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Prime Minister

Content with this

Draft (see X overleaf)?

MCS 16/12

Treasury Chambers, Parliament Street, SW1P 3AG

Michael Scholar Esq
Private Secretary
10 Downing Street
London SW1

16 December 1982

Dear Michael

held in separate folder

PUBLIC EXPENDITURE WHITE PAPER - PART 1

I attach two copies of a near-final draft of Part 1 of the 1983 Public Expenditure White Paper. In response to the views of the Treasury and Civil Service Committee, publication is being brought forward from Budget Day to around the end of January. To meet this, final copy has to be with the printer before Christmas.

The figures and text are close to finality, but further minor changes, particularly to correct the figures, will continue to be incorporated until copy is sent to the printer.

The Chief Secretary has asked me to draw attention to some changes from last year.

The basic structure and design of Part 1 will be very similar to last year. But the material on local authority expenditure is considerably shorter. The remaining local authority material has been transferred to a new chapter in Part 2. This reflects, amongst other things, the way local authority current expenditure is actually handled in the Survey.

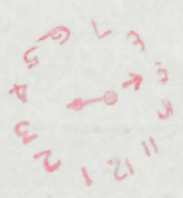
Because of the prominence given this year to the Autumn Statement, it is necessary to reconcile the White Paper figures with the Autumn Statement. The largest change is the inclusion of a shortfall figure for 1983-84. It is partially offset by increases elsewhere, in particular on social security, and because local authorities are not now to pay NIS at the lower rate until 1984-85.

For the later years, the Chief Secretary has decided to describe the figures which previously appeared in the 'Contingency Reserve' line as a 'Provisional Reserve'. This reflects more accurately their role, which is as a general allowance for future uncertainty. They thus provide for transfers to programmes and for shortfall, as well as for contingencies. The Chief Secretary has reviewed the figures, as he indicated he would in his Cabinet paper, particularly



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CONDENSATOR



16 DEC 1982

in the light of the latest information about expected shortfall in 1983-84. He had decided to reduce the provisional reserve in 1984-85 and 1985-86 from £4 billion to £3 billion.

Finally, a cost terms table is now included in Part 1. The Chief Secretary considers that this is inevitable, now that cost terms figures have been given to the TCSC. The table shows a rise in cost terms between 1982-83 and 1983-84. This is due, not to a rise in the 1983-84 plans, but to the greater underspending in 1982-83, which has reduced the estimated outturn in that year. (The comparison of plans with plans shows a fall.) The text therefore makes no comparisons between years, and indeed warns of the danger of doing so. But comparisons will inevitably be made, and this point will need to be covered in briefing at the time of publication. The Chief Secretary proposes to stress in particular the ratios to GDP, which do show a falling trend.

Copies of this letter, with copies of the draft, go to the Private Secretaries of all Cabinet Ministers. A further copy is enclosed with each letter for the Department's PFO.

Yours sincerely

J.S. Gieve

JOHN GIEVE
Private Secretary

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Treasury Chambers, Parliament Street, SW1P 3AG

Michael Scholar Esq
No.10 Downing Street
London SW1

16 December 1982

Dear Michael

PUBLIC EXPENDITURE WHITE PAPER: PARTS 2-5

to PM
16/12/82
one copy
(attached to
only letter)

Following my earlier letter circulating Part 1, I now attach two copies of the remainder of the draft White Paper.

The only point I should add to those in my earlier letter relates to output measures. In commenting on last year's White Paper, the Treasury and Civil Service Committee stressed the desirability of including as much output information as possible. The Government in reply accepted this. Progress has been made in a number of areas, but the overall picture is patchy. The Chief Secretary considers that further progress will have to be made next year if the Government is not to face criticism from the TCSC.

Copies of this letter, with copies of the draft, go to the Private Secretaries of all Cabinet Ministers. A further copy is enclosed with each letter for the Department's PFO.

Yours sincerely

J.S. Gieve

JOHN GIEVE
Private Secretary

CONFIDENTIAL

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10 DOWNING STREET

From the Private Secretary

17 December 1982

Dear John,

PUBLIC EXPENDITURE WHITE PAPER

Thank you very much for your letters of 16 December, to which were attached drafts of the 1983 Public Expenditure White Paper.

I showed these to the Prime Minister and she is content, subject to the views of her colleagues, with what is proposed.

I am sending a copy of this letter to the Private Secretaries to all Cabinet Ministers.

Yours sincerely,

Michael Scholar

John Gieve, Esq.,
HM Treasury.

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Main points from the White Paper

The Government's revised expenditure plans for 1983-84 are some £½ billion lower than the plans in the last White Paper (Cmnd 8494). This is some £½ billion lower than the plans set out in the Autumn Statement on 8 November 1982: it incorporates some adjustments to the programme totals as well as the shortfall implied in the Industry Act Forecast set out in Part 1 of the Autumn Statement. The planning total is now £119½ billion.

For 1984-85 and 1985-86, the provisional planning totals are £126½ billion and £132½ billion.

The main changes in the expenditure plans for 1983-84 compared with Cmnd 8494 are increases for local authority current expenditure (£1.3 billion), social security (£0.8 billion) and defence (£0.6 billion), and a reduction in the contingency reserve (£2.5 billion).

Total public sector capital expenditure in 1983-84 (£11½ billion) is planned to be 12% higher than the outturn expected for 1982-83. Expenditure on construction is expected to rise by 9% to £11 billion. In 1982-83, there has been substantial capital underspending - mainly by the nationalised industries and local authorities. The Government are taking steps to prevent such underspending in future years.

Planning totals⁽¹⁾ £ billion cash

	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
January 1979 White Paper (Cmnd 7439) ⁽²⁾	96.1	110.4	120.0			
March 1980 White Paper (Cmnd 7841) ⁽²⁾	91.0	101.7	106.3	112.3		
March 1981 White Paper (Cmnd 8175) ⁽³⁾⁽⁴⁾	92.7	104.7	109.9	113.6		
March 1982 White Paper (Cmnd 8494) ⁽⁵⁾	93.1	105.7	114.8	120.3	127.6	
Estimated outturns/ present plans	92.8	104.6	113.1	119.6	126.4	132.3

(1) As defined in this White Paper.

(2) Converted into cash using the same inflation assumptions as used for converting the plans in Cmnd 8175. See footnote (3).

(3) Converted into cash as explained in page 103 of Cmnd 8494 Vol 2.

(4) Including changes announced in the Budget Statement on 10 March 1981.

(5) Including changes announced in the Budget Statement on 9 March 1982.

Public Expenditure White Paper - Part 1

The Expenditure Plans

Introduction

1. This White Paper sets out the Government's plans for expenditure for the years 1983-84 to 1985-86. The plans are summarised in Table 1.1, which shows the composition of the planning total. Chart 1.2 shows the planning total for each year.
2. The planning total for 1983-84 is £119.6 billion, some £1 billion lower than the plans for that year set out in the last White Paper (Cmnd 8494 of March 1982) after taking account of Budget changes, and some £6½ billion higher than the latest estimated outturn for 1982-83. The planning totals for 1984-85 and 1985-86, £126.4 billion and £132.3 billion respectively, are provisional and will be reviewed in the 1983 survey. The 1984-85 total in the last White Paper after taking account of Budget changes was £127.6 billion.
3. In 1982-83 the total outturn, at £113.1 billion is expected to be some £1½ billion below plan. The excess of local authority current expenditure compared with plan is expected to be more than offset by lower expenditure on local authority capital, central government votes, and by the nationalised industries.

