QUARTERLY ESTIMATES

OF

NATIONAL INCOME AND EXPENDITURE

NO. 9

SEPTEMBER QUARTER, 1962

COMMONWEALTH BUREAU OF CENSUS AND STATISTICS

CANBERRA, A.C.T. 21ST NOVEMBER, 1962

3487.

FOREWORD

This publication provides estimates of national income and expenditure for each quarter of 1960-61 and 1961-62 and for the first quarter of 1962-63. The definitions used are consistent with those adopted for the corresponding annual figures shown in the parliamentary White Paper "National Income and Expenditure, 1961-62", issued with the Commonwealth Budget in August, 1962. The annual figures too are consistent with those in the White Paper.

Even though there is continuity between the annual and 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 required 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 the Appendix on page 39.

In interpreting the quarterly estimates, allowance should be made for the effect of regular seasonal movements. Most series of figures appear to be affected by seasonal factors, and particularly farm income and investment in farm stocks. One common way of roughly taking account of these factors is to consider the changes shown in recent quarters in relation to the changes in comparable quarters in the preceding year. However, if the figures for the previous year cover a period when the trend was altering or even included a turning point in trend, it may be misleading to use these figures as a base for reference. In this case there is no substitute to adjusting the current figures by properly computed seasonal adjustment factors. As yet, the data available for most items shown in this publication cover a period too short for calculating reliable adjustment factors. Most comparisons made in the text are with reference to the figures in the comparable quarter in the preceding year, but the limits of this comparison should be borne in mind.

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. 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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(1) INCOME AND EXPENDITURE (TABLES 1-7)

In the first quarter of 1962-63 gross national product was £1,868 million, or 7 per cent. above the level of the corresponding quarter in 1961-62, a similar increase to that in the last quarter of 1961-62. Gross domestic expenditure stood at £1,934 million, or 11 per cent. above the figure of the corresponding quarter in 1961-62. The increase in the previous quarter had been 7 per cent. In the period between the fourth quarter of 1960-61 and the third quarter of 1961-62 both gross national product and gross domestic expenditure had shown either decreases or only small increases relative to the previous year's levels and the present large percentage increases are influenced in part by the relatively low figures last year.

Income

Compared with the corresponding quarter in 1960-61 all items of income except farm income showed significant rises in the first quarter of 1962-63 - wages and salaries 5 per cent. and other income and depreciation allowances 11 per cent.

Wages, salaries etc. rose by £42 million, or 5 per cent., over the level of the previous year. This resulted from an increase of 3 per cent. in average employment and 2 per cent. in average earnings. In the previous quarter the increase of 5 per cent. had been attributable to increases of 1 per cent. and 4 per cent. in average employment and average earnings respectively.

The gross value of farm production (details shown in Table 7) in the first quarter of 1962-63 was £299 million, a fall of 3 per cent. compared with the first quarter of the previous year. The gross value of wool fell by £12 million (due to a fall in both wool receivals and average prices), which was only partially offset by an increase of £4 million in sugar production. The income of farmers was affected to a lesser extent and fell by £3 million. Assets of marketing authorities increased in the first quarter by £53 million while in the corresponding quarter of 1961-62 they had increased by £62 million: this was mainly due to a smaller increase in stocks held by wool-selling brokers and a fall in the assets of the Barley Board.

"Other income and depreciation allowances" is estimated to have been 11 per cent. above the previous year's level. compared with an estimated 15 per cent. increase in the fourth quarter of 1961-62 over the corresponding quarter of 1960-61. This includes a substantial rise in the estimate of the income of companies and a somewhat smaller rise in the income of unincorporated businesses, other than farms. The increases in company income were mainly in manufacturing industry, especially in the vehicle group.

Expenditure

The main elements in the increase in gross domestic expenditure between the first quarters of 1961-62 and 1962-63 were gross private fixed investment (10 per cent.), personal consumption expenditure (5 per cent.) and investment in non-farm stocks, which showed a rise of £73 million (an increase in value of £46 million compared with a fall of £27 million). Comparable increases in the previous quarter had been 3 per cent. for gross private fixed investment and 3 per cent. for consumption, while investment in non-farm stocks had shown a decrease of £19 million. Expenditure by public authorities on goods and services shows a small decline in the first quarter and the other items show little change. The accelerated increases in private fixed investment and consumption and particularly a marked reversal in the stock movement are in contrast to the experience during most of last year when expenditure by public authorities was showing the largest increases and private fixed investment substantial decreases.

These divergent movements are indicated in more detail in the following table which shows the changes in the main components of Gross Domestic Expenditure in the four quarters of 1961-62 and the first quarter of 1962-63 compared with the corresponding quarters of the previous year.

CHANGES BETWEEN COMPARABLE QUARTERS

£m.

