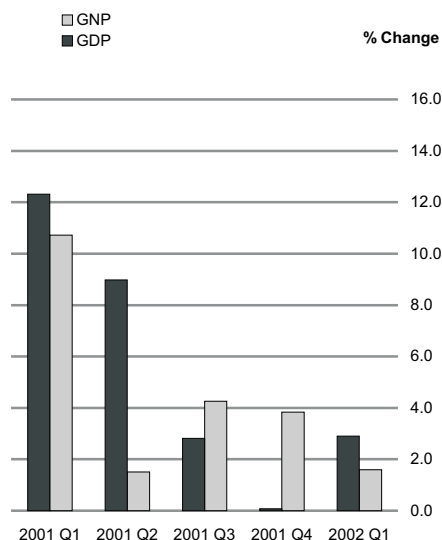


Quarterly National Accounts

1st Quarter 2002

Year on year growth rates



GDP and GNP at constant 1995 prices

	GDP €m	GNP €m
Quarter 1 2001	22,271	18,618
Quarter 1 2002	22,919	18,915
% change	2.9%	1.6%

GDP Growth of 2.9% in the first quarter of 2002

Gross Domestic Product (GDP) at constant 1995 market prices was 2.9 per cent higher in the first quarter of 2002 than in the first quarter of 2001. This compares with an annual growth rate of 5.9 per cent for the year 2001 as a whole. Gross National Product (GNP) in the first quarter was up 1.6% at constant prices compared with the first quarter of 2001. GNP on a quarterly basis is affected by the timing of factor income flows with the rest of the world.

Some of the main features of the results are:

- ◆ *Consumer spending* (personal consumption of goods and services) at constant 1995 market prices rose by 3.6 per cent compared with the same quarter of 2001
- ◆ *Capital investment*, measured at 1995 constant prices, declined by 5.1 per cent in the first quarter of 2002 compared with the same period of last year.
- ◆ *Exports and Imports* increased in volume by 8.3 per cent and 5.7 per cent respectively in the first quarter of 2002 compared with the same quarter of last year.
- ◆ The volume of output of *Industry* increased by 3.2 per cent compared with the same period of last year. Output of *Other Services* was up 5.6 per cent.

The calculation methods for these quarterly accounts are similar to those used in the annual National Income and Expenditure. As some of the available sources are of lesser reliability than those used for the annual national accounts, the quarterly estimates are subject to a greater margin of error than the annual figures. **These preliminary estimates will therefore be revised when the detailed annual results are published later.** The series at this stage are not seasonally adjusted; a longer series will be required before this is feasible.

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Table 1 Gross Domestic Product by Sector of Origin and Gross National Product at Constant (1995) Prices