Changes since Cmnd 8494

4. Table 1.11 shows the changes since Cmnd 8494. Further detail is in the programme chapters and table [4.7] in Volume 2.
5. The main changes in the expenditure plans compared with Cmnd 8494 are increases in local authority current expenditure (£1.3 billion), social security (£0.8 billion) and defence (£0.6 billion), and a reduction in the contingency reserve (£2.5 billion). Nationalised industries' total net external finance is close to that in Cmnd 8494 (see paragraph 19): but expenditure has been switched within the total to grants ^{from} borrowing.
6. The main features of the plans for 1983-84 were published in the Autumn Statement on 8 November 1982. This White Paper incorporates a number of changes which have been made since then: these are set out in Table [4.7] of Volume 2. They reflect revised estimates of expenditure in relation to the European Community, revised estimates of the

pattern and take-up of social security payments, and more refined calculation of the effects of the revised economic assumptions given in the Autumn Statement. The expenditure plans of central government and the nationalised industries have been adjusted downwards to offset the reduction in the national insurance surcharge announced on 8 November, the benefit of which is not intended to accrue to the public sector. In 1983-84 only, local authorities will continue to pay the surcharge at the former rate of 2½ per cent, so no similar adjustment has been made. The provision for local authority expenditure has, however, been adjusted downwards for 1984-85 and 1985-86. The planning totals now also incorporate the reduction for estimated net shortfall which, for 1983-84, was embodied in the Industry Act Forecast set out in Part 1 of the Autumn Statement. The net effect of these changes is to reduce the planning total by some £½ billion.

7. From 1983-84 onwards, funds have been transferred from the Property Services Agency to departmental programmes to provide for the start of the new Property Repayment Service (see Chapter 2.14 in Volume 2), and from the Management and Personnel Office to departmental programmes to provide for the introduction of a system of repayment for the services of the Civil Service College (see Chapter 2.13 in Volume 2). These changes do not affect the planning total.

Main features of programmes

8. Chart 1.2 and table 1.7 show the main programmes as now planned.

Social Security

9. By far the largest single programme is social security. It accounts for over one-quarter of the total, nearly all ^{on} ~~to~~ benefits, over half on benefits payable to those over retirement age.

10. For the social security projections, the assumption is that the retail prices index will rise by 5% between November 1982 and November 1983. Illustrative assumptions are made that prices will rise by 5% and 4% respectively in the next two years, and that unemployment (Great Britain, excluding school leavers etc) will average 2.7 million in 1982-83 and 3.0 million a year thereafter.⁽¹⁾ The unemployment assumption is not a forecast or prediction, and the maintenance of the assumption for the later years at the same level as for 1983-84 follows the usual convention. The unemployment levels in the later years may turn out to be lower than has been conventionally assumed if developments in the world

(1) These assumptions are on the 'claimants' basis now used by the Department of Employment for the unemployment count. The figures are consistent with those given in the Autumn Statement, which were on the old 'registrations' basis.

economy are favourable and developments at home - notably by way of continued reduction in pay settlements - permit.

11. The increase of some £800 million in the plans for 1983-84 results mainly from two factors. First, the unemployment assumption (see paragraph 10) is higher than previously. Second, in the light of the latest information, the likely pattern of benefit claims has been reassessed: there are higher estimates of numbers in receipt of retirement pension and invalidity benefit, and of one-parent families, the disabled and long-term sick in receipt of supplementary allowance. These increases would have been larger still, but they have been partly offset by the decision announced in the Autumn Statement that the 1983 uprating will take account of the amount by which the 1982 uprating exceeded what is required to maintain full price protection. The overall increase in the social security programme has been reduced by £180 million in 1983-84, by £530 million in 1984-85 and by £600 million in 1985-86. Final and detailed decisions about the composition of expenditure in 1983-84 will be announced in the context of next year's Statement on the uprating of social security benefits.

Defence

12. The provision meets the Government's commitment to plan to implement the NATO aim of 3% real growth per annum, with Falklands costs in addition. Additions are mainly in respect of defence costs associated with the Falkland Islands: provision for the latter amounts to £624 million in 1983-84, £684 million in 1984-85 and £552 million in 1985-86.

Employment

13. The plans provide for expenditure on two new special employment measures, the Community Programme and Job Splitting Subsidy, announced on 27 July 1982. The gross cost (some £260 million in 1983-84) is included in the employment programme. The related savings on social security benefits are taken into account in the social security programme. Taking the two together, the net increase in public expenditure as a result of these measures is some £100 million in 1983-84, rising to about £200 million the following year and £235 million in 1985-86.

Law and Order

14. The increase of £96 million in the Home Office plans for 1983-84, and corresponding increases [of £ million in 1984-85 and £ in 1985-86], reflect the Government's continuing emphasis on the fight against crime. The main increase is for the police, but there is also a substantial increase for prisons, with smaller additions for the probation services and magistrates' courts.

Health

15. Compared with previous plans, expenditure on the National Health Service in England is planned to increase by £80 million in 1983-84, £84 million in 1984-85 and £87 million in 1985-86. This is for health authority services, new central initiatives for service improvements, and welfare milk and should allow some further real growth in the hospital and community health services.

Education and Science.

16. The plans allow for an extra £60 million in 1983-84 (and £130 and £50 million in the two following years) as part of the increase in provision for local authority current expenditure (see paragraph 23 below). Extra resources will also be provided for a special programme for the recruitment of young researchers in the universities, partly offset by a reduction in the previously planned value of the student grant.

Analysis by Spending Authority

Central Government

17. Central government expenditure in aggregate accounts for nearly three-quarters of total programmes. Of this:

rather less than half is on goods and services, mainly for defence and the national health service; the pay and related costs of the civil service, amount to just under one-tenth of central government expenditure;

slightly over a third is social security benefits;

the remainder is other transfer payments, such as housing subsidies, industrial support and lending to the nationalised industries.

The figures are summarised in Table 1.3.

Nationalised Industries

18. The nationalised industries' external finance is shown in Table 1.4. Part 3 sets out changes of coverage and shows the External Financing Limits for individual industries in 1983-84. As in previous White Papers, no comparable financing breakdown is shown for subsequent years. The finances of trading bodies such as nationalised industries depend on trading conditions and results, and there may be large swings in either direction for individual industries.

