

Final GDP CP and CVM quarterly and annual estimates 1997-2013

Abstract

This article details final estimates of the total impact of all the improvements to current price and chained volume measure (CVM or “real”) Gross Domestic Product (GDP) up to 2013, planned for 30 September 2015.

Executive Summary

The provisional impacts of improvements for the period 1997 to 2013 have already been announced in the article [Impact of Blue Book 2015 Changes on Annual and Quarterly Gross Domestic Product Estimates, 1997 to 2013](#), published on 5 August 2015. This article finalises the figures although there are only minor changes to the estimates previously announced following further quality assurance. There are no further impacts on annual nominal GDP growth rates to 1 decimal place. The only annual real GDP estimates to be amended are 2006 and 2007 which have been amended by -0.1 percentage points and -0.2 percentage points respectively. There are also some small changes (all within +/- 0.1 percentage points) to the quarter on quarter growth of real GDP in the period 2011 to 2013.

Gross National Income estimates for 2011 to 2013 remain provisional while undergoing final quality assurance ahead of submission to the European Union Statistical Office (Eurostat). A breakdown of the Gross National Income revisions by reservation can be found in Annex I of this article including calculations to show the approximate Gross National Income figures converted to the previous European System of Accounts 1995 basis.

On 11 September 2015 we also published 4 further articles which are linked in the reference section of this article.

Introduction

This article is part of a series describing [changes to National Accounts](#), detailing the improvements which will be made in September 2015 to ensure that the UK National Accounts continue to provide the best possible framework for analysing the UK economy and for comparing it with those of other countries.

The previous article of 5 August 2015, [Impact of Blue Book 2015 Changes on GDP Current Price and Chained Volume Measure estimates, 1997 to 2013](#) described improvements being made to the UK National Accounts current price and chained volume measure (CVM) estimates of GDP, consistent with the methodological changes described in earlier articles, for all periods from 1997 to 2013. Descriptions of these methodological changes and other amendments will not be repeated here, but links to all the previous articles can be found in the [National Accounts methodology and articles, 2011 to present](#) section of our website.

At the time of the 5 August article we said that final quality assurance was still being undertaken on the GDP estimates and that they may be subject to some final amendments ahead of formal publication. This quality assurance has now completed and this article provides the final GDP impacts consistent with the upcoming quarterly national accounts Quarter 2 (April to June) 2015 release on 30 September 2015. Amendments to GDP since the previous article are small in size and limited to real GDP only. The only annual real GDP estimates to be amended are 2006 and 2007 which have been amended by -0.1 percentage points and -0.2 percentage points respectively but the quarterly growths remain as previously published to 1 decimal place. In the period 2011 to 2013 the estimates are unrevised annually, but there are some small changes to the quarterly path of both nominal and real GDP (all changes are within +/- 0.1 percentage points of the previous estimates). These in themselves do not change the economic story previously presented or the profile of revisions.

The total impacts on GDP of the European System of Accounts (ESA) 1995 Gross National Income (GNI) reservations and ESA 2010 current price changes are included in Annexes A and B. Annex C provides a breakdown of revisions to current price GDP annual levels for the period 1997 to 2013 by each income component to the nearest £0.1 billion.

The range of approximate impacts on annual real GDP growth rates across the years from 1998 to 2013 is provided in the summary in section 2, with the full detail for each expenditure component shown to the nearest 0.1 percentage point in Annex D.

Quarterly current price and real GDP growth rates (see Annexes E and F) are also being republished in this article. The publication of both current price and real GDP allows for the calculation of the GDP implied deflator. The annual implied deflator is shown in Annex G and the quarterly implied deflator in Annex H for completeness.

Annex I provides provisional estimates of GNI for 1997 to 2013. Quality assurance is ongoing for these estimates ahead of formal submission to Eurostat later in the month. Final numbers will be published in the quarterly national accounts Quarter 2 (April to June) 2015 release on 30 September 2015. Annex I also has an analysis showing estimates of the conversion from GNI on an ESA 2010 basis back to GNI on an ESA 95 basis; the basis on which the submission to Eurostat is currently made, as well as a breakdown of the revisions since the previous submission of September 2014. For completeness the correction previously announced within illegal activities (narcotics) has been moved into the ESA 1995 GNI reservation breakdown in both Annex I and Annex A. Although this does not change the overall levels of either current price GDP or GNI from those announced on 5 August 2015, it does change slightly the GNI total calculated on an ESA 1995 basis as published on 19 May 2015.