€million

Period	Agric. forestry and fishing	Industry	Dist. transport and comms.	Public admin. and defence	Other ¹ services (including rent)	Statistical discrepancy	GDP at constant factor cost	Taxes less subsidies	GDP at constant market prices	Net factor income from rest of world	GNP at constant market prices
1998	4,076	25,899	10,279	2,424	18,226	154	61,057	7,294	68,350	-9,047	59,303
1999	3,896	29,749	11,464	2,472	19,580	394	67,554	8,212	75,767	-11,626	64,140
2000	3,928	33,838	13,377	2,496	20,939	461	75,038	9,414	84,452	-13,636	70,816
2001	3,989	36,574	14,046	2,572	22,657	-49	79,788	9,607	89,395	-15,061	74,334
1998											
Q1	1,209	6,249	2,352	582	4,411	-84	14,721	1,647	16,368	-1,989	14,378
Q2	1,370	6,470	2,494	608	4,443	62	15,447	1,775	17,222	-2,322	14,900
Q3	844	6,461	2,576	619	4,679	246	15,426	1,849	17,275	-2,566	14,709
Q4	653	6,718	2,856	615	4,692	-71	15,463	2,023	17,486	-2,171	15,316
1999											
Q1	1,090	7,162	2,677	594	4,606	25	16,154	1,835	17,990	-2,408	15,581
Q2	1,324	7,165	2,793	619	4,814	-76	16,638	1,944	18,582	-2,781	15,800
Q3	846	7,385	2,877	632	5,055	262	17,058	2,150	19,208	-3,434	15,774
Q4	636	8,036	3,117	627	5,106	182	17,704	2,283	19,987	-3,002	16,985
2000											
Q1	1,015	7,673	3,198	608	5,018	164	17,675	2,154	19,829	-3,014	16,815
Q2	1,315	8,541	3,320	620	5,091	-145	18,742	2,334	21,076	-2,778	18,298
Q3	897	8,208	3,302	635	5,336	408	18,786	2,362	21,148	-3,965	17,183
Q4	701	9,415	3,557	633	5,494	35	19,834	2,564	22,398	-3,879	18,519
2001											
Q1	1,015	9,608	3,468	616	5,471	-188	19,989	2,282	22,271	-3,653	18,618
Q2	1,369	9,572	3,442	642	5,524	-26	20,523	2,445	22,968	-4,394	18,573
Q3	844	8,338	3,424	658	5,767	387	19,418	2,325	21,743	-3,829	17,914
Q4	761	9,056	3,712	656	5,896	-222	19,859	2,555	22,414	-3,185	19,229
2002											
Q1	954	9,920	3,446	638	5,776	-57	20,677	2,241	22,919	-4,004	18,915
<i>Percentage change on corresponding period of previous year</i>											
1998	0.4	15.2	11.2	2.4	4.4		8.7	8.0	8.6		7.9
1999	-4.4	14.9	11.5	2.0	7.4		10.6	12.6	10.8		8.2
2000	0.8	13.7	16.7	0.9	6.9		11.1	14.6	11.5		10.4
2001	1.6	8.1	5.0	3.0	8.2		6.3	2.1	5.9		5.0
1998											
Q1	6.4	18.9	11.5	0.8	5.9		10.9	8.9	10.7		14.2
Q2	-4.0	14.9	11.4	2.8	2.0		7.8	10.0	8.0		8.4
Q3	-3.6	16.9	10.5	3.2	4.8		10.9	7.8	10.5		5.6
Q4	5.5	10.8	11.4	2.7	4.8		5.4	5.9	5.5		4.2
1999											
Q1	-9.9	14.6	13.8	2.1	4.4		9.7	11.4	9.9		8.4
Q2	-3.3	10.8	12.0	1.7	8.3		7.7	9.5	7.9		6.0
Q3	0.2	14.3	11.7	2.2	8.0		10.6	16.3	11.2		7.2
Q4	-2.5	19.6	9.1	2.0	8.8		14.5	12.8	14.3		10.9
2000											
Q1	-6.9	7.1	19.5	2.2	8.9		9.4	17.3	10.2		7.9
Q2	-0.7	19.2	18.9	0.2	5.8		12.6	20.1	13.4		15.8
Q3	6.0	11.1	14.8	0.4	5.6		10.1	9.9	10.1		8.9
Q4	10.2	17.2	14.1	0.9	7.6		12.0	12.3	12.1		9.0
2001											
Q1	0.0	25.2	8.4	1.3	9.0		13.1	6.0	12.3		10.7
Q2	4.1	12.1	3.7	3.6	8.5		9.5	4.8	9.0		1.5
Q3	-5.9	1.6	3.7	3.6	8.1		3.4	-1.6	2.8		4.3
Q4	8.5	-3.8	4.4	3.6	7.3		0.1	-0.4	0.1		3.8
2002											
Q1	-6.0	3.2	-0.6	3.6	5.6		3.4	-1.8	2.9		1.6