Table 1.4 Nationalised industries' external finance

	<u>£ million cash</u>			
	1982-83 estimated outturn	1983-84 plans	1984-85 plans	1985-86 plans
Borrowing from Government (net)	1248	1119	1277	1018
Market and overseas borrowing (net)	-866	-200	-352	-546
Grants	1840	1704	1336	1380
Total external finance	2222	2624	2261	1852

19. Total net external finance for the nationalised industries increases by [£54m] in 1983-84 compared with the 1982 White Paper (Cmnd 8494). (Table 1.11 shows increases in total borrowing only; the increases in grants are included in the changes shown for the relevant programmes). Planned investment is slightly higher at £6.8 billion. The Government are encouraging industries to fulfil their investment plans. If 1983-84 plans are fulfilled, investment will increase by 11 per cent over the estimated outturn for 1982-83 (excluding the British National Oil Corporation). The industries as a whole are planning to finance nearly two-thirds of their investment from internally generated funds.

20. Nationalised industries generally expect to have lower internal resources than forecast in Cmnd 8494 as a result of lower demand, lower inflation assumptions and other factors. Tariffs are expected to rise overall by no more than the Retail Price Index in 1983-84. Industries' aggregate needs for external finance are forecast to decline by about 30 per cent between 1983-84 and 1985-86. By far the largest amounts of external finance are for British Rail and the National Coal Board.

21. These plans depend on the industries keeping current costs including wage costs under control in the way that private sector companies have to do. Failure to do this is likely to mean either higher prices or less investment. The Government are continuing to press for greater efficiency both through introducing market disciplines wherever possible and by other mechanisms, such as tight external financing limits and the programme of enquiries by the Monopolies and Mergers Commission and outside consultants.

Local authorities

22. Public expenditure by local authorities is shown in table 1.5. Further information is contained in Chapter 2.18.

23. In 1982-83, local authorities budgeted to spend some £1½ billion more relevant current expenditure than envisaged in Cmnd 8494. This inevitably has an impact on the following year and the previous provision for 1983-84 would therefore now be unrealistic. The government accordingly recognises that local authority expenditure in 1983-84 will be more than desirable. Provision has been raised by £1.3 billion. Most of this increase has not been assigned to services and is in the form of a general addition reflecting the fact that some local authorities will need more time to moderate their expenditure.

Public Expenditure by local authorities in Great Britain

Table 1.5

	£m cash				
	1981-82 outturn	1982-83 budgets	1983-84 plans	1984-85 plans	1985-86 plans
Current expenditure	22931	25304(a)	25731	26537	27463
of which not allocated to services	-	-	1024	580	347
Capital expenditure	3264	3556	3922	4242	4479
Total	26195	28860(b)	30677 (c)	31359 (d)	32289 (d)

(a) Local authorities' budgets. No shortfall allowed for.

(b) Local authorities pay NIS at 3½% in 1982-83.

(c) NIS at 2½% in 1983-84

(d) NIS at 1½% thereafter.

Special sales of assets

24. Net sale proceeds from special sales of assets in 1982-83 are expected to total £550 million, compared with the original target of £660 million. Net proceeds from the sale of Britoil amount to £334 million in 1982-83 with a further £293 million expected in 1983-84. The Government plan to dispose of the British Gas Corporation's major offshore oil interests in 1983-84 and have announced their intention to transfer British Airways and British Telecom to the private sector in due course. The Government intend, after the next election, to offer up to 51 per cent of British Telecom's shares on the market in one or more tranches.

25. Target proceeds from special sales of assets have been set at £750 million in 1983-84 (an increase of £150 million since Cmnd 8494), £1500 million in 1984-85, and £500 million in 1985-86.

26. Because future special sales of assets figures are likely to vary in content, timing and market conditions, no attempt is made to break down present and future year figures. Details for 1981-82 are included in Part 4.

Contingency Reserve for 1983-84

27. The plans for 1983-84 include a reserve for contingencies and policy changes during the course of the year. The Contingency Reserve is a control figure for the year ahead: any fresh decisions to incur expenditure which cannot be accommodated within existing programmes will be contained within it. For 1983-84 it is provisionally set at £1500 million. This is smaller than in either of the previous two years. It was £2500 million in 1981-82 and £2400 million in 1982-83. The amounts provided in these years turned out to have been unnecessarily large.

Provisional Reserves for later years

28. Provisional reserves of £3 billion have been provided in both 1984-85 and 1985-86. This is an overall figure to cover the requirements of the Contingency Reserves for those years (which will be determined in future surveys and will then form a control figure) as well as possible shortfall and further programme requirements.

Debt Interest

29. Table 1.1 shows two figures of debt interest. The net definition of debt interest represents, broadly, interest payments financed from taxation or further Government borrowing. Gross debt interest represents total payments of debt interest by the public sector as defined in the National Accounts: it thereby includes (unlike the net definition) interest payments matched by interest receipts or by provision for interest in the accounts of public trading activities. Table [4.5] of Volume 2 reconciles the two definitions.

Capital and Current expenditure

30. Tables 1.8, 1.9 and 1.10 provide an analysis of total public expenditure by spending authority and economic category. Table 1.13 shows the expected expenditure on construction. The Government have not taken decisions about the allocation of expenditure in the later years in sufficient detail for the analysis to be extended beyond 1983-84.

31. The main changes in current expenditure between 1982-83 and 1983-84 are less for housing subsidies, more for social security benefits ('current grants to persons') and more for defence expenditure ('current expenditure on goods and services') in respect of the Falkland Islands. Compared with previous plans (Cmnd 8494 - see table 1.12), current expenditure is now planned to increase by some £2 billion. The main factors are those indicated above, together with the increased provision for local authority current expenditure.

32. Capital expenditure (which is defined as excluding capital spending by the nationalised industries, but including all of their borrowing) is planned to be about £11½ billion in 1983-84. Nationalised industries' capital expenditure is shown in Table 3.2 of Volume 2. Total construction expenditure, including investment on construction planned by the nationalised industries, is expected to be some £11 billion, an increase of over 9% compared with the estimated outturn for 1982-83 of some £10 billion. All these figures exclude a substantial element of defence expenditure on capital works and equipment (see notes to table 1.15), which following international conventions is classified as current expenditure on goods and services.

33. Capital expenditure in 1983-84 is expected to be some 12% higher than the estimated outturn for 1982-83 (put at about £10 billion). The Government are concerned about the failure of local authorities and nationalised industries to spend fully the capital provision available to them. The success of the Government's policy on the sale of council houses has generated substantial capital receipts. These receipts are available to local authorities to spend above their basic allocations, but in general they have not spent them. The Prime Minister wrote to local authorities and nationalised industries in November 1982 explaining the Government's concern, and steps are being taken (including changes in the capital allocation procedures for local authorities) to combat underspending in future years.

Public Expenditure and GDP

34. The ratio of public expenditure (including net debt interest and certain other adjustments) to gross domestic product (GDP) was 44½ per cent in 1981-82 (see chart 1.6). Using the expected outturn of expenditure and the Industry Act forecasts of GDP the 1982-83 ratio is expected to be [44 per cent], falling further to [43½ per cent] in 1983-84.

