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NATIONAL ACCOUNTS AND BALANCES

PROGRESS IN RELATING THE SNA AND MPS

Report by the Secretary-General

ANNEX III

ANNEX III. PRELIMINARY ESTIMATES OF GROSS DOMESTIC PRODUCT OF HUNGARY

1. This annex presents preliminary estimates of the gross domestic product at market prices of Hungary for 1959. The figures of the gross domestic product according to kind of economic activity are shown in table 2. Table 3 gives the estimate of the gross domestic product made from data on the final use of goods and services.

A. Table 1

2. The estimates were derived from the input-output data shown in table 1. This table was supplied by the Central Statistical Office of Hungary. The Central Statistical Office very kindly reclassified the data shown in the table which the Office published in Balance of Inter-industry Relations of the Hungarian National Economy for 1959 according to the industrial classification

scheme for use in the revised SNA that is proposed in document E/CN.3/356; and furnished additional data in respect of non-material services. Because of practical problems, the reclassification does not follow the scheme of classification according to kind of economic activity proposed in document E/CN.3/356 exactly. For example, hotel services are included under business services.

3. In table 1, the supply and disposition, and the cost-structure of the production, of material goods are separated from the supply and disposition, and cost-structure of the provision, of non-material services. The material sphere consists of the industries numbered 1 through 14; the non-material sphere is represented by the services numbered 15 through 17. In a few instances the scope of the material sphere is defined more broadly in table 1 than in the description of the MPS in Basic Principles of the Statistical Balance of the National Economy, Conf.Eur.Stats/WG.22/12. For example, the transport of passengers is included in the material sphere in table 1, but not in aforesaid document.

4. The treatment of imports of goods and non-material services in table 1 should be mentioned. The imports are classified according to the kind of

economic activity in which they usually originate; and are added to the goods and services provided by each of these kinds of economic activity. The imports are therefore considered to be part of the inputs into the kind of economic activity in which the relevant goods and services characteristically originate.

5. It should be emphasized that in order to furnish the data for certain items in table 1 are not defined as in the MPS. This is the case, for example, for the column on final demand and the row on wages and salaries, similar incomes and accumulation. In particular, in the former case, the non-material services provided to final uses are included in the column while the consumption of material goods and fixed assets in these services are excluded. In the latter case, the wages and salaries, similar incomes and accumulation in the non-material services is shown as part of the value added, net, while the consumption of non-material services in the material sphere is excluded from value added.

B. Tables 2 and 3

6. Tables 2 and 3 set out figures of the net material product calculated from table 1 and the other data compiled from the table, in order to derive preliminary estimates of the gross domestic product at market prices. These data are computed from the data of table 1 in respect of kind of economic activity in the case of table 2, and from the figures of table 1 in respect of final uses in the case of table 3.

7. The figures of the net material products of Hungary for 1959 shown in tables 2 and 3 and in the Yearbook of National Accounts Statistics, 1965 of the United Nations, differ. As compared to the figure of 133,8 thousand million forints in tables 2 and 3, 128,2 thousand million forints is shown in the Yearbook. The difference between the two figures is due mainly to the inclusion of the contribution to the net material product arising from external trade in the latter figure, but not in the former. In 1959, this contribution was negative, amounting to minus 5.3 thousand million forints. There were other, much more minor differences in treatment between the two figures; for example, somewhat differing modes of valuation have been used in the case of a few items of

transport services and household trades; and the gathering of wastes has been included in production in the case of the data in the tables of this Annex, but not in the case of the data in the Yearbook.

8. It should be emphasized that the figures for Hungary in the Yearbook of National Accounts Statistics, as well as in table 1, were supplied by the Hungarian Central Statistical Office. The differences between the two sets of figures indicated above are differences in treatment between the input-output table and the material product balances compiled and published by the Central Statistical Office. These differences in treatment are described in the publication of the Office, Balance of Interindustry Relations of the Hungarian National Economy for 1959.

9. It may be useful to call attention to certain of the calculations made in table 3.

10. Deriving the final demand for the net material product from table 1 involved a number of adjustments to the figures of final demand shown in table 1. First, since the final uses of the net material product relates to material goods only, the value of the non-material final services (24741,9) needed to be deducted from the total of the column "Final demand" in table 1 (198355,1) and the values of the inputs of material goods (7700,0) and the consumption of fixed assets (4812,0) shown in columns 15 through 17 needed to be added. Second, since imports of material goods (30080,0) are included in the figures of final demand shown in table 1 and decreases in stocks of the material sphere (856,8) are not accounted for in these figures, these items needed to be deducted from the total of the column "Final demand" in table 1. Finally, in order to pass from the final uses of the gross material product (in particular, gross capital formation) to the final uses of the net material product (in particular, net capital formation), it was necessary to deduct depreciation of fixed assets (21355,4) in the material and non-material spheres.