	1961-62				1962-63
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.
Personal consumption	+ 7	+ 9	+25	+39	+55
Public authorities	+44	+22	+29	+17	- 4
Purchase of new motor vehicles	-32	-25	+ 9	+19	+31
Other gross private fixed investment	-24	-32	-14	- 8	- 2
Investment in non-farm stocks	-114	-111	-46	-19	+73
Gross Domestic Expenditure	-159	-182	-55	+114	+190

Gross Private Fixed Investment

The increase in gross private fixed investment of £29 million in the first quarter resulted from an increase in expenditure on new motor vehicles (from £72 million to £103 million) and in new dwellings and other building (from £119 million to £130 million), partly offset by a fall in the investment in other capital equipment other than farm machinery and equipment (from £97 million to £83 million). This divergent movement is similar to that shown in the fourth quarter of 1961-62 when the increase in investment in motor vehicles had been £19 million and the decrease in investment in "other capital equipment" £9 million. Investment in building in that quarter had been stationary. Expressed in percentages the increases in the first quarter as compared with the first quarter of 1961-62 are as follows:- new dwelling construction 8 per cent., other new building and construction 11 per cent., trucks, utilities etc. 19 per cent. and cars, station wagons and motor cycles 50 per cent. The decline in investment in other capital equipment was 14 per cent.

The analysis of fixed capital expenditure by businesses subject to pay-roll tax shown in Table 4 indicates that the expenditure in manufacturing industries in the first quarter of 1962-63 was slightly lower than in the same quarter of the previous year. A substantial increase in expenditure by the vehicle manufacturing industry was more than offset by a decline in expenditure by the group "Other manufacturing". Expenditure by firms in wholesale and retail trade was about the same but there was a substantial decline in expenditure by other non-manufacturing industries, a movement largely accounted for by reduced capital expenditure of government airlines.

Personal Consumption

Personal consumption expenditure in the first quarter of 1962-63 increased by 5 per cent. above the figure shown for the same period 1961-62, after an increase of 3 per cent. in the fourth quarter of 1961-62 and increases of 2 per cent. or less in the first three quarters of 1961-62. Each of the components of expenditure showed increases. Purchases of electrical goods rose by about 12 per cent. and of other durable goods by about 6 per cent. Expenditure on clothing increased by about 2 per cent., on beer, wine and spirits by 5 per cent. and on tobacco and cigarettes by 1 per cent. Rent was 7 per cent. higher than a year before. These percentages are generally similar to the increases shown in the June quarter over the previous year's June quarter.

Investment in non-farm stocks

During the year 1961-62 there was a general and nearly continuous decline in non-farm stocks, the main exceptions being some increases in the third quarter and an increase also in the fourth quarter in the stocks held by the engineering and metals, and vehicle manufacturing industries. In the first quarter of 1962-63 increases in stocks occurred in most industries. The overall rise in manufacturing industries of £17 million (the largest increase since the third quarter of 1960-61) was mainly accounted for by rises in the engineering and metals, and vehicle manufacturing industries. These changes were associated with a recovery in production and an increase in imports of motor vehicle parts and other materials for these industries in this quarter. The increase of £26 million in stocks held by wholesale and retail traders was due largely to a rise in stocks of retail department stores, which was mainly of a seasonal character.

Imports and exports of goods and services

Compared with the same quarter of 1961-62 imports of goods and services in the first quarter of 1962-63 rose by £57 million or 20 per cent. while gross national product rose only by 7 per cent. Exports of goods and services decreased from £287 million to £275 million, a fall of 4 per cent. compared with a rise of 11 per cent. in gross domestic expenditure.

The proportion of imports of goods and services in total market supplies tended to fall quite substantially during the latter part of 1960-61 and first half of 1961-62, but in recent quarters has been rising again. Exports of goods and services on the other hand tended to rise during 1961-62 as a proportion of total market expenditure, but has now fallen again. As a result of these movements imports of goods and services are again, as in 1960-61, in excess of exports of goods and services. These changes are shown quarter by quarter in the following table.

IMPORTS AND EXPORTS OF GOODS AND SERVICES AS PERCENTAGES OF TOTAL MARKET SUPPLIES AND TOTAL MARKET EXPENDITURE

	1960-61	1961-62					1962-63
	Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
Gross national product	84	86	87	86	85	86	85
Imports of goods and services	16	14	13	14	15	14	15
Gross domestic expenditure	87	86	86	85	84	85	88
Exports of goods and services	13	14	14	15	16	15	12
Total Market Supplies = Total Market Expenditure	100	100	100	100	100	100	100

2. PERSONAL INCOME AND OUTLAY (TABLE 8)

Personal income was £65 million, or 5 per cent., higher in the first quarter than in the corresponding quarter of the previous year. "Income of other unincorporated businesses and rent, interest and dividends" increased by 9 per cent. and wages, salaries etc. by 5 per cent. Income of farmers showed a small decline.

On the outlay side personal consumption expenditure showed a rise of 5 per cent. Income tax payments were 11 per cent. lower and the balancing item "other personal savings" was well above the level of the corresponding quarter of 1961-62.

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

Public authority outlay in the first quarter of 1962-63 was about the same as in the first quarter of the previous year. This compares with substantial increases (up to 13 per cent.) in each of the four quarters of 1961-62. Net purchases of goods and services show a small decline between the first quarters of 1961-62 and 1962-63, as a result mainly of a drop of £9 million in expenditure on public works and on defence. A small increase (£6 million) in the grant by the Commonwealth to State governments is reflected in somewhat higher current State expenditure. Cash social service benefits showed a small increase (from £108 million to £112 million) which is of the same order as the increase in the previous quarter and is caused by higher payments for invalid and war pensions. Interest payments also rose slightly.