¹ Includes adjustment for financial services

Table 2 Expenditure on Gross National Product at Current Market Prices

€million

Period	Personal consumption of goods and services	Net exp. by central and local government on current goods and services	Gross domestic fixed capital formation	Value of physical changes in stocks	Exports of goods and services	Imports of goods and services	Statistical discrepancy	GDP at current market prices	Net factor income from the rest of the world	GNP at current market prices
1998	39,361	10,164	17,028	1,153	66,769	-57,999	635	77,110	-9,382	67,728
1999	44,062	11,309	20,951	-72	79,006	-66,617	390	89,029	-13,218	75,811
2000	50,686	12,573	24,449	287	98,165	-83,484	795	103,470	-16,349	87,121
2001	56,003	14,227	26,642	389	110,120	-92,915	886	115,352	-18,690	96,662
1998										
Q1	9,169	2,382	4,098	584	15,502	-13,880	148	18,004	-2,071	15,933
Q2	9,577	2,467	4,256	522	16,399	-14,131	158	19,249	-2,419	16,830
Q3	9,731	2,551	4,141	274	17,246	-14,221	164	19,886	-2,698	17,187
Q4	10,884	2,764	4,532	-226	17,622	-15,767	164	19,972	-2,195	17,777
1999										
Q1	10,154	2,657	4,987	382	17,464	-15,073	91	20,661	-2,680	17,981
Q2	10,488	2,742	5,136	18	19,162	-16,365	93	21,275	-2,960	18,316
Q3	11,113	2,839	5,677	-381	20,255	-16,515	101	23,090	-3,893	19,197
Q4	12,307	3,071	5,151	-90	22,125	-18,665	105	24,003	-3,685	20,318
2000										
Q1	11,745	2,886	5,991	55	21,303	-18,312	183	23,851	-3,534	20,317
Q2	12,304	3,047	6,182	239	23,704	-20,276	195	25,396	-3,298	22,098
Q3	12,542	3,153	6,359	-181	25,193	-20,776	203	26,493	-4,746	21,747
Q4	14,095	3,487	5,918	173	27,966	-24,121	213	27,730	-4,772	22,958
2001										
Q1	13,090	3,254	7,136	444	26,842	-23,370	212	27,609	-4,453	23,156
Q2	13,612	3,421	6,756	-340	27,364	-21,620	226	29,418	-5,476	23,942
Q3	13,752	3,597	6,525	59	27,371	-22,687	221	28,839	-4,776	24,063
Q4	15,549	3,955	6,226	225	28,543	-25,238	226	29,486	-3,985	25,501
2002										
Q1	14,197	3,654	7,208	64	30,363	-25,246	234	30,474	-5,297	25,177
<i>Percentage change on corresponding period of previous year</i>										
1998	11.1	10.2	25.8		24.8	28.9		15.1		14.8
1999	11.9	11.3	23.0		18.3	14.9		15.5		11.9
2000	15.0	11.2	16.7		24.3	25.3		16.2		14.9
2001	10.5	13.2	9.0		12.2	11.3		11.5		11.0
1998										
Q1	12.0	10.8	36.8		32.2	35.5		18.3		22.3
Q2	12.6	6.1	22.9		22.5	25.7		14.6		15.5
Q3	12.2	11.9	27.2		25.0	27.1		19.0		14.6
Q4	8.2	11.8	18.4		20.9	27.9		9.2		8.5
1999										
Q1	10.7	11.5	21.7		12.7	8.6		14.8		12.9
Q2	9.5	11.1	20.7		16.9	15.8		10.5		8.8
Q3	14.2	11.3	37.1		17.4	16.1		16.1		11.7
Q4	13.1	11.1	13.7		25.6	18.4		20.2		14.3
2000										
Q1	15.7	8.6	20.1		22.0	21.5		15.4		13.0
Q2	17.3	11.1	20.4		23.7	23.9		19.4		20.7
Q3	12.9	11.1	12.0		24.4	25.8		14.7		13.3
Q4	14.5	13.6	14.9		26.4	29.2		15.5		13.0
2001										
Q1	11.5	12.8	19.1		26.0	27.6		15.8		14.0
Q2	10.6	12.3	9.3		15.4	6.6		15.8		8.3
Q3	9.6	14.1	2.6		8.6	9.2		8.9		10.6
Q4	10.3	13.4	5.2		2.1	4.6		6.3		11.1
2002										
Q1	8.5	12.3	1.0		13.1	8.0		10.4		8.7

