

BF. 2/2/84

From: P J Stibbard
19 January 1984

MISS M O'MARA

cc Mr Folger
Mr Hart
Mr Duff
Mrs Todd
Mr Ward - CSO (with incoming
note)

RATIOS OF EXPENDITURE TO GDP

Your note of today to Philippa Todd.

- P+25 (with AF)
2. The CSO wrote to Andrew Turnbull on 30 November reconciling the PEWP and OECD definitions for 1981-82/1981 (copy attached). I would be grateful if the CSO could do the same again (with the ET article figure as a starting point this time) for both the years in question. It will also be useful to know the rationale of the OECD treatment of "certain pension schemes" and details of any other major reason why the OECD figures show a different trend to the PEWP figures.
 3. I note that the difference between the mid-1970s peak and the level in recent years is about the same on the current PEWP definition and on the UK version of general government expenditure - although they diverged last year (respectively the black unbroken line and the blue broken line in Chart 2 of the ET article - offprint attached to top copy). So it appears that OECD adjustments are the main cause of the difference. Perhaps the CSO could let us know whether the OECD use the same GDP ^{definition} as ourselves and whether they have yet incorporated the GDP revisions made last Autumn by the CSO.


 P J STIBBARD

Geom Pot - Public Exp Pt 26