On the receipts side, compared again with the first quarter of 1961-62, the first quarter of 1962-63 showed increases in indirect taxes less subsidies, a decline in income tax revenue and a moderate rise in the surplus of public authority business undertakings. Changes in other receipts were of a minor nature. Overall receipts in this quarter were £20 million higher and the increase in indebtedness £16 million lower than in the first quarter of 1961-62. In no quarter in 1961-62 had the increase in indebtedness shown a decline compared with the corresponding quarter of 1960-61.

The increase in indirect taxes less subsidies was partly due to the fact that a payment in respect of the wheat subsidy was made in this quarter in 1961-62 but not in 1962-63. There was also an increase of 6 per cent. in sales tax notwithstanding the reduction in the sales tax rates on motor vehicles, a 35 per cent. increase in customs revenue, a 5 per cent. increase in excise duty, and a 12 per cent. rise in the indirect tax revenue of State and local government authorities. The reduction in income tax receipts includes reductions in net tax instalments, in other receipts from persons and receipts from companies. In the case of tax instalments the lower rates, due to the operation of the 5 per cent. rebate, have been offset by higher employment and wages and the reduction is due to higher refunds. The reduction in other receipts is due to a smaller carryover at the end of June and is not yet reflecting the lower company, farm and other business incomes in 1961-62. The surplus of all public authority business undertakings was above that of the first quarter of 1961-62, particularly in the case of electricity and gas undertakings.

Expenditure on public works by public authority business undertakings

As mentioned before, public works expenditure shows a decline; the first decline from the previous year's level for two years. The same applies to public works expenditure by public authority business undertakings. Slight increases in a number of groups are offset by a substantial drop in expenditure on aircraft, included in "other transport".

Estimates of anticipated capital expenditure obtained from larger public authority business undertakings for the second quarter of 1962-63, however, points to a restoration of capital expenditure in that quarter.

Table 1. **NATIONAL INCOME**

	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
INCOME PAYMENTS AND OTHER CHARGES				
Wages, salaries, etc.	884	936	856	897
Farm income	74	266	163	-18
Other income and depreciation allowances	647	684	532	504
Indirect taxes less subsidies	185	209	205	231
GROSS NATIONAL PRODUCT	1,790	2,095	1,756	1,614
Imports of goods and services	345	344	352	312
TOTAL MARKET SUPPLIES	2,135	2,439	2,108	1,926
NET EXPENDITURE ON GOODS AND SERVICES				
Personal consumption	1,102	1,193	1,085	1,126
Public authorities	291	335	306	402
Financial enterprises	18	19	19	19
Gross private fixed investment	358	364	298	318
Investment in stocks				
Farm	1	126	25	-121
Non-farm	87	59	74	..
Discrepancy	46	78	12	-136
GROSS DOMESTIC EXPENDITURE	1,903	2,174	1,819	1,608
Exports of goods and services	232	265	289	318
TOTAL MARKET EXPENDITURE	2,135	2,439	2,108	1,926

AND EXPENDITURE

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
3,573	887	941	877	941	3,646	929
485	104	265	124	-21	472	92
2,367	(588)	(653)	(585)	(579)	(2,405)	(655)
830	168	194	205	237	804	192
7,255	1,747	2,053	1,791	1,736	7,327	1,868
1,353	284	261	293	313	1,151	341
8,608	2,031	2,314	2,084	2,049	8,478	2,209
4,506	1,109	1,202	1,110	1,165	4,586	1,164
1,334	335	357	335	419	1,446	331
75	19	20	20	20	79	20
1,338	302	307	293	329	1,231	331
31	- 7	97	-32	-108	-50	1
220	-27	-52	28	-19	-70	46
..	13	61	10	-84	..	41
7,504	1,744	1,992	1,764	1,722	7,222	1,934
1,104	287	322	320	327	1,256	275
8,608	2,031	2,314	2,084	2,049	8,478	2,209

Table 2. PERSONAL

	1960–61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Food	279.4	299.1	283.7	282.8
Tobacco and cigarettes	41.5	44.2	39.4	39.7
Beer, wine and spirits	69.1	82.9	78.0	68.9
Clothing, footwear and drapery	129.9	158.7	113.7	142.8
Electrical goods	48.4	53.8	44.0	42.3
Other durable goods	53.3	59.9	46.3	46.5
Gas	9.0	7.1	6.1	7.6
Electricity	21.7	18.5	17.5	18.8
Postage, telephone and telegraph	9.4	9.6	9.7	10.2
Fares	26.0	26.3	26.3	26.3
Rent (incl. imputed rent of owner-occupied dwellings)	101.5	103.9	106.1	108.0
Other goods and services (a)	312.8	329.0	314.2	332.1
TOTAL	1,102.0	1,193.0	1,085.0	1,126.0

(a) Includes the balancing item in the annual estimates, which is allocated of personal consumption expenditure.