Table 3 Expenditure on Gross National Product at Constant (1995) Market Prices

Period	Personal consumption of goods and services	Net exp. by central and local government on current goods and services	Gross domestic fixed capital formation	Value of physical changes in stocks	Exports of goods and services	Imports of goods and services	Statistical discrepancy	GDP at constant market prices	Net factor income from the rest of the world	GNP at constant market prices
1998	36,060	9,018	14,383	1,149	64,387	-56,492	-154	68,350	-9,047	59,303
1999	39,023	9,603	16,392	-160	74,502	-63,200	-394	75,766	-11,626	64,139
2000	42,895	10,124	17,545	279	87,783	-73,714	-461	84,451	-13,636	70,815
2001	44,935	10,688	17,640	344	95,135	-79,396	49	89,395	-15,061	74,334
1998										
Q1	8,544	2,206	3,606	656	14,877	-13,605	84	16,368	-1,989	14,378
Q2	8,784	2,216	3,655	598	15,725	-13,694	-62	17,222	-2,322	14,900
Q3	8,884	2,217	3,429	208	16,381	-13,597	-246	17,275	-2,566	14,709
Q4	9,848	2,379	3,693	-312	17,404	-15,596	71	17,486	-2,171	15,316
1999										
Q1	9,170	2,305	4,047	417	16,561	-14,486	-25	17,990	-2,408	15,581
Q2	9,339	2,350	4,128	84	18,128	-15,523	76	18,582	-2,781	15,800
Q3	9,778	2,385	4,404	-459	18,969	-15,607	-262	19,208	-3,434	15,774
Q4	10,736	2,563	3,813	-203	20,844	-17,584	-182	19,987	-3,002	16,985
2000										
Q1	10,257	2,382	4,533	85	19,438	-16,702	-164	19,829	-3,013	16,815
Q2	10,488	2,463	4,554	330	21,103	-18,007	145	21,076	-2,778	18,298
Q3	10,477	2,516	4,511	-202	22,452	-18,199	-408	21,148	-3,965	17,183
Q4	11,673	2,763	3,947	66	24,790	-20,806	-35	22,398	-3,879	18,519
2001										
Q1	10,752	2,507	5,061	443	23,609	-20,289	188	22,271	-3,653	18,618
Q2	10,954	2,566	4,542	-213	23,543	-18,450	26	22,968	-4,394	18,573
Q3	10,948	2,694	4,181	-21	23,525	-19,197	-387	21,743	-3,829	17,914
Q4	12,281	2,921	3,857	134	24,458	-21,460	222	22,414	-3,185	19,229
2002										
Q1	11,135	2,640	4,801	155	25,569	-21,438	57	22,919	-4,004	18,915
<i>Percentage change on corresponding period of previous year</i>										
1998	7.3	5.5	16.5		21.4	25.8		8.6		7.9
1999	8.2	6.5	14.0		15.7	11.9		10.8		8.2
2000	9.9	5.4	7.0		17.8	16.6		11.5		10.4
2001	4.8	5.6	0.5		8.4	7.7		5.9		5.0
1998										
Q1	8.4	7.0	26.9		26.0	31.6		10.7		14.2
Q2	8.6	1.6	13.8		18.7	21.7		8.0		8.4
Q3	8.5	5.2	17.2		20.3	22.5		10.5		5.6
Q4	4.4	8.3	9.9		21.3	27.5		5.5		4.2
1999										
Q1	7.3	4.5	12.2		11.3	6.5		9.9		8.4
Q2	6.3	6.0	12.9		15.3	13.4		7.9		6.0
Q3	10.1	7.6	28.4		15.8	14.8		11.2		7.2
Q4	9.0	7.7	3.2		19.8	12.7		14.3		10.9
2000										
Q1	11.8	3.3	12.0		17.4	15.3		10.2		7.9
Q2	12.3	4.8	10.3		16.4	16.0		13.4		15.8
Q3	7.1	5.5	2.4		18.4	16.6		10.1		8.9
Q4	8.7	7.8	3.5		18.9	18.3		12.1		9.0
2001										
Q1	4.8	5.3	11.6		21.5	21.5		12.3		10.7
Q2	4.4	4.2	-0.3		11.6	2.5		9.0		1.5
Q3	4.5	7.1	-7.3		4.8	5.5		2.8		4.3
Q4	5.2	5.7	-2.3		-1.3	3.1		0.1		3.8
2002										
Q1	3.6	5.3	-5.1		8.3	5.7		2.9		1.6