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11. Columns 2 through 6 of table 3 indicate the adjustments required in order to pass from the final uses of net material product to the final uses of the gross domestic product. The value of imported non-material services (column 3) is subtracted from the value of non-material services disposed to final uses (column 2) since as was indicated in paragraph 4 above, in table 1, the imports of goods and services are added to the output of the kind of activity in which they characteristically originate. The consumption of material goods and fixed assets in the non-material sphere are covered in the final consumption of the net material product. These flows, which are shown in columns 4 and 5, respectively, are therefore subtracted out of the figure of the net material product. Thus, the sum of the figures in columns 1 and 2 reduced by the sum of the figures in columns 3, 4 and 5, yields the net domestic product at market prices. In order to arrive at the gross domestic product, data in respect of the consumption of fixed assets in the material and non-material spheres are added in column 6.

12. Certain adjustments which are required in the net material product in order to arrive at the gross domestic product at market prices are not made in tables 2 and 3. For example, the value of uniforms furnished to employees and reimbursements for their business trips are included in the net material product, but should be excluded from the gross domestic product.

Table 1 Input-Output Table of Hungary, 1959^{1/}

Million forints

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Total	Final demand	All available resources
1 Agriculture, forestry and fishing ^{2/}	25982,4	571,6	15412,4	2017,2	922,8	211,0	18,3	572,8	179,4	156,7	8,0	445,5	228,5	522,8	40,0	7,0	433,0	47529,4	27158,1	74687,5
2 Mining and quarrying	68,3	296,2	403,4	243,1	83,6	3845,2	897,7	1215,4	387,9	77,4	2601,9	559,3	1130,5	277,3	17,0	28,0	181,0	12313,4	1944,1	14257,5
3 Food, tobacco and beverage industries	787,6	3,3	6098,5	690,6	59,0	494,6	5,3	13,8	50,7	146,1	1,8	28,8	36,6	24,7	70,0	113,0	456,0	9060,4	27083,1	36143,5
4 Textile, wearing apparel and leather industries	465,3	90,5	116,4	9365,9	295,9	195,0	15,4	50,9	590,9	980,7	25,8	71,1	428,4	204,0	62,0	100,0	353,0	13411,2	21467,3	34878,5
5 Man of Wood and wood products	232,7	146,0	405,8	306,7	1375,9	203,0	212,9	41,7	684,2	583,2	9,8	958,8	164,9	205,5	18,0	29,0	187,0	5765,1	3303,5	9068,6
6 Man of Rubber, chemicals and petroleum products	1692,2	321,1	328,2	1031,6	197,2	1927,6	164,9	1901,1	1143,5	287,6	278,8	428,0	846,0	205,9	61,0	100,0	647,0	11561,7	6411,1	17972,8
7 Man of Non-metallic mineral products	19,9	66,7	73,4	30,7	31,9	115,2	458,2	484,0	303,4	98,5	45,1	3056,0	24,4	93,9	9,0	15,0	98,0	5023,3	1634,4	6657,7
8 Basic metal industries	250,6	540,1	190,2	176,6	117,2	250,2	477,3	7753,6	9819,3	173,7	277,0	251,1	266,4	27,9	12,0	19,0	123,0	22969,2	4842,3	27811,5
9 Man of Metal products, machinery and equip	946,4	724,2	305,3	383,9	174,1	275,9	190,6	825,0	8819,7	243,1	343,7	2746,5	1305,6	229,4	84,0	138,0	893,0	18628,4	31465,0	50091,4
10 Other man. industries	229,4	62,2	123,2	217,7	26,2	91,2	30,1	20,6	371,2	140,5	17,8	230,9	193,0	397,9	75,0	125,0	597,0	2948,9	4031,3	6980,2
11 Electricity, gas, steam and water	129,1	519,7	301,4	346,0	138,1	628,3	259,0	1481,9	787,6	75,8	425,1	184,5	320,2	256,3	56,0	91,0	589,0	6589,0	991,8	7580,8
12 Construction	460,1	37,4	45,1	63,5	350,3	18,5	9,7	267,0	167,0	53,4	4,5	2505,5	29,7	302,6	59,0	126,0	455,0	4934,3	25902,5	30836,8
13 Transport and communications	56,7	344,7	745,8	313,0	128,8	201,3	193,5	520,6	408,7	94,7	288,5	2928,5	313,4	322,5	55,0	140,0	507,0	10482,7	5752,7	16235,4
14 Wholesale and retail trade and restaurants	1319,0	67,7	1139,2	742,8	250,0	181,8	64,1	1300,6	709,2	185,0	55,6	818,2	101,9	334,6	42,0	73,0	427,0	7811,7	11628,0	19439,7
15 Personal services	8,3	0,9	2,5	2,4	0,5	1,0	0,5	1,7	3,0	0,5	0,5	3,0	0,9	17,8	0,5	1,6	4,4	50,0	2408,0	2458,0
16. Business services ^{3/}	592,1	58,2	181,7	173,9	35,3	73,9	32,6	122,8	213,7	35,5	38,5	218,2	62,3	1277,8	39,3	117,3	941,9	4215,0	3132,9	7347,9
17 Government services ^{4/}	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19201,0	19201,0
Total	33220,1	3850,5	25872,5	16105,6	4167,0	8713,7	3030,1	16373,5	24639,4	3332,4	4422,4	17697,9	5452,7	7610,9	709,8	1222,9	6872,3	183293,7	198355,1	381648,8
Depreciation	2230,2	1394,0	610,8	761,1	153,5	625,1	457,0	1368,6	1461,9	108,8	1431,8	718,1	4550,8	671,7	200,0	2482,0	2130,0	21355,4		
Wages and salaries, similar incomes and accumulation	35153,5	5892,5	8263,1	16397,6	2431,4	4787,6	2744,3	5755,3	14791,7	3341,9	1519,3	12381,8	6153,1	11059,6	1478,2	3439,1	9990,7			
Gross output	70603,8	11137,0	34746,4	33264,3	6751,9	14126,4	6231,4	23497,4	40893,0	6783,1	7373,5	30797,8	16156,6	19542,2	2388,0	7144,0	18993,0	350229,8		
Decrease in stocks	-	17,6	89,1	434,9	68,2	66,6	3,1	169,5	-	-	7,8	-	-	-	-	-	-	856,8		
Imports	4083,7	3102,9	1308,0	1179,3	2248,5	3779,8	423,2	4144,6	9198,4	197,1	199,5	39,0	78,8	97,5	70,0	203,9	208,0	30562,2		
All available resources	74687,5	14257,5	36143,5	34878,5	9068,6	17972,8	6657,7	27811,5	50091,4	6902,2	7580,8	30836,8	16235,4	19439,7	2458,0	7347,9	19201,0	381648,8		