CONSUMPTION EXPENDITURE

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
1,145.0	291.4	306.3	289.3	293.0	1,180.0	303.0
164.8	41.4	44.2	40.3	40.5	166.4	41.8
298.9	69.8	83.7	78.9	72.4	304.8	73.0
545.1	127.8	155.8	115.6	147.7	546.9	130.0
188.5	42.6	52.2	45.0	46.9	186.7	47.5
206.0	49.5	58.0	47.0	49.8	204.3	52.5
29.8	9.0	7.1	6.5	8.0	30.6	9.4
76.5	23.5	19.9	19.1	20.2	82.7	25.0
38.9	9.9	9.9	10.6	10.7	41.1	10.3
104.9	26.0	26.4	26.3	26.3	105.0	26.3
419.5	109.9	112.4	114.0	116.5	452.8	117.6
1,288.1	308.2	326.1	317.4	333.0	1,284.7	327.6
4,506.0	1,109.0	1,202.0	1,110.0	1,165.0	4,586.0	1,164.0

to quarters in proportion to the total of the directly estimated component

Table 3. **GROSS PRIVATE FIXED**

	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
New dwelling construction	79	76	69	68
Other new building and construction	57	59	52	59
Trucks, utilities, etc.	25	24	17	18
Cars, station wagons and motor cycles	79	84	56	56
Farm machinery and equipment	16	18	11	13
Other capital equipment	102	103	93	104
TOTAL	358	364	298	318

Table 4. **FIXED CAPITAL EXPENDITURE BY**

	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
ANALYSIS BY INDUSTRY				
Manufacturing				
Engineering and metals	22.6	21.6	18.6	25.2
Vehicles	4.9	4.4	3.9	4.9
Chemicals and oil refining	10.2	13.2	10.0	10.9
Other manufacturing	27.3	29.7	28.1	32.3
TOTAL MANUFACTURING	65.0	68.9	60.6	73.3
Wholesale and retail trade	28.6	29.2	21.1	23.5
Other industries	33.0	30.4	28.3	31.1
TOTAL NON-MANUFACTURING	61.6	59.6	49.4	54.6
TOTAL	126.6	128.5	110.0	127.9
ANALYSIS BY TYPE OF ASSET				
New building and construction	43.9	46.5	39.7	47.0
Other capital equipment (including vehicles)	82.7	82.0	70.3	80.9
TOTAL	126.6	128.5	110.0	127.9

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

INVESTMENT BY TYPE OF ASSET

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
292	66	63	65	69	263	71
227	53	55	51	59	218	59
84	16	18	17	20	71	19
275	56	65	65	73	259	84
58	14	15	14	13	56	15
402	97	91	81	95	364	83
1,338	302	307	293	329	1,231	331

BUSINESSES SUBJECT TO PAY-ROLL TAX (a)

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
88.0	23.2	26.2	18.2	24.8	92.4	23.5
18.1	3.5	4.4	3.8	5.6	17.3	5.1
44.3	12.6	14.7	11.8	12.0	51.1	12.2
117.4	29.9	25.6	26.0	31.9	113.4	27.1
267.8	69.2	70.9	59.8	74.3	274.2	67.9
102.4	22.5	22.6	18.5	22.9	86.5	22.4
122.8	36.5	32.9	29.5	35.6	134.5	30.2
225.2	59.0	55.5	48.0	58.5	221.0	52.6
493.0	128.2	126.4	107.8	132.8	495.2	120.5
177.1	40.8	42.6	38.9	46.9	169.2	44.8
315.9	87.4	83.8	68.9	85.9	326.0	75.7
493.0	128.2	126.4	107.8	132.8	495.2	120.5

industries, and all governmental activities other than airlines and banks.

Table 5. INVESTMENT IN

	Increase in			
	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Manufacturing -				
Engineering and metals	16	14	6	10
Vehicles	2	1	18	- 2
Chemicals and oil refining	3	6	- 2	1
Other manufacturing	7	7	23	1
TOTAL MANUFACTURING	28	28	45	10
Wholesale and retail trade	56	21	26	- 6
Wool sold and awaiting shipment	- 1	7	- 1	- 4
TOTAL MANUFACTURING AND TRADE	83	56	70	..
TOTAL ALL INDUSTRIES (a)	87	59	74	..

(a) Refer to note on Table 5 in Appendix.

Table 6. IMPORTS AND EXPORTS

	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
IMPORTS OF GOODS AND SERVICES				
Imports f.o.b. (a)	271	272	272	231
Transportation and travel	52	51	58	56
Government transactions	13	11	13	18
Other payments	9	10	9	7
TOTAL	345	344	352	312
EXPORTS OF GOODS AND SERVICES				
Exports f.o.b. (a)	194	224	244	274
Gold production	4	4	4	4
Transportation and travel	27	29	29	28
Government transactions	4	4	8	9
Other receipts	3	4	4	3
TOTAL	232	265	289	318

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

NON-FARM STOCKS

£ million

value during -

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
46	- 8	- 7	9	3	- 3	6
19	-14	-16	- 2	8	-24	8
8	1	- 5	- 2	- 4	-10	3
38	- 8	- 3	7	- 4	- 8	..
111	-29	-31	12	3	-45	17
97	5	-17	10	-10	-12	26
1	..	1	6	-10	- 3	- 1
209	-24	-47	28	-17	-60	42
220	-27	-52	28	-19	-70	46

OF GOODS AND SERVICES

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
1,046	211	195	220	233	859	263
217	46	44	50	55	195	52
55	17	12	13	14	56	16
35	10	10	10	11	41	10
1,353	284	261	293	313	1,151	341
936	246	282	274	278	1,080	231
16	4	4	4	4	16	4
113	28	29	30	31	118	31
25	5	4	8	9	26	4
14	4	3	4	5	16	5
1,104	287	322	320	327	1,256	275

estimates.