Background Notes

Introduction This release gives the official quarterly national accounts estimates for Ireland. It includes results for the first quarter of 2002. These are compiled in accordance with the ESA95 system of accounts, as used in all member states of the European Union. The aggregates shown have been derived from a wide variety of sources. As some of the available sources are of lesser reliability than those used for the annual national accounts, the quarterly estimates given in this release have a higher margin of error than the annual figures. Detailed results for the year 2001 and earlier years will be published in the autumn and will contain revisions for these years.

The series at this stage are not seasonally adjusted; a longer series will be required before this is feasible.

Revisions Minor revisions have been made to the previously published figures for the quarters of 2001.

Current Price For the annual accounts, GDP at current prices is calculated using two independent approaches i.e. the *income* and *expenditure* methods. On a quarterly basis, it is not possible to compile a reliable income based estimate. The estimates in current prices are on the expenditure basis only and these are supplied in Table 2. The balancing item (i.e. the statistical discrepancy) which is required to adjust the expenditure based estimate to the definitive measure of GDP (the average of income and expenditure) has been projected forward into 2002 in line with the trend in the aggregate of all the other expenditure items.

Volumes Estimates valued at constant 1995 prices have been derived using the *output* and *expenditure* methods (Tables 1 and 3 respectively). The measure of GDP used is the average of the two methods. The output measure is, for the most part, obtained by using various output indicators to project forward the base year value added. On the expenditure side, the current price estimates are deflated using appropriate price indices. The balancing item (i.e. the statistical discrepancy) displayed in Tables 1 and 3 is half of the difference between the two original estimates.

Definitions **Gross Domestic Product (GDP)** represents the total value added (output) in the production of goods and services in the country.

Net factor income from the rest of the world (NFI) is the difference between investment income (interest, profits etc.) and labour income earned abroad by Irish resident persons and companies (inflows) and similar incomes earned in Ireland by non-residents (outflows). The data are taken from the Balance of Payments statistics. The deflator used to generate the constant price figures is based on the implied quarterly price index for the exports of goods and services.

Gross National Product (GNP) is the sum of GDP and NFI. Because NFI is the difference between two large gross flows, its magnitude can fluctuate greatly from one quarter to another. This can lead to significant differences between the GDP and GNP growth rate for the same quarter.

Methodology **Table 1: Output Measure**

The estimation procedures are similar to those used for the annual accounts whenever possible. However, in a number of cases the annual methodology cannot be followed due to the lack of relevant data.

Agriculture, Forestry and Fishing

The estimate for Agriculture is calculated by using the available sub-annual information for exports and slaughterings of animals, milk deliveries, stock changes (six-monthly), fertiliser and feeding stuffs usage etc. For some items, annual figures are distributed equally across the quarters. Monthly sea fish landings are used to estimate the quarterly output of fishing.

