

## NATIONAL ACCOUNTS WORKSHOP - Supply Use Tables

### DEFINITIONS:

#### **Gross output at basic prices**

For market producers (as in this exercise) - the value of sales minus any taxes payable as a consequence of that production or sale (taxes on products), plus any subsidies receivable on those products, plus increase in inventories of finished goods and work-in-progress.

#### **Intermediate consumption at purchasers' prices**

The value of the goods and services consumed (excluding any deductible VAT or similar deductible tax), as inputs by a process of production, excluding the consumption of fixed capital. Intermediate consumption equals purchases of goods and services as inputs, plus other expenses minus increase in inventories of goods used as inputs.

#### **Gross value added at basic prices**

The value of gross output at basic prices minus the value of intermediate consumption at purchasers' prices.

#### **Compensation of employees**

The total remuneration, in cash or in kind, payable by an enterprise to employees in return for work done by the employees during the accounting period.

#### **Gross operating surplus**

Measures the surplus (or deficit) accruing from production before taking account of consumption of fixed capital, dividends, interest, royalties and land rent, and direct taxes payable, of enterprises. GOS in this exercise is defined as:

*minus*            Gross value added at basic prices  
                         Compensation of employees

Supply of products at basic prices

	Output of industries at basic prices			Total economy	Imports	Total supply at basic prices	Retail trade and transport margins	Taxes less subsidies on products	Total supply at purchasers' prices
	Mining	Steel manufacture	Car manufacture						
Coal									
Iron ore	379								
Steel									
Cars			1020	1020				-20	
Total industry output at basic prices				1957					
Other column total					300			10	2267

**SOLUTION**

**Supply of products at basic prices**

	Output of industries at basic prices			Total economy	Imports	Total supply at basic prices	Retail trade and transport margins	Taxes less subsidies on products	Total supply at purchasers' prices	
	Mining	Steel manufacture	Car manufacture							
Coal	240			240		240			240	
Iron ore	379			379		379		30	409	
Steel		318		318		318			318	
Cars			1020	1020	300	1320		-20	1300	
<b>Total industry output at basic prices</b>	619	318	1020	1957						
<b>Other column total</b>					300	2257			10	2267

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Use of products at purchasers' prices

	Intermediate consumption of industries			Total intermediate consumption	Total economy	Exports f.o.b.	Household final expenditure	Gross capital formation	Change in inventories	Total use of products at purchasers' prices
	Mining	Steel manufacture	Car manufacture							
Coal	10									
Iron ore		116							13	
Steel										
Cars										1300
Total uses at purchasers' prices				491						

Compensation of employees	400				1070					
GOS			145							
Other taxes less other subsidies on production	0	0	0							

Industry output at basic prices	619		1020							
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Gross value added at basic prices			715		1466					
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**SOLUTION: Use of products at purchasers' prices**

	Intermediate consumption of industries			Total intermediate consumption	Total economy	Exports f.o.b.	Household final expenditure	Gross capital formation	Change in inventories	Total use of products at purchasers' prices
	Mining	Steel manufacture	Car manufacture							
Coal	10	60	70	140		105	5		-10	240
Iron ore		116		116		280			13	409
Steel			235	235		80			3	318
Cars						400	720	170	10	1300
Total uses at purchasers' prices	10	176	305	491		865	725	170	16	2267

Compensation of employees	400	100	570		1070	
GOS	209	42	145		396	
Other taxes less other subsidies on production	0	0	0		0	

Industry output at basic prices	619	318	1020		1957	
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Gross value added at basic prices	609	142	715		1466	
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