	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Gross value of production				
Wool (including skin wool)	105	138	48	48
Other pastoral products	64	53	51	58
Wheat	..	92	104	..
Other grain crops	..	32	30	8
Other crops	42	82	95	51
Farmyard and dairy (including pigs and dairy cattle)	65	84	69	56
TOTAL	276	481	397	221
Less : Wages, depreciation and other costs, and income accruing to companies	202	215	234	239
FARM INCOME	74	266	163	-18
Less : Increase in assets of marketing authorities	33	96	-52	-72
INCOME OF FARMERS	41	170	215	54

INCOME

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
339	140	131	47	47	365	128
226	58	48	49	59	214	58
196	..	115	70	..	185	..
70	..	24	23	7	54	..
270	42	81	95	55	273	46
274	67	86	70	51	274	67
1,375	307	485	354	219	1,365	299
890	203	220	230	240	893	207
485	104	265	124	-21	472	92
5	62	80	-106	-26	10	53
480	42	185	230	5	462	39

	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
INCOME				
Wages, salaries, etc.	884	936	856	897
Income of farmers	41	170	215	54
Income of other unincorporated businesses and rent, interest, and dividends	257	318	229	223
Cash social service benefits	97	102	98	118
Private remittances from overseas	8	9	8	9
TOTAL	1,287	1,535	1,406	1,301
OUTLAY				
Consumption expenditure	1,102	1,193	1,085	1,126
Private remittances to overseas	7	7	6	7
Income taxes				
Net tax instalments	46	78	94	103
Other	19	7	24	148
Estate and gift duties	13	12	11	16
Savings through assurance funds	16	16	16	17
Other personal savings	84	222	170	-116
TOTAL	1,287	1,535	1,406	1,301

INCOME AND OUTLAY

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
3,573	887	941	877	941	3,646	929
480	42	185	230	5	462	39
1,027	(246)	(314)	(244)	(244)	(1,048)	(269)
415	108	114	112	121	455	112
34	9	9	9	9	36	8
5,529	1,292	1,563	1,472	1,320	5,647	1,357
4,506	1,109	1,202	1,110	1,165	4,586	1,164
27	7	7	5	7	26	7
321	47	80	101	99	327	44
198	26	10	27	147	210	21
52	14	15	13	14	56	15
65	19	19	19	19	76	20
360	(70)	(230)	(197)	(-131)	(366)	(86)
5,529	1,292	1,563	1,472	1,320	5,647	1,357

Table 9. RECEIPTS AND OUTLAY OF

	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
RECEIPTS				
Indirect taxes	196	215	211	238
Less : Subsidies	11	6	6	7
Net indirect taxes	185	209	205	231
Income taxes	75	102	181	448
Estate and gift duties	13	12	11	16
Surplus of public authority business undertakings	41	36	24	7
Allowances for depreciation	12	13	13	15
Rent and interest received	18	18	15	21
Net increase in indebtedness	86	109	- 3	-171
TOTAL	430	499	446	567
OUTLAY				
Net purchases of goods and services	291	335	306	402
Oversea gifts, relief, etc.	1	1	1	1
Cash social service benefits	97	102	98	118
Capital transfers	1	1	1	1
Interest paid	40	60	40	45
TOTAL	430	499	446	567

ALL PUBLIC AUTHORITIES

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
860	181	200	213	252	846	196
30	13	6	8	15	42	4
830	168	194	205	237	804	192
806	88	112	215	412	827	73
52	14	15	13	14	56	15
108	41	36	28	12	117	48
53	13	14	14	16	57	14
72	20	20	19	20	79	22
21	142	141	3	-120	166	126
1,942	486	532	497	591	2,106	490
1,334	335	357	335	419	1,446	331
4	..	1	3	1	5	1
415	108	114	112	121	455	112
4	1	2	1	2	6	1
185	42	58	46	48	194	45
1,942	486	532	497	591	2,106	490

Table 10.

RECEIPTS AND OUTLAY OF COMMON-

	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
RECEIPTS				
Indirect taxes	153	168	154	139
Less : Subsidies	10	6	6	7
Net indirect taxes	143	162	148	132
Income taxes on companies	10	17	63	197
Income taxes on persons	65	85	118	251
Estate and gift duties	5	4	3	6
Surplus of public authority business undertakings	9	7	6	6
Allowances for depreciation	2	2	2	3
Rent and interest received	10	8	6	6
Net increase in indebtedness	41	19	-54	-222
TOTAL	285	304	292	379
OUTLAY				
Net purchases of goods and services	98	109	104	127
Oversea gifts, relief, etc.	1	1	1	1
Cash social service benefits	96	101	97	117
Capital transfers	1	..	1	1
Interest paid	9	10	8	-4
Grants to State governments	74	78	75	130
Net expenditure on A.C.T. and N.T.	6	5	6	7
TOTAL	285	304	292	379

(a) The receipts and expenditure of the Commonwealth Government in respect analysed in Table 11. Net expenditure by the Commonwealth Government government.