Cash limits

35. The White Paper plans for the year ahead (1983-84) will be translated directly into cash limits, which are the control figures for the coming year. The great majority of limits, are on voted expenditure and are published in the Estimates. Others, mostly covering capital expenditure by local authorities and expenditure by Northern Ireland departments, will be published at the same time. Cash limits will not normally be changed during the year. Any increases in cash limits which are decided will be charged to the Contingency Reserve.

36. 40% of public expenditure is directly cash-limited. This includes the External Financing Limits of the nationalised industries. Another 40% consists of "demand-determined" services where, once policy and rates of payments have been determined, expenditure in the short term depends on the number of qualified applicants: eg social security benefits. The remaining 20% is local authority current expenditure: the rate support grant, the Government's main contribution to the financing of such expenditure, is subject to a cash limit, but not the expenditure itself.

Manpower

37. The Civil Service has been reduced from 732,300 in April 1979 to 655,000 in October 1982, a fall of nearly 11%. A further reduction to 630,000 is planned by the end of 1983-84 - a total reduction of 14%. The Civil Service will then be smaller than at any time since the end of the Second World War. For the armed forces, Cmnd 8288 identified manpower reductions of up to 19,500 by 1986 (6% less than in 1982). The Government are considering any need to adjust this in the light of Falklands commitments.

38. Between 1979 and 1981 total NHS manpower in Great Britain increased by 58,700 (whole-time equivalents) to 998,300, ie about 6½ per cent and broadly in line with the increase in resources to the Service. About 80 per cent of the increase was for manpower directly involved in patient care; nursing and midwifery staff accounted for 70 per cent of the increase. In England the Government set a target of a 10% reduction over the years to 1984-85 in health authorities' management costs as a proportion of their resources. Comparable measures are in hand in Scotland and Wales. The measures which the Government are taking to ensure that health authorities progressively increase efficiency within the resources allocated to them are described in Volume 2, Chapter 2.11. In particular, in England, manpower targets are being set, and there is to be a management enquiry into the NHS's use of manpower.

39. Local authorities' manpower in Great Britain has been reduced by over 81,000 (full-time equivalents), or 3.5%, from 2,347,740 at March 1979 to 2,266,400 at June 1982. Further savings are envisaged in the expenditure plans. The largest fall in manpower has been in the education service which employs nearly half of local government workers: numbers fell by over 70,000, or 6%, between 1979 and 1982. The staff employed on law, order and protective services increased by 12,000 (6%) over this period, consistent with the Government's priorities.

Pay

40. Pay accounts for some 30% of total public expenditure; in many programmes the proportion is much higher. Labour costs are also an important component in the cost structure of the nationalised industries. For the civil service, armed forces and other central government groups apart from the National Health Service, the present plans are based on the Government's decision, announced on 1 October 1982, to provide in 1983-84 for average increases in wages and salaries bills of 3½ per cent from due settlement dates, after taking account of planned manpower changes.

Public expenditure in 1981-82 and 1982-83

41. The outturn of expenditure in 1981-82 is now put at £104.6 billion about £1 billion less than the estimated outturn published in Cmnd 8494 after adjusting for classification changes since then.

42. When this White Paper went to press, outturn for 1982-83 was estimated centrally at about £113.1 billion, compared with the revised plans of £114.7 billion published in the Autumn Statement. But this is a very tentative estimate. Almost £1 billion of this shortfall represents an estimate of that part of the Contingency Reserve which will not be required, and the rest is split almost equally between central government and the external financing limits of the nationalised industries. In aggregate, local authority expenditure is expected to be as planned; however, this reflects overspending on current expenditure and underspending on capital.

Cost terms

43. The only table not in cash is table 1.14 which expresses the figures in cost terms for years up to and including 1983-84. Any comparison between 1982-83 and 1983-84 is, of course, a comparison between estimated outturn and plan and needs to be treated, therefore, with considerable caution. Cost terms figures are the cash outturn or plans adjusted for the effect of general inflation, as measured by the GDP deflator, to a 1981-82 price base. They are not the same as the volume figures used in public expenditure White Papers before Cmnd 8494. Changes in cost terms figures from year to year show the combined effect of:

- i. changes in the quantity of goods and services bought in past years, or notionally provided for in future years, (or, for transfer payments, numbers of beneficiaries and levels of support) and;
- ii. changes in their relative prices; that is in the extent to which relevant prices have differed, or may differ, from average price movements as measured by the GDP deflator.

PLANNING TOTAL

Table 1.1

£ million cash

1977-78 1978-79 1979-80 1980-81 1981-82 1982-83 1983-84 1984-85 1985-86

Public expenditure programmes

1. Central government (including Government finance for nationalised industries)	39,747	46,839	56,230	67,912	76,943	85,851	88,610		
2. Local authorities	16,301	17,996	21,608	25,117	26,665	29,160	30,180	} 124,760 130,090	
3. Certain public corporations capital expenditure	472	457	581	759	687	756	488		

Adjustments

<i>Public corporations'</i> 4. Nationalised industries net overseas and market borrowing	817	443	-481	-617	193	-1,085	-292	-440	-660
5. Special sales of assets (net)	-548		-999	-356	92	-550	-750	-1,500	-500
6. Local authority current expenditure not allocated to programmes						200 ⁽¹⁾	1,024	580	350
7. Contingency reserve					300	1,228	1,500	3,000	3,000
7. General allowance for shortfall						-1,200	-1,200		

9. Planning total	56,789	65,735	76,939	92,816	104,888	114,164	119,560	127,390	137,280
10. Percentage change on previous year					55c	113.133			

Memorandum items

a. Debt interest - gross ⁽²⁾	1,842	2,384	3,714	4,634	6,200	[6,500]	[7,000]	[7,500]	[7,800]
- net ⁽²⁾ (not included above) b. Nationalised industries' total net borrowing (included in lines 1 and 4)	718	1,163	1,537	1,752	1,876	424	912	910	400

i) Amount shown is expected to be fully spent by the end of the year.

2) See paragraph 29.

Chart 1.2 Public expenditure by programme £ million cash ~~1981-82 to 1984-85~~

1982-83		12,634	
1983-84		14,103	
1984-85		15,300	
1985-86		16,440	
Defence			
1981-82	1,647		
1982-83	2,139		
1983-84	2,330		
1984-85	2,450		
Overseas aid and other overseas services			
1981-82	1,557		
1982-83	1,534		
1983-84	1,490		
1984-85	1,500		
Agriculture, fisheries, food and forestry			
1981-82	5,602		
1982-83	5,845		
1983-84	4,860		
1984-85	5,030		
Industry, energy, trade, employment			
1981-82	3,922		
1982-83	4,160		
1983-84	4,340		
1984-85	4,490		
Transport			
1981-82	3,320		
1982-83	3,480		
1983-84	2,760		
1984-85	2,860		
Housing			
1981-82	3,471		
1982-83	3,747		
1983-84	3,870		
1984-85	4,030		
Other environmental services			
1981-82	3,747		
1982-83	4,108		
1983-84	4,450		
1984-85	4,700		
Law, order and protective services			
1981-82		12,362	
1982-83		12,754	
1983-84		13,110	
1984-85		13,410	
Education, science, arts, libraries			
1981-82		12,764	
1982-83		13,633	
1983-84		14,480	
1984-85		15,250	
Health and personal social services			
1981-82			28,618
1982-83			32,030
1983-84			33,500
1984-85			35,400
Social security			
1981-82		14,218	
1982-83		15,034	
1983-84		15,870	
1984-85		16,630	
Other programmes including Scotland, Wales, N. Ireland			
1981-82	2,018		
1982-83	934		
1983-84	1,310		
1984-85	770		
Nationalised industries' total net borrowing			
1981-82	250		
1982-83	1,650		
1983-84	3,400		
1984-85	5,400		
Other (contingency reserve and special sales of assets)			
1981-82	106,130 (estimated outturn)		
1982-83	115,150 (plans)		
1983-84	121,070 (plans)		
1984-85	128,370 (plans)		
Planning total			

Note.

