0              |
| Gross operating surplus of                     |                               |      |       |         |      |        |         |       |                   |
| trading enterprises -                          |                               |      |       |         |      |        |         |       |                   |
| Companies                                      | 5.2                           | 4.4  | 3.4   | 7.7     | -5.7 | 3.3    | -11.6   | -17.3 | -28.8             |
| Other                                          | 5.5                           | 9.3  | -3.1  | 18.9    | ..   | -4.0   | 1.2     | -4.9  | -7.5              |
| Non-farm enterprises                           | 3.2                           | 2.2  | 3.5   | 5.9     | -1.8 | 3.0    | -3.9    | -6.6  | -9.2              |
| AT AVERAGE 1966-67 PRICES, SEASONALLY ADJUSTED |                               |      |       |         |      |        |         |       |                   |
| <b>Product</b>                                 |                               |      |       |         |      |        |         |       |                   |
| Gross domestic product                         | 2.3                           | 2.2  | 0.3   | 3.0     | 0.5  | 0.7    | -1.3    | -2.8  | -3.0              |
| Gross farm product                             | -1.8                          | 7.2  | -4.9  | 14.5    | -6.4 | -9.4   | 3.3     | 3.7   | -9.2              |
| Gross non-farm product                         | 2.7                           | 1.8  | 0.8   | 2.0     | 1.1  | 1.5    | -1.7    | -3.4  | -2.4              |
| <b>Expenditure</b>                             |                               |      |       |         |      |        |         |       |                   |
| Final consumption expenditure -                |                               |      |       |         |      |        |         |       |                   |
| Private                                        | 2.0                           | 1.7  | 2.1   | 1.1     | 0.5  | 1.5    | 0.7     | -0.7  | 2.0               |
| Government                                     | 1.1                           | 4.5  | 4.3   | 1.2     | 2.4  | 0.9    | -7.3    | 8.8   | 4.2               |
| Gross fixed capital expenditure -              |                               |      |       |         |      |        |         |       |                   |
| Private -                                      |                               |      |       |         |      |        |         |       |                   |
| Dwellings                                      | 2.4                           | 3.4  | 2.3   | 3.2     | ..   | -4.1   | -4.3    | -17.1 | -23.9             |
| Other building and construction                | -2.4                          | -3.2 | 2.9   | -0.8    | 7.3  | 0.4    | -8.0    | -3.3  | -4.1              |
| All other                                      | -4.3                          | 1.8  | 5.6   | 6.7     | 8.3  | -3.8   | 1.8     | 6.1   | 12.6              |
| Total                                          | -1.7                          | 1.1  | 4.0   | 4.0     | 5.5  | -3.0   | -2.2    | -2.7  | -2.7              |
| Public                                         | -4.7                          | -1.8 | -1.0  | -0.3    | 1.0  | (a)5.2 | -0.6    | 1.7   | 7.4               |
| Total                                          | -2.8                          | 0.1  | 2.3   | 2.5     | 4.0  | -0.4   | -1.7    | -1.3  | 0.5               |
| <b>Exports and imports</b>                     |                               |      |       |         |      |        |         |       |                   |
| Exports of goods and services                  | 4.5                           | 1.8  | -7.4  | -0.1    | 1.1  | -5.4   | 0.5     | 5.6   | 1.4               |
| Imports of goods and services                  | 5.6                           | 5.9  | 7.6   | 7.5     | 4.6  | 7.7    | 6.8     | 7.3   | 29.2              |

(a) Includes substantial imports of transport equipment.

J. G. MILLER  
Acting Commonwealth StatisticianAustralian Bureau of Statistics  
Canberra. A.C.T. 2600

NOTE: Inquiries concerning these statistics may be made in Canberra by telephoning Mr R. V. Harvey on 63 9111 extension 2128 or, in each State capital, by telephoning the office of the Australian Bureau of Statistics.