WEALTH GOVERNMENT AUTHORITIES (a)

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
614	138	151	150	146	585	148
29	12	6	7	15	40	3
585	126	145	143	131	545	145
287	15	22	87	166	290	8
519	73	90	128	246	537	65
18	5	5	5	5	20	6
28	9	6	8	7	30	11
9	2	2	2	3	9	2
30	10	9	8	8	35	12
-216	82	51	-58	-163	-88	76
1,260	322	330	323	403	1,378	325
438	115	117	109	129	470	110
4	..	1	3	1	5	1
411	107	113	111	120	451	111
3	1	1	1	2	5	1
23	9	9	8	-5	21	7
357	82	84	85	150	401	88
24	8	5	6	6	25	7
1,260	322	330	323	403	1,378	325

of the Australian Capital Territory and the Northern Territory are
is therefore treated here as though it were a transfer to another

Table 11. **RECEIPTS AND OUTLAY OF STATE**

	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
RECEIPTS				
Indirect taxes	43	47	57	99
Less : Subsidies	1	..	..	..
Net indirect taxes	42	47	57	99
Estate and gift duties	8	8	8	10
Surplus of public authority business undertakings	32	29	18	1
Allowances for depreciation	10	11	11	12
Rent and interest received	8	10	9	15
Grants from Commonwealth Government	74	78	75	130
Net expenditure by Commonwealth on A.C.T. and N.T.	6	5	6	7
Net increase in indebtedness	45	90	51	51
TOTAL	225	278	235	325
OUTLAY				
Net purchases of goods and services	193	226	202	275
Cash social service benefits	1	1	1	1
Capital transfers	..	1	..	..
Interest	31	50	32	49
TOTAL	225	278	235	325

(a) Includes receipts and expenditure of the Commonwealth Government in
See footnote to Table 10.

AND LOCAL GOVERNMENT AUTHORITIES (a)

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
246	43	49	63	106	261	48
1	1	..	1	..	2	1
245	42	49	62	106	259	47
34	9	10	8	9	36	9
80	32	30	20	5	87	37
44	11	12	12	13	48	12
42	10	11	11	12	44	10
357	82	84	85	150	401	88
24	8	5	6	6	25	7
237	60	90	61	43	254	50
1,063	254	291	265	344	1,154	260
896	220	240	226	290	976	221
4	1	1	1	1	4	1
1	..	1	..	..	1	..
162	33	49	38	53	173	38
1,063	254	291	265	344	1,154	260

respect of the Australian Capital Territory and the Northern Territory.

Table 12. **NET EXPENDITURE BY PUBLIC**

	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
COMMONWEALTH GOVERNMENT				
War and defence	45	48	42	58
Public works	19	22	23	27
Repatriation	4	5	5	6
Immigration	3	2	3	4
All other (a)	27	32	31	32
TOTAL	98	109	104	127
STATE AND LOCAL GOVERNMENTS				
Public works	103	122	111	160
Education	36	41	33	43
Health, welfare, etc.	21	23	23	27
Law, order and public safety	10	13	12	13
All other	23	27	23	32
TOTAL	193	226	202	275
ALL PUBLIC AUTHORITIES				
War and defence	45	48	42	58
Public works	122	144	134	187
Education	36	42	34	44
Health, welfare, etc.	23	25	25	28
Law, order and public safety	10	13	13	14
Repatriation	4	5	5	6
Immigration	3	2	3	4
All other	48	56	50	61
TOTAL	291	335	306	402

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

AUTHORITIES ON GOODS AND SERVICES

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
193	49	51	43	56	199	46
91	27	24	24	30	105	24
20	5	6	5	6	22	6
12	2	2	3	4	11	2
122	32	34	34	33	133	32
438	115	117	109	129	470	110
496	123	134	128	166	551	120
153	39	44	35	47	165	41
94	21	25	25	29	100	24
48	12	13	11	15	51	12
105	25	24	27	33	109	24
896	220	240	226	290	976	221
193	49	51	43	56	199	46
587	150	158	152	196	656	144
156	39	45	36	48	168	42
101	23	27	27	31	108	26
50	12	13	12	16	53	13
20	5	6	5	6	22	6
12	2	2	3	4	11	2
215	55	55	57	62	229	52
1,334	335	357	335	419	1,446	331

order and public safety.

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

	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
EXPENDITURE BY TYPE OF ASSET				
Dwellings	3.5	4.1	3.9	5.7
Other new building and construction	38.0	44.4	39.1	52.2
Transport equipment	7.9	7.5	6.9	10.1
Other capital equipment	19.9	24.2	20.1	27.1
TOTAL	69.3	80.2	70.0	95.1
EXPENDITURE BY FUNCTION				
Post office	9.6	10.6	9.4	12.1
Railways	6.6	9.1	7.9	13.3
Trams and buses	1.0	0.7	0.5	0.7
Other transport	4.3	1.9	2.9	3.2
Harbours	3.3	3.2	2.5	3.2
Electricity and gas (a)	22.9	29.8	26.6	32.9
Water supply, sewerage and irrigation	16.5	18.9	15.2	20.4
Housing authorities	3.6	4.3	3.8	5.8
Other	1.5	1.7	1.2	3.5
TOTAL	69.3	80.2	70.0	95.1
EXPENDITURE BY AUTHORITY				
Commonwealth	18.9	19.0	18.8	21.5
State and local	50.4	61.2	51.2	73.6
TOTAL	69.3	80.2	70.0	95.1

(a) Includes hydro-electric authorities.