Table to be redrawn. Figures to be brought into line with Table 1.7.

Arts & libraries to be split from Education & Science.

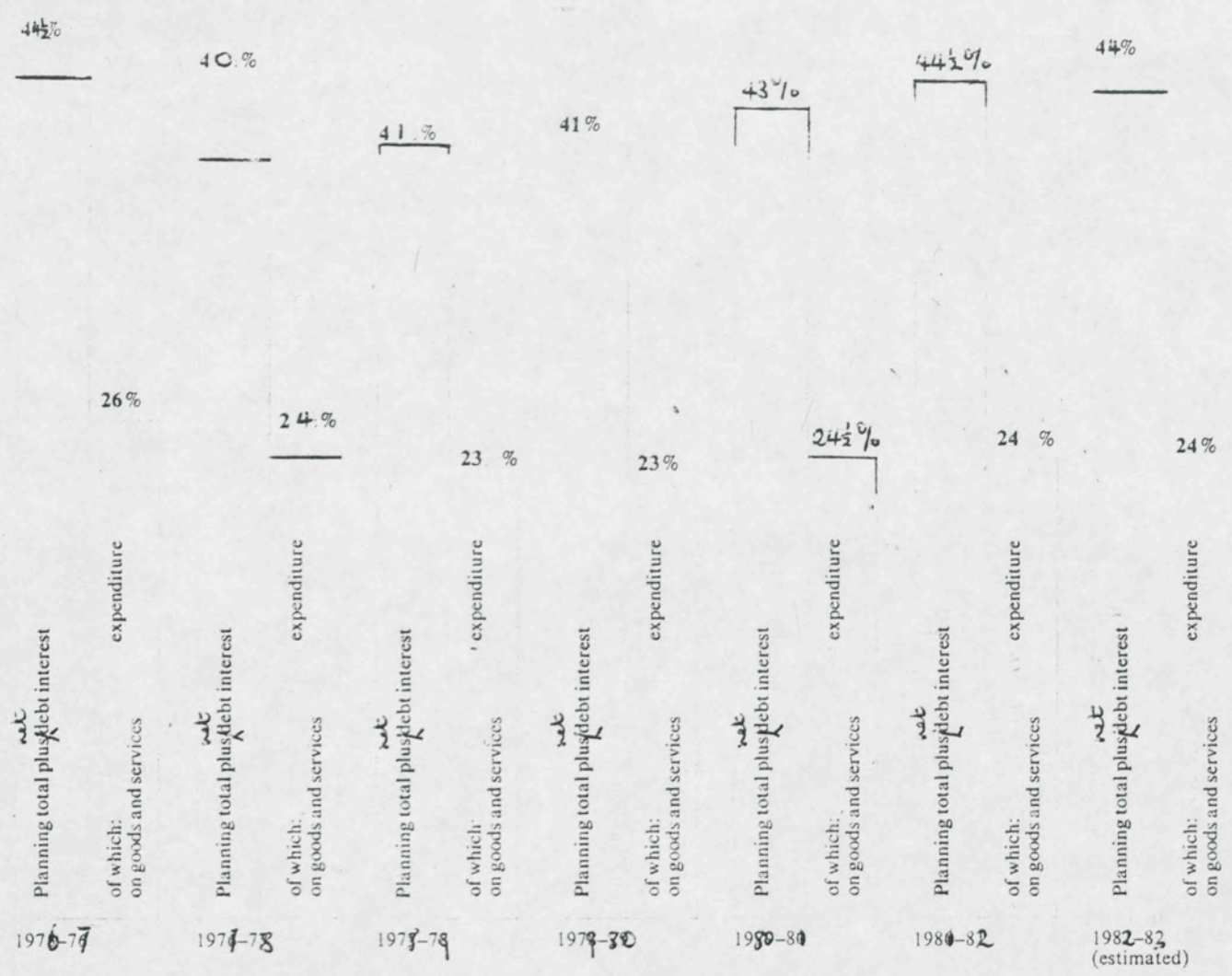
Table 1.3

Central government expenditure

£ million cash

	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
Central government									
Defence	6,821	7,496	9,227	11,180	12,606	14,411	15,987	17,290	18,330
Overseas services	1,567	1,853	2,080	1,624	1,686	2,202	2,173	2,310	2,460
Agriculture fisheries food and forestry	780	698	831	1,179	1,186	1,568	1,596	1,520	1,590
Trade, industry, energy and employment	2,160	2,956	2,771	3,873	5,092	5,658	5,432	5,290	5,220
Transport	977	996	1,240	1,387	1,703	1,896	1,962	2,060	2,120
Housing	1,420	1,651	1,898	2,078	1,483	1,259	1,208	1,190	1,250
Other environmental services	374	485	524	648	623	770	820	860	880
Law, order and protective services	413	487	604	797	945	1,065	1,258	1,340	1,400
Education and science	1,050	1,152	1,388	1,707	1,815	2,089	2,215	2,290	2,390
arts and libraries	107	125	154	174	195	220	231	240	250
Health and personal social services	5,559	6,315	7,534	9,670	10,889	11,779	12,480	13,140	13,720
Social security	13,658	16,176	19,118	23,069	27,932	31,458	32,264	33,690	35,550
Other public services	908	965	1,153	1,431	1,546	1,659	1,663	1,730	1,820
Common services	766	853	1,009	1,099	1,453	1,652	1,000	1,090	1,200
Scotland	1,400	1,585	1,943	2,392	2,575	2,757	2,893	3,020	3,150
Wales	547	658	822	1,010	1,092	1,148	1,217	1,310	1,360
Northern Ireland	1,445	1,731	1,991	2,374	2,553	2,898	3,099	3,250	3,410
Government lending to									
nationalised industries	-205	706	1,941	2,222	1,470	1,363	1,113	1,250	940
Total central government excluding adjustments (see table 1.1)	39,747	46,839	56,230	67,912	76,943	85,851	88,610	92,860	97,040

Chart 1. ⁶ Ratios of public expenditure ⁽¹⁾ to GDP at market prices



(1) Includes payments of VAT by local authorities and non-trading government capital consumption to make the total comparable with GDP at market prices.