Industry

The gross value added of manufacturing industry is calculated by applying monthly volume of production indices to the base year's quarterly gross value added, including royalties. Royalties are separately deflated using the export price index and then deducted.

Changes in the volume of investment in construction projects are used to estimate the output of the building and construction sector.

Distribution, Transport and Communications

For distribution the methods used are similar to those used for the annual calculation. They rely heavily on the retail sales indices and other CSO services inquiries. In the case of transport, most of the output measures used for the annual calculations are available on a quarterly basis.

For communications the main data source is a direct inquiry to the suppliers, with additional data and trend estimation for some residual components.

Public Administration and Defence

The quarterly estimate of value added for public administration and defence has been calculated based on the employment trends in the public sector.

Other Services (Incl. Rent)

The Other Services category covers a variety of service activities, some of which are surveyed on a quarterly basis by the CSO. For some services, information on outputs is not directly available on a quarterly basis. In most of these cases, quarterly estimates are derived using trends in related indicators. In a small number of residual cases, annual estimates are distributed equally across the quarters.

Taxes and Subsidies

Taxes and subsidies are deflated at a detailed level using appropriate price indices.

Net factor income from the rest of the world

The value of net income flows with the rest of the world in the Quarterly National Accounts release is generally consistent with the published Balance of Payments statistics. However, the values for the second quarter of 2001, contain some updates not yet published in the Balance of Payments statements. These updates will be incorporated in the published Balance of Payments statistics when more final annual estimates for the year 2001 are being released later this year.

Tables 2 and 3: Expenditure Measures

The various components of the expenditure based measure of GDP are defined in *National Income and Expenditure 2000*. The methods used for the quarterly series are similar to those used for the annual where possible but in many cases alternative methods have been applied.

Personal Consumption Expenditure is estimated using CSO data, such as the Retail Sales Indices together with some direct inquiries. Administrative data sources are used for some goods such as fuel and power products and motor vehicles. Constant price estimates are obtained using components of the Consumer Price Index (CPI).

Net Expenditure by Central and Local Government at current market prices is estimated using Government records. The constant price estimates of remuneration are derived by extrapolating base year estimates using an index of employment or using appropriate deflators for wages. Expenditure on goods and services is deflated partly by consumer price indices and partly by wholesale price indices.

Gross Domestic Fixed Capital Formation at current market prices includes expenditure on building and construction work and machinery and equipment. The quarterly estimates of dwellings are based on data from the Department of Environment's (DoE) Quarterly Housing Bulletin. Information on other building and construction is obtained from the Department's Review and Outlook together with data from the Public Capital Programme. Quarterly estimates of commercial vehicles used in the business sector are estimated using administrative data. Estimates of other machinery and equipment are made by reference to import statistics and the CSO Quarterly Capital Assets in Industry Inquiry. Current estimates are deflated to the 1995 base year using appropriate price indices such as components of the Wholesale Price Index (WPI) and indices for construction activity.

Value of Physical Changes in Stocks at current prices covers stock changes in the agricultural, industrial and distribution sectors and in intervention stocks. This item measures the actual value change in stocks between the beginning and end of quarter *adjusted for any changes in the prices of the underlying commodities*. Data on industrial and distribution stocks are taken from published and unpublished components of the CSO Quarterly Stocks Inquiry. Agricultural stocks are estimated from the results of CSO's agricultural enumerations and statistics on animal slaughterings, etc. Constant price estimates are calculated by deflating the current estimates using relevant price indices and price data on agricultural and intervention stocks. Some adjustments have been made to the stocks values to improve the coherence of the quarterly accounts. These are judgmental adjustments to allow for within-year timing differences between the output and expenditure measures; over a calendar year, these adjustments are neutral.

Exports and Imports of Goods and Services at current prices are taken from the CSO Balance of Payments series. Current price estimates are converted to constant 1995 prices using the available price indices, including export and import unit value indices.