PUBLIC AUTHORITY BUSINESS UNDERTAKINGS

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
17.2	6.4	6.0	5.1	5.2	22.7	4.7
173.7	41.6	46.1	43.8	55.4	186.9	41.6
32.4	12.8	10.3	6.7	8.8	38.6	7.5
91.3	24.4	27.5	28.9	31.8	112.6	27.1
314.6	85.2	89.9	84.5	101.2	360.8	80.9
41.7	11.2	11.1	9.9	13.3	45.5	14.3
36.9	9.3	10.7	9.6	12.9	42.5	8.0
2.9	0.5	0.4	0.2	0.4	1.5	0.4
12.3	9.0	5.2	1.9	0.7	16.8	2.9
12.2	2.4	2.9	2.9	3.0	11.2	1.9
112.2	27.3	30.8	34.3	39.2	131.6	27.6
71.0	16.5	20.1	18.7	24.1	79.4	18.1
17.5	6.5	6.0	5.0	5.0	22.5	4.7
7.9	2.5	2.7	2.0	2.6	9.8	3.0
314.6	85.2	89.9	84.5	101.2	360.8	80.9
78.2	24.7	20.7	18.2	23.4	87.0	21.5
236.4	60.5	69.2	66.3	77.8	273.8	59.4
314.6	85.2	89.9	84.5	101.2	360.8	80.9

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

	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Post office				
Revenue	32.4	34.6	33.4	35.8
Expenditure	25.0	29.2	27.8	31.1
Surplus	7.4	5.4	5.6	4.7
Railways				
Revenue	49.6	49.9	47.9	49.9
Expenditure	46.8	48.7	45.7	55.7
Surplus	2.8	1.2	2.2	- 5.8
Trams and buses				
Revenue	7.8	7.7	7.5	8.2
Expenditure	8.8	8.7	8.7	9.4
Surplus	- 1.0	- 1.0	- 1.2	- 1.2
Other transport				
Revenue	19.6	20.1	19.2	19.4
Expenditure	18.3	18.8	19.3	19.2
Surplus	1.3	1.3	- 0.1	0.2
Harbours				
Revenue	4.8	5.1	5.1	5.4
Expenditure	2.5	2.6	3.0	3.9
Surplus	2.3	2.5	2.1	1.5
Electricity and gas (a)				
Revenue	57.7	51.9	48.4	54.0
Expenditure	41.3	39.8	37.8	44.4
Surplus	16.4	12.1	10.6	9.6
Water supply, sewerage and irrigation				
Revenue	17.2	21.0	11.5	7.1
Expenditure	6.7	7.4	8.2	10.0
Surplus	10.5	13.6	3.3	- 2.9
Total of above groups				
Revenue	189.1	190.3	173.0	179.8
Expenditure	149.4	155.2	150.5	173.7
Surplus	39.7	35.1	22.5	6.1
SURPLUS of all business undertakings (b)	40.8	36.2	23.6	7.1

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

OF PUBLIC AUTHORITY BUSINESS UNDERTAKINGS

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
136.2	33.4	34.7	35.8	35.9	139.8	34.8
113.1	26.0	31.1	29.2	31.9	118.2	26.8
23.1	7.4	3.6	6.6	4.0	21.6	8.0
197.3	52.8	49.8	49.2	51.2	203.0	52.5
196.9	48.2	48.9	46.4	54.9	198.4	47.1
0.4	4.6	0.9	2.8	- 3.7	4.6	5.4
31.2	7.6	7.6	7.4	8.4	31.0	7.7
35.6	8.9	8.7	8.4	9.4	35.4	8.6
- 4.4	- 1.3	- 1.1	- 1.0	- 1.0	- 4.4	- 0.9
78.3	18.2	19.0	18.1	18.8	74.1	18.7
75.6	17.2	17.9	17.6	17.7	70.4	17.3
2.7	1.0	1.1	0.5	1.1	3.7	1.4
20.4	5.1	5.0	5.2	5.4	20.7	5.1
12.0	3.2	3.7	3.0	3.8	13.7	2.7
8.4	1.9	1.3	2.2	1.6	7.0	2.4
212.0	59.7	53.4	51.8	57.0	221.9	64.8
163.3	43.0	40.7	40.1	44.7	168.5	43.6
48.7	16.7	12.7	11.7	12.3	53.4	21.2
56.8	17.5	25.5	14.3	7.5	64.8	18.1
32.3	8.0	8.4	9.7	10.2	36.3	8.3
24.5	9.5	17.1	4.6	- 2.7	28.5	9.8
732.2	194.3	195.0	181.8	184.2	755.3	201.7
628.8	154.5	159.4	154.4	172.6	640.9	154.4
103.4	39.8	35.6	27.4	11.6	114.4	47.3
107.7	40.5	36.3	28.1	12.3	117.2	48.0

above, but estimates based on interpolation and projection of available

Table 15. **INDIRECT**

	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Sales tax	43	48	44	38
Customs duty	27	29	26	20
Excise duty	62	70	65	60
Pay-roll tax	15	16	15	15
Other	49	52	61	105
TOTAL	196	215	211	238