4

BEWE PART 2 TABLES

Total expenditure by programme

Table 1.97

£ million cash

	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
Defence	6,821	7,496	9,227	11,180	12,606	14,411	15,987	17,290	18,330
Overseas aid and other overseas services									
<i>Overseas aid</i>	599	723	788	888	960	959	1,056	1,100	1,130
<i>Net payments to EC institutions</i>	542	751	839	221	153	580	380	450	530
<i>Other overseas services</i>	426	378	454	515	573	663	737	770	800
Agriculture, fisheries, food and forestry	866	813	1,007	1,347	1,372	1,784	1,754	1,650	1,730
Industry, energy, trade and employment	2,233	3,036	2,881	4,011	5,256	5,854	5,622	5,490	5,410
Transport	2,270	2,447	2,966	3,456	3,898	4,565	4,302	4,530	4,690
Housing	3,418	3,572	4,514	4,457	3,137	2,769	2,792	2,990	3,110
Other environmental services	1,955	2,257	2,702	3,231	3,244	3,656	3,564	3,680	3,800
Law order and protective services	1,791	2,036	2,579	3,167	3,774	4,284	4,583	4,820	5,040
Education and science	7,039	7,755	8,946	10,901	11,828	12,628	12,560	12,910	13,340
Arts and libraries	299	340	404	477	520	579	563	580	600
Health and personal social services	6,542	7,425	8,899	11,362	12,751	13,879	14,608	15,380	16,070
Social security	13,917	16,437	19,417	23,458	28,510	32,473	34,394	35,940	37,890
Other public services	912	969	1,159	1,439	1,556	1,670	1,675	1,740	1,830
Common services	766	853	1,009	1,099	1,453	1,852	1,000	1,090	1,200
Scotland	3,234	3,683	4,447	5,324	5,772	6,059	6,254	6,470	6,710
Wales	1,279	1,477	1,790	2,129	2,243	2,379	2,528	2,610	2,720
Northern Ireland	1,816	2,137	2,452	2,905	3,218	3,562	3,806	4,020	4,210
Government lending to nationalised industries	-205	706	1,941	2,222	1,470	1,363	1,113	1,250	940
Adjustments									
Public corporations' Nationalised industries' net Overseas and market borrowing	817	443	-481	-617	193	-1,085	-292	-440	-660
Special sales of assets	-548		-999	-356	92	-550	-750	-1,500	-500
Local authority current expenditure not allocated to programmes						200	1,024	580	350
Contingency reserve					300	1,228	1,500	3,000	3,000
General allowance for shortfall					530	-1,200	-1,200	6	2
Planning total	56,789	65,735	76,939	92,816	104,880	114,167	119,560	127,390	132,280
						113,133			

BEWP PART 2 TABLES

Total public expenditure by economic category

Table 1.108

£ million cash

	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
Current expenditure									
Wages and salaries	18,741	20,943	24,826	30,839	34,195	36,038	37,186	38,650	40,190
Other current expenditure on goods and services	10,109	11,536	14,042	16,742	19,574	22,998	24,451	26,060	27,510
Subsidies	3,486	3,998	4,935	6,096	5,964	5,919	5,208	4,720	4,670
Current grants to the private sector	15,778	18,548	22,120	27,057	32,845	37,419	39,417	41,240	43,330
Current grants abroad	1,226	1,605	1,740	1,249	1,233	1,713	1,576	1,680	1,790
Total excluding debt interest and other adjustments	49,341	56,629	67,663	81,982	93,811	104,087	107,837	112,350	117,480
Capital expenditure									
Gross domestic fixed capital formation	5,283	5,237	6,011	6,214	5,027	4,948	5,650	6,640	7,130
Increase in value of stocks	62	57	-14	84	-45	360	311	220	240
capital grants	1,655	1,761	1,871	2,221	2,402	2,965	3,041	3,050	3,170
Net lending to private sector	199	-215	341	545	1,403	1,597	723	400	270
Net lending to nationalised industries and some other public corporations (1)	73	1,531	2,784	3,203	1,973	1,858	1,582	1,740	1,440
Net lending and investment abroad	-106	289	-236	-461	-223	-50	134	360	370
Cash expenditure on company securities (net) (2)	15	4		-1	-54	2			
Total excluding adjustments	7,179	8,663	10,756	11,806	10,483	11,680	11,442	12,410	12,610
Adjustments									
Public corporations' market borrowing	817	443	-481	-617	193	-1,085	-292	-440	-660
Nationalised industries special sales of assets	-548		-999	-356	92	-550	-750	-1,500	-500
Local authority current expenditure not allocated to programmes						200	1,024	580	350
contingency reserve					300	1,228	1,500	3,000	3,000
General allowance for shortfall						-1,200	-1,200		
Planning total	56,789	65,735	76,939	92,816	104,850	113,133	119,560	127,390	133,280

1) The public corporations are those accorded similar treatment to nationalised industries (see Part 5).

2) Excludes sales of British Petroleum shares in 1977-78 & 1979-80 which are included under 'special sales of assets'.

BEWE PART 2 TABLES

TOTAL PUBLIC EXPENDITURE BY SPENDING AUTHORITY AND PROGRAMME

Table 1.149

£ million cash

	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
Central government									
Defence	6,821	7,496	9,227	11,180	12,606	14,411	15,987	17,290	18,330
Overseas services	1,567	1,853	2,080	1,624	1,686	2,202	2,173	2,310	2,460
Agriculture fisheries food and forestry	780	698	831	1,179	1,186	1,568	1,596	1,520	1,590
Trade, industry, energy and employment	2,160	2,956	2,771	3,873	5,092	5,658	5,432	5,290	5,220
Transport	977	996	1,240	1,387	1,703	1,896	1,962	2,060	2,120
Housing	1,420	1,651	1,898	2,078	1,483	1,259	1,208	1,190	1,250
Other environmental services	374	435	524	648	623	770	820	860	880
Law, order and protective services	413	487	604	797	945	1,065	1,258	1,340	1,400
Education and science	1,050	1,152	1,388	1,707	1,815	2,089	2,215	2,290	2,390
arts and libraries	107	125	154	174	195	220	231	240	250
Health and personal social services	5,559	6,315	7,534	9,670	10,889	11,779	12,480	13,140	13,720
Social security	13,658	16,176	19,118	23,069	27,932	31,458	32,264	33,690	35,550
Other public services	908	965	1,153	1,431	1,546	1,659	1,663	1,730	1,820
Common services	766	853	1,009	1,099	1,453	1,652	1,000	1,090	1,200
Scotland	1,400	1,585	1,943	2,392	2,575	2,757	2,893	3,020	3,150
Wales	547	658	822	1,010	1,092	1,148	1,217	1,310	1,360
Northern Ireland	1,445	1,731	1,991	2,374	2,653	2,898	3,099	3,250	3,410
Government lending to									
nationalised industries	-205	706	1,941	2,222	1,470	1,363	1,113	1,250	940
Total central government excluding adjustments	39,747	46,839	56,230	67,912	76,943	85,851	88,610	92,860	97,040
Local authorities									
Agriculture fisheries food and forestry	86	114	175	168	186	215	157	130	140
Trade, industry, energy employment	73	80	110	138	164	197	191	190	200
Transport	1,215	1,378	1,641	1,977	2,117	2,564	2,234	2,360	2,450
Housing	1,870	1,818	2,412	2,012	1,297	1,159	1,480	1,670	1,780
Other environmental services	1,528	1,755	2,116	2,546	2,576	2,875	2,737	2,810	2,920
Law, order and protective services	1,378	1,549	1,975	2,370	2,829	3,220	3,325	3,490	3,640
Education and science	5,990	6,603	7,558	9,194	10,014	10,538	10,345	10,630	10,950
arts and libraries	192	214	250	302	325	359	331	340	350
Health and personal social services	983	1,110	1,365	1,692	1,862	2,100	2,128	2,240	2,350
Social security	258	261	299	390	579	1,016	2,130	2,250	2,340
Other public services Scotland	1,749	2,012	2,403	2,822	3,122	3,194	3,289	3,360	3,470
Wales	722	807	955	1,099	1,125	1,215	1,293	1,280	1,330
Northern Ireland	256	294	349	408	469	508	539	570	590
Total local authorities excluding adjustments	16,301	17,996	21,608	25,117	26,665	29,160	30,180	31,320	32,500
Certain public corporations Capital expenditure(1) (excluding adjustments)	472	457	581	759	687	756	488	580	550
Adjustments									
Public corporations' Nationalised Industries Net overseas and market borrowing	817	443	-481	-617	193	-1,085	-292	-440	-660
Special sales of assets	-548		-999	-356	92	-550	-750	-1,500	-500
Local authority current expenditure not allocated to programmes						200	1,024	580	350
Contingency reserve					300	1,228	1,500	34,000	34,000
General allowance for SHORTFALL						-1,200	-1,200		
Planning total	56,789	65,735	76,939	92,816	104,830	114,181 113,133	119,560	127,390	137,280