^{1/} Table kindly supplied by the Central Statistical Office of Hungary.^{2/} Includes hunting and logging as well.^{3/} Banking and Insurance, Real Estate and Business services, including hotels.^{4/} Sanitary and Similar Com Services, Public Administration and Defence, Social Recreation.

Table 2. Derivation of Domestic Product of Hungary for 1959

(million forints)

Industries Coded as in table 1	Net material product (wages and salaries, similar in- comes, accu- mulations and purchases of non-mate- rial services)	Value added, net in non-mate- rial ser- vices	Value of non- material ser- vices consumed by industries of material sphere	Net domestic product at market prices (1+2-3)	Consumption of fixed assets	Gross domestic product at market prices (4+5)
	1	2	3	4	5	6
1	35753,9		600,4	35153,5	2230,2	35383,7
2	5951,6		59,1	5892,5	1394,0	7286,5
3	8447,3		184,2	8263,1	610,8	8873,9
4	16573,9		176,3	16397,6	761,1	17158,7
5	2467,2		35,8	2431,4	153,5	2584,9
6	4862,5		74,9	4787,6	625,1	5412,7
7	2777,4		33,1	2744,3	457,0	3201,3
8	5879,8		124,5	5755,3	1368,6	7123,9
9	15008,4		216,7	14791,7	1461,9	16253,6
10	3377,9		36,0	3341,9	108,8	3450,7
11	1558,3		39,0	1519,3	1431,8	2951,1
12	12603,0		221,2	12381,8	718,1	13099,9
13	6216,3		63,2	6153,1	4550,8	10703,9
14	12355,2		1295,6	11059,6	671,7	11731,3
I. Material sphere	133832,7		3160,0	130672,7	16543,4	147216,1
15		1478,2		1478,2	200,0	1678,2
16		3439,1		3439,1	2482,0	5921,1
17		9990,7		9990,7	2130,0	12120,7
II. Non-material sphere		14908,0		14908,0	4812,0	19720,0
III. Total (I+II)	133832,7	14908,0	3160,0	145580,7	21355,4	166936,1

Table 3. Derivation of Gross Domestic Product of Hungary for 1959, According to Final Use

(million forints)

MPS category	Value of non mate- rial final services	Value of im- ported non- material services	Mate- rial input into non- mate- rial services	Consump- tion of fixed assets in non-mate- rial ser- vices	Consump- tion of fixed assets in mate- rial and non-mate- rial spheres	SNA categories (1+2-3-4- 5+6)	Final demands for gross domestic pro- duct at market prices
	1	2	3	4	5	6	7
Final demands for net mate- rial product	133832,7	24741,9	481,9	7700,0	4812,0	21355,4	166936,1