Table 16. **CASH SOCIAL**

	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Age and invalid pensions	35	41	38	44
Child endowment	18	15	16	25
War pensions	21	17	18	17
Hospital, medical and pharmaceutical benefits	14	17	15	17
Other	9	12	11	15
TOTAL	97	102	98	118

TAX REVENUE

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
173	35	36	42	36	149	37
102	20	20	21	24	85	27
257	61	74	67	64	266	64
61	15	15	15	16	61	15
267	50	55	68	112	285	53
860	181	200	213	252	846	196

SERVICE BENEFITS

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
158	40	48	43	49	180	43
74	16	16	16	18	66	16
73	20	18	20	19	77	22
63	18	18	18	19	73	18
47	14	14	15	16	59	13
415	108	114	112	121	455	112

Table 17.

FUNDS AVAILABLE TO FINANCE

	1960-61			
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Personal savings (other than through assurance funds)	84	222	170	-116
Increase in assets of marketing authorities	33	96	-52	-72
Public authority capital transfers	1	1	1	1
Other private savings (a)	318	310	186	58
TOTAL PRIVATE SAVINGS	436	629	305	-129
Deficit on balance of international payments -				
Financed by change in international reserves	88	48	-12	-163
Other	54	59	113	182
Less : Net increase in indebtedness of public authorities	86	109	-3	-171
TOTAL FUNDS AVAILABLE	492	627	409	61
Less : Discrepancy	46	78	12	-136
GROSS PRIVATE INVESTMENT	446	549	397	197

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

GROSS PRIVATE INVESTMENT

£ million

	1961-62					1962-63
Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year	1st Qtr.
360	(70)	(230)	(197)	(-131)	(366)	(86)
5	62	80	-106	-26	10	53
4	1	2	1	2	6	1
872	(272)	(269)	(207)	(139)	(887)	(309)
1,241	405	581	299	-16	1,269	449
-39	-23	-28	64	-23	-10	1
408	41	1	-61	37	18	95
21	142	141	3	-120	166	126
1,589	281	413	299	118	1,111	419
..	13	61	10	-84	..	41
1,589	268	352	289	202	1,111	378

allowances for depreciation.

NATIONAL INCOME AND EXPENDITURE - 1959-60 TO 1961-62
ANNUAL ESTIMATES

Table 18. £ million

	1959-60	1960-61	1961-62
INCOME PAYMENTS AND OTHER CHARGES			
Wages, salaries, etc.	3,352	3,573	3,646
Company income	761	730	(705)
Surplus of public authority business undertakings	90	108	117
Income of unincorporated businesses			
Farms	465	485	472
Other unincorporated businesses, professions, etc.	571	570	(565)
Net rent and interest			
Dwellings	195	217	231
Other	158	181	196
NATIONAL INCOME	5,592	5,864	5,932
Indirect taxes less subsidies	785	830	804
Allowances for depreciation	517	561	591
GROSS NATIONAL PRODUCT	6,894	7,255	7,327
Imports of goods and services	1,185	1,353	1,151
TOTAL MARKET SUPPLIES	8,079	8,608	8,478
NET EXPENDITURE ON GOODS AND SERVICES			
Public authorities	1,246	1,334	1,446
Financial enterprises	75	75	79
Gross private investment			
Fixed capital equipment	1,260	1,338	1,231
Non-farm stocks	135	220	-70
Farm stocks	-14	31	-50
Personal consumption	4,292	4,506	4,586
GROSS DOMESTIC EXPENDITURE	6,994	7,504	7,222
Exports of goods and services	1,085	1,104	1,256
TOTAL MARKET EXPENDITURE	8,079	8,608	8,478

APPENDIX : 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, 1961-62". 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) and public authority business undertakings, 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, 1961-62", 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 rented 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.

Table 3. 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.

Table 4. 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". 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). The estimates in Table 3 of investment in "other new building and construction" are derived from Table 4 by deducting expenditure by Government airlines and by adding estimated investment by businesses not covered by the survey. The estimates for "other capital equipment", however, are obtained, by the flow-of-goods method, from statistics of production, imports and exports which are available only annually. Interpolation and extrapolation by quarters are carried out by using adjusted survey results as an indicator.

Table 5. 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. From the March quarter, 1962, the former half-yearly survey of stocks held by manufacturing and trading firms is being conducted quarterly, and the figures in the table for the latest quarter are based on preliminary results of this survey. They will be subject to revision when final results of the quarterly survey become available (two to three months after the end of the quarter) and again when more complete information is available on an annual basis from other sources. 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.

Prior to the June quarter, 1962, quarterly figures were 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. From June, 1962, this total includes a direct estimate for the mining and building industries.

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

Imports of goods and services. 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. Imports are also adjusted for the excess of the value of imports as recorded in statistics of oversea trade (based on value for duty) over the actual selling prices to purchasers as shown on invoices accompanying customs entries. Transportation and travel includes 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.

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. 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 of 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 and oil drilling.

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, 1961-62".

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.