1) Corporations whose capital expenditure is included in public expenditure; mainly the new town development & housing corporations. These corporations do not include the nationalised industries & water authorities. A list is given in Part 5.

DEVP PART 2 TABLES

TOTAL PUBLIC EXPENDITURE BY SPENDING AUTHORITY AND ECONOMIC CATEGORY

Table 1.1210

£ million cash

	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
Central government									
<i>Current:</i>									
Goods and services	17,518	19,628	23,649	29,247	33,151	36,726	39,401	41,790	43,930
Subsidies and grants	19,156	22,656	26,960	32,054	37,308	41,811	42,231	43,540	45,590
<i>Capital:</i>									
Goods and services	1,321	1,406	1,571	1,921	2,111	2,685	2,901	3,010	3,190
Grants	1,555	1,610	1,677	1,990	2,097	2,373	2,321	2,380	2,480
Net lending to nationalised Industries and some other public corporations (1)	73	1,531	2,784	3,203	1,973	1,858	1,582	1,740	1,440
Other net lending and capital transactions	125	8	-410	-504	304	398	173	400	420
Total excluding debt interest and other adjustments	39,747	46,839	56,230	67,912	76,943	85,851	88,610	92,860	97,040
Local authorities									
<i>Current</i>									
Goods and services	11,332	12,851	15,219	18,333	20,618	22,310	22,236	22,920	23,760
Subsidies and grants	1,334	1,494	1,836	2,348	2,735	3,240	3,969	4,100	4,200
<i>Capital</i>									
Goods and services	3,577	3,469	3,982	3,936	2,537	2,263	2,731	3,460	3,780
grants	90	136	171	202	276	562	687	640	650
net lending and other capital transactions	-32	46	401	299	499	785	558	210	110
total excluding debt interest and other adjustments	16,301	17,996	21,608	25,117	26,665	29,160	30,180	31,320	32,500
Certain public corporations (2)									
<i>Capital:</i>									
Goods and services	447	419	444	441	335	361	329	390	400
Grants	10	15	23	29	29	30	32	30	40
Net lending and other capital transactions	15	22	114	289	323	366	127	150	110
Total excluding Adjustments	472	457	581	759	687	756	488	580	550
adjustments									
Public corporations' nationalised industries net overseas and market borrowing	817	443	-481	-617	193	-1,085	-292	-440	-660
special sales of assets	-548		-999	-356	92	-550	-750	-1,500	-500
Local authority current expenditure not allocated to programmes						100	1,024	580	350
contingency reserve					300	1,228	1,500	3,000	3,000
general allowance for shortfall						-1,200	-1,200		
Planning total	56,789	65,735	76,939	92,816	104,880	113,133	117,161	127,390	133,280

1) See note (1) to table 1.

2) See note (1) to table 1.

(1)
SUMMARY OF DIFFERENCES FROM CMND 8494 BY PROGRAMME

Table 1.11

£m in cash ~~terms~~

	1980-81	1981-82	1982-83	1983-84	1984-85
Defence	-	-31	+307	+559	+720
Overseas aid and other overseas services					
Overseas aid	-1	-13	+9	+41	+30
EEC contributions	-67	+108	+80	-200	-150
Other overseas services	+7	-40	+9	+8	-
Agriculture, fisheries, food and forestry	-18	-161	+271	+252	+130
Industry, energy, trade and employment	-176	-337	+27	+692	+400
Transport	-30	-24	+409	-53	+20
Housing	+4	+71	-401	+33	+120
Other environmental services	-11	-34	+78	-146	-190
Law, order and protective services	-8	+33	+185	+58	+50
Education and science, arts and libraries	+8	-8	+450	-	+70
Health and personal social services	-5	-13	+247	+91	+90
Social security	+19	-107	+444	+774	+420
Other public services	-3	-40	-18	-20	-50
Common services	-6	-148	+27	+13	-
Scotland	+30	+49	-8	-32	-40
Wales	-4	-54	-32	+49	+20
Northern Ireland	-	-58	+19	+3	-
Government lending to nationalised industries	-56	-356	+232	-141	+110
Adjustments ^{Public corporations'}					
Nationalised industries net overseas and market borrowing	-22	+154	-826	-265	+20
Special sales of assets	-	+142	+50	-150	-900
Contingency reserve	-	-300	-2,049	-1,476	-2,420
General allowance for shortfall	-	-	-1,200	-1,200	-
Planning total	-339	-1,866	-1,687 ⁽³⁾	-1,111 ⁽³⁾	-1,540 ⁽³⁾
Debt interest - gross	-	-	-	-	-
Debt interest - net	-	-	-	-	-
Nationalised industries total net borrowing	-78	-202	-595	-406	+120

To be disaggregated

- 1) The Government's Expenditure Plans 1982-83 to 1984-85, March 1982
- 2) The contingency reserve for 1982-83 in Cmd 8494 was £2250 million, but it was increased in the March 1982 Budget to £2400 million. Of that, [£1172] million has been allocated & is therefore absorbed in the estimated outturn for the programmes concerned. Another £200 million (shown in line 6 of Table 1.1) is expected to be allocated similarly by the end of the year. The remaining [£1028] million is expected not to be spent.
- 3) Including changes announced in the Budget Statement on 9 March 1982.