Today [we also publish 4 other articles](#) describing:

- a detailed assessment of changes to Sector and Financial Accounts, 1997 to 2013
- a detailed assessment of changes to Balance of Payments, 1997 to 2013
- classification changes to National Accounts for Blue Book 2015
- methodological changes to the estimation of Capital Stocks and Consumption of Fixed Capital

Summary

As previously announced, the total package of current price GDP changes have the impact of increasing the level of current price GDP in 2013 by approximately £21.8 billion, around 1.3%. Although the level of current price GDP has been revised up in 2013, the average annual current price GDP growth between 1997 and 2013 remains unrevised from that published within the 30 June 2015 Quarterly National Accounts at 4.3% per year.

Most of the revisions to real GDP for the years 2011 to 2013 are upwards - average quarter on quarter real GDP growth has been revised up by 0.14 percentage points per quarter. However, over the whole period from Quarter 2 (April to June) 1997 to Quarter 4 (October to December) 2013, there is no such upward tendency. Average quarter on quarter revisions are exactly 0.00% and the average growth of real GDP remains unchanged at 2.0% per year.

Over the whole period the absolute revision to quarter on quarter real GDP growth is 0.11 percentage points. The peak to trough of the 2008 to 2009 economic downturn has been revised from -6.0% to -6.1%. Real GDP is now estimated to have returned to pre-downturn levels in Quarter 2 2013, which is 1 quarter earlier than previously estimated.

The final estimates of the impact of the planned changes on GDP are shown in Table 1.

Table 1: Final estimates of the impact of the planned changes on annual UK GDP

Indicator	Impact
LEVEL OF GDP IN CURRENT PRICES	See Annex A
Final estimate of the impact of all changes to the level of annual GDP in current prices	Average revision to level of GDP 1997 to 2013 is +0.3% (£4.2 billion)
GROWTH OF GDP IN CURRENT PRICES	See Annex A and Annex B
Final estimate of the impact of all changes to the growth of annual GDP in current prices	Average revision to GDP growth in current prices 1998 to 2013 is +0.05 percentage points (ranging from -0.4 to +0.7 percentage points)
REAL MEASURE OF GDP	See Annex D
Final estimate of the impact on growth in annual real GDP (chained volume measure)	Average revision to annual growth 1998 to 2013 is -0.01 percentage points (ranging from -1.0 to +0.5 percentage points)
GDP IMPLIED DEFLATOR	See Annex G
Final estimate of the impact on growth in annual deflator	Average revision to annual growth 1998 to 2013 is +0.05 percentage points (ranging from -0.2 to +0.5 percentage points)

Plans for future updates

This article is the fifth in a series of impact articles ahead of the Quarterly National Accounts consistent with Blue Book 2015 publication on 30 September 2015. The focus here is on the final estimates for the years 1997 to 2013 for current price and real GDP changes as well as the quarterly path of GDP for the same periods, and the publication of provisional estimates of GNI for 1997 to 2013.

Table 2 gives a schedule for the remaining articles leading up to the publication of Blue Book 2015 on 30 October 2015. The outline for the full publication timetable is as follows.

Table 2: Provisional publication schedule for Blue Book and Pink Book 2015

Content of article	Date of publication
UK Quarterly National Accounts Quarter 2 (April to June) 2015 (consistent with Blue Book 2015)	Wednesday 30 September 2015
UK Economic Accounts Quarter 2 (April to June) 2015 (consistent with Blue Book and Pink Book 2015)	Wednesday 30 September 2015
UK Balance of Payments Quarter 2 (April to June) 2015 (consistent with Pink Book 2015)	Wednesday 30 September 2015
Impact of changes in the National Accounts and economic commentary for Quarter 2 (Apr to June) 2015	Wednesday 30 September 2015
GDP (Output) improvement project report	Wednesday 30 September 2015
Blue Book 2015	Friday 30 October 2015
Pink Book 2015	Friday 30 October 2015

Contact

Andrew Walton

National Accounts Coordination Division

Office for National Statistics

+44 (0)1633 456408

blue.book.coordination@ons.gsi.gov.uk

References

[Blue and Pink Book changes 2015](#)

Background notes

1. A list of those given [pre-publication access](#) to the contents of this article is published as part of this release.
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