SUMMARY OF DIFFERENCES FROM CMND 8494 IN EXPENDITURE
PROGRAMMES BY ECONOMIC CATEGORY

Table 1.12

	£m in cash terms				
	1980-81	1981-82	1982-83	1983-84	1984-85
Current:					
Goods and services	-167	-22	+1,576	+794	+852
Subsidies and grants	-89	-134	+631	+1,306	+775
Capital					
Goods and services	+6	-279	-328	-128	+273
Grants	+20	+70	+588	+513	+433
Government lending to nationalised industries	-56	-356	+232	-141	+106
Net lending to some other public corporations	-13	-77	-44	-87	-62
Other net lending and capital transactions	-19	-310	-321	-276	-612
Adjustments					
Nationalised industries net overseas and market borrowing	-22	+154	-826	-265	+18
Special sales of assets	-	+142	+50	-150	-900
Contingency reserve	-	-300	-2,044	-1,476	-1,420
General allowance for shortfall	-	-	-1,200	-1,200	-
Planning total	-340 -339	-812 -1166	-660 -1687	-1,111	-538

Table 1.143 Capital Expenditure on Construction Work

£ million cash

	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84
	OUTTURN	OUTTURN	OUTTURN	OUTTURN	OUTTURN	ESTIMATED OUTTURN	PLANS
Direct Public Expenditure on New Construction							
Housing - New Dwellings and Improvements	2,217	2,143	2,460	2,357	2,009	1,974	2,274
Other Environmental Services	453	586	735	903	818	802	934
Transport	828	878	1,083	1,229	1,281	1,634	1,586
Education	411	373	421	528	445	382	379
Health and Personal Social Services	358	398	483	629	776	803	857
Other (1)	1,276	1,313	1,628	1,755	1,808	1,491	2,048
TOTAL DIRECT PUBLIC EXPENDITURE ON NEW CONSTRUCTION	5,543	5,691	6,810	7,401	7,137	7,586	8,078
Grants and Loans to Housing Associations and Improvement Grants	770	858	1,117	863	802	1,267	1,561
EXPENDITURE ON TOTAL NEW CONSTRUCTION IDENTIFIED EXPENDITURE WITHIN THE PLANNING TOTAL (2)	6,313	6,549	7,927	8,264	7,939	8,853	9,639
Nationalised Industries:							
Electricity	159	186	227	284	316	351	370
Gas	144	162	202	304	263	250	285
Railways	131	200	146	155	143	114	132
Coal	97	165	219	321	345	332	329
Other	220	226	164	201	235	253	341
EXPENDITURE ON CONSTRUCTION BY TOTAL NATIONALISED INDUSTRIES (3)	751	939	958	1,265	1,302	1,300	1,457

	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84
	OUTTURN	OUTTURN	OUTTURN	OUTTURN	OUTTURN	ESTIMATED OUTTURN	PLANS
GRAND TOTAL	7064	7488	8885	9529	9241	10,153	11096

Defence;

- (1) Agriculture; Industry, Energy, Trade and Employment; Law, Order and Protective Services; Office and Accommodation
Some expenditure on new construction for military purposes is classified as current expenditure.
- (2) See Table 4.[X] for details of all capital expenditure within the planning total
- (3) Certain capital expenditure by the British National Oil Corporation which is classified in the accounts as new buildings and works has been excluded from the table since little of the work is produced by the construction industry

Table 1.1~~4~~ shows all capital expenditure by the public sector on new construction. [As decisions have not yet been taken in all cases on allocations within the main programmes, it is not possible to extend this analysis into the later years.]

The figures cover capital construction only and do not include repair and maintenance, which now accounts for about 40 per cent of public sector expenditure on work by the construction industry. Also ~~is~~ included is some defence expenditure on construction (amounting to £X million ~~construction~~) which is also classified as current expenditure. The figures consequently understate the implications of public expenditure for the construction industry, but they also include small amounts of expenditure which is not on work done by the construction industry, for example, on the acquisition of land and existing buildings.

The figures cover the following types of expenditure:

direct spending on new construction;

capital grants and loans to housing associations and improvement grants: these go to finance construction work, except that the figures for housing associations also include finance for their expenditure on the acquisition of land and existing dwellings;

the estimated amount of new construction in the nationalised industries' investment programme.

The first two items are included in the planning total, the last is financed by nationalised industries' internal as well as external resources and thus not included as such in the planning total.

Table 1.14

Public expenditure in cost terms⁽¹⁾ by Programme.Total expenditure by programme
£ million base year 1981-82

	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84
Defence	11,553	11,486	12,077	12,380	12,606	13,406	14,163
Overseas aid and other overseas services							
Overseas aid	1,015	1,102	1,031	983	960	892	936
Net payments to EC institutions	418	1,151	1,098	245	153	540	337
Other overseas services	722	579	594	570	573	617	653
Agriculture, fisheries, food and forestry	1,467	1,246	1,318	1,492	1,372	1,660	1,554
Industry, energy, trade and employment	3,782	4,652	3,771	4,441	5,256	5,446	4,981
Transport	3,845	3,750	3,882	3,827	3,898	4,247	3,811
Housing	5,729	5,473	5,908	4,935	3,137	2,576	2,474
Other environmental services	3,311	3,458	3,537	3,578	3,244	3,401	3,157
Law order and protective services	3,034	3,120	3,376	3,507	3,774	3,985	4,060
Education and science	11,922	11,883	11,709	12,071	11,828	11,747	11,127
arts and libraries	506	521	529	528	520	539	499
health and personal social services	11,081	11,378	11,648	12,581	12,751	12,911	12,442
Social security	23,572	25,187	25,415	25,975	28,510	30,207	30,471
Other public services	1545	1,485	1,517	1,593	1,556	1,553	1,484
Common services	1,247	1,307	1,321	1,217	1,453	1,537	886
Scotland	5,478	5,644	5,821	5,895	5,772	5,636	5,541
Wales	2,166	2,263	2,343	2,357	2,243	2,213	2,240
Northern Ireland	3,076	3,275	3,269	3,217	3,218	3,313	3,372
Government lending to Nationalised Industries	-347	1,082	2,541	2,460	1,470	1,268	986
Adjustments:							
Public Corporations' net Overseas and market borrowing	1,324	679	-630	-683	193	-1,009	-259
Special sales of assets	-428	-	-1,308	-394	42	-512	-664
Local authority current expenditure not allocated to programmes	-	-	-	-	-	-	907
Contingency reserve	-	-	-	-	-	186	1,329
General allowance for shortfall	-	-	-	-	-	-1,116	1,063
Planning total ⁽²⁾	96,187	100,728	100,705	102,775	104,580	105,240	105,922

(1) Cash figures as in table 1.7 adjusted for general inflation as measured by the GDP deflator at market prices. The GDP deflator is assumed to increase by some 1½ per cent in 1982-83 and some 5 per cent in 1983-84 as ~~shown~~ ^{stated} in the Autumn Statement 1982, paragraph 1.36. Rounding as in table 1.7.

(2) Totals do not always